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PROCEEDINGS AND DEBATES OF THE 105th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Friday, October 31, 1997*

The House met at 9 a.m. and was called to order by the Speaker pro tempore [Mr. SHIMKUS].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
October 31, 1997.

I hereby designate the Honorable JOHN SHIMKUS to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Reverend James David Ford, D.D., offered the following prayer:

Your spirit, O God, that is new every morning and with us until our last day, comes to us as a gentle wind blowing away all our faults and shortcomings and giving us a new beginning and new hope. In spite of all the sadness and disappointments that enter our lives, Your grace is sufficient for our needs and Your love is a balm unto our souls. May Your blessing, gracious God, that refreshes and makes us whole, be with us now and evermore, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore (Mr. SHIMKUS). The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Ohio [Mr. BROWN] come forward and lead the House in the Pledge of Allegiance.

Mr. BROWN of Ohio led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 167. Concurrent resolution to correct a technical error in the enrollment of H.R. 2160.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2160) "An Act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1998, and for other purposes."

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 672. An act to make technical amendments to certain provisions of title 17, United States Code.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1024. An act to make chapter 12 of title 11 of the United States Code permanent, and for other purposes; and

S. 1149. An act to amend title 11, United States Code, to provide for increased education funding, and for other purposes.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will now entertain five 1-minutes from each side.

OPPOSE PRESIDENT'S PLAN ON NATIONAL TESTING

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, today is Halloween, so let me begin with the first liberal horror story of the day. Our education liberals have come up with another expensive solution for our failing public school system. That is right. They want to use more of your taxpayer dollars to design and implement a national testing plan.

While all parents, including all of us, want to monitor the progress of our children in school, we do not want Washington bureaucrats creating more redtape through a national testing plan. Let us tackle our national education problems by sending the resources and dollars where they will do some good, to the local school districts, down into classrooms, where teachers and parents can apply those resources to teaching children, not lining the pockets of Washington bureaucrats. It is easy as all that.

I urge my colleagues to oppose the President's plan on national testing. This body should concentrate on increasing parental choice and involvement, not national testing.

FEDERAL INVESTIGATION INTO UNION PACIFIC

(Mr. SKELTON asked and was given permission to address the House for 1 minute.)

Mr. SKELTON. Mr. Speaker, the lead story on the radio last evening was the fact that there will be a Federal investigation into the Union Pacific because of its merger and the fact that the employees of Union Pacific are under such stress and fatigue because of the downsizing.

Let me point out that, as a result of testimony and actually visiting with young people in uniform of all services, there are stretches and strains and fatigue. The veterans of America understand this. The military retirees of America understand this. The parents of the young people understand this.

So let us not forget those young people today who are in uniform defending

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

America's interest regardless of whether they be here in the continental United States or ashore somewhere else, the stresses and strains under which they exist. Let us give them a word of encouragement, a word of thanks. Because they are a national treasure.

WHAT A-PLUS ACCOUNTS ARE REALLY ABOUT

(Mr. GUTKNECHT asked and was given permission to address the House for 1 minute.)

Mr. GUTKNECHT. Mr. Speaker, it is against the House rules to question the motives of other Members. But in the last several days, we heard our Democratic colleagues saying that the reason we want to pass A-Plus accounts is to harm public education. Does anybody really believe that?

Eighty-eight percent of America's schoolchildren attend public schools. I went to public schools my entire life. Two of my children graduated from public schools. I believe in public schools. What A-Plus accounts are really about is giving the same kinds of choices to poor families, like those here in Washington DC, that wealthier families have all across America. What is wrong with giving American families, American schoolchildren choices? That is what this is all about. It is about who decides.

Some of our Democratic friends wanted to have bigger bureaucracies here in Washington. They want more of the decisions made in Washington. But look at the Washington schools themselves. We are spending over $10,000 per student per year on the schools here in Washington, and they are arguably among the worst schools in the country.

What we want to do is allow those parents, whether in Washington, DC, or Baltimore or Minneapolis, to have the same kinds of choices that the wealthy people have.

AMERICANS DO NOT TRUST FEDERAL GOVERNMENT

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, poll after poll suggests a growing problem in America. Many Americans do not trust the Federal Government. Pollsters keep trying to figure it out. I believe it is not all that complicated.

In my opinion, the American people in growing numbers do not trust the Federal Government because many Americans believe that the Federal Government does not always tell the truth. The pollsters can constipate all they want over this issue. This is no brain surgery. It is very simple. No truth, no trust. Trust and truth are inseparable.

I yield back Waco, Ruby Ridge, Pan Am 103, and Camelot.

"PORKER OF THE WEEK" AWARD

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Mr. Speaker, those redesigned $50 bills are hot off the Bureau of Printing and Engraving presses. But what are we going to do with the more than $217 million in printing errors? That is right, many bills were rejected by the Federal Reserve because the fine concentric lines surrounding the portrait of Ulysses S. Grant were broken. This may seem like a minor flaw to some, but it is a major problem because the Treasury spent $15 million on an international education campaign touting the lines as a special feature added to thwart counterfeiters.

Most likely the only option for the Treasury Department is to destroy the flawed notes and start over. This will cost the taxpayers at least $16.3 million, $8.7 million for the misprinted bills, $360,000 to destroy them, and $7.2 million to reprint them.

If that is not bad enough, the Bureau of Printing and Engraving most recently purchased $50 million in printing equipment that it did not install in its Washington facility because they would have to have major renovation at that facility.

The Bureau of Printing and Engraving gets my "Porker of the Week" award.

STILL NO DEBATE ON CAMPAIGN FINANCE SYSTEM

(Mr. LUTHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUTHER. Mr. Speaker, here we are today, with only a week or two left before the scheduled planned adjournment of the House, and still no debate has occurred on cleaning up our campaign finance system in this country.

One of the big arguments used around here to have business as usual and to do nothing is that people do not care, it is not being demanded by the American people. Well, let us get it straight. The American people hired us to come to Washington to figure out what is wrong with the system and to fix it. Nearly everyone knows that the campaign finance system is broken and needs to be repaired, that it needs to be cleaned up.

So let us do our job. Let us do the job we were hired to do by the American people. Let us debate this issue. Let us pass a tough, comprehensive campaign finance reform bill. Mr. Speaker, we must not adjourn this Congress until we have done our job.

PARENTS NEED MORE CHOICE IN PUBLIC SCHOOLS

(Mr. ROGAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROGAN. Mr. Speaker, the next time those opponents of parental choice in education on the other side argue that the Federal Government should be running our public schools instead of giving parents more local control, I hope that they will consider these recently released facts.

Last year, new rigorous exams were given to 130,000 elementary school children. The performance results were dismal. Only 39 percent of 8th graders and 33 percent of 4th graders had any kind of basic understanding in reading and writing. New reports also show that 75 percent of American college students are struggling with high school-level math. One textbook expert said, "There is no question that every time we adopt a textbook, the reading level of the book is lower than the last."

Yesterday, the Washington Times did an editorial that hit the nail directly on the head. They said that, "Phonics is out, whole language is in, spelling primers and spelling bees are passe, invented spelling is the vogue. Self-esteem reigns supreme. The education establishment, the bureaucrats, and the unions still reject rigorous teaching of a rigorous curriculum in favor of the feel-good fuzziness that got us into this mess in the first place."

Mr. Speaker, we will never correct this deficiency until parents, and not Washington bureaucrats, have the say in the education of our precious children.

SENATOR BOB DOLE SHOULD EXPLAIN HIS INVOLVEMENT WITH CHILE

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute.)

Mr. BROWN of Ohio. Mr. Speaker, Legal Times this week reports how Bob Dole has gone to great lengths to avoid having to register as a lobbyist or file as a foreign agent. The fact is Senator Dole is clearly working on behalf of Chilean interests against United States salmon farmers in a trade dispute. He has visited salmon farmers in Chile, met with the President in Chile, and met with the Foreign Minister of Chile. At the same time, he is taking sides in the fast-track debate, writing op-ed pieces for the New York Times and speaking outside on the issue.

Legal Times illustrates how former Senator Dole is taking great care not to cross the line into lobbying or working as a foreign agent. One possible reason is that if Mr. Dole were to cross that line, he would not be able to make his loan to bail out the gentleman from Georgia [Mr. GINGRICH]. If Dole were a lobbyist or a foreign agent, the loan to the gentleman from Georgia [Mr. GINGRICH] would be a violation of the gift ban.

Mr. Speaker, Senator Dole should explain his involvement with Chile to the American people.

EDUCATION IS MATTER OF RIGHT VERSUS WRONG

(Ms. GRANGER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. GRANGER. Mr. Speaker, Benjamin Disraeli once said, "The fate of our Nation depends on the education of our children." I rise this morning because I believe we can do a much better job of planning for our Nation's future through education.

That is why I am so pleased that today Congress is considering important education proposals like the Charters School Amendments Act and the Help Scholarships Act. These proposals are part of a positive, profamily education agenda. All are aimed at improving schools. All are aimed at educating children.

As we begin this century, let us begin a renewed commitment. Let us commit ourselves to having schools that are safe and curriculum that is sound. Let us commit ourselves to having teachers who know the subject they are teaching and the name of the child they are teaching it to. And let us commit ourselves to having our children learn to read so they can read to learn for a lifetime.

Mr. Speaker, too often in Washington we talk about issues in terms of politics. But this issue is different. Education is not a matter of right versus left; it is a matter of right versus wrong. And it is always the right time to do the right thing. Let us support these initiatives. Let us support our schools. And let us support our children.

DORNAN-SANCHEZ ELECTION

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, the Republican leadership has spent 10 months and more than $500,000 investigating the election of our colleague, the gentlewoman from California [Ms. SANCHEZ]. This money could have been better spent providing immunizations for 3,000 children or providing prenatal care for 450 pregnant women.

What is most disturbing about this investigation is that the Republican leadership seems to be focusing on this race because it is a seat held by a Democratic Hispanic woman and Hispanic voters might have made the difference in this election. Other closer elections last year for Congress did not result, did not result, in similar investigations. This, unfortunately, is only the latest example of the Republican Party's attempts to suppress Hispanic voting and to intimidate Hispanic voters.

The latest move to turn this investigation back to the Republican Secretary of State in California is clearly another attempt to prolong this partisan witch hunt.

The gentlewoman from California [Ms. SANCHEZ] won this election fair and square. The people of the 46th deserve to have her undivided attention. Let us bring an end to this investigation.

☐ 0915

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. FURSE. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgments concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, as a member of Congress whose election in 1994 was won by far smaller a majority than that which Ms. Sanchez won the 46th District race in 1996; and

Whereas, as an immigrant myself who proudly became a U.S. citizen in 1972, I believe that this Republican campaign of intimidation sends a message to new citizens that their voting privilege may be subverted. We should encourage new voters not chill their enthusiasm; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, that unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore [Mr. SHIMKUS]. Under rule IX, a resolution offered from the floor by a Member other than the majority leader or the minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within 2 legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from Oregon [Ms. FURSE] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mrs. MINK of Hawaii. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of usually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now persuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgments concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, due process requires that this intimidation and inquisition of the voters of California's 46th Congressional District end, because to prolong it is to flaunt the basic principles of justice;

Whereas, hundreds of thousands of taxpayers dollars have been spent on this fruitless search; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, that unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from Hawaii [Mrs. MINK] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mrs. MALONEY of New York. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now perusing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgments concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, after 10 months and the expenditure of $500,000, the House investigation has turned up no evidence of fraud and has wasted taxpayer money; and

Whereas the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, that unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from New York [Mrs. MALONEY] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. SLAUGHTER. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgements concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, the House Oversight Committee passed a resolution demanding that the U.S. Attorney file criminal charges against private citizens, despite the fact that Congress has no authority to enforce legislation;

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from New York [Ms. SLAUGHTER] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

□ 0930

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. DELAURO. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana Zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgements concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, the continued Sanchez probe unfairly targets Hispanic-Americans and discourages their full participation in the democratic process.

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from Connecticut [Ms. DELAURO] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. VELÁZQUEZ. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan has been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residence for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgements concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas these allegations represent a direct attack on the latino community and an attempt to silence the voice of latino voters,

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from New York (Ms. VELÁZQUEZ) will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. JACKSON-LEE of Texas. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marine barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgements concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, Mr. Dornan's unproven allegations and the action's of Republicans have created an enormously chilling effect on the voting rights of Hispanic-Americans and other minority Americans: therefore targeting them unfairly; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and: Now therefore be it

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from Texas [Ms. JACKSON-LEE] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. DANNER. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committee's possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make the judgements concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, on September 24, 1997, the House Oversight Committee passed a resolution demanding that criminal charges be brought against private citizens even though Congress lacks criminal enforcement powers and cannot compel compliance with subpoenas; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from Missouri [Ms. DANNER] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

□ 0945

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. CARSON. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

Mr. Speaker, I ask unanimous consent that the form of the resolution appear in the RECORD at this point.

The SPEAKER pro tempore (Mr. SHIMKUS). Is there objection to the request of the gentlewoman from Indiana?

There was no objection.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from Indiana will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. LOFGREN. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas allegations made by the losing candidate, Mr. Dornan, of voter fraud in fact were revealed to be legitimate voters living at a Marine barracks, sisters living at their nunnery as well as the zookeeper at the Santa Ana zoo

Whereas for the first time in any election in the history of the United States the INS has been asked to verify the citizenship of voters, a task that the INS is unable to accomplish with accuracy, precision or certainty with the immigration records available to them.

Whereas the Committee on House Oversight has had nearly a year to present credible evidence of fraud sufficient to change the outcome of the election to the House of Representatives

Whereas the Committee on House Oversight is pursuing a seemingly never ending and apparently unsubstantiated review of this matter reminding observers of the famous Dickens novel "Bleak House"

And Whereas the House has a right to expect this matter to be resolved professionally as well as promptly and certainly before half of Congresswoman Sanchez' term of office has passed

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly notices.

Pending that designation, the form of the resolution noticed by the gentlewoman from California will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. WOOLSEY. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California, and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committee's possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgements concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, the Oversight Committee has not challenged the results of any other Members' elections, even though many other Members won their election by slimmer margins; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from California will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committee's possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgments concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas I watched Loretta Sanchez become a marvelous, energetic Representative of the 46th District of California during the five months she shared my apartment with me; and

Whereas continuing this never ending attack on her election is wrong for this woman who wants to serve her constituents to the best of her ability; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, that unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from Texas will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mrs. KENNELLY of Connecticut. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

Whereas Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman SANCHEZ's election to Congress; and whereas I watched LORETTA SANCHEZ become a marvelous, energetic Representative of the 46th District of California during the 5 months she shared my apartment with me; and whereas continuing this never-ending attempt on her election is wrong, for this woman who wants to serve her constituents to the best of her ability, and whereas the Committee on House Oversight should complete its review of this matter and bring this contest to an end.

Mr. Speaker, I ask unanimous consent that the form of the resolution appear in the RECORD at this point.

The SPEAKER pro tempore. Without objection, the resolution will be included for the RECORD.

There was no objection.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, DC on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, DC; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit; charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgements concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas I watched Loretta Sanchez become a marvelous, energetic Representative of the 46th District of California during the five months she shared my apartment with me; and

Whereas continuing this never ending attack on her election is wrong for this woman who wants to serve her constituents to the best of her ability; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and: Now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from Connecticut will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. KILPATRICK. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, DC on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, DC; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas The Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgments concerning those votes; and

Whereas the Committee on House Oversight has after nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, as taxpayers of our nation face cuts in Medicare, Medicaid, Legal Services, Section 8 Housing assistance, and other areas of the social safety net have been frayed because of these reductions, close to half a million dollars of the people's money have been spent in an investigation that has resulted in absolutely no proof of fraud, and that the Honorable Loretta Sanchez has been duly seated by the State of California to represent the 46th Congressional District: Now therefore be it

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from Michigan will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mrs. THURMAN. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

Whereas the people of the 46th District of California deserve an end to this uncertainty, and the people of the United States should not have to expend additional funds for an endless investigation.

Mr. Speaker, I ask unanimous consent that the form of the resolution appear in the RECORD at this point.

The SPEAKER pro tempore. Without objection, the remainder of the resolution will be placed in the RECORD.

There was no objection.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United states that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months, and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is not pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgments concerning those votes; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgments concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from Florida will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. STABENOW. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, the Committee on House Oversight passed a resolution demanding the U.S. attorney to bring criminal charges against a private organization, despite the fact that it is beyond the power of Congress to compel compliance with subpoenas; and whereas the Committee on House Oversight should complete its review of this matter and bring this contest to an end; now therefore be it resolved that unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

Ms. STABENOW. Mr. Speaker, I ask unanimous consent that the form of the resolution appear in the RECORD at this point.

The SPEAKER pro tempore. Without objection, the remainder of the resolution will be placed in the RECORD.

There was no objection.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizens of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now persuing a duplicate and dilatory review of materials already in the Committee possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgements concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and it pursuing never ending and unsubstantiated of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, the Committee on House Oversight passed a resolution demanding the U.S. Attorney to bring criminal charges against a private organization, despite the fact that it is beyond the power of Congress to compel compliance with subpoenas; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from Michigan will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. HOOLEY of Oregon. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

Whereas the House Oversight Committee has not specified sufficient votes to bring into question the certified 984-vote margin by which LORETTA SANCHEZ won her election, and Mr. Speaker, I ask unanimous consent that the form of the resolution appear in the RECORD at this point.

The SPEAKER pro tempore. Without objection, the remainder of the resolution will be placed in the RECORD.

There was no objection.

The form of the resolution is as follows:

Whereas Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charged of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make the judgements concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, the House Oversight Committee has not specified sufficient votes to bring into question the certified 984-vote margin by which Loretta Sanchez won her election; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from Oregon [Ms. HOOLEY] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

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ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mrs. MEEK of Florida. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, in violation of constitutionally defined separation of powers, principles, the Committee on House Oversight passed a resolution demanding the Department of Justice to bring criminal charges against an organization of private citizens.

Mr. Speaker, I ask unanimous consent that the remainder of the resolution be considered as read.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Florida.

There was no objection.

The remainder of the resolution is as follows:

Whereas Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charged of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the record seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make the judgements concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, in violation of Constitutionally-defined separation of powers principles, the Committee on House Oversight passed a resolution demanding the Department of Justice to bring criminal charges against an organization of private citizens; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from Florida (Mrs. MEEK) will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. ROYBAL-ALLARD. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas the Committee on House Oversight passed a resolution, House Resolution 244, purporting to demand that criminal charges be brought against an organization of private citizens, despite the fact that Congress has no power to compel compliance with subpoenas; and whereas the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it.

Resolved that unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

Mr. Speaker, I ask unanimous consent that the form of the resolution appear in the RECORD at this point.

The SPEAKER pro tempore. Without objection, the resolution will appear in the RECORD.

There was no objection.

The text of the resolution is as follows:

Whereas Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make the judgements concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, the House Oversight Committee passed a resolution H.Res 244, purporting to demand that criminal charges be brought against an organization of private citizens, despite the fact that Congress has no power to compel compliance with subpoenas; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from California [Ms. ROYBAL-ALLARD] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

PROVIDING FOR CONSIDERATION OF H.R. 2746, HELPING EMPOWER LOW-INCOME PARENTS (HELP) SCHOLARSHIPS AMENDMENTS OF 1997 AND H.R. 2616, CHARTER SCHOOLS AMENDMENTS OF 1997

Mrs. MYRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 288 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 288

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 2746) to amend title VI of the Elementary and Secondary Education Act of 1965 to give parents with low-incomes the opportunity to choose the appropriate school for their children. The bill shall be considered as read for amendment. The bill shall be debatable for two hours equally divided and controlled by the chairman and ranking minority member of the Committee on Education and the Workforce. The previous question shall be considered as ordered on the bill to final passage without intervening motion except one motion to recommit.

SEC. 2. After disposition of the bill (H.R. 2746), the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2616) to amend titles VI and X of the Elementary and Secondary Education Act of 1965 to improve and expand charter schools. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Education and the Workforce. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Education and the Workforce now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. Before consideration of any other amendment it shall be in order to consider the amendment printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative Goodling of Pennsylvania or his designee. That amendment shall be considered as read, shall be debatable for ten minutes equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. If that amendment is adopted, the committee amendment in the nature of a substitute, as amended, shall be considered as the original bill for the purpose of further amendment. During consideration of the bill for further amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. The Chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be fifteen minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 3. (a) In the engrossment of H.R. 2616, the Clerk shall—

(1) add the text of H.R. 2746, as passed by the House, as new matter at the end of H.R. 2616;

(2) conform the title of H.R. 2616 to reflect the addition of the text of H.R. 2746 to the engrossment;

(3) assign appropriate designations to provisions within the engrossment; and

(4) conform provisions for short titles within the engrossment.

(b) Upon the addition of the text of H.R. 2746 to the engrossment of H.R. 2616, H.R. 2746 shall be laid on the table.

SEC. 4. House Resolution 280 is laid on the table.

The SPEAKER pro tempore (Mrs. EMERSON). The gentlewoman from North Carolina [Mrs. MYRICK] is recognized for 1 hour.

Mrs. MYRICK. Madam Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentleman from Ohio [Mr. HALL], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, Wednesday, the Committee on Rules met and reported House Resolution 288, which will provide a rule for consideration of two bills before us today. The first is a closed rule for the consideration of H.R. 2746, the HELP Scholarships Amendments Act of 1997.

That rule provides for 2 hours of debate on the bill, equally divided and controlled by the chairman and ranking minority member of the Committee on Education and the Workforce. The rule provides one motion to recommit.

The second bill in the resolution, H.R. 1616, the Charter Schools Amendments of 1997, will be considered under an open rule. The rule provides for 1 hour of general debate equally divided and controlled by the chairman and ranking minority member of the Committee on Education and the Workforce. It further makes in order a Committee on Education and the Workforce amendment in the nature of a substitute as an original bill for the purpose of amendment which shall be considered as read.

A manager's amendment printed in the report of the Committee on Rules, if offered by the gentleman from Pennsylvania [Mr. GOODLING], the chairman, or his designee, is made in order by the rule. That amendment is considered as read, is not subject to amendment or to a division of the question, is debatable for 10 minutes, equally divided between a proponent and an opponent, and if adopted is considered as part of the base text for further amendment purposes.

The Chair may give priority recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD. Votes may be postponed during consideration of the bill and reduced to 5 minutes if the postponed vote follows a 15-minute vote. One motion to recommit with or without instructions is provided.

House Resolution 288 further provides in the engrossment of H.R. 2616, the Clerk shall add the text of H.R. 2746 as passed by the House, as a new matter at the end of H.R. 2616, and make conforming and designation changes within the engrossment.

Following engrossment, H.R. 2746 shall be laid on the table. That is, should the HELP Scholarships bill pass today, it will be combined with the Charter Schools bill, provided that it passes, when it is sent to the other body.

The final section of House Resolution 288 provides that House Resolution 280 is laid on the table. House Resolution 280 is a resolution providing for the consideration of the Nuclear Waste Policy Act which was never used. This small provision in House Resolution 288 is a technical committee cleanup procedure and has no bearing on the consideration of H.R. 2746 or H.R. 2616.

Mr. Speaker, I want to be clear about what will happen if this resolution is passed. It will allow for separate consideration of the HELP Scholarships bill and the Charter Schools bill. Each bill would be debated under separate rules. If they both pass, they will be put together in a package and sent to the other body for consideration.

Members will have an opportunity to vote individually on each bill. This resolution merely allows us to take them both up today.

Mr. Speaker, this resolution is not a vote on vouchers as some may lead Members to believe. It is a vote to determine if this body wants to bring these two important bills to the floor for a debate. I hope my colleagues support this resolution so that we can have an important debate about education in America.

During consideration of House Resolution 288 in the Committee on Rules, there was some discussion about the way the HELP Scholarships bill is being brought to the floor. I would like to take this opportunity to explain the reason for this process, and I plan to yield time to the gentleman from California [Mr. RIGGS], the chairman of the Subcommittee on Early Childhood, Youth and Families, which has jurisdiction over this matter, so that he may offer further clarification about the process which brought the HELP Scholarships to the floor.

When the Charter Schools bill was being crafted, the original intent was to add HELP Scholarships to the bill as an amendment. However, the Charter Schools bill evolved as a very bipartisan one, particularly due to the hard work of the gentleman from Indiana [Mr. ROEMER]. Thus, in the spirit of bipartisanship, the decision was made to not offer the HELP Scholarships language as an amendment.

Today we are again going to debate the future of education in America. I believe that it is the duty of all Americans to ensure our children are well educated and prepared for the future. I also believe that low-income families should have the same opportunity to send their children to safe, effective schools as rich families. This is about children.

The crisis in American education today especially affects children in elementary and secondary education. The education system is failing them and leaving too many children unprepared for the future.

Mr. Speaker, I ask my colleagues to consider the following: 40 percent of all 10-year-olds cannot meet basic literacy standards; eighth graders recently placed 28th in the world in math and science skills; over 60 percent of 17-year-olds cannot read as well as they should; and 2,000 acts of violence take place in schools every day. Children in Los Angeles are taught a drill to protect themselves at the sound of gunfire, and almost one-third of freshmen entering college require some sort of remedial instruction.

We have a moral obligation to fix these problems and without bold new ideas and innovative solutions we never will.

The first bill, H.R. 2746, the Helping Empower Low-Income Parents Scholarships Amendment Act of 1997, is a very controversial issue, but one I wholeheartedly support. The bill empowers low-income parents living in poverty-stricken areas to send their children to the best schools that they see fit. Specifically, it permits State educational agencies and local educational agencies to use their title VI education block grant funds for public and private school choice at the State and local levels, and this is purely voluntary. In order to access these funds, the State legislature must enact school choice legislation. The bill further stipulates that the school choice program would be in low-income communities and be limited to low-income families.

Last week, we passed a bill that allows families to use money from an education savings account for school-related expenses. Many people opposed to the bill said that their opposition was based on the fact that it would not benefit the poor. Well, I did not agree with them on that issue; they now have an opportunity to vote on a bill that is designed specifically for the poor. I hope that they will join me in support of this bill and will empower the very people they claimed to defend last week.

Mr. Speaker, others have raised questions about the constitutionality of HELP Scholarships. As long as the decision about where the funds are spent is in the hands of individual students or parents, and as long as the program does not discriminate, a choice plan is likely to survive a constitutional challenge.

The Federal Government already provides grants to students at private and religious colleges. Pell grants are awarded to college students based on financial needs and Pell grants are accepted at numerous private and religious schools. I have heard many of my colleagues fight hard for Pell grants, and I hope that those same people will come to the floor today and support a similar idea that will allow students based on financial need the same opportunity for elementary and secondary education.

In addition to Pell grants, the Federal Government allows the GI bill to cover tuition at seminaries. That is Federal money going to religious education, not just to a religious school. I do not hear any of my colleagues clamoring to take this ability away from recipients of the GI bill.

I ask my colleagues, is that not Federal money? Is that not money going to private and religious schools? What is the difference?

The best part about programs like HELP Scholarships is that they work. Elementary school students in Milwaukee who participated in the Nation's first school voucher program scored higher in reading and math than those who stayed in public schools.

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The school choice option we are offering today is steadily gaining support across the Nation. A survey conducted by USA Today, CNN, and Gallup poll found that 54 percent of Americans favored vouchers. A majority of the grassroots organizations supporting education vouchers and school choice programs are from minority communities.

A survey conducted by the joint center for political and economic studies found that 57 percent of African-Americans supported school vouchers for public, private, or parochial school. This is not surprising since black children in urban areas are the most endangered by the failures of public education. In fact, support among African

Americans for education reform is fast outstripping the growth of enthusiasm among whites.

The argument that public education is the greatest equalizer is unfortunately falling on deaf ears in the poorest neighborhoods. That is where the schools are the worst. Large numbers of public schools in these areas are exclusive and segregated. Ironically, private religious schools in many urban areas are more consistent with the original concept of public education bringing together children of widely differing social and economic backgrounds. The HELP scholarships will allow more of these children to get the quality education they deserve. They very well may be the real equalizer of the future.

This resolution also grants a rule for consideration of H.R. 2616, the Charter Schools Amendment Act of 1997. This is somewhat less controversial. It enjoys broad bipartisan support and also deserves the support of all my colleagues.

Charter schools are innovative public schools which are set free from burdensome regulations and held accountable for their results. Since the inception of charter schools in Minnesota 6 years, ago the idea has swept the Nation. Currently, 29 States, the District of Columbia and Puerto Rico have charter schools. Though this is a new concept, it is helping to transform public education in a way that is beneficial to the children that attend them. Parental satisfaction is high, students are eager to learn, teachers can enjoy their jobs again, administrators are freed from the shackles of suffocating regulation, and more money is getting to the classroom where it belongs.

In light of this success, we need to expand the current program so that we can reach more children in more communities. This bill is a good one that carefully targets the new money. It directs money to those States that provide a high degree of fiscal autonomy, allow for increases in the number of charter schools from year to year and provide for accountability. It also increases the number of years a charter school can get a grant from 3 to 5 years. This bill also stipulates that 95 percent of the Federal charter schools money goes to State and local level. That way we can be sure the Federal bureaucracy is not wasting money that is intended for the kids.

Finally, the bill directs the Secretary of Education to make sure that charter schools are on level ground so that they will receive their fair share of Federal categorical aid such as title I and special education funding. The Secretary is also directed to assist charter schools in accessing private capital.

I am excited about both of the bills this resolution brings to the floor, and I know that many of my colleagues do not share my enthusiasm. They have had philosophical disagreements with the intent of these new and innovative ideas. This resolution accommodates them. It allows for a separate vote on each bill. It allows them to vote their conscience without having to compromise their philosophical beliefs. I urge my colleagues to support House Resolution 288 so that we may have a spirited debate on the important issues facing America's families.

Madam Speaker, I reserve the balance of my time.

Mr. HALL of Ohio. Madam Speaker, I yield such time as she may consume to the gentlewoman from Missouri [Ms. MCCARTHY].

(Ms. MCCARTHY asked and was given permission to proceed out of order.)

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. MCCARTHY of Missouri. Madam Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of House.

I ask unanimous consent that the form of the resolution appear in the RECORD at this point.

The SPEAKER pro tempore (Mrs. EMERSON). Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the record seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committee's possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make the judgements concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, the Committee on House Oversight has demanded that the Justice Department bring criminal charges against Hermandad Mexicana Nacional, even through it is beyond the Constitutionally-defined powers of Congress to compel compliance with subpoenas; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Under rule IX a resolution offered from the floor by a Member other than the majority leader or minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within 2 legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from Missouri will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

Mr. HALL of Ohio. Madam Speaker, I yield myself such time as I may consume.

I thank my colleague from North Carolina [Mrs. MYRICK] for yielding this time to me.

This resolution in my opinion is a hybrid rule. It provides for the consideration of H.R. 2746, which is the Helping Empower Low-Income Parents

Scholarship Amendments of 1997 under a closed rule. The resolution also provides for the consideration of H.R. 2616, the Charter Schools Amendments of 1997. This is under an open rule.

H.R. 2746 permits title VI education block grant funds to pay for educational vouchers that low-income parents can use at public or private schools. H.R. 2616 authorizes funds to start up charter schools.

As my colleague from North Carolina has described, this rule provides 2 hours of general debate for H.R. 2746, and 1 hour for H.R. 2616.

H.R. 2746 was introduced just 2 days ago. There were no hearings, committee markups, or committee reports. This closed rule effectively guarantees that no Member will have a chance to offer amendments.

Madam Speaker, the use of public money for educational vouchers that can be used in private schools is a very dominant issue facing our country today and facing public education, especially. It is very controversial. Passions run deep on both sides. To consider a bill on this subject with no hearings, no committee action, and no amendments on the House floor shows disrespect for the democratic process and contempt for Members who want to help shape this important legislation.

Madam Speaker, I urge Members to defeat the previous question and if the previous question is defeated, I will offer an amendment to make in order a substitute bill offered by the gentleman from Missouri [Mr. CLAY], ranking minority member of the Committee on Education and the Workforce. Only by defeating the previous question will the gentleman from Missouri [Mr. CLAY] have the opportunity to amend this act.

I urge Members to vote "no" on the previous question.

Madam Speaker, I include for the RECORD the following:

TEXT OF PREVIOUS QUESTION AMENDMENT TO H. RES. 288 H.R. 2746 (H.E.L.P.)—H.R. 2616 (CHARTER SCHOOLS)

On page 2, line 13 of H. Res. 288 after "except" insert the following:

"1) the amendment printed in sec. of this resolution if offered by Representative Clay or his designee, which shall be in order without intervention of any point of order or demand for division of the question, shall be considered as read and shall be separately debatable for sixty minutes equally divided and controlled by the proponent and an opponent and 2)"

At the end of the resolution add the following new section:

"Sec. (see accompanying text of Clay substitute)"

Strike Section 3 and renumber Section 4.

Amendment in the Nature of a Substitute to H.R. **2746**

Offered by Mr. Clay of Missouri

Strike all after the enacting clause and insert the following:

TITLE I—GENERAL PROVISIONS

PART 1—PROGRAM AUTHORIZED FINDINGS AND PURPOSE

SEC. 101. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds the following:

(1) According to the General Accounting Office, one-third of all elementary and secondary schools in the United States, serving 14,000,000 students, need extensive repair or renovation.

(2) 7,000,000 children attend schools with life safety code problems.

(3) School infrastructure problems exist across the country in urban and nonurban schools; at least 1 building is in need of extensive repair or replacement in 38 percent of urban schools, 30 percent of rural schools, and 29 percent of suburban schools.

(4) Many States and school districts will need to build new schools in order to accommodate increasing student enrollments; the Department of Education has predicted that the Nation will need 6,000 more schools by the year 2006.

(5) Many schools do not have the physical infrastructure to take advantage of computers and other technology needed to meet the challenges of the next century.

(6) While school construction and maintenance are primarily a State and local concern, States and communities have not, on their own, met the increasing burden of providing acceptable school facilities for all students, and low-income communities have had the greatest difficulty meeting this need.

(7) The Federal Government, by providing interest subsidies and similar types of support, can lower the costs of State and local school infrastructure investment, creating an incentive for States and localities to increase their own infrastructure improvement efforts and helping ensure that all students are able to attend schools that are equipped for the 21st century.

(b) PURPOSE.—The purpose of this title is to provide Federal interest subsidies, or similar assistance, to States and localities to help them bring all public school facilities up to an acceptable standard and build the additional public schools needed to educate the additional numbers of students who will enroll in the next decade.

SEC. 102. DEFINITIONS.

Except as otherwise provided, as used in this title, the following terms have the following meanings:

(1) COMMUNITY SCHOOL.—The term "community school" means a school facility, or part of a school facility, that serves as a center for after-school and summer programs and delivery of education, tutoring, cultural, and recreational services, and as a safe haven for all members of the community by—

(A) collaborating with other public and private nonprofit agencies (including libraries and other educational, human-service, cultural, and recreational entities) and private businesses in the provision of services;

(B) providing services such as literacy and reading programs, senior citizen programs, children's day care services; nutrition services, services for individuals with disabilities, employment counseling, training, and placement, and other educational, health, cultural, and recreational services; and

(C) providing those services outside the normal school day and school year, such as through safe and drug-free safe havens for learning.

(2) CONSTRUCTION.—(A) The term "construction" means—

(i) the preparation of drawings and specifications for school facilities;

(ii) erecting, building, acquiring, remodeling, renovating, improving, repairing, or extending school facilities;

(iii) demolition in preparation for rebuilding school facilities; and

(iv) the inspection and supervision of the construction of school facilities.

(B) The term "construction" does not include the acquisition of any interest in real property.

(3) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the meaning given that term in section 14101(18) (A) and (B) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(18) (A) and (B)).

(4) SCHOOL FACILITY.—(A) The term "school facility" means—

(i) a public structure suitable for use as a classroom, laboratory, library, media center, or related facility, whose primary purpose is the instruction of public elementary or secondary students; and

(ii) initial equipment, machinery, and utilities necessary or appropriate for school purposes.

(B) The term "school facility" does not include an athletic stadium, or any other structure or facility intended primarily for athletic exhibitions, contests, games, or events for which admission is charged to the general public.

(5) SECRETARY.—The term "Secretary" means the Secretary of Education.

(6) STATE.—The term "State" means each of the 50 States and the Commonwealth of Puerto Rico.

(7) STATE EDUCATIONAL AGENCY.—The term "State educational agency" has the meaning given that term in section 14101(28) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801(28)).

SEC. 103. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title $5,000,000,000 for fiscal year 1998 and such sums as may be necessary for each succeeding fiscal year.

SEC. 104. ALLOCATION OF FUNDS.

(a) ALLOCATION OF FUNDS.—Of the amounts appropriated to carry out this title, the Secretary shall make available—

(1) 49 percent of such amounts for formula grants to States under section 111;

(2) 34 percent of such amounts for direct formula grants to local educational agencies under section 126;

(3) 15 percent of such amounts for competitive grants to local educational agencies under section 127; and

(4) 2 percent of such amounts to provide assistance to the Secretary of the Interior as provided in subsection (b).

(b) RESERVATION FOR THE SECRETARY OF THE INTERIOR AND THE OUTLYING AREAS.—

(1) Funds allocated under subsection (a)(4) to provide assistance to the Secretary of the interior shall be used—

(A) for the school construction priorities described in section 1125(c) of the Education Amendments of 1978 (25 U.S.C. 2005(c)); and

(B) to make grants to American Samoa, Guam, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands, in accordance with their respective needs, as determined by the Secretary.

(2) Grants provided under subsection (b)(1)(B) shall be used for activities that the Secretary determines best meet the school infrastructure needs of the areas identified in that paragraph, subject to the terms and conditions, consistent with the purpose of this title, that the Secretary may establish.

PART 2—GRANTS TO STATES

SEC. 111. ALLOCATION OF FUNDS.

(a) FORMULA GRANTS TO STATES.—Subject to subsection (b), the Secretary shall allocate the funds available under section 104(a)(1) among the States in proportion to the relative amounts each State would have received for Basic Grants under subpart 2 of part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6331 et seq.) for the most recent fiscal year if the Secretary had disregarded the numbers of children counted under that subpart who were enrolled in schools of local educational agencies that are eligible to receive direct grants under section 126 of this title.

(b) ADJUSTMENTS TO ALLOCATIONS.—The Secretary shall adjust the allocations under subsection (a), as necessary, to ensure that, of the total amount allocated to States under subsection (a) and to local educational agencies under section 126, the percentage allocated to a State under this section and to localities in the State under section 126 is at least the minimum percentage for the State described in section 1124(d) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6334(d)) for the previous fiscal year.

(c) REALLOCATIONS.—If a State does not apply for its allocation, applies for less than its full allocation, or fails to submit an approvable application, the Secretary may reallocate all or a portion of the State's allocation, as the case may be, to the remaining States in the same proportions as the original allocations were made to those States under subsections (a) and (b).

SEC. 112. STATE ADMINISTRATION.

The Secretary shall award each State's grant to the State educational agency to administer the State grant, or to another public agency in the State designated by the State educational agency if the State educational agency determines that the other agency is better able to administer the State grant.

SEC. 113. ALLOWABLE USES OF FUNDS.

Each State shall use its grant under this part only for 1 or more of the following activities to subsidize the cost of eligible school construction projects described in section 114:

(1) Providing a portion of the interest cost (or of another financing cost approved by the Secretary) on bonds, certificates of participation, purchase or lease arrangements, or other forms of indebtedness issued or entered into by a State or its instrumentality for the purpose of financing eligible projects.

(2) State-level expenditures approved by the Secretary for credit enhancement for the debt or financing instruments described in paragraph (1).

(3) Making subgrants, or making loans through a State revolving fund, to local educational agencies or (with the agreement of the affected local educational agency) to other qualified public agencies to subsidize—

(A) the interest cost (or another financing cost approved by the Secretary) of bonds, certificates of participation, purchase or lease arrangements, or other forms of indebtedness issued or entered into by a local educational agency or other agency or unit of local government for the purpose of financing eligible projects; or

(B) local expenditures approved by the Secretary for credit enhancement for the debt or financing instruments described in subparagraph (A).

(4) Other State and local expenditures approved by the Secretary that leverage funds for additional school construction.

SEC. 114. ELIGIBLE CONSTRUCTION PROJECTS; PERIOD FOR INITIATION

(a) ELIGIBLE PROJECTS.—States and their subgrantees may use funds under this part, in accordance with section 113, to subsidize the cost of—

(1) construction of elementary and secondary school facilities in order to ensure the health and safety of all students, which may include the removal of environmental hazards, improvements in air quality, plumbing, lighting, heating, and air conditioning, electrical systems, or basic school infrastructure, and building improvements that increase school safety;

(2) construction activities needed to meet the requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) or of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.);

(3) construction activities that increase the energy efficiency of school facilities;

(4) construction that facilitates the use of modern educational technologies;

(5) construction of new school facilities that are needed to accommodate growth in school enrollments; or

(6) construction projects needed to facilitate the establishment of community schools.

(b) PERIOD FOR INITIATION OF PROJECT.—(1) Each State shall use its grant under this part only to subsidize construction projects described in subsection (a) that the State or its localities have chosen to initiate, through the vote of a school board, passage of a bond issue, or similar public decision, made between July 11, 1996 and September 30, 2001.

(2) If a State determines, after September 30, 2001, that an eligible project for which it has obligated funds under this part will not be carried out, the State may use those funds (or any available portion of those funds) for other eligible projects selected in accordance with this part.

(c) REALLOCATION.—If the Secretary determines, by a date before September 30, 2001, selected by the Secretary, that a State is not making satisfactory progress in carrying out its plan for the use of the funds allocated to it under this part, the Secretary may reallocate all or part of those funds, including any interest earned by the State on those funds, to 1 or more other States that are making satisfactory progress.

SEC. 115. SELECTION OF LOCALITIES AND PROJECTS.

(a) PRIORITIES.—In determining which localities and activities to support with grant funds, each State shall give the highest priority to localities with the greatest needs, as demonstrated by inadequate educational facilities (particularly facilities that pose a threat to the health and safety of students), coupled with a low level of resources available to meet school construction needs.

(b) ADDITIONAL CRITERIA.—In addition to the priorities required by subsection (a), each State shall consider each of the following in determining the use of its grant funds under this part:

(1) The age and condition of the school facilities in different communities in the State.

(2) The energy efficiency and the effect on the environment of projects proposed by communities, and the extent to which these projects use cost-efficient architectural design.

(3) The commitment of communities to finance school construction and renovation projects with assistance from the State's grant, as demonstrated by their incurring indebtedness or by similar public or private commitments for the purposes described in section 114(a).

(4) The ability of communities to repay bonds or other forms of indebtedness supported with grant funds.

(5) The particular needs, if any, of rural communities in the State for assistance under this title.

(c) INELIGIBILITY FOR PART 2 SUBGRANTS.—Local educational agencies in the State that receive direct grants under section 126 shall be ineligible for a subgrant under this part.

SEC. 116. STATE APPLICATIONS.

(a) APPLICATION REQUIRED.—A State that wishes to receive a grant under this part shall submit through its State educational agency, or through an alternative agency described in section 112, an application to the Secretary, in the manner the Secretary may require, not later than 2 years after the date of enactment of this Act.

(b) DEVELOPMENT OF APPLICATION.—The State educational agency or alternative agency described in section 12, shall develop the State's application under this part only after broadly consulting with the State board of education, and representatives of local school boards, school administrators, and business community, parents, and teachers in the State about the best means of carrying out this part.

(c) STATE SURVEY.—(1) Before submitting the State's application, the State educational agency or alternative agency described in section 112, with the involvement of local school officials and experts in building construction and management, shall survey the needs throughout the State (including in localities receiving grants under part 3) for construction and renovation of school facilities, including, at a minimum—

(A) the overall condition of school facilities in the State, including health and safety problems;

(B) the capacity of the schools in the State to house projected enrollments; and

(C) the extent to which the schools in the State offer the physical infrastructure needed to provide a high-quality education to all students.

(2) A State need not conduct a new survey under paragraph (1) if it has previously completed a survey that meets the requirements of that paragraph and that the Secretary finds is sufficiently recent for the purpose of carrying out this part.

(d) APPLICATION CONTENTS.—Each State application under this part shall include—

(1) a summary of the results of the State's survey of its school facility needs, as described in subsection (c);

(2) a description of how the State will implement its program under this part;

(3) a description of how the State will allocate its grant funds, including a description of how the State will implement the priorities and criteria described in section 115;

(4)(A) a description of the mechanisms that will be used to finance construction projects supported by grant funds; and

(B) a statement of how the State will determine the amount of the Federal subsidy to be applied, in accordance with section 117(a), to each local project that the State will support;

(5) a description of how the State will ensure that the requirements of this part are met by subgrantees under this part;

(6) a description of the steps the State will take to ensure that local educational agencies will adequately maintain the facilities that are constructed or improved with funds under this part;

(7) an assurance that the State will use its grant only to supplement the funds that the State, and the localities receiving subgrants, would spend on school construction and renovation in the absence of a grant under this part, and not to supplant those funds;

(8) an assurance that, during the 4-year period beginning with the year the State receives its grant, the average annual combined expenditures for school construction by the State and the localities that benefit from the State's program under this part (which, at the State's option, may include private contributions) will be at least 125 percent of the average of those annual combined expenditures for that purpose during the 8 preceding years; and

(9) other information and assurances that the Secretary may require.

(e) WAIVER OF REQUIREMENT TO INCREASE EXPENDITURES.—The Secretary may waive or modify the requirement of subsection (d)(8) for a particular State if the State demonstrates to the Secretary's satisfaction that that requirement is unduly burdensome because the State or its localities have incurred particularly high level of school construction expenditures during the previous 8 years.

SEC. 117. AMOUNT OF FEDERAL SUBSIDY.

(a) PROJECTS FUNDED WITH SUBGRANTS.—For each construction project assisted by a State through a subgrant to a locality, the State shall determine the amount of the Federal subsidy under this part, taking into account the number or percentage of children from low-income families residing in the locality, subject to the following limits:

(1) If the locality will use the subgrant to help meet the costs of repaying bonds issued for a school construction project, the Federal subsidy shall be not more than one-half of the total interest cost of those bonds, determined in accordance with paragraph (4).

(2) If the bonds to be subsidized are general obligation bonds issued to finance more than 1 type of activity (including school construction), the Federal subsidy shall be not more than one-half of the interest cost for that portion of the bonds that will be used for school construction purposes, determined in accordance with paragraph (4).

(3) If the locality elects to use its subgrant for an allowable activity not described in paragraph (1) or (2), such as for certificates of participation, purchase or lease arrangements, reduction of the amount of principal to be borrowed, or credit enhancements for individual construction projects, the Federal subsidy shall be not more than one-half of the interest cost, as determined by the State in accordance with paragraph (4), that would have been incurred if bonds had been used to finance the project.

(4) The interest cost referred to in paragraphs (1), (2), and (3) shall be—

(A) calculated on the basis of net present value; and

(B) determined in accordance with an amortization schedule and any other criteria and conditions the Secretary considers necessary, including provisions to ensure comparable treatment of different financing mechanisms.

(b) STATE-FUNDED PROJECTS.—for a construction project under this part funded directly by the State through the use of State-issued bonds or other financial instruments, the Secretary shall determine the Federal subsidy in accordance with subsection (a).

(c) NON-FEDERAL SHARE.—A State, and localities in the State, receiving subgrants under this part, may use any non-Federal funds, including State, local, and private-sector funds, for the financing costs that are not covered by the Federal subsidy under subsection (a).

SEC. 118. SEPARATE FUNDS OR ACCOUNTS; PRUDENT INVESTMENT

(a) SEPARATE FUNDS OR ACCOUNTS REQUIRED.—Each State that receives a grant, and each recipient of a subgrant under this part, shall deposit the grant or subgrant proceeds in a separate fund or account, from which it shall make bond repayments and pay other expenses allowable under this part.

(b) PRUDENT INVESTMENT REQUIRED.—Each State that receives a grant, and each recipient of a subgrant under this part, shall—

(1) invest the grant or subgrant in a fiscally prudent manner, in order to generate amounts needed to make repayments on bonds and other forms of indebtedness described in section 113; and

(2) notwithstanding section 6503 of title 31, United States Code, or any other law, use the proceeds of that investment to carry out this part.

SEC. 119. STATE REPORTS.

(a) REPORTS REQUIRED.—Each State receiving a grant under this part shall report to the Secretary on its activities under this part, in the form and manner the Secretary may prescribe.

(b) CONTENTS.—Each report shall—

(1) describe the State's implementation of this part, including how the State has met the requirements of this part;

(2) identify the specific school facilities constructed, renovated, or modernized with support from the grant, and the mechanisms used to finance those activities;

(3) identify the level of Federal subsidy provided to each construction project carried out with support from the State's grant; and

(4) include any other information the Secretary may require.

(c) FREQUENCY.—(1) Each State shall submit its first report under this section not later than 24 months after it receives its grants under this part.

(2) Each State shall submit an annual report for each of the 3 years after submitting its first report, and subsequently shall submit periodic reports as long as the State or localities in the State are using grant funds.

PART 3—DIRECT GRANTS TO LOCAL EDUCATIONAL AGENCIES

SEC. 121. ELIGIBLE LOCAL EDUCATIONAL AGENCIES

(a) ELIGIBLE AGENCIES.—Except as provided in subsection (b), the local educational agencies that are eligible to receive formula grants under section 126 are the 100 local educational agencies with the largest numbers of children aged 5 through 17 from families living below the poverty level, as determined by the Secretary using the most recent data available from the Department of Commerce that are satisfactory to the Secretary.

(b) CERTAIN JURISDICTIONS INELIGIBLE.—For the purpose of this part, the local educational agencies for Hawaii and the Commonwealth of Puerto Rico are not eligible local educational agencies.

SEC. 122. GRANTEES.

For each local educational agency for which an approvable application is submitted, the Secretary shall make any grant under this part to the local educational agency or to another public agency, on behalf of the local educational agency, if the Secretary determines, on the basis of the local educational agency's recommendation, that the other agency is better able to carry out activities under this part.

SEC. 123. ALLOWABLE USES OF FUNDS.

Each grantee under this part shall use its grant only for 1 or more of the following activities to reduce the cost of financing eligible school construction projects described in section 124:

(1) Providing a portion of the interest cost (or of any other financing cost approved by the Secretary) on bonds, certificates of participation, purchase or lease arrangements, or other forms of indebtedness issued or entered into by a local educational agency or other unit or agency of local government for the purpose of financing eligible school construction projects.

(2) Local expenditures approved by the Secretary for credit enhancement for the debt or financing instruments described in paragraph (1).

(3) Other local expenditures approved by the Secretary that leverage funds for additional school construction.

SEC. 124. ELIGIBLE CONSTRUCTION PROJECTS; REDISTRIBUTION

(a) ELIGIBLE PROJECTS.—A grantee under this part may use its grant, in accordance with section 123, to subsidize the cost of the activities described in section 114(a) for projects that the local educational agency has chosen to initiate, through the vote of the school board, passage of a bond issue, or similar public decision, made between July 11, 1996 and September 30, 2001.

(b) REDISTRIBUTION.—If the Secretary determines, by a date before September 30, 2001 selected by the Secretary, that a local educational agency is not making satisfactory progress in carrying out its plan for the use of funds awarded to it under this part, the Secretary may redistribute all or part of those funds, and any interest earned by that agency on those funds, to 1 or more other local educational agencies that are making satisfactory progress.

SEC. 125. LOCAL APPLICATIONS.

(a) APPLICATION REQUIRED.—A local educational agency, or an alternative agency described in section 122 (both referred to in this part as the "local agency"), that wishes to receive a grant under this part shall submit an application to the Secretary, in the manner the Secretary may require, not later than 2 years after the date of enactment of this Act.

(b) DEVELOPMENT OF APPLICATION.—(1) The local agency shall develop the local application under this part only after broadly consulting with the State educational agency, parents, administrators, teachers, the business community, and other members of the local community about the best means of carrying out this part.

(2) If the local educational agency is not the applicant, the applicant shall consult with the local educational agency, and shall obtain its approval before submitting its application to the Secretary.

(c) LOCAL SURVEY.—(1) Before submitting its application, the local agency, with the involvement of local school officials and experts in building construction and management, shall survey the local need for construction and renovation of school facilities, including, at a minimum—

(A) the overall condition of school facilities in the local educational agency, including health and safety problems;

(B) the capacity of the local educational agency's schools to house projected enrollments; and

(C) the extent to which the local educational agency's schools offer the physical infrastructure needed to provide a high-quality education to all students.

(2) A local educational agency need not conduct a new survey under paragraph (1) if it has previously completed a survey that meets the requirements of that paragraph and that the Secretary finds is sufficiently recent for the purpose of carrying out this part.

(d) APPLICABLE CONTENTS.—Each local application under this part shall include—

(1) an identification of the local agency to receive the grant under this part;

(2) a summary of the results of the survey of school facility needs, as described in subsection (c);

(3) a description of how the local agency will implement its program under this part;

(4) a description of the criteria the local agency has used to determine which construction projects to support with grant funds;

(5) a description of the construction projects that will be supported with grant funds;

(6) a description of the mechanisms that will be used to finance construction projects supported by grant funds;

(7) a requested level of Federal subsidy, with a justification for that level, for each construction project to be supported by the grant, in accordance with section 128(a), including the financial and demographic information the Secretary may require;

(8) a description of the steps the agency will take to ensure that facilities constructed or improved with funds under this part will be adequately maintained;

(9) an assurance that the agency will use its grant only to supplement the funds that the locality would spend on school construction and renovation in the absence of a grant under this part, and not to supplant those funds;

(10) an assurance that, during the 4-year period beginning with the year the local educational agency receives its grant, its average annual expenditures for school construction (which, at that agency's option, may include private contributions) will be at least 125 percent of its average annual expenditures for that purpose during the 8 preceding years; and

(11) other information and assurances that the Secretary may require.

(e) WAIVER OF REQUIREMENT TO INCREASE EXPENDITURES.—The Secretary may waive or modify the requirement of subsection (d)(10) for a local educational agency that demonstrates to the Secretary's satisfaction that that requirement is unduly burdensome because that agency has incurred a particularly high level of school construction expenditures during the previous 8 years.

SEC. 126. DIRECT FORMULA GRANTS.

(a) ALLOCATIONS.—The Secretary shall allocate the funds available under section 104(a)(2) to the local educational agencies identified under section 121(a) on the basis of their relative allocations under section 1124 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333) in the most recent year for which that information is available to the Secretary.

(b) REALLOCATIONS.—If a local educational agency does not apply for its allocation, applies for less than its full allocation, or fails to submit an approvable application, the Secretary may reallocate all or a portion of its allocation, as the case may be, to the remaining local educational agencies in the same proportions as the original allocations were made to those agencies under subsection (a).

SEC. 127. DIRECT COMPETITIVE GRANTS.

(a) GRANTS AUTHORIZED.—The Secretary shall use funds available under section 104(a)(3) to make additional grants, on a competitive basis to local educational agencies, or alternative agencies described in section 122.

(b) ADDITIONAL APPLICATION MATERIALS.—Any local educational agency, or an alternative agency described in section 122, that wishes to receive funds under this section shall submit an application to the Secretary that meets the requirements under section 125 and includes the following additional information:

(1) The amount of funds requested under this section, in accordance with ranges or limits that the Secretary may establish based on factors such as relative size of the eligible applicants.

(2) A description of the additional construction activities that the applicant would carry out with those funds.

(3) A description of the extent to which the proposed construction activities would enhance the health and safety of students.

(4) A description of the extent to which the proposed construction activities address compliance with Federal mandates, including providing accessibility for the disabled and removal of hazardous materials.

(5) Information on the current financial effort the applicant is making for elementary and secondary education, including support from private sources, relative to its resources.

(6) Information on the extent to which the applicant will increase its own (or other public or private) spending for school construction in the year in which it receives a grant under this section, above the average annual amount for construction activity during the preceding 8 years.

(7) A description of the energy efficiency and the effect on the environment of the projects that the applicant will undertake and of the extent to which those projects will use cost-efficient architectural design.

(8) Other information that the Secretary may require.

(c) SELECTION OF GRANTEES.—In determining which local educational agencies shall receive direct grants under this part, the Secretary shall give the highest priority to local educational agencies that—

(1) have a need to repair, remodel, renovate, or otherwise improve school facilities posing a threat to the health and physical safety of students, coupled with a low level of resources available to meet school construction needs, and have demonstrated a high level of financial effort for elementary and secondary education relative to their local resources;

(2) have a need to repair, remodel, renovate, or construct school facilities in order to comply with Federal mandates, including providing for accessibility for the disabled and removal of hazardous materials, coupled with a low level of resources available to meet school construction needs, and have demonstrated a high level of financial effort for elementary and secondary education relative to their local resources; and

(3) demonstrate a need for emergency assistance to repair, remodel, renovate, or construct school facilities, coupled with a low level of resources available to meet school construction needs, and have demonstrated a high level of financial effort for elementary and secondary education relative to their local resources.

(d) MINIMUM ALLOCATIONS.—Of the amount available for competitive awards under section 104(a)(3), the Secretary shall ensure that, in making awards under subsection (a), no less than 40 percent of such amount is available to the local educational agencies described in section 121(a) and no less than 40 percent of such amount is available to the local educational agencies eligible for subgrants under part 2.

(e) ADDITIONAL CRITERIA.—The Secretary may establish additional criteria, consistent with subsections (c) and (d), and with purposes of this title, for the purpose of electing grantees under this part.

SEC. 128. AMOUNT OF FEDERAL SUBSIDY.

(a) AMOUNT OF FEDERAL SUBSIDY.—For each construction project assisted under this part, the Secretary shall determine the amount of the Federal subsidy in accordance with section 117(a).

(b) NON-FEDERAL SHARE.—A grantee under this part may use any non-Federal funds, including State, local, and private-sector funds, for the financing costs that are not covered by the Federal subsidy under subsection (a).

SEC. 129. SEPARATE FUNDS OR ACCOUNTS; PRUDENT INVESTMENT

(a) SEPARATE FUNDS OR ACCOUNTS REQUIRED.—Each grantee under this part shall deposit the grant proceeds in a separate fund or account, from which it shall make bond repayments and pay other expenses allowable under this part.

(b) PRUDENT INVESTMENT REQUIRED.—Each grantee under this part shall—

(1) invest the grant funds in a fiscally prudent manner, in order to generate amounts needed to make repayments on bonds and other forms of indebtedness; and

(2) notwithstanding section 6503 of title 31, United States Code, or any other law, use the proceeds of that investment to carry out this part.

SEC. 130. LOCAL REPORTS.

(a) REPORTS REQUIRED.—(1) Each grantee under this part shall report to the Secretary on its activities under this part, in the form and manner the Secretary may prescribe.

(2) If the local educational agency is not the grantee under this part, the grantee's report shall include the approval of the local educational agency or its comments on the report.

(b) CONTENTS.—Each report shall—

(1) describe the grantee's implementation of this part, including how it has met the requirements of this part;

(2) identify the specific school facilities constructed, renovated, or modernized with support from the grant, and the mechanisms used to finance those activities; and

(3) other information the Secretary may require.

(c) FREQUENCY.—(1) Each grantee shall submit its first report under this section not later than 24 months after it receives it grant under this part.

(2) Each grantee shall submit an annual report for each of the 3 years after submitting its first report, and subsequently shall submit periodic reports as long as it is using grant funds.

TITLE II—LOCAL COMMUNITIES RENEWAL OF PUBLIC SCHOOLS

SEC. 201. SHORT TITLE.

This title may be cited as the "Assistance to Local Communities in Renewal of Public Schools Act".

SEC. 202. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds the following:

(1) Although the majority of our Nation's elementary and secondary public schools provide high quality education for our children, many schools need additional resources to implement immediate assistance and reform to enable them to provide a basic and safe education for their students.

(2) The Government Accounting Office recently found that ⅓ of all elementary and secondary schools in the United States, serving 14,000,000 students, need extensive repair and renovation.

(3) Recent reform of under-achieving schools in a number of States and school districts demonstrates that parents, teachers, school administrators, other educators, and local officials, given adequate resources and expertise, can succeed in dramatically improving public education and creating high performance schools.

(4) Such reform efforts show that parental and community involvement in those reforms is indispensable to the objective of high quality, safe, and accountable schools.

(5) Despite the successes of such reforms, public schools are facing tremendous challenges in educating children for the 21st century. The elementary and secondary school population will grow by 10 percent by the year 2005, and over the next 10 years, schools will need more than 2,000,000 additional teachers to meet the demands of such expected enrollments.

(6) Almost 7 of 10 Americans support increased Federal assistance to our Nation's public schools, and that support crosses all boundaries, including cities, towns, and rural areas.

(7) When Federal investment in public schools and children has increased, test scores have improved, and high school graduation rates and college enrollments have increased.

(8) The Federal Government should encourage communities that demonstrate a strong commitment to restore and reform their public schools.

(b) PURPOSE.—It is the purpose of this title to assist local communities that are taking the initiative—

(1) to overcome adverse conditions in their public schools;

(2) to revitalize their public schools in accordance with local plans to achieve higher academic standards and safer and improved learning environments; and

(3) to ensure that every community public school provides a quality education for all students.

SEC. 203. DEFINITIONS.

For purposes of this title:

(1) CONSORTIUM.—The term "consortium" means a local schools consortium as defined in paragraph (2).

(2) LOCAL SCHOOLS CONSORTIUM.—The term "local schools consortium" means the local educational agency in collaboration with a group composed of affected parents, students, and representatives of teachers, school employees and administrators, local business and community leaders and representative of local higher education group working or residing within the boundary of a local educational agency.

(3) PARENT.—The term "parent" includes any of the following:

(A) A grandparent.

(B) A legal guardian.

(C) Any other person standing in loco parentis.

(3) PLAN.—The term "plan" means a 3-year public schools renewal and improvement plan described in section 504.

(4) SECRETARY.—The term "Secretary" means the Secretary of Education.

(5) STATE.—The term "State" means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the American Virgin Islands, Guam, and American Samoa.

SEC. 204. PROCEDURE FOR DECLARATION.

(a) IN GENERAL.—A request for a declaration by the President that a "public schools renewal effort is underway" shall be made by a local schools consortium.

(b) REQUEST.—The local education agency shall submit the request to the Governor of the State who shall, with or without comment, forward such request to the President not more than 30 days after the Governor's receipt of such request. Such request shall—

(1) include the plan;

(2) describe the nature and amount of State and local resources which have been or will be committed to the renewal and improvement of the public schools; and

(3) certify that State or local government obligations and expenditures will comply with all applicable matching requirements established pursuant to this title.

(c) DECLARATION.—Based on a request made under this title, the President, in consultation with the Secretary, may declare that a "public schools renewal effort is underway" in such community and authorize the Department of Education and other Federal agencies to provide assistance under this title.

(d) PROGRESS REPORTS.—The consortium shall—

(1) amend such request annually to include additional initiatives and approaches undertaken by the local educational agency to improve the academic effectiveness and safety of its public school system.

(2) submit annual performance reports to the Secretary which shall describe progress in achieving the goals of the plan.

SEC. 205. ELEMENTS OF RENEWAL AND IMPROVEMENT PLAN.

(a) IN GENERAL.—As part of its request to the President, and in order to receive assistance under this section, a consortium shall submit a plan that includes the elements described in subsections (b) and (c).

(b) ADVERSE CONDITIONS.—The plan shall specify the existence of any of the following factors:

(1)(A) A substantial percentage of students in the affected public schools have been performing well below the national average, or below other benchmarks, including State developed benchmarks in such basic skills as reading, math, and science, consistent with Goals 2000 and title I of the Elementary and Secondary Education Act of 1965; or

(B) a substantial percentage of such students are failing to complete high school.

(2) Some or all of such schools are overcrowded or have physical plant conditions that threaten the health, safety, and learning environment of the schools' populations.

(3) There is a substantial shortage of certified teachers, teaching materials, and technology training.

(4) Some or all of the schools are located where crime and safety problems interfere with the schools' ability to educate students to high academic standards.

(c) ASSURANCES.—The plan shall also include assurances from the local educational agency that—

(1) the plan was developed by the local schools consortium after extensive public discussion with State education officials, affected parents, students, teachers and representatives of teachers and school employees, administrators, higher education officials, other educators, and business and community leaders;

(2) describe how the consortium will use resources to meet the types of reforms described in section 7;

(3) provide effective opportunities for professional development of public school teachers, school staff, principals, and school administrators;

(4) provide for greater parental involvement in school affairs;

(5) focus substantially on successful and continuous improvement in the basic academic performance of the students in the public schools;

(6) address the unique responsibilities of all stake holders in the public school system, including students, parents, teachers, school administrators, other educators, governmental officials, and business and community leaders, for the effectiveness of the public school system especially with respect to the schools targeted for greatest assistance;

(7) provide for regular objective evaluation of the effectiveness of the plan;

(8) the agency will give priority to public schools that need the most assistance in improving overcrowding, physical problems and other health and safety concerns, readiness for telecommunications equipment, and teacher training and the pool of certified teachers;

(9) ensure that funds received under this title shall be used to supplement, not supplant other non-Federal funds;

(10) certify that the combined fiscal effort per student or the aggregate expenditures within the State with respect to the provision of free public education for the fiscal year preceding the fiscal year for which the request for a declaration is made was not less than 90 percent of such combined fiscal effort or aggregate expenditures for the second fiscal year preceding the fiscal year for which the request for a declaration is made; and

(11) will address other major issues which the local schools consortium determines are critical to renewal of its public schools.

SEC. 206. ALLOWABLE FEDERAL ASSISTANCE.

(a) IN GENERAL.—To provide assistance under this title, the President may—

(1) direct the Department of Education, with or without reimbursement, to use the authority and the resources granted to it under Federal law (including personnel, educational equipment and supplies, facilities, and managerial, technical, and advisory services) in support of State and local assistance efforts;

(2) direct any other Federal agency to provide assistance as described in paragraph (1);

(3) coordinate such assistance provided by Federal agencies; and

(4) provide technical assistance and advisory assistance to the affected local educational agency.

(b) DISTRIBUTION OF ASSISTANCE FUNDS.—

(1) IN GENERAL.—At the direction of the President, the Secretary shall distribute funds and resources provided pursuant to a declaration under this title to local educational agencies selected for assistance under this title.

(2) EXISTING PROCEDURES.—The Secretary shall determine the best method of distributing funds under this Act through personnel and existing procedures that are used to distribute funds under other elementary and secondary education programs.

(c) PROHIBITION.—No provision of this title shall be construed to authorize any action or conduct prohibited under the General Education Provisions Act.

SEC. 207. USE OF ASSISTANCE.

Assistance provided pursuant to this title may be used only to carry out a plan, and to effectuate the following and similar types of public school reforms:

(1) STUDENT-TARGETED RESOURCES.—

(A) Increasing and improving high-quality early childhood educational opportunities.

(B) Providing comprehensive parent training so that parents better prepare children before they reach school age.

(C) Establishing intensive truancy prevention and dropout prevention programs.

(D) Establishing alternative public schools and programs for troubled students and dropouts, and establishing other public school learning "safety nets".

(E) Enhancing assistance for students with special needs (including limited English proficient students, English as a second language, and students with disabilities).

(2) CLASSROOM FOCUSED SCHOOL DEVELOPMENT.—

(A) Establishing teacher and principal academies to assist in training and professional development.

(B) Establishing effective training links for students with area colleges and universities.

(C) Establishing career ladders for teachers and school employees.

(D) Establishing teacher mentor programs.

(E) Establishing recruitment programs at area colleges and universities to recruit and train college students for the teaching profession.

(F) Establishing stronger links between schools and law enforcement and juvenile justice authority.

(G) Establishing stronger links between schools and parents concerning safe classrooms and effective classroom activities and learning.

(H) Establishing parent and community patrols in and around schools to assist safe schools and passage to schools.

(I) Implementing research-based promising educational practices and promoting exemplary school recognition programs.

(J) Expanding the time students spend on school-based learning activities and in extracurricular activities.

(3) ACCOUNTABILITY REFORMS.—

(A) Establishing high learning standards and meaningful assessments of whether standards are being met.

(B) Monitoring school progress and determining how to more effectively use school system resources.

(C) Establishing performance criteria for teachers and principals through such entities as joint school board and union staff improvement committees.

(D) Establishing promotion and graduation requirements for students, including requirements for reading, mathematics, and science performance.

(E) Providing for strong accountability and corrective action from a continuum of options, consistent with State law and title I of the Elementary and Secondary Education Act of 1965.

SEC. 208. DURATION OF ASSISTANCE.

Assistance under this title may be provided for each of fiscal years 1998 through 2000.

SEC. 209. REPORT.

Not later than March 31, 2000, the Secretary shall submit a report to the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate assessing the effectiveness of this title in assisting recipient local schools consortia in carrying out their plans submitted under this title.

SEC. 210. AUTHORIZATION OF APPROPRIATIONS; MATCHING REQUIREMENT.

(a) AUTHORIZATION.—There are authorized to be appropriated to carry out this title—

(1) for fiscal year 1998, $250,000,000; and

(2) for fiscal year 1999, $500,000,000; and

(3) for fiscal year 2000, such sums as may be necessary.

(b) MATCHING REQUIREMENT.—

(1) IN GENERAL.—Federal funds expended or obligated under this title shall be matched (in an amount equal to such amount so expended or obligated) from State or local funds.

(2) OTHER FEDERAL RESOURCES.—The Secretary shall, by regulation and in consultation with the heads of other Federal agencies, establish matching requirements for other Federal resources provided under this title.

(3) WAIVER.—Based upon the recommendation of the Secretary, the President may waive paragraph (1) or (2).

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. TECHNICAL EMPLOYEES.

For purposes of carrying out this title, the Secretary, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, may appoint not more than 10 technical employees who may be paid without regard to the provisions of chapter 51 and subchapter IV of chapter 5 of that title relating to classification and General Schedule pay rates.

SEC. 302. WAGE RATES

(a) PREVAILING WAGE.—The Secretary shall ensure that all laborers and mechanics employed by contractors and subcontractors on any project assisted under this title are paid wages at rates not less than those prevailing as determined by the Secretary of Labor in accordance with the Act of March 3, 1931, as amended (40 U.S.C. 276a et seq.). The Secretary of Labor has, with respect to this section, the authority and functions established in Reorganization Plan Numbered 14 of 1950 (effective May 24, 1950, 64 Stat. 1267) and section 2 of the Act of June 13, 1934 (40 U.S.C. 276c).

(b) WAIVER FOR VOLUNTEERS.—Section 7305 of the Federal Acquisition Streamlining Act of 1994 (40 U.S.C. 276d-3) is amended—

(1) in paragraph (5), by striking out the "and" at the end thereof;

(2) in paragraph (6), by striking out the period at the end thereof and inserting a semicolon and "and"; and

(3) by adding at the end thereof the following new paragraph:

"(7) title V of the Reading Excellence Act,".

SEC. 303. NO LIABILITY OF FEDERAL GOVERNMENT.

(a) NO FEDERAL LIABILITY.—Any financial instruments, including but not limited to contracts, bonds, bills, notes, certificates of participation, or purchase or lease arrangements, issued by States, localities, or instrumentalities thereof in connection with any assistance provided by the Secretary under this title are obligations of such States, localities or instrumentalities and not obligations of the United States and are not guaranteed by the full faith and credit of the United States.

(b) NOTICE REQUIREMENT.—Documents relating to any financial instruments, including but not limited to contracts, bonds, bills, notes, offering statements, certificates of participation, or purchase or lease arrangements, issued by States, localities or instrumentalities thereof in connection with any assistance provided under this title, shall include a prominent statement providing notice that the financial instruments are not obligations of the United States and are not guaranteed by the full faith and credit of the United States.

SEC. 304. REPORT TO CONGRESS.

The Secretary shall report on the activities conducted by States and local educational agencies with assistance provided under this title, and shall assess State and local educational agency compliance with the requirements of this title. Such report shall be submitted to Congress not later than 3 years after the date of enactment of this Act and annually thereafter as long as States or local educational agencies are using grant funds.

SEC. 305. CONSULTATION WITH SECRETARY OF THE TREASURY.

The Secretary shall consult with the Secretary of the Treasury in carrying out this title.

Mr. HALL of Ohio. Madam Speaker, I reserve the balance of my time.

Mrs. MYRICK. Madam Speaker, I yield 1 minute to the gentleman from Oklahoma [Mr. WATTS].

Mr. WATTS of Oklahoma. Madam Speaker, I thank the gentlewoman from North Carolina for yielding me the time. I rise in support of the rule for H.R. 2746, the HELP Scholarships Act. I commend my good friend and colleague, the gentlewoman from North Carolina, for her support and leadership on this important legislation. The gentlewoman's reputation as a friend of education is well earned and her support for this measure is very significant.

Every single Member of this Congress shares one common goal with regard to education, that is that we do what is right for all of America's children with regard to their most fundamental right as Americans, their right to a solid education. I just urge my colleagues to allow this rule to pass and urge their support for this rule so that we can debate this very important issue. I look very forward to that debate.

Mr. HALL of Ohio. Madam Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. MOAKLEY], ranking minority member on the Committee on Rules.

Mr. MOAKLEY. Madam Speaker, I thank my colleague, the gentleman from Ohio [Mr. HALL] for yielding me this time.

Madam Speaker, I rise in strong opposition to this very strange and very confusing rule. For rule watchers, we have got a doozy here today.

To begin with, this rule provides for the consideration of two separate bills, one under a closed rule and one under an open rule. The first bill, the HELP school vouchers bill, has not been considered by any committee, no hearings. It has not been reported out of any committee, Madam Speaker. In fact, it was only introduced 3 days ago and the ink is still wet on it. But if any of my colleagues are thinking about offering any amendment to this steel-clad bill, forget it. The Republican leadership has wrapped this bill up in a completely closed rule, which all of my colleagues know, means they have prohibited any and all amendments.

The other bill to be considered under this rule is the Charter Schools Act. This bill is a bipartisan effort that is supported by many Members on both sides of the aisle. The good news is that this bill will be considered under an open rule. The bad news is that because of the confusing way this ill-fated rule is structured, it may never see the light of day.

Even if it passes by an overwhelming margin, the charter school bill may very well be heading for a veto threat down the road.

So here is the reason why if this strange rule passes, which I hope it will not, the two bills, even though considered and voted upon separately, will be joined together and sent to the Senate for consideration as a single bill.

The final joining of the good bipartisan bill and one dangerous controversial bill, Madam Speaker, is the death knell for charter schools.

By way of this rule, the Republican leadership is effectively singing a very well thought out, bipartisan bill on charter schools by attaching a spur-of-the-moment idea, which will hurt public education and one that the President has promised to veto. Furthermore, even though the President supports the charter schools legislation, it will be vetoed if the HELP voucher bill is attached.

So in the Committee on Rules, I tried to make some sense of this strange legislative cartwheel. I thought that perhaps there was a substantive reason for doing it this way. So during consideration of the measure in the Committee on Rules on Wednesday, I asked my good friend, the chairman of the committee, the gentleman from Pennsylvania [Mr. GOODLING], why was it necessary to join these two bills. Why could we not have taken them out individually?

Madam Speaker, after a pause, he replied, I do not know that I have an answer to that question, I will be perfectly frank with you.

So, Madam Speaker, if it is a mystery to the chairman of the committee who has been chairman for 3 years and a member of the committee for 23 years, if anybody is an expert on education in this House, my friend, the gentleman from Pennsylvania [Mr. GOODLING], is, that means only one thing: Somebody in a higher pay grade than the gentleman from Pennsylvania [Mr. GOODLING] made that decision.

Once again, Madam Speaker, the Republican leadership is putting politics before substance and this time it is the American education system that will pay the price.

Madam Speaker, although I believe improving American education should be our first priority, I am very confused about the way my Republican colleagues are going about it. I urge my colleagues to oppose the rule, oppose the previous question.

Mr. HALL of Ohio. Madam Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. CLAY], ranking minority member of the Committee on Education and the Workforce.

Mr. CLAY. Madam Speaker, I am appalled at the arrogant and dictatorial way that this bill has been brought to the floor. I urge my colleagues to defeat the previous question and defeat this rule.

The majority party has run roughshod over the entire democratic process. A previous Republican speaker this morning said that this is not a vote on vouchers, but it is a vote to permit debate on the issue of vouchers.

☐ 1030

How misleading. This rule continues that farce. This bill has never had a public hearing in either the Subcommittee on Early Childhood, Youth and Families or on the full Committee on Education and the Workforce. This bill has never been marked up by the committee. There was no debate, no discussion, no public involvement, no give-and-take. Clearly, Madam Speaker, the doors of democracy have been slammed shut.

And to further stifle legitimate debate on the school voucher issue, the majority proposes, through this rule, to deny all Members of Congress the right to address this bill through a fair amendment process. If ever an issue needed the benefit of public discussion, of debate and of sunshine, it is this voucher issue.

As we look at the many debates surrounding strategies to improve elementary and secondary education, no issue is more contentious, no issue arouses more passion, and no issue divides us more than these proposals to take funds from public schools and give them to private schools in the form of vouchers. It would be a travesty if this rule passes. The Republican Party should be ashamed for playing politics with America's schoolchildren through the manipulation and abuse of House rules.

So I urge my colleagues to defeat the previous question so that we can substitute consideration of this reprehensible voucher bill with legislation that addresses issues that the Republican majority does not care to consider; namely, legislation that will help improve the public schools, where 50 million children go each day to receive an education.

Madam Speaker, I urge all of the Members to vote no on this rule.

Mrs. MYRICK. Madam Speaker, I yield 2½ minutes to the gentleman from New York [Mr. FLAKE].

Mr. FLAKE. Madam Speaker, I do rise today in support of this rule, in large measure because of my concern about, first, the preservation of public education, but more importantly, trying to get the kind of product out of public education that I think the forefathers and those of us who have participated over the years in this whole problem of trying to ensure that every child in America has access to the best possible education.

The 1954 Brown versus Board of Education was a battle about separate but equal schools by definition of those who tried to maintain segregation. In 1997, we realize that schools are separate but unequal. In almost every single statistical base of data that has been put forth, there is a realization that children in the lower tier, and, indeed, public education has two tiers, on the upper tier, people are educated properly, they are given the tools necessary to compete in society, to be able to function in a world that globally is so competitive, if they do not have the tools they cannot survive; and on the lower tier, which is reflective of most of our urban communities of which I serve one of and also serve as a pastor and minister. When I discover there are so many of our young people who have not been given a fair opportunity for competition, it becomes clear to me that we must look at some alternatives that challenges the public system to be able to do the job that it is intended to do.

This is not a question for me about Democrats or Republicans. It is really a question about whether or not we are going to continue to let every child die, arguing that, if we begin to do vouchers, if we do charter schools, what we in fact are doing is taking away from the public system. We say, let them all stay there. Let them all die. It is like saying there has been a plane crash. But because we cannot save every child, we are not going to save any of our children; we will let them all die, we will not even try to create some means by which we can rescue those that can be rescued, we will assume it will be better for all of them to die than for us to take some of them out.

So my argument is simply this: Let us do what we can, as a people, to ensure in 1997 that which the Supreme Court intended in 1954; and that is to create a system that is not separate and unequal but a system that understands that if we have an integrated community, an integrated society, if it is going to be an integrated society, every child ought to be able to get the best education possible.

I intend next week, after I have retired, to spend my time trying to convince more people to deal with the question of what is not happening, the failure of too many of our children in public education, not again to get rid of it, but to make it better. This is a free market society in which we live. If, indeed, that is correct, let us create some competition, and I believe we will have a better product coming out of the public system.

Mr. HALL of Ohio. Madam Speaker, I yield 3 minutes to the gentleman from California [Mr. MARTINEZ].

Mr. MARTINEZ. Madam Speaker, once again, the Republican leadership, with the backing of the extreme religious right, have sought to gag open and free debate through this politically motivated rule.

Today, the Republican leadership is asking Republican Members to support a rule which not only closes off debate on one of the most controversial issues before us today, that issue on voucher education. The issue of private school vouchers is one that has been debated for a long time. But never has a rule like this brought this issue to the floor.

The worst part of it, this rule marries this discriminatory and ill-conceived voucher proposal with the charter school bill, one that is bipartisan. Even though I have concerns about the charter school legislation, I do not appreciate the Republican leadership using that bipartisan bill as a political hockey puck by issuing a rule to marry it with the voucher bill after separate votes on each measure.

Members should know that H.R. 2746, the HELP, or should I say Hurt, Scholarship Act was never marked up in committee, did never receive a hearing. This legislation was created in a political vacuum that leaves us no room for dissenting views or open debate.

Now before us, as the gentleman from Indiana [Mr. ROEMER] has said, we have a discharge petition without benefit of 218 signatures. I guess if we operate as a dictatorship, we will do that.

Madam Speaker, we have before us a rule that continues a ridiculous closed path through the barring of amendments. Members of the House will never get a chance to debate this legislation in a truly open manner, especially since proponents of vouchers are doing the bidding of those conservative forces, such as the Christian Coalition, in rushing this legislation through the process.

I ask the Members to think objectively about the issue and join with myself and my colleague, the gentleman from Missouri [Mr. CLAY] in defeating the previous question. If we do defeat the previous question, we will offer two initiatives, which truly will reinforce our public education system, as the gentleman from New York [Mr. FLAKE] said, making sure that every child in the United States gets a quality education, one that will enable the Federal Government to provide Federal assistance to local schools to develop local-inspired plans to renew their communities' public schools, and the other would provide much needed finance assistance to repair the large number of crumbling schools throughout our Nation.

These proposals truly respond to the needs of our education system, unlike the voucher proposal, which the majority would have us consider. I urge all Members to vote against this rule.

Mrs. MYRICK. Madam Speaker, I yield 4½ minutes to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Madam Speaker, I thank the gentlewoman from North Carolina [Mrs. MYRICK], who is handling the rule, for yielding me the time, and the gentlewoman from Missouri [Mrs. EMERSON], presiding as acting speaker.

I say good morning to my colleagues and to let them know that as the chairman of Subcommittee on Early Childhood, Youth and Families, otherwise known as the Subcommittee on Education, I stand before my colleagues today as the lead author of both measures that will be considered under this rule. Although, I hasten to add how satisfying and gratifying it was to work with my good friend, the gentleman from Indiana [Mr. ROEMER] in truly a collaborative bipartisan effort on the charter school bill.

I also want to say at the outset of my remarks that it is unfortunate and I regard it as beneath the gentleman from California [Mr. MARTINEZ], who I respect professionally and regard as a personal friend, to attack the so-called religious right or Christian Coalition. I think that is a rather specious argument to interject into this debate.

I will just get this off my chest, as well, at the outset just so everybody knows, particularly Americans listening to this debate today, when we talk about bipartisanship, please understand that, like welfare reform, what we are talking about is perhaps half House Democrats supporting the idea of expanded parental choice in public education for these new breed of public schools, these independent charter schools. Maybe half will vote with us. About half voted with us in committee.

Whereas, almost all House Republicans will support the charter school bill, and almost all House Republicans will support the HELP scholarship bill, otherwise called vouchers for low-income families.

Let me explain the linkage here under the rule. Several months ago, before we began deliberation of these two bills, we gave considerable thought and discussion to the idea of offering a low-income parental choice demonstration amendment on the charter school bill. But as that bill evolved into, as I said earlier, a bipartisan effort, thanks in large part to the efforts of the gentleman from Indiana [Mr. ROEMER], out of respect for his efforts and out of deference to the process, the bipartisan process, that had evolved, we decided that we would not offer the low-income parental choice demonstration bill as an amendment. However, we still want to make that linkage on the House floor. And that is why we are going to do that under a single rule making in order both proposals.

I am not the only one making that linkage. Let me quote to my colleagues from a December 17 article in The Washington Post headlined "Scholarships for Inner-City School Kids," and coauthored by Diane Ravitch and William Galston. William Galston happens to be the former domestic policy advisor to President Clinton. Diane Ravitch is a former assistant secretary of education in the Bush administration. And they wrote, "A number of jurisdictions have experimented with new contracting and management arrangements. Twenty-five States," now actually 29 States plus the District of Columbia and Puerto Rico, "have passed the charter school laws, which allow new or existing public schools to function as independent units free of most regulation." And we are trying to expand on those efforts on the floor here today. "With President Clinton's strong leadership, Federal support," Federal taxpayer support, "for charter school start-ups has risen substantially during the last 4 years." And again, we intend to redouble those efforts and build upon the Federal taxpayer assistance that has already been expended for charter schools in States and communities across the country.

But Ms. Ravitch and Mr. Galston go on to write, "But while all of these efforts are moving in the right direction, we have concluded that for the poorest children, those most at risk of failure," and let us be clear where most of those children are, they are in our urban communities, they are too often trapped in failing inner-city school districts, where they have to attend unsafe or underperforming schools, "for those children most at risk, even stronger measures have to be tried. State legislatures in Wisconsin and Ohio have enacted laws to permit poor children in Milwaukee and Cleveland to receive means-tested scholarships for nonpublic schools."

And that is what we are trying to do. With the HELP scholarship proposal here today on the floor, we are trying to expand on the programs in Milwaukee and Cleveland. I will have more to say about those programs later.

But I want to add now that those programs have shown a direct correlation to increased parental involvement, increased parental satisfaction, and what should be the bottom line for all of us, if we are going to approach these issues on a nonpartisan basis or, as the President has said, if we are going to leave partisan politics at the schoolhouse door, what should be the bottom line is that those programs, experimental in nature, have led to a substantial increase in pupil performance. That is the bottom line here.

So Galston and Ravitch were making a linkage. And the bottom line here, as far as I am concerned, the American people want more choice. They have spoken, colleagues. When asked if parents should be allowed more control to choose where their children are educated, two-thirds of the American people say yes. That is why we are on the floor with these two bills today.

Mr. HALL of Ohio. Madam Speaker, I yield 2½ minutes to the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Madam Speaker, I rise in strong opposition to the rule, in strong opposition to vouchers, and in very, very strong support of our bipartisan legislation on public charter schools.

Madam Speaker, I think it is appropriate on Halloween that we talk about a ghoulish, strange, scary rule that has brought this particular set of circumstances to the House floor, where we will vote on a very, very weak bill, the voucher bill, that has never had a hearing, that has never been marked up in committee, that has, as I called it in the Committee on Rules, I called it a discharge petition, without 218 votes automatically going to the House floor, without debate.

In the building trade, they have a term for this, Madam Speaker. It is called a cleat, where you have a very, very weak board and you staple or nail a strong board to support that. Well, in this case, the weak board is the voucher school bill, and the strong piece of legislation, the bipartisan piece of legislation, the legislation that is bold and innovative and saves our public schools, every child and every school, is the charter school bill.

I would encourage my colleagues on the right, who are always concerned about Government intervention and Government strings being attached to Government money, I would refer and I would ask unanimous consent to have extraneous material entered into the record, a Wall Street Journal article written by Gerald Seib referencing a Mr. Trowbridge, who says, "Government vouchers will invite Government interference in private schools." Your Wall Street Journal, your private schools, your argument.

In The Washington Post, there is another article entitled "A Conservative Case Against School Choice," that Government money can come without Government strings attached.

I would encourage my colleagues not to vote for the vouchers, to defeat the rule, to defeat vouchers and vote for the cradle of innovation. Vote for strong, strong public school voice. Vote for creative new ideas that will rescue our public school system, keeping dollars in public schools, and not giving Government strings and Government attachments to our private school system.

Madam Speaker, I include the following for the RECORD:

[From the Wall Street Journal, Sept. 3, 1997]

SCHOOL CHOICE: NO CLOSED BOOK ON RIGHT FLANK

(By Gerald F. Seib)

It's September, so the kids are back in school, the teachers are at the front of the class, and the education debate is about to begin in Washington. It promises to be a lot more interesting than that 7:30 a.m. college calculus class you've tried to forget.

For his part, President Clinton will be stepping out to promote nationally standardized tests, arguing they will help parents gauge schools and force educators to whip them into shape. Conservative Republicans will claw back, arguing, on principle, that standardized tests will only pull the federal government deeper into state and local educational systems.

Meanwhile, surely all those conservatives will be renewing their standard arguments in favor of school choice, including government vouchers to help parents move their kids out of public schools and into private ones. That, after all, is the universal view on the right, isn't it?

Well, not exactly.

Anybody who thinks the conservative book on school choice is closed will be surprised to open the new edition of National Review, a Bible of the right, and find a long essay arguing that conservatives ought to oppose school vouchers. Vouchers, of course, would essentially be government rebates to help parents pay the cost of private schooling. The essay, written by Ronald Trowbridge, a prominent conservative commentator from Hillsdale College in Michigan, reflects a small but significant school of thinking on the right that argues for re-examining the philosophical and political underpinnings of the school-choice debate.

Mr. Trowbridge argues that conservatives ought to oppose school vouchers for the same reason they oppose federally written standard tests: Government vouchers will invite government interference in private schools. This, he writes, already is the view of many grass-roots Republicans and conservatives who oppose vouchers because they "realize that government money to private schools sooner or later will be followed by government control."

Mr. Trowbridge is, frankly, a little ticked that conservatives and Republican leaders have given so little attention to this argument on vouchers. "They are all just raving about choice, and they never suggest there is anything that could possibly be wrong with it," he says in an interview.

Aside from the philosophical problem of opening the door to more government involvement in private schools, Mr. Trowbridge worries about the political downside risks for Republicans. Having made the decision to send their children to private schools for their special environment, he argues, a lot of parents won't exactly welcome seeing that environment changed by paving the way for people who weren't willing to make that choice on their own.

That's a practical political concern also voiced by Republican pollster William McInturff. He did a lot of early work in favor of the school-choice issue and generally remains a fan. But at a recent meeting of Republicans in Indiana, Mr. McInturff and his firm warned Republicans that there are limits of school choice as a national policy.

On VOUCHERS, Mr. McInturff worries about a backlash from middle-class parents who have chosen, of their own free will, to take a financial hit to send their kids to parochial or private schools. These parents may see school vouchers as merely a path to let in people who weren't willing to make the same sacrifice on their own, thereby eroding the specialness they thought so important for their kids. "Those parents think they have made difficult and painful sacrifices to put their kids in those schools," Mr. McInturff says.

More broadly, he thinks many parents hear school-choice rhetoric and conclude that it means "somebody else's school will get fixed, not mine." His polling suggests Republicans score better with the public when they stress improving teacher standards, getting parents more involved and forcing more attention to basics in the classroom.

This is a big, broad debate that, far from being settled, is only really beginning. The vehicle for carrying it out this fall will be legislation introduced by Georgia GOP Sen. Paul Coverdell, which calls not for vouchers, but for a kind of first cousin to them. It would allow parents to put as much as $2,000 a year into a tax-free savings account, then withdraw the money for tuition at a private elementary or secondary school.

Some people who don't like vouchers—Mr. Trowbridge, for one—think this is a good alternative, because it doesn't involve a direct payout from the federal government. Others want to go all the way to vouchers, giving even low-income parents a full "choice" in picking schools. The Clinton administration will argue against all these variations, on the grounds that they amount to abandoning the public-school system that still educates 90% of American kids. Take notes; there will be a political test in 1998 and 2000.

[From the Washington Post, Sept. 8, 1997]

A CONSERVATIVE CASE AGAINST SCHOOL CHOICE

(By Timothy Lamer)

No issue unites the right as school choice does. The religious right, neocons, culturecons, supply-siders, and libertarians all argue that vouchers will unleash market forces and break the iron grip of the National Education Association. Many on the right also see school choice as a means to promote moral and religious education. But is publicly funded school choice really conservative? In arguing for vouchers, many of my brethren on the right sound a lot like liberals. Some examples:

The Egalitarian Argument. James K. Glassman makes this common argument in a Post column [op-ed. Sept. 3]: "But there's the matter of justice too. Chelsea Clinton's parents can choose the best school for their child. Why can't the parents of the poorest kids on the most dilapidated, drug-infested block in Washington, Los Angeles or Newark?

Well, from that point of view, does justice demand that the government provide poor families the same choices rich families have in, say, health care? Conservatives have long argued that inequality is a fact of life and that when governments try to do something about it, they end up harming everyone; that instead of building up the poor, they tear down the wealthy and middle class. Could vouchers harm private schools instead of helping public schools? Conservatives who usually make such arguments against misguided egalitarianism should at least consider the possibility.

The Right-to-a-Subsidy Argument. The Heritage Foundation's Dennis P. Doyle and Fordham University's Bruce C. Cooper argue in another recent Post article [Outlook. Sept. 1] that without school choice, poor children's religious liberties are being violated. In other words, the Constitution obliges taxpayers to send poor children to religious schools if their parents so choose. "The First Amendment clearly proscribes the establishment of a state church," they write. "But it also guarantees the 'free exercise' of religion."

"Poor children—compelled by economic necessity to attend government schools—are denied the opportunity to freely exercise their religious beliefs within a school setting," they maintain.

This argument—that First Amendment guarantees are not rights protected against government intrusion, but entitlements produced by government spending—is normally employed by extreme liberals, not Heritage Foundation fellows. Do Doyle and Cooper think the government should have to buy printing presses for poor people so they can exercise their freedom of the press? Do they agree with liberals that artists supported by the National Endowment for the Arts have a First Amendment "right" to a federal subsidy? Poor people have the right to freely exercise their religion, but they don't have a right to do it with other people's money.

The Every-Other-Civilized-Country-Does-It Argument. Doyle, this time in the American Enterprise, writes, "In the Netherlands, for example, 70 percent of children attend denominational schools at public expense," and "America is the only civilized country in the world that does not support religious elementary and secondary schools" with government funds.

Liberals often argue that every other civilized country has high tax rates, statist health care and so forth; therefore the United States should too. Conservatives usually retort that America's unparalleled prosperity is a result of our relative lack of government interference in the economy. We point out that if this country had French-style economic policies it would also have French levels of unemployment.

A similar argument could be made against Doyle. Why is the United States more religious, relatively speaking, than the countries he holds up as models? Perhaps because keeping church and state separate has served to strengthen religion in America.

The Just-Like-Pell-Grants Argument. On his show on the conservative NET channel. Dan Mitchell of the Heritage Foundation recently condemned the ACLU's opposition to school choice: "What's their rationale? Well, (they say) this is a subsidy to a religious school. Well, now, hold on a second. You have students attending Brigham Young University, Notre Dame University, all sorts of Catholic, Protestant, Jewish—all sorts of religious colleges—with Pell Grants and student loans from the federal government." Bob Dole said that the vouchers in his school choice proposal would be "like Pell Grants."

If vouchers are like Pell Grants, does that mean they will wildly inflate tuitions at private schools, as Pell Grants and student loans have done at colleges and universities? Will school choice become a sacred-cow program that grows every year and that Republicans can cut only at a steep political price, as Pell Grants and student loans have become? Will vouchers be used by liberals as an excuse to regulate private schools, as student aid has been used to regulate higher education? Shouldn't conservatives be at least a little worried that if vouchers are "like Pell Grants," they just might bear the same sour fruit?

Some on the right (including me) are leery of school choice. For one thing, it looks an awful lot like taxing citizens to advance religious teachings with which they disagree, a type of coercion that should be especially distasteful to religious citizens. And a heavy burden of proof is on those who claim, against the weight of history, that government money can come without government strings attached.

Fears about school choice may turn out to be unwarranted, but the liberal arguments some conservatives use to advance vouchers aren't reassuring.

□ 1045

Mr. HALL of Ohio. Madam Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. SCOTT].

Mr. SCOTT. Madam Speaker, I rise to strongly oppose this undemocratic process in which the voucher bill is being considered today. It is ridiculous that the House will consider a bill which has existed for 1 week, had no hearings, no markups, now being considered under a closed rule, thereby preventing Members from offering amendments.

Madam Speaker, there is one amendment that I would have liked to have had the opportunity to offer, and that would be to ensure that civil rights protections for all students would be available. Any entity that receives Federal aid must comply with Federal civil rights laws and the Justice Department is empowered to enforce those laws. This bill contains a statutory trick that declares private schools receiving vouchers are not recipients of Federal funds and therefore not subject to Federal enforcement of civil rights laws. This provision is in the bill intentionally.

The closed rule protects it from amendments so that we cannot correct the egregious problem or any other problems that exist with the bill. Make no mistake about it, the acceptance of the rule is acceptance of the intentional exclusion of the applicability of Federal civil rights laws.

Madam Speaker, I would also like to have considered amendments that would have informed parents of expenses and special education students of services available to them. But the acceptance of this rule prevents it from being exposed for what it is, bad civil rights policy, bad policy for parents of children who would be lured into this scam, as well as bad policy for the 99 percent of the children who will be left behind in overcrowded, crumbling and unfunded schools.

Madam Speaker, as for the poll that suggested that people supported this, that poll measures only the knee jerk reaction to a sound bite. We ought to put up a graph that shows what happened when people had an opportunity to vote on it on a referendum, after they have been educated about what a bad idea this is. The last 20 times it has been on the ballot it has gone down by margins averaging 3 to 1. Vote no on this rule. It is a bad bill.

Mrs. MYRICK. Madam Speaker, I yield 10 seconds to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Madam Speaker, I just want to make it very clear. We have had extensive hearings in the subcommittee and the full committee on the issue of greater parental choice and competition in education. We had hearings on the charter school bill. We had hearings on the various legislative parental choice proposals, including the one that is on the floor.

Mrs. MYRICK. Madam Speaker, I yield 4 minutes to the gentleman from Missouri [Mr. TALENT].

Mr. TALENT. Madam Speaker, I thank the gentlewoman for yielding me this time. There have been a number of comments this morning, Madam Speaker, about the fact that this bill comes up under an unusual procedure. It does. These are unusual times we live in. There are millions of children trapped in schools, in America's urban core, where they do not learn, where they are not safe, and where their parents know with a terrible certainty that the schools are not going to change.

Madam Speaker, I suggest that the only thing worse than being without opportunity yourself is to know that unless you can do something that you feel you cannot do, your children are not going to escape, your children are not going to have any hope or any opportunity. This bill, the HELP scholarships, offers a hand to these parents. It gives their kids a chance, a modest chance, but a chance at a decent education and a good school. If ever a bill aided the powerless, it is this bill. But, Madam Speaker, if ever a bill offended the powerful, it is also this bill, because there is in this country an establishment, and I speak here without malice, but an establishment that controls millions of dollars, whose power and prestige and position depend on defending the status quo and public education in these poor neighborhoods. That establishment, Madam Speaker, is not fighting this bill because they are afraid it will fail. They are fighting it because they believe it will succeed. They are not fighting this bill because they think it will result in poorer education for these children. They are fighting it because they think it will result in better education for these children if they have the same chance and the same options that all of us would want for our children in those circumstances. That establishment does not want the embarrassment of having it proven that at much less cost, these kids can be educated. It is not some great deficiency with them, but rather the system that has failed them and has failed their parents as well. And so that establishment has supplied enormous and unrelenting pressure against this bill and against Members of Congress to oppose the bill.

I appreciate those of my colleagues who have been holding out and appreciate those who are going to vote for this rule. I think we are going to pass this rule, and I am grateful to all of my colleagues for that. So, yes, Madam Speaker, this bill is here under an unusual procedure. But the really unusual thing about it is that it is here at all, given the opposition to it. It is only here because of the forbearance and the patience of the gentleman from Pennsylvania [Mr. GOODLING], the chairman of the Committee on Education and the Workforce, because of the persistence of the gentleman from California [Mr. RIGGS], because of the compassion of the gentleman from Oklahoma [Mr. WATTS], and because of the courage of the gentleman from New York [Mr. FLAKE]. To them, to those men who have done so much on behalf of these people who are so powerless, I express my appreciation. I ask all the Members to remember, if we do not represent these people, nobody is going to represent them. Do the right thing, vote for this rule, give these people a chance when the bill comes up for a vote on final passage.

Mr. HALL of Ohio. Madam Speaker, I yield 1 minute to the gentlewoman from California [Ms. WOOLSEY].

Ms. WOOLSEY. Madam Speaker, a sound public school system is how we prepare all of our children for the high skilled, high wage jobs that ensure America's leadership in this world marketplace and ensures that these children will earn a livable wage and not be on welfare as adults. Public education is the backbone of our country. It is why we are a great Nation. Public education is available to all. It does not discriminate, and it must be strengthened, not weakened.

Today's rule will profoundly weaken our public schools, forcing charter school supporters to go on record supporting school voucher plans that support a religious school. That, Madam Speaker, flies in the face of providing opportunity to all children. We do not hesitate in thinking that religious schools should be available. What we say is choose your religious school. Do not take it away from our public education system. That is where the real opportunity lies.

Mr. HALL of Ohio. Madam Speaker, I yield 1 minute to the gentlewoman from California [Mrs. TAUSCHER].

Mrs. TAUSCHER. Madam Speaker, I rise today in opposition to this misguided rule and urge my colleagues on both sides of the aisle to vote against it. This rule offers us tricks and treats just in time for Halloween. The rule we are considering this morning provides a complicated procedure whereby two separate bills, one bipartisan on charter schools and one controversial on vouchers can be considered and passed separately before being joined together and sent to the Senate and thereafter to the President for his signature or veto.

The first bill has never been considered, the bill on vouchers, by the authorizing committee. This is quite a trick. The other measure, H.R. 2616, deals with charter schools. It has received great support by a majority of Republicans and Democrats on the Committee on Education and the Workforce. Charter schools are public schools that are created by communities to stimulate reform and provide an alternative to traditional public school systems. In short, charter schools are a real treat for parents and children alike. I strongly oppose vouchers and strongly support charter schools. I urge my colleagues to vote no on this misguided rule.

Mr. HALL of Ohio. Madam Speaker, I yield 1 minute to the gentleman from Florida [Mr. DAVIS].

Mr. DAVIS of Florida. Madam Speaker, the issue before the House today is a fundamental one, and that is how to improve the public education system for our children. There are two stark choices. The first is the voucher, which at best is a huge untested experiment that threatens to significantly undermine our ability to fund our public schools. The other choice is charter schools. Charter schools are one of the most promising reforms taking place in our country today with respect to public education. They are often created by parents, by teachers and by communities who personally know children and care about them.

In my State, Florida, as in many States, many of the children that are enjoying the benefits of charter schools are children with special needs, are children that are at risk. In the 5 schools that have opened in Florida, and certainly with respect to the over 15 yet to come, over half of the children who were underperforming in the traditional public school setting are now performing at at least above average in these schools. These schools are innovative, they are unencumbered by many of the rules plaguing our public school system and they have smaller class sizes. These are positive reforms, not an abandonment of the public school system. We need to support charter schools and defeat vouchers.

Mr. HALL of Ohio. Madam Speaker, I yield 1 minute to the gentleman from Maryland [Mr. WYNN].

Mr. WYNN. Madam Speaker, I thank the gentleman for yielding me this time. I rise today in strong opposition to this misguided rule and even stronger opposition to this notion about a voucher bill. Traditionally in politics we try to do the most good for the most people.

In America 90 percent of the students attend public schools. The Republicans today would like to do a little good for a few people, and that is why they are advocating a voucher plan that they say will give choice to the underprivileged classes. Let us be candid. Private schools, even if you had a voucher, do not have to take you, so the troubled students from inner cities and the troubled students from poor communities do not automatically get a choice even with their plan. But more importantly, we ought to be assisting public school education, where most students attend school. We need to work on providing repairs for dilapidated schools. We need to expand buildings and build new schools for overcrowded schools. We need to upgrade technology for schools that are behind in the technological age. We have opportunities for innovation and for choice, charter schools. I support that concept. We need to help our local communities in a real way, supporting public education, not through benign paternalism for a few. I urge rejection of the rule.

□ 1100

Mr. HALL of Ohio. Madam Speaker, I yield 1 minute to the gentleman from California [Mr. DOOLEY].

Mr. DOOLEY of California. Madam Speaker, I rise in very strong opposition to this rule, and I do so because we have two very important bills which have diametrically opposing objectives and it is senseless for us to consider them in one particular rule.

The voucher bill will, without question, undermine our public education system. It will siphon money out of our public schools, which will ensure that we will see a deterioration in the education that can be afforded to our Nation's children.

Vouchers will certainly undermine what has been one of the most important historical institutions in this country, which has led more to our economic advancement than anything else, our public schools. We cannot afford to go down that path.

But there is a path we must take, and that is embodied in our charter schools bill. We need to unleash the creativity and the innovation in our public schools, and charter schools will provide that incentive.

For all too long, we have standardized the process of education in our public schools. We need to unleash that creativity, and charter schools will release that creativity and innovation.

Mr. HALL of Ohio. Madam Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. ETHERIDGE].

Mr. ETHERIDGE. Madam Speaker, I rise in strong opposition to this latest voucher bill to use taxpayers' money to subsidize private and religious schools, and I urge my colleagues to vote against this rule. It is misguided, it is wrong, and it is not what is in the best interests of the 90 percent of the children in this country who attend public schools every day.

I sought this office because I could not stand by and watch the revolutionary Members of this Congress scapegoat, run down and bad mouth our children and our public schools of this country. This voucher bill is the latest attack on our public schools. Make no doubt about it, it is an attack on our children, their parents and their communities, and I urge Members to vote against it.

Public education is the foundation of a strong America. Our public schools have served as a great equalizer in this country, and now we want to undermine that. We cannot and must not let this happen. We can improve our schools.

This is a defining vote. Members of this House are either for strong public schools, or they are against public schools in this country, and I urge Members to vote against this.

Mr. HALL of Ohio. Madam Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Madam Speaker, I rise in strong opposition to this rule. It is an unfair rule in terms of gagging the consideration of this voucher bill, and, I think, not providing good consideration of it.

Quite frankly, I am appalled at the fact that a bill like this would come to the floor in terms of proposing vouchers. Our whole tradition as a Nation for 200 years has been to build a solid public education system, and that has been the core and the foundation on which our Nation has been so successful.

I do not want to denigrate private schools. These exclusive, elite religious schools do a lot of good. I am a product of such schools. But I am also an educator and worked for years in terms of teaching, and the abandonment of the public school system which is taking place by virtue of trying to hold out this false hope of vouchers is wrong.

The issue here is going to be that we cannot abandon them. This is the abandonment of the public school system, is what this is. That is the message you are sending to hundreds of thousands of students in my State in saying you are going to provide vouchers for a couple hundred here and have a debate.

This is a false hope. This is an abandonment. Do not give up on the kids in this country. Do not give up on the public education. Do not give up on the 200-year tradition we have had of building education for democracy. It has been the basis of our success, and we are the most successful culture and society in the history of the world.

What are we about here? Creating false hopes where they do not have room in terms of these private schools where such schools can exclude individuals when they want to. We know the way the system works for the elite and others.

Yes, the schools work; but the fact is the fundamental thing for the people in this country is to maintain a good public education system and improve it. I have seen charter schools. They were initiated in my district in Minnesota. They work, and they are a good idea, but there are problems with those, too.

So we need to pay attention to those problems. They are right on the front page of the Washington Post these days. I can tell you stories about religious activities that have taken place at these charter schools that are questionable.

The governing structural we have in terms of freely elected people that work and set the policies for our public schools in our States and local communities are enormously important. Give them the support they deserve, rather than using them as a political scapegoat.

Mrs. MYRICK. Madam Speaker, I yield 1½ minutes to the gentleman from Florida [Mr. GOSS].

(Mr. GOSS asked and was given permission to revise and extend his remarks.)

Mr. GOSS. Madam Speaker, I thank the distinguished gentlewoman from North Carolina for yielding.

When it comes to educating our kids, Washington does not know best. For too long we have had this top-down approach here that the Federal role in education is what it should be, and who is paying the price for the failure? Our kids are paying the price, and we all know it. They are not receiving the quality education they deserve, parents are certainly not being utilized to their full potential in the education process, and the time has come for change.

I happen to think charter schools represent good change, a unique approach that empowers parents, teachers, students, letting them work together to determine what actually works in education.

Local communities, not Washington politicians or special interests, establish then what the curriculum is going to be and how it works. I think it is a fact, charter schools are cost-effective. They get money to the classroom, they enhance accountability, and are gaining popularity around the country. It is time to deal with that.

The HELP Scholarship Act, to provide real educational opportunities for the poorest of the poor in America, this is a good idea. The real question though is a far more reasonable one: Do you support giving local communities the option, and I say option, of using some Federal dollars on scholarships for their poorest children? Who would say, no? That makes good sense.

I am inclined to support and trust the local folks back home. We vote for them at school board time. They do a pretty good job. I think their judgment deserves to be heard in this.

Madam Speaker, I think it is time that we got the education of our country's children back in the classroom, where it belongs, and out of Washington, DC, the land of special interests and all wisdom.

Mr. HALL of Ohio. Madam Speaker, I yield 2 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Madam Speaker, I thank the gentleman for yielding me time.

Madam Speaker, I wanted to say as a member of the authorizing committee and a strong, strong supporter of charter schools, I must rise in opposition to this rule. I also want to associate myself with the remarks of my colleague on the committee, the gentleman from Indiana [Mr. ROEMER], who observed that here we are on Halloween with this scary rule. I totally agree with the gentleman.

I cannot support this rule. It is an extraordinary departure from acceptable procedures. We should not have to take into account as we vote on charter schools the fact that this rule will be putting these two bills together as one, making vouchers part of the charter school if it passes. That is the issue here on this vote.

This can only be conceived as a device to drag through vouchers because it has serious opposition and it could not survive on its own in full and open debate and in committee analysis.

I oppose the rule. Support charter schools, but oppose this rule.

Mrs. MYRICK. Madam Speaker, I yield 1 minute to the gentleman from New York, [Mr. SOLOMON], the distinguished chairman of the Committee on Rules.

Mr. SOLOMON. Madam Speaker, there is nothing unusual about this rule. We had the option of putting this rule out, making in order the charter bill and substitute the Watts-Flake amendment to it, or to put them out as two separate bills so that the issues could be separated and Members would have the choice of voting for either or both if they want to. That is a reasonable rule. You ought to come over here and vote for it.

Let me mention on behalf of the gentleman from Michigan [Mr. HOEKSTRA] here that we have had 15 hearings in 13 States and heard over 200 witnesses overwhelmingly expressing support, parents of different socioeconomic backgrounds for more choice.

Let me say in this country, and I think the gentleman from New York [Mr. FLAKE] in New York City said it very, very clearly. We spend billions of dollars on education at the Federal, State, and local level. Even with all these dollars, American children continue to lag behind other nations in most areas of achievement, particularly in the inner cities of this country. We need to stick up for the inner cities of this country.

Isn't it about time we start thinking about the future of these children? I am the father of five and the grandfather of six. We need to give all these children whatever level, whatever their ethnic backgrounds, a future. Come over here and vote for both of these bills.

Mr. HALL of Ohio. Madam Speaker, I yield one minute to the gentlewoman from Texas [Ms. JACKSON-LEE]

Ms. JACKSON-LEE of Texas. Madam Speaker, let me say how unfair on the day of Halloween that we play such trickery. It is interesting, all those hearings about the bipartisan part of this, that was charter schools. We do believe in the opportunities for parents and local governments to involve themselves. But there was no consensus on this so-called trickery, Halloween antics and tactics dealing with the voucher program.

What it simply is is a complete abdication and abandonment of our responsibility of the virtues and values of public school education; the very virtue and value of public school education that has trained the dominance of your scientists and doctors, lawyers, teachers, truck drivers, Presidents, and Congress, people of the United States of America.

How tragic, on a day when children have fun, that we come to the well of the House with a false rule that misleads all of us and abandons our children. We need to stand on the side of public education, stand on the side of understanding, and if we take away some $50 million, 90 percent of our students in public school education will suffer. When they said go West, young man and young woman, those circles of wagons built the first public schools. Why should we in 1997 abandon those schools? Vote down this rule. Support charter schools and vote down this helpless rule that deals with taking away money from our children in our public school system.

Mr. HALL of Ohio. Madam Speaker, I yield the balance of my time to the gentleman from Indiana [Mr. ROEMER].

The SPEAKER pro tempore. The gentleman from Indiana is recognized for 2½ minutes.

Mr. ROEMER. Madam Speaker, the gentleman from New York [Mr. SOLOMON], my good friend, who I really like a lot and we kid each other, I respect, has just said that this is not an unusual rule. Let me bring us back to Halloween analogy and talk about Jekyll and Hyde.

Now, we have a rule here, Madam Speaker, that on the one hand we have a bipartisan charter school bill that has strong support on both sides. I believe, with the help of the gentleman from California [Mr. RIGGS] and my help on this side, because it invests in every child, in every public school, with innovation and less regulation. Let us come up with new ideas to save our public education system and let us not encumber those schools with Federal and State bureaucratic dictates that will hinder learning in those schools.

Let us have these schools be cradles of innovation. Let us have these schools be boldly having new ideas come forward to the schools.

On the other hand, we have vouchers. We do not have any markups on this bill in committee, in the Committee on Education and Labor, because they do not have the votes for that bill. I do not think they have the votes for that bill on the House floor.

I strongly encourage my colleagues on both sides of the aisle to vote against the rule, because it is an unfair rule, it unfairly intertwines a very strong bill like charter schools with the vouchers, if vouchers pass. However, the first vote next week will be on vouchers. If we can, in a bipartisan way defeat vouchers, then have a straight up and down vote on charter schools, we will send the Senate the charter school bill.

We will show this country we can work in a bipartisan way to help save our public education system with less regulation, with more bold innovative ideas. We will show this country just as we worked together on balancing the budget, just as we worked together on providing modest tax relief, we are going to work together on bipartisan help in solving education problems for all parents.

□ 1115

Now, we discovered, Madam Speaker, that the IRS was badly broken. We did not say we were going to fix the IRS for a couple of people; we said we were going to fix the IRS for everybody. Vouchers say we are going to fix schools for just a few thousand people and leave the rest of these schoolchildren in bad public schools.

Let us resurrect, reform, boldly innovate in the public school system. That is what charter schools do, that is what bipartisan legislation we have before us does for every child, for every public school. Let us vote down this rule. Let us defeat vouchers next week, and let us show wide bipartisan support to vote for charter schools.

Mrs. MYRICK. Madam Speaker, I yield 3 minutes to the gentleman from Georgia, Mr. NEWT GINGRICH, the Speaker of the House.

Mr. GINGRICH. Madam Speaker, I thank my friend, the gentlewoman from North Carolina, for yielding time to me.

Madam Speaker, I am delighted to follow my friend, the gentleman from Indiana, because I find his argument so perplexing, and I wanted a chance to chat about it. Fourteen years ago, under President Reagan, the Department of Education published a book called "A Nation At Risk," and said, our schools are in trouble. For 14 years we have heard politicians and bureaucrats promise us, soon we will fix it.

We had a report come out yesterday for the Washington, DC, schools, which spend $10,000 a child. According to the Department of Education, it is the most expensive system in the country. What did it say? It said two things. It said, first of all, if you actually applied standards to second and third graders, standards they have proposed to apply next year, over 40 percent of them would fail.

Now, the children are not failing. The 40 percent who are going to fail are children trapped in a system destroying their future. These same children, in a decent school with decent discipline, with a fair chance, can graduate and go to college, not to prison. But they are trapped, 40 percent. We know that today, from yesterday's paper.

A study just came out that said the longer you are in the D.C. schools, the less likely you are to score at grade level; that literally, the percentage goes up every year. The longer you are in the D.C. public schools, the less likely you are to be able to score at grade level. For $10,000 a year, we are not only trapping these children, we are weakening their likelihood of scoring.

Here is what I am fascinated by. A "no" vote on this rule is a vote of fear. What are they afraid of? Are they afraid that the big inner-city schools that are failing will fail? They are already failing. Are they afraid that children might be liberated to go to a school that has discipline? Why would Members oppose that? They say to us, we should help the public schools reform. But that is exactly what the bill of the gentleman from California [Mr. RIGGS] does. It has a charter school provision for the public schools. It does exactly what the gentleman says.

In addition, we say if your local system is so terrible that you believe your child's life will be destroyed and their future will be ruined, you should have the right to choose a scholarship so your child can go to a school that is safe, drug-free, with discipline, and has a chance to learn. What is so frightening about that, that requires a public school to fail so badly, to be such a disaster, that the parent decides to go to the extra effort to make the extra choice?

Yet, those who would vote "no" today are voting "no" out of fear. They are afraid to give the parents the right to choose. They are afraid to give the children the right to choose.

Mr. CLAY. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Missouri.

Mr. CLAY. Mr. Speaker, why are the gentlemen there afraid to have a separate vote on these two issues?

Mr. GINGRICH. We have two separate votes. This will come up as an amendment.

Mr. CLAY. On the rule.

Mr. GINGRICH. The votes will be separate. If the gentleman wants to vote against allowing poor children to have the choice of going to a separate school, is going against parents having the right to choose, they will get that vote under this rule.

Mr. ROEMER. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Indiana.

Mr. ROEMER. I would ask, Mr. Speaker, who I know visits many schools in Washington, I have visited a school called the Options Charter

School, where they serve 100 percent minority, 100 percent eligible for free and reduced lunches. Most of those students are two to three grade levels behind where they should be, and they failed through the D.C. public school system.

We created a charter school there. That is our solution partly, not a panacea or silver bullet, but this Options Charter School, to say we want to help with discipline, with safety, with more parental involvement, with better ratios of students and teachers in these charter schools, and experimentation. That is our solution.

Mr. GINGRICH. OK. But I would say to my friend, first of all, voting for this rule brings that option to the floor, and I will vote with the gentleman on that option. There is no reason to be against this rule if the gentleman wants to help charter schools. This rule brings the charter school bill to the floor.

But what seems to be frightening the gentleman, and I am not sure why the gentleman is frightened, is we also offer an alternative, if in fact there are not charter schools, or there are not enough charter schools, or the school is so terrible.

And I would point out to the gentleman, the President the other day went to Chicago where Mayor Richard Daley is doing a good job. The President said, if you cannot fix the school, fire the principal. If firing the principal does not work, fire the teachers. If that does not work, he said, close the school.

We have an alternative. There are 4,000 slots available today in Washington, DC, for children to go to schools that are private, that have a high graduation rate, that have a high education rate, that have a low drug-use rate, that have a low violence rate. There are 4,000 slots available today. We have an answer when the President closes that school he talked about. I do not know that the gentleman has an answer to that.

Mr. ROEMER. Madam Speaker, if the gentleman will continue to yield, I do have an answer.

Mr. GINGRICH. What is the gentleman's answer?

Mr. ROEMER. My answer is the Democratic Party's model is the Chicago reform system.

Mr. GINGRICH. What happens in a neighborhood——

Mr. ROEMER. You do fire teachers, principals, and you reconstitute schools that are not working. That is what we are doing in Chicago. We are not giving up on the public school system.

Mr. GINGRICH. We are not, either.

If I may reclaim my time, Madam Speaker, I just want to make a point here. I think this particular canard needs to be put down right now. I am a little fed up with Democrats who come in here and say, well, you all do not want to save the public schools.

Let me make two points. First of all, I went to public school. My children went to public school. My wife went to public school. We have lived our personal commitment. I have taught in a public high school. The gentleman from Pennsylvania [Mr. GOODLING] spent years of his career in public schools as a teacher, as a coach, as a counselor, as a principal. We are committed to public school, and we live it. Our children have been there. But we also do not believe children should be destroyed on the altar of a union and children should be destroyed on the altar of a bureaucracy.

Notice what this rule does, because I think the gentleman ought to be fair about this. This rule brings to the floor the charter school bill to help public schools. That is coming to the floor under this rule. So a "yes" vote here is not an antipublic school vote. A "yes" vote here is a pro public school, pro charter school vote, and a positive vote for those children and those parents trapped in bad neighborhoods that the system has not reformed.

I just want to pose this thought. I had 70 children surrounding me yesterday, 70 children, all of them African-American, all of them from a neighborhood where, for $10,000 a year, their bureaucracy had failed them. I would say to my friends in the Democratic Party, why do they keep the children trapped? What are they so afraid of that they will not give the parents a chance to save their children from jail by giving them a chance to go to a school with discipline, that is drug-free, where they graduate and have a chance to go to college?

Vote "yes" on this rule, and let us have an honest up-or-down debate on some very good public school choice and some very good parental choice.

Mr. MORAN of Virginia. Mr. Speaker, I rise today in strong support of this bipartisan bill but with disappointment in the majorities' use of this important legislation to advance their political agenda.

Most of us agree that we need to present some form of alternative for children who do not have access to quality public schools. Charter schools present a viable alternative to traditional public education for all children in the United States. Offering a choice to 2,000 students for whom there is insufficient space in the schools they could afford with vouchers is not a solution.

On Wednesday, the District of Columbia chartering authority interviewed applicants interested in opening 1 of the 20 new charter schools that we authorized last Congress. I am optimistic about these new schools. There are currently 3 charter schools operating in the District. This is fewer than the number of charter applicants approved by the Charter School Board. The other approved charter schools could not open because they lacked sufficient startup funds. This is not the result of District of Columbia financial mismanagement. As my colleagues know from their own States and districts, it has been the case for approved charters nationally. Some 59 percent of charter school operators reported a lack of these funds. With the passage of enabling legislation in more States every legislative session, start-up funding needs will only increase. In fiscal year 1997, State requests for charter school funding exceeded appropriations by $24 million. We are addressing this problem in this charter schools amendments bill. We need the increased authorization to meet the $100 million appropriation, and we need the increase in the length of the Federal grant from 3 to 5 years to meet this need.

The need will not be met if we attach a voucher provision to this bill. The HELP Scholarship Act was only introduced into the House 1 week ago. It has not been subjected to committee scrutiny, and no hearings have been held on this bill, cutting out the hearing process and any input from the people on whom it would have the greatest impact. The attachment of this voucher language in conference would clearly compromise the bipartisan nature of the charter school bill. It should be considered on its own merit after appropriate committee scrutiny and approval.

Unlike the HELP Scholarship bill, the Charter School Amendments Act was considered by its committee of jurisdiction, the Education and the Workforce Committee. After committee members had an opportunity to amend the bill, it passed out of committee with a strong, bipartisan majority. I urge my colleagues to vote against the rule to allow attachment of the HELP Scholarship bill in conference. It threatens final passage of this important legislation.

Mr. ADAM SMITH of Washington. Madam Speaker, I rise to oppose this rule to join two bills, H.R. 2746 and H.R. 2616. These bills reflect two fundamentally different concepts of what is needed to improve the education system in our country, and combination is absolutely unacceptable.

H.R. 2746, Helping Empower Lower Income Parents Scholarships, is a voucher bill that will steal money from our public school system. At a time when our public school system is in desperate need of resources to assure all children in this country are given the educational opportunities they deserve, this bill moves us in the wrong direction. Giving a small number of students taxpayer money to attend a private school does nothing to improve our school system as a whole and takes away resources from the 90 percent of the children in our country who attend public schools. This is not the kind of change we need.

H.R. 2616, the Charter School Amendments, is the type of innovation that could improve our public school system and these changes make sense. Charter schools provide for local control and opportunities for innovation in a public school system, while assuring the schools are held accountable to specified standards. All students can take advantage of the opportunities that charter schools provide and these changes encourage the first class schools that we are looking for in our public school system.

Congress must be allowed the opportunity to debate and vote on these two fundamentally different bills separately.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise this morning in opposition to this rule. My colleagues, this is nothing less than an extraordinary rule. This rule provides for consideration of two entirely unrelated pieces of legislation: H.R. 2616, the Charter Schools Amendments Act and H.R. 2746, the Helping Empower Low-Income Parents Scholarships Act. Ironically, although perhaps not unexpectedly, the rule allows amendments to H.R. 2616, a bipartisan bill enjoying broad support, but requires that H.R. 2746, a controversial and deeply flawed piece of legislation, be considered under a completely closed rule. Finally, although the rule allows for a separate vote on each bill, it requires the Clerk to join them into a single bill before transmittal to the Senate, thus, joining two unrelated bills into one.

This rule is certainly a clever and strategic ploy to give H.R. 2746 some cover as it moves into the Senate. Do we really want the education of our Nation's young people subject to clever political and partisan ploys? Do we really mean to allow the American public education system to be upset by the unfairness and trickery that underlie this rule? Because that is what we are doing with this rule. We are allowing H.R. 2746 to proceed to vote without a chance of amendment. We are allowing it to move to a vote without the opportunity to mediate some of the more troublesome provisions it contains. When you vote on this rule today, I ask my colleagues to remember that this is a vote about our children and the future of the American public education system.

Mr. Speaker, I am compelled to voice my objections to H.R. 2746. The primary point of concern, for myself, and many other members of this body in regard to H.R. 2746, is the school scholarship or vouchers provision included in this revision of title VI of the Education and Secondary Reform Act.

This provision would authorize the distribution of scholarships to low to moderate income families to attend public or private schools in nearby suburbs or to pay the costs of supplementary academic programs outside regular school hours for students attending public schools. However, only certain students will receive these tuition scholarships.

This legislative initiative could obviously set a dangerous precedent from this body as to the course of public education in America for decades to come. If the U.S. Congress abandons public education, and sends that message to localities nationwide, a fatal blow could be struck to public schooling. The impetus behind this legislative agenda is clearly suspect. Instead of using these funds to improve the quality of public education, this policy initiative enriches fiscally successful, local private and public institutions. Furthermore, if this policy initiative is so desirable, why are certain DC students left behind? Is this plan the right solution? I would assert that it is not. Unless all of our children are helped, what value does this grand political experiment have?

I see this initiative as a small step in trying to position the Government behind private elementary and secondary schools. The ultimate question is why do those in this body who continue to support public education with their lip service, persist in trying to slowly erode the acknowledged sources of funding for our public schools? Public education, and its future, is an issue of the first magnitude. One that affects the constituency of every Member of this House, and thus deserves full and open consideration.

School vouchers, have not been requested by public mandate from the Congress. In fact, they have failed every time they have been offered on a State ballot by 65 percent or greater. If a piece of legislation proposes to send our taxpayer dollars to private or religious schools, the highest levels of scrutiny are in order, and an amendment that may correct such a provision is unquestionably germane. Nine out of ten American children attend public schools, we must not abandon them, their reform is our hope.

I would like now to contrast the harm H.R. 2746 would bring to the American public school system to the good that is promised by H.R. 2616. H.R. 2616 is a bill to which we all can, and should, lend our support. H.R. 2616 enjoys broad bipartisan support and encourages innovative approaches to educating the children in our public schools. The key elements of charter schools are that they give parents and teachers the opportunity and flexibility to try innovative approaches to providing a high quality, stimulating education, in exchange for being held accountable for academic results and proper management of funds.

Charter schools have faced a substantial problem, however, in the form of a lack of adequate startup funds. According to the Department of Education's first year report on charter schools, inadequate startup funds are the most commonly cited barrier that charter schools face. Nearly 60 percent of charter schools—both newly established ones and those that had been in operation for a year or two—cited a lack of startup funds and operational funds as a problem. H.R. 2616 answers this problem by authorizing $100 million in fiscal year 1998 for the Federal Charter Schools Program intended primarily to offset the schools startup costs.

My colleagues, I urge you to vote against this extraordinary rule. I urge you to vote no and in so doing signal your opposition to the so-called "HELP" Scholarships Act and your support for the Charter Schools Amendment Act.

Mrs. MYRICK. Madam Speaker, I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CLAY. Madam Speaker, I object to the vote on the grounds that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 222, nays 195, not voting 16, as follows:

[Roll No. 566]

YEAS—222

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Flake
Forbes
Fowler
Fox
Franks (NJ)
Frelinghuysen
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NAYS—195

Abercrombie
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle

Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Ford
Frank (MA)
Frost
Furse
Gejdenson
Goode
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McKinney
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velázquez
Vento
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—16

Ackerman
Cannon
Cubin
Cunningham
Deutsch
Foglietta
Foley
Gallegly
Gephardt
Gonzalez
McIntosh
McNulty
Payne
Schiff
Visclosky
Weldon (FL)

☐ 1143

The Clerk announced the following pair:

On this vote:

Mr. McIntosh for, with Mr. Deutsch against.

Ms. SLAUGHTER changed her vote from "yea" to "nay."

So the previous question was ordered.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mrs. EMERSON). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HALL of Ohio. Madam Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 214, noes 198, not voting 21, as follows:

[Roll No. 567]

AYES—214

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bilbray
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Bono
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Forbes
Fowler
Fox
Franks (NJ)
Frelinghuysen
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McInnis
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Pastor
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOES—198

Abercrombie
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Bereuter
Berman
Berry
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Ford
Frank (MA)
Frost
Furse
Gejdenson
Goode
Gordon
Green
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Horn
Hoyer
Jackson (IL)
Jackson-Lee (TX)
John
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McHugh
McIntyre
McKinney
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velázquez
Vento
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—21

Ackerman
Cubin
Cunningham
Deutsch
Flake
Foglietta
Foley
Gallegly
Gephardt
Gonzalez
Gutierrez
Jefferson
Johnson (WI)
Klink
Lipinski
McIntosh
McNulty
Payne
Schiff
Visclosky
Weldon (FL)

☐ 1201

The Clerk announced the following pair:

On this vote:

Mr. McIntosh for, with Mr. Deutsch against.

Mr. McHUGH changed his vote from "aye" to "no."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to committee was laid on the table.

PERSONAL EXPLANATION

Mr. VISCLOSKY. Mr. Speaker, I was unavoidably detained and unable to vote on rollcall vote Nos. 566 and 567. Had I been present, I would have voted "no" on rollcall No. 566, on ordering the previous question to House Resolution 288, and "no" on rollcall No. 567, on agreeing to House Resolution 288.

LEGISLATIVE PROGRAM

(Mr. BONIOR asked and was given permission to address the House for 1 minute.)

Mr. BONIOR. Madam Speaker, I yield to the gentleman from Texas [Mr.

ARMEY], the majority leader, for purposes of inquiring about the schedule for today and next week.

Mr. ARMEY. Madam Speaker, I am pleased to announce that we have had our last vote for the day. I believe all Members will be able to make it back home tonight to see their little angels and saints head out for Halloween.

Next week, the House will meet on Tuesday, November 4, at 10:30 a.m. for morning hour and 12 noon for legislative business. We do not anticipate any recorded votes before 5 p.m. on Tuesday, Election Day.

On Tuesday, November 4, the House will take up a number of bills under suspension of the rules, a list of which will be distributed this afternoon. After suspensions, we will return to H.R. 2746, the HELP Scholarships Act, and H.R. 2616, the Charter Schools Amendment Act.

The House will meet at 10 a.m. on Wednesday and Thursday and at 9 a.m. on Friday to consider the following bills: H.R. 2292, the Internal Revenue Service Restructuring and Reform Act of 1997; H.R. 2195, the Slave Labor Productions Act of 1997; H.R. 967, a bill to prohibit the use of U.S. funds to provide for the participation of certain Chinese officials in international conferences, programs, and activities and to provide certain Chinese officials shall be ineligible to receive visas and excluded from admission into the United States; H.R. 2570, the Forced Abortion Condemnation Act; H.R. 2358, the Political Freedom in China Act of 1997; H.R. 2232, the Radio Free Asia Act of 1997; H.R. 2605, the Communist China Subsidy Reduction Act of 1997; H.R. 2647, a bill to ensure that commercial activities of the People's Liberation Army of China or any Communist Chinese military company in the United States are monitored; House Resolution 188, a resolution urging the executive branch to take action regarding the acquisition by Iran of C–802 cruise missiles; H.R. 2386, the United States-Taiwan Anti-Ballistic Missile Defense Cooperation Act; and H.R. 2621, the Reciprocal Trade Agreement Authorities Act 1997.

As Members know, Madam Speaker, there are a number of appropriations bills that need to be passed before the House concludes the first session of the 105th Congress. I have always been an optimist, and it is my hope that the House can agree on these important matters by the end of next week, next Friday, Saturday, or Sunday.

I thank the gentleman from Michigan [Mr. BONIOR] for yielding me this time.

Mr. BONIOR. Madam Speaker, reclaiming my time, if the gentleman from Texas [Mr. ARMEY] will bear with me for a second, I have a series of questions I would like to pose to the distinguished majority leader.

A number of resolutions were filed this morning with regard to the Sanchez situation, and I am just wondering when those will be brought up.

Mr. ARMEY. If the gentleman would yield, obviously, we will have to look at that. We will try to reconcile that against the schedule. I would guess it would be Tuesday or Wednesday.

Mr. BONIOR. Second, as the gentleman from Texas [Mr. ARMEY] knows from the long lines on the floor of the House of Representatives, we have up to now 187 Members, bipartisan I might add in nature, who have come and signed a discharge petition on campaign finance reform. I note there is an agreement in the Senate to take up campaign finance reform. I am just wondering if the gentleman from Texas [Mr. ARMEY] could tell us when we will take campaign finance up in the House of Representatives.

Mr. ARMEY. I thank the gentleman for his inquiry. If the gentleman would continue to yield, we are looking at that. We have been having discussions among ourselves and with our colleagues on the other side of the building. I do not have anything to announce at this time.

Mr. BONIOR. Well, I suspect that my friend, the gentleman from Texas [Mr. ARMEY], took note that we had an additional 20 Members sign this week. And I think the movement is moving well. I would just encourage my friend from Texas to seriously consider the large number of Members who are interested in this. One hundred and eighty Democrats have already signed this petition. We are looking forward to a debate on that. All sides, all different perspectives on this issue, can have their say on the floor of the House.

Third, can the gentleman from Texas [Mr. ARMEY] tell me what day we will take up fast track?

Mr. ARMEY. Madam Speaker, it is our intention to do fast track on Friday.

Mr. BONIOR. Reclaiming my time, fourth, I note that in the comments the gentleman from Texas [Mr. ARMEY] has just made, there were a series of bills related to China on the schedule. I am wondering under what structure we are going to consider them.

Are we going to have one rule to consider them all, or are we going to have separate rules on each of the bills that my colleague said we will discuss next week as they relate to China?

Mr. ARMEY. If the gentleman will continue to yield, the Committee on Rules will be meeting earlier next week and they will be working on that in conjunction with the other members of the committee, and the minority will be, I suppose, negotiating that.

Mr. BONIOR. Well, I hope they are brought out here under separate rules and we do not have a package rule situation on these very important bills.

Finally, let me just ask my friend, the gentleman from Texas [Mr. ARMEY], I noted in his comments at the end that he seemed optimistic, and referred to himself that way, that we will be able to finish by the end of the week next week. I am optimistic, as well, and my sense is that that is where we are heading. If the gentleman from Texas [Mr. ARMEY] has any other thoughts on that, I would like to hear them. And if not, does he anticipate an additional continuing resolution to take us into next year?

Mr. ARMEY. It is my belief at this point to continue to talk to all the people related to these conferences on spending bills that we can complete that work by sometime next weekend. I see no reason to depart from that belief. But I must advise the gentleman from Michigan [Mr. BONIOR] that I hold that belief and punctuate it with both a knock on wood and a prayer.

Mr. BONIOR. I will take both. Have a good weekend.

Mr. RIGGS. Madam Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from California.

Mr. RIGGS. Madam Speaker, with the passage of the rule making in order both the HELP scholarships bill, which I know is of genuine interest and even some concern to Members on both sides of the aisle and on both sides of the issue, pro and con, through the majority whip to the majority leader, is it our intention to resume that debate and have the debate on the HELP scholarships bill between 4 and 6 on Tuesday, so Members know they should be back at that time for debate, and that the vote would then occur on the HELP scholarships bill at approximately 6 p.m.?

Mr. ARMEY. Madam Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Texas.

Mr. ARMEY. The gentleman from California [Mr. RIGGS] is correct.

Let me again reiterate. We will begin the general debate then on the HELP scholarships bill around 4 on Tuesday.

Mr. RIGGS. Madam Speaker, I thank the gentleman from Michigan [Mr. BONIOR] for yielding.

ADJOURNMENT TO TUESDAY, NOVEMBER 4, 1997

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 10:30 a.m. on Tuesday, November 4, 1997, for morning hour debates.

The SPEAKER pro tempore (Mrs. EMERSON). Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. ARMEY. Madam Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERSONAL EXPLANATION

Mr. BARRETT of Nebraska. Madam Speaker, on rollcall votes 559 through 565, I was unavoidably detained. Had I been present, I would have voted "aye" on all of the votes.

PERSONAL EXPLANATION

Mr. JOHN. Madam Speaker, during rollcall vote No. 554 on H.R. 1270, I also was unavoidably detained. Had I been present, I would have voted "nay."

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. HARMAN. Madam Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and whereas, in the 104th Congress, similar challenges were brought in three elections, including one involving the offeror of this resolution, winner of her election by 812 votes, duly certified by the Secretary of State of California. After 9 months of investigation at a cost of over 100,000 taxpayer dollars, no evidence of fraud being found, the challenge was withdrawn; and whereas, the Committee on House Oversight has had more than ample time to conclude its investigation, conducted at great taxpayer expense: now, therefore, be it

Resolved, That unless the Committee on Oversight has sooner reported a recommendation for its final disposition, the contest of the 46th District of California is dismissed upon the expiration of November 7, 1997.

Madam Speaker, I ask unanimous consent that the text of the entire resolution be printed at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

The text of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charged of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the record seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make the judgements concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, in the 104th Congress, similar challenges were brought in three elections, including one involving the offeror of this resolution, winner of her election by 812 votes, duly certified by the Secretary of State of California. After nine months of investigation at a cost of over $100,000 taxpayer dollars, no evidence of fraud being found, the challenge was withdrawn; and

Whereas, the Committee on House Oversight has had more than ample time to conclude its investigation, conducted at great taxpayer expense, now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Under rule IX, a resolution offered from the floor by a Member other than the majority leader or the minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within 2 legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from California [Ms. HARMAN] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. McKINNEY. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and has not met since that time; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: Charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charged of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the record seized by the

District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas some Members of the House Oversight Committee are now seeking a duplicate and dilatory review of materials already in the Committee's possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make the judgments concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, Loretta Sanchez of the Golden State smiles brighter than Bob Dornan even on a cloudy day.

Whereas Loretta Sanchez, a latino from California, has been persecuted for beating B-2 bomber Bob.

Whereas Loretta Sanchez is working to represent all the people of her district regardless of race, color, creed, gender, national origin or sexual orientation,

Whereas the Republican majority has failed to complete the nation's legislative business on time in each of its majority years,

Whereas many feel that the real bottom line in all of this is that Bob Dornan needs to get a life—and a job,

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

□ 1215

The SPEAKER pro tempore (Mrs. EMERSON). Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from Georgia [Ms. MCKINNEY] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

VETERANS' COMPENSATION COST-OF-LIVING ADJUSTMENT ACT OF 1997

Mr. STUMP. Madam Speaker, I ask unanimous consent for the immediate consideration in the House of the bill (H.R. 2367) to increase, effective as of December 1, 1997, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The Clerk read the bill, as follows:

H.R. 2367

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Compensation Cost-of-Living Adjustment Act of 1997".

SEC. 2. INCREASE IN RATES OF DISABILITY COMPENSATION AND DEPENDENCY AND INDEMNITY COMPENSATION.

(a) RATE ADJUSTMENT.—The Secretary of Veterans Affairs shall, effective on December 1, 1997, increase the dollar amounts in effect for the payment of disability compensation and dependency and indemnity compensation by the Secretary, as specified in subsection (b).

(b) AMOUNTS TO BE INCREASED.—The dollar amounts to be increased pursuant to subsection (a) are the following:

(1) COMPENSATION.—Each of the dollar amounts in effect under section 1114 of title 38, United States Code.

(2) ADDITIONAL COMPENSATION FOR DEPENDENTS.—Each of the dollar amounts in effect under sections 1115(1) of such title.

(3) CLOTHING ALLOWANCE.—The dollar amount in effect under section 1162 of such title.

(4) NEW DIC RATES.—The dollar amounts in effect under paragraphs (1) and (2) of section 1311(a) of such title.

(5) OLD DIC RATES.—Each of the dollar amounts in effect under section 1311(a)(3) of such title.

(6) ADDITIONAL DIC FOR DISABILITY.—The dollar amounts in effect under sections 1311(c) and 1311(d) of such title.

(7) DIC FOR DEPENDENT CHILDREN.—The dollar amounts in effect under sections 1313(a) and 1314 of such title.

(c) DETERMINATION OF INCREASE.—(1) The increase under subsection (a) shall be made in the dollar amounts specified in subsection (b) as in effect on November 30, 1997.

(2) Except as provided in paragraph (3), each such amount shall be increased by the same percentage as the percentage by which benefit amounts payable under title II of the Social Security Act (42 U.S.C. 401 et seq.) are increased effective December 1, 1997, as a result of a determination under section 215(i) of such Act (42 U.S.C. 415(i)).

(3) Each dollar amount increased pursuant to paragraph (2) shall, if not a whole dollar amount, be rounded down to the next lower whole dollar amount.

(d) SPECIAL RULE.—The Secretary may adjust administratively, consistent with the increases made under subsection (a), the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85-857 (72 Stat. 1263) who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

(e) PUBLICATION OF ADJUSTED RATES.—At the same time as the matters specified in section 215(i)(2)(D) of the Social Security Act (42 U.S.C. 415(i)(2)(D)) are required to be published by reason of a determination made under section 215(i) of such Act during fiscal year 1997, the Secretary of Veterans Affairs shall publish in the Federal Register the amounts specified in subsection (b), as increased pursuant to subsection (a).

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. STUMP

Mr. STUMP. Madam Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. STUMP: Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; REFERENCES TO TITLE 38, UNITED STATES CODE.

(a) SHORT TITLE.—This Act may be cited as the "Veterans' Compensation Rate Amendments of 1997".

(b) REFERENCES.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

SEC. 2. DISABILITY COMPENSATION.

(a) INCREASE IN RATES.—Section 1114 is amended—

(1) by striking out "$87" in subsection (a) and inserting in lieu thereof "$95";

(2) by striking out "$166" in subsection (b) and inserting in lieu thereof "$182";

(3) by striking out "$253" in subsection (c) and inserting in lieu thereof "$279";

(4) by striking out "$361" in subsection (d) and inserting in lieu thereof "$399";

(5) by striking out "$515" in subsection (e) and inserting in lieu thereof "$569";

(6) by striking out "$648" in subsection (f) and inserting in lieu thereof "$717";

(7) by striking out "$819" in subsection (g) and inserting in lieu thereof "$905";

(8) by striking out "$948" in subsection (h) and inserting in lieu thereof "$1,049";

(9) by striking out "$1,067" in subsection (i) and inserting in lieu thereof "$1,181";

(10) by striking out "$1,774" in subsection (j) and inserting in lieu thereof "$1,964";

(11) in subsection (k)—

(A) by striking out "$70" both places it appears and inserting in lieu thereof "$75"; and

(B) by striking out "$2,207" and $3,093" and inserting in lieu thereof "$2,443" and "$3,426", respectively;

(12) by striking out "$2,207" in subsection (l) and inserting in lieu thereof "$2,443";

(13) by striking out "$2,432" in subsection (m) and inserting in lieu thereof "$2,694";

(14) by striking out "$2,768" in subsection (n) and inserting in lieu thereof "$3,066";

(15) by striking out "$3,093" each place it appears in subsections (o) and (p) and inserting in lieu thereof "$3,426";

(16) by striking out "$1,328" and "$1,978" in subsection (r) and inserting in lieu thereof "$1,471" and "$2,190", respectively; and

(17) by striking out "$1,985" in subsection (s) and inserting in lieu thereof "$2,199".

(b) SPECIAL RULE.—The Secretary of Veterans Affairs may authorize administratively, consistent with the increases authorized by this section, the rates of disability compensation payable to persons within the purview of section 10 of Public Law 85–857 who are not in receipt of compensation payable pursuant to chapter 11 of title 38, United States Code.

SEC. 3. ADDITIONAL COMPENSATION FOR DEPENDENTS.

Section 1115(1) is amended—

(1) by striking out “$105” in clause (A) and inserting in lieu thereof “$114”;

(2) by striking out “$178” and “$55” in clause (B) and inserting in lieu thereof “$195” and “$60”, respectively;

(3) by striking out “$72” and “$55” in clause (C) and inserting in lieu thereof “$78” and “$60”, respectively;

(4) by striking out “$84” in clause (D) and inserting in lieu thereof “$92”;

(5) by striking out “$195” in clause (E) and inserting in lieu thereof “$215”; and

(6) by striking out “$164” in clause (F) and inserting in lieu thereof “$180”.

SEC. 4. CLOTHING ALLOWANCE FOR CERTAIN DISABLED VETERANS.

Section 1162 is amended by striking out “$478” and inserting in lieu thereof “$528.”

SEC. 5. DEPENDENCY AND INDEMNITY COMPENSATION FOR SURVIVING SPOUSES.

(a) NEW LAW RATES.—Section 1311(a) is amended—

(1) by striking out “$769” in paragraph (1) and inserting in lieu thereof “$850”; and

(2) by striking out “$169” in paragraph (2) and inserting in lieu thereof “$185”.

(b) OLD LAW RATES.—The table in subsection (a)(3) is amended to read as follows:

“Pay grade	*Monthly rate*
E–1	$850
E–2	850
E–3	850
E–4	850
E–5	850
E–6	850
E–7	879
E–8	928
E–9	[1]968
W–1	898
W–2	934
W–3	962
W–4	1,017
O–1	898
O–2	928
O–3	992
O–4	1,049
O–5	1,155
O–6	1,302
O–7	1,406
O–8	1,541
O–9	1,651
O–10	[2]1,811

“[1] If the veteran served as sergeant major of the Army, senior enlisted advisor of the Navy, chief master sergeant of the Air Force, sergeant major of the Marine Corps, or master chief petty officer of the Coast Guard, at the applicable time designated by section 402 of this title, the surviving spouse's rate shall be $1,044.

“[2] If the veteran served as Chairman or Vice-Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, at the applicable time designated by section 402 of this title, the surviving spouse's rate shall be $1,941.”;

(c) ADDITIONAL DIC FOR CHILDREN.—Section 1311(b) is amended by striking out “$100” and all that follows and inserting in lieu thereof “$215 for each such child.”.

(d) AID AND ATTENDANCE ALLOWANCE.—Section 1311(c) is amended by striking out “$195” and inserting in lieu thereof “$215”.

(e) HOUSEBOUND RATE.—Section 1311(d) is amended by striking out “$95” and inserting in lieu thereof “$104”.

SEC. 6. DEPENDENCY AND INDEMNITY COMPENSATION FOR CHILDREN.

(a) DIC FOR ORPHAN CHILDREN.—Section 1313(a) is amended—

(1) by striking out “$327” in paragraph (1) and inserting in lieu thereof “$361”;

(2) by striking out “$471” in paragraph (2) and inserting in lieu thereof “$520”;

(3) by striking out “$610” in paragraph (3) and inserting in lieu thereof “$675”; and

(4) by striking out “$610” and “$120” in paragraph (4) and inserting in lieu thereof “$675” and “$132”, respectively.

(b) SUPPLEMENTAL DIC FOR DISABLED ADULT CHILDREN.—Section 1314 is amended—

(1) by striking out “$195” in subsection (a) and inserting in lieu thereof “$215”;

(2) by striking out “$327” in subsection (b) and inserting in lieu thereof “$361”;

(3) by striking out “$166” in subsection (c) and inserting in lieu thereof “$182”.

SEC. 7. EFFECTIVE DATE.

The amendments made by this Act shall take effect on December 1, 1997.

Mr. STUMP (during the reading). Madam Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The SPEAKER pro tempore. The gentleman from Arizona [Mr. STUMP] is recognized for 1 hour.

Mr. STUMP. Madam Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. EVANS], pending which I yield myself such time as I may consume.

Madam Speaker, H.R. 2367, as amended, is the cost of living amendment or the COLA bill. The bill increases the rate of compensation for veterans with service-connected disabilities and the rate of dependency and indemnity compensation for the survivors of certain veterans. The rate of increase would follow Social Security Administration figures and be effective December 1, 1997.

Madam Speaker, I reserve the balance of my time.

Mr. EVANS. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I thank the chairman of the committee for introducing this important legislation. I strongly support this bill, which maintains the value of the compensation benefits received by our service-connected disabled veterans and their families. Because the Nation's economy is strong and the rate of inflation is low, this year's cost of living increase for veterans receiving compensation is correspondingly modest.

Specifically, this legislation codifies a 2.1-percent increase in service-connected compensation benefits. By enacting this bill, we are keeping our promise to our veterans with service-connected disabilities. The 2.1 percent VA compensation cost of living increase provided by this bill is the same rate of increase being provided to beneficiaries of Social Security. I urge my colleagues to support this measure.

Madam Speaker, I reserve the balance of my time.

Mr. STUMP. Madam Speaker, I yield such time as he may consume to the gentleman from New York [Mr. QUINN], the chairman of the Subcommittee on Benefits, for a further clarification of H.R. 2367.

Mr. QUINN. Madam Speaker, I thank the gentleman for yielding me this time.

Madam Speaker, this afternoon I join the gentleman from Arizona [Mr. STUMP] and the gentleman from Illinois [Mr. EVANS] to pass H.R. 2367, a bill that would provide a cost of living increase to 2.3 million veterans who are in receipt of service-connected disability compensation and nearly 330,000 survivors receiving dependency indemnity compensation, DIC. The bill would increase these benefits by 2.1 percent, the same percentage as given to Social Security recipients. I would also note that all the DIC recipients will get a full COLA.

Finally, the bill codifies the 1998 rates in title 38. Madam Speaker, this bill demonstrates the Congress's continuing commitment to keeping veterans benefits in line with the cost of living. This means that disabled veterans and their survivors will be able to maintain their standard of living. The extra money for dependents and clothing allowances will also make a positive contribution.

Madam Speaker, our disabled veterans represent the finest this Nation has to offer. They made a commitment to the Nation and we are keeping our commitment to them.

Finally, Madam Speaker, I want to thank and compliment the gentleman from California [Mr. FILNER], our ranking member on the subcommittee, as well as the gentleman from Texas [Mr. RODRIGUEZ] for their help throughout the hearings.

Mr. EVANS. Madam Speaker, I yield 1 minute to the gentleman from Texas [Mr. RODRIGUEZ], a member of the committee.

Mr. RODRIGUEZ. Madam Speaker, I want to first of all take this opportunity to congratulate the gentleman from Illinois [Mr. EVANS], the gentleman from New York [Mr. QUINN], and the gentleman from Arizona [Mr. STUMP] for their efforts and leadership in this particular area.

I rise today in strong support of this bill to increase veterans disability payments. From December 1, 1997, all 2.3 million veterans and 307,000 survivors receiving compensation payments will see the amount of their disability check increase by 2.1 percent. The boost cannot come any sooner. Today we find many of our Nation's veterans and their families living from paycheck to paycheck. The least we can do for these individuals is to provide them with this opportunity and these cost of living increases. That is the right thing to do, especially after they have given to this country as much as they have.

I want to thank again the members of the committee for their efforts.

Mr. STUMP. Madam Speaker, I yield myself such time as I may consume.

I would like to thank the gentleman from New York [Mr. QUINN] and the gentleman from California [Mr. FILNER], the chairman and ranking member of the Subcommittee on Benefits, as well as the gentleman from Illinois [Mr. EVANS], the ranking member of the full committee, for all their support on this bill. Their efforts are greatly appreciated by all the veterans.

Mr. FILNER. Madam Speaker, we who serve as members of the Committee on Veterans' Affairs have many responsibilities. Our primary commitment, however, is to those men and women who are disabled while serving on active duty in America's Armed Forces and to their families. Accordingly, I rise in strong support of H.R. 2367, the Veterans' Compensation Cost-of-Living Adjustment Act of 1997.

Under this measure, more than 2½ million service-disabled veterans nationwide, and their surviving spouses, will receive an increase in their disability-related benefits on December 1 of this year. In the great State of California alone, more than 220,000 veterans injured in service to our country will receive this enhanced benefit.

I am privileged to serve on the Veterans' Affairs Committee and to work on behalf of those whose sacrifices have protected the freedoms on which our Nation is founded. We, as free men and women, owe a unique debt to our veterans, and I urge my colleagues to join me in fulfilling this special obligation by supporting H.R. 2367.

Mr. STEARNS. Madam Speaker, I rise today in strong support of H.R. 2367, the Veterans' Cost-of-Living Adjustment Act, which was introduced by Chairman STUMP.

It is fitting and right that our Nation's veterans be given a full COLA for fiscal year 1998. The 2.6 million veterans who receive disability compensation are entitled to this increase in their benefits. After all, these benefits were earned by these men and women in service to their country. They deserve to be compensated because in many cases their earning capacity was diminished due to injuries sustained during their military service.

Many veterans reside in Florida and I know firsthand how difficult it is for many of them to make ends meet. Passage of this bill will offer these valiant men and women who served our country a little more purchasing power. This legislation also provides a partial compensation to the widows and children of veterans whose deaths were found to be service-connected. This too is fitting and right.

Again, I commend your leadership on this bill, Chairman STUMP, and I am pleased to offer my unqualified support for its passage.

Mr. STUMP. Madam Speaker, I reserve the balance of my time.

Mr. EVANS. Madam Speaker, I yield back the balance of my time.

Mr. STUMP. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Arizona [Mr. STUMP].

The amendment in the nature of a substitute was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title of the bill was amended so as to read: "A bill to amend title 38, United States Code, to provide a cost-of-living adjustment in the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans".

A motion to reconsider was laid on the table.

DENYING VETERANS BENEFITS TO PERSONS CONVICTED OF FEDERAL CAPITAL OFFENSES

Mr. STUMP. Madam Speaker, I ask unanimous consent for the immediate consideration in the House of the Senate bill (S. 923) to deny veterans benefits to persons convicted of Federal capital offenses.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 923

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DENIAL OF VETERANS BENEFITS

Notwithstanding any other provision of law, a person who is convicted of a Federal capital offense is ineligible for benefits provided to veterans of the Armed Forces of the United States pursuant to title 38, United States Code.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. STUMP

Mr. STUMP. Madam Speaker, in lieu of the committee amendment, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. STUMP: Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. DENIAL OF ELIGIBILITY FOR INTERMENT OR MEMORIALIZATION IN CERTAIN CEMETERIES OF PERSONS COMMITTING FEDERAL CAPITAL CRIMES.

(a) PROHIBITION AGAINST INTERMENT OR MEMORIALIZATION IN CERTAIN FEDERAL CEMETERIES.—Chapter 24 of title 38, United States Code, is amended by adding at the end the following new section:

"§2411. Prohibition against interment or memorialization in the National Cemetery System or Arlington National Cemetery of persons committing Federal or State capital crimes

"(a)(1) In the case of a person described in subsection (b), the appropriate Federal official may not—

"(A) inter the remains of such person in a cemetery in the National Cemetery System or in Arlington National Cemetery; or

"(B) honor the memory of such person in a memorial area in a cemetery in the National Cemetery System (described in section 2403(a) of this title) or in such an area in Arlington National Cemetery (described in section 2409(a) of this title).

"(2) The prohibition under paragraph (1) shall not apply unless written notice of a conviction or finding under subsection (b) is received by the appropriate Federal official before such official approves an application for the interment or memorialization of such person. Such written notice shall be furnished to such official by the Attorney General, in the case of a Federal capital crime, or by an appropriate State official, in the case of a State capital crime.

"(b) A person referred to in subsection (a) is any of the following:

"(1) A person who has been convicted of a Federal capital crime for which the person was sentenced to death or life imprisonment.

"(2) A person who has been convicted of a State capital crime for which the person was sentenced to death or life imprisonment without parole.

"(3) A person who—

"(A) is found (as provided in subsection (c)) to have committed a Federal capital crime or a State capital crime, but

"(B) has not been convicted of such crime by reason of such person not being available for trial due to death or flight to avoid prosecution.

"(c) A finding under subsection (b)(3) shall be made by the appropriate Federal official. Any such finding may only be made based upon a showing of clear and convincing evidence, after an opportunity for a hearing in a manner prescribed by the appropriate Federal official.

"(d) For purposes of this section:

"(1) The term 'Federal capital crime' means an offense under Federal law for which the death penalty or life imprisonment may be imposed.

"(2) The term 'State capital crime' means, under State law, the willful, deliberate, or premeditated unlawful killing of another human being for which the death penalty or life imprisonment without parole may be imposed.

"(3) The term 'appropriate Federal official' means—

"(A) the Secretary, in the case of the National Cemetery System; and

"(B) the Secretary of the Army, in the case of Arlington National Cemetery.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 24 of such title is amended by adding at the end the following new item:

"2411. Prohibition against interment or memorialization in the National Cemetery System or Arlington National Cemetery of persons committing Federal or State capital crimes.".

(c) EFFECTIVE DATE.—Section 2411 of title 38, United States Code, as added by subsection (a), shall apply with respect to applications for interment or memorialization made on or after the date of the enactment of this Act.

SEC. 2. CONDITION ON GRANTS TO STATE-OWNED VETERAN CEMETERIES.

Section 2408 of title 38, United States Code, is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

"(d)(1) In addition to the conditions specified in subsections (b) and (c), any grant made on or after the date of the enactment of this subsection to a State under this section to assist such State in establishing, expanding, or improving a veterans' cemetery shall be made on the condition described in paragraph (2).

"(2) For purposes of paragraph (1), the condition described in this paragraph is that, after the date of the receipt of the grant, such State prohibit the interment or memorialization in that cemetery of a person described in section 2411(b) of this title, subject to the receipt of notice described in subsection (a)(2) of such section, except that for purposes of this subsection—

"(A) such notice shall be furnished to an appropriate official of such State; and

"(B) a finding described in subsection (b)(3) of such section shall be made by an appropriate official of such State.".

Mr. STUMP (during the reading). Madam Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The SPEAKER pro tempore. The gentleman from Arizona [Mr. STUMP] is recognized for 1 hour.

Mr. STUMP. Madam Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. EVANS] pending which I yield myself such time as I may consume.

Madam Speaker, S. 923 is a bill to deny burial in a national cemetery to veterans convicted of capital offenses. During our committee hearings on this measure, and a similar measure which the gentleman from Illinois [Mr. EVANS] and I introduced, we heard testimony from all the major veterans service organizations. Although none of the organizations oppose the concept of the legislation in this area, they all urged the committee to be very careful about taking away earned benefits from veterans who have served their country honorably.

Existing law requires the reduction of compensation benefits to veterans serving prison terms, and there are provisions which revoke all benefits for certain crimes, such as treason or espionage.

Our committee carefully examined a number of proposals which would deny benefits to a certain class of veterans and reached a bipartisan conclusion on the legislation before the House. The committee chose not to limit benefits other than burial in a national cemetery at Arlington or in State veterans cemeteries.

However, the House amendment does expand the types of crimes which could lead to loss of benefits to both State and Federal capital crimes. I want to note the role of the gentleman from Alabama [Mr. BACHUS] in insisting that the bill address State capital crimes. I would also like to thank the gentleman from Texas [Mr. RODRIGUEZ] for his careful examination of the legislation and for his suggestions regarding veterans who may not stand trial for capital offenses.

Madam Speaker, I reserve the balance of my time.

Mr. EVANS. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of the amendment in the nature of a substitute to this bill offered by the distinguished gentleman from Arizona [Mr. STUMP], the chairman of the Committee on Veterans' Affairs. The amendment is a measured response to a difficult and complex question: Under what circumstances should a veteran who has served our country honorably be denied the privilege of a burial in a cemetery set aside for the repose of veterans?

This bill recognizes that some former members of the Armed Forces have been found guilty of acts so egregious in the eyes of the Nation that they should forfeit their right to burial in a cemetery dedicated to veterans. S. 923, as amended, recognizes the special value of service to our country. It reinforces the general principle of veterans rights earned in service to this Nation may be abridged only in the most extraordinary circumstances, extraordinary circumstances which justify an abridgement of the right to burial in a veterans cemetery are specified in this legislation.

The amendment offered by the gentleman today, which I support, varies from the version passed by the full committee. These changes clarify the intent of the committee to prevent the burial of former military members who engaged in postmilitary service acts so offensive to preclude their burial in those cemeteries which have been set aside for the repose of our Nation's veterans. Veterans who are convicted of Federal capital crimes and of murder in State capital cases will be barred from burial in the National Cemetery Service, Arlington National Cemetery, and any State's veterans cemetery which has received a grant from the Department of Veterans Affairs for such cemetery on or after the date of the enactment of this bill.

Veterans who fled to avoid prosecution or who have lost their life as a result of a Federal and State capital crime which otherwise would have resulted in the sentence of death or life imprisonment as defined by this bill will also be barred from burial in a veterans cemetery. An earlier version of this bill would have denied the burial benefits to veterans who had not been tried by reason of insanity.

As a result of the concerns raised by the distinguished gentleman from Texas [Mr. RODRIGUEZ], it became clear that such a course would be unwise. I want to thank my colleagues on the committee and particularly the gentleman from New York [Mr. QUINN], the chairman of the subcommittee, who worked diligently to address these issues contained in this legislation. I urge my colleagues to support this measure.

Madam Speaker, I reserve the balance of my time.

Mr. STUMP. Madam Speaker, I yield such time as he may consume to the gentleman from New York [Mr. QUINN], the chairman of the subcommittee.

Mr. QUINN. Madam Speaker, I thank the gentleman for yielding me this time. The bill before the House this afternoon reflects an amendment to S. 923 as reported by the House Committee on Veterans' Affairs. As amended, S. 923 would prohibit burial or memorialization in a national cemetery, Arlington National Cemetery or, prospectively, any State cemetery for which a State receives funding from the VA to anyone convicted of a Federal capital crime or any State capital crime involving the loss of one or more lives. It also gives the appropriate Federal and State officials the authority to deny burial to those who are shown by clear and convincing evidence are guilty of such a crime but are unavailable because they have avoided prosecution or died prior to trial. The bill does not affect other burial benefits such as a flag, Presidential certificates, or burial payments.

Madam Speaker, in crafting this bill and this legislation before us, we have adopted the Senate's desire to include all Federal capital crimes but, in recognition of a veteran's honorable service, we have retained the very limited denial of benefits contained in H.R. 2040 introduced by the gentleman from Arizona [Mr. STUMP]. As amended, S. 923 will not distinguish between a crime against a Federal official or a private citizen, Federal or State law.

We believe that the bill amendment strikes a reasonable position, as the gentleman from Illinois [Mr. EVANS], the ranking member, just mentioned, that protects the status of honorable military service while recognizing at the same time the heinous nature of capital crimes.

Madam Speaker, I want to emphasize to all of our colleagues that this bill does not violate constitutional provisions against ex post facto laws, nor does it qualify as a bill of attainder. This bill is an exercise of the Congress' constitutional authority to prescribe eligibility for any veterans benefit and, because we are proscribing a class of persons, this is not a bill of attainder.

Madam Speaker, in closing, I genuinely want to thank our ranking member of the subcommittee, the gentleman from California [Mr. FILNER], the gentleman from Alabama [Mr. BACHUS], the gentleman from Arkansas [Mr. SNYDER], and the gentleman from Texas [Mr. RODRIGUEZ] for their work on this bill.

We scheduled extra meetings in my office and had meetings with the chairman and the ranking member, and, in my estimation, when we had to deal with some very emotional issues, we took a measured, timed approach to end up with a truly bipartisan effort here this afternoon.

I thank my friends and colleagues on both sides of the aisle for their interest and the time they spent. I think we end up with at least a bill we can take to the full Congress.

Mr. EVANS. Madam Speaker, I yield 4 minutes to the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Madam Speaker, I thank the gentleman for yielding me this time.

Madam Speaker, I compliment the chairman of the committee and the ranking member of the committee, as well as other Members, the gentleman from Texas [Mr. RODRIGUEZ], the gentleman from New York [Mr. QUINN], and the gentleman from Alabama [Mr. BACHUS], for their efforts in this regard.

Madam Speaker, imagine yourself a member of a family who has a loved one, a veteran who has passed on, who is buried in a national cemetery, either in Arlington or another national cemetery such as the one we have, one of three we have in Missouri. Also imagine that in a plot nearby, a convicted mass murderer, a veteran, is buried.

What would the reaction of you or the family be? Anguish? Disappointment?

This law, that hopefully will pass and be on the books, covers that loophole. I testified before the House Committee on Veterans' Affairs concerning this issue. I recommended then that the present law be changed to prohibit convicted murderers and terrorists from being buried in national cemeteries.

The current law prohibits burial in national cemeteries of veterans who have been convicted of certain crimes. However, the law has a loophole which needs to be closed. The existing law does not prohibit veterans who use weapons of mass destruction against property or persons of the Federal Government or murder of a Federal law enforcement officer or the crime of terrorism from being buried in national cemeteries.

This, of course, was brought to my attention as a result of the mass murder of 168 Americans in Oklahoma City on April 19, 1995, and the subsequent conviction of a man who happened to be a veteran.

Missouri, Madam Speaker, has three national cemeteries, Jefferson City National Cemetery, the Springfield National Cemetery, and Jefferson Barracks National Cemetery, the latter of which is in St. Louis. We should reserve our national cemeteries for individuals who served and sacrificed for love of country, those who in later life would be role models for those who follow them as members of the armed services or as veterans.

The honor that accompanies burial in a national cemetery is a guarded treasure. The men and women who faced unparalleled adversity while serving their country deserve a patriotic and esteemed burial.

It is with these thoughts in mind that I not only compliment the committee, the chairman and ranking member and those who worked on it, but I endorse it wholeheartedly and urge its passage.

Mr. STUMP. Madam Speaker, I yield 3 minutes to the gentleman from Alabama [Mr. BACHUS], a member of the committee.

Mr. BACHUS. Madam Speaker, I thank the gentleman for yielding me time.

Madam Speaker, I want to commend the chairman of our committee, the gentleman from Arizona [Mr. STUMP], and the gentleman from New York [Mr. QUINN], the chairman of the subcommittee. What they have done through their leadership on this bill is to give us a much better piece of legislation than what we had when it came over from the Senate.

The bill is not to punish; the bill is to protect our veterans. It is to respect our veterans. It is meant to protect them. It is not punitive. This bill does a very fine job of doing that.

When the bill came over from the Senate, the gentleman from Missouri [Mr. SKELTON] talked about a loophole, and I think that is a very good word. I think the gentleman is correct, in that when it came over from the Senate it said that certain people could not be buried in a National Cemetery if they had committed a Federal offense or a Federal capital offense. We agreed with that.

But the Committee on Veterans' Affairs felt we should not set up a preference for someone who commits Federal offenses, nor should there be preferential treatment given to Federal offenses as opposed to State offenses. In other words, if you blew up a Federal building, if you killed a Federal officer, if you committed a murder on an Indian reservation, you would be prohibited from being buried in a national cemetery; but if you blew up a city hall, if you killed a sheriff, if you walked in a McDonald's and killed 20 people, there would be no prohibition on you, a mass murderer, being buried in a national cemetery.

We took care of that simply by saying that all capital offenses were covered. What the gentleman from Arizona [Mr. STUMP] took leadership on is he was interested in respecting our cemeteries, preserving their dignity, thinking about those heroes who are buried there, and our statement to the Nation on who are our heroes.

The Senate bill, I think, was punitive, in that it denied to the widows, to the dependents, all benefits, and that was not what we were after. That is not what we were seeking. We were seeking to protect and to respect, not to be punitive.

The final product I wholly endorse. I originally introduced part of this legislation in response to a lynching of a 19-year-old young man in Mobile County. The bill that came from the Senate would not have addressed this. The people that participated in the military honor guard protested having to participate in honoring a man who had just been executed in the electric chair in Alabama. The Senate bill did not address that; the House bill did.

Madam Speaker, this is a much better bill, and I urge its passage, and I thank the chairman and the subcommittee chairman.

Mr. EVANS. Madam Speaker, I yield the balance of my time to the gentleman from Texas [Mr. RODRIGUEZ], a fighter for veterans and member of the committee.

Mr. RODRIGUEZ. Madam Speaker, I rise today to commend the leadership for taking swift and precise action to prevent violent criminals from being honored in our Nation's veterans' cemeteries.

The bill we are passing today amends earlier provisions which may have unfairly targeted those who would be blamed, veterans' families or veterans who suffer from mental illness. I believe the focus of this bill on actual convicts and veterans who obviously committed the crime with the requisite mental intent protects due process for veterans and their families.

In protecting veterans and veterans' families from the arbitrary elimination of benefits, this legislation strikes the resounding chord that we will not bless criminal veterans with the honor of burial in our national cemeteries.

Madam Speaker, in closing, let me thank the chairman and the ranking member, as well as the gentleman from New York, Chairman QUINN. I think the gentleman did an exceptional job in reaching out to us in a bipartisan manner.

Mr. EVANS. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. STUMP. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, once again I would like to commend the gentleman from New York [Mr. QUINN] and the gentleman from California [Mr. FILNER], the chairman and ranking member of this subcommittee, and also again the gentleman from Alabama [Mr. BACHUS] and the gentleman from Texas [Mr. RODRIGUEZ] and the ranking member of the full committee, the gentleman from Illinois [Mr. EVANS], for all their fine work on this bill. I think we have come up with a very fine product, and I would urge all Members to support it.

Mr. KNOLLENBERG. Madam Speaker, I rise in strong support of S. 923, a bill to deny veterans burial benefits to persons convicted of Federal capital offenses. I would also like to commend the chairman of the House Veterans' Affairs Committee, Mr. STUMP, for his guidance in bringing this important bill before the House.

On June 18, I introduced H.R. 1955 which is similar to the legislation before the House today. As a member of the VA–HUD Appropriations subcommittee, I felt it was necessary and appropriate to introduce this legislation after the Senate passed S. 923 by a vote of 98 to 0.

As pictures of the Oklahoma City bombing were brought into the lives of everyone across this great country, no one watched with more horror than I did. It will always remain ingrained in our hearts, our minds, and our souls.

Like the rest of the Nation, I was saddened more by the fact the person responsible for killing 168 people in the most heinous domestic terrorist act ever committed could receive a hero's burial with taps, a 21-gun salute, and a flag-draped coffin.

S. 923 is the right thing to do. Our Nation's veterans' cemeteries are sacred ground, and they are a solemn and sad reminder of the price our Nation has paid for the freedom we enjoy every day. It is wrong for those veterans and their dependents to live with the thought that someone who has killed so many innocent lives on our own soil could be laid to rest next to these fallen heroes.

I commend Chairman STUMP and the rest of the Veterans' Committee for their diligence on this issue. I would also like to thank the chairman for allowing me to testify before his committee on this very issue. All of us, including myself, who served in our armed services are thankful for his leadership to ensure our Nation's cemeteries remain sacred.

GENERAL LEAVE

Mr. STUMP. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on S. 923 and H.R. 2367.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. STUMP. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Arizona [Mr. STUMP].

The amendment in the nature of a substitute was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read:

An Act to amend title 38, United States Code, to prohibit interment or memorialization in certain cemeteries of persons committing Federal or State capital crimes.

A motion to reconsider was laid on the table.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

IN HONOR OF JOHN N. STURDIVANT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. MORELLA] is recognized for 5 minutes.

Mrs. MORELLA. Madam Speaker, I rise today to honor the memory of John Sturdivant, a good friend of mine and a good friend of hundreds of thousands of Federal employees, including those he knew personally and those whom he never met. John died after a courageous struggle with cancer on Tuesday night. His death and the loss of his leadership are devastating blows to his family, his friends, and all Federal employees. I will miss him very much.

As president of the American Federation of Government Employees since 1988, John was an outstanding champion of Federal employees during a time of rapid downsizing and unprecedented attacks against Federal employees.

He was a wonderful ally to have in our fight for Federal employees. We worked together to successfully reform the Hatch Act and give Federal employees the political voice they deserve.

In 1995, we stood together protesting the deleterious and wasteful Government shutdowns. He presented not only compelling arguments against the Government shutdowns, but he also voiced the human costs of the Government shutdown in a very powerful way.

He successfully advocated the use of official time and led the charge against excessive Government privatization. John was there, with me and several of my colleagues, as we successfully fought against proposals to reduce Federal retirement benefits. He did not let partisan politics obstruct his pursuit of fairness for Federal employees. We supported one another, I valued his help, his guidance, and his bipartisan approach to Federal employee issues.

He was a man who was selfless in his dedication to AFGE. Enduring his illness, in and out of the hospital, he continued to speak out powerfully on issues involving our civil service.

I offer condolences to his companion, Peggy Potter, his daughter, Michelle Sturdivant, his mother, Ethiel Jessie, and his brother, stepbrother, and sister. May they be strengthened by his inspiration, his warm personality, and his achievements.

Madam Speaker, I honor the memory and the great accomplishments of John Sturdivant, a man who touched the lives of hundreds of thousands of people, and a man who will be greatly missed by all who knew him and by those for whom he fought, who never had the good fortune to meet him.

□ 1245

AN EXTRAORDINARY MONTH FOR WOMEN IN THE HOUSE AND IN THE COUNTRY

The SPEAKER pro tempore (Mrs. EMERSON). Under a previous order of the House, the gentlewoman from the District of Columbia [Ms. NORTON] is recognized for 5 minutes.

Ms. NORTON. Madam Speaker, this has been an extraordinary month for women in the House and in the country, and I want to say a few words about women in both places; first, about women in the House, and then about two issues that concern women throughout the country.

On October 21 the women of the House, those who belong to the Women's Caucus, and that is virtually all of us, had our first ever gala. That gala was given to raise funds for Women's Policy, Inc., and it was a most successful event, with the President and the First Lady and the Secretary of State all coming to pay tribute to 20 years of achievement by women in Congress.

We set an extraordinary bipartisan example. The gentlewoman from Connecticut, Mrs. NANCY JOHNSON, is the Republican cochair this year. Last year the gentlewoman from New York, Mrs. NITA LOWEY was the Democratic cochair, and the gentlewoman from Maryland, Mrs. MORELLA, was the Republican cochair. They kept the caucus alive and bipartisan, and we were pleased to follow in their wake this year.

The caucus simply gets things done. It gets things done any way it can. Sometimes it is by getting policies changed; sometimes it is by getting laws changed. And what does the caucus have to show for 20 years from the work we have done? More women getting mammograms, and therefore a decrease in breast cancer and cervical cancer; the Pregnancy Discrimination Act; the Violence Against Women Act. It is a roster to be proud of.

But as it turns out, October was the awareness month for two concerns that women across the country have given the caucus as their own priorities, Breast Cancer Awareness Month, and Domestic Violence Month.

The Women's Caucus this very year waged a battle for mammograms for women over 40. This was in the tradition of the Women's Caucus, when it looked as though we were about to get a reversal in policy on that very issue. The science did not support a reversal, and we were able to get it changed based on the science.

We pride ourselves in not getting changes like that not on political grounds, and using the data that is provided us by Women's Policy, Inc., we were able to help turn that decision around. Now women at 40 should get a mammogram every year or every other year.

This is an important issue. It is important to have the focus of women in Congress on it, because since the early seventies the incidence of breast cancer has increased by 1 percent a year, and we do not know why. All we know is that we have to do something about it.

Actually, if mammograms are high quality they can spot breast cancer in women over 50 at a rate of 85 to 90 percent of the incidence of cancer. So we have made a lot of progress.

While we focused on the threat to women at 40, the fact is that I want to remind everybody that it is women who are over 50 who are at greatest risk for breast cancer. If women aged 50 to 69 have regular mammograms, they can reduce their chances of death from breast cancer by one-third, and gradually, by bringing attention to this dreaded disease, we have been able to do something about it.

I do want to put into the record risk factors that are more specific than what we usually hear. These are the risk factors: Having had a previous breast cancer; a specific, identified genetic mutation that may make one susceptible to breast cancer; a mother, a sister, or a daughter, or two or more close relatives with a history of breast cancer, and that could be even cousins; a diagnosis of other types of disease that are pinpointed to predispose one to breast cancer; that is to say, breast disease that predisposes one to breast cancer; dense breast tissue, which makes it difficult to read a mammogram; and having a first child at age 30 or older.

Madam Speaker, this was also Violence Against Women Month. By observing and talking about this terrible epidemic in our country, we are finally bringing it out of its special closet. Some 3 out of every 100 women in this country have been severely assaulted by a partner, that is, not simply a slap, but severely assaulted. They had to go to the emergency room or get medical treatment.

Madam Speaker, I hope what the Women's Caucus has done helps us all to understand the value of the caucus to bring our attention to problems such as these.

THE TRUTH ABOUT VANDALISM AND ILLEGAL PROTEST IN DISTRICT OFFICE OF HON. FRANK RIGGS OF CALIFORNIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. RIGGS] is recognized for 5 minutes.

Mr. RIGGS. Madam Speaker, it is rather unusual circumstances that bring me to the floor to address my colleagues during special orders, but I really feel compelled to make this statement because of some very, I think, one-sided, misleading reports that have appeared in the media recently regarding a protest that occurred at my district office in Eureka, CA, on October 16.

On that day, over 60 protesters stormed my office. They trespassed my office. They threatened, they actually accosted and assaulted my two employees working in the office at the time, both female employees, wonderful, dedicated employees by the names of Julie Rogers and Ronnie Pelligrini, who felt genuinely threatened and frightened for their safety when this incident began.

These protesters, however, four of whom were subsequently arrested, have now gone to the media, along with their criminal defense attorneys, claiming that they were the victims of improper police conduct or inappropriate use of force by law enforcement. So I want to explain exactly what transpired in my office.

First of all, as I mentioned, the group was led by an individual wearing a ski mask and carrying a walkie-talkie. So imagine for a moment if your workplace, your business, your office, was invaded by somebody wearing a ski mask, and a group of protestors.

As they came in the office, as I mentioned, they jostled my employees, who obviously had no idea what was transpiring at the time, and who were attempting to call for help. They then trashed and vandalized my office, throwing bark and sawdust 6 inches deep on all of the equipment and throughout the office on the floor, and they unloaded and wheeled into my office a gigantic tree stump as part of this protest. When they off-loaded the tree stump in the parking lot, they did it with such a thud that my employees initially thought that some sort of a bomb had gone off outside.

Bear in mind, this was all part of an orchestrated protest, part of a series or ongoing series of protests that have become, unfortunately, a fact of life on California's north coast, but involve the harassment of private law-abiding citizens, intimidation, trespassing, vandalism of personal and commercial property, and resisting arrest.

After all this took place, and this was to protest my role in helping to secure congressional authorization and funding for the protection of living wage jobs in the forest product industry, and 7,500 acres of old growth forestland in my district, in the context of the annual spending bill for the Department of the Interior, they were protesting my role in that because they wanted to preserve, they want to preserve, 60,000 acres of forestland, all of it privately owned in our district, and they would like to add that to the vast tracts of forestland that already is in the public domain, under public ownership.

But as this protest continued, four individuals, one of them a minor, all female, chained themselves to this gigantic tree stump in my office. When the local law enforcement agencies arrived, they refused repeated commands, lawful orders from sworn peace officers, to separate themselves.

It turns out they had stuck their arms in metal sleeves, chained themselves to this tree stump, and law enforcement officers explained to these four protestors that not only were they under arrest, not only were they resisting arrest, but that law enforcement was afraid to cut through these metal sleeves for fear that the sparks might set off a fire in the office, which, as I mentioned, had been littered at that point with sawdust and wood chips everywhere.

So after they gave repeated orders to these protestors to separate, to unchain themselves, and to submit to the custody of law enforcement because they were under arrest, after they repeatedly refused these lawful orders, the peace officers involved, who have a very difficult, dangerous, and dirty job to do, then warned that they might use chemical agents to compel them to surrender to arrest. I am a former law enforcement officer myself. That is opposed to some other manner of peaceful restraint. They thought that was the proper arrest technique to use in this situation.

Even then, after being warned repeatedly, they refused to comply with the orders, so the law enforcement officers at that point applied a little pepper spray in the face area of these protestors, who still refused to comply with the orders of the law enforcement officers, who then finally, as a last resort, used a chemical agent called pepper spray to force them to submit to arrest.

Now these protesters are out there with their criminal defense attorneys saying, and I quote one of the attorneys, "The abuse of this extremely dangerous and incredibly painful chemical weapon to force obedience of peaceful protesters is not related to any legitimate law enforcement objective."

I want to conclude by saying that these were not peaceful protesters, these were reckless, wanton lawbreakers. My message to the media is get it right, and tell the rest of the story.

NEED FOR CAMPAIGN FUND-RAISING REFORM HIGHLIGHTED BY SPENDING FOR UPCOMING SPECIAL ELECTIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. SNYDER] is recognized for 5 minutes.

Mr. SNYDER. Madam Speaker, over the last several months we have heard a number of discussions about the problem of large donations in our campaign system. I have been up on the floor, as have many people, discussing that issue.

At one time I had a large blown-up check that we had which had been signed by my friend, Ima Big Donor, made out for $1 billion, with a big sign, "To any old political party," a completely and perfectly legal donation under our current campaign laws. I continue to be optimistic that something will occur in this session of Congress that will deal with campaign finance reform.

But when I go back home and make speeches and people ask me, do you think that you all are going to do anything in Washington about campaign finance and these terrible problems we are having, I say, look, it may take one more election cycle. Maybe we will have to go through the 1998 election cycle, and just see these thousands and thousands and millions of these soft dollars, these unregulated, unlimited, huge donations saturate our system to where the outrage of the American people will finally force this Congress, specifically the Republican leadership, to let us take up campaign finance reform.

But I am thinking that maybe we are not going to have to wait that long, because we have some examples right now going on in special elections where we can see and predict what is going to happen in 1998.

Right now in New York this Tuesday there is going to be an election to fill the seat of retired Representative Susan Molinari. We have two candidates, a Democrat, Eric Vitaliano, and a Republican, Vito Fossella. As the press reports a couple of days ago, the Democrat had spent about $35,000 in television ads and the Republican had spent about $85,000. I am sure those numbers are substantially higher now. But what we have is a duel between two local candidates who care very much about their country and are trying to win the election.

But in the middle of this duel comes the 800-pound gorilla. The 800-pound gorilla is the Republican National Committee. Not only is it an 800-pound gorilla, it is an $800,000, $800,000 gorilla that has brought in outside money through the committee saturating the airways to tilt the election toward the Republican.

Our laws do not have loopholes, they have an absolute, major sieve, and have become almost meaningless to deal with these massive amounts of money.

Madam Speaker, for Mr. Vitaliano, the Democratic candidate, he is currently required by Federal law that he can only accept a $1,000 donation from any individual, and he can only accept $5,000, maximum, from any political action committee.

The Republican National Committee has absolutely no limit on the amount of money it can accept into the party as soft money, and in fact, there have been reports of donations over $1 million, and I suspect we will see more of those to that size.

So what is the problem? The problem for the voters of New York, they are going to have to decide if that seat is for sale to the highest bidder. Folks say, well, Democrats do it, too. But I do not think that makes it in any better.

All it means is if you are a local person sitting in New York, you are going to say, is the amount of Republican money coming in from the outside going to win the day or the bid, or will it be offset by the amount of the Democratic money coming from outside New York? Is that going to tip the scale? The seat becomes for sale to the highest bidder.

The problem for our system is two, as I see it. No. 1, what do those huge donations buy? Is it access? That is what we often hear. Is it access, the ability of someone who makes a $300,000 donation to get into the seat of power and discuss the issues that a person who makes a $25 donation does not get to do?

□ 1300

I think that is one of the problems. The other one is this issue of the 800-pound gorilla. When I am a candidate and I announce for a race, I call my brother-in-law and he sends me $25, and I call the guy down the street and he sends me $100.

The outside money in these huge amounts, $800,000, absolutely overwhelms the local fundraising. It distorts the local politics. It makes the race one in which outside huge money powers control the race, and I think that is wrong.

We have a second example. Our dear friend, Walter Capps, passed away just a few days ago, and there is obviously going to be a special election. There is already discussion out there in California about who is going to be in the race, and Walter's funeral has not even occurred yet.

Yesterday's Roll Call newspaper has a quote discussing that race from an employee of the National Republican Congressional Committee, and this is what he said. "We will do whatever it takes to win this seat. That means spending whatever it takes, ground troops, party money. This is the kind of seat where we will go to war to win."

Well, aside from perhaps commenting on the crassness of making such a statement even before poor Walter has had his funeral, listen to those terms. "Party money." Not "local money," "party money." The $800,000 gorilla presents his head. It is wrong.

Mr. Speaker, this Congress needs campaign finance reform.

BREAST CANCER AWARENESS MONTH

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, as you are aware, October is National Breast Cancer Awareness Month. Why is the issue so important? It is important because breast cancer is the most common major cancer for women. Every 3 minutes, a woman in the United States is diagnosed with breast cancer.

This devastating disease is the second leading cause of death among cancer victims overall. Today there are more than 2.6 million women living with breast cancer, women who struggle daily against the ravages of this killing disease. Of those 2.6 million American women, 71,000 of them are in North Carolina. Many of these aforementioned women are undiagnosed, do not know they have the disease.

Fortunately, through research developments, we have effective methods of detection that are improving steadily. However, no technique, no matter how effective, can diagnose women who do not have adequate access to health care.

Each year on average 182,000 women are diagnosed with breast cancer. Of that total, 16,000 are Afro-American and over 4,900 of them are from North Carolina.

While the prognosis is good for many women with breast cancer, it often proves fatal for those women whose cancer is not discovered until it is very late in their lives.

Mr. Speaker, the losses we have as a Nation suffered are staggering as a result of this. Each year on average nearly 44,000 women succumb to breast cancer; 44,000 mothers, sisters, daughters, spouses, partners, and friends. Mr. Speaker, 5,200 of those women are, again, Afro-American women; 1,200 of them are from my home State of North Carolina.

Mr. Speaker, I cannot stress enough how critical it is to study this insidious disease further, for 80 percent of women diagnosed with breast cancer do not fall into any known high-risk category, so they do not know they have it.

This is an issue for all of us, not just those with a family history of breast cancer. The incidence of breast cancer has been rising steadily since 1940, but none of the experts have been able to ascertain why. We do not know how to cure this disease or even how to prevent it. Significant strides have been made in detection and treatment of breast cancer, but we still have a long way to go.

The economic impact on the United States is incredible. Breast cancer costs the United States over $6 billion annually in medical care and the loss of productivity.

Mr. Speaker, two of my colleagues in Congress, the gentlewoman from Connecticut [Ms. DELAURO] and the gentlewoman from California [Ms. ESHOO], have begun an Internet petition drive calling for improved insurance coverage for breast cancer. Those who wish to add their name to the list should use the following address: http://breastcare.shn.com.

Mr. Speaker, we must be committed to finding a cure for this cancer as well as many other devastating diseases. We all can help because cancer, indeed, claims many of our loved ones.

TRIBUTE TO FORMER CONGRESSMAN JOEL PRITCHARD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. WHITE] is recognized for 5 minutes.

Mr. WHITE. Mr. Speaker, in recent weeks, the House has lost a man who should be an example to all of us, and I just wanted to spend a few minutes today talking about him.

Joel Pritchard, who served in this House from 1972 to 1984, died earlier this month in Seattle. There was a memorial service here last night over in the Cannon Office Building that many of us attended. There was a funeral service in Seattle several weeks ago. Unfortunately, Mr. Speaker, I will never be able to match the observations that were made at those two proceedings about what a wonderful person Joel was, but I would like to make just a few observations of my own.

First of all, I think that for those of us in the House it would be good for us to recognize that Joel was everything that we so often are not. Joel was always cheerful. He was always positive. He never said an unkind word about anybody. Nobody could remember one in all of his long years here in the House of Representatives.

Joel was the sort of person who believed that one could accomplish anything they wanted to accomplish if they did not care who got the credit. And I think those are all things that we can could stand to remember today.

Mr. Speaker, I would like to enter into the RECORD two things: First, a column that appeared in the Seattle papers just a week or two after Joel died by Adele Ferguson that makes the comment at the end of the article that, "Joel Pritchard is an argument for human cloning."

I think that is something that those of us who knew him would agree with.

Include the following for the RECORD.

A Man of His Word, Joel Pritchard Gave Politicians a Good Name

(By Adele Ferguson)

Few, in my nearly 40 years of covering the doings of politicians, had what I called HIGI, for honesty, intelligence, guts and integrity, and Joel Pritchard was one of them.

If anybody remembers that classic television series about a congressman called "Slattery's People," the former Seattle congressman and lieutenant governor who died of lymphoma at age 72, was Slattery. He was walking integrity.

He was also fun. He used to come charging up out of his seat in the state House like a seltzer fizz, and the foam just got all over everybody. Everybody liked him and everybody listened to him because he only talked when he had something to say. When Pritchard said something came "slithering" over from the Senate, everybody else had to say it too, over and over again.

It was Pritchard who told me that when he shared a house with then-fellow Reps. Dan Evans, Slade Gorton and Chuck Moriarty, Evans was the only one who made his bed before they left each morning. He shared with me his disgust as fellow legislators who, during the morning prayer, shuffled and read papers on their desks instead of concentrating on the message.

Once, when rumors were hot about something the Republicans were up to, I asked him about it, and he looked sad. "Adele," he said, "I know exactly what you want to know, but I am part of it and I am sworn to secrecy." When he was not sworn to secrecy, however, he was candid and trusting that I would not misuse his confidences. I knew a lot I couldn't write.

Pritchard had been in the Legislature for 12 years when he decided it was time to move on, and he'd always said he wasn't going to grow old in the office just listening to the lobbyists tell him what a good guy he was.

One of his neighbors at his summer place on Bainbridge Island was U.S. Rep. Tom Pelly, who had served in Congress for 18 years. Too long, Pritchard said. It was time for new blood, new ideas. He never said a bad word about Pelly, who survived the primary challenge, but who got the message and retired the next time around, leaving the field to Pritchard.

God and the voters willing, Pritchard said, he would limit his time in Congress to 12 years, which he did, despite a burgeoning tide of encouragement, including mine, to accept a draft to stay on.

In 1988, Lt. Gov. John Cherberg retired and Pritchard decided to run for the open seat. He would never have challenged Cherberg, who not only was a good friend but his football coach at Cleveland High School.

Pritchard told me that during World War II, when he was an Army private slogging through the jungles of Bougainville, a fellow soldier gasped, "How are we ever going to get use to this awful heat and being thirsty all the time?"

"You should have played for my high school football coach," Pritchard gasped back. "You would have gotten use to it." Cherberg never let his players go to the drinking fountain during practice. "He though it was bad for you," Pritchard said.

He promised, on his election to succeed Cherberg, that he would only serve two terms and not run for governor. He kept that promise too.

Three bouts of cancer never diminished his spirit, although he was saddened by two failed marriages. He was a devoted brother and father. A voracious reader, he wanted everybody to enjoy reading as much as he did and spent much of his spare time as a tutor.

Joel Pritchard was one of the finest public officials and human beings I ever met. Joel Pritchard made being a politician respectable. Joel Pritchard is an argument for human cloning.

Also, Mr. Speaker, I would like to enter in the RECORD the last public writing that Joel had. It appeared less than 2 months ago in one of the Seattle papers. It is a subject that I think all of us could benefit from in this House. It is entitled "The 10 Habits of Highly Effective Legislators." If I could take just a minute or two to point out a couple of things that Joel was talking about in here.

He said that among the 10 habits of highly effective legislators was the fact that, No. 1, they keep their egos under control. Another thing that he mentioned was that highly effective legislators refuse to take themselves too seriously. He also said that highly effective legislators demonstrate their integrity by admitting their imperfections, and he has several other things here that I think we could learn from here. I will include this article as well for the RECORD.

[From the Seattle Times, Sept. 7, 1997]

The 10 Habits of Highly Effective Legislators

What does it take to become an effective lawmaker? State and national political veteran Joel Pritchard has seen a lot of promising candidates wither on the political vine. One thing he has learned: A winning campaign style does not translate into legislative competence. In this era of term limits, he offers 10 characteristics of successful politicians—attributes voters should consider when evaluating candidates.

(By Joel Pritchard)

Campaign season is a good time for voters to think about what it takes to be an effective office-holder as compared to what it takes to be an effective political candidate.

The requirements not only are different, they often are contradictory, and they are not always obvious. In 32 years of political service, I witnessed numerous state legislators and members of Congress who possessed the intellectual capacity and energy to be effective public officials, but somehow did not develop the habits that would make them so. Still, some were very accomplished at winning elections back home. Others simply self-destructed in politics as well as statesmanship.

Two come immediately to mind. One was a young Washington state legislator who was smart and articulate; the kind to whom the media attach the word "promising." But he refused to acquire understanding and competence in legislative practices. Instead, he developed as his primary interest finding opportunities to make public criticisms of minor problems at state agencies. This approach interested few constituents.

The other was a Western state congressman who wasn't effective in the House because of a quiet reputation for being untrustworthy. His constituents probably didn't distrust his word, because they didn't see him in action, close up. But his colleagues learned that they could not count on him, and, believe it or not, that is still an important standard in legislative chambers. In addition, this individual made it his custom to encourage voters in neighboring congressional districts to criticize their own representatives. That may not be immoral, but it certainly is foolish if you want your colleagues to cooperate with you later on matters that you care about.

Neither of these individuals is still in office.

Two other members of Congress that I encountered—one from the Southwest and the other from the Midwest—never came close to fulfilling their potential. Seeking publicity and constant campaigning for the next election were always more important to them than legislative work.

They chased television cameras and ingratiated themselves with reporters and commentators. They were masters of taxpayer-financed newsletters and the art of perpetual fund raising. Their re-election efforts were successes, all right, and they were returned to office again and again.

Most of the voters in their districts probably thought that the blizzard of press releases signified that their congressman was one of the most powerful leaders in the country.

The reality, however, was that electoral success was their only success. For one, after eight years in office, not a single amendment or other piece of legislation offered by him in committee or on the floor of Congress was ever adopted, even though he was a member of the majority party. The other was a confrontational, bombastic speaker whose instinct for controversy gave him high media notice and therefore high name recognition. But, again, in the halls of Congress, even the members with well-fed egos (which is most, of course) looked down on him as a showboater, and he was as ineffectual as the first fellow in actually getting things done.

These were people who were in office not for what they could do, but for what they could appear to do. Watch out for politicians with big propellers and small rudders.

Of course, there are a few members of legislative bodies whose early years are marked by ineffectiveness who change for the better over time.

I served with two members of Congress who were completely undistinguished in their first years on the Hill, but eventually matured. One, from the East, was noted for what a colleague termed "self-righteous grandstanding." Colleagues don't mind if you do that back home, but they hate it when you try it on them! Worse, this fellow often hinted to fellow members that they all lacked his intelligence and concern. Instead of admiring him more, of course, his colleagues for years went out of their way to ignore him. Fortunately, he was smart enough to see in time what he was doing wrong.

The other late-bloomer, from the upper Midwest, performed as a narrow-minded ideologue, someone who didn't want to be bothered with the lessons of experience, because he already knew what was wrong with the country and had simplistic slogans to meet every situation. After about a decade of such posturing, he began to realize that though he was still in office, he hadn't accomplished anything. Listening to others, accepting a little less than perfection (by his lights) and accepting responsibility for the legislative process, he, like the other case above, grew into a respected leader in his party.

In truth, such late-bloomers are unusual. Most people—including politicians—find it hard to change. The personal behavior and political techniques that a candidate brings to office normally are the ones he or she will practice once there. In an age of term-limit considerations, when many fear the loss of legislative bodies seasoned by experience and institutional memory, discovering these artibutes in candidates is more important than ever, though no easier.

My observation is that effective legislators posses characteristics that, regardless of their years in office, are primarily responsible for their success. Of course, office-holders need to be ambitious, intelligent and committed to hard work. But they also have to have cultivated good political habits.

Here are ten of them:

(1) They keep their egos under control.

Put it this way: They don't let the praise of their own campaign brochures go to their head. They don't abuse staff members and those who assist them, nor treat career public servants or their fellow legislators with condescension. In fact, the code of the gentleman (or "gentlelady" in Congress) is what it always has been: Treat everyone in a friendly, collegial way.

(2) They are able to manage and lead their staff or those who are chosen to assist them, and they seek advice from competent and trustworthy sources.

The ultimate effectiveness of legislators can be partially judged by whom they employ, by their willingness to seek information from many sources (whether or not on his own side) and by whom they rely on for regular counsel. Legislators who limit themselves to a narrow circle of advisers from any part of the spectrum usually limit the breadth of their knowledge and vision.

(3) They do their legislative homework and develop expertise on at least one issue.

A legislator earns respect from his fellow lawmakers by providing them with a superior understanding of certain types of legislation, even if the subjects are not of greatest importance to other members. Because legislators deal with so many issues, each has the opportunity to become an expert. It's an opportunity the showboaters pass up, but which pays off at crucial times and becomes the source of mutual trust and reliance in legislative bodies.

(4) They are not obsessed with obtaining credit from the media and the public for presumed legislative accomplishments. Obviously, elected officials need to receive some credit in order to be seen as effective back home. But for that very reason, the legislator who shares credit builds trust and respect among his colleagues. This kind of credit in politics is like financial credit in a bank; it's there when you really need it.

Most legislators especially develop a distaste for fellow members who continually seek praise when it is not deserved. It may not count against them in the media, but it does count against them in legislative negotiations.

(5) They realize that changes often come in a series of small steps.

I'm talking about the art of compromise, of course. Political and social principles are extremely important, but of little benefit if they can't persuade people on their own. Obtaining desired legislation by increments is usually more realistic under the American system than it is, perhaps, in systems without so many checks and balances and where laws can be fundamentally changed all at once. Legislators who insist on having everything their own way may look noble on television, but they carry little weight with their colleagues and generally get little of consequence done.

(6) They know how to work in a bipartisan fashion on most issues and respect the sincerity of those who oppose their point of view.

The effective legislator, like an effective person in any field, is able to discuss issues without personal rancor, and to realize that he or she may not possess the final truth in all matters of public policy.

Respect is the basis of civility. It lubricates the legislative process and removes unnecessary friction.

There's wisdom as well as kindness in this attitude of humility. An honest legislator will admit that much legislation, once it is implemented, may turn out to lack the perfection its authors claimed for it and will have to be modified or even repealed. Don't denounce your critic too harshly. History may prove him right!

(7) On issues where dramatic differences of opinion exist, they are intellectually capable of understanding their opponents' positions and arguments.

This is hard to do, or at least to do well. The common tendency is to parody the arguments of an opponent or put words in his mouth. But even if the public cannot always see it, other legislators know when a colleague is representing an opponents' case fairly. When it happens, even though minds may not change, attitudes are changed. An honest debater wins points of respect. It adds to the credit in his bank!

(8) They refuse to take themselves too seriously.

Politics is a serious business, but keeping a sense of humor is essential to keeping a realistic sense of proportion, and that actually helps the serious business proceed. For many elected officials, periodic re-election and growing seniority make them imagine that they not only are gaining in experience but in virtue. Arrogance and acute self-centeredness hurt effectiveness. An ability to laugh at yourself has the "serious" result that it disarms your opponents!

(9) They understand that you become more effective by listening, questioning and learning, rather than just talking.

Almost all politicians, in or out of office, like to talk, naturally.

However, that does not mean that they have a lot of patience for other politicians who abuse the privilege. They do notice the person who studies carefully, gives evidence of sincere intellectual curiosity and works hard.

(10) They demonstrate their integrity by admitting their imperfections.

Nobody's perfect and little is more annoying than some politician who pretends otherwise—especially with his colleagues, who definitely know better. In fact, if you were perfect, you'd be smart to hide it.

Admitting you were wrong on an issue, not knowing the answer to every question and even changing one's mind in the face of facts are signs of personal security and strength, not of weakness. Such occasional admissions (which obviously should not be calculated) demonstrate to colleagues genuine character and encourage trust. Any observer can tell you that most legislators do not have all of these characteristics, and I would be the first to confess that in my 24 years as a legislator, not all of them were part of my own makeup.

Effective legislators don't need to have them all, but they do need to have a majority etched in their personality, and usually long before their election.

Other factors will help develop character, including experience, analytical powers that improve personal judgment, and the courage to stand up and be counted when the political risks are high.

Oddly, however, many of our most effective legislators have great difficulty being elected to higher office. Why is this so? Regrettably, just as a good "show horse" does not necessarily result in a good "work horse," the opposite is also true. The very humility that makes for trust within a legislative body, enabling quiet influence for good, is the vulnerability a rival can exploit at campaign time. The courage of one's conviction that the history books are likely to praise is perceived as mere stubbornness in the eyes of an offended interest group.

That is why it is increasingly important for voters, and the media that inform them, to consider the quiet, behind-the-scenes merits of effective legislators and other elected officials. The character issue is really about the age-old search for someone who would be "good" in office. The implication is that character and effectiveness usually go hand in hand. So don't just take the word of a campaign ad, television sound bite, or even a news column, as to who is likely to do the best job in office.

Check with a legislator's colleagues and the people who work with him or her. If we want effective people in office, we need to learn how to do a better job of figuring out which ones they are.

Finally, Mr. Speaker, I would like to make a couple of personal observations about Joel Pritchard.

When I ran for Congress, I had never run for any office before. I was not really all that involved in politics and I did not know Joel very well at the time, but I can remember when a reporter first asked me who I would like to be like in Congress and who was my hero, what sort of model would I like to follow, Joel Pritchard was the first person I thought of. He had that reputation throughout our State, even among people who did not know him.

After I was elected, Joel took a personal interest in me and we saw a lot of him in our office in Washington, DC. He would come back and talk to me and talk to the staff. Every once in a while he would give me gentle advice on the right way to deal with things, and frankly he gave me an example of a really excellent way to conduct myself in the job that I have. I have the seat that he had for 12 years.

I would like to say, Madam Speaker, in closing, that he set out a very admirable path for those of us who are in this business. It is a path that frankly will be harder for me to follow, and I think harder for all of us in this House to follow, now that Joel is no longer with us. We will miss him very much, perhaps more than we know. I just hope we can all be worthy of his example.

HONORING THE LIFE OF JOHN N. STURDIVANT

The SPEAKER pro tempore (Mrs. EMERSON). Under a previous order of the House, the gentleman from Maryland [Mr. HOYER] is recognized for 5 minutes.

Mr. HOYER. Madam Speaker, I came to speak about the loss of a leader in the Washington Metropolitan Area and in our community, but as well in our Nation. I came to the floor and I heard the gentleman from Washington [Mr. WHITE] speak about Joel Pritchard. I had not heard that he died.

Madam Speaker, I had the opportunity to serve with Joel Pritchard. He was a Representative, as has been said, of great integrity and great substance, a very decent human being who believed that partisanship came long after principle. He was a delight to serve with, and I am sorry to hear that he has passed away.

But as I will say about John Sturdivant, Joel Pritchard was someone who made this House a better place because of his service.

Madam Speaker, I rise to speak about a very good friend of mine, John Sturdivant, president of the American Federation of Government Employees. John Sturdivant died just a few days ago of cancer. I had the opportunity to talk to him about 3 our 4 days prior to his death. Even at that time, he was talking about his beloved members of the American Federation of Government Employees, was talking about how he could fight for and work for ensuring that they had an opportunity to earn sufficient funds to create for themselves a decent life and to provide well for their families, their husbands, their wives, their children.

Madam Speaker, his death leaves not only the American Federation of Government Employees, not only government employees generally, but our Nation bereft of an individual who fought tirelessly on behalf of our Nation's civil servants and on behalf of efficiency and effectiveness in our government.

As president of AFGE, John Sturdivant represented over 700,000 workers throughout the United States during one of the most difficult periods facing civil servants in this country's history. He was deeply committed, Madam Speaker, to the belief that today's civil servants constitute the answer, not the problem, to making our Government operate more smoothly and efficiently. The thousands of workers he spoke for could not have had a more committed, more knowledgeable, more passionate advocate of their interests.

Madam Speaker, I knew John Sturdivant well. He was my friend. He worked very hard to shift public opinion of civil servants from the incorrect perception of inactivity and nonperformance to the truth of a dynamic and hard-working national resource.

Madam Speaker, I will be speaking at John Sturdivant's funeral next week, and I will remember him as a good human being, as an American who cared about his country, as a person who utilized his talent to the fullest, not simply for himself or for profit or for gain, personal gain, but for the welfare of the country he loved and the welfare of his members.

He was at times a person of great passion and even anger, but that anger and passion was directed at correcting and righting wrongs that he perceived.

I know that he dealt with the President, with the Vice President, and with so many of us in the Congress of the United States as an advocate of policies that would reward our personnel based upon their effort and their talent and their accomplishments.

He will be difficult for AFGE to replace. He will, like all of us, be replaced. None of us are indispensable. But all of us hopefully can be remembered as making a special contribution, a contribution of significant worth, a contribution emanating from a sense of our country's needs and the needs of our fellow men and women.

Madam Speaker, I thank you for this time to remember a good and decent American, John Sturdivant, President of the American Federation of Government Employees.

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THE BRAINLESS TAXMAN

The SPEAKER pro tempore (Mrs. EMERSON). Under a previous order of the House, the gentlewoman from Idaho [Mrs. CHENOWETH] is recognized for 5 minutes.

Mrs. CHENOWETH. Madam Speaker, it is not often that I bring a whole lot of levity to this House, but sometimes we have to make sure we maintain our sense of humor in order to make sure we maintain our focus.

Madam Speaker, this is Halloween and there will be many scary stories that are told today. One of the scariest stories that I heard that I remember when I was a child was the tale of the headless horseman. But in keeping with that theme today, let me tell you a true story. I call it the tale of the brainless taxman. As I said, this is really a true story and it involves one of my constituents.

My constituent, a respected Idaho jurist named Robert Huntley, carefully paid his taxes every year and when I said he is a respected Idaho jurist, he is a former justice of the Idaho Supreme Court. He is a careful man. He is a law-abiding man. He thought that he was safe, by paying his estimated taxes as required, from the clutches of the brainless taxman. But last year he made a mistake. The good judge underpaid his taxes by 39 cents. Out of nearly $75,000, the good judge underpaid his taxes by 39 cents.

Now, that is an error of about one two-hundred thousandths of the tax burden. It is also less than one-half dollar. It seems to me that it could have been rounded down to a zero, but that would have been reasonable. And the IRS is not reasonable and we all know that from the horror stories that we have heard across this Nation.

So what did the brainless taxman do in this case? Well, he pointed a bony finger in the direction of the judge and told him that he owes 39 cents in back taxes plus $123.71 in penalties plus 1 cent in interest on this egregiously delinquent bill.

Now, Madam Speaker, the brainless taxman assessed penalty and interest of $123.71 for an error of 39 cents on former Justice Robert Huntley.

In case you are wondering, in order to calculate 39 cents as a percentage of his tax bill, you have to go back six decimal places. No wonder Americans are scared to death of the brainless taxman. Madam Speaker, let us drive a stake through the heart of this monster once and for all. Let us not just wound him, let us drive a stake through the heart of this monster.

Madam Speaker, I include for the RECORD copies of Justice Huntley's letter that was sent to me and his tax bill. I have properly redacted the good judge's Social Security number.

GIVENS PURSLEY & HUNTLEY LLP,
BOISE, ID, JULY 21, 1997.

Hon. HELEN CHENOWETH,
Longworth House Office Bldg.,
Washington, DC.

DEAR CONGRESSMAN CHENOWETH: I write you to give you a document which will instill pride in the bureaucracy of our government, namely the IRS. Enclosed is a notice I have received advising that I underpaid my quarterly payments by $.39 cents and thus I am being assessed a penalty of $123.70 and interest of $.01 (one cent).

It is great that the IRS expends its energy ferreting out us substantial tax avoiders.

Sincerely,
ROBERT C. HUNTLEY, Jr.

DEPARTMENT OF THE TREASURY,
INTERNAL REVENUE SERVICE,
Ogden, UT, July 14, 1997.

Robert C & Elfriede M. Huntley.

REQUEST FOR TAX PAYMENT

According to our records, you owe $124.10 on your income tax. Please pay the full amount by Aug. 4, 1997. If you've already paid your tax in full or arranged for an installment agreement, please disregard this notice.

If you haven't paid, mail your check or money order and tear-off stub from the last page of this notice. Make your check payable to internal revenue service and write your social security number on it. If you can't pay in full, please call us to discuss payment.

TAX STATEMENT

PAYMENTS AND CREDITS	
Tax withheld	$.00
Estimated tax payments	– 45,041.61
Other credits	.00
Other payments	– 29,804.00
Total payments & credits	– 74,845.61
TAX	
Total tax on return	74,846.00
Less: Total payments & credits	– 74,845.61
Underpaid tax	.39
Penalty	123.70
Interest	.01
Amount you owe	124.10
Subtract payments we have not included above	
Pay this amount (use tear-off on last page)	

NATIVE AMERICAN HOUSING BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington [Mr. METCALF] is recognized for 5 minutes.

Mr. METCALF. Madam Speaker, recently I have introduced H.R. 2663, the Native American Housing and Self-Determination Act amendments, to strengthen the Native American housing bill passed in the 104th Congress. Since the passing of this legislation, we have become aware of abuses and mismanagement in the Department of Housing and Urban Development and their Native American Housing Program. Throughout the events leading up to the disclosure of abuses, it is evident that HUD has been slow in acting, slow in responding, and slow in taking corrective measures.

Consequently, Federal funds which should have been spent on low-income tribal members were spent for extravagant housing or projects not approved by the grant. Where was HUD when these abuses were occurring? Why was not HUD watching for abuses?

These were some of the questions at a joint hearing held by the Senate Committee on Banking, Housing, and Urban Affairs earlier this year. In reality HUD could have done considerably more to prevent the abuses from occurring in the first place. HUD could have imposed greater sanctions and HUD could have stopped construction of some of the projects.

My legislation will strengthen the new law by requiring greater public accountability, increasing auditing capabilities, and ensuring that Federal funds are used appropriately. Currently, the law allows the Secretary of HUD to waive the submission of a housing plan by the small tribes. The housing plan contains the tribes' goals and objectives in providing housing for low-income tribal members.

To ensure that the tribes are accountable to HUD and to the public, my bill will require all tribes to submit a housing plan to HUD.

More importantly, these housing plans and other tribal policies will be available to the public. I believe that this public disclosure will help keep HUD accountable to the taxpayers. My legislation will also require audits under the Single Audit Act. This would consolidate the auditing process into a single process and thereby expedite the auditing process and reduce bureaucratic red tape. Again, these reports on the audits will be available to the public.

The Secretary of HUD can also request additional audits and reviews to determine if a tribe is in compliance with the provisions in their housing plans and ensure performance in a timely manner. These reports will also be available to the public.

Last, we need to ensure that Federal funds are spent appropriately. We can only do this if we know why tribes are spending Federal funds for different income groups. We are aware of cases where Federal funds were not spent for the targeted group. My bill will require that tribes explain their targeting of housing funds. In turn, they will have a clearer understanding of what is expected of them.

I know that my bill will not stop all the abuses in mismanagement. It is a start in making HUD more responsible to this Congress. We can no longer tolerate the abuses and wasteful spending which have occurred in the past. Today we begin to give HUD greater authority to oversee this program, but also to keep them accountable to the taxpayers.

I have worked with tribes in my district and outside to address their concerns and together we have found common ground in many areas. I also wanted to thank the gentleman from New York [Mr. LAZIO], chairman of the Subcommittee on Housing and Community Opportunity and his staff for working with me and my staff producing this bill.

I urge my colleagues to support this legislation. We cannot strengthen this program without requiring public disclosure, increasing auditing capabilities, and creating safeguards to ensure that Federal funds are used appropriately.

CHINA AND HUMAN RIGHTS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Washington, Mrs. LINDA SMITH, is recognized for 5 minutes.

Mrs. LINDA SMITH of Washington. Madam Speaker, yesterday I introduced a resolution expressing a sense of Congress that the Chinese Government's practice of executing prisoners and selling their organs for transplant be stopped and that we say this is immoral. Earlier this month, on "Prime Time Live," a television show airing on ABC, Americans got a see for themselves what has become an all too common practice of prisoners routinely executed and their organs sold to people willing to pay $30,000 for a kidney in wealthier countries.

What is even more troubling is that Chinese nationals living in the United States on student visas are marketing these organs to Americans and other foreigners who have the money to make the $5,000 deposit and they travel to China to a Red Liberation Army hospital where they receive the kidney using modern American medical facilities, but only they have been tissue-typed and the prisoner, of which they say there are plenty, is tissue-typed so there is a perfect match.

The resolution that we entered yesterday condemns this practice, but it also calls on the administration to bar from entry any Chinese official who is directly involved in the practice of organ harvesting to the United States. Furthermore, we have called for individuals who are in the United States now engaged in marketing and facilitating these transplants to be prosecuted.

I want to tell you some facts about this that we now know and that we have asked this administration to investigate and the Attorney General and FBI to come before Congress and present subpoenas and facts on.

Here are some of the facts. Amnesty International, August 1997, there is a report that shows that China has executed at least, probably more, but at least 3,500 people. Because China does not have law that protects individual rights, a person can be arrested today for standing up against the Communist regime and in 48 hours after finding that they have a DNA match that matches someone that wants to purchase their kidneys, can be executed.

A little more about the ABC report. The ABC report was a result of a 3-month investigation. A year ago, the tapes of the mass executions were presented to the current administration and nothing was done. So this network went about looking at the evidence over a 3-month period and actually went to videotape the actual sales. The videotape of prisoners on their way to execution was made in 1992 and never intended to be seen outside of official circles.

What you see on the videotape is that the guns are lined up at the base of the neck of the prisoners so that they can preserve the organs. Human rights organizations estimate that since 1990, more than 10,000 kidneys alone from Chinese prisoners have been sold, potentially bringing in tens of millions of dollars to the Chinese military.

For years, the U.S. Government has officially maintained that these practices do not happen, but all of our eyes were opened this last week. The tape shows that the prisoners were immediately lined up, that an officer would take and realign the guns before the executions. It also shows pictures of the hospitals and you go into the hospitals that are videoed and these hospitals are clearly shown to be PLA hospitals. They interviewed a Thai woman who was told that she was actually getting a prisoner's kidney and that she would have an absolute matched blood and tissue type because there were so many prisoners available. The tape also shows American corporation W.R. Grace Co. appears to be involved in the kidney dialysis in China and is a part of this operation.

In conclusion, more must be done on all fronts when it comes to Chinese human rights record. I am pleased that the Secretary of State Albright has announced that we will have a three-person group of Americans from different denominations go and look into this and other violations.

Madam Speaker, as the President of China is here, it is not the time to be silent. It is the time for all of Americans to stand up and speak out. I think America needs to watch next week as Congress stands and does stand up and opposes what is happening in China.

Dr. Dai, the Chinese doctor on the American student visa quoted the price of a kidney at $30,000, with $5,000 required in advance.

U.S. law makes it: "unlawful for any person to knowingly acquire, receive, or otherwise transfer any human organ for valuable consideration for use in human transplantation if the transfer affects interstate commerce."

More must be done on all fronts when it comes to China's human rights record and I am pleased by Secretary of State Albright's announcement that an ecumenical group of Americans will be permitted to travel to China to examine the human rights situation. This is a good first step but we must ensure that they are not given a whitewash.

Two days ago, I introduced a resolution expressing a sense of the Congress that the Chinese Government's practice of executing prisoners and selling their organs for transplant patients is immoral and should stop.

Two weeks ago, on "Prime Time Live," a television show airing on ABC, Americans saw for themselves what has become an all too common practice of prisoners routinely executed and their organs sold to people willing to pay $30,000 for a kidney.

What is even more troubling is that Chinese nationals living in the United States on student visas are marketing these organs to Americans and other foreigners who are able to make a $5,000 deposit and then travel to China and be admitted to a Chinese Army hospital where they will receive their kidney after they have been tissue and blood typed.

According to Amnesty International's August 1997 report, China has executed at least 3,500 prisoners this past year and many reports say this number is closer to 4,000. Human rights organizations estimate that since 1990, more than 10,000 kidneys from Chinese prisoners have been sold, potentially bringing in tens of millions of dollars to the Chinese military.

My resolution, House Concurrent Resolution 180, condemns this practice and calls upon the Clinton administration to bar from entry any Chinese official who is directly involved in the practice of organ harvesting. Furthermore, individuals in the United States who are engaged in marketing and facilitating these transplants should be prosecuted under U.S. law.

Mr. Speaker, as President Jiang Zemin concludes his visit to the United States, let's use this opportunity to speak out on China's dismal human rights record. Nothing will change if Congress and the American people are silent. The House is commonly known as the people's House and the American people want their voices heard. They are a people of compassion and good will and will not stand for organ harvesting or any other abuse of human rights.

ON EDUCATION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes as the designee of the minority leader.

Mr. OWENS. Madam Speaker, as a matter of practice, I never like to criticize any efforts related to the improvement of education, whether they take place here or at the local government area or in the State governments. All efforts to improve education are generally to be applauded. As I said before, we need a comprehensive approach to the improvement of our schools and almost no attention focused on schools is wasted.

First of all, it is important that the American people, the vast majority of the American people, the voters have placed education at a high priority position. They repeatedly insist that education is a high priority and that Federal aid to education is also a high priority. That is consistent and highly desirable. As a result of the general public and the voters insisting that education is a high priority, we have a lot of attention being focused on education by elected officials at every level, both in the Congress, the city councils, and the State legislatures.

A lot of attention is being paid to education, a lot of campaigns that are running now across the country for this coming election day on November 4, they are not congressional campaigns because we are not running for office this year, but municipal campaigns, campaigns for Governor.

□ 1330

Schools are in the forefront in terms of issues that voters care about and want to hear discussed. Certainly, in New York City, Democratic candidate Ruth Messinger has certainly placed great stress on school improvement. The Republican candidate incumbent mayor has answered in trying to show a thousand ways in which he helped to improve schools and education. And on it goes.

In another major contest in New Jersey, the very close contest between Gov. Christie Whitman and Assemblyman McGreevey, education figures as a very important item.

On the floor of this House, there is hardly a week that goes by where education is not dealt with in some form in some piece of legislation. Today was one of those days when we had a discussion on education, which I must say we do not need. It was a very negative discussion. Very negative action was taken today. We focused on vouchers, and we are insisting that vouchers must be a part of the Federal effort to improve education.

School vouchers, you know, there is a group here in the Congress that insists on pressing ahead with vouchers no matter what the American public thinks of vouchers. It is like a dogma at this point. It is a religion. Dogmatically, they insisted vouchers must be placed in the forefront of any effort to improve education.

Despite the fact there is so much disagreement about vouchers, there are areas of agreement. We agree that charter schools, public charter schools, is a concept that might make a real contribution to education improvement. We agree on that. We agree that more technology in schools might make a real contribution to the improvement of education. We agree that teacher training and more funds to make certain that teachers get more training would make a great contribution to the improvement of education. We agree on quite a number of things.

Unfortunately, we do not agree on one major item that ought to be in the forefront, and that is school construction. The one item that is necessary before those other items can be really put in place is an effort to help localities and States with the construction of decent schools. It is not a problem confined to the inner-city communities like mine, the 11th Congressional District of Brooklyn. It is a problem which is pervasive all over America.

There is not a single State that does not have schools that need replacement or repair or renovation, not a single State and quite a number of school districts out there. The General Accounting Office says we need $120 billion to deal with the infrastructure of public education. Although, America, if you really dealt with improving the infrastructure to bring schools to the point where they are adequate, they offer adequate facilities that are conducive to learning, it will cost about $120 billion. All the President proposed in his State of the Union message was $5 billion. We were happy to hear that because it is a beginning. Five billion dollars was proposed to help with school construction, $5 billion to be spent over 5 years, maybe not necessarily $1 billion a year, but over a 5-year period. That seems like much too little as far as I am concerned. But we will be satisfied that we have begun.

However, during the course of the budget discussions between the Republicans and the Democrats, that $5 billion construction initially was taken off the table. When they did that, they hurt the credibility of all the other efforts to improve education. Teacher training, technology, charter schools, they become a bit of a joke when we are talking to people where the schools are crumbling all around them. It is a bit of a joke to say that Washington should have 3,000 vouchers, vouchers for 3,000 youngsters, when a school system of 70-some-thousand youngsters is crumbling around us. It is a bit of a joke to talk about that solving the problem or any other effort we make now at this point in the Washington schools to talk to the teachers about the use of more technology, computers, videos, whatever; to talk to them about the use of these modern aids to education is a bit ridiculous when the schools in Washington do not have heat.

A large percentage of schools now are suffering because they have a boiler problem, a heating problem, furnaces are going bad. They open late. Three weeks late the schools in Washington open because a large number of them had problems with leaking roofs. And because so many had problems with leaking roofs, the court ruled that schools in general could not open until they were all repaired. They finally, after 3 weeks' delay, got the schools open.

Now we have a large percentage of schools that have problems with their heating systems and they are closing down the schools that opened up 3 weeks late. Every day there is a new headline in the Washington paper. I think we ought to stop for a moment and consider the fact that this is the Nation's capital. It may be overwhelmingly African American. For some reason, that leads certain people to believe that we really do not have to take it seriously, what happens here is not a mirror of America. But it is in many ways the America we do not want to admit. We do not have the high visibility in the rural schools in America that may be having leaking roofs or may be having problems with their furnaces. We do not know about them because they are off the radar screen.

In big cities like New York, they are so big. Washington has less than, I think, about 750,000 people. That may be an optimum size for a city. After that, it may be that the cities are too big that go beyond that because the communications problems that result are horrendous.

I am a resident of the city of New York. I serve a congressional district with 582,000 people. It is one of 14 congressional districts in the city. We cannot get on the radar screen of our local television stations. We cannot get on the radar screen of our local radio stations with news that is important to my congressional district, made up of many communities, planning districts, all kinds of units in a city of 8 million people. You cannot find out in New York City which schools have problems with their furnaces today.

I would wager that there are more furnace problems today in New York City than there are in Washington, D.C. But it is not news. It does not surface. We have more than 300 schools in New York City out of 1,100 schools. I always have to clarify things when I talk about New York City's school systems and make my colleagues understand the numbers. Unlike anything else in the country, there are 1,100 schools, 60,000 teachers, 1.1 million students.

So, of the 1,100 schools, more than 300, and I was quoted a few weeks ago, I said more than 250. I have learned recently from people who are very close to the system, custodians' union, that it is more like 325 schools that have furnaces that burn coal. We still have furnaces in more than 300 schools that are burning coal. Coal makes a lot of heat. Maybe it makes more heat than oil or gas. But it also makes a tremendous amount of pollution.

New York City is also the city that has the largest number of children with asthma. We will not go into what other respiratory diseases they may have. Again, it is so big that we have thousands of cases that do not even tabulate certain kinds of diseases. Asthma is way up there. The number of children with asthma is astronomical. So children with asthma is one indication of children suffering from a pollution problem.

So just to get rid of the coal-burning schools would greatly improve the physical health of the children and probably a lot of adults, also. But that is not on the radar screen. They are not even talking about it. I assure my colleagues that schools are breaking down every day with furnace problems in New York City.

But, unlike Washington, the courts and very active parent organizations are in constant monitoring. Constant state of monitoring has been provided by the courts and the parent organizations of what is going on in the schools. They have some other problems related to health that are surfacing that may lead to some other shutdowns of schools.

I say this because here we were on the floor of the House today discussing vouchers, a rule to set the stage and parameters for discussion of vouchers next week. The Republican majority insists that we cannot discuss something sensible and something which has achieved a great deal of consensus among the Members of Congress, a great consensus among the American people as a whole, the public voters. Charter schools are looked upon as a respectable effort to improve schools. Public charter schools would provide some of what we think is needed to improve public schools.

Most of the children in America are going to go to public schools a long time to come. Over the next 20 years, I would predict at least 90 percent of the children in America are going to still be going to public schools, regular public schools, traditional public schools, public schools controlled by some central management and governance mechanism.

There is no reason we cannot have some charter schools which offer an alternative and may, by example, lead to improvement of public schools by operating in a free environment with the ability to innovate and ability to do certain kinds of other things, including the ability to attract a group of people who are dedicated to education and will stay with it over a period of time.

There are a number of things that charter schools can show us if we had more of them. That would certainly not be a big problem. In America right now, I think about 86,000 public schools exist, not counting private schools, but 86,000 elementary and secondary schools, more than 86,000, a little more. And of that number, about 800 are charter schools. At this point, charter schools are about 800 out of 86,000.

So we are not going to be overwhelmed by charter schools, but charter schools could provide an opportunity to provide us with little laboratories of what can happen in a school to deal with the problems faced by the traditional public schools.

We will not be allowed next week to discuss charter schools separately by themselves. They must be intertwined, interwoven with the discussion of vouchers. That is the way the majority has insisted we must do it. So charter schools are going to be tarnished, tainted. The whole discussion will be adulterated and emasculated by the shadow of vouchers, which nobody really in the Congress has shown great sincerity about because they come from districts that do not have vouchers.

I would challenge every person, every Member of the Congress who really believes in the voucher system or somebody else pushing the voucher system to go back to their own school districts, the school district where their children go to school, and give us a report, conduct a survey and give us a report on whether they want vouchers, who wants vouchers in their district. In their district, have they talked to the local school board and are they in favor of vouchers in their district? Have they talked to parents? Are they in favor of a voucher system?

I have heard lately that most of our Republican colleagues come from middle-income districts where they have faith in their schools and they are not interested in vouchers. They have faith in their schools and the schools have done a pretty good job. Well, according to various reports that are made, even our best schools in America can stand a lot of improvement. Some of our best schools that are very well funded, have the best of everything, still have mediocre performances or performances that fall short of what we would like for them to be.

Certainly, we compare our best students in math and science to the students in math and science in other parts of the world. Math and science is a good place to make the comparison. Because across the world, math and science is pretty much the same. It is not like sociology, not like literature. Literature and sociology are too complex. They take a higher order of reasoning, in my opinion, than math and science.

□ 1345

Math and science is the same everywhere. It is the same set of principles you proceed from; the logic is always the same kind of logic. The whole notion that it takes geniuses to deal with math and science ought to be reexamined. To deal with the swirling, complex nature of societies, anthropology, sociology, a number of other things out there are much more complex because they are never the same; the variables are always moving and changing.

To deal with literature, the message that literature brings about to a particular culture, all those things require a much more complex set of reasoning and higher ordered thinking, but I will not get into that debate at this point.

Math and science comparisons are made, and some of our best students from our best schools are falling short. I say to every Member of Congress, no matter how good the schools are, they would, I think, agree they could be improved.

Would having vouchers improve them? It probably would, according to your reasoning. If you say the best schools are the private schools, then the best schools in your neighborhood, I guess, are private schools, too. The best schools in your State, the best schools in your school district, are they private schools too and if that is the case, are you pushing vouchers in your district? And what is the reaction of your school board? What is the reaction of your constituents? Come tell us. Do not tell us that this is a solution for inner city schools, this is a solution for disadvantaged African American communities. We are going to push this solution down your throat, because we believe that this is the way it should go and we are going to make you take it.

The Washington, DC, appropriation bill that is still in the hopper, they are still negotiating and in conference on the Washington, DC appropriation bill. What is one of the biggest hang-ups in the Washington, DC appropriation bill? The biggest hang-up is the fact that the Members of the House of Representatives who believe in vouchers have insisted that vouchers must be instituted in the Washington, DC schools. Vouchers must be put in whether you like it or not. The people of Washington, DC had a referendum, they voted, they do not want vouchers. They voted not to have vouchers. This same Washington, DC decided to set up a charter school board. I think probably there is no other city in the country that has a board for charter schools. They do want charter schools. They are going ahead. There are very complex guidelines, and they are now in the process of examining applications for charter schools. So why not support them wholeheartedly with charter schools, members of the Republican majority, why not leave them alone and stop trying to impose your dogma, impose your religion on the people of Washington, DC, your educational religion? Your dogma does not work if people do not want it. It is not going well even in your own districts. So why are you going to impose it on Washington, DC? Why are you going to offer it to frustrated parents in the inner-city communities as a solution when you know that only a tiny percentage of the youngsters at best could be placed in voucher programs? And when you do that, you are mixing up church and State because most of those schools that they find places in are church-related schools, and that whole debate and the conflict.

In New York City it might seem easy as long as you are placing children in schools that are Christian schools. But there are also Muslim schools there. What about them? There are also Jewish schools. What about them? What kind of tensions are you going to create when you wade into that problem of replacement of students with public funds into religious schools? Are you not going to create a problem which is greater than the problem you solve? Those are some of the questions. What I want to dwell on here is the fact that this Congress, the 105th Congress, with a golden opportunity to really do something meaningful about education, is frittering it away, has frittered away an entire year around the edges with concepts like vouchers and education savings accounts and things that really, if they have any meaning at all that might be worthy of consideration, they ought to be referred to the Committee on Education and the Workforce for further study and deliberation.

The voucher bill that was presented here for a rule today has not been discussed in the Committee on Education and the Workforce. We have not even gone through the regular democratic process. It was just brought to the floor because the people, the fanatics who believe in it, said this is our religion, this is our dogma, we are going to introduce it whether you like it or not and we do not need to take it through the democratic process while we are frittering away at the opportunity really to do something quite significant in the area of education. With so many Americans on board, the electorate saying we want more attention paid to education, why do we not do something really meaningful, why do we not start with construction? Why do we not start with a program that the Federal Government can offer that nobody else can offer? We are not interfering with the State and local governments if we offer assistance with construction. They all need it. There is not a single State that cannot use some funds for some school in the State with respect to construction, renovation or repairs. So why do we not focus on that? Why are we focused on testing?

The White House unfortunately has gotten locked into its own dogma.

Testing is the answer, testing above all. I am not among those people who say we should never have a national testing system. That is not my reason for opposing testing. My reason is that testing is not a priority. Testing ought to come in sequence. Testing should be further down the line. What are you going to say, Mr. President, to the parents of the children whose schools have been shut down for 3 weeks in Washington and they started 3 weeks late when they go to take the test? What are you going to say to the parents of these same children who not only had to start school 3 weeks late but they also have a problem now with the boilers and they face shutdowns and busing around, all kinds of interference with their schooling since school opened finally and the weather began to turn cold. What are you going to say when it comes time for them to take the test? Are you going to give them an excuse?

As I said, in Washington, DC we have a high profile area, a high visibility area. We know that large numbers of schools in Washington have a problem with the roofs leaking. We have been looking at that for some time over the past few months and we hope they have gotten the roofs fixed now. We know now that they have a problem also with the boilers not working, the furnaces are not working.

We know that in Washington, DC. What we do not have is a tabulation of how many schools across the Nation are also in trouble and they are having their youngsters bundle themselves up in the classroom, which is not conducive to learning, I assure you, but an invitation to lowering their immune systems and bringing on other kinds of problems as a result. How many schools are having children bundle up with classrooms that have inadequate heating? How many schools out there across the country have actually had to shut down for several days, starting with New York City? As I said before, you would not know it out of our 1,100 schools if there were some that shut down yesterday because the heating systems were not working. The news is not generated. I do not get that news. I do not get any information. The papers do not think that is worthy of reporting. It is a humdrum part of the routine. But I am sure if I go check today and yesterday, there were schools that had heating problems in New York City. How many of those coal burning furnaces, furnaces that still burn coal, how many of them are working today, spewing their pollutants into the air, causing more children to have asthma?

This is not news, not being discussed, but Mr. President and the people who advocate national testing, are you going to take into consideration the fact that this is going on? Are you going to have a system for excusing the children who have experienced all these problems in our school? Not at home. They may have problems at home with heating. They may have problems at home with broken families, low incomes that cannot afford to provide nutritious food, all kinds of problems may exist in a poor neighborhood that we have been talking about for ages which impede the school's ability to educate the children. But let us put that aside and say that the school ought to be an oasis, at least when they come to school they ought to be warm. When they come to school, they ought to drink water that is not possibly tainted with lead. We have not gotten into that.

There is a lead poisoning problem in many big cities because the older the school is, the more likely it is to have lead pipes and the water that children drink every day is flowing through lead pipes. We do not even raise the subject officially in New York because we know if you go looking, you are going to find too much lead in a lot of the pipes. It ought to be examined, it ought to be put on the radar screen, we ought to not jeopardize the health of children, because the younger you are, the more devastated your brain may be by lead poisoning.

This is happening, Mr. President, advocates of testing. How are you going to compensate for it? How are you going to adjust for it? Why do you not take into consideration the fact that this is happening and say to yourselves, let us make construction a priority. Let us put the full force and weight and credibility of the Federal Government behind a program to guarantee every child across the country a decent physical facility, a physical facility which is not injurious to their health, a physical facility which is secure, a physical facility which is conducive to learning. The lighting system, the ventilation, whatever is necessary, let us at least provide that. Let us provide them with laboratories in those schools which are able to conduct science experiments. Let us have every school have adequate laboratories. Let us provide them with library shelf space and books in those schools which will give them a chance to really study seriously in up-to-date books.

There are still many books in the libraries of New York City high schools that are 30 and 40 years old and they are history books and geography books totally inadequate, dangerously inaccurate, but they are still there. If they took all the old books off the shelves of the libraries in New York City's schools, we would have a lot of empty spaces that are not going to be filled up soon. But I am not into my bill on the Federal Government aiding libraries in schools and elsewhere. I just want construction at this point. Let us deal with making construction a priority and really be serious about the first priority. If you really care about education, if you really think our Nation is at risk, if you really believe that an educated society ought to be our first priority in terms of national security, an educated people, the one way to guarantee that our economy will continue to go forward and prosper, an educated people is absolutely necessary in order for our democracy to work appropriately. Democracies cannot work without educated people. The people must be educated. Even when you have educated people in certain societies, they still do not work if they do not have democracies.

As we learned from the Soviet Union, a highly educated society, a highly educated people, probably in terms of science and math, there is no group of people on the face of the Earth more educated than the citizens of the Soviet Union, but an educated people operating in the framework of a totalitarian society where they are not able to utilize their education fully. You cannot have open exchange, you cannot have a utilization of really what is known. If it is bottled up by Neanderthal thinkers at the top of the structure, you have a command and control society, it does not matter what the truth is. The command and control society and the people at the top will issue their own truths and they blockade the progress of the society. A total collapse resulted from the fact that you had a highly educated society able to produce hydrogen bombs, missiles, able to match us in the area of defense hardware to a great degree, but the system was no good.

Democracy first. Nothing works in this modern complex era without democracy, the openness and the back and forth, the churning process of people who are educated bouncing off each other, the trial and error method that takes place in a complex society, all that is inevitable. You can almost put it down now like a law. It is going to happen and the only way to have it happen productively is to have a maximum number of people educated so that what happens is among educated people. They will sometimes err temporarily and do strange things, elect inadequate, incompetent leaders, even elect demagogues. Occasionally they really go off the deep end but the correction will be there as long as it is democratic. There was no way to correct what was happening in the Soviet Union. No way to correct it, because of the fact that the closed society did not allow the churning back and forth and no matter how much education the people have, it would not have mattered as long as the parameters are set from the top.

If you really believe in having maximum education in our democratic society, then the first thing you ought to put on your agenda is construction of schools. Not tests. Not tests. Not yet.

Testing might make sense 5 years from now; a national test might make sense, but not now. Here are some headlines that appeared in the Washington Post about D.C. schools October 30, yesterday: "Anger over Schools Suit Gets Personal, Attacks on Parent Leaders Expose Racial Tensions."

□ 1400

The back and forth discussion over what is happening in the schools and the embarrassment has led to an upheaval that is affecting race relations in this city.

October 30, yesterday also, there was another article about tests which indicates that many students in D.C. would not be promoted.

There is a lot of talk at the White House and our committees about social promotion. Everybody is against social promotion. We are for motherhood and apple pie and against social promotion.

Let's be against social promotion, but for the national discussion to get off into a discussion of social promotion, of uniforms, of what kind of reading approach to use, phonics versus whole words, I think that is premature. Let us focus on what the Federal Government can do best before we get off into those kinds of micromanaged details.

We know they need decent places to study, to assemble. We know that. So why not focus instead on tests, rather than other problems.

October 29, Wednesday, Washington Post reports, Washington school leaders close minds, close schools. School leaders, parent advocates and a Superior Court judge, who together are keeping the D.C. public school system in turmoil, are becoming public laughingstocks.

This article starts by blaming the courts and parents for trying to do something about the D.C. schools, because they insist the kids ought to go to warm schools; furnaces ought to be fixed. Every day it seems they find new ways to resemble the children they are supposed to be helping. The consequences of their behavior are no laughing matter, however.

Don't laugh. Because of their failure to reach in the court on how schools should be maintained, something as ordinary as opening all buildings in the system simultaneously has gotten beyond their reach. That is disgraceful. On it goes discussing the fact that even now, after D.C. schools are finally open, 3 weeks late, they are having a big problem.

October 29, same day, article, "Fire Marshal Finds Leaks and Closes Eighth D.C. School." Garnett-Patterson Middle School students to move to facility in Columbia Heights. The D.C. fire marshal closed Garnett-Patterson school yesterday afternoon because of multiple roof leaks, bringing to eight the number of schools closed because of a judge's concern about school safety.

Do you want to have kids in schools where the roofs are leaking and furnaces don't work? I don't think any of us want that to happen. So why do we not talk about how we move to fix that? There was a discussion about the large amount of money spent on D.C. schools. The statement I heard on the floor today made was $10,000 per student is spent on the D.C. schools. That is pretty high. I heard somebody say that is the highest in the country. Well, that is not true. It may be the highest of any big city in the country, but there are districts in New York State where $20,000 is spent per youngster, per student, and there are probably districts across the country that are equally as high.

They are not big city districts. Maybe the Speaker, and it was Speaker GINGRICH, I think, who said Washington, DC, schools spend more than anybody else in the country on their schools per pupil. It is not true, Mr. Speaker. The number may be true for big city schools like Los Angeles and New York, Philadelphia. New York certainly is not at the $10,000 mark. It may be something like $7,000 per child.

Nevertheless, the governance and management of Washington schools have been so terrible until they have all of these problems, despite the fact they have been spending a little higher than most cities. In those cities, Los Angeles, Chicago, New York, I assure all of you, they also have problems with their roofs leaking, with their furnaces. It is just not on the radar screen.

On Tuesday, the 28th in the Washington Post, "Battle over Boilers Leaves D.C. students Out in the Cold." "Children Bussed to Other Sites as Judge Keeps Schools Closed."

October 27, "Students at 5 Schools to be Bussed to Sites."

October 26, "Contest of Wills Contributes to Chaos in D.C. schools."

October 26, "Warm Wishes Not Enough." Warm wishes are not enough, as several D.C. public schools are being shutdown because of boiler repairs last week. I found myself thinking about the Daughters of Dorcas, a special group of women in Washington who make quilts. I just wished they could sew something for all of those children who are being left out in the cold by closed school buildings, as well as for those shivering students who will be attending schools that still do not have adequate heat.

I think I made the point, I do not want to go on, but I am highlighting what is going on in Washington, DC, because I want you to know it is not an isolated case. This city is not alone in facing humongous problems with respect to their physical facilities. We ought to understand that and move forward to deal with it in this Congress.

We are irresponsible by insisting on expending a great deal of time and energy on peripheral, marginal issues. Education savings accounts are marginal, peripheral items. Vouchers are marginal peripheral items. They may have some use somewhere, some time, but they certainly do not deserve to be discussed in this state of emergency that we are facing with our schools.

We must go forward in the 105th Congress next year. I understand we are closing out on November 7 or 8 probably, and it is just as well, if this is the way we are going to approach a basic problem like education. We might as well close up the place and get out of town.

I hope we come back with a different attitude in the second year of the 105th session of Congress. I hope the attitude of the 105th Congress matches the attitude of the people out there in the communities. Our constituents are way ahead of us in feeling that there is an education emergency, in feeling that their children deserve the best. Our constituents know that their children will not pass this way but once. You do not go through schooling but once. You are in elementary school, junior high school, high school, college, only once. Your life is going on. Your children will not have a second chance.

So for every parent or grandparent, anybody who cares about children, there is an emergency. If your child is not getting the very best education they can get, there is an emergency. We ought to feel the same sense of emergency.

I was quite gratified at the way parents responded when I issued the call for volunteers to come out on last Saturday, October 25. Saturday was Net Day. Net Day was a day set aside for the whole country. This was a time to appeal to volunteers to come in and voluntarily wire five classrooms plus the library. The wiring is to help set up the possibility that the schools' computers can be linked to the Internet. So wiring for the Internet of five classrooms plus the library is a goal of each set of Net Day volunteers.

We wired 11 schools in my district. We had a real significant response. It was quite inspiring to see how parents responded. We were told at first that this wiring is a very simple matter. You show up on Saturday and in a day volunteers can wire five classrooms and a library.

It is not that simple. I don't want to discourage anybody, but you better have some people that know what they are doing at each school. You have got to have somebody who is an electrician or telephone repairman, somebody who knows how it is done.

The parents came out for training. Volunteers were asked to come to a 2-hour training session sponsored by the local phone company, Bell Atlantic. I must say that the wiring of schools in our area was a combination of volunteers in the community, the principals, the teachers, the parents, and the private sector. The private sector was key to our success.

There was a group called New York Connects in New York City, which organizes private sector response to communities that want help for the volunteer wiring of schools.

New York connects did a great job in providing the kind of help we needed. Bell Atlantic and Apple Computer trained some of the teachers. Bell Atlantic provided a place to train and the trainers and training sessions for parents. Various other companies supplied volunteers who came out and helped providing pieces of equipment.

The process showed that even in an inner-city community, you can have a response by both the volunteers in the community and the private sector which can produce great results, if you focus on a task and a mission. I was quite impressed with the fact that the volunteer sessions, and the first session I went to, we expected 20 parents to show up. There were 45 or 50 parents there. The room was crowded. The people up front conducting the training session were white executives and technicians who had driven from Long Island through heavy traffic to get to the session to train the inner-city parents and volunteers. It was a coming together which nobody planned, but as a result of focusing on a task which is worthwhile, to carry our schools forward, it happened.

Those kinds of positive things are happening at many of the schools where we conducted the wiring. We heard the complaints that we had to be asbestos-certified, make sure that the asbestos problem is not so great that the boring of the holes would be a problem. Some schools where we were wiring for the Internet, some of the principals were complaining about the fact they are worried about the old pipes that may have led poisoning problems. On and on it goes with top floors having indications that the roof is leaking, et cetera.

Nevertheless, I am here to celebrate the good news, and what I am saying is the responsiveness of our constituents, the responsiveness of parents for an exercise like Net Day, demonstrates they are way ahead of us in terms of believing that makes a difference.

While inner-city parents in my district, the poorest—some of these schools were in our poorest sections, where they are excited about wiring the schools so the kids can have the benefits of being linked to the Internet. Why? Because their kids excite them. When the kids hear about the computers and Internet, the students get excited and the parents know it is important.

The children want to go into the 21st century. There are some people who said to me why are you concerned, and Congressman OWENS, why are you wasting your time and energy for technology for inner-city schools? Why are you concerned about the fact that in January 1998, the FCC has mandated that the Universal Service Fund go into effect and $2.2 billion will be available to public schools and libraries. What does that have to do with inner-city schools that are suffering from a lack of books? They do not have enough books. They do not have enough chalk sometimes. Teachers complain about basic supplies. So why do we not focus on basic supplies and chalk and books instead of worrying about the Internet?

My answer to people who approach me that way is that what if every city in the United States had said we are not going to deal, until we fix our sidewalks, until we repair all of our roads, we are not going to build airports. If every city in the country said we are not going to deal with airports until all the sidewalks and all the roads are fixed, we would not have modern airports and modern transportation systems. It would come to a halt.

There are still roads and sidewalks out there that are not repaired and in constant disrepair, but we go forward, and our schools have to go forward. Our inner-city schools should be no less than schools anywhere else, and that is the way I see it, and a lot of the children see it that way, and it caught on, because their parents are also beginning to see it that way.

Here is an effort that was not unique to Brooklyn. We wired 11 schools in my congressional district, but there were other schools wired in other parts of New York City on Net Day, and across the country we had schools wired on Net Day, and there are other schools across the country being wired at other times.

My colleague, the gentlewoman from Michigan [Ms. STABENOW] is involved with the wiring of schools and acquisition of technology. She is one example of how Members of Congress want this to go forward.

Again, we would have more credibility and our effort would have a greater result if we had a new initiative to guarantee that the school buildings are sound buildings. The wiring is not too old to take the new linkages, the phone systems are not too old that we are not going to encounter large quantities of asbestos problems, et cetera.

In keeping with that whole volunteer spirit, I want to announce again that I am supporting, and quite happy to be one of the people who are spearheading another National Education Funding Support Day. I am holding a copy of our poster for this year.

National Education Funding Support Day is November 19 of this year. Republicans, Democrats, everybody is invited to join us in trying to demonstrate to the public at large that we are going to provide leadership in improving our schools in every way.

□ 1415

We want to emphasize technology this year. We have chosen to emphasize technology this year. We chose that because this is the prelude to the opening of the universal service fund for schools and libraries. That is going to happen in January 1998. We want schools to start getting prepared, and understand that they cannot wait to be in on this.

National Education Funding Support Day is sponsored by the National Commission for African American Education. This year's poster has a basketball star, Patrick Ewing, of the New York Nicks. Patrick Ewing happens to be from this area, the star of Georgetown University in Washington, who also now is the president of the National Basketball Association, Patrick Ewing.

I hope next year we can get lots of stars, so in local areas we can have different posters with stars of baseball, football, basketball, women and men, appealing to youngsters and their parents to look at education as belonging to them. We need changes to go forward from the masses. Whatever we do as leaders needs to be complemented by mobilization in our communities. Our communities need to get more involved.

We have seen this happen in the area of crime. The National Night Out Against Crime, for example, is an idea that caught on in our communities. Every community has some activities on the National Night Out Against Crime. The reason crime is going down across the country, there are many factors, but one of the factors is that more ordinary citizens, ordinary people, have understood that they should get involved in trying to get rid of crime. Crime-fighting is not a professional activity that ought to be left to the police and judges and the criminal justice system, but every citizen has a role, too.

Every citizen has a role in education. We are saying that on November 19 every group should go out and do something in connection with the promotion of education, either at day care centers, the public school, if you want, at your college, but do something on November 19 in connection with National Education Funding Support Day.

We would like to have two things resonate. One is opportunities to learn in the area of technology, and that is what this message is. It is Patrick Ewing standing in front of a computer with some schoolkids. We want to emphasize that we are on the edge of a great jump start in technology for schools. That is going to be provided by the FCC mandate for a universal fund for libraries and schools, so technology is important.

The other thing we want to resonate is that construction is important. Technology, the training of teachers, charter schools, nothing that we do is going to succeed unless we have buildings and facilities that are adequate for schools across the country. Every State has a problem that would be helped if the Federal Government were to take the initiative.

Let us stop our waste of time on vouchers, on testing, on education savings accounts. Let us put them on the back burner, and when we open the second year of the 105th Congress, let us look forward to focusing on funding for education which provides more technology in our schools and also provides for adequate physical facilities for all of our schools.

The National Commission for African-American Education has a little brochure. If Members are interested, I think their phone number and their address is in the brochure. The chairman of the National Commission for Education, for National Funding Support Day, is Dr. Edith Patterson, a former school board president in Charles County, MD. The number they give, if Members want to contact them directly, is 301-753-4165 and 301-870-3008. Those are two numbers.

For more information, the brochure talks about some of the activities that Members can sponsor on National Education Funding Support Day. The National Commission for African-American Education is located in Silver Spring, MD. I do not see the address here. Call the number and you will get, certainly, information. Certainly my office is able to give more information. It is a way to mobilize the general public. It is a way to take advantage of the fact that there is a good feeling out there about doing something about our schools.

In the past we have had all kinds of activities launched by some Members of Congress. I think the gentlewoman from the District of Columbia [Ms. ELEANOR HOLMES NORTON] conducted lectures on that day last year. Last year we decided to launch an effort on National Education Funding Day called NetWatch. NetWatch was designed to wire schools in our area, in our district.

NetWatch proposed at that time to wire 10 schools in 10 weeks, but because of the teachers' processes, because of all the complications that you run into when you try to wire schools for the Internet, it took us until October 25. National Education Funding Support Day last year was October 23. We did not get a single school wired until 12 months later, on October 25.

The NetWatch activities that were launched on National Education Funding Support Day resulted in our Net Day wiring of 11 schools in central Brooklyn, my 11th Congressional District. But we are now in a position, we have a group of people we are forming called NetWatch Fellows. All those volunteers who came out and supported us, parents and local residents, we are asking them to stay with us and form a group called NetWatch Fellows, so we can move the process from the wiring of the school for the Internet right through the process of getting more computers, of getting all the connections they need, of getting software, of getting program materials, and of helping teachers get the training, so that the final result of our efforts are not in vain, the final results are that in the classroom the curriculum is effective and youngsters will find a more exciting way to get knowledge, to be inspired, and to learn whatever they have to learn. That is our goal. Our NetWatch Fellows will carry us to that process.

We had 11 schools in the 11th Congressional District, and we had great cooperation from the principals. There is an organization called the Hussein Institute of Technology, founded by a gentleman who, in private industry, does computer networks. He has founded a school for free to train people on how to use computers, both adults and youngsters. Mr. Hussein and the Hussein Institute of Technology has sort of been the backbone of the effort of NetWatch in the 11th Congressional District.

Again, we had at the top level the New York Connects, a similar organization, private entrepreneurs and technicians and executives in the area of technology who provided invaluable assistance in the effort to wire schools on October 25. The board of education is to be commended because it cut through a lot of the usual problems that you encounter in a large organization like the board of education, and they provided us with the personnel, help, and they attended the meetings. They made things happen.

The board of education, New York Connects, NetWatch, all came together with the volunteers in our community to make things happen in terms of wiring 11 schools on Net Day.

There are many schools that have contacted my office and said, when is it my turn? My answer is that we hope to provide a movement. We have started a process. This core of volunteers in some cases will be able to go to other schools and volunteer and help them move forward. In all cases we are trying to change policy, routines, management practices in the board of education which will accelerate this.

There is a technology plan. The board of education has a technology plan. What we want to do is accelerate the implementing of the board of education's technology plan so our schools are not waiting 10 years from now for the technology that many suburban schools enjoy today in great abundance.

In summary, what I am saying is that testing, for all of those who think that testing is important, testing may be important 4 or 5 years from now. Let us put it on the back burner and deal with it then. Vouchers may have some merit, but they are only a tiny pebble when it comes to dealing with the problem of improvement of education in America.

It may be that vouchers should be left to private industry. New York City has a model. The mayor of New York got scholarships for 1,000 youngsters, vouchers for 1,000 youngsters, by raising money in the private sector. Private industry, private people, donated money, so they have 1,000 youngsters who have vouchers to go to nonpublic schools.

That is 1,000 youngsters out of 1.1 million. We have 1.1 million students in New York City schools. I am happy for the 1,000 if it leads to success, and I see no reason why private industry cannot supply the money. Many of them will be going to parochial schools. Many of them will be learning religion as well as other things. That is all right with private money. Their parents took the private voucher money, they decided to send them, and that is quite all right. Parents have that right. We do not get into a debate about church and school.

I would say to those who want to push vouchers, why not let the private sector raise the money for the vouchers and demonstrate the utility of vouchers in solving problems, if that is the case. If we are going to launch a voucher program to demonstrate that it can help solve the problem, then let us use private sector initiatives and private sector money for vouchers.

Let us return to charter schools as another clear way to offer an alternative to traditional public school education. Charter schools can offer competition. Charter schools can develop innovations that might be replicated in the public schools. Charter schools can offer a great deal.

In New York City, we have something else called the alternative public schools. Alternative public schools fall in between charter schools and traditional schools. Alternative public schools are basically run and controlled by the central board of education, but they allow a great deal of leeway and latitude in the local group that wants to operate that alternative school. That is another possibility.

Of course, as I said before, we cannot let up on the process of hammering away at the big school systems in our big cities. They are going to be the system that provides most of the education for inner-city children for a long time to come. We cannot let them off the hook with governance, management.

The scandal in Washington, DC, that a command and control system, a centralized system, has allowed to happen should not be allowed to happen again. We should keep a vigilant watch on all of our school systems, but most of all, the Federal Government should send a message across America that where it hurts most, or where we can be most helpful, in the area of school construction in 1998, we are going to come together and make that the backbone of the effort to improve education in America, the Federal aid effort to improve education in America. Construction comes first.

UPCOMING TOPICS OF CONCERN FOR THE U.S. HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore (Mr. COOKSEY). Under the Speaker's announced policy of January 7, 1997, the gentleman from Wisconsin [Mr. NEUMANN] is recognized for 30 minutes as the designee of the majority leader.

Mr. NEUMANN. Mr. Speaker, we are nearing the end of our session. I rise today to talk about a couple of topics that are still pending out here, and that will be dealt with in the upcoming session next year. I thought we ought to kind of summarize a little bit about them before we close out the year. A lot of us here are hoping next week is the last week we are out here.

There have been a lot of accomplishments. I am going to spend some time talking about those accomplishments, and how far we have come, and I am going to conclude with a little discussion about where we might go to, and what our hopes and dreams are as we move.

There are a couple of issues pending. I am going to start with one that is current and that we may also have some discussions on in the next week. That is national tests. We are hearing a lot about this idea that Washington somehow is prepared to develop this national test to test our students to see whether or not they get the education that Washington thinks they should get.

I want to bring this up to discuss a little bit, because as a former teacher I was actively involved in developing tests, but it was not a national test, it was a local test. When I was teaching math, I used to go to some of the folks in town. They would say some of my kids did not know, and I call them my kids because we really got pretty close in our classroom, some of my kids did not know what they expected them to know on math, how to balance a checkbook, count change, some of the elementary things. I said, yes, they do. They graduated from my math class, so therefore my kids know this stuff.

People uptown said, no, they don't. We took a survey of the people uptown, and we found out what it was that our people in Milton, WI, thought our Milton High School graduates should know, and then we developed a test to see whether or not our Milton High School students knew what the people uptown expected them to know when they graduated from high school.

Is this not how it should be done, the local community, the parents, teachers, school board, working together to decide what it is that the students in Milton, WI, should know, or in the local communities should know?

□ 1430

That is how the test should be developed. The concept of Washington, DC, deciding what the students in Milton, WI, should know, instead of the parents and the teachers in the community, is just the wrong concept. That is one of the issues we still have pending before us out here during this session, and it may be dealt with before we adjourn for the year, but possibly will be put off until next year.

There is another one that we have had a vote on and it is actually one of the most difficult discussions that we have to have, and I cannot believe that we have discussions on this topic in America, and that is on partial-birth abortion.

One of the things that happened in 1997 is that the House of Representatives passed a bill that said there will be no more partial-birth abortions in America except when the life of the mother is at stake. The Senate passed the same bill. It was sent to the President and it was vetoed.

Mr. Speaker, I think it is very important that we understand what a partial-birth abortion is, and I think this practice, hopefully, can be eliminated in the next session in 1998. But if not, the people that are preventing it from being eliminated should simply be replaced in the upcoming election cycle.

In a partial-birth abortion, a doctor literally reaches into the womb of a pregnant woman, grabs the ankle of the baby, and literally pulls the arms and legs of that baby out of the womb. At the last second, just before the baby's head is delivered, the doctor sticks a scissors in the back of the head and kills the baby.

It is interesting when I talk about this, people have a tendency to tune out. It is like they do not want to talk about that. We cannot even discuss that in America. And they are right; we should not be discussing this in America.

How can any citizen of our great Nation possibly justify a nearly born baby having a scissors stuck in the back of its head and being killed? This is something that is so outrageous. What amazes me most about this discussion is not that it is very difficult to discuss, because it is very difficult for me to discuss, but what is amazing is that when I do discuss it, people call me radical. They call me radical because I do not think that when a baby's arms and legs are literally delivered and moving that it makes sense in our great Nation to stick a scissors in the back of that baby's head and kill the baby. It is outrageous.

The status of this bill, it was sent to the President after passing both the House and the Senate. I am happy to say that the Wisconsin delegation from the House of Representatives, that all of our delegates, Republican and Democrats, pro-choice and pro-life, all of the people from the great State of Wisconsin voted to end this practice in the House of Representatives.

The bill was sent to the President. The bill was vetoed, and we would expect in 1998 that bill will be brought back to the House of Representatives and in the House of Representatives we will override the President's veto, because this practice is so outrageous and so wrong in this great Nation.

I hear when I talk about this to our constituents, "Mark, you have no business talking about it. That is not government's role to talk about this sort of thing. It should be up to the doctor and it should be up to the mother." Mr. Speaker, I will tell my colleagues that when I took my oath of office, I swore to uphold the Constitution of the United States of America. The Constitution of our great land guarantees life, liberty and the pursuit of happiness. It does not guarantee life, liberty, and the pursuit of happiness to all those who vote, but it guarantees life, liberty, and the pursuit of happiness to all American citizens.

Mr. Speaker, it seems to me that when a child reaches the point when its arms and legs are literally moving around, that that child is guaranteed protection under our Constitution just like any other American citizen and, doggone it, it is time we talk about this and keep talking about it until the problem itself disappears because we have outlawed the practice of partial-birth or live-birth abortion in America.

Mr. Speaker, I am optimistic that in 1998 we will see at least the House of Representatives overturn the President's veto of a ban on partial-birth abortions, and I would hope that the Senators that have voted against it and have not provided the necessary votes will see the light and will come around to vote to override the President's veto in 1998. And, hopefully, in 1998, for once and for all, we can ban partial-birth abortions or live-birth abortions in the United States of America.

There are some other topics that have been pushed to the back burner, and I would like to start with one that directly affects our senior citizens, it affects them dramatically, and that is Social Security. I think it is important as we begin this Social Security discussion to understand exactly what is happening.

Mr. Speaker, in 1983 when the Social Security trust fund was near bankruptcy they, quote, "fixed" the Social

Security system. What they did is started collecting more money out of the paychecks of working families and workers all across America. They collected more money than what they paid back out to the senior citizens in benefits. In 1996 alone, they collected $418 billion in taxes out of the paychecks of workers across America and they only spent $353 billion. They only send out $353 billion to our seniors in checks.

To most folks, this would seem like it is working pretty good. They collected $418 billion and only sent out $353 billion. The idea is this: By collecting that extra $65 billion, they would put it into a savings account and when the baby boom generation gets to retirement and there is too much money going out and not enough coming in, we will go to the savings account and get the money and make good on the checks. The idea is if we collect $418 billion in 1996 and we only spend $353 billion, that will leave $65 billion to put into the savings account to make sure that Social Security is safe for our senior citizens.

Well, unfortunately, that is not what is going on in Washington. This comes as no big surprise to anybody who follows Washington closely. Here is what Washington does with the Social Security money. They collect all $418 billion and then they put it in the big Government checkbook, the general fund. They then spend all the money out of the general fund. As a matter of fact, they overdraw the general fund. That is called the deficit.

They take the $65 billion extra they collected, put it in the general fund, spend all the money out of the general fund. As a matter of fact, they overdraw that checkbook so there is no money left and at the end of the year they simply put an IOU, an accounting entry, down here in the Social Security trust fund.

So the fact of the matter is that this extra money that is being collected that is supposed to preserve and protect Social Security is not being put away the way it is supposed to be. In fact, all that is in there is in nonnegotiable Treasury bonds, generally referred to as IOU's.

Mr. Speaker, this practice is wrong. We in our office introduced legislation, and forgive me if this does not seem like Einstein legislation; it is not. It simply says that the money that comes in for Social Security goes directly into the Social Security trust fund. It does not go into the general fund. It goes directly into the Social Security fund.

What does that mean? It means that $65 billion that they collected more than what they paid back out to our senior citizens in benefits would actually go into that savings account the way it is supposed to be. Let me suggest the way it happens if this bill is passed. It is a pending bill. We have 100 cosponsors, Democrats and Republicans have cosponsored this bill.

Mr. Speaker, if this bill is passed, Social Security is solvent all the way to at least the year 2029 and maybe significantly beyond that. If this bill is not passed and we continue to spend the Social Security money that is coming in, rather than put it aside the way it is supposed to be set aside, then Social Security is in trouble not later than the year 2012. So let me say that once more. If the Social Security Preservation Act is passed, Social Security is solvent for our senior citizens for the foreseeable future. If it is not passed and we continue the practice of taking the $65 billion, putting it in the general fund and spending it, if that practice continues, Social Security is in serious trouble not later than the year 2012.

So when we look at issues that need to be addressed in 1998 and 1999, this is certainly one of the key issues. It is important that folks understand Washington's definition of a balanced budget and what a balanced budget means as it relates to Social Security.

Remember, the Social Security trust fund collected $65 billion and put it in their checkbook. So when Washington says their checkbook is balanced, what they actually mean is they took this $65 billion, put it in the checkbook, spent all the money out of the checkbook, but the checkbook was not overdrawn and that is a balanced checkbook.

So my colleagues can see, even after we reach a balanced budget, and we should not downplay that, the budget has not been balanced, even by Washington definition, since 1969. That is a monumental accomplishment, and it appears that we are going to get that done in 1998, 4 years ahead of schedule. But even when we get that done, they are still using the Social Security trust fund money to make it look balanced.

Here is another way of looking at that same picture. When Washington reports the deficit to the American people, they actually report this blue area. So in 1996, when they reported a deficit of $107 billion, what Washington actually meant is the checkbook was overdrawn by $107 billion, but in addition to that, they spent the $65 billion that came in extra for Social Security.

So when Washington says it is going to balance the budget, it is very important people understand what they really mean is this blue area is going to go away, but they are still going to be spending the Social Security trust fund money. It is very, very important that we do not downplay the accomplishments, because getting to a balanced budget is important. And it is obvious that we have to get to a balanced budget before we can stop spending Social Security money. But it is also important that we understand that once we reach a balanced budget, our job is not done.

Mr. Speaker, we have no business spending the Social Security trust fund money and anybody who supports spending that money on other Washington programs instead of setting it aside ought to be unelected in the next election. It is that simple and straightforward.

Having said that, I think it is important that we look at some other solutions to these problems, look at how far we have come. It is clear we still have a long way to go, but we have made significant accomplishments during this year.

In order to understand how far we have come, I think it is important to note where we started back in 1995. When I left the private sector to run for office it was because I had looked at this chart and I had watched this debt that faces the United States of America and I had just watched it grow. That Social Security money, those IOU's, they are part of that growing debt facing this Nation. As a matter of fact, as we look at this chart, we can see from 1960 to 1980, the debt grew a very small amount. But from 1984 it grew off the map.

By the way, Mr. Speaker, I know all the Democrats say, "Yeah, that's the year that Ronald Reagan got elected," and the Republicans are going to say, "Yeah, the Democrats spent out of control." The fact of the matter is it does not matter if we are a Democrat or a Republican. The bottom line is that our Nation is this far in debt and we better do something about it.

Mr. Speaker, this is what we came into office facing in 1995. This is the problem that brought many of us out of the private sector, myself included, having never held a public office before. It is this picture that brought us out of the private sector and it is an understanding that this problem needed to be solved if we have hope that we are going to have a future for our children in this great Nation that we live in.

How far in debt are we? Well, it is $5.3 trillion as of today; $5.3 trillion translates into $20,000 for every man, woman, and child in the United States of America. If we take that $5.3 trillion and divide by the number of people in the country, it is 20,000 bucks for every man, woman and child in America today. That is how much money our Government has borrowed.

For a family of five like mine, which is where the problem comes in, for a family of five, the U.S. Government has literally borrowed $100,000, most of it over the last 20 years. The kicker to this whole thing is down here. A lot of my constituents go, "So what? Does it really matter or doesn't it?" Well, yes, Mr. Speaker, it matters. It matters because every month a family of five like mine needs to send $580 a month, every month, to Washington to do nothing but pay the interest on the Federal debt, $580 a month for an average family of five to do nothing but pay the interest on the Federal debt.

Then my constituents go, "Well, that is not me. I don't make that much money, so I'm not sending $580 a month to Washington." But, Mr. Speaker, they forget to take into account that if we do something as simple as walk in a store and buy a loaf of bread, the store owner makes a small profit on that loaf of bread. And when the store owner makes a profit on that bread, part of that profit gets sent to Washington. When we add up all the taxes on groceries or gasoline or whatever, an average family of five is, in fact, spending $580 a month to do nothing but pay interest on that Federal debt.

Mr. Speaker, I think it is important we talk about how we got to that number. What in the world went on in this country that we ran up a debt that the people here in Washington decided it was appropriate to spend $100,000 on behalf of my family of five and every other group of five like it across America? What is going on out there? Did they try to solve it? What led us to this point?

Mr. Speaker, I think this chart says a lot about it. And I could show any one of a number. I have got the Gramm-Rudman-Hollings bill of 1987, but there was a Gramm-Rudman-Hollings bill of 1995 and another one in 1987. There was a 1990 deal, a 1993 deal, but they all had the same basic elements to them. They all said, yes, we had not ought to be spending our children's money. We are going to balance the budget in five years out or whatever, but they all said we are going to balance the budget.

As a matter of fact, this blue line shows how they were going to balance the budget by 1993. The red line shows what actually happened, because every time Washington set about controlling Washington spending to balance the budget, they broke their promises to the American people. I could put any one of a number up here, but they all look the same.

There is a blue line that shows how they were going to balance the budget, and then there is a red line on top that shows how they failed to do what they said they were going to do for the American people. So we got out here to 1993, after failing in 1985 and 1987 and 1990 and again in 1993. We get out here to 1993, and we are looking at this problem and Washington decided that there was only one thing left to do.

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We cannot control Washington spending. There are too many important things that Washington wants to spend money on. So what we are going to do is take more money away from the working people, get it out here to Washington so Washington can decide how to spend that money because, after all, Washington knows best how to spend the people's money.

So in 1993, they passed the biggest tax increase in history. The idea was if we got more money out of the pockets of the people that somehow that would lead us to a balanced budget. That is what led to the revolt in this great Nation. That is what led to the turnover of Congress in 1994. The people said, enough of this stuff. We have had it with the broken promises. We have had it with raising our taxes. That is not what we want. We do not want Washington deciding how to spend our money. We want Washington to let us keep our own money so that we can make decisions on how to spend it because we know best how to spend our own money.

This picture is what led to the turnover in 1994. It was the fact that they could not get to a balanced budget, coupled with the tax increase that led to the 1994 revolt, if you like, amongst the American people that sent a change in control of Congress. We are now 3 years into this thing. This is kind of the background.

We laid out a plan to balance the budget. We said we wanted to reduce taxes. We made a bunch of promises when we got here in 1995, too. I think the American people ought to be asking, what has happened in the last 3 years? How are you doing? Are you any different than the group that was there before you?

I brought a chart to show our promises. In 1995, when we got here, we laid out a plan to balance the budget, too. We were realistic and we said, we will get there by the year 2002. We are now 3 years into that plan to balance the Federal budget, but notice where the red line is. For the first time the red line is not out of whack. We have not only hit our targets, but we are significantly ahead of schedule. We will have the first balanced budget in fiscal year 1998. The first time since 1969, we are going to see a balanced Federal budget 4 years ahead of promise. This is significant.

At the same time we balanced the budget we lowered taxes for the first time in 16 years and, if time permits later on, I would like to go through some of those. They are heavily oriented toward education and toward families: $400 per child; grandparents can start putting $500 per child away in an education savings account; college students, $1,500 freshman and sophomore year tax credit; that is, you figure out your taxes and subtract $1,500 off the bottom line; juniors and seniors in college continuing education; young couples where one has gone back to school, it is 20 percent of the college tuition credit; capital gains lowered from 28 percent to 20; for those that were in the 15-percent bracket earning less than 40,000 a year, lowered from 15 down to 10; no more tax when you sell your personal residence if you have lived there for 2 years. The list goes on and on.

Encouragement for savings for retirement even if you are in a 401(k). You can now join a Roth IRA and put $2,000 a year away. When you take the money out at retirement, you pay no taxes on the accumulated money.

The bottom line is, this picture is very important. It is very, very different than this picture where the promises were made, but they were not kept. Promises were made and they are being kept. We are not only on track to getting to a balanced budget, but we are significantly ahead of schedule. I show charts like these out at town hall meetings. The people say, MARK, the economy is so good, you guys are taking credit for that good economy. If the economy were not that good, of course, you would not be doing these things. Partly that is true. The economy is doing very well. That is part of why this picture is true. But the reality is, we have had good economies between 1969 and today many times.

Every time the economy has been good in the past, Washington saw that extra revenue coming in and they spent it. This Congress is different. The economy is good, but instead of spending the extra revenue, we are getting to a balanced budget ahead of schedule.

I think this perhaps is the most significant picture that I can possibly show in terms of describing how different Washington is. The economy has been strong. There has been over $100 billion a year in revenue coming in above expectations. In the face of that, this Congress looked at spending. It was growing at 5.2 percent before we got here.

This column shows how fast Washington spending was increasing before we got here in 1995. We, in the face of that strong economy and extra revenue coming in, we slowed the growth rate of Washington spending by 40 percent in 2 years. The growth rate of Washington spending now is down to 3.2 percent. Would I like it to be lower? Yes. But the reality is, we have slowed the growth of Washington spending by 40 percent in 2 years in the face of a very strong economy.

I challenge anyone, any of my colleagues anywhere in America to find a Congress before us that had an extra $100 billion above expected revenue coming in and have that, find a Congress that spent less money than they said they were going to spend and slowed the growth rate of Washington spending in the face of that strong economy. It has not happened in our history. This is new. It is different. It is the reason that we are able to both balance the budget and lower taxes at the same time.

In fact, in real dollars, Washington was growing at 1.8 percent annually before we got here. It is now growing at

.6 percent. The real growth has been slowed by two-thirds. Do we still have a ways to go? Should we slow that to zero? We do not need a bigger Washington. Washington could do less. Sure, we would like to go further, but I do not think we should look past the fact that in 2 short years we have slowed the real growth of Washington spending by two-thirds in 2 short years.

This is what has led to this point where we have our first balanced budget since 1969 and we have a tax cut package at the same time. Are we finished? Absolutely not. When we started this discussion today about Social Security and how when we talk about a balanced budget that Social Security money is still being spent, we have a long ways to go.

We need to pass the Social Security Preservation Act, which is the act that stops Washington from spending that money. We are not going to quit here. We are not going to quit with this. The other thing that we hear out at our town hall meetings is, this would have happened even if you guys were not there. No matter what you did, this would have happened.

I brought a chart with me to show exactly what would have happened if we had played golf and basketball and tennis instead of doing our job. Almost no one in America can forget the first year that we were in office, 1995. There were all sorts of things going on. It was just short of bullets out here. There was misinformation on Medicare attacks. There were school lunch attacks that were full of misinformation. There was just short of a war in this country. Government shutdowns, you name it.

The reason those things were going on is because if we had done nothing, this red line shows where the deficit was going. It was headed to $350 billion if nothing was done. Remember, that is instead of balancing the budget, even with the Social Security money on top of this, it was going to be a $350 billion deficit. The yellow line shows how far we got in our first year. The green line shows our hopes and dreams, that we were actually going to be able to balance the budget by 2002. And the blue line shows what is actually happening, how far ahead of schedule we are. We are winning a monumental battle for the future of this great Nation. We are winning a battle that is going to allow our children to have hope in this great Nation that we live in.

This is not the end. Again, I think it is very important that we understand that when we reach a balanced budget, we still have problems in this great Nation. We still have a $5.3 trillion debt staring us in the face. We still have the Social Security trust fund money being spent on other Washington programs. The battle is not over when we reach a balanced budget.

I have with me a chart showing what we suggest that we do next. This is really the future. We bring us to a balanced budget. We start the process of lowering taxes. We restore Medicare for our senior citizens.

This is next. It is called the National Debt Repayment Act. What it says is this. Once we reach a balanced budget, we slow the growth rate of Washington spending. We cap it at a rate at least 1 percent slower than the rate of revenue growth. This picture shows what will happen if we do that.

This is the point we reach balance. The red line shows spending growth in Washington and I would like to see it slower. That is just for the record. But it shows that if spending is going up at a rate 1 percent slower than the blue line, the rate of revenue growth, if spending is just controlled, that it goes up 1 little percent slower than the rate of revenue growth, it creates this area in between here called the surplus.

With the surplus under this bill we do two things. We take one-third of that surplus and dedicate it to additional tax cuts, and we take two-thirds and put our great Nation on a home mortgage type repayment plan. The two-thirds of this surplus literally starts making payments on the Federal debt, much like you would make payments on a home loan.

As a matter of fact, if this plan is followed, by the year 2026, the entire Federal debt would be repaid and the legacy we would leave our children would be a debt-free Nation instead of a Nation so overburdened with debt that they have to look forward to sending $580 a month to Washington when they have their families.

The opportunity here to pay off the Federal debt is so great and so monumental that we need to move rapidly in this direction. As we reach the balanced budget, this needs to be the next step that we put the Nation on, a debt repayment plan.

One other thing, as we repay the Federal debt, the money that has been taken out of the Social Security trust fund that I spent time talking about, that money that has been taken out of the Social Security trust fund, those IOU's, as we are paying off the Federal debt, that money is returned to the Social Security trust fund and Social Security once again becomes solvent for our senior citizens. The tax cuts, I think it is important we realize another piece of legislation that is being introduced, part of my dream for the future of this country, that we abolish the IRS Tax Code as we know it today.

The legislation has been introduced to abolish the IRS Tax Code as we know it today in the year 2001 so that we can replace it with a simpler, fairer, easier-to-understand Tax Code.

How does that relate to the National Debt Repayment Act? As we are providing tax cuts each year, it gives us the opportunity to facilitate that move to a simpler, fairer tax system. So think about this for our dream and our vision for the future of America. First, we do not do what they did in the past anymore. No more broken promises of a balanced budget. No more tax increases. We continue on the path that we are currently on.

We reach our balanced budget, first time since 1969. We lower taxes for the first time in 16 years, and we restore Medicare for our senior citizens. That is the present.

Here is our dream for the future. Our dream for the future is that we put our Nation on a debt repayment plan much like a home mortgage repayment plan. As we are on that plan to pay off the Federal debt, as we are on that plan, we put the money back into the Social Security trust fund that has been taken out so our seniors can rest assured that Social Security is safe and secure. We lower taxes each and every year by utilizing one-third of that surplus for additional tax cuts. We replace the IRS Tax Code with a system that is easier, simpler, much fairer, something the American people can understand. And the most important part of this dream, the most important part of this vision for the future of our country is that we, in our generation, can leave our children a legacy of a debt-free Nation, a legacy where they can once again look forward to having the opportunity to live a life that is as good or better than ours, the opportunity to have a job right here at home in America.

That is what this dream is about. It is about balancing the budget, paying off the Federal debt, restoring the Social Security trust fund for our senior citizens, lowering taxes and, most important of all, providing the children of this Nation and our grandchildren with a debt-free country so they can have, once again, the hope and the dream of living here in this great Nation and having the opportunity of a better life, much as we have had during our generation.

INTRODUCTION OF H.R. 2786

The SPEAKER pro tempore (Mr. COOKSEY). Under the Speaker's announced policy of January 7, 1997, the gentleman from Pennsylvania [Mr. WELDON] is recognized for 30 minutes as the designee of the majority leader.

Mr. WELDON of Pennsylvania. Mr. Speaker, I take out this final special order today before we adjourn for the weekend to call attention to a piece of legislation that I introduced today along with 104 of our colleagues. H.R. 2786, known as Impact '97, is the Iranian Missile Protection Act of 1997, a very important piece of legislation not just for the security of Americans, but for the security of our American allies, for the security of Israel, for the security of 25,000, at least 25,000 of our troops who are currently serving around Iran in various theaters including the Balkans.

Mr. Speaker, this bill is strongly bipartisan. In fact, it has 85 Republicans and 20 Democrats. Out of the Committee on National Security's membership, the bill has 29 Republicans who have cosponsored it and 15 Democrats. The cosponsors include the chairman of the Committee on National Security, chairman of the Committee on International Relations, chairman of the Select Committee on Intelligence. It includes members of the leadership. It includes key Democrats who are critical on defense issues, like the ranking Democrat of the Committee on Appropriations, Subcommittee on National Security, the gentleman from Pennsylvania [Mr. MURTHA] and the gentleman from Washington [Mr. DICKS]. These Members share the same concerns as I and that is that we have a threat that is emerging that could cause serious problems not just for our troops, but for our allies and friends approximately 12 months from now.

What is that threat, Mr. Speaker? Why do we need this legislation? Why must it be put on a fast track? Mr. Speaker, we have been told by this administration repeatedly that in the intelligence briefings that have been provided to us in the Congress we have no reason to worry about the proliferation of weapons of mass destruction, especially those involving medium and long-range missiles.

The intelligence community, just a year ago, issued an upgraded intelligence estimate that basically told Members of Congress and the public that we have no reason to fear a threat for our safety for at least 15 years. That intelligence estimate which we soundly criticized a year ago has now been recognized to have had political overtones placed upon it. We were also told, Mr. Speaker, that we would have no regional threats to the security of our troops in the foreseeable future and that we would, in fact, be able to put into place systems that would be able to respond to those threats that we saw emerging in the near term.

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All of that changed, Mr. Speaker, this past summer. It changed because the Israeli intelligence community was able to gain information that documented that factions in Russia, the Russian space agency and several Russian constitutes and scientists had, in fact, been working cooperatively with Iranian scientists and technologies to give Iran a missile technology that they can now deploy anywhere beyond 12 months from this date. Which means that even though the intelligence community was telling Members of Congress that we did not expect to see a threat emerge for 4 or 5 or perhaps 10 or 15 years, Israel was able to examine through their intelligence community actually they have copies of contracts that were signed between key Iranian agencies and key Russian agencies that now have indicated to us that Iran can deploy a system within 1 year.

Now let us look at what that means in terms of the region, Mr. Speaker. Iran is the red area in the center of this map, which covers all of Europe and most of Asia and part of Africa. Iran currently does not now have a missile system except for the type that was used in Desert Storm, the SCUD missile system. This technology is considered primitive at best, even though it was the cause of the largest loss of life in Desert Storm when that Iraqi SCUD went into that barracks where young Americans were sleeping, killing a number of our young military personnel. That is the sophistication that Iraq and Iran have had up until now in terms of missile technology. And even though it is rather crude and does not have sophisticated guidance systems built into it, it still kills people.

The largest loss of life involving American troops was caused by a SCUD missile coming into those barracks because we did not have technology to shoot that missile down during Desert Storm when our backs were against the wall. And when the Israeli people were very fearful of the threats and the missiles that were being lobbed into their country, we deployed a variation of the Patriot system. The Patriot system was not designed to take out the missiles. In fact, it was designed to shoot down aircraft. But because we had no system to put into place, we had to use a varying of the Patriot, put systems in Israel and into countries like Kuwait and Saudi Arabia to try to give us some limited protection against the SCUD missiles that Iraq would launch.

We put those systems in place, Mr. Speaker. But as the record shows, the Patriot systems were only partially effective. In fact, some estimations show that the Patriot was only 40 or 50 percent effective in taking out SCUD missiles. So many of those SCUD's got through.

But we are not talking about the SCUD missile now, Mr. Speaker. We are talking about a system that Iran has developed or is developing with the cooperation from Russia. Russia has very sophisticated missile systems: long-range, medium-range systems with very capable guidance mechanisms built in. The intelligence data that we now have, which has been declassified because it is being reported in the media in a widespread way and which I am going to refer to. I am not referring to any classified briefings. I am only referring to what is being reported in the media.

The intelligence community, as reported by the media now, shows that within 12 months Iran will have a system that will initially have a capability of approximately 800 miles and eventually will have a capacity to go as far as 1,200 miles around Iran in terms of hitting its target. When we look at these areas that are colored in blue and green, we get a sense of the potential impact of these medium-range missiles, which we expect Iran will have as early as 1 year from this date.

That means, Mr. Speaker, that parts of Europe now become threatened by Iran. That means now that at least 25,000 of our troops who are stationed in this area now become potential targets of Iranian missiles. That now means that all of our allies in this region in the Middle East and beyond now can become threatened by Iranian medium-range missiles.

Why is this so significant, Mr. Speaker? Because having Iran have this kind of capability could potentially upset the balance of power in the Middle East. If Kuwait and Saudi Arabia and the other Arab nations who are not our friends think that Iran has a capability that we cannot shoot down, that could upset the balance.

Now, how sophisticated are these missiles that Iran is going to be developing? Well, the Russian SS–4 system, which is the technology being transferred to Iran and has been under transfer for the past several years, is a very capable medium-range missile.

Now the question becomes, is it accurate? Can it hit the spot where it is intended to go? The point is, it really does not matter. If you are shooting off missiles, it does not matter if you hit this part of the city or that part of the city, you are still going to kill people. But let us look at whether or not the Iranians also have sophistication in terms of guidance.

Mr. Speaker, in front of the American people today I hold up two devices. These were manufactured in Russia. These were not manufactured in the United States. This is a gyroscope, Mr. Speaker. And this is an accelerometer. These two devices, which look to be brand new, were taken off of an SS-N-18, which is a very capable missile, medium- to long-range missile, that Russia has thousands of that had been aimed for years at American cities and carried on board their submarines.

Where did I get these two devices with the Russian markings on them indicating where they were built and what missile they were taken from? Mr. Speaker, these devices were intercepted by intelligence officials from Israel and Jordan as they were being transferred from Russia to Iraq. These devices were intercepted 2 years ago.

I was there January the month after the Washington Post ran the story about the transfer of these guidance systems. Because together they are the guidance system for missiles. They make missiles extremely accurate so they can pinpoint the most populated areas of cities and can do the most destruction when they are launched. When I was in Moscow, I met with our Ambassador, Ambassador Pickering. I said to him a month after the Washington Post story ran, "Mr. Ambassador, what was the response of Russia when you asked them about the accelerometers and the gyroscopes?" He said, "Congressman WELDON, I have not asked them yet." I said, "Why? This happened 6 months ago." He said, "That has to come from Washington."

I came back to Washington, Mr. Speaker. And at the end of January, I wrote President Clinton and I said, "Mr. President, why have you not personally asked the Russians about the transfer of these devices? Because that is illegal. It is a violation of an arms control agreement, an agreement called the Missile Technology Control Regime." The President wrote back to me in April, Mr. Speaker. And guess what he said. He said, "Congressman WELDON, we don't have enough evidence that this transfer of technology took place."

Mr. Speaker, these are the devices. We knew about their existence. We saw their existence. In fact, Mr. Speaker, there were 120 sets of these devices, each of them manufactured in Russia, and all of them transferred into this particular place, to Iraq.

Now, the question is not whether they were transferred legally or whether they were transferred illegally. Arms control agreements do not make a difference. A country that is a signatory to an arms control agreement certifies to the other nations in that agreement that they will prevent the transfer of technology.

So, in this case, the transfer of these devices was clearly and blatantly a violation of an international arms control agreement. In fact, Mr. Speaker, this was the seventh time Russia violated the missile technology control regime. In each of the seven instances, similar to the transfer of these devices to Iraq, this administration imposed no sanctions on Russia. They either said, we did not have enough information, we could not fully verify it, or we chose not to impose sanctions.

Now, we wonder why Iran and Iraq are getting the capability to kill our troops and to kill and injure our friends. It is because of the policy direction of this administration and not being tough enough in enforcing arms control agreements.

Mr. Speaker, besides these devices, there were two other transfers of accelerometers and gyroscopes from Russia to Iraq. Iraq tried to hide them in the Tigris River Basin. They were found. And they are a part of the 120 sets that we know now were attempted to be transferred that we, in fact, have physically in the hands of people who are our allies and friends.

The point is, Mr. Speaker, if Iraq was able to get these kinds of very sophisticated guidance devices, we can bet our bottom dollar Iran has the same capability. Because, unlike Iraq, we have evidence that Russia and Iran have been cooperating on this new medium-range missile that they are going to deploy 12 to 18 months from now.

So that means, Mr. Speaker, that these missiles which will now be able to hit any city in any part of Israel, which now will be able to take out any of the installations where our 25,000 troops are stationed that any of our allies in this region are currently located, that this missile will be able to cause severe destruction.

The problem, Mr. Speaker, is a simple one. We will not have a system in place to take out this missile. I repeat, Mr. Speaker. As the chairman of the House National Security Research Committee, which oversees all the funding for defensive systems to protect against this threat, we will have no system to take out these missiles, not 12 months from now and probably not 18 or even 24 months from now.

The American people are justified in asking the question: Why, if we are spending hundreds of millions of dollars a year on offensive and defensive military programs, why then 12 months from now will we not have a system that can shoot down these Iranian missiles that were built with Russian and Chinese technology?

The answer is, Mr. Speaker, that this administration, while basically putting forth a good public story about its commitment to theater missile defense, has not in fact been aggressive in pushing for deployment of these systems.

We have a number of options. We have a Navy option called the Navy upper and lower tier systems, which are under development with Navy and Army, called THAAD, theater high altitude area defense system, under development. We have another system, a variation of the Patriot, called PAC-3, which has more capability than the earlier version of the Patriot that was used in Desert Storm.

Israel, likewise, is working on a system entitled the Arrow. The Arrow system is similar to the Patriot and will have a capability but not quite the capability to take out the speed and the length in terms of distance of the Iranian missile that we expect to be deployed as early as 12 months from now.

So unfortunately, Mr. Speaker, as we look to meet this threat, the fact is that we will not have a system ready to be deployed 12 months from now. So if Iran does what the media reports that in fact they will be able to do, and that is deploy this system, we will have a window of vulnerability. That window of vulnerability could last 6 months. It could last 12 months. It could last 2 years. We will have a period of time, beginning sometime in late 1998, where Iran will be capable of deploying a system that we will not be able to take out if in fact they should use that system.

Now, let us remember back to the largest loss of life in Desert Storm. It was that SCUD missile that Saddam used against our troops in Saudi Arabia, the largest loss of life in Desert Storm. Iran has threatened to use both offensive chemical and biological weapons, as well as nuclear weapons on both Israel and on America. One year from now, under a current estimate that has been established in terms of Iran's program, they could have a medium-range missile that could hit Israel, any of our troops in that theater, or our allies. The problem, Mr. Speaker, is that it could well contain either a biological or a chemical weapon and quite possibly, and we have not yet determined this, quite possibly a nuclear weapon.

Mr. Speaker, this administration has not done enough. What our bill does is it says that this is a priority that this country has to address today, not 12 months from now, not 16 months from now, but today. If we are going to be prepared to deal with the threat that we see emerging 1 year from now, then the development and deployment has to begin in 1997.

What does our bill do? Our bill, Mr. Speaker, takes assets that we now have and increases funding in ways that can give us enhancements and improvements. Let me give my colleagues an example. Our bill takes the Patriot system, which has very serious limitations on what it can defend against.

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The Patriot system initially in Desert Storm could only impact an area the size of this small green circle, very limited. I cannot give the distance in terms of miles because that is classified, but I can give the approximate detail percentagewise of the impact area. The Patriot itself was very limited in what it could defend against, which is why it was not really successful in Desert Storm. By putting into place immediately additional radar systems, additional early warning systems, and by putting additional batteries and early sensors for the PAC-3 system, we can expand the coverage area by the area in the blue.

So that Members can see, Mr. Speaker, that we can take a system that we have available today and we can enhance it and improve its capability significantly, both in terms of distance and in terms of circumference, by putting in additional enhancements now. Our bill provides the dollars to do just that, to allow us to put into place additional radar, additional coordination of interoperability, additional C3I in terms of interactive communications in command and control of these systems, and in doing so we get an enhanced capability that 12 months from now we can deploy.

In addition to the Patriot system, we provide additional funding for the THAAD program. Mr. Speaker, THAAD is a system that has still not been proven. It is being developed by the Army. The premise of THAAD is that it is a land-based unit that the Army can take wherever it goes and it can protect those troops in that theater. So if our troops are assigned in the Middle East, we can put a THAAD battery there and it will provide areawide protection for all of our troops so that we never have another barracks loss of life like we had in Saudi Arabia.

The problem with THAAD is it is good technology, but we have not yet had an intercept in our test program. We are hoping that this first intercept will take place in the first quarter of 1998. In the bill that I have introduced today, Mr. Speaker, we set aside additional funding so that if and when we have that successful intercept for the THAAD program that we immediately make money available to not just buy one test unit but to buy two demonstration test units. One of the units would be tested here in the United States, as is currently planned. The second battery would be deployed to the Middle East to be a direct support system for our troops that are stationed in that area. So we would have two test batteries of the THAAD system deployed where it in fact in several years could take out an Iranian missile or any other missile fired at our troops.

The third option, Mr. Speaker, is called Navy Upper Tier. The Navy Upper Tier system uses our existing Aegis technology, our most sophisticated systems, on our submarines. This technology is several years away from being fully deployed. But by putting additional dollars into radar systems and enhancements, we think we can speed up the deployment of the Navy Upper Tier system by perhaps as much as 1 year, so that by the turn of the century or slightly thereafter, we will be able to use Navy Upper Tier as a major defensive program.

The fourth major system that benefits from our bill to provide us additional protection against the Iranian capability is what the Israelis are working on. Israel has been working with our missile defense organization on a program called Arrow. Arrow is a system developed in Israel with American technology help. This system will ultimately give Israel very capable protection against lower level missiles that are not fired from long distances. The problem is that if Iran develops a capability for this medium-range system, as we currently think it is doing, then this Arrow system will not be able to cover all of Israel to take out those missiles if, in fact, they are used. What we want to do, Mr. Speaker, in this legislation is provide additional funds so that Israel can both look at enhancing the Arrow Program as well as providing additional Arrow missiles for test purposes.

In this legislation, Mr. Speaker, Impact 97, we have four very specific actions that we take to give us a capability within 12 to 18 months to deal with the threat that we think is going to be in place, a threat that jeopardizes not just our friends but also American troops and American citizens. Now, the President has said repeatedly and the administration has said repeatedly that theater missile defense is its top priority. If that be the case, Mr. Speaker, then we should have no problem in getting the administration to work with us in these systems. Unfortunately, that has not been the case.

Three weeks ago, I met with Gen. Les Lyles, who heads up the ballistic missile defense organization and who is the point person for the President. He said, "Congressman Weldon, I want to work with you and I want to provide good solid information on which you can base your bill." Three weeks later, Mr. Speaker, I am sorry to say I have had no concrete data provided from General Lyles' office. Why? Because the Secretary of Defense and the Budget Office of the Department of Defense does not want to cooperate in giving us in the Congress realistic numbers upon which we can make our suggestions for additional dollar allocations to meet this threat. We have had to go to people in a private way, who are in the administration, who do not want to be named, and we have had to go to former directors in the agency to have them give us the dollar amounts and the direction as to where we should put additional resources to meet this threat.

Mr. Speaker, that is just unacceptable. This administration, which has said repeatedly that theater missile defense is our top priority, has again not been supportive of this Congress' attempt in a bipartisan way to deal with the threats that we see emerging. In spite of their lack of cooperation, we have put together a bill that we think is fairly realistic.

On Wednesday of next week, Mr. Speaker, I will chair a congressional hearing that will focus on the Iranian threat, that will focus on what Iran is now doing, that will focus on Iran's capabilities but will also look at what our response will be; namely, Impact 97, our bill to protect our people, our troops, and Israel and our friends from the threat of medium-range missiles and the potential devastation that they can cause on America and our friends and our allies.

Mr. Speaker, it is my hope that in this process, we will convince the administration to join with us, since this President has said repeatedly that this is, in fact, his highest priority. But unfortunately, Mr. Speaker, time and time again this administration has said one thing while doing the opposite.

It was this administration and this President who pounded his fist on the table in front of APAC's national convention and told the Israeli supporters that he was for a program called THEL. What he failed to tell those people was he tried to zero out funding for the testing for THEL for 3 consecutive years. It was the Congress, Democrats and Republicans in the Congress, who kept that program alive.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. WELDON of Pennsylvania. I yield to the gentleman from California.

Mr. DREIER. I thank my friend for yielding. I would simply like to rise as, I think, the most recent cosponsor of the gentleman's legislation to congratulate him. I believe this will go a long way toward addressing a number of our concerns. Technology transfer, as he and I were discussing earlier, is a very important way of stepping up our national ballistic missile defense system. I would simply like to congratulate my friend and encourage him wholeheartedly to proceed.

Mr. WELDON of Pennsylvania. I thank my good friend and colleague from California [Mr. DREIER] for stopping by and sharing his thoughts and thank him for his support. He was the 104th cosponsor, we now have 105. One hundred and five Democrats and Republicans, Mr. Speaker, have challenged this administration on their top priority, theater missile defense, in 1 week. I started this bill on Monday. Today I introduced the bill with 105 cosponsors, 20 Democrats, 85 Republicans, who are as concerned as the Israeli Minister of Defense, who this week is in Washington, Minister Mordecai, who has said publicly that if the United States does not respond Israel will have to take preemptive action to protect its people.

Is that what we are getting to now, Mr. Speaker? We have to rely on our allies coming to our defense because we do not want to put the systems in place to protect the loss of life of our troops? Is that what we have degenerated into? A second-rate nation that is going to allow our kids to be killed first and then say we should do something? That is what happened, Mr. Speaker. When we lost those kids in Desert Storm, it was because we did not apply the resources where the need was greatest. This bill will prevent that from happening again. It will allow us to put the resources, very small resources, on the threat that is here and very nearly will be deployed by a nation that everyone in the world considers to be a rogue operative and that has threatened to annihilate the American people and our troops on a consistent and regular basis.

Mr. Speaker, let me just say in closing that the reason why I think we are where we are today is a threefold reason. First of all, this administration has not enforced arms control agreements. I have given instances, seven times now with the MTCR, no sanctions imposed. With the case of China, accelerometers and gyroscopes going to Pakistan, no sanctions imposed. In the case of China, chemical and biological materials going to Iran, no sanctions imposed. What good are arms control agreements if we are not going to enforce them?

The second problem, Mr. Speaker, is the President has used the bully pulpit to lull the American people into a false sense of complacency. As I said on this floor many times before, this President 140 times has given speeches all over America, 3 times from this pulpit in the State of the Union Address where he has looked at the camera and said, "You can sleep well tonight because for the first time in 50 years, Russian missiles are no longer pointed at America's children." As the Commander in Chief, he knows he cannot prove that, because Russia will not give us access to their targeting practices. He further knows that if he could prove that, you can retarget an ICBM in 30 seconds. But by saying that over and over again, 140 times on college campuses, in the well of the Congress, around the world, you create the feeling in America that we have nothing to worry about, there are no longer any threats, use of the bully pulpit in an extreme way just as wrong as some of my colleagues wanting to recreate Russia as an evil empire, which I do not believe.

The third reason why we are where we are today with Iran, Mr. Speaker, is because this administration has deliberately politicized and sanitized intelligence data. That is a pretty harsh statement. Can I back that up? Mr. Speaker, I will cite, not today with the lack of time, but I will cite for anyone who wants the information five specific instances where I can prove that this administration has deliberately taken intelligence data that is intent on giving the Congress an understanding of an emerging threat and this administration has either cut off the head of the messenger or has sanitized that information. Most recently last week we saw the announced early resignation and retirement of the director of our CIA Non-Proliferation Center, an outstanding professional who has given his life to allowing this country to understand emerging threats from proliferation activities of countries like North Korea, China, and Russia. Because of pressure that was felt on this individual and his job because of briefings he has given to Members of Congress and where he has given us information about technology transfer about China and Russia giving technology to rogue nations, he was basically put in such a terrible position that he took early retirement rather than face the prospect of having to fight his superiors in the White House and the State Department.

The second example. I heard about a briefing from a Russian expert at Lawrence Livermore Laboratory 2 years ago called Silver Bullets about emerging Russian technology. As the chairman of the House research committee on defense, I asked for that briefing. For 6 months, I was denied the briefing. During the 6 months, I got an anonymous letter in my office which I have kept. The anonymous letter was addressed to me, no return address, no signature. It said, "Congressman Weldon, please continue to ask for this brief."

Mr. Speaker, we should never have to have the intelligence community anonymously ask us to be briefed on an issue as important as emerging technologies. Another example of this administration choking the information that we need to make intelligence decisions about the threats that are emerging around the world. Mr. Speaker, we need to understand that intelligence is designed to keep us informed on emerging threats.

A third example was the direct removal of Jay Stewart from his position as the person in charge of security for the Department of Energy intelligence operation monitoring Russian nuclear material. That case has been documented. Jay Stewart has been before my committee. Jay Stewart was removed from his position because he was saying things that people in the White House did not want to listen to. This is not America, Mr. Speaker. That is why we are where we are today. That is why Iran has a capability that is going to threaten America, threaten our troops and threaten our allies. I would encourage our colleagues to cosponsor Impact 97 so that we have the protection we need 12 months from now to defeat Iran in its effort to destabilize the entire world community.

Mr. Speaker, I thank you, and I thank the staff for bearing with me during this special order.

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FAST TRACK NEGOTIATING AUTHORITY GOOD FOR AMERICA

The SPEAKER pro tempore (Mr. COOKSEY). Under the Speaker's announced policy of January 7, 1997, the gentleman from California [Mr. DREIER] is recognized for 60 minutes as the designee of the majority leader.

Mr. DREIER. Mr. Speaker, we are not only at the end of the legislative day, but the end of the legislative week, and the three most heard words over the next several hours all across the country will be "trick or treat."

This is Halloween, and, as we think about those words, I would like to talk about an issue which some, unfortunately, believe may be a trick on the people of the United States of America, but in fact it is more than a very, very well-deserved and well-earned treat. I am talking about the issue that we will be voting on most likely 1 week from today, and that is whether or not we should be granting authority to the executive branch to proceed with negotiations in an attempt to open new markets, so that U.S. workers will be able to produce goods and services that can be exported into those new markets.

Yes, it is called fast track, and I happen to believe that it is the right thing for the workers and the consumers of the United States of America and for workers and consumers throughout the world.

My friend from Pennsylvania [Mr. WELDON] was just talking about national security issues and the need for a missile defense system. I am a very strong supporter. As I said a few moments ago, I am proud to be I guess the 104th cosponsor of his legislation.

Mr. Speaker, the issue that we are going to be voting on next week is a very important national security issue as well. In fact, in many ways, it may be the most important national security vote that we face.

The reason I say that is that the United States of America, as we all know, is the world's only complete superpower: Military, economically, and geopolitically. As such, we have tremendous responsibility as a nation.

We are clearly the world's greatest exporter. Our Nation is involved in the issue of international trade in a way that is greater than any other nation on the face of the Earth. And what has happened over the past several years? Well, the technological changes that we have seen, many of those items which have been developed right here in the United States of America, have led the world to shrink.

We are dealing with what is known as a global economy. In fact, in an era decades ago when it would take a steamship to get a message across the ocean, we obviously see instantaneous communication. I talk to constituents who now, based on developments just within the last week, are up at 2 o'clock in the morning monitoring the stock exchanges in Singapore, Tokyo, Hong Kong, and other parts of the Pacific rim. Why? Because whether we like it or not, we are living in a global economy today.

I happen to like it, because I believe that this global economy has played a key role in allowing the United States of America to have clearly the highest standard of living on the face of the Earth.

Now, what do we need to do as we look at the need to continue to remain competitive in this global economy? It is very important that we remain in the most potent position. The only way to do that, the only way for us to do that, is if we allow authority to begin negotiations to deal with a lot of these issues to proceed. That is why the Congress must grant this so-called fast track negotiating authority.

It expired a few years ago. We have been trying to come to an agreement, and I am happy to say several weeks ago we did come to an agreement which allowed us to successfully address many of the concerns that have been raised over the past several years.

Why is it that we need this? Well, if you look at the fact that in this global economy the world has access to our consumers, that, frankly, is a very good thing. It is a good thing because it has allowed consumers in the United States of America to purchase high quality products at the lowest possible price.

But now what is it we need to do as we look at other parts of the world and how we even strengthen our already strong economy? What we need to do is we need to break down barriers that exist in other countries throughout the world.

A number of my colleagues have said to me in discussing this over the past several days, gosh, why don't those countries just unilaterally eliminate their tariff barriers? The fact is, if we look at where we are going on this issue, it does take a negotiating process. It does take a give-and-take. But the goal is to break down those barriers so that U.S. workers are going to be able to have new markets for their goods and services.

So what needs to be done? We need to have the authority granted so that when negotiations start, our negotiators at the table will be in a similar position to the negotiators from other countries. And what does that mean? It means that when they negotiate an agreement to cut taxes, and a tariff is a tax, as they work for those tax cuts, those tariff reductions, they will be able to come back to the United States and say to the Congress, "You can't renegotiate the agreement that we have struck, but you have the final say as to whether or not this is a good agreement."

The U.S. Congress can vote "yes" or "no." If it is a bad agreement, I will be the first one to stand here and vote "no." But if it is a good agreement, I will be leading the charge in favor of it, because a good agreement is one that will cut that tax, that tariff barrier, and create new opportunities for U.S. workers.

So as we look at where we are headed, I think it is important to touch on the benefits of this global economy to us. In fact, everyone acknowledges that we have seen tremendous improvements in our economy. One of the major reasons has been through international trade.

I am privileged to stand in this Chamber as a Representative from the State of California. In California, we are the gateway to the Pacific rim and Latin America, tremendous new emerging markets in both of those parts of the world. And, remember, with those emerging markets, what happens? We improve the living standards in those countries. So many of the issues that we face as problems here can be effectively addressed.

I am referring, of course, to the hotly debated question of illegal immigration, of great concern to me and the people whom I represent in southern California. Many people who come into this country come illegally seeking economic opportunity. Well, if we can through greater international trade enhance the economist of our neighbors and other countries throughout the world, clearly we will create a disincentive for people to come to the United States simply seeking economic opportunity, as has been the case.

In fact, today international trade represents nearly one-third of the gross domestic product in this country, $2.1 trillion, an amazing figure from international trade. In fact, 25 percent of all of the U.S. jobs today are related to international trade, and, in fact, they have wage rates that are 16 percent higher than those that are producing simply for domestic consumption.

That is why I am so troubled when I turn on the television and see these advertisements that the AFL–CIO and other opponents to international trade agreements advertise. These advertisements are a clear misrepresentation, because as we gain new and greater markets for U.S. products, just based on the way things have gone, the wage rates for those union members will be 16 percent higher than it is for those members who are simply producing for domestic consumption here in the United States.

We have today the lowest unemployment rate in three decades. It is 4.9 percent. And, guess what? That 4.9 percent level of unemployment has gone down to that level following implementation of, again, the much-maligned North American Free Trade Agreement and the completion of the Uruguay round of the General Agreement on Tariffs and Trade. So as we have done that, we have been able to break down some barriers, and we have been able, as I said, to see 25 percent of the jobs in this country exist because of the fact that we have gained new markets.

With this authority, we want to gain even more in new markets, because it will improve the standard of living here and in other parts of the world.

I was mentioning the issue of our leadership role. Clearly the United States of America cannot cede that leadership role to other parts of the world, because we as a country have stood traditionally in a bipartisan way with Democrats and Republicans supporting this goal of breaking down barriers and trying to gain new markets and new opportunities for us.

There are many people who have raised understandable concerns about the climate and the situation in other countries with which we would establish these agreements. People are understandably concerned about low wage rates in other countries. They are understandably concerned about the potential for low environmental standards.

Well, I happen to believe that will, based on the empirical evidence we have seen, improve the standards of living in these countries, improve wage rates, improve environmental standards. Of course, look at our very strong economy. That has played a key role in allowing people to focus attention on making sure that we have a cleaner environment, and has allowed the American worker to focus on improvement of their plight. Getting wage rates up and improvements in their negotiations, in the same way as we proceed with international trade in these other countries, we will, through trade, be able to successfully improve those standards.

One of the provisions in this fast track measure of which I am particularly proud is when it comes to the negotiating process we are not going to allow countries to engage in what is called the race to the bottom. We are not going to allow a country to intentionally lower their environmental standards or worker rights standards simply to distort trade.

An example I use, just take for example if the Government of Chile, which is the country with which we hope to embark on a free trade agreement in the not-too-distant future after we put into place this fast track negotiating authority, if they were to lower their standards and say to the copper mining industry in Chile, for example, that you can dump sledge in the street, and it is being done to undercut the copper mining industry here in the State of Colorado in the United States, that is an issue that could go to a dispute resolution panel and could be addressed.

So we do not allow under this agreement countries to simply reduce their standards as a way to distort trade. But the way to improve those standards, which we are all concerned about, is through greater exchange and greater trade. So I am very, very encouraged about that.

There are many people who have raised concerns about the constitutional aspect of this, and clearly the use of fast track authority is the legislative branch, both the House and the Senate, exercising its rulemaking authority. Every trade bill needs to, as I said, be voted on and passed by a majority in both the House and the Senate and signed into law by the President. So we clearly do have a key role in dealing with these agreements.

So I will say, Mr. Speaker, that this is, I know, a very controversial issue.

It has created a great stir, and people over the next week are going to be talking about it. But I believe that it is a win-win-win-win-win situation. It is a win all the way around, because the idea of reducing taxes, reducing tariffs, has been a global desire now. It goes all the way back to 1947 when the General Agreement on Tariffs and Trade was established. They were established with the goal of reducing tariff barriers. Now we have a great chance to do that.

There are small businesses in California and in other parts of the country. I have been listening to our colleagues from both parties all across the country talking about how small businesses are involved in gaining access to new markets, and they want to be able to do more. They want to be able to do more.

□ 1545

As I listened to the kinds of proposals that have come forward to address some of the concerns, I think that those are positive, too, because I think there are some justifiable concerns.

But, Mr. Speaker, as we look at the vote next week, if we were to make what I think would be a horrible decision in this House and defeat the measure, we would basically be saying that the United States of America is no longer going to play the role as the world's strongest leader in the area of international trade. So it would be a grave mistake.

This goal we have is a vision which has existed for a long period of time. I will say to my friend, the Speaker here, the Speaker pro tempore, he recalled with me just a little while ago that it was on November 7, 1979 when Ronald Reagan announced his candidacy for President of the United States, and in that he talked about an accord that would see free trade going from the slopes of Alaska to Tierra del Fuego, ultimately seeing free trade among all the Americas.

I had the opportunity a couple of weeks ago to be in Argentina and Venezuela and Brazil on the trip that the President took. On that trip it was very clear that these countries are looking to the United States for the leadership role in the area of international trade. I am confident that the U.S. Congress will, with a great, great vision, look next Friday when we cast that vote towards doing it.

One of the other things beyond this hemisphere happens to be dealing with some very specific areas that need to be addressed in a multilateral way with many other countries. Those areas include agriculture. We have had a very tough time in agriculture getting into a lot of new markets. Why? Because there are many countries that have had these tariff barriers and nontariff barriers which exist which have prevented the chance for exports to go into those countries.

If we look at the issue of financial services, we all see that there are banks all over the United States with international names. Basically the world's financial services industry has access into the United States. Yet we, unfortunately, have been unable to negotiate agreements that will allow our financial services industry to expand in providing those products and services to consumers in other parts of the world. That is why we need to get this fast track authority through.

One of the other very important items, again to my State and to all the other States, is this very amorphous issue called intellectual property rights. Intellectual property, what does that mean? Well, these are items that are developed through the intellect of people in that home country.

We need to make sure that those rights are protected. In the area of pharmaceuticals, we have many very, very necessary drugs and other items that are created in the pharmaceutical industry. We need to make sure that the responsibility for those lies with those countries where they are developed, and that they get full credit and remuneration for them. That is why international property agreements need to be struck.

I represent the Los Angeles area. The entertainment industry is very, very important to our State. In fact, if we look at the entertainment industry, well over 90 percent of the world's programming for the motion picture industry and the television programming comes from right here in the United States, and we are all aware of the fact that piracy has been a serious problem.

We need to deal with negotiations on that kind of intellectual property violation that has existed. Guess what? We will not be able to deal with the negotiations for financial services, getting our financial institutions into new markets, we will not be able to deal with negotiations for agriculture, to gain new markets for agricultural products, and we will not be able to as successfully deal with intellectual property violations if we do not have fast track negotiating authority passed.

So while there are many people out there who would like to blame all the ailments of society on international trade, nothing could be further from the truth.

Mr. Speaker, I hope very much that the Speaker pro tempore and all of our colleagues will next week, when we face what I acknowledge will be a very tough vote here in this institution, that Members will join in supporting what is clearly the right thing to do as we remain the greatest Nation on the face of the earth.

BILLS AND JOINT RESOLUTIONS APPROVED BY THE PRESIDENT

The President notified the Clerk of the House that on the following dates he had approved and signed bills and joint resolutions of the following titles:

July 18, 1997:

H.R. 173. An act to amend the Federal Property and Administrative Services Act of 1949 to authorize donation of Federal law enforcement canines that are no longer needed for official purposes to individuals with experience handling canines in the performance of law enforcement duties.

H.R. 649. An act to amend sections of the Department of Energy Organization Act that are obsolete or inconsistent with other statutes and to repeal a related section of the Federal Energy Administration Act of 1974.

July 25, 1997:

H.R. 1901. An act to clarify that the protections of the Federal Tort Claims Act apply to the members and personnel of the National Gambling Impact Study Commission.

H.R. 2018. An act to waive temporarily the Medicaid enrollment composition rule for the Better Health Plan of Amherst, New York.

August 1, 1997:

H.J. Res. 90. Joint resolution waiving certain enrollment requirements with respect to two specified bills of the One Hundred Fifth Congress.

August 5, 1997:

H.R. 709. An act to reauthorize and amend the National Geologic Mapping Act of 1992, and for other purposes.

H.R. 1226. An act to amend the Internal Revenue Code of 1986 to prevent the unauthorized inspection of tax returns or tax return information.

H.R. 2014. An act to provide for reconciliation pursuant to subsections (b)(2) and (d) of section 105 of the concurrent resolution on the budget for fiscal year 1998.

H.R. 2015. An act to provide for reconciliation pursuant to subsections (b)(1) and (c) of section 105 of the concurrent resolution on the budget for fiscal year 1998.

August 11, 1997:

H.R. 584. An act for the relief of John Wesly Davis.

H.R. 1198. An act to direct the Secretary of the Interior to convey certain land to the City of Grants Pass, Oregon.

H.R. 1944. An act to provide for a land exchange involving the Warner Canyon Ski Area and other land in the State of Oregon.

August 13, 1997:

H.R. 1585. An act to allow postal patrons to contribute to funding for breast cancer research through the voluntary purchase of certain specially issued United States postage stamps, and for other purposes.

August 15, 1997:

H.R. 408. An act to amend the Marine Mammal Protection Act of 1972 to support the International Dolphin Conservation Program in the eastern tropical Pacific Ocean, and for other purposes.

September 17, 1997:

H.R. 1866. An act to continue favorable treatment for need-based educational aid under the antitrust laws.

September 30, 1997:

H.J. Res. 94. Joint resolution making continuing appropriations for the fiscal year 1998, and for other purposes.

H.R. 63. An act to designate the reservoir created by Trinity Dam in the Central Valley project, California, as "Trinity Lake".

H.R. 2016. An act making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1998, and for other purposes.

October 6, 1997:

H.R. 111. An act to provide for the conveyance of a parcel of unused agricultural land in Dos Palos, California, to the Dos Palos Ag Boosters for use as a farm school.

H.R. 680. An act to amend the Federal Property and Administrative Services Act of 1949 to authorize the transfer of surplus personal property to States for donation to nonprofit providers of necessaries to impoverished families and individuals, and to authorize the transfer of surplus real property to States, political subdivisions and instrumentalities of States, and nonprofit organizations for providing housing or housing assistance for low-income individuals or families.

H.R. 2248. An act to authorize the President to award a gold medal on behalf of the Congress to Ecumenical Patriarch Bartholomew in recognition of his outstanding and enduring contribution toward religious understanding and peace, and for other purposes.

H.R. 2443. An act to designate the Federal building located at 601 Fourth Street, NW., in the District of Columbia, as the "Federal Bureau of Investigation, Washington Field Office Memorial Building", in honor of William H. Christian, Jr., Martha Dixon Martinez, Michael J. Miller, Anthony Palmisano, and Edwin R. Woodriffe.

October 7, 1997:

H.R. 2209. An act making appropriations for the Legislative Branch for the fiscal year ending September 30, 1998, and for other purposes.

October 8, 1997:

H.R. 2266. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 1998, and for other purposes.

October 9, 1997:

H.R. 1420. An act to amend the National Wildlife Refuge System Administration Act of 1966 to improve the management of the National Wildlife Refuge System, and for other purposes.

October 10, 1997:

H.R. 394. An act to provide for the release of the reversionary interest held by the United States in certain property located in the County of Iosco, Michigan.

H.R. 1948. An act to provide for the exchange of lands within Admiralty Island National Monument, and for other purposes.

H.R. 2378. An act making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1998, and for other purposes.

October 13, 1997:

H.R. 2203. An act making appropriations for energy and water development for the fiscal year ending September 30, 1998, and for other purposes.

October 23, 1997:

H.J. Res. 97. Joint resolution making further continuing appropriations for the fiscal year 1998, and for other purposes.

October 27, 1997:

H.R. 2158. An act making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1998, and for other purposes.

H.R. 2169. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1998, and for other purposes.

October 30, 1997:

H.J. Res. 75. Joint resolution to confer status as an honorary veteran of the United States Armed Forces for Leslie Townes (Bob) Hope.

SENATE BILLS AND JOINT RESOLUTIONS APPROVED BY THE PRESIDENT

The President notified the Clerk of the house that on the following dates he had approved and signed bills and joint resolutions of the Senate of the following titles:

July 24, 1997:

S.J. Res. 29. Joint resolution to direct the Secretary of the Interior to design and construct a permanent addition to the Franklin Delano Roosevelt Memorial in Washington, D.C., and for other purposes.

July 29, 1997:

S. 768. An act for the relief of Michel Christopher Meili, Giuseppina Meili, Mirjam Naomi Meili, and Davide Meili.

August 7, 1997:

S. 430. An act to amend the Act of June 20, 1910, to protect the permanent trust funds of the State of New Mexico from erosion due to inflation and modify the basis on which distributions are made from those funds.

August 8, 1997:

S. 670. An act to amend the Immigration and Nationality Technical Corrections Act of 1994 to eliminate the special transition rule for issuance of a certificate of citizenship for certain children born outside the United States.

October 1, 1997:

S. 910. An act to authorize appropriations for carrying out the Earthquake Hazards Reduction Act of 1977 for fiscal years 1998 and 1999, and for other purposes.

S. 1211. An act to provide permanent authority for the administration of au pair programs.

October 6, 1997:

S. 996. An act to provide for the authorization of appropriations in each fiscal year for arbitration in United States district courts, and for other purposes.

S. 1198. An act to amend the Immigration and Nationality Act to extend the special immigrant religious worker program, to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to extend the deadline for designation of an effective date for paperwork changes in the employer sanctions program, and to require the Secretary of State to waive or reduce the fee for application and issuance of nonimmigrant visa for aliens coming to the United States for certain charitable purposes.

October 9, 1997:

S. 871. An act to establish the Oklahoma City National Memorial as a unit of the National Park System; to designate the Oklahoma City Memorial Trust, and for other purposes.

October 22, 1997:

S. 1000. An act to designate the United States courthouse at 500 State Avenue in Kansas City, Kansas, as the "Robert J. Dole United States Courthouse".

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DEUTSCH (at the request of Mr. GEPHARDT), for today, on account of official business.

Mr. WELDON of Florida (at the request of Mr. ARMEY), for today, on account of attending his father's funeral.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SNYDER) to revise and extend their remarks and include extraneous material:)

Mr. HOYER, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. SNYDER, for 5 minutes, today.

Mr. VISCLOSKY, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

(The following Members (at the request of Mr. WHITE) to revise and extend their remarks and include extraneous material:)

Mr. WHITE, for 5 minutes, today.

Mrs. CHENOWETH, for 5 minutes, today.

Mr. METCALF, for 5 minutes, today.

Mr. GIBBONS, for 5 minutes, on November 5.

(The following Member (at her own request) to revise and extend her remarks and include extraneous material:)

Mrs. LINDA SMITH of Washington, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. SNYDER) and to include extraneous matter:)

Mr. KILDEE.
Ms. ESHOO.
Ms. DELAURO.
Mr. LANTOS.
Mr. HAMILTON.
Mr. SERRANO.
Mr. LEVIN.
Mr. KIND.
Mr. JACKSON of Illinois.
Ms. FURSE.
Mr. BROWN of Ohio.
Mr. DELLUMS.
Mr. ETHERIDGE.

(The following Members (at the request of Mr. WHITE) and to include extraneous matter:)

Mr. SHUSTER.
Mr. TALENT.
Mr. DICKEY.
Mr. KING.

(The following Members (at the request of Mr. DREIER) and to include extraneous matter:)

Mr. WELDON of Pennsylvania.
Mr. GOODLING.
Mr. MCGOVERN.
Mrs. CHENOWETH.
Mr. CLEMENT.

Mrs. CHRISTIAN-GREEN.
Mr. MINGE.
Mr. RIGGS.
Mrs. MCCARTHY of New York.
Mr. KIND.
Mr. SERRANO.
Mr. TALENT.
Mr. PALLONE.
Mr. ACKERMAN.
Mr. RANGEL.
Mr. FORBES.
Mr. BOB SCHAFFER of Colorado.
Mrs. MALONEY of New York.
Mr. SKELTON.
Mr. MORAN of Virginia.
Ms. CARSON.
Mr. HOUGHTON.
Mrs. LINDA SMITH of Washington.
Mr. CUMMINGS.
Ms. JACKSON-LEE of Texas.
Mr. ROEMER.
Mr. MENENDEZ.
Mr. DICKEY.
Ms. WOOLSEY.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1024. An act to make chapter 12 of title 11 of the United States Code permanent, and for other purposes; to the Committee on the Judiciary.

S. 1149. An act to amend title 11, United States Code, to provide for increased education funding, and for other purposes; to the Committee on the Judiciary.

ADJOURNMENT

Mr. DREIER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 51 minutes p.m.), under its previous order, the House adjourned until Tuesday, November 4, 1997, at 10:30 a.m. for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

5708. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially to New Zealand (Transmittal No. DTC-118-97), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5709. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially to the United Kingdom (Transmittal No. DTC-124-97), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5710. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially to Iceland (Transmittal No. DTC-122-97), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5711. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially to Japan (Transmittal No. DTC-119-97), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5712. A letter from the Director, U.S. Trade and Development Agency, transmitting a consolidated report on audit and internal management activities in accordance with the provisions of the Inspector General Act and the Federal Managers' Financial Integrity Act; to the Committee on Government Reform and Oversight.

5713. A letter from the Director, Minerals Management Service, Department of the Interior, transmitting a copy of the Minerals Management Service report "Outer Continental Shelf Oil and Natural Gas Resource Management Program: Cumulative Effects 1992-94"; to the Committee on Resources.

5714. A letter from the Director, Fish and Wildlife Service, transmitting the Service's final rule—Endangered and Threatened Wildlife and Plants; Final Rule to List the Northern Population of the Bog Turtle as Threatened and the Southern Population as Threatened Due to Similarity of Appearance (RIN: 1018-AD05) received October 31, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5715. A letter from the Director, Fish and Wildlife Service, transmitting the Service's final rule—Endangered and Threatened Wildlife and Plants; Final Rule to List Three Aquatic Invertebrates in Comal and Hays Counties, Texas, as Endangered (RIN: 1018-AD28) received October 31, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5716. A letter from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska, Pacific Cod in the Central Regulatory Area of the Gulf of Alaska [Docket No. 961126334-7025-02; I.D. 102497C] received October 30, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5717. A letter from the the Acting Assistant Secretary (Civil Works), the Department of the Army, transmitting a report on the authorized navigation improvements at Miami Harbor, Florida, pursuant to Public Law 104—303, section 101(b)(9); (H. Doc. No. 105—162); to the Committee on Transportation and Infrastructure and ordered to be printed.

5718. A letter from the the Acting Assistant Secretary (Civil Works), the Department of the Army, transmitting a report on a project for mitigation of shoreline erosion and storm damages caused by existing Federal navigation improvements at Lake Worth Inlet, Palm Beach Harbor, Florida, pursuant to Public Law 104—303, section 101(b)(8); (H. Doc. No. 105—163); to the Committee on Transportation and Infrastructure and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HYDE: Committee on the Judiciary. H.R. 2732. A bill for the relief of John Andre Chalot (Rept. 105-360). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H.R. 2731. A bill for the relief of Roy Desmond Moser (Rept. 105-361). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. S. 731. An act to extend the legislative authority for construction of the National Peace Garden memorial, and for other purposes (Rept. 105-362). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. S. 423. An act to extend the legislative authority for the Board of Regents of Gunston Hall to establish a memorial to honor George Mason (Rept. 105-363). Referred to the Committee of the Whole House on the State of the Union.

Mr. ARCHER: Committee on Ways and Means. H.R. 2676. A bill to amend the Internal Revenue Code of 1986 to restructure and reform the Internal Revenue Service, and for other purposes; with an amendment (Rept. 105-364 Pt. 1).

Mr. ARCHER: Committee on Ways and Means. H.R. 2644. A bill to provide to beneficiary countries under the Caribbean Basin Economic Recovery Act benefits equivalent to those provided under the North American Free-Trade Agreement (Rept. 105-365). Referred to the Committee of the Whole House on the State of the Union.

Mr. ARCHER: Committee on Ways and Means. H.R. 2195. A bill to provide for certain measures to increase monitoring of products of the People's Republic of China that are made with forced labor; with amendments (Rept. 105-366 Pt. 1).

Mr. ARCHER: Committee on Ways and Means. H.R. 2622. A bill to make miscellaneous and technical changes to various trade laws (Rept. 105-367). Referred to the Committee of the Whole House on the State of the Union.

Mr. HYDE: Committee on the Judiciary. H.R. 1753. A bill to provide for the establishment of not less than 2,500 Boys and Girls Clubs of America facilities by the year 2000; with an amendment (Rept. 105-368). Referred to the Committee of the Whole House on the State of the Union.

Mr. HYDE: Committee on the Judiciary. House Joint Resolution 91. Resolution granting the consent of Congress to the Apalachicola-Chattahoochee-Flint River Basin Compact; with an amendment (Rept. 105-369). Referred to the House Calendar.

Mr. HYDE: Committee on the Judiciary. House Joint Resolution 92. Resolution granting the consent of Congress to the Alabama-Coosa-Tallapoose River Basin Compact; with an amendment (Rept. 105-370). Referred to the House Calendar.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 2476. A bill to amend title 49, United States Code, to require the National Transportation Safety Board and individual foreign air carriers to address the needs of families of passengers involved in aircraft accidents involving foreign air carriers; with an amendment (Rept. 105-371). Referred to the Committee of the Whole House on the State of the Union.

Mr. SHUSTER: Committee on Transportation and Infrastructure. H.R. 2626. A bill to make clarifications to the Pilot Records Improvement Act of 1996, and for other purposes; with an amendment (Rept. 105-372).

Referred to the Committee of the Whole House on the State of the Union.

Pursuant to clause 5 of rule X the Committee on International Relations discharged from further consideration. H.R. 2195 referred to the Committee of the Whole House on the State of the Union, and ordered to be printed.

Pursuant to clause 5 of rule X the Committees on Government Reform and Oversight and Rules discharged from further consideration. H.R. 2676 referred to the Committee of the Whole House on the State of the Union, and ordered to be printed.

TIME LIMITATION OF REFERRED BILL

Pursuant to clause 5 of rule X the following action was taken by the Speaker:

[Omitted from the Record of October 30, 1997]

H.R. 10. Referral to the Committee on Commerce extended for a period ending not later than November 3, 1997.

[Submitted October 31, 1997]

H.R. 2195. Referral to the Committee on International Relations extended for a period ending not later than October 31, 1997.

H.R. 2676. Referral to the Committees on Government Reform and Oversight and Rules extended for a period ending not later than October 31, 1997.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of Rule X and clause 4 of Rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. WELDON of Pennsylvania (for himself, Mr. Pickett, Ms. Harman, Mr. Bateman, Mr. Bartlett of Maryland, Mr. Meehan, Mr. Hostettler, Mr. Bono, Mr. Gibbons, Mr. Watts of Oklahoma, Mr. Cramer, Mr. Pappas, Mr. Riley, Mr. Abercrombie, Mr. LoBiondo, Mr. Spence, Mrs. Fowler, Mr. Rohrabacher, Mr. Thornberry, Mr. Sam Johnson, Mr. Cunningham, Mr. Graham, Mr. Chambliss, Mr. Ortiz, Mr. Hefley, Mr. Jones, Mr. Lewis of Kentucky, Mr. Gilman, Mr. Hunter, Mr. Solomon, Mr. McHale, Mr. Skelton, Mr. Fox of Pennsylvania, Mr. Taylor of Mississippi, Mr. McKeon, Mr. Reyes, Mr. Nethercutt, Mr. Coble, Mr. Smith of New Jersey, Mr. McHugh, Mr. Buyer, Mr. Stump, Mr. Cox of California, Mr. Shadegg, Mr. Gallegly, Mr. Saxton, Mr. Turner, Mr. Blagojevich, Mr. Andrews, Mr. Ryun, Mr. Murtha, Mr. Talent, Mr. Wicker, Mr. Scarborough, Mr. Duncan, Mr. Hastert, Mr. Bilirakis, Mr. Hastings of Washington, Mr. Greenwood, Mr. Skeen, Mr. Pitts, Mr. Gilchrest, Mr. Holden, Mr. Goss, Mr. Lazio of New York, Mr. Rodriguez, Mr. Hansen, Mr. Young of Alaska, Mrs. Emerson, Mr. Coyne, Mr. Miller of Florida, Mr. Collins, Mr. Canady of Florida, Mr. Packard, Mr. Barton of Texas, Mr. Calvert, Mr. Lewis of California, Mr. Hayworth, Mr. McCrery, Mr. Combest, Mr. King of New York, Mr. Underwood, Mr. Sessions, Mr. Weller, Mr. Ehrlich, Mr. Bunning of Kentucky, Mr. Ballenger, Mr. Dreier, Mr. Bilbray, Mr. Diaz-Balart, Mr. English of Pennsylvania, Mr. Hall of Texas, Mr. Dicks, Mr. Metcalf, Ms. Dunn of Washington, Mr. Everett, Ms. Ros-Lehtinen, Mr. Doolittle, Mr. Thomas, Mr. White, Mr. Boehner, Mr. Callahan, Mr. Barrett of Nebraska, Mr. Taylor of North Carolina, Mr. Hilleary, Mr. Cooksey, and Mrs. Chenoweth):

H.R. 2786. A bill to authorize additional appropriations for the Department of Defense for ballistic missile defenses and other measures to counter the emerging threat posed to the United States and its allies in the Middle East and Persian Gulf region by the development and deployment of ballistic missiles by Iran; to the Committee on National Security, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. DELAURO:

H.R. 2787. A bill to designate the United States courthouse located in New Haven, Connecticut, as the "Richard C. Lee United States Courthouse"; to the Committee on Transportation and Infrastructure.

By Mr. HOUGHTON:

H.R. 2788. A bill to amend the Internal Revenue Code of 1986 to promote the grant of incentive stock options to nonhighly compensated employees; to the Committee on Ways and Means.

By Ms. MCKINNEY (for herself, Mr. Leach, Mr. Filner, Mr. Stark, Mr. McDermott, Mr. Gutierrez, Mr. Lewis of Georgia, Mr. Brown of California, Mr. Dixon, and Mr. Waxman):

H.R. 2789. A bill to save taxpayers money, reduce the deficit, cut corporate welfare, and protect and restore America's natural heritage by eliminating the fiscally wasteful and ecologically destructive commercial logging program on Federal public lands and to facilitate the economic recovery and diversification of communities dependent on the Federal logging program; to the Committee on Agriculture, and in addition to the Committees on Resources, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. RIGGS:

H.R. 2790. A bill to prohibit the Administrator of the Federal Aviation Administration from closing certain flight service stations; to the Committee on Transportation and Infrastructure.

By Mrs. ROUKEMA:

H.R. 2791. A bill to amend the Communications Act of 1934 to prohibit Internet service providers from providing accounts to sexually violent predators; to the Committee on Commerce.

By Mr. SOLOMON:

H.R. 2792. A bill to amend the Internal Revenue Code of 1986 to provide for the treatment of expenses incurred in asserting any claim of employment discrimination and for damages and back pay received on account of employment discrimination; to the Committee on Ways and Means.

By Mr. SALMON (for himself and Mr. Scarborough):

H. Con. Res. 183. Concurrent resolution expressing the sense of the Congress with respect to the failure of Attorney General Janet Reno to seek application for an independent counsel to investigate a number of matters relating to the financing of campaigns in the 1996 Federal election, including the conduct of President Clinton and Vice President Gore; to the Committee on the Judiciary.

By Mr. ETHERIDGE (for himself, Mr. Hastings of Florida, Mr. McGovern, Mr. LaFalce, Mr. Clement, Ms. Brown of Florida, Mrs. Lowey, Mr. Price of North Carolina, Ms. Lofgren, Ms. Furse, Mr. Johnson of Wisconsin, Mr. Boswell, Mr. Roemer, Mrs. Tauscher, Ms. DeLauro, Ms. Stabenow, Mr. Neal of Massachusetts, Mr. Davis of Illinois, Mrs. Meek of Florida, Mr. Maloney of Connecticut, Mr. Hoyer, Mr. Cardin, Mr. Rahall, and Mr. Dingell):

H. Res. 299. A resolution expressing support for the States in adopting challenging academic standards in core curricula; to the Committee on Education and the Workforce.

By Mr. RANGEL (for himself, Mrs. Maloney of New York, Mr. Stark, Ms. Carson, Mr. Abercrombie, Mr. Frost, Mr. Faleomavaega, Ms. Lofgren, Mr. Coyne, Mrs. Thurman, Ms. Christian-Green, Mr. Dellums, Mr. Cummings, Mr. Clay, Ms. Eddie Bernice Johnson of Texas, Mrs. Meek of Florida, Mr. Stokes, Mr. Scott, Mr. Rush, Mr. Dixon, Mr. Flake, Ms. Furse, Mr. Engel, Mr. Jefferson, Mrs. Clayton, Mr. Payne, Mr. McGovern, and Mr. Torres):

H. Res. 300. A resolution expressing Support for a National Week of Reflection and Tolerance; to the Committee on Government Reform and Oversight.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. METCALF:

H.R. 2793. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade and fisheries for the vessel FIERCE CONTENDER; to the Committee on Transportation and Infrastructure.

By Mr. METCALF:

H.R. 2794. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel TAURUS; to the Committee on Transportation and Infrastructure.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 44: Mr. Stupak, Mr. Mascara, Mr. Boyd, and Mr. Goodling.

H.R. 74: Mrs. Lofgren and Mr. Matsui.

H.R. 107: Mr. Wexler and Mr. Abercrombie.

H.R. 123: Mr. Bob Schaffer, Mr. Wamp, Mr. Largent, and Mr. Lewis of California.

H.R. 164: Mr. Nadler, Mr. Pallone, Mr. Lantos, Mr. Cooksey, Mr. Underwood, Ms. Velázquez, and Mr. Wynn.

H.R. 296: Ms. ROS-LEHTINEN.

H.R. 303: Mr. SISISKY and Mr. BAESLER.

H.R. 351: Mr. DINGELL.

H.R. 453: Mr. KENNEDY of Rhode Island.

H.R. 789: Mr. PAXON.

H.R. 991: Mr. WELLER and Mr. EVANS.

H.R. 1114: Mrs. ROUKEMA, Mr. GREENWOOD, and Mr. FAZIO of California.

H.R. 1126: Mr. GEJDENSON.

H.R. 1173: Mr. RODRIGUEZ.

H.R. 1334: Mr. MCDERMOTT, Mr. WAXMAN, and Mr. LAFALCE.

H.R. 1415: Mr. BENTSEN, Mrs. THURMAN, and Mr. ROHRABACHER.

H.R. 1425: Mr. FRANKS of New Jersey and Mr. MCGOVERN.

H.R. 1456: Mr. CALVERT.

H.R. 1586: Mr. BONIOR.

H.R. 1614: Mr. BORSKI, Ms. CHRISTIAN-GREEN, Mr. CLYBURN, Mr. CONDIT, Mr. DEFAZIO, Mr. DICKS, Mr. FARR of California, Mr. FAZIO of California, Mr. GUTIERREZ, Mr. HOYER, Mr. KENNEDY of Massachusetts, Mr. MCNULTY, Mr. MATSUI, Mr. MORAN of Virginia, Ms. PELOSI, Mr. PICKETT, Mr. SISISKY, Ms. SLAUGHTER, Mr. WAXMAN, Mr. SKAGGS, Mr. ENGEL, Ms. VELÁZQUEZ, Mr. BLAGOJEVICH, Mr. ACKERMAN, and Mr. PETERSON of Minnesota.

H.R. 1689: Mrs. LINDA SMITH of Washington, Mr. PICKERING, Mr. PACKARD, and Mr. SNOWBARGER.

H.R. 1915: Ms. RIVERS.

H.R. 2023: Ms. KAPTUR.

H.R. 2183: Mr. UPTON.

H.R. 2292: Mr. SOLOMON.

H.R. 2327: Mr. JOHN, Mr. HILL, Ms. STABENOW, Mr. MINGE, and Mr. BRADY.

H.R. 2397: Mr. GREEN, Mrs. MINK of Hawaii, Mr. DAVIS of Virginia, Ms. KILPATRICK, Mr. CUNNINGHAM, and Mr. BATEMAN.

H.R. 2409: Mr. MCGOVERN and Mr. LEWIS of Georgia.

H.R. 2424: Mr. MILLER of Florida and Mr. GOODLING.

H.R. 2432: Mr. CLYBURN and Mr. TRAFICANT.

H.R. 2454: Mr. PAYNE and Mr. PETRI.

H.R. 2457: Mr. PAYNE and Mr. PETRI.

H.R. 2481: Mr. BASS, Mr. HASTINGS of Washington, Mr. SANFORD, Ms. SLAUGHTER, and Mrs. KELLY.

H.R. 2483: Mr. WELLER, Mr. FOLEY, and Mr. WICKER.

H.R. 2497: Mrs. CHENOWETH, Mr. BACHUS, Mr. LARGENT, Mr. GEKAS, Mr. REGULA, Mr. SHIMKUS, Mr. YOUNG of Alaska, Mr. PACKARD, Mr. PAPPAS, Mr. TIAHRT, Mr. NUSSLE, Mr. MORAN of Virginia, Mr. ROGAN, Mr. THUNE, Ms. DANNER, Mr. BARTLETT of Maryland, Mr. PITTS, Mr. SANFORD, Mr. SOUDER, Mr. GOODLING, Mr. LEWIS of Kentucky, Mr. CRAPO, and Mr. BONO.

H.R. 2499: Mr. KILDEE, Mr. BOB SCHAFFER, Mr. TORRES, Mr. EHLERS, Mrs. EMERSON, Mr. MCHUGH, Mr. MCDERMOTT, Mr. PACKARD, Mr. ENGLISH of Pennsylvania, Mrs. MORELLA, Mr. NUSSLE, Mr. CLYBURN, Mr. CAMP, Ms. KAPTUR, Mr. NEAL of Massachusetts, and Ms. STABENOW.

H.R. 2527: Ms. MCCARTHY of Missouri, Ms. SLAUGHTER, Mr. SNYDER, and Ms. KAPTUR.

H.R. 2551: Mr. DINGELL and Ms. KAPTUR.

H.R. 2554: Ms. JACKSON-LEE, Mr. EVANS, Mr. ENGEL, and Mr. DAVIS of Illinois.

H.R. 2560: Mrs. LOWEY, Mr. PETRI, Mr. BISHOP, Ms. MCKINNEY, Ms. HOOLEY of Oregon, Mr. MILLER of California, Mr. SERRANO, Mr. FATTAH, Mr. SCOTT, Mr. ACKERMAN, and Mr. PASCRELL.

H.R. 2593: Mr. HUNTER, Mr. CALVERT, Mr. RADANOVICH, Mr. ROGAN, Mr. LEWIS OF CALIFORNIA, MR. MCKEON, Mr. ROHRABACHER, Mr. CAMPBELL, Mr. DREIER, Mr. HEFLEY, Mr. PETERSON of Minnesota, Mr. BACHUS, Mr. CRAPO, Mr. STEARNS, Mr. PACKARD, Ms. KAPTUR, Mr. BAESLER, and Mr. HEFNER.

H.R. 2596: Mr. LEWIS of Kentucky.

H.R. 2597: Mr. THOMPSON and Mr. TORRES.

H.R. 2609: Mr. PACKARD, Mr. GALLEGLY, Mr. RADANOVICH, Mr. BAESLER, and Mr. BONO.

H.R. 2626: Ms. BROWN of Florida.

H.R. 2627: Mr. MANZULLO, Mr. ARCHER, Mr. BRADY, Mrs. KELLY, and Mr. COOK.

H.R. 2664: Mr. PETERSON of Pennsylvania.

H.R. 2675: Ms. DELAURO.

H.R. 2676: Mr. KASICH, Mr. CANADAY of Florida, Mr. SOLOMON, and Mr. ADERHOLT.

H.R. 2713: Mr. FROST and Ms. LOFGREN.

H.R. 2748: Ms. SLAUGHTER.

H.R. 2749: Mr. DELAHUNT.

H.R. 2760: Mr. PETERSON of Pennsylvania, Mr. NEY, and Mrs. CHENOWETH.

H.R. 2761: Mr. LEWIS of Georgia and Mr. GUTIERREZ.

H.R. 2773: Mr. COSTELLO, Mr. CRANE, Mr. DAVIS of Illinois, Mr. EVANS, Mr. EWING, Mr. FAWELL, Mr. GUTIERREZ, Mr. HASTERT, Mr. HYDE, Mr. JACKSON, Mr. LAHOOD, Mr. LIPINSKI, Mr. MANZULLO, Mr. PORTER, Mr. POSHARD, Mr. RUSH, Mr. SHIMKUS, Mr. WELLER, and Mr. YATES.

H. Con. Res. 107: Mr. ADAM SMITH of Washington.

H. Con. Res. 158: Mr. PAUL.

H. Con. Res. 179: Mr. PORTER and Ms. SLAUGHTER.

H. Res. 37: Mr. CUMMINGS, Mr. COYNE, Mr. JEFFERSON, Mr. MANTON, Mr. POSHARD, Mr. REYES, and Mr. ADAM SMITH of Washington.

H. Res. 267: Mr. KNOLLENBERG and Mr. JOHN.

H. Res. 268: Mr. BACHUS, Mr. LIVINGSTON, and Mr. MILLER of Florida.

H. Res. 279: Ms. MILLENDER-MCDONALD, Ms. CARSON, and Ms. LOFGREN.

DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 1 by Mr. YATES on House Resolution 141: Tom Campbell.

Petition 2 by Mr. PETERSON of Minnesota on H.R. 1984: John S. Tanner, Joel Hefley, Michael F. Doyle, George P. Radanovich, James V. Hansen, James A. Barcia, Tim Roemer, W.J. (Billy) Tauzin, Ralph M. Hall, Jim Bunning, Richard H. BAker, and Mac Collins.

Petition 3 by Mr. BAESLER on H.R. 1366: Tom Campbell, Constance A. Morella, Peter Deutsch, Carolyn McCarthy, Nancy L. Johnson, Charles B. Rangel, Edolphus Towns, Matthew G. Martinez, Martin Olav Sabo, James A. Leach, Donald M. Payne, John Conyers, Jr., Tony P. Hall, Jerry F. Costello, Louis Stokes, Norman D. Dicks, Michael F. Doyle, Frank Mascara, and Martin Frost.

SENATE—*Friday, October 31, 1997*

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious, loving Father, You have taught us to give thanks for all things, to dread nothing but the loss of closeness with You, and to cast all our cares on You. Set us free from timidity when it comes to living the absolutes of Your commandments and speaking with the authority of Your truth. All around us we see evidence of moral confusion. People talk a great deal about values, but many have lost their grip on Your standards.

Help us to be people who live honestly with integrity and trustworthiness. We want to be authentic people rather than studied caricatures of character. Free us from capricious dissimulations, from covered duality, from covert duplicity. Instead of manipulating others with power games, help us motivate them with love. Grant us the passion that comes from committing our lives to You, the idealism that comes from understanding Your guidance, and the inspiration that comes from relying on Your spirit as our only source of strength.

May this be a day for glorifying You through all that we do. Through our Lord and Saviour. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, the Senator from Georgia, is recognized.

SCHEDULE

Mr. COVERDELL. Mr. President, this morning the Senate will proceed to consideration of H.R. 2646, the A-plus education bill, with the time until 10:30 a.m. being equally divided between Senator COVERDELL and Senator DASCHLE or his designee. Following the debate time, the Senate will conduct a cloture vote on the A-plus education bill. Therefore, Members can anticipate the first rollcall vote today at approximately 10:30 a.m. If cloture is not invoked, the Senate will proceed to a cloture vote on a motion to proceed to the Defense Authorization Act conference report. Members can anticipate additional procedural votes on that measure.

In addition, the Senate may consider the District of Columbia appropriations bill, the Amtrak strike resolution, or any additional legislative or executive items that can be cleared.

As a reminder to all Members, the first rollcall vote this morning will occur at 10:30 a.m.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. KYL). Under the previous order, the leadership time is reserved.

EDUCATION SAVINGS ACT FOR PUBLIC AND PRIVATE SCHOOLS

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 2646, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2646) to amend the Internal Revenue Code of 1986 to allow tax-free expenditures from education individual retirement accounts for elementary and secondary school expenses, to increase the maximum annual amount of contributions to such accounts, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. The time until 10:30 a.m. will be divided between the Senator from Georgia [Mr. COVERDELL] and the minority leader, or his designee.

The Senator from Georgia.

Mr. COVERDELL. Mr. President, I rise on behalf of H.R. 2646, the A-plus education bill. What has become known as the A-plus account, or education savings account, is a unique instrument that is being designed to help American families across the land to deal with education deficiencies, particularly in grades K–12, kindergarten through high school, although the account may be kept intact and used for higher education if that is the desire of the family.

Simply put, a family could save up to $2,500 every year from the child's birth in a savings account much like an IRA that most Americans have come to understand, a similar instrument. These are after-tax dollars. The interest that would build up each succeeding year would not be taxed if the proceeds of the account are used for virtually any educational purpose. So it becomes a tool that empowers parents to deal with particular or peculiar deficiencies of the child.

As a result, my own view is that the value of these dollars could be as much as three to five times a typical public dollar being spent because the dollar is being directed at the unique deficiency.

Let's say, for example, the child had a learning disability, or dyslexia, that required special attention. The dollars could be put right on that problem. Or perhaps the child had a math deficiency and it required a tutor, or there was a transportation problem to deal with an after-school program, or a learning disability of some form. All of these particular problems, broad dollars cannot necessarily address, but these savings accounts can. They can go right to the deficiency.

A unique feature of the savings account is that the account can receive contributions from sponsors. When you do that, the imagination begins to work at the different kinds of things that could happen to help build this account up for this child. A corporation, an employer, could be a contributor to these accounts. You can envision matching circumstances, where an employer would say I'll put so much in your children's account if you'll match it. You can imagine a church becoming involved in these types of accounts. I can see a community—recently in Atlanta we lost a law enforcement officer, and people are often trying to find a way to help the remaining family. I can see communities stepping forward in this case and establishing an account for the surviving children. So community, employers, extended family, brothers, uncles, neighbors, grandparents—all of these individuals could become sponsors of these children's accounts.

As a result, a large infusion of enrichment will occur to education in America, one of the largest in 10 years—billions of dollars. The Joint Committee on Taxation has advised us that 14 million families will make use of these accounts—14 million families. A quick estimation there shows you somewhere around 20 million-plus children, approaching half of children in America's schools, will be beneficiaries to some degree of these accounts.

It baffles me that some in the professional system, the National Education Association, oppose this. They want to believe and others to think that—I think the line is that it only will help wealthy people and that it will only support religious schools. Both assertions are utterly false.

I have been stunned by an organization of this character being so misleading about a matter of public policy. You would think that an organization associated with schooling and role modeling for young people could do a little better job of being candid and straightforward about their opposition. It has had some effect, because many people think the savings account is the equivalent of a voucher. A voucher—

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

which I support; they don't—but a voucher is the redistribution of public money. In other words, the money raised from the public for taxes, property taxes or the like, is given to the family and they can move it to any point they would like. That is a voucher. This is a savings account. This is not public money. This is private after-tax money. And we are not taxing the buildup.

Under their definition of public money, I guess the capital gains tax reduction would be a voucher because we have left money in someone's checking account and they can use it some way they choose. But, in any event, the allegation is that it is for the wealthy and that it supports religious schools.

Here are the facts. According to the Joint Committee on Taxation, of the 14 million families that will use these accounts, 10.8 million of them will be in families whose children are in public schools; 70 percent of the funds generated, this enrichment, this additional effort and energy coming behind our school system, private and voluntary, will go to support public schools—70 percent—and 30 percent to private schools.

According to the Joint Committee on Taxation, 70 percent of all these funds will go to support children and families earning $75,000 or less. It is means tested. It is not for the wealthy. It has sponsors, so that we can help those who have a tough time organizing the accounts, and the principal beneficiary will be the public school system of America and the families in it.

Mr. President, I yield at this time.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, let me first congratulate my friend and colleague on the thoughtfulness of his remarks and the cogency of his arguments. If I will now speak in opposition, it is first and foremost a procedural opposition and jurisdictional one, having to do with bills sent from the House of Representatives and held at the desk and not referred to the Committee on Finance.

Mr. COVERDELL. I appreciate that.

Mr. MOYNIHAN. And also having to do with the session of the year.

Mr. COVERDELL. I appreciate the general remarks.

Mr. MOYNIHAN. Mr. President, in an op-ed article in the New York Times on Tuesday, Richard Leone, who is the president of the 20th Century Fund, an eminent New York City institution, remarked, "Last week, the House of Representatives took time out from beating up on the Internal Revenue Service to approve a fresh tax loophole."

I have had occasion to comment that on July 31, when we voted 92 to 8 to approve an 820-page addition to the Internal Revenue Code, the only copy of the bill in this Chamber was in the possession of our most distinguished tax counsel, Mr. Giordano.

Somewhat furtively, Members would come up and ask if they could just check whether their provision was in the bill. We might have charged for that service. We did not, in the public spirit of the occasion. But it was no way to legislate taxation.

In that spirit, I simply want to say that neither, at this time and in this manner, ought we to be approving a new provision providing for expansion of IRA's that would cost us $4 billion over 10 years. That is in addition to the $38 billion in new IRA's which we passed on July 31. There was an education IRA, and I am happy to say a Roth IRA. Our distinguished chairman is to have the satisfaction, I hope it is, of seeing in bank windows around the country, "Roth IRA available for purchase," which people will be wise to do.

The tax legislation for this session of the 105th Congress is concluded. We will resume next year. I hope we don't resume with too much energy. It is a fact that we impose upon the Internal Revenue Service, and upon the citizenry much more than the Internal Revenue Service, incredibly complex measures which defy assessment in so many cases. And we do it while calling for the repeal of the Internal Revenue Code and the abolition of the IRS. Well, I can understand the calls that issue from the House of Representatives to abolish the IRS, because increasingly its task is impossible. But on the other hand, there is something called the Nation and it does require revenues. Even if they are reduced to that elemental proposition of delivering the mail and defending the coasts, that does require revenues. The choices are for us many and we shouldn't complexify them to the point of plain bafflement.

The President has said he will veto this bill. Our President, in a letter to our distinguished majority leader of July 29, thanked the majority leader and, by reference, the others of us in conference on the Tax Relief Act of 1997, for the bipartisan way in which we were putting that legislation together, but he did say he would strongly oppose the measure of the Senator from Georgia. So, accordingly, that was taken out in conference in order for the whole bill to be approved.

I ask unanimous consent that the President's letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, July 29, 1997.

Hon. TRENT LOTT,
Majority Leader, U.S. Senate,
Washington, DC.

DEAR MR. LEADER: I want to again thank you for working in a productive, bipartisan manner to develop this bipartisan budget agreement. I feel particularly good about the strong education package that is included in the tax bill. As you know, in working out the final agreement, I strongly opposed the Coverdell amendment. I would veto any tax package that would undermine public education by providing tax benefits for private and parochial school expenses.

Sincerely,

BILL CLINTON.

Mr. MOYNIHAN. I thank the Chair.

One further point. After a very great deal of effort and not inconsiderable amount of pain, we have brought the Federal budget into balance. I stood here in 1993, or rather my good friend, now Ambassador to China, Mr. Sasser, as chairman of the Budget Committee, stood here and I stood there as chairman of the Finance Committee, and in a very close and dramatic moment, we got the required 51 votes to enact what I have since acknowledged to be the largest tax increase in history. But it broke the back of the expectation that we could never handle our finances, that interest rates had to be high, the inflation premium attendant on the probability that we would end up monetizing the debt because we couldn't pay for it. Monetizing is a term by which you inflate the currency and lower the cost of the debt.

We did it, and the deficit has gone down. We have this most extraordinary, unprecedented, somewhat difficult-to-comprehend situation of full employment, low inflation, low interest rates, high productivity. Fuller employment than we ever thought was compatible with the interest situation. We are in a new economic setting, and by March, I would think, the continued revenues to the Treasury would be such that the deficit will have disappeared.

We have talked about the deficit, not always in the calmest tones, for a decade now. We finally balanced the budget, and what do we suddenly see? More and more proposals for cutting taxes through one form or another, losing revenue so we will get the deficit back again.

Mr. President, the time is at hand, if I may say, to use the deficit to reduce the debt. We now spend almost as much money on interest payments as we do on defense. That is not a proportionate set of values of interests, of priorities. We ought to start reducing the debt. For every dollar of public debt that we reduce, we get $1 of private savings, private investment, which, in turn, will produce revenue, and on one hand, it will reduce costs of interest payments, and on the other hand, it will increase revenue. We are short of savings. I know the concern of the Senator from Georgia is savings, but at this moment, I would like to say we will take this up next year. This has not been referred to the Finance Committee. It is a House measure held at the desk in the last hours of the first session of the 105th Congress. I hope that we will put it off until next year when it will receive a goodly consideration. I can't say I know this to be Chairman ROTH's intention, but I cannot doubt it is his intention, such as it is his manner in all these issues.

But to say again, the measure before us would spend $4 billion over 10 years to increase the contribution limit for education IRA's from $500 to $2,500 per year, provide for tax-free build-up of the earnings in such accounts, and tax-free withdrawals for an array of expenses relating to elementary and secondary education. The bill comes to this floor directly from the House; it has not been considered by the Finance Committee.

With great respect to the sponsor of the bill, the distinguished Senator from Georgia, I do not believe the Senate should take up this legislation at this time. It was just 3 months ago that we passed the Taxpayer Relief Act of 1997, which included a net tax cut of $95 billion over 5 years and $275 billion over 10 years. At a cost of $38 billion over 10 years, that act created the education IRA and the Roth IRA, and significantly expanded existing IRA's and the tax benefits of State-sponsored prepaid college tuition plans. And now, we are asked to expand those recent IRA changes even further.

As well intentioned as this legislation is, surely there are many other priorities that should take precedence if we are serious about doing something for education. Priorities that have been thoroughly considered in the Finance Committee and by the full Senate. One such priority is the income exclusion for employer-provided educational assistance, which is Section 127 of the Internal Revenue Code. It is probably the single-most successful tax incentive for education we have. In the tax bill that emerged from the Finance Committee in June, we made section 127 permanent and we applied it to graduate school. Unfortunately, when the tax bill came back from conference, this provision was limited to a 3-year extension only for undergraduates.

Proponents of the pending legislation speak of a crisis in our elementary and secondary schools. There is no more compelling illustration of this than the state of the infrastructure of these schools. During the debate last summer on the tax and spending legislation, Senators CAROL MOSELEY-BRAUN and BOB GRAHAM brought the issue of crumbling schools to our attention, and they continue to be eager to address it. If we feel we must spend $4 billion, why not spend it to insure that schools have heat this winter?

There are also tax policy concerns with this bill. First, complexity. Even as we hear ever louder calls to scrap the code, we have before us a bill that would create a maze of rules in attempting to define what constitutes a "qualified elementary and secondary education expense." The bill states that qualified elementary and secondary school expenses include expenses for tuition, computers, and transportation required for enrollment or attendance at a K–12 institution, and for home schooling. There is no further definition. For example, would it be possible to withdraw money from these accounts to purchase the family car? I don't know, but you can't find the answer in the text of this bill.

Under the bill, the ability to contribute funds for elementary and secondary education expenses is proposed to sunset after 2002. However, money contributed through 2002 could still be used for such expenses. It will be up to the taxpayer to track—and the IRS to examine—when funds were contributed, and whether they can be used for only elementary and secondary education, only higher education, or both.

The administration estimates that 70 percent of the benefits of the bill go to the top 20 percent of income earners, taxpayers with annual incomes above $93,000. Tax benefits to taxpayers below that level are estimated to be nominal. If the proponents are truly concerned about the middle class, the tax benefits should be targeted there. In order to accomplish this, the income limits that apply to this bill would have to be lowered, and the ability to circumvent those limits would have to be prevented.

Mr. President, I appreciate the good will of the sponsors of this legislation, which we will be happy to consider in the Finance Committee in the next session. But please let us not take up a tax bill, of all things, in the final days of this session. This is no time for this tax bill or any other tax bill. But if our friends in the majority insist on going forward, I believe they will find that Senators on this side—and doubtless on their side, too—will be ready with amendments by the dozens.

I thank the Chair and yield the floor.

I thank the Chair for his courtesy, and I thank my friend.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. Mr. President, I thank the Senator for his generous remarks addressed toward me at the initial opening of his statement. I appreciate that very much.

I now yield up to 4 minutes to my good colleague from Connecticut. I want to just say that he, Senator LIEBERMAN, has been at the forefront of education reform for more years than I. He is very dedicated to these proposals, and his support of this measure has been personally and publicly appreciated.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. I thank the Chair and thank my friend and colleague from Georgia for his very kind comments. May I say, with his leadership on this issue, he has come right to the forefront of the national movement for education reform.

Let me say first, briefly, how grateful I am, and I know the Senate across party lines, for the bipartisan leadership for the agreement that was achieved yesterday on scheduling the consideration by the Senate of campaign finance reform, which is important in its own right because of the significance of that effort, but also important because it frees us now to approach on the merits issues such as this.

I am proud to be a cosponsor of this Education Savings Act for Public and Private Schools. It is a bipartisan cosponsorship, as will be clear from those who speak on behalf of it.

Mr. President, it seems to me that of all the challenges that we have before us as we try to make this great country of ours even greater and spread the opportunities beyond those who have them best now, the most important place we can invest is in education, the education of our children.

As we look at the education system in our country, I think we can say with some pride that the system of higher education is really doing quite well, but that it is the elementary and secondary schools, in making sure that our children get a good start on the road to education and self-sufficiency, that really need help.

There are a lot of good things happening in our public and private and faith-based schools, but too many of our kids are still being educated in schools that are either in terrible shape physically, schools in which their personal security is threatened by crime in the schools, or schools in which there is not adequate teaching and innovation going on.

This measure is a classic attempt to create a partnership between the Government and families and businesses to help people better educate their children at the elementary and secondary level. It is a tax incentive, a small one. It is like dropping that pebble into the lake, and it is going to create ripples out for individual children and for our society that I think will be dramatic.

I want to make just a few points.

This recommendation of these educational savings accounts builds exactly on the higher education savings accounts that we adopted just a few months ago with broad bipartisan support. In that case, you could put $500 in. The income would be tax free, particularly if you took it out for years in higher education. It had income limits in it for means testing, if you will.

This proposal of ours takes that idea and simply extends it to K–12 education, with one big change—two, I suppose. One is that you can put in not just $500 but $2,500 in and others can invest in those accounts—grandparents, uncles, aunts, businesses. I wouldn't be surprised, if this is adopted, that labor unions will begin to negotiate with their employers to put matching contributions into the savings accounts for their kids.

The point I want to make is this. A lot of anxiety and opposition has been expressed about this proposal. It is the same proposal that most of us voted for enthusiastically just a few months ago for higher education. So why is it so frightening now and it was so much accepted before? Why was it middle-class-tax relief then and it is now some sort of giveaway to wealthy people?

I think if you focus on the merits of this, understand what independent analysis has told us that 70 percent of those who will benefit from this will be sending their kids to public school, that it can be used not just for tuition payments but for a broad array of support services—transportation, home schooling, purchasing a computer, et cetera.

This is the kind of program that dreams are made of, that dreams are realized from. Parents who are working hard trying to find a better way for their children will be able to put a little money in these accounts or have some relatives put some money in, or convince the employer to put some money in and make it easier for them to take their children and put them in the schools where they want them, public or private or faith-based, or give the kids the support they need to get the better education.

I think this is a good proposal whose time has come, and I am proud to be a cosponsor. I thank Senator COVERDELL for his leadership on this, and I yield the floor.

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator from Georgia.

Mr. COVERDELL. Mr. President, I appreciate very much the remarks of the Senator from Connecticut. He has made excellent points. This has already been passed by 59 votes in the Senate. It has been passed by the House. It is an extension of a proposal that both bodies overwhelmingly passed. I am fearful that we are in the midst of a filibuster attempt by special interests to block it, but we are going to stay at it, filibuster or not.

I now yield up to 4 minutes to the distinguished Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized for up to 4 minutes.

Mr. ALLARD. Thank you, Mr. President.

I thank the Senator from Georgia for yielding. And I compliment him on his leadership, particularly on educational issues.

Today, I am here to encourage my colleagues to support legislation which will open doors of educational opportunities to the parents and children throughout our Nation. Education savings accounts are a sensible step toward solving our education crisis in America by allowing families to use their own money—to use their own money—to pay for their child's education needs.

This bill would empower parents with financial tools to provide all the needs they recognize in their children, needs that teachers or administrators cannot be trusted to address in the same way that a parent can.

These accounts would provide families the ability to save for extra fees that they might incur, have to deal with, when they are sending their children to public schools, fees that may be necessary to pay for computers or maybe they want to go down and buy their own computer to help with their child's education, maybe some tutoring needs within the family, maybe they need to prepare for the SAT.

Transportation costs could also be an educational need, particularly in rural areas, or maybe special circumstances that would allow a family to consider some private alternatives as opposed to public education.

Handicapped children, for example, I think could really benefit from this because they do have special needs. This encourages the family of the handicapped to meet those special needs and to pay the costs that they may incur and still send them to a public school.

This kind of tax relief is especially important for parents who are working two jobs with no extra time to help with homework or those who do not feel adequate in their own knowledge to tutor their children.

As parents, I know that my wife and I were the best judges of our children's needs, and I am proud of the way they have developed. As all parents realize, I knew that I was in the best position to address their needs. I would have welcomed an opportunity to accrue tax-free interest to help pay for more opportunities in the education of my children. Far too many parents find that their hopes to provide the best education for their children are crushed as they realize the costs involved in accomplishing this task.

Contrary to popular myth, 75 percent of the children who would benefit from this bill are public school students. The new estimates released by the Joint Tax Committee disprove the claim that public school revenues would be reduced by what is referred to as the A-plus accounts.

The Joint Tax Committee estimates that by the year 2000, 14 million students would be able to benefit from this bill with 90 percent of those families earning between $15,000 and $100,000 a year.

Mr. President, this is an important piece of legislation. It empowers families, and it empowers them to control the education of their family and meet their special needs. So I am absolutely thrilled with the leadership that the Senator from Georgia is showing in this regard. If my time is running out, I yield the remainder of my time back to the Senator from Georgia.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ROTH. Mr. President, the respected historian and biographer, David McCullough, recently reminded us of the importance of education. Quoting John Adams, Professor McCullough wrote: "Laws for the . . . education of youth are so extremely wise and useful that to a humane and generous mind no expense for this purpose would be thought extravagant."

Today we consider a law that will go a long way toward helping parents provide educational opportunities for their children—a law that will benefit students, whether they attend public schools or private.

This bill, which is sponsored by our distinguished colleague Senator COVERDELL, and which has broad bipartisan support, expands the education savings IRA. It allows families to save up to $2,500 a year, and to use this money to pay for educational expenses for their children attending school, from kindergarten to 12th grade.

This, as John Adams would say, is a wise bill. It is one that will go a long way toward helping our families meet the rising costs associated with schooling. It will go a long way toward helping our children receive quality educations. And it will pay dividends to America, itself, as these children—better educated and more prepared—become the parents, educators, scientists, businessmen, and businesswomen of tomorrow.

Not too long ago, the Finance Committee held hearings to look into the rising costs associated with education, and the pressure those costs place on parents and families. What we found was rather alarming. Today, parents are under an enormous burden when it comes to paying for education. And the costs continue to rise.

We designed the Taxpayer Relief Act of 1997 to help parents and students offset some of these costs. For example:

We created an education savings IRA to allow parents to save for higher education.

We expanded the tax-deferred treatment of State-sponsored prepaid tuition plans.

We restored the tax deduction on student loan interest.

And, we extended the tax-free treatment of employer-provided educational assistance.

Each of these measures will go a long way toward helping our students and their families handle the burden associated with education. Personally, I would have liked to see stronger measures in each of these areas. The Senate version of the Taxpayer Relief Act actually contained stronger provisions, and I introduced them as a separate bill the very day that we passed the Taxpayer Relief Act.

The legislation we're considering today—which Senator COVERDELL has introduced in the Senate—is in keeping with the spirit and emphasis of our efforts. It expands the education savings IRA that we passed in the Taxpayer Relief Act of 1997. It allows the IRA to be used to help families finance school-related needs for their children beginning in their kindergarten years and covers them all the way through high school. It raises the yearly contribution amount from $500 to $2,500.

It allows savings from the IRA to be used for both public and private schools. For example, money could be withdrawn to pay for tuition, fees and books for children attending private school. It could also be withdrawn to pay for computers, uniforms, instruments, books, supplies, and other educational needs for children in public schools. In addition, Mr. President, this expanded IRA can be used for children with special needs throughout their lives.

This legislation does not engender a public versus private debate. It is fair and good for families and children who elect either form of education. It is focused on middle-income families—those who are most pinched by the rising costs of education. It provides these families with the tools they need to have the freedom to select whichever form of education they feel is best for their children.

According to estimates by the Joint Committee on Taxation, the vast majority of withdrawn funds from these expanded IRAs will go for public school children. Over 10 million families with children in public schools will use these educational savings accounts, as opposed to a little over 2 million families with children in private schools. The expanded education savings IRA's are completely paid for, as revenue loss will be fully offset by repealing an abusive vacation and severance pay accrual technique.

Again, Mr. President, this legislation has strong bipartisan support. It is good for families, good for children, and good for the future of America. It builds on the foundation we set with the Taxpayer Relief Act of 1997. It provides flexibility as well as opportunity, and it is a necessary step toward providing parents with the tools and resources they need to help their children prepare for the future.

Mr. D'AMATO. Mr. President, I rise in support of the A plus Education Savings Accounts Act which will provide families—an estimated 14.3 million families by 2002—with the opportunity to save for their children's education, an investment by parents for their children's future.

Education savings accounts allow parents, grandparents and scholarship sponsors to contribute up to $2,500 a year per child for an account that will be used for a child's education. The interest accrued will be tax-free as long as the funds are used to further the best possible education for their children.

The funds saved by parents must be used for educational purposes—and can include expenses for home computers, tutoring for children with special needs or tuition for a private school. The money will be used in the most efficient manner because it will be the parents who make the decision on how to use the money.

These education savings accounts leave public resources in public schools and let parents use their own money to augment education for their most precious investment—their children.

This is a common sense approach—an education reform that gives control back to parents, improving education for their children.

We must encourage parental involvement in their child's education, and this is an excellent way to allow that involvement, making the education system more responsive to parents.

Ms. MOSELEY-BRAUN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Ms. MOSELEY-BRAUN. Mr. President, as a member of the Senate Finance Committee, I join Senator MOYNIHAN in his objection to this legislation on procedural grounds. As a member of that committee, I can attest to the fact that we have had no hearings at all on this legislation. The issue has not come up in committee. In fact, as far as I know, there is no precedence for bringing a House-passed tax bill to the Senate floor without any committee consideration whatsoever, without a single hearing or markup, and then immediately subjecting that matter to a vote to close off debate.

That is what this is about. If cloture is invoked, it would limit the ability of Senators, those on the Finance Committee and everybody else, for that matter, to offer amendments. Members of the Finance Committee, Members of this body have not had an opportunity to offer amendments, have not had an opportunity to debate this matter, and this vote effectively will shut off that debate.

I have filed two amendments to this tax bill, both relating to the issue of school repair and construction. Our buildings, as many parents know, are literally falling down around our children. They certainly cannot learn in those kinds of environments.

I know of other amendments that have been filed relating to a variety of issues touching on this legislation—all amendments relevant to the consideration of this tax bill—but, again, those Senators who have offered those amendments will not have the opportunity to offer their amendments if cloture is invoked.

Mr. President, I think those reasons should be enough for every Member of this body to vote against cloture, because, if nothing else, this is supposed to be a deliberative body, and we are supposed to have the opportunity to talk about ideas, to really fully explore them, to talk about them in a public way so that the people who listen to these debates have a chance to know what it is that we are voting on. But this bill has not had that. In fact, what it sets up is another set of tax expenditures without any consideration of the implications or the impacts of that expenditure.

To use the term "tax expenditure"—for the average citizen, the words "tax expenditure" do not have a lot of resonance, do not have a lot of meaning.

I want you to think about, for a moment, spending from two perspectives: Spending out of the front door and spending out of the back door.

Front-door spending includes appropriations, and everybody can relate to those. You see it on a bill. Bills that we pass, they say: We are going to spend this much for that purpose or this much for that purpose. The appropriations spending, front-door spending, is obvious. It is apparent. The public can understand it. It is simple. Everybody knows what the deal is, whether it is spending for a bridge or somebody's boondoggle. Appropriations for front-door spending is apparent and obvious spending.

This plan we are considering today goes in the other direction, of the non-obvious spending for what is called tax expenditures. We can debate tax expenditures for a while, but the point is, I call it backdoor spending because essentially what it is is it is spending that takes place when you carve out an exception for somebody who otherwise was paying taxes, where you say everybody has to pay taxes, but as to this little group here, taxes will not have to be paid. So that then means that everybody else who is left has to make up that little hole that is created. That is what we mean by loopholes. That is what we mean by tax expenditures. And this is such a tax expenditure. This is not only a tax expenditure, it is $4 billion tax expenditure.

I would have thought at a minimum we would have had a chance to have this up in committee and have had to have witnesses testify on it and to have at least amendments on this floor. None of that has been made available with regard to this bill.

There are times, Mr. President, when tax expenditures really do make sense, where we take the position that it makes more sense to say, as to this universe of people, this little group should not have to pay taxes, this loophole serves a legitimate function and it is an efficient way to do or to effect whatever policy it is that we are trying to achieve. There are some times when it is efficient.

So for a moment, for purposes of this debate, let us take a look at the efficiency of this tax expenditure, whether or not the taxpayers who are going to have to make up this $4 billion difference, whether or not they will get the bang for their buck, whether or not it makes sense for us to spend money through the back door in this way.

The truth is that this plan will benefit only the wealthy. According to the Treasury Department, which has analyzed this proposed tax scheme and calculated what are called its distributional effects—that is to say, who gets the benefit of the tax benefit; what kind of bang for the buck do you get for this spending out of the back door?—70 percent of the benefits in this proposal would go to the top 20 percent of the income scale, that is to say, families with annual incomes of at least $93,222 would get the majority of the benefits in this bill. Fully 84 percent of the benefits would go to families making more than $75,000 a year.

The poorest families in this country, those in the bottom 20 percent of the income scale, would receive 0.4 percent of the benefits of this spending out of the back door.

Let me say that again: 0.4 percent, less than one-half of 1 percent, of the benefits go to the 20 percent of the population of this country who have the least money.

These bars on this chart here really set this out. These are not my numbers. These are Department of the Treasury's numbers. Quite frankly, we would have had a chance to debate this had the bill come up through committee in the normal and ordinary course of things. But since we did not get that chance, we just were kind of surprised with having to vote for cloture on this bill today. We have not really had a chance to thrash through these numbers.

But anyway, the Department of the Treasury tells us that in this legislation, the lowest 20 percent, as you can see, get the lowest amount out of this legislation. The highest income people get the highest amount. Families in the highest income quintile would reap $96 a year in benefits from this bill, that is to say, families with incomes over $93,000 a year. They would see $96 of benefits in an average year.

Those in the fourth quintile—those earning more than $55,000 a year—would see only $32 in benefits in a given year.

Families in the third income quintile—those earning at least $33,000—would get only $7 per year. So $7 for the middle-class families earning between $33,000 and $55,000 a year—$7.

Families in the first and second income quintiles—those earning less than $33,000—would get virtually nothing from this plan. And you can see that on the chart.

So really what you wind up with is a tax expenditure that creates a loophole, backdoor spending that will benefit rich people.

All of my colleagues who have had doubts about—and we have debated in other contexts the voucher plans, and this and that and the other, and how to approach education finance in these times. We need to have that debate because there is no question but that we have great challenges before us in terms of the reform of schools and providing reform of the schools so that this generation of children will have an opportunity at least as great as the last generation gave all of us in this Chamber.

At the core, this debate is about what kind of educational system are we going to have. I was a product of the Chicago public schools. I am proud to say that, because the public schools in Chicago gave me a quality education in a time when my parents certainly could not afford to send us to private schools. They did, from time to time, choose the private and the parochial schools in the area. And I went to Catholic school myself on a couple of occasions.

But the fact is that the public schools in my neighborhood were good public schools. So it was a legitimate set of choices. We had good public schools, good Catholic schools, good private schools. We could choose between good and good and good. So it was just a matter of the nuances of the educational opportunity that our parents wanted to give us that made the difference in their decisionmaking.

As we have gotten to this time, we are really challenged by the fact that there is not the kind of equal choice among and between educational opportunities for these young people. Very often—all too often—the public schools are troubled. Everybody who has given up on trying to fix public education, fix the public schools, says, "OK. Fine. To heck with them. Let's go create something else. Let's go support something else. Let's go voucher out over here. Let's send our kids to the Catholic schools. And let's go to the private schools," or whatever.

They will come up with alternatives as opposed to confronting and facing what do we do about providing quality public education to every child that will allow every child the same opportunity, will allow every child a chance to climb up the ladder of opportunity. Because, after all, Mr. President, as I think everybody is aware, the rungs on the ladder of opportunity in this country are crafted in the classroom. The kind of education that a child gets not only is important to that child as an individual, but to our community as a whole.

It just seems to me that we cannot afford to lose a single child. We cannot afford to triage our educational system, cutting off the schools that have to deal with the problem cases, that have to deal with the poorest students, and letting everybody else go out and take advantage of tax loopholes to provide themselves education in another venue altogether.

Mr. President, the distributional effects of this tax expenditure really are easily explainable. Again, had we had a chance to talk about this in committee, we would have had that kind of debate. But to talk about why this works out this way, if you think about it, low- and moderate-income families, people that make $33,000 a year are having a hard enough time putting food on the table for their families as opposed to being able to just salt away and save an additional $2,500 a year, which is at the core of this proposal.

It should be apparent—maybe it isn't—the contradiction in this proposal. It calls itself "an education individual retirement account." The fact of the matter is, retirement accounts are supposed to be for people in their sunset years, money put away for retirement when they can no longer work. If you say we are going to use that vehicle to let people use money for a lot of other things, then you are, by definition, defeating the notion that people will be able to save, put secure money away, and let it build up so they can retire on it.

This says, OK, we will use the vehicle for the retirement account model to let people save for private education. Assuming for a moment that made sense, again, what do you do when you have a situation where the people who need it the most get it the least? What do you do when people who are making $33,000 a year who can't salt away $2,500 a year for this, who can't build up the interest in the accounts? That is an important part of this—who can't build up the interest in these accounts. What happens to them in this situation? They wind up being left out in the cold.

If we are thinking about the bang for the buck for tax expenditures, this backdoor set of expenditures, it seems to me, it is the taxpayers who are going to be called on to help make up the difference with the loophole we have created, and they will get the least from it.

Mr. President, there is another whole set of issues in this bill that, again, had we been able to talk about it in committee we could have gone further in understanding the meaning of the actual language of the legislation. The bill defines "qualified elementary and secondary education expenses" as "tuition, fees, tutoring, special needs services, books, supplies, computer equipment . . . and other equipment, transportation, and supplementary expenses required for the enrollment or attendance of the designated beneficiary of the trust at a public, private or religious school."

In addition, the bill provides a "Special rule for home schooling" so any of the above expenses qualify if the child is home schooled.

I just read it off, and I have the words in front of me, what does any of this mean? What does "required transportation expenses for home schooled child" mean? If you are staying at home, do you still get a transportation deduction? Does that mean a new car for mom and dad? What does that mean? We don't have enough information to make decisions about the $4 billion expenditure without having debate in this committee.

Now, given the broad nature of the language of the bill, the possibilities for abuse are almost limitless, except for one caveat: The ability to use these provisions and reap the benefits of this broad statute would be restricted, again, almost exclusively to the wealthiest Americans.

Now, it is OK to say we want to give rich people tax cuts. If that is the argument, that is fine. But it seems to me it is not altogether appropriate to dress it up and say that we are doing this for the poor children of America when, in fact, this is a tax subsidy for wealthy people. And they just got a tax cut. It would be different if they had not just gotten a tax cut.

An argument in the Finance Committee with the last bill—which I supported, the tax bill—was that we were cutting taxes at that time in ways that would benefit the wealthiest Americans. There are some people in the committee that didn't have a problem with that, who said the wealthiest Americans pay the most in taxes, they should get the most back. If that is the argument, that is fine. But it seems to me somebody ought to say that. The people ought to say that instead of wrapping it up in "education reform terms" when, in fact, the goal of educational reform, of saving our school system, will not be achieved.

I have other specific concerns with this legislation.

The bill attempts to limit the availability of these educational savings accounts to single-filers with annual incomes below $95,000, and joint-filers with annual incomes below $160,000. During the Ways and Means markup, however, the question was asked whether a wealthy taxpayer could avoid this limitation by making a gift to the taxpayer's child, who would then make the contribution to the education savings account. According to the staff of the Joint Committee on Taxation, the bill would permit such a shell game, as long as the child earned less than $95,000. They described the income limitations on the education savings accounts as "porous."

Mr. President, in addition to benefitting only the wealthy and being written in such as way as to be virtually unadministrable, there is yet another problem with this bill which leads me to believe we are considering this bill mostly for symbolic reasons. In order to meet the revenue figures required by the offset that has been chosen, the bill only allows contributions to be made to the new education IRA's for elementary and secondary education for the next 5 years.

Mr. President, the purpose of IRA's is to encourage long-term savings. The proposal before us today makes a mockery of this concept, by allowing contributions for only a 5-year period. In so doing, it also creates a situation where everyone who puts money into these accounts will need to hire accountants to figure out what they are allowed to do and how much they are allowed to various education and education-related activities.

The bill allows contributions of up to $2,500 for the first 5 years. These contributions, and the interest earned on these contributions, could then be withdrawn at any time to meet certain education expenses from kindergarten through college. After the first 5 years, however, the bill limits contributions to $500. These contributions, and the interest earned on these contributions, could then be withdrawn only to meet certain higher education expenses. Over a long period of time, the bill thus creates a situation where some amount of the interest that has accumulated in the accounts could be withdrawn for one purpose, while other interest that has accumulated concurrently could only be withdrawn for another purpose. To say that these accounts would be difficult to manage is an understatement.

Let me say this in closing, I encourage my colleagues to redirect this retreat from quality public education in this country. There is no question but that we have to reform the public school system. There is no question but that the Federal Government certainly needs to do more in terms of supporting elementary and secondary education. We are right now paying less than 6 percent of the cost of the public schools in this country, which is not fair. It is not fair to property taxpayers. It is not fair to local taxpayers. In the main, education funding comes out of the local property taxes all over this country. If you ask anybody what is the tax they hate the most, it is their local property taxes.

We are, for all intents and purposes, tying the ability to fund the schools to people who have fixed incomes and who really don't have the ability to pay more in property taxes. That is one of the reasons why the schools are troubled, frankly, in so many areas of this country. Those communities that have the least property taxes, that have the least ability to expand in that regard, have the most troubled schools. Why? Because you have tied education to fixed incomes or to declining tax bases.

We have a General Accounting Office study, in fact, that shows that the poorest areas in the country make the most tax effort to try to pay for their schools. It seems to me, Mr. President, that with all these issues to take up and with all of the challenges to reform public education so that every child in America can access a quality education, we ought to do that in the context of having open debate, not trying to shut off debate on something that, again, effectively only helps the wealthiest Americans.

I urge my colleagues to reject this retreat from public education, to reject this retreat from education reform, to oppose this measure, and to vote against cloture.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. I understand the leadership on the other side and the NEA are endeavoring to filibuster this proposal, but they will not succeed in the long run. This is going to happen.

I do want to respond quickly to several of the remarks of the Senator from Illinois. First, the figures from the Treasury Department have been ridiculed and rejected. They have absolutely no credibility. That is the same formula they used to try to discredit the other tax relief. They used imputed income —if you rent your house, that sort of thing.

The Joint Committee on Taxation says 75 percent of all these proceeds will go to people making $75,000 or less.

Ms. MOSELEY-BRAUN. Will the Senator yield?

Mr. COVERDELL. I cannot yield because of the time. I know the Senator will appreciate that.

I also want to point out that the formula that governs this account is the same one the Senator from Illinois voted for in the tax relief plan when the IRA saving account was set up for higher education. It is identical. The Senator from Illinois has already voted for this account. The distribution of the moneys is identical. In those accounts, like these accounts, 70 percent of it will go to families earning $75,000 or less.

The Senate and House have already expressed themselves on it. It is means tested. It is the same formula your President and my President requested be put in place. The same one that governs those accounts, you and I both voted for, as did the vast majority. It is the same formula on this account.

Now, the Senator has suggested this is something new. This is an IRA. They have been here for 17 years. The Senate already cast 59 votes for this account in the tax relief proposal. The House has passed it. This is not some new idea, snaking through the Halls of Congress. We have been dealing with IRA's for almost two decades.

The last point I make, and I understand the misunderstanding because of whatever policy it is that we are trying to achieve. There are some times when it is efficient.

So for a moment, for purposes of this debate, let us take a look at the efficiency of this tax expenditure, whether or not the taxpayers who are going to have to make up this $4 billion difference, whether or not they will get the bang for their buck, whether or not it makes sense for us to spend money through the back door in this way.

The truth is that this plan will benefit only the wealthy. According to the Treasury Department, which has analyzed this proposed tax scheme and calculated what are called its distributional effects—that is to say, who gets the benefit of the tax benefit; what kind of bang for the buck do you get for this spending out of the back door?—70 percent of the benefits in this proposal would go to the top 20 percent of the income scale, that is to say, families with annual incomes of at least $93,222 would get the majority of the benefits in this bill. Fully 84 percent of the benefits would go to families making more than $75,000 a year.

The poorest families in this country, those in the bottom 20 percent of the income scale, would receive 0.4 percent of the benefits of this spending out of the back door.

Let me say that again: 0.4 percent, less than one-half of 1 percent, of the benefits go to the 20 percent of the population of this country who have the least money.

These bars on this chart here really set this out. These are not my numbers. These are Department of the Treasury's numbers. Quite frankly, we would have had a chance to debate this had the bill come up through committee in the normal and ordinary course of things. But since we did not get that chance, we just were kind of surprised with having to vote for cloture on this bill today. We have not really had a chance to thrash through these numbers.

But anyway, the Department of the Treasury tells us that in this legislation, the lowest 20 percent, as you can see, get the lowest amount out of this legislation. The highest income people get the highest amount. Families in the highest income quintile would reap $96 a year in benefits from this bill, that is to say, families with incomes over $93,000 a year. They would see $96 of benefits in an average year.

Those in the fourth quintile—those earning more than $55,000 a year—would see only $32 in benefits in a given year.

Families in the third income quintile—those earning at least $33,000—would get only $7 per year. So $7 for the middle-class families earning between $33,000 and $55,000 a year—$7.

Families in the first and second income quintiles—those earning less than $33,000—would get virtually nothing from this plan. And you can see that on the chart.

So really what you wind up with is a tax expenditure that creates a loophole, backdoor spending that will benefit rich people.

All of my colleagues who have had doubts about—and we have debated in other contexts the voucher plans, and this and that and the other, and how to approach education finance in these times. We need to have that debate because there is no question but that we have great challenges before us in terms of the reform of schools and providing reform of the schools so that this generation of children will have an opportunity at least as great as the last generation gave all of us in this Chamber.

At the core, this debate is about what kind of educational system are we going to have. I was a product of the Chicago public schools. I am proud to say that, because the public schools in Chicago gave me a quality education in a time when my parents certainly could not afford to send us to private schools. They did, from time to time, choose the private and the parochial schools in the area. And I went to Catholic school myself on a couple of occasions.

But the fact is that the public schools in my neighborhood were good public schools. So it was a legitimate set of choices. We had good public schools, good Catholic schools, good private schools. We could choose between good and good and good. So it was just a matter of the nuances of the educational opportunity that our parents wanted to give us that made the difference in their decisionmaking.

As we have gotten to this time, we are really challenged by the fact that there is not the kind of equal choice among and between educational opportunities for these young people. Very often—all too often—the public schools are troubled. Everybody who has given up on trying to fix public education, fix the public schools, says, "OK. Fine. To heck with them. Let's go create something else. Let's go support something else. Let's go voucher out over here. Let's send our kids to the Catholic schools. And let's go to the private schools," or whatever.

They will come up with alternatives as opposed to confronting and facing what do we do about providing quality public education to every child that will allow every child the same opportunity, will allow every child a chance to climb up the ladder of opportunity. Because, after all, Mr. President, as I think everybody is aware, the rungs on the ladder of opportunity in this country are crafted in the classroom. The kind of education that a child gets not only is important to that child as an individual, but to our community as a whole.

It just seems to me that we cannot afford to lose a single child. We cannot afford to triage our educational system, cutting off the schools that have to deal with the problem cases, that have to deal with the poorest students, and letting everybody else go out and take advantage of tax loopholes to provide themselves education in another venue altogether.

Mr. President, the distributional effects of this tax expenditure really are easily explainable. Again, had we had a chance to talk about this in committee, we would have had that kind of debate. But to talk about why this works out this way, if you think about it, low- and moderate-income families, people that make $33,000 a year are having a hard enough time putting food on the table for their families as opposed to being able to just salt away and save an additional $2,500 a year, which is at the core of this proposal.

It should be apparent—maybe it isn't—the contradiction in this proposal. It calls itself "an education individual retirement account." The fact of the matter is, retirement accounts are supposed to be for people in their sunset years, money put away for retirement when they can no longer work. If you say we are going to use that vehicle to let people use money for a lot of other things, then you are, by definition, defeating the notion that people will be able to save, put secure money away, and let it build up so they can retire on it.

This says, OK, we will use the vehicle for the retirement account model to let people save for private education. Assuming for a moment that made sense, again, what do you do when you have a situation where the people who need it the most get it the least? What do you do when people who are making $33,000 a year who can't salt away $2,500 a year for this, who can't build up the interest in the accounts? That is an important part of this—who can't build up the interest in these accounts. What happens to them in this situation? They wind up being left out in the cold.

If we are thinking about the bang for the buck for tax expenditures, this backdoor set of expenditures, it seems to me, it is the taxpayers who are going to be called on to help make up the difference with the loophole we have created, and they will get the least from it.

Mr. President, there is another whole set of issues in this bill that, again, had we been able to talk about it in committee we could have gone further in understanding the meaning of the actual language of the legislation. The bill defines "qualified elementary and secondary education expenses" as "tuition, fees, tutoring, special needs services, books, supplies, computer equipment . . . and other equipment, transportation, and supplementary expenses required for the enrollment or attendance of the designated beneficiary of the trust at a public, private or religious school."

In addition, the bill provides a "Special rule for home schooling" so any of the above expenses qualify if the child is home schooled.

I just read it off, and I have the words in front of me, what does any of this mean? What does "required transportation expenses for home schooled child" mean? If you are staying at home, do you still get a transportation deduction? Does that mean a new car for mom and dad? What does that mean? We don't have enough information to make decisions about the $4 billion expenditure without having debate in this committee.

Now, given the broad nature of the language of the bill, the possibilities for abuse are almost limitless, except for one caveat: The ability to use these provisions and reap the benefits of this broad statute would be restricted, again, almost exclusively to the wealthiest Americans.

Now, it is OK to say we want to give rich people tax cuts. If that is the argument, that is fine. But it seems to me it is not altogether appropriate to dress it up and say that we are doing this for the poor children of America when, in fact, this is a tax subsidy for wealthy people. And they just got a tax cut. It would be different if they had not just gotten a tax cut.

An argument in the Finance Committee with the last bill—which I supported, the tax bill—was that we were cutting taxes at that time in ways that would benefit the wealthiest Americans. There are some people in the committee that didn't have a problem with that, who said the wealthiest Americans pay the most in taxes, they should get the most back. If that is the argument, that is fine. But it seems to me somebody ought to say that. The people ought to say that instead of wrapping it up in "education reform terms" when, in fact, the goal of educational reform, of saving our school system, will not be achieved.

I have other specific concerns with this legislation.

The bill attempts to limit the availability of these educational savings accounts to single-filers with annual incomes below $95,000, and joint-filers with annual incomes below $160,000. During the Ways and Means markup, however, the question was asked whether a wealthy taxpayer could avoid this limitation by making a gift to the taxpayer's child, who would then make the contribution to the education savings account. According to the staff of the Joint Committee on Taxation, the bill would permit such a shell game, as long as the child earned less than $95,000. They described the income limitations on the education savings accounts as "porous."

Mr. President, in addition to benefitting only the wealthy and being written in such as way as to be virtually unadministrable, there is yet another problem with this bill which leads me to believe we are considering this bill mostly for symbolic reasons. In order to meet the revenue figures required by the offset that has been chosen, the bill only allows contributions to be made to the new education IRA's for elementary and secondary education for the next 5 years.

Mr. President, the purpose of IRA's is to encourage long-term savings. The proposal before us today makes a mockery of this concept, by allowing contributions for only a 5-year period. In so doing, it also creates a situation where everyone who puts money into these accounts will need to hire accountants to figure out what they are allowed to do and how much they are allowed to various education and education-related activities.

The bill allows contributions of up to $2,500 for the first 5 years. These contributions, and the interest earned on these contributions, could then be withdrawn at any time to meet certain education expenses from kindergarten through college. After the first 5 years, however, the bill limits contributions to $500. These contributions, and the interest earned on these contributions, could then be withdrawn only to meet certain higher education expenses. Over a long period of time, the bill thus creates a situation where some amount of the interest that has accumulated in the accounts could be withdrawn for one purpose, while other interest that has accumulated concurrently could only be withdrawn for another purpose. To say that these accounts would be difficult to manage is an understatement.

Let me say this in closing, I encourage my colleagues to redirect this retreat from quality public education in this country. There is no question but that we have to reform the public school system. There is no question but that the Federal Government certainly needs to do more in terms of supporting elementary and secondary education. We are right now paying less than 6 percent of the cost of the public schools in this country, which is not fair. It is not fair to property taxpayers. It is not fair to local taxpayers. In the main, education funding comes out of the local property taxes all over this country. If you ask anybody what is the tax they hate the most, it is their local property taxes.

We are, for all intents and purposes, tying the ability to fund the schools to people who have fixed incomes and who really don't have the ability to pay more in property taxes. That is one of the reasons why the schools are troubled, frankly, in so many areas of this country. Those communities that have the least property taxes, that have the least ability to expand in that regard, have the most troubled schools. Why? Because you have tied education to fixed incomes or to declining tax bases.

We have a General Accounting Office study, in fact, that shows that the poorest areas in the country make the most tax effort to try to pay for their schools. It seems to me, Mr. President, that with all these issues to take up and with all of the challenges to reform public education so that every child in America can access a quality education, we ought to do that in the context of having open debate, not trying to shut off debate on something that, again, effectively only helps the wealthiest Americans.

I urge my colleagues to reject this retreat from public education, to reject this retreat from education reform, to oppose this measure, and to vote against cloture.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. I understand the leadership on the other side and the NEA are endeavoring to filibuster this proposal, but they will not succeed in the long run. This is going to happen.

I do want to respond quickly to several of the remarks of the Senator from Illinois. First, the figures from the Treasury Department have been ridiculed and rejected. They have absolutely no credibility. That is the same formula they used to try to discredit the other tax relief. They used imputed income —if you rent your house, that sort of thing.

The Joint Committee on Taxation says 75 percent of all these proceeds will go to people making $75,000 or less.

Ms. MOSELEY-BRAUN. Will the Senator yield?

Mr. COVERDELL. I cannot yield because of the time. I know the Senator will appreciate that.

I also want to point out that the formula that governs this account is the same one the Senator from Illinois voted for in the tax relief plan when the IRA saving account was set up for higher education. It is identical. The Senator from Illinois has already voted for this account. The distribution of the moneys is identical. In those accounts, like these accounts, 70 percent of it will go to families earning $75,000 or less.

The Senate and House have already expressed themselves on it. It is means tested. It is the same formula your President and my President requested be put in place. The same one that governs those accounts, you and I both voted for, as did the vast majority. It is the same formula on this account.

Now, the Senator has suggested this is something new. This is an IRA. They have been here for 17 years. The Senate already cast 59 votes for this account in the tax relief proposal. The House has passed it. This is not some new idea, snaking through the Halls of Congress. We have been dealing with IRA's for almost two decades.

The last point I make, and I understand the misunderstanding because of some of the administration views, I want to remind the Senator that 70 percent of all these new resources which would supplement education will go to students in public schools. Public schools are going to be the big winner here. And 10.8 million families with children in public schools will use these accounts—so there will be an enrichment of the public school system—of the 14 million, so that means less than 3 million will be in private schools.

CLOTURE MOTION

Mr. COVERDELL. Mr. President, I now send a cloture motion to the desk to H.R. 2646.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on H.R. 2646, the Education Savings Act for Public and Private Schools:

Trent Lott, Paul Coverdell, Robert F. Bennett, Pat Roberts, Strom Thurmond, Gordon H. Smith, Bill Frist, Mike DeWine, Larry E. Craig, Don Nickles, Connie Mack, Jeff Sessions, Conrad Burns, Lauch Faircloth, Thad Cochran, and Wayne Allard.

Mr. COVERDELL. I yield the balance of my time to the distinguished colleague from New Jersey.

Mr. TORRICELLI. I thank the Senator from Georgia, Senator COVERDELL, for yielding time to me. I am very proud to join with him in offering this proposal today.

Mr. President, I think there is a growing awareness in our country that the status quo in education is no longer good enough, that there is a need for fundamental reform in the financing and the standards and our approach to educating our children in the grade school and high school levels.

This legislation offers the promise of a new beginning in how we approach educational reform. In a time of limited budgets, as we seek to balance the Federal budget, we are marshaling private resources. At a time when families have been separated from the challenge of educating their own children, we are challenging families to get involved again. At a time when some are fighting between private education and public education, we seek to help both.

Senator COVERDELL and I do this in what I think is an imaginative approach, what really is no more than an extension of what President Clinton proposed to do and achieve with his HOPE scholarships for colleges, we do for high schools and grade schools.

We do it in the following fashion: It is a challenge to all families of middle-income status—$95,000 and below. From the time of the birth of your child, you, uncles, aunts, grandparents, can put into a tax-free account, $10, $20, $100 a month, put money aside to prepare for the education of your child. In private school, parochial school, if you choose a yeshiva, or in public schools—indeed, the Joint Tax Committee has estimated 70 percent of this money will go for public school students—by allowing families to plan, recognizing that a public school education, is no longer a matter of 8:30 in the morning to 3 o'clock in the afternoon with just a teacher. The whole family has to get involved.

Use this money to buy a home computer, pay for transportation after school so a student can get tutoring, extracurricular activities, or hire a public school teacher after school or on weekends to get involved in tutoring. It is the marshaling of family resources, family involvement, to help either complement that public education or allow for a private education.

Now, the question becomes, is it wrong to even use these private resources to help with a private education? Unlike Senator COVERDELL, I have, through the years, opposed the use of vouchers, because I thought it was a diversion of public resources at a time when the public schools cannot afford the loss of resources. I had constitutional reservations. On vouchers, we can all differ. This is not a voucher. There is not a constitutional issue because this is private money, not Government money. There is not an issue of compromising current resources for public education because this is private money, and it is new money. Not a single dollar is lost from the public schools by the use of these IRA's. But is it needed? For those who do not want to address the problem of private education, does it really help the 90 percent of American students who go to public schools? Absolutely. President Clinton has put a challenge down to the country: By the year 2000, every American school should be on line. But American students do their homework and research at home. Seventy percent of American students do not have a computer in the home. Eighty-five percent of black and Hispanic students do not have a computer at home. Under Mr. COVERDELL's proposal, that would be allowed from these accounts.

Mr. President, I thank the Senator for yielding the time. I am very proud to join with him in offering the A-plus accounts.

I yield the floor.

The PRESIDING OFFICER. All time has expired.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the clerk will report the motion to invoke cloture on H.R. 2646.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on H.R. 2646, the Education Savings Act for Public and Private Schools.

Trent Lott, Paul Coverdell, Robert F. Bennett, Pat Roberts, Strom Thurmond, Gordon H. Smith, Bill Frist, Mike DeWine, Larry E. Craig, Don Nickles, Connie Mack, Jeff Sessions, Conrad Burns, Lauch Faircloth, Thad Cochran, and Wayne Allard.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent, the quorum call has been waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on H.R. 2646, the A-plus education bill, shall be brought to a close?

The yeas and nays are required under the rule, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Montana [Mr. BAUCUS], the Senator from West Virginia [Mr. ROCKEFELLER], and the Senator from Minnesota [Mr. WELLSTONE] are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota [Mr. WELLSTONE] would vote "no."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 56, nays 41, as follows:

[Rollcall Vote No. 288 Leg.]

YEAS—56

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Burns
Campbell
Coats
Cochran
Collins
Coverdell
Craig
D'Amato
DeWine
Domenici
Enzi
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kempthorne
Kyl
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Torricelli
Warner

NAYS—41

Akaka
Biden
Bingaman
Boxer
Breaux
Bryan
Bumpers
Byrd
Chafee
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Mikulski
Moseley-Braun
Moynihan
Murray
Reed
Reid
Robb
Sarbanes
Wyden

NOT VOTING—3

Baucus
Rockefeller
Wellstone

The PRESIDING OFFICER. On this vote, the yeas are 56, the nays are 41.

Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the motion was rejected.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, I ask unanimous consent that I be able to proceed for 5 minutes notwithstanding rule XXII.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. LOTT. I do this, Mr. President, just so that Senator DASCHLE and I can explain what is transpiring.

As you know, we are prepared now to go to the cloture vote on the DOD authorization conference report. However, the interested parties on both sides of the aisle and on both sides of the issue involved, regarding the depots, wanted a few minutes to talk about what would be the situation beyond this, and so there are a lot of conversations going on now in the back of the Chamber. I would like to give them a few more minutes to discuss the various options. As soon as we then call off the quorum call, we would proceed to a cloture vote.

It is my thinking that we would probably go to this cloture vote, but it is going to be a few more minutes before we can actually proceed to that vote. But we will not let it languish very long. The interested parties asked for a few minutes to talk. That is what we are doing. I realize Members have other commitments. But we will, probably within the next 15 or 20 minutes, have some final decision, and then we will know whether we will have a vote on cloture at that point or not.

Mr. THURMOND. Mr. President, in a few moments, the Senate will vote to invoke cloture on the Defense authorization bill for fiscal year 1998. As all of you know, we have had a difficult time getting to this point. After months of negotiating on the depot maintenance issue, we finally achieved a breakthrough when those Members of Congress who have depots agreed to a compromise heretofore believed to be unachievable.

Those Members who have depots gave up on issues extremely important to them substantively and politically. At that time, those of us who had worked over many months to achieve such a compromise believed that we could finally put this very divisive issue behind us. It was simply unthinkable to us that after those with depots had come so far toward the other side's position that the Senators from Texas and California would oppose this compromise. They have always said they only wanted the opportunity to compete. This compromise gives them that opportunity on what the Armed Services Committee believes is clearly a level playing field.

All 18 members of the Armed Services Committee have signed this conference report indicating their support of the compromise. The ranking member of the committee, Senator LEVIN, supported the Senators from Texas and California up to the point when this compromise was negotiated. He and his staff were totally involved in drafting and negotiating the compromise. Senator LEVIN and I join in total support of this compromise which is fair and equitable to all parties.

This bill is important to the young men and women who serve in our military forces. The bill includes pay raises and increases to special incentive pay including vital aviator bonuses. Provisions in this bill affect every aspect of our national defense including quality of life initiatives, modernization, and readiness. I remind all Senators that all military construction projects require an authorization as well as an appropriation and cannot be executed without this bill.

All members of the committee support this bill. The House has already passed it by a veto-proof majority of 286 to 123. The leaders of the Defense Department have indicated that they can make this compromise work and that they need this bill passed. It is hard for me to believe that any Senator would oppose and delay the entire Defense authorization bill at a time when American troops are deployed in Bosnia and trouble appears to be brewing again in the Middle East.

I strongly encourage all Senators to vote to invoke cloture on this bill. We must send a strong signal to the White House to demonstrate to the President that this bill which is so important to our national security should be passed now. I also ask the support of all Senators to defeat any further attempts to delay this bill. Show the young men and women in uniform serving our Nation around the world that we are strongly behind them.

I yield the floor. I observe the absence of a quorum, Mr. President.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BENNETT). Is there objection?

Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, I move to waive rule XXII to use a couple minutes of my leader time.

The PRESIDING OFFICER. Without objection, it is so ordered.

EDUCATION SAVINGS ACT FOR PUBLIC AND PRIVATE SCHOOLS

Mr. DASCHLE. Mr. President, I thought I would just take a moment while we were negotiating here on the next vote and our schedule, to comment briefly on the cloture vote that we have just taken. It is clear that within our caucus there are varying positions with regard to the Coverdell bill. Obviously, it is our desire to accommodate all of our colleagues as we attempt to work through those positions, for we recognize the importance of a good debate about the issue.

The bill, as we all know, was brought to the floor in an unusual set of circumstances. It passed the House and was not sent to the Finance Committee as most tax legislation is. It was sent directly to the desk and pulled from the desk for consideration. And a cloture motion was filed immediately, precluding Senators' rights to offer amendments, including relevant amendments. So it was on the basis of procedure, and our inability to offer amendments, that many of my colleagues have chosen to oppose cloture this morning.

It is my hope that we can work with our colleagues to come up with an agreement that will allow the consideration of amendments. Democrats need to protect their rights to offer amendments regardless of the legislation, but especially on matters relating to tax matters. And that is, in essence, the concern that we express in our opposition to cloture this morning. Let's have a good debate. Let's offer amendments. Let's have an opportunity to consider alternatives. But let's ensure that the normal process, the regular order, is adhered to as we take up matters of this import.

So that is, in essence, the situation we find ourselves in this morning. On the basis of procedure, given our inability to offer amendments to the bill, many of our colleagues found it necessary to oppose cloture. It is my hope that over the course of the next couple of days we can come to some resolution with regard to amendments and therefore have the kind of debate we should have—the opportunity to discuss this issue and consider the bill in more detail. I believe that ultimately we can resolve this impasse.

I thank Senators for giving me the opportunity to provide that explanation. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I think we are ready to go with the regular order.

CLOTURE MOTION

The PRESIDING OFFICER. By unanimous consent, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will report.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to the conference report to accompany H.R. 1119, the National Defense Authorization Act:

Trent Lott, Strom Thurmond, Wayne Allard, Pat Roberts, Judd Gregg, Robert F. Bennett, Rod Grams, Spencer Abraham, Don Nickles, John Ashcroft, Rick Santorum, Tim Hutchinson, Paul Coverdell, Bob Smith, James Inhofe, Chuck Hagel, and John Warner.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the motion to proceed to the conference report to accompany H.R. 1119, the National Defense Authorization Act, shall be brought to a close?

The yeas and nays are required. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Florida [Mr. MACK] and the Senator from Arizona [Mr. MCCAIN] are necessarily absent.

Mr. FORD. I announce that the Senator from Montana [Mr. BAUCUS], the Senator from West Virginia [Mr. ROCKEFELLER], and the Senator from Minnesota [Mr. WELLSTONE] are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota [Mr. WELLSTONE] would vote "aye."

The PRESIDING OFFICER (Mr. BOND). Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 93, nays 2, as follows:

[Rollcall Vote No. 289 Leg.]

YEAS—93

Abraham
Akaka
Allard
Ashcroft
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Cleland
Coats
Cochran
Collins
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Domenici
Dorgan
Durbin
Enzi
Faircloth
Feingold
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kempthorne
Kennedy
Kerrey
Kerry
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Roth
Santorum
Sarbanes
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Torricelli
Warner
Wyden

NAYS—2

Hollings
Kohl

NOT VOTING—5

Baucus
Mack
McCain
Rockefeller
Wellstone

The PRESIDING OFFICER. On this vote, the yeas are 93, the nays are 2. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998—CONFERENCE REPORT

MOTION TO PROCEED

The Senate continued with the consideration of the motion to proceed.

The PRESIDING OFFICER. The question is on agreeing to the motion to proceed.

The motion to proceed was agreed to.

Mr. LOTT. Mr. President, for the information of all Senators, the Senators involved in the depot issue with respect to the Department of Defense authorization conference report have reached an agreement for consideration and adoption of the conference report on Thursday, November 6.

Having said that, I thank all Senators for their cooperation. We did just then agree to a motion, and the conference report is before the Senate.

UNANIMOUS-CONSENT REQUEST—S. 1269

Mr. LOTT. I now ask unanimous consent the Senate turn to S. 1269, the fast-track legislation.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. I object.

RECIPROCAL TRADE AGREEMENT OF 1997—MOTION TO PROCEED

Mr. LOTT. In light of the objection, I now move to proceed to S. 1269, and send a cloture motion to the desk.

CLOTURE MOTION

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provision of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to calendar No. 198, S. 1269, the so-called fast-track legislation.

TRENT LOTT, BILL ROTH, JON KYL, PETE DOMENICI, THAD COCHRAN, ROD GRAMS, SAM BROWNBACK, RICHARD SHELBY, JOHN WARNER, SLADE GORTON, CRAIG THOMAS, LARRY E. CRAIG, MITCH MCCONNELL, WAYNE ALLARD, PAUL COVERDELL, and ROBERT F. BENNETT.

Mr. LOTT. Mr. President, this cloture vote will occur on Tuesday, and I ask the mandatory quorum under rule XXII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I now withdraw the motion.

The PRESIDING OFFICER. The motion is withdrawn.

MORNING BUSINESS

Mr. LOTT. I ask unanimous consent there now be a period for morning business until the hour of 2 p.m. with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I yield the floor.

The PRESIDING OFFICER. The Senator from New York is recognized.

THE EDUCATION OF OUR CHILDREN

Mr. D'AMATO. Mr. President, I rise to speak again on an issue of, I think, paramount importance, and that is the education of our children. Mr. President, unless we bring about fundamental reform in education, we are just going to continue to nibble at the margins. We are going to have great intellectual discussions and not be able to help our children.

The needs in our schools are great. We need better textbooks. We need to update computer facilities. We need to insist on teachers teaching the basics. And we need merit pay for good teachers.

Our children deserve an oasis of calm in order to learn. We have to be able to get violent and disruptive juveniles out of the classroom, and "fast track" them out of the classroom. We hear about fast track for trade; what about fast tracking violent, disruptive students out of the classroom?

Most importantly, we need to listen to parents in the local communities. This afternoon, I am going to touch on a few examples, horrendous examples, that all too often are being repeated in the educational systems throughout this country. Time after time, we see the education system supporting administrators, school principals and teachers at the expense of our children. We have to encourage parental involvement in education. When parents speak out, they have a right to be heard. They have a right to be listened to.

One of the things that parents are clearly calling for is an end of a system of lifetime tenure, lifetime job protection regardless of whether the teacher or the school principals are doing the job. Eliminating tenure and reforming it is a desperately needed measure. The tenure system guarantees a lifetime job to teachers and school principals, regardless of their performance.

Let me give you examples of how children suffer. These are real cases, these are our children. In junior high school 275 in Brooklyn, reading school scores have plummeted 21.5 points in the past 5 years. Sadly, this is a school that is failing our children, and they are getting hurt.

So parents in the community, recognizing that problem, came together. The parents and the local school board wanted to deny tenure to the junior high school 275 principal, Priscilla Williams. I think we ought to applaud those parents for coming together and becoming involved and speaking out, as well as the local school board.

Instead of listening to the parents, instead of listening to the school board, the local superintendent granted permanent tenure to principal Williams. While those scores were plummeting, the school's principal was rewarded with a lifetime guarantee, a lifetime job. So instead of correcting the situation and bringing in a principal who would turn that around, we now have children being held captive. That means these children will continue to suffer, and the school's leaders cannot be held accountable. The scene is repeated throughout the system, unfortunately.

Let's take a look at another district, Brooklyn's district 23. The school board pleaded—pleaded, and these are the elected representatives—to block tenure for five principals at failing elementary and junior high schools. What is their motivation? Their motivation is to give their kids a better educational opportunity. Mr. President, sadly, all five were granted tenure anyway. So what does that mean? That means thousands of children are going to be trapped in a system that is failing them.

Parents know that the tenure system rewards failures. Why don't we listen to these parents who are crying out for reform, who are crying out to give their children a better education? They know that the business-as-usual tenure system is hurting their children. Instead of granting tenure to Principal Williams at junior high school 275 where the reading scores are dropping like a rock, she should have been fired, replaced, and they should have brought in somebody who had the educational experience and the ability to raise those scores.

As tragic as the failing levels are at junior high school 275, there is something more devastating that took place more recently at another school. Again, these are real children involved. This was a school in the Bronx, PS 44, where two 9-year-old girls were brutally sexually assaulted by four boys—9-year-old children at school. The girls reported this incredibly horrendous assault to their teacher. The teacher, in turn, reported it to the school principal, Anthony Padilla. Now, what did Mr. Padilla do? Did he call the police when a teacher reports an assault on two 9-year-old children? No. Did he take any steps to assist the victim, to contact the parents? No. But he did send a letter. He sent a letter to the parents which stated, "No inappropriate behavior took place." Imagine that—doesn't call the authorities but sends a letter to the parents saying, "No inappropriate behavior took place."

Well, the police did investigate the case. Juveniles have been arrested and charged with this horrendous act. But what was done with or to the principal as a result of his failure to confront and deal with this situation in an orderly manner, a brutal attack against two 9-year-old girls? I'll tell you what happened—he was reassigned to a different administrative position within the district.

Now, let me point out something else. Padilla didn't even have tenure. He has previously been denied tenure. Why is he being protected? Why is he being kept in such a position of such responsibility where the lives of hundreds of youngsters are under his control? You have a system that protected him when he should have been fired. It is another example of a system supporting administrators and principals instead of parents and children.

Now, Mr. President, parents know that a principal who doesn't respond to violence within a school should be fired and not just reassigned. He should have been fired. But he is reassigned. Why? Because we have a system that is more interested in protecting the rights and the perks and the privileges and has become a hiring hall. It is an employment center, as opposed to being a center of learning, of knowledge. Something is seriously wrong when they are more concerned with the perks and privileges of the union members, regardless of how they are performing.

Mr. President, let's set the record straight. I believe the vast number of our teachers are good, are dedicated, are great professionals. We should reward them and we should pay them for that and we should recognize that. But the incompetent who are receiving lifetime job security are eroding this system both at the administrative level and, yes, in the classrooms. Something is seriously wrong when parents try to get involved in their children's education—in the examples I pointed out to you, where the school boards are begging for changes—and the system refuses to respond to them.

That is exactly what has happened when school principals are granted lifetime tenure over the objections of parents and in spite of the record of the failing schools. The tenure system has kept some principals in schools for 25 years while the academic performance has continually declined. That is wrong and has to be stopped.

I want to congratulate the parents for getting involved in their children's education. Nothing is more important. We have an obligation to reform our educational system. We have to get rid of today's system that ignores parents and rewards failing principals with lifetime tenure and replace it with a new system, a system that listens to parents and rewards their involvement and thinks about the education of the children first, not the perks and privileges of those who work in the system.

I yield the floor, and I thank my colleagues for granting me this additional time.

Mr. DORGAN. I ask unanimous consent to proceed for 10 minutes in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

FAST TRACK

Mr. DORGAN. Mr. President, a few moments ago the majority leader came to the floor and filed a cloture motion on what is called the motion to proceed to the fast-track trade authority legislation that we will consider beginning next week in the U.S. Senate. I want to make comment about that, on the issue of fast-track authority.

It seems to me it does not serve well the interests of this country to try to fit into a small crevice, at the end of the first session of this Congress with only days left, a debate about international trade.

What is our situation in trade in this country? Well, it is not a very pretty picture. We have the largest trade deficit in the history of this country right now. We have huge and growing trade deficits with Japan. This year, it is expected to total between $60 billion to $65 billion. We have a mushrooming trade deficit with China, this year expected to reach close to $50 billion. We have an ongoing trade deficit with Mexico and Canada. We have a flood of subsidized goods coming into our country that I am convinced violates the antidumping laws of this country, undercutting our producers and undercutting our farmers. Yet, nothing is done about it.

We are not winning in world trade. First of all, I think we are losing because our trade agreements have been negotiated largely as foreign policy instruments. Secondly, the trade agreements that do exist, which could be beneficial to this country, are not enforced. You can point to trade agreement after trade agreement with Japan, for example, and discover that no matter what the agreement is, it is not complied with by the Japanese and not enforced by the United States.

The reason I take the time to mention this today is that we face very significant trade problems in this country. We have a daunting, growing trade deficit which has contributed now in the aggregate to about $2 trillion in our current accounts deficit. This deficit will be and must be repaid at some point in the future with a lower standard of living in this country.

This is the other deficit. We have spent many months and many years talking about the budget deficit, and have wrestled that budget deficit to the ground. But this other deficit, the trade deficit, is growing. Nobody seems to care about that.

The request comes now to Congress for fast track from the President saying: Let us go out and negotiate new trade agreements. I say let's solve the trade problems that exist from the old trade agreements before we rush off to make new trade agreements.

In recent years, we made a free trade agreement with Canada. What happened? A flood of Canadian grain has come down our back door, undercutting our farmers. This is costing North Dakota alone, according to a recent North Dakota State University study, $220 million a year in lost revenue. This grain is coming from a state trading enterprise in Canada that would be illegal in this country.

We had a trade agreement with Mexico. Prior to that, we had a $2 billion trade surplus with Mexico. Now it is apparently a $16 billion trade deficit with Mexico. We now import more automobiles from Mexico to the United States than we export to all of the rest of the world. A recent study by the Economic Policy Institute says that we have lost 395,000 jobs in America as a result of the trade agreement with Mexico and Canada called NAFTA. This trade of ours is not moving in the right direction. It is moving in the wrong direction.

We should have a debate about trade policy, but it ought not be a debate that is tried to be fit into a narrow crevasse at the end of this session. I will bet as I stand here today that we will see the majority leader come to the floor in the days ahead trying to restrict amendments, limit amendments and debate, and shortchange the American people on the opportunity to have a full, thorough, and thoughtful debate about this country's trade policy. Just as sure as I am standing here, I know in a matter of 1, 2, 3, or 4 days, we will hear them on the floor saying, "We don't want amendments. We can't have you taking up that much time."

In fact, when the fast-track trade authority bill was passed out of the Senate Finance Committee, I am told it was done in 2 minutes. No amendments. Just minutes, no amendments, no debate. That is not the way this body ought to deal with the important subject of international trade. This is a critically important question to the economic health of this country. It is a question of who will have the jobs in the future, which economies will grow in the future, and who will have opportunity in the years ahead?

I hope that, as we head toward next week and begin discussing this, we can prevail upon the majority leader and others to understand that this must be a full debate. I have plenty of amendments I want to offer. I know other colleagues have some, and I expect and hope we will have that opportunity in the coming week.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. DORGAN. I will be happy to yield.

Mr. BYRD. The Senator has indicated that the administration wants to go out and negotiate additional agreements. What is to keep them from it? They have that authority now. They can go out and negotiate. They are negotiating now. There is nothing here that anybody is doing to keep the administration from negotiating additional agreements, is there?

Mr. DORGAN. The Senator is absolutely correct. This administration says they have negotiated nearly 200 trade agreements in the last 5 years—200 of them. Well, why didn't they need fast track to do that? Because those agreements were mostly bilateral trade agreements in which they weren't trying to change underlying U.S. law. Fast track gives them the opportunity to go out someplace with some negotiators and close the door, have a negotiation outside the purview of the public and propose changing underlying U.S. law. Then fast track says when you come back here to the U.S. Senate, nobody, no Member of this body, has an opportunity to have a voice in changing that agreement that was made behind closed doors.

Mr. BYRD. So the fast track has to do with the operations here within the Senate and the House.

Mr. DORGAN. The Senator is absolutely correct about that.

Mr. BYRD. The administration has the authority right now to negotiate additional agreements and is negotiating additional agreements.

Mr. DORGAN. That's correct. The administration talks about an agreement with Chile. Go negotiate an agreement with Chile. Get an airplane ticket for 1 o'clock. You can do that. Nothing prevents a negotiation on trade with Chile—not this fast-track authority or lack of it. You can negotiate a trade agreement with Chile if you want to.

But, if you want to change underlying law, you have to bring it back to the Congress and get the permission of Congress to do that. The Senator makes an important point. There is nothing that prevents trade negotiations from occurring without fast-track authority. In fact, the administration says it has now completed over 200 trade agreements in the last 5 years.

Mr. BYRD. The fast track means that the Senate and the House are supposed to bind and gag themselves and not talk and not offer amendments, is that correct?

Mr. DORGAN. That is the procedure. That is correct.

Mr. BYRD. No amendments in this body. That is not what the Constitution says. The Constitution says that the Senate may offer amendments to revenue bills, as on other bills, as on other legislation. So that is where the fast track comes in.

Do we want to bind and gag ourselves and not be able to speak for our constituents and speak for our country? Do we want to illuminate the listening public as to what is really going on here? Is that what we are talking about? Fast track means we will hear nothing, say nothing, see nothing, right? We will offer no amendments. We can't do that on behalf of our constituents in the next 5 years; is that right? Am I right?

Mr. DORGAN. Yes, the Senator is exactly right. Fast-track authority means that the Congress says to a President, you negotiate a trade treaty or agreement, bring it back to the Congress, and we agree to restrict ourselves to be unable to offer any changes or any amendments of any kind. That is what the Congress is doing.

Mr. BYRD. Right.

Mr. DORGAN. To give you an example of that, they negotiated a trade agreement with Canada under fast track. I was then serving in the other body on the House Ways and Means Committee, which has 35 votes. They brought that trade agreement to the Ways and Means Committee. The vote was 34–1 to approve it. I was the only one to vote to disapprove it. We weren't able to offer any amendments. It went to the floor of the House, and I led the opposition to it. I lost by 20 or 30 votes. No amendments.

Now, what happened in the last 4 or 5 years with Canada? The deficit has doubled. We have a flood of this unfairly subsidized grain coming in, undercutting our producers. Everybody understands it is unfair trade, and you can't do a thing about it. We have folks that crow about it from time to time, but they don't lift a finger to do anything about it.

That is what is wrong with these kinds of procedures. We should have been able to amend that treaty to make sure that if a trade agreement with Canada is contemplated, we have the ability to solve a problem if a problem exists. But they have pulled all the teeth now, so there are no teeth in this ability to reconcile and deal with problems. Now we have these trade agreements where the deficits keep ratcheting up. We have unfair competition for our producers, and jobs are leaving our country. As I said 395,000 jobs left our country to Mexico and Canada. It doesn't make any sense for us to tie our hands in this way.

Mr. BYRD. In a manner, this is just a continuation of the siphoning off of the legislative powers, as we saw in the Line-Item Veto Act. It was siphoned away. As a matter of fact, we just gave legislative power to the President. Aside from that subject, that is what is being done here. We are being asked to give up the people's power under the Constitution to legislate, to amend, and to debate. In other words, we are just to buy a pig in a poke and are not even supposed to look inside the poke —just rubberstamp whatever the administration sends up here.

Mr. DORGAN. But we know there is a pig in the poke.

Mr. BYRD. There is something in the poke; I am not sure what is in the poke. But I am not willing to bind and gag myself. I will be forced to do that, of course; they will do that, but we will be kicking and screaming.

This administration wants more and more power, and other administrations have been the same. They have all been the same in wanting this fast track. But I compliment the Senator. I salute him for leading this fight. I am opposed to fast track, and I will be there when the roll is called. I thank the Senator.

I ask unanimous consent that the time I have taken of the Senator's 10 minutes not be charged against the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, the Senator from West Virginia has long been concerned and interested in international trade. I very much value and appreciate his support. It is not the case that the Senator from West Virginia, myself, and others, who believe that fast track is inappropriate and our trade strategy has not worked believe we should put walls around our country or restrict international trade. I think we ought to expand it.

I say this to those folks who talk about fast track: If you want to be fast about something, do something fast, put on your Speedo trunks and do something quickly, and start to quickly solve the trade problems we have. I can cite a dozen of them that undercut American jobs and American producers, workers, and farmers. If you want to be fast about something, let's be fast about starting to solve a few of these problems.

Just demonstrate that you can solve one; it doesn't have to be all of them. Demonstrate that this country has the nerve and will to stand up and say to other countries: If our market is open to you, then your market has to be open to us. We pledge to you that we will be involved in fair trade with you. We demand and insist that you be involved with fair trade practices with us. If not, this country has the will and the nerve to take action.

That is all I ask. If you want to be fast, don't come around here with fast track, come around with fast action to solve trade problems. Show me that you can solve one of them just once. Then let's talk about trade once again.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

(The remarks of Mr. DORGAN pertaining to the introduction of S. 1357 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

RESTRUCTURING THE INTERNAL REVENUE SERVICE

Mr. KERREY. Mr. President, I was very encouraged to read in this morning's newspaper the majority leader's comments about the agenda for the rest of the session. An agreement has been reached on bringing up campaign finance reform next year.

On the list of things that the majority leader had was taking action to restructure the Internal Revenue Service. It was a very controversial debate over one proposal that Congressman PORTMAN, Senator GRASSLEY, Congressman CARDIN, and I introduced a couple of months ago dealing with a proposed public board of directors. A lot of attention was paid to that. Unfortunately, in the process of paying attention to that, we lost sight and a lot of people lost sight of some of the other things that we are going to legislate on that are terribly important.

I was pleased to see, since the House has passed it, that the majority leader indicated that is one of the things he is going to try to get done sometime during the rest of the year. There is broad consensus on some of the things which we know will improve the operational efficiency of the Internal Revenue Service.

Chairman ROTH's Finance Committee had 3 days of hearings on a separate set of issues dealing with privacy, dealing with the power of the Internal Revenue Service to demand action on the part of taxpayers.

These are very important issues, and the chairman has indicated his desire to take up next year the consideration of those issues. I have great respect for Chairman ROTH and his desire to bring attention to the Internal Revenue Service. His intent and his sincerity lead to, I believe, the citizens of the United States seeing that change is needed. However, I believe action is needed yet this year in order to give the new IRS Commissioner, Mr. Rossotti, the authority he needs to be able to manage this agency.

One of the things we found in our restructuring commission when we began in 1995 was that the General Accounting Office disclosed that nearly $4 billion worth of modernization and purchase of computers and software had not produced the desired result and had essentially been wasted. We began our effort in 1995. We held hearings in 1996 and 1997—12 public hearings, thousands of interviews with current employees and taxpayers and professionals that help and assist taxpayers.

We reached our decision in our restructuring commission that the current law was unacceptable, that it would not allow us to go from where we are today to where citizens need to have us go.

Today, 85 percent of Americans voluntarily comply with the Tax Code. That is down from 95 percent 30 years ago. The real test is what does the taxpaying citizen think of the existing system? Their confidence is deteriorating rapidly, and it is deteriorating as a consequence of the law. The law makes it impossible for the Commissioner to manage that agency the way we all want the Commissioner to be able to manage the agency.

We proposed legislation. The legislation has now been passed by the House and has the full support of the President. The President is now calling upon us to take action. As I said, I am hopeful that the majority leader's comments in this morning's paper are an indication that there is still a chance that we can get this done.

We found in our commission deliberations a number of problems that are addressed in this legislation.

First, as I said, the Commissioner can't manage the agency. He can't make decisions to fire. He can't make decisions to reward based upon performance. He can't make decisions to reorganize. He can't make decisions to run the Agency. The law doesn't allow it. You can get whoever you want to come in—and I think the President has found an exceptional individual from the private sector who understands technology and who understands how to manage an organization—but the law does not give Mr. Rossotti the authority that Mr. Rossotti is going to need to manage the Agency.

We also found that there is inconsistent oversight both from the executive branch and from the legislative branch. So we propose not only a public board of citizens that would have responsibility for developing a strategic plan, but we also propose to create twice a year a joint hearing of appropriations and authorizers and government operations people to give not just the oversight but give us an opportunity to achieve consensus on what the strategic plan is going to be. Twice a year that would be required in order to achieve consensus and, most importantly, achieve consensus for the purpose of being able to make the right investments in technology, being able to sustain the effort over a period of time to do the improvement of operations that are necessary.

It is very difficult to operate the IRS with 200 million tax returns a year. We are heading into the filing season right now. It is an unimaginable problem to try to manage this Agency and satisfy all of the various demands and answer all of the various questions that taxpaying customers have as well as being able to go out and enforce the law against a relatively small percentage of people who are not willing to voluntarily comply with the law; not to mention as well the difficult challenge of adjusting the software and rewriting software for the millennium problem that needs to be solved in the next 18 months in order to be prepared on December 1, 1999, for what will occur, which is the computers will no longer recognize 99 as being 1999—a very big problem for a small agency, and an enormous problem for an agency like the IRS that will be in the middle of a filing season, if their computers go down and they are unable to recognize that number.

So there is an urgency to get this law changed so that this Commissioner can have the authority to manage, the authority that is needed so the Commissioner has the kind of oversight that is needed, and in order to have any chance at all of being able to manage this Agency, to reduce the current problems and avoid future problems as well.

The legislation provides incentives for electronic filing. We found in our examination of the Internal Revenue Service that there was a 25-percent rate of error in the paperwork. In electronic filing the rate of error was less than 1 percent. Errors mean dollars both to the filers as well as the organization that is being operated. There is a tremendous opportunity for saving money both from standpoint of the taxpayer in what it costs to comply with the code as well as the taxpayer from the standpoint of operating the IRS.

We believe, and everybody who has looked at it believes, that electronic filing is a tremendous way to save money and satisfy the demand of the customer to close this breathtaking gap that currently exists between what a private sector financial service agency can do and what the IRS can do. All of us understand what an ATM card is. All of us have seen what the private sector has done to reduce the amount of time needed to do a transaction with a financial institution. The IRS has been unable to keep pace with what the private sector is doing, and we think that electronic filing is not only likely to save money but will also increase people's confidence that the IRS is closing the gap between what the private sector is able to do and what they are able to do.

We have a section in there on taxpayer rights. We do not address the so-called 6103, the privacy issues, that Chairman ROTH and Senator MOYNIHAN did with the Finance Committee, but there are a number of things where we are absolutely certain that, if we make some changes, the taxpayer will have increased authority. We give the taxpayer advocate more independence, moving them outside the IRS; it is very difficult to imagine that person doing the job they need to do if, after they criticize the IRS, they then depend on the IRS personnel system in order to be advanced.

We make some additional changes on the burden of proof. We think having modified it slightly does not produce a situation that will result in a deterioration of our ability to get voluntary compliance or impose a burden upon individuals who are willing to comply in a voluntary fashion.

We provide as well, Mr. President, some changes that will I think address the problem of a complex Code, not by reforming the Tax Code but by putting the Commissioner at the table and giving the Commissioner the authority to comment either on proposals made by the President or by the Congress as to the cost of compliance and putting in a complexity index that would give us some kind of idea of cost anytime we have some new change we want to make.

Over and over and over we heard from witnesses coming before the Commission who said to us almost nothing is going to work if Congress continues to make the Code complex. If we continue to add provisions that add to the already estimated $200 billion that the private sector taxpayer pays in order to complete their forms, if we continue to make the Tax Code more and more complicated, it is going to be very difficult to manage the Agency for the purpose of reducing the customer dissatisfaction and increasing the voluntary compliance with the system.

Mr. President, I am very encouraged, and I hope we are able, in fact—there is now 13 of the 20 members of the Finance Committee who are supportive of this legislation. My guess is it will pass the Senate with a very large number. I have heard very few people raise objections now that we have reached agreement with the administration. I have heard very few people say this legislation would not help an awful lot. There will be 200 or more collections notices a day going out between now and the time that we act, 800,000 notices of either audits or other kinds of requirements sent to the taxpayers every single month. There is an urgency to act on this.

Are there other things that need to be done? The answer is yes. Will it solve every problem? The answer is no. But it will give the Commission the tools the Commissioner needs to manage the agency. It will change the oversight and make it possible for us to get shared and agreed consensus on where it is we are going to go. It will give the taxpayer more authority and more power than they currently have. And it will enable us to assess whether or not some new tax idea that we have is going to cost us more to implement than we are going to generate in revenue as a result of the change in the Code.

So I am very encouraged by the majority leader's comments in the paper this morning, and I am hopeful in that bipartisan way, in a big bipartisan way we can pass in the Senate, conference with the House, and send to the President for his signature a change in the law that would give taxpaying citizens increased confidence not only that they are going to get a fair shake but that Government of, for, and by the people works.

Mr. President, I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FRIST). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SMALL BUSINESS PROGRAMS REAUTHORIZATION AND AMENDMENTS ACT OF 1997

Mr. BOND. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on (S. 1139) to authorize the programs of the Small Business Administration, and for other purposes.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1139) entitled "An Act to reauthorize the programs of the Small Business Administration, and for other purposes.", do pass with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Small Business Programs Reauthorization and Amendments Acts of 1997".

(b) TABLE OF CONTENTS.—

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TITLE I—AUTHORIZATIONS

SEC. 101. AUTHORIZATIONS.

Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended by striking subsections (l) through (q) and inserting the following:

"(l) The following program levels are authorized for fiscal year 1998:

"(1) For the programs authorized by this Act, the Administration is authorized to make—

"(A) $40,000,000 in technical assistance grants, as provided in section 7(m); and

"(B) $60,000,000 in loans, as provided in section 7(m).

"(2) For the programs authorized by this Act, the Administration is authorized to make $15,040,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

"(A) $11,000,000,000 in general business loans as provided in section 7(a);

"(B) $3,000,000,000 in financings as provided in section 7(a)(13) of this Act and section 504 of the Small Business Investment Act of 1958;

"(C) $1,000,000,000 in loans as provided in section 7(a)(21); and

"(D) $40,000,000 in loans as provided in section 7(m).

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

"(A) $600,000,000 in purchases of participating securities; and

"(B) $500,000,000 in guarantees of debentures.

"(4) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $2,000,000,000, of which not more than $650,000,000 may be in bonds approved pursuant to section 411(a)(3) of that Act.

"(5) The Administration is authorized to make grants or enter into cooperative agreements—

"(A) for the Service Corps of Retired Executives program authorized by section 8(b)(1), $4,000,000; and

"(B) for activities of small business development centers pursuant to section 21(c)(3)(G), $15,000,000, to remain available until expended.

"(m)(1) There are authorized to be appropriated to the Administration for fiscal year 1998 such sums as may be necessary to carry out this Act, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b), and to carry out the Small Business Investment Act of 1958, including salaries and expenses of the Administration.

"(2) Notwithstanding paragraph (1), for fiscal year 1998—

"(A) no funds are authorized to be provided to carry out the loan program authorized by section 7(a)(21) except by transfer from another Federal department or agency to the Administration, unless the program level authorized for general business loans under subsection (l)(2)(A) is fully funded; and

"(B) the Administration may not approve loans on behalf of the Administration or on behalf of any other department or agency, by contract or otherwise, under terms and conditions other than those specifically authorized under this Act or the Small Business Investment Act of 1958, except that it may approve loans under section 7(a)(21) of this Act in gross amounts of not more than $1,250,000.

"(n) The following program levels are authorized for fiscal year 1999:

"(1) For the programs authorized by this Act, the Administration is authorized to make—

"(A) $60,000,000 in technical assistance grants as provided in section 7(m); and

"(B) $60,000,000 in loans, as provided in section 7(m).

"(2) For the programs authorized by this Act, the Administration is authorized to make $16,540,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

"(A) $12,000,000,000 in general business loans as provided in section 7(a);

"(B) $3,500,000,000 in financings as provided in section 7(a)(13) of this Act and section 504 of the Small Business Investment Act of 1958;

"(C) $1,000,000,000 in loans as provided in section 7(a)(21); and

"(D) $40,000,000 in loans as provided in section 7(m).

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

"(A) $700,000,000 in purchases of participating securities; and

"(B) $650,000,000 in guarantees of debentures.

"(4) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $2,000,000,000, of which not more than $650,000,000 may be in bonds approved pursuant to section 411(a)(3) of that Act.

"(5) The Administration is authorized to make grants or enter cooperative agreements—

"(A) for the Service Corps of Retired Executives program authorized by section 8(b)(1), $4,500,000; and

"(B) for activities of small business development centers pursuant to section 21(c)(3)(G), not to exceed $15,000,000, to remain available until expended.

"(o)(1) There are authorized to be appropriated to the Administration for fiscal year 1999 such sums as may be necessary to carry out this Act, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b), and to carry out the Small Business Investment Act of 1958, including salaries and expenses of the Administration.

"(2) Notwithstanding paragraph (1), for fiscal year 1999—

"(A) no funds are authorized to be provided to carry out the loan program authorized by section 7(a)(21) except by transfer from another Federal department or agency to the Administration, unless the program level authorized for general business loans under subsection (n)(2)(A) is fully funded; and

"(B) the Administration may not approve loans on behalf of the Administration or on behalf of any other department or agency, by contract or otherwise, under terms and conditions other than those specifically authorized under this Act or the Small Business Investment Act of 1958, except that it may approve loans under section 7(a)(21) of this Act in gross amounts of not more than $1,250,000.

"(p) The following program levels are authorized for fiscal year 2000:

"(1) For the programs authorized by this Act, the Administration is authorized to make—

"(A) $75,000,000 in technical assistance grants as provided in section 7(m); and

"(B) $60,000,000 in direct loans, as provided in section 7(m).

"(2) For the programs authorized by this Act, the Administration is authorized to make $19,040,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

"(A) $13,500,000,000 in general business loans as provided in section 7(a);

"(B) $4,500,000,000 in financings as provided in section 7(a)(13) of this Act and section 504 of the Small Business Investment Act of 1958;

"(C) $1,000,000,000 in loans as provided in section 7(a)(21); and

"(D) $40,000,000 in loans as provided in section 7(m).

"(3) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

"(A) $850,000,000 in purchases of participating securities; and

"(B) $700,000,000 in guarantees of debentures.

"(4) For the programs authorized by part B of title IV of the Small Business Investment Act of

1958, the Administration is authorized to enter into guarantees not to exceed $2,000,000,000, of which not more than $650,000,000 may be in bonds approved pursuant to the provisions of section 411(a)(3) of that Act.

"(5) The Administration is authorized to make grants or enter cooperative agreements—

"(A) for the Service Corps of Retired Executives program authorized by section 8(b)(1), $5,000,000; and

"(B) for activities of small business development centers pursuant to section 21(c)(3)(G), not to exceed $15,000,000, to remain available until expended.

"(q)(1) There are authorized to be appropriated to the Administration for fiscal year 2000 such sums as may be necessary to carry out this Act, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b), and to carry out the provisions of the Small Business Investment Act of 1958, including salaries and expenses of the Administration.

"(2) Notwithstanding paragraph (1), for fiscal year 2000—

"(A) no funds are authorized to be provided to carry out the loan program authorized by section 7(a)(21) except by transfer from another Federal department or agency to the Administration, unless the program level authorized for general business loans under subsection (p)(2)(A) is fully funded; and

"(B) the Administration may not approve loans on behalf of the Administration or on behalf of any other department or agency, by contract or otherwise, under terms and conditions other than those specifically authorized under this Act or the Small Business Investment Act of 1958, except that it may approve loans under section 7(a)(21) of this Act in gross amounts of not more than $1,250,000.".

TITLE II—FINANCIAL PROGRAMS

Subtitle A—General Business Loans

SEC. 201. SECURITIZATION REGULATIONS.

The Administrator shall promulgate final regulations permitting bank and non-bank lenders to sell or securitize the non-guaranteed portion of loans made under section 7(a) of the Small Business Act (15 U.S.C. 636(a)). Such regulations shall be issued within 90 days of the date of enactment of this Act, and shall allow securitizations to proceed as regularly as is possible within the bounds of prudent and sound financial management practice.

SEC. 202. BACKGROUND CHECK OF LOAN APPLICANTS.

Section 7(a)(1) of the Small Business Act (15 U.S.C. 636(a)(1)) is amended by striking "(1)" and inserting the following:

"(1)(A) CREDIT ELSEWHERE.—", and by adding the following new paragraph at the end:

"(B) BACKGROUND CHECKS.—Prior to the approval of any loan made pursuant to this subsection, or section 503 of the Small Business Investment Act, the Administrator shall verify the applicant's criminal background, or lack thereof, through the best available means, including, if possible, use of the National Crime Information Center computer system at the Federal Bureau of Investigation.".

SEC. 203. REPORT ON INCREASED LENDER APPROVAL, SERVICING, FORECLOSURE, LIQUIDATION, AND LITIGATION OF 7(a) LOANS.

(a) Within six months of the date of enactment of this act the Administrator shall report on action taken and planned for future reliance on private sector lender resources to originate, approve, close, service, liquidate, foreclose, and litigate loans made under Section 7(a) of the Small Business Act. The report should address administrative and other steps necessary to achieve these results, including—

(1) streamlining the process for approving lenders and standardizing requirements;

(2) establishing uniform reporting requirements using on-line automated capabilities to the maximum extent feasible;

(3) reducing paperwork through automation, simplified forms or incorporation of lender's forms;

(4) providing uniform standards for approval, closing, servicing, foreclosure, and liquidation;

(5) promulgating new regulations or amending existing ones;

(6) establishing a timetable for implementing the plan for reliance on private sector lenders;

(7) implementing organizational changes at SBA; and

(8) estimating the annual savings that would occur as a result of implementation.

(b) In preparing the report the Administrator shall seek the views and consult with, among others, 7(a) borrowers and lenders, small businesses who are potential program participants, financial institutions who are potential program lenders, and representative industry associations, such as the U. S. Chamber of Commerce, the American Bankers Association, the National Association of Government Guaranteed Lenders and the Independent Bankers Association of America.

SEC. 204. COMPLETION OF PLANNING FOR LOAN MONITORING SYSTEM.

(a) The Administrator shall perform and complete the planning needed to serve as the basis for funding the development and implementation of computerized loan monitoring system, including—

(1) fully defining the system requirement using on-line, automated capabilities to the extent feasible;

(2) identifying all data inputs and outputs necessary for timely report generation;

(3) benchmark loan monitoring business processes and systems against comparable industry processes and, if appropriate, simplify or redefine work processes based on these benchmarks;

(4) determine data quality standards and control systems for ensuring information accuracy;

(5) identify an acquisition strategy and work increments to completion;

(6) analyze the benefits and costs of alternatives and use to demonstrate the advantage of the final project;

(7) ensure that the proposed information system is consistent with the agency's information architecture; and

(8) estimate the cost to system completion, identifying the essential cost element.

(b) Six months from the date of enactment of this Act, the Administrator shall report to the House and Senate Committees on Small Business pursuant to the requirements of subsection (a), and shall also submit a copy of the report to the General Accounting Office, which shall evaluate the report for compliance with subsection (a) and shall submit such evaluation to both Committees no later than 28 days after receipt of the report from the Small Business Administration. None of the funds provided for the purchase of the loan monitoring system may be expended until the requirements of this section have been satisfied.

Subtitle B—Certified Development Company Program

SEC. 221. REAUTHORIZATION OF FEES.

Section 503 of the Small Business Investment Act of 1958 (15 U.S.C. 697) is amended—

(1) by striking subsection (b)(7)(A) and inserting the following:

"(A) assesses and collects a fee, which shall be payable by the borrower, in an amount equal to 0.9375 percent per year of the outstanding balance of the loan; and";

(2) by striking from subsection (d)(2) "equal to 50 basis points" and inserting "equal to not more than 50 basis points,";

(3) by adding the following at the end of subsection (d)(2): "The amount of the fee authorized herein shall be established annually by the Administration in the minimal amount necessary to reduce the cost (as that term is defined in section 502 of the Federal Credit Reform Act of 1990) to the Administration of purchasing and guaranteeing debentures under this Act to zero."; and

(4) by striking from subsection (f) "1997" and inserting "2000".

SEC. 222. PCLP PARTICIPATION.

Section 508(a) of the Small Business Investment Act of 1958 (15 U.S.C. 697e(a)) is amended by striking "not more than 15".

SEC. 223. PCLP ELIGIBILITY.

Section 508(b)(2) of the Small Business Investment Act of 1958 (15 U.S.C. 697e(b)(2)) is amended by striking paragraphs (A) and (B) and inserting:

"(A) is an active certified development company in good standing and has been an active participant in the accredited lenders program during the entire 12-month period preceding the date on which the company submits an application under paragraph (1), except that the Administration may waive this requirement if the company is qualified to participate in the accredited lenders program;

"(B) has a history (i) of submitting to the Administration adequately analyzed debenture guarantee application packages and (ii) of properly closing section 504 loans and servicing its loan portfolio; and".

SEC. 224. LOSS RESERVES.

Section 508(c) of the Small Business Investment Act of 1958 (15 U.S.C. 697e(c)) is amended to read as follows:

"(c) LOSS RESERVE.—

"(1) ESTABLISHMENT.—A company designated as a premier certified lender shall establish a loss reserve for financing approved pursuant to this section.

"(2) AMOUNT.—The amount of the loss reserve shall be equal to 10 percent of the amount of the company's exposure as determined under subsection (b)(2)(C).

"(3) ASSETS.—The loss reserve shall be comprised of any combination of the following types of assets:

"(A) segregated funds on deposit in an account or accounts with a federally insured depository institution or institutions selected by the company, subject to a collateral assignment in favor of, and in a format acceptable to, the Administration; or

"(B) irrevocable letter or letters of credit, with a collateral assignment in favor of, and a commercially reasonable format acceptable to, the Administration.

"(4) CONTRIBUTIONS.—The company shall make contributions to the loss reserve, either cash or letters of credit as provided above, in the following amounts and at the following intervals:

"(A) 50 percent when a debenture is closed;

"(B) 25 percent additional not later than 1 year after a debenture is closed; and

"(C) 25 percent additional not later than 2 years after a debenture is closed.

"(5) REPLENISHMENT.—If a loss has been sustained by the Administration, any portion of the loss reserve, and other funds provided by the premier company as necessary, may be used to reimburse the Administration for the company's 10 percent share of the loss as provided in subsection (b)(2)(C). If the company utilizes the reserve, within 30 days it shall replace an equivalent amount of funds.

"(6) DISBURSEMENTS.—The Administration shall allow the certified development company to withdraw from the loss reserve amounts attributable to any debenture which has been repaid.".

SEC. 225. GOALS.

Section 508 of the Small Business Investment Act of 1958 (15 U.S.C. 697e) is amended by inserting the following after subsection (d) and by *redesignating subsections (e) through (i) as (f) through (j):*

"(e) PROGRAM GOALS.—Certified development companies participating in this program shall establish a goal of processing 50 percent of their loan applications for section 504 assistance pursuant to the premier certified lender program authorized in this section.".

SEC. 226. TECHNICAL AMENDMENTS.

Section 508(g) of the Small Business Investment Act of 1958 (15 U.S.C. 697(g)) is amended—

(1) in subsection (g), as redesignated herein, is amended by striking "State or local" and inserting "certified";

(2) in subsection (h), as redesignated herein—

(A) by striking "EFFECT OF SUSPENSION OR DESIGNATION" and inserting "EFFECT OF SUSPENSION OR REVOCATION"; and

(B) by striking "under subsection (f)" and inserting "under subsection (g)".

SEC. 227. PROMULGATION OF REGULATIONS.

Section 508(i) of the Small Business Investment Act of 1958 (15 U.S.C. 697e(i)), as redesignated herein, is amended to read as follows:

"(i) REGULATIONS.—Not later than 90 days after the date of enactment of this section, the Administration shall promulgate regulations to carry out this section. Not later than 120 days after the date of enactment, the Administration shall issue program guidelines and implement the changes made herein.".

SEC. 228. TECHNICAL AMENDMENT.

Section 508(j) of the Small Business Investment Act of 1958 (15 U.S.C. 697e(j)), as redesignated herein, is amended by striking "other lenders" and inserting "other lenders, specifically comparing default rates and recovery rates on liquidations".

SEC. 229. REPEAL.

Section 217(b) of Public Law 103–403 (108 Stat. 4185) is repealed.

SEC. 230. LOAN SERVICING AND LIQUIDATION.

Section 508(d)(1) of the Small Business Investment Act of 1958 (15 U.S.C. 697e(d)) is amended by striking "to approve loans" and inserting "to approve, authorize, close, service, foreclose, litigate, and liquidate loans".

SEC. 231. USE OF PROCEEDS.

Section 502(1) of the Small Business Investment Act of 1958 (15 U.S.C. 696(1)) is amended to read as follows:

"(1) The proceeds of any such loan shall be used solely by such borrower or borrowers to assist an identifiable small-business or businesses and for a sound business purpose approved by the Administration.".

SEC. 232. LEASE OF PROPERTY.

Section 502 of the Small Business Investment Act of 1958 (15 U.S.C. 696) is amended by adding the following new subsection:

"(5) Not to exceed 25 percent of any project may be permanently leased by the assisted small business: Provided, That the assisted small business shall be required to occupy and use not less than 55 percent of the space in the project after the execution of any leases authorized in this section.".

SEC. 233. SELLER FINANCING AND COLLATERALIZATION.

Section 502(3) of the Small Business Investment Act of 1958 (15 U.S.C. 696(3)) is amended by inserting the following new subparagraphs:

"(D) SELLER FINANCING.—Seller provided financing may be used to meet the requirements of—

"(i) paragraph (B), if the seller subordinates his interest in the property to the debenture guaranteed by the Administration; and

"(ii) not to exceed 50 percent of the amounts required by paragraph (C).

"(E) COLLATERALIZATION.—The collateral provided by the small business concern generally shall include a subordinate lien position on the property being financed under this title, and is only one of the factors to be evaluated in the credit determination. Additional collateral shall be required only if the Administration determines, on a case by case basis, that additional security is necessary to protect the interest of the Government.".

SEC. 234. PREEXISTING CONDITIONS.

Section 502 of the Small Business Investment Act of 1958 (15 U.S.C. 696) is amended by adding the following new paragraph:

"(6) Any loan authorized under this section shall not be denied or delayed for approval by the Administration due to concerns over preexisting environmental conditions: Provided, That the development company provides the Administration a letter issued by the appropriate State or Federal environmental protection agency specifically stating that the environmental agency will not institute any legal proceedings against the borrower or, in the event of a default, the development company or the Administration based on the preexisting environmental conditions: Provided further, That the borrower shall agree to provide environmental agencies access to the property for any reasonable and necessary remediation efforts or inspections.".

Subtitle C—Small Business Investment Company Program

SEC. 241. 5-YEAR COMMITMENTS.

Section 20(a)(2) of the Small Business Act (15 U.S.C. 631 note) is amended in the last sentence by striking "the following fiscal year" and inserting "any one or more of the 4 subsequent fiscal years".

SEC. 242. PROGRAM REFORM.

(a) TAX DISTRIBUTIONS.—Section 303(g)(8) of the Small Business Investment Act of 1958 (15 U.S.C. 683(g)(8)) is amended in the first sentence—

(1) by inserting ", for each calendar quarter or once annually, as the company may elect," after "the company may"; and

(2) by inserting "for the preceding quarter or year" before the period.

(b) LEVERAGE FEE.—Section 303(i) of the Small Business Investment Act of 1958 (15 U.S.C. 683(i)) is amended by striking ", payable upon" and all that follows before the period and inserting the following: "in the following manner: 1 percent upon the date on which the Administration enters into any commitment for such leverage with the licensee, and the balance of 2 percent (or 3 percent in which case in which no commitment has been entered into by the Administration) on the date on which the leverage is drawn by the licensee".

(c) PERIODIC ISSUANCE OF GUARANTEES AND TRUST CERTIFICATES.—Section 320 of the Small Business Investment Act of 1958 (15 U.S.C. 687m) is amended by striking "three months" and inserting "6 months".

(d) INDEXING FOR LEVERAGE.—Section 303 of the Small Business Investment Act of 1958 (15 U.S.C. 683) is amended—

(1) in subsection (b)—

(A) in paragraph (2), by adding at the end the following:

"(D)(i) The dollar amounts in subparagraphs (A), (B), and (C) shall be adjusted annually to reflect increases in the Consumer Price Index established by the Bureau of Labor Statistics of the Department of Labor.

"(ii) The initial adjustments made under this subparagraph after the date of enactment of the Small Business Reauthorization Act of 1997 shall reflect only increases from March 31, 1993."; and

(B) by striking paragraph (4) and inserting the following:

"(4) MAXIMUM AGGREGATE AMOUNT OF LEVERAGE.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the aggregate amount of outstanding leverage issued to any company or companies that are commonly controlled (as determined by the Administrator) may not exceed $90,000,000, as adjusted annually for increases in the Consumer Price Index.

"(B) EXCEPTIONS.—The Administrator may, on a case-by-case basis—

"(i) approve an amount of leverage that exceeds the amount described in subparagraph (A) for companies under common control; and

"(ii) impose such additional terms and conditions as the Administrator determines to be appropriate to minimize the risk of loss to the Administration in the event of default.

"(C) APPLICABILITY OF OTHER PROVISIONS.—Any leverage that is issued to a company or companies commonly controlled in an amount that exceeds $90,000,000, whether as a result of an increase in the Consumer Price Index or a decision of the Administrator, is subject to subsection (d)."; and

(2) by striking subsection (d) and inserting the following:

"(d) REQUIRED CERTIFICATIONS.—

"(1) IN GENERAL.—The Administrator shall require each licensee, as a condition of approval of an application for leverage, to certify in writing—

"(A) for licensees with leverage less than or equal to $90,000,000, that not less than 20 percent of the licensee's aggregate dollar amount of financings will be provided to smaller enterprises; and

"(B) for licensees with leverage in excess of $90,000,000, that, in addition to satisfying the requirements of subparagraph (A), 100 percent of the licensee's aggregate dollar amount of financings made in whole or in part with leverage in excess of $90,000,000 will be provided to smaller enterprises as defined in section 103(12).

"(2) MULTIPLE LICENSEES.—Multiple licensees under common control (as determined by the Administrator) shall be considered to be a single licensee for purposes of determining both the applicability of and compliance with the investment percentage requirements of this subsection.".

SEC. 243. FEES.

Section 301 of the Small Business Investment Act of 1958 (15 U.S.C. 681) is amended by adding the following:

"(d) FEES.—

"(1) IN GENERAL.—The Administration may prescribe fees to be paid by each applicant for a license to operate as a small business investment company under this Act.

"(2) USE OF AMOUNTS.—Amounts collected pursuant to this subsection shall be—

"(A) deposited in the account for salaries and expenses of the Administration; and

"(B) available without further appropriation solely to cover contracting and other administrative costs related to licensing.".

SEC. 244. EXAMINATION FEES.

Section 310(b) of the Small Business Investment Act of 1958 (15 U.S.C. 687b(b)) is amended by inserting after the first sentence the following: "Fees collected under this subsection shall be deposited in the account for salaries and expenses of the Administration, and are authorized to be appropriated solely to cover the costs of examinations and other program oversight activities.".

Subtitle D—Microloan Program

SEC. 251. MICROLOAN PROGRAM EXTENSION.

(a) LOAN LIMITS.—Section 7(m)(3)(C) of the Small Business Act (15 U.S.C. 636(m)(3)(C)) is amended by striking "$2,500,000" and inserting "$3,500,000".

(b) LOAN LOSS RESERVE FUND.—Section 7(m)(3)(D) of the Small Business Act (15 U.S.C. 636(m)(3)(D)) is amended by striking clauses (i) and (ii), and inserting the following:

"(i) during the initial 5 years of the intermediary's participation in the program under this subsection, at a level equal to not more than 15 percent of the outstanding balance of the notes receivable owed to the intermediary; and

"(ii) in each year of participation thereafter, at a level equal to not more than the greater of—

"(I) 2 times an amount reflecting the total losses of the intermediary as a result of participation in the program under this subsection, as determined by the Administrator on a case-by-case basis; or

"(II) 10 percent of the outstanding balance of the notes receivable owed to the intermediary.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended—

(1) in the subsection heading, by striking "DEMONSTRATION";

(2) by striking "Demonstration" each place that term appears;

(3) by striking "demonstration" each place that term appears; and

(4) in paragraph (12), by striking "during fiscal years 1995 through 1997" and inserting "during fiscal years 1998 through 2000".

SEC. 252. SUPPLEMENTAL MICROLOAN GRANTS.

Section 7(m)(4) of the Small Business Act (15 USC 636 (m)(4)) is amended by adding the following:

"(F)(i) The Administration may accept and disburse funds received from another Federal department or agency to provide additional assistance to individuals who are receiving assistance under the State program funded under part A of title IV of the Social Security Act (42 USC 601 et seq.), or under any comparable State-funded means-tested program of assistance for low-income individuals.

"(ii) Grant proceeds are in addition to other grants provided by this subsection and shall not require the contribution of matching amounts to be eligible. The grants may be used to pay or reimburse a portion of child care and transportation costs of individuals described in clause (i) and for marketing, management and technical assistance.

"(iii) Prior to accepting and distributing any such grants, the Administration shall enter a Memorandum of Understanding with the department or agency specifying the terms and conditions of the grants and providing appropriate monitoring of expenditures by the intermediary and ultimate grant recipient to insure compliance with the purpose of the grant.

"(iv) On January 31, 1999, and annually thereafter, the Administration shall submit to the Committees on Small Business of the House of Representatives and the Senate a report on any monies distributed pursuant to the provisions of this paragraph.

"(v) No funds are authorized to be provided to carry out the grant program authorized by this paragraph (F) except by transfer from another Federal department or agency to the Administration.".

TITLE III—WOMEN'S BUSINESS ENTERPRISES

SEC. 301. REPORTS.

Section 404 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended—

(1) by inserting ", through the Small Business Administration," after "transmit";

(2) by striking paragraph (1) and redesignating paragraphs (2) through (4) as paragraphs (1) through (3), respectively; and

(3) in paragraph (1), as redesignated, by inserting before the semicolon the following: ", including a status report on the progress of the Interagency Committee in meeting its responsibilities and duties under section 402(a)".

SEC. 302. COUNCIL DUTIES.

Section 406 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended—

(1) in subsection (c), by inserting after "Administrator" the following: "(through the Assistant Administrator for the Office of Women's Business Ownership)"; and

(2) in subsection (d)—

(A) in paragraph (4), by striking "and" at the end;

(B) in paragraph (5), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(6) submit to the President and to the Committee on Small Business of the Senate and the Committee on Small Business of the House of Representatives, an annual report containing—

"(A) a detailed description of the activities of the council, including a status report on the Council's progress toward meeting its duties outlined in subsections (a) and (d) of section 406;

"(B) the findings, conclusions, and recommendations of the Council; and

"(C) the Council's recommendations for such legislation and administrative actions as the Council considers appropriate to promote the development of small business concerns owned and controlled by women.

"(e) SUBMISSION OF REPORTS.—The annual report required by subsection (d) shall be submitted not later than 90 days after the end of each fiscal year.".

SEC. 303. COUNCIL MEMBERSHIP.

Section 407 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended—

(1) in subsection (a), by striking "and Amendments Act of 1994" and inserting "Act of 1997";

(2) in subsection (b)—

(A) by striking "and Amendments Act of 1994" and inserting "Act of 1997";

(B) by inserting after "the Administrator shall" the following: ", after receiving the recommendations of the Chair and the Ranking Member of the Minority of the Committees on Small Business of the House of Representatives and the Senate,";

(C) by striking "9" and inserting "14";

(D) in paragraph (1), by striking "2" and inserting "4";

(E) in paragraph (2)—

(i) by striking "2" and inserting "4"; and

(ii) by striking "and" at the end;

(F) in paragraph (3)—

(i) by striking "5" and inserting "6"; and

(ii) by striking "national".

SEC. 304. AUTHORIZATION OF APPROPRIATIONS.

Section 409 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended—

(1) by striking "1995 through 1997" and inserting "1998 through 2000"; and

(2) by striking "$350,000" and inserting "$600,000, of which $200,000 shall be for grants for research of women's procurement or finance issues.".

SEC. 305. WOMEN'S BUSINESS CENTERS.

(a) IN GENERAL.—Section 29 of the Small Business Act (15 U.S.C. 656) is amended to read as follows:

"SEC. 29. WOMEN'S BUSINESS CENTERS.

"(a) DEFINITION.—For the purposes of this section the term 'small business concern owned and controlled by women', either startup or existing, includes any small business concern—

"(1) that is not less than 51 percent owned by one or more women; and

"(2) the management and daily business operations of which are controlled by one or more women.

"(b) AUTHORITY.—The Administration may provide financial assistance to private organizations to conduct 5-year projects for the benefit of small business concerns owned and controlled by women. The projects shall provide—

"(1) financial assistance, including training and counseling in how to apply for and secure business credit and investment capital, preparing and presenting financial statements, and managing cash flow and other financial operations of a business concern;

"(2) management assistance, including training and counseling in how to plan, organize, staff, direct, and control each major activity and function of a small business concern; and

"(3) marketing assistance, including training and counseling in identifying and segmenting domestic and international market opportunities, preparing and executing marketing plans, developing pricing strategies, locating contract opportunities, negotiating contracts, and utilizing varying public relations and advertising techniques.

"(c) CONDITIONS OF PARTICIPATION.—

"(1) NON-FEDERAL CONTRIBUTIONS.—As a condition of receiving financial assistance authorized by this section, the recipient organization shall agree to obtain, after its application has been approved and notice of award has been issued, cash contributions from non-Federal sources as follows:

"(A) In the first and second years, 1 non-Federal dollar for each 2 Federal dollars.

"(B) In the third year, 1 non-Federal dollar for each Federal dollar.

"(C) In the fourth and fifth years, 2 non-Federal dollars for each Federal dollar.

"(2) FORM OF NON-FEDERAL CONTRIBUTIONS.—Not more than one-half of the non-Federal sector matching assistance may be in the form of in-kind contributions which are budget line items only, including but not limited to office equipment and office space.

"(3) FORM OF FEDERAL CONTRIBUTIONS.—The financial assistance authorized pursuant to this section may be made by grant, contract, or cooperative agreement and may contain such provision, as necessary, to provide for payments in lump sum or installments, and in advance or by way of reimbursement. The Administration may disburse up to 25 percent of each year's Federal share awarded to a recipient organization after notice of the award has been issued and before the non-Federal sector matching funds are obtained.

"(4) FAILURE TO OBTAIN PRIVATE FUNDING.—If any recipient of assistance fails to obtain the required non-Federal contribution during any project, it shall not be eligible thereafter for advance disbursements pursuant to paragraph (3) during the remainder of that project, or for any other project for which it is or may be funded by the Administration, and prior to approving assistance to such organization for any other projects, the Administration shall specifically determine whether the Administration believes that the recipient will be able to obtain the requisite non-Federal funding and enter a written finding setting forth the reasons for making such determination.

"(d) CONTRACT AUTHORITY.—A women's business center may enter into a contract with a Federal department or agency to provide specific assistance to women and other underserved small business concerns. Performance of such contract should not hinder the women's business centers in carrying out the terms of the grant received by the women's business centers from the Administration.

"(e) SUBMISSION OF 5-YEAR PLAN.—Each applicant organization initially shall submit a 5-year plan to the Administration on proposed fundraising and training activities, and a recipient organization may receive financial assistance under this program for a maximum of 5 years per women's business center.

"(f) Criteria.—The Administration shall evaluate and rank applicants in accordance with predetermined selection criteria that shall be stated in terms of relative importance. Such criteria and their relative importance shall be made publicly available and stated in each solicitation for applications made by the Administration. The criteria shall include—

"(1) the experience of the applicant in conducting programs or ongoing efforts designed to impart or upgrade the business skills of women business owners or potential owners;

"(2) the present ability of the applicant to commence a project within a minimum amount of time;

"(3) the ability of the applicant to provide training and services to a representative number of women who are both socially and economically disadvantaged; and

"(4) the location for the women's business center site proposed by the applicant.

"(g) Office of Women's Business Ownership.—There is established within the Administration an Office of Women's Business Ownership, which shall be responsible for the administration of the Administration's programs for the development of women's business enterprises (as that term is defined in section 408 of the Women's Business Ownership Act of 1988). The Office of Women's Business Ownership shall be administered by an Assistant Administrator, who shall be appointed by the Administrator.

"(h) Report.—The Administrator shall prepare and submit an annual report to the Committees on Small Business of the House of Representatives and the Senate on the effectiveness of all projects conducted under the authority of this section. Such report shall provide information concerning—

"(1) the number of individuals receiving assistance;

"(2) the number of startup business concerns formed;

"(3) the gross receipts of assisted concerns;

"(4) increases or decreases in profits of assisted concerns; and

"(5) the employment increases or decreases of assisted concerns.

"(i) Authorization of Appropriations.—There are authorized to be appropriated $8,000,000 per year to carry out the projects authorized by this section of which for fiscal year 1998 not more than 10 percent may be used for administrative expenses related to the program. Amounts appropriated pursuant to this subsection for fiscal year 1999 and later are to be used exclusively for grant awards and not for costs incurred by the Administration for the management and administration of the program. Notwithstanding any other provision of law, the Administration may use such expedited acquisition methods as it deems appropriate, through the Assistant Administrator of the Office of Women's Business Ownership, to achieve the purposes of this section, except that the Administration shall ensure that all small business sources are provided a reasonable opportunity to submit proposals.".

(b) Applicability.—Any organization conducting a 3-year project under section 29 of the Small Business Act (15 U.S.C. 656) on the day before the date of enactment of this Act, may extend the term of that project to a total term of 5 years and receive financial assistance in accordance with section 29(c) of the Small Business Act (as amended by this title) subject to procedures established by the Administrator in coordination with the Office of Women's Business Ownership established under section 29 of the Small Business Act (15 U.S.C. 656) (as amended by this title).

SEC. 306. OFFICE OF WOMEN'S BUSINESS OWNERSHIP.

Section 29 of the Small Business Act (15 U.S.C. 656) is amended by adding at the end the following:

"(j) Assistant Administrator for the Office of Women's Business Ownership.—

"(1) Establishment.—There is established the position of Assistant Administrator for the Office of Women's Business Ownership (hereafter in this section referred to as the 'Assistant Administrator') who shall serve without regard to the provisions of title 5, United States Code, governing appointments in the competitive service.

"(2) Responsibilities and duties.—

"(A) Responsibilities.—The responsibilities of the Assistant Administrator shall be to administer the programs and services of the Office of Women's Business Ownership established to assist women entrepreneurs in the areas of—

"(i) starting and operating a small business;

"(ii) development of management and technical skills;

"(iii) seeking Federal procurement opportunities; and

"(iv) increasing the opportunity for access to capital.

"(B) Duties.—Duties of the position of the Assistant Administrator shall include—

"(i) administering and managing the Women's Business Centers program;

"(ii) recommending the annual administrative and program budgets for the Office of Women's Business Ownership (including the budget for the Women's Business Centers);

"(iii) establishing appropriate funding levels therefore;

"(iv) reviewing the annual budgets submitted by each applicant for the Women's Business Center program;

"(v) selecting applicants to participate in this program;

"(vi) implementing this section;

"(vii) maintaining a clearinghouse to provide for the dissemination and exchange of information between Women's Business Centers;

"(viii) serving as the vice chairperson of the Interagency Committee on Women's Business Enterprise;

"(ix) serving as liaison for the National Women's Business Council; and

"(x) advising the Administrator on appointments to the Women's Business Council.

"(3) Consultation requirements.—In carrying out the responsibilities and duties described in this subsection, the Assistant Administrator shall confer with and seek the advice of the Administration officials in areas served by the Women's Business Centers.

"(k) Program Examination.—

"(1) In general.—Not later than 180 days after the date of enactment of this subsection, the Administration shall develop and implement an annual programmatic and financial examination of each Women's Business Center established pursuant to this section.

"(2) Extension of contracts.—In extending or renewing a contract with a Women's Business Center, the Administration shall consider the results of the examination conducted pursuant to paragraph (1).

"(l) Contract Authority.—The authority of the Administration to enter into contracts shall be in effect for each fiscal year only to the extent and in the amounts as are provided in advance in appropriations Acts. After the Administration has entered a contract, either as a grant or a cooperative agreement, with any applicant under this section, it shall not suspend, terminate, or fail to renew or extend any such contract unless the Administration provides the applicant with written notification setting forth the reasons therefore and affording the applicant an opportunity for a hearing, appeal, or other administrative proceeding under chapter 5 of title 5, United States Code.".

TITLE IV—COMPETITIVENESS PROGRAM

SEC. 401. PROGRAM TERM.

Section 711(c) of the Small Business Competitiveness Demonstration Program Act of 1988 (15 U.S.C. 644 note) is amended by striking ", and terminate on September 30, 1997".

SEC. 402. MONITORING AGENCY PERFORMANCE.

Section 712(d)(1) of the Small Business Competitiveness Demonstration Program Act of 1988 (15 U.S.C. 644 note) is amended to read as follows:

"(1) Participating agencies shall monitor the attainment of their small business participation goals on an annual basis. An annual review by each participating agency shall be completed not later than January 31 of each year, based on the data for the preceding fiscal year, from October 1 through September 30.".

SEC. 403. SMALL BUSINESS PARTICIPATION IN DREDGING.

Section 722(a) of the Small Business Competitiveness Demonstration Program Act of 1988 (15 U.S.C. 644 note) is amended by striking "and terminating on September 30, 1997".

SEC. 404. TECHNICAL AMENDMENT.

Section 717 of the Small Business Competitiveness Demonstration Program Act of 1988 (15 U.S.C. 644 note) is amended—

(1) by striking "standard industrial classification code" each time it appears and inserting in lieu thereof "North American Industrial Classification Code"; and

(2) by striking "standard industrial classification codes" each time it appears and inserting in lieu thereof "North American Industrial Classification Codes".

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. SMALL BUSINESS DEVELOPMENT CENTERS.

(a) In General.—Section 21(a) of the Small Business Act (15 U.S.C. 648(a)) is amended—

(1) in paragraph (1), by inserting "any women's business center operating pursuant to section 29," after "credit or finance corporation,";

(2) in paragraph (3)—

(A) by striking ", but with" and all that follows through "parties." and inserting the following: "for the delivery of programs and services to the Small Business community. Such programs and services shall be jointly developed, negotiated, and agreed upon, with full participation of both parties, pursuant to an executed cooperative agreement between the Small Business Development Center applicant and the Administration."; and

(B) by adding at the end the following:

"(C) On an annual basis, the Small Business Development Center shall review and coordinate public and private partnerships and cosponsorships with the Administration for the purpose of more efficiently leveraging available resources on a National and a State basis.";

(3) in paragraph (4)(C)—

(A) by striking clause (i) and inserting the following:

"(i) In general.—

"(I) Maximum amount.—Except as provided in clause (ii), and subject to subclause (II) of this clause, the amount of a grant received by a State under this section shall not exceed greater of—

"(aa) $500,000; and

"(bb) the State's pro rata share of a national program, based upon the population of the State as compared to the total population of the United States.

"(II) Exception.—Subject to the availability of amounts made available in advance in an appropriations Act to carry out this section for any fiscal year in excess of amounts so provided for fiscal year 1997, the amount of a grant received by a State under this section shall not exceed the greater of $500,000, and the sum of—

"(aa) the State's pro rata share of a national program, based upon the population of the State as compared to the total population of the United States; and

“(bb) and $300,000 in fiscal year 1998, $400,000 in fiscal year 1999, and $500,000 in each fiscal year thereafter.”; and

(B) in clause (iii), by striking “(iii)” and all that follows through “1997.” and inserting the following:

“(iii) NATIONAL PROGRAM.—The national program under this section shall be—

“(I) $85,000,000 for fiscal year 1998;

“(II) $90,000,000 for fiscal year 1999; and

“(III) $95,000,000 for fiscal year 2000 and each fiscal year thereafter.”; and

(4) in paragraph (6)—

(A) in subparagraph (A), by striking “and” at the end;

(B) in subparagraph (B), by striking the comma at the end and inserting “; and”; and

(C) inserting after subparagraph (B) the following:

“(C) with outreach, development, and enhancement of minority-owned small business startups or expansions, veteran-owned small business startups or expansions, and women-owned small business startups or expansions, in communities impacted by base closings or military or corporate downsizing, or in rural or underserved communities;”.

(b) SBDC SERVICES.—Section 21(c) of the Small Business Act (15 U.S.C. 648(c)) is amended—

(1) in paragraph (3)—

(A) in subparagraph (A), by striking “businesses;” and inserting “businesses, including—

“(i) working with individuals to increase awareness of basic credit practices and credit requirements;

“(ii) working with the Administration to develop and provide informational tools for use in working with individuals on pre-business start-up planning, existing business expansion, business plans, financial packages, credit applications, contract proposals, and export planning; and

“(iii) working with individuals referred by the local offices of the Administration and Administration participating lenders;”;

(B) in each of subparagraphs (B), (C), (D), (E), (F), (G), (M), (N), (O), (Q), and (R) by moving each margin two ems to the left;

(C) in subparagraph (C), by inserting “and the Administration” after “Center”;

(D) in subparagraph (Q), by striking “and” at the end;

(E) in subparagraph (R), by striking the period at the end and inserting “; and”; and

(2) in paragraph (5)—

(A) by moving the margin 2 ems to the left;

(B) by striking “paragraph (a)(1)” and inserting “subsection (a)(1)”;

(C) by striking “which ever” and inserting “whichever”; and

(D) by striking “last.,” and inserting “last,”;

(3) by redesignating paragraphs (4) through (7) as paragraphs (5) through (8), respectively; and

(4) in paragraph (3), in the undesignated material following subparagraph (S) (as added by this subsection), by striking “A small” and inserting the following:

“(4) A small”.

(c) COMPETITIVE AWARDS.—Section 21(l) of the Small Business Act (15 U.S.C. 648(l)) is amended by adding at the end the following: “If any contract under this section is not renewed or extended, award of the succeeding contract shall be made on a competitive basis.”.

(d) PROHIBITION ON CERTAIN FEES.—Section 21 of the Small Business Act (15 U.S.C. 648) is amended by adding at the end the following:

“(m) PROHIBITION ON CERTAIN FEES.—A small business development center shall not impose or otherwise collect a fee or other compensation in connection with the provision of counseling services under this section.”.

SEC. 502. SMALL BUSINESS EXPORT PROMOTION.

(a) IN GENERAL.—Section 21(c)(3) of the Small Business Act (15 U.S.C. 648(c)(3)) is amended by inserting after subparagraph (R) the following:

“(S) providing small business owners with access to a wide variety of export-related information by establishing on-line computer linkages between small business development centers and an international trade data information network with ties to the Export Assistance Center program.”.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out section 21(c)(3)(S) of the Small Business Act (15 U.S.C. 648(c)(3)(S)), as added by this section, $1,500,000 for each of fiscal years 1998 and 1999.

SEC. 503. PILOT PREFERRED SURETY BOND GUARANTEE PROGRAM EXTENSION.

Section 207 of the Small Business Administration Reauthorization and Amendment Act of 1988 (15 U.S.C. 694b note) is amended by striking “September 30, 1997” and inserting “September 30, 2000”.

SEC. 504. VERY SMALL BUSINESS CONCERNS.

Section 304(i) of Public Law 103–403 (15 U.S.C. 644 note) is amended by striking “1998” and inserting “2000”.

SEC. 505. EXTENSION OF COSPONSORSHIP AUTHORITY.

Section 401(a)(2) of the Small Business Administration Reauthorization and Amendments Act of 1994 (15 U.S.C. 637 note) is amended by striking “September 30, 1997” and inserting “September 30, 2000”.

SEC. 506. TRADE ASSISTANCE PROGRAM FOR SMALL BUSINESS CONCERNS HARMED BY NAFTA.

The Small Business Administration shall coordinate assistance programs currently administered by the Administration to counsel small business concerns harmed by the North American Free Trade Agreement to aid such concerns in reorienting their business purpose.

TITLE VI—SERVICE DISABLED VETERANS

SEC. 601. PURPOSES.

The purposes of this title are—

(1) to foster enhanced entrepreneurship among eligible veterans by providing increased opportunities;

(2) to vigorously promote the legitimate interests of small business concerns owned and controlled by eligible veterans; and

(3) to ensure that those concerns receive fair consideration in purchases made by the Federal Government.

SEC. 602. DEFINITIONS.

For purposes of this title, the following definitions apply:

(1) ADMINISTRATION.—The term “Administration” means the Small Business Administration.

(2) ADMINISTRATOR.—The term “Administrator” means the Administrator of the Small Business Administration.

(3) ELIGIBLE VETERAN.—The term “eligible veteran” means a disabled veteran, as defined in section 4211(3) of title 38, United States Code.

(4) SMALL BUSINESS CONCERN OWNED AND CONTROLLED BY ELIGIBLE VETERANS.—The term “small business concern owned and controlled by eligible veterans” means a small business concern (as defined in section 3 of the Small Business Act)—

(A) which is at least 51 percent owned by 1 or more eligible veteran, or in the case of a publicly owned business, at least 51 percent of the stock of which is owned by 1 or more eligible veteran; and

(B) whose management and daily business operations are controlled by eligible veterans.

SEC. 603. REPORT BY SMALL BUSINESS ADMINISTRATION.

(a) STUDY AND REPORT.—Not later than 6 months after the date of the enactment of this Act, the Administrator shall conduct a comprehensive study and issue a final report to the Committees on Small Business of the House of Representatives and the Senate containing findings and recommendations of the Administrator on—

(1) the needs of small business concerns owned and controlled by eligible veterans;

(2) the availability and utilization of Administration programs by small business concerns owned and controlled by eligible veterans;

(3) the percentage, and dollar value, of Federal contracts awarded to small business concerns owned and controlled by eligible veterans in the preceding 5 fiscal years; and

(4) methods to improve Administration and other programs to serve the needs of small business concerns owned and controlled by eligible veterans.

The report also shall include recommendations to Congress concerning the need for legislation and recommendations to the Office of Management and Budget, relevant offices within the Administration, and the Department of Veterans Affairs.

(b) CONDUCT OF STUDY.—In carrying out subsection (a), the Administrator—

(1) may conduct surveys of small business concerns owned and controlled by eligible veterans and service disabled veterans, including those who have sought financial assistance or other services from the Administration;

(2) shall consult with the appropriate committees of Congress, relevant groups and organizations in the non-profit sector, and Federal or State government agencies; and

(3) shall have access to any information within other Federal agencies which pertains to such veterans and their small businesses, unless such access is specifically prohibited by law.

SEC. 604. INFORMATION COLLECTION.

After the date of issuance of the report required by section 603, the Secretary of Veterans Affairs shall, in consultation with the Assistant Secretary for Veterans' Employment and Training and the Administrator, engage in efforts each fiscal year to identify small business concerns owned and controlled by eligible veterans in the United States. The Secretary shall inform each small business concern identified under this section that information on Federal procurement is available from the Administrator.

SEC. 605. STATE OF SMALL BUSINESS REPORT.

Section 303(b) of the Small Business Economic Policy Act of 1980 (15 U.S.C. 631b(b)) is amended by striking “and female-owned businesses” and inserting “, female-owned, and veteran-owned businesses”.

SEC. 606. LOANS TO VETERANS.

Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by inserting after paragraph (7) the following:

“(8) The Administration is empowered to make loans under this subsection to small business concerns owned and controlled by disabled veterans. For purposes of this paragraph, the term ‘disabled veteran’ shall have the meaning such term has in section 4211(3) of title 38, United States Code.”.

SEC. 607. ENTREPRENEURIAL TRAINING, COUNSELING, AND MANAGEMENT ASSISTANCE.

The Administrator shall take such actions as may be necessary to ensure that small business concerns owned and controlled by eligible veterans have access to programs established under the Small Business Act which provide entrepreneurial training, business development assistance, counseling, and management assistance to small business concerns. Such programs include the Small Business Development Center, Small Business Institute, Service Corps of Retired Executives (SCORE), and Active Corps of Executives (ACE) programs.

SEC. 608. GRANTS FOR ELIGIBLE VETERANS OUTREACH PROGRAMS.

Section 8(b) of the Small Business Act (15 U.S.C. 637(b)) is amended—

(1) by striking "and" at the end of paragraph (15);

(2) by striking the period at the end of the first paragraph (16) and inserting "; and";

(3) by striking the second paragraph (16); and

(4) by adding at the end the following new paragraph:

"(17) to make grants to, and enter into contracts and cooperative agreements with, educational institutions, private businesses, veterans' nonprofit community-based organizations, and Federal, State, and local departments and agencies for the establishment and implementation of outreach programs for disabled veterans, as defined in section 4211(3) of title 38, United States Code.".

SEC. 609. OUTREACH FOR ELIGIBLE VETERANS.

The Administrator, the Secretary of Veterans Affairs, and the Assistant Secretary of Labor for Veterans' Employment and Training shall develop and implement a program of comprehensive outreach to assist eligible veterans. Such outreach shall include business training and management assistance, employment and relocation counseling, and dissemination of information on veterans benefits and veterans entitlements.

TITLE VII—SMALL BUSINESS TECHNOLOGY TRANSFER PROGRAM

SEC. 701. AMENDMENTS.

Section 9 of the Small Business Act (15 U.S.C. 638) is amended—

(1) in subsection (b)(7), by inserting ", and the Committee on Science" after "of the Senate";

(2) in subsection (e)(4)(A) by striking "(ii)";

(3) in subsection (e)(6)(B), by inserting "agency" after "to meet particular";

(4) in subsection (n)(1)(C), by striking "and 1997" and inserting in lieu thereof "through 2000";

(5) in subsection (o)—

(A) by redesignating paragraphs (8) through (11) as paragraphs (10) through (13), respectively; and

(B) by inserting after paragraph (7) the following new paragraphs:

"(8) include, as part of its annual performance plan as required by section 1115(a) and (b) of title 31, United States Code, a section on its STTR program, and shall submit such section to the Committee on Small Business of the Senate, and the Committee on Science and the Committee on Small Business of the House of Representatives;

"(9) collect such data from awardees as is necessary to assess STTR program outputs and outcomes;"; and

(6) by adding at the end the following new subsections:

"(s) OUTREACH PROGRAM.—Within 90 days after the date of the enactment of this subsection, the Administrator shall develop and begin implementation of an outreach program to encourage increased participation in the STTR program of small business concerns, universities, and other research institutions located in States in which the total number of STTR awards for the previous 2 fiscal years is less than 20.

"(t) INCLUSION IN STRATEGIC PLANS.—Program information relating to the SBIR and STTR programs shall be included by Federal agencies in any updates and revisions required under section 306(b) of title 5, United States Code.".

AMENDMENT NO. 1543

(Purpose: To provide a complete substitute)

Mr. BOND. Mr. President, I move to concur in the House amendment with an amendment which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Missouri [Mr. BOND] proposes an amendment numbered 1543.

(The text of the amendment is located in today's RECORD under "Amendments Submitted.")

Mr. BOND. Mr. President, I advise my colleagues that after long negotiations, I think we have reached an agreement on the measure to reauthorize the Small Business Administration for the next 3 fiscal years to continue vitally important programs and to add new programs which we think will be of significant benefit to our country. The measure before us now is similar to the bill we passed in early September, and it includes changes passed by the House of Representatives.

The negotiations have been very detailed, and we think if we can get to passage of this measure on the House side prior to the adjournment for the remainder of the calendar year that our Nation's small businesses will be greatly aided by this bill.

There are certain programs in the Small Business Administration that need to be reauthorized, and that cannot occur without this legislation. Some of the loan programs will continue even without the reauthorization, but the Small Business Technology Transfer Program, known as STTR, the Microloan Program, the 504 Loan Program, the Small Business Competitiveness Demonstration Program, and SBA's cosponsorship authority will expire if there is no reauthorization passed and signed by the President.

In addition, the measure that we passed unanimously in early September includes provisions relating to the very important issue of bundling of large Federal contracts. The bill adds a new outreach program for disabled veterans. It also includes significant changes in the Microloan Program, which was a top priority of Senator KERRY and others. The bill contains my HUBZones Program which is designed to encourage small businesses to provide welfare-to-work opportunities in inner cities and in rural areas of high unemployment by providing small business contracts set-asides in HUBZones, which are historically underutilized business zones marked by high rates of poverty and high rates of unemployment. We believe the HUBZone Program can do a tremendous amount to assist us in the goal which I think is generally agreed upon around here, and that is to provide more opportunities for people who need want to move from welfare or dependency upon public assistance to gainful employment.

Mr. President, I am very pleased that we can accomplish passage of this important legislation today. We hope that the House will move on it expeditiously next week so that we can get the measure to the President for his signature before we adjourn for the year.

Mr. President, I ask unanimous consent that a joint explanatory statement describing this bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JOINT EXPLANATORY STATEMENT

The bill establishes authorizations of appropriation for programs of the Small Business Administration, creates a new program, and makes a number of changes in existing programs.

TITLE I: AUTHORIZATIONS

In Title I, the bill authorizes appropriations for SBA's several business loan programs and for certain business development programs for Fiscal Years 1998, 1999, and 2000. Included among the loan programs are section 7(a) loan guarantees, 7(a)(21) defense conversion loan guarantees, Microloans, Small Business Investment Company (SBIC) debentures, and SBIC Participating Securities. Also included in this Title is a "such sums as may be necessary" authorization of appropriations for SBA business and homeowner disaster loans, which are direct loans made to individuals and businesses in communities which have been affected by natural disasters.

Except for disaster loan funding, the authorization levels with respect to funding for SBA loan programs, and certain business development programs, are set forth in the following chart.

Program Levels for SBA Reauthorization Bill

[In millions]

Program	Current Level		SBA 3 Year Authorization Request			Reauthorization Bill		
	FY 97	FY 98 Budget Request	1998	1999	2000	1998	1999	2000
7(a)	$10.3	$8.5	$10	$11	$13	$12,000	$13,000	$14,500
504	2.65	2.3	3	3.5	4.5	3,000	3,500	4,500
SBIC:								
Debentures	300	376	450	550	650	600	700	800
Participating Securities	410	456	600	700	850	700	800	900
Microloan:								
Technical Assistance	13	16.5	42	65.8	86.7	40	40	40

Program Levels for SBA Reauthorization Bill—Continued

[In millions]

Program	Current Level		SBA 3 Year Authorization Request			Reauthorization Bill		
	FY 97	FY 98 Budget Request	1998	1999	2000	1998	1999	2000
Direct Loans	24	19	60	60	60	60	60	60
Guaranteed Loans	19	25	40	40	40	40	40	40
Delta	48	88	1	1	1,000	1,000	1,000	1,000
Surety Bond Guarantee	1,800	1,700						
General Program	N/A	N/A	1,350	1,350	1,350	1,350	1,350	1,350
Preferred Program	N/A	N/A	650	650	650	650	650	650
SCORE	3.3	3.5	3.9	4.2	4.5	4	4.5	5
SBDC Base Closure Assistance	2		15	15	15	15	15	15
Women's Business Centers	4	4	4	4	4	8	8	8

TITLE II: FINANCIAL ASSISTANCE PROGRAMS

Subtitle A—Microloan Program

Section 201. Microloan Program.

The bill authorizes the direct microloan program, including the technical assistance grants, as a permanent program and extends the guaranteed microloan program through Fiscal Year 2000. In doing so, the Congress recognizes the effectiveness of these programs and the integral role they play in SBA's array of small business financial assistance programs. In order to maintain the financial integrity and success of the programs, including the welfare-to-work microloan initiative authorized by section 202 of this bill, SBA should continue to administer the programs through its offices charged with management and oversight of small business finance programs.

The bill makes a number of changes to the permanent program, including: 1) increases the loan limit for each intermediary under the microloan program from $2,500,000 to $3,500,000; 2) changes the loan loss reserve requirements for an experienced microloan intermediary to the greater of twice its historic loss rate or 10 percent of its outstanding loan balance; 3) increases from 15 percent to 25 percent the percentage of a technical assistance grant that may be used for microloan program participants prior to their receipt of a microloan; and 4) authorizes up to 25 percent of the technical assistance grants to be used for contracting with third parties to provide assistance to microborrowers.

Section 202. Welfare-to-Work Microloan Initiative.

The bill establishes a Welfare-to-Work Microloan Initiative, a three-year initiative to test the feasibility of providing supplemental grants to existing microloan intermediaries and technical assistance providers specifically targeted to helping individuals leave public assistance and establish their own businesses. While this initiative is not expected to be appropriate for all individuals seeking to leave public assistance, testimony before the Senate Committee indicated that in the state of Iowa microloan technical assistance has been one useful tool for assisting some in this population to establish small businesses. By authorizing 20 locations to target the welfare population, this initiative is intended to test the effectiveness of this tool in all regions of the country. The bill requires an annual evaluation of the initiative and its effectiveness in moving individuals from public assistance to business ownership.

The bill also authorizes supplemental grants to be used, at the discretion of the intermediary or technical assistance provider, to pay all or a portion of the child care or transportation costs of an individual participating in this initiative. These costs are often identified as the highest barriers to the employment of welfare recipients. To encourage the creation of small businesses in these key areas, the bill authorizes the microloan program to assist individuals who are starting or operating a for-profit or nonprofit child care establishment or a for-profit transportation business.

The bill authorizes SBA to fund the supplemental microloan technical assistance grants solely through transfers by cooperative agreements with other Federal departments or agencies which have appropriated funds for the purpose of moving individuals from public assistance to employment. The Small Business Administration is authorized to receive $3 million for Fiscal Year 1998, $4 million for Fiscal Year 1999, and $5 million for Fiscal Year 2000 for the welfare-to-work microloan initiative.

Subtitle B—Small Business Investment Company Program

Section 211. Five Year Commitments for SBICs at Option of Administrator.

The bill gives the Administrator of SBA authority to make five year leverage commitments for SBICs. This new authority is designed to assist SBICs in raising private capital, which is matched with government guaranteed capital to be invested in small businesses. By allowing SBA to approve five year commitments, an SBIC will be able to obtain leverage commitments based on its typical investment pattern, which normally allows for all investments to be made during the first five years of the SBIC's life-cycle.

Section 212. Fees.

The bill includes a provision to permit SBA to collect fees from applicants for a license under the SBIC Program. It permits SBA to retain these funds to offset its overhead to conduct a review of each applicant.

Section 213. Small Business Investment Company Reform.

(a) Bank Investments

This subsection modifies the Small Business Investment Act of 1958 to allow banks to continue to invest in SBICs, whether the SBIC is organized as a corporation, partnership, or limited liability company. This provision expressly permits banks to invest in entities established to invest solely in SBICs, with no requirement that such entities be registered investment companies. Currently, the Small Business Investment Act only provides that banks may purchase stock from SBICs; however, many SBICs are now organized as limited liability companies and partnerships which do not have stock, and some banks may want to structure their SBIC investments through a separately managed "fund of funds" to diversify among several different SBICs. This provision will permit such investments.

(b) Leverage Cap

Section 213 provides for a $90 million cap on leverage to an individual SBIC or multiple SBICs under common control to be adjusted annually for inflation. Under this subsection, recipients of leverage in excess of $90 million would agree to invest all leverage obtained above this cap in "smaller businesses," which are defined as small businesses having $2 million or less in revenues and $6 million or less in net worth. The $90 million cap will be adjusted annually for inflation.

(c) Tax Distributions

Because the majority of the SBICs are partnerships, this subsection permits SBICs to make quarterly distributions to its investors (i.e., partners) to meet the investors' tax obligations. This quarterly distribution is designed to cover the situation where investors are making quarterly tax payments to the Federal government. If the SBIC's tax liability is not as great as estimated, the quarterly tax distributions are applied to the following tax year.

(d) Leverage Fee

Under this subsection, SBICs will be required to pay a 1 percent commitment fee at the time SBA makes a commitment for leverage, and the balance of 2 percent will be paid on the amount of leverage as it is periodically drawn by the SBIC. If SBA made no prior commitment to the SBIC for leverage, the entire 3 percent fee is paid at the time that leverage is drawn by the SBIC.

(e) Periodic Issuance of Guarantees and Trust Certificates

Subsection (e) will permit SBA to pool and sell debentures to investors every six months. This is a change from current law which requires SBA to pool and sell debentures every three months. Current law has caused difficulties for SBA in producing sufficiently large and diverse pools of debentures that are most attractive to investors. This change will allow for large pools, which should generate greater investment interest and more favorable interest rates for SBICs. Under this subsection, SBA will retain the discretion to pool and sell debentures more frequently, if there is sufficient demand.

Section 214. Examination Fees.

This section would permit SBA to collect fees from SBICs to defray costs for SBA to conduct periodic examinations of SBICs. It is the intention of the Conferees that these funds be available to SBA solely to cover the costs of the examinations and other related oversight activities.

Subtitle C—Certified Development Company Program

Section 221. Loans for Planned Acquisition, Construction, Conversion, and Expansion

The bill permits a borrower under the 504 Program to lease out 20 percent of the project to one or more other tenants. This new authorization will allow the 504 borrower to attract an unaffiliated tenant to its project that would complement the borrower's business activity. The bill also permits the seller to provide partial financing to the 504 borrower, so long as the seller subordinates its interest in the property to that of the SBA. The seller's financing is limited to no more than 50 percent of the equity that must be provided to the project by the borrower.

Section 222. Development Company Debentures

The bill permits SBA to collect a fee of up to 15/16ths of 1 percent fee through Fiscal Year 2000, paid by the 504 borrower annually on the outstanding principal owed on the loan guaranteed by SBA. The bill directs that the fee paid by the 504 borrower be reduced by SBA in an amount to insure that excessive fees are not collected by SBA from 504 borrowers if the credit subsidy rate is reduced.

Section 223. Premier Certified Lenders Program

The bill expands the Premier Certified Lenders Program by repealing the current limit of 15 CDCs that can participate under the program. The responsibilities of a PCLP participant are expanded to include in addition to approving loans, authorizing, closing, servicing, foreclosing, litigating and liquidating loans. The bill recognizes that the Administration has a legitimate oversight interest in law suits to which a premier certified lender is a party. The bill anticipates that SBA will interject its views on a case of first impression or other litigation of a precedent setting nature and may request a litigation plan to evaluate the litigation strategy of the PCLP participant. In addition, the bill extends eligibility for the PCLP Program once a CDC has been an active participant in the accredited lenders program during the 12 month period preceding the date the CDC submits its application.

The bill modifies current law that requires the premier lender to maintain a loss reserve of 10 percent of the CDCs exposure. SBA is directed to review CDCs on a regular basis to confirm that those with loan loss rates greater than 10 percent do not expose the Federal government to a risk of loss. SBA should take appropriate steps to insure that CDCs with loss rates in excess of 10 percent do not pose a risk of loss to the government.

The bill permits the premier lenders to maintain their loss reserves using segregated funds on deposit in federally insured institutions, or they can provide irrevocable letters of credit in a format acceptable to the SBA. If a loss has been sustained by the SBA, and funds are disbursed from the loss reserve to reimburse SBA for the CDC's share of the loss, the CDC must replenish the reserve account within 30 days.

The bill provides that each premier lender is to establish a goal of processing not less than 50 percent of their loan applications under the PCLP and extends the program through October 1, 2000. With respect to the processing goal, the Congress intends the goal as a target only, and expects Community Development Companies to use prudent judgment at all times in determining which applications are appropriate for processing under the streamlined PCLP procedures. This judgment should not be influenced by the 50 percent goal. The bill also requires SBA to promulgate regulations to carry out these changes within 120 days of enactment of this bill. Within 150 days after the date of enactment of this bill, SBA is to issue program guidelines and fully implement changes contained in this section.

7(a) Guaranteed Business Loan Program

The bill authorizes SBA to conduct background "name" checks on all prospective 7(a) and 504 borrowers using the best available means possible, including the Federal Bureau of Investigation, National Crime Information Center (NCIC), computer system if it is available. Although the presence of a criminal record does not act as an absolute bar to participation in the SBA's loan programs, the Congress is concerned that persons convicted of fraud, embezzlement, and similar crimes may have access to SBA loans. Congress is also concerned that, in conducting these checks, undue delay in loan approvals will be detrimental to small business borrowers and to the programs' viability. In implementing this authority, the SBA should explore the effectiveness of a sampling methodology provided that all prospective borrowers are required to provide the information necessary to enable such a check to be conducted.

The bill directs SBA to undertake a study on its efforts to increase lender approval, servicing, foreclosure, liquidation and litigation of 7(a) loans and to report to the Congress within six months of enactment of this Act.

The bill includes a requirement that SBA submit a detailed report to the Congress and the General Accounting Office on its plans for installation of a computerized financial tracking and loan monitoring system. SBA is directed to report to the House and Senate Committees on Small Business and the General Accounting Office within six months of the enactment of this Act. No funds can be obligated or spent on this system until 45 days after the report is received by the Committees and GAO.

TITLE III: WOMEN'S BUSINESS ENTERPRISES

Title III addresses the non-credit programs that serve women who own or seek to start their own business.

Section 301. Interagency Committee Participation

The bill provides that each designee to the Interagency Committee report directly to the head of their respective agency on the status of the Interagency Committee's activities.

The bill does not authorize appropriations to support the activities of the Interagency Committee. The agencies and departments on the Interagency Committee are to allocate existing personnel and resources to support participation on the Interagency Committee.

Section 302. Reports

The bill directs the Interagency Committee to transmit its annual report to Congress and the President through the SBA. This section deletes the requirement that the Interagency Committee's report include recommendations from the National Women's Business Council and requires that the report address the Committee's efforts to meet its statutory duties.

Section 303. Duties of the National Women's Business Council

In order to remove an inconsistency in current law, the bill directs the National Women's Business Council to submit its recommendations and reports to the Administrator of the SBA through the Assistant Administrator for the Office of Women's Business Ownership. The bill requires the Council to report annually to Congress and the President, and it must include a status report on the Council's efforts to fulfill its duties under sections 406 (a) and (d) of the Small Business Act.

Section 304. Council Membership

Under the bill, the SBA Administrator is to appoint the Council members after reviewing the recommendations of the Chairmen and Ranking Minority Members of the Committees on Small Business in the Senate and House of Representatives. The Administrator shall give full consideration to the recommendations provided by the Chairmen and Ranking Minority Members. This is to enhance the Council's ability to fulfill its role as an independent advisory body to the Congress, the President and the Administrator through the Assistant Administrator of the Office of Women's Business Ownership. The bill establishes staggered terms for the Council members.

The bill expands the Council to 14 members, plus a chair who should be a prominent business woman appointed by the President. Under current law, there are nine members (four business owners and five women's business organizations' representatives). The bill increases the number of women business owners to eight and increases the number of representatives of women's business organizations to six and includes language expressly recognizing that this category is to include representatives of local Women's Business Centers. The bill removes the word "national" as a qualifier for the type of organizations that can be represented on the Council. The bill also directs the SBA Administrator to give appropriate consideration to rural versus urban diversity when selecting Council members.

Section 305. Authorization for Appropriations.

The bill authorizes the appropriation of $600,000 for Fiscal Years 1998 through 2000 with $200,000 targeted for research on women's procurement and finance issues as authorized in section 306 and 307. Any funds appropriated under this section are to be used solely for the activities and duties of the Council, and the Council is required to review and approve its operating and research budget each year.

Prior to funds being appropriated for research under section 307, the Council shall provide the Senate and House Committees on Small Business with a description of the proposed research study and resulting report. Such proposals are to be delivered to the Committees with SBA's annual budget request.

Section 306. National Women's Business Council Procurement Project.

The bill authorizes the National Women's Business Council to conduct a study of issues related to Federal procurement opportunities for businesses controlled and owned by women.

Although women-owned business now represent over ⅓ of all businesses, they receive a minute share of Federal procurement dollars. In 1994, the Federal Acquisition Streamlining Act (FASA) established a modest government-wide goal of 5 percent for Federal contracts being awarded to women-owned businesses. The study directed by this bill is to gain a greater understanding of the Federal government's poor performance in working with this growing sector. Specifically, the National Women's Business Council is to conduct a study of the Federal government's procurement history in attracting and awarding contracts to women-owned business using existing data collected by agencies. The bill also requires the National Women's Business Council to prepare a report on the best procurement practices of the Federal government and the commercial sector and to recommend policy changes.

The bill provides contract authority to the Council to carry out the research initiatives and resulting reports authorized under sections 306 and 307. All contracts shall be awarded in accordance with the Federal Acquisition Regulations.

Section 307. Studies and Other Research.

Upon completion of the Federal procurement study under section 306, the Council is authorized to conduct other research relating to the award of Federal prime contracts and subcontracts to women-owned businesses, and access to credit and investment capital by women entrepreneurs, as the Council determines to be appropriate.

Section 308. Women's Business Centers.

The bill increases the authorization for creating Women's Business Centers (previously called Women's Business Demonstration Sites) from $4 million per year to $8 million per year. Grantees awarded funds under this section will be eligible to receive funds for five years rather than three years as provided under current law. Changes to the matching funds requirement as follows:

	Year 1	Year 2	Year 3	Year 4	Year 5
Current law	1 non-Federal; 2 Federal	1 non-Federal; 1 Federal	2 non-Federal; 1 Federal	No funds	No funds
Reauthorization	1 non-Federal; 2 Federal	1 non-Federal; 2 Federal	1 non-Federal; 1 Federal	1 non-Federal; 1 Federal	2 non-Federal; 1 Federal

The bill provides that grantees conducting a 3 year program as of the day before the effective date of this bill may apply to SBA to receive funds for two additional years. Such Centers that were in year 3 of a 3 year project on September 30, 1997 and that are approved to receive funds in years 4 and 5 will be subject to the matching requirements applicable to year 5 under this bill. The Congress intends that Centers which have a history of successful operation in this program receive funds to continue for years 4 and 5.

The bill includes language providing a definition of "women's business center site." This language reflects the fact that existing Women's Business Centers may submit applications for grants to create new sites in their state or neighboring states; however, selection must be made in accordance with the criteria provided in the Act.

The bill also includes a list of duties and responsibilities of the Assistant Administrator for the Office of Women's Business Ownership, and upgrades the position of Assistant Administrator for the Office of Women's Business Ownership to a position in the Senior Executive Service.

The bill includes language to codify the practice of allowing Women's Business Center grant recipients to pursue other sources of Federal funds. Accordingly, funds received from other Federal agencies do not qualify as non-Federal funds under the matching funds requirement of this section. The additional funds obtained by a Women's Business Center do not effect the level of non-Federal funds required to receive its Federal funds under this section. In addition, the performance of other Federal contracts shall not hinder the ability of the Women's Business Center grantee from fulfilling its obligations under this section.

The bill amends the criteria for selecting grant applicants under this section to include the "location for the Women's Business Center site." This language is to ensure that preference be given to applications for states without existing Centers. SBA should allocate at least ⅕ of the funds appropriated each year to the creation of new sites, with preference given to those in states not having a Center.

On the use of appropriated funds, the bill expressly prohibits the use of the funds appropriated under this section for any purposes other than grant awards, except that, in Fiscal Year 1998 only, up to 5 percent of the funds appropriated under this section are authorized to be used to supplement funds in SBA's salaries and expense budget for the administration of this program. No funds appropriated under this section may be reprogrammed by SBA or used for programs authorized by any other section of this Act without first notifying Congress. SBA needs to change its practice of using funds appropriated under this section for personnel and administrative overhead. SBA should include in its Fiscal Year 1999 budget request a line item in the salaries and expenses budget to reflect the actual cost of administering this important program. To assist with Congressional oversight, the SBA is directed to provide the Senate and House Committees on Small Business with a quarterly accounting within 20 days of the end of the Fiscal Year quarter detailing all expenditures for the Women's Business Centers program in Fiscal Years 1998, 1999, and 2000. In Fiscal Year 1998, the report shall identify whether each expenditure was funded by appropriated grant funds or SBA's salaries and expense budget.

In Fiscal Year 1998, up to 5 percent of the funds appropriated for Women's Business Center grants can be used only for administrative expenses associated with: (a) continued development and implementation of the computerized data reporting and collection system; (b) selection and oversight of the grantees; and (c) holding a training seminar for new grantees and existing programs. All other administrative costs are to come from the agency's salaries and expenses budget.

SBA is directed to: (a) award the contract for the computer data system competitively; (b) ensure that the Office of Women's Business Ownership has sufficient personnel dedicated to the oversight of the program by expanding the number of full time staff dedicated to this program to at least two and by better utilizing the District Office staff; and (c) ensure that the seminar is truly educational in nature, with any travel, per diem, and other overhead expenses for SBA staff paid from the salaries and expenses budget.

The computer data system should be designed to track outcomes, such as those named in the statute to be contained in the annual report to the Committees on the effectiveness of the program. The contractor should (a) provide technical assistance to ensure that the Centers know how to use the system and (b) work with a representative group of Centers to ensure that the system is compatible with their activities.

TITLE IV: COMPETITIVENESS PROGRAM

Subtitle A—Small Business Competitiveness Program

Section 401. Program Term.

The bill amends the Small Business Competitiveness Demonstration Program Act of 1988 to make the program permanent.

Section 402. Monitoring Agency Performance.

The bill contains a provision to change the monitoring and reporting frequency from quarterly to annual (October 1 through September 30).

Section 403. Reports to Congress.

The bill amends section 716(a) of Small Business Competitiveness Demonstration Program Act of 1988, to assure that annual reports are submitted to the House and Senate. The bill also amends the Act to require the Small Business Administration be the Executive Agency responsible for the development and submission of the annual report and not the Office of Federal Procurement Policy. The bill also makes a technical amendment to the Act to correctly reflect the name of the House of Representatives Committee to receive the report from the "Committee on Governmental Operations" to the "Committee on Government Reform and Oversight."

Section 404. Small Business Participation in Dredging.

The bill makes this program permanent.

The bill recognizes that a transition from the standard industrial classification (SIC) code to the North American Industrial Classification Code (NAICC) is likely to occur in the future; however, the Small Business Administration (SBA) first needs to convert the small business size standards to the new code and the Federal Procurement Data System must also be converted to the NAICC. The Senate Committee on Small Business encourages the Administrator of SBA, the Administrator of the Office of Federal Procurement Policy (OFPP) and the Secretary of the Department of Commerce to develop a plan and time table for implementing the NAICC.

Subtitle B—Small Business Procurement Opportunities Program

Section 411. Contract Bundling.

Section 411 amends section 2 of the Small Business Act (15 U.S.C. 632) emphasizing Congressional policy to provide small businesses, to the maximum extent practicable, prime contracting and subcontracting opportunities and to eliminate obstacles to their participation and to avoid unnecessary and unjustified bundling of contract requirements.

Section 412. Definition of Contract Bundling.

The bill amends section 3 of the Small Business Act (15 U.S.C. 632) to define the terms "bundling of contract requirements," "bundled contract" and "separate smaller contract."

Section 413. Assessing Proposed Contract Bundling.

The bill amends section 15 of the Small Business Act (15 U.S.C. 644) to create a new subsection (e) which establishes the procedure to be followed by contracting officials to insure that small business concerns are afforded the maximum practicable opportunity to compete for prime contracting and subcontracting opportunities. Specifically, the bill directs that if a requirement could lead to a "bundled requirement" the agency shall conduct market research to determine whether consolidation is necessary and justified.

Section 413 encourages small businesses to form contract teams to compete for bundled requirements and provides that such a team will not affect a business's status as a small business concern for any other purpose. In establishing a contract teaming authority which amends SBA's small business affiliation rules, Congress recognizes that some types of affiliation should not disqualify a small business from participating in Federal procurement programs established to encourage small business contracting. Similarly, Congress directs SBA to study the appropriateness of changing the small business affiliation rules for instances of investments by another entity if no other indicia of control or negative control is evident. In the teaming provisions of the bill and the previous legislation authorizing an exception to the size rules for investments by an SBIC or any one of a range of professional investors. Congress has recognized certain situations which should be encouraged and should not disqualify an entity from small business status. The Agency should report to the Committees on Small Business on its findings by April 30, 1998, which will enable the Congress to address the issue legislatively if necessary.

The ability of small businesses to team with other small businesses should not be considered an opportunity for procurement officials to justify a decision to bundle one or more requirements. The justification for bundling must be based solely on savings, improvements, and enhancements that accrue to the agency and that overwhelm any infringement of small business opportunity. The mere fact that small businesses could or might team does not lower the burden for agency justification of bundling.

The bill also amends section 15 of the Small Business Act (15 U.S.C. 644(a)) to direct that the Small Business Administration procurement review procedures shall be required if a solicitation involves an unnecessary or unjustified bundling of contract requirements. Nothing in this section or section 412 is intended to amend or change in any way the existing obligations imposed on a procurement activity or the authority granted the Small Business Administration under section 15(a) of the Small Business Act.

Section 414. Reporting of Bundled Contract Opportunities.

Section 414 contains a requirement that Federal agencies report through the Federal Procurement Data System all contract actions involving bundled requirements with an anticipated contract award value exceeding $5,000,000.

Section 415. Evaluating Subcontract Participation in Awarding Contracts.

The bill adds a new substitute section 8(d)(4) of the Small Business Act (15 U.S.C. 637(d)(4)) to require that bundled contract requirements to be awarded pursuant to the negotiated method of procurement shall use the contractor's small business subcontracting plan and past small business subcontracting performance as to significant factors for the purposes of evaluating offers.

Section 416. Improved Notice of Subcontracting Opportunities.

The bill amends section 8 of the Small Business Act (15 U.S.C. 637) to allow prime contractors and subcontractors (at any tier) with an estimated subcontracting opportunity in excess of $10,000 to provide public notice of subcontracting opportunities through the Commerce Business Daily.

Section 417. Deadlines for Issuance of Regulations.

The bill requires that proposed implementing regulations be published not later than 120 days after the date of enactment and that final regulations be published not later than 270 days after the date of enactment.

TITLE V: MISCELLANEOUS PROVISIONS

Small Business Technology Transfer

Section 501. Small Business Technology Transfer Program.

The bill reauthorizes the STTR program through Fiscal Year 2001 and makes three changes to the program: (1) extends SBA's reporting requirements on the program to include the House Committee on Science and Technology; (2) directs any Federal agency participating in the Small Business Innovation Research (SBIR) program or STTR to include information relating to such participation in its requirements under the Government Performance and Results Act (GPRA); and (3) directs SBA to conduct outreach to states with low levels of participation in the STTR program.

The new "outreach program" is intended to increase the STTR grant application pool from which STTR grant applications are selected by increasing the number of applicants from states that received under $5,000,000 in awards during Fiscal Year 1995. The program is intended to improve the overall number and quality of applications for awards.

The authorization contained in this section shall be taken entirely from funds authorized for use by the Small Business Administration. No funding derived from the STTR agency research set-aside may be used for the outreach program.

In addition, the bill adds a new subsection that requires STTR and SBIR programs to be included in agencies' strategic plan updates required under the Government Performance and Results Act (5 U.S.C. 306 (b)).

Small Business Development Centers

Section 502. Small Business Development Centers.

The bill includes substantial increases in the authorized grant amounts available to SBDCs under the "National Program." Because the funds under the program are allocated on a population basis some states with small populations, but which are large geographically, have been receiving too small a Federal grant to serve adequately its small business population. In order to correct this inequity, the bill includes a minimum grant amount of $500,000 for the smaller population states. So long as a state provides a matching amount of non-Federal funds, it will receive $500,000 even if it would not otherwise be entitled to this amount under the "National Program." Similarly, if a state provides a matching amount of less than $500,000, it will receive a grant in the amount of the matching contribution.

The Congress views the non-Federal matching contribution requirement to be an essential attribute of this program and a key to its success. Therefore, if any state is unable to match the full $500,000 authorized in this bill as a funding floor, it should be funded up to the level that it is able to match.

The Committee urges the Small Business Development Centers to inform and assist small businesses in complying with energy, safety, labor, tax, and related Federal, state, and local regulations, and to work with the technical and environmental compliance assistance programs established in each state under section 507 of the Clean Air Act Amendments of 1990 or state pollution prevention programs to work with Small Business Development Centers to inform and assist small businesses in complying with environmental regulations.

Section 505. Asset Sales.

Section 505 directs SBA to provide the Committees on Small Business of the Senate and House of Representatives with copies of the draft and final plans describing its initiative to sell its portfolio of defaulted guaranteed loans and direct loans in Fiscal Years 1998 and 1999. It is the understanding of the Committee that SBA intends to conduct an initial sale of $100 million from the Disaster loan portfolio. We expect the Agency to provide the Committees with copies of preliminary plans at the time they are prepared for evaluation by SBA, as sell as any amended or final plans chosen by SBA to carry out the sales of the assets covered by this program and copies of reports analyzing the results of each sale.

Oversight of Regulatory Enforcement

P.L. 104–121 established the Small Business and Agriculture Regulatory Enforcement Ombudsman and the Regional Small Business Regulatory Enforcement Fairness Boards. The Ombudsman's primary responsibilities are to solicit and record comments from small businesses and compile an evaluation, similar to a "customer satisfaction" rating, of each agency's performance based on the comments received from small businesses and the Fairness Boards. A "report card" of these agency ratings is to be published each year.

The Fairness Boards, composed of five small business owners in each of the SBA's ten regions, provide small businesses with an opportunity to review and assess government agencies' enforcement activities involving small businesses. The Fairness Boards may hold hearings, gather information as appropriate, and offer recommendations and comments on agency enforcement policies and practices to the Ombudsman for inclusion in his report. The Ombudsman is the federal official designated to assist the Fairness Boards by coordinating their independent activities. The Ombudsman is directed under the law to include their advice and recommendations in his reports to the agencies and Congress.

The Ombudsman must pursue its statutory mission and allocate its resources in accordance with the priorities set forth in the statute. Soliciting comments and developing suggested routine procedures for agencies to implement, to facilitate and to encourage small businesses to provide comments to the Boards and the Ombudsman is a significant undertaking. Careful attention and a thorough effort is required of the Ombudsman to convert these comments into the annual agency report cards called for by the law. The purpose of the law's requirements is to give small businesses a voice in evaluating each agency's performance, and the resulting ratings are intended to measure whether agencies are treating small businesses more like responsible citizens than potential criminals.

Annual reports issued by the Ombudsman on agency responsiveness in enforcement activities must be based on comments received from small businesses, not based on self-assessment by the agencies themselves or on the Ombudsman's evaluation of the agencies' efforts. P.L. 104–121 instructs the Ombudsman and Fairness Boards to base their report on "substantiated" comments. The Ombudsman should verify comments by contacting the commenting small businesses, on a spot check basis as may appear necessary under the circumstances, rather than by going to the agency, if there is a reason to believe that any particular comments are fictitious or in some way not the result of an actual interaction with Federal agency personnel.

Many small businesses fear retaliation for commenting on an agency's performance and, as a result, the Ombudsman and Fairness Boards have a sensitive task. Because of these confidentiality interests, the law requires the Ombudsman and Fairness Boards to rate agency performance according to the subjective views and comments submitted by small businesses. All agencies, however, have an opportunity to review and comment on the Ombudsman's draft report, but the Ombudsman is not authorized to forward to the agency or disclose in the report the identity of individual small businesses providing comments. The agencies' positions may be addressed by including a separate agency response section in the final report.

With limited resources, the statutory duties and responsibilities of the Ombudsman necessarily should be strictly followed, and resources should not be used to undertake activities beyond the scope of the statute. Ordinarily, the law does not contemplate that the Ombudsman will make a determination of the factual and legal merits of the enforcement action contained in comments received by the Ombudsman. The law does not anticipate a mediation role for the Ombudsman to create a forum for agencies to negotiate the resolution of individual comments or complaints.

TITLE VI: HUBZONE PROGRAM

The bill creates a new program known as the "HUBZone Act of 1997." This program was approved by a vote of 18–0 in the Committee on Small Business and subsequently included in S. 1139 as Title VI.

The purpose of the HUBZone Act of 1997 is to provide relief to urban and rural areas of the United States which have historically been identified as economically distressed areas. The HUBZone Act of 1997 is a jobs program intended to encourage small business concerns to locate in, and employ residents of, HUBZones. One of the principal purposes of this Act is to decrease the unemployment, underemployment, and low quality of life conditions that tend to be concentrated in inner cities and some rural areas, including Indian Reservations, throughout the U.S.

The HUBZone Act of 1997 is crucial to our Government's attempt to reform welfare by providing meaningful economic opportunities to individuals who live and work in HUBZones. Every effort should be made in the implementation of the HUBZone Act by SBA and other Federal agencies to provide an effective opportunity for the contracting preferences to be used as the basis for meaningful levels of contract awards. Special care must be taken to insure that routine dependency on existing programs does not hinder the full and fair implementation and utilization of HUBZone contracting procedures by federal agencies.

The HUBZone Act of 1997 is designed to bring qualified HUBZone small business concerns and their employees into the mainstream of government contracting at both the prime and subcontract levels by providing procurement preferences and through the establishment of contracting goals. The Act establishes three specific Federal procurement preferences for "qualified HUBZone small business concerns."

Section 602. Historically Underutilized Business Zones.

This section establishes the framework for implementation of the HUBZone Act of 1997. It defines the terms under which a small business qualifies as a HUBZone small business. In addition, Section 602 sets forth the authority for a contracting officer for a Federal agency to restrict competition for a contract to a qualified HUBZone small business when he determines there are two or more qualified HUBZone small business concerns that are likely to submit offers and that award can be made at a fair market price. In the circumstance where there is only one qualified HUBZone small business concern and the contracting officer is authorized to make a non-competitive award of a contract that does not exceed $3 million for service contracts and $5 million for manufacturing contracts. In this circumstance, the contracting officer must determine that the award can be made at a fair and reasonable price.

Section 602 gives the Small Business Administration new, discretionary authority to appeal a decision of a contracting officer not to award a contract under this title. The Administrator would have five days after receiving notice of this adverse decision to notify the contracting officer that SBA may appeal the decision, and within 15 days the Administrator may appeal the decision to the head of the department or agency.

Section 603. Technical and Conforming Amendments to the Small Business Act.

The bill amends various provisions of the Small Business Act and the technical and conforming amendments are implemented to effectuate the requirements of the program in a consistent manner with other statute.

Section 604. Other Technical and Conforming Amendments.

This section of the bill, addressing other technical and conforming amendments, is intended to amend the Competition in Contracting Act (10 U.S.C. 2304(b)(2)) and (41 U.S.C. 253(b)(2)) to allow for HUBZone set-aside procedures in Federal prime contracting for contract requirements in excess of the simplified acquisition threshold. The effect of the bill is to amend the Competition in Contracting Act (10 U.S.C. 2304(c)) and (41 U.S.C. 253(c)) to provide HUBZone contracting authority to award HUBZone prime contracts using procedures other than competitive procedures for Federal prime contract requirements greater than the simplified acquisition threshold and not greater than $5,000,000, in the case of manufactured items and $3,000,000, for all other contract opportunities.

Section 605. Regulations.

The bill requires the Small Business Administration to publish within 180 days of enactment the final regulations to carry out the program. The Senate bill further requires the Federal Acquisition Regulatory Council to publish the HUBZone implementing regulations within 180 days of the date the SBA published its final regulations.

Section 606. Report.

The bill requires the Administrator of the Small Business Administration to submit a report to the Senate and the House of Representatives Committees on Small Business by March 1, 2002. The report is to evaluate the implementation of the HUBZone program, as well as the effectiveness of the program.

Section 607. Authorization of Appropriations.

The bill amends the Small Business Act to authorize the appropriation of $5,000,000, to the Small Business Administration for implementation of the HUBZone program for each Fiscal Year, 1998, 1999 and 2000.

TITLE VII: SERVICE DISABLED VETERANS

This title includes the House language designed to enhance the Small Business Administration's efforts to improve opportunities for service disabled veterans and provide enhanced outreach to that group. The Congress believes strongly that these individuals deserve far better consideration from the Federal agencies that they are currently receiving.

Section 701. Purposes.

This section outlines the intent of the Congress to enhance entrepreneurial opportunities for service disabled veterans and to promote their efforts to participate in the small business community.

Section 702. Definitions.

This section defines the terms "eligible veteran" and "small business concern owned and controlled by eligible veterans" for the purposes of this title and the Act.

Section 703. Report by the Small Business Administration.

This section requires the Small Business Administration to study the needs of small businesses owned by eligible veterans and report to the Committees on Small Business of the House and Senate on the steps needed to improve and enhance the role of service disabled veterans in the small business community and the economic mainstream of the country. The Congress expects the Small Business Administration to provide this information in detail and well within the time allotted. The Congress expects the Small Business Administration to reach out for assistance in this task to the various veterans organizations, State run programs for veterans, and other interested groups for assistance in completing this study.

Section 704. Information Collection.

This section directs the Secretary of Veterans Affairs, in cooperation with the Administrator of the Small Business Administration, to identify annually the small businesses owned and controlled by eligible veterans and to work to keep them informed concerning Federal procurement opportunities available to them.

Section 705. State of Small Business Report.

This section directs the Small Business Administration to include information concerning small businesses owned and controlled by eligible veterans in its annual report to the President and Congress, "The State of Small Business."

Section 706. Loan to Veterans.

This section reinforces the Small Business Administration's preexisting ability to make loans to small business concerns owned and controlled by service disabled veterans. The Congress takes this step to cure a lingering misunderstanding that the Administration's requested defunding of the Veteran's direct loan program in no way diminishes the Small Business Administration's responsibility to assist veterans through the 7(a) program.

Section 707. Entrepreneurial Training, Counseling, and Management Assistance.

This section directs the Administrator to ensure that small business concerns owned and controlled by eligible veterans are given full access to the Small Business Administration's business assistance programs, including SCORE and the Small Business Development Centers.

Section 708. Grants for Eligible Veterans' Outreach Programs.

This section amends the Small Business Administration's existing authority to include making grants to, or entering into cooperative agreements with, organizations that have or may establish outreach and assistance programs for eligible veterans.

Section 709. Outreach for Eligible Veterans.

This section directs the Administrator of the Small Business Administration, the Secretary of Veterans Affairs, and the Assistant Secretary of Labor for Veterans' Employment and Training to develop cooperatively an outreach and assistance program designed to coordinate the activities of their respective agencies and disseminate the information about those programs to eligible veterans.

Mr. KERRY. Mr. President, it is with great satisfaction that I rise today to speak on behalf of S. 1139, the Small Business Reauthorization Act of 1997. The legislation now before the Senate is the product of negotiations between the House and Senate to resolve the differences in the bill passed by the Senate in early September and the bill crafted by Chairman TALENT and Congressman LAFALCE. I am pleased that so many of the provisions of the original Senate bill have been retained in virtually identical form, such as the welfare-to-work Microloan Initiative, the extension of the Small Business Technology Transfer [STTR] program, the Women's Business Centers program and the HUBZone Act. I congratulate Chairman BOND for his leadership and stewardship through this year's reauthorization process. His willingness to craft a bipartisan bill has ensured that the Small Business Administration will continue to operate effectively in the years to come providing support to thousands of America's small businesses.

A component of this bill which I believe to be one of the most important to assist our aspiring entrepreneurs is the Microloan Program. The Microloan Program was created 6 years ago through the vision and hard work of Senator BUMPERS. Since then, the Microloan Program has operated on a pilot basis, providing loans in amounts averaging $10,000 to small businesses, and more importantly, providing technical assistance to these businesses on how to better operate their enterprises. One of the major reasons why new businesses in America fail is because so many people who want to start their own companies really have little idea on how to conduct the day-to-day financial operations that are so crucial to keeping a business afloat and making it a successful enterprise. The technical assistance provided by the intermediaries in the Microloan Program has had an impressive impact on the success of businesses participating in this program. Moreover, the losses to the Government have been minuscule, despite the higher risk associated with micro lending. In fact, since the Microloan Program has been in existence, there has been only one default of an intermediary's loan from the SBA. That is an amazing fact, and one which I believe demonstrates the financial soundness of the Microloan Program. The Congress wholeheartedly supports making the Microloan loan and technical assistance programs permanent SBA programs, and do so in this bill.

S. 1139 also contains provisions for a new initiative for the Microloan Program, one which will go a step further to reach aspiring entrepreneurs who may now be on Government assistance. In addition to loans and technical training, participants in this welfare-to-work Microloan initiative will be able to receive assistance to help defray child care and transportation expenses, two of the biggest obstacles welfare recipients face in their attempts to become active, contributing members of society. Inclusion of the welfare-to-work Microloan Program in the Small Business Reauthorization Act allows SBA to apply knowledge learned over the last 6 years to address one of the most pressing issues facing us today.

In June, Senator DOMENICI, Senator BOND and I introduced the Women's Business Centers Act. I am extremely pleased that the major provisions of that bill are included in the legislation now before us. Authorization for funding the Women's Business Centers Program has been doubled in this bill, and extends the eligibility of awardees from 3 years to 5 years. This bill also provides for studies to be conducted on contracting and finance issues as they affect women-owned businesses. This section of the Small Business Reauthorization Act will strengthen a sector of our economy that contributes over $1.5 trillion to the American economy and employs more Americans than Fortune 500 companies.

The Small Business Technology Transfer [STTR] program is reauthorized for an additional 4 years through this act. An offshoot of the very successful SBIR Program, STTR has been joining small businesses and non-profit research institutions for the past four years in an attempt to make better use of federally sponsored high technology research. This bill strengthens the STTR Program by requiring more accurate data recording by the SBA and participating agencies, and requires those participating agencies to include information regarding the SBIR and STTR Programs in their strategic plans required by the Government Performance and Results Act. By doing this, we in Congress can better evaluate programs such as STTR and what provisions might best assist the kind of companies participating in the program and what changes could result in a stronger STTR when we revisit it for reauthorization 4 years from now.

Chairman BOND led the way on an integral part of the reauthorization act, the HUBZones Program. This program seeks to aid small business concerns located in the poorest areas of our country by providing better opportunities to contract with the Federal Government. The HUBZone Act is the result of several years of work by Chairman BOND, and I congratulate him and his staff for this legislation which will certainly improve the economic situation of many American communities.

There are a few other components of the reauthorization act that I believe warrant mentioning at this time. The Community Development Company program, also called the 504 loan program, is continued through this legislation and will provide small businesses $2.3 billion of needed capital for their plant and equipment needs. The SBA's biggest loan program, 7(a), is authorized at $39.5 billion over the next 3 years, high enough to ensure continued support for those small businesses that need extra capital to grow their businesses. In addition, this legislation also contains a provision that seeks to protect small businesses from the practice of contract bundling, which can be harmful to small business. Bundling is when a Federal agency rolls several contracts into one big contract. This practice effectively bars small businesses from participating in the lucrative Federal Government contracting process on those contracts. The language contained in this bill will help alleviate this problem to some degree so that small businesses are not left out in the cold, and will require the Government to keep records on bundled contracts valued at more than $5 million.

The bill before us contains some provisions that the House included in their bill and that we have not seen before. One such provision is title VII of the bill which contains language that directs SBA to conduct a study on the potential to aid small businesses that are owned by service disabled veterans. I believe it is important to conduct research into this issue and see if the opportunity exists to better assist these businesses.

There are other components of the Small Business Reauthorization Act which I have not mentioned here but will be helpful to small businesses participating in the SBA's programs. The Small Business Investment Companies and Small Business Development Centers Programs are both modified through this act. The Pilot Preferred Surety Bond Guarantee Program is also extended in this legislation.

Mr. President, I would like to conclude by again thanking the Chairman of the Small Business Committee, Senator BOND, for his leadership throughout the year on reaching this point and passing what I consider to be a very meaningful and effective piece of legislation. It is clear that the Small Business Administration will be assured of its continued support by Congress as it moves ahead to the 21st century assisting the driving force of our economy, American small business.

WOMEN'S BUSINESS CENTERS

Mr. DOMENICI. Mr. President, I appreciate the opportunity of commending Senator BOND for his efforts in bringing this Small Business Reauthorization Act to the floor for consideration. In particular, I am grateful for his deep commitment and tireless dedication to improving the Small Business Administration's [SBA] Women's Business Centers program. As a result of his work, this program will be expanded and modified so that it targets more appropriately the thousands of women entrepreneurs who provide jobs and economic growth to their local communities.

I also want to commend Congresswoman NANCY JOHNSON for her strong support of this program. My legislation, S. 888, the Women's Business Centers Act of 1997, introduced in behalf of myself, Senator BOND, Senator KERRY and 23 other cosponsors, was the companion bill to Representative JOHNSON's legislation. Due to the strong bipartisan support of Chairman BOND and other members of the Senate Small Business Committee, S. 888 was incorporated into this reauthorization bill. Congresswoman JOHNSON has been a long-time and dedicated friend of women's business efforts, and I am most appreciative that we were able to work together on this important measure.

Many of us believe that the SBA must give renewed attention to one of its smallest but most successful business programs. This legislation, therefore, doubles the amount of funds available to Women's Business Centers, and it extends the grant period from 3 years to 5 years. It also changes the funding formula so that newly created business sites will have a more realistic Federal-to-non-Federal matching program. This latter issue is important because up to this point, women's business centers have been required to meet a much stricter matching grant requirement than have other grantees in the SBA's grant programs. I remain somewhat concerned, however, that existing business site grantees must still bear a slightly higher burden of matching fund requirements. Nevertheless, the overall changes to the Women's Business Centers Program are noteworthy and extremely positive.

By passage of this reauthorization language, Congress recognizes the essential role of women-owned small businesses to this country's local and national economies. Congress also recognizes the necessity of added SBA administrative and programmatic support to the women's program. The SBA must ensure that the Office of Women's Business Ownership [OWBO] has adequate staffing and resources to manage this expanded program. It must also provide any supplemental assistance OWBO may need to manage its ongoing program while developing new and creative activities to enhance its present portfolio. Frankly, a program of this nature demands tangible agency commitment to its success. While OWBO and its women's business clients have an impressive and outstanding programmatic record, this small program deserves much more attention from the Agency than it has received thus far. I am hopeful that next year and in the years to come the SBA will work more closely with OWBO, as well as with Congress, to ensure that women's businesses are provided the necessary resources to continue their vital entrepreneurial endeavors.

I believe it is also important to give credit to the many able and committed directors and staff of the Women's Business Centers throughout the country. I know these professional women, like those of Agnes Noonan and her staff in my State of New Mexico, have counseled countless thousands of potential business clients and have established equal numbers of successful small businesses. Their tasks have not been easy, but they have met their management obligations while also creating an impressive and wide-ranging network of business colleagues to address the special challenges of women-owned businesses. The techniques they've learned and the expertise they share with one another have been instrumental in the overall success of this SBA program.

Once again, I commend Senator BOND for his attention and commitment to the Women's Business Centers Program. His able staff, particularly Ms. Suey Howe and Mr. Paul Cooksey, provided excellent professional support so that this program was reviewed and modified appropriately. I am very pleased Chairman BOND and other members of the committee have given this issue the attention it deserves. Women-owned businesses are an integral component of our Nation's business sector and are instrumental to our country's overall economic health. The efforts of the Chairman and the committee will ensure that this SBA business program continues its obligations to so many deserving and successful women entrepreneurs. Thank you for the opportunity of sharing my support of this important program.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Missouri.

The motion was agreed to.

Mr. BOND. Mr. President, I move to reconsider the vote by which the motion was agreed to, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ADMINISTRATION'S HUMANITARIAN DEMINING INITIATIVE

Mr. LEAHY. Mr. President, I would like to speak briefly about an announcement the administration is making today to increase funding for humanitarian demining programs and appoint a demining czar. This is, of course, on the subject of landmines, which has been a concern of mine for many years. I have not received all the details, but I understand the administration plans to spend $80 million on humanitarian demining programs next year, which is a significant increase over the current level.

They also plan to seek additional support from other governments, corporations, and foundations. Their goal is to raise $1 billion to clear most of the world's landmines by the year 2010. I also understand Ambassador Karl Inderfurth, our Assistant Secretary for South Asia and formerly the U.S. Alternate Representative to the United Nations, is to become the new demining czar.

I can think of no better person to lead this effort than Ambassador Inderfurth. The Ambassador, known as Rick to his friends, is a long-time friend of mine. I have immense respect and admiration for him. I have watched him prowl the halls of the United Nations and buttonhole other representatives, as did Secretary of State Madeleine Albright when she was our U.N. Representative, to get support for an international ban on antipersonnel landmines.

Rick has been a passionate voice for the victims of landmines. I am very grateful that he has agreed to take this on, especially as he already has a full-time job that would be more than enough for most people. He will do a superb job.

This announcement is being made today by Secretaries Albright and Cohen. I commend them both, and I say that it is welcome news.

While its goals sound awfully ambitious, some may say even unrealistic, time will tell. They have my full support. This is an area in which not nearly enough has been done, and the United States has a great deal to offer.

Mr. President, today we clear landmines much the same way that we did in World War II or Korea. It takes an enormous amount of time and it is extremely dangerous. There is very little money, especially as most of these landmines are in the Third World.

Our leadership in this area could help immeasurably. Look what we did after World War II with the tens of millions of landmines spread all over Europe. We cleared most of them in a decade. There are still parts of Europe that have landmines today, but most of them are gone.

The administration's plan builds on what the Congress began some years ago. We established humanitarian demining programs at both the Departments of Defense and State. At the beginning, the Pentagon did not want to do it. They said it was not their mission. They said their job was breaching mine fields, not clearing mines. That is one reason there are so many unexploded landmines killing and maiming innocent people around the world.

What happens, of course, Mr. President, is that the world's militaries leave millions of landmines behind once the wars end, the soldiers go home, the guns are unloaded, the leaders sign the peace agreements, and hands are shaken.

But the landmines stay, and some unsuspecting child or farmer steps on them—a child going to school or someone going to gather water or firewood. Someone trying to raise crops to feed their family. Or an unsuspecting missionary.

There are so many victims, long after anybody even remembers who was fighting whom, or why. There are Russian mines, American mines, Italian mines and mines from other countries in hundreds of varieties in over 68 countries. It is estimated that it would cost, at the rate we are going now, billions of dollars over decades and decades to get rid of them.

Over time, the Pentagon has become more supportive. I hope this new initiative means that they are now fully on board. They have the expertise and technology to make an important contribution. They could cut years, years off the time it would take to demine the world.

Again, as I have said, we are using the same demining technologies that were common years ago. We are not taking advantage of some of the technology and expertise available today. And the demining programs that we now use have been in place for several years have a mixed record. The administration says they have spent some $150 million to date. I wonder how many landmines have been removed for all that money? I suspect if anyone did the arithmetic it would come to hundreds of dollars, possibly even thousands of dollars, to remove each landmine. Of course, the tragic irony of that is that it only costs $3 or $4 to put the landmine in the ground in the first place.

So I suggest, in building on what Secretary Albright and Secretary Cohen said today, that we begin with a top-to-bottom review of our demining efforts. They are too uncoordinated among government agencies. This should include a thorough review of the program that is in the Pentagon itself.

The Pentagon should play a central role, but I am concerned that some Pentagon officials have been more interested in using this program to make contacts with foreign military personnel than to build the sustainable demining capabilities in these other countries. The soldiers we send to do the training in places like Eritrea and Mozambique and other mine-infested countries are among our best, and they do a terrific job. There is no one more proud of them than I am. But we need to be sure that when they leave, the people they have trained have the knowledge and the equipment and the support to carry on.

We have the Humanitarian Demining Technologies Program. This program funds research and development on new demining technologies. This program, again, established by the Congress three years ago, has the potential to revolutionize the way we detect and destroy landmines and other unexploded ordnance.

This may be what enables us to make that quantum leap forward so that instead of taking decades and decades to get rid of the mines, we cut that time substantially. The Pentagon also has a lot to offer in this area, but it has not been fully supportive of it despite the best efforts of the people involved. As one who has spent nearly 10 years working to ban anti-personnel landmines, to support programs to clear mines and care for the victims, I must say that there should be some thought given to moving this program elsewhere or reorganizing it, because there needs to be much more coordination with the private sector and with other governments that are also working in this area.

Mr. President, there is another part of this that needs to be mentioned. Two years ago, the President of the United States went to the United Nations to urge the world's nations to negotiate a treaty banning antipersonnel landmines.

In December, over 110 governments will sign such a treaty in Ottawa. But the United States is not going to be among them. In fact, not only will we be absent, now we find the Pentagon is backtracking on the pledge it made a year ago to find alternatives to antipersonnel landmines.

So taken in this context, it is no surprise that the administration feels it must do something to counter the growing impression around the world that the United States has become an obstacle to an international ban.

Thirteen members of NATO and most of the world's producers and users and exporters of landmines will sign the treaty in Ottawa, but not the world's only superpower. We have taken the position that even though we are the most powerful nation history has ever known, we cannot give up our landmines but we want everybody else to give up theirs. Rather than lead this effort, we risk being left behind with a handful of pariah states with whom we do not belong. We are too great a nation for that.

No one should suggest that a ban is a substitute for demining. There are some 100 million unexploded landmines in the ground, and whether there is a ban or not they will go on maiming and killing until we get rid of them. We have to do that. But neither is demining a substitute for a ban. Why spend billions of dollars to get rid of the mines if they are simply replaced with new mines?

We need to destroy the mines that are in the ground. We need to stop the laying of new mines. Both are necessary to rid the world of these insidious weapons.

So I welcome this initiative. I will do everything I can to support it. But let us not fool themselves. The United States is about to miss a historic opportunity. We should sign the Ottawa treaty, just as we should do everything we can to lead an international demining effort to get rid of the mines in the ground.

Mr. President, I ask unanimous consent that an article in today's Washington Post, which describes how the Pentagon is walking away from its pledge last May to find alternatives to antipersonnel landmines, a pledge that at the time they said reflected their "complete agreement" with the President's goal of an international ban, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Oct. 31, 1997]

ADMINISTRATION DROPS PLANS TO FIND SUBSTITUTES FOR ANTIPERSONNEL MINE

(By Dana Priest)

The Clinton administration has dropped its effort to find alternatives to a certain type of antipersonnel land mine, a move that has angered advocates of banning mines who say the president has retreated from his pledge to find a substitute for the weapon.

"There wasn't anything that conceptually made any sense," said a high-ranking Defense Department official who declined to be named. "And there is no humanitarian need for such an alternative."

Caleb Rossiter, director of Demilitarization for Democracy, which advocates an international land mine ban, said: "This is a huge policy change."

At issue are the millions of antipersonnel land mines used by U.S. troops to protect anti-tank minefields.

Since May 1996, Clinton has pledged to find alternatives to all mines this country uses, and the Pentagon has been studying various approaches. In January, when Clinton announced he would not sign an international treaty banning land mines, he directed the Defense Department "to develop alternatives to antipersonnel land mines, so that by the year 2003 we can end even the use of self-destruct land mines."

He also directed the Pentagon to find alternatives to the mines used on the Korean Peninsula by 2006.

At the same time, Clinton redefined the only type of antipersonnel land mine used by U.S. troops outside Korea—mines that are scattered around anti-tank mines to protect them from being breached by enemy troops. This is called a "mixed system" of anti-tank and antipersonnel mines. The administration now calls these antipersonnel land mines "devices" and "submunitions."

The practical result of this definitional change is that the Pentagon is no longer actively trying to come up with an alternative for these mines, of which the United States has more than 1 million.

"We are looking for alternatives to the Korean situation," said Pentagon spokesman office, and in particular for the position of Assistant Attorney General for Civil Rights, are unwarranted.

The Speaker's letter begins by asserting that Mr. Lee "attempted to force through a consent decree mandating racial and gender preferences in the Los Angeles Police Department." This assertion is erroneous. In the course of representing the City of Los Angeles, I have for the past seventeen years monitored the City's compliance with consent decrees affecting the hiring, promotion, advancement, and assignment of sworn police officers. I have negotiated on the City's behalf two of those decrees. Of those two, Mr. Lee was opposing counsel on the first, and was associated with opposing counsel on the second. None of these decrees mandates the use of racial or gender preferences. In fact, each of them contains provisions forbidding the use of such preferences.

For the same reasons, the Speaker's statement that the use of racial and gender preferences "would have been a back-door thwarting of the will of the people of California with regard to Proposition 209 (the California Civil Rights Initiative)" is inapposite. Because the decrees with which Mr. Lee was associated do not call for racial or gender preferences, and in fact forbid them, these decrees do not violate the requirements or the intent of Proposition 209.

Of particular concern to me is the Speaker's reference to "the allegation that Mr. Lee apparently employed dubious means to try to circumscribe the will of the judge in the case." This allegation is wholly untrue. The case being referred to is presently in litigation in the district court. Mr. Lee was not at any time a named counsel in the case, but was associated with opposing counsel because of his involvement in the negotiation of a related consent decree. Neither Mr. Lee nor any opposing counsel attempted in any fashion to thwart the will of the judge supervising the litigation. The matter had been referred by the court to a magistrate judge appointed by the court to assist in the resolution of the case. Each counsel had advised the district judge at all points about the progress of the matter. Upon reconsideration, the district judge elected to assert direct control over the litigation. Nothing in Mr. Lee's conduct reflected any violation of the court's rules, either in fact or by appearance.

Bill Lann Lee and I have sat on opposite sides of the negotiating table over the course of several years. Although we have disagreed profoundly on many issues, I have throughout the time I have known him respected Bill's candor, his thorough preparation, his sense of ethical behavior, and his ability to bring persons holding diverse views into agreement. He would, in my view, be an outstanding public servant and a worthy addition to the Department of Justice.

Very truly yours,

ROBERT CRAMER,
Assistant City Attorney.

Mr. LEAHY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ANALYSIS OF DOMENICI-CHAFEE "DEAR COLLEAGUE" LETTER REGARDING ISTEA REAUTHORIZATION

Mr. BYRD. Mr. President, earlier this week, Senators received a "Dear Colleague" letter and accompanying material from my friends and colleagues, Senators CHAFEE and DOMENICI. This letter included several representations regarding the substance and effect of the Byrd-Gramm-Baucus-Warner amendment in comparison to that of the Chafee-Domenici amendment to S. 1173, the ISTEA reauthorization bill.

I have already addressed a number of these issues on the floor over the last two days. However, I thought it would be valuable for Senators to review a memorandum that evaluates in detail the representations made by Senators CHAFEE and DOMENICI in their "Dear Colleague" letter. This analysis was prepared by Dr. William Buechner, Director of Economics and Research at the American Road and Transportation Builders Association.

I therefore ask unanimous consent that Dr. Buechner's analysis be printed in the RECORD at this point, and I hope all Members will carefully review this material and become cosponsors of the Byrd-Gramm-Baucus-Warner amendment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Memorandum

To: Senate Transportation & Budget LA's
From: Dr. William Buechner, Director of Economics & Research American Road & Transportation Builders Association
Date: October 29, 1997
Re: Dear Colleague by Senators Domenici and Chafee on Byrd-Gramm-Baucus-Warner Amendment to S. 1173 (ISTERA II)

Yesterday, you received a dear colleague letter from Senators Domenici and Chafee claiming that forty-three states would lose highway money under the Byrd-Gramm-Baucus-Warner Amendment to S. 1173. This claim was made on the basis of tables and charts prepared by the U.S. Department of Transportation under instructions from the Environment and Public Works Committee. A front page article on this memorandum appeared in the October 28 edition of Congress Daily A.M., which gives the Domenici-Chafee analysis the illusion of accuracy and authority.

DON'T BE MISLED

The purpose of the Domenici-Chafee dear colleague letter is to obscure the fact that the Byrd-Gramm-Baucus-Warner amendment will provide $28 billion more for highways during the next five years than ISTEA II as reported, while the proposed Domenici-Chafee amendment will not. Nonetheless, the letter suggests that it is appropriate to compare the two proposals as though both provide the same amount of funding. This creates the impression that some states would receive less under Byrd-Gramm-Baucus-Warner than under Domenici-Chafee. Here are the facts:

The Byrd-Gramm-Baucus-Warner amendment authorizes an increase in formula funding for highway programs of about $28 billion over the five-year period FY 1999–2003, to be distributed among the states based on the precise distribution formula in the committee bill. Since the program authorization levels in ISTEA II will put an upper limit on the amount Congress can spend on highway during the next six years, the only way to increase highway spending is to increase the amounts authorized in ISTEA II, which is precisely what the Byrd-Gramm-Baucus-Warner amendment does. The implication of the Domenici-Chafee dear colleague letter that the Byrd-Gramm-Baucus-Warner amendment provides no more funding than ISTEA II as reported is simply wrong and completely misrepresents the intent of the amendment.

The Domenici-Chafee approach would lock the highway program into the inadequate authorization levels currently specified in ISTEA II in exchange for a procedure by which Congress could add more money at some future time if it so wishes. This pig-in-a-poke asks the American people to give up the higher authorizations for highways provided in Byrd-Gramm-Baucus-Warner for the hope that Congress might deliver the equivalent at some future date. Of course, Congress will still have to pass higher obligation limitations and appropriations under either approach, but the Byrd-Gramm-Baucus-Warner amendment lets us lock in the necessary authorization level today.

The Byrd-Gramm-Baucus-Warner amendment also authorizes additional spending for the Appalachian Highway Development System and changes most of the funding for the Border Corridor program from a general fund authorization into contract authority. The Environment and Public Works Committee-directed table assumes that funds for these initiatives would be paid "off the top" and implies that states would have to give up money from other highway programs no matter what level is appropriated for the highway program. In fact, the authorization for these programs in the Byrd-Gramm-Baucus-Warner amendment are fully subject to any annual obligation limitation as are other highway programs. Moreover, these programs would be funded in the same proportion as other programs in the bill.

In truth, the Byrd-Gramm-Baucus-Warner amendment provides an increase in authorization for all of the highway programs in ISTEA II in the same proportion as provided for in the underlying bill. As the annual level of appropriations rise, the funds available for all states will rise with it. You cannot compare the state-by-state allocations under Byrd-Gramm-Baucus-Warner versus Domenici-Chafee at the same level of spending, as the dear colleague letter attempts, because the two do not provide the same level of spending. Instead, the appropriate comparison would pit the fully-funded Byrd-Gramm-Baucus-Warner against the anemic level of funding under Domenici-Chafee, in which case every state wins and wins big under the Byrd-Gramm-Baucus-Warner amendment. The Byrd-Gramm-Baucus-Warner amendment will make it possible to use the revenues from the recent transfer of the 4.3 cents per gallon of the Federal gasoline tax previously used for deficit reduction into the Highway Trust Fund to provide authorization for more than $5 billion per year in new funds to allocate among all the states for highway investment.

In truth, every state stands to receive substantially more under the Byrd-Gramm-Baucus-Warner amendment than under ISTEA II as reported. These additional funds are critical to meet our nation's transportation needs.

I would be happy to discuss this with you if you have questions. I can be reached at 202-289-4434.

ADDITIONAL COSPONSOR—S. 1173

Mr. BYRD. Mr. President, I ask unanimous consent that the name of Mr. DASCHLE be added as a cosponsor to amendment No. 1397, the Byrd-Gramm-Baucus-Warner amendment to S. 1173, the ISTEA reauthorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EMERGENCY STUDENT LOAN CONSOLIDATION ACT OF 1997

Mr. JEFFORDS. Mr. President, I want to bring to the attention of my colleagues an important matter, which I hope can receive consideration before we leave this fall.

Last week, the Senate Committee on Labor and Human Resources unanimously reported out a bill, S. 1294, the Emergency Student Loan Consolidation Act of 1997. This measure is a modest, but extremely important, effort designed to assist students attempting to finance their higher education.

The measure enjoys broad bipartisan support. The House companion bill, H.R. 2335, was approved by a vote of 43 to 0 by the House Committee on Education and the Workforce. This measure, with language identical to S. 1294, as reported by the Labor Committee, was subsequently approved by the full House under suspension by voice vote. It has also been endorsed by national associations representing students and institutions of higher education.

I ask unanimous consent that a letter from Dr. Stanley O. Ikenberry, president of the American Council on Education, be printed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. JEFFORDS. Mr. President, the House measure is now being held at the desk and is available for immediate action by the Senate. It has been cleared on the Republican side of the aisle. Unfortunately, due to objections from the other side of the aisle, we are unable to consider it.

I want to take this opportunity to discuss the provisions of this legislation and the need to move expeditiously on it. This legislation does two things:

First, it permits individuals to consolidate all their student loans—both Federal Direct Loan Program [FDLP] loans and Federal Family Education Loan Program [FFELP] loans—into a FFELP consolidation loan. Under current law, students who have both direct and guaranteed loans may only consolidate them into an FDLP consolidation loan administered by the Department of Education.

The problem is that FDLP consolidation is not an option right now. Since August 26, the Department has suspended its consolidation program in an effort to deal with the backlog of 84,000 applications which had piled up prior to that time.

Second, it assures that students and their parents will enjoy the full benefits of the educational tax credits contained within the Taxpayer Relief Act of 1997 by excluding these tax credits from consideration when student financial need is being assessed.

Let me talk for a moment about why it is important to offer a loan consolidation option to those students who, right now, have nowhere to turn. The student loan consolidation program allows students to consolidate multiple student loans into a single loan that has several repayment options. The benefits of consolidation include the convenience of making a single monthly loan payment. In addition, the repayment options can reduce monthly payments. For many young families, these loans reduce their monthly payments enough to allow them to qualify for a mortgage for their first home.

In my view, we need to make every possible effort to assure that consolidation is a benefit to students—not just another obstacle course. A New York Times article about the series of problems which has plagued the FDLP consolidation program operated by the Department of Education under contract with Electronic Data Systems Corp. brings to life the individuals whom this legislation is trying to help.

Consider the following account regarding Shannan Elmore:

> It seemed like a simple enough thing to do: consolidate 10 different Government-sponsored college loans due over 10 years into one jumbo loan payable over 25, slashing the monthly payment to $350 from $448. That was one of the last things standing between Shannan Elmore and mortgage approval for the house—the one whose concrete foundation her husband had proposed in front of—that she wanted to build near Boulder, CO. But Mrs. Elmore, a 30-year-old chemist who graduated in May 1996 with a master's degree and $43,000 of debt, said it took eight months for the Electronic Data Systems Corporation to do the paperwork—far too long to satisfy the mortgage lender. During those months, Mrs. Elmore said, she called frequently only to be put on hold—for as long as 45 minutes—and received one promissory note missing the very page her lender needed to see. She said she was still trying to clear up a loan that E.D.S. thinks it paid off twice and for which it is double-billing her. The Elmores eventually qualified for a mortgage, but for a different house.

Mr. President, I ask unanimous consent that the full text of the article, which appeared in the New York Times on October 1, 1997, appear in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. JEFFORDS. Mr. President, Department of Education officials have been working diligently to resolve the problems with the consolidation program and have indicated that it will reopen by December 1. I believe we would all welcome seeing the program back on its feet. In the meantime, we need to give students another option right now.

We also need to help alleviate the pressure on the direct consolidation loan program which will inevitably occur when it reopens—only to face the pent-up demand built up over a 3-month period. Prior to the shutdown, applications were running approximately 12,000 per month.

This legislation is intended to provide immediate relief to students and is designed specifically for that purpose. It modifies the current FFELP consolidation program to assure that loan subsidies are maintained, to provide for the same interest rate in effect for FDLP consolidation loans, and to protect borrowers against discrimination.

The bill does not, nor is it intended to, address every issue which has been raised with respect to the loan consolidation provisions of the Higher Education Act. In anticipation that these issues would be fully debated and addressed in next year's reauthorization of the act, the consolidation provisions of this legislation will expire on October 1, 1998.

Finally, this legislation also includes important provisions dealing with the calculation of student aid under the Higher Education Act.

The Taxpayer Relief Act of 1997 contained two educational tax credits designed to help students and their families pay for the rising cost of higher education. Under current law, the need analysis formula will consider students and their parents who receive the tax credit as having greater resources to pay for college, thereby reducing their eligibility for student financial aid. As a result, students and their families will find their financial aid reduced and that the amount they expended for higher education remained relatively unchanged by the educational tax credits.

If the change in the need analysis formula included in this legislation is not made, approximately 69,000 individuals will lose an estimated $120 million in student financial aid.

I do not believe that this needed relief for students should be further delayed, and I urge my colleagues to withdraw their objections so we can get this measure to the President.

Mr. President, I want to just please urge those who are opposing the consideration of this bill to at least take the time to fully understand the ramifications of their failure to allow this bill to come up. I am sure that when they do so, they will recognize that this is not something which should be left undone before we leave here this fall.

EXHIBIT 1

AMERICAN COUNCIL ON EDUCATION,
OFFICE OF THE PRESIDENT,
Washington, DC, October 28, 1997.

DEAR SENATOR: I write on behalf of the undersigned to express our strong support for S. 1294, the "Emergency Student Loan Consolidation Act of 1997." This urgent legislation contains two important provisions, each of which provides significant benefits for students.

First, the bill amends the student aid need analysis section of Title IV to exclude from parental or student income the amount of any tax credit claimed under the "Taxpayer Relief Act of 1997." This is an essential conforming change that is necessary to fulfill the intent of framers of the tax bill regarding the Hope Scholarship and Lifetime tax credits.

Second, the bill provides temporary, but much-needed, relief for tens of thousands of borrowers whose access to Direct Consolidation loans has been limited due to the problems experienced by the Department of Education in implementing the Consolidation program. While we hope the Department will soon eliminate the massive backlog of applications, and that it will be able to accept and process applications soon, it is important to provide additional consolidation options for borrowers who desperately need help now. S. 1294 will provide several significant borrower benefits:

The bill allows borrowers to consolidate their student loans not only through the Direct Consolidation program, but also through the lender of their choice in the Federal Family Education Loan Program (FFELP).

It lowers the interest rate on FFEL Consolidation loans, and sets a maximum cap on interest at the same rate as is currently in effect for Direct Consolidation loans.

It equalizes the treatment of certain interest exemption benefits for all borrowers by extending the Direct Consolidation program's treatment of these exemptions to the FFEL Consolidation program.

The bill provides adequate non-discrimination provisions that go beyond current law in FFELP in limiting lender discretion.

We respectfully request that you join us in supporting this important legislation, which provides a broad array of much-needed student benefits.

Sincerely,

STANLEY O. IKENBERRY,
President.

On behalf of the following:

American Council on Education.

American Association of Community Colleges.

American Association of State Colleges and Universities.

Association of American Universities.

National Association of Graduate and Professional Students.

National Association of Independent Colleges and Universities.

National Association of State Universities and Land-Grant Colleges.

United States Public Interest Research Group.

United States Student Association.

EXHIBIT 2

[From the New York Times, Oct. 1, 1997]

DROPPING THE BALL IN JUGGLING LOANS; A LOT OF FUMBLES BY E.D.S. IN PROCESSING STUDENT DEBT

(By Carol Marie Cropper)

DALLAS, SEPT. 30.—It seemed like a simple enough thing to do: consolidate 10 different Government-sponsored college loans due over 10 years into one jumbo loan payable over 25, slashing the monthly payment to $350 from $558. That was one of the last things standing between Shannan Elmore and mortgage approval for the house—the one whose concrete foundation her husband had proposed in front of—that she wanted to build near Boulder, Colo.

But Mrs. Elmore, a 30-year-old chemist who graduated in May 1996 with a master's degree and $43,000 of debt, said it took eight months for the Electronic Data Systems Corporation to do the paperwork—far too long to satisfy the mortgage lender.

During those months, Mrs. Elmore said, she called frequently only to be put on hold—for as long as 45 minutes—and received one promissory note missing the very page her lender needed to see. She said she was still trying to clear up a loan that E.D.S thinks it paid off twice and for which it is double-billing her. The Elmores eventually qualified for a mortgage, but for a different house.

Mrs. Elmore is one of tens of thousands of recent graduates who have endured months of red tape as E.D.S. has struggled during the last year to fulfill its contract with the Education Department to run the Government's four-year-old effort to gain control of the nation's student loans. The delays have resulted in a Congressional hearing, prompted calls for legislation and given a black eye to both the Education Department and to E.D.S., the giant computer services company that is based in the Dallas suburb of Plano.

At the hearing, held Sept. 18, Marshall Smith, Acting Deputy Secretary of the department, testified that it had taken E.D.S. almost five months, on average, to complete each loan consolidation, creating a backlog of 84,000 applications. To give E.D.S. time to catch up, the department ordered it to stop accepting new consolidation requests in August.

This very public stumbling has put expansion of the Government's so-called direct student loan program in jeopardy. Republicans who opposed the Clinton Administration's 1993 effort to move student loans away from banks and into the hands of the Education Department are back in force.

"What we said in '93 has come home to roost," said Representative Howard P. McKeon of California, chairman of the subcommittee of the Committee on Education and the Work Force that held the recent hearing. Critics of the program said that it was doomed to create inefficiencies and bottlenecks.

Under the direct-loan program, student loans are issued by the Government, instead of by banks or other private lenders. The program is supposed to simplify life for students, who often have to borrow from more than one bank and then keep track of loans that are sold to lenders in other parts of the country.

The program is also supposed to trim Government administrative and interest expenses paid to lenders in the separate student loan operation in which repayment is simply guaranteed by Washington. And it provides students with more lenient repayment methods—allowing them to pay based on their income. The direct program has proved popular with students: it now represents about $20 billion in outstanding loans, about 16 percent of the total student debt, and is being used by 36 percent of all students borrowing for college expenses. E.D.S. issues the direct loans and oversees their consolidation.

To help ease the consolidation logjam—and, not incidentally, slow the direct program's forward motion—critics of Government lending have scheduled a committee vote Wednesday on a measure that would allow students to consolidate loans through a bank even if one or more of the loans had been issued by the Government. That option is not currently available to them. If the measure is approved, it would go to the full House for consideration.

Both E.D.S. and the Education Department say the logjam results from an unexpectedly large influx of consolidation applications and from a surprising amount of complexity in the process. E.D.S. said it had based its winning bid for the contract on department specifications that had forecast much less work. The department said it expected 7,000 to 8,000 applications each month; the actual rate was 12,000 a month.

But analysts that follow E.D.S., along with an executive of the Maryland company that previously held the contract, suggest another explanation—that an E.D.S. eager to win business may have underbid the job in 1995 by underestimating how many workers would be needed. E.D.S. has had to add 77 customer service representatives to the 100 it originally assigned to the contract, and last year it replaced the managers running the project.

Education Department officials acknowledge that they do not have the expertise to guide such a complicated computer effort. "A lot of the problems we run into with government is we don't block and tackle correctly," Thomas Bloom, inspector general for the department, testified at the Sept. 18 hearing. The General Accounting Office, the Congressional watchdog, has repeatedly questioned the department's technical ability to handle financial aid information.

George Newstrom, an E.D.S. corporate vice president for government contracts, said the company did not improperly underbid. "We don't do that," he said E.D.S. would have had enough employees to do the work if the Government's estimates had been correct, he said.

But E.D.S. has acknowledged that it miscalculated on other contracts that were bid around this time. In August, E.D.S. said that it had re-evaluated profits related to about a dozen contracts booked in 1994 and 1995, lowering the numbers. The changes cost the company $80 million in pretax income.

Investor concerns over those errors combined with disappointing quarterly earnings to drive E.D.S.'s stock from a 52-week high of $63.375 last October to $35.50 today. The company is in the middle of a revamping that will shed 8,500 of its 100,000 jobs.

E.D.S. dismissed at least one of the managers responsible for the troubled contracts, according to Myrna Vance, E.D.S.'s corporate vice president for investor relations.

Mrs. Vance said the student loan account was not on the problem list in August. It is too early to tell whether the need to assign additional service representatives will mean lower profits there, she said.

The company's February 1995 bid to the Education Department was submitted at a time when, analysts say, E.D.S. was in a period of flux and managers were especially eager to win contracts.

E.D.S. was still adjusting to bruising competition from I.B.M., which had barged onto its turf in 1991 with aggressive bids for contracts that had long gone to the Texas company. Also, top E.D.S. management was distracted by the company's planned 1996 spinoff from the General Motors Corporation, which had bought the company from its founder, Ross Perot, in 1984. The spinoff would remove E.D.S. from G.M.'s protective wing, leaving it to stand or fall on its own.

E.D.S., long the industry leader in handling computer services for big clients, finished 1995 with $12.4 billion in revenue, up from $10 billion the year before. But according to a Merrill Lynch analyst, Stephen T. McClellan, the company was finding it increasingly difficult to keep up the double-digit earnings growth it had come to regard as its due. Worse, I.B.M. was gaining on E.D.S. for total contracts won and would roar past in 1996.

It was in this atmosphere that E.D.S. prepared its $162 million bid to issue and consolidate direct loans over a five-year period. The bid was at least 50 percent lower than the one submitted by the Maryland company that had been doing the job, the CDSI/Business Applications Solutions unit of Computer Data Systems Inc. E.D.S. soon won a second five-year contract, worth $378 million, to service the loans.

Thomas A. Green, president of the CDSI unit, said that his company had already started to see a surge in interest in the direct-loan program—and the Education Department should have know that. "We were sending out applications all the time, so it was clear that the popularity of the program was growing," Mr. Green said. "They weren't blind-sided at what it was going to be when they took over," he said of E.D.S.

Mr. Green also said his company was never as backlogged as E.D.S. has been. He said CDSI consolidated 144,000 loans in the 22 months between January 1995 and November 1996, when it finished its work. The average consolidation took 65 to 70 days, he added.

That compares with an average of 142 for E.D.S., according to Mr. Smith, the Education Department official. E.D.S. has processed about 54,000 loans since taking over last September, he told the House panel.

One of those affected by the delays is Robyn Higbee, who says she went back and forth on the phone for six months to consolidate two of her husband's law school loans totaling $18,500. Mrs. Higbee struggled with this as the family moved from Virginia to California, her husband studied for the bar exam and started a new job, the couple bought their first home and she gave birth to a baby who required heart surgery.

"It was just something that was totally unnecessary," Mrs. Hibgee, 25, said of the loan complications.

Randolph Dove, a spokesman for the company in its Washington-area office, while not familiar with the details of Mrs. Higbee's and Mrs. Elmore's cases, said that E.D.S. regretted the difficulties any students have had. "We've been working very hard and have a lot of people dedicated to resolving this," he said.

Over all, E.D.S. has recovered from its dry spell in winning contracts. I.B.M. won $27 billion in new business last year, compared with E.D.S.'s $8.4 billion, according to Greg Gould, a computer services analyst at Goldman, Sachs, but this year E.D.S. has already won or is close to signing $16.4 billion worth of contracts. Also, gross margins are up for the work E.D.S. managers are bringing in—25 percent rather than the 16 percent on contracts in 1994 and 1995, Mr. Gould said. And top management has increased its control of underlings who may have been tempted to bid too low to win a contract, he added. "There's that winner's curse," he said. "You want to win and you just lower your price until you win the contract."

The prognosis for direct student loans is murkier. E.D.S. expects to have the kinks out of its system and its backlog erased by Dec. 1, Mr. Dove said. Students can then start applying once more for consolidations, he said.

But the concern over the logjam is undercutting the Government's plans to expand the program. Representative McKeon, who introduced the legislation now before the education committee, concedes that there are not enough opponents of direct loans to kill the program outright. But his bill would at least end the Government's monopoly over consolidation that restricts all students who have any direct loans.

For E.D.S.'s part, Mrs. Vance said that the publicity would not have much impact on the company's prospects. "One contract is not going to set a trend or be a deterrent for new business," she said.

The Education Department, however, is considering whether to cancel the $378 million contract with E.D.S. for servicing the loans. Such a move could come because applications for new loans are, oddly enough, now running below expectations. A cancellation would not be related to the problems with the consolidations, a department spokesman said, adding that another company's servicing contract is also in jeopardy.

But even some of the lawmakers who mostly blame the Education Department for the program's troubles are asking whether E.D.S. should be punished by being docked part of its pay. Representative Peter Hoekstra, Republican of Michigan, said he might favor doing that.

Even without that penalty, however, E.D.S. will feel some pain, Mr. Hoekstra said, adding, "I wouldn't want to be identified as the vendor that forced the Federal Government to shut down consolidations in the direct-loan program with a backlog of 84,000 kids."

Mr. JEFFORDS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL COSPONSORS—S. 1319

Mr. BYRD. Mr. President, I ask unanimous consent that the name of Mr. LEVIN, Mr. JEFFORDS, and Mr. LEAHY be added as cosponsors to S. 1319, a bill to repeal the Line-Item Veto Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. JEFFORDS. Mr. President, in behalf of the leader, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak for up to 5 minutes each until 3 p.m..

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JEFFORDS. Mr. President, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BRYAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRYAN. Mr. President, I ask unanimous consent to speak as if in morning business with the understanding that if the distinguished floor leader is prepared to move forward, I am prepared to yield the floor back to him for purposes of conducting his business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRYAN. I thank the Chair again.

NUCLEAR WASTE POLICY ACT OF 1997

Mr. BRYAN. Mr. President, yesterday, in perhaps the most antienvironmental vote of the Congress, the House of Representatives passed the Nuclear Waste Policy Act of 1997. Like the Senate bill that passed earlier this year, the House bill unfairly targets Nevada, a State with no nuclear reactors, as the final destination for 80,000 metric tons of high-level nuclear waste produced by the U.S. commercial nuclear utilities, most of which are located in the East.

The central feature of the bill passed by the House yesterday, like the Senate bill, is the establishment of so-called interim storage of high-level commercial nuclear waste at the Nevada test site, about 80 miles north of the metropolitan Las Vegas area, an area that comprises some 1 million citizens.

Like its Senate counterpart, the House bill tramples on decades of environmental policy, ignores public health and safety and exposes the American taxpayer to billions of dollars in cost to solve the private industry's waste problem.

Fortunately, the President has indicated that he will veto either version of this misguided legislation. We have secured the votes in the Senate to sustain President Clinton's veto.

While yesterday's House vote falls slightly short of the number required to sustain a veto in the House, we are still within striking distance of the required number, and I believe that in the end this bill has little or no chance of becoming law.

As I have discussed many times here on the Senate floor, the nuclear power industry's legislation is nothing but corporate pork, plain and simple. It is a bailout for a dying industry at the expense of both the pocketbooks and the health and safety of the American public.

Nevada, as the industry's chosen destination for its waste, has obvious objections to this legislation. But, Mr. President, other regions are also rightfully concerned with the potential impact on their citizens. Under this legislation, in just a few short years, 16,000 shipments of toxic, high-level nuclear waste will be transported by rail and highway through 43 States. More than 50 million Americans live within 1 mile of the proposed rail and truck routes.

The bill requires the transportation of waste through many of our largest metropolitan centers and provides no assurance that funds will be available to provide training and equipment for emergency responders.

Moreover, the bill makes a mockery of our Nation's environmental protection laws. It ignores the National Environmental Protection Act and would take precedence over nearly every local, State or Federal environmental statute or ordnance, including, among others, the Clean Air Act, the Clean Water Act, the Safe Drinking Water Act, and many more. It establishes radiation protection standards far lower than in any other Federal program and in complete contradiction to internationally accepted thresholds.

The bill provides little or no public input or comment by affected communities or individuals and establishes a whole new set of unreachable deadlines, repeating the very mistakes Congress made in 1982 with the original Nuclear Waste Policy Act.

All of this—the trampling of our environmental laws, the billions of dollars in subsidy to the nuclear power industry, and the grave threat to the health and safety of millions of Americans—is completely unnecessary. Nuclear utilities can and do store waste safely on site at reactors. In fact, the very same storage technology that the legislation contemplates using at the Nevada test site is currently used at reactor sites around the country, with many more sites soon to follow. No reactor in the United States has ever closed for lack of storage.

Despite the scare tactics of the nuclear power industry, there is no storage crisis. Objective scientific experts agree that there is no storage crisis. The Nuclear Waste Technical Review Board, an independent oversight board created by the Congress, found in March of 1996, and repeated again this year, that there is no compelling technical or safety reason to move spent fuel to a centralized interim facility for the next few years. Nevertheless, the nuclear power industry has been relentless in its efforts to move its waste to Nevada as soon as humanly possible, no matter what the consequences.

Mr. President, we will continue to do whatever we can to stop this legislation from passing. With a firm veto threat in place and without the votes to override the veto, I encourage the leadership of both the Senate and the House of Representatives to stop this exercise in futility. Stop wasting Congress' time on ill-founded legislation that stands little or no chance of being enacted.

The American people deserve more from us than wasting our time on billion-dollar subsidies for an industry that has spent too long already at the public trough.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CAMPAIGN FINANCE REFORM

Mr. BUMPERS. Mr. President, I came over to speak on a beautiful, lazy Friday afternoon—that is one of the times you can get the floor without having to sit around too long—and talk about three or four items that I have just been reflecting on—nothing heavy.

But to take up campaign finance reform first, that issue has had the Senate tied in knots, now, for about 6 weeks, so tied in knots that we are not going to be able to finish the work that we ought to finish, particularly on the highway transportation bill, and that is a real tragedy. Nevertheless, I have felt very strongly about this issue for a long time, so strongly that earlier this year I introduced my own bill to provide for public financing of campaigns.

I think I could probably say without fear of contradiction—and at my age I am not likely to live long enough to see this country go to public financing—and yet in my opinion that is the only solution: If you take all private money out of financing of campaigns in this country then you know that any private money in a campaign is a violation.

Senator THOMPSON has just announced—essentially announced—the shutting down of the hearings on campaign finance reform. Nobody's fault—I thought Senator THOMPSON did a credible job. I thought all the members of the committee did. But there really was not very much there, except occasional abuses, cases of neglect, inattention, and heavy partisanship, but very little in a way that could remotely be construed as illegal. Yet, for all the abuses—and there were some—uncovered and testified to and about during those hearings, there is not any strong sentiment here to change the system under which those abuses occurred. If we do nothing this year, we do nothing next year, you can rest assured the abuses will continue.

I come from the Democratic Party. Of course, when it comes to raising money, we are a threatened species. But completely aside from the politics of the issue—and the fact is that the Republicans outraise us—I think our Democratic National Committee is in debt by $15 million. I saw a big story in the paper this morning that the Democratic National Committee was going to raise $2.5 million at a retreat in Florida this weekend, and the story acted as though there was something ominous and maybe certainly unethical about it. But it didn't seem that way to me at all, not under the existing system. There is nothing wrong with people giving $50,000 a couple to attend a weekend retreat. That is a pretty steep price, but people do it every weekend in both parties. The price is just not normally that high.

But I also feel that as long as we allow that sort of thing to continue, we are effectively selling off the Government to the highest bidder. I said on the floor, and it bears repeating, you cannot expect a democracy to function as it is supposed to function when money plays the role it plays in our campaigns. So, I hope that, come next March or whenever they have agreed to, if there has been such an agreement, that we can address the McCain-Feingold bill. I am a cosponsor of the bill, but I must say it pales compared to what I think ought to be done, namely go to public financing and take private money out of it.

I saw a list in the Washington Post yesterday of all the incumbents and how much money they had in the bank and how much the challengers had. And the incumbents are all friends of mine. This is not to belittle them. They are simply taking advantage of the system as it is. But the incumbents have millions in the bank and the challengers had virtually nothing. As a country lawyer from a town of 1,200 people who jumped up from a private practice to run for Governor—which most people considered insane, trying to get me to submit to a saliva test—believe you me, I know the power of incumbency and I faced it.

In the first primary, I spent $90,000. You couldn't get on the evening news for a week for that today.

I don't want to get too preachy about it. This is something you can get preachy about. But the fact is, I see campaign finance reform now in a different way than I saw it even as recently as 2 or 3 years ago. I see it now as a real threat to this Nation. It is no longer, at least it should not be, a partisan matter. It is, and it shouldn't be, because everybody's future is at stake.

I saw in the paper this morning where one of the candidates in Virginia is going to be given $1 million by his party. I saw last week where one of the candidates for Susan Molinari's spot, I guess it is in New York, that one of the parties is dumping $800,000 into that campaign and that person's opponent had $35,000 in the bank. You don't have to be brilliant to know how those races are going to come out. Television does it all and you cannot get on television without money. That is what these massive contributions are all about.

Whoever has the most money 94 percent of the time wins. You can hardly call that a democracy because, as I say, it is threatening.

REDUCING THE DEFICIT

Mr. BUMPERS. Mr. President, there is a lot of talk now since the President has announced that the deficit this year for 1997 is, I believe, $22.6 billion. That is an incredible figure. In 1993, you are looking at a Senator who was genuinely concerned, really concerned, not just concerned, alarmed about where we were heading with these massive deficits of $290 billion a year, and no one seeming to want to do something about it, either cut spending or raise taxes, both of which would be necessary to address the problem.

I have said on the floor before, so far as I am concerned, regardless of what President Clinton does before or from now on, his legacy is going to be the bill in 1993 that addressed that problem in a very courageous way, so courageous it cost a lot of Members on my side of the aisle their seats. But it reduced the deficit from $290 billion a year, and it is reduced to this year $22.6 billion. That is an awesome, awesome result, and one in which the people in this country ought to take great pride.

Then I hear on the House side where the Speaker said, if we have a surplus left next year, he would like to have it go on to defense spending. Completely aside from what I want to say on the subject, that is not where I want it to go. I want the so-called surplus to go right into the National Treasury, because even though the deficit this year is $22.6 billion, that does not include $114 billion that we are using in trust funds—Social Security, airport, highway trust funds—to get to that point.

So while we are all patting ourselves on the back, Senator HOLLINGS says giving ourselves the Good Government Award, for doing something about the deficit, we should not ever lose sight of the fact that the $22.6 billion is not the deficit. The deficit is $22.6 billion plus the $114 billion we are spending in trust funds by borrowing, and until we add $114 billion in surplus to the $22.6 billion in deficit, we will not have a balanced budget.

I agree with Alan Greenspan—I don't always agree with him—but I agree with him on one thing. Even using the jargon of the Senate and assuming that $22.6 billion is the deficit, that is not the honest deficit, but assuming that it is, if we have anything in excess of that next year, I would like to see it go into the Treasury, because the more we pay on the national debt, the lower interest rates are going to go, and the lower interest rates go, the better off the economy is going to be.

INTERNAL REVENUE SERVICE

Mr. BUMPERS. Mr. President, everybody has heard that old expression about fools walk in where angels fear to tread. I have heard as a practicing lawyer, as a citizen and certainly as a Member of the U.S. Senate, as many tales about the IRS as anybody in this body. There have been unbelievable abuses, a lot of which have been aired in the hearings that Chairman ROTH held in the Finance Committee.

You don't get accomplished diplomats for what we pay auditors in the IRS. Oftentimes, you get somebody who really is, indeed, abusive. Even though he is spending the taxpayer's money he is auditing, he can be very unpleasant. It isn't just the abusiveness of the auditors. Occasionally it is also their incompetence.

I was trying to help somebody one time and made a phone call back when I was practicing law. "We can't talk to you; send us a letter authorizing us."

I was a little offended by that, but at the same time, I understood. Anybody could call and say, "I'm calling on behalf of" somebody else. They don't know who they are, so I had to get an affidavit from my client and send it in saying I was authorized to represent her in a tax dispute.

But my point is all this legislation to abolish the IRS without putting anything in its place is not all that troubling to me because something has to give. You can't abolish the IRS and abolish the Tax Code without replacing it with something.

What you replace it with certainly ought not to be a flat tax. So far as I am concerned, the flat tax was created by the Flat Earth Society. A flat tax, No. 1, is not ever going to pass here because invariably it does not allow people to deduct interest on their homes. It doesn't allow charitable contributions. The church people, the universities of the country who depend so extensively on giving are not ever going to sit still for a flat tax. If the middle- and lower-income groups of the country knew what the flat tax would do to them, they wouldn't stand still for it.

I can promise you that under every flat-tax scenario I have seen, people who make between $30,000 and $100,000 are going to wind up paying more, and people who make more than that are going to wind up paying less. I have not seen one single flat-tax proposal that doesn't take all the progressivity out of the Tax Code.

I can tell you, I only have 1 more year in the Senate, but I am not going to vote during that year for anything that even smacks of a flat tax. Oh, everybody thinks it is so simple. Do you know why the Tax Code is so complex? Because of the U.S. Congress. They drafted it. We just got through adding about 800 pages to it with the so-called balanced budget bill.

Of course, it is complex. When you consider the myriad of transactions that occur in this country and you are trying to deal with all of them and there are lobbyists all over the city asking for special favors—this little thing in our business, and this little thing in our business—that is the reason the code is indecipherable today. So don't blame the IRS because the Tax Code is indecipherable, blame the U.S. Congress. We are the ones who drafted every word of it.

So, Mr. President, bear in mind that for the last year—and the IRS has many statistics on it—there is about $100 billion, somewhere between $92 and $95 billion in tax evasion every year.

What does that mean? Let's assume in the year 1997 that we collected $600 billion in personal income tax, and that is probably pretty close to correct. Assume further that the IRS had been able to collect the $100 billion which is not being paid that ought to be paid. You could reduce taxes by $100 billion. That would be pretty nice.

You hear all kinds of talk around here about tax cuts. But nobody ever wants to give the IRS any more money to enforce the Tax Code against those people who are paying no taxes. One of the reasons our taxes are as high as they are is because of the underground economy operated by people who deal in cash and do not pay taxes for the privilege of being an American citizen.

I am inclined to support—I read an op-ed piece in the Post this week strongly opposed to this idea. I do not know whether it was this week or not. But this business of shifting the burden to the IRS from the taxpayer has some merit.

I offered a bill in 1980, and it passed the Senate. It never passed the House, but it passed the Senate. The Republicans liked it so well they put it in their platform in the convention in 1980. But I had a provision that said, any time a regulator comes into your plant and charges you with a violation, you would have to sustain the burden of proving that that regulation was valid.

If somebody comes into your plant and says, "Your fire extinguisher is 2 inches too high off the floor and, therefore, I'm fining you $100," it would be incumbent, under existing law, for the person who owned that plant to prove that Congress did not intend for him to pay a fine because his fire extinguisher was 2 inches too high off the ground.

Under my bill that passed the Senate in 1980, the burden would have shifted to the regulator, the guy who is trying to impose the fine. He would have to prove that the regulation is valid and within the intent of Congress. You shift the burden. But my bill excluded the Internal Revenue Code. I won't go into all the reasons we did that. It did not seem workable.

But now I am going to look very closely at this proposal of BILL ARCHER's, from the House, to shift the burden to the IRS when they allege that somebody is deficient or made a mistake on their tax return or generally state when the IRS is accusing somebody of owing money, they will have to sustain the burden of proving that instead of shifting the burden immediately to the taxpayer.

Mr. President, I had one or two other issues I was going to talk about. But in the interest of expediting this evening and allowing people in the Senate to get out of here—they all look at me with mean looks, so I know everybody is wanting to shut this place down—I will forgo a couple of other items and save them for next Friday afternoon.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. NICKLES. Mr. President, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE MOTOR SAFETY DEMONSTRATION PROJECT

Mr. DORGAN. Mr. President, section 344 of the National Highway System Designation Act of 1995 required the Department of Transportation to implement a motor carrier regulatory relief and safety demonstration project. The purpose of this project was to determine whether certain motor carriers with exemplary safety records could operate safely with fewer regulatory burdens.

Specifically, the Department was required to establish a pilot program for operators of vehicles between 10,001 and 26,000 pounds, under which eligible drivers, vehicles, and carriers would be exempt from some of the Federal motor carrier safety regulations.

The safety data generated from this project was to serve as the basis for assessing the appropriate level of future safety regulation for the motor carrier industry.

The statute was clear. Section 344 required the Department of Transportation to ensure that participants in the project would be "subject to a minimum of paperwork and regulatory burdens necessary to ensure compliance with the requirements of the program" and to "represent a broad cross section of fleet size and drivers of eligible vehicles".

Mr. President, I would inquire of the Majority Leader, what is the status of the motor carrier regulatory relief and safety demonstration project which we mandated in 1995?

Mr. LOTT. Mr. President, I thank the Senator for raising this issue. The letter and intent of the law concerning this program are not being carried out at all.

The National Highway System Designation Act passed in 1995, and section 334 mandated the motor carrier regulatory relief and safety demonstration project. It required the Department of Transportation to implement this project no later than August, 1996. However, the Department of Transportation did not even publish Final Guidelines for the project until June 10 of this year—1 year later than required by law.

Mr. DORGAN. I am, to be honest, somewhat taken aback by the Department of Transportation's obvious delay in implementing a congressionally mandated program. And I understand that delay is not the only problem afflicting this program.

The Final Guidelines, only published this year, appear to fall far short of what was intended in section 334, both in terms of reducing paperwork and regulatory burdens and attracting a broad cross section of participating businesses. Potential business participants invested many months of effort attempting to work with the Department of Transportation to create a functional program. However, the Department's Final Guidelines still create unreasonable barriers to motor carrier participation, produce uncertainty in implementation and enforcement, and fail to reduce business paperwork.

Mr. LOTT. Mr. President, I would add that, at this time, there is not a single applicant for the motor safety demonstration project.

This has not kept the Department from heralding the project as a centerpiece of their so-called regulatory reform. For example, in the August 11, 1997 issue, of the industry publication "Transport Topics," the Department's Associate Administrator for Motor Carriers, George Reagle, referred to the project as a key part of the administration's effort to "provide common-sense government * * *." which offers "the opportunity to further regulatory reform". Mr. Reagle further stated that "This early step toward reform will set the tone for our entire regulatory future * * *."

A centerpiece with no participants is an empty centerpiece. Words of self-praise are an inadequate response. The law was clear and implementation is overdue.

Mr. DORGAN. Mr. President, it seems to me that if there has not been a single participant in this program—which was intended as a way to relieve the regulatory burden on those companies that have demonstrated a good safety record—then something is amiss with this program.

I would hope that the Department would take a second look at this program and give serious consideration to making some changes that will permit the program to work in the manner in which Congress intended. It is clear that Congress desired to establish a means to achieve some regulatory relief and, thus far, we have not seen that result.

Mr. LOTT. Mr. President, I fully agree with the Senator. I do not believe the Department has followed the provisions established under the National Highway System Designation Act. I am disappointed.

The Senate Committee on Commerce, Science and Transportation has been working to advance legislation expanding the Department of Transportation's use of pilot programs and regulatory exemptions. I will be working with the committee to help reduce, as much as is safely possible, some of the unnecessary regulations and paperwork imposed on the motor carrier industry.

Given the Department's handling of the motor safety demonstration project to date, I am very concerned about the Department's sincerity in implementing such legislatively mandated programs. I will also be working very closely with the committee to ensure that the mandates we have already passed are complied with by the Department of Transportation.

AMERICAN MANUFACTURING AT ITS BEST

Mr. FORD. Mr. President, today I rise to pay tribute to the Paducah gaseous diffusion plant [PGDP] in Paducah, KY. On October 20, 1997, Industry Week Magazine recognized the Paducah facility as one of "America's 10 Best Plants" from among 275 plants nominated for the honor in 1997.

According to Industry Week, a national publication which annually salutes the top performing manufacturing facilities in North America, the dual purposes of the competition are "to recognize plants that are on the leading edge of North American efforts to increase competitiveness, enhance customer satisfaction, and create stimulating and rewarding work environments; and, to encourage other North American managers and work teams to emulate the honorees by adopting world-class practices, technologies, and improvement strategies."

There is no question that the Paducah facility, a federally owned nuclear fuel enrichment plant managed by Lockheed Martin Utility Services, meets these criteria. In fact, it is a model for any manufacturing plant in any industry in the country. Over the past 10 years, the Paducah plant has nearly tripled output from 2.3 million units per year to 6.8 million units per year. And this amazing increase in productivity was achieved using existing equipment and machinery. Similarly, the percentage of production units in-line has risen from 57 percent of capacity in August 1993, to an impressive 96.9 percent in April 1997. To top it all off, the Paducah facility boasts 100 percent on-time delivery for the past 5 years with a zero product defect rate. Now that, Mr. President, is what quality American manufacturing is all about.

On July 25, the Clinton administration gave formal approval to move forward with privatization for the U.S. Enrichment Corporation [USEC], the Government entity that currently owns PGDP. Hopefully, this process will be completed early in 1998. As I have maintained for the better part of 10 years, privatization will not only enable Paducah to utilize cutting edge technologies to keep it competitive in the world uranium market, it will also keep thousands of productive employees on the job well into the next century.

Mr. President, I ask unanimous consent that the article entitled "Lockheed Martin Utility Services" be printed in the RECORD following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Industry Week, Oct. 20, 1997]

LOCKHEED MARTIN UTILITY SERVICES

(By John H. Sheridan)

Perhaps it has something to do with the fact that the huge production facility he runs is located smack dab in the middle of a 4,000-acre wildlife refuge—complete with pesky beavers and a herd of deer. Or maybe he just enjoys telling animal stories. But if you ask Steve Polston about the management philosophy that drove culture change—and an impressive business turnaround—at the Paducah Gaseous Diffusion Plant (PGDP) in Paducah, Ky., be prepared for a few lessons in zoology.

For instance, there's his yarn about the "tiger rabbit"—a creature that has become the stuff of western Kentucky legend.

Polston, who is general manger at PGDP, a nuclear-fuel enrichment facility owned by the federal government and managed by Lockheed Martin Utility Services, likes to show a picture of one of these critters. It's your basic rabbit, but it has black-and-orange stripes. "It might look a little bit like a tiger," says Polston, "but you can't expect it to act like a tiger."

In a sense, that was his perception of the PGDP complex about five years ago, when the initial steps were taken to begin transforming the 1,550-employee facility from a financially struggling unit of the U.S. Dept. of Energy (DOE) into a businesslike operation. An important step was passage of the Energy Policy Act of 1992, which spun the Kentucky facility out of DOE—along with a sister plant in Portsmouth, Ohio—and into a newly created government entity, the U.S. Enrichment Corp. (USEC). Legislation adopted in 1996 set in motion a plan to eventually privatize the business.

"In the beginning," says Polston, "we knew we weren't a real business—even though they called us a business."

For one thing, the culture of the plant was mired in a can't-do mentality, the legacy of years of bureaucratic oversight. For another, costs were out of control. "We had been losing market share because our costs were going up rapidly," Polston recalls. In the early 1990s DOE analysts had projected that USEC's world market share would drop from 46% to less than 20% by the year 2000. And there was speculation that the two plants might close for good early in the 21st century—a rather ominous projection, since the USEC plants together supply 80% of the fuel to run nuclear powerplants in this country. If they shut down, the U.S. would no longer be self-sufficient in nuclear-fuel-processing capability.

In trying to turn things around, the first challenge was to get costs under control. But it was clear that would require cultivating new attitudes—in the management ranks as well as among the unionized workforce, which is represented by the Oil, Chemical & Atomic Workers (OCAW) Local 3550 and the United Plant Guard Workers of America.

Explaining PGDP's approach to cost-control issues, Polston sets the stage with—you guessed it—another animal story. When an elephant is young, he points out, it is trained to stay in place by a short tether attached to its leg and tied to a stake. After years of conditioning it associates the tether with an inability to move about freely. "When an elephant grows up," Polston explains, "you can hold it in place with a piece of old clothesline. After I came here six years ago, I began to envision us as a big elephant restrained by a small rope. Our workers thought it was impossible to get our costs down."

One way to begin changing that mentality was an infusion of new management blood. Polston began recruiting senior managers with backgrounds in commercial nuclear power—people who understood the realities of a competitive business environment. "I wanted to break that rope," he explains. "I wanted their private-sector mentality to rub off on us."

He also began preaching the merits of cycle-time reduction and elimination of non-value-added activity. At the same time, training, communications, and quality and teamwork initiatives were intensified—with the support of OCAW union leaders.

A primary cost-reduction thrust has been to emphasize the use of lower-cost, nonfirm power, since electricity represents 60% of the facility's total costs. To accomplish this, the plant took a more aggressive approach in using freezer/sublimer equipment developed by the Paducah engineering staff, as well as a sophisticated computer system, enabling the plant to reduce power consumption during high-price periods and then make up the production slack by increasing power usage during off-peak hours when rates are lower.

A second key initiative—which called for broad involvement by the workforce and rigorous adherence to procedures—was to improve the reliability of process equipment. A strong preventive-maintenance program was beefed up, and workers were encouraged to participate widely in a problem-reporting system that has cultivated a continuous-improvement mentality. When an employee points out a problem or potential problem, it goes into a corrective-action system that plant officials describe as a "bear trap" that forces follow-up activity. In some cases, joint union-management teams are formed to investigate and implement solutions. In 1996 the problem-reporting/suggestion system identified 6,000 plant issues—generating about 10 times as many improvement ideas as in years past.

When an employee fills out a problem-report form, he or she is required to include suggestions on how to solve the problem. "Some of the suggestions have been very creative and insightful," Polston notes. "We identify low-threshold problems before they become bigger problems." Coupled with the problem-reporting system has been an extensive effort to train employees in root-cause-analysis methods.

At the core of PGDP's extensive employee-communications program has been an effort to translate business goals established by USEC into terminology and objectives that the entire workforce can identify with. After a winnowing process, emphasis was placed on three key goals:

Ensure an accident-free environment.

Strive to get 100% of the plant's production cells on stream.

Reduce the cost of SWUs—that is, "separated work units," a measure of the effort required to boost the U235 level in the uranium hexafloride (UF_6) processed by hundreds of "converters" in the four-building production complex.

To keep employees abreast of progress toward the goals, the latest performance metrics are posted on a large sign at the entrance to the property, so that when they drive in each morning workers know exactly how they're doing. In addition, color-coded charts posted in strategic locations provide at-a-glance updates on progress toward the current Top 10 plant objectives—which are established annually under the PGDP Quality of Operations plan.

So how they have been doing?

Well, the predicted falloff in market share never occurred. In fact, since 1992 USEC—which generates more than one-third of its annual revenues from sales to overseas customers—has increased its domestic market share and boosted its export sales. In the last five years the Paducah plant has reduced its manufacturing costs by nearly 11% while establishing an enviable record of shipping product 100% on-time and 100% within specification—without maintaining an inventory buffer. And the folks at USEC headquarters in Washington have ample reason to be pleased with the bottom-line results.

"We're an example of efficiency in the public sector—and we make a tidy profit for the U.S. Treasury," says John R. Dew, who oversees training programs at Paducah and carries an unusual title—manager of mission success. "Our management team has taken a 45-year-old bureaucratic government operation and turned it into a profitable business that is at the top of President Clinton's list for privatization."

For 1996 USEC was able to report net income of $304.1 million on sales of $1.41 billon—an enviable 21.6% profit margin. If the U.S. Treasury Dept, the USEC's sole shareholder, eventually does approve the sale of the business to private interests—a move that could take place early next year—it will mean a nice windfall for Uncle Sam. By some estimates, the sale could prove to be the biggest U.S. privatization move ever, exceeding the $1.6 billion sale of Conrail in 1987.

Securing final approval of the sale could prove a bit sticky, however, since the new owners would obtain access to what is still considered highly classified technology—including AVLIS, a next-generation enrichment process being developed by USEC, in conjunction with Bechtel Corp.

Perhaps a little history will put the national security issues into perspective. The Paducah facility was built in 1952 by the old Atomic Energy Commission, under orders from President Harry Truman, to produce enriched uranium for thermonuclear warheads—as a hedge against possible war in Southeast Asia. The site met all of the official site-selection criteria established during the early years of the Cold War and at the height of Sen. Joseph McCarthy's anti-Communism crusade. For one thing, Paducah was more than 100 miles from any city with "known Communist activity."

In addition to the official criteria, the site selection no doubt also was influenced by the fact that Paducah was the home town of Alben W. Barkley, then U.S. vice president.

By 1964 the U.S. had developed an ample supply of weapons-grade nuclear material, and the Paducah facility was converted to production of fuel for nuclear power plants. In simple terms, the enrichment process involves heating cylinders containing solid UF_6 until it gasifies, then forcing the gas through a miles-long enrichment "cascade"—a series of converters separated by jet-engine-like compressors. In each converter, uranium molecules pass through a porous material, which gradually separates the lighter U235 molecules from the heavier U238 molecules—creating an "enriched" stream with a higher concentration of U235. The enriched stream is eventually withdrawn and cooled to a solid state in 14-ton cylinders.

Electrical power to drive the 1,860 motors in the system comes from two primary utilities—including a nearby Tennessee Valley Authority plant—along with electricity purchased in the open market and "wheeled" to the Paducah site. The power is distributed through four large power switchyards, one for each of the four processing plants. "Just one of these switchyards could handle the power needs of a city the size of Washington, D.C.," explains Terry Sorrel, customer-relations representative.

The heart of the production complex is a large circular control room that monitors the operation of all the equipment on site. One section of the control room, called the "Power Pit," manages the purchase and distribution of all electrical power used throughout the facility. "Our goal," says Ron Taylor, power-operations manager, "is to have a reliable power supply at the lowest possible cost."

Thanks to the sophisticated freezer/sublimer equipment, the power load can be quickly adjusted by freezing or subliming up to 200 tons of uranium gas. To reduce power requirements, UF_6 gas is withdrawn from the system and frozen.

Much of PGDP's progress during the last five years can be attributed to a cooperative union-management relationship, which has led to the creation of joint union-management teams at various levels. For example, an empowered union-management team developed a system to provide better heat protection to people working in high-temperature areas. Teams also have improved quality and maintenance efficiency (the site has 300 maintenance workers). And one team developed a six-year plan for facility upgrades.

Now, an effort is underway to expand the team concept by creating high-performance work teams that will be responsible for day-to-day operations. Added impetus for this initiative came from a visit by union and management representatives to another Lockheed Martin plant—a former "Best Plants" winner—in Moorestown, N.J. "Teamwork is a win/win situation, but we realized that we were functioning on a project basis," says Steve Penrod, operations manager. "At Moorestown, we saw a culture of teamwork in day-to-day activities."

Union officials support the high-performance team concept, says Mike Jennings, an OCAW representative for continuous-improvement programs. "It is a slow process, since it is a big change in culture," he says. "We aren't going to force teams on anyone."

Paducah has taken a team approach to operations performance improvement, placing heavy emphasis on a "conduct of operations" code that demands "rigorous attention to detail," says Penrod. As part of the effort, a team including hourly workers developed a "Code of Professionalism" that specified how employees should conduct themselves on the job.

Undergirding all of the performance-improvement efforts at Paducah has been an extensive communications effort—which includes "All-Hands Meetings" twice a year for 1,200 or more employees. "At these meetings, we reinforce our expectations, we discuss our performance measures, and we give people the opportunity to comment and raise any issues they may have," explains Howard Pulley, enrichment plant manager. "Among other things, they may tell us which of our systems are causing them to not be efficient."

Then there are "C2" meetings—in which small groups of employees focus on compliments and concerns. Every other month, 15 people are selected at random to participate. After discussion, the groups vote on their top three compliments—citing things that are being done well—as well as their top three concerns. "We follow up on their issues and then provide feedback," Pulley says.

U.S. FOREIGN OIL CONSUMPTION FOR WEEK ENDING OCTOBER 24

Mr. HELMS. Mr. President, the American Petroleum Institute reports that for the week ending October 24, the United States imported 7,482,000 barrels of oil each day, 1,104,000 barrels more than the 8,586,000 imported each day during the same week a year ago.

Americans relied on foreign oil for 54 percent of their needs last week, and there are no signs that the upward spiral will abate. Before the Persian Gulf war, the United States obtained approximately 45 percent of its oil supply from foreign countries. During the Arab oil embargo in the 1970's, foreign oil accounted for only 35 percent of America's oil supply.

Anybody else interested in restoring domestic production of oil? By U.S. producers using American workers?

Politicians had better ponder the economic calamity sure to occur in America if and when foreign producers shut off our supply—or double the already enormous cost of imported oil flowing into the United States—now 7,482,000 barrels a day.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Thursday, October 30, 1997, the Federal debt stood at $5,430,869,894,529.83 (Five trillion, four hundred thirty billion, eight hundred sixty-nine million, eight hundred ninety-four thousand, five hundred twenty-nine dollars and eighty-three cents).

One year ago, October 30, 1996, the Federal debt stood at $5,237,762,000,000 (Five trillion, two hundred thirty-seven billion, seven hundred sixty-two million).

Five years ago, October 30, 1992, the Federal debt stood at $4,067,329,000,000 (Four trillion, sixty-seven billion, three hundred twenty-nine million).

Ten years ago, October 30, 1987, the Federal debt stood at $2,384,800,000,000 (Two trillion, three hundred eighty-four billion, eight hundred million).

Twenty-five years ago, October 30, 1972, the Federal debt stood at $439,230,000,000 (Four hundred thirty-nine billion, two hundred thirty million) which reflects a debt increase of nearly $5 trillion—$4,991,639,894,529.83 (Four trillion, nine hundred ninety-one billion, six hundred thirty-nine million, eight hundred ninety-four thousand, five hundred twenty-nine dollars and eighty-three cents) during the past 25 years.

DEPARTMENT OF DEFENSE AUTHORIZATION BILL CONFERENCE REPORT

Mr. JEFFORDS. Mr. President, for the past few days, the Senate has been considering the conference report to accompany the Department of Defense authorization bill for fiscal year 1998. While there are several areas of controversy, I would like to highlight one area that I believe has not been given sufficient consideration: funding for the National Guard.

This bill contains a couple of disturbing provisions, not so much for their immediate impact, but for their long-term consequences. First, the proposal to add a representative for the Guard and Reserves on the Joint Chiefs of Staff, which I strongly support, has been watered down to call for two two-star advisors to the Chairman of the JCS. Mr. President, this is essentially the same role that the head of the National Guard Bureau has today. I do not see this as an enhancement of the Guard's status in the highest circles of decisionmaking. And I'm told that in the Pentagon, two two-stars don't equal a four. I am afraid that the current pattern of decisionmaking is responsible for the shortfall in resources for the National Guard that we see in the legislation before us, and if it is not altered in a significant manner, the National Guard is likely to have greater problems in the future.

The other provision that I would like to draw my colleagues attention to is the cut in Army National Guard personnel endstrength of 5,000. Mr. President, we all understand that over the next few years, endstrengths will come down for all the services. But what this bill does is to pick out one component of the military and require it to make a significant cut without calling on other components to begin their agreed-upon reductions. In fact, this bill forces reductions in the only part of the U.S. Army to actually meet its endstrength requirements. I am not sure that all my colleagues realize that because the Army National Guard is actually over its required endstrength by about 2,000 people, the legislation will force the layoff of more than 5,000 young men and women who are currently serving their country. Whereas if similar cuts were to come in the active component, the cuts would be implemented in large part by eliminating unfilled positions. This does not seem to me to be the way to maintain a dedicated cadre of military professionals.

Finally, I speak out today because I am concerned that this legislation may be taken as a sign by some as a change in Congress' attitude toward the National Guard. I very strongly believe that the future of the U.S. Armed Forces must include a greater role for the Guard and Reserves, not a diminished one. As defense resources shrink, as the nature of our employment structures change, and as we develop better tools for keeping our weekend warriors up to speed as top quality practioners of their military arts, we must put more of our faith in that part of the U.S. military that is closest to the people—the National Guard.

For too long, Congress has been seen as the primary bastion of support for the Guard and Reserves—not the Pentagon. An example of this is the administration's request for no new procurement funds for fiscal year 1998 for the Army Guard and Air Guard, out of a total procurement budget request of $42,883,000,000. This is not only unrealistic—it is dangerous. And until the administration sends up a more balanced request, Congress will have to continue its vigilance on behalf of the Guard. But this is not the way it should be, Mr. President, and I am disappointed that the bill before us today did not take advantage of the opportunity to change this situation.

It is my impression that a great debate continues to rage on the future structure of our military forces. I trust that this bill will not be taken as Congress' comments on that discussion, and that renewed energy will go into finding a better solution to these dilemmas in the coming years.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:58 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1479. An act to designate the Federal building and United States courthouse located at 300 Northeast First Avenue in Miami, Florida, as the "David W. Dyer Federal Building and United States Courthouse."

H.R. 1484. An act to redesignate the United States courthouse located at 100 Franklin Street in Dublin, Georgia, as the "J. Roy Rowland United States Courthouse."

H.R. 2493. An act to establish a mechanism by which the Secretary of Agriculture and the Secretary of the Interior can provide for uniform management of livestock grazing on Federal lands.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 1479. An act to designate the Federal building and United States courthouse located at 300 Northeast First Avenue in Miami, Florida, as the "David W. Dyer Federal Building and United States Courthouse"; to the Committee on Environment and Public Works.

H.R. 1484. An act to redesignate the United States courthouse located at 100 Franklin Street in Dublin, Georgia, as the "J. Roy Rowland United States Courthouse"; to the Committee on Environment and Public Works.

H.R. 2493. An act to establish a mechanism by which the Secretary of Agriculture and the Secretary of the Interior can provide for uniform management of livestock grazing on Federal lands; to the Committee on Energy and Natural Resources.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on October 31, 1997 he had presented to the President of the United States, the following enrolled bill:

S. 1227. An act to amend title I of the Employee Retirement Income Security Act of 1974 to clarify treatment of investment managers under such title.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC 3275. A communication from the Acting Assistant Secretary of Defense (Health Affairs), transmitting, pursuant to law, a report relative to TRICARE; to the Committee on Armed Services.

EC 3276. A communication from the Director of the Washington Headquarters Services, Department of Defense, transmitting, pursuant to law, a rule entitled "Champus TRICARE Support Office" (RIN0720–AA42) received on October 21, 1997; to the Committee on Armed Services.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–291. A resolution adopted by the Senate of the Legislature of the State of Michigan; to the Committee on Appropriations.

SENATE RESOLUTION NO. 69

Whereas, In 1986, Congress created the Leaking Underground Storage Tank Trust Fund through legislation amending the Resource Recovery and Conservation Act. The fund was financed through a 0.1 cent tax on each gallon of motor fuel sold. The tax levy, which was reauthorized in 1990, expired on December 31, 1995. The fund has approximately $1.5 billion in it; and

Whereas, The purpose of the money generated by the Leaking Underground Storage Tank Trust Fund is two-fold. It seeks to enforce corrective actions where the owner of a leaking tank is known and cleanup activities where the owner is not known or is unable or unwilling to pay. The fund's proceeds are distributed to the states on a formula based on criteria determined by federal officials. Factors include levels of contamination, the number of leaking tanks, the number of cleanup efforts, and danger to drinking supplies; and

Whereas, Over the years, not enough money from the trust fund has gone to fighting the effects of leaking underground storage tanks. Almost all of the fund's proceeds go toward administration and enforcing the program. It is estimated that only 1 percent of fund money spent each year goes to clean up orphan tanks; and

Whereas, In an effort to increase cleanup initiatives and to deal with a problem that gets worse with the passage of time, Congress is considering legislation to revamp the manner in which the money in the Leaking Underground Storage Tank Trust Fund is distributed. The legislative proposals offer a more pragmatic approach by providing for the Environmental Protection Agency to distribute the money to the states with more authority for the states. The states are in far better positions to determine how best to meet the aims of cleanup and enforcement. With a formula for distributing the funds based on what the states contributed to the fund, a far greater positive impact can be made in cleaning up our environment; Now, therefore, be it

Resolved by the Senate, That we memorialize the Congress of the United States to provide for the distribution of the Leaking Underground Storage Tank Trust Fund's proceeds to the states for cleanup projects determined by the states; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

POM-292. A joint resolution adopted by the Legislature of the State of California; to the Committee on the Judiciary.

Assembly Joint Resolution No. 13

Whereas, The Congress of the United States of America is considering the ratification of the balanced budget amendment to the Constitution of the United States of America; and

Whereas, Amendment the Constitution of the United States should not be entered into without the full knowledge of the California Legislature as to the economic and human consequences of the amendment on the State of California; and

Whereas, The potential impact of the balanced budget amendment without protections for seniors, medicare recipients, and social security recipients, upon the State of California and its individual citizens could be massive and without precedent; and

Whereas, Older American in this country have labored their entire life to prosper and succeed to make America great; and

Whereas, Congress should take every step to exempt social security from the balanced budget amendments; and

Whereas, Congress needs to adopt a hands-off approach to social security and the Medicare system and stop any further action to hurt older Americans; and

Whereas, All efforts should be continued to keep social security from the balanced budget amendment since Congress took it "off budget" in 1990; and

Whereas, The Legislature of the State of California needs sufficient information and data upon which to base its appraisal of the impact of the balanced budget amendment; Now, therefore, be it

Resolved by the Assembly and Senate of the State of California jointly, That the Legislature respectfully memorializes the President and Congress of the United States to continue efforts to indefinitely ensure that social security is not threatened in any way, to protect older Americans who are receiving social security and Medicare from undue harm and stress from the continuing dialogue to stop any effort to hurt the income security of older Americans, to ensure that everything necessary is being done to make sure that older Americans continue to receive all that they are entitled to and deserve, and to ensure the solvency of social security and Medicare for future generations of taxpayers and senior citizens entitled to the benefits provided by those programs; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

POM-293. A joint resolution adopted by the Legislature of the State of California; to the Committee on Foreign Relations.

Joint Resolution No. 18

Whereas, The United Nations Commission on the Status of Women formulated a document entitled the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW); and

Whereas, The United Nations General Assembly adopted the Convention, and opened it for signature in December 1979; and

Whereas, The Convention, sometimes called an international Bill of Rights for women, obligates those countries that have ratified or acceded to it to take all appropriate measures to ensure the full development and advancement of women in all spheres, including political, educational, employment, health care, economic, social, legal, marriage and family relations, as well as to modify the social and cultural patterns of conduct of men and women to eliminate prejudice, customs, and all other practices based on the idea of the inferiority or superiority of either sex; and

Whereas, Fifty-two countries, including the United States, signed the Convention during the 1980 Mid-Decade Conference for Women in Copenhagen, Denmark; and

Whereas, To date, 160 countries, representing over half the countries of the world, have now ratified or acceded to the Convention; and

Whereas, The United States has not yet ratified or acceded to the Convention; Now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California commends the local, national, and international efforts of the National Committee on the United Nations to promote the universal adoption of the United Nations Convention on the Elimination of All Forms of Discrimination Against Women, and urges the United States Senate to ratify CEDAW; and be it further

Resolved, That the Assembly and the Senate of the State of California shall work to ensure the elimination of discrimination against women and girls in the State of California, as they pursue the enjoyment of all civil, political, economic, and cultural rights, as expressed in the CEDAW treaty; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States.

POM-294. A resolution adopted by the House of the Legislature of the Commonwealth of Puerto Rico; to the Committee on Foreign Relations.

Resolution

Whereas, The Commonwealth of Puerto Rico and the province of Taiwan of the Republic of China enjoy a close and long standing relationship;

Whereas, Dr. Sun Yat-Sen, founder the Republic of China, has been recognized as a national patriot by all the governments of modern China and in harmony with his principles, the government of the Republic of China in Taiwan has consistently shown its commitment towards world peace and stability, economic and social-regional development, international mutual assistance, democratization processes and political and economic freedom;

Whereas, the economy of the Republic of China in Taiwan makes it, at present, the fourteenth largest commercial country, the twentieth in gross national product and the twenty-fifth in gross per capita income;

Whereas, the population of the Republic of China in Taiwan is greater than the population of two-thirds of the present members of the United Nations Organizations;

Whereas, the people of the Republic of China in Taiwan deserve appropriate recognition and credit for their dynamic role in the international community;

Whereas, the creation of an ad hoc committee for the study of the exceptional situation of the people of the Republic of China in Taiwan in the international community, has been proposed before the United Nations Organization in order to advance fair and viable solutions which will allow its participation in the international bodies under the aegis of the United Nations Organization;

Whereas, there is a precedent for the full participation of the Republic of China in Taiwan in the United Nations Organization and its affiliated bodies, such as the participation formerly granted to nations divided between two governments such as Korea, and as were Germany and Yemen for many years before their unification;

Whereas, since the People of Puerto Rico lack the power to directly influence the President and the United States Congressmen who direct the foreign and diplomatic policy which applies to Puerto Rico by vote, it is essential for this High Body to state its feelings on this matter to them. Now therefore: be it

Resolved by the House of Representatives of Puerto Rico:

Section 1.—To hereby request the President and the Congress of the United States to give their utmost attention and action support to the Republic of China in Taiwan as an important participant in international commerce and trade, and as a former ally, and in support of its efforts to attain its full participation in the international community bodies.

Section 2.—To have this Resolution translated into the English language, and remit copies thereof to the President and to the Congress of the United States, and to the Representatives of the Republic of China in Taiwan.

POM-295. A resolution adopted by the House of the Legislature of the Commonwealth of Puerto Rico; to the Committee on Energy and Natural Resources.

Resolution

STATEMENT OF MOTIVES

Information published in the United States indicates that in recent months a controversy has arisen regarding the manner in which the Federal Census for the year 2000 shall be conducted. The controversy is basically about proposed methodology.

The Bureau of the Census plans to use the statistical sampling technique, alleging that it is necessary in order to correct the situation of the previous census which failed to count some one point six (1.6) percent of the population of the United States or around four million (4,000,000) persons, according to its own estimates. It is estimated that if the sample is not used, one point nine (1.9) percent of the population shall not be counted and that six hundred seventy-five (675) to eight hundred (800) million dollars would be necessary in addition to the four billion it expects to spend.

From the above, it can be inferred that a census with statistical sampling is more reliable and less costly than that which does not use the sample. It is also important to indicate that experience has shown that the endemic problem of the population that is uncounted mainly affects the minorities, and among them, Hispanics.

We wish to join our efforts to those of Martha Farnsworth Richie, Director of the Bureau of the Census, Barbara E. Bryant, former Director of the Bureau of the Census under former President Bush, the two panels of the National Research Council, one of which is directed by Charles L. Schulze, who worked for Brookings Institution, to the American Statistics Association, the United States Conference of Mayors, organizations of legal counsel for minority groups such as the Civil Rights Leadership Council, the majority of the members of Congress affiliated to the Democratic Party, Republican Congressmen such as Senator John McCain from Arizona and Congressman Christopher Shays from Connecticut, as well as state governments such as New York and Los Angeles, all these who favor the use of statistical sampling in the Census.

It seems to us that the arguments set forth by those who oppose the use of samples based on considerations of public order, lack validity. The Chairman of the National Republican Party, Jim Nicholson, has been quoted as saying that based on an undisclosed internal report, that Republicans could lose up to twenty-five (25) seats in the House of Representatives if statistic sampling is used in the Census for the year 2000. This has been denied by other sectors. A study conducted by the Congressional Investigation Service based on the projections of the Census of 1996, reflects that eleven (11) seats would change hands and that states such as Texas, Arizona and Georgia would gain two (2) seats, while New York and Pennsylvania would lose two (2) seats.

The argument that a Census with sampling would be unconstitutional and that additional costs would be avoided if the Supreme Court annuls a census with the sample do not convince us either.

Department of Justice Opinions under the administrations of Clinton, Carter and Bush conclude that the Constitution does not exclude the use of the sample. We firmly believe that the constitutional right of equal protection under laws of the United States of the persons omitted in the past by the Census were violated, and that those mainly affected are members of minority groups that are not counted for reasons such as higher rates of multiple families living together, changes of residence and cases of homeless people, which mostly affect minority groups than the rest of the population.

In the spirit that justice be done from the economic point of view, as well as from the political point of view through equal treatment to all the residents of the United States, we urge the President and the Congress of the United States to support a Federal Census using the methodology proposed by the Bureau of the Census so that the five (5) million persons who would be omitted from the statistics of the Census if the statistical sampling is not used, can be counted, be it

Resolved by the House of Representatives of Puerto Rico:

Section 1.—To urge President William Jefferson Clinton and the Congress of the United States to support the methodology proposed by the United States Bureau of the Census to conduct the Federal Census of the year 2000.

Section 2.—A copy of this Resolution shall be remitted to the President of the United States, as well as to the Speaker of the House and President of the Senate of the United States of America, to the Floor leaders of the various parliamentary delegations, and to the Black Caucus and Hispanic Caucus of the Congress, the Governor of Puerto Rico and the Resident Commissioner of Puerto Rico in the United States, in English and in Spanish.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

H.R. 960. A bill to validate certain conveyances in the City of Tulare, Tulare County, California, and for other purposes (Rept. No. 105–127).

By Mr. CHAFEE, from the Committee on Environment and Public Works, with an amendment in the nature of a substitute and an amendment to the title:

S. 1180. A bill to reauthorize the Endangered Species Act (Rept. No. 105–128).

By Mr. D'AMATO, from the Committee on Banking, Housing, and Urban Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 318. A bill to amend the Truth in Lending Act to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required by a creditor as a condition for entering into a residential mortgage transaction, and for other purposes (Rept. No. 105–129).

By Mr. D'AMATO, from the Committee on Banking, Housing, and Urban Affairs, with an amendment:

S. 1228. A bill to provide for a 10-year circulating commemorative coin program to commemorate each of the 50 States, and for other purposes (Rept. No. 105–130).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. LUGAR, from the Committee on Agriculture, Nutrition, and Forestry:

Sally Thompson, of Kansas, to be Chief Financial Officer, Department of Agriculture.

Joseph B. Dial, of Texas, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring June 19, 2001. (Reappointment)

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GRASSLEY (for himself and Mr. DURBIN):

S. 1352. A bill to amend Rule 30 of the Federal Rules of Civil Procedure to restore the stenographic preference for depositions; to the Committee on the Judiciary.

By Mr. FRIST (for himself, Mr. LOTT, and Mr. THOMPSON):

S. 1353. A bill to amend title 49, United States Code, to provide assistance and slots with respect to air carrier service between high density airports and airports that do not receive sufficient air service, to improve jet aircraft service to underserved markets, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. MCCAIN (for himself, Mr. CAMPBELL, Mr. INOUYE, Mr. DASCHLE, and Mr. DORGAN):

S. 1354. A bill to amend the Communications Act of 1934 to provide for the designation of common carriers not subject to the jurisdiction of a State commission as eligible telecommunications carriers; to the Committee on Commerce, Science, and Transportation.

By Mr. LIEBERMAN (for himself and Mr. DODD):

S. 1355. A bill to designate the United States courthouse located in New Haven, Connecticut, as the "Richard C. Lee United States Courthouse"; to the Committee on Environment and Public Works.

By Mr. FAIRCLOTH:

S. 1356. A bill to amend the Communications Act of 1934 to prohibit Internet service providers from providing accounts to sexually violent predators; to the Committee on Commerce, Science, and Transportation.

By Mr. DORGAN:

S. 1357. A bill to require the States to bear the responsibility for the consequences of releasing violent criminals from custody before the expiration of the full term of imprisonment to which they are sentenced; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. D'AMATO:

S. Con. Res. 59. A concurrent resolution expressing the sense of Congress with respect to the human rights situation in the Republic of Turkey in light of that country's desire to host the next summit meeting of the heads of state or government of the Organization for Security and Cooperation in Europe (OSCE); to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRASSLEY (for himself and Mr. DURBIN):

S. 1352. A bill to amend rule 30 of the Federal Rules of Civil Procedure to restore the stenographic preference for dispositions; to the Committee on the Judiciary.

THE FEDERAL RULES OF CIVIL PROCEDURE RULE 30 AMENDMENT ACT OF 1997

Mr. GRASSLEY. Mr. President, I rise today to introduce a bill to amend rule 30 of the Federal Rules of Civil Procedure. This bill, which I am introducing with Senator DURBIN, will restore the stenographic preference for depositions taken in Federal Court. Under our system of government, Congress has the duty and responsibility to scrutinize carefully all of the rules of Civil Procedure promulgated by the Judicial Conference and transmitted to us by the Supreme Court for review—and to make modifications or deletions when appropriate. Indeed, when many changes to the rules were proposed in 1993, some were to be modified in legislation which was passed by the House. Unfortunately, the crush of the end-of-session legislation that year made it impossible for the Senate to act on this bill to modify these changes and they took effect in December of that year.

Many of us in this body wanted to bring the bill forward, but opponents of the proposed modifications were able to delay any Senate consideration until after the effective date required by the Rules Enabling Act. Because of our responsibility to review these rules, I want to bring one of the modifications back before the Senate. This modification concerns rule 30 of the Federal Rules of Civil Procedure.

From 1970 to December 1993, rule 30 permitted depositions to be recorded by non stenographic means, but only upon court order or with the written stipulation of the parties. The change in rule 30(b) altered that procedure by eliminating the requirement of a court order or stipulation and affording each party the right to arrange for recording of a deposition by non stenographic means.

Testimony at hearings conducted by the Judiciary Subcommittee on Courts and Administrative Practice in the 103d Congress raised concerns about the reliability and durability of video or audio tape alternatives to stenographic depositions. There was also information submitted suggesting that technological improvements in stenographic recording will make the stenographic method more cost-effective for years to come.

Depositions recorded stenographically have historically provided an accurate record of testimony which can conveniently be used by both trial and appellate courts. In addition, the certification of accuracy by an independent and unbiased third party is a significant component of trustworthy depositions. Studies undertaken by the Justice Research Institute confirm the fact that a stenographic court reporter is the qualitative standard for accuracy and clarity in depositions, and a court reporter using a computer—aided transportation is the least costly method of making a deposition record.

Even now, 5 years after the rule change, court reporters associations contend that mechanical recording frequently produces unintelligible passages and is laden with other dangers such as the inability to identify speakers. Rather than becoming the way of the future, electronic recording has been faulted by judges and attorneys as an error-prone system where tapes are often untranscribable because of inaudible portions, machines frequently fail, and recorders pick up every background sound, including papers rustling, coughing, and attorney sidebar conferences which then must be edited out before use by jurors or for the appeal process.

The case was never made for unilateral decisions on the use of nonstenographic recording of depositions. The legislation that I am introducing today with my colleague from Illinois, Senator DURBIN, would restore the rule that nonstenographic recording of depositions is authorized only when permitted by court order or stipulation of both parties.

This version of the rule worked very effectively for over 23 years. In fact, I am not aware of any instance where an attorney or party was denied the ability to use an alternative method when it was requested. However, the most important factor was that the prior incarnation of the Rules recognized the potential for errors from methods other than stenographic means and thus established the safeguards of stipulation or court order. In fact, the notes to accompany the 1970 version of the Civil Rules said it best:

> In order to facilitate less expensive procedures, provision is made for the recording of testimony by other than stenographic means—e.g., by mechanical, electronic, or photographic means. Because these methods give rise to problems of accuracy and trustworthiness, the party taking the deposition is required to apply for a court order. The order is to specify how the testimony is to be recorded, preserved, and filed, and it may contain whatever additional safeguards the court deems necessary.
>
> (Notes to accompany the 1970 Revisions to the Federal Rules of Civil Procedure)

Mr. President, this legislation gives us the chance to do what we should have done 4 years ago and restore the rule in order to maintain the high standard of justice for which our legal system is known.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1352

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraphs (2) and (3) of Rule 30(b) of the Federal Rules of Civil Procedure are amended to read as follows:

"(2) Unless the court upon motion orders, or the parties stipulate in writing, the deposition shall be recorded by stenographic means. The party taking the deposition shall bear the cost of the transcription. Any party may arrange for a transcription to be made from the recording of a deposition taken by nonstenographic means.

"(3) With prior notice to the deponent and other parties, any party may use another method to record the deponent's testimony in addition to the method used pursuant to paragraph (2). The additional record or transcript shall be made at that party's expense unless the court otherwise orders.".

By Mr. MCCAIN (for himself, Mr. CAMPBELL, Mr. INOUYE, Mr. DASCHLE, and Mr. DORGAN):

S. 1354. A bill to amend the Communications Act of 1934 to provide for the designation of common carriers not subject to the jurisdiction of a State commission as eligible telecommunications carriers; to the Committee on Commerce, Science, and Transportation.

THE COMMUNICATIONS ACT OF 1934 TECHNICAL AMENDMENT ACT OF 1997

Mr. MCCAIN. Mr. President, I rise to introduce an amendment to the Communications Act of 1934 on behalf of Senators DORGAN, DASCHLE, INOUYE, CAMPBELL, and myself. This amendment enables the Federal Communications Commission [FCC] to designate common carriers not under the jurisdiction of a State commission as eligible recipients of universal service support.

Universal Service provides intercarrier support for the provision of telecommunications services in rural and high-cost areas throughout the United States. However, section 254(e) of the 1996 act states that only an eligible carrier designated under section 214(e) of the Communications Act shall be eligible to receive specific federal universal support after the FCC issues regulations implementing the new universal service provisions into the law. Section 214(e) does not account for the fact that State commissions in a few states have no jurisdiction over certain carriers. Typically, States also have no jurisdiction over tribally owned companies which may or may not be regulated by a tribal authority that is not a State commission per se.

The failure to account for these situations means that carriers not subject to the jurisdiction of a State commission have no way of becoming an eligible carrier that can receive universal service support. This would be the case whether these carriers are traditional local exchange carriers that provide services otherwise included in the program, have previously obtained universal service support, or will likely be the carrier that continues to be the carrier of last resort for customers in the area.

Mr. President. This simple amendment will address this oversight within the 1996 act, and prevent the unintentional consequences it will have on common carriers which Congress intended to be covered under the umbrella of universal service support.

By Mr. LIEBERMAN (for himself and Mr. DODD):

S. 1355. A bill to designate the U.S. courthouse located in New Haven, CT, as the "Richard C. Lee United States Courthouse"; to the Committee on Environment and Public Works.

THE RICHARD C. LEE FEDERAL COURTHOUSE ACT OF 1997

Mr. LIEBERMAN. Mr. President, I am pleased and honored today to introduce legislation with my colleague Senator DODD to name the Federal courthouse in New Haven, CT, after our dear friend and the former eight-term mayor of New Haven, Richard C. Lee. Congresswoman ROSA DELAURO is introducing the same proposal in the House of Representatives.

If it may be said that Federal buildings should help reflect the very best of the principles, purposes and spirit of America, then this courthouse could have no more appropriate name above its doors than that of Mayor Lee. For Dick Lee is the quintessential American, proud, principled, hardworking, and productive. In New Haven, he shook loose entrenched bureaucracies and forged new community coalitions dedicated to rebuilding New Haven after years of neglect and blight. He became a nationally recognized urban pioneer and helped to change the landscape of the American city.

Dick Lee was born in New Haven. He loves the city and its richly diverse people. In May of last year, Mayor Lee was honored by the New Haven Colony Historical Society. During that tribute, Prof. Robert Wood of Wesleyan University drew inspiration from Mayor Lee's eloquence about his work. Dick Lee said that the core of a mayor's job was "wiping away tears from the eyes" of a city's people so that "each tear becomes a star in the sky" and not a source of daily despair. "Filling the sky above with stars" was his highest calling. "The tears in the eyes of the young and the old, the hungry, the unloved, the ill-housed, the ill-clothed, and worst of all, the ignored" were not to be tolerated.

Dick Lee was raised in a devout Irish Catholic family that was not blessed with wealth but with greater gifts: with faith, talent, and the willingness to work hard to better themselves and their community. He served for many years on the Board of Aldermen of New Haven and held a number of journalism jobs, including 10 years in public relations at Yale University. In 1949, he became the youngest man to run for mayor in New Haven's history. He lost that year by 712 votes. He lost 2 years later by only two votes. But he did not give up on himself, or the city of New Haven and was elected mayor in 1953.

Once in office, Dick Lee devoted himself with extraordinary energy and imagination to the human and physical renewal of New Haven. One of his most provocative ideas was that the greatest post-World War II problems in our cities—poverty, unemployment, and poor housing—could not be solved by the cities or States alone. The Federal Government had to become a partner in America's urban redevelopment.

Dick Lee worked tirelessly and with enormous success during the Eisenhower Administration to bring Federal programs to New Haven. As head of the Urban Committee of the Democratic National Committee in 1958, Lee authored the first versions of Model Cities and War on Poverty legislative proposals. And after his dear friend, John F. Kennedy was elected, Dick Lee exercised a large and constructive influence on the national effort to renew America's urban areas and to restore hope and opportunity to the people who lived in them.

Dick Lee also understood that just as the human face of New Haven needed reinvigoration, so did the city's physical appearance and infrastructure. For this, Dick Lee turned first to a plan by Maurice Rovital who developed a blueprint for New Haven while a member of the Yale faculty. But then he boldly invited many of America's greatest architects to design buildings for his city, making New Haven one of America's greatest architectural crossroads.

Dick Lee appointed a deputy mayor and administrator of redevelopment. From there, the real work began. That work included rebuilding downtown New Haven, salvaging the Long Wharf area, restoring Wooster Square, constructing the Knights of Columbus headquarters and the Coliseum, residential rehabilitation, rent supplements, nonprofit housing sponsors and the renewal of inner-city neighborhoods.

Mayor Lee forged new coalitions to reaffirm his city's sense of community and make it easier to get things done. His Citizens Action Commission was a unique amalgam of business, labor and civic leaders and was designed to build support for the redevelopment effort.

Robert Dahl, in his book "Who Governs? Democracy and Power in the American City," wrote that Mayor Lee "had an investment banker's willingness to take risks that held the promise of large long-run payoffs, and a labor mediator's ability to head off controversy by searching out areas for agreement by mutual understanding, compromise, negotiation, and bargaining.

> He possessed a detailed knowledge of the city and its people, a formidable information gathering system, and an unceasing, full-time preoccupation with all aspects of his job. His relentless drive to achieve his goals meant that he could be tough and ruthless. But toughness was not his political style, for his overriding strategy was to rely on persuasion rather than threats.

Robert Leeney, former editor of the New Haven Register and a wise and eloquent observer of the local scene wrote:

> New Haven and the problems of New Haveners have shaped Dick Lee's life. When the Senate seat, later filled by Thomas Dodd, hung like a plum within his grasp he wouldn't reach for it because the Church Street project was badly stalled and home needs took first priority in his public vision and on his personal horizons. His simple belief in—and his unshakeable dedication to—this city and its people started young and they have never ended. He grew up to citizenhood with a classic, almost a Greek, sense of the city-state's call upon his talents and of its shaping effect upon his life and the lives of his neighbors.

Mr. President, law is the way we choose to express our values as a community, our aspirations for ourselves and our neighbors. In that fundamental sense, naming the grand Federal courthouse in New Haven which sits proudly on the old New Haven Green and next to city hall is an honor which Mayor Dick Lee thoroughly deserves. In his public service, he worked tirelessly to express the best values of his community and to help its people realize their dreams for themselves.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1355

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF RICHARD C. LEE UNITED STATES COURTHOUSE.

The United States courthouse located in New Haven, Connecticut, shall be known and designated as the "Richard C. Lee United States Courthouse".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the United States courthouse referred to in section 1 shall be deemed to be a reference to the "Richard C. Lee United States Courthouse".

Mr. DODD. Mr. President. I am pleased to join with my fellow colleague from Connecticut, Senator LIEBERMAN, in introducing this bill which would designate the U.S. courthouse in New Haven, CT, as the "Richard C. Lee United States Courthouse." I strongly believe that this designation would be a fitting tribute to Dick Lee's service and commitment to the city of New Haven, and I commend my good friend and colleague for putting this legislation forward.

A self-educated man who was legendary for his charm, Dick Lee is widely considered as one of the most forceful, most capable, and most dedicated mayors that the State of Connecticut and this country has ever known.

After losing two bids to become mayor, Dick Lee went on to win eight straight elections, serving as the mayor of New Haven from 1954 to 1969.

His first two elections were very close, losing by only two votes in his 1951. Dick Lee learned from these narrow defeats, and they helped to shape his political career. He realized that every single person mattered, and he always did everything in his power to help his constituents, particularly those who were in need. He was always eager to tackle, rather than turn away from constituents' problems. He also exhibited great foresight in anticipating the problems that awaited New Haven and other cities, and he offered imaginative and progressive solutions to these concerns.

The focus of his ideas was to preserve and rehabilitate neighborhoods, and to engage in urban planning done with the community, not for it. He supervised the clearance of slums in New Haven and revitalized once decaying areas by rebuilding businesses and homes. He oversaw the building of two new public high schools and a dozen elementary schools. To ensure that residents would have a greater investment in their communities, he pushed for the building of housing that low-income families could buy rather than rent. And Hew Haven was also the first major U.S. city to create its own antipoverty program.

Many viewed Dick Lee's views as ahead of his time, and he quickly established a national reputation as a visionary of urban revitalization. On the strength of this reputation, Mr. Lee became a respected advisor to Presidents Kennedy and Johnson on matters of urban policy.

Mr. Lee was approached about a possible cabinet position, but rather than lobby for a political appointment for himself, he used his political capital to help secure Federal funding for his urban redevelopment initiatives back home in New Haven. At one point during Dick Lee's tenure, New Haven was receiving more Federal money per capita than any other city in the country.

Dick Lee still lives in New Haven in the same house that he purchased more than 30 years ago. In light of all the work that Dick Lee did for the people of his home town and his effective advocacy on behalf of all of America's cities, I think that it is only appropriate that one of New Haven's Federal buildings should bear his name. Therefore I urge all of my colleagues to support this bill to designate the Federal courthouse in New Haven as the "Richard C. Lee United States Courthouse."

By Mr. FAIRCLOTH:

S. 1356. A bill to amend the Communications Act of 1934 to prohibit Internet service providers from providing accounts to sexually violent predators; to the Committee on Commerce, Science, and Transportation.

THE INTERNET SERVICE PROVIDERS ACCOUNT PROHIBITION ACT OF 1997

Mr. FAIRCLOTH. Mr. President, in the past few years, I have been shocked by the number of crimes I have read about that are connected to the Internet.

This was a problem that did not even exist just a few years ago, but now it has become very prevalent.

What is happening is that sex offenders and pedophiles are using the Internet to recruit children.

I think I have a solution that can help this situation.

Today, I am introducing legislation that would prevent a convicted sex offender from having an Internet account. Under my bill, the on-line service provider would be barred from providing an account to anyone who is a sexually violent predator or who has registered under Megan's law.

I do not think this would be difficult to enforce, because convicted sex offenders are already on a data base.

A background check on that data base could keep them offline.

Mr. President, we all know that proper parental supervision is the best defense against this type of crime, but I am finding that some parents aren't as computer literate as their children and it is almost impossible to watch children every minute of every day.

In my view, it is time to pull the plug on sex offenders and take them offline.

Mr. President, as I said, this problem has been growing year by year. It has grown to the point where the FBI has set up a special task force to track down computer sex offenders.

In 1993, the FBI formed a task force known as Innocent Images.

It was created after a 10-year-old boy was declared missing in Maryland. Unfortunately, he has never been found. But the FBI did come across two neighbors who have an elaborate computer network—where they were recruiting young victims over the Internet. The key suspect is in jail, but has never told the police anything about the disappearance.

This is what one agent said about the program:

> Generally we would come across people trying to trade (illicit pictures) within five to ten minutes . . . It was like coming across a person at every street corner trying to sell you crack.

Just 2 weeks ago, the Washington Post reported on a man that had contacted over 100 underage girls via a computer. He was arrested and received 2 years in jail. I have no doubt, he will be back on the Internet when he gets out of jail. My bill is designed to stop him again.

The task force has conducted over 330 searches that have resulted in 200 indictments and 150 convictions. Another 135 have been arrested.

If we do not stop sex offenders on the Internet, I believe the number of crimes will grow.

Tragically, just a few weeks ago, an 11-year-old boy was murdered in New Jersey by a teenager who himself had been molested by a man he met on the Internet. The man was a twice convicted sex offender.

We have got to stop this activity and stop it now.

Mr. President, there will be critics who call this unconstitutional. They can certainly tie themselves up in knots about the legalities, but my main concern is for the safety of our children.

I think we have ample precedent for doing something like this. First, we have Megan's Law that requires registration of sex offenders. Second, the Supreme Court, in Kansas versus Hendricks, upheld a State statute that kept a sexual predator committed in a State mental institution, after his criminal sentence had run. I think it is clear that for sexual predators—they do not enjoy the rights that all of us enjoy. There is a difference.

More simply put, is this any different than denying a felon the right to own a gun. Is it different than barring a habitual drunk driver from having a driver's license?

The Internet is the new weapon of the sexual predator. It is their key to invading our homes.

We have to send a clear message that the Internet will not become the favored tool of the pedophile. Instead of roaming the streets, the sex offenders of the 1990's are roaming chat rooms and the Internet looking for victims.

This legislation will put a stop to that.

I hope that we can have hearings on this bill and that we can consider it next session.

By Mr. DORGAN:

S. 1357. A bill to require the States to bear the responsibility for the consequences of releasing violent criminals from custody before the expiration of the full term of imprisonment to which they are sentenced.

THE FAIRNESS AND INCARCERATION RESPONSIBILITY ACT

Mr. DORGAN. Mr. President, I am going to introduce legislation today dealing with violent offenders. I want to preface it by saying that all of us in this country understand that crime rates are coming down some, and we are appreciative of that. But violent crime is still far too prevalent.

In North Dakota a couple of weeks ago, we had a young woman named Julienne Schultz who stopped at a rest area on a quiet rural road and a quiet part of our State. She ran into a man in the rest area who abducted her, slashed her throat, and left her for dead. Well, I am pleased to tell you today that Julienne did not die, and she is recovering.

The horror of that attack is a horror that is repeated all over this country, committed by violent criminals who never should have been out of jail early. That attack was perpetrated by a fellow who came from Washington State. He was, I guess, driving through North Dakota. He is alleged to have committed a couple of murders in Washington State before he left Washington a couple of months before. He ran into Julienne Schultz, this wonderful woman from North Dakota, who was coming back from a meeting with the League of Cities and stopped at a rest area only to have her throat slashed by this violent criminal. He then took his own life when stopped at a police blockade later that night. This fellow had been in prison in the State of Washington for prior violent crimes and was let out of prison early.

It goes on all across this country. I think this country ought to decide that, if you commit a violent act, you are going to go to prison and the prison cell is going to be your address until the end of your sentence—no early out, no nothing. If you are convicted of a violent offense, you go to prison and stay there. Your prison cell is your address.

I will just give you a couple more examples.

Charles Miller is from West Virginia, 28 years old. A couple of years ago he was convicted of the violent rape of a young child and was sentenced to serve 5 years in prison. He was up for parole three times while he was in prison. His third time —May of this year—after serving half of the sentence, he was released on gain time, and 43 days later he was charged with sexually assaulting a 12-year-old girl. The prosecutor said, "Unfortunately, in the State the way it is now, everybody gets out early. We have people guilty of murder getting out on gain time do it again. We ought to abolish gain time."

I agree with that prosecutor.

Miami, FL, a fellow named Gainer, age 23, shot a fellow named Robert Mays, 20 years old—got into a dispute about drugs. Sentenced to 5 years in State prison for manslaughter, served 1 year and 1 month, released because he had accumulated 600 days of what is called gain time for working in a prison camp. Six months after he was released he was charged with first-degree murder once again.

Mr. Ball, 42, sentenced to 30 years of hard labor in Louisiana, cited for 102 disciplinary infractions in prison, the last infraction being 3 months before he was released 16 years before the end of his sentence for good behavior. He was rearrested on first-degree murder and armed robbery charges.

Budweiser delivery man Bernard Scorconi was 45 years old, murdered by Mr. Ball when he tried to stop him from robbing a local bar. Ball was released 16 years earlier than the end of his sentence.

It happens all across this country, every day in every way. Violent people are put back on the streets before the end of their sentence.

My mother was killed by someone who committed a manslaughter act, and he was let out early. Everybody is let out early. Commit a violent act, you get let out early. All you have to do is go to prison, accumulate good time. In some States you get 30 days off for every 30 days served.

I am proposing today a very simple piece of legislation. Let us tell those States who let violent people out of prison early, that you are going to be responsible for the actions of that offender up until what should have been the completion date of that offender's sentence. If a State or local government decides it is appropriate to allow violent offenders to be let out before the end of their term because they have accumulated good time, gain time, or parole. If violent offenders serve less than their entire sentence, then during that period of time when they should have been in jail, if they commit another violent crime, I want the states to be held responsible—no more immunity.

I say to local governments, be responsible. You want to let violent people out on the street early, be responsible for it. Waive your immunity. Let people sue you to bring you to account for what you have done.

I am proposing that the grants we have in the 1994 crime bill dealing with truth-in-sentencing and violent-offender incarceration be available to those States that decide they will waive immunity and be responsible for the acts these offenders on early release commit.

I wonder how many people in this Chamber know that there are more than 4,000 people now in prison for committing a murder that they committed while they were out early for a previous violent crime. How would you like to be one of the families of the 4,000 or more people who are murdered who understand their loved one was murdered because someone else was let out early from prison. You know it doesn't take Dick Tracy to figure out who is going to commit the next violent act. It is somebody who has committed a previous violent act.

I just suggest that there are those who say prisons are overcrowded and so the prison overcrowding forces them to release people early. Senator JOHN GLENN and I have talked for years about military housing and its possible use for incarcerating non-violent offenders. Why couldn't corrections officials utilize this kind of low-cost housing for nonviolent offenders and freeup maximum security space for violent offenders.

You can probably incarcerate nonviolent offenders for a fraction of the cost of what it takes to build a prison. Fifty percent of the 1.5 million people now in prison in this country are nonviolent. We can incarcerate them for a fraction of the cost of what we now spend to put them in prisons.

We could open 100,000, 200,000, or 300,000 prison cells and say to violent offenders, that is your address until the end of your sentence. Understand that. Your address is your prison cell, if you commit a violent crime, until the end of your sentence. We ought to provide a creative way for states to facilitate that.

Even with the best of intentions, in this Chamber about 4 years ago we decided that the most violent offenders have to serve 85 percent of their time. Let's let them out only 15 percent early, stated another way. In fact, in most States those who commit the most violent offenses and therefore get the longest sentences get the most generous amount of good time.

I know people will disagree with me about this. I respect that disagreement. I say this. If you are the family of a young boy, 13 years old, named Hall who was murdered just miles from here, or of a young attorney in her early 20's named Bettina Pruckmayer, who was murdered just miles from here. Both of these young people murdered by individuals who had been in prison for previous murders but let out early because of the sentence system. Is it fine for us to let them back on the street? If they do not have a good time, if they are hard to manage in prison, think about the violence done to others who are murdered and others who are going to die while they are on street.

I am going to introduce this piece of legislation today. I hope in the next year or so before the Congress completes its work that we might be able to decide what we need to do about violent offenders. We can keep violent offenders off the streets to the end of their sentence, and we can protect people like Julienne Schultz, who, fortunately, is going to be all right.

But this innocent young woman who was driving back from a meeting stopped at a rest stop in a quiet rural area, had her throat slashed and was close to being killed by a fellow who should never have been driving through North Dakota, by a fellow who was let out by authorities in another State which said, "We can't afford to keep you in prison," apparently, and, "We don't have the time to keep you in prison anymore." Well, we had better make time. We had better find the resources to keep these kind of folks in prison to the end of their term in order to help prevent further carnage and the kind of things that are happening to innocent people all across this country.

Mr. President, I ask that the bill be pointed in the RECORD.

Mr. President, you have been very generous in the time today.

I yield the time. I yield the floor.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1357

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fairness and Incarceration Responsibility (FAIR) Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) violent criminals often serve only a portion of the terms of imprisonment to which they are sentenced;

(2) a significant proportion of the most serious crimes of violence committed in the United States are committed by criminals who have been released early from a term of imprisonment to which they were sentenced for a prior conviction for a crime of violence;

(3) violent criminals who are released before the expiration of the term of imprisonment to which they were sentenced often travel to other States to commit subsequent crimes of violence;

(4) crimes of violence and the threat of crimes of violence committed by violent criminals who are released from prison before the expiration of the term of imprisonment to which they were sentenced affect tourism, economic development, use of the interstate highway system, federally owned or supported facilities, and other commercial activities of individuals; and

(5) the policies of one State regarding the early release of criminals sentenced in that State for a crime of violence often affect the citizens of other States, who can influence those policies only through Federal law.

(b) PURPOSE.—The purpose of this Act is to require States to bear the responsibility for the consequences of releasing violent criminals from custody before the expiration of the full term of imprisonment to which they are sentenced.

SEC. 3. ELIGIBILITY FOR VIOLENT OFFENDER INCARCERATION GRANTS.

Section 20103(a) of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 13703(a)) is amended—

(1) by striking "the State has implemented" and inserting the following: "the State—

"(1) has implemented";

(2) by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(2) has enacted and implemented a State law providing that a victim (or in the case of a homicide, the family of the victim) of a crime of violence (as defined in section 16 of title 18, United States Code) shall have a Federal cause of action in any district court of the United States against the State for the recovery of actual (not punitive) damages (direct and indirect) resulting from the crime of violence, if the individual convicted of committing the crime of violence—

"(A) had previously been convicted by the State of a crime of violence committed on a different occasion than the crime of violence at issue;

"(B) was released before serving the full term of imprisonment to which the individual was sentenced for that offense; and

"(C) committed the subsequent crime of violence at issue before the original term of imprisonment described in subparagraph (B) would have expired.".

SEC. 4. ELIGIBILITY FOR TRUTH-IN-SENTENCING INCENTIVE GRANTS.

Section 20104 of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 13704) is amended—

(1) by striking "85 percent" each place that term appears and inserting "100 percent"; and

(2) by adding at the end the following:

"(c) WAIVER OF SOVEREIGN IMMUNITY.—Notwithstanding subsection (a), in addition to the requirements of that subsection, to be eligible to receive a grant award under this section, each application submitted under subsection (a) shall demonstrate that the State has enacted and implemented, a State law providing that a victim (or in the case of a homicide, the family of the victim) of a crime of violence (as defined in section 16 of title 18, United States Code) shall have a Federal cause of action in any district court of the United States against the State for the recovery of actual (not punitive) damages (direct and indirect) resulting from the crime of violence, if the individual convicted of committing the crime of violence—

"(1) had previously been convicted by the State of a crime of violence committed on a different occasion than the crime of violence at issue;

"(2) was released before serving the full term of imprisonment to which the individual was sentenced for that offense; and

"(3) committed the subsequent crime of violence at issue before the original term of imprisonment described in paragraph (2) would have expired.".

SEC. 5. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect 3 years after the date of enactment of this Act.

ADDITIONAL COSPONSORS

S. 496

At the request of Mr. CHAFEE, the name of the Senator from South Dakota [Mr. JOHNSON] was added as a cosponsor of S. 496, a bill to amend the Internal Revenue Code of 1986 to provide a credit against income tax to individuals who rehabilitate historic homes or who are the first purchasers of rehabilitated historic homes for use as a principal residence.

S. 1084

At the request of Mr. INHOFE, the names of the Senator from South Carolina [Mr. THURMOND], and the Senator from Florida [Mr. MACK] were added as cosponsors of S. 1084, a bill to establish a research and monitoring program for the national ambient air quality standards for ozone and particulate matter and to reinstate the original standards under the Clean Air Act, and for other purposes.

S. 1096

At the request of Mr. KERREY, the name of the Senator from Washington [Mrs. MURRAY] was added as a cosponsor of S. 1096, a bill to restructure the Internal Revenue Service, and for other purposes.

S. 1124

At the request of Mr. KERRY, the names of the Senator from Ohio [Mr. DEWINE], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 1124, a bill to amend title VII of the Civil Rights Act of 1964 to establish provisions with respect to religious accommodation in employment, and for other purposes.

S. 1189

At the request of Mr. SMITH, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 1189, a bill to increase the criminal penalties for assaulting or threatening Federal judges, their family members, and other public servants, and for other purposes.

S. 1243

At the request of Mr. KERREY, the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of S. 1243, a bill to amend title 23, United States Code, to enhance safety on 2-lane rural highways.

S. 1251

At the request of Mr. D'AMATO, the names of the Senator from Alabama [Mr. SESSIONS], and the Senator from New Hampshire [Mr. GREGG] were added as cosponsors of S. 1251, a bill to amend the Internal Revenue Code of 1986 to increase the amount of private activity bonds which may be issued in each State, and to index such amount for inflation.

S. 1252

At the request of Mr. D'AMATO, the names of the Senator from Alabama [Mr. SESSIONS], the Senator from New Hampshire [Mr. GREGG], and the Senator from Vermont [Mr. JEFFORDS] were added as cosponsors of S. 1252, a bill to amend the Internal Revenue Code of 1986 to increase the amount of low-income housing credits which may be allocated in each State, and to index such amount for inflation.

S. 1311

At the request of Mr. LIEBERMAN, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 1311, a bill to impose certain sanctions on foreign persons who transfer items contributing to Iran's efforts to acquire, develop, or produce ballistic missiles.

At the request of Mr. LOTT, the names of the Senator from Washington [Mr. GORTON], the Senator from Alaska [Mr. STEVENS], and the Senator from Pennsylvania [Mr. SPECTER] were added as cosponsors of S. 1311, supra.

S. 1314

At the request of Mrs. HUTCHISON, the names of the Senator from New York [Mr. D'AMATO], the Senator from Montana [Mr. BURNS], and the Senator from Arizona [Mr. KYL] were added as cosponsors of S. 1314, a bill to amend the Internal Revenue Code of 1986 to provide that married couples may file a combined return under which each spouse is taxed using the rates applicable to unmarried individuals.

S. 1319

At the request of Mr. BYRD, the names of the Senator from Michigan [Mr. LEVIN], the Senator from Vermont [Mr. JEFFORDS], and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of S. 1319, a bill to repeal the Line Item Veto Act of 1996.

S. 1334

At the request of Mr. BOND, the names of the Senator from Georgia

[Mr. COVERDELL], the Senator from Montana [Mr. BURNS], and the Senator from Vermont [Mr. JEFFORDS] were added as cosponsors of S. 1334, a bill to amend title 10, United States Code, to establish a demonstration project to evaluate the feasibility of using the Federal Employees Health Benefits program to ensure the availablity of adequate health care for Medicare-eligible beneficiaries under the military health care system.

SENATE RESOLUTION 116

At the request of Mr. LEVIN, the names of the Senator from Rhode Island [Mr. REED] and the Senator from South Dakota [Mr. JOHNSON] were added as cosponsors of Senate Resolution 116, a resolution designating November 15, 1997, and November 15, 1998, as "America Recycles Day".

SENATE RESOLUTION 141

At the request of Mrs. MURRAY, the names of the Senator from Oregon [Mr. WYDEN], the Senator from Ohio [Mr. DEWINE], and the Senator from Washington [Mr. GORTON] were added as cosponsors of Senate Resolution 141, a resolution expressing the sense of the Senate regarding National Concern About Young People and Gun Violence Day.

AMENDMENT NO. 1397

At the request of Mr. BYRD the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of amendment No. 1397 intended to be proposed to S. 1173, a bill to authorize funds for construction of highways, for highway safety programs, and for mass transit programs, and for other purposes.

AMENDMENT NO. 1520

At the request of Mr. KERREY the name of the Senator from Maine [Ms. SNOWE] was added as a cosponsor of amendment No. 1520 intended to be proposed to S. 1173, a bill to authorize funds for construction of highways, for highway safety programs, and for mass transit programs, and for other purposes.

SENATE CONCURRENT RESOLUTION 59—RELATIVE TO THE ORGANIZATION FOR SECURITY AND COOPERATION IN EUROPE

Mr. D'AMATO submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 59

Whereas the Republic of Turkey, because of its position at the crossroads of Europe, the Caucasus, Central Asia, and the Middle East, is well positioned to play a leading role in shaping developments in Europe and beyond;

Whereas the Republic of Turkey has been a longstanding member of numerous international organizations, including the Council of Europe (1949), the North Atlantic Treaty Organization (1952), and the Organization for Security and Cooperation in Europe (1975);

Whereas Turkey's President, Suleyman Demirel, was an original signer of the 1975 Helsinki Final Act of the Conference on Security and Cooperation in Europe;

Whereas the Republic of Turkey proposed in late 1996 that Istanbul serve as the venue for the next OSCE summit, a prestigious gathering of the heads of state or government of countries in Europe, Central Asia, and North America, including the United States;

Whereas a decision on the venue of the next OSCE summit will require the consensus of all OSCE participating states, including the United States;

Whereas the OSCE participating states, including Turkey, have declared their steadfast commitment to democracy based on human rights and fundamental freedoms, the protection and promotion of which is the first responsibility of government;

Whereas the development of genuine democracy in Turkey is undermined by ongoing violations of international humanitarian law as well as other human rights obligations and commitments, including provisions of the Helsinki Final Act and other OSCE documents, by which Turkey is bound;

Whereas the Department of State has found that serious human rights problems persist in Turkey and that human rights abuses have not been limited to the southeast, where Turkey has engaged in an armed conflict with the terrorist Kurdistan Workers Party (PKK) for over a decade;

Whereas flagrant violations of OSCE standards and norms continue and the problems raised by the United States Delegation at the November 1996 OSCE Review Meeting in Vienna persist;

Whereas expert witnesses at a 1997 briefing of the Commission on Security and Cooperation in Europe (in this concurrent resolution referred to as the "Helsinki Commission") underscored the continued, well-documented, and widespread use of torture by Turkish security forces and the failure of the Government of Turkey to take determined action to correct such gross violations of OSCE provisions and international humanitarian law;

Whereas the Government of Turkey continues to use broadly the Anti-Terror Law and Article 312 of the Criminal Code against writers, journalists, publishers, politicians, musicians, and students;

Whereas the Committee To Protect Journalists has concluded that more journalists are currently jailed in Turkey than in any other country in the world;

Whereas the Government of Turkey has pursued an aggressive campaign of harassment of nongovernmental organizations, including the Human Rights Foundation of Turkey; branch offices of the Human Rights Association in Diyarakir, Malatya, Izmir, Konya, and Urfa have been raided and closed; and Turkish authorities continue to persecute the members of nongovernmental organizations who attempt to assist the victims of torture;

Whereas four former parliamentarians from the now banned Kurdish-based Democracy Party (DEP) Leyla Zana, Hatip Dicle, Orhan Dogan, and Selim Sadak remain imprisoned at Ankara's Ulucanlar Prison and among the actions cited in Zana's indictment was her 1993 appearance before the Helsinki Commission in Washington, D.C.;

Whereas the Lawyers Committee for Human Rights has expressed concern over the case of human rights lawyer Hasan Doğan, a member of the People's Democracy Party (HADEP), who like many members of the party, has been subject to detention and prosecution;

Whereas many human rights abuses have been committed against Kurds who assert their Kurdish identity, and Kurdish institutions, such as the Kurdish Cultural and Research Foundation, have been targeted for closure;

Whereas the Ecumenical Patriarchate has repeatedly requested permission to reopen the Orthodox seminary on the island of Halki closed by the Turkish authorities since the 1970s despite Turkey's OSCE commitment to "allow the training of religious personnel in appropriate institutions";

Whereas members of other minority religions or beliefs, including Armenian and Syrian Orthodox believers, as well as Roman Catholics, Armenian, Chaldean, Greek and Syrian Catholics, and Protestants have faced various forms of discrimination and harassment;

Whereas the closing of the border with Armenia by Turkey in 1993 remains an obstacle to the development of mutual understanding and confidence, and friendly and good-neighborly relations between those OSCE participating states;

Whereas the Republic of Turkey has repeatedly rebuffed offers by the Chair-in-Office of the OSCE to dispatch a personal representative to Turkey for purposes of assessing developments in that country;

Whereas, despite the fact that a number of Turkish civilian authorities remain publicly committed to the establishment of rule of law and to respect for human rights, torture, excessive use of force, and other serious human rights abuses by the security forces continue; and

Whereas the Government of Turkey has failed to meaningfully address these and other human rights concerns since it first proposed to host the next OSCE summit and thereby has squandered this opportunity to demonstrate its determination to improve implementation of Turkey's OSCE commitments: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) the privilege and prestige of hosting a summit of the heads of state or government of the Organization for Security and Cooperation in Europe (OSCE) should be reserved for participating states that have demonstrated in word and in deed steadfast support for Helsinki principles and standards, particularly respect for human rights;

(2) the United States should refuse to give consensus to any proposal that Turkey serve as the venue for a summit meeting of the heads of state or government of OSCE countries until the Government of Turkey has demonstrably improved implementation of its freely undertaken OSCE commitments, including action to address those human rights concerns enumerated in the preamble of this resolution;

(3) the United States should encourage the development of genuine democracy in the Republic of Turkey based on protection of human rights and fundamental freedoms; and

(4) the President of the United States should report to Congress not later than April 15, 1998, on any improvement in the actual human rights record in Turkey, including improvements in that country's implementation of provisions of the Helsinki Final Act and other OSCE documents.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President of the United States.

Mr. D'AMATO. Mr. President, I rise to submit a concurrent resolution on the human rights situation in Turkey. This resolution is prompted by that country's desire to host the next summit meeting of the heads of state or government of the Organization for Security and Cooperation in Europe [OSCE]. This summit meeting is scheduled to take place in 1998. The issue is which country will host this most important OSCE gathering.

Last November, the Republic of Turkey—an original OSCE participating state—first proposed Istanbul as the site for the next OSCE summit. At that time, I wrote to then-Secretary of State Christopher, together with Commission Co-Chairman Christopher Smith, urging that the United States reject this proposal based on Turkey's dismal human rights record. I also wrote to Secretary Albright in July to reiterate my concerns regarding the state of human rights in Turkey and Ankara's failure to improve its implementation of OSCE commitments.

Ankara has squandered the past year, failing to meaningfully address a series of longstanding human rights concerns. Regrettably, there has been no meaningful improvement in Turkey's implementation of its OSCE human rights commitments in the 11 months since our original letter to the State Department. Despite a number of changes in Turkish law, the fact of the matter is that even these modest proposals have not translated into improved human rights in Turkey.

Mr. President, my resolution does not call for outright rejection of the Turkish proposal. Rather, the resolution calls for the United States to refuse consensus to such a plan until the Government of Turkey had demonstrably improved implementation of its freely undertaken OSCE commitments, including action to address those human rights concerns I will describe in more detail later in my remarks. Under OSCE rules, decisions require that all participating states, including the United States, give their consensus before a proposal can be adopted. The resolution we introduce today calls upon the President to report to the Congress by April 15, 1998, on any improvement to Turkey's actual human rights performance.

Expert witnesses at a Commission briefing earlier this year underscored the continued, well-documented, and widespread use of torture by Turkish security forces and the failure of the Government of Turkey to take determined action to correct such gross violations of OSCE provisions and international humanitarian law. Even the much heralded reduction of periods for the detention of those accused of certain crimes has failed to deter the use of torture. The fact is that this change on paper is commonly circumvented by the authorities. As one United States official in Turkey observed in discussion with Commission staff, a person will be held in incommunicado for days, then the prisoner's name will be postdated for purposes of official police logs giving the appearance that the person had been held within the period provided for under the revised law. Turkish authorities also continue to persecute those who attempt to assist the victims of torture, as in the case of Dr. Tufan Köse.

Despite revisions in the Anti-Terror Law, its provisions continue to be broadly used against writers, journalists, publishers, politicians, musicians, and students. Increasingly, prosecutors have applied article 312 of the Criminal Code, which forbids "incitement to racial or ethnic enmity." Government agents continue to harass human rights monitors. According to the Committee to Protect Journalists, at least 47 Turkish journalists are in jail in Turkey today—more than in any other country in the world.

Many human rights abuses have been committed against Kurds who assert their Kurdish identity. The Kurdish Cultural and Research Foundation offices in Istanbul were closed by police in June to prevent the teaching of Kurdish language classes. In addition, four former parliamentarians from the now banned Kurdish-based Democracy Party [DEP]: Leyla Zana, Hatip Dicle, Orhan Doğan, and Selim Sadak, who have completed three years of their 15-year sentences, remain imprisoned at Ankara's Ulucanlar Prison. Among the actions cited in Leyla Zana's indictment was her 1993 appearance before the U.S. Commission on Security and Cooperation in Europe here in Washington, DC. The Lawyers Committee for Human Rights has expressed concern over the case of human rights lawyer Hasan Doğan, a member of the People's Democracy Party [HADEP], who, like many members of the party, has been subject to detention and prosecution.

The Government of Turkey has similarly pursued an aggressive campaign of harassment of nongovernmental organizations, including the Human Rights Foundation of Turkey and the Human Rights Association. An Association forum on capital punishment was banned in early May as was a peace conference sponsored by international and Turkish NGO's. Human Rights Association branch offices in Diyarbakir, Malatya, Izmir, Konya, and Urfa have been raided and closed.

Mr. President, last week the Congress honored His All Holiness Bartholomew, the leader of Orthodox believers worldwide. The Ecumenical Patriarchate, located in Istanbul—the city proposed by Turkey as the venue for the next OSCE summit—has experienced many difficulties. The Patriarchate has repeatedly requested permission to reopen the Orthodox seminary on the island of Halki closed by the Turkish authorities since the 1970's despite Turkey's OSCE commitment to "allow the training of religious personnel in appropriate institutions."

As the State Department's own Country Report on Human Rights Practices for 1996 concluded, Turkey "was unable to sustain improvements made in 1995 and, as a result, its record was uneven in 1996 and deteriorated in some respects." While Turkish civilian authorities remain publicly committed to the establishment of rule of law state and respect for human rights, torture, excessive use of force, and other serious human rights abuses by the security forces continue. As our resolution points out, the United States should encourage the development of genuine democracy in the Republic of Turkey based on protection of human rights and fundamental freedoms.

Mr. President, it is most unfortunate that Turkey's leaders, including President Demirel—who originally signed the 1975 Helsinki Final Act on behalf of Turkey—have not been able to effectively address these and other longstanding human rights concerns.

The privilege and prestige of hosting such an OSCE event should be reserved for participating states that have demonstrated their support for Helsinki principles and standards—particularly respect for human rights—in both word and in deed. Turkey should not be allowed to serve as host of such a meeting until and unless that country's dismal human rights record has improved.

While some may argue that allowing Turkey to host an OSCE summit meeting might provided political impetus for positive change, we are not convinced, particularly in light of the failure of the Turkish Government to meaningfully improve the human rights situation in the months since it offered to host the next OSCE summit. We note that several high-level conferences have been held in Turkey without any appreciable impact on that country's human rights policies or practices.

Mr. President, promises of improved human rights alone should not suffice. Turkey's desire to host an OSCE summit must be matched by concrete steps to improve its dismal human rights record.

I ask unanimous consent that the two letters I mentioned earlier, to Secretary Christopher and Secretary Albright, and a copy of the State Department's August 13, 1997, reply signed by Assistant Secretary of State for Legislative Affairs, Barbara Larkin, be inserted in the RECORD.

In closing, I urge my colleagues to join in supporting this concurrent resolution and to work for its passage before the end of this first session of the 105th Congress.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Commission on Security and
Cooperation in Europe,
Washington, DC, July 15, 1997.

Hon. Madeleine Korbel Albright,
Secretary of State, Department of State,
Washington, DC.

Dear Madam Secretary: We write to reiterate and further explain our steadfast opposition to Turkey as the venue for an Organization for Security and Cooperation in Europe (OSCE) summit meeting and ask the Department, which we understand shares our view, to maintain the United States' refusal to give consensus to the Turkish proposal that the next summit should be held in Istanbul. We also observe that a rigid schedule of biennial summit meetings of the OSCE Heads of State or Government appears to be unwarranted at this stage of the OSCE's development and suggest that serious consideration be given to terminating the mandate which currently requires such meetings to be held whether circumstances warrant them or not.

Last November, the Republic of Turkey—an original OSCE participating State—first proposed Istanbul as the site for the next OSCE summit. At that time, we wrote to Secretary Christopher urging that the United States reject this proposal. A decision was postponed until the Copenhagen Ministerial, scheduled for this December, and the Lisbon Document simply noted Turkey's invitation.

The United States should withhold consensus on any proposal to hold an OSCE summit in Turkey until and unless Ankara has released the imprisoned Democracy Party (DEP) parliamentarians, journalists and others detained for the non-violent expression of their views; ended the persecution of medical professionals and NGOs who provide treatment to victims of torture and expose human rights abuses; and begun to aggressively prosecute those responsible for torture, including members of the security forces.

In addition, the United States should urge the Government of Turkey to undertake additional steps aimed at improving its human rights record, including abolishing Article 8 of the Anti-Terror Law, Article 312 of the Penal Code, and other statutes which violate the principle of freedom of expression and ensuring full respect for the civil, political, and cultural rights of members of national minorities, including ethnic Kurds.

Regrettably, there has been no improvement in Turkey's implementation of OSCE human rights commitments in the eight months since our original letter to the Department. Despite a number of changes in Turkish law, the fact of the matter is that even these modest proposals have not translated into improved human rights in Turkey. Ankara's flagrant violations of OSCE standards and norms continues and the problems raised by the United States Delegation to the OSCE Review Meeting last November persist.

Madam Secretary, the privilege and prestige of hosting such an OSCE event should be reserved for participating States that have demonstrated their support for Helsinki principles and standards—particularly respect for human rights—in both word and in deed. Turkey should not be allowed to serve as host of such a meeting given that country's dismal human rights record.

While some may argue that allowing Turkey to host an OSCE summit meeting might provide political impetus for positive change, we are not convinced, particularly in light of the failure of the Turkish Government to improve the human rights situation in the eight months since it proposed to host the next OSCE summit. We note that several high-level conferences have been held in Turkey without any appreciable impact on that country's human rights policies or practices.

Promises of improved human rights alone should not suffice. Turkey's desire to host an OSCE summit must be matched by concrete steps to improve its dismal human rights record.

We appreciate your consideration of our views on this important matter and look forward to receiving your reply.

Sincerely,

Christopher H. Smith,
Member of Congress, Co-Chairman.
Alfonse D'Amato,
U.S. Senate, Chairman.

Commission on Security and
Cooperation in Europe,
Washington, DC, November 22, 1996.

Hon. Warren Christopher,
Secretary of State, Department of State,
Washington, DC.

Dear Mr. Secertary: We have recently learned that the Republic of Turkey may offer Istanbul as the venue for the next summit meeting of the Heads of State or Government of the Organization of Security and Cooperation in Europe (OSCE). We write to urge that the United States reject this proposal. A decision on this important matter is extremely urgent as the OSCE Review Meeting concludes today and drafting for the Summit document will begin next week.

The privilege of hosting such a prestigious OSCE event should be reserved for participating States that have demonstrated steadfast support for Helsinki principles and standards—particularly respect for human rights—in word and in deed. The U.S. should deny consensus on Turkey's proposal to serve as host of an OSCE summit meeting because of that country's dismal human rights record.

The United States Delegation to the OSCE Review Meeting has raised a number of specific examples that illustrate Turkey's flagrant violation of OSCE human rights commitments and international humanitarian law, including the well-documented use of torture. The European Committee for the Prevention of Torture has found that incidence of torture and ill-treatment in Turkey to be "widespread." The UN Committee on Torture has referred to "systemic" use of torture in Turkey. Earlier this week, Amnesty International released a report documenting the torture of children held in detention in Turkey.

Despite Turkey's revisions to the Anti-Terror Law, it provisions continue to be broadly used against writers, journalists, publishers, politicians, musicians, and students. Increasingly, prosecutors have applied Article 312 of the Criminal Code, which forbids "incitement to racial or ethnic enmity" to suppress expression of dissenting views. Government agents continue to harass human rights monitors. Many human rights abuses have been committed against Kurds who publicly or politically assert their Kurdish identity.

As the Department's own report on human rights practices in Turkey concluded, while Turkisk civilian authorities remain publicly committed to the establishment of a state of law and respect to human rights, torture, excessive use of force, and other serious human rights abuses by the security forces continue.

Regrettably, lone overdue reforms of Turkey's human rights policies and practices announced in mid-October by the Turkish Deputy Prime Minister and Foreign Minister, Mrs. Ciller, have not materialized and the prospects for genuine change in the near term appear remote.

Another key factor in our urgent call for rejection of Turkey's proposal to host an OSCE summit is Turkey's continuing illegal and forcible occupation of Cypriot territory in blatant violation of OSCE principles. A substantial force of 30,000 Turkish troops remains in Cyprus today in a clear breach of Cypriot sovereignty. In recent months, we have witnessed the worst violence against innocent civilians along the cease-fire line since the 1974 invasion, resulting in at least 5 deaths. In addition, Turkish and Turkish Cypriot authorities have failed to fully account for at least 1,614 Greek Cypriots and five Americans missing since 1974.

While some may argue that allowing Turkey to hose an OSCE summit might provide political impetus for positive change, we are not convinced, particularly in light of the fact that several high-level conferences have been held in Turkey without any appreciable impact on that country's human rights policies or practices. Allowing Turkey to host an OSCE summit based upon an inference of increased leverage to improve Turkish human rights performance, when they are in current, active violation of solemn international commitments would be wrong.

Turkey's desire to host an OSCE summit must be matched by concrete steps to improve its dismal human rights, to end its illegal occupation of Cypriot territory, and to contribute to a reduction of tensions in the eastern Mediterranean. Absent demonstrable progress in these areas, the United States should withhold consensus on any proposal to hold an OSCE summit in Turkey.

Sincerely,

Alfonse D'Amato,
U.S. Senator, Co-Chairman.
Christopher H. Smith,
Member of Congress, Chairman.

U.S. Department of State,
Washington, DC, August 13, 1997.

Hon. Christopher H. Smith,
Co-Chairman, Commission on Security and Cooperation in Europe, House of Representatives.

Dear Mr. Chairman: I am responding on behalf of the Secretary of State to your July 15 letter regarding your concerns about the possible selection of Turkey as the venue for the next summit meeting of the Organization for Security and Cooperation in Europe (OSCE).

The Department of State shares your concerns about Turkey's human rights record. All states participating in the OSCE are expected to adhere to the principles of the Helsinki Final Act and other OSCE commitments, including respect for human rights and fundamental freedoms. The U.S. Government has consistently called attention to human rights problems in Turkey and has urged improvements. It does not in any way condone Turkey's, or any other OSCE state's, failure to implement OSCE commitments.

The OSCE, however, is also a means of addressing and correcting human rights shortcomings. As you note in your letter, the issue of Turkey's human rights violations was raised at the November OSCE Review Meeting, and will likely continue to be raised at such meetings until Turkey demonstrates that it has taken concrete measures to improve its record. Holding the summit in Turkey could provide an opportunity to influence Turkey to improve its human rights record.

As you note, the Turkish government has made some effort to address problem areas, through the relaxation of restrictions on freedom of expression and the recent promulgation of legal reforms which, if fully implemented, would begin to address the torture problem. These measures are only a first step in addressing the problems that exist, but we believe they reflect the commitment of the Turkish government to address its human rights problems. We have been particularly encouraged by the positive attitude the new government, which came to power July 12, has demonstrated in dealing with human rights issues.

As you know, the fifty-four nations of the OSCE will discuss the question of a summit venue. As in all OSCE decisions, any decision will have to be arrived at through consensus, which will likely take some time to achieve. In the meantime, the Department of State welcomes your views, and will seriously consider your concerns about the OSCE summit site. I welcome your continuing input on this issue, and thank you for your thoughtful letter.

We appreciate your letter and hope this information is helpful. Please do not hesitate to contact us again if we can be of further assistance.

Sincerely,

BARBARA LARKIN,
Assistant Secretary,
Legislative Affairs.

AMENDMENTS SUBMITTED

THE EDUCATION SAVINGS ACT FOR PUBLIC AND PRIVATE SCHOOLS

LOTT AMENDMENT NO. 1542

(Ordered to lie on the table.)

Mr. LOTT submitted an amendment intended to be proposed by him to the bill (H.R. 2646) to amend the Internal Revenue Code of 1986 to allow tax-free expenditures from education individual retirement accounts for elementary and secondary school expenses, to increase the maximum annual amount of contributions to such accounts, and for other purposes; as follows:

Strike all after **"1. SHORT"** and insert **"TITLE.**

This act may be cited as the "Education Savings Act for Public and Private Schools".

SEC. 2. MODIFICATIONS TO EDUCATION INDIVIDUAL RETIREMENT ACCOUNTS.

(a) TAX-FREE EXPENDITURES FOR ELEMENTARY AND SECONDARY SCHOOL EXPENSES.—

(1) IN GENERAL.—Section 530(b)(2) of the Internal Revenue Code of 1986 is amended to read as follows:

"(2) QUALIFIED EDUCATION EXPENSES.—

"(A) IN GENERAL.—The term 'qualified education expenses' means—

"(i) qualified higher education expenses (as defined in section 529(e)(3)), and

"(ii) qualified elementary and secondary education expenses (as defined in paragraph (4)) but only with respect to amounts in the account which are attributable to contributions for any taxable year ending before January 1, 2003, and earnings on such contributions. Such expenses shall be reduced as provided in section 25A(g)(2).

"(B) QUALIFIED STATE TUITION PROGRAMS.—Such term shall include amounts paid or incurred to purchase tuition credits or certificates, or to make contributions to an account, under a qualified State tuition program (as defined in section 529(b)) for the benefit of the beneficiary of the account.".

(2) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—Section 530(b) of such Code is amended by adding at the end the following new paragraph:

"(4) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—

"(A) IN GENERAL.—The term 'qualified elementary and secondary education expenses' means tuition, fees, tutoring, special needs services, books, supplies, computer equipment (including related software and services) and other equipment, transportation, and supplementary expenses required for the enrollment or attendance of the designated beneficiary of the trust at a public, private, or religious school.

"(B) SPECIAL RULE FOR HOMESCHOOLING.—Such term shall include expenses described in subparagraph (A) required for education provided for homeschooling if the requirements of any applicable State or local law are met with respect to such education.

"(C) SCHOOL.—The term 'school' means any school which provides elementary education or secondary education (through grade 12), as determined under State law.".

(3) CONFORMING AMENDMENTS.—Subsections (b)(1) and (d)(2) of section 530 of such Code are each amended by striking "higher" each place it appears in the text and heading thereof.

(b) TEMPORARY INCREASE IN MAXIMUM ANNUAL CONTRIBUTIONS.—

(1) IN GENERAL.—Section 530(b)(1)(A)(iii) of the Internal Revenue Code of 1986 is amended by striking "$500" and inserting "the contribution limit for such taxable year".

(2) CONTRIBUTION LIMIT.—Section 530(b) of such Code is amended by adding at the end the following new paragraph:

"(4) CONTRIBUTION LIMIT.—The term 'contribution limit' means $2,500 ($500 in the case of any taxable year ending after December 31, 2002).".

(3) CONFORMING AMENDMENTS.—

(A) Section 530(d)(4)(C) of such Code is amended by striking "$500" and inserting "the contribution limit for such taxable year".

(B) Section 4973(e)(1)(A) of such Code is amended by striking "$500" and inserting "the contribution limit (as defined in section 530(b)(4)) for such taxable year".

(c) WAIVER OF AGE LIMITATIONS FOR CHILDREN WITH SPECIAL NEEDS.—Paragraph (1) of section 530(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following flush sentence: "The age limitations in the preceding sentence shall not apply to any designated beneficiary with special needs (as determined under regulations prescribed by the Secretary).".

(d) CORPORATIONS PERMITTED TO CONTRIBUTE TO ACCOUNTS.—Paragraph (1) of section 530(c) of the Internal Revenue Code of 1986 is amended by striking "The maximum amount which a contributor" and inserting "In the case of a contributor who is an individual, the maximum amount the contributor".

(e) EFFECTIVE DATE; REFERENCES.—

(1) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the amendments made by section 213 of the Taxpayer Relief Act of 1997.

(2) REFERENCES.—Any reference in this section to any section of the Internal Revenue Code of 1986 shall be a reference to such section as added by the Taxpayer Relief Act of 1997.

SEC. 8. OVERRULING OF SCHMIDT BAKING COMPANY CASE.

(a) IN GENERAL.—The Internal Revenue Code of 1986 shall be applied without regard to the result reached in the case of Schmidt Baking Company, Inc. v. Commissioner of Internal Revenue, 107 T.C. 271 (1996).

(b) REGULATIONS.— The Secretary of the Treasury or the Secretary's delegate shall prescribe regulations to reflect subsection (a).

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subsections (a) and (b) shall apply to taxable years beginning after October 8, 1997.

(2) SPECIAL RULE FOR TAXABLE YEARS INCLUDING OCTOBER 8, 1997.—In the case of any taxable year which includes October 8, 1997, the amount of the deduction of any taxpayer for vacation, severance, or sick pay shall be reduced by an amount equal to 60 percent of the excess (if any) of—

(A) the amount of such deduction determined without regard to this section, over

(B) the amount of such deduction which would be determined if subsections (a) and (b) applied to such taxable year.

(3) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer required by this section to change its method of accounting for its first taxable year beginning after October 8, 1997—

(A) such change shall be treated as initiated by the taxpayer.

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account in a prorata manner during the 10-taxable year period beginning with such first taxable year.

THE SMALL BUSINESS REAUTHORIZATION ACT OF 1997 HUBZONE ACT OF 1997

BOND AMENDMENT NO. 1543

Mr. BOND proposed an amendment to the bill (S. 1139) to reauthorize the programs of the Small Business Administration, and for other purposes; as follows:

In lieu of the matter proposed to be inserted, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Small Business Reauthorization Act of 1997".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.
Sec. 3. Effective date.

TITLE I—AUTHORIZATIONS

Sec. 101. Authorizations.

TITLE II—FINANCIAL ASSISTANCE

Subtitle A—Microloan Program

Sec. 201. Microloan program.
Sec. 202. Welfare-to-work microloan initiative.

Subtitle B—Small Business Investment Company Program

Sec. 211. 5-year commitments for SBICs at option of Administrator.

Sec. 212. Underserved areas.
Sec. 213. Private capital.
Sec. 214. Fees.
Sec. 215. Small business investment company program reform.
Sec. 216. Examination fees.

Subtitle C—Certified Development Company Program

Sec. 221. Loans for plant acquisition, construction, conversion, and expansion.
Sec. 222. Development company debentures.
Sec. 223. Premier certified lenders program.

Subtitle D—Miscellaneous Provisions

Sec. 231. Background check of loan applicants.
Sec. 232. Report on increased lender approval, servicing, foreclosure, liquidation, and litigation of section 7(a) loans.
Sec. 233. Completion of planning for loan monitoring system.

TITLE III—WOMEN'S BUSINESS ENTERPRISES

Sec. 301. Interagency committee participation.
Sec. 302. Reports.
Sec. 303. Council duties.
Sec. 304. Council membership.
Sec. 305. Authorization of appropriations.
Sec. 306. National Women's Business Council procurement project.
Sec. 307. Studies and other research.
Sec. 308. Women's business centers.

TITLE IV—COMPETITIVENESS PROGRAM AND PROCUREMENT OPPORTUNITIES

Subtitle A—Small Business Competitiveness Program

Sec. 401. Program term.
Sec. 402. Monitoring agency performance.
Sec. 403. Reports to Congress.
Sec. 404. Small business participation in dredging.
Sec. 405. Technical amendments.

Subtitle B—Small Business Procurement Opportunities Program

Sec. 411. Contract bundling.
Sec. 412. Definition of contract bundling.
Sec. 413. Assessing proposed contract bundling.
Sec. 414. Reporting of bundled contract opportunities.
Sec. 415. Evaluating subcontract participation in awarding contracts.
Sec. 416. Improved notice of subcontracting opportunities.
Sec. 417. Deadlines for issuance of regulations.

TITLE V—MISCELLANEOUS PROVISIONS

Sec. 501. Small Business Technology Transfer program.
Sec. 502. Small Business Development Centers.
Sec. 503. Pilot preferred surety bond guarantee program extension.
Sec. 504. Extension of cosponsorship authority.
Sec. 505. Asset sales.
Sec. 506. Small business export promotion.
Sec. 507. Defense Loan and Technical Assistance program.
Sec. 508. Very small business concerns.
Sec. 509. Trade assistance program for small business concerns adversely affected by NAFTA.

TITLE VI—HUBZONE PROGRAM

Sec. 601. Short title.
Sec. 602. Historically underutilized business zones.
Sec. 603. Technical and conforming amendments to the Small Business Act.
Sec. 604. Other technical and conforming amendments.
Sec. 605. Regulations.
Sec. 606. Report.
Sec. 607. Authorization of appropriations.

TITLE VII—SERVICE DISABLED VETERANS

Sec. 701. Purposes.
Sec. 702. Definitions.
Sec. 703. Report by Small Business Administration.
Sec. 704. Information collection.
Sec. 705. State of small business report.
Sec. 706. Loans to veterans.
Sec. 707. Entrepreneurial training, counseling, and management assistance.
Sec. 708. Grants for eligible veterans' outreach programs.
Sec. 709. Outreach for eligible veterans.

SEC. 2. DEFINITIONS.

In this Act—

(1) the term "Administration" means the Small Business Administration;

(2) the term "Administrator" means the Administrator of the Small Business Administration;

(3) the term "Committees" means the Committees on Small Business of the House of Representatives and the Senate; and

(4) the term "small business concern" has the meaning given the term in section 3 of the Small Business Act (15 U.S.C. 632).

SEC. 3. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect on October 1, 1997.

TITLE I—AUTHORIZATIONS

SEC. 101. AUTHORIZATIONS.

Section 20 of the Small Business Act (15 U.S.C. 631 note) is amended by striking subsections (c) through (q) and inserting the following:

"(c) FISCAL YEAR 1998.—

"(1) PROGRAM LEVELS.—The following program levels are authorized for fiscal year 1998:

"(A) For the programs authorized by this Act, the Administration is authorized to make—

"(i) $40,000,000 in technical assistance grants, as provided in section 7(m); and

"(ii) $60,000,000 in direct loans, as provided in section 7(m).

"(B) For the programs authorized by this Act, the Administration is authorized to make $16,040,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

"(i) $12,000,000,000 in general business loans as provided in section 7(a);

"(ii) $3,000,000,000 in financings as provided in section 7(a)(13) of this Act and section 504 of the Small Business Investment Act of 1958;

"(iii) $1,000,000,000 in loans as provided in section 7(a)(21); and

"(iv) $40,000,000 in loans as provided in section 7(m).

"(C) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

"(i) $700,000,000 in purchases of participating securities; and

"(ii) $600,000,000 in guarantees of debentures.

"(D) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $2,000,000,000, of which not more than $650,000,000 may be in bonds approved pursuant to section 411(a)(3) of that Act.

"(E) The Administration is authorized to make grants or enter into cooperative agreements—

"(i) for the Service Corps of Retired Executives program authorized by section 8(b)(1), $4,000,000; and

"(ii) for activities of small business development centers pursuant to section 21(c)(3)(G), $15,000,000, to remain available until expended.

"(2) ADDITIONAL AUTHORIZATIONS.—

"(A) There are authorized to be appropriated to the Administration for fiscal year 1998 such sums as may be necessary to carry out this Act, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b), and to carry out the Small Business Investment Act of 1958, including salaries and expenses of the Administration.

"(B) Notwithstanding subparagraph (A), for fiscal year 1998—

"(i) no funds are authorized to be provided to carry out the loan program authorized by section 7(a)(21) except by transfer from another Federal department or agency to the Administration, unless the program level authorized for general business loans under paragraph (1)(B)(i) is fully funded; and

"(ii) the Administration may not approve loans on behalf of the Administration or on behalf of any other department or agency, by contract or otherwise, under terms and conditions other than those specifically authorized under this Act or the Small Business Investment Act of 1958, except that it may approve loans under section 7(a)(21) of this Act in gross amounts of not more than $1,250,000.

"(d) FISCAL YEAR 1999.—

"(1) PROGRAM LEVELS.—The following program levels are authorized for fiscal year 1999:

"(A) For the programs authorized by this Act, the Administration is authorized to make—

"(i) $40,000,000 in technical assistance grants as provided in section 7(m); and

"(ii) $60,000,000 in direct loans, as provided in section 7(m).

"(B) For the programs authorized by this Act, the Administration is authorized to make $17,540,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

"(i) $13,000,000,000 in general business loans as provided in section 7(a);

"(ii) $3,500,000,000 in financings as provided in section 7(a)(13) of this Act and section 504 of the Small Business Investment Act of 1958;

"(iii) $1,000,000,000 in loans as provided in section 7(a)(21); and

"(iv) $40,000,000 in loans as provided in section 7(m).

"(C) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

"(i) $800,000,000 in purchases of participating securities; and

"(ii) $700,000,000 in guarantees of debentures.

"(D) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $2,000,000,000, of which not more than $650,000,000 may be in bonds approved pursuant to section 411(a)(3) of that Act.

"(E) The Administration is authorized to make grants or enter cooperative agreements—

"(i) for the Service Corps of Retired Executives program authorized by section 8(b)(1), $4,500,000; and "(ii) for activities of small business development centers pursuant to section 21(c)(3)(G), not to exceed $15,000,000, to remain available until expended.

"(2) ADDITIONAL AUTHORIZATIONS.—

"(A) There are authorized to be appropriated to the Administration for fiscal year 1999 such sums as may be necessary to carry out this Act, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b), and to carry out the Small Business Investment Act of 1958, including salaries and expenses of the Administration.

"(B) Notwithstanding subparagraph (A), for fiscal year 1999—

"(i) no funds are authorized to be provided to carry out the loan program authorized by section 7(a)(21) except by transfer from another Federal department or agency to the Administration, unless the program level authorized for general business loans under paragraph (1)(B)(i) is fully funded; and

"(ii) the Administration may not approve loans on behalf of the Administration or on behalf of any other department or agency, by contract or otherwise, under terms and conditions other than those specifically authorized under this Act or the Small Business Investment Act of 1958, except that it may approve loans under section 7(a)(21) of this Act in gross amounts of not more than $1,250,000.

"(e) FISCAL YEAR 2000.—

"(1) PROGRAM LEVELS.—The following program levels are authorized for fiscal year 2000:

"(A) For the programs authorized by this Act, the Administration is authorized to make—

"(i) $40,000,000 in technical assistance grants as provided in section 7(m); and

"(ii) $60,000,000 in direct loans, as provided in section 7(m).

"(B) For the programs authorized by this Act, the Administration is authorized to make $20,040,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

"(i) $14,500,000,000 in general business loans as provided in section 7(a);

"(ii) $4,500,000,000 in financings as provided in section 7(a)(13) of this Act and section 504 of the Small Business Investment Act of 1958;

"(iii) $1,000,000,000 in loans as provided in section 7(a)(21); and

"(iv) $40,000,000 in loans as provided in section 7(m).

"(C) For the programs authorized by title III of the Small Business Investment Act of 1958, the Administration is authorized to make—

"(i) $900,000,000 in purchases of participating securities; and

"(ii) $800,000,000 in guarantees of debentures.

"(D) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958, the Administration is authorized to enter into guarantees not to exceed $2,000,000,000, of which not more than $650,000,000 may be in bonds approved pursuant to section 411(a)(3) of that Act.

"(E) The Administration is authorized to make grants or enter cooperative agreements—

"(i) for the Service Corps of Retired Executives program authorized by section 8(b)(1), $5,000,000; and

"(ii) for activities of small business development centers pursuant to section 21(c)(3)(G), not to exceed $15,000,000, to remain available until expended.

"(2) ADDITIONAL AUTHORIZATIONS.—

"(A) There are authorized to be appropriated to the Administration for fiscal year 2000 such sums as may be necessary to carry out this Act, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b), and to carry out the Small Business Investment Act of 1958, including salaries and expenses of the Administration.

"(B) Notwithstanding subparagraph (A), for fiscal year 2000—

"(i) no funds are authorized to be provided to carry out the loan program authorized by section 7(a)(21) except by transfer from another Federal department or agency to the Administration, unless the program level authorized for general business loans under paragraph (1)(B)(i) is fully funded; and

"(ii) the Administration may not approve loans on behalf of the Administration or on behalf of any other department or agency, by contract or otherwise, under terms and conditions other than those specifically authorized under this Act or the Small Business Investment Act of 1958, except that it may approve loans under section 7(a)(21) of this Act in gross amounts of not more than $1,250,000.".

TITLE II—FINANCIAL ASSISTANCE

Subtitle A—Microloan Program

SEC. 201. MICROLOAN PROGRAM.

(a) LOAN LIMITS.—Section 7(m)(3)(C) of the Small Business Act (15 U.S.C. 636(m)(3)(C)) is amended by striking "$2,500,000" and inserting "$3,500,000".

(b) LOAN LOSS RESERVE FUND.—Section 7(m)(3)(D) of the Small Business Act (15 U.S.C. 636(m)(3)(D)) is amended by striking clauses (i) and (ii), and inserting the following:

"(i) during the initial 5 years of the intermediary's participation in the program under this subsection, at a level equal to not more than 15 percent of the outstanding balance of the notes receivable owed to the intermediary; and

"(ii) in each year of participation thereafter, at a level equal to not more than the greater of—

"(I) 2 times an amount reflecting the total losses of the intermediary as a result of participation in the program under this subsection, as determined by the Administrator on a case-by-case basis; or

"(II) 10 percent of the outstanding balance of the notes receivable owed to the intermediary.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended—

(1) in the subsection heading, by striking "DEMONSTRATION";

(2) by striking "Demonstration" each place that term appears;

(3) by striking "demonstration" each place that term appears; and

(4) in paragraph (12), by striking "during fiscal years 1995 through 1997" and inserting "during fiscal years 1998 through 2000".

(d) TECHNICAL ASSISTANCE GRANTS.—Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended—

(1) in paragraph (4)(E)—

(A) by striking "Each intermediary" and inserting the following:

"(i) IN GENERAL.—Each intermediary";

(B) by striking "15" and inserting "25"; and

(C) by adding at the end the following:

"(ii) TECHNICAL ASSISTANCE.—An intermediary may expend not more than 25 percent of the funds received under paragraph (1)(B)(ii) to enter into third party contracts for the provision of technical assistance."; and

(2) in paragraph (5)(A)—

(A) by striking "in each of the 5 years of the demonstration program established under this subsection,"; and

(B) by striking "for terms of up to 5 years" and inserting "annually".

SEC. 202. WELFARE-TO-WORK MICROLOAN INITIATIVE.

(a) INITIATIVE.—Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended—

(1) in paragraph (1)(A)—

(A) in clause (ii), by striking "and" at the end;

(B) in clause (iii), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following:

"(iv) to establish a welfare-to-work microloan initiative, which shall be administered by the Administration, in order to test the feasibility of supplementing the technical assistance grants provided under clauses (ii) and (iii) of subparagraph (B) to individuals who are receiving assistance under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), or under any comparable State funded means tested program of assistance for low-income individuals, in order to adequately assist those individuals in—

"(I) establishing small businesses; and

"(II) eliminating their dependence on that assistance.";

(2) in paragraph (4), by adding at the end the following:

"(F) SUPPLEMENTAL GRANT.—

"(i) IN GENERAL.—The Administration may accept any funds transferred to the Administration from other departments or agencies of the Federal Government to make grants in accordance with this subparagraph and section 202(b) of the Small Business Reauthorization Act of 1997 to participating intermediaries and technical assistance providers under paragraph (5), for use in accordance with clause (iii) to provide additional technical assistance and related services to recipients of assistance under a State program described in paragraph (1)(A)(iv) at the time they initially apply for assistance under this subparagraph.

"(ii) ELIGIBLE RECIPIENTS; GRANT AMOUNTS.—In making grants under this subparagraph, the Administration may select, from among participating intermediaries and technical assistance providers described in clause (i), not more than 20 grantees in fiscal year 1998, not more than 25 grantees in fiscal year 1999, and not more than 30 grantees in fiscal year 2000, each of whom may receive a grant under this subparagraph in an amount not to exceed $200,000 per year.

"(iii) USE OF GRANT AMOUNTS.—Grants under this subparagraph—

"(I) are in addition to other grants provided under this subsection and shall not require the contribution of matching amounts as a condition of eligibility; and

"(II) may be used by a grantee—

"(aa) to pay or reimburse a portion of child care and transportation costs of recipients of assistance described in clause (i), to the extent such costs are not otherwise paid by State block grants under the Child Care Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.) or under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); and

"(bb) for marketing, management, and technical assistance to recipients of assistance described in clause (i).

"(iv) MEMORANDUM OF UNDERSTANDING.—Prior to accepting any transfer of funds under clause (i) from a department or agency of the Federal Government, the Administration shall enter into a Memorandum of Understanding with the department or agency, which shall—

"(I) specify the terms and conditions of the grants under this subparagraph; and

"(II) provide for appropriate monitoring of expenditures by each grantee under this subparagraph and each recipient of assistance described in clause (i) who receives assistance from a grantee under this subparagraph, in order to ensure compliance with this subparagraph by those grantees and recipients of assistance.";

(3) in paragraph (6), by adding at the end the following:

"(E) ESTABLISHMENT OF CHILD CARE OR TRANSPORTATION BUSINESSES.—In addition to other eligible small businesses concerns, borrowers under any program under this subsection may include individuals who will use the loan proceeds to establish for-profit or nonprofit child care establishments or businesses providing for-profit transportation services.";

(4) in paragraph (9)—

(A) by striking the paragraph designation and paragraph heading and inserting the following:

"(9) GRANTS FOR MANAGEMENT, MARKETING, TECHNICAL ASSISTANCE, AND RELATED SERVICES.—"; and

(B) by adding at the end the following:

"(C) WELFARE-TO-WORK MICROLOAN INITIATIVE.—Of amounts made available to carry out the welfare-to-work microloan initiative under paragraph (1)(A)(iv) in any fiscal year, the Administration may use not more than 5 percent to provide technical assistance, either directly or through contractors, to welfare-to-work microloan initiative grantees, to ensure that, as grantees, they have the knowledge, skills, and understanding of microlending and welfare-to-work transition, and other related issues, to operate a successful welfare-to-work microloan initiative."; and

(5) by adding at the end the following:

"(13) EVALUATION OF WELFARE-TO-WORK MICROLOAN INITIATIVE.—On January 31, 1999, and annually thereafter, the Administration shall submit to the Committees on Small Business of the House of Representatives and the Senate a report on any monies distributed pursuant to paragraph (4)(F).".

(b) TRANSFER OF FUNDS.—

(1) IN GENERAL.—No funds are authorized to be appropriated or otherwise provided to carry out the grant program under section 7(m)(4)(F) of the Small Business Act (15 U.S.C. 636(m)(4)(F)) (as added by this section), except by transfer from another department or agency of the Federal Government to the Administration in accordance with this subsection.

(2) LIMITATION ON AMOUNTS.—The total amount transferred to the Administration from other departments and agencies of the Federal Government to carry out the grant program under section 7(m)(4)(F) of the Small Business Act (15 U.S.C. 636(m)(4)(F)) (as added by this section) shall not exceed—

(A) $3,000,000 for fiscal year 1998;

(B) $4,000,000 for fiscal year 1999; and

(C) $5,000,000 for fiscal year 2000.

Subtitle B—Small Business Investment Company Program

SEC. 211. 5-YEAR COMMITMENTS FOR SBICs AT OPTION OF ADMINISTRATOR.

Section 20(a)(2) of the Small Business Act (15 U.S.C. 631 note) is amended in the last sentence by striking "the following fiscal year" and inserting "any 1 or more of the 4 subsequent fiscal years".

SEC. 212. UNDERSERVED AREAS.

Section 301(c)(4)(B) of the Small Business Investment Act of 1958 (15 U.S.C. 681(c)(4)(B)) is amended to read as follows:

"(B) LEVERAGE.—An applicant licensed pursuant to the exception provided in this paragraph shall not be eligible to receive leverage as a licensee until the applicant satisfies the requirements of section 302(a), unless the applicant—

"(i) files an application for a license not later than 180 days after the date of enactment of the Small Business Reauthorization Act of 1997;

"(ii) is located in a State that is not served by a licensee; and

"(iii) agrees to be limited to 1 tier of leverage available under section 302(b), until the applicant meets the requirements of section 302(a).".

SEC. 213. PRIVATE CAPITAL.

Section 103(9)(B)(iii) of the Small Business Investment Act of 1958 (15 U.S.C. 662(9)(B)(iii)) is amended—

(1) by redesignating subclauses (I) and (II) as subclauses (II) and (III), respectively; and

(2) by inserting before subclause (II) (as redesignated) the following:

"(I) funds obtained from the business revenues (excluding any governmental appropriation) of any federally chartered or government-sponsored corporation established prior to October 1, 1987;".

SEC. 214. FEES.

Section 301 of the Small Business Investment Act of 1958 (15 U.S.C. 681) is amended by adding at the end the following:

"(e) FEES.—

"(1) IN GENERAL.—The Administration may prescribe fees to be paid by each applicant for a license to operate as a small business investment company under this Act.

"(2) USE OF AMOUNTS.—Fees collected under this subsection—

"(A) shall be deposited in the account for salaries and expenses of the Administration; and

"(B) are authorized to be appropriated solely to cover the costs of licensing examinations.".

SEC. 215. SMALL BUSINESS INVESTMENT COMPANY PROGRAM REFORM.

(a) BANK INVESTMENTS.—Section 302(b) of the Small Business Investment Act of 1958 (15 U.S.C. 682(b)) is amended by striking "1956," and all that follows before the period and inserting the following: "1956, any national bank, or any member bank of the Federal Reserve System or nonmember insured bank to the extent permitted under applicable State law, may invest in any 1 or more small business investment companies, or in any entity established to invest solely in small business investment companies, except that in no event shall the total amount of such investments of any such bank exceed 5 percent of the capital and surplus of the bank".

(b) INDEXING FOR LEVERAGE.—Section 303 of the Small Business Investment Act of 1958 (15 U.S.C. 683) is amended—

(1) in subsection (b)—

(A) in paragraph (2), by adding at the end the following:

"(D)(i) The dollar amounts in subparagraphs (A), (B), and (C) shall be adjusted annually to reflect increases in the Consumer Price Index established by the Bureau of Labor Statistics of the Department of Labor.

"(ii) The initial adjustments made under this subparagraph after the date of enactment of the Small Business Reauthorization Act of 1997 shall reflect only increases from March 31, 1993."; and

(B) by striking paragraph (4) and inserting the following:

"(4) MAXIMUM AGGREGATE AMOUNT OF LEVERAGE.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the aggregate amount of outstanding leverage issued to any company or companies that are commonly controlled (as determined by the Administrator) may not exceed $90,000,000, as adjusted annually for increases in the Consumer Price Index.

"(B) EXCEPTIONS.—The Administrator may, on a case-by-case basis—

"(i) approve an amount of leverage that exceeds the amount described in subparagraph (A) for companies under common control; and

"(ii) impose such additional terms and conditions as the Administrator determines to be appropriate to minimize the risk of loss to the Administration in the event of default.

"(C) APPLICABILITY OF OTHER PROVISIONS.—Any leverage that is issued to a company or companies commonly controlled in an amount that exceeds $90,000,000, whether as a result of an increase in the Consumer Price Index or a decision of the Administrator, is subject to subsection (d)."; and

(2) by striking subsection (d) and inserting the following:

"(d) REQUIRED CERTIFICATIONS.—

"(1) IN GENERAL.—The Administrator shall require each licensee, as a condition of approval of an application for leverage, to certify in writing—

"(A) for licensees with leverage less than or equal to $90,000,000, that not less than 20 percent of the licensee's aggregate dollar amount of financings will be provided to smaller enterprises; and

"(B) for licensees with leverage in excess of $90,000,000, that, in addition to satisfying the requirements of subparagraph (A), 100 percent of the licensee's aggregate dollar amount of financings made in whole or in part with leverage in excess of $90,000,000 will be provided to smaller enterprises (as defined in section 103(12)).

"(2) MULTIPLE LICENSEES.—Multiple licensees under common control (as determined by the Administrator) shall be considered to be a single licensee for purposes of determining both the applicability of and compliance with the investment percentage requirements of this subsection.".

(c) TAX DISTRIBUTIONS.—Section 303(g)(8) of the Small Business Investment Act of 1958 (15 U.S.C. 683(g)(8)) is amended by adding at the end the following: "A company may also elect to make a distribution under this paragraph at the end of any calendar quarter based on a quarterly estimate of the maximum tax liability. If a company makes 1 or more quarterly distributions for a calendar year, and the aggregate amount of those distributions exceeds the maximum amount that the company could have distributed based on a single annual computation, any subsequent distribution by the company under this paragraph shall be reduced by an amount equal to the excess amount distributed.".

(d) LEVERAGE FEE.—Section 303(i) of the Small Business Investment Act of 1958 (15 U.S.C. 683(i)) is amended by striking ", payable upon" and all that follows before the period and inserting the following: "in the following manner: 1 percent upon the date on which the Administration enters into any commitment for such leverage with the licensee, and the balance of 2 percent (or 3 percent if no commitment has been entered into by the Administration) on the date on which the leverage is drawn by the licensee".

(e) Periodic Issuance of Guarantees and Trust Certificates.—Section 320 of the Small Business Investment Act of 1958 (15 U.S.C. 687m) is amended by striking "three months" and inserting "6 months".

SEC. 216. EXAMINATION FEES.

Section 310(b) of the Small Business Investment Act of 1958 (15 U.S.C. 687b(b)) is amended by inserting after the first sentence the following: "Fees collected under this subsection shall be deposited in the account for salaries and expenses of the Administration, and are authorized to be appropriated solely to cover the costs of examinations and other program oversight activities.".

Subtitle C—Certified Development Company Program

SEC. 221. LOANS FOR PLANT ACQUISITION, CONSTRUCTION, CONVERSION, AND EXPANSION.

Section 502 of the Small Business Investment Act of 1958 (15 U.S.C. 696) is amended—

(1) by striking paragraph (1) and inserting the following:

"(1) Use of proceeds.—The proceeds of any such loan shall be used solely by the borrower to assist 1 or more identifiable small business concerns and for a sound business purpose approved by the Administration.";

(2) in paragraph (3), by adding at the end the following:

"(D) Seller financing.—Seller-provided financing may be used to meet the requirements of subparagraph (B), if the seller subordinates the interest of the seller in the property to the debenture guaranteed by the Administration.

"(E) Collateralization.—The collateral provided by the small business concern shall generally include a subordinate lien position on the property being financed under this title, and is only 1 of the factors to be evaluated in the credit determination. Additional collateral shall be required only if the Administration determines, on a case by case basis, that additional security is necessary to protect the interest of the Government."; and

(3) by adding at the end the following:

"(5) Limitation on leasing.—In addition to any portion of the project permitted to be leased under paragraph (4), not to exceed 20 percent of the project may be leased by the assisted small business to 1 or more other tenants, if the assisted small business occupies permanently and uses not less than a total of 60 percent of the space in the project after the execution of any leases authorized under this section.".

SEC. 222. DEVELOPMENT COMPANY DEBENTURES.

Section 503 of the Small Business Investment Act of 1958 (15 U.S.C. 697) is amended—

(1) in subsection (b)(7), by striking subparagraph (A) and inserting the following:

"(A) assesses and collects a fee, which shall be payable by the borrower, in an amount established annually by the Administration, which amount shall not exceed the lesser of—

"(i) 0.9375 percent per year of the outstanding balance of the loan; and

"(ii) the minimum amount necessary to reduce the cost (as defined in section 502 of the Federal Credit Reform Act of 1990) to the Administration of purchasing and guaranteeing debentures under this Act to zero; and"; and

(2) in subsection (f), by striking "1997" and inserting "2000".

SEC. 223. PREMIER CERTIFIED LENDERS PROGRAM.

(a) In General.—Section 508 of the Small Business Investment Act of 1958 (15 U.S.C. 697e) is amended—

(1) in subsection (a), by striking "not more than 15";

(2) in subsection (b)—

(A) in paragraph (2)—

(i) in the matter preceding subparagraph (A), by striking "if such company";

(ii) by striking subparagraphs (A) and (B) and inserting the following:

"(A) if the company is an active certified development company in good standing and has been an active participant in the accredited lenders program during the entire 12-month period preceding the date on which the company submits an application under paragraph (1), except that the Administration may waive this requirement if the company is qualified to participate in the accredited lenders program;

"(B) if the company has a history of—

"(i) submitting to the Administration adequately analyzed debenture guarantee application packages; and

"(ii) of properly closing section 504 loans and servicing its loan portfolio;";

(iii) in subparagraph (C)—

(I) by inserting "if the company" after "(C)"; and

(II) by striking the period at the end and inserting "; and"; and

(iv) by adding at the end the following:

"(D) the Administrator determines, with respect to the company, that the loss reserve established in accordance with subsection (c)(2) is sufficient for the company to meet its obligations to protect the Federal Government from risk of loss."; and

(B) by adding at the end the following:

"(3) Applicability of criteria after designation.—The Administrator may revoke the designation of a certified development company as a premier certified lender under this section at any time, if the Administrator determines that the certified development company does not meet any requirement described in subparagraphs (A) through (D) of paragraph (2).";

(3) by striking subsection (c) and inserting the following:

"(c) Loss Reserve.—

"(1) Establishment.—A company designated as a premier certified lender shall establish a loss reserve for financing approved pursuant to this section.

"(2) Amount.—The amount of each loss reserve established under paragraph (1) shall be 10 percent of the amount of the company's exposure, as determined under subsection (b)(2)(C).

"(3) Assets.—Each loss reserve established under paragraph (1) shall be comprised of—

"(A) segregated funds on deposit in an account or accounts with a federally insured depository institution or institutions selected by the company, subject to a collateral assignment in favor of, and in a format acceptable to, the Administration;

"(B) irrevocable letter or letters of credit, with a collateral assignment in favor of, and a commercially reasonable format acceptable to, the Administration; or

"(C) any combination of the assets described in subparagraphs (A) and (B).

"(4) Contributions.—The company shall make contributions to the loss reserve, either cash or letters of credit as provided above, in the following amounts and at the following intervals:

"(A) 50 percent when a debenture is closed.

"(B) 25 percent additional not later than 1 year after a debenture is closed.

"(C) 25 percent additional not later than 2 years after a debenture is closed.

"(5) Replenishment.—If a loss has been sustained by the Administration, any portion of the loss reserve, and other funds provided by the premier company as necessary, may be used to reimburse the Administration for the premier company's 10 percent share of the loss as provided in subsection (b)(2)(C). If the company utilizes the reserve, within 30 days it shall replace an equivalent amount of funds.

"(6) Disbursements.—The Administration shall allow the certified development company to withdraw from the loss reserve amounts attributable to any debenture that has been repaid.";

(4) in subsection (d)(1), by striking "to approve loans" and inserting "to approve, authorize, close, service, foreclose, litigate (except that the Administration may monitor the conduct of any such litigation to which a premier certified lender is a party), and liquidate loans";

(5) in subsection (f), by striking "State or local" and inserting "certified";

(6) in subsection (g), by striking the subsection heading and inserting the following:

"(g) Effect of Suspension or Revocation.—";

(7) by striking subsection (h) and inserting the following:

"(h) Program Goals.—Each certified development company participating in the program under this section shall establish a goal of processing a minimum of not less than 50 percent of the loan applications for assistance under section 504 pursuant to the program authorized under this section."; and

(8) in subsection (i), by striking "other lenders" and inserting "other lenders, specifically comparing default rates and recovery rates on liquidations".

(b) Regulations.—The Administrator shall—

(1) not later than 150 days after the date of enactment of this Act, promulgate regulations to carry out the amendments made by subsection (a); and

(2) not later than 180 days after the date of enactment of this Act, issue program guidelines and fully implement the amendments made by subsection (a).

(c) Program Extension.—Section 217(b) of the Small Business Reauthorization and Amendments Act of 1994 (15 U.S.C. 697e note) is amended by striking "October 1, 1997" and inserting "October 1, 2000".

Subtitle D—Miscellaneous Provisions

SEC. 231. BACKGROUND CHECK OF LOAN APPLICANTS.

Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) by striking "(a) The Administration" and inserting the following:

"(a) Loans to Small Business Concerns; Allowable Purposes; Qualified Business; Restrictions and Limitations.—The Administration"; and

(2) in paragraph (1)—

(A) by striking "(1) No financial" and inserting the following:

"(1) In general.—

"(A) Credit elsewhere.—No financial"; and

(B) by adding at the end the following:

"(B) Background checks.—Prior to the approval of any loan made pursuant to this subsection, or section 503 of the Small Business Investment Act of 1958, the Administrator may verify the applicant's criminal background, or lack thereof, through the best available means, including, if possible, use of the National Crime Information Center computer system at the Federal Bureau of Investigation.".

SEC. 232. REPORT ON INCREASED LENDER APPROVAL, SERVICING, FORECLOSURE, LIQUIDATION, AND LITIGATION OF SECTION 7(a) LOANS.

(a) In General.—

(1) Submission.—Not later than 6 months after the date of enactment of this Act, the Administrator shall submit to the Committees a report on action taken and planned for future reliance on private sector lender resources to originate, approve, close, service, liquidate, foreclose, and litigate loans made under section 7(a) of the Small Business Act.

(2) Contents.—The report under this subsection shall address administrative and other steps necessary to achieve the results described in paragraph (1), including—

(A) streamlining the process for approving lenders and standardizing requirements;

(B) establishing uniform reporting requirements using on-line automated capabilities to the maximum extent feasible;

(C) reducing paperwork through automation, simplified forms, or incorporation of lender's forms;

(D) providing uniform standards for approval, closing, servicing, foreclosure, and liquidation;

(E) promulgating new regulations or amending existing ones;

(F) establishing a timetable for implementing the plan for reliance on private sector lenders;

(G) implementing organizational changes at SBA; and

(H) estimating the annual savings that would occur as a result of implementation.

(b) Consultation.—In preparing the report under subsection (a), the Administrator shall consult with, among others—

(1) borrowers and lenders under section 7(a) of the Small Business Act;

(2) small businesses that are potential program participants under section 7(a) of the Small Business Act;

(3) financial institutions that are potential program lenders under section 7(a) of the Small Business Act; and

(4) representative industry associations.

SEC. 233. COMPLETION OF PLANNING FOR LOAN MONITORING SYSTEM.

(a) In General.—The Administrator shall perform and complete the planning needed to serve as the basis for funding the development and implementation of the computerized loan monitoring system, including—

(1) fully defining the system requirement using on-line, automated capabilities to the extent feasible;

(2) identifying all data inputs and outputs necessary for timely report generation;

(3) benchmark loan monitoring business processes and systems against comparable industry processes and, if appropriate, simplify or redefine work processes based on these benchmarks;

(4) determine data quality standards and control systems for ensuring information accuracy;

(5) identify an acquisition strategy and work increments to completion;

(6) analyze the benefits and costs of alternatives and use to demonstrate the advantage of the final project;

(7) ensure that the proposed information system is consistent with the agency's information architecture; and

(8) estimate the cost to system completion, identifying the essential cost element.

(b) Report.—

(1) In general.—On the date that is 6 months after the date of enactment of this Act, the Administrator shall submit a report on the progress of the Administrator in carrying out subsection (a) to—

(A) the Committees; and

(B) the Comptroller General of the United States.

(2) Evaluation.—Not later than 28 days after receipt of the report under paragraph (1)(B), the Comptroller General of the United States shall—

(A) prepare a written evaluation of the report for compliance with subsection (a); and

(B) submit the evaluation to the Committees.

(3) Limitation.—None of the funds provided for the purchase of the loan monitoring system may be obligated or expended until 45 days after the date on which the Committees and the Comptroller General of the United States receive the report under paragraph (1).

TITLE III—WOMEN'S BUSINESS ENTERPRISES

SEC. 301. INTERAGENCY COMMITTEE PARTICIPATION.

Section 403 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended—

(1) in subsection (a)(2)(A)—

(A) by striking "and Amendments Act of 1994" and inserting "Act of 1997"; and

(B) by inserting before the final period ", and who shall report directly to the head of the agency on the status of the activities of the Interagency Committee";

(2) in subsection (a)(2)(B), by inserting before the final period the following: "and shall report directly to the Administrator on the status of the activities on the Interagency Committee and shall serve as the Interagency Committee Liaison to the National Women's Business Council established under section 405"; and

(3) in subsection (b), by striking "and Amendments Act of 1994" and inserting "Act of 1997".

SEC. 302. REPORTS.

Section 404 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended—

(1) by inserting ", through the Small Business Administration," after "transmit";

(2) by striking paragraph (1) and redesignating paragraphs (2) through (4) as paragraphs (1) through (3), respectively; and

(3) in paragraph (1), as redesignated, by inserting before the semicolon the following: ", including a verbatim report on the status of progress of the Interagency Committee in meeting its responsibilities and duties under section 402(a)".

SEC. 303. COUNCIL DUTIES.

Section 406 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended—

(1) in subsection (c), by inserting after "Administrator" the following: "(through the Assistant Administrator of the Office of Women's Business Ownership)"; and

(2) in subsection (d)—

(A) in paragraph (4), by striking "and" at the end;

(B) in paragraph (5), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

"(6) not later than 90 days after the last day of each fiscal year, submit to the President and to the Committee on Small Business of the Senate and the Committee on Small Business of the House of Representatives, a report containing—

"(A) a detailed description of the activities of the council, including a status report on the Council's progress toward meeting its duties outlined in subsections (a) and (d) of section 406;

"(B) the findings, conclusions, and recommendations of the Council; and

"(C) the Council's recommendations for such legislation and administrative actions as the Council considers appropriate to promote the development of small business concerns owned and controlled by women.

"(e) Form of Transmittal.—The information included in each report under subsection (d) that is described in subparagraphs (A) through (C) of subsection (d)(6), shall be reported verbatim, together with any separate additional, concurring, or dissenting views of the Administrator.".

SEC. 304. COUNCIL MEMBERSHIP.

Section 407 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended—

(1) in subsection (a), by striking "and Amendments Act of 1994" and inserting "Act of 1997";

(2) in subsection (b)—

(A) by striking "and Amendments Act of 1994" and inserting "Act of 1997";

(B) by inserting after "the Administrator shall" the following: ", after receiving the recommendations of the Chairman and the Ranking Member of the Committees on Small Business of the House of Representatives and the Senate,";

(C) by striking "9" and inserting "14";

(D) in paragraph (1), by striking "2" and inserting "4";

(E) in paragraph (2), by striking "2" and inserting "4"; and

(F) in paragraph (3)—

(i) by striking "5" and inserting "6";

(ii) by striking "national"; and

(iii) by inserting ", including representatives of women's business center sites" before the period at the end;

(3) in subsection (c), by inserting "(including both urban and rural areas)" after "geographic";

(4) by striking subsection (d) and inserting the following:

"(d) Terms.—Each member of the Council shall be appointed for a term of 3 years, except that, of the initial members appointed to the Council—

"(1) 2 members appointed under subsection (b)(1) shall be appointed for a term of 1 year;

"(2) 2 members appointed under subsection (b)(2) shall be appointed for a term of 1 year; and

"(3) each member appointed under subsection (b)(3) shall be appointed for a term of 2 years."; and

(5) by striking subsection (f) and inserting the following:

"(f) Vacancies.—

"(1) In general.—A vacancy on the Council shall be filled not later than 30 days after the date on which the vacancy occurs, in the manner in which the original appointment was made, and shall be subject to any conditions that applied to the original appointment.

"(2) Unexpired term.—An individual chosen to fill a vacancy shall be appointed for the unexpired term of the member replaced.".

SEC. 305. AUTHORIZATION OF APPROPRIATIONS.

Section 409 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended to read as follows:

"SEC. 411. AUTHORIZATION OF APPROPRIATIONS.

"(a) In General.—There is authorized to be appropriated to carry out this title $600,000, for each of fiscal years 1998 through 2000, of which $200,000 shall be available in each fiscal year to carry out sections 409 and 410.

“(b) Budget Review.—No amount made available under this section for any fiscal year may be obligated or expended by the Council before the date on which the Council reviews and approves the operating budget of the Council to carry out the responsibilities of the Council for that fiscal year.”.

SEC. 306. NATIONAL WOMEN'S BUSINESS COUNCIL PROCUREMENT PROJECT.

The Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended by inserting after section 408 the following:

“SEC. 409. NATIONAL WOMEN'S BUSINESS COUNCIL PROCUREMENT PROJECT.

“(a) Federal Procurement Study.—

“(1) In general.—During the first fiscal year for which amounts are made available to carry out this section, the Council shall conduct a study on the award of Federal prime contracts and subcontracts to women-owned businesses, which study shall include—

“(A) an analysis of data collected by Federal agencies on contract awards to women-owned businesses;

“(B) a determination of the degree to which individual Federal agencies are in compliance with the 5 percent women-owned business procurement goal established by section 15(g)(1) of the Small Business Act (15 U.S.C. 644(g)(1));

“(C) a determination of the types and amounts of Federal contracts characteristically awarded to women-owned businesses; and

“(D) other relevant information relating to participation of women-owned businesses in Federal procurement.

“(2) Submission of results.—Not later than 12 months after initiating the study under paragraph (1), the Council shall submit to the Committees on Small Business of the House of Representatives and the Senate, and to the President, the results of the study conducted under paragraph (1).

“(b) Best Practices Report.—Not later than 18 months after initiating the study under subsection (a)(1), the Council shall submit to the Committees on Small Business of the House of Representatives and the Senate, and to the President, a report, which shall include—

“(1) an analysis of the most successful practices in attracting women-owned businesses as prime contractors and subcontractors by—

“(A) Federal agencies (as supported by findings from the study required under subsection (a)(1)) in Federal procurement awards; and

“(B) the private sector; and

“(2) recommendations for policy changes in Federal procurement practices, including an increase in the Federal procurement goal for women-owned businesses, in order to maximize the number of women-owned businesses performing Federal contracts.

“(c) Contract Authority.—In conducting any study or other research under this section, the Council may contract with 1 or more public or private entities.”.

SEC. 307. STUDIES AND OTHER RESEARCH.

The Women's Business Ownership Act of 1988 (15 U.S.C. 631 note) is amended by inserting after section 409 (as added by section 306 of this title) the following:

“SEC. 410. STUDIES AND OTHER RESEARCH.

“(a) In General.—To the extent that it does not delay submission of the report under section 409(b), the Council may also conduct such studies and other research relating to the award of Federal prime contracts and subcontracts to women-owned businesses, or to issues relating to access to credit and investment capital by women entrepreneurs, as the Council determines to be appropriate.

“(b) Contract Authority.—In conducting any study or other research under this section, the Council may contract with 1 or more public or private entities.”.

SEC. 308. WOMEN'S BUSINESS CENTERS.

(a) In General.—Section 29 of the Small Business Act (15 U.S.C. 656) is amended to read as follows:

“SEC. 29. WOMEN'S BUSINESS CENTER PROGRAM.

“(a) Definitions.—In this section—

“(1) the term ‘Assistant Administrator’ means the Assistant Administrator of the Office of Women's Business Ownership established under subsection (g);

“(2) the term ‘small business concern owned and controlled by women’, either startup or existing, includes any small business concern—

“(A) that is not less than 51 percent owned by 1 or more women; and

“(B) the management and daily business operations of which are controlled by 1 or more women; and

“(3) the term ‘women's business center site’ means the location of—

“(A) a women's business center; or

“(B) 1 or more women's business centers, established in conjunction with another women's business center in another location within a State or region—

“(i) that reach a distinct population that would otherwise not be served;

“(ii) whose services are targeted to women; and

“(iii) whose scope, function, and activities are similar to those of the primary women's business center or centers in conjunction with which it was established.

“(b) Authority.—The Administration may provide financial assistance to private organizations to conduct 5-year projects for the benefit of small business concerns owned and controlled by women. The projects shall provide—

“(1) financial assistance, including training and counseling in how to apply for and secure business credit and investment capital, preparing and presenting financial statements, and managing cash flow and other financial operations of a business concern;

“(2) management assistance, including training and counseling in how to plan, organize, staff, direct, and control each major activity and function of a small business concern; and

“(3) marketing assistance, including training and counseling in identifying and segmenting domestic and international market opportunities, preparing and executing marketing plans, developing pricing strategies, locating contract opportunities, negotiating contracts, and utilizing varying public relations and advertising techniques.

“(c) Conditions of Participation.—

“(1) Non-federal contributions.—As a condition of receiving financial assistance authorized by this section, the recipient organization shall agree to obtain, after its application has been approved and notice of award has been issued, cash contributions from non-Federal sources as follows:

“(A) in the first and second years, 1 non-Federal dollar for each 2 Federal dollars;

“(B) in the third and fourth years, 1 non-Federal dollar for each Federal dollar; and

“(C) in the fifth year, 2 non-Federal dollars for each Federal dollar.

“(2) Form of non-federal contributions.—Not more than one-half of the non-Federal sector matching assistance may be in the form of in-kind contributions that are budget line items only, including office equipment and office space.

“(3) Form of federal contributions.—The financial assistance authorized pursuant to this section may be made by grant, contract, or cooperative agreement and may contain such provision, as necessary, to provide for payments in lump sum or installments, and in advance or by way of reimbursement. The Administration may disburse up to 25 percent of each year's Federal share awarded to a recipient organization after notice of the award has been issued and before the non-Federal sector matching funds are obtained.

“(4) Failure to obtain non-federal funding.—If any recipient of assistance fails to obtain the required non-Federal contribution during any project, it shall not be eligible thereafter for advance disbursements pursuant to paragraph (3) during the remainder of that project, or for any other project for which it is or may be funded by the Administration, and prior to approving assistance to such organization for any other projects, the Administration shall specifically determine whether the Administration believes that the recipient will be able to obtain the requisite non-Federal funding and enter a written finding setting forth the reasons for making such determination.

“(d) Contract Authority.—A women's business center may enter into a contract with a Federal department or agency to provide specific assistance to women and other underserved small business concerns. Performance of such contract should not hinder the women's business centers in carrying out the terms of the grant received by the women's business centers from the Administration.

“(e) Submission of 5-Year Plan.—Each applicant organization initially shall submit a 5-year plan to the Administration on proposed fundraising and training activities, and a recipient organization may receive financial assistance under this program for a maximum of 5 years per women's business center site.

“(f) Criteria.—The Administration shall evaluate and rank applicants in accordance with predetermined selection criteria that shall be stated in terms of relative importance. Such criteria and their relative importance shall be made publicly available and stated in each solicitation for applications made by the Administration. The criteria shall include—

“(1) the experience of the applicant in conducting programs or ongoing efforts designed to impart or upgrade the business skills of women business owners or potential owners;

“(2) the present ability of the applicant to commence a project within a minimum amount of time;

“(3) the ability of the applicant to provide training and services to a representative number of women who are both socially and economically disadvantaged; and

“(4) the location for the women's business center site proposed by the applicant.

“(g) Office of Women's Business Ownership.—

“(1) Establishment.—There is established within the Administration an Office of Women's Business Ownership, which shall be responsible for the administration of the Administration's programs for the development of women's business enterprises (as defined in section 408 of the Women's Business Ownership Act of 1988 (15 U.S.C. 631 note)). The Office of Women's Business Ownership shall be administered by an Assistant Administrator, who shall be appointed by the Administrator.

“(2) Assistant administrator of the office of women’s business ownership.—

“(A) Qualification.—The position of Assistant Administrator shall be a Senior Executive Service position under section 3132(a)(2) of title 5, United States Code. The Assistant Administrator shall serve as a noncareer appointee (as defined in section 3132(a)(7) of that title).

“(B) Responsibilities and duties.—

“(i) Responsibilities.—The responsibilities of the Assistant Administrator shall be to administer the programs and services of the Office of Women’s Business Ownership established to assist women entrepreneurs in the areas of—

“(I) starting and operating a small business;

“(II) development of management and technical skills;

“(III) seeking Federal procurement opportunities; and

“(IV) increasing the opportunity for access to capital.

“(ii) Duties.—The Assistant Administrator shall—

“(I) administer and manage the Women’s Business Center program;

“(II) recommend the annual administrative and program budgets for the Office of Women’s Business Ownership (including the budget for the Women’s Business Center program);

“(III) establish appropriate funding levels therefore;

“(IV) review the annual budgets submitted by each applicant for the Women’s Business Center program;

“(V) select applicants to participate in the program under this section;

“(VI) implement this section;

“(VII) maintain a clearinghouse to provide for the dissemination and exchange of information between women’s business centers;

“(VIII) serve as the vice chairperson of the Interagency Committee on Women’s Business Enterprise;

“(IX) serve as liaison for the National Women’s Business Council; and

“(X) advise the Administrator on appointments to the Women’s Business Council.

“(C) Consultation requirements.—In carrying out the responsibilities and duties described in this paragraph, the Assistant Administrator shall confer with and seek the advice of the Administration officials in areas served by the women’s business centers.

“(h) Program Examination.—

“(1) In general.—Not later than 180 days after the date of enactment of the Small Business Reauthorization Act of 1997, the Administrator shall develop and implement an annual programmatic and financial examination of each women’s business center established pursuant to this section.

“(2) Extension of contracts.—In extending or renewing a contract with a women’s business center, the Administrator shall consider the results of the examination conducted under paragraph (1).

“(i) Contract Authority.—The authority of the Administrator to enter into contracts shall be in effect for each fiscal year only to the extent and in the amounts as are provided in advance in appropriations Acts. After the Administrator has entered into a contract, either as a grant or a cooperative agreement, with any applicant under this section, it shall not suspend, terminate, or fail to renew or extend any such contract unless the Administrator provides the applicant with written notification setting forth the reasons therefore and affords the applicant an opportunity for a hearing, appeal, or other administrative proceeding under chapter 5 of title 5, United States Code.

“(j) Report.—The Administrator shall prepare and submit an annual report to the Committees on Small Business of the House of Representatives and the Senate on the effectiveness of all projects conducted under the authority of this section. Such report shall provide information concerning—

“(1) the number of individuals receiving assistance;

“(2) the number of startup business concerns formed;

“(3) the gross receipts of assisted concerns;

“(4) increases or decreases in profits of assisted concerns; and

“(5) the employment increases or decreases of assisted concerns.

“(k) Authorization of Appropriations.—

“(1) In general.—There is authorized to be appropriated $8,000,000 for each fiscal year to carry out the projects authorized under this section, of which, for fiscal year 1998, not more than 5 percent may be used for administrative expenses related to the program under this section.

“(2) Use of amounts.—Amounts made available under this subsection for fiscal year 1999, and each fiscal year thereafter, may only be used for grant awards and may not be used for costs incurred by the Administration in connection with the management and administration of the program under this section.

“(3) Expedited acquisition.—Notwithstanding any other provision of law, the Administrator, acting through the Assistant Administrator, may use such expedited acquisition methods as the Administrator determines to be appropriate to carry out this section, except that the Administrator shall ensure that all small business sources are provided a reasonable opportunity to submit proposals.”.

(b) Applicability.—

(1) In general.—Subject to paragraph (2), any organization conducting a 3-year project under section 29 of the Small Business Act (15 U.S.C. 656) (as in effect on the day before the effective date of this Act) on September 30, 1997, may request an extension of the term of that project to a total term of 5 years. If such an extension is made, the organization shall receive financial assistance in accordance with section 29(c) of the Small Business Act (as amended by this section) subject to procedures established by the Administrator, in coordination with the Assistant Administrator of the Office of Women’s Business Ownership established under section 29 of the Small Business Act (15 U.S.C. 656) (as amended by this section).

(2) Terms of assistance for certain organizations.—Any organization operating in the third year of a 3-year project under section 29 of the Small Business Act (15 U.S.C. 656) (as in effect on the day before the effective date of this Act) on September 30, 1997, may request an extension of the term of that project to a total term of 5 years. If such an extension is made, during the fourth and fifth years of the project, the organization shall receive financial assistance in accordance with section 29(c)(1)(C) of the Small Business Act (as amended by this section) subject to procedures established by the Administrator, in coordination with the Assistant Administrator of the Office of Women’s Business Ownership established under section 29 of the Small Business Act (15 U.S.C. 656) (as amended by this section).

TITLE IV—COMPETITIVENESS PROGRAM AND PROCUREMENT OPPORTUNITIES

Subtitle A—Small Business Competitiveness Program

SEC. 401. PROGRAM TERM.

Section 711(c) of the Small Business Competitiveness Demonstration Program Act of 1988 (15 U.S.C. 644 note) is amended by striking “, and terminate on September 30, 1997”.

SEC. 402. MONITORING AGENCY PERFORMANCE.

Section 712(d)(1) of the Small Business Competitiveness Demonstration Program Act of 1988 (15 U.S.C. 644 note) is amended to read as follows:

“(1) Participating agencies shall monitor the attainment of their small business participation goals on an annual basis. An annual review by each participating agency shall be completed not later than January 31 of each year, based on the data for the preceding fiscal year, from October 1 through September 30.”.

SEC. 403. REPORTS TO CONGRESS.

Section 716(a) of the Small Business Competitiveness Demonstration Program Act of 1988 (15 U.S.C. 644 note) is amended—

(1) by striking “1996” and inserting “2000”;

(2) by striking “for Federal Procurement Policy” and inserting “of the Small Business Administration”; and

(3) by striking “Government Operations” and inserting “Government Reform and Oversight”.

SEC. 404. SMALL BUSINESS PARTICIPATION IN DREDGING.

Section 722(a) of the Small Business Competitiveness Demonstration Program Act of 1988 (15 U.S.C. 644 note) is amended by striking “and terminating on September 30, 1997”.

SEC. 405. TECHNICAL AMENDMENTS.

Section 717 of the Small Business Competitiveness Demonstration Program Act of 1988 (15 U.S.C. 644 note) is amended—

(1) by inserting “or North American Industrial Classification Code” after “standard industrial classification code” each place it appears; and

(2) by inserting “or North American Industrial Classification Codes” after “standard industrial classification codes” each place it appears.

Subtitle B—Small Business Procurement Opportunities Program

SEC. 411. CONTRACT BUNDLING.

Section 2 of the Small Business Act (15 U.S.C. 631) is amended by adding at the end the following:

“(j) Contract Bundling.—In complying with the statement of congressional policy expressed in subsection (a), relating to fostering the participation of small business concerns in the contracting opportunities of the Government, each Federal agency, to the maximum extent practicable, shall—

“(1) comply with congressional intent to foster the participation of small business concerns as prime contractors, subcontractors, and suppliers;

“(2) structure its contracting requirements to facilitate competition by and among small business concerns, taking all reasonable steps to eliminate obstacles to their participation; and

“(3) avoid unnecessary and unjustified bundling of contract requirements that precludes small business participation in procurements as prime contractors.”.

SEC. 412. DEFINITION OF CONTRACT BUNDLING.

Section 3 of the Small Business Act (15 U.S.C. 632) is amended by adding at the end the following:

“(o) Definitions of Bundling of Contract Requirements and Related Terms.—In this Act:

"(1) BUNDLED CONTRACT.—The term 'bundled contract' means a contract that is entered into to meet requirements that are consolidated in a bundling of contract requirements.

"(2) BUNDLING OF CONTRACT REQUIREMENTS.—The term 'bundling of contract requirements' means consolidating 2 or more procurement requirements for goods or services previously provided or performed under separate smaller contracts into a solicitation of offers for a single contract that is likely to be unsuitable for award to a small-business concern due to—

"(A) the diversity, size, or specialized nature of the elements of the performance specified;

"(B) the aggregate dollar value of the anticipated award;

"(C) the geographical dispersion of the contract performance sites; or

"(D) any combination of the factors described in subparagraphs (A), (B), and (C).

"(3) SEPARATE SMALLER CONTRACT.—The term 'separate smaller contract', with respect to a bundling of contract requirements, means a contract that has been performed by 1 or more small business concerns or was suitable for award to 1 or more small business concerns.".

SEC. 413. ASSESSING PROPOSED CONTRACT BUNDLING.

(a) IN GENERAL.—Section 15 of the Small Business Act (15 U.S.C. 644) is amended by inserting after subsection (d) the following:

"(e) PROCUREMENT STRATEGIES; CONTRACT BUNDLING.—

"(1) IN GENERAL.—To the maximum extent practicable, procurement strategies used by the various agencies having contracting authority shall facilitate the maximum participation of small business concerns as prime contractors, subcontractors, and suppliers.

"(2) MARKET RESEARCH.—

"(A) IN GENERAL.—Before proceeding with an acquisition strategy that could lead to a contract containing consolidated procurement requirements, the head of an agency shall conduct market research to determine whether consolidation of the requirements is necessary and justified.

"(B) FACTORS.—For purposes of subparagraph (A), consolidation of the requirements may be determined as being necessary and justified if, as compared to the benefits that would be derived from contracting to meet those requirements if not consolidated, the Federal Government would derive from the consolidation measurably substantial benefits, including any combination of benefits that, in combination, are measurably substantial. Benefits described in the preceding sentence may include the following:

"(i) Cost savings.

"(ii) Quality improvements.

"(iii) Reduction in acquisition cycle times.

"(iv) Better terms and conditions.

"(v) Any other benefits.

"(C) REDUCTION OF COSTS NOT DETERMINATIVE.—The reduction of administrative or personnel costs alone shall not be a justification for bundling of contract requirements unless the cost savings are expected to be substantial in relation to the dollar value of the procurement requirements to be consolidated.

"(3) STRATEGY SPECIFICATIONS.—If the head of a contracting agency determines that a proposed procurement strategy for a procurement involves a substantial bundling of contract requirements, the proposed procurement strategy shall—

"(A) identify specifically the benefits anticipated to be derived from the bundling of contract requirements;

"(B) set forth an assessment of the specific impediments to participation by small business concerns as prime contractors that result from the bundling of contract requirements and specify actions designed to maximize small business participation as subcontractors (including suppliers) at various tiers under the contract or contracts that are awarded to meet the requirements; and

"(C) include a specific determination that the anticipated benefits of the proposed bundled contract justify its use.

"(4) CONTRACT TEAMING.—In the case of a solicitation of offers for a bundled contract that is issued by the head of an agency, a small-business concern may submit an offer that provides for use of a particular team of subcontractors for the performance of the contract. The head of the agency shall evaluate the offer in the same manner as other offers, with due consideration to the capabilities of all of the proposed subcontractors. If a small business concern teams under this paragraph, it shall not affect its status as a small business concern for any other purpose.".

(b) ADMINISTRATION REVIEW.—Section 15(a) of the Small Business Act (15 U.S.C. 644(a)) is amended in the third sentence—

(1) by inserting "or the solicitation involves an unnecessary or unjustified bundling of contract requirements, as determined by the Administration," after "discrete construction projects,";

(2) by striking "or (4)" and inserting "(4)"; and

(3) by inserting before the period at the end of the sentence the following: ", or (5) why the agency has determined that the bundled contract (as defined in section 3(o)) is necessary and justified".

(c) RESPONSIBILITIES OF AGENCY SMALL BUSINESS ADVOCATES.—Section 15(k) of the Small Business Act (15 U.S.C. 644(k)) is amended—

(1) by redesignating paragraphs (5) through (9) as paragraphs (6) through (10), respectively; and

(2) by inserting after paragraph (4) the following:

"(5) identify proposed solicitations that involve significant bundling of contract requirements, and work with the agency acquisition officials and the Administration to revise the procurement strategies for such proposed solicitations where appropriate to increase the probability of participation by small businesses as prime contractors, or to facilitate small business participation as subcontractors and suppliers, if a solicitation for a bundled contract is to be issued;".

SEC. 414. REPORTING OF BUNDLED CONTRACT OPPORTUNITIES.

(a) DATA COLLECTION REQUIRED.—The Federal Procurement Data System described in section 6(d)(4)(A) of the Office of Federal Procurement Policy Act (41 U.S.C. 405(d)(4)(A)) shall be modified to collect data regarding bundling of contract requirements when the contracting officer anticipates that the resulting contract price, including all options, is expected to exceed $5,000,000. The data shall reflect a determination made by the contracting officer regarding whether a particular solicitation constitutes a contract bundling.

(b) DEFINITIONS.—In this section, the term "bundling of contract requirements" has the meaning given that term in section 3(o) of the Small Business Act (15 U.S.C. 632(o)) (as added by section 412 of this subtitle).

SEC. 415. EVALUATING SUBCONTRACT PARTICIPATION IN AWARDING CONTRACTS.

Section 8(d)(4) of the Small Business Act (15 U.S.C. 637(d)(4)) is amended by adding at the end the following:

"(G) The following factors shall be designated by the Federal agency as significant factors for purposes of evaluating offers for a bundled contract where the head of the agency determines that the contract offers a significant opportunity for subcontracting:

"(i) A factor that is based on the rate provided under the subcontracting plan for small business participation in the performance of the contract.

"(ii) For the evaluation of past performance of an offeror, a factor that is based on the extent to which the offeror attained applicable goals for small business participation in the performance of contracts.".

SEC. 416. IMPROVED NOTICE OF SUBCONTRACTING OPPORTUNITIES.

(a) USE OF THE COMMERCE BUSINESS DAILY AUTHORIZED.—Section 8 of the Small Business Act (15 U.S.C. 637) is amended by adding at the end the following:

"(k) NOTICES OF SUBCONTRACTING OPPORTUNITIES.—

"(1) IN GENERAL.—Notices of subcontracting opportunities may be submitted for publication in the Commerce Business Daily by—

"(A) a business concern awarded a contract by an executive agency subject to subsection (e)(1)(C); and

"(B) a business concern that is a subcontractor or supplier (at any tier) to such contractor having a subcontracting opportunity in excess of $10,000.

"(2) CONTENT OF NOTICE.—The notice of a subcontracting opportunity shall include—

"(A) a description of the business opportunity that is comparable to the description specified in paragraphs (1), (2), (3), and (4) of subsection (f); and

"(B) the due date for receipt of offers.".

(b) REGULATIONS REQUIRED.—The Federal Acquisition Regulation shall be amended to provide uniform implementation of the amendments made by this section.

(c) CONFORMING AMENDMENT.—Section 8(e)(1)(C) of the Small Business Act (15 U.S.C. 637(e)(1)(C)) is amended by striking "$25,000" each place that term appears and inserting "$100,000".

SEC. 417. DEADLINES FOR ISSUANCE OF REGULATIONS.

(a) PROPOSED REGULATIONS.—Proposed amendments to the Federal Acquisition Regulation or proposed Small Business Administration regulations under this subtitle and the amendments made by this subtitle shall be published not later than 120 days after the date of enactment of this Act for the purpose of obtaining public comment pursuant to section 22 of the Office of Federal Procurement Policy Act (41 U.S.C. 418b), or chapter 5 of title 5, United States Code, as appropriate. The public shall be afforded not less than 60 days to submit comments.

(b) FINAL REGULATIONS.—Final regulations shall be published not later than 270 days after the date of enactment of this Act. The effective date for such final regulations shall be not less than 30 days after the date of publication.

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. SMALL BUSINESS TECHNOLOGY TRANSFER PROGRAM.

(a) REQUIRED EXPENDITURES.—Section 9(n) of the Small Business Act (15 U.S.C. 638(n)) is amended by striking paragraph (1) and inserting the following:

"(1) REQUIRED EXPENDITURE AMOUNTS.—With respect to fiscal years 1998, 1999, 2000, and 2001, each Federal agency that has an extramural budget for research, or research and development, in excess of $1,000,000,000 for that fiscal year, is authorized to expend with small business concerns not less than 0.15 percent of that extramural budget specifically in connection with STTR programs that meet the requirements of this section and any policy directives and regulations issued under this section.".

(b) REPORTS AND OUTREACH.—

(1) IN GENERAL.—Section 9 of the Small Business Act (15 U.S.C. 638) is amended—

(A) in subsection (o)—

(i) by redesignating paragraphs (8) through (11) as paragraphs (10) through (13), respectively; and

(ii) by inserting after paragraph (7) the following:

"(8) include, as part of its annual performance plan as required by subsections (a) and (b) of section 1115 of title 31, United States Code, a section on its STTR program, and shall submit such section to the Committee on Small Business of the Senate, and the Committee on Science and the Committee on Small Business of the House of Representatives;

"(9) collect such data from awardees as is necessary to assess STTR program outputs and outcomes;";

(B) in subsection (e)(4)(A), by striking "(ii)"; and

(C) by adding at the end the following:

"(s) OUTREACH.—

"(1) DEFINITION OF ELIGIBLE STATE.—In this subsection, the term 'eligible State' means a State—

"(A) if the total value of contracts awarded to the State during fiscal year 1995 under this section was less than $5,000,000; and

"(B) that certifies to the Administration described in paragraph (2) that the State will, upon receipt of assistance under this subsection, provide matching funds from non-Federal sources in an amount that is not less than 50 percent of the amount provided under this subsection.

"(2) PROGRAM AUTHORITY.—Of amounts made available to carry out this section for fiscal year 1998, 1999, 2000, or 2001 the Administrator may expend with eligible States not more than $2,000,000 in each such fiscal year in order to increase the participation of small business concerns located in those States in the programs under this section.

"(3) AMOUNT OF ASSISTANCE.—The amount of assistance provided to an eligible State under this subsection in any fiscal year—

"(A) shall be equal to twice the total amount of matching funds from non-Federal sources provided by the State; and

"(B) shall not exceed $100,000.

"(4) USE OF ASSISTANCE.—Assistance provided to an eligible State under this subsection shall be used by the State, in consultation with State and local departments and agencies, for programs and activities to increase the participation of small business concerns located in the State in the programs under this section, including –

"(A) the establishment of quantifiable performance goals, including goals relating to—

"(i) the number of program awards under this section made to small business concerns in the State; and

"(ii) the total amount of Federal research and development contracts awarded to small business concerns in the State;

"(B) the provision of competition outreach support to small business concerns in the State that are involved in research and development; and

"(C) the development and dissemination of educational and promotional information relating to the programs under this section to small business concerns in the State.

"(t) INCLUSION IN STRATEGIC PLANS.—Program information relating to the SBIR and STTR programs shall be included by each Federal agency in any update or revision required of the Federal agency under section 306(b) of title 5, United States Code.".

(2) REPEAL.—Effective October 1, 2001, section 9(s) of the Small Business Act (as added by paragraph (1) of this subsection) is repealed.

SEC. 502. SMALL BUSINESS DEVELOPMENT CENTERS.

(a) IN GENERAL.—Section 21(a) of the Small Business Act (15 U.S.C. 648(a)) is amended—

(1) in paragraph (1)—

(A) by inserting "any women's business center operating pursuant to section 29," after "credit or finance corporation,";

(B) by inserting "or a women's business center operating pursuant to section 29" after "other than an institution of higher education"; and

(C) by inserting "and women's business centers operating pursuant to section 29" after "utilize institutions of higher education";

(2) in paragraph (3)—

(A) by striking ", but with" and all that follows through "parties." and inserting the following: "for the delivery of programs and services to the small business community. Such programs and services shall be jointly developed, negotiated, and agreed upon, with full participation of both parties, pursuant to an executed cooperative agreement between the Small Business Development Center applicant and the Administration."; and

(B) by adding at the end the following:

"(C) On an annual basis, the Small Business Development Center shall review and coordinate public and private partnerships and cosponsorships with the Administration for the purpose of more efficiently leveraging available resources on a National and a State basis.";

(3) in paragraph (4)(C)—

(A) by striking clause (i) and inserting the following:

"(i) IN GENERAL.—

"(I) GRANT AMOUNT.—Subject to subclauses (II) and (III), the amount of a grant received by a State under this section shall be equal to the greater of $500,000, or the sum of—

"(aa) the State's pro rata share of the national program, based upon the population of the State as compared to the total population of the United States; and

"(bb) $300,000 in fiscal year 1998, $400,000 in fiscal year 1999, and $500,000 in each fiscal year thereafter.

"(II) PRO RATA REDUCTIONS.—If the amount made available to carry out this section for any fiscal year is insufficient to carry out subclause (I)(bb), the Administration shall make pro rata reductions in the amounts otherwise payable to States under subclause (I)(bb).

"(III) MATCHING REQUIREMENT.—The amount of a grant received by a State under this section shall not exceed the amount of matching funds from sources other than the Federal Government provided by the State under subparagraph (A)."; and

(B) in clause (iii), by striking "(iii)" and all that follows through "1997." and inserting the following:

"(iii) NATIONAL PROGRAM.—There are authorized to be appropriated to carry out the national program under this section—

"(I) $85,000,000 for fiscal year 1998;

"(II) $90,000,000 for fiscal year 1999; and

"(III) $95,000,000 for fiscal year 2000 and each fiscal year thereafter."; and

(4) in paragraph (6)—

(A) in subparagraph (A), by striking "and" at the end;

(B) in subparagraph (B), by striking the comma at the end and inserting "; and"; and

(C) inserting after subparagraph (B) the following:

"(C) with outreach, development, and enhancement of minority-owned small business startups or expansions, HUBZone small business concerns, veteran-owned small business startups or expansions, and women-owned small business startups or expansions, in communities impacted by base closings or military or corporate downsizing, or in rural or underserved communities;".

(b) SBDC SERVICES.—Section 21(c) of the Small Business Act (15 U.S.C. 648(c)) is amended—

(1) in paragraph (3)—

(A) in subparagraph (A), by striking "businesses;" and inserting "businesses, including—

"(i) working with individuals to increase awareness of basic credit practices and credit requirements;

"(ii) working with individuals to development business plans, financial packages, credit applications, and contract proposals;

"(iii) working with the Administration to develop and provide informational tools for use in working with individuals on pre-business startup planning, existing business expansion, and export planning; and

"(iv) working with individuals referred by the local offices of the Administration and Administration participating lenders;";

(B) in each of subparagraphs (B), (C), (D), (E), (F), (G), (M), (N), (O), (Q), and (R) by moving each margin 2 ems to the left; and

(C) in subparagraph (C), by inserting "and the Administration" after "Center";

(2) in paragraph (5)—

(A) by moving the margin 2 ems to the right; ,

(B) by striking "paragraph (a)(1)" and inserting "subsection (a)(1)";

(C) by striking "which ever" and inserting "whichever"; and

(D) by striking "last,," and inserting "last,";

(3) by redesignating paragraphs (4) through (7) as paragraphs (5) through (8), respectively; and

(4) in paragraph (3), in the undesignated material following subparagraph (R), by striking "A small" and inserting the following:

"(4) A small".

(c) COMPETITIVE AWARDS.—Section 21(l) of the Small Business Act (15 U.S.C. 648(l)) is amended by adding at the end the following: "If any contract or cooperative agreement under this section with an entity that is covered by this section is not renewed or extended, any award of a successor contract or cooperative agreement under this section to another entity shall be made on a competitive basis.".

(d) PROHIBITION ON CERTAIN FEES.—Section 21 of the Small Business Act (15 U.S.C. 648) is amended by adding at the end the following:

"(m) PROHIBITION ON CERTAIN FEES.—A small business development center shall not impose or otherwise collect a fee or other compensation in connection with the provision of counseling services under this section.".

SEC. 503. PILOT PREFERRED SURETY BOND GUARANTEE PROGRAM EXTENSION.

Section 207 of the Small Business Administration Reauthorization and Amendment Act of 1988 (15 U.S.C. 694b note) is amended by striking "September 30, 1997" and inserting "September 30, 2000".

SEC. 504. EXTENSION OF COSPONSORSHIP AUTHORITY.

Section 401(a)(2) of the Small Business Administration Reauthorization and Amendments Act of 1994 (15 U.S.C. 637 note) is amended by striking "September 30, 1997" and inserting "September 30, 2000".

SEC. 505. ASSET SALES.

In connection with the Administration's implementation of a program to sell to the private sector loans and other assets held by the Administration, the Administration shall provide to the Committees a copy of the draft and final plans describing the sale and the anticipated benefits resulting from such sale.

SEC. 506. SMALL BUSINESS EXPORT PROMOTION.

(a) IN GENERAL.—Section 21(c)(3) of the Small Business Act (15 U.S.C. 648(c)(3)) is amended—

(1) in subparagraph (Q), by striking "and" at the end;

(2) in subparagraph (R), by striking the period at the end and inserting "; and"; and

(3) by inserting after subparagraph (R) the following:

"(S) providing small business owners with access to a wide variety of export-related information by establishing on-line computer linkages between small business development centers and an international trade data information network with ties to the Export Assistance Center program.".

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out section 21(c)(3)(S) of the Small Business Act (15 U.S.C. 648(c)(3)(S)), as added by this section, $1,500,000 for each fiscal years 1998 and 1999.

SEC. 507. DEFENSE LOAN AND TECHNICAL ASSISTANCE PROGRAM.

(a) DELTA PROGRAM AUTHORIZED.—

(1) IN GENERAL.—The Administrator may administer the Defense Loan and Technical Assistance program in accordance with the authority and requirements of this section.

(2) EXPIRATION OF AUTHORITY.—The authority of the Administrator to carry out the DELTA program under paragraph (1) shall terminate when the funds referred to in subsection (g)(1) have been expended.

(3) DELTA PROGRAM DEFINED.—In this section, the terms "Defense Loan and Technical Assistance program" and "DELTA program" mean the Defense Loan and Technical Assistance program that has been established by a memorandum of understanding entered into by the Administrator and the Secretary of Defense on June 26, 1995.

(b) ASSISTANCE.—

(1) AUTHORITY.—Under the DELTA program, the Administrator may assist small business concerns that are economically dependent on defense expenditures to acquire dual-use capabilities.

(2) FORMS OF ASSISTANCE.—Forms of assistance authorized under paragraph (1) are as follows:

(A) LOAN GUARANTEES.—Loan guarantees under the terms and conditions specified under this section and other applicable law.

(B) NONFINANCIAL ASSISTANCE.—Other forms of assistance that are not financial.

(c) ADMINISTRATION OF PROGRAM.—In the administration of the DELTA program under this section, the Administrator shall—

(1) process applications for DELTA program loan guarantees;

(2) guarantee repayment of the resulting loans in accordance with this section; and

(3) take such other actions as are necessary to administer the program.

(d) SELECTION AND ELIGIBILITY REQUIREMENTS FOR DELTA LOAN GUARANTEES.—

(1) IN GENERAL.—The selection criteria and eligibility requirements set forth in this subsection shall be applied in the selection of small business concerns to receive loan guarantees under the DELTA program.

(2) SELECTION CRITERIA.—The criteria used for the selection of a small business concern to receive a loan guarantee under this section are as follows:

(A) The selection criteria established under the memorandum of understanding referred to in subsection (a)(3).

(B) The extent to which the loans to be guaranteed would support the retention of defense workers whose employment would otherwise be permanently or temporarily terminated as a result of reductions in expenditures by the United States for defense, the termination or cancellation of a defense contract, the failure to proceed with an approved major weapon system, the merger or consolidation of the operations of a defense contractor, or the closure or realignment of a military installation.

(C) The extent to which the loans to be guaranteed would stimulate job creation and new economic activities in communities most adversely affected by reductions in expenditures by the United States for defense, the termination or cancellation of a defense contract, the failure to proceed with an approved major weapon system, the merger or consolidation of the operations of a defense contractor, or the closure or realignment of a military installation.

(D) The extent to which the loans to be guaranteed would be used to acquire (or permit the use of other funds to acquire) capital equipment to modernize or expand the facilities of the borrower to enable the borrower to remain in the national technology and industrial base available to the Department of Defense.

(3) ELIGIBILITY REQUIREMENTS.—To be eligible for a loan guarantee under the DELTA program, a borrower must demonstrate to the satisfaction of the Administrator that, during any 1 of the 5 preceding operating years of the borrower, not less than 25 percent of the value of the borrower's sales were derived from—

(A) contracts with the Department of Defense or the defense-related activities of the Department of Energy; or

(B) subcontracts in support of defense-related prime contracts.

(e) MAXIMUM AMOUNT OF LOAN PRINCIPAL.—With respect to each borrower, the maximum amount of loan principal for which the Administrator may provide a guarantee under this section during a fiscal year may not exceed $1,250,000.

(f) LOAN GUARANTY RATE.—The maximum allowable guarantee percentage for loans guaranteed under this section may not exceed 80 percent.

(g) FUNDING.—

(1) IN GENERAL.—The funds that have been made available for loan guarantees under the DELTA program and have been transferred from the Department of Defense to the Small Business Administration before the date of the enactment of this Act shall be used for carrying out the DELTA program under this section.

(2) CONTINUED AVAILABILITY OF EXISTING FUNDS.—The funds made available under the second proviso under the heading "RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE" in Public Law 103-335 (108 Stat. 2613) shall be available until expended—

(A) to cover the costs (as defined in section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5))) of loan guarantees issued under this section; and

(B) to cover the reasonable costs of the administration of the loan guarantees.

SEC. 508. VERY SMALL BUSINESS CONCERNS.

Section 304(i) of the Small Business Administration Reauthorization and Amendments Act of 1994 (15 U.S.C. 644 note) is amended by striking "September 30, 1998" and inserting "September 30, 2000".

SEC. 509. TRADE ASSISTANCE PROGRAM FOR SMALL BUSINESS CONCERNS ADVERSELY AFFECTED BY NAFTA.

The Administrator shall coordinate Federal assistance in order to provide counseling to small business concerns adversely affected by the North American Free Trade Agreement.

TITLE VI—HUBZONE PROGRAM

SEC. 601. SHORT TITLE.

This title may be cited as the "HUBZone Act of 1997".

SEC. 602. HISTORICALLY UNDERUTILIZED BUSINESS ZONES.

(a) DEFINITIONS.—Section 3 of the Small Business Act (15 U.S.C. 632) (as amended by section 412 of this Act) is amended by adding at the end the following:

"(p) DEFINITIONS RELATING TO HUBZONES.—In this Act:

"(1) HISTORICALLY UNDERUTILIZED BUSINESS ZONE.—The term 'historically underutilized business zone' means any area located within 1 or more—

"(A) qualified census tracts;

"(B) qualified nonmetropolitan counties; or

"(C) lands within the external boundaries of an Indian reservation.

"(2) HUBZONE.—The term 'HUBZone' means a historically underutilized business zone.

"(3) HUBZONE SMALL BUSINESS CONCERN.—The term 'HUBZone small business concern' means a small business concern—

"(A) that is owned and controlled by 1 or more persons, each of whom is a United States citizen; and

"(B) the principal office of which is located in a HUBZone; or

"(4) QUALIFIED AREAS.—

"(A) QUALIFIED CENSUS TRACT.—The term 'qualified census tract' has the meaning given that term in section 42(d)(5)(C)(ii)(I) of the Internal Revenue Code of 1986.

"(B) QUALIFIED NONMETROPOLITAN COUNTY.—The term 'qualified nonmetropolitan county' means any county—

"(i) that, based on the most recent data available from the Bureau of the Census of the Department of Commerce—

"(I) is not located in a metropolitan statistical area (as defined in section 143(k)(2)(B) of the Internal Revenue Code of 1986); and

"(II) in which the median household income is less than 80 percent of the nonmetropolitan State median household income; or

"(ii) that, based on the most recent data available from the Secretary of Labor, has an unemployment rate that is not less than 140 percent of the statewide average unemployment rate for the State in which the county is located.

"(5) QUALIFIED HUBZONE SMALL BUSINESS CONCERN.—

"(A) IN GENERAL.—A HUBZone small business concern is 'qualified', if—

"(i) the small business concern has certified in writing to the Administrator (or the Administrator otherwise determines, based on information submitted to the Administrator by the small business concern, or based on certification procedures, which shall be established by the Administration by regulation) that—

"(I) it is a HUBZone small business concern;

"(II) not less than 35 percent of the employees of the small business concern reside in a HUBZone, and the small business concern will attempt to maintain this employment percentage during the performance of any contract awarded to the small business concern on the basis of a preference provided under section 31(b); and

"(III) with respect to any subcontract entered into by the small business concern pursuant to a contract awarded to the small business concern under section 31, the small business concern will ensure that—

"(aa) in the case of a contract for services (except construction), not less than 50 percent of the cost of contract performance incurred for personnel will be expended for its employees or for employees of other HUBZone small business concerns; and

"(bb) in the case of a contract for procurement of supplies (other than procurement from a regular dealer in such supplies), not less than 50 percent of the cost of manufacturing the supplies (not including the cost of materials) will be incurred in connection with the performance of the contract in a HUBZone by 1 or more HUBZone small business concerns; and

"(ii) no certification made or information provided by the small business concern under clause (i) has been, in accordance with the procedures established under section 31(c)(1)—

"(I) successfully challenged by an interested party; or

"(II) otherwise determined by the Administrator to be materially false.

"(B) Change in percentages.—The Administrator may utilize a percentage other than the percentage specified in under item (aa) or (bb) of subparagraph (A)(i)(III), if the Administrator determines that such action is necessary to reflect conventional industry practices among small business concerns that are below the numerical size standard for businesses in that industry category.

"(C) Construction and other contracts.—The Administrator shall promulgate final regulations imposing requirements that are similar to those specified in subclauses (IV) and (V) of subparagraph (A)(i) on contracts for general and specialty construction, and on contracts for any other industry category that would not otherwise be subject to those requirements. The percentage applicable to any such requirement shall be determined in accordance with subparagraph (B).

"(D) List of qualified small business concerns.—The Administrator shall establish and maintain a list of qualified HUBZone small business concerns, which list shall, to the extent practicable—

"(i) include the name, address, and type of business with respect to each such small business concern;

"(ii) be updated by the Administrator not less than annually; and

"(iii) be provided upon request to any Federal agency or other entity.".

(b) Federal Contracting.—

(1) In general.—The Small Business Act (15 U.S.C. 631 et seq.) is amended—

(A) by redesignating section 31 as section 32; and

(B) by inserting after section 30 the following:

"SEC. 31. HUBZONE PROGRAM.

"(a) In General.—There is established within the Administration a program to be carried out by the Administrator to provide for Federal contracting assistance to qualified HUBZone small business concerns in accordance with this section.

"(b) Eligible Contracts.—

"(1) Definitions.—In this subsection—

"(A) the term 'contracting officer' has the meaning given that term in section 27(f)(5) of the Office of Federal Procurement Policy Act (41 U.S.C. 423(f)(5)); and

"(B) the term 'full and open competition' has the meaning given that term in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403).

"(2) Authority of contracting officer.—Notwithstanding any other provision of law—

"(A) a contracting officer may award sole source contracts under this section to any qualified HUBZone small business concern, if—

"(i) the qualified HUBZone small business concern is determined to be a responsible contractor with respect to performance of such contract opportunity, and the contracting officer does not have a reasonable expectation that 2 or more qualified HUBZone small business concerns will submit offers for the contracting opportunity;

"(ii) the anticipated award price of the contract (including options) will not exceed—

"(I) $5,000,000, in the case of a contract opportunity assigned a standard industrial classification code for manufacturing; or

"(II) $3,000,000, in the case of all other contract opportunities; and

"(iii) in the estimation of the contracting officer, the contract award can be made at a fair and reasonable price;

"(B) a contract opportunity shall be awarded pursuant to this section on the basis of competition restricted to qualified HUBZone small business concerns if the contracting officer has a reasonable expectation that not less than 2 qualified HUBZone small business concerns will submit offers and that the award can be made at a fair market price; and

"(C) not later than 5 days from the date the Administration is notified of a procurement officer's decision not to award a contract opportunity under this section to a qualified HUBZone small business concern, the Administrator may notify the contracting officer of the intent to appeal the contracting officer's decision, and within 15 days of such date the Administrator may file a written request for reconsideration of the contracting officer's decision with the Secretary of the department or agency head.

"(3) Price evaluation preference in full and open competitions.—In any case in which a contract is to be awarded on the basis of full and open competition, the price offered by a qualified HUBZone small business concern shall be deemed as being lower than the price offered by another offeror (other than another small business concern), if the price offered by the qualified HUBZone small business concern is not more than 10 percent higher than the price offered by the otherwise lowest, responsive, and responsible offeror.

"(4) Relationship to other contracting preferences.—A procurement may not be made from a source on the basis of a preference provided in paragraph (2) or (3), if the procurement would otherwise be made from a different source under section 4124 or 4125 of title 18, United States Code, or the Javits-Wagner-O'Day Act (41 U.S.C. 46 et seq.).

"(c) Enforcement; Penalties.—

"(1) Verification of eligibility.—In carrying out this section, the Administrator shall establish procedures relating to—

"(A) the filing, investigation, and disposition by the Administration of any challenge to the eligibility of a small business concern to receive assistance under this section (including a challenge, filed by an interested party, relating to the veracity of a certification made or information provided to the Administration by a small business concern under section 3(p)(5)); and

"(B) verification by the Administrator of the accuracy of any certification made or information provided to the Administration by a small business concern under section 3(p)(5).

"(2) Examinations.—The procedures established under paragraph (1) may provide for program examinations (including random program examinations) by the Administrator of any small business concern making a certification or providing information to the Administrator under section 3(p)(5).

"(3) Provision of data.—Upon the request of the Administrator, the Secretary of Labor, the Secretary of Housing and Urban Development, and the Secretary of the Interior (or the Assistant Secretary for Indian Affairs), shall promptly provide to the Administrator such information as the Administrator determines to be necessary to carry out this subsection.

"(4) Penalties.—In addition to the penalties described in section 16(d), any small business concern that is determined by the Administrator to have misrepresented the status of that concern as a 'HUBZone small business concern' for purposes of this section, shall be subject to—

"(A) section 1001 of title 18, United States Code; and

"(B) sections 3729 through 3733 of title 31, United States Code.".

(2) Initial limited applicability.—During the period beginning on the date of enactment of this Act and ending on September 30, 2000,'section 31 of the Small Business Act (as added by paragraph (1) of this subsection) shall apply only to procurements by—

(A) the Department of Defense;

(B) the Department of Agriculture;

(C) the Department of Health and Human Services;

(D) the Department of Transportation;

(E) the Department of Energy;

(F) the Department of Housing and Urban Development;

(G) the Environmental Protection Agency;

(H) the National Aeronautics and Space Administration;

(I) the General Services Administration; and

(J) the Department of Veterans Affairs.

SEC. 603. TECHNICAL AND CONFORMING AMENDMENTS TO THE SMALL BUSINESS ACT.

(a) Performance of Contracts.—Section 8(d) of the Small Business Act (15 U.S.C. 637(d)) is amended—

(1) in paragraph (1)—

(A) in the first sentence, by striking ",, small business concerns owned and controlled by socially and economically disadvantaged individuals" and inserting ", qualified HUBZone small business concerns, small business concerns owned and controlled by socially and economically disadvantaged individuals"; and

(B) in the second sentence, by inserting "qualified HUBZone small business concerns," after "small business concerns,";

(2) in paragraph (3)—

(A) by inserting "qualified HUBZone small business concerns," after "small business concerns," each place that term appears; and

(B) by adding at the end the following:

"(F) In this contract, the term 'qualified HUBZone small business concern' has the meaning given that term in section 3(p) of the Small Business Act.";

(3) in paragraph (4)(E), by striking "small business concerns and" and inserting "small business concerns, qualified HUBZone small business concerns, and";

(4) in paragraph (6), by inserting "qualified HUBZone small business concerns," after "small business concerns," each place that term appears; and

(5) in paragraph (10), by inserting "qualified HUBZone small business concerns," after "small business concerns,".

(b) AWARDS OF CONTRACTS.—Section 15 of the Small Business Act (15 U.S.C. 644) is amended—

(1) in subsection (g)(1)—

(A) by inserting "qualified HUBZone small business concerns," after "small business concerns," each place that term appears;

(B) in the second sentence, by striking "20 percent" and inserting "23 percent"; and

(C) by inserting after the second sentence the following: "The Governmentwide goal for participation by qualified HUBZone small business concerns shall be established at not less than 1 percent of the total value of all prime contract awards for fiscal year 1999, not less than 1.5 percent of the total value of all prime contract awards for fiscal year 2000, not less than 2 percent of the total value of all prime contract awards for fiscal year 2001, not less than 2.5 percent of the total value of all prime contract awards for fiscal year 2002, and not less than 3 percent of the total value of all prime contract awards for fiscal year 2003 and each fiscal year thereafter.";

(2) in subsection (g)(2)—

(A) in the first sentence, by striking ",, by small business concerns owned and controlled by socially and economically disadvantaged individuals" and inserting ", by qualified HUBZone small business concerns, by small business concerns owned and controlled by socially and economically disadvantaged individuals";

(B) in the second sentence, by inserting "qualified HUBZone small business concerns," after "small business concerns,"; and

(C) in the fourth sentence, by striking "by small business concerns owned and controlled by socially and economically disadvantaged individuals and participation by small business concerns owned and controlled by women" and inserting "by qualified HUBZone small business concerns, by small business concerns owned and controlled by socially and economically disadvantaged individuals, and by small business concerns owned and controlled by women"; and

(3) in subsection (h), by inserting "qualified HUBZone small business concerns," after "small business concerns," each place that term appears.

(c) OFFENSES AND PENALTIES.—Section 16 of the Small Business Act (15 U.S.C. 645) is amended—

(1) in subsection (d)(1)—

(A) by inserting ", a 'qualified HUBZone small business concern'," after "'small business concern',"; and

(B) in subparagraph (A), by striking "section 9 or 15" and inserting "section 9, 15, or 31"; and

(2) in subsection (e), by inserting ", a 'HUBZone small business concern'," after "'small business concern',".

SEC. 604. OTHER TECHNICAL AND CONFORMING AMENDMENTS.

(a) TITLE 10, UNITED STATES CODE.—Section 2323 of title 10, United States Code, is amended—

(1) in subsection (a)(1)(A), by inserting before the semicolon the following: ", and qualified HUBZone small business concerns (as defined in section 3(p) of the Small Business Act)"; and

(2) in subsection (f)(1), by inserting "or as a qualified HUBZone small business concern (as defined in section 3(p) of the Small Business Act)" after "(as described in subsection (a))".

(b) FEDERAL HOME LOAN BANK ACT.—Section 21A(b)(13) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(b)(13)) is amended—

(1) by striking "concerns and small" and inserting "concerns, small"; and

(2) by inserting ", and qualified HUBZone small business concerns (as defined in section 3(p) of the Small Business Act)" after "disadvantaged individuals".

(c) SMALL BUSINESS ECONOMIC POLICY ACT OF 1980.—Section 303(e) of the Small Business Economic Policy Act of 1980 (15 U.S.C. 631b(e)) is amended—

(1) in paragraph (1), by striking "and" at the end;

(2) in paragraph (2), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(3) qualified HUBZone small business concern (as defined in section 3(p) of the Small Business Act).".

(d) SMALL BUSINESS INVESTMENT ACT OF 1958.—Section 411(c)(3)(B) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(c)(3)(B)) is amended by inserting before the semicolon the following: ", or to a qualified HUBZone small business concern (as defined in section 3(p) of the Small Business Act)".

(e) TITLE 31, UNITED STATES CODE.—

(1) CONTRACTS FOR COLLECTION SERVICES.—Section 3718(b) of title 31, United States Code, is amended—

(A) in paragraph (1)(B), by inserting "and law firms that are qualified HUBZone small business concerns (as defined in section 3(p) of the Small Business Act)" after "disadvantaged individuals"; and

(B) in paragraph (3)—

(i) in the first sentence, by inserting before the period "and law firms that are qualified HUBZone small business concerns";

(ii) in subparagraph (A), by striking "and" at the end;

(iii) in subparagraph (B), by striking the period at the end and inserting "; and"; and

(iv) by adding at the end the following:

"(C) the term 'qualified HUBZone small business concern' has the meaning given that term in section 3(p) of the Small Business Act.".

(2) PAYMENTS TO LOCAL GOVERNMENTS.—Section 6701(f) of title 31, United States Code, is amended—

(A) in paragraph (1)—

(i) in subparagraph (A), by striking "and" at the end;

(ii) in subparagraph (B), by striking the period at the end and inserting "; and"; and

(iii) by adding at the end the following:

"(C) qualified HUBZone small business concerns."; and

(B) in paragraph (3)—

(i) in subparagraph (A), by striking "and" at the end;

(ii) in subparagraph (B), by striking the period at the end and inserting "; and"; and

(iii) by adding at the end the following:

"(C) the term 'qualified HUBZone small business concern' has the meaning given that term in section 3(p) of the Small Business Act (15 U.S.C. 632(o)).".

(3) REGULATIONS.—Section 7505(c) of title 31, United States Code, is amended by striking "small business concerns and" and inserting "small business concerns, qualified HUBZone small business concerns, and".

(f) OFFICE OF FEDERAL PROCUREMENT POLICY ACT.—

(1) ENUMERATION OF INCLUDED FUNCTIONS.—Section 6(d) of the Office of Federal Procurement Policy Act (41 U.S.C. 405(d)) is amended—

(A) in paragraph (11), by inserting "qualified HUBZone small business concerns (as defined in section 3(p) of the Small Business Act)," after "small businesses,"; and

(B) in paragraph (12), by inserting "qualified HUBZone small business concerns (as defined in section 3(p) of the Small Business Act (15 U.S.C. 632(o)))," after "small businesses,".

(2) PROCUREMENT DATA.—Section 502 of the Women's Business Ownership Act of 1988 (41 U.S.C. 417a) is amended—

(A) in subsection (a)—

(i) in the first sentence, by inserting "the number of qualified HUBZone small business concerns," after "Procurement Policy"; and

(ii) by inserting a comma after "women"; and

(B) in subsection (b), by inserting after "section 204 of this Act" the following: ", and the term 'qualified HUBZone small business concern' has the meaning given that term in section 3(p) of the Small Business Act (15 U.S.C. 632(o))".

(g) ENERGY POLICY ACT OF 1992.—Section 3021 of the Energy Policy Act of 1992 (42 U.S.C. 13556) is amended—

(1) in subsection (a)—

(A) in paragraph (2), by striking "or";

(B) in paragraph (3), by striking the period and inserting "; or"; and

(C) by adding at the end the following:

"(4) qualified HUBZone small business concerns."; and

(2) in subsection (b), by adding at the end the following:

"(3) The term 'qualified HUBZone small business concern' has the meaning given that term in section 3(p) of the Small Business Act (15 U.S.C. 632(o)).".

(h) TITLE 49, UNITED STATES CODE.—

(1) PROJECT GRANT APPLICATION APPROVAL CONDITIONED ON ASSURANCES ABOUT AIRPORT OPERATION.—Section 47107(e) of title 49, United States Code, is amended—

(A) in paragraph (1), by inserting before the period "or qualified HUBZone small business concerns (as defined in section 3(p) of the Small Business Act)";

(B) in paragraph (4)(B), by inserting before the period "or as a qualified HUBZone small business concern (as defined in section 3(p) of the Small Business Act)"; and

(C) in paragraph (6), by inserting "or a qualified HUBZone small business concern (as defined in section 3(p) of the Small Business Act)" after "disadvantaged individual".

(2) MINORITY AND DISADVANTAGED BUSINESS PARTICIPATION.—Section 47113 of title 49, United States Code, is amended—

(A) in subsection (a)—

(i) in paragraph (1), by striking the period at the end and inserting a semicolon;

(ii) in paragraph (2), by striking the period at the end and inserting "; and"; and

(iii) by adding at the end the following:

"(3) the term 'qualified HUBZone small business concern' has the meaning given that term in section 3(p) of the Small Business Act (15 U.S.C. 632(o))."; and

(B) in subsection (b), by inserting before the period "or qualified HUBZone small business concerns".

SEC. 605. REGULATIONS.

(a) In General.—Not later than 180 days after the date of enactment of this Act, the Administrator shall publish in the Federal Register such final regulations as may be necessary to carry out this title and the amendments made by this title.

(b) Federal Acquisition Regulation.—Not later than 180 days after the date on which final regulations are published under subsection (a), the Federal Acquisition Regulatory Council shall amend the Federal Acquisition Regulation in order to ensure consistency between the Federal Acquisition Regulation, this title and the amendments made by this title, and the final regulations published under subsection (a).

SEC. 606. REPORT.

Not later than March 1, 2002, the Administrator shall submit to the Committees a report on the implementation of the HUBZone program established under section 31 of the Small Business Act (as added by section 602(b) of this title) and the degree to which the HUBZone program has resulted in increased employment opportunities and an increased level of investment in HUBZones (as defined in section 3(p) of the Small Business Act (15 U.S.C. 632(p)), as added by section 602(a) of this title).

SEC. 607. AUTHORIZATION OF APPROPRIATIONS.

Section 20 of the Small Business Act (15 U.S.C. 631 note) (as amended by section 101 of this Act) is amended—

(1) in subsection (c), by adding at the end the following:

"(3) HUBZone program.—There are authorized to be appropriated to the Administration to carry out the program under section 31, $5,000,000 for fiscal year 1998.";

(2) in subsection (d), by adding at the end the following:

"(3) HUBZone program.—There are authorized to be appropriated to the Administration to carry out the program under section 31, $5,000,000 for fiscal year 1999."; and

(3) in subsection (e), by adding at the end the following:

"(3) HUBZone program.—There are authorized to be appropriated to the Administration to carry out the program under section 31, $5,000,000 for fiscal year 2000.".

TITLE VII—SERVICE DISABLED VETERANS

SEC. 701. PURPOSES.

The purposes of this title are—

(1) to foster enhanced entrepreneurship among eligible veterans by providing increased opportunities;

(2) to vigorously promote the legitimate interests of small business concerns owned and controlled by eligible veterans; and

(3) to ensure that those concerns receive fair consideration in purchases made by the Federal Government.

SEC. 702. DEFINITIONS.

In this title:

(1) Eligible veteran.—The term "eligible veteran" means a disabled veteran (as defined in section 4211(3) of title 38, United States Code).

(2) Small business concern owned and controlled by eligible veterans.—The term "small business concern owned and controlled by eligible veterans" means a small business concern (as defined in section 3 of the Small Business Act)—

(A) that is at least 51 percent owned by 1 or more eligible veterans, or in the case of a publicly owned business, at least 51 percent of the stock of which is owned by 1 or more eligible veterans; and

(B) whose management and daily business operations are controlled by eligible veterans.

SEC. 703. REPORT BY SMALL BUSINESS ADMINISTRATION.

(a) Study and Report.—

(1) In general.—Not later than 9 months after the date of enactment of this Act, the Administrator shall conduct a comprehensive study and submit to the Committees a final report containing findings and recommendations of the Administrator on—

(A) the needs of small business concerns owned and controlled by eligible veterans;

(B) the availability and utilization of Administration programs by small business concerns owned and controlled by eligible veterans;

(C) the percentage, and dollar value, of Federal contracts awarded to small business concerns owned and controlled by eligible veterans in the preceding 5 fiscal years; and

(D) methods to improve Administration and other agency programs to serve the needs of small business concerns owned and controlled by eligible veterans.

(2) Contents.—The report under paragraph (1) shall include recommendations to Congress concerning the need for legislation and recommendations to the Office of Management and Budget, relevant offices within the Administration, and the Department of Veterans Affairs.

(b) Conduct of Study.—In carrying out subsection (a), the Administrator—

(1) may conduct surveys of small business concerns owned and controlled by eligible veterans and service disabled veterans, including those who have sought financial assistance or other services from the Administration;

(2) shall consult with the appropriate committees of Congress, relevant groups and organizations in the nonprofit sector, and Federal or State government agencies; and

(3) shall have access to any information within other Federal agencies that pertains to such veterans and their small businesses, unless such access is specifically prohibited by law.

SEC. 704. INFORMATION COLLECTION.

After the date of issuance of the report required by section 703(a), the Secretary of Veterans Affairs shall, in consultation with the Assistant Secretary for Veterans' Employment and Training and the Administrator, engage in efforts each fiscal year to identify small business concerns owned and controlled by eligible veterans in the United States. The Secretary shall inform each small business concern identified under this section that information on Federal procurement is available from the Administrator.

SEC. 705. STATE OF SMALL BUSINESS REPORT.

Section 303(b) of the Small Business Economic Policy Act of 1980 (15 U.S.C. 631b(b)) is amended by striking "and female-owned businesses" and inserting ", female-owned, and veteran-owned businesses".

SEC. 706. LOANS TO VETERANS.

Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by inserting after paragraph (7) the following:

"(8) The Administration may make loans under this subsection to small business concerns owned and controlled by disabled veterans (as defined in section 4211(3) of title 38, United States Code).".

SEC. 707. ENTREPRENEURIAL TRAINING, COUNSELING, AND MANAGEMENT ASSISTANCE.

The Administrator shall take such actions as may be necessary to ensure that small business concerns owned and controlled by eligible veterans have access to programs established under the Small Business Act that provide entrepreneurial training, business development assistance, counseling, and management assistance to small business concerns, including, among others, the Small Business Development Center program and the Service Corps of Retired Executives (SCORE) program.

SEC. 708. GRANTS FOR ELIGIBLE VETERANS' OUTREACH PROGRAMS.

Section 8(b) of the Small Business Act (15 U.S.C. 637(b)) is amended—

(1) in paragraph (15), by striking "and" at the end;

(2) in the first paragraph designated as paragraph (16), by striking the period at the end and inserting "; and"; and

(3) by striking the second paragraph designated as paragraph (16) and inserting the following:

"(17) to make grants to, and enter into contracts and cooperative agreements with, educational institutions, private businesses, veterans' nonprofit community-based organizations, and Federal, State, and local departments and agencies for the establishment and implementation of outreach programs for disabled veterans (as defined in section 4211(3) of title 38, United States Code).".

SEC. 709. OUTREACH FOR ELIGIBLE VETERANS.

The Administrator, the Secretary of Veterans Affairs, and the Assistant Secretary of Labor for Veterans' Employment and Training, shall develop and implement a program of comprehensive outreach to assist eligible veterans, which program shall include business training and management assistance, employment and relocation counseling, and dissemination of information on veterans' benefits and veterans' entitlements.

THE FAA RESEARCH, ENGINEERING, AND DEVELOPMENT AUTHORIZATION ACT OF 1997

GORTON (AND OTHERS) AMENDMENT NO. 1544

(Ordered to lie on the table.)

Mr. GORTON (for himself, Mr. McCain, Mr. Hollings, and Mr. Ford) submitted an amendment intended to be proposed by them to the bill (H.R. 1271) to authorize the Federal Aviation Administration's research, engineering, and development programs for fiscal years 1998 through 2000, and for other purposes; as follows:

Strike out all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "FAA Research, Engineering, and Development Authorization Act of 1997".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

Section 48102(a) of title 49, United States Code, is amended—

(1) by striking "and" at the end of paragraph (2)(J);

(2) by striking the period at the end of paragraph (3)(J) and inserting in lieu thereof a semicolon; and

(3) by adding at the end the following:

"(4) for fiscal year 1998, $229,673,000, including—

"(A) $16,379,000 for system development and infrastructure projects and activities;

"(B) $27,089,000 for capacity and air traffic management technology projects and activities;

"(C) $23,362,000 for communications, navigation, and surveillance projects and activities;

"(D) $16,600,000 for weather projects and activities;

"(E) $7,854,000 for airport technology projects and activities;

"(F) $49,202,000 for aircraft safety technology projects and activities;

"(G) $56,045,000 for system security technology projects and activities;

"(H) $27,137,000 for human factors and aviation medicine projects and activities;

"(I) $2,891,000 for environment and energy projects and activities; and

"(J) $3,114,000 for innovative/cooperative research projects and activities.".

SEC. 3. RESEARCH GRANTS PROGRAM INVOLVING UNDERGRADUATE STUDENTS.

(a) PROGRAM.—Section 48102 of title 49, United States Code, is amended by adding at the end the following new subsection:

"(h) RESEARCH GRANTS PROGRAM INVOLVING UNDERGRADUATE STUDENTS.—

"(1) ESTABLISHMENT.—The Administrator of the Federal Aviation Administration shall establish a program to utilize undergraduate and technical colleges in research on subjects of relevance to the Federal Aviation Administration. Grants may be awarded under this subsection for—

"(A) research projects to be carried out at primarily undergraduate institutions and technical colleges;

"(B) research projects that combine research at primarily undergraduate institutions and technical colleges with other research supported by the Federal Aviation Administration; or

"(C) research on future training requirements on projected changes in regulatory requirements for aircraft maintenance and power plant licensees.

"(2) NOTICE OF CRITERIA.—Within 6 months after the date of the enactment of the FAA Research, Engineering, and Development Authorization Act of 1997, the Administrator of the Federal Aviation Administration shall establish and publish in the Federal Register criteria for the submittal of proposals for a grant under this subsection, and for the awarding of such grants.

"(3) PRINCIPAL CRITERIA.—The principal criteria for the awarding of grants under this subsection shall be—

"(A) the relevance of the proposed research to technical research needs identified by the Federal Aviation Administration;

"(B) the scientific and technical merit of the proposed research; and

"(C) the potential for participation by undergraduate students in the proposed research.

"(4) COMPETITIVE, MERIT-BASED EVALUATION.—Grants shall be awarded under this subsection on the basis of evaluation of proposals through a competitive, merit-based process.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 48102(a) of title 49, United States Code, as amended by this Act, is further amended by inserting ", of which $750,000 shall be for carrying out the grant program established under subsection (h)" after "projects and activities" in paragraph (4)(J).

SEC. 4. LIMITATION ON APPROPRIATIONS.

No sums are authorized to be appropriated to the Administrator of the Federal Aviation Administration for fiscal year 1998 for the Federal Aviation Administration Research, Engineering, and Development account, unless such sums are specifically authorized to be appropriated by the amendments made by this Act.

SEC. 5. NOTICE OF REPROGRAMMING.

If any funds authorized by the amendments made by this Act are subject to a reprogramming action that requires notice to be provided to the Appropriations Committees of the House of Representatives and the Senate, notice of such action shall concurrently be provided to the Committees on Science and Transportation and Infrastructure of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate.

SEC. 6. SENSE OF CONGRESS ON THE YEAR 2000 PROBLEM.

With the year 2000 fast approaching, it is the sense of Congress that the Federal Aviation Administration should—

(1) give high priority to correcting all 2-digit date-related problems in its computer systems to ensure that those systems continue to operate effectively in the year 2000 and beyond;

(2) assess immediately the extent of the risk to the operations of the Federal Aviation Administration posed by the problems referred to in paragraph (1), and plan and budget for achieving Year 2000 compliance for all of its mission-critical systems; and

(3) develop contingency plans for those systems that the Federal Aviation Administration is unable to correct in time.

Mr. McCAIN. Mr. President, I rise to join Senator GORTON, Senator HOLLINGS, and Senator FORD, in submitting an amendment to the bill (H.R. 1271) the Federal Aviation Administration Research, Engineering, and Development Authorization Act of 1997. This bill would authorize the Federal Aviation Administration [FAA] Research, Engineering, and Development [RE&D] program. The program funds projects to improve facilities, equipment, techniques, and procedures so that our Nation's aviation system can operate safely and efficiently.

The FAA's research and development activities help to provide the advancements and innovations that are needed to keep the U.S. aviation system the best in the world. Our Nation's ability to have a strong aviation-related research and development program directly impacts our success in the global market and our standard of living. Investment in the FAA RE&D program will fund projects to determine how limited airport and airspace capacity can meet ever increasing demands, aviation security can be improved, and flight safety concerns can be addressed.

The FAA has divided its RE&D program into nine key areas. These include capacity and air traffic management technology; communications, navigation and surveillance systems; weather; airport technology; aircraft safety technology; system security technology; human factors and aviation medicine; environment and energy; and innovative/cooperative research. The FAA funds various projects in these nine areas.

Ongoing or planned FAA RE&D projects will provide important benefits for the U.S. aviation system and its users. The aircraft safety technology area, for example, includes continued research on improving passenger evacuation in the event of an aircraft accident. The system security technology area will include efforts to develop more effective explosives detection technologies. In addition, several recommendations of the White House Commission on Aviation Safety and Security will involve the FAA RE&D program, including modernizing the Nation's air traffic control system.

I strongly support the FAA's efforts under the RE&D program to work in partnership with public and private entities. These partnerships enable the FAA to gain expertise in specialized areas of technology, and to leverage limited Federal funds. The FAA, for example, now has more than 250 agreements for research and development partnerships with research organizations, foreign governments, and industry consortia. In addition, the FAA has established several university-based research centers.

This bill also asks the FAA to address problems that the Agency may face if the software in any of its various computer systems malfunctions when they hit the year 2000. In particular, we cannot afford to have air traffic control systems affected by this problem. I understand that the FAA is behind schedule in determining which of its systems are affected by the Year 2000 problem. The time to make this determination, and then make necessary software modifications, is growing short. That is why the bill includes a Sense of the Congress that the FAA should, among other things, develop contingency plans for those systems that the Agency is unable to correct in time.

The FAA RE&D program is a key component of the Agency's total ongoing efforts to provide the most safe and efficient aviation system possible. I would strongly encourage my colleagues to join me in supporting this bill to authorize the program.

Mr. GORTON. Mr. President, I am pleased to join with my distinguished colleagues, Senator McCAIN, Senator HOLLINGS, and Senator FORD, in submitting an amendment to the bill (H.R. 1271) the Federal Aviation Administration Research, Engineering, and Development Authorization Act of 1997. The bill authorizes the Federal Aviation Administration [FAA] Research, Engineering, and Development [RE&D] account for fiscal year 1998. The FAA RE&D account finances projects to improve the safety, security, capacity, and efficiency of the U.S. aviation system. The authorization for the RE&D account expired at the end of September.

Recognizing the key role that research and development efforts play in improving our Nation's aviation system, the Congress over time has strengthened the FAA RE&D program. In 1982, the Congress determined that a comprehensive research and development program was necessary to help ensure that the FAA could maintain a safe and efficient air traffic system. In 1988, the Congress established the FAA RE&D Advisory Board to help the FAA set research priorities. After the terrorist bombing of Pan Am Flight 103, the Congress approved the Aviation Safety Improvement Act of 1990, which required the FAA to support activities to accelerate the research and development of new technologies to protect against terrorism.

This bill would authorize the FAA to finance important research and development efforts. These efforts include developing new fire-resistant insulation materials for use on aircraft. Fires are a major threat to aircraft, and this new insulation is intended to give passengers additional time to evacuate if an accident occurs. The FAA also has ongoing research to develop procedures for enhancing terminal area capacity and safety.

It is noteworthy that the FAA works with other Federal agencies and the private sector to leverage RE&D funds. The FAA, for example, has cooperative arrangements with the National Aeronautics and Space Administration and the Department of Defense. The FAA is also currently working with more than 80 private industry partners on 15 major technology development projects. Working with private industry, for example, the FAA recently completed development of a new concrete foam material that will safely stop a large airliner that overshoots a runway because of problems during take off or landing. In addition to leveraging Federal funds, such partnerships facilitate the dissemination of research results to the private sector where they can be used to produce commercial products that will benefit the users of the U.S. aviation system.

The bill includes a Sense of the Congress concerning the so-called Year 2000 problem as it relates to the FAA. Simply stated, the problem stems from the inability of some software to recognize the change from the year 1999 to the year 2000. In these cases, software code must be rewritten to prevent computer systems from crashing. Because the FAA has many systems, including various air traffic control systems, the bill states that the FAA should assess immediately the extent to which its systems will be affected, and to develop a plan and budget to make needed corrections.

Funding appropriate research and development projects today can help to achieve a safer and more efficient air transportation system tomorrow. The bill that I am introducing authorizes this funding. I urge my colleagues to join me in supporting it.

NOTICES OF HEARINGS

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Senate Committee on Indian Affairs' scheduled markup on H.R. 976, the Mississippi Sioux Tribe Judgment Fund Distribution Act of 1997 on Monday, November 3, 1997, at 10 a.m. in room 485 of the Russell Senate Office Building has been rescheduled for Tuesday, November 4, 1997, at 9:15 a.m.

Those wishing additional information should contact the Committee on Indian Affairs at 224–2251.

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will meet at 9:15 a.m. on Tuesday, November 4, 1997, in room 485 of the Russell Senate Building to mark up the following: H.R. 976, the Mississippi Sioux Tribe Judgment Fund Distribution Act of 1997; and the nomination of B. Kevin Gover, to be Assistant Secretary for Indian Affairs, Department of the Interior.

Those wishing additional information should contact the Committee on Indian Affairs at 224–2251.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the full Committee on Energy and Natural Resources to consider the nominations of Curtis L. Hebert and Linda Key Breathitt to be members of the Federal Energy Regulatory Commission.

The hearing will take place Tuesday, November 4, 1997 at 10 a.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

For further information, please call Allyson Kennett at (202) 224–5070.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. WARNER. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR–301, Russell Senate Office Building, on Wednesday, November 5, 1997, at 9:30 a.m. to conduct a business meeting to vote on matters pending before the committee, including the use of laptop computers on the Senate floor; release of documents to Harry Connick, district attorney of New Orleans; and, reimbursement of expenses in connection with the contested Senate election in Louisiana.

For further information concerning this hearing, please contact Ed Edens of the Rules Committee staff at 224–6678.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Friday, October 31, 1997, at 10 a.m. to hold a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Friday, October 31, 1997, at 9:30 a.m., to hold a hearing entitled "Oversight Review of the Treasury Department's Inspector General."

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

CHEMISTRY WEEK

• Mr. SPECTER. Mr. President, I would like to take this opportunity to recognize the Philadelphia section of the American Chemical Society, whose 5,000 members, along with their nearly 200 sister sections in all 50 States, the District of Columbia, and Puerto Rico, have set aside November 2 through November 8, 1997, for a national celebration directing our attention to the many contributions of their scientific discipline.

The science of chemistry gives us the power to understand and to use the elemental building blocks of all material things. The science of chemistry also provides the fundamental understanding required to deal with many of society's needs, including several that determined our quality of life and our economic strength. Chemists and chemical engineers use their powerful science in helping feed the world's population, tapping new energy sources, clothing and housing humanity, providing renewable substitutes for dwindling or scarce materials, improving health and conquering disease, and monitoring and protecting our environment, and strengthening our national security.

As the American Chemical Society works to enhance public awareness about the crucial role that chemistry plays in everyday life during National Chemistry Week, I hope that my colleagues will take this occasion to recognize the chemists and chemical engineers in their States who have dedicated themselves to improving the quality of life for all.•

TRIBUTE TO HELENE S. SMITH

• Mrs. BOXER. Mr. President, on June 5, 1997, a remarkable woman and superb scientist, Dr. Helene Smith, died at her home in California.

Dr. Smith's scholarly activities and indefatigable personality influenced the scientific community well beyond San Francisco's California Pacific Medical Center, where she directed the Geraldine Brush Cancer Research Institute.

There is great sadness as well as irony associated with Dr. Smith's death from breast cancer, a disease she devoted much of her life to studying.

Her friend and colleague, Dr. Ann Thor, professor of pathology and surgery at the Northwestern University School of Medicine, has written a very moving tribute which will be published in the Journal of Mammary Gland Biology and Neoplasia (Volume 3, Issue 1, in press).

I am grateful to Dr. Thor, Dr. Peggy Neville, editor of the Journal, and to Plenum Publishing Corp. for permission to use this tribute, and I ask that it be printed in the RECORD.

The tribute follows:

HELENE SMITH, PH.D.: A MEMORIAL

(By Ann Thor, M.D.)

Dr. Helene Smith, who has contributed greatly to our understanding of and research devoted to breast cancer, died recently of that disease. Dr. Smith was a leader in the scientific community—publishing extensively in the fields of breast cancer cell biology and molecular genetics. Helene had a uniquely personal battle with breast cancer, as it claimed several family members including a sister. Her enthusiasm and involvement in breast cancer research was unique. Those who knew her well understood that her motivations went beyond the norm and closely approximated a religious zeal, even before her own diagnosis. As noted by Dr. Edison Liu, Director of the Division of Clinical Sciences of the National Cancer Institute of the National Institutes of Health, "Her sense of conviction to the conquest of breast cancer made her one of the most compelling advocates. This sense was contagious and invigorated her colleagues to overcome petty barriers to interaction so that we may act as a unified force in breast cancer research."

As both patient and experienced researcher, she developed insights regarding the positive and negative aspects of our current health care system, traditional medical approaches and the infrastructure which supports breast cancer research in this country. Helene actively promoted interactions between clinicians of all specialties, basic researchers and patient advocates to foster new approaches where traditional measures have failed. She served tirelessly as the principal investigator of a program project to develop new molecular and cellular markers for predicting breast cancer prognosis, and as co-principle investigator of a Special Program of Research Excellence (SPORE) to develop novel approaches to breast cancer therapeutics. Dr. Smith was Chair of the Integration Panel of the Department of Defense Breast Cancer Research Program and served as well on the National Advisory Board of the Susan G. Komen Foundation. Helene received many honors for her accomplishments in traditional breast cancer science. In 1995 she was honored by the Komen Foundation with the prestigious Brinker International Award for Breast Cancer Research.

Dr. Smith was a pioneer supporter of breast cancer patient advocates and encouraged their participation in research programs. According to one advocate, Deborah Collyar, "When I first met her, she was very much against advocates getting involved in science . . . however, she began to see how important it was to start bringing in the patient perspective. Helene became one of the best patient advocates I've ever had the pleasure of knowing." In this unusual role, she worked tirelessly with patient groups to explain the science and serve as a translator of traditional medicine.

Helene believed that her own role in research was best carried out at a small institute rather than at a large university. She used the metaphor that her institute (the Geraldine Brush Cancer Research Institute of California Pacific Medical Center, San Francisco) was a canoe and that universities were ocean liners. According to her husband, Allan Smith M.D., she believed that a canoe was best to explore new territory and negotiate sudden turns (e.g., new research directions) and ocean liners were better at conventional work (e.g., major research protocols). She believed that both of these approaches were necessary for the advancement of science, but novel research was more fun.

Helene's immersion into breast cancer from all aspects of her professional and personal life allowed her to develop novel ideas regarding cancer therapeutics as well. Spiritual and physical aspects of the disease overlapped, driving a renewed interest in cancer immunology, epigenetic factors and complementary medicine. Some transgressions away from traditional science were not always favorably considered by more traditional scientific colleagues, but Helene persisted and sought to apply strict scientific methods and study designs to test complementary approaches. As noted by her clinician Debu Tripathy, M.D., "The popular field of alternative and complementary medicine, ranging from herbal medicine to mind-body interaction, was of great interest to Helene, although she adopted a rigorous scientific approach in order to evaluate them." As an outgrowth of those interests, she helped found the California Pacific Medical Center's Institute for Health and Healing as well as the Research Institute's new division, the Complementary Medicine Research Institute, which encompasses clinical and scientific laboratory based programs to study alternative medical approaches. "Helene envisioned a practice of science and medicine without boundaries," according to Dr. Tripathy.

Dr. Smith graduated BS Cum Laude from the University of Pennsylvania in 1962 and received a Doctorate in Microbiology from the University of Pennsylvania in 1967. A postdoctoral research position at Princeton University in Professor Arthur B. Pardee's laboratory from 1967–69 laid the ground work for her interests in cell culture and cellular transformation. Her first breast cancer research manuscript was published in 1973. This was followed by decades of important citations—resulting in over 100 publications. One of her last manuscripts published by *Science*, "Loss of Heterozygosity in Normal Tissue Adjacent to Breast Carcinomas" (Vol. 274, 1996), described genetic losses in morphologically normal lobular epithelium adjacent to breast cancers. These findings support her "stochastic model of breast carcinogenesis", a multivariate model of acquired genetic change. Helene believed that molecular alterations might someday be used to predict breast carcinogenesis or the biology of breast cancers in individual women. Her findings also suggest that our current methods of tissue evaluation (histopathologic evaluation) may be inadequate as the science is further developed. Helene sought to identify new intermediate endpoints and understand early changes in the process of breast carcinogenesis. She felt that a combination of traditional pathology and molecular diagnostics would be more informative for individual patients than a categorical system based on histopathology alone.

As a result of her leadership in science, ability to cross over disciplines, devotion to translational advancements, mentoring and recruitment capacities, ability to conceptualize novel ideas and service in numerous administrative roles, she has forever changed traditional approaches to breast cancer science. In addition to fostering research in many areas, Helene was particularly important as a mentor for young scientists—particularly women. These contributions, in addition to her easy smile and invigorating personality will be sorely missed and not easily forgotten.●

TRIBUTE TO "JEOPARDY"

● Mr. JEFFORDS. Mr. President, I rise today to pay tribute to "Jeopardy" and its efforts in educational outreach. The show has been successful in providing more than just entertainment for its audience. In over 3,000 episodes spanning 14 years, "Jeopardy" has challenged viewers to expand their horizons and learn more about some fundamental fields of study.

"Jeopardy" seeks and demands attentive participation. Accordingly, this forum has often been used by schools throughout the country to improve students' performance in a wide array of subjects.

The show will be taping in 2 weeks worth of episodes from Washington, DC, at Constitution Hall. The first week will pay tribute to the educational accomplishments of our Nation's best and brightest children. The second week will spotlight members of the political community to raise more than $150,000 for worthy causes and stress the value of education.

It seems clear that "Jeopardy" realizes the significance of learning for people both young and old. I salute "Jeopardy" for reaching beyond the television screen to provide quality programming with truly profound educational benefits for every community across the Nation.●

TITLE VII OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS BILL

● Mr. GRAHAM. Mr. President, I submit the following clarification to the fiscal year 1998 Interior and related agencies appropriations bill on behalf of myself and Senator MACK. I ask that it be printed in the RECORD.

The clarification follows:

MACK-GRAHAM STATEMENT CONCERNING TITLE VII OF THE FISCAL YEAR 1998 INTERIOR APPROPRIATIONS BILL

Title VII of the FY'98 Interior Appropriations Bill approves and implements a settlement between the Miccosukee Tribe of Indians of Florida and the Florida Department of Transportation. It should be understood that the lawsuit referred to in section 702(2) and elsewhere has already been dismissed. However, since the lawsuit formed the underlaying basis of the dispute and could be revived absent this settlement, the settlement and this legislation refers to the lawsuit and settles all claims based on the underlying facts of the lawsuit. It should also be understood that the concurrence of the Board of Trustees of the International Improvements Trust Fund referred to in section 702(7)(B)(ii) relates only to the transfer of land to which the Board holds title. Insofar as the settlement provides for such land transfers wherein the Board has certain responsibilities, the Board concurs. The Board has taken no position with respect to other parts of the settlement regarding which the Board has no responsibility and which are instead within the authority and responsibility of the Florida Department of Transportation, which has executed the settlement.•

HONORING SENIOR JUDGE ABRAHAM LINCOLN MAROVITZ

• Ms. MOSELEY-BRAUN. Mr. President, it is my great pleasure to join the celebration of the 75th anniversary of American ORT, and to congratulate Senior Federal Judge Abraham Lincoln Marovitz on being American ORT's Diamond Jubilee Award winner.

Each year, American ORT provides high-technology vocational training and education to over 6,000 students in cities across the country, including Chicago at the Zarem/Golde ORT Technical Institute. Worldwide, ORT teaches comprehensive technical skills to over 250,000 students in 60 countries. As a private, nonsectarian, nonpartisan, nonprofit organization, ORT has provided hope and opportunity to hundreds of thousands of people through high quality vocational education.

The stunning success of American ORT during the past 75 years certainly would not have been possible without the presence of its brightest star, Senior Federal Court Judge Abraham Lincoln Marovitz. The contributions made by Judge Marovitz to American ORT, the State of Illinois, and our Nation are, quite simply, without peer.

Judge Marovitz overcame humble beginnings amidst the poverty of Chicago's west side to lead a remarkable life of public service. After graduating from Chicago-Kent College of Law at the age of 19 in 1927, Judge Marovitz went on to serve as an Assistant Illinois states attorney and an Illinois State senator. In 1943, at the age of 38, Judge Marovitz waived his senatorial deferment and enlisted as a private in the U.S. Marine Corps. After seeing combat and being wounded in the Pacific Theater, he retired from the Marines with the rank of sergeant major.

In 1950, Abraham Lincoln Marovitz was elected judge of the Superior Court of Illinois. From 1958 to 1959, he served as the chief justice of the Criminal Court of Cook County. Judge Marovitz received national recognition for his jurisprudence in 1963 when President Kennedy appointed him as the U.S. District Court Judge for the Northern District of Illinois. In 1975, Judge Marovitz assumed senior status as a U.S. District Court Judge, a position in which he continues to serve the people of Illinois and the Nation.

Judge Marovitz has not been content to focus solely on his career. Instead, he has freely given both his time and talents to a wide range of community organizations. In addition to his association with American ORT, he has served groups including the Jewish War Veterans of the United States, the National Conference of State Court Trial Judges, and the American Legion. Moreover, Judge Marovitz served as chairman of the board of the Lincoln National Bank for 17 years, was a board member and trustee of Chicago-Kent College of Law and the Chicago Medical School, the Chicago Bar Association, and numerous other civic, religious, and veterans organizations.

For his voluntarism, Judge Marovitz has been honored by organizations such as the Variety Club, the Daughters of the American Revolution, the Anti-Defamation League, the United Neighborhood Organization of Chicago, the Jesse Owens Foundation, the Chicago City Council, the State of Illinois, and the State of Israel. These awards are but a few of the many testaments to his unyielding devotion to and enduring love for his fellow man and woman.

For all his civic commitments, Judge Marovitz has never lost his common touch and regard for individuals no matter their station in life. Specifically, I am personally ever indebted to him for the many kindnesses he showed me years ago, when I was a young assistant U.S. attorney.

Without a doubt, the city of Chicago, the State of Illinois, and our country have benefited greatly from the many selfless contributions that Judge Marovitz has made over the years. He is not only a Chicago treasure, but a national treasure as well. I take great pride in congratulating him on his American ORT Diamond Jubilee Award. It is also my distinct honor to celebrate 75 wonderful years of ORT in the United States.•

UNANIMOUS-CONSENT AGREEMENT—DEPARTMENT OF DEFENSE AUTHORIZATION CONFERENCE REPORT

Mr. NICKLES. Mr. President, I ask unanimous consent that, notwithstanding rule XXII, that on Thursday, November 6th, at 10 a.m., the Senate proceed to the DOD authorization conference report, and the report be considered as having been read, and there be 4 hours equally divided in the usual form, and following the conclusion or yielding back of time, the Senate proceed to vote on adoption of the conference report, without any intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—PROVIDING FOR CORRECTIONS IN THE ENROLLMENT OF H.R. 1119

Mr. NICKLES. Mr. President, I also ask unanimous consent that following the adoption of the conference report, Senator DOMENICI be recognized to offer and the Senate proceed to a concurrent resolution making technical corrections in the enrollment of the DOD authorization conference report regarding section 3165 of the bill and to address an issue with respect to correcting several mistakes and that no amendments be in order and that the concurrent resolution be agreed to, and the motion to reconsider be laid upon the table, all without further action or debate, and the text of the resolution be printed in the RECORD following this request.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution is as follows:

S. CON. RES.—

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of H.R. 1119 to authorize appropriations for fiscal year 1998 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, the Clerk of the House of Representatives shall make the following corrections:

In section 3165—

(1) in subsection (b)(1), strike out "under the jurisdiction" and all that follows through "Los Alamos National Laboratory" and insert in lieu thereof "under the administrative jurisdiction of the Secretary at or in the vicinity of Los Alamos National Laboratory"; and

(2) in subsection (e), strike out ", the Secretary of the Interior" and all that follows through the end and insert in lieu thereof "but not later than 90 days after the submittal of the report under subsection (d)(1)(C), the County and the Pueblo shall submit to the Secretary an agreement between the County and the Pueblo which allocates between the County and the Pueblo the parcels identified for conveyance or transfer under subsection (b).".

UNANIMOUS-CONSENT AGREEMENT—NOMINATION OF CHARLES ROSSOTTI

Mr. NICKLES. Mr. President, as in executive session, I ask unanimous consent that on Monday, November 3, at 2:45 p.m., the Senate proceed to executive session for the consideration of calendar No. 351, the nomination of Charles Rossotti, to be Commissioner of the Internal Revenue. I further ask unanimous consent there be 3 hours of debate equally divided as follows: Senator LOTT or his designee, 60 minutes; Senator MOYNIHAN, 90 minutes; and Senator ROTH, 30 minutes. I further ask unanimous consent that following the conclusion or yielding back of the time, the Senate proceed to a vote on the confirmation of Mr. Rossotti, and that following that vote the motion to reconsider be laid upon the table, and the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. NICKLES. Mr. President, in executive session, I ask unanimous consent that the Senate proceed to the following nomination on the Executive Calendar, No. 360.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Mr. President, I finally ask unanimous consent that the nomination be confirmed, that the motion to reconsider be laid upon the table, any statements relating to the nomination appear at the appropriate place in the RECORD, and the President be immediately notified of the Senate's action.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination considered and confirmed is as follows:

ARMY

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. Jack P. Nix, Jr., 1547.

TREATIES

Mr. NICKLES. Mr. President, I ask unanimous consent that the Senate proceed to consider the following treaties on today's Executive Calendar, Executive Calendar Nos. 8, 9, 10, 11, 12, 13, 14, and 15; I further ask unanimous consent that the treaties be considered as having passed through their various parliamentary stages up to and including the presentation of the resolutions of ratification; that all committee provisos, reservations, understandings and declarations be considered agreed to; that any statements in regard to these treaties be inserted in the CONGRESSIONAL RECORD as if read; and that the Senate take one vote on the resolutions of ratification to be considered as separate votes; further, that when the resolutions of ratification are voted upon the motion to reconsider be laid upon the table; the President then be notified of the Senate's action and that following the disposition of the treaties, the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered. The treaties will be considered to have passed through their various parliamentary stages up to and including the presentation of the resolutions of ratification.

The resolutions of ratification are as follows:

TAXATION AGREEMENT WITH TURKEY

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Agreement between the Government of the United States of America and the Government of the Republic of Turkey for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, together with a related Protocol, signed at Washington on March 28, 1996 (Treaty Doc. 104-30) subject to the declaration of subsection (a), and the proviso of subsection (b).

(a) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding on the President:

(1) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISO.—The resolution of ratification is subject to the following proviso, which shall be binding on the President:

(1) SUPREMACY OF THE CONSTITUTION.—Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

TAXATION CONVENTION WITH AUSTRIA

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the United States of America and the Republic of Austria for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed at Vienna on May 31, 1996 (Treaty Doc. 104-31) subject to the understanding of subsection (a), the declarations of subsection (b), and the proviso of subsection (c).

(a) UNDERSTANDING.—The Senate's advice and consent is subject to the following understanding, which shall be included in the instrument of ratification, and shall be binding on the President:

(1) OECD COMMENTARY.—Provisions of the Convention that correspond to provisions of the Organization for Economic Cooperation and Development (OECD) Model Tax Convention on Income and on Capital generally shall be expected to have the same meaning as expressed in the OECD Commentary thereon. The United States understands, however, that the foregoing will not apply with respect to any reservations or observations it enters to the OECD Model or its Commentary and that it may enter such a reservation or observation at any time.

(b) DECLARATIONS.—The Senate's advice and consent is subject to the following two declarations, which shall be binding on the President:

(1) REAL ESTATE INVESTMENT TRUSTS.—The United States shall use its best efforts to negotiate with the Republic of Austria a protocol amending the Convention to provide for the application of subparagraph (b) of paragraph 2 of Article 10 of the Convention to dividends paid by a Real Estate Investment Trust in cases where (i) the beneficial owner of the dividends beneficially holds an interest of 5 percent or less in each class of the stock of the Real Estate Investment Trust and the dividends are paid with respect to a class of stock of the Real Estate Investment Trust that is publicly traded or (ii) the beneficial owner of the dividends beneficially holds an interest of 10 percent or less in the Real Estate Investment Trust and the Real Estate Investment Trust is diversified.

(2) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISO.—The resolution of ratification is subject to the following proviso, which shall be binding on the President:

(1) SUPREMACY OF THE CONSTITUTION.—Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

TAXATION CONVENTION WITH LUXEMBOURG

Resolved, (two-thirds of the Senators concurring therein), That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Government of the Grand Duchy of Luxembourg for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital, signed at Luxembourg on April 3, 1996 (Treaty Doc. 104-33), subject to the reservation of subsection (a), the declarations of subsection (b), and the proviso of subsection (c).

(a) RESERVATION.—The Senate's advice and consent is subject to the following reservation, which shall be included in the instrument of ratification, and shall be binding on the President:

(1) REAL ESTATE INVESTMENT TRUSTS.—Subparagraph (a)(ii) of paragraph 2 of Article 10 of the Convention shall apply to dividends paid by a Real Estate Investment Trust in cases where (i) the beneficial owner of the dividends beneficially holds an interest of 5 percent or less in each class of the stock of the Real Estate Investment Trust and the dividends are paid with respect to a class of stock of the Real Estate Investment Trust that is publicly traded, (ii) the beneficial owner of the dividends beneficially holds an interest of 10 percent or less in the Real Estate Investment Trust and the Real Estate

Investment Trust is diversified, or (iii) the beneficial owner of the dividends beneficially held an interest in the Real Estate Investment Trust as of June 30, 1997, the dividends are paid with respect to such interest, and the Real Estate Investment Trust is diversified (provided that such provision shall be not apply to dividends paid after December 31, 1999 unless the Real Estate Investment Trust is publicly traded on December 31, 1999 and thereafter).

(b) DECLARATIONS.—The Senate's advice and consent is subject to the following two declarations, which shall be binding on the President.

(1) SIMULTANEOUS EXCHANGE.—The United States shall not exchange the instruments of ratification of this Convention with the Government of the Grand Duchy of Luxembourg until such time as it exchanges the instruments of ratification with respect to the Treaty Between the Government of the United States of America and the Government of the Grand Duchy of Luxembourg on Mutual Legal Assistance in Criminal Matters, signed at Washington on March 13, 1997 (Treaty Doc. 105–11).

(2) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(c) PROVISO.—The resolution of ratification is subject to the following proviso, which shall be binding on the President.

(1) SUPREMACY OF THE CONSTITUTION.—Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

TAXATION CONVENTION WITH THAILAND

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Government of the Kingdom of Thailand for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed at Bangkok, November 26, 1996 (Treaty Doc. 105–2), subject to the declaration of subsection (a); and the proviso of subsection (b).

(a) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding on the President:

(1) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISO.—The resolution of ratification is subject to the following proviso, which shall be binding on the President:

(1) SUPREMACY OF THE CONSTITUTION.—Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

TAXATION CONVENTION WITH SWITZERLAND

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention Between the United States of America and the Swiss Confederation for the Avoidance of Double Taxation with Respect to Taxes on Income, signed at Washington, October 2, 1996 together with a Protocol to the Convention (Treaty Doc. 105–8), subject to the declarations of subsection (a), and the proviso of subsection (b).

(a) DECLARATIONS.—The Senate's advice and consent is subject to the following two declarations, which shall be binding on the President:

(1) REAL ESTATE INVESTMENT TRUSTS.—The United States shall use its best efforts to negotiate with the Swiss Confederation a protocol amending the Convention to provide for the application of subparagraph (b) of paragraph 2 of Article 10 of the Convention to dividends paid by a Real Estate Investment Trust in cases where (i) the beneficial owner of the dividends beneficially holds an interest of 5 percent or less in each class of the stock of the Real Estate Investment Trust and the dividends are paid with respect to a class of stock of the Real Estate Investment Trust that is publicly traded or (ii) the beneficial owner of the dividends beneficially holds an interest of 10 percent or less in the Real Estate Investment Trust and the Real Estate Investment Trust is diversified.

(2) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISO.—The resolution of ratification is subject to the following proviso, which shall be binding on the President:

(1) SUPREMACY OF THE CONSTITUTION.—Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

TAX CONVENTION WITH SOUTH AFRICA

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the United States of America and the Republic of South Africa for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital Gains, signed at Cape Town February 17, 1997 (Treaty Doc. 105–9), subject to the declaration of subsection (a), and the proviso of subsection (b).

(a) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding on the President:

(1) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISO.—The resolution of ratification is subject to the following proviso, which shall be binding on the President.

(1) SUPREMACY OF THE CONSTITUTION.—Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

PROTOCOL AMENDING TAX CONVENTION WITH CANADA

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Protocol Amending the Convention Between the United States of America and Canada with Respect to Taxes on Income and on Capital Signed at Washington on September 26, 1980 as Amended by the Protocols Signed on June 14, 1983, March 28, 1984 and March 17, 1995, signed at Ottawa on July 29, 1997 (Treaty Doc. 105–29) subject to the declaration of subsection (a), and the proviso of subsection (b).

(a) DECLARATION.—The Senate's advice and consent is subject to the following declaration, which shall be binding on the President.

(1) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(b) PROVISO.—The resolution of ratification is subject to the following proviso, which shall be binding on the President.

(1) SUPREMACY OF THE CONSTITUTION.—Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

TAX CONVENTION WITH IRELAND

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Government of Ireland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital Gains, signed at Dublin on July 28, 1997, together with Protocol and exchange of notes done on the same date (Treaty Doc. 105–31), subject to the understanding of subsection (a), the declarations of subsection (b), and the proviso of subsection (c).

(a) UNDERSTANDING.—The Senate's advice and consent is subject to the following understanding which shall be included in the instrument of ratification, and shall be binding on the President:

(1) EXCHANGE OF INFORMATION.—The United States competent authority follows a practice of comity with respect to exchanges of information under all tax conventions.

(b) DECLARATIONS.—The Senate's advice and consent is subject to the following two declarations, which shall be binding on the President:

(1) REAL ESTATE INVESTMENT TRUSTS.—The United States shall use its best efforts to negotiate with the Government of Ireland a protocol amending the Convention to provide for the application of subparagraph (b) of paragraph 2 of Article 10 of the Convention to dividends paid by a Real Estate Investment Trust in cases where (ii) the beneficial owner of the dividends beneficially holds an interest of 5 percent or less in each class of

the stock of the Real Estate Investment Trust and the dividends are paid with respect to a class of stock of the Real Estate Investment Trust that is publicly traded or (i) the beneficial owner of the dividends beneficially holds an interest of 10 percent or less in the Real Estate Investment Trust and the Real Estate Investment Trust is diversified.

(2) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(c) PROVISO.—The resolution of ratification is subject to the following proviso, which shall be binding on the President:

(1) SUPREMACY OF THE CONSTITUTION.—Nothing in the Treaty requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

Mr. NICKLES. Mr. President, I ask for a division vote on the resolutions of ratification.

The PRESIDING OFFICER. A division is requested. Senators in favor of the resolutions of ratification will rise and stand until counted. (After a pause.) Those opposed will rise and stand until counted.

On a division, two-thirds of the Senators present and voting, having voted in the affirmative, the resolutions of ratification are agreed to.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

NATIONAL CONCERN ABOUT YOUNG PEOPLE AND GUN VIOLENCE DAY

Mr. NICKLES. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of Senate resolution 141, and that the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 141) expressing the sense of the Senate regarding National Concern About Young People and Gun Violence Day.

The Senate proceeded to consider the resolution.

Mrs. MURRAY. Mr. President, I want to thank my many colleagues, who on such short notice, agreed to cosponsor and enact this resolution establishing November 6, 1997, as National Concern about Young People and Gun Violence Day. I know the many volunteers and organizations working to protect our children also offer their thanks.

Today, Halloween, is a perfect day to reaffirm our national commitment to stopping youth violence. On this night, children across America will be going trick or treating dressed in all sorts of wonderful costumes. They will enjoy seeing each other, visiting their neighbors, and—best of all—getting mountains of sweets.

But in many cities, parents will keep their children inside. There will be no trick or treating because the streets are too dangerous for children. There might be block parties, but there won't be the fun and freedom that comes from frolicking through the streets in search of the good treats. All of us recognize the importance of making our streets and communities safe for children.

One person, Mary Lewis Grow, thought something we might do to make our young people safer was to establish a national Day of Concern. So, this Minnesota homemaker, in 1996, persuaded Senators WELLSTONE, SPECTER, and Bradley to introduce this resolution. Other groups, such as Mothers Against Violence in America, joined her effort. The proclamation of a special day of recognition also provided support to a national effort to encourage students to sign a pledge against gun violence. In 1996, 32,000 students in Washington State signed the pledge card, as did more than 200,000 children in New York City, and tens of thousands more across the Nation.

The Student Pledge Against Gun Violence calls for a national observance on November 6 to give students throughout America the chance to make a promise, in writing, that they will do their part to prevent gun violence. The students' pledge promises three things: first, they will never carry a gun to school; second, they will never resolve a dispute with a gun; and third, they will use their influence with friends to discourage them from resolving disputes with guns.

Mr. President, just last week I joined several colleagues on the floor of the Senate as we decried the murder of Ann Harris, a 17-year-old Virginian, by a 19-year-old man in Washington State. This random act of violence was apparently precipitated because the car in which Ann was a passenger was going too slowly for the driver of the car in which the murderer was riding. The young man was angry enough and morally numbed enough to fire his gun into Ann's car, killing Ann. What a tragedy. What a waste.

In another example, a 14-year-old boy opened fire in a Moses Lake, WA, classroom, killing a teacher and student and wounding others. He has been convicted, but that does little to ease the pain of the loss suffered by that small community. Maybe if he had signed a pledge, maybe if he had heard the message over and over from parents and friends that gun violence was the wrong way to solve problems, maybe if, maybe if. We don't know how we might have stopped this act of violence, but we know we all have to try education, try outreach, try everything.

Mr. President, we need to help all of our kids feel a part of this society. Yet often we overlook the young people themselves when trying to develop solutions. Students and other young leaders represent the great untapped resource for improving our communities. As many teachers and police officers have told me, "if a young person doesn't succeed anywhere else, they can always find success in a gang." We need to make sure they have more productive options. The road to creating these options, and to healing our communities, starts with the young people themselves.

Young people increasingly grow tired of getting all of the blame for crime in our neighborhoods, and none of the responsibility for solutions. If you ask young people what they think will make a difference for them, you'll find them to be highly creative. Many times their solutions work far better than solutions put forward by adults.

Young people in my State and across the country don't like school uniform requirements, curfews, and other policies enacted for young people. Young people with the Seattle Youth Involvement Network decided to do something about it. They opened a dialog with the police department. They shared perspectives. They looked across the lines that separated their cultures. They spoke about ways police see and speak with young people and vice versa. And they found solutions to many problems facing them both.

For more than a year now, I've been in a dialog with young people from all over the State of Washington who have joined the Senate Advisory Youth Involvement Team I established. They advise me on issues affecting them, and I help them with local community action. Crime, and how to prevent it, is a large concern with the young people I talk with, whether they are in gifted programs or youth offender programs.

This resolution today should be seen as an invitation for young people across the country to tell us what they think about how to solve the problems of crime and gun violence. It should be displayed in every school, community center, and on every street corner in America.

Mr. President, let us work with our kids to show them we care. And with our communities to give these young people other options to violence. I again affirm my commitment to work with our young people to let them know we care about them and to help them learn gun violence is not the answer to any problem.

Mr. NICKLES. Mr. President, I ask unanimous consent that the resolution and preamble be agreed to, en bloc, that the motion to reconsider be laid upon the table, that any statements relating thereto be placed in the record as if read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 141) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 141

Whereas every day in America, 15 children under the age of 19 are killed with guns;

Whereas in 1994, approximately 70 percent of murder victims aged 15 to 17 were killed with a handgun;

Whereas in 1995, nearly 8 percent of high school students reported having carried a gun in the past 30 days;

Whereas young people are our nation's most important resource, and we, as a society, have a vested interest in helping children grow from a childhood free from fear and violence into healthy adulthood;

Whereas young people can, by taking responsibility for their own decisions and actions, and by positively influencing the decisions and actions of others, help chart a new and less violent direction for the entire Nation;

Whereas students in every school district in the Nation will be invited to take part in a day of nationwide observance involving millions of their fellow students, and will thereby be empowered to see themselves as significant agents in a wave of positive social change; and

Whereas the observance of this day will give the students the opportunity to make an earnest decision about their future by voluntarily signing the "Student Pledge Against Gun Violence", and sincerely promise that the students will never take a gun to school, will never use a gun to settle a dispute, and will use their influence to keep friends from using guns to settle disputes: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) November 6, 1997, should be designated as "National Concern About Young People and Gun Violence Day"; and

(2) the President should be authorized and requested to issue a proclamation calling upon the school children of the United States to observe such day with appropriate ceremonies and activities.

EXPORT-IMPORT BANK OF THE UNITED STATES REAUTHORIZATION ACT

Mr. NICKLES. Mr. President, I ask the Chair lay before the Senate a message from the House of Representatives on (S. 1026) to reauthorize the Export-Import Bank of the United States.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1026) entitled "An Act to reauthorize the Export-Import Bank of the United States.", do pass with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. EXTENSION OF AUTHORITY.

Section 7 of the Export-Import Bank Act of 1945 (12 U.S.C. 635f) is amended by striking "1997" and inserting "2001".

SEC. 2. TIED AID CREDIT FUND AUTHORITY.

(a) Section 10(c)(2) of the Export-Import Bank Act of 1945 (12 U.S.C. 635i–3(c)(2)) is amended by striking "through September 30, 1997".

(b) Section 10(e) of such Act (12 U.S.C. 635i–3(e)) is amended by striking the first sentence and inserting the following: "There are authorized to be appropriated to the Fund such sums as may be necessary to carry out the purposes of this section.".

SEC. 3. EXTENSION OF AUTHORITY TO PROVIDE FINANCING FOR THE EXPORT OF NONLETHAL DEFENSE ARTICLES OR SERVICES THE PRIMARY END USE OF WHICH WILL BE FOR CIVILIAN PURPOSES.

Section 1(c) of Public Law 103–428 (12 U.S.C. 635 note; 108 Stat. 4376) is amended by striking "1997" and inserting "2001".

SEC. 4. CLARIFICATION OF PROCEDURES FOR DENYING CREDIT BASED ON THE NATIONAL INTEREST.

Section 2(b)(1)(B) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(1)(B)) is amended—

(1) in the last sentence, by inserting ", after consultation with the Committee on Banking and Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate," after "President"; and

(2) by adding at the end the following: "Each such determination shall be delivered in writing to the President of the Bank, shall state that the determination is made pursuant to this section, and shall specify the applications or categories of applications for credit which should be denied by the Bank in furtherance of the national interest.".

SEC. 5. ADMINISTRATIVE COUNSEL.

Section 3(e) of the Export-Import Bank Act of 1945 (12 U.S.C. 635a(e)) is amended—

(1) by inserting "(1)" after "(e)"; and

(2) by adding at the end the following:

"(2) The General Counsel of the Bank shall ensure that the directors, officers, and employees of the Bank have available appropriate legal counsel for advice on, and oversight of, issues relating to ethics, conflicts of interest, personnel matters, and other administrative law matters by designating an attorney to serve as Assistant General Counsel for Administration, whose duties, under the supervision of the General Counsel, shall be concerned solely or primarily with such issues.".

SEC. 6. ADVISORY COMMITTEE FOR SUB-SAHARAN AFRICA.

(a) IN GENERAL.—Section 2(b) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)) is amended by inserting after paragraph (8) the following:

"(9)(A) The Board of Directors of the Bank shall take prompt measures, consistent with the credit standards otherwise required by law, to promote the expansion of the Bank's financial commitments in sub-Saharan Africa under the loan, guarantee, and insurance programs of the Bank.

"(B)(i) The Board of Directors shall establish and use an advisory committee to advise the Board of Directors on the development and implementation of policies and programs designed to support the expansion described in subparagraph (A).

"(ii) The advisory committee shall make recommendations to the Board of Directors on how the Bank can facilitate greater support by United States commercial banks for trade with sub-Saharan Africa.

"(iii) The advisory committee shall terminate 4 years after the date of the enactment of this subparagraph.".

(b) REPORTS TO THE CONGRESS.—Within 6 months after the date of the enactment of this Act, and annually for each of the 4 years thereafter, the Board of Directors of the Export-Import Bank of the United States submit to the Congress a report on the steps that the Board has taken to inplement section 2(b)(9)(B) of the Export-Import Bank Act of 1945 and any recommendations of the advisory committee established pursuant to such section.

SEC. 7. INCREASE IN LABOR REPRESENTATION ON THE ADVISORY COMMITTEE OF THE EXPORT-IMPORT BANK.

Section 3(d)(2) of the Export-Import Bank Act of 1945 (12 U.S.C. 635a(d)(2)) is amended—

(1) by inserting "(A)" after "(2)"; and

(2) by adding after and below the end the following:

"(B) Not less than 2 members appointed to the Advisory Committee shall be representative of the labor community.".

SEC. 8. OUTREACH TO COMPANIES.

Section 2(b)(1) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(1)) is amended by adding at the end the following:

"(I) The Chairman of the Bank shall design and implement a program to provide information about Bank programs to companies which have not participated in Bank programs. Not later than 1 year after the date of the enactment of this subparagraph, the Chairman of the Bank shall submit to the Congress a report on the activities undertaken pursuant to this subparagraph.".

SEC. 9. FIRMS THAT HAVE SHOWN A COMMITMENT TO REINVESTMENT AND JOB CREATION IN THE UNITED STATES TO BE GIVEN PREFERENCE IN FINANCIAL ASSISTANCE DETERMINATIONS.

Section 2(b)(1) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(1)), as amended by section 8 of this Act, is amended by adding at the end the following:

"(J) The Board of Directors of the Bank shall prescribe such regulations and the Bank shall implement such procedures as may be appropriate to ensure that, in selecting from among firms to which to provide financial assistance, preference be given to any firm that has shown a commitment to reinvestment and job creation in the United States.".

SEC. 10. PREFERENCE IN EXPORT-IMPORT BANK ASSISTANCE FOR EXPORTS TO CHINA TO BE PROVIDED TO COMPANIES ADHERING TO CODE OF CONDUCT.

(a) IN GENERAL.—Section 2 of the Export-Import Bank Act of 1945 (12 U.S.C. 635) is amended by adding at the end the following:

"(f) PREFERENCE IN ASSISTANCE FOR EXPORTS TO CHINA TO BE PROVIDED TO ENTITIES ADHERING TO CODE OF CONDUCT.—

"(1) PROHIBITIONS.—

"(A) IN GENERAL.—In determining whether to guarantee, insure, extend credit, or participate in the extension of credit with respect to the export of goods or services destined for the People's Republic of China, the Board of Directors shall give preference to entities that the Board of Directors determines have established and are adhering to the code of conduct set forth in paragraph (2).

"(B) PENALTY FOR VIOLATION.—The Bank shall withdraw any guarantee, insurance, or credit that the Bank has provided, and shall withdraw from any participation in an extension of credit, to an entity with respect to the export of any good or service destined for the People's Republic of China if the Board of Directors determines that the entity is not adhering to the code of conduct set forth in paragraph (2).

"(2) CODE OF CONDUCT.—An entity shall do all of the following in all of its operations:

"(A) Provide a safe and healthy workplace.

"(B) Ensure fair employment, including by—

"(i) avoiding child and forced labor, and discrimination based upon race, gender, national origin, or religious beliefs;

"(ii) respecting freedom of association and the right to organize and bargain collectively;

"(iii) paying not less than the minimum wage required by law or the prevailing industry wage, whichever is higher; and

"(iv) providing all legally mandated benefits.

"(C) Obey all applicable environmental laws.

"(D) Comply with United States and local laws promoting good business practices, including laws prohibiting illicit payments and ensuring fair competition.

"(E) Maintain, through leadership at all levels, a corporate culture—

"(i) which respects free expression consistent with legitimate business concerns, and does not condone political coercion in the workplace;

"(ii) which encourages good corporate citizenship and makes a positive contribution to the communities in which the entity operates; and

"(iii) in which ethical conduct is recognized, valued, and exemplified by all employees.

"(F) Require similar behavior by partners, suppliers, and subcontractors under terms of contracts.

"(G) Implement and monitor compliance with the subparagraphs (A) through (F) through a program that is designed to prevent and detect noncompliance by any employee or supplier of the entity and that includes—

"(i) standards for ethical conduct of employees of the entity and of suppliers which refer to the subparagraphs;

"(ii) procedures for assignment of appropriately qualified personnel at the management level to monitor and enforce compliance;

"(iii) procedures for reporting noncompliance by employees and suppliers;

"(iv) procedures for selecting qualified individuals who are not employees of the entity or of suppliers to monitor compliance, and for assessing the effectiveness of such compliance monitoring;

"(v) procedures for disciplinary action in response to noncompliance;

"(vi) procedures designed to ensure that, in cases in which noncompliance is detected, reasonable steps are taken to correct the noncompliance and prevent similar noncompliance from occurring; and

"(vii) communication of all standards and procedures with respect to the code of conduct to every employee and supplier—

"(I) by requiring all management level employees and suppliers to participate in a training program; or

"(II) by disseminating information orally and in writing, through posting of an explanation of the standards and procedures in prominent places sufficient to inform all employees and suppliers, in the local languages spoken by employees and managers.

"(3) SMALL BUSINESS EXCEPTION.—This subsection shall not apply to an entity that is a small business (within the meaning of the Small Business Act).".

(b) ANNUAL REPORT.—Section 2(b)(1)(A) of such Act (12 U.S.C. 635(b)(1)(A)) is amended by adding at the end the following: "The Bank shall include in the annual report a description of the actions the Bank has taken to comply with subsection (f) during the period covered by the report.".

(c) RECIPIENTS OF ASSISTANCE FROM THE EXPORT-IMPORT BANK TO BE PROVIDED WITH RESOURCES AND INFORMATION TO FURTHER ADHERENCE TO GLOBAL CODES OF CORPORATE CONDUCT.—The Export-Import Bank of the United States shall work with the Clearinghouse on Corporate Responsibility that is being developed by the Department of Commerce to ensure that recipients of assistance from the Export-Import Bank are made aware of, and have access to, resources and organizations that can assist the recipients in developing, implementing, and monitoring global codes of corporate conduct.

SEC. 11. RENAMING OF BANK AS THE UNITED STATES EXPORT BANK.

(a) AMENDMENTS TO THE EXPORT-IMPORT BANK ACT OF 1945.—

(1) The first section of the Export-Import Bank Act of 1945 (12 U.S.C. 635 note) is amended to read as follows:

"SECTION 1. SHORT TITLE.

"This Act may be cited as the 'United States Export Bank Act of 1945'.".

(2) The following provisions of such Act are amended by striking "Export-Import Bank of the United States" and inserting "United States Export Bank":

(A) Section 2(a)(1) (12 U.S.C. 635(a)(1)).

(B) Section 3(a) (12 U.S.C. 635a(a).

(C) Section 3(b) (12 U.S.C. 635a(b)).

(D) Section 3(c)(1) (12 U.S.C. 635a(c)(1)).

(E) Section 4 (12 U.S.C. 635b).

(F) Section 5 (12 U.S.C. 635d).

(G) Section 6(a) (12 U.S.C. 635e(a)).

(H) Section 7 (12 U.S.C. 635f).

(I) Section 8(a) (12 U.S.C. 635g(a)).

(J) Section 9 (12 U.S.C. 635h).

(3) The following provisions of such Act are amended by striking "Export-Import Bank" each place it appears and inserting "United States Export Bank":

(A) Section 2(b)(1)(A) (12 U.S.C. 635(b)(1)(A)).

(B) Section 3(c)(3) (12 U.S.C. 635a(c)(3)).

(b) DEEMING RULES.—Any reference in any law, map, regulation, document, paper, or other record of the United States to the Export-Import Bank of the United States is deemed to be a reference to the United States Export Bank, and any reference in any law, map, regulation, document, paper, or other record of the United States to the Export-Import Bank Act of 1945 is deemed to be a reference to the United States Export Bank Act of 1945.

SEC. 12. PROHIBITION AGAINST ASSISTANCE TO RUSSIA IF RUSSIA TRANSFERS CERTAIN MISSILE SYSTEMS TO THE PEOPLE'S REPUBLIC OF CHINA.

Section 2(b) of the Export-Import Bank Act of 1945 (12 U.S.C 635(b)) is amended by adding at the end the following:

"(12) PROHIBITION AGAINST ASSISTANCE TO RUSSIA IF RUSSIA TRANSFERS CERTAIN MISSILE SYSTEMS TO THE PEOPLE'S REPUBLIC OF CHINA.—If the President of the United States is made aware that Russia has transferred or delivered to the People's Republic of China an SS-N-22 or SS-N-26 missile system, the President of the United States shall notify the Bank of the transfer or delivery. Upon receipt of the notification, the Bank shall not insure, guarantee, extend credit or participate in an extension of credit with respect to, or otherwise subsidize the export of any good or service to Russia.".

SEC. 13. PROHIBITION AGAINST PROVISION OF ASSISTANCE FOR EXPORTS TO COMPANIES THAT EMPLOY CHILD LABOR.

Section 2 of the Export-Import Bank Act of 1945 (12 U.S.C. 635) is amended by adding at the end the following:

"(f) PROHIBITION AGAINST ASSISTANCE FOR EXPORTS TO COMPANIES THAT EMPLOY CHILD LABOR.—The Bank shall not guarantee, insure, extend credit, or participate in the extension of credit with respect to the export of any good or service to an entity if the entity—

"(1) employs children in a manner that would violate United States law regarding child labor if the entity were located in the United States; or

"(2) has not made a binding commitment to not employ children in such manner.".

Mr. NICKLES. Mr. President, I move that the Senate disagree to the amendment of the House, agree to the request for a conference, and the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. D'AMATO, Mr. GRAMS, Mr. HAGEL, Mr. SARBANES, and Ms. MOSELEY-BRAUN conferees on the part of the Senate.

ORDERS FOR MONDAY, NOVEMBER 3, 1997

Mr. NICKLES. Mr. President, I ask unanimous consent when the Senate completes its business today it stand in adjournment until the hour of 12 noon on Monday, November 3. I further ask on Monday immediately following the prayer the routine requests through the morning hour be granted and there immediately be a period for the transaction of morning business until the hour of 2:45 p.m. with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Under a previous order, at 2:45 p.m. the Senate will proceed to the nomination of Charles Rossotti to be the IRS Commissioner, with a vote to occur at 5:45 p.m. on Monday. I anticipate that following the 5:45 p.m. vote, the Senate will begin debate on a motion to proceed to consideration of Senate bill 1269, the so-called fast-track legislation.

AUTHORITY FOR COMMITTEES TO FILE REPORTS

Mr. NICKLES. I ask unanimous consent the committees have until 6 o'clock p.m. this evening to file reports on legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. NICKLES. In conjunction with the previous unanimous-consent agreements, on Monday the Senate will begin a period of morning business from 12 noon until 2:45 p.m. At 2:45 p.m. the Senate will proceed to executive session to consider the nomination of calendar No. 351, Charles Rossotti to be Commissioner of the Internal Revenue Service. Under the previous consent, there will be 3 hours of debate upon the nomination, with the vote occurring at the expiration of that time. Therefore, Members can anticipate the first rollcall vote on Monday at approximately 5:45 p.m. Following that vote, the Senate will begin debate on the motion to proceed to Senate bill 1269, the fast-track legislation. The Senate may also consider and complete action on any or all of the following items: The D.C. appropriations bill, FDA reform conference report, Amtrak strike resolution, the intelligence authorization conference report, and any additional legislative or executive items that can be cleared for action.

As a reminder to all Members, today cloture was filed on both H.R. 2646, the A-plus education savings account bill, and the motion to proceed to 1269, the fast-track legislation. Those cloture votes will occur on Tuesday morning, and the leader will notify all Senators of the time of the cloture votes on Tuesday. Therefore, all first-degree amendments to H.R. 2646 must be filed Monday by 1 o'clock p.m. Needless to say, all Senators should expect rollcall votes during every day of the session next week.

ADJOURNMENT UNTIL 12 NOON MONDAY, NOVEMBER 3, 1997

Mr. NICKLES. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 3:22 p.m., adjourned until Monday, November 3, 1997, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate October 31, 1997:

DEPARTMENT OF JUSTICE

BEVERLY BALDWIN MARTIN, OF GEORGIA, TO BE U.S. ATTORNEY FOR THE MIDDLE DISTRICT OF GEORGIA FOR THE TERM OF FOUR YEARS VICE JAMES LAMAR WIGGINS, RESIGNED.

CENTRAL INTELLIGENCE AGENCY

ROBERT M. MCNAMARA, JR., OF MARYLAND, TO BE GENERAL COUNSEL OF THE CENTRAL INTELLIGENCE AGENCY. (NEW POSITION)

FOREIGN SERVICE

THE FOLLOWING-NAMED PERSONS OF THE AGENCIES INDICATED FOR APPOINTMENT AS FOREIGN SERVICE OFFICERS OF THE CLASSES STATED, AND ALSO FOR THE OTHER APPOINTMENTS INDICATED HEREWITH:

FOR APPOINTMENT AS FOREIGN SERVICE OFFICER OF CLASS TWO, CONSULAR OFFICER AND SECRETARY IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

KENNETH A. THOMAS, OF OREGON

THE FOLLOWING-NAMED MEMBERS OF THE FOREIGN SERVICE OF THE DEPARTMENT OF COMMERCE AND THE DEPARTMENT OF STATE TO BE CONSULAR OFFICERS AND/OR SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA, AS INDICATED:

CONSULAR OFFICERS AND SECRETARIES IN THE DIPLOMATIC SERVICE OF THE UNITED STATES OF AMERICA:

NASIR ABBASI, OF MARYLAND
CHRISTOPHER ADAMS, OF CALIFORNIA
KELLY ADAMS-SMITH, OF NEW JERSEY
STEVEN P. ADAMS-SMITH, OF NEW JERSEY
STEPHEN J. AKARD, OF INDIANA
SALVATORE ANTONIO AMODEO, OF VIRGINIA
JONE M. BOSWORTH, OF NEBRASKA
MELANIE M. BOWEN, OF MASSACHUSETTS
ROXANNE CABRAL, OF VIRGINIA
MARK MINGE CAMERON, OF ALABAMA
HUNTER HUIE CASHDOLLAR, OF TENNESSEE
GARY L. CHILDS, OF INDIANA
MICHAEL S. COHEN, OF VIRGINIA
ANGELA COLYVAS, OF PENNSYLVANIA
R. SEAN COOPER, OF CALIFORNIA
ALAN EYRE, OF VIRGINIA
JOSEPH G. FEARN, OF VIRGINIA
PAUL MICHAEL FERMOILE, OF LOUISIANA
ANTHONY C. FERNANDES, OF MASSACHUSETTS
ERIC A. FICHTE, OF VIRGINIA
KATHRYN LAURA FLACHSBART, OF CALIFORNIA
KRISTINA A. GILL, OF TENNESSEE
DIANE M. GOODNIGHT, OF VIRGINIA
SANDRA GROOMS, OF VIRGINIA
MICHAEL WILLIAM HALE, OF VIRGINIA
NEAL J. HANLEY, OF VIRGINIA
ALI JALILI, OF VIRGINIA
DANIEL P. JASSEM, OF COLORADO
THOMAS TAN JUNG, OF WASHINGTON
DAVID JOSEPH JURAS, OF KENTUCKY
KIMBERLY A. KARSIAN, OF COLORADO
ALEXANDER I. KASANOF, OF NEW YORK
RIMA KOYLER, OF PENNSYLVANIA
LLOYD R. LEWIS, III, OF OHIO
MICHAEL J. MA, OF VIRGINIA
LAURA A. MALENAS, OF MARYLAND
PETER G. MARTIN, OF MASSACHUSETTS
EMILY T. METZGAR, OF MICHIGAN
DANA CHRISTIAN MURRAY, OF FLORIDA
KIM M. NATOLI, OF FLORIDA
KIRBY D. NELSON, OF IDAHO
GEORGE ARTHUR NOLL, OF RHODE ISLAND
QUI NGUYEN, OF CALIFORNIA
BRIAN JAY O'ROURKE, OF NEW MEXICO
TERESA D. PEREZ, OF TEXAS
STEVEN D. PRICE, OF CALIFORNIA
BARTON J. PUTNEY, OF WISCONSIN
DANIEL MICHAEL RHEA, OF VIRGINIA
JAMES SAMUELS, OF VIRGINIA
MITCHELL R. SCOGGINS, OF NORTH CAROLINA
KATHLEEN R. SEIP, OF VIRGINIA
SUSANNAH E. SILVERBRAND, OF MAINE
KIRK G. SMITH, OF WASHINGTON
W. AARON TARVER, OF LOUISIANA
CHRISTOPH J. WELSH, OF VIRGINIA
LOUISE M. WILKINS, OF VIRGINIA
MARC HERVERT WILLIAMS, OF NEVADA
CHARLES GRANDIN WISE, OF VIRGINIA

CONFIRMATION

Executive nomination confirmed by the Senate October 31, 1997:

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE.

To be lieutenant general

MAJ. GEN. JACK P. NIX, JR., 1547.

EXTENSIONS OF REMARKS

INTRODUCTION OF LEGISLATION TO PROVIDE TAX-ADVANTAGED STOCK OPTIONS TO NON-HIGHLY COMPENSATED EMPLOYEES

HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. HOUGHTON. Mr. Speaker, today I am introducing the Employee Stock Option Act of 1997, a bill designed to provide tax-advantaged stock options for more moderately paid employees. The legislation will enable these employees to participate meaningfully in their company's success.

BACKGROUND

There is a growing concern about the wage gap. The perception is that there is a widening in the gap between the compensation of executives who are given stock options and regular employees. Much of executive compensation is made in the form of stock options. They have been profitable because of a rising stock market. Furthermore, many executives have earned substantial awards during a period of poor performance or and at times when others were being laid off.

How can we address this wage gap issue without imposing Government mandates, etc. at the upper end? There is presently a $1 million limit on the tax deductibility of nonperformance based executive compensation for a publicly-traded corporation. The limit can be exceeded if compensation is based on performance goals or stock options tied to the market, therefore this limit has not slowed the increase in total compensation of executives during the past few years.

This Employee Stock Option Act of 1997 takes a different approach. Rather than putting a lid on the top, it gives a lift to the bottom. This legislation will benefit employees, whose hard work has enhanced the companies overall performance. In other words, employees through a broad-based stock option program ought to be able to build their wealth beyond what they would ordinarily receive from a salary. Furthermore, this act would give employees with limited disposable income the luxury of cashing in the option to pay education cost, putting a down payment on a home, or maintaining savings for the future.

PROPOSAL

Provides a special stock option provision for employee stock options [ESO's], if companies offered at least 50 percent of the total options under the special stock option provision in a given year to non-highly compensated employees [NHCE's].

The idea is to provide a simple stock option approach for all employees. Such an option could be easily converted into cash, with minimum taxes, and would therefore put funds immediately in the employees' pockets. Of course, it is recognized that some holding period of the option or stock is appropriate for consistent tax policy.

This proposal would encourage employee participation in the growth of the enterprise and provide a tangible benefit through an increase in the stock price.

DETAILS

A new subsection (e) would be added to Internal Revenue Code section 422. The new subsection would provide that highly compensated employees could be awarded stock options, up to a new dollar limitation of $200,000, if half or more of the options granted in a particular year go to non-highly compensated employees, [NHCE's]. Under current law, section 422(d) mandates a dollar limitation of $100,000. It is believed that raising the cap for these special options will encourage corporations to grant more options to lower level employees as further explained below.

NHCE's comprise those employees who are not defined in section 414(q) as a "highly compensated employee", the latter being an employee who generally earns $80,000 or more, adjusted annually for cost-of-living changes. Amount increased under H.R. 3448.

If the employee either holds the subsection (e) option for 2 years or holds the stock for at least a 1-year period, then no income would be recognized by the employee upon grant or exercise of the option. Upon sale, any gain would be treated as a long-term capital gain and could be eligible for the new reduced capital gain rate of 20 percent if the employee holds the stock longer than 18 months, otherwise it would be subject to the current maximum rate of 28 percent or treated as ordinary income if that resulted in a lesser tax. The present law requires a holding period of at least 2 years from date of grant and 1 year for the stock, so it is necessary to add a provision to cover the subsection (e) options as the option could be exercised after 2 years and the stock immediately sold.

In addition, the excess of the fair market value at exercise of the subsection (e) option shares over the option price, would not be subject to the alternative minimum tax [AMT], as under current law. This exception would only apply to the new subsection (e) options. Although the current AMT on incentive stock options normally might not apply to individual NHCE's because of the annual exemption, this exception would eliminate the burden of complexity and recordkeeping requirements related to such calculations. This change would also encourage corporations to make greater use of the stock options for employees and executives.

If the employer offers subsection (e) options to employees who qualify as NHCE employees, and such options represent at least 50 percent of the total subsection (e) options granted to all employees in a given year, then highly compensated paid employees could receive the identical tax benefit as the NHCE's. This test would be applied on a yearly basis. The combination of first, a shorter minimum holding period of 1 year, second, elimination of the AMT, and third, raising the annual cap, all applicable only to subsection (e) stock options, should be a powerful incentive for corporations to offer these options to regular employees in order to be able to offer them to executives.

It is anticipated that a cashless exercise system would be used for exercising such the NHCE options. This is not unlike the system widely used today.

The current rules regarding corporate deductibility and disqualifying dispositions would apply, except for changes in the holding period. For example, if the employee exercises the option, and disposes of the stock in 9 months from date of grant, then the employee has ordinary income as compensation, and the employer is entitled to a deduction for the same amount. However, in cases where the option is held for 2 years or more before exercise or holds the stock 1 year or longer after exercise, then the gain at exercise is not deductible by the employer.

Other provisions applicable to the current incentive stock option plans, and identical to those in section 422(b), would also apply to subsection (e) stock options. Generally the provisions are:

An option plan approved by the shareholders is required.

Option price no less than the fair market value at date of grant.

Option granted with 10 years from the date plan is adopted.

Option period no longer than the shorter of 10 years or 1 year after termination of employment.

Option not transferable except at death, etc.

Grantee does not own stock possessing more than 10 percent of the voting power.

In addition, non-employee directors, independent contractors, and consultants would be ineligible to receive subsection (e) stock options.

It is not the intention of this proposal to change the provisions relating to incentive stock options under section 422, other than adding a new special option under section 422 (e), or employee stock options under section 423.

The proposal is not limited to publicly-traded companies, although that is where the wage gap issue has been highlighted because of the compensation information available to the public. Private companies should be able to participate as well.

I urge my colleagues to join me in support of this legislation.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

A TRIBUTE TO HAROLD MALKMES—1997 CITIZEN OF THE YEAR

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. FORBES. Mr. Speaker, I rise today in this hallowed Chamber to join the Patchogue-Medford Youth & Community Services of Patchogue, Long Island as they honor Mr. Harold Malkmes, of Stony Brook, Long Island, as 1997 Citizen of the Year.

A native of Port Jefferson, on Suffolk County's north shore, Harold Malkmes has served the residents of Brookhaven for the past 31 years as the town's superintendent of highways. During his tenure, Mr. Malkmes has dedicated himself to maintaining the safest possible system of roads, instituting many innovative programs, including ones that successfully alleviated severe drainage problems throughout the town.

Perhaps the most significant of Mr. Malkmes innovations is the development of the Brookhaven Town composting program and ecology education site, located in the town's Holtsville community. Nationally recognized for its cooperative work with the Boy and Girl Scouts, 4H Clubs and senior citizens, this ground-breaking program uses hands-on exhibits and demonstrations that teach the importance of recycling, reusing, and preserving our precious natural resources.

A graduate of the State University of New York at Farmingdale with a degree in horticulture, Mr. Malkmes was imbued with his love for Long Island's natural environment as a youth working in his family's florist business. Today, Mr. Malkmes sponsors the Holtsville Explorer Post that works with youth who are interested in the field of ecology and developed the "Help Save the Wildlife" program that allows residents, students, church groups, and schools to sponsor the care and keeping of an animal at the Holtsville Zoo. Mr. Malkmes also developed the Ecology Site Outreach Showmobile, allowing the ecological education program to travel to local schools and visit kindergarten and third grade classes that are unable to visit the zoo.

These are just a few of the reasons, Mr. Speaker, that I ask my colleagues in the U.S. House of Representatives to join me honoring Harold Malkmes, a dedicated public servant who has done so much more than fulfill his duties of office. His dedication and tireless efforts for the residents of Brookhaven Town, Long Island—particularly its youth—should serve as an example to all of us who are called to public service. Congratulations, Harold.

TRIBUTE TO EUGENE COPPOLA

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. PASCRELL. Mr. Speaker, I would like to call to your attention Mr. Eugene Coppola as he is honored by the Fidelians as their 1997 Man of the Year on Saturday, November 1, 1997. He has earned this prestigious honor by becoming a driving force behind the Fidelians' magnanimous and numerous charitable efforts.

The Fidelians were founded in 1939 as an organization to help inner city youth. It has grown in the ensuing decades and can now claim over 100 members. As an organization, the Fidelians own a 3½ acre camp in North Haledon. Each summer, they administer a summer camp for children with Down's syndrome. In addition, they assist other camps that utilize their facilities, including a camp from Paterson that supports children with cerebral palsy.

For early two decades, Eugene has played a vital and integral role in directing the charitable deeds of the Fidelians. He has been a member for over 17 years. Eugene has also demonstrated a unique capacity to lead, serving as president of the Fidelians and sitting on the board of trustees for several years.

Eugene has born and raised in Paterson, attending Public School No. 18 and Eastside High School. He went on to earn a bachelor's degree in business administration from Seton Hall University. A resident of Franklin Lakes, Eugene and his wife, Stephanie, are the proud parents of two children, Victoria and Michael.

However, the story of Eugene's success neither begins nor ends with his involvement with the Fidelians. Eugene also serves the community in a multitude of other capacities. As a member of the Most Blessed Sacrament Church in Franklin Lakes, he is the treasurer and a board member of the Catholic Charities of Passaic and Sussex Counties. Eugene is a trustee for the IBEW 1158 Pension and Welfare Fund, a position he has held for the past decade. He has been the president of the Mount Joseph's Childrens' Center in Totowa. In addition to his charity work with the Fidelians, Eugene supports the Deborah Heart Center, the Sloan Kettering Cancer Center, and the National Kidney Foundation.

Mr. Speaker, I ask that you join me, our colleague, Mr. Coppola's family, and the Fidelians in recognizing Mr. Eugene Coppola as the Fidelians' Man of the Year for 1997.

IN HONOR OF THE 40TH ANNIVERSARY OF EAST COAST WAREHOUSE AND 43D ANNIVERSARY OF SAFEWAY TRUCKING

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. MENENDEZ. Mr. Speaker, I rise today to pay tribute to two outstanding corporations, East Coast Warehouse & Distribution and Safeway Trucking Corp. On November 2, 1997, Mr. Roy A. Lebovitz will help celebrate these two milestones—the 40th anniversary of East Coast Warehouse and the 43d anniversary of Safeway Trucking—with an enjoyable evening of dinner and dancing at the Holiday Inn North's Grant Ballroom in Newark, NJ.

East Coast Warehouse & Distribution was incorporated nearly 40 years ago on December 11, 1957. East Coast Warehouse grew from its beginnings with 125 thousand square feet of warehouse space and 25 employees to have more than 1.4 million square feet of space and more than 200 employees.

Mr. Roy A. Lebovitz, who was born in Newark, NJ on December 14, 1932, became the corporation president, and vice president of the sister company, Safeway Trucking Corp. on March 10, 1962. He graduated with a bachelors degree in business administration from Upsala College in 1955. Mr. Lebovitz and his lovely wife Barbara were married on February 21, 1959. They have five children, Amy, Sheri, Jane, Beth, and Marc, and five grandchildren. Mr. Lebovitz served in the U.S. Army form 1955 to 1957 prior to beginning his work for Safeway Trucking and East Coast Warehouse. Mr. Lebovitz also founded successful warehousing operations in Texas and Canada, employing an additional 130 staffers along the way.

Over the years, these corporations have created partnerships with the residents of the community of Union County. The leadership and commitment of the administration, office staff and aides, warehouse staff, supervisors and managers, and all corporation drivers have contributed to this great American success story.

It is a great pleasure to honor and recognize the outstanding dedication and service of Mr. Roy A. Lebovitz; and East Coast Warehouse and Safeway Trucking, on their anniversaries.

EXPRESSING SORROW OF THE HOUSE AT THE DEATH OF HON. WALTER H. CAPPS, REPRESENTATIVE FROM THE STATE OF CALIFORNIA

SPEECH OF

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 29, 1997

Ms. WOOLSEY. Mr. Speaker, on a truly sad day for this Chamber and for this country, I rise to honor our colleague, WALTER CAPPS, a leader, a role model, and a friend.

WALTER represented the people of Santa Barbara with energy, zeal, and honor. I admired WALTER for his principles and for the solid direction of his moral compass. WALTER was a member who didn't just talk about values and principles. He lived them. And for this, WALTER was a role model to us all.

Working with him as part of the California delegation taught me so much about the kind of leader and the kind of person that we all strive to be. He gave his heart and soul to the service of the people of his district, to the people of California, and to the people of our Nation. He was a great thinker, a great philosopher, and a great man. I will never forget WALTER's generous spirit and warm heart.

WALTER dedicated his life to solving problems and resolving conflicts. And even without his physical presence, his spirit lives on in the Halls of this Chamber.

LESS FEDERAL BUREAUCRACY AND MORE COMMUNITY PARTICIPATION

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, as we debate the merits of various federal programs, I urge colleagues to keep in mind the benefits of less Federal bureaucracy and more community participation. We all recognize how much money is lost or wasted between the Federal level and the actual local people who we are trying to help. The best form of support we can give Americans is the power to do for themselves. This can be achieved by empowering communities closest to problems to have the most autonomy in deciding how to meet the challenges that face them. On this point, I want to share the thoughts of Krista Kafer of Colorado.

> Studying physics taught me a thing or two about government. In an engine, large gears move slowly but with great force. Small gears move with greater speed but less force. Each cog interlocks with the others, doing its part to run the machine. Such laws apply to the mechanics of society. When friends of mine complain that government reform is too slow, I tell them that Washington is not unlike a large gear, powerful but slow. If you want to see immediate change, work at a local charity, run for City Council, join the PTA, put your shoulder to the nearest wheel.
>
> American society runs by the motion of its different institutions. Families, businesses, charities, churches, community groups, local, state, and federal governments are interlocking gears that drive America. Burning labor, ingenuity, compassion and faith as fuel, the machine reaps the energies of its citizens to provide for the common good.
>
> Since its inception, America has relied upon the efforts of all of its institutions to care for the needs of its citizens. However, during this century, the brunt of the work has fallen upon the large gear, the federal government, requiring it to provide services once entrusted to other institutions. Overburdened and overused, the federal system has overheated while community, church, business, and family remain under used, free spinning, not fully engaged.
>
> The federal government is doing things it was never meant to do which is why it does not perform efficiently. It sputters and coughs, lacking the flexibility to adapt to local situations, different speeds, and different conditions. Like an ailing car engine it get poor mileage, burning tax dollars and returning only nickels. We are $5 trillion in debt but not one step further from where we started. With soaring crime, illiteracy, poverty, and illegitimacy, it would seem that we have rolled backward. The war on poverty has failed because it did not engage the whole engine.
>
> In 1994, Congress began the process of overhauling the engine. Together with innovators and mechanics from the private sector and local governments, it is attempting to spread the work of the large gear to the rest of the engine. For example, since the enactment of the Personal Responsibility and Work Opportunity Act (welfare reform), states and counties have joined with private agencies and charities to help record numbers of individuals escape welfare dependency. This is not a trial start. These small gears must prepare themselves to undertake the work of the big gear. Ultimately, we must assume that work because we, the people, turn those gears.
>
> The prospect of greater freedom and lower taxes must not leave us idle. Freedom is not free. Statistics reveal that the spirit of volunteerism is growing. It must. In the final inspection, we find that it can no longer be the responsibility of someone else to help our neighbors, to teach our children, to run our communities, to conserve our resources, and to enforce ethics and decency in our enterprises. It is ours. The day has passed when we could mind our own business and just take care of our own. This country is our business. It is our own. We must man the crank and turn the gears.

Mr. Speaker, it is the resourcefulness of the American people that made our country so strong. Giving power back to the people is the best way to continue the tradition of excellence established so long ago in this great Nation.

HONORING THE THOMAS J. LAHEY ELEMENTARY SCHOOL

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. ACKERMAN. Mr. Speaker, I rise today to honor the Thomas J. Lahey Elementary School, in Greenlawn, NY, which has recently received the prestigious Blue Ribbon School Award by the Department of Education. The school will be honored at a ceremony on November 6 with Education Secretary Richard Riley.

The Thomas J. Lahey Elementary has taken many innovative steps to involve the entire community in improving the quality of education for its 962 students. Volunteers throughout the community assist in a variety of tasks from reading to children to providing computer instruction in the classroom. The school also works in conjunction with local businesses to further the growth of both the community and the students. For example, for National Book Week, a local supermarket donated more than 800 grocery bags which students used to create a drawing and write a summary of their favorite books. These bags were distributed throughout the town of Greenlawn. This unique partnership between school and community should serve as a model for other schools who are trying to do more for their students in a time of declining budgets. The partnership also reminds us all of the role we in the community need to play in bettering our Nation's schools.

Much of the school's success can also be attributed to the work and dedication of its principal, Dr. Janet Perrin, who can often be found reading to children and participating in classroom instruction. Under her leadership, parents, students, and teachers have been challenged to give more of themselves to better both the school and the community.

The school has taken important steps in increasing the children's access to the Internet and the World Wide Web. At the same time, the school is working with the community to teach students the importance of the arts in our society. The Thomas J. Lahey Elementary School truly embodies the ideals of creativity and innovation. I ask all of my colleagues to join me in honoring this truly dynamic institution.

TRIBUTE TO LIMA ESTATES AND THE 25TH ANNIVERSARY OF ACTS, INC.

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. WELDON of Pennsylvania. Mr. Speaker, I rise today to pay respectful tribute to the Adult Communities total Services, ACTS, Inc., on the 25th anniversary of the opening of the first of its 15 retirement communities in 1972. Lima Estates, since its subsequent construction in 1979, has upheld the highest standards that ACTS demands.

Six thousand individuals are residents of the 15 ACTS lifecare retirement communities in Pennsylvania, North Carolina, and Florida. Since its creation in 1971, ACTS has been the leader in lifecare, combining a wide range of services and amenities to meet changing health care needs at any level: from fully independent living, to home health care, to assisted living and skilled nursing care. The obvious advantage is that seniors can be assured of receiving the exact level of care they need in one setting, usually without having to be separated from a spouse, friends, or family. Throughout its 25-year history, ACTS has been the preeminent leader of lifecare.

Since day one, Lima Estates has remained a haven for seniors and a great provider of lifecare. Beautiful woodlands, rolling hills, and graceful colonial style architecture welcome you to this 54-acre site. They hired only the best, highly trained employees available and have remained alert to advances in health care and to the challenging needs and expectations of its residents. Lima Estates is proud of its affiliation with ACTS and hopes that their continued partnership to provide the premier lifecare in the Nation will continue well into the future.

Mr. Speaker, I ask that my colleagues rise with me in this tribute to Lima Estates and ACTS as it celebrates its 25th anniversary. Their formidable record of providing the best quality lifecare available has improved and invigorated the lives of so many. I am proud to have such an important and respected organization in my district.

HONORING ARTHUR J. GLATFELTER'S 50 YEARS OF SERVICE IN THE INSURANCE INDUSTRY

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. GOODLING. Mr. Speaker, I rise to honor Mr. Arthur J. Glatfelter. On November 7, 1997, Mr. Glatfelter will be recognized for 50 years of service in the insurance industry.

Mr. Glatfelter entered the insurance business in 1947 as a solicitor; 4 short years later he opened his own insurance agency. Today the Glatfelter Insurance Group has more than 370 associates throughout 8 satellite offices in the United States and Canada. This agency has grown to become one of the 10 largest privately owned agencies in the country.

Over the years, as his agency has grown, so have his commitments to our community. Community service and an eagerness to help others are values which have guided Mr. Glatfelter in his personal and professional life. Through his generosity and his desire to give back, he has made a difference in the lives of countless York County residents.

Art Glatfelter is a shining example of our American way of life; his devotion and tireless work on behalf of those in need have and will continue to meet the growing needs in our great Commonwealth and the York community. Mr. Glatfelter is one of the good people who makes a difference in our society.

I recall a phrase from an anonymous author: "Those who can give even a little have the sense of full participation in a great neighborly understanding." Mr. Glatfelter has given much more than "a little" and has clearly established himself as a great friend of compassion, warmth and understanding.

Mr. Speaker, I wholeheartedly congratulate Mr. Glatfelter on 50 years of commendable service in the insurance industry, the Commonwealth of Pennsylvania and the neighborhoods of York County.

A TRIBUTE TO THE FIRST BAPTIST CHURCH OF CUTCHOGUE

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. FORBES. Mr. Speaker, I rise today to recognize and honor the historical development of the First Baptist Church of Cutchogue. In 1924, a small dedicated group of members met in a little school house on Oregon Road in Cutchogue Long Island, under the leadership of Reverend E.A. Green. There, a foundation of faith was laid and dreams of things bigger and better began.

In no time at all the church began to flourish. The members established a board of deacons, trustee board, missionary society, and a senior choir. The little school house was no longer able to hold all of God's people. The trustees believed in the Baptists and were willing to do something to help. On December 15, 1925 they purchased a quarter of an acre of land on Middle Road from Frank and Anna McBride for the amount of $866.00. The deed was signed by trustees William Brown, Gilbert Davis, Kelsy Cosby, Anderson Cook, and John Jacobs. The little church wasn't little anymore.

Thanks to the trustees and the dedicated members, the beliefs of the Baptists were kept alive and the followers were strong and numerous. This success can in part be attributed to the dedicated pastors who provided guidance, patience, and support to their congregation and the community.

Present pastor, Rev. Cornelius Fulford blessed the followers with his wisdom, grace, and mercy when he took over the responsibility of the church in 1989. Pastor Fulford realizes how important children are to the church and he focuses on programs like Bible study, C.C.C. Choir, and the junior usher board. His preaching, teaching, and reaching out strengthened the bonds between the followers and provided them with the leadership they need to continue to grow as a congregation and as a society.

Mr. Speaker, it is an honor to have the First Baptist Church of Cutchogue and its members as one of our Eastern Long Island neighbors. This blessed church and its members learned that with hard work and perseverance, anything is possible in the Name of the Lord. The dedication of the clergy and congregation deserve our acknowledgement. I thank you for joining with me in their praise and recognition.

A TRIBUTE TO JERRY GAMBLE

HON. BILL PASCRELL, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. PASCRELL. Mr. Speaker, I would like to call to your attention Mr. Jerry Gamble. Jerry will be honored by the Joseph M. Pizza Association of Northern New Jersey for his long and distinguished service as a dedicated law enforcement officer on Sunday, November 2, 1997.

Jerry was born in Paterson, the son of James and June Gamble. He received his education in the Haledon School System and is a graduate of the Technical and Vocational High School. Later, he attended William Paterson College. Quickly becoming a success in the law enforcement field, Jerry went back to school to further his occupational knowledge by attending management programs at Rutgers University.

Jerry's career has been one of consistent success and a prestigious line of promotions. Jerry joined the Borough of Haledon's police force in 1966 as a special police officer. Promoted to the rank of full police officer in 1970, Jerry made sergeant 7 years later. In 1982, he was promoted to captain. Five years later, in March of 1987, Jerry was named Haledon's chief of police.

Success in his professional life has also been accompanied by personal triumphs. Jerry and his wife, the former Geri Castello, are the proud parents of daughter Lindsey Marie Gamble. Throughout the Borough of Haledon and the surrounding communities, Jerry is well known as a giving man with an extensive love of family, people, and children.

Keeping pace with his outstanding career, Jerry has also been active in a number of charitable and service-oriented organizations. He has demonstrated a unique capacity for leadership, serving as the president of the Passaic County Police Chiefs Association and as the first vice-president of the Passaic County 200 Club. Jerry is also a member of PBA–349, the New Jersey State Chief of Police Association, the National Association of Chiefs of Police, the Italian American Police Officers Association, the New Jersey/New York Honor Legion, and the Haledon Business and Economic Development Association.

Mr. Speaker, in recognition of Police Chief Jerry Gamble's significant and outstanding services to Haledon and the greater Passaic County community, would you join me, our colleagues, Chief Gamble's family, and the law enforcement community of Passaic County in congratulating him on this impressive honor.

TRIBUTE TO AMBASSADOR SHYAMALA B. COWSIK

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. MENENDEZ. Mr. Speaker, I rise to pay special tribute to Ambassador Shyamala B. Cowsik, the Deputy Chief of Mission at the Indian Embassy in Washington. During Ambassador Cowsik's tenure in Washington, economic, political, and social relations between the United States and India continued to grow.

She has played an important role in improving relations between the United States and India. Ambassador Cowsik represented the interests of India not only in Washington but also throughout the United States. As a member of the Congressional Caucus on Indian and Indian-Americans, I had an opportunity to work with her closely on several occasions. Her good work contributed to more Members of this body becoming aware of the importance of a strong U.S.-Indo relationship. Members of the Indian-American community in my district and in New Jersey spoke highly of their dealings with the Ambassador and the service they received from the Mission.

Ambassador Cowsik has had a long and distinguished career in India's Foreign Service, and she is one of its highest serving women. Previously, she served in the Philippines, Thailand, and the former Yugoslavia. I hope my colleagues will join me in congratulating her for her service to India and Indian-Americans, and in wishing her success in her new position as Ambassador to Cyprus.

STATEMENT ON THE PASSING OF JOHN N. STURDIVANT, NATIONAL PRESIDENT, AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES (AFGE)

HON. ELIJAH E. CUMMINGS

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. CUMMINGS. Mr. Speaker, it is with great sorrow that I rise today to pay tribute to the memory of a great labor leader, a great citizen, and a great man, John N. Sturdivant. John Sturdivant was president of the American Federation of Government Employees (AFGE), one of the largest Federal unions, which has about 178,000 active members in

1,100 locals and represents about 600,000 workers in 68 Federal agencies. Through all the Congressional debate about the role and responsibilities of the Federal Government, one person was always there ensuring that U.S. tax dollars were not wasted and that vital public services were not lost. He was a watchdog against inefficiency and a champion of worker and human rights.

Mr. Sturdivant, a full partner in President Clinton's efforts to reinvent government, knew Americans wanted a more effective government. His efforts have made AFGE a leader in overcoming the Federal bureaucracy and achieving results. He combated the notion that workers are part of the problem when it comes to increasing government efficiency. Thanks to leaders like John Sturdivant, front-line workers are perceived as the solution and AFGE members are bringing about important changes in the way the Federal Government operates.

During the 1995 and 1996 Government shutdowns, intensive work by Mr. Sturdivant and AFGE secured important public support for the hundreds of thousands of Government employees who were locked out of their jobs or forced to work without pay. As a result of AFGE's comprehensive campaign, strong public pressure was brought to bear on an intractable Congress, ending the shutdowns and returning Federal employees to work with the guarantee of back pay.

As a key member of the National Partnership Council led by Vice President Al Gore, Mr. Sturdivant has helped agencies like Veterans Affairs and Social Security, once plagued with adversarial labor relations, improve customer service and save taxpayers' money.

The changes his leadership brought to the Federal workplace have not only given workers a greater voice on the job, but also removed the roadblocks which prevented them from taking part in the political process. A familiar face on Capitol Hill, Mr. Sturdivant helped AFGE achieve its 20-year legislative initiative with the passage of Hatch Act Reform, legislation that allows Federal employees to become politically active without undue restrictions.

Mr. Sturdivant not only amplified the chorus of Federal workers and their issues, he was also a new voice for America's minorities. One of Ebony Magazine's 100 Most Influential Blacks in America, he was the first African-American to head AFGE and first to serve as president of a major AFL–CIO union. Elected in 1988, Mr. Sturdivant also served as a vice president of the AFL–CIO. In 1989, he was elected vice president on the AFL–CIO Executive Council.

John Sturdivant was a trailblazer whose commitment and contributions on behalf of the labor movement, government workers and our way of life will be sorely missed. His passion and sacrifice have made a lasting impression on my colleagues and myself, and the people on behalf of whom he toiled will continue to benefit from the fruit of his efforts and cherish his memory for a long time to come.

CONGRATULATIONS TO AMBASSADOR COWSIK

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. ACKERMAN. Mr. Speaker, later this month Shyamala B. Cowsik, the Deputy Chief Minister at the Embassy of India, will conclude a 2-year tour of duty in the United States. During this 2-year period, Ambassador Cowsik has been a central figure in the growing diplomatic relationship between the United States and India. She has worked tirelessly to build new bridges between the world's oldest democracy and the world's largest democracy and to destroy many misconceptions which kept our countries apart for many years.

As a member of the Congressional Caucus on India and Indian-Americans, I have been privileged to know Ambassador Cowsik and to interact with her on several occasions. She has been an outstanding representative of her country's interests in Washington and in other cities across the United States. My own district in New York City and Long Island has a large, growing and prosperous Indian-American community which has been a source of inspiration and pride for me in my capacity as a Member of Congress. I am certain my constituents will miss Ambassador Cowsik as she departs to become India's Ambassador to Cyprus.

Mr. Speaker, I ask my colleagues to join me in taking this opportunity to congratulate Shyamala Cowsik on a job well done and to wish her every success in the future. I applaud her for her excellent service in Washington.

TRIBUTE TO GRANITE FARMS ESTATES AND THE 25TH ANNIVERSARY OF ACTS, INC.

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. WELDON of Pennsylvania. Mr. Speaker, I rise today to pay respectful tribute to the Adult Communities Total Services, ACTS, Inc., on the 25th anniversary of the opening of the first of its 15 lifecare retirement communities. Granite Farms Estates was the 11th such community and, since its creation, it has upheld the highest standards that ACTS demands.

Six thousand individuals are residents of the 15 ACTS lifecare retirement communities in Pennsylvania, North Carolina, and Florida. Since its creation in 1971, ACTS has been the leader in lifecare, combining a wide range of services and amenities to meet changing health care needs at any level; from fully independent living, to home health care, to assisted living and skilled nursing care. The obvious advantage is that seniors can be assured of receiving the exact level of care they need in one setting, usually without having to be separated from a spouse, friends, or family. Throughout its 25-year history, ACTS has been the preeminent leader of lifecare.

Although ACTS, Inc. inaugurated the first of its communities in 1972, it was not until 1986 that Granite Farms Estates was opened. Situated atop a beautiful rise on the former Wawa Dairies' pasture on 25 acres, the Granite Farms Estates has remained a haven for seniors and a great provider of lifecare. Its serene country setting and its close proximity to a nature preserve have contributed to its mission to secure a peaceful environment and state of mind. Home to over 500 residents, Granite Farms has hired only the best, highly trained employees and has remained alert to advances in health care and to the challenging needs and expectations of its residents. Granite Farms Estates is proud of its affiliation with ACTS and hopes that their continued partnership to provide the premier lifecare in the Nation will continue well into the future.

Mr. Speaker, I ask that my colleagues rise with me in this tribute to Granite Farms Estates and ACTS as it celebrates its 25th anniversary. Their formidable record of providing the best quality lifecare has improved and invigorated the lives of so many. I am proud to have such an important and respected organization in my district.

20TH ANNIVERSARY OF THE FOUNDING OF THE CONGRESSIONAL CAUCUS FOR WOMEN'S ISSUES

HON. JULIA CARSON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Ms. CARSON. Mr. Speaker, I rise today to celebrate the 20th anniversary of the Congressional Caucus for Women's Issues. The caucus was formed to focus attention on issues of special concern to women—such as preventive health services for women, domestic violence, discrimination in education and the workplace. One of my first acts in Congress was to join the caucus, and I am proud to be a member of it.

Among our accomplishments in the 20 years since the Women's Caucus was formed, we have shepherded to passage legislation protecting pregnant women from employment discrimination, improving enforcement of child-support orders, providing a 3-year extension of health insurance coverage for wives and divorced spouses, ensuring that the National Institutes of Health do not ignore research on the health problems of women, and the Family and Medical Leave Act.

Our work is not finished, however. American women still face discrimination in employment and pay. We need more protections in child support enforcement and domestic violence. We need the caucus now more than ever.

EXPRESSING SORROW OF THE CLEMENT HOUSE AT THE DEATH OF HON. WALTER H. CAPPS, REPRESENTATIVE FROM THE STATE OF CALIFORNIA

SPEECH OF

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 29, 1997

Mr. CLEMENT. Mr. Speaker, WALTER CAPPS was a rare gift to those who work on Capitol Hill. Others have eulogized him and found that in such instances, words are inadequate. But it remains important to struggle for such words. And it is the only fitting tribute for a man who left everyone with nothing but smiles.

No one will say they knew him well enough or long enough—his passing came too soon—but all will say they were happy to have known him. His personality was such that you felt close to him and wished to claim that you were. It was an honor to be able to consider yourself a friend of WALTER CAPPS. He was a watermark for good and a genuine, kind man worthy of emulation.

I worked with Mr. CAPPS on the International Relations Committee and was always touched by his gregarious and personable presence. He was wise and thoughtful in ways uncommon and was passionate in his desire to help others. He loved his job and shared with others his good humor and a warm sense of responsibility and purpose. In no way was he political in the pejorative sense; he was an intellectual who understood his talent to bridge disciplines and cut through rhetoric in hopes of reconciling differences and pushing colleagues toward progress. His seat on the committee is empty and that emptiness will be felt long beyond this Congress.

But Mr. CAPPS was a man who touched others. He saw value and equality in his colleagues, legislative and building staff members, and his constituents. He admired them as much as they admired him, though I am sure he never fully understood how much they admired him. What we understood as his heart and his vision for humanity and religion, with honor, respect and admiration, will be carried forth in the ideas of those whom he so deeply touched.

Go well, Mr. CAPPS. We shall miss you, though we shall not forget you.

A TRIBUTE TO THE EAST END ARTS AND HUMANITIES COUNCIL OF LONG ISLAND

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. FORBES. Mr. Speaker, I rise today to pay tribute to the East End Arts and Humanities Council, of Riverhead, Long Island, as this grassroots, community arts program celebrates 25 years of providing invaluable support and encouragement to the artists, writers, and performers in the communities of Eastern Long Island.

Located in an historic Main Street building in a space donated by the town of Riverhead, the East End Arts and Humanities Council is dedicated to fostering a positive environment for the arts throughout the rural landscape it serves between Moriches and Montauk on the south, and on the north from Port Jefferson to Orient. Long Island artists are fortunate to make use of all that the Arts Council makes available, from exhibition galleries to the region's only community school of the arts, outbuildings that are used as artist-in-residence studios and a charming village green used for outdoor art events and performances.

With a long and proud reputation as a safe haven and supportive environment, the East End of Long Island is home to a world renowned number of accomplished and emerging artists. To sustain this creative environment and service to this thriving community, the East End Arts Council has helped develop a network of more than 200 arts organizations, each of whom is dedicated to sustaining and supporting a community that cherishes the arts.

There is no doubt, Mr. Speaker, that the arts are a vital force in society, enriching our lives with the beauty and impact of human expression and providing a source of entertainment and pleasure for all Americans. Just as importantly, the arts are an important tool in the education of our children. Several analyses of arts education show that children who study music demonstrate significantly improved ability to master mathematics, and students with four or more years of arts education consistently score higher on the SAT college entrance exam than students without an arts background. There is a clear and demonstrable connection between studying the arts and increased scholastic aptitude, a connection that as national leaders we are duty-bound to help foster and develop.

That is why, Mr. Speaker, I stand today before my colleagues in the U.S. House of Representatives and proudly offer my congratulations to the East End Arts and Humanities Council on this special 25th anniversary. May the Long Island community continue to be blessed by their work for many years to come.

TRIBUTE TO BRUCE BENSON

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, in 1994 I received the Republican nomination for Lieutenant Governor of Colorado, thus earning the privilege of running for office on the ticket of Mr. Bruce Benson of Denver. This experience allowed me the opportunity to build a friendship that is very important to me with a true Coloradan who embodies the genuine spirit of the West.

Mr. Benson and his wife Mary are the most generous people I know. Their devotion to the people of Colorado is legendary. In particular, Bruce's dedication to the State's higher education system has spanned official, voluntary, and professional capacity.

Once chairman of the Colorado Republican party, Mr. Benson continues to express his love for Colorado's picturesque vistas, wildlife, and environment through political activism and community leadership. His commitment to economic expression, job creation, public safety, and economic opportunity is seconded only by his interest in improving the quality of education for all Colorado children.

Mr. Speaker, I am blessed to know Bruce Benson as a friend, but more importantly, as a Coloradan. Clearly, his leadership in Colorado continues to inspire many and ensure greater hope and optimism for generations to come.

Mr. Speaker, the Denver Post, yesterday, published an editorial commentary praising the many contributions of Bruce Benson. I first commend the Post and further submit its comment for the RECORD.

> [From the Denver Post, Oct. 30, 1997].
>
> BENSON BUILDS LEGACY
>
> With today's dedication of the Benson Earth Sciences Building at the University of Colorado in Boulder, former GOP gubernatorial candidate Bruce Benson translates his long history of service to CU into the most tangible of contributions: a building in which young people can learn.
>
> The naming of the building commemorates Benson's leadership of the fund-raising drive that made the $14.5 million building possible, as well as a substantial contribution from the Benson family. Nor will Benson rest on his laurels. He and his wife, Marcy, have also agreed to spearhead the campaign to raise more than $271 million to support CU President John Buechner's ambitious Total Learning Environment initiative.
>
> A 1964 graduate of CU, Benson received his degree in petroleum geology.
>
> He is now the owner and president of Benson Mineral Group, but perhaps more importantly, he is also a consistent contributor—of time and energy, as well as money—to Colorado's civic well-being. His activities as both state chairman and candidate for the state Republican Party have won the headlines, but the range and depth of his activity are awesome. He's served not only in the public realm but in private philanthropy, as well. His chairmanship of the state commission on higher education from 1986–1989 underscores his sustaining interest in higher education. He is chairman of both the Denver Zoological Foundation and Boy Scouts of America in the area. Other beneficiaries of Benson's 16-hour-day energies include the Denver Botanic Gardens, Arthritis Foundation, Denver Museum of Natural History, Safe City Foundation and the University of Denver.
>
> We congratulate both the University of Colorado, which is adding a vital new learning center and launching an important effort to further enhance its program, and Bruce Benson, who has added a crowning credit to a noteworthy career of service.

Again, Mr. Speaker, Mr. Benson is a great Coloradan and certainly worthy of being honored and considered by the House as an exemplary American.

IN HONOR OF MICHAEL PARTRIDGE

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mrs. MALONEY of New York. Mr. Speaker, I rise today to pay tribute to Michael Partridge as he is honored by the Taminent Democratic Club at their 66th Annual Dinner Dance.

Mr. Partridge was born on the island of Cyprus on February 13, 1941. In 1947, he and his family moved to Astoria where Michael attended P.S. 4 and L.I.C. High School. From age seven through his early teens, Michael worked in his father's restaurant.

After high school, Michael studied philosophy and political science at Hunter College and later studied law at St. Johns Law and Boston Law. During his law school years, he met and married Mary and became the father of Harry. Michael also joined the National Guard during this time.

After practicing law for several years, Michael became disenchanted with the law and turned his attention toward other endeavors. Around this time, he met Ralph DeMarco who introduced him to the Taminent Democratic Club.

Michael's involvement with the Taminent included a rehabilitation program he founded with Peter Vallone to reverse the high recidivism rate at Rikers Island. During its first year, the Rikers' program placed all of its graduates in jobs or schools.

After launching his successful program on Rikers Island, Michael became involved in real estate. He rehabilitated apartment houses in Jamaica, Queens, and opened the Coliseum Mall, which helped to revitalize Jamaica Avenue.

Michael's interests also brought him into the political arena where he worked on Mario Cuomo's campaign for Governor of New York.

Mr. Speaker, I ask that my colleagues rise with me in this tribute to Mr. Michael Partridge, a man who has worked very hard to improve his community. I would also like to honor the Taminent Democratic Club on the occasion of their 66th Annual Dinner Dance.

RECOGNITION OF REV. BOB ROBERTSON'S 25 YEARS OF SERVICE TO THE EVERETT, PA, FIRST UNITED CHURCH OF CHRIST

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. SHUSTER. Mr. Speaker, Rev. Bob Robertson of the Everett, PA, First United Church of Christ was recently honored for his 25 years of service to the church and to the community.

I rise to pay tribute to this outstanding man of the cloth. Bob Robertson not only has served his church with distinction, but has played an extraordinary, behind-the-scenes role in helping those most in need in the community. He is the Pastor to our church in our little hometown which has a sign greeting you as you enter the borough: "Everett's Churches Welcome You", reflecting the value of religion and faith in our community.

Bob Robertson's guidance and sense of vision has been a rock on which the town has built itself as a great place to live and work. Bob is a selfless man who always puts the welfare of others in front of his own. His wife, Barbara, and their children have also played a key role in making our community a better place to live. I personally know of many of his good deeds to help people in need, deeds which have never been publicized but have touched the lives and hearts of many. He is an unsung hero who exemplifies the best there is in those who have dedicated their lives to their God, their church, and the people they serve.

TRIBUTE TO A.G. "BUD" HARRISON

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. LANTOS. Mr. Speaker, it is my privilege and honor to pay tribute to the exceptional public service career of my dear friend and one of San Mateo County's most dedicated public servants, A.G. "Bud" Harrison, upon his retirement from the Burlington City Council. His extraordinary devotion to serving his community, as well as his longtime commitment to educating young people about the importance of civic involvement, make him a genuine hero to all of us who care about the Bay Area.

Bud's strong belief in public service is rooted in his background and has been proven repeatedly throughout the course of his 67 years. Born in San Francisco, his future political intentions were foreshadowed at a young age when his classmates at Balboa High School elected Bud president of the senior class. After his graduation in 1948, he volunteered for a far more meaningful type of service in the U.S. Air Force. Bud spent 4 years in the military, aided his country during the Korean war, and was discharged in 1952 as a staff sergeant.

After his military career ended, Bud enrolled at the University of San Francisco, where he graduated in 1957 with a secondary teaching credential. It was then that he began his career which was destined to influence the lives of literally thousands of young men and women, as he became a political science teacher at Capachino High School.

Both of my daughters, Annette and Katrina, were privileged to be among those fortunate students in Bud's classes, and they recall his lessons with great fondness and appreciation. Remembered Annette: "In a time of great cynicism, he infused his pupils with a strong sense of civic activism and an appreciation for the remarkable role of politics in America." Katrina described Bud's "enthusiastic spirit which imbued his students with a love of public service."

In Bud's 33 years at Capachino High School, and in his 16 years as a political science instructor at the College of San Mateo, he made a lasting contribution not only to lives of thousands of young people but also to the success and stability of our democratic system of government. For this, Mr. Speaker, we are all in his debt.

Bud's most significant lessons were those of his own example. He did not preach mere platitudes about public service to his students; rather, he was an inspiring example of the impact that a sole individual can have by becoming involved in his or her community. His 35-year career spanned a wide variety of local offices and an even broader array of well-represented and appreciative constituents. The citizens of Burlingame elected Bud to three terms as their mayor, as well as to 12 years of service as a city councilman. In addition, But worked tirelessly as a San Mateo County supervisor, as a Burlingame planning commissioner, civil service commissioner, and a member of the Library Board of Trustees, and as a longtime member of the board of directors of ReCare, formerly Easter Seals, and as the director of the San Mateo County Convention and Visitors Bureau, and in a host of other important civic positions.

Through all of these challenging posts, and all of Bud's dynamic efforts to make Burlingame and San Mateo County a better place to live and raise a family, he has been loyally and lovingly supported by his wife of 44 years, Doris, by his four children, Chuck, Mary, Terry, and Cheri, and by his six grandchildren.

Mr. Speaker, as Bud Harrison's distinguished career in public service comes to a conclusion with his retirement from the Burlingame City Council, I ask all of my colleagues to join me in paying tribute to this outstanding man, an example of the best that our communities have to offer, and a true role model to all those he has taught in his classes and in his life of community activism.

EDUCATION: A COMMUNITY AFFAIR

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. KILDEE. Mr. Speaker, I rise today to commemorate the 16th Annual Community Education Day to be observed on Tuesday, November 18, 1997. In my hometown of Flint, MI the day will be celebrated at a breakfast meeting for more than 300 people. Hosted by the Genesee Area Community Education Association and the National Center for Community Education, the program will be keynoted by my very dear friend, Dorothy Reynolds, President of the Community Foundation of Greater Flint.

"Education: A Community Affair," is the theme of this year's celebration. Sponsored by the National Community Education Association (NCEA), this special day was established in 1982 to recognize and promote strong working partnerships between schools and communities.

Community Education Day in 1997 focuses on the importance of community members and institutions working together to not only support schools and enhance learning opportunities for students but to provide those opportunities for everyone. The learning community in turn is empowered to build and maintain the support systems—social, economic, health—that make it a nurturing, caring vital place, a place where communities can prosper.

National Community Education Day is cosponsored by over 35 national organizations, among them the American Association of School Administrators, the National Civil League, the Children's Aid Society, the U.S. Department of Education, and Youth Service America.

Mr. Speaker, I urge my colleagues in the House of Representatives to acknowledge the contributions that community education has made to millions of children and families. I am proud that the National Center for Community Education is located in my hometown of Flint. I applaud the efforts of Mr. Daniel Cady and the staff at the center for their commitment to education partnerships. We well know that when educators, families, and communities work together, schools get better. As a result, students get the high quality education they need to lead productive lives. Our children deserve nothing less.

TO THANK AMBASSADOR COWSIK FOR AN EXCELLENT JOB

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. PALLONE. Mr. Speaker, the Washington diplomatic corps is about to lose one of its brightest lights with the departure of Shymala B. Cowsik, the Deputy Chief of Mission of the Embassy of India. Ms. Cowsik will soon conclude her distinguished 2-year tour of duty in the United States. In her all too brief tenure, Ambassador Cowsik has been a force in the steadily improving relations between the world's two largest democracies, India and the United States.

Mr. Speaker, Ambassador Cowsik has been no stranger to Capitol Hill during her tenure. She has worked tirelessly to educate Members of Congress and their staff about the ongoing economic liberalization process in India, and the possibilities for an ever closer relationship in the fields of trade and investment. Of course, international relations are not just based on economic factors, and Ambassador Cowsik has played a major role in helping to guide a complex and expanding bilateral relationship based on shared values of democracy and human rights, respect for the rule of law, and a growing appreciation for the cultures and traditions of each other's country.

Ambassador Cowsik has had an eminent career in India's Foreign Service. She has served as India's Ambassador to the Philippines, and has held major posts in Thailand and Yugoslavia. She now moves on to serve as India's Ambassador to Cyprus.

As the co-chairman of the Congressional Caucus on India and Indian-Americans, and as a Member of Congress representing one of the largest Indian-American communities in the United States, I consider ties between the United States and India to be of the utmost importance in our Nation's foreign policy. While we still have a ways to go to give Indo-United States ties the priority they deserve, the momentum is clearly moving in the right direction. In the last 2 years, those efforts have made giant strides, and the excellent work of Ambassador Cowsik has played a major role. We will miss her, even as we wish her every success in continuing to represent and serve her nation with the highest distinction and dignity.

IN SUPPORT OF OXI DAY

SPEECH OF

HON. JOSEPH P. KENNEDY II

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 29, 1997

Mr. KENNEDY of Massachusetts. Mr. Speaker, on October 28, 1940, the Greek prime minister was asked to surrender to the Italian Armed Forces. He refused to surrender Greece, replying simply, "Oxi"—the Greek word for "no".

Soon thereafter, Greece found herself battling Italian invading forces. What ensued went down in history as one of the most significant military victories of all time. Greek troops were outnumbered and under-equipped, but what they lacked in size and supplies they made up for in resourcefulness and determination. The world was amazed when Greece managed to repel the invading Italian forces, thus throwing a wrench into Hitler's plans for a swift takeover of the Balkans.

Oxi Day is an important milestone in Greece's long, proud history. We must not forget that throughout its history, Greece has been forced to defend its independence and its way of life. At the crossroads of Europe, the Mediterranean, and Asia, Greece has had to contend with an unending stream of aggressive neighbors. Greece has also weathered many challenges from within. The spirit that Greece demonstrated on Oxi Day is the same spirit that has guided Greece through the most difficult periods in its history.

Commemorating Oxi Day helps us reflect on Greece's great contribution to the Allied cause. It also provides an opportunity to thank the Greek people for their long tradition of friendship and partnership with the United States. We must continue to work to expand ties with Greece, support it in its relations with its neighbors, and work to bring about a peaceful resolution to the Cyprus crisis.

HONORING JOHN STURDIVANT

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. MORAN of Virginia. Mr. Speaker, I rise today to pay tribute to John Sturdivant, who passed away on Tuesday. John's service with the Federal Government began in 1961 as an electronics technician with the Army Interagency Communications Agency. John's concern for the well-being of his fellow Federal employees was evident from the very beginning of his Government service. He soon became active in his local AFGE chapter. His passion soon earned him the respect of his peers, who elected him President of his local union in 1968.

John's continued success soon led him to AFGE's national office where he served in numerous positions culminating with his election as AFGE President in 1988. As the principal spokesman for Federal employees, John led the charge for countless reform proposals. In particular, John succeeded in reforming the Hatch Act, so that Federal employees could participate in the political process in their free time. He also pushed for locality pay, to bring Federal salaries more in line with the cost of living.

One of John's greatest fights came in late 1995, when partisan politics caused two Government shutdowns. Shutting down the Government hurt all Americans, but Federal employees suffered first by being locked-out of their jobs. Federal employees should never be used as pawns in a political chess game. Without John's perseverance, Federal employees surely would have suffered even greater injustices.

Mr. Speaker, John should be remembered for all of his accomplishments, but I will remember him mostly as a friend. He was a compassionate man with a profound respect for equity and justice. Though pragmatic, he never lost sight of the very ideals that first led him to serve in his local union. John will be sorely missed.

UNFAIR WTO ACTION INITIATED BY THE MEXICAN MINISTRY OF COMMERCE AND INDUSTRY AGAINST UNITED STATES PAPER COMPANIES

HON. JAY DICKEY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. DICKEY. Mr. Speaker, it has been brought to my attention that United States paper producers have encountered serious trade problems in Mexico relating to the World Trade Organization Antidumping code procedures. It appears that Mexico's Ministry of Commerce and Industry has ignored WTO rules relating to United States exports of apples and high fructose corn syrup. The result of not adhering to the rules on trade cases leads to lost business for our producers as their protectionism shields their domestic producers.

I wish to insert into the RECORD a copy of a letter from the American Forest and Paper Association [AF&PA] to Mr. Peter Allgeier, the Assistant U.S. Trade Representative for the Western Hemisphere, of a third case that involves U.S. cut-size bond. There are six paper mills in my district in Arkansas. All six are members of AF&PA. Two are currently exporting bond paper to Mexico and could be adversely affected if the WTO Antidumping Code is not followed. The result could be a loss of export sales for up to 6 months while the final decision on antidumping is being decided.

Free and fair trade with our neighbors must be the goal of each nation. We in Congress must insist that international rules of trade be adhered to. I will be following this matter closely to determine whether further action by Congress is not needed. Today, it may only be apples, corn syrup, and paper products. But, tomorrow, it could be a product produced in your district.

AMERICAN FOREST & PAPER ASSOCIATION,
Washington, DC, October 9, 1997.

Mr. PETER ALLGEIER,
Assistant USTR for the Western Hemisphere, Office of the U.S. Trade Representative, Washington, DC.

DEAR PETER: On May 27, 1997 the Mexican Ministry of Commerce and Industry (SECOFI) initiated an anti-dumping investigation against U.S. producers of cut-size bond paper. While individual U.S. paper producers are responsible for responding to the anti-dumping questionnaire, AF&PA is closely monitoring Mexico's anti-dumping process to ensure that it does not violate international trade rules and is not used as a tool to limit imports of paper products from the U.S. We expect that the preliminary anti-dumping determination in this case will be issued in late November.

In this regard, we have noted with mounting concern reports regarding Mexico's actions in the anti-dumping investigation regarding high fructose corn syrup (on which USTR has sought consultations in the WTO) and, more recently, U.S. apples. AF&PA is deeply concerned that these actions by SECOFI are not isolated instances but rather may represent a developing trend toward politicization of the anti-dumping process in a manner calculated to roll back the market-opening benefits of NAFTA.

You may recall U.S. paper suppliers were already the target of Mexico's anti-dumping charges in Mexico in 1993-94. In that case, SECOFI arbitrarily used third country sales to calculate the residual dumping rate. Fortunately, the case was ultimately dismissed due to a negative final injury determination. Moreover, ISAC 12 cited the use of anti-dumping procedures against U.S. paper suppliers as a problem to be addressed in our submission for the Administration's NAFTA report.

We understand that USTR will meet with Mexican officials to discuss some of the issues in the apples case in the near future. At that time, we urge you to take an appropriate opportunity to indicate USTR's concern that similar irregularities be avoided in the pending investigation covering cut-size bond paper.

As always, your help with this problem is deeply appreciated.

Sincerely yours,
MAUREEN R. SMITH,
Vice President, International.

THE ROLE OF COMMUNITY HEALTH CENTERS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. RANGEL. Mr. Speaker, I am proud to stand before you today to highlight and honor the work of community health centers [CHC's] and the vital role they play in meeting the unmet health care needs of the less privileged individuals in America.

Tailoring their services to meet the needs of the entire family, CHC's provide a full range of family-oriented, culturally appropriate, preventive and primary care services. Currently, over 3.5 million or approximately 44 percent of the individuals receiving services at CHC's are children from newborn infants to adolescents 19 years of age, including 1 million uninsured children.

Living in economically depressed, underserved communities, these children and their families are at risk for multiple health and social problems. CHC's are the entry point for these vulnerable populations. These centers provide health care services at more than 2,200 sites across the country. Each year, in my home State, New York, more than 60 freestanding CHC's provide comprehensive medical and support services to 1.5 million of the State's poorest residents.

Perhaps the greatest testimony to the importance of CHC's are their attack on spiraling health care costs through constant innovation and its effective use of preventive health care measures. The public/private partnerships formed by these CHC's have been successful at reducing morbidity and mortality among high risk individuals. While infant mortality rates among the black population remains high, the rate has been sharply reduced in health center catchment areas and, more, dramatically, among health center patients. Additionally, CHC's have stepped forward and taken a leadership role in designating cost-effective, culturally competent care for Latinos, Asians, and other hard to reach minority populations.

With the enactment of the welfare reform law, we cannot underscore the importance of these community health centers. Not only do they provide managed care efficiently and competently, CHC's make sure that they respond to the local and cultural needs of their patient populations. In today's new world of measuring the effectiveness of every Federal dollar spent, CHC's stand out as a shining example of Federal investments that pay off in both health and community impact.

Also evident is the economic impact made by CHC's. In many cases, these CHC's have been a major force in reinvigorating entire communities. Not only are jobs created through CHC construction, and the hiring and training of community residents, but partnerships are forged between health centers and local businesses—producing startling effects in many communities.

Finally, let me take this opportunity to thank all community health centers across the country, but especially those centers in the 15th Congressional District in New York which everyday exemplify partnerships of people, governments, and communities working together to meet local health care needs in the most effective and efficient way possible.

EXPRESSING SORROW OF THE HOUSE AT THE DEATH OF HON. WALTER H. CAPPS, REPRESENTATIVE FROM THE STATE OF CALIFORNIA

SPEECH OF

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 29, 1997

Mrs. MALONEY of New York. Mr. Speaker, I rise to share my condolences with the family of WALTER CAPPS—Lois, Lisa, Todd and Laura—and with every Member of this House, because we've all lost a true contributor: A man who legislated from his soul.

We are all left shocked and sorrowful at his death, but there was perhaps no one more prepared for this moment than Walter himself.

Elected officials often suffer from erosion, outside forces chip away at our thoughts, and work to influence our actions. But Walter didn't work from the outside in, he worked from the inside out, his studied philosophies, his moral strength and his writings have left us with an example to follow in our professional lives. His sincerity.

And that twinkle in his eye, have left us with fond memories, to carry home.

HONORING CHRISTINA DRAKE

HON. TIM ROEMER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. ROEMER. Mr. Speaker, I rise today to thank my constituent, Mrs. Christina Drake from Bristol, IN. As a mother of two teenage boys, Mrs. Drake recently wrote a letter to me expressing her concerns about gang violence in her community. I agree with Mrs. Drake that gang violence is a serious problem in America, and I share her concerns as she so thoughtfully expressed in her poem entitled "Gang Violence" which follows:

"GANG VIOLENCE"

Kids in gangs tryin' to rule their domain,
huffin' and puffin' doin' cocaine.
Getting a feel for what is real,
but when reality sets in there's violence again.
Knives and guns, they're in our streets.
Where's the salvation, where's the retreat?
Playin' hard tryin' to win the game,
but in the end it's always the same.
One more found dead tonight,
we're all at war, and it just ain't right!
Hangin' out trying to fit in,
getting even for them killing my friend.
This time I got lucky, they missed me,
Who is next, which one will it be?
Can't you see this has all got to stop?!
It might be you, the next one to drop.
So think about what you say, and do.
Keep your head, stay in school.
There's a better way to take a stand—
work it out, live again!
If your friend was your friend,
he wouldn't push you to the limit.
Stay away, and don't get in it.
You see crime is time, and sometime it's life.
Don't let your's be the sacrifice!

TRIBUTE TO JULIO V. SANTIAGO

HON. JAMES M. TALENT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. TALENT. Mr. Speaker, I rise today to pay tribute to an outstanding humanitarian, physician, teacher and scientist, Dr. Julio V. Santiago, who tragically passed away on August 10, 1997. It is an honor for me to recognize this outstanding individual, not only for his numerous professional accomplishments, but for the passion he gave to his research and patients.

Dr. Santiago was a professor of pediatrics and medicine at Washington University School of Medicine in St. Louis, and a member of the medical staffs of St. Louis Children's and Barnes-Jewish Hospitals. At Washington University, he served as director of the Division of Pediatrics Endocrinology and Metabolism and of the Diabetes Research and Training Center. He served among the leadership of the landmark Diabetes Control and Complication Trial and the ongoing Diabetes Prevention Program. Dr. Santiago was a respected researcher at developing methods for improving the management of diabetes. He served as editor of a national scientific journal, "Diabetes," as well as serving as a volunteer for the American Diabetes Association. His expertise has benefited numerous organizations and agencies, including the National Institute of Health, the Food and Drug Administration, and the U.S. Congress.

One of his colleagues, Dr. Neil White, stated, "He was an outstanding teacher and mentor and role model for all who knew him." Yet another, Dr. Sheridan Tollefsen, stated, "His life was exemplified by his boundless enthusiasm, warmth and generosity, his avid interest of sports and the outdoors, and his tireless efforts to help others."

Mr. Speaker, I ask that you join his family, his colleagues, Washington University, the residents of Missouri's Second District and me, in paying tribute to the life of Dr. Julio V. Santiago. His leadership and compassion will stand not only as an example for other physicians to follow, but for every one of us.

TRIBUTE TO LUCILLE WILLIAMS

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. SERRANO. Mr. Speaker, I rise today to pay tribute to Ms. Lucille Williams for her tireless service to those who are less fortunate in our community. She is a founding member of the Mid Bronx Desperadoes, which celebrated its 22 years of service to our Bronx community last week.

Born in Learned, MS in 1922, Ms. Williams is the oldest of 14 children. She attended Cambellville Elementary School and Yazoo City High School before starting a family and moving to Detroit in the mid-forties. After she moved to Harlem in 1952, she worked for the Frederick Douglas Democratic Club. In 1962, she moved to the Bronx and became vice president of the Parents Teachers' Association [PTA] at the CS 61 then vice president and president of Herman Ridder's PTA.

In 1974, under her leadership, a group of volunteers who understood the need to revitalize the Crotona Park East section of Bronx Community District 3 that was devastated by arson, disinvestment, abandonment, and population loss, founded the Mid Bronx Desperadoes [MBD].

Throughout its 22 years of service, MBD has been a model of excellence in providing our community with exemplary services through housing development and property management, economic development, and delivery of human services.

Through her years of service, Ms. Williams was involved in several other agencies. She was a founding member of Seabury Better Block Association, board member of Seabury Day Care, and active in other projects before she returned to school for her college degree. Now a senior citizen, she is a member of the Comprehensive Community Revitalization Program [CCRP] and MBD's Concerned Citizens Group.

Ms. Williams is the mother of 5 children and has 12 grandchildren and 9 great-grandchildren.

Mr. Speaker, I ask my colleagues to join me in recognizing Ms. Lucille Williams for her outstanding achievements and enduring commitment to our Bronx community.

UNDERMINING THE UNITED STATES EMBARGO OF CUBA

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. HAMILTON. Mr. Speaker, I commend to my colleagues' attention the attached article by Ernest Preeg, which was published in the Journal of Commerce several days ago. The article points out that, according to a new United Nations Study, United States citizens sent relatives and friends in Cuba approximately $800 million in cash during 1996—a sum nearly twice as large as Cuba's net export earnings from its annual sugar harvest. Under current regulations, American citizens may legally send cash to Cuba only after first obtaining a very specific license from the Treasury Department. Rarely, if ever, has any American applied for such a license. The fact that so many private American citizens are moved by kinship or generosity to provide cash assistance to economically disadvantaged Cubans, in violation of the United States embargo and United States law, suggests that many Americans with ties to Cuba themselves reject one of the embargo's fundamental rationales: that it is both appropriate and necessary to apply economic pressure to promote political change in Cuba. This suggests that it is time to pursue a new United States policy toward Cuba, a policy in which both private United States citizens and the United States Government are able legally and openly to aid the Cuban people.

[From the Journal of Commerce]

HAVANA AND HELMS-BURTON

(By Ernest H. Preeg)

The U.S. embargo against Cuba, extended to third-country Cuban investors through the 1996 Helms-Burton Act, enjoys strong support among most Cuban-Americans, the three Cuban-American members of Congress and the well-organized Cuban American National Foundation.

However, Cuban-American attitudes are in deep conflict. While most strongly support the embargo, including Helms-Burton, increasingly large remittance flows are sent to Cuban friends and relatives, effectively undermining economic restrictions.

The extent of this contradiction—and its impact on U.S. Cuba policy—is underscored by a startling U.N. Economic Commission on Latin America and the Caribbean report. Eclac found sharply rising remittances to Cuba in 1995 and 1996, even as Congress enacted Helms-Burton, more than reversed the law's limited success at discouraging third-country investors.

Virtually all Cuban-Americans, and many others, oppose the Castro communist regime and want democracy quickly restored in Havana. Yet Cuban-Americans also understand that economic sanctions' poor track record forcing political change on authoritarian governments—some even step up repression in response—and the tool's disproportionate impact on the poor.

The dilemma did not exist before 1990 because huge Soviet subsidies—$6 billion annually in the late 1980s—ensured decent Cuban living conditions despite the U.S. embargo. After Russia's abrupt 1990 aid cutoff, however, Cuban shortages of food, medicine and other goods mounted, worsened by Helms-Burton.

Cuban-Americans responded by stepping up remittances, helped greatly in 1993 when Havana embraced U.S. dollar usage and opened dollar-only stores. The forthcoming Eclac report suggests remittances grew to approximately $800 million in 1996 from under $100 million in 1990, despite strict U.S. Treasury limits—before counting direct shipments of clothing and consumer goods.

The role these remittances play in undermining the U.S. embargo is best seen in a comparison with other dollar sources. Cuba's 1996 tourist receipts were $1.4 billion, sugar exports $1 billion, other exports under $1 billion and much-touted foreign investment inflows about $100 million to $200 million. Exact investment figures are secret.

But the comparative figures are gross dollar receipts, which don't reflect high offsetting imports. Cuban hotels buy most food and other goods abroad, for instance, while the sugar industry imports fertilizer, oil, machinery and parts to service refineries. Tourism's net inflow, accordingly, is as low as 30% of the gross—an estimated $400 million in 1996—while sugar's is about 50%, or $500 million. With remittances, in contrast, virtually all $800 million remains in Cuba.

In 1996, therefore, the $800 million remittances nearly equaled the net contribution from sugar exports and tourism combined. Applying the same calculations more broadly, about one-third of Cuba's entire net dollar inflow is from remittances.

The money is sent, of course, to help individual Cuban relatives and friends. Yet in aggregate, it offsets the embargo's financial squeeze and helps Havana keep the economy afloat despite failed central planning policies. While the remittances go directly to Cuban people, their help paying for food and other basic needs leaves the government with $800 million more to spend on other priorities.

This fundamental difference between what Cuban-Americans say and do regarding the U.S. embargo deserves broader discussion, given the new Eclac figures. Helms-Burton's extra-territorial provisions create tension between Washington and its trading partners, particularly within the World Trade Organization. If Cuban-Americans press for strict adherence to the act's terms while undermining it through large and apparently illegal remittances, the embargo policy is deeply flawed.

A review is particularly timely given the pope's planned Cuba visit next January. The Catholic Church has consistently opposed economic sanctions throughout the world, given their undue impact on the poor. Pope John Paul may be anti-communist, but he is opposed to the U.S. embargo. The church's strategy for social and political change in Cuba, as elsewhere, is longer term.

During his visit, the pope hopes to obtain enhanced "working space" for the church, particularly a church radio station in Cuba—although Castro is unlikely to agree to that request. In the words of one Catholic priest: "When Fidel is gone, and the revolution is gone, the church will still be."

The Catholic Church has long dedicated itself to helping the poor and disadvantaged. It has opposed the U.S. embargo and extended food and medical shipments to Cubans through Caritas, its humanitarian agency. Several million dollars in Cuban Caritas aid, however, pales beside the $800 million in Cuban-American remittances. In this respect, Cuban-Americans are more Catholic than the Pope.

IN SUPPORT OF HONDURAN APPAREL INITIATIVES

HON. EARL F. HILLIARD

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. HILLIARD. Mr. Speaker, I would like to bring to your attention a recently published article by the Council on Hemispheric Affairs [COHA]. The article is entitled: "Scandal-Ridden Honduran Apparel Industry Seeks New Image." It appeared in COHA's biweekly edition of Washington Report on the Hemisphere on August 15, 1997.

The article brings to light the efforts of the Honduras Apparel Manufacturers Association to establish an industrywide code of conduct as a constructive, proactive mechanism to prevent future labor relations problems. The aforenamed association is a nonprofit and nonpolitical organization from the private sector, created to promote and develop exports of apparel goods, and to serve its associates and represent them before public and private institutions, both nationally and internationally. Membership is mandatory under Honduran law for all exporting companies. This new code was approved by the association's board of directors in late July, at an industrywide meeting.

Mr. Speaker, you will recall that the COHA is a locally based think-tank policy institution. It is well established for its views on developments in Latin America. COHA monitors human rights, trade, growth of democratic institutions, freedom of the press, and hemispheric economic and political developments. I would like to place in the RECORD the full text of this article.

SCANDAL-RIDDEN HONDURAN APPAREL INDUSTRY SEEKS NEW IMAGE—EMBITTERED INDUSTRY MANUFACTURES ITS OWN CODE OF CONDUCT

As major media revelations on child labor and sweatshop abuses in Honduras surfaced, deeply embarrassed local business interests, foreign firms operating in the country, and government authorities became increasingly concerned about the bad PR as much as conditions under which garments were being made there. At the end of July, the embattled Honduran Apparel Manufacturers Association (AHM) organized its first congress in San Pedro Sula in order to design a binding code of conduct for their industry. The AHM is a non-profit, non-political private sector organization established in 1991 to promote Honduras' exports of apparel goods and to serve as a foreign and domestic voice for the booming garments assembly industry. The sector consists of 180 plants, employing 87,000 workers. But its impact is far greater than it appears because in a country of approximately 5 million people, the industry accounts not only for its own workers and their almost 400,000 dependents, but for nearly 600,000 other Honduran laborers and their families in such related industries as shipping and packaging.

By drafting its own self-enforcing code of conduct, "the AHM hopes to preempt any outside intervention that could lead to regulations mandated from above." This meeting of the Honduran maquiladoreas was focused on addressing international humanitarian concerns such as harsh work site conditions and widespread labor abuses raised when the Kathy Lee Gifford scandal broke last year.

WORKING CONDITIONS IN THE FACTORY

In June 1996, Charles Kernaghan, the executive director of the National Labor Committee, submitted a complaint to the House International Operations and Human Rights Subcommittee accusing Honduran apparel manufacturers and Kathy Lee Gifford associate, Global Fashion (a South Korean-managed firm), of labor abuses. The foreign company was accused of employing approximately 100 minors under deplorable work conditions, which included prohibiting the use of restrooms, mandating that female employees take birth control pills, and forcing pregnant women to stand while working in unbearable heat. But, inspections of the company's facilities conducted by the Honduran Department of Labor and Social Security as well as the Episcopal Church, among others, failed to establish hard evidence of endemic abuse. However, the company did acknowledge that overtime work was compulsory and that there was a high employee turnover rate. In fact, Global Fashion may have been better than most of the tainted industry.

The government insists that its labor laws have been designed to protect its citizens. Under the most recent labor legislation, employees working 44 hours per week are entitled to 50 hours worth of wages, which adds up to 14 months of pay per year. While the official minimum wage in the country is $0.31/hr., most apparel industry laborers earn as much as $0.86/hr. Education is mandatory through grade six, and minors who are 14 or 15 years of age may work up to 36 hours per week, but only with permission from parents or legal guardians and from the Ministry of Labor. The AHM claims that "there are no minors under the age of 14 working in Honduran assembly plants." Skeptics are not so sure.

OBSTACLES TO THE CODE

Although the AHM's code of conduct now appears to be based on a real desire for progressive reforms, there are many cultural and political roadblocks to its progress. The Korean-owned segment of the industry creates a large culture gap that has resulted in many worker complaints. Approximately 18 percent of AHM's members are South Koreans who own about one-fifth of the 200 maquiladoras operating in the country. Complaints that Korean managers frequently commit verbal, physical and sexual abuse against female workers have led us to a expulsion of several Korean managers from the country. Due to the hard-line Korean business ethic that stresses "the more you work the more you earn" strategy, the AHM has had to provide Korean maquila mangers with special seminars on Honduran labor laws and appropriate workplace conduct.

Another obstacle hindering the efficacy of the new code of conduct is the omnipresent political corruption existing in the country. The recent scandal involving Chiquita Brand International executives and the deeply flawed Honduran court system demonstrates how the integrity of the judiciary can be compromised and manipulated by powerful and unethical foreign corporations. Complicating the AHM's task is the claim that some of the 33 plants that are unionized have tainted labor leaders who routinely demand payoffs. According to Arnoldo Solis, President of the AHM, "the new code of ethics will be a healthy instrument if used properly to enhance protection of human and labor rights, but could become dangerous if used as a political instrument to 'deteriorate' the industry."

DESIGNATE THE RICHARD C. LEE COURTHOUSE

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Ms. DeLAURO. Mr. Speaker, today I introduced a bill to designate the U.S. courthouse in my hometown of New Haven, CT, as the "Richard C. Lee United States Courthouse." I am pleased to take this opportunity to speak of the dedication and service that my friend and colleague, Richard Lee, has given the city of New Haven throughout his life. Richard Lee epitomizes all that a mayor should be. He is a local boy, a family man, a dedicated and hard-working person, and most of all a friend to everyone. He is truly a model mayor for this century.

After serving his tour of military duty, Dick Lee returned to New Haven to begin a lifetime of service to his beloved city. During four terms as an alderman, Dick Lee was committed to urban redesign at a time when most cities had not yet considered such ideas. When Lee first ran for mayor in 1949 he had the foresight to recognize the need for urban renewal. He was elected mayor in 1953 and then went on to serve eight terms.

Those of us from New Haven know Richard Lee for his profound influence on the city, but he is well known for his signal impact on national urban policy. Lee fought for and won

Federal funding for important city renewal projects. Under Lee's aegis New Haven came to have three times more Federal funds per capita than any other city. Both Presidents Kennedy and Johnson courted Lee's insight and innovation on urban renewal. Lee's forward thinking ideas on city planning were the first version of the War on Poverty.

When the signs of an urban upheaval were noted by President Johnson, Richard Lee's connection to the heartbeat of cities was well acknowledged. The new Federal Department of Housing and Urban Development was created and Lee was offered a prestigious Federal post—which he declined because he wanted to continue his service to the city of New Haven.

Anticipating the coming storm embodied in the civil rights movement, Lee applied for and received $2.5 million from the Ford Foundation to combat urban unemployment and poverty. In addition, he received the first Federal grant to battle juvenile delinquency. When the urban tensions of the civil rights movement came to a head with rioting across the Nation, New Haven was spared the violence which shook other American cities. In New Haven, not one shot was fired by a policeman and not a single citizen was seriously harmed.

Under Lee's direction, the city of New Haven became one enormous renewal effort. Every neighborhood and school was involved in Dick Lee's programs and projects, and citizens of New Haven are still reaping the benefits today. The restoration of Wooster Square and the engineering buildup of Long Wharf are both credited to Dick Lee. The Knights of Columbus building and the Veterans coliseum were also projects of Lee's doing.

While Dick Lee is known for his many achievements, projects, and programs, he is also known by the people of New Haven for his commitment to the average citizen, his community involvement, and his accessibility. For Dick there was no higher service than the office of mayor of New Haven. Time and again he rejected offers of higher government positions. He felt the best way to serve the city and the people was in the mayor's office.

In 1980 Richard Lee was presented with the Distinguished Service Award for his advocacy on behalf of America's cities by the U.S. Conference of Mayors. The country is thankful to this man who has brought so much to America's cities. Most importantly, the people of New Haven are blessed with the presence of this hometown boy who came to the position of mayor and changed the face of the city.

As a citizen of New Haven, I am grateful that I have had the opportunity to know and learn from this remarkable man. The Richard C. Lee U.S. Courthouse will be a lasting tribute to a man who was truly one of the most dedicated and effective mayors of this century.

PRIEST IS KILLED IN INDIA

HON. PETER T. KING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. KING. Mr. Speaker, I rise today to bring to the attention of the House that this past Tuesday a Catholic priest was found beheaded in Bihar, India, apparently for simply helping Untouchables. I not only deplore this tragedy but urge the Government of India to rectify this situation and end the persecution of religious minorities.

I submit for the RECORD two news articles describing this horrible crime and the persecution of Christians by Indian police.

[From the New York Times, Oct. 30, 1997]

3D PRIEST IS KILLED IN INDIA

NEW DELHI, Oct. 29 (AP)—A Catholic priest was found beheaded in a forest in northern India, apparently killed for helping untouchables, colleagues said today.

A search party from the Australian-run mission that employed the priest, the Rev. A.T. Thomas, found his body Monday near Sirka, Bihar, three days after he was abducted.

He was the third Catholic clergyman killed in two years in Bihar, where caste-based gang wars have killed hundreds of people.

Father Thomas, an Indian, had established 15 schools and health projects for untouchables.

[From the Tribune, Oct. 27, 1997]

DSP HURT IN BRICKBATTING

Ludhiana, October 26.—The police opened fire in the air and resorted to a lathi charge to disperse an agitated mob of Christians last night and as many as 19 policemen, including a DSP and nine Christians were injured in the brickbatting and lathi charge. Two vehicles were also damaged. The Christians had started a five-day programme on "Jesus Christ is the answer" festival from October 22 to October 26 on the Chandigarh Road. They claimed that they were holding their prayers and thousands of Christians were participating in the same. On the other hand BJP activists of the Shiv Sena and the Bajrang Dal objected to the holding of the festival alleging that the Christians were resorting to conversions and indulging in "magical healing." The administration on the first day withdrew permission to hold the festival but on the assurance that no magical healing would be done and no conversions would take place, it relented. However, groups opposed to the holding of the festival continued their protest dharna near the venue of the festival. The police had made elaborate security arrangements. According to a spokesperson for the Christians, the district administration yesterday forced them to wind up the festival as tension was brewing up in the town. He said that on October 22 an attempt was made to set the venue on fire and electric lights were damaged. But the administration did not take any action against the rioters. He said as the announcement for the cancellation of the festival was made the youngster started a dharna on the Chandigah Road. The police lathicharged them and chased them to the CMC Chowk where other Christians had collected in protest against the cancellation of the festival. The spokesman said a deputation of the Christians had also met the Chief Minister, Mr. Parkash Singh Badal, at a village in Muktsar district two days ago and apprised him of the situation. The SSP, Mr. Dinkar Gupta, said as many as 19 policemen were injured in the brickbatting. He said the police force was outnumbered at the CMC Chowk and had to resort to a lathi charge and open fire in the air to protect themselves.

BREAST CANCER AWARENESS MONTH

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mrs. McCARTHY of New York. Mr. Speaker, I rise this evening in support of Breast Cancer Awareness Month. We are facing a national epidemic. Breast cancer is the leading cause of death for women between the ages of 35 and 52. Approximately 1 in 9 women in the United States will develop breast cancer. Every 3 minutes a woman is diagnosed with breast cancer and every 12 minutes a woman will die of breast cancer. Our mothers, sisters, daughters and friends deserve better. We must find a cure for this disease.

In order to find a cure, scientists need to better understand this multi-factorial disease. While important discoveries have been made like the breast cancer gene which accounts for 10% of breast cancer cases, there is still a great deal more to learn. One factor particularly significant on Long Island is the appearance of clusters, high incidence of breast cancer in one geographic area. On Long Island, 110 out of every 100,000 women will be diagnosed with breast cancer compared to 100 out of every 100,000 women in New York State.

Scientists suspect that breast cancer clusters are linked with toxins and other chemical substances present in the environment. In 1993, Congress authorized the National Institute of Health to conduct the Long Island Breast Cancer Study (LIBSCP). This project brings together scientists and breast cancer patients for a comprehensive study to explore the possible connection between environmental toxins and breast cancer.

Until we find a cure for breast cancer, we must increase our efforts for diagnosis and treatment. Regular mammography screening is vital for early detection of the disease and all women 40 years old or older should receive an annual mammogram. Last week, I had the opportunity to visit a Mobile Breast Cancer Unit that provides mammograms for underserved women in my district and I was impressed with the number of women who visited the unit in one afternoon. This kind of outreach is the best way to target women in all communities for early detection.

For the one women of nine diagnosed with breast cancer, quality medical care is essential. This year, Congress introduced several pieces of legislation to assist breast cancer patients, such as minimum stay requirements for mastectomies, mandatory insurance coverage of second opinions and reconstructive surgery. Today, early detection together with quality treatment is the best way to cope with this disease.

Breast Cancer Awareness Month is an opportunity to educate women about breast cancer and to promote awareness, research and quality treatment in the United States. I look forward to the day when we have a cure and this month is no longer necessary.

TRIBUTE TO WALSH COLLEGE

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. LEVIN. Mr. Speaker, I rise to congratulate Walsh College on celebrating 75 years of leadership in exemplary business education. Walsh's history is firmly implanted in the success of Michigan business; from the early years of the auto industry to the development of high-technology businesses today.

Walsh College started as a small accounting institute in Detroit and became an upper-division college in 1968. Seizing the opportunity to partner with area community colleges, Walsh developed the successful 2 &plus; 2 program. With just 151 bachelor-degree-seeking students in 1970, Walsh College has expanded to 4 campuses and grown to over 3,300 students currently pursuing bachelor and master degrees in business.

It is with pride that Walsh College acknowledges the 11,000 Walsh alumni who have played a vital role in the growth of Michigan's economy. Over 90 percent of their alumni live and work in southeastern Michigan directly contributing to the progress of the region.

Mr. Speaker, I ask my colleagues to join me in congratulating the entire college, the president, David Spencer, the administration, faculty, students, and alumni who have each played a vital role in Walsh's success over these past 75 years.

CAMPAIGN FINANCE REFORM

HON. RON KIND

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. KIND. Mr. Speaker, another day has gone by and still no campaign finance reform. While the House of Representatives refuses to take action on this important issue, the tales of abuses of the system continue to come to our attention.

In yesterday's paper I read, with interest, more documented abuses of the campaign finance system. The abuses include ambassadorships for sale, hush money from foreign businessmen, shakedowns of people with issues before the President, all being coordinated from the Oval Office. These revelations are new to the public, but they are not new abuses. These activities occurred over 26 years ago, during the administration of President Richard Nixon, the poster child for campaign finance reform.

Following the revelations of the illegal activities by the Nixon White House, Congress passed campaign finance reform. Those reforms haven't been changed or updated since that time. Today we see the result of our failure to update and strengthen the campaign finance rules. Parties, candidates, and special interest groups have discovered loopholes in the law and have devised schemes to operate outside of public view.

Mr. Speaker, it is time we change the rules and strengthen the requirements under which campaigns are run. If we do not take action now the abuses will continue. Failure to act will continue the undermining of America's confidence in our democracy that began after the Nixon Watergate scandal.

It is time to vote on campaign finance reform, I refuse to take "no" for an answer.

IN HONOR OF MR. ROY O. CARROLL, JR., ON HIS RETIREMENT FROM THE CHICAGO FIRE DEPARTMENT

HON. JESSE L. JACKSON, JR.

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. JACKSON of Illinois. Mr. Speaker, I rise today to honor a dedicated public servant, and my constituent, Mr. Roy O. Carroll, Jr., in his first year of retirement from the Chicago Fire Department after 35 years of committed service to our great city. In 1962, when Mr. Carroll began his career with the department, 150 African-Americans served on a force of 5,400 in segregated firehouses, and in segregated neighborhoods. The overcrowded and inferior living conditions suffered by African-Americans at that time created a dangerous atmosphere which was rife with the potential for fires and emergencies. As a result, the black fire engines, numbered 16, 45, 19, and 48, were the busiest companies in the city, and perhaps in the world, averaging from 3,700 to 4,500 runs per year.

In 1980, Mr. Carroll joined my father, the Reverend Jesse L. Jackson, Sr., in a successful effort to settle a month-long firefighters' strike. In 1982, he was promoted to the position of lieutenant, and in 1991, Mr. Carroll was again promoted to lead the force as captain. Additionally, during the period from 1991 to 1996, he served as assistant bureau commander of the West Side Fire Prevention Bureau. After this impressive tenure of committed public service, Mr. Carroll retired from the department on November 15, 1996.

Mr. Carroll's commitment to his community, his Nation, and the world extended well beyond his career with the Chicago Fire Department. He served his country honorably in the Korean conflict, and continued his service to the Nation upon his return. Closer to home, as chairman of the 111th Street Business Association, member of the Morgan Park Community Roots Organization, founding member of the Umoja Business Alliance, and senior vice commander of the Captain John Daniels VFW Post No. 111 in Chicago, and as griot of the Safari Marketplace empowerment group of manufacturers, designers, and distributors, Mr. Carroll has brought to task his leadership skills.

Mr. Carroll, a loyal husband, father of three and grandfather of three, deserves our most humble commendation. Mr. Speaker, our city, our Nation, and, indeed, the world community owe him a debt of gratitude for his valuable contributions and public service.

75TH ANNIVERSARY OF THE RESERVE OFFICERS ASSOCIATION

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. SKELTON. Mr. Speaker, in the analysis that followed World War I, it was clear to many American military experts that we suffered unacceptably high casualties due in no small part to the lack of a well-trained reserve force. With this in mind, Congress enacted the National Defense Act of 1920 which created, among other things, a 200,000-member Officers Reserve Corps.

On October 2, 1922, the Reserve Officers Association of the United States was organized at the suggestion of General of the Army, John J. Pershing. General Pershing charged the ROA with the responsibility to recruit the corps, develop public support for it, and petition Congress to appropriate adequate funds to train these citizen service members. One of my State's most prominent citizens, President Harry S Truman, a junior officer during World War I, was an original, charter organizer of the ROA. In the 75 years since its founding the ROA has more than met the challenges given to it by General Pershing.

At the beginning of World War II, 115,000 members of the Reserve Officers Corps were trained and available for instant service, helping us avoid the hectic days of 1917, when there was no adequate reservoir of officers to draw upon. Since that time, reservists have been involved in all of our conflicts, including the 267,000 that were recalled for Operations Desert Shield and Desert Storm, and the 14,000 that have served in IFOR and SFOR in Bosnia and Herzegovina.

Throughout all of these years, the ROA has been active—supporting initiatives to strengthen our Nation's military, and opposing efforts to undermine America's preparedness. It has helped stop dangerous and ill-advised cuts in our Nation's reserve forces. It has fought for and won improvements in the pay and benefits of all of our Armed Forces—measures which have been vital to us in recruiting and retaining a quality force.

Today, the ROA is a strong, vibrant, and well-respected association of 90,000 members, 68 percent of whom are life members. It is an organization whose integrity and credibility meet the highest standards. Because of my deep respect for the ROA and its work, I was deeply honored to receive its Minute Man of the Year Award in 1995.

Mr. Speaker, I know that all of our colleagues in the House will join me in congratulating the Reserve Officers Association of the United States on its 75th anniversary, and in wishing it all the best in its future endeavors.

HONORING UCSF STANFORD HEALTH CARE

HON. ANNA G. ESHOO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Ms. ESHOO. Mr. Speaker, I rise today to salute the farsighted, courageous leadership of the regents of the University of California and the board of trustees of Stanford University for approving the merger of UCSF Medical Center and Stanford Health Services. UCSF Medical Center includes Mt. Zion Hospital, while Stanford Health Services is comprised of Stanford University Hospital and Lucile Salter Packard Children's Hospital. The new organization resulting from this merger shall be known as UCSF Stanford Health Care.

UCSF and Stanford Health Services, both recently named among the top 10 medical centers in the United States, have well earned reputations as extraordinary institutions that educate new physicians, engage in life saving research, and provide exemplary care to their communities. Lucile Salter Packard Children's Hospital is widely heralded for its advocacy of children's health and has a distinguished national record of expert and compassionate care for children. Mt. Zion Hospital, which became part of UCSF in 1987, has a rich tradition of providing high quality care to San Francisco families. Together, these organizations provide care to more than 1 million individuals each year. The combined entity has pledged to continue its commitment to those who need its services, including the indigent and those with special needs.

The employees of UCSF, Stanford Health Services, Lucile Packard Children's Hospital, and Mt. Zion Hospital bring with them a tradition of maintaining high standards for patient care and an ability to put a vast array of new technologies into service with dizzying frequency. Their ceaseless commitment to providing the finest service to those entrusted to their care will enable the new entity to continue as a leader in the healing arts.

Mr. Speaker, this ground breaking merger is very important to the people of our region and our Nation and will make UCSF Stanford Health Care a peerless resource for advanced medical treatment. I ask my colleagues to join me in congratulating all those who took part in the creation of UCSF Stanford Health Care and wish them our best in this new endeavor.

DOMESTIC VIOLENCE AWARENESS MONTH

HON. ELIZABETH FURSE

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Ms. FURSE. Mr. Speaker, October is Domestic Violence Awareness Month. Domestic violence is a subject that we must give greater attention. In this country, 42 percent of murdered women are killed by their intimate male partners. I find that shocking—of 100 women killed, in almost half the cases, the murderer is the woman's boyfriend, ex-boyfriend, husband, or ex-husband.

The importance of violence against women as a national problem was acknowledged by Congress in our 1994 passage of the Violence Against Women Act as part of the crime bill that year.

Soon after I was elected to Congress in 1992, I met with a group of advocates working to prevent domestic violence in Portland. They asked me to develop a community-based approach to domestic violence prevention. Along with Senator Hatfield, I introduced legislation in 1993 which was included in the Violence Against Women Act and the crime bill.

Because the problem of domestic violence is pervasive, only a coordinated approach which integrates the unique perspectives and assets of these interrelated sectors of society can produce truly effective solutions. Local domestic violence organizations often lack coordination with similar groups in their community. My legislation included a provision to improve and expand existing intervention and prevention strategies through increased communication.

My legislation enabled funding for community programs on domestic violence. These grants are being awarded in local communities in order to develop coordinated community plans for intervention in and prevention of domestic violence. These projects involve such sectors as health care providers, the education community, the religious community, the justice system, domestic violence program advocates, human service entities, and business and civic leaders.

The National Research Council published a report last year called *Understanding Violence Against Women* which said: "[these coordinated community] projects had a significant impact on increasing the levels of arrests for battering, convictions, and court mandates to treatment * * * Arrests prior to the coordinated effort increased repeat violence, while police action, particularly arrest, in coordination with other criminal justice efforts deterred further violence."

These community programs were funded at $6 million each year in 1995 and 1996. Six million dollars is included in both the House and Senate versions of this year's Labor/HHS appropriations bill for coordinated community initiatives.

Much of the funding in the Senate bill comes from the violent crime reduction trust fund rather than by further extending the Centers for Disease Control's base budget, which is already stretched thin. Several of my colleagues have joined me in sending a letter to House conferees urging them to recede to the Senate position.

Mr. Speaker, the fundamental nature of violence against women remains unexplored and often misunderstood. We must increase our knowledge so that we can ameliorate this national problem.

A NATIONAL SYMBOL FOR GERMAN-AMERICANS

HON. DAVID MINGE

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. MINGE. Mr. Speaker, this summer I was honored to be part of a glorious event for German-Americans, the Hermann Monument Centennial in New Ulm, MN. The 100-year dedication drew thousands of Americans with German ancestry to a parade and several festivals at the site of the Hermann Monument, a statue of a celebrated German hero.

The Hermann Monument stands at a crest of a hill overlooking the city of New Ulm. To the thousands of residents in the heavily German-American New Ulm area, the monument symbolizes the importance of German ancestry. To German-Americans scattered across the country, the Hermann Monument represents unity of the German people.

The formation of a united Germany began in 9 A.D. when Arminius, or Hermann, defeated three Roman Legions who had invaded the area known today as Germany. His victory laid the foundation for German identity. Hermann went on to symbolize German unity and the hard work and perseverance it took to attain that goal.

Centuries later in America, Hermann signified the struggle of the German immigrant coming to America. To Germans who came to this new country, Hermann stood for pride in having made it to America, and in having established opportunity for the future. Hermann was recast as a German-American symbol, representing the essence of the German-American experience.

German-Americans are an integral part of the culture and history of our Nation. There are more than 57.9 million individuals of German heritage residing in the United States, representing nearly 25 percent of the population. German-Americans surpass all other ancestries as the largest ethnic group in the United States.

Currently, we do not have a national symbol of the German heritage. The Hermann Monument celebrates the unity of German-Americans throughout our Nation. Consecrating a monument to this great leader, and manifesting it as a national symbol for German ancestry, emphasizes the importance of recognizing the contributions German-Americans have made to our country. This monument, visited by thousands of Americans of German ancestry, and revered by German history scholars, should be a national symbol for the contributions of German-Americans.

It is with the goal of recognizing the German-American experience that I have introduced a concurrent resolution that designates the Hermann Monument as a National German-American Monument and a symbol of pride for Americans of German heritage. The bill will recognize the Hermann Monument as a sight of special historical significance.

Scattered across the country in small towns as well as large cities, German-Americans are separated by regions of the country, but deeply united in ancestry. It is our duty to recognize the importance of the history and culture of German-Americans who have helped to mold our great Nation. This monument, representing unity of a great people and celebrating the experience of a unique culture, is but a small token of the contributions made by German-Americans to our great Nation.

SUPPORT STANDARDS OF EXCELLENCE IN EDUCATION

HON. BOB ETHERIDGE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. ETHERIDGE. Mr. Speaker, I rise today to announce the introduction of my resolution in support of voluntary educational standards of excellence. I urge my colleagues to join the 23 original cosponsors and myself in support of this important measure.

This simple, straightforward resolution is a commonsense approach to improving education in this country. The American people strongly support educational standards of excellence so parents, teachers, students, and taxpayers will have the advantage of quality public schools. This Congress must go on record in support of high education standards.

As the former two-term, elected superintendent of North Carolina's Department of Public Instruction, I know firsthand that aiming high and providing our teachers and students the tools they need to get the job done is the proven way to improve academic achievement. America needs educational standards of excellence, and the House must pass this important resolution.

Mr. Speaker, my resolution is strongly supported by the Council of Chief State School Officers, the American Legion, and other groups dedicated to providing a quality education to each and every child in this Nation. Our country's commitment to public education has been the great equalizer in this society. We must pass this resolution to strengthen and improve our public schools.

I have worked with the administration in developing this resolution, and it can be supported by both Republican and Democratic Members of this House.

Mr. Speaker, nothing is more important than our children. I urge my colleagues to join me in support of this important resolution to encourage education standards of excellence for every school in America.

FORAGE IMPROVEMENT ACT OF 1997

SPEECH OF

HON. HELEN CHENOWETH

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 30, 1997

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2493) to establish a mechanism by which the Secretary of Agriculture and the Secretary of the Interior can provide for uniform management of livestock grazing on Federal lands.

Mrs. CHENOWETH. Mr. Chairman, I rise in support of H.R. 2493, as amended by the manager's amendment and its second degree amendment. As originally written, I had grave concern over H.R. 2493's impact to the private property use and preference rights that spring from the Taylor Grazing Act. But after extensive discussions with Agriculture Chairman BOB SMITH and Ranking Member STENHOLM, my concerns have been addressed and I am pleased to support the measure. I wish to thank Chairman SMITH for his stalwart leadership. It is not easy to bring so many divergent views together and reach agreement. No one worked harder than he, and I appreciate him.

Mr. Chairman, the second degree amendment to the manager's amendment that I worked out with Chairman SMITH was quite simple. It merely deleted the definitions of "allotment" and "base property," and deleted a paragraph about lease transfers. It was my concern that these definitions threatened the rights found in the Taylor Grazing Act, and that the lease transfer language could allow the Secretary concerned to separate the Taylor's preference right from the base property. I wanted to ensure that when an individual sells or leases his or her ranch, that the grazing preference for the allotments go with it. The amendment merely leaves the current law in place, and I am unaware of anyone having concerns with the current definitions. However, I do realize that the current lease transfer regulations on Forest Service land cause problems. But I was concerned that we were agreeing to bad language. I would rather pass no law than bad law.

To understand my position, one must understand the history of how the Western United States was settled and the history of the development of the use right inherent in the grazing preference.

The arid grazing lands of the Western States were settled by hardy persons who endured severe hardships in developing ranching operations where there was water to support those operations. You must understand, much of this country gets less than 10 inches of rain fall per year. There is less forage, and it therefore takes a whole lot more land to raise cattle. These individuals established base properties, but had to depend upon the massive Federal lands for forage to support a viable livestock herd. They developed use rights, such as rights of way across the Federal lands, which were recognized by Congress in 1866 when it passed R.S. 2477.

Major John Wesley Powell, Chief of the U.S. Geological Survey issued a report entitled 'Report on the Arid Lands of the United States," which led to the passage of the act for the Relief of Settlers on the Public Lands, May 14, 1880. That act recognized the act of settlement itself as initiating and maintaining the settler's property rights. The report pointed out that nearly all the land in the West was primarily suited to livestock grazing and had been settled on as ranches. After passage of that act, settlement itself was sufficient to put other settlers on notice that the land had already been appropriated to private forage use.

The rights of the settlers to use of these Western grazing lands were confirmed and ratified by a series of congressional actions such as the act of August 30, 1890 as amended by the act of March 3, 1891, the act of January 13, 1897, the act of June 4, 1897, the act of June 11, 1906, the acts of March 4 and September 30, 1913, the Stock-Raising Homestead Act of 1916, which authorized homesteading of those lands designated as "chiefly valuable for grazing and raising forage crops," and several other acts leading up to passage of the Taylor Grazing Act in 1934. Each of the confirming and ratifying acts provided that all preexisting rights be protected.

As we all know, when Congress passes a validating or confirmatory statute, the legal title passes as completely as if a patent were issued, and the power left to the United States is the power to survey and define the boundaries of the tracts validated, as determined by the U.S. Supreme Court in *U.S.* v. *State Inv. Co.*, 264 U.S. 206 (1924).

When the Taylor Grazing Act was enacted, the Congress emphasized protection of the prior existing rights, and called for establishment of the grazing preferences. Following passage of the act, the Department of Interior surveyed existing allotments throughout the West and issued adjudications establishing the grazing preference right attached to that adjudicated allotment.

Secretary of Interior Babbitt issued his regulations of grazing in the so-called Rangeland Reform, and one of those regulations replaced the term "grazing preference" used by the Congress in the Taylor Grazing Act with the term "permitted use," and made that grazing use dependent upon the discretion of the Secretary. In *PLC* versus *Babbitt*, United States district judge Brimmer enjoined the Secretary from replacing the "grazing preference" with a discretionary permitted use. In his decision, Judge Brimmer traced the development of a grazing preference right:

> Congress enacted the Taylor Grazing Act in 1934. Pursuant to the Act, the Secretary identified public lands "chiefly valuable for grazing and raising forage crops and placed these lands in grazing districts. Thus, the Department of Interior engaged in a lengthy adjudication process to determine who was eligible for a grazing preference. This process began in the 1930's and took nearly 20 years to complete. The Department issued adjudication decisions awarding grazing preferences to qualified applicants. The term "grazing preference" thus came to represent an adjudicated right to place livestock on public lands.

Judge Brimmer continued: "The grazing preference attached to the base property and followed the base property if it was transferred."

Mr. Chairman, the bill without the second degree amendment could have allowed the Secretary concerned to separate that adjudicated right from the base property. No longer would the adjudicated right to place cattle on an "allotment" be "appurtenant" to a base property. This bill would have downgraded that legal connection to "associate with." Additionally, the lease transfer section of this bill would have left the transfer of the adjudicated right to the sole discretion of the Secretary, with absolutely no qualifications. This is wrong. The Taylor Grazing Act already has adequate qualification requirements, and this bill will supersede Taylor.

Judge Brimmer's decision is critical to the ranchers who are dependent upon forage rights on Federal lands. It acknowledges grazing preference as a "use right.". It is a decision which specifically states that the Secretary has "an affirmative duty to protect" the "grazing preference." We must not extinguish that right, and with the amendments, it does not.

The lawyer who argued *PLC* versus *Babbitt* to the Tenth Circuit Court of Appeals is very concerned about the way the manager's amendment was written. I quote from an October 29, 1997 letter from Connie Brooks:

> The term appurtenant was originally described in the first rules under the Taylor Grazing Act. The appurtenance issue is very significant with respect to transferability of the grazing preference. Once a preference or grazing use was "appurtenant" or "attached" to a base property, it meant that the

> transfer of the base property included the transfer of the grazing preference or grazing use. Based on this fundamental premise, ranches to this day can be mortgaged, inherited, and bought and sold with the assurance that the grazing rights on Federal land will also be transferred.

Again, the second degree erased the bill's entire attempt to define the base property and allotment, and I thank Chairman SMITH for agreeing to this.

Regarding the lease transfer language, Connie Brooks, again, the lawyer who argued BRIMMER, wrote:

> "This may well spill over into the longstanding interpretation of the Taylor Grazing Act, which requires the Secretary to recognize any transfer of the base property and grazing preference. The Forest Service will require the waiver of the permit back to the agency and re-issuance to a purchaser. The concern is that if there is an issue of discretion then we will see the BLM seeking to cancel a grazing preference and permit rather than transfer it. The cancellation and issuance of a new permit will trigger a host of environmental and permitting issues, which would make ranches difficult to sell as cattle ranches and increase the likelihood that they will be developed as subdivisions, reduce the value of the ranch and collateral.

Mr. Chairman, this is a quote from the woman who argued the Brimmer decision. This is a property rights, 5th amendment issue. We cannot allow these ranches that have been passed down from generation to generation to have their adjudicated preferences separated from them. The ranches will become useless, and families will be destroyed.

The second degree amendment addressed my concerns. Again, I thank the Chairman and all those who worked so very hard on this bill. I urge adoption of the bill.

TRIBUTE TO KEITH FORBES

HON. DONNA M. CHRISTIAN-GREEN

OF THE VIRGIN ISLANDS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Ms. CHRISTIAN-GREEN. Mr. Speaker, I rise to pay tribute to Mr. Keith Forbes, a fellow Virgin Islander, close family friend and one of the pillars of my childhood, who passed away last week. Mr. Forbes dedicated his life to the service of God, his family, and his community, making the Virgin Islands a better place due to his efforts.

Keith Forbes was born on October 28, 1920 on the island of St. Croix. He served the St. John's Anglican Church Community in Christiansted for over 60 years in many capacities. As a young boy, he served as an acolyte, licensed lay reader, and later conducted outreach services at the correctional facilities and outlying areas of St. Croix. He also served on the Vestry where his duties included the position of junior and senior warden and vestry member emeritus.

In 1944 Mr. Forbes began what would eventually span more than five decades of active Masonic involvement. He was installed as a Freemason in the Sovereign Grand Lodge of Puerto Rico and served as the past district deputy grandmaster and past district deputy grand instructor of that lodge. He became a founding member of the Caribbean Light Lodge No. 101, as well as a charter member of Master Masons Lodge of Anguilla, W. I. Mr. Forbes also held the positions of high priest of Zetland Chapter No. 359 St. Thomas; Supreme grand Royal Chapter of Royal Arch Masons of England; member Chapter Rose Croix, HRDM No. 48 Jamaica, W. I.; Supreme Council 33 Degrees Masons of England of Wales; Past High Priest of Caanan Chapter No. 1, and past commander Knight's Templar.

From 1952 to 1979, he began his association with the Federal judicial system, starting as a clerical assistant and retiring as the deputy clerk-in-charge, for the St. Croix Division of the U.S. District Court.

Throughout the late sixties to the early eighties, he owned and operated "The Peppermint Parlor", a popular local restaurant, which served as a friendly family gathering place for the community.

In 1988 he was named president of the board for Brodhurst Printery, Inc., parent company of the St. Croix Avis, the local newspaper for that island district, maintaining that position until his untimely death.

He was a founding member of the Gentlemen of Jones, a charitable community organization that provides services to the people of St. Croix, especially renowned for their Christmas charity work in the city of Frederiksted.

On behalf of the people of the Virgin islands of the United States, I salute Keith Lancelot Forbes for his dedicated service to God, his family, and community.

SENATE—*Monday, November 3, 1997*

The Senate met at 12 noon, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer.

Gracious God, thank You for this moment of prayer in which we can affirm Your call to seek unity in the midst of differences in parties and politics. So often we focus on what separates us rather than the bond of unity that binds us together. We are one in our calling to serve You and our Nation and in the belief that You are the ultimate and only Sovereign. You are the magnetic and majestic Lord of all who draws us out of pride and self-serving attitudes to work together for You. We find each other as we join our hearts in gratitude for the privilege of leading our Nation. Keep us so close to You and so open to one another that we will have a week of great progress. Help us to work expeditiously and with excellence for Your glory and our Nation's good. Through our Lord and Saviour. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, the distinguished Senator from Minnesota, is recognized.

SCHEDULE

Mr. GRAMS. Mr. President, on behalf of the majority leader, to outline today's activities, today the Senate will be in a period of morning business until 2:45 p.m., with Senators permitted to speak therein for up to 10 minutes each.

At 2:45, the Senate will proceed to executive session to consider the nomination of Charles Rossotti to be Commissioner of the Internal Revenue Service. Under a previous order, there will be 3 hours of debate on that nomination, with a vote occurring at the expiration of that time. Therefore, Members can anticipate the first rollcall vote at approximately 5:45 p.m.

The Senate may also consider and complete action on any or all of the following items: D.C. appropriations bill, FDA reform conference report, the intelligence authorization conference report, and any additional legislative or executive items that can be cleared for action. Therefore, there may be additional votes following the 5:45 p.m. vote.

As a reminder to all Members, on Friday, cloture was filed on both H.R. 2646, the A-plus education savings account bill, and the motion to proceed to S. 1269, the fast-track legislation. Those cloture votes will occur on Tuesday morning at a time to be announced later today. Therefore, all first-degree amendments to H.R. 2646 must be filed by 1 p.m. today. Needless to say, all Senators should expect rollcall votes during every day of the session this week as we attempt to complete action on the very important issues before the Senate.

Mr. President, I see no other Senators on the floor, so I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

(Mr. GRAMS assumed the chair.)

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I may take just a few minutes longer than 10. I ask unanimous consent that I may be recognized for such time as I may require.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the Chair.

FAIRY TALES OF FAST TRACK: THE MYTH OF TRADE NEGOTIATIONS PARALYSIS

Mr. BYRD. Mr. President, I wish to speak this morning on the subject: the "fairy tales of fast track: the myth of trade negotiations paralysis."

It has been said that if one wants a lie to stick, just keep repeating it, keep shouting it, until it just seems to become a reality. On the matter of fast-track procedures for congressional handling of trade agreements, we have a whopper being shouted from the housetops in congressional testimony and on the op-ed pages of our leading newspapers by people who surely ought to know better. An example of what I am talking about appears in the Washington Post today, authored by our esteemed former colleague and former Senate Republican leader, Mr. Bob Dole, who engages in vacuous, vapid vaporings in insisting that other nations will not play ball with us on trade if they think Congress is going to take a close look at what is negotiated, and, Heaven forbid, even have an opportunity to consider amendments to trade agreements negotiated by the administration.

Here is what Mr. Dole says, in part:

> The fate of fast-track legislation this fall may determine whether the President ever will negotiate another trade agreement.

Let us take a look again at that profound statement by Mr. Dole:

> The fate of fast-track legislation this fall may determine whether the President ever will negotiate another trade agreement.

Now, there is an assertion. One might get the idea that fast-track consideration of trade agreements is normal practice, and that it is the normal practice in considering trade agreements, Mr. President. But, fast-track consideration of trade agreements is as rare as hen's teeth. It has been done all of only five times since the first very limited fast-track authority was granted by the Congress in 1974. So, in nearly a quarter of a century, we have used fast-track consideration all of five times on this floor.

Can anyone guess how many trade agreements have been negotiated in that quarter of a century? The answer is, of course, hundreds—hundreds. We have had fast track on this Senate floor five times in a little over 23 years, but in the meantime, hundreds of trade agreements have been negotiated. And the Clinton administration, as a matter of fact, is quite fond of boasting of its record of entering into some 200 trade agreements, none of them subject to fast track except the GATT and NAFTA trade pacts.

The other clarion call that we hear repeatedly from the administration, repeated by Mr. Dole again this morning, is the issue of American leadership. The United States must lead in the global economy and if Congress wants to review and possibly amend trade agreements, that's the end of that.

Here is what Mr. Dole says:

> Global trade is inevitable, and Presidential fast-track authority is indispensable if America is to lead the community of nations into the next century.

Another quite profound statement; and mind-boggling, indeed. I would suspect that we are going to be talking about American leadership a lot this week, as the Senate reviews the need for fast-track authority that has been requested by the administration.

If a trade agreement is soundly negotiated and if it would be clearly beneficial to America, I think it is a pretty fair guess that the Senate will approve it without any amendment; without even the threat of an amendment. But the threat of amendments should prove valuable as additional leverage for administration negotiators on trade matters. Some of these negotiations are pretty tough, and I should think that the Senate's careful role in reviewing the product can be used to advantage. I do not think it hurts American leadership for our trading partners—some

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

of whom are trading adversaries when they do not implement in good faith the agreements they sign with us and continue to restrict access to their markets for American goods—to know that the U.S. Senate is looking over their shoulders. It could be useful bargaining leverage, and if I were negotiating an agreement I certainly think it would be advantageous to have the weight of future Senate scrutiny to dangle over the head of a tough bargainer on the other side of the table.

The third point that our good friend Mr. Dole makes is that somehow our trade negotiators are cooling their heels and waiting for the Senate to give assured protection to their products before beginning their negotiations. Mr. Dole says:

> Some may ask why it matters whether other countries beat us in securing trade pacts with developing nations. What are we waiting for?

Now, there is a profound question: What are we waiting for? Mr. Dole suggests that the Senate is holding up negotiations. And nothing could be further from the truth. The administration already has authority given to it in law to negotiate trade pacts. This negotiating authority was most recently provided by the Congress in the 1994 GATT agreement, or Uruguay round, and it is good into the next century.

I do not notice any crippling of the administration's negotiating authority or of its ability to successfully conclude trade agreements without the use of fast track. At the moment, the United States has been negotiating a so-called multilateral agreement on investment, MAI, for 2 years, which is now 90 percent or more complete, with strong American leadership and without the assurance of fast-track legislation. It is unclear whether the administration intends to try to get this agreement approved by the Congress under new fast-track approval legislation. Nevertheless, this immensely complicated and very important multilateral agreement has been negotiated without the benefit—without the benefit of a promise of the Senate's pulling a black bag of no amendment guarantees over its head.

I think we need an analysis of all the trade agreements concluded by the administration. Let's take a look at the scorecard. Let's see if Mr. Dole is right that without the Senate's passing the new Export Expansion and Reciprocal Trade Agreement Act of 1997, all is lost—all is lost. Let's try to determine if the Founding Fathers were completely off the mark when they gave to the Congress authority over the regulation of commerce with foreign nations in article I, section 8—article I, section 8, of the Constitution, dealing with the powers of the Congress. The Founding Fathers did not want the President to have this authority, because our Founding Fathers' memories were not short indeed and the Founding Fathers were not at all enamored with the idea of a President of the United States gathering authority unto himself like they had experienced with King George III of England. So this exclusive power was not centered on the legislative branch by whim or by fancy. There were weighty considerations of a system founded on carefully balanced powers.

Therefore, let's not get stampeded by all the alarm bells, all of the Roman candles, all of the fire crackers of lost American leadership, of preposterous assertions about the behavior of our trading partners if we don't steer our constitutional system further in the direction of executive power. The scaremongers say that the Sun rises in the west. I don't believe it. I don't believe the Sun rises at the western end of Constitution Avenue. If it does, that's a very recent phenomenon.

If our trading partners truly want to make market arrangements for new flows of goods and services with the United States, we certainly have learned that they will do so, even in the reality of scrutiny of the Congress over those deals. That has not stopped any country or group of countries from negotiating with us to date. So why should it happen now? Let us not shortchange ourselves. Don't belittle ourselves. Let's not lose confidence in ourselves. This is America, the engine of world growth; the largest market, the most coveted market in the world! It is embarrassing and it is wrong to say that the role of the Congress is standing in the way of success, damaging to our world leadership, or an obstacle to getting good agreements. And it is absolutely preposterous to maintain that other nations will not negotiate with us if we follow our constitutional system.

If trade agreements are in the national interests of other nations, they will be at the table. They will be at the table, in my judgment, Congress or no Congress. Now, when was the last time that Congress rejected a trade agreement or emasculated it beyond further international consideration? These arguments put forth by the administration, and dutifully repeated—dutifully repeated by our distinguished former Republican leader, are just a pretext for not going through the rigors of defending such agreements, and all parts thereof, before the elected representatives of the people who are going to be subjected to them, certainly affected by them, and who will perhaps pay for them.

I hope that the Senate will have an informed, lengthy, robust debate on trade this week. It is high time that the Senate talked about such agreements; high time that the Senate talked about the trade deficits that we are experiencing.

My distinguished and informed and most learned colleague, Byron Dorgan, has been talking about this from time to time over the long weeks and months. I have seen him bring charts into the Chamber. I have heard him discuss the shortsightedness of our negotiators and how we continually let ourselves be taken to the cleaners in trade negotiations.

So I hope that we will have a good debate on trade this week because, as I say, it's high time that the Senate talked about the trade deficits we are experiencing, about the barriers that exist for access to foreign markets and about the real advantages and disadvantages of trade for our economy.

Mr. President, so much for the vacuous, vapid vaporings of those who would have us steer away from the constitutional authority of the Congress and go down that road that we have been traveling on for so long—of taking a beating in trade negotiations.

Mr. President, I ask unanimous consent that the article by former Senator Bob Dole be printed in the Record.

There being no objection, this article was ordered to be printed in the Record, as follows:

[From the Washington Post, Nov. 3, 1997]

Get Back to the Fast Track on Trade

(By Bob Dole)

As Congress rushes to complete its work and adjourn this week, I have found myself in the unusual position of urging my former colleagues to stay—at least until they pass legislation giving fast-track trade negotiating authority to President Clinton.

During my tenure in the Senate, I often made the point that we could do more good by going home and listening to our constituents than by staying in Washington. But the decision to give the president fast-track authority is urgent and must be made now. The initial steps already have been taken in both Houses. Now it is up to the president, his administration and congressional leaders to make the case for passage.

Very simply, passing fast track is the right thing to do. Our nation's future prosperity—the good jobs that will provide a living for our children and grandchildren—will be created through international trade. Members have recognized this reality, on a bipartisan basis, for more than 20 years, giving fast-track authority to every president from Gerald Ford to George Bush.

Today it is more apparent than ever that the debate between advocates of free trade and protectionism is over. Global trade is a fact of life rather than a policy position. That is why we cannot cede leadership in developing markets to our competitors through inaction, thereby endangering America's economic future and abandoning our responsibility to lead as the sole remaining superpower.

During Chinese President Jiang Zemin's visit, it has been instructive to look at China's efforts to expand its export markets and international influence, not just in Asia but in our own back yard. China has targeted Argentina, Brazil, Chile, Mexico and Venezuela as "strategic priorities" to develop bilateral trade. While our elected leaders continue to ponder whether we will be fully engaged in the global economy, China is moving forward to reach free-trade agreements giving Chinese goods and services a significant tariff advantage that will eliminate the U.S. edge in productivity and proximity. The European Union also is working with the Mercosur trading block (Argentina, Brazil, Paraguay, Uruguay and associate members Chile and Bolivia) to create a partnership that will exclude the United States and favor European products.

Latin American countries are negotiating bilateral and multilateral agreements at a rate that will make it unnecessary for them to wait for the United States. In a region that is projected to be the United States' largest market in just a few years, exceeding $200 billion in trade by 2002, we are allowing competitors to eliminate our natural advantage. If this trend continues without any action on our part, we will soon need Latin America as a trading partner more than it needs us.

Emboldened by our inaction, French President Jacques Chirac recently declared, "Latin America's essential economic interests . . . lie not with the United States but with Europe." His comments are indicative of the growing belief that the United States lacks the political will to seize the lead in trade with developing nations. We must prove Chirac and other of like mind wrong.

Some may ask why it matters whether other countries beat us in securing trade pacts with developing nations. A better question, however, is: What are we waiting for?

Global leadership has enormous benefits—it increases our security and creates a multiplier effect for our exports. When we lead, the world accepts our way of doing business and our industrial standards, which, in turn, increases U.S. sales abroad. If China or the European Union beat us into developing markets, they will set the rules by which trade is conducted and influence the evolution of industry in fast-growing countries to their benefit.

Given that 96 percent of the world's consumers live outside the United States and that the global economy will grow at three times the rate of the U.S. economy, it is a certainty that many of tomorrow's high-paying American jobs will be created through exports. Every $1 billion in new American exports creates 15,000 to 20,000 American jobs. And, already, more than a quarter of our economic growth and more than 10 million jobs are the direct result of overseas trade.

In order to honestly and thoroughly consider fast track, each member of Congress must recognize that the president still must consult with Congress in negotiating trade deals and that no agreement will go into effect without being passed by a majority in both houses of Congress. Fast track is a vote on process, not on substance. It would be a travesty for the leader of the greatest nation on earth not to be free to negotiate with his counterparts as an equal.

The president also needs to lead on this issue. As the leader of his party, as well as our nation, President Clinton must step up his efforts to persuade fellow Democrats to support this initiative. Fast track will not pass the House with a few dozen votes from the minority: We need an all-out presidential push. The fate of fast track legislation this fall may determine whether the president ever will negotiate another trade agreement.

The private sector—the companies that will create new jobs based on exports—also must make more forcefully the case to the American public and Congress that passing fast-track legislation is vital to America's continued economic growth.

If Congress fails to pass fast-track legislation before adjourning for the year, the danger is that, because of election-year politics in 1998, it will not pass until the 106th Congress in 1999—or even 2001, after the next presidential election. By then, the working people of America will have lost unnecessarily.

Global trade is inevitable, and presidential fast-track authority is indispensable if America is to lead the community of nations into the next century.

Now is the time for the president and Congress to work together and pass fast-track legislation.

(The writer is former Senate majority leader and the Republican nominee for president in 1996.)

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business Friday, October 31, 1997, the Federal debt stood at $5,427,225,185,059.66 (Five trillion, four hundred twenty-seven billion, two hundred twenty-five million, one hundred eighty-five thousand, fifty-nine dollars and sixty-six cents).

One year ago, October 31, 1996, the Federal debt stood at $5,247,320,000,000 (Five trillion, two hundred forty-seven billion, three hundred twenty million).

Twenty-five years ago, October 31, 1972, the Federal debt stood at $439,947,000,000 (Four hundred thirty-nine billion, nine hundred forty-seven million) which reflects a debt increase of nearly $5 trillion—$4,987,278,185,059.66 (Four trillion, nine hundred eighty-seven billion, two hundred seventy-eight million, one hundred eighty-five thousand, fifty-nine dollars and sixty-six cents) during the past 25 years.

THE TOBACCO SETTLEMENT

Mr. ROBB. Mr. President, farmers face a great deal of uncertainty. The uncontrollable forces of nature or a volatile market can destroy a farmer's livelihood without warning. When the crops are planted, growers worry about whether they'll be enough rain—or too much; whether supply will be too great or demand too small; whether prices will be too low, or production costs too high. For tobacco growers, these unavoidable concerns were compounded when the tobacco industry and the 40 states' attorneys general unveiled their global settlement of tobacco issues on June 20 of this year. The parties did not address how the settlement would affect America's tobacco growers and their communities.

Much has happened since that time. Congressional hearings have been held, legislation has been drafted, and the President has reviewed the global settlement. A common theme runs through these separate actions, and that theme is that tobacco farmers and the families and communities that depend on them should not be punished by comprehensive tobacco legislation. I believe the President said it best when he remarked during his discussion of the tobacco settlement in September that:

> We have a responsibility to [tobacco growers]. They haven't done anything wrong. They haven't done anything illegal. They're good, hardworking, tax-paying citizens, and they have not caused this problem. And we cannot let them, their families, or their communities just be crippled and broken by this. And, I don't think of the public health community wants to do that * * * We're trying to change America and make everybody whole. And they deserve a chance to have their lives, and be made whole, and to go on with the future as well.

My staff and I have been working for a number of months on a proposal I believe may offer a means of making tobacco growers whole and providing the resources necessary to expand economic opportunities in tobacco-dependent regions. While we have discussed these concepts with various people, I would like to describe it more fully now so I can get broader feedback from interested parties. In putting together this proposal, we have talked to tobacco growers, local government officials interested in economic development, agricultural economists and members of the public health community.

To reduce youth smoking, health advocates seek an immediate and substantial increase in the price of tobacco products. If Congress adopts this strategy, it will have a substantial effect throughout the tobacco-growing regions, and I believe we have an obligation to provide a soft landing for the people who would be affected.

The plan we developed contains several components. First, it would compensate quota owners for the value of their quota, which is likely to be eroded over time by this government action. Second, it would dismantle the existing Federal tobacco program, which has been under annual assault, and reinstitute a privatized supply-limiting program. Third, it would target economic development funds to tobacco-dependent communities, to be used to attract quality jobs and train individuals for them. The effect of these changes, which I will describe in more detail, would be to give quota holders the value of their asset, guarantee that producers retain a program stabilizing the supply and price of tobacco, reduce operating costs to the grower by eliminating the expenses associated with buying or leasing quota, make domestic tobacco more competitive, and provide long-term economic development.

Buy-out of quota asset.—Tobacco quota refers to the amount of tobacco that can be produced domestically. Last year, there were 1.5 billion pounds of tobacco quota. Today, quota owned by an individual, which represents the proportion of the total amount of domestic quota an owner has the right to produce, is an asset which can be bought or sold or leased. Its value has accrued over time, and for many in tobacco-producing regions it is the major asset used to pay for retirement. Farmers acquire quota throughout their lives so they can grow tobacco to sustain their families, and then in retirement sell or lease it to others for income. A substantial and immediate increase in the price of tobacco products will decrease demand and will reduce the amount of quota. This erodes the value accrued by quota-holders, as their proportionate share declines with demand. Since so many have invested in this asset, many of whom rely on it for retirement, it is appropriate to compensate for the decline in value caused by a radical change in government policy.

I propose giving quota owners $8/pound for their quota. The funds would be paid out in five annual installments of $1.60/pound based on the 3-year average—1995-1997—of their basic quota. To avoid serious tax consequences, which would be the government giving with one hand and taking away with the other, the funds could be placed in a tax-deferred 401(k)-type plan, or used tax-free to reduce debt associated with acquiring the quota. This program would convert existing quota into cash, it would terminate the existing tobacco quota system, and a new program would be instituted to give growers the right to grow tobacco through the issuance of licenses.

New Tobacco Program.—It is crucial that we reconstitute some form of supply-limiting tobacco program. Without one, production shifts to large agribusinesses that are encouraged to grow as much tobacco as possible. The price for tobacco would plummet, and many communities where tobacco is now grown would be immediately devastated. A supply-limiting program stabilizes the price of tobacco, so that wild swings don't put small growers out of business, and limits production. While many agricultural commodity programs have moved away from the supply-limiting approach, I believe it is still appropriate in the unique case of tobacco. There is no other farm product where the ultimate goal is to increase the cost to consumers, not decrease it. In addition, the free market isn't so free in the tobacco industry, because there are essentially only four buyers who have unparalleled control over the market. To require farmers to contract individually with the few large buyers is to put the farmers at a gross competitive disadvantage.

The new tobacco program should be privatized to the extent possible. No one enjoys the annual uncertainty that follows from constant attempts to end the tobacco program. Growers, who benefit from the program, should be willing to take on the obligation of running it. Once all the quota has been bought out, the new system would grant licenses to actual tobacco producers. These licenses would go to all producers, whether they were quota holders, tenant farmers or quota leasees. There would be no significant cost associated with acquiring the licenses. These licenses would give the farmer the right to continue growing tobacco, but unlike the previous system that right could not be bought or sold or leased. In other words, that license, unlike quota, would not be a liquid asset. If the grower decided to stop exercising the right to produce granted by the license, the license would be surrendered to the issuing authority, which could then reissue the license to another grower. By wringing the value out of quota through the buy-out, producers will no longer face the expense of leasing or buying quota. Once that cost of operation is eliminated—which represents about 40¢ of the price of a pound of flue-cured tobacco—the producer can be more competitive, both here and overseas. And by being more competitive, the decline in quota will not be as steep, and growers will not suffer the severe dislocation that a sudden drop in quota would create, whether that drop is caused by decreased demand or increased costs of production.

I would like to see the creation of a privatized authority that would govern the production, marketing, importation, exportation, and consumer quality assurance of U.S. farm produced tobacco. This authority, which I'll call the Tobacco Production Control Corporation, could have a varied membership, and one option would be to have an authority with 21 members. The members would include the Secretary of Agriculture, the Secretary of Health and Human Services, the Administrator of EPA, the U.S. Trade Representative, nine representatives of Tobacco Loan Associations, four rotating representatives of the public health community, one representative from domestic cigarette manufacturers, one representative form the domestic export leaf dealers, one representative from tobacco marketing facilities, one representative from the Tobacco Marketing and Quality Assurance Corporation, and one representative from the agriculture department of a tobacco state university.

The Tobacco Loan Associations would be comprised of all licensees of each respective type of tobacco. Initially, licenses would be issued to all tobacco growers based on the 3-year average—1995-1997—of tobacco they produced. The Tobacco Loan Associations would issue licenses to control the quantity of tobacco production, and would assure compliance by levying fines. Additionally, they would arrange for financing and administration of price supports, including the right to receive, process, store, and sell any U.S. produced tobacco received as collateral for private price support loans.

The Tobacco Marketing and Quality Assurance Corporation would be created to determine and describe the physical characteristics of U.S. farm-produced tobacco and unmanufactured imported tobacco, operate a crop insurance program, and assure the physical and chemical integrity of U.S. produced and imported unmanufactured tobacco. This would insure that the tobacco being used in domestically manufactured tobacco products is of the highest quality and is free from prohibited physical and chemical agents. The Quality Assurance Corporation would consist of a CEO hired by the Tobacco Production Control Corporation and a staff experience in the sampling and analysis of unmanufactured tobacco and capable of collecting data and monitoring tobacco production and consumption information.

These are the elements that could constitute a new tobacco program. Under this proposed program, once the quota holder has received the value of the asset, a new system of regulating the production of tobacco would be created. This approach honors the value of quota, retains the price stabilizing benefits of the tobacco program but eliminates the current costs associated with acquiring quota, making domestic tobacco more competitive in the future. I'd like to acknowledge the insightful contribution of Henry Maxey, a tobacco grower from Pittsylvania County, who first presented this idea to a member of my staff in a meeting a few months ago in the Halifax office of Delegate Ted Bennett. While I've gotten input from an number of people since then, Mr. Maxey should be credited with getting the ball rolling.

Economic Development.—I would like to devote $250 million annually for economic diversification in tobacco-dependent communities. Unfortunately, the biggest export in many of the tobacco-growing regions is the children. They leave the area because there aren't enough high quality jobs in the community. Tobacco legislation provides us a unique opportunity to address this situation. The economic development funds should be used for two purposes: attracting quality jobs and training people to fill them.

I believe that economic development activities are best generated from those most familiar with a community's needs. Generally speaking, I believe that economic development funds should go to counties to carry out those activities that best suit their needs. I would envision that the funds would be distributed to localities based on their proportionate share of the amount of tobacco produced annually, which is a rough approximation of how dependent each community is on tobacco income. In order to foster long-range thinking and coordination in the region, the communities should develop and submit economic development plans. In the case where an independent city is surrounded by a tobacco-dependent county, but doesn't itself produce tobacco, representatives from the city should have a voice in the development of the county's economic development plan, due to the economic interdependence of the two independent governments.

In some circumstances, counties have banded together to form regional economic development commissions, like the A.L. Philpott Southside Economic Development Commission in Virginia. In that case, the commission should be given the authority to coordinate the economic development funds, allowing the various counties to benefit from a regional approach. Such an approach would avoid duplicative efforts to provide the same services or attract the same industries as a neighbor in the region, making the funds more effective. When coordinating the economic development investments, the commission will be required to target a certain percentage of the funds to the most tobacco-dependent counties as determined by their proportionate share of the amount of tobacco produced annually. This approach combines regional planning with local investment.

The funds can only be used for specific purposes, such as improving the quality of all levels of education in the region, promoting tourism through natural resource protection, constructing advanced manufacturing centers, industrial parks, water and sewer facilities and transportation improvements, establishing small business incubators, and installing high technology infrastructure improvements. We will need to insure, however, that these funds are not used to reduce the amount of funding that would otherwise be provided by the local, State or Federal governments.

Whenever there is a major shift in a program like the one this proposal contemplates, we need to be concerned about providing a smooth transition. In fact, the uncertainty created by the mere possibility of major tobacco legislation will undoubtedly affect tobacco growers next year, who expect a serious decline in quota because these issues remain unresolved. To make sure that current producers can survive until this new system is implemented over the 5-year buy-out period, we should consider giving a minimum of income protection during this period. One option would be to add protections in the event tobacco quota falls by more than 10 percent from 1997 levels. If that occurs, tobacco producers would be eligible for a $1/pound payment for lost quota from their 1997 level. This is especially important to farmers operating without much margin, as we make the transition to a more competitive marketplace.

I hope that these ideas generate some discussion and ultimately I intend to introduce legislation incorporating these ideas. My purpose is to find a mechanism that recognizes the changes facing the tobacco industry, and provides some degree of certainty to tobacco growers and their communities so they are not faced with cataclysmic upheaval as a result of those changes.

I look forward to working toward this particular goal with colleagues who are interested in this particular challenge.

52ND ANNUAL AL SMITH DINNER

Mr. MOYNIHAN. Mr. President, for half of our century—52 years—one of the notable events in the life of New York City has been the annual dinner of the Alfred E. Smith Memorial Foundation, sponsored by the Archdiocese of New York, and presided over by the cardinal archbishop, most recently by His Eminence John Cardinal O'Connor. The foundation supports the hospitals of the archdiocese.

The centerpiece, if you will, of the evening is the dinner speaker. Over the years, truly great men and women of our age have appeared in the ballroom of the Waldorf-Astoria Hotel. Kings, prime ministers—Winston S. Churchill was the 1947 speaker, in the company of James V. Forrestall—and Presidents or Presidential candidates by the score. It fell to me to write the first draft of Averell Harriman's address when he was Governor of New York; it was, I do believe, a distinction he treasured ever after. And now we have had Buffalo's gift to the Nation, Timothy J. Russert.

This year the speaker was Timothy J. Russert, Moderator of "Meet The Press," which, come to think, is celebrating its 50th anniversary just now. Mr. Russert was by turns irreverent and riotous. But his purpose was profoundly serious and, if you will, reverent. It is something Al Smith would very much wish to have had said. We are just now in a phase of considerable self-congratulation about American society. A world away from the slums and factories that Smith, with his Tammany colleagues Robert F. Wagner and James A. Foley, along with Frances Perkins and, of course, Franklin D. Roosevelt helped transform. A world at once vastly improved, and grossly degraded. For in the course of resolving so many difficulties in our public life, we have seen a near-to-incomprehensible collapse in our family lives. As Mr. Russert states:

> At the turn of this century, just three short years from now, there will be seventy million children under the age of eighteen living in the United States. More than a third of them, one in three, nearly twenty-five million, will have been born into single parent households.

This is the central challenge to American institutions in the generation to come. Doubly so in that Congress and the President have chosen to eliminate the Social Security Act provision for dependent children, a drop-dead date not 4 years away.

Can anyone imagine Al Smith or his Industrial Commissioner Frances Perkins doing such a thing! One suspects that neither can Mr. Russert, but this is an unnecessary speculation. What is necessary is that his urgent and cogent words be read and absorbed as widely as possible.

To this end, Mr. President, I ask unanimous consent that the full text of this year's address to the Al Smith dinner be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ADDRESS BY TIMOTHY J. RUSSERT

What an honor to be here. The roster of previous speakers is filled with luminaries. They are from a world I report on—the world of Washington politics.

But for some curious reason, a strange fate seems to befall those who have spoken from this podium. For example, in 1991, your speaker was former White House Chief of Staff, John Sununu. I should note, six weeks after appearing here, he was forced to resign. As he was contemplating his future, legend has it, he approached the revered First Lady, Barbara Bush, poured out his heart. "Why is it," he asked, "that people seems to take such an instant dislike to me?" The First Lady looked at him solemnly and said, "Because it saves time John."

In 1993, Bob Dole addressed the Al Smith dinner. Months later, he attended a White House function for former Presidents. He observed a remarkable scene. Three of your former speakers, engaged in private conversation. Jimmy Carter, Gerald Ford, Richard Nixon. That's right. Jimmy Carter, Gerald Ford and Richard Nixon actually talking to one another. In his customary stage whisper, Senator Dole blurted out, "Look at those three. See No Evil, Hear No Evil, and Evil."

In 1950, the year I was born, your speaker was Vice President Alben Barkley. Five short years later, he was the keynote speaker at Washington and Lee University's mock political convention, where he concluded his inspirational address by bellowing, "I would rather be a servant of the Lord than sit in the seat of the mighty." Which was a prudent thing to say, because he promptly dropped dead of a heart attack. But nothing can equal your stellar line up in 1972. Your guest speakers, Kurt Waldheim and Spiro Agnew. Who booked that one? What were you thinking of?

A quick news update. I can report tonight that President Clinton is feeling a little better about Chelsea going off to college. He just figured out it freed up another bedroom for fund raising. It's not fair just to poke fun at politicians. We in television news certainly have our shortcomings. It seems we reduce everything to sound bites, devoid of content or nuance. David Brinkley recently observed, the way television news would report the unveiling of the Ten Commandments in 1997, would be as follows:

"Moses came down from the mountain top today with the Ten Commandments. Here's Sam Donaldson with the three most important."

Yogi Berra said it best after flunking his English exam for the third time. I guess he wanted to go to journalism school. The teacher ran down the aisle, shook him and said, Yogi, don't you know anything? He looked up and said, "I don't even suspect anything." I've had a few of my own humbling experiences. I am a recovering Buffalo

Bills fan. For four years I took Meet the Press to the site of the Super Bowl. At the last game, in the Georgia Dome, the studio director was saying in my ear piece, "You have thirty seconds, fill." So I looked into the camera and I said, "Well, now it's in God's hands. And God is good and God is just. Please God, one time, go Bills!"

As I walked off the set, my colleague Tom Brokaw said, "You Irish Catholics are shameless. You can't pray on the air." I said, I just did, Tom, and you'll see. Well, the Dallas Cowboys snuck by the Bills, 52 to 17. As I moped back to the hotel, Tom looked up and said, "Hey Russert, I guess God's a Southern Baptist." But by far, the most extraordinary event in my life was when I first joined NBC in 1984 as the executive in charge of the Today program. I had grown up in Buffalo, watching a flickering black and white TV set with then Today cast of Dave Garroway and J. Fred Muggs.

I was determined to reinvigorate the Today Show—to travel the program around the world, to bring people to places they couldn't afford to go, or never see in their lifetime. Steve Friedman, the Executive Producer at that time said, you're right. Where should we go? I said, in the Spring, nothing better than Italy. The vibrancy, the fashion, the music, the art. And if we time it right, perhaps we could bring our viewers behind the walls of the Vatican—where Catholics and non-Catholics would have an opportunity to see the mysteries of that remarkable institution.

Friedman said, "You're right. Get the Pope." I said, "Get the Pope? Friedman, that's a big booking. I used to be an alter boy, but there are a few steps in between." So I wrote a letter to the Pope, and heard nothing back. I then faxed it to our bureau in Warsaw and had it translated into Polish. I journeyed to Philadelphia and met with the late Joseph Cardinal Krol, God bless him. A close friend of the Pope who is also of Polish descent. He read my letter, was very taken that it was written in vernacular Polish and said, "Are you Polish?"

I realized it would be inappropriate to respond with anything but the truth. And I said, "No, but I'm from Buffalo, some of my best friends are!" Suddenly the phone rang and Cardinal Krol said, "Would you like to come to the Cathedral? The young Diocesan Boy's Choir is preparing for Christmas." I said, "There's nothing I'd rather do than listen to those little cherubs lift the rafters of the Cathedral." We went and they were magnificent. After about fifteen minutes, Cardinal Krol turned to me and said, "You know, Mr. Russert, my dream is to one day have these young men sing for the Holy Father." And I said, "This is *a* Cardinal!"

And having been trained by the Jesuits and the Sisters of Mercy, I quickly amended my letter to say, if His Holiness accepts our invitation, NBC will of course be accompanied by the Arch Diocesan Boy's Choir of Philadelphia. Who else? Two weeks later the phone rang. It was Cardinal Krol. He asked me to come to Rome and to meet with the Pope's advisors. And it was an extraordinary week as we went from meeting to meeting and ultimately I was lead into a room about this size. It was empty, but for myself. And suddenly the door opened, and there stood, dressed on white, the Holy Father, in my church, the Vicar of Christ.

And as he approached me, my mind quickly turned from NBC's ratings and Bryant Gumbel's career to the prospect of salvation. And you heard this tough, hard-hitting, nononsense moderator of Meet the Press begin by saying, "Bless me Father." He approached me, took me by the arm and said, "You are the man called Timothy from NBC."

I said, "Your Holiness, please don't ever forget this face."

He said, "They tell me you're an important man."

I said, "Your Holiness, with all due and deep respect, there are only two of us in this room—and I'm a most distant second."

He put his hand on my shoulders, looked me in the eyes and said, "Right."

His Holiness agreed to greet the Today Show on live American television, a first. And I told Bryant Gumbel and Jane Pauley that this would be different. That they had met Presidents and Kings and Queens and Senators and Governors, but never the Pope. Bryant, who happened to be Catholic said, "Don't worry, I can handle it."

Suddenly the Pope appeared on television. It was Bryant's chance to ask him a question—direct to the people of America. And Bryant said, "Your Holiness, these are pictures of my children. Would you please bless them?"

And Jane Pauley jumping in said, "I have twins!"

An extraordinary week from the Vatican for NBC. I was accompanied by my wife who was pregnant. The Holy Father blessed her womb and said, "Please bring your baby back to Rome next year." We did just that, and as we stood in the first row of the Papal audience, we proudly held our son Luke, who was wearing a white T-shirt with red letters, Totus Tuus. All Yours. That is the Pope's personal motto, which he uttered to the blessed Virgin after being shot. "Blessed Mother," He said, "if I live, I will rededicate my life to you. Totus Tuus." All Yours.

The Pope spotted Luke, rushed towards him, took him in his arms, held him high, admiring his face, his shirt. Exclaimed over and over again, very nice, very nice. I of course, had an NBC crew standing by, taping the entire event. I dubbed it into slow motion and shipped it to my Italian mother in law. After sharing it with her friends for several hours, even she is willing now to admit, there is some value in having an Irish son in law. But my wish that day in Rome is the same I have tonight. That all our children in New York will be as blessed and loved as my own, as your own.

Tonight you have taken an important first step. Your dinner tickets will fund pre and post natal care for teenage moms and their babies. But this must only be the beginning of our efforts. At the turn of this century, just three short years from now, there will be seventy million children under the age of eighteen living in the United States. More than a third of them, one in three, nearly twenty-five million, will have been born into single parent households. Many of them kids having kids. And we all know what that means for most of them. Your Senator Pat Moynihan warned about this thirty-five years ago, but the nation did not listen.

And now we have a generation of children who will not have a life of love and discipline and values, but an existence of drugs and gangs and sickness, and too often, death. Fifteen children a day are shot dead in the United States of America. The health care facilities of this nation, of this diocese, are going to be overwhelmed by these children. Oh how I wish we could change behavior, and try we must. For these children will either be our future work force who respect people and property and get to work on time, or they will be our future crime statistics.

Hopefully someday our society will proclaim its central mission is to convince our young people to finish school, learn a skill, get a job, get married and then have a baby. In that order. This, I believe, is the most important economic, national security and moral issue facing our nation. But in the meantime, we cannot just ignore the children in need. That is what Al Smith told us. It's what John Cardinal O'Connor has shown us. You won't read about it in the tabloids or see it on TV. He has refused to publicize his compassion, but your Cardinal has personally cared for more than one thousand people with AIDS.

Going alone at night, he holds their hands, empties their bed pans, combs their hair. Simply sitting with them in the final days of their life. It is called living the gospel. Helping the poorest of the poor, the sickest of the sick. That's what Al Smith did, and it's what John O'Connor does. And so must we all. I was hungry and you gave me food. I was thirsty and you gave me drink. I was sick and you took care of me. Words to reflect on as we return tonight to the comfort of the Upper East Side, Westchester, Long Island or wherever. Let us count our blessings but let us share our blessings with vigor and new urgency.

Tutoring, mentoring, being even more generous to the Al Smith Foundation. Catholic charities, the inner city scholarship fund. Together we can redirect lives and probably even save a few souls. Embrace the spirit of the happy warrior, Al Smith, and the holy warrior, John O'Connor. Two men it will always be said, who fought the good fight and who kept the faith. By the quiet eloquence of their example, they have defined our mission here tonight. To nurture and protect the uniqueness, the dignity, and the preciousness of life from beginning to end.

To care and to share. That is our charge. That is our challenge. As we leave the 52nd Annual Al Smith dinner, we remember the words of your speaker from 1960. "Let us go forth asking His blessing and His help, but knowing that here on Earth, God's work must truly be our own." Thank you.

Mr. MOYNIHAN. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ALLARD). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. BYRD. Mr. President, at the request of the distinguished majority leader, I ask unanimous consent that the Senate stand in recess until the hour of 2:30 p.m. this afternoon.

There being no objection, the Senate, at 1:01 p.m., recessed until 2:31 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. ROBERTS).

Mr. ROCKEFELLER addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

FAST-TRACK AUTHORITY

Mr. ROCKEFELLER. Mr. President, I feel very strongly that we should give the President fast-track authority before we adjourn. He needs fast-track authority. We are not saying what is going to be in the trade bill that comes after the fast-track authority.

It is extremely important to remember that fast-track authority is something every President has had since 1974. There is absolutely nothing new in it. The idea that we would withhold from the President fast-track authority on the notion that only the Congress can negotiate trade agreements—Lord help us when it comes to the point where the Congress has to negotiate trade agreements. There are some trade agreements where we can put our imprimatur on that trade agreement, for example: NAFTA, which I voted against; GATT, which I voted for; Chile, which would be upcoming; or others.

But let's understand that in virtually all cases the President could go ahead and negotiate, his people at the U.S. Trade Representative's office could go ahead and negotiate trade agreements, and what the Congress thinks or does not think does not really apply. We would, obviously, watch that, and in the Finance Committee we watch trade very closely.

The whole notion of withholding from the President of the United States, in a highly visible action, withholding fast-track authority from the President of the United States, doing that in the Senate or in the House or both, is absolutely unthinkable in terms of good judgment, as far as I'm concerned.

I can tell you in my own State of West Virginia which is not exactly located on either the Atlantic or Pacific Ocean, that trade and exports are a tremendous part of our economy. We have tens of thousands of people who are working exclusively because of international trade. We need to be increasing that. We need to be opening up new markets not only as the State of West Virginia but also as a nation. There are about 11.5 million jobs in this country right now which are exclusively related to international trade. We ought to be pursuing that.

One of the people that I work with was talking with somebody from the U.S. Trade Representative's office the other day and that person had just come back from a certain part of the world—I think, South America—and said that other countries are going ahead and making agreements and cutting deals on trade and that they are bypassing the United States because we are withholding fast-track authority. It is expired. It doesn't exist. We have to reauthorize it. We need to reauthorize it.

Somehow, also, the idea that the United States exists all by ourselves in this world doesn't make sense anymore, much less the U.S. Senate being able to sit and determine what will happen in the world. I think the history of the last week and what has happened with the stock markets has shown that transactions are international, they are instantaneous, they are electronic, they depend enormously upon each country taking the maximum advantage of the comparative advantage which it has in terms of goods which it produces. The United States has an enormous comparative advantage. Not to take full advantage of that doesn't make any sense to me.

Actually, it might interest some people to know that West Virginia, which is not thought of as an internationally related State, in fact, is. In terms of the proportion of the jobs in our State which are related to products which are exported internationally, only three or, maximum, four other States export more of what they produce proportionately than does the State of West Virginia. So here is a State in the middle of the Appalachian mountains—not just because of coal, not just because of steel, but because of many things—we are highly dependent on the international trade environment.

Mr. President, I remember several years ago when fast track was still in existence. We had two votes. One was on something called NAFTA; the other was on something called GATT. We could have done neither of those unless we had first made sure that the President had fast-track authority, which he did. I happen to think NAFTA was a bad deal for the State of West Virginia and I think I have been proved correct. I would definitely vote again as I did then, which was to vote negatively.

On the other hand, GATT was tremendously important to the State of West Virginia. As somebody who is interested in trade, I went to Geneva to work with some of the international trade folks where the GATT, the General Agreement on Tariff and Trade, was being negotiated. I worked on antidumping. That is central to West Virginia's steel industry. I worked on countervailing duties. That is central to America's trading interests. Also, circumvention. Most people don't know what circumvention is. Here is a good example. Sony television used to make all of its television sets in Japan, and then export them to Mexico with everything done but the front piece glass—not the tube that actually radiates the pictures but the front piece of glass. That would be added on in Mexico and then would be exported into the United States from Mexico, counting as a Mexican import. That is circumvention for the purposes of trade law. In the GATT we were able to stop that. So Sony had to build a plant in America, hiring 1,000 American workers, to do what they had previously done in an entirely different fashion.

Trade law is important. Section 337 has everything to do with intellectual property protection. It is the future of our information technology that is at stake. So we could not even have negotiated the GATT agreement without fast track. I'm saying that the President of the United States and his team of negotiators ought to have the right to negotiate a critical trade agreement as they choose, but then we would have the right to either approve it or disapprove it according to how we felt. I think that is a perfectly reasonable relationship.

The Congress, in a sense, we up or down the trade agreement, but we don't down the process through which the administration can get into the trade agreement. We don't simply say, "fast track you are not going to have," so you can't begin to negotiate a trade agreement.

I think that is totally counter to the purposes of international trade and frankly to the interests of my own State. So I hope that in the Senate and these coming days as we debate this issue that we would give the President of the United States the fast-track authority which President Reagan had, which President Ford had, which President Carter had, which President Bush had, and which President Bill Clinton ought to be able to have.

I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

NOMINATION OF CHARLES ROSSOTTI, OF THE DISTRICT OF COLUMBIA, TO BE COMMISSIONER OF INTERNAL REVENUE

The PRESIDING OFFICER. Under the previous order, the hour of 2:45 p.m. having arrived, the Senate will now go into executive session and proceed to the nomination of Charles Rossotti, which the clerk will report.

The bill clerk read the nomination of Charles Rossotti, of the District of Columbia, to be Commissioner of Internal Revenue.

The PRESIDING OFFICER. The time for debate on the nomination shall be limited to 3 hours, with 60 minutes under the control of the Democratic leader or his designee, 90 minutes under the control of the Senator from New York [Mr. MOYNIHAN], and 30 minutes under the control of the Senator from Delaware [Mr. ROTH].

The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, as we consider the nomination of Charles O. Rossotti to become the new Commissioner of the IRS, it's appropriate that we pause to take a good look at that agency as a whole. Let me say from the beginning, that Mr. Rossotti—who came before the Finance Committee just a little over 1 week ago—is uniquely suited to this confirmation. I am impressed by him and his background. Mr. Rossotti is a successful businessman—in touch with the needs, concerns, and risk-taking mindset of entrepreneurs. He has made his mark as a management consultant and expert on computer systems—a vital background at a time when one of the agency's major setbacks is its dysfunctional information system. I intend to vote for Mr. Rossotti's confirmation, and I encourage my colleagues to do the same.

Having said this, I also want to say something about the Internal Revenue Service and its current condition. September 23 to 25, the Finance Committee held what will be the first in a series of hearings to probe an agency that is cloaked in more secrecy than the FBI and the CIA. What we learned in our initial hearings was so disturbing that the IRS—its stories of abuses, mismanagement, lack of accountability and perverse incentives—continues to captivate the attention of taxpayers everywhere.

As last month ended, the House Ways and Means Committee, with the support of the White House, moved legislation to restructure the IRS. Chairman ARCHER is to be commended for his work. I compliment him on the job he has done in reversing the White House's position on the issue.

The growing effort to restructure and reform the IRS reflects the growing concern about the agency. Congressional switchboards have been inundated with calls from Americans who have their own tales of IRS-induced woe. Likewise, we have received thousands of letters, faxes, e-mails and notes—some of them hand delivered—each detailing another story of power run amok. A recent NBC News/Wall Street Journal poll shows that 21 percent of Americans report to have had some dealings with the IRS, in addition to simply filing their taxes. Of these Americans, a full 42 percent felt they were treated unfairly. Forty-two percent. And as if these statistics aren't compelling enough, the poll found that 70 percent of Americans believe that the incidents of abuse and mistreatment by the IRS that we uncovered in our hearings occur on a regular basis.

Mr. President, our hearings, these statistics—and the growing consensus we're witnessing in Washington—make it clear that something must be done to rechart the course of this powerful agency. On the Tuesday following our hearings, the Secretary of the Treasury and the Acting Commissioner of the Internal Revenue Service held a joint press conference to introduce what has been called a list of mini-initiatives. These included: keeping offices and telephone lines open one Saturday a month to address taxpayer grievances; giving taxpayers "customer feedback surveys"; and, rewriting taxpayer notices in plain language.

Beyond these reforms, the agency, itself, has suspended four IRS managers, demonstrating an increased awareness of the abuses disclosed in our three-day hearings.

Each of these measures is a welcomed change. As Acting Commissioner Michael Dolan told the committee—that the IRS has made mistakes, handled taxpayer cases very badly, and caused Americans to suffer in ways they should not have. Acting Commissioner Dolan testified that the Internal Revenue Service has disrupted . . . lives without excuse.

My concern, Mr. President, is that these initiatives—though welcomed—may still be insufficient to meet all the problems that affect the IRS. To understand how the Government can collect the necessary and proper amount of taxes in a way that does not harass, abuse or overly burden the American taxpayer will take a thorough examination—one that engages not only Congress, but the agency and the administration.

Such a thorough examination will require 6103 authority—the authority granted to only two Members of Congress. Only by appropriately using that authority can we have a complete understanding of what must be done to properly restructure and reform the IRS.

The hearings we held a few weeks ago were intended as a solid beginning in a process that must be comprehensive. It is likely that we will get only one shot at restructuring the Internal Revenue Service. We must make certain that reform legislation addresses all the problems that we are in the process of discovering.

The problems—administratively and culturally—within the agency are the culmination of a history where power has been left unchecked, where objectives have been misapplied and priorities misplaced. They exist despite past reform efforts. And unless they are appropriately addressed this time around, they will continue to plague the agency.

Despite past efforts at reform, Lord Acton's phrase about absolute power is still given frightening clarity in an agency that—as we have shown—resorts to unethical or illegal tactics in dealing with taxpayers. Our hearings showed how IRS employees use pseudonyms, despite the fact that they are prohibited according to the agency's manual. We showed how blue sky assessments are made against Americans—assessments that have no basis in fact or tax law. We showed how they are used to hurt the taxpayer, or simply to raise the individual statistics of an IRS employee. We showed how statistics and quotas are used to rate employees, despite the fact that such usage is strictly prohibited, and how levies and seizures are used to measure employee performance.

We listened to heartbreaking testimony by courageous witnesses—private citizens whose lives have been torn apart by the IRS, as well as current employees of the agency who speak of horrific tactics and practices within the agency. One witness has disclosed how IRS abuse led to suicides, the breakup of families, the destruction of businesses, and loss of financial credit and personal reputation.

Employees testified concerning a culture of secrecy, vindictiveness, abuse, and retribution that exists within the agency, itself—often targeted against employees, themselves. And let me say here, Mr. President, the vast number of IRS employees are good, hard-working, honest men and women. Without the help of the employees themselves, our hearings would have been impossible. We discovered that IRS employees want change. They understand that change is necessary. They are performing an extremely difficult duty—an important duty—under extremely difficult circumstances.

We heard of false allegations of wrongdoing against targeted employees. We learned about one senior agent who discovered an electronic listening device in the IRS employee break room, the area where agency employees are supposed to be able to relax and hold informal conversations. The room, Mr. President, had been bugged. Buttons were found under the desks of several IRS managers who were listening to their employees—violating their privacy. And as if this discovery wasn't bad enough, the senior agent who had discovered and reported the bugging devices was the one who was investigated. Our hearings, Mr. President, struck a chord with the American people. They struck a chord because Americans fear the IRS. It touches the life of every family—of every business. And our hearings struck a chord because Americans believe Congress is serious about reforming the agency—reform that must be thorough enough to address the problems that we are continuing to uncover.

As I said when I opened the hearings, Congress has given the IRS awesome power in an effort to help the agency carry out its tremendous responsibility. In that Congress has given such power, it is also Congress' responsibility to ensure that it is being used prudently, constructively, and with regard for the taxpayer and employees of the agency. Working together, we must help the IRS get back to its mission statement—to collect the proper amount of tax revenue at the least cost; serve the public by continually improving the quality of our products and services; and perform in a manner warranting the highest degree of public confidence in [the IRS's] integrity, efficiency, and fairness."

Toward achieving this, we must answer three fundamental questions that I posed during the Committee hearings:

First, does the IRS have too much power?

Second, if Congress were to limit that power, what expectations do we have that the new limits will be more effective than the old limits?

And, third, how do we go about changing the culture of the IRS?

With the painful disclosures still lingering weeks after the hearings, I believe it is safe to say that we have an answer to the first question. The IRS does have too much power. The very manner by which seizures, liens, and levies can be imposed—often without due process, and the manner in which the agency has now been shown to abuse those methods of tax collection—suggests that the IRS's power is beyond what would be considered necessary and prudent.

Now, Mr. President, we must focus on the latter two questions: How can Congress effectively limit the agency's power while allowing it sufficient authority to carry out its important responsibility? And what can we do to change the culture of the IRS?

As we turn our attention to these issues and consider possible legislative remedies, I want us to keep the following four criteria in mind:

First, we must restructure the Internal Revenue Service. The IRS—like many Federal departments and agencies—was created in the industrial age. While its mission is necessary to collect the revenue Government needs to run legitimate programs and services, its organization, administration, and infrastructure must be engineered to meet the needs, demands and expectations of the information age. The IRS must be dedicated to service. It must be responsive to taxpayer needs and above political influence.

Second, in restructuring the IRS, we must build into its system a mechanism that promotes accountability and continuous improvement. Our hearings raised serious problems about the lack of accountability of IRS employees. We found there to be little accountability for their actions—against taxpayers and internally, against employees of the agency. There is a need for a zero tolerance policy for improper and abusive behavior. There must be zero tolerance for failure to follow procedures and regulations. Accountability must also contain appropriate restraints on powers—especially the use of liens, levies and seizures—to assure that taxpayers are treated fairly. It must include a top to bottom review of employee evaluations, and make certain that such evaluations are not based on goals, quotas or statistics. There must be no promotion in spite of abusive behavior. And accountability certainly includes the ability to identify IRS employees. The IRS must include signatures on correspondence and do away with false identifications.

Third, comprehensive reform must address the issue of due process for taxpayers. Our investigation and hearings disclose cases where innocent taxpayers had liens placed against their homes, where they had their automobiles seized and bank accounts frozen without notification or the right to appeal. Restructuring and reforming the agency must include strengthening and implementing fundamental procedures for due process, and those procedures must be followed to protect and serve the taxpayer.

Fourth, and finally, reform and restructuring the IRS must result in more timely results for taxpayer problems. Our hearings showed that the IRS does not fix problems within a reasonable time frame. Change in this area must go beyond the systemic to embrace the culture within the IRS, as well.

Just as in the private sector, an employee's promotion should be based on his or her ability to serve the client—to resolve problems, not create them—to assure that a fair and appropriate tax has been paid, and not to harass or intimidate the client into paying more than is due.

These Mr. President are changes that can be made. Service must be the hallmark of the IRS. It is certainly the hallmark of America's finest corporations. Each day they become more effective and efficient, more service oriented and customer friendly. If they do not, they are quickly overtaken by other concerns, or they go out of business altogether. A mechanism that establishes self-sustaining improvement within the IRS is critical to the future of that agency.

As I said during the hearings, just as the IRS is quick to say that no honest taxpayer should ever fear an agency audit, the IRS itself should never fear congressional oversight. Congress must continue its oversight. One discovery from our first series of hearings is that it was the first time the full Senate Finance Committee—which has IRS oversight authority—has ever held such hearings. Congress must be vigilant. Our current efforts must lay a foundation for systematic oversight.

These four recommendations that have come immediately out of our hearings lay a strong foundation for the reform process. We have a consensus that something must be done. What we do must build on this momentum to assure that our effort at reform and restructuring is based on a complete understanding of the problems and necessary remedies.

Toward this end, the Finance Committee will continue to investigate and hold hearings. When Congress returns next year, the Finance Committee will hold additional hearings and work to act on reform and restructuring that addresses all the problems and concerns disclosed thus far. We will work with the House, the President, and Commissioner Rossotti—once he's been confirmed—to ensure that not only is there a complete understanding of the challenges and problems currently plaguing the IRS. We must ensure that such efforts at restructuring and reforming are complete, workable, and effective in making this powerful agency more efficient, more service oriented, and less frightening to honest Americans.

Mr. Rossotti has a background and the experience that will be invaluable in helping us bring about the kind of changes we believe are needed in the agency.

Mr. President, I yield the floor.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER (Ms. COLLINS). The Senator from New York is recognized.

Mr. MOYNIHAN. Madam President, our revered chairman, in calling up this important nomination of Mr. Charles O. Rossotti, spoke at length of the problems we have encountered with the Internal Revenue Service and spoke of the need for public confidence in that agency and the manner in which our tax revenues are collected.

He spoke of the determination of the Committee on Finance to see that this issue is addressed fully, comprehensively, and carefully. I would like to stand here and say that as this goes forward, there can be complete public confidence in the chairman of the Committee on Finance, Senator ROTH, that it will be done in a nonpartisan way. I don't think I should use the word "bipartisan," because I don't think there is a Republican method of collecting taxes fairly and efficiently or a Democratic method. It is something that we must do properly as a Nation.

We do well to remind ourselves that we began as a Nation in protest against taxation we thought was improper and illegal and that this issue has never been far from our concerns, although not until recently has the Committee on Finance exercised its oversight jurisdiction. It is our duty to see what is going on in this large public agency, which was founded in 1862 on the occasion when the Federal Government imposed for the first time an income tax. And which, as the distinguished chairman said, has the organization and pattern of the industrial age, as yet but little responsive to the modes of management which have emerged in a postindustrial age with great efficacy and public response.

I am here to state that there is complete support on this side of the aisle for the chairman's program. The particulars will emerge as we work at the facts, as we uncover them. We have our first hearing on the IRS restructuring legislation this Wednesday. Again, I will say this is not a bipartisan matter, it is a nonpartisan matter of central importance to the Federal Government. As the chairman indicated in his closing passage, the nomination of Charles Rossotti to be Commissioner of the Internal Revenue Service is an important measure of cooperation from the executive branch. The chairman noted that President Clinton has supported this. In particular, Secretary of the Treasury Rubin, much impressed by the work of the commission headed by a member of our committee, Senator KERREY of Nebraska, and legislation introduced by him and another Member, Senator GRASSLEY of Iowa, again in an across-the-aisle mode. It was Secretary Rubin who thought that the time had come to bring modern management modes into the IRS and, indeed, Madam President, Mr. Rossotti will be the first Commissioner not to be a tax lawyer in a half century, since World War II. This is not, as Everett Dirksen would have said, to slight the tax lawyers. They typically defend the public, the individuals against the Government, and their task grows steadily more rewarding as the tax code become steadily more incomprehensible. Still, we have brought the right man to do the job at this moment.

I would like just to offer a brief comment, if I can have the indulgence of the Chair, about an article which appeared in the New York Times, whilst we were contemplating this second phase of the effort which the chairman began with those 3 days of dramatic and powerful testimony. And that is an article by Paul C. Light, a professor of public affairs and political science at the University of Minnesota's Hubert Humphrey Institute, in which Professor Light pointed out that whatever we do to restructure and simplify the Tax Code, we still have a problem of organization within the IRS itself. We still have to do something to reduce the multiple layers of bureaucracy which, and I quote Dr. Light, "leaves no one accountable for how agents treat taxpayers."

I think you would find this is a normal development of an agency in place over a very long time in which you have career public servants in a system which has gradations of compensation, and presumedly responsibility that go from General Service 3 to General Service 17, and then there are supergrades beyond that.

You create this in a 19th-century mode. It is called civil service reform. And on this floor a century ago, 110 years ago, it was debated with great vigor. It meant to take the individuals in the public employ out of any area of political influence, political choice, patronage of jobs.

But it easily results in what Professor Light calls layering—the GS-5 on top of the GS-4, the GS-6 on top of the GS-5. And he gives this illustration, a very concise one. He said:

> Just imagine a bureaucracy that goes something like this: an agent—

The agent is the person who deals with the individual citizen—

> an agent reports to a district group manager, who reports to a branch chief, who reports to an assistant chief of the division, who reports to the assistant district director, who reports to the assistant regional commissioner, who reports to the regional commissioner, who reports to the chief of staff to a deputy assistant commissioner, who reports to the deputy assistant commissioner, who reports to the assistant commissioner, who reports to the chief operating officer, who reports to the deputy commissioner, and so on.

You haven't even reached the top of the layer.

That is the kind of progression you will get over a century in an organization in which the internal incentives are to be promoted, as they should be. It is how Colin Powell went from being a member of the Pershing Rifles at City College in New York, where I began my education, to Chairman of the Joint Chiefs of Staff of the U.S. Armed Forces. And they encourage them. But there can be too much. It can separate accountability to the point where it cannot be found in the system.

It has been remarked that the Catholic Church, which has been around for centuries, has managed all these years with just three layers of authority. You have Pope, bishop, and priest. There are some honorific; every so often a priest will be called a monsignor, but it is Pope, bishop, priest. And it is something to be thought about, as this whole subject is considered in the Congress.

We spend too little time on organizational matters, too little time on how much we have spread out agencies. I have been witness, in my time in Government, to a number of sequences by which the Bureau of Public Roads in the Department of Commerce, a small effective agency known in the 1920's and 1930's for its very vigorous civil service that was mostly working on farmer market roads, and then comes some other legislation, the interstate highway program, and the next thing you know you have the Department of Transportation.

I have seen small activities in the field of education. We had a commissioner of education, oh, going back a long way, and various able persons ran it. It was in the Department of Health, Education and Welfare. And don't you know, gradually it spun off and became the Department of Education. And there have been efforts in the other body to put an end to it. But by and large, these efforts are never successful. They take longer than you think. They are not very rewarding. You cannot put them in a newsletter.

As a matter of fact, we don't have newsletters anymore. I do not want to speak with anything less than the fullest admiration of our colleagues in the House of Representatives, but when I came to this body each Senator had a certain amount of funds—we had the franking privilege, which went back to 1790, and enabled us to write persons, to send out mailings to our constituents.

For my part, I represent some 18 million people. You cannot meet them, but you can write them. Or rather you could write them. The one thing from that great revolution we had across the way a few years ago is we abolished the one direct contact between Members of the Congress and the citizenry, which was the newsletter. The first one went out from Philadelphia in 1790, a gentleman from North Carolina, as I recall, telling his folks that there was not much going on just then, but he had hopes that there might be a tariff change which would improve the sales of our local product. By "our local product" he meant whiskey, corn whiskey, as against rum from the Caribbean. Indeed, it was an important source of revenue. And it kept the settlers across the Appalachians connected to the Atlantic coast as against the Ohio-Mississippi system which took them through French territory at the time.

We have lost that direct contact. This agency ought not to lose its. I was impressed, if I may say, by Mr. Rossotti's response on this point. We were speaking of these matters during his hearing, and I raised this issue of layering. And afterward he wrote me a letter in which he said—and I will take the liberty of quoting as I do not see any other Senator seeking recognition just now—he said:

> Your comment about the "layering" that accumulates in many large organizations that are organized on traditional lines is getting at a very important point. Excessive layering often lies at the heart of many problems, especially the difficulty upper management faces in understanding accurately what actually goes on in the front lines. It can also slow down action to fix problems. Of course, I do not yet know enough about the specific facts at the IRS to know how this problem affects the IRS and what might be done about it. As I begin my assessment of the situation at the IRS, however, I will most certainly be thinking hard about this issue.

If I may say, this is a promising response. We have had lots of nominations before our committee in the 21 years that you and I have served there together, sir. And without in any way disparaging any of my predecessors, this is the first evidence I have ever had of any of the nominees listening to anything that we said. Perhaps at most they keep an ear open, thinking that as soon as we stop talking, it is over, and "I can get out of here and on with my job."

But to get a letter like that back—well, Mr. Rossotti is a management specialist. He deals with modern systems. He has built an international firm for which people engage him to help them with the kinds of problems we have here. It is a good beginning.

Now, sir, one last point. The employees of the Internal Revenue Service are well-paid public servants, but none of them makes a third of the salary of an average tax attorney. And the average tax attorney has to master this—what is it?—9,479 pages of the Internal Revenue Service. Look at it—9,479 pages. That speaks dereliction of our duty. We can't go on producing these.

I take the liberty of displaying to the Senate and to our distinguished Presiding Officer the bill we adopted on July 31—820 pages added to the 9,479; 820 pages entitled Taxpayer Relief Act. What taxpayer relief will there be from having the IRS have to understand what is in here, as well as individual taxpayers? We better watch this. It is the way organizations can develop. It is a form of entropy. Energy goes down the system, complexity goes up and abuse takes place.

We can attend to organizational matters as much as we want. We can certainly attend to abuse. But until we simplify the Tax Code as a multiyear effort, as one that is real, we will fail to address the heart of the problem. Remember the simplifiers that took over on the other side of the Capitol who said we will get rid of all these complexities? What did they do? They added 820 pages. That speaks to a systemic problem, and we are old enough and capable enough as a society to address them. I, for my part, am hugely pleased that we will.

I want to thank again our chairman, without whom this would not be taking place, and thank Senator Kerrey of Nebraska and thank Secretary Rubin. This is a good beginning and a good note on which to start. I urge the confirmation of Mr. Rossotti, an extraordinarily able man.

I do not know that political party has ever entered into the calculation of who ought to be the Commissioner of the Internal Revenue, but I do expect that by and large it has been a person who is of the same party as the President who nominates him. It is an interesting fact that this is not the case in this instance. I am sure we will have his cooperation, and I am sure you will know how to use it to the greatest public advantage.

I ask unanimous consent to have the previously referred to material printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

October 27, 1997.

Hon. Daniel P. Moynihan,
U.S. Senate, Washington, DC.

Dear Senator Moynihan: I want to thank you very much for your quick consideration of my nomination and for your supportive and generous comments at my hearing.

Your comment about the "layering" that accumulates in many large organizations that are organized on traditional lines is getting at a very important point. Excessive layering often lies at the heart of many problems, especially the difficulty upper management faces in understanding accurately what actually goes on in the front lines. It can also slow down action to fix problems. Of course, I do not yet know enough about the specific facts at the IRS to know how this problem affects the IRS and what might be done about it. As I begin my assessment of the situation at the IRS, however, I will most certainly be thinking hard about this issue.

Once again, thank you for your help, and if I am confirmed I look forward to working with you in the months ahead.

Sincerely,
Charles Rossotti.

[From the New York Times, Oct. 18, 1997]

The Tax Agency's Layered Look

(By Paul C. Light)

Philadelphia.—Before Congress and President Clinton create an oversight board to monitor the Internal Revenue Service and end taxpayer abuse at the agency, they should take another look at what made that abuse possible.

There are simply too many layers of bureaucracy at the I.R.S. which leaves no one accountable for how agents treat taxpayers.

Creating an oversight board won't make a difference unless it can see abuse happening at the bottom. The solution, then, is not to add layers of supervision, but to get rid of them.

The I.R.S. has been lengthening the chain of command for decades. In 1960, for example, the senior leadership consisted of just 13 people. By 1996, despite efforts to streamline the agency it had grown to more than 60.

There can be something like a dozen layers of supervisors between the President, who is the chief executive of the agency, and agents in regional offices.

Just imagine a bureaucracy that goes something like this: an agency reports to a district group manager, who reports to a branch chief, who reports to an assistant chief of the division, who reports to the assistant district director, who reports to the assistant regional commissioner, who reports to the regional commissioner, who reports to the chief of staff to a deputy assistant commissioner who reports to the deputy assistant commissioner, who reports to the assistant commissioner, who reports to the chief operating officer, who reports to the deputy commissioner, and so on.

No wonder rogue agents thought they could get away with harassment. Had the I.R.S. added field agents instead of new layers of supervisors perhaps district managers wouldn't have needed to institute the collection quotas that fueled taxpayer abuse.

Some legislators believe that simplifying the tax code is a solution to the agency's problem, but that won't make the I.R.S. any less likely to abuse taxpayers. The best way to reduce taxpayer harassment is not a flat tax, but a flat I.R.S.

Mr. MOYNIHAN. I yield the floor.

The PRESIDING OFFICER. The Senator has 11 minutes remaining.

Mr. ROTH. I yield myself such time as I may consume.

I assure my distinguished colleague I will be very brief.

I want to point out that the hearings we held earlier this year were the result of the close cooperation between the minority side and majority side. I appreciate very much the full cooperation and assistance that the distinguished Senator from New York provided us.

We look forward to bringing about reform that has nonpartisan support. I think the Senator is perfectly correct. It is not a Republican, it is not a Democratic, it is a nonpartisan solution that we seek.

I have to say that I do think we are very fortunate in having a distinguished individual like Mr. Rossotti to be available. I think you made a very strong case as to why he should be confirmed because he has the very qualities and the very experience that I think are essential at this particular juncture.

You talked about the layered lives within the IRS. Mr. Rossotti is, fortunately, an expert on management. He is an expert on high technology. As I understand, much of his experience is giving advice and consulting with large firms as to how to become more effective, more efficient. So I think you made the point very well.

I think next year, I say to my distinguished friend and colleague, it is critically important that we begin some steps to simplify the Code. That is something I want to consult with you at the staff level because it is complex. It is going to be a multiyear effort. But there is no time better suited to start this than next year. I look forward to working with you on this important matter.

Mr. MOYNIHAN. Madam President, may I thank my dear chairman for saying there is no time like now. What a better moment to start addressing the Tax Code than that point which, nominally at least, we have a balanced budget and we are not driven by the exigencies of revenue as such. We can address the question of complexity, efficiency, and clarity.

Simplicity—we are a republic. We are meant to be simple. Good people of Maine would like that, I think, and I think the people of Delaware would. In New York we are somewhat given to complexifying, but I think we might find a little simplicity refreshing.

I yield the floor.

Mr. ROTH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The assistant legislative clerk proceeded to call the roll.

Mr. GRAMS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMS. Madam President, I ask unanimous consent that I be allowed to speak for about 5 minutes and that the time be deducted from the time of the majority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

IRS REFORM

Mr. GRAMS. Madam President, before we vote on IRS Commissioner nominee Charles O. Rossotti, I'd like to take this opportunity to make a few remarks about the direction IRS reform should take.

But first let me commend Mr. Rossotti for his courage to take on this job. I believe with his expertise and experience in private business management, Mr. Rossotti is qualified to head the agency, and I am confident that he will help improve IRS services and management.

Madam President, the American people have every right to be outraged by the disturbing details that emerged during 3 days of Senate hearings into the tax collection practices of the IRS.

Testimony from taxpayers and current and former IRS officials provided chilling accounts of mistreatment, abuse of power, and the merciless trampling of citizens' rights. What's even more shocking is that these improper and illegal practices within the IRS aren't random occurrences—they happen regularly.

For decades, IRS agents have routinely snooped through the supposedly confidential tax files of thousands and thousands of Americans. That could include me, or you. IRS agents are evaluated and promoted based on their total tax collections, a practice outlawed a decade ago.

IRS managers often cover up abusive behavior by collection agents. In stark contrast to our legal system, all alleged tax debtors are assumed guilty and treated as criminals.

The distressing tales told by the Senate witnesses were hardly isolated incidents; hundreds of working, law-abiding Minnesotans have contacted my office with similar grievances.

Though the individual details of their stories vary, the message is the same: the IRS devastated their lives. Many lost their homes, cars, businesses, and professional licenses—not to mention their reputation and self-respect.

Congress established the IRS with good intentions but the agency has evolved into what Nobel laureate Dr. Milton Friedman labels "a self-generating monstrosity over which the people have little control."

As a result, our tax system has become extremely complicated, difficult even for IRS experts to understand, and our tax burden has become so heavy and so unfair that it's unbearable for many working Americans.

The tax system under which the IRS operates today has become a redistributor of private incomes, a mechanism to enforce social re-engineering, and a launch pad for class-warfare.

It is anti-family. It destroys economic opportunity, hinders our job creation, impedes productivity and retards competitiveness. It has deepened the despair and disaffection among the poor and disadvantaged. It encourages abuse, waste, and corruption.

Congress deserves much—if not most—of the blame for the abuses of our current tax system because it is Congress that writes the Tax Code in the first place.

There are now nearly 10,000 pages of Tax Code, 20 volumes of tax regulations, and thousands and thousands of pages of instructions.

Besides making the tax system so complicated, Congress has seriously neglected its oversight responsibilities over the IRS. In fact, the Senate hearings were the first formal oversight of the agency ever conducted by Congress. That in itself is very shocking.

Congress for decades has been passing new tax laws and regulations without looking back to see how the system has been affected, or if it's working, or if it's unfair.

It's more obvious than ever that the present tax system will fail to lead us into the next century without fundamental reforms. But can Washington fix the IRS problems it created? Yes—if Washington can muster the political will to do it.

The first thing Congress must do is take its oversight responsibility of the agency more seriously. Let's end the secretive ways of the IRS and open the process to the sunlight.

Let's put the IRS under strict scrutiny, periodically reviewing its operations, exposing abuses, and ending illegal practices.

I welcome the fact that President Clinton changed his mind and presented a plan aimed at improving taxpayer-assistance services at the IRS, including a board with private citizens to oversee the agency.

Although this is a positive step, the proposed changes are mostly cosmetic and will do nothing to address the deep-rooted deficiencies within the IRS. Very simply, the heart of the problem with the IRS is the tax policy on which all IRS decisions are based.

To end the abuse once and for all, Congress must pass new legislation to reform our tax system and replace the ever-more-complicated Tax Code with one that's simpler, fairer, and more friendly to taxpayers.

The American people deserve a fair Tax Code that promotes harmony between people and doesn't separate us into classes, a code that encourages work and savings; a code that rewards families and success rather than penalizes them; a code that stimulates real economic growth and produces more jobs and, yes, higher tax revenues; a code that allows taxpayers to keep more of their own money.

Congress must explore every available solution in our quest to re-create our tax system and achieve these objectives.

Passing the House IRS bill may sound tempting, as it does make some needed changes, but I agree with Senator ROTH that we need to do the job right the first time around, not accept minor changes that may prevent or delay efforts to reform our overall tax system.

Madam President, the leadoff witness at the Senate IRS hearings summed up the debate with a message Congress cannot ignore: "If the public ever knew the number of abuses covered up by the IRS, there could be a tax revolt."

The public is beginning to understand the depth of the IRS problems. Tinkering with the IRS won't work and the time for real tax reforms is now.

Thank you very much. I yield the floor.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Madam President, I yield myself such time as I might use off the leader's time.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

IRS REFORM

Mr. GRAMM. Madam President, I wanted to come over today and talk about the IRS and about reforming the IRS. We are on the floor considering the nomination of Charles Rossotti to be head of the IRS. We had an excellent hearing on the nomination in the Committee on Finance. His background is somewhat different in that he is an information management person, a very successful businessperson. I believe that he will be an excellent head of the IRS. I intend to vote for him. However, like most people who have spoken during this time, I want to talk about reforming the IRS, not the naming of the new head of the agency.

First of all, Madam President, I want to reject the idea that what is wrong at the IRS is sort of a sociological environment that has developed there. We heard a little of that during our hearings. We heard a lot of it from the Treasury Department when an effort was undertaken to try to change the IRS.

The whole logic of this argument, which I reject, is that the problem at the IRS is that an atmosphere has developed, that there is this sociological environment that has come into existence over a long period of time, and what we really need is to have some counselors come in and have sensitivity training for IRS agents and that will make everything great.

We then have terms used, and I would have to say by Members of both parties, such as, "Let's make the IRS a consumer-friendly agency." I am afraid that just reeks of nonsense to me. Let us not forget that we did not create the IRS with the best of intentions. Congress created the IRS to get money from people who, by and large, did not want to joyfully give. When it comes to the IRS, most Americans are not happy givers. They believe that Government spends too much money. I share that belief. They believe that the Government spends it inefficiently and unwisely. I share that belief. In fact, both of those beliefs would be strengthened if the average citizen could spend 1 week as a Member of the Senate. People do not like paying taxes. They object to much that the Government does, and the IRS uses the power of the State to force people to provide money that, by and large, they do not want to provide.

But there has developed a notion that somehow at the end of this process, when the agent calls up and says, "I'm from the Internal Revenue Service and I want to help," people would say, "Well, gosh, great; it's awfully nice that you called. This is the beginning of a good day, possibly a good week or year and may be a turning point in my life."

If we are going to approach the IRS problem from the point of view that the agents simply need sensitivity training or that this can become such a friendly Government agency that people will be happy to hear from it, I think we are making a terrible mistake.

I think the problem with the IRS is very easy to define and quite hard to do something about. The problem with the IRS, to paraphrase an ancient Greek, is that power corrupts. The basic problem with the Internal Revenue Service is that IRS agents, in the bureaucracy that has developed to collect taxes, have tremendous power. I guess the best way I found to try to get people to visualize it is to talk about a courtroom. Most of us, fortunately, have never been in a courtroom, but almost everybody has seen it on television or at the movies.

Think of yourself as going into a courtroom and the judge is from the IRS. You look over at the jury, and the 12 jurors are all from the IRS. And then you look over at the prosecutor's table, and the prosecutor is from the IRS. And the policeman who is going to testify, having arrested you, is from the IRS. And you walk into the courtroom faced with a presumption that you are guilty.

Now, that sounds like a picture that is completely out of focus as far as the American system of justice is concerned. But in reality that is an accurate picture of a taxpayer dealing with the Internal Revenue Service.

Now, the question is, how do you change that picture? How do you do it in such a way as to guarantee due process? How do you separate the powers of the IRS to eliminate the abuse? And how do you do it all in such a way that you do not undermine the ability of the Internal Revenue Service to collect $1.6 trillion a year in taxes from working Americans.

That is our challenge. I want to congratulate our colleagues in the House for their efforts. I want to congratulate Senators GRASSLEY and KERREY for their IRS restructuring commission effort. I think that effort gave us a good starting point. I think Chairman ARCHER's bill is a good bill.

But I would have to say that I agree with Chairman ROTH, that what we need to do is to carry this issue over until next year. We had very productive hearings, hearings that awakened not only us but the American people to abuses in the IRS. But now, before we legislate, we need to hear from some people who have ideas as to how we fix the problem. I think we need to hear from financial experts, including people from the Internal Revenue Service. I think we need to be certain that this issue has been thoroughly examined.

I would like to share just a few thoughts and then yield the floor, because I see that we have other colleagues who have come to the floor.

First, I believe that we need, to the maximum extent possible, to try to find a way to separate powers that are currently joined together in the Internal Revenue Service. It seems to me, if you look at the criminal justice system, that the separation of functions represents a separation of powers that, while it doesn't always succeed, while there are failures and abuses in the system, at least in the criminal justice system you have the police that do the investigating and then they take their evidence to the district attorney and the district attorney evaluates their evidence and in the process evaluates them. And then the district attorney goes to a grand jury and the grand jury evaluates the evidence and makes the determination as to whether there is sufficient evidence to take you into court. If they decide there is, you go into a court where you have a judge and where you have a jury. And the investigating police, the district attorney, the grand jury, the judge, and the jury all represent separations of power and checks on the potential abuses of one or the other.

Our problem in the Internal Revenue Service is that this one agency performs all of those functions. It seems to me that the first thing that we have to try to do is to find a way to separate those functions so that each of these different levels of our dealings with the Internal Revenue Service represents a check on the potential abuses of the other level or function that we are dealing with.

Obviously, this is a golden opportunity for us to look at the Tax Code, to look at its complexity, to look at the degree to which it is unfair, and try to fix it. I am not one of those who believes that short of Heaven we will ever eliminate the Internal Revenue Service. We can change its name, we can change the plaque, we can take down the flag, but in reality, as long as the Government spends massive sums of money, somebody, some agency is going to have to collect that money. But I think, with a simplified system, we could dramatically change the way the IRS works by making it easier for citizens who intend to abide by the law to do it.

I think also that, to the degree that we control Government spending so that Government takes less, to the degree that we spend the money more wisely, then I think we would make people more willing to pay taxes. The great Abraham Lincoln was quoted during the Civil War as having said that he was a joyful taxpayer. He perhaps was the last one in America. Because he supported winning the Civil War. I think, to the extent that we can make the system simpler and fairer, to the extent that we can be wiser in our expenditure of money, that we can improve the situation. But, in the end, the Internal Revenue Service has too much power. We need to shift the burden of proof. The Internal Revenue Service should have the burden of proving that someone is a lawbreaker. We should not begin with the presumption, when you are dealing with the Internal Revenue Service, that the taxpayer is guilty.

It seems to me that we ought to also look at a system where, if I am trying to run a business and the IRS comes in and audits me and I spend $250,000 on accountants and lawyers, defending myself from the IRS, and at the end the IRS says, or the judge and jury say: This was all a mistake. You didn't do anything wrong. If that turns out to be the case, it seems to me that small business ought to be able to go into court and say: Look, I spent $250,000. I didn't do anything wrong. The IRS didn't even say it's sorry. Maybe the IRS ought to have to pay that small business $250,000 and pay their court costs.

A final point which has almost never been mentioned in this debate but which I want to mention here because I think it has to be a factor in our deliberations, is that at the end of the day, with whatever we do in reforming the IRS, it still has to be able to collect taxes. I have no sympathy for people who cheat on their taxes. People who cheat on their taxes make the rest pay more. And as we strengthen the rights of taxpayers—which I am in favor of, and I intend to fight hard for—as we shift the burden of proof, as we divide the powers of the IRS and make it less intrusive, to the extent that such reforms make it easier for people to cheat we have to have stiffer penalties for those who knowingly violate the law.

So I think we have quite a legislative effort ahead of us. I think we have a golden opportunity to do something that is important. I want to congratulate Chairman ROTH and the Finance Committee because I do believe we had an excellent set of hearings. But simply because we know more about the problem does not mean that we yet know the solution. I am hoping that we can have equally productive hearings on ideas from people around the country as to what could be done to fix the IRS, how we could change the system. We should take the time to get it right, be more comprehensive in what we want to achieve, and build on an excellent bill that came over from the House. We have an opportunity to dramatically change the Internal Revenue Service and convince Americans that, while the Government is still spending too much money and is not spending it as wisely as it should, that the tax system is fairer and that the collection process is fairer as a result of the reform efforts that we are about to undertake.

I don't think people expect to love their Internal Revenue agent, unless they married one or unless one is their child or their parent. But they expect to be treated fairly. And obviously they know when they are contacted by the IRS that they are potentially in deep trouble, and it is that threat that drives many people to go ahead and declare income that they might have hidden and to pay taxes that they didn't want to pay.

So, finding this balance, I submit, is going to be a difficult task. I am very grateful that I am on the Finance Committee and I am going to have an opportunity to play a small role in it. I think it is important. I am glad that we are waiting to gather more facts, not just on the problem but the solution. I thank my colleagues for their tolerance and I yield the floor.

The PRESIDING OFFICER (Mr. ALLARD). Who yields time? The Senator from Michigan?

Mr. ABRAHAM. Mr. President, I seek unanimous consent to speak for up to 5 minutes, the time to be deducted from the leader's time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ABRAHAM. Mr. President, I don't believe I will necessarily need the full 5 minutes, even, but let me speak today about an issue of great concern to the citizens of my State.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

BERRY ALERT CAME WEEK AFTER SALE

Mr. ABRAHAM. Mr. President, in March of this year, over 200 schoolchildren in my State contracted the hepatitis A virus from food served by the school lunch program. As news of the outbreak began to pour in, the Michigan Department of Community Health and the Centers for Disease Control went into action to determine the cause. They soon found the culprit: frozen strawberries sold to the school lunch program by a San Diego company named Andrew & Williamson. Investigators also discovered that some of the strawberries sold to the school lunch program had been illegally certified as domestically grown when, in fact, they had been grown in Mexico.

Mr. President, these strawberries should never have been served in the school lunch program in the first place. By law, products sold to the school lunch program must be certified as being domestically grown.

Companies have typically been trusted to do the right thing, but Andrew & Williamson chose to do something else. They chose to misrepresent their product's country of origin and over 200 people were poisoned as a result.

But now, Mr. President, disturbing new information has come to light from the criminal case against Andrew & Williamson which indicates USDA officials may have had advance warning of the illegal strawberries. An article in Saturday's edition of the San Diego Union Tribune disclosed that USDA was alerted 1 week after the school lunch purchase from Andrew & Williamson that the fruit was from Mexico. In addition, the newspaper also reports that the Federal official at USDA who was alerted thought it serious enough to file an administrative report and wanted to investigate the charge, but was rebuffed by her supervisor.

Mr. President, I ask unanimous consent that the text of the San Diego Union Tribune article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the San Diego Union-Tribune, Nov. 1, 1997]

BERRY ALERT CAME WEEK AFTER SALE

WITNESS SAID HE WARNED USDA THAT FRUIT WAS GROWN IN MEXICO

(By Rex Dalton)

A federal official received an early complaint in October 1996 that a San Diego company was illegally selling Mexican strawberries to the federal government for school lunches, according to newly released documents.

That means the U.S. Department of Agriculture knew about the sale four months before the strawberries were served in February. The USDA did not investigate until after the berries caused about 270 cases of hepatitis A in Michigan schools in March.

In fact, the 1.7 million pounds of frozen strawberries had not been delivered to government warehouses when the warning came in, shortly after the USDA's strawberry purchase was announced Oct. 17, 1996.

The disclosure of the early warning is in witness statements recently released under unusual circumstances to defense attorneys for Andrew & Williamson Sales Co. Inc. of Otay Mesa.

The strawberry-processing company and two executives were indicted on charges of fraud and making false statements in connection with the sale of Baja-grown fruit to the USDA for the National School Lunch Program. The charges are not related to contamination of the berries. Produce sold to the program must be grown in the United States, according to federal law.

The witness statements were made in April to the USDA's Office of the Inspector General, but were not disclosed to defense attorneys until Oct. 14. The defense attorneys had received many other witness statements and documents after the June indictments.

Joseph Milchen, the attorney for company founder Frederick L. Williamson, said he received the key witness statements from the U.S. Attorney's Office in San Diego. The U.S. Attorney's Office informed Milchen it sent the statements right after getting them from the USDA.

Williamson, 60, of Oceanside has pleaded innocent. The other executive, Richard H. Kershaw, has pleaded guilty.

The San Diego Union-Tribune reported in September that at least three leaders in the California strawberry industry told USDA officials in January that Mexican strawberries were being sold illegally to the lunch program. The berries were served around Valentine's Day and the hepatitis A cases developed within a few weeks.

At congressional hearings in the spring on the hepatitis A epidemic, USDA officials testified they only had vague allegations about a possible illegal sale shortly before the outbreak.

When Sen. Spencer Abraham, R-Mich., learned *The Union-Tribune* had reported the USDA had evidence in January of an illegal strawberry sale, he expressed outrage and called for a Senate hearing on the USDA's handling of the strawberry sale.

Sen. Paul D. Coverdell, R-Ga., chairman of the Senate Agriculture Subcommittee on Marketing, Inspection and Product Promotion, then began working to set up the hearing into the USDA's accountability.

Against this backdrop of heightened concern about food safety and imported produce, the new witness statements were released in San Diego.

Phillip L.B. Halpern, an assistant U.S. attorney whose office is handling the Andrew & Williamson prosecution, could not be reached for an interview.

USDA officials in Washington declined to comment.

The agency is continuing to investigate the Mexican strawberry sale, which also has been linked to nearly 50 cases of hepatitis A in Maine, Louisiana and Wisconsin. Federal authorities believe a field worker in Mexico accidentally contaminated the fruit while it was being picked in April and May 1996.

Hepatitis A is spread through contact with human fecal matter. Investigators who later visited farm fields where the berries were grown found outhouses adjacent to rows of strawberries, and no ready method for harvesters to wash their hands. The virus can cause nausea, vomiting, fever and jaundice. In rare cases, it can be fatal.

The key witness statement that recently was released was made by Frederick J. Haas, who operates a Watsonville produce sales operation called U.S. Food Service.

As the USDA's Office of the Inspector General began its probe, Haas made separate statements on different dates in April.

In an April 8 statement, Haas told the inspector general's office he called the USDA's Sandra K. Gardei in January and told her

> about the Mexican strawberry issue. Gardei oversaw the October 1996 strawberry purchase.
>
> That statement and those of other witnesses were provided to Andrew & Williamson defense attorneys last summer.
>
> But not until Oct. 14 did the defense attorneys receive an "addendum" statement that Haas made April 15 and an April 11 statement by Haas' administrative assistant, Jeanette Baum.
>
> Those statements detail how on Oct. 24, 1996—just a week after the announcement of the USDA's purchase of frozen strawberries—Gardei was called about the use of Mexican strawberries.
>
> Haas' April 15 statement says he told Gardei the USDA should not purchase the strawberries from Andrew & Williamson's brokers "because that product was grown in Mexico."
>
> After the strawberries first were linked to hepatitis A in Michigan on March 28, Gardei prepared an administrative report for the USDA describing how she was alerted in January and February about the Mexican fruit.
>
> In that administrative report, Gardei said she sought to open an immediate investigation.
>
> She said in the administrative report that her USDA superior, Darrell J. Breed, refused to open an investigation. Gardei also said Breed ordered his secretary to remove copies of her administrative report from USDA files.
>
> But Gardei's April 3 statement to USDA investigators makes no mention of any calls in October from Haas or any other California strawberry leader.
>
> Neither Gardei nor Breed have been available for interview. Breed denies in his statement to the inspector general's office that he sought to cover up or mislead USDA investigators. His secretary denied in her statement that he ordered her to remove Gardei's administrative report from USDA files.
>
> While Michigan's Abraham had hoped to have a subcommittee hearing soon to explore USDA handling of the strawberry purchase and probe, congressional aides say it appears as if no hearing will be held this year.
>
> Congressional aides say USDA Inspector General Roger C. Viadero has asked to meet privately with interested legislators about the issue.

Mr. ABRAHAM. Mr. President, this information, if true, is very inconsistent with what was asserted by Federal officials at a June 5 hearing of the full Agriculture Committee. There, USDA officials testified at the hearing that they knew nothing more than nonspecific and vague complaints of potential violations at Andrew & Williamson, the San Diego company which sold the fruit to the Government for school lunches.

If the newspaper article and witness allegations are true, it would certainly raise serious questions as to whether the full committee and this Senator were misled. I believe we are owed an explanation and suggest the Government officials involved be called to testify under oath regarding their actions.

Senator COVERDELL has written USDA to ask for a response to these serious charges, but so far nothing has been heard. It is my intention to keep pressing the USDA for answers as well as seek the appropriate oversight of this matter. I want to be sure that the Government agencies responsible for protecting us are doing their job.

This dangerous incident, the poisoning of Michigan children by their own School Lunch Program, should concern us all, Mr. President. The company involved seems to have demonstrated a reckless disregard for public safety.

To that end, I have introduced legislation which makes such conduct a felony with a maximum penalty of 5 years imprisonment and/or a fine of $250,000 per count. This change in law will ensure that individuals who intentionally misrepresent their goods will now suffer the appropriate consequences of their actions. The recent outbreaks of hepatitis A, cyclospora and *E. coli* demonstrate that a new commitment to food safety is sorely needed in this country. I will continue working to see that Congress takes the appropriate measures to assist the USDA, FDA, and Centers for Disease Control in their efforts to keep America's food supply the safest in the world.

Mr. President, I yield the floor.

EXECUTIVE SESSION

NOMINATION OF CHARLES ROSSOTTI, OF THE DISTRICT OF COLUMBIA, TO BE COMMISSIONER OF INTERNAL REVENUE

The Senate continued with the consideration of the nomination.

Mr. MOYNIHAN. Mr. President, I yield such time as he may require to my distinguished friend and colleague on the Finance Committee, the Senator from Louisiana.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. BREAUX. Mr. President, I thank the ranking member, the Senator from New York, for recognizing me.

I take this time just to say a couple of words about the President's nominee to be the Internal Revenue Service Commissioner, Mr. Charles Rossotti, who I enthusiastically support. I think the President has made a good choice. It is interesting to note that this appointment will be the first nontax lawyer to head the Internal Revenue Service since World War II. That might not make a lot of waves in some areas, but I think considering the problems we are experiencing with the Internal Revenue Service that this is a very positive qualification at the current time.

I say that because I think that many of the problems that we heard in the days of hearings that we had in the Senate Finance Committee about the Internal Revenue Service were not so much tax problems but human problems; not so much a problem about how much money was being collected and where it was being collected from or where it was not being collected from, but really more evidence was given to us about mishandling of individuals, mistreatment of individuals, setting quotas for Internal Revenue Service agents that they had to meet in order to be considered for an appointment; review processes of Internal Revenue Service personnel that were conducted by Internal Revenue Service personnel themselves whose appointments many times were based on how they defended the Internal Revenue Service.

These are not problems that call for a tax attorney but rather cry out for a person who is experienced in the business world, who is experienced with handling large numbers of employees, who is experienced in the management of a company or in the management of a corporation. These are the type of qualifications that I think are needed at this particular time in the history of the Internal Revenue Service. It is a very large agency with over 100,000 employees, and, of course, there are going to be mistakes made. The question is not whether mistakes are going to be made, but rather how we correct those mistakes. I think Mr. Charles Rossotti brings a particular degree of expertise to this position at this particular time.

I was interested in some of the answers that he gave when we asked him questions about what he thought needed to be done and how would he approach his job. I think the responses we received were right on target for what is needed at this time.

He said that he would not tolerate IRS workers who treat taxpayers abusively and would fire such workers as necessary.

I don't know about my colleagues, but as one Member of the Senate, I feel a sense of apprehension when I deal with the Internal Revenue Service, and I am a Member of the U.S. Senate and sit on the Senate Finance Committee which has jurisdiction over the Internal Revenue Service. Yet, I feel a little hesitant when I deal with the agency for fear of doing something wrong. It is like that knock on the door that comes and someone says, "It is the IRS," and they are here to see you and you go into an absolute panic. That should not be the feeling that Americans have toward an agency that really works for them. They work for the taxpayers of this country, as do we.

So I was very pleased to see Charles Rossotti say, "I will not tolerate IRS workers who treat taxpayers abusively and would fire such workers, if necessary."

He also said that the practice of evaluating an IRS employee performance based on quotas or based on how many cases they make will not be a determining factor in how well they do within the agency. I think that is important.

I think some of our colleagues have probably had experiences in respective States where State troopers were promoted and evaluated based on how many tickets they wrote. It was a quota system. They had to issue so many tickets in 1 day or they were going to be looked upon as not doing their job properly. That is something that I think is a mistake.

Mr. Charles Rossotti has indicated that that will not be the basis for evaluating and determining performances by IRS agents. I think that is a step in the right direction. They should not be judged just on how much money they bring in. They should be judged on a whole series of factors on how they perform on their jobs, not the least of which is how they treat the people they work for—the taxpayers of this country.

He outlined three principles. These are not tax principles. These are personnel principles, management principles, and that is why I think he is the right man for the job at this time.

In talking about management responsibility, he said he would expect managers to keep on top of activities under their authority and quickly halt abuses. These managers will be responsible for the abuses that may or may not occur within their jurisdiction.

He said that he was going to be strongly supportive of open communication. He wants to create an atmosphere in which workers are willing to bring problems to the attention of the managers without fear of reprisal. That is a personnel decision. We had people from the agency testifying before our committee behind a screen to separate them from the other IRS personnel for fear of retribution because of their testimony.

They actually said they were fearful to tell anybody about the problems that they saw for fear of being retaliated against or demoted or never promoted because of their willingness to come up and say, "Look, there's something wrong in my section. I don't think we're dealing right with the people that we work for." So I was very pleased to see that the nominee addressed the question of open communication.

And then, finally, on the performance measurements—and I mentioned this—he said, there will be no revenue quotas or perceptions of quotas in worker evaluation. Instead, he said he wants to create a set of measurements that do in fact measure what we want, including taxpayer satisfaction with their dealings with the agency.

I think that that goes a long way. If an agent is of the opinion that he is going to be judged on his performance based on how much money he brings in, there is a certain degree of pressure to go out and do as much as he or she possibly can. That should not be the guiding principles of the Internal Revenue Service agents when they deal with the American public.

The final point I make is that I think most of us would agree that the American taxpayer should feel there is someone within this department that is on their side. They know that the 104,000 Internal Revenue Service agents have a job, that their job is to collect the legitimate revenues that are owed by taxpayers so that their country could be a better place, a safer place in which to live. They understand that.

But right now they feel that in dealing with this agency of Government, there is no one on their side, that they are against a bureaucracy and that they are really helpless, particularly when they understand that they have to somehow prove themselves innocent if they are ever accused by the Internal Revenue Service. I think that is wrong.

I mean, every courthouse in America that I have ever been in, when someone is accused of doing something wrong, the person who is bringing that accusation, whether it be a State's attorney, the district attorney, or what have you, has an obligation to make the case beyond a reasonable doubt and with a preponderance of the evidence in civil cases and beyond a reasonable doubt in criminal cases. The person making the accusation has to prove it to various standards according to the court that they happen to be operating in—except here, where the Government can bring down the full bureaucracy of the American Government on an individual taxpayer, and somehow that individual has to come in and say, "Let me attempt to prove my innocence," instead of having the Government prove that something was done incorrectly, improper, or illegally in order to justify a penalty against the American taxpayer. I think that is incorrect. I think that that should be changed.

The other point that I think is important to note right now is that we have legislation—I have introduced it with a number of cosponsors; it has been incorporated into the Senators KERREY and GRASSLEY proposal—which creates this commission, which creates what I will call a Taxpayer Protection Office where when the taxpayer has a problem with the agency, that he or she knows there is some place where he or she can go, either by walking into a district office or using a 1-800 telephone number to explain their side of the dispute and have someone in the agency take the time to learn their side of the issue, so that they can have someone to represent them and their position before their own Government. I think that is important.

We have a type of office like that now called the Taxpayer's Advocate, but it really is run by IRS agents. They are only going to be there a short time. Then they will be promoted or demoted, depending on their performance, to some other part of the department at a later date. So those people are just moving through the system.

Our legislation says that these people shall not directly be IRS employees, but should be more an organization that looks after the interests of the taxpayer and would be subject to the Commissioner himself's jurisdiction. I think that should go a long way to helping the American taxpayer know that within this bureaucracy there is some department, some division, someone who is actually going to be on their side and help them represent their case to the Internal Revenue Service itself.

So I think that is where we are today, and the question before the Senate is, should the Senate confirm this nominee? I enthusiastically lend my support to the nomination. We had an excellent hearing with him. I think what he said was right on target. The fact that he is not a tax lawyer is probably part of his qualifications for this particular title. I support the nomination.

I yield the floor.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. I ask unanimous consent that my time be taken from the leader's time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I voted for Mr. Rossotti to be reported out of the Senate Finance Committee. So, obviously, I support his nomination on the floor of the Senate today.

His résumé differs from many of his predecessors. That is, he did not come to this position through appointment of the President as a tax practitioner. He comes to us from having succeeded in the business world, but not as a tax lawyer.

In business, he provided a superior product and a superior service. The country desperately needs a superior product and superior service at the IRS and a manager who can deliver both. That is why the country needs someone like Charles Rossotti to be Commissioner of the IRS.

Senator KERREY and I found, through our work on the Commission to Restructure the IRS, that what the IRS really needed was not a tax lawyer to head it up. That had been tradition. What they need is an organizational leader. I think Charles Rossotti fills that responsibility. The duties of the IRS are very much like a big business organization.

Last year, the IRS had revenue of $1.4 trillion and a congressional appropriation of over $7 billion to collect that money. On the other hand, the IRS cannot satisfy the General Accounting Office that its books are in order. The IRS has a work force of 106,000 people. This compares to the 50 largest business organizations in America. The IRS serves 115 million individual taxpayers. Last year, it received 76 million inquiries. It handles 200 million different tax returns and over 1 billion information returns annually.

It has offices in every State in the Nation. The National Treasury Employees Union is one of the largest labor unions in the country. The IRS deals with over 12,000 financial institutions and 12 Federal Reserve banks in some 600 locations.

All of these things taken together require a manager with very special skills. Those skills do not necessarily involve expertise in the Tax Code. Consequently, that is my argument. The tradition of having a tax lawyer as IRS Commissioner is overblown. Somebody with organizational skills coming from a business organization with a proven track record in that environment is the best person to run this massive organization we call the IRS.

The IRS Commissioner's job has been thought of as the chief tax collector of our country. In a way, I hope that Mr. Rossotti does not become the Nation's chief tax collector. We all expect him to collect every dollar that is legally due.

But I would rather think of the Commissioner's job as that of the "chief customer service representative" at the IRS. We need to instill, in other words, through Mr. Rossotti and his background, the attitude of customer service at the IRS. In other words, another way to say that would be to put the word "service" back into the Internal Revenue Service. Mr. Rossotti seems to recognize improved customer service as his personal task. In the private sector he knew his organization would not be successful without putting customer service No. 1 on his priority.

In January this year I wrote to the President. I discussed the kind of person that we would need to be the next IRS Commissioner. Mr. President, I ask unanimous consent to have that letter printed in the RECORD.

There being no objection, the materials was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, January 13, 1997.

Re selecting a non-lawyer as the next IRS Commissioner.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: Presently you are confronted with the resignation of Internal Revenue Service Commissioner Margaret Milner Richardson. Though the Commissioner and I have disagreed on certain practices and policies of the IRS, we have had a good working relationship that has resulted in some successes.

As you begin to consider persons whom you will nominate as the next IRS Commissioner, I urge you to consider nominating a new kind of administrative leader for the IRS. Rather than focusing on lawyers with a workable knowledge of the tax law, it may be time to nominate someone who is both a non-Washington, D.C.-insider and a non-lawyer to be the next IRS Commissioner. A person educated in business and experienced in running a large private sector company would be better suited to administer the IRS than most lawyers.

The duties of IRS are very much like a business. The IRS would benefit from the leadership of a trained and experienced business person. Last year, the IRS had a revenue of 1.4 trillion dollars, and a Congressional appropriation of over 7 billion dollars, but it cannot balance its own books to satisfy our own Congressional accountants, the General Accounting Office.

The IRS has an employee workforce of 110,000 individuals. This makes it comparable to the group of the fifty largest companies in the country. The IRS has 115 million individual taxpayers that it must serve. As taxpayers, all of these customers, are also owners of the IRS. IRS received 76 million taxpayer inquiries last year. It handles 200 million different tax returns, and over 1 billion information returns annually. It has offices in every state in the nation. The employee union with which the Commissioner must deal, the National Treasury Employee's Union, is one of the largest labor unions in the country. The IRS deals with over 12,000 financial institutions and 12 Federal Reserve Banks in some 600 locations.

I think that these things suggest the need for an expertise that is not taught in law school and is not tested on any bar exam. The best of our prospective administrative leaders are found in this country's private sector companies. One would think that, if the President of the United States would ask, he would have his choice of the best of the best.

There will be people in both the public and private sector who will criticize the idea of a non-lawyer running the IRS. Many of these people will be professionals of what I call the federal tax industrial complex. About these criticisms, I will say two things. First, most of the critics will themselves be lawyers. Second, I will remind them that many non-lawyer CEOs of this country all have many lawyers who work for them, and they seem to get along just fine. I would even suggest that the stock-holders of big companies run by non-lawyers are much happier with the production and service of those companies, than the people who own the IRS, the federal taxpayers.

For these reasons, I sincerely hope that you can select a non-lawyer as your next nominee for the post of IRS Commissioner. If you are interested, I would like to help you with the selection process.

Sincerely,

CHARLES E. GRASSLEY,
U.S. Senator.

Mr. GRASSLEY. In subsequent discussions with Deputy Secretary Summers we agreed that now is the time to acquire a nontax practitioner to lead the IRS.

With Mr. Rossotti, we hope to capture the benefit of a superior organizational leader. The risk is that a nonlawyer could not handle the legal side of the Commissioner job. At the Finance Committee hearing on Mr. Rossotti's nomination, I asked Mr. Rossotti how he intends to perform legal analysis as a Commissioner of the tax law agency when he does not have that background. He responded that he would do it exactly the same way he would do it as a private-sector business leader. He would hire good advisers, consult the experts, and make clear decisions based upon all the information supplied to him.

The Nation has a great opportunity with a person like Charles Rossotti. When coupled with legislative reform at the IRS, a nontax practitioner as IRS Commissioner represents a sea change at the IRS. The IRS is moving away from being a law enforcement agency and toward becoming a customer service agency. Of course, it is about time. Most people pay their taxes voluntarily and pay them honestly.

Therefore, I encourage all my colleagues to support Mr. Rossotti's nomination and then we can take up the matters of legislative reform of the IRS with him as an ally.

I think I need to speak for a moment in support of the Internal Revenue Service Restructuring and Reform Act, the Kerrey-Grassley legislation. Our bill, S. 1096, is the product of 1-year's work in the National Commission to Restructure the Internal Revenue Service. Senator KERREY and I participated in the commission as four congressional Members of this 17-member commission. The other 13 members were non-Congress-oriented, and 10 of those were from the private sector. So I think we had a broad range of expertise on this commission to study how can we make the IRS more consumer friendly and more efficient in its operation.

The House might pass this same legislation as early as tomorrow. Our legislation is maybe the only thing more important to the IRS and the taxpayers than who the next Commissioner might be. If that Commissioner is dedicated, as I think Mr. Rossotti is, to change at the IRS, then he needs our legislation in order to succeed.

I introduced S. 1096 with Senator KERREY last July. However, the Senate seems to be on track to address this legislation next year rather than this year. There are arguments to wait—and I think our distinguished chairman, Senator ROTH, is very sincere in his expression of these reservations. But, speaking for myself, delaying IRS reform is a mistake. The Senate should pass our legislation yet this year. The House is prepared to pass the companion bill. We can make IRS reform the law of the land before the 1997 holidays. If we did, the Senate would create a new reason for Americans to be thankful this November.

There are two reasons for the Senate to join the House in supporting the IRS Restructuring and Reform Act. First, troubled taxpayers literally can't wait for the relief that we provide in our bill. Second, the Senate will hopefully confirm the next IRS Commissioner nomination. Mr. Rossotti needs the tools that are in our bill in order for him to fully succeed in his job. Let's not require him to spin his wheels for another half-year. When you are dealing with the Internal Revenue Service, every day counts. If you are a taxpaying family and you are being hunted by the IRS, you need relief right away. If the Senate does not pass relief until 5 or 6 months from now, individual taxpayers will continue to suffer. At best, they may lose their life's assets. At worse, they may lose that which holds the family together. If you are in trouble with the IRS, 6 months is an eternity.

The IRS Restructuring and Reform Act would provide immediate relief to taxpayers in trouble. We would extend to taxpayers a greater ability to recover costs and fees incurred to defend the family against the aggressive tax man. In the Senate hearings where we had these sort of horror stories about how the IRS can treat the taxpayer, we found that many taxpayers simply pay an unlawful tax assessment. Often it is cheaper than a legal defense against the IRS.

When there is a tax due, our legislation sets standards and sets allowances within which we would require the IRS to make offers in compromise of a disputed claim. In other words, taxpayers get to pay their bill and go on with their lives. When a disputed claim includes both an IRS debt to the taxpayers and a taxpayer debt, we once and for all eliminate the IRS interest rate preference over taxpayers.

Currently, when you owe the IRS money you pay a higher percentage than when the IRS doesn't make your refund and the Government owes you money. So if we wait another 6 months, we continue to give the Government the monetary advantage over the taxpayer. The Government earns a higher rate of interest from taxpayers than what the taxpayer get in return. It is a matter of equity that we would not charge the taxpayer more than we are willing to pay the taxpayer for money not refunded.

Indeed, fundamental fairness is what finding a new breed of IRS Commissioner is all about. We are about ready to confirm Mr. Rossotti to be this person. I think he will be a fundamentally new sort of IRS Commissioner. He is experienced in leading large multistate organizations. He is experienced in organizing state-of-the-art information systems. That is his business. He is experienced in providing customer service or he would not be the head of a very successful private-sector organization.

However, when he takes office, he is going to need all of the tools that we can think to provide him in order to succeed. It seems to me that Congress needs to pass legislation to knock down the legal barriers to his success on behalf of the taxpayer. Charles Rossotti needs the tools of reform on his very first day, not 6 months from now, and the IRS Restructuring and Reform Act provides those tools.

For example, our legislation provides that the incoming IRS Commissioners would sit for a single 5-year term. The revolving door between the Commissioner's office and the tax industry will be closed. We will require Commissioners to stick around long enough to reap what they sow. More important, we will provide the Commissioner with an independent board of nine persons who will be his strategic leaders. The board will provide guidance on long-term goals and investments. The Commissioner will implement the corresponding day-to-day leadership at the IRS.

Our legislation provides that the new Commissioner need not operate as a team of one. Our legislation offers the opportunity for the new Commissioner to bring in his or her own team of senior managers, because currently at the IRS and over decades of time, high-level bureaucrats at the IRS know they can always outlive any new IRS Commissioner. Previous IRS Commissioners have gone into those positions with high-level management there in a place frustrating what the Commissioner wants to accomplish.

So it seems to me that the taxpayers deserve the best. Our legislation allows the next Commissioner to recruit the best and then to retain the best. We make it clear as the intent of the law. Mr. Rossotti hopes that even under existing law he can bring people in from other agencies of Government, through the Senior Executive Service, to accomplish a team that he wants. However, it is not clear if he can bring in people from outside of Government. He will need such new faces in order to get the job done. We ought to give him the best team that he sees necessary to accomplish his goal.

However, I would say, having the right personnel is not enough because much of the trouble at the IRS stems from the IRS information system debacle. Currently, the IRS gets poor information from its computers and then makes it worse. In this age of information and technology, most persons are still filing paper tax returns. Then employees of the IRS input that data by hand at the IRS processing centers. This is where mistakes happen most often. Each mistake translates into an expense of time, money and, most importantly, hardships for the taxpayers. In our legislation, the Senate offers some strategic direction.

We will direct the IRS and the next Commissioner to reach a target electronic tax filing rate of 80 percent by the year 2007. That 10 years starts right now, and it ought to start right now; it ought to not start 6 months from now when the Senate gets around to acting on this legislation. The Commissioner nominee recently told the Finance Committee that, once he can begin his job, it will take him 10 years to design and implement a state of the art information system at the IRS. We need to get that 10-year clock ticking right now, not 6 months from now. And the 10-year clock will not tick until the taxpayers get this legislation, the IRS Restructuring and Reform Act.

For example, our IRS Restructuring and Reform Act would provide and set standards for security and access to taxpayers' electronic accounts. If we are going to have electronic filing, we will need electronic payment. Otherwise, we would still have people out there licking stamps and going to the post office on April 15. Our legislation accomplishes these things and many more.

In short, waiting until next year to pass IRS reform is bad for taxpayers, and it's going to be lengthening the period of time that Mr. Rossotti will be the most effective Commissioner we have had for a long time.

I yield the floor.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

(The remarks of Mr. MOYNIHAN pertaining to the submission of Senate Resolution 142 are located in today's RECORD under "Submission of concurrent and Senate resolutions.")

Mr. CRAIG. Mr. President, today I rise in support of the nomination of Charles Rossotti to be IRS Commissioner. I don't know whether to offer this new Commissioner congratulations or condolences. He comes to the IRS at a time of great turmoil and, I must say, also at a time of great opportunity. The process of investigating and reforming the IRS has only just begun, and I commend Senator ROTH and the ranking member, the Senator from New York, Mr. MOYNIHAN, for holding the recent Finance Committee hearings, and especially commend the courage displayed by the witnesses at those hearings. I say "courage" because oftentimes in the past, as witnesses have come forward, they were to find themselves only later victims of a very aggressive rogue agency that would not adhere to any reasonable policy of treating the taxpayer as somebody who deserved appropriate treatment.

I suggest that those hearings and those witnesses are merely the tip of an iceberg; there is so much more to be uncovered and to be investigated. The recent hearings were barely over when my office started hearing from basically two groups of taxpayers: those who were cynical, saying, well, now that the hearings are over, I suspect nothing more will happen and it will be business as usual.

That was the first type. The second type were those who were relieved to discover what appeared to be a very serious Congress finally looking toward reform and an effort to prevent IRS abuse. So they were saying to me, as a Senator, that they were not alone and that they were now willing to come forward and to express to me, or to a larger body of interest, their experience with the IRS, the problems they had.

Similarly, the IRS restructuring bill that is now moving through the other body is a start. Let me suggest, and I think the ranking member who is here on the floor, the Senator from New York, would agree it is only a start. Taxpayers deserve as much due process protection in the matter of taxes as do all other citizens dealing with our Government in all other issues.

Blatant disregard for individual rights has all been in pursuit of one goal by the IRS, and that was, "Get the money, get the money," and sometimes at nearly all costs to due process, and we heard some of those examples expressed by witnesses before the Finance Committee. Drug dealers, child molesters and organized crime in many instances have more legal rights than the average taxpayer whom the IRS suspects may owe a few dollars of back taxes.

With the IRS, the taxpayer is guilty until proven innocent, and therein lies the difference, because I will tell you that a drug dealer is, by law, innocent until proven guilty, as is the child molester. But we heard very clearly from those witnesses that they were guilty until proven innocent. Unlike the FBI or the local sheriff, if the IRS thinks someone has underpaid taxes, it can seize cars, freeze bank accounts, and all under its own authority without obtaining any kind of impartial or prior approval. If the taxpayer fills out his or her return relying on tax advice from the IRS and that advice turns out to be wrong, guess who is liable. Not the IRS, that's for sure, but the taxpayer himself or herself. If the IRS wrongfully assesses back taxes or penalties, the taxpayer usually has three basically no-win choices to make: You pay up and shut up, take the case to the tax court where the judge is usually a former IRS employee and taxpayers usually lose, or pay up and then go to Federal district court and sue to get your money back.

Remember, I say "sue to get your money back." While the Finance Committee's investigations focused on middle- to lower middle-income individuals, I had the representative of a relatively large corporation in my State approach me and say: You know, Senator, I know we get no sympathy. We are considered big and therefore we are considered wealthy as a company. But a good number of years ago the IRS withheld an additional $8 million that they thought was theirs and we thought was ours, and we went after it, and not long ago the courts ruled it was ours. The only problem is, the $8 million plus the interest plus all other assessments was now about $24 million.

Will they get it back? I doubt it. But it was the IRS that was wrong, and it was the large corporation that was right. Now, that large corporation could spend the money to fight the IRS and they probably could write off a lot of their expenses fighting the IRS. Could an individual, small taxpayer, do that? Absolutely not. So, even when the IRS loses, it really wins, because the IRS, with unlimited resources, has been known to appeal and appeal a weak case until the innocent taxpayer gives up or is just simply financially exhausted and goes away. That is a story that should not have to be told on the floor of the U.S. Senate, but it is in fact a story of fact that occurs many times across this country when it should not.

I think the IRS needs to realize that the taxpayer is the boss, because in our system of Government that is exactly the way it ought to be. Taxpayers are not a suspect criminal class in our society. Yet it appears from what we have heard, in example after example, and a good many more that could be expressed, that that is oftentimes the way they are viewed by the IRS. Taxpayers should be treated with respect and dignity and should be presumed innocent until proven guilty.

Why should this Senator have to say that on the floor, when it ought to be a matter of fact and law? Because it is not a fact today, and now we know it. There should be no quotas, pushing agents to prosecute dubious cases. Taxpayers should not be targeted on the basis of how little resistance they can offer. Can you imagine that as the policy of a Federal agency, "Let's pick on those who can offer least resistance because we will get a greater yield on the money spent," when they could be innocent and can be at least embattled until they are willing to give up? There should be no vendettas, absolutely not, and yet there appear to have been some and probably are some. The privacy of taxpayers should be fully respected. And, yet, is it?

Both the IRS and the Congress have been a part of the problem. I can point the finger only at the IRS, but that would be somewhat unfair. We have created one of the most complicated tax systems in the history of this country. Sometimes the problem is the IRS, who act outside the law—or certainly to the very edges of the law. I am sure most IRS employees are decent, hardworking, and conscientious people. And I know many of these employees, as do others, and they would fit that which I have just described. But the exception has become the rule, tragically enough. The tail is wagging the dog, and the IRS is now widely perceived as a rogue agency, marching to its own beat with Congress afraid to touch it because Congress itself, individually, could be audited. And that has happened in the past.

So we draw back quietly, talk tough on the floors of our collective bodies, but very seldom follow through with actual and real hearings and reform that is a product of those hearings. I certainly hope that is simply now the exception, and the rule of the day, with the action that the other body is taking and the action that I hope we will take, will be comprehensive and broad-ranging reform of this agency.

Sometimes problems happen because previous Congresses, liberal Congresses, or simply those with a ravenous appetite that the taxpayer pay the money because we need the money—whether it is balancing the budget or spending beyond the will of the citizen—the money has to be there. So we have granted IRS what I call power beyond the law, in many instances, to collect what we ask them to collect. In any case, there is never an excuse for such behavior, and this Congress is going to change things, I hope. Certainly, if it is this Senator speaking by his intent, then it is my intent, and I believe the intent of a bipartisan Congress, for major reform. And that we must get at.

So I invite the Commissioner whose nomination will be voted on today to work with us in a constructive way to change the character, the image, the style, the culture of an agency that is now out of control. And witnesses in our country, those who make up our country, have so demonstrated.

Real IRS reform also depends on real Tax Code reform. I will not mention the Senator, but right after we offered some reasonable tax relief this year, he said: Well, there is relief in the Code, if you can find it. So now, to the lower middle-income people for whom we champion the tax relief, we say now go hire an accountant and spend the money to get the tax relief, and probably the tax relief will at least pay for the accountant. If that is true, that is tragic. And tragically enough, that is probably true.

Sometimes the problem is the Tax Code—too complicated even for the IRS to understand it. Listen to these figures. The IRS publishes 480 different tax forms and another 280 forms to explain the first 480. If laid end to end, the 8 billion pages of instructions sent out by the IRS every year would circle the Earth 28 times. That is why Senator SHELBY and I introduced—or reintroduced—the Freedom and Fairness Restoration Act, better known as the flat tax. Why? Simplification, equity, fairness, the ability with ease to fill out a form, to know you are in compliance when you do it, and to once again set in motion something that has been historically true up until about two decades ago of the taxpayer versus the Tax Code—that was an understanding in this country that laws ought to be self-enforcing and that citizens really did want to pay their taxes, their fair share of running a Government and keeping a free society and assuring that our democracy survived.

That has not been true of the last several decades. Taxpayers today are much more often heard to be telling their tax accountant: Find out everywhere you can where I do not have to pay taxes, because the code is too complicated and the taxes are too much. Grandfathers used to pay only about 20 percent in their taxes. That meant they got to keep 80 percent. Their grandchildren in today's work force now have to pay nearly 50 percent in their taxes, keeping only half.

And we wonder why families can't provide for themselves today, why both parents are working when one may not want to. Oftentimes it is a combination, but most often it is just simply that they have to pay so much, so much is taken from their paycheck that they cannot survive unless both are working and providing for their family.

Underlying our commitment to making substantial tax reform a reality, I have also cosponsored leading bills to sunset the current Internal Revenue Code by the year 2001. Mr. President, this Senate, the 105th Congress, led by conservative Republicans, have a unique opportunity, working with all of our colleagues, to assure that major reform of the IRS occurs and that we lead a march toward a significant reform of the code that brings us to a simple, fairer form that then allows the responsible downsizing of the IRS.

No people can remain free or their government effective if they do not display trust and confidence in each other. Yet, America's tax system increasingly eats like a cancer at the very bonds of support and the legitimacy of our society.

I urge all of my colleagues and invite the new IRS Commissioner to redouble their efforts to restore fairness to the tax system and trust to the people. Reform for the Tax Code, making it simpler, fairer and, I hope, flatter, is one approach toward doing that. Reform for the tax collector, increasing IRS accountability and requiring the IRS to treat the taxpayer with dignity, respect and the due process of the law would be a legacy that I wish could be done during my tenure in the U.S. Senate and I believe that would be a legacy that a majority of the Senators would like to leave. That is our goal. That is certainly my hope. Recognizing that, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CRAIG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRAIG. Mr. President, I ask unanimous consent that the vote occur on the pending nomination at 5:45 this evening.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, I want to take this opportunity to express my support for the nomination of Charles Rossotti to be the new Commissioner of the Internal Revenue Service. Mr. Rossotti will face a daunting challenge as he takes over the reins of this besieged agency.

The IRS has suffered from years of neglect and lack of focus. As new Commissioner, Mr. Rossotti will need to repair the damage that has eaten away at the Service's foundation and try to restore some semblance of respect for the IRS among the average taxpayer.

At the same time, he will need to be preparing the IRS for the challenges of the next century.

The public expects some essential services from the Government, and most people are willing to pay their fair share of taxes in order to pay for these services.

Nobody likes paying taxes, but most of us do it regularly and honestly.

In return, we expect the Government to keep the process fair, make it as simple as possible, and keep our personal information private.

Running the IRS is a study in careful balances. And I believe that the IRS has somehow lost its ability to maintain one side of the equation over the years.

Many tax collectors, in their zeal to catch the few people who don't pay their taxes, seem to have lost sight of the most important truth about our tax system—that citizens have rights that must be protected.

Anything less undermines our ability to make a system of voluntary taxation work.

We certainly don't want to tie IRS's hands so much that tax cheats are encouraged, because the rest of us end up picking up the tab when someone cheats.

At the same time, we also can't have IRS harassing innocent citizens, assuming everyone is guilty the minute they walk in the door. Mr. Rossotti will be the one person we will expect to help IRS find its way back to the reasonable balance that our tax system requires.

I hope and expect that we in the Congress will do our best to help.

We will be looking at legislative solutions, to give the new Commissioner the tools to encourage the climate of change we need if we are to reverse the past years of decline.

We will be looking at stable funding, to make sure Mr. Rossotti has the money to pay good people and buy new computers.

I hope we would also be looking at tax simplification, to make it a little easier for both taxpayers and the IRS to figure out how much our fair share really amounts to.

Mr. Rossotti has the background and expertise to help him achieve the difficult tasks we expect of him in the days ahead. I wish him every success, and look forward to working with him to make sure the Internal Revenue Service reaches its full potential.

Mr. DODD. Mr. President, I rise today in support of Charles Rossotti's nomination to serve as Commissioner of the Internal Revenue Service. The IRS is an agency under widespread, deeply felt, and entirely justified criticism. In my view, the nomination before us today is perhaps one of the most critical the Senate will vote on this session. I commend President Clinton for endorsing an individual who has the expertise and vision to lead the effort to restructure and reform this troubled agency, as well as my colleagues on the Finance Committee for moving the nomination expeditiously.

It is no secret that the IRS has come under fire lately from taxpayers who, in their dealings with the agency, have experienced anger, frustration, and despair. The hearings conducted by the Finance Committee earlier this fall highlighted some of the problems at the IRS, including shoddy management, poor taxpayer service, and in some cases, reports of taxpayer abuse by IRS employees.

I've heard stories from my own constituents about calls that aren't answered, and about calls that are bounced from one person to the next, where they never get a real answer or any type of guidance or support. I've also heard stories about the IRS losing people's checks and then charging them interest and penalties on this money. The list goes on and on, Mr. President, and the more people you talk to, the more nightmares you hear.

Every citizen who pays taxes has a right to be treated fairly, and treated as innocent until proven guilty. Although we have taken several steps in this regard in the last few years, there is still more that can be done, and that is why I am a cosponsor of S. 1096, the IRS Restructuring and Reform Act.

This legislation aims to transform the troubled agency into a modern institution that provides efficient and fair service, yet still has the ability to effectively collect revenues. Specifically, the bill will enact 21 new taxpayer protections and will establish a hotline for taxpayers to register complaints of IRS misconduct. This legislation, which enjoys broad, bipartisan support and is endorsed by the administration, is, in my view, a tremendous step forward in our effort to protect the rights of our nation's taxpayers.

Yet, without an effective leader to implement these much-needed changes, our ideas become nothing but good intentions. I believe that Mr. Rossotti is up to the challenge to successfully steer the IRS through this difficult period. Mr. Rossotti brings with him the refreshing ideas and outlook of a successful businessman with more than 30 years of management and technology experience, including his current position as Chairman of American Management Systems.

During his confirmation hearings, Mr. Rossotti expressed a willingness and desire to implement fundamental changes that would focus on the rights of the taxpayer, modernize the agency and its technology, and strengthen communication between Congress, the IRS, and the public. In my view, Mr. Rossotti has the vision and the capability to lead this agency and is committed to holding the IRS to the highest standards of efficiency, competence, and accountability. I urge my colleagues to support this nomination.

Mr. CRAIG. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, I rise to speak in favor of the nominee to be Commissioner of the Internal Revenue Service, Mr. Charles Rossotti. Mr. Rossotti is unique among nominees for this position since he is the first nontax-lawyer nominated for the post. In fact, he is a businessman who is chairman of American Management Systems, a company he cofounded in 1970, which now employs some 7,000 people.

Mr. President, if this man is confirmed, and I expect that he will be, he faces a daunting challenge in turning around an agency which has very serious credibility problems with this Senator and, I think, a majority of the American public as well.

As this country learned some 6 weeks ago in the hearings at the Senate Finance Committee, the IRS is an agency with structural and personnel problems that have led to an agency culture that is abusive, unresponsive, and to some extent arrogant. Far too often, the Internal Revenue Service appears to be out of control, with no accountability to the public or to the policymakers here in Washington. For anyone who has tried to phone the IRS lately, why, I think you get the flavor for my generalizations.

The bipartisan Kerrey-Portman Commission that examined the Internal Revenue Service recommended a series of changes at the IRS, including the creation of an independent board to oversee IRS operations. Recently, the House passed a measure incorporating nearly all of the Commission's recommendations. However, I believe that the lessons learned from the Finance Committee September hearings suggest that far more needs to be done if the public is going to regain a measure of confidence in the Internal Revenue Service.

I applaud the Finance Committee chairman, Chairman ROTH, for his commitment to hold a series of hearings that will build on the achievements of the House and bring a tough reform bill to the floor of the Senate next year.

To give you an idea of the structural problems that exist at the Internal Revenue Service, consider the following description of the Service that was done by Paul Light, author of "The Tides of Reform: Making Government Work, 1945–1995."

> Just imagine a bureaucracy that goes something like this: an agent reports to a district group manager, who reports to a district group manager, who reports to a branch chief, who reports to an assistant chief of the division, who reports to the assistant district director, who reports to the assistant regional commissioner, who reports to the deputy assistant commissioner, who reports to the assistant commissioner, who reports to the chief operating officer, who reports to the deputy commissioner, and so on.

What we have here, Mr. President, is a layered bureaucracy which implies accountability on paper but which, in reality, is designed by its very nature to be unaccountable.

Consider, Mr. President, the testimony the committee heard from Lynda Willis of the General Accounting Office [GAO].

> IRS systems, both manual and automated, have not been designed to capture and report comprehensive information on the use and possible misuse of collection authorities.
>
> IRS cannot readily produce data on the overall use or misuse of its collection enforcement authorities or on the characteristics of affected taxpayers.

In effect, GAO said they couldn't audit IRS because the systems IRS has put in place are designed to ensure that there is no way for IRS personnel to be held accountable for their erroneous actions. There is no way to determine how many times IRS has made a mistake in sending out a collection notice. No way to determine how many complaints have been received. And this is the way the managers at IRS set up the system—set it up so that no one can trace improper behavior.

Mr. President, the committee also heard testimony to the effect that the Problem Resolution Office [PRO], the office designed to resolve taxpayer disputes with IRS is, and I quote one of our witnesses, "utterly useless" in protecting the American taxpayer. The reason the PRO cannot function as designed is because employees at PRO are evaluated for promotions by the same Collection Division management they are supposed to police while assigned to the PRO.

Mr. President, there is no reason that that kind of conflict of interest should exist. I plan on working with the Finance Committee chairman to develop legislation that will fundamentally change the PRO structure to ensure that taxpayers get a fair shake when there's a conflict with the IRS.

Mr. President, the Finance Committee hearings had a profound effect on the American public and on the President of the United States. Shortly after those hearings, and seeing the polls, the President did a 180-degree U-turn on the recommendations of the IRS Commission and decided to back the House reform legislation creating an independent IRS management board.

That's not the end of this matter. Instead we need a top-to-bottom review of the IRS. In the past, we adopted two taxpayer bill of rights bills which many of us thought would improve taxpayer-IRS interactions. The hearings in the Finance Committee suggest that these bills did little to alleviate tensions between the IRS and the American taxpayer.

That is why the Finance Committee needs to hold further hearings on IRS reform. It has taken decades for the IRS to develop internal procedures that appear to make it unaccountable. We've learned of these problems 6 weeks ago. I am willing to admit that we don't know all the answers, but I know that now is not the time to merely take the House bill, pass it, and tell the public we fixed the problems at IRS. We haven't.

Mr. President, Charles Rossotti is to be admired for his willingness to leave the private sector and take on this challenge at a time when IRS is in serious trouble. I look forward to receiving his recommendations for change at the Service after he has been there a few months. And I am sure his hands-on experience will assist the Finance Committee in drafting a comprehensive IRS reform bill.

Mr. MOYNIHAN. Mr. President, I ask for the yeas and nays on the nomination of Mr. Rossotti.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Charles Rossotti, of the District of Columbia, to be Commissioner of the Internal Revenue Service?

On this question, the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from New York [Mr. D'AMATO], the Senator from North Carolina [Mr. FAIRCLOTH], and the Senator from North Carolina [Mr. HELMS] are necessarily absent.

Mr. BREAUX. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Kentucky [Mr. FORD], the Senator from Iowa [Mr. HARKIN], the Senator from Nebraska [Mr.

KERREY], and the Senator from Maryland [Ms. MIKULSKI] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 92, nays 0, as follows:

[Rollcall Vote No. 290 Ex.]

YEAS—92

Abraham
Akaka
Allard
Ashcroft
Baucus
Bennett
Bingaman
Bond
Boxer
Breaux
Brownback
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Cleland
Coats
Cochran
Collins
Conrad
Coverdell
Craig
Daschle
DeWine
Dodd
Domenici
Dorgan
Durbin
Enzi
Feingold
Feinstein
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kempthorne
Kennedy
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Rockefeller
Roth
Santorum
Sarbanes
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Torricelli
Warner
Wellstone
Wyden

NOT VOTING—8

Biden
D'Amato
Faircloth
Ford
Harkin
Helms
Kerrey
Mikulski

The nomination was confirmed.

Mr. MOYNIHAN. I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that there now be a period for morning business until 7 p.m., with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO SECRETARY OF THE AIR FORCE SHEILA WIDNALL

Mr. KENNEDY. Mr. President, it is an honor to take this opportunity to pay tribute to Sheila Widnall, the Secretary of the Air Force, who is leaving office at the end of this month to return to the Massachusetts Institute of Technology as a professor of aeronautics and astronautics. In 1993, Secretary Widnall became the first woman to serve as a service Secretary when she assumed her present position as the Secretary of the Air Force, and she has done an outstanding job.

During her distinguished tenure, Secretary Widnall has led the Air Force through a critical period of post-cold-war consolidation and adjustment. Congress and the country are proud of her achievements. She directed a modernization program to shape the future of the Air Force and incorporate space technology into military operations. She led the Department's remarkable success in overhauling its business practices, including major initiatives in acquisition reform, outsourcing, and privatization to increase efficiency and make maximum use of scarce funds. She has also taken the lead in strengthening the Nation's role in space, by working effectively with the National Aeronautics and Space Administration, the National Reconnaissance Office, and the private space sector.

Above all, Secretary Widnall has done her best to care for Air Force members and their families. Her emphasis on equal opportunity and her skillful and tireless pursuit of quality of life issues kept morale high during a period of significant and far-reaching change.

Secretary Widnall brought an outstanding background to her current position. Her accomplishments include many years as a professor of aeronautics and astronautics and also as associate provost at MIT. She has earned international recognition for her work in fluid dynamics, and has had extensive service on numerous boards, panels, and committees in government, industry, and the academic world.

In her years as Secretary, Sheila Widnall has set a high standard of leadership and service to the Nation. I know I am joined by my colleagues in Congress and a grateful Nation in thanking her for her dedication and distinguished service to our country, and I wish her well in the years to come.

TRIBUTE TO WILLIAM DAVIDSON

Mr. LEVIN. Mr. President, I rise today to pay tribute to a truly outstanding business leader and philanthropist from my home State of Michigan, William Davidson. Bill Davidson has been chosen as the honorary chair of the Council of Michigan Foundations 25th annual conference, which takes place November 5–7, 1997.

Bill Davidson is one of Michigan's most renowned businesspeople. He is the chairman of the board and president of Guardian Industries, an international manufacturer of flat glass products for the construction and automotive industries. He is also the majority owner of the Detroit Pistons Basketball Club, the Palace Sports and Entertainment Arena, Pine Knob Music Theater, the Detroit Vipers hockey team, and the Detroit Neon soccer team.

Bill has received numerous citations and awards for his philanthropic activities, his contributions to the glass industry, and professional sports. Some of these awards include the Phoenix Award, an honorary doctoral degree from the Jewish Theological Seminary in New York, the Order of Merit in Labor of the Highest Class from the Republic of Venezuela, the Fred M. Butzel Award for Distinguished Community Service, and membership in the Michigan Jewish Sports Hall of Fame.

One of Bill Davidson's most remarkable traits is his commitment to improving the lives of people throughout the world. Giving is an important part of his life, and he is known locally and nationally for his philanthropic vision and generosity. He does not take success for granted and is most thankful for what he has achieved. As a result, he chooses to support institutions and programs which help develop the minds and bodies of tomorrow's leaders.

It is this commitment to philanthropy that was the guiding force for his creation of the Pistons-Palace Foundation, the philanthropic arm of the Detroit Pistons and the Palace of Auburn Hills. Bill Davidson and the foundation have contributed millions of dollars to support meaningful youth and recreation programs throughout metropolitan Detroit. The Pistons-Palace Foundation is quickly gaining recognition in the National Basketball Association and receiving national attention for its work in the city of Detroit, specifically through the PARK program, which works to revitalize neighborhoods by refurbishing and renovating parks and installing outdoor basketball courts and other recreation equipment at sites.

Developing tomorrow's leaders through higher education is another of Bill Davidson's highest priorities. He contributed $35 million to establish the William Davidson Institute at the University of Michigan School of Business Administration. The institute strives to help countries as they make the transition to free market economies and to assist companies which seek to operate successfully in those countries. To that end, the Davidson Institute offers seminars for business and government leaders from countries with economies in transition and develops faculty fellows who teach or work in those countries upon completion of the program. Bill also established the world's first educational institution entirely dedicated to the international management of technology-based companies at the Technion-Israel Institute of Technology. Bill Davidson's commitment to keeping Jewish education strong led him to help to create graduate school of Jewish education at the Jewish Theological Seminary of America in New York City, which trains educators for North America.

It is not possible to do Bill Davidson's lifetime of good works justice in a few words, but there is no doubt among anyone who knows of him that he is a truly remarkable person. His dedication to improving people's lives and the unpretentious way he goes about that quest has earned him respect and gratitude from countless people around the world. Millions more who will never know of Bill Davidson have benefited from his efforts and accomplishments.

Mr. President, all of us in this body can learn from the examples set by Bill Davidson. I know my colleagues will join me in offering him congratulations and best wishes on this important occasion.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Commerce, Science, and Transportation.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT OF THE CANCELLATION OF DISCRETIONARY BUDGET AUTHORITY (97-72)—MESSAGE FROM THE PRESIDENT—PM 77

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, received on November 1, 1997, together with an accompanying report, referred jointly, pursuant to Public Law 93-344, to the Committee on Appropriations and to the Committee on the Budget.

To the Congress of the United States:

In accordance with the Line Item Veto Act, I hereby cancel the dollar amounts of discretionary budget authority, as specified in the attached reports, contained in the "Department of Transportation and Related Agencies Appropriations Act, 1998" (Public Law 105-66; H.R. 2169). I have determined that the cancellation of these amounts will reduce the Federal budget deficit, will not impair any essential Government functions, and will not harm the national interest.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *November 1, 1997.*

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WILLIAM J. CLINTON.

THE WHITE HOUSE, *November 1, 1997.*

MESSAGES FROM THE HOUSE

At 12 noon, a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House had passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 923. An act to deny veterans' benefits to persons convicted of Federal capital offenses.

The message also announced that the House had passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2367. An act to amend title 38, United States Code, to provide a cost-of-living adjustment in the rates of disability for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans.

MEASURES PLACED ON THE CALENDAR

The following measure was read the first and second times by unanimous consent and placed on the calendar:

H.R. 2367. An act to amend title 38, United States Code, to provide a cost-of-living adjustment in the rates of disability for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 538. A bill to authorize the Secretary of the Interior to convey certain facilities of the Minidoka project to the Burley Irrigation District, and for other purposes (Rept. No. 105-131).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GORTON (for himself, Mr. McCAIN, Mr. HOLLINGS, and Mr. FORD):

S. 1358. A bill to authorize the Federal Aviation Administration's research, engineering, and development programs for fiscal year 1998, and for other purposes; to the Committee on Commerce, Science, and Transportation.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MOYNIHAN:

S. Res. 142. A resolution to express the sense of the Senate regarding the treatment of any future unified budget surpluses; to the Committee on Finance.

ADDITIONAL COSPONSORS

S. 364

At the request of Mr. LIEBERMAN, the names of the Senator from Nebraska [Mr. HAGEL] and the Senator from Vermont [Mr. JEFFORDS] were added as cosponsors of S. 364, a bill to provide legal standards and procedures for suppliers of raw materials and component parts for medical devices.

S. 943

At the request of Mr. SPECTER, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 943, a bill to amend title 49, United States Code, to clarify the application of the act popularly known as the "Death on the High Seas Act" to aviation accidents.

S. 950

At the request of Mr. McCONNELL, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 950, a bill to provide for equal protection of the law and to prohibit discrimination and preferential treatment on the basis of race, color, national origin, or sex in Federal actions, and for other purposes.

S. 952

At the request of Mr. McCONNELL, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 952, a bill to establish a Federal cause of action for discrimination and preferential treatment in Federal actions on the basis of race, color, national origin, or sex, and for other purposes.

S. 977

At the request of Mr. TORRICELLI, the names of the Senator from Massachusetts [Mr. KENNEDY], and the Senator from California [Mrs. BOXER] were added as cosponsors of S. 977, a bill to amend the Forest and Rangeland Renewable Resources Planning Act of 1974 and related laws to strengthen the protection of native biodiversity and ban clearcutting on Federal lands, and to designate certain Federal lands as Ancient Forests, Roadless Areas, Watershed Protection Areas, Special Areas, and Federal Boundary Areas where logging and other intrusive activities are prohibited.

S. 1220

At the request of Mr. DODD, the names of the Senator from Kentucky [Mr. FORD], the Senator from Michigan [Mr. LEVIN], the Senator from Vermont [Mr. JEFFORDS], the Senator from California [Mrs. BOXER], and the Senator from Oregon [Mr. WYDEN] were added as cosponsors of S. 1220, a bill to provide a process for declassifying on an expedited basis certain documents relating to human rights abuses in Guatemala and Honduras.

S. 1286

At the request of Mr. JEFFORDS, the names of the Senator from Oregon [Mr. SMITH], the Senator from Illinois [Mr. DURBIN], the Senator from Mississippi [Mr. COCHRAN], and the Senator from Nebraska [Mr. KERREY] were added as cosponsors of S. 1286, a bill to amend the Internal Revenue Code of 1986 to exclude from gross income certain amounts received as scholarships by an individual under the National Health Corps Scholarship Program.

S. 1309

At the request of Mr. KERRY, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 1309, a bill to provide for the health, education, and welfare of children under 6 years of age.

S. 1311

At the request of Mr. LOTT, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 1311, a bill to impose certain sanctions on foreign persons who transfer items contributing to Iran's efforts to acquire, develop, or produce ballistic missiles.

SENATE CONCURRENT RESOLUTION 52

At the request of Mr. HOLLINGS, the names of the Senator from New York [Mr. D'AMATO], the Senator from Montana [Mr. BAUCUS], the Senator from Connecticut [Mr. DODD], the Senator from Iowa [Mr. HARKIN], and the Senator from Alabama [Mr. SESSIONS] were added as cosponsors of Senate Concurrent Resolution 52, a concurrent resolution relating to maintaining the current standard behind the "Made in USA" label, in order to protect consumers and jobs in the United States.

SENATE RESOLUTION 142—REGARDING THE TREATMENT OF ANY FUTURE UNIFIED BUDGET SURPLUSES

Mr. MOYNIHAN submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 142

Whereas the current economic expansion is now in its seventh year and shows no signs of ending;

Whereas the unemployment rate is below 5 percent for the first time in 24 years;

Whereas the current official inflation rate, which may be overstated, is about 2 percent;

Whereas the deficit has been reduced from $290,000,000,000 in fiscal year 1992 to $23,000,000,000 in fiscal year 1997, or just three-tenths of 1 percent of the Gross Domestic Product (GDP);

Whereas the Congressional Budget Office projects that, under present law, the unified budget will have a surplus of $86,000,000,000 in 2007;

Whereas the Congressional Budget Office also projects that, under present law, the debt held by the public will fall from about 50 percent of GDP this year to about 30 percent by 2007;

Whereas this extraordinary combination of good budget and economic news is largely the result of budget policies included in the Omnibus Budget and Reconciliation Act of 1993;

Whereas the budget is not yet in surplus;

Whereas the Congressional Budget Office also projects that the deficit is likely to reappear after 2007, and that the debt held by the public as a percentage of GDP is also likely to increase as the baby boom generation begins to retire;

Whereas, without the on-budget surpluses of the social security trust funds, the Congressional Budget Office still projects annual deficits of about $100,000,000,000 even after the budget is "balanced" in 2002; and

Whereas projected unified budget surpluses in the short-run would rapidly disappear if the current expansion ends, and the economy would enter a recession: Now, therefore, be it

Resolved, That is the sense of the Senate that—

(1) any unified budget surpluses that might arise in the current expansion should be used to reduce the Federal debt held by the public; and

(2) to achieve this goal during this economic expansion that there be no net tax cut or new spending that is not offset by reductions in spending on other programs or tax increases.

Mr. MOYNIHAN. Mr. President, there is now clear evidence that at least for the short run, both the economy and the budget have attained to a singular degree of stability.

Consider the following facts:

The current economic expansion is now in its seventh year and shows no sign of ending; the unemployment rate is below 5 percent for the first time in 24 years; the current official inflation rate, which may be—and almost certainly is—overstated, is about 2 percent; the deficit has been reduced from $290 billion in fiscal year 1992 to $23 billion in fiscal year 1997, or just three-tenths of 1 percent of our gross domestic product; the Congressional Budget Office projects that, under present law, the unified budget will have a surplus of $86 billion in the year 2007. I repeat that unfamiliar phrase—a surplus of $86 billion. The Congressional Budget Office also projects that, under present law, the debt held by the public will fall from about 50 percent of gross domestic product this year to about 30 percent by 2007.

May I suggest to my colleagues that, for the first time in 20 years or more, such good economic news is upon us and was previously thought unattainable.

Last week, at a Finance Committee hearing on his confirmation to be Treasury Assistant Secretary of Economic Policy, David Wilcox quoted a favorite economics professor of his at the Massachusetts Institute of Technology—and I have the honor to say, parenthetically, a long and good friend of mine—the distinguished Nobel laureate Robert Solow. As Wilcox recalls, Professor Solow said something as follows.

> . . . the most important thing economists have to communicate to the rest of the world is how effectively markets work. The most important thing that economists have to tell each other is the important ways in which markets sometimes don't work exactly right.

One need not engage in a long discourse on the fundamental differences between Keynesian and classical macroeconomic theories, to realize that during the last recession and current expansion, the deficit has changed as economists would expect, or in any event would hope.

Between fiscal 1989 and fiscal 1991, as the economy entered a recession, gross domestic product in nominal—which is to say money terms—grew at an average rate of 4.7 percent. Revenues to the Federal Government, however, only grew at an average rate of 3.2 percent, while outlays grew by 7.6 percent. Now this imbalance between the growth in revenues and outlays—which helped moderate the recession, as we learned through painful experience in the middle of the century—would ordinarily be welcomed were it not for the fact that, in 1989, the Federal Government's deficit was already 3.8 percent of GDP. As it were, the deficit reached 5.5 percent of GDP in 1991 and 1992.

For the next 2 years, the economy slowly recovered from the recession. And then, in 1993, something extraordinary happened; we passed what I have since acknowledged to be the largest tax increase in history. We also limited the growth in spending.

The results—quite contrary to those predicted by many who opposed the measure—are truly remarkable. Between 1993 and 1997, GDP increased at an average annual rate of 5.3 percent. Mr. President, that doubles in something like 13 or 14 years. To double your GDP every 14 years, that would quadruple in a generation, which is almost unimaginable. Real gross domestic product—that is adjusting for inflation—increased at an average annual rate of about 3.5 percent, compared to almost no real growth for the period from 1989 to 1991. With rapid, noninflationary growth, revenues increased at an average annual rate of 8.2 percent, while outlays grew at a modest 3.3 percent annual rate.

For the fiscal year just ended, the comparison is even more striking. The economy grew by 5.9 percent, while revenues grew by 8.7 percent and outlays by a mere 2.7 percent. We have had no such experience in postwar periods. I don't know if we have ever had such an experience.

Mr. President, may I suggest that while the revenues and outlays grew as one would expect during the various phases of a business cycle, it was only after a very great deal of effort, and not an inconsiderable amount of pain that we have brought the Federal budget into near balance—a deficit of $22.6 billion, a rather insubstantial three-tenths of 1 percent of GDP.

But, sir, in the closing days of this first session of the 105th Congress, we can risk it all. Perhaps we should follow the admonition that Hippocrates bequeathed to the medical profession, which somehow translated it from Greek into Latin, in the passage of the Hippocratic oath: "primum non nocere"—"first do no harm."

Tax legislation for this session of the 105th Congress is and should be concluded.

Mr. President, my remarks till now have focused on the short run and pleasant and unparalleled economic and budget circumstances in which we now find ourselves. But before we devote too much energy to tax cuts in the next session of the 105th Congress, we should be mindful of the following less-than-exuberant facts.

First, the budget is not yet in surplus.

Second, the Congressional Budget Office also projects that the deficit is likely to reappear after the year 2007 and that the debt held by the public as a percentage of gross domestic product is likely to increase as the baby boom generation begins to retire.

Third, without the on-budget surpluses of the Social Security trust funds, the Congressional Budget Office still projects annual deficits of about $100 billion even after the budget is balanced in the year 2002.

I make the point, Mr. President, as Senator Dole remarked yesterday on "Meet The Press," in 1983 we made major changes in the Social Security System which have made it solvent and in surplus every year since then and for many years still to come. But that surplus is not saved in any conventional sense of the word; it is expended on other purposes that have nothing to do with social insurance, a matter which I know troubled Senator Dole when he was still our most revered colleague and majority leader.

And, lastly, projected unified budget surpluses in the short run would rapidly disappear if the current expansion ends and the economy were to enter a recession.

In that setting, Mr. President, I offer a resolution which I hope to call up at some point in the days remaining in the first session of the 105th Congress to express the sense of the Senate regarding the treatment of any future unified budget surpluses.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I would like to associate myself with the remarks of the Senator from New York, who, I think, has spoken very clearly to what happens in large part when the Congress of the United States restrains spending. While I recognize that there were certainly added revenues by a substantially large tax increase, if the Congress following that had followed the practices of past Congresss, and that is of course, a promise to reduce spending for every so many dollars of increase—and, I think I had heard that promise over my years in the House and in the Senate—I doubt that we would be experiencing the kind of economic vitality that we are currently and that the Senator spoke to. This Congress adhered to very real spending restraints, and as a result of that the markets recognized that we were not going to spend beyond our limits and, in fact, we would actually see a reduction in deficit of the kind the Senator spoke to. There is no question that with that kind of restraint here, the markets have responded and our citizens and our work force are now experiencing the kind of economic growth of which we are all extremely proud.

AMENDMENTS SUBMITTED

THE RECIPROCAL TRADE AGREEMENT ACT OF 1997

GRASSLEY AMENDMENT NO. 1545

(Ordered to lie on the table.)

Mr. GRASSLEY submitted an amendment intended to be proposed by him to the bill (S. 1269) to establish objectives for negotiating and procedures for implementing certain trade agreements; as follows:

Add the following subsection (d) to section 3:

(1) Notwithstanding any other provision of law, the U.S. Government shall not enter into any treaty or other international agreement that, in whole or in part, would have the purpose or effect of transferring any jurisdiction or authority to decide cases under U.S. law away from the federal judiciary.

(2) Notwithstanding any other provision of law, the trade agreement negotiating authority of this section 3 of this Act shall not apply to the negotiation of any trade agreement that would have the purpose or effect of transferring any jurisdiction or authority to decide cases under U.S. law away from the federal judiciary, and the trade agreement approval procedures shall not apply to implementing bills submitted with respect to any such trade agreement.

THE EDUCATION SAVINGS ACT FOR PUBLIC AND PRIVATE SCHOOLS

MCCONNELL (AND OTHERS) AMENDMENT NO. 1546

(Ordered to lie on the table.)

Mr. MCCONNELL (for himself, Mr. GRAHAM, Mr. GRASSLEY, and Ms. LANDRIEU) submitted an amendment intended to be proposed by them to the bill (H.R. 2646) to amend the Internal Revenue Code of 1986 to allow tax-free expenditures from education individual retirement accounts for elementary and secondary school expenses, to increase the maximum annual amount of contributions to such accounts, and for other purposes; as follows:

At the appropriate place in the bill, insert the following new sections:

SEC. . EXCLUSION FROM GROSS INCOME OF EDUCATION DISTRIBUTIONS FROM QUALIFIED STATE TUITION PROGRAMS.

(a) ALLOWANCE OF EXCLUSION.—

(1) IN GENERAL.—Subparagraph (B) of section 529(c)(3) of the Internal Revenue Code of 1986 (relating to distributions) is amended to read as follows:

"(B) QUALIFIED HIGHER EDUCATION DISTRIBUTIONS.—In the case of a qualified higher education distribution under subsection (f)—

"(i) subparagraph (A) shall not apply, and

"(ii) no amount shall be includible in gross income with respect to such distribution."

(2) QUALIFIED HIGHER EDUCATION DISTRIBUTION DEFINED.—Section 529 of such Code (relating to qualified State tuition programs) is amended by adding at the end the following new subsection:

"(f) QUALIFIED HIGHER EDUCATION DISTRIBUTION.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified higher education distribution' means any distribution (or portion thereof) which constitutes a payment directly to an eligible educational institution for qualified higher education expenses of the designated beneficiary for enrollment or attendance at such institution.

"(2) ROOM AND BOARD FOR STUDENTS LIVING OFF CAMPUS.—

"(A) IN GENERAL.—The term 'qualified higher education distribution' includes distributions not described in paragraph (1) to the extent that the amount of such distributions for the taxable year does not exceed the amount treated as qualified higher education expenses of the designated beneficiary under subsection (e)(3)(B)(i)(II).

"(B) RESTRICTIONS.—Subparagraph (A) shall only apply with respect to distributions for any academic period if—

"(i) distributions described in paragraph (1) are made for such period for expenses other than room and board, and "(ii) the designated beneficiary certifies to the qualified State tuition program that the beneficiary resides in a dwelling unit not operated or maintained by an eligible educational institution.

"(3) Exclusion elective; limitation to one program.—

"(A) Election.—This subsection shall apply for a taxable year only if the designated beneficiary elects its application.

"(B) Limitation to one program.—This subsection shall apply only to distributions from the qualified State tuition program designated by the beneficiary in the first election taking effect under subparagraph (A). Such designation, once made, shall be irrevocable.

"(4) Aggregation.—All distributions from the qualified State tuition program designated under paragraph (3)(B) shall be treated as 1 distribution for purposes of this subsection."

(3) Room and board.—Section 529(e)(3)(B) of such Code is amended to read as follows:

"(B) Room and board included for students who are at least half-time.—

"(i) In general.—In the case of a designated beneficiary who is an eligible student (as defined in such section 25A(b)(3)) for any academic period, the term 'qualified higher education expenses' shall include—

"(I) amounts paid directly to an eligible educational institution for room and board furnished to the beneficiary during such academic period, or

"(II) if the beneficiary is not residing in a dwelling unit operated or maintained by the eligible educational institution, reasonable costs incurred by the beneficiary for room and board during such academic period.

"(ii) Limitations on off-campus room and board.—

"(I) Dollar limit.—The aggregate costs which may be taken into account under clause (i)(II) for any taxable year shall not exceed $4,500.

"(II) No more than 4 academic years taken into account.—Costs may be taken into account under clause (i)(II) only for that number of academic periods as is equivalent to 4 academic years. Such number shall be reduced by the number of academic periods for which amounts were previously taken into account under clause (i)(I)."

(b) Limit on Aggregate Contributions.—

(1) In general.—Section 529(b)(7) of the Internal Revenue Code of 1986 is amended to read as follows:

"(7) Aggregate limit on contributions.—A program shall not be treated as a qualified State tuition program if it allows aggregate contributions (including rollover contributions) on behalf of a designated beneficiary to exceed $35,200."

(2) Tax on excess contributions.—

(A) In general.—Section 4973 of such Code is amended by adding at the end the following new subsection:

"(g) Excess Contributions to Qualified State Tuition Programs.—

"(1) In general.—In the case of a designated beneficiary under 1 or more qualified State tuition programs (as defined in section 529(b)), the amount by which the contributions on behalf of such beneficiary for such taxable year, when added to the aggregate contributions on behalf of such beneficiary for all preceding taxable years, exceeds the dollar limit in effect under section 529(b)(7) for calendar year in which the taxable year begins.

"(2) Special rules.—For purposes of paragraph (1), the following contributions shall not be taken into account:

"(A) Any contribution which is distributed out of the qualified State tuition program in a distribution to which section 529(g)(2) applies.

"(B) Any rollover contribution."

(B) Conforming amendments.—Section 4973(a) is amended—

(i) by striking "or" at the end of paragraph (3), by inserting "or" at the end of paragraph (5), and by inserting after paragraph (4) the following new paragraph:

"(5) a qualified State tuition program (as defined in section 529),",

(ii) by striking "accounts or annuities" and inserting "accounts, annuities, or programs", and

(iii) by striking "account or annuity" and inserting "account, annuity, or program".

(c) Compliance Provisions.—

(1) Additional tax on amounts not used for higher education expenses.—

(A) In general.—Section 529 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(g) Additional Tax for Distributions Not Used for Educational Expenses.—

"(1) In general.—The tax imposed by section 530(d)(4) shall apply to payments and distributions from qualified State tuition programs in the same manner as such tax applies to education individual retirement accounts.

"(2) Excess contributions returned before due date of return.—Subparagraph (A) shall not apply to the distribution to a contributor of any contribution paid during a taxable year to a qualified tuition program to the extent that such contribution exceeds the limitation in section 4973(g) if such distribution (and the net income with respect to such excess contribution) meet requirements comparable to the requirements of section 530(d)(4)(C)."

(B) Conforming amendment.—Section 529(b)(3) of such Code is repealed.

(2) Withholding of tax on certain distributions.—Section 529(c) is amended by adding at the end the following new paragraph:

"(6) Withholding of tax on certain distributions.—

"(A) In general.—A qualified State tuition program shall withhold from any distribution an amount equal to 15 percent of the portion of such distribution properly allocable to income on the contract (as determined under section 72).

"(B) Exceptions.—Subparagraph (A) shall not apply to a distribution which—

"(i) is a qualified higher education distribution under subsection (f), or

"(ii) is exempt from the payment of the additional tax imposed by subsection (g)."

(3) Distributions required in certain cases.—Subsection (b) of section 529 of such Code is amended by adding at the end the following new paragraph:

"(8) Required distributions.—

"(A) In general.—A program shall be treated as a qualified State tuition program only if any balance to the credit of a designated beneficiary (if any) on the account termination date is required to be distributed within 30 days after such date to such beneficiary (or in the case of death, the estate of the beneficiary).

"(B) Account termination date.—For purposes of subparagraph (A), the term 'account termination date' means whichever of the following dates is the earliest:

"(i) The date on which the designated beneficiary attains age 30.

"(ii) The date on which the designated beneficiary dies."

(d) Cost-of-Living Adjustments.—Section 529(e) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

"(6) Cost-of-living adjustments.—In the case of calendar years beginning after December 31, 1998, the $32,500 amount under subsection (b)(7) and the $4,500 amount under subsection (e)(3)(B)(ii)(I) shall each be increased by an amount equal to—

"(A) such dollar amount, multiplied by,

"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year, determined by substituting '1997' for '1992' in subparagraph (B) thereof.

If any dollar amount is not a multiple of $100 after being increased under this paragraph, such amount shall be rounded to the next lowest multiple of $100."

(e) Effective Dates.—

(1) In general.—Except as provided in paragraph (2), the amendments made by this section shall apply to distributions in taxable years beginning after December 31, 1997.

(2) Contract requirements.—The amendments made by subsections (b)(1) and (c)(3) shall apply to contracts issued after December 31, 1997.

SEC. ___. EXTENSION AND MODIFICATION OF SUBSIDIES FOR ALCOHOL FUELS.

(a) Extension.—

(1) The following provisions of the Internal Revenue Code of 1986 are each amended by striking "2000" each place it appears and inserting "2007":

(A) Section 4041(b)(2)(C) (relating to termination).

(B) Section 4041(k)(3) (relating to termination).

(C) Section 4081(c)(8) (relating to termination).

(D) Section 4091(c)(5) (relating to termination).

(2) Section 4041(m)(1)(A) of such Code (relating to certain alcohol fuels), as amended by section 907(b) of the Taxpayer Relief Act of 1997, is amended by striking "1999" both places it appears and inserting "2005".

(3) Section 6427(f)(4) of such Code (relating to termination) is amended by striking "1999" and inserting "2007".

(4) Section 40(e)(1) of such Code (relating to termination) is amended—

(A) by striking "December 31, 2000" and inserting "December 31, 2007", and

(B) by striking subparagraph (B) and inserting the following:

"(B) of any fuel for any period before January 1, 2008, during which the rate of tax under section 4081(a)(2)(A) is 4.3 cents per gallon.".

(5) Headings 9901.00.50 and 9901.00.52 of the Harmonized Tariff Schedule of the United States (19 U.S.C. 3007) are amended in the effective period column by striking "10/1/2000" each place it appears and inserting "10/1/2007".

(b) Modification.—

(1) In general.—Subsection (h) of section 40 of the Internal Revenue Code of 1986 (relating to alcohol used as fuel) is amended to read as follows:

"(h) Reduced Credit for Ethanol Blenders.—

"(1) In general.—In the case of any alcohol mixture credit or alcohol credit with respect to any sale or use of alcohol which is ethanol during calendar years 2001 through 2007—

"(A) subsections (b)(1)(A) and (b)(2)(A) shall be applied by substituting 'the blender amount' for '60 cents',

"(B) subsection (b)(3) shall be applied by substituting 'the low-proof blender amount' for '45 cents' and 'the blender amount' for '60 cents', and

"(C) subparagraphs (A) and (B) of subsection (d)(3) shall be applied by substituting 'the blender amount' for '60 cents' and 'the low-proof blender amount' for '45 cents'.

"(2) Amounts.—For purposes of paragraph (1), the blender amount and the low-proof blender amount shall be determined in accordance with the following table:

In the case of any sale or use during calendar year:	The blender amount is:	The low-proof blender amount is:
2001 or 2002	53 cents	39.26 cents
2003 or 2004	52 cents	38.52 cents
2005, 2006, or 2007	51 cents	37.78 cents.".

(2) Conforming amendments.—

(A) Section 4041(b)(2) of such Code is amended—

(i) in subparagraph (A)(i), by striking "5.4 cents" and inserting "the applicable blender rate", and

(ii) by redesignating subparagraph (C), as amended by subsection (a)(2)(A), as subparagraph (D) and by inserting after subparagraph (B) the following:

"(C) Applicable blender rate.—For purposes of subparagraph (A)(i), the applicable blender rate is—

"(i) except as provided in clause (ii), 5.4 cents, and

"(ii) for sales or uses during calendar years 2001 through 2007, ⅒ of the blender amount applicable under section 40(h)(2) for the calendar year in which the sale or use occurs.".

(B) Subparagraph (A) of section 4081(c)(4) of such Code is amended to read as follows:

"(A) General rules.—

"(i) Mixtures containing ethanol.—Except as provided in clause (ii), in the case of a qualified alcohol mixture which contains gasoline, the alcohol mixture rate is the excess of the rate which would (but for this paragraph) be determined under subsection (a) over—

"(I) in the case of 10 percent gasohol, the applicable blender rate (as defined in section 4041(b)(2)(A)) per gallon,

"(II) in the case of 7.7 percent gasohol, the number of cents per gallon equal to 77 percent of such applicable blender rate, and

"(III) in the case of 5.7 percent gasohol, the number of cents per gallon equal to 57 percent of such applicable blender rate.

"(ii) Mixtures not containing ethanol.—In the case of a qualified alcohol mixture which contains gasoline and none of the alcohol in which consists of ethanol, the alcohol mixture rate is the excess of the rate which would (but for this paragraph) be determined under subsection (a) over—

"(I) in the case of 10 percent gasohol, 6 cents per gallon,

"(II) in the case of 7.7 percent gasohol, 4.62 cents per gallon, and

"(III) in the case of 5.7 percent gasohol, 3.42 cents per gallon.".

(C) Section 4081(c)(5) of such Code is amended by striking "5.4 cents" and inserting "the applicable blender rate (as defined in section 4041(b)(2)(C))".

(D) Section 4091(c)(1) of such Code is amended by striking "13.4 cents" each place it appears and inserting "the applicable blender amount" and by adding at the end the following new sentence: "For purposes of this paragraph, the term 'applicable blender amount' means 13.3 cents in the case of any sale or use during 2001 or 2002, 13.2 cents in the case of any sale or use during 2003 or 2004, 13.1 cents in the case of any sale or use during 2005, 2006, or 2007, and 13.4 cents in the case of any sale or use during 2008 or thereafter.".

(3) Effective date.—The amendments made by this subsection shall take effect on January 1, 2001.

GRASSLEY (AND MOSELEY-BRAUN) AMENDMENT NO. 1547

(Ordered to lie on the table.)

Mr. GRASSLEY (for himself and Mrs. Moseley-Braun) submitted an amendment intended to be proposed by them to the bill, H.R. 2646, supra; as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . EXTENSION AND MODIFICATION OF SUBSIDIES FOR ALCOHOL FUELS.

(a) Extension.—

(1) The following provisions of the Internal Revenue Code of 1986 are each amended by striking "2000" each place it appears and inserting "2007":

(A) Section 4041(b)(2)(C) (relating to termination).

(B) Section 4041(k)(3) (relating to termination).

(C) Section 4081(c)(8) (relating to termination).

(D) Section 4091(c)(5) (relating to termination).

(2) Section 4041(m)(1)(A) of such Code (relating to certain alcohol fuels), as amended by section 907(b) of the Taxpayer Relief Act of 1997, is amended by striking "1999" both places it appears and inserting "2005".

(3) Section 6427(f)(4) of such Code (relating to termination) is amended by striking "1999" and inserting "2007".

(4) Section 40(e)(1) of such Code (relating to termination) is amended—

(A) by striking "December 31, 2000" and inserting "December 31, 2007", and

(B) by striking subparagraph (B) and inserting the following:

"(B) of any fuel for any period before January 1, 2008, during which the rate of tax under section 4081(a)(2)(A) is 4.3 cents per gallon.".

(5) Headings 9901.00.50 and 9901.00.52 of the Harmonized Tariff Schedule of the United States (19 U.S.C. 3007) are amended in the effective period column by striking "10/1/2000" each place it appears and inserting "10/1/2007".

(b) Modification.—

(1) In general.—Subsection (h) of section 40 of the Internal Revenue Code of 1986 (relating to alcohol used as fuel) is amended to read as follows:

"(h) Reduced Credit for Ethanol Blenders.—

"(1) In general.—In the case of any alcohol mixture credit or alcohol credit with respect to any sale or use of alcohol which is ethanol during calendar years 2001 through 2007—

"(A) subsections (b)(1)(A) and (b)(2)(A) shall be applied by substituting 'the blender amount' for '60 cents',

"(B) subsection (b)(3) shall be applied by substituting 'the low-proof blender amount' for '45 cents' and 'the blender amount' for '60 cents', and

"(C) subparagraphs (A) and (B) of subsection (d)(3) shall be applied by substituting 'the blender amount' for '60 cents' and 'the low-proof blender amount' for '45 cents'.

"(2) Amounts.—For purposes of paragraph (1), the blender amount and the low-proof blender amount shall be determined in accordance with the following table:

In the case of any sale or use during calendar year:	The blender amount is:	The low-proof blender amount is:
2001 or 2002	53 cents	39.26 cents
2003 or 2004	52 cents	38.52 cents
2005, 2006, or 2007	51 cents	37.78 cents.".

(2) Conforming amendments.—

(A) Section 4041(b)(2) of such Code is amended—

(i) in subparagraph (A)(i), by striking "5.4 cents" and inserting "the applicable blender rate", and

(ii) by redesignating subparagraph (C), as amended by subsection (a)(2)(A), as subparagraph (D) and by inserting after subparagraph (B) the following:

"(C) Applicable blender rate.—For purposes of subparagraph (A)(i), the applicable blender rate is—

"(i) except as provided in clause (ii), 5.4 cents, and

"(ii) for sales or uses during calendar years 2001 through 2007, ⅒ of the blender amount applicable under section 40(h)(2) for the calendar year in which the sale or use occurs.".

(B) Subparagraph (A) of section 4081(c)(4) of such Code is amended to read as follows:

"(A) General rules.—

"(i) Mixtures containing ethanol.—Except as provided in clause (ii), in the case of a qualified alcohol mixture which contains gasoline, the alcohol mixture rate is the excess of the rate which would (but for this paragraph) be determined under subsection (a) over—

"(I) in the case of 10 percent gasohol, the applicable blender rate (as defined in section 4041(b)(2)(A)) per gallon,

"(II) in the case of 7.7 percent gasohol, the number of cents per gallon equal to 77 percent of such applicable blender rate, and

"(III) in the case of 5.7 percent gasohol, the number of cents per gallon equal to 57 percent of such applicable blender rate.

"(ii) Mixtures not containing ethanol.—In the case of a qualified alcohol mixture which contains gasoline and none of the alcohol in which consists of ethanol, the alcohol mixture rate is the excess of the rate which would (but for this paragraph) be determined under subsection (a) over—

"(I) in the case of 10 percent gasohol, 6 cents per gallon,

"(II) in the case of 7.7 percent gasohol, 4.62 cents per gallon, and

"(III) in the case of 5.7 percent gasohol, 3.42 cents per gallon.".

(C) Section 4081(c)(5) of such Code is amended by striking "5.4 cents" and inserting "the applicable blender rate (as defined in section 4041(b)(2)(C))".

(D) Section 4091(c)(1) of such Code is amended by striking "13.4 cents" each place it appears and inserting "the applicable blender amount" and by adding at the end the following new sentence: "For purposes of this paragraph, the term 'applicable blender amount' means 13.3 cents in the case of any sale or use during 2001 or 2002, 13.2 cents in the case of any sale or use during 2003 or 2004, 13.1 cents in the case of any sale or use during 2005, 2006, or 2007, and 13.4 cents in the case of any sale or use during 2008 or thereafter.".

(3) Effective date.—The amendments made by this subsection shall take effect on January 1, 2001.

FEINSTEIN AMENDMENTS NOS. 1548–1549

(Ordered to lie on the table.)

Mrs. FEINSTEIN submitted two amendments intended to be proposed by her to the bill, H.R. 2646, supra; as follows:

AMENDMENT NO. 1548

At the end add the following:

SEC. ___. ESTABLISHMENT OF CANCER RESEARCH TRUST FUND.

(a) IN GENERAL.—Part A of title IV of the Public Health Service Act (42 U.S.C. 281 et seq.) is amended by adding at the end the following new section:

"SEC. 404F. ESTABLISHMENT OF CANCER RESEARCH TRUST FUND.

"(a) ESTABLISHMENT.—There is established in the Treasury of the United States a trust fund, to be known as the 'Cancer Research Trust Fund' (hereafter in this section referred to as the 'Fund'), consisting of such amounts as are credited or paid to the Fund as provided for in section 6098 of the Internal Revenue Code of 1986 and any interest earned on investment of amounts in the Fund.

"(b) INVESTMENT OF TRUST FUND.—

"(1) IN GENERAL.—It shall be the duty of the Secretary of the Treasury to invest such portion of the Fund as is not, in the Secretary's judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired—

"(A) on original issue at the issue price, or

"(B) by purchase of outstanding obligations at the market price.

The purposes for which obligations of the United States may be issued under chapter 31 of title 31, of the United States Code, are hereby extended to authorize the issuance at par of special obligations exclusively to the Fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the Public Debt; except that where such average rate is not a multiple of one-eighth of 1 percent, the rate of interest of such special obligations shall be the multiple of one-eighth of 1 percent next lower than such average rate. Such special obligations shall be issued only if the Secretary of the Treasury determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest.

"(2) SALE OF OBLIGATION.—Any obligation acquired by the Fund (except special obligations issued exclusively to the Fund) may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at par plus accrued interest.

"(3) CREDITS TO TRUST FUND.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Fund shall be credited to and form a part of the Fund.

"(c) OBLIGATIONS FROM FUND.—

"(1) IN GENERAL.—The Secretary of Health and Human Services shall annually make available such sums as are available in the Fund (including any amounts not obligated in previous fiscal years) to the National Institutes of Health for the conduct of biomedical, intramural and extramural research.

"(2) DIRECTOR OF NIH.—The Director of the National Institutes of Health may distribute amounts made available under paragraph (1) among the various research institutes and centers of the National Institutes of Health to enable such institutes and centers to conduct research that the Director determines is appropriate. The Director shall make awards from amounts available under paragraph (1) for research on cancer.

"(d) SUPPLEMENT NOT SUPPLANT.—Amounts provided to an institute or center under subsection (c) shall be used to supplement and not supplant other research conducted with Federal funds.

"(e) LIMITATION.—No expenditure shall be made under subsection (c)(1) during any fiscal year in which the annual amount appropriated for the National Institutes of Health is less than the amount so appropriated for the prior fiscal year.".

(b) DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS TO TRUST FUND.—

(1) IN GENERAL.—Subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to information and returns) is amended by adding at the end the following new part:

"PART IX—DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS TO CANCER RESEARCH TRUST FUND

"Sec. 6098. Designation to Cancer Research Trust Fund.

"SEC. 6098. DESIGNATION TO CANCER RESEARCH TRUST FUND.

"(a) IN GENERAL.—Every individual (other than a nonresident alien) may—

"(1) designate that a portion (not less than $1) of any overpayment of the tax imposed by chapter 1 for the taxable year, and

"(2) provide that a cash contribution (not less than $1),

be paid over to the Cancer Research Trust Fund in accordance with the provisions of section 404F of the Public Health Service Act. In the case of a joint return of a husband and wife, each spouse may designate one-half of any such overpayment of tax (not less than $2).

"(b) MANNER AND TIME OF DESIGNATION.—Any designation or payment under subsection (a) may be made with respect to any taxable year only at the time of filing the original return of the tax imposed by chapter 1 for such taxable year. Such designation shall be made on the page bearing the taxpayer's signature, and in close proximity to such signature, and shall be labeled 'Cancer Research Fund'.

"(c) OVERPAYMENTS TREATED AS REFUNDED.—For purposes of this section, any overpayment of tax designated under subsection (a) shall be treated as being refunded to the taxpayer as of the last day prescribed for filing the return of tax imposed by chapter 1 (determined with regard to extensions) or, if later, the date the return is filed."

(2) CLERICAL AMENDMENT.—The table of parts for subchapter A of chapter 61 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

"Part IX. Designation of overpayments and contributions to Cancer Research Trust Fund.".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 1996.

AMENDMENT NO. 1549

At the end add the following:

SEC. ___. ESTABLISHMENT OF CANCER RESEARCH TRUST FUND.

(a) IN GENERAL.—Part A of title IV of the Public Health Service Act (42 U.S.C. 281 et seq.) is amended by adding at the end the following new section:

"SEC. 404F. ESTABLISHMENT OF CANCER RESEARCH TRUST FUND.

"(a) ESTABLISHMENT.—There is established in the Treasury of the United States a trust fund, to be known as the 'Cancer Research Trust Fund' (hereafter in this section referred to as the 'Fund'), consisting of such amounts as are credited or paid to the Fund as provided for in section 6098 of the Internal Revenue Code of 1986 and any interest earned on investment of amounts in the Fund.

"(b) INVESTMENT OF TRUST FUND.—

"(1) IN GENERAL.—It shall be the duty of the Secretary of the Treasury to invest such portion of the Fund as is not, in the Secretary's judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired—

"(A) on original issue at the issue price, or

"(B) by purchase of outstanding obligations at the market price.

The purposes for which obligations of the United States may be issued under chapter 31 of title 31, of the United States Code, are hereby extended to authorize the issuance at par of special obligations exclusively to the Fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the Public Debt; except that where such average rate is not a multiple of one-eighth of 1 percent, the rate of interest of such special obligations shall be the multiple of one-eighth of 1 percent next lower than such average rate. Such special obligations shall be issued only if the Secretary of the Treasury determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest.

"(2) SALE OF OBLIGATION.—Any obligation acquired by the Fund (except special obligations issued exclusively to the Fund) may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at par plus accrued interest.

"(3) CREDITS TO TRUST FUND.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Fund shall be credited to and form a part of the Fund.

"(c) OBLIGATIONS FROM FUND.—

"(1) IN GENERAL.—The Secretary of Health and Human Services shall annually make available such sums as are available in the Fund (including any amounts not obligated in previous fiscal years) to the National Institutes of Health for the conduct of biomedical, intramural and extramural research.

"(2) DIRECTOR OF NIH.—The Director of the National Institutes of Health may distribute amounts made available under paragraph (1) among the various research institutes and centers of the National Institutes of Health to enable such institutes and centers to conduct research that the Director determines is appropriate. The Director shall make awards from amounts available under paragraph (1) for research on cancer.

"(d) SUPPLEMENT NOT SUPPLANT.—Amounts provided to an institute or center under subsection (c) shall be used to supplement and not supplant other research conducted with Federal funds.

"(e) LIMITATION.—No expenditure shall be made under subsection (c)(1) during any fiscal year in which the annual amount appropriated for the National Institutes of Health is less than the amount so appropriated for the prior fiscal year.".

(b) DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS TO TRUST FUND.—

(1) IN GENERAL.—Subchapter A of chapter 61 of the Internal Revenue Code of 1986 (relating to information and returns) is amended by adding at the end the following new part:

"PART IX—DESIGNATION OF OVERPAYMENTS AND CONTRIBUTIONS TO CANCER RESEARCH TRUST FUND

"Sec. 6098. Designation to Cancer Research Trust Fund.

"SEC. 6098. DESIGNATION TO CANCER RESEARCH TRUST FUND.

"(a) IN GENERAL.—Every individual (other than a nonresident alien) may—

"(1) designate that a portion (not less than $1) of any overpayment of the tax imposed by chapter 1 for the taxable year, and

"(2) provide that a cash contribution (not less than $1),

be paid over to the Cancer Research Trust Fund in accordance with the provisions of section 404F of the Public Health Service Act. In the case of a joint return of a husband and wife, each spouse may designate one-half of any such overpayment of tax (not less than $2).

"(b) MANNER AND TIME OF DESIGNATION.—Any designation or payment under subsection (a) may be made with respect to any taxable year only at the time of filing the original return of the tax imposed by chapter 1 for such taxable year. Such designation shall be made on the page bearing the taxpayer's signature, and in close proximity to such signature, and shall be labeled 'Cancer Research Fund'.

"(c) OVERPAYMENTS TREATED AS REFUNDED.—For purposes of this section, any overpayment of tax designated under subsection (a) shall be treated as being refunded to the taxpayer as of the last day prescribed for filing the return of tax imposed by chapter 1 (determined with regard to extensions) or, if later, the date the return is filed.".

(2) CLERICAL AMENDMENT.—The table of parts for subchapter A of chapter 61 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

"Part IX. Designation of overpayments and contributions to Cancer Research Trust Fund.".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 1996.

(c) RECIPROCAL OFFSET PROGRAM.—

(1) ESTABLISHMENT.—The Secretary of the Treasury shall enter into an agreement with any State under which—

(A) the State agrees, upon notice by the Secretary of the Treasury of any person having a liability in respect of an internal revenue tax, to reduce any overpayment of State tax to be refunded to such person to the extent of the amount of such liability and pay the amount by which the overpayment is so reduced to the United States Treasury and to notify such person of such payment, and

(B) the Secretary of the Treasury agrees to comply with the requirements of section 6402(e) of the Internal Revenue Code of 1986.

(2) DISCLOSURE OF RETURN INFORMATION TO STATES.—Section 6103(d) of the Internal Revenue Code of 1986 (relating to disclosure to State tax officials and State and local law enforcement agencies) is amended by adding at the end the following new paragraph:

"(6) DISCLOSURE FOR RECIPROCAL OFFSET PROGRAM AGREEMENTS.—The Secretary shall disclose return information for purposes of an agreement under the reciprocal offset program established under section (c)(1) of the Education Savings Act for Public and Private Schools.".

(3) OFFSET OF PAST-DUE, LEGALLY ENFORCEABLE STATE TAX OBLIGATIONS AGAINST OVERPAYMENTS.—

(A) IN GENERAL.—Section 6402 of the Internal Revenue Code of 1986 (relating to authority to make credits or refunds) is amended by redesignating subsections (e) through (i) as subsections (f) through (j), respectively, and by inserting after subsection (d) the following new subsection:

"(e) COLLECTION OF PAST-DUE, LEGALLY ENFORCEABLE STATE TAX OBLIGATIONS.—

"(1) IN GENERAL.—Upon receiving notice from any State that has entered into an agreement with the Secretary under section (c)(1) of the Education Savings Act for Public and Private Schools that a named person owes a past-due, legally enforceable State tax obligation to such State, the Secretary shall, under such conditions as may be prescribed by the Secretary—

"(A) reduce the amount of any overpayment payable to such person by the amount of such State tax obligation;

"(B) pay the amount by which such overpayment is reduced under subparagraph (A) to such State and notify such State of such person's name, taxpayer identification number, address, and the amount collected; and

"(C) notify the person making such overpayment that the overpayment has been reduced by an amount necessary to satisfy a past-due, legally enforceable State tax obligation.

If an offset is made pursuant to a joint return, the notice under subparagraph (B) shall include the names, taxpayer identification numbers, and addresses of each person filing such return.

"(2) PRIORITIES FOR OFFSET.—Any overpayment by a person shall be reduced pursuant to this subsection—

"(A) after such overpayment is reduced pursuant to—

"(i) subsection (a) with respect to any liability for any internal revenue tax on the part of the person who made the overpayment,

"(ii) subsection (c) with respect to past-due support, and

"(iii) subsection (d) with respect to any past-due, legally enforceable debt owed to a Federal agency, and

"(B) before such overpayment is credited to the future liability for any Federal internal revenue tax of such person pursuant to subsection (b).

If the Secretary receives notice from 1 or more State agencies of more than 1 debt subject to paragraph (1) that is owed by such person to such an agency, any overpayment by such person shall be applied against such debts in the order in which such debts accrued.

"(3) NOTICE; CONSIDERATION OF EVIDENCE.—No State may take action under this subsection until such State—

"(A) notifies the person owing the past-due State tax liability that the State proposes to take action pursuant to this section,

"(B) gives such person at least 60 days to present evidence that all or part of such liability is not past-due or not legally enforceable,

"(C) considers any evidence presented by such person and determines that an amount of such debt is past-due and legally enforceable, and

"(D) satisfies such other conditions as the Secretary may prescribe to ensure that the determination made under subparagraph (C) is valid and that the State has made reasonable efforts to obtain payment of such State tax obligation.

"(4) PAST-DUE, LEGALLY ENFORCEABLE STATE TAX OBLIGATION.—For purposes of this subsection, the term 'past-due, legally enforceable State tax obligation' means a debt—

"(A)(i) which resulted from—

"(I) a judgment rendered by a court of competent jurisdiction which has determined an amount of State tax to be due, or

"(II) a determination after an administrative hearing which has determined an amount of State tax to be due, and

"(ii) which is no longer subject to judicial review, or

"(B) which resulted from a State tax which has been assessed but not collected, the time for redetermination of which has expired, and which has not been delinquent for more than 10 years.

For purposes of this paragraph, the term 'State tax' includes any local tax administered by the chief tax administration agency of the State.

"(5) REGULATIONS.—The Secretary shall issue regulations prescribing the time and manner in which States must submit notices of past-due, legally enforceable State tax obligations and the necessary information that must be contained in or accompany such notices. The regulations shall specify the types of State taxes and the minimum amount of debt to which the reduction procedure established by paragraph (1) may be applied. The regulations may require States to pay a fee to reimburse the Secretary for the cost of applying such procedure. Any fee paid to the Secretary pursuant to the preceding sentence shall be used to reimburse appropriations which bore all or part of the cost of applying such procedure.

"(6) ERRONEOUS PAYMENT TO STATE.—Any State receiving notice from the Secretary that an erroneous payment has been made to such State under paragraph (1) shall pay promptly to the Secretary, in accordance with such regulations as the Secretary may prescribe, an amount equal to the amount of such erroneous payment (without regard to whether any other amounts payable to such State under such paragraph have been paid to such State).".

(B) DISCLOSURE OF CERTAIN INFORMATION TO STATES REQUESTING REFUND OFFSETS FOR PAST-DUE, LEGALLY ENFORCEABLE STATE TAX OBLIGATIONS.—

(i) Paragraph (10) of section 6103(l) of such Code is amended by striking "(c) or (d)" each place it appears and inserting "(c), (d), or (e)".

(ii) The paragraph heading for such paragraph (10) is amended by striking "SECTION 6402(c) OR 6402(d)" and inserting "SUBSECTION (c), (d), OR (e) OF SECTION 6402".

(C) CONFORMING AMENDMENTS.—

(i) Subsection (a) of section 6402 of such Code is amended by striking "(c) and (d)" and inserting "(c), (d), and (e)".

(ii) Paragraph (2) of section 6402(d) of such Code is amended by striking "and before such overpayment" and inserting "and before such overpayment is reduced pursuant to subsection (e) and before such overpayment".

(iii) Subsection (f) of section 6402 of such Code, as redesignated by subparagraph (A), is amended—

(I) by striking "(c) or (d)" and inserting "(c), (d), or (e)", and

(II) by striking "Federal agency" and inserting "Federal agency or State".

(iv) Subsection (h) of section 6402 of such Code, as redesignated by subparagraph (A), is amended by striking "subsection (c)" and inserting "subsection (c) or (e)".

(D) AMENDMENTS APPLIED AFTER TECHNICAL CORRECTIONS TO PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996.—

(i) Section 110(l) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 is amended by striking paragraphs (4), (5), and (7) (and the amendments made by such paragraphs), and the Internal Revenue Code of 1986 shall be applied as if such paragraphs (and amendments) had never been enacted.

(ii) For purposes of applying the amendments made by this paragraph other than this subparagraph the provisions of this subparagraph shall be treated as having been enacted immediately before the other provisions of this paragraph.

(E) EFFECTIVE DATE.—The amendments made by this subsection (other than paragraph (3)(D)) shall apply to refunds payable after December 31, 1998.

GRAHAM AMENDMENT NO. 1550

(Ordered to lie on the table.)

Mr. GRAHAM submitted an amendment intended to be proposed by him to the bill, H.R. 2646, supra; as follows:

On page 3, between lines 9 and 10, insert:

"(C) DEPENDENT CARE EMPLOYMENT-RELATED EXPENSES.—Such term shall include employment-related expenses (as defined in section 21(b)(2)) for the care of a designated beneficiary who is a qualifying individual under section 21(b)(1)(A) with respect to the individual incurring such expenses. No credit shall be allowed under section 21 with respect to employment-related expenses paid out of the account to the extent such payment is not included in gross income by reason of subsection (d)(2)."

KOHL AMENDMENT NO. 1551

(Ordered to lie on the table.)

Mr. KOHL submitted an amendment intended to be proposed by him to the bill, H.R. 2646, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. ___. ALLOWANCE OF CREDIT FOR EMPLOYER EXPENSES FOR CHILD CARE ASSISTANCE; FOREIGN TAX CREDIT CARRYOVERS.

(a) ALLOWANCE OF CREDIT.—

(1) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business related credits) is amended by adding at the end the following new section:

"SEC. 45D. EMPLOYER-PROVIDED CHILD CARE CREDIT.

"(a) IN GENERAL.—For purposes of section 38, the employer-provided child care credit determined under this section for the taxable year is an amount equal to 50 percent of the qualified child care expenditures of the taxpayer for such taxable year.

"(b) DOLLAR LIMITATION.—The credit allowable under subsection (a) for any taxable year shall not exceed $150,000.

"(c) DEFINITIONS.—For purposes of this section—

"(1) QUALIFIED CHILD CARE EXPENDITURE.—The term 'qualified child care expenditure' means any amount paid or incurred—

"(A) to acquire, construct, rehabilitate, or expand property—

"(i) which is to be used as part of a qualified child care facility of the taxpayer,

"(ii) with respect to which a deduction for depreciation (or amortization in lieu of depreciation) is allowable, and

"(iii) which does not constitute part of the principal residence (within the meaning of section 1034) of the taxpayer or any employee of the taxpayer,

"(B) for the operating costs of a qualified child care facility of the taxpayer, including costs related to the training of employees, to scholarship programs, and to the providing of increased compensation to employees with higher levels of child care training,

"(C) under a contract with a qualified child care facility to provide child care services to employees of the taxpayer, or

"(D) under a contract to provide child care resource and referral services to employees of the taxpayer.

"(2) QUALIFIED CHILD CARE FACILITY.—

"(A) IN GENERAL.—The term 'qualified child care facility' means a facility—

"(i) the principal use of which is to provide child care assistance, and

"(ii) which meets the requirements of all applicable laws and regulations of the State or local government in which it is located, including, but not limited to, the licensing of the facility as a child care facility.

Clause (i) shall not apply to a facility which is the principal residence (within the meaning of section 1034) of the operator of the facility.

"(B) SPECIAL RULES WITH RESPECT TO A TAXPAYER.—A facility shall not be treated as a qualified child care facility with respect to a taxpayer unless—

"(i) enrollment in the facility is open to employees of the taxpayer during the taxable year,

"(ii) the facility is not the principal trade or business of the taxpayer unless at least 30 percent of the enrollees of such facility are dependents of employees of the taxpayer, and

"(iii) the use of such facility (or the eligibility to use such facility) does not discriminate in favor of employees of the taxpayer who are highly compensated employees (within the meaning of section 414(q)).

"(d) RECAPTURE OF ACQUISITION AND CONSTRUCTION CREDIT.—

"(1) IN GENERAL.—If, as of the close of any taxable year, there is a recapture event with respect to any qualified child care facility of the taxpayer, then the tax of the taxpayer under this chapter for such taxable year shall be increased by an amount equal to the product of—

"(A) the applicable recapture percentage, and

"(B) the aggregate decrease in the credits allowed under section 38 for all prior taxable years which would have resulted if the qualified child care expenditures of the taxpayer described in subsection (c)(1)(A) with respect to such facility had been zero.

"(2) APPLICABLE RECAPTURE PERCENTAGE.—

"(A) IN GENERAL.—For purposes of this subsection, the applicable recapture percentage shall be determined from the following table:

"If the recapture event occurs in:	**The applicable recapture percentage is:**
Years 1–3	100
Year 4	85
Year 5	70
Year 6	55
Year 7	40
Year 8	25
Years 9 and 10	10
Years 11 and thereafter	0.

"(B) YEARS.—For purposes of subparagraph (A), year 1 shall begin on the first day of the taxable year in which the qualified child care facility is placed in service by the taxpayer.

"(3) RECAPTURE EVENT DEFINED.—For purposes of this subsection, the term 'recapture event' means—

"(A) CESSATION OF OPERATION.—The cessation of the operation of the facility as a qualified child care facility.

"(B) CHANGE IN OWNERSHIP.—

"(i) IN GENERAL.—Except as provided in clause (ii), the disposition of a taxpayer's interest in a qualified child care facility with respect to which the credit described in subsection (a) was allowable.

"(ii) AGREEMENT TO ASSUME RECAPTURE LIABILITY.—Clause (i) shall not apply if the person acquiring such interest in the facility agrees in writing to assume the recapture liability of the person disposing of such interest in effect immediately before such disposition. In the event of such an assumption, the person acquiring the interest in the facility shall be treated as the taxpayer for purposes of assessing any recapture liability (computed as if there had been no change in ownership).

"(4) SPECIAL RULES.—

"(A) TAX BENEFIT RULE.—The tax for the taxable year shall be increased under paragraph (1) only with respect to credits allowed by reason of this section which were used to reduce tax liability. In the case of credits not so used to reduce tax liability, the carryforwards and carrybacks under section 39 shall be appropriately adjusted.

"(B) NO CREDITS AGAINST TAX.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under subpart A, B, or D of this part.

"(C) NO RECAPTURE BY REASON OF CASUALTY LOSS.—The increase in tax under this subsection shall not apply to a cessation of operation of the facility as a qualified child care facility by reason of a casualty loss to the extent such loss is restored by reconstruction or replacement within a reasonable period established by the Secretary.

"(e) SPECIAL RULES.—For purposes of this section—

"(1) AGGREGATION RULES.—All persons which are treated as a single employer under subsections (a) and (b) of section 52 shall be treated as a single taxpayer.

"(2) PASS-THRU IN THE CASE OF ESTATES AND TRUSTS.—Under regulations prescribed by the Secretary, rules similar to the rules of subsection (d) of section 52 shall apply.

"(3) ALLOCATION IN THE CASE OF PARTNERSHIPS.—In the case of partnerships, the credit shall be allocated among partners under regulations prescribed by the Secretary.

"(f) NO DOUBLE BENEFIT.—

"(1) REDUCTION IN BASIS.—For purposes of this subtitle—

"(A) IN GENERAL.—If a credit is determined under this section with respect to any property by reason of expenditures described in subsection (c)(1)(A), the basis of such property shall be reduced by the amount of the credit so determined.

"(B) CERTAIN DISPOSITIONS.—If during any taxable year there is a recapture amount determined with respect to any property the basis of which was reduced under subparagraph (A), the basis of such property (immediately before the event resulting in such recapture) shall be increased by an amount equal to such recapture amount. For purposes of the preceding sentence, the term 'recapture amount' means any increase in tax (or adjustment in carrybacks or carryovers) determined under subsection (d).

"(2) OTHER DEDUCTIONS AND CREDITS.—No deduction or credit shall be allowed under any other provision of this chapter with respect to the amount of the credit determined under this section.

"(g) TERMINATION.—This section shall not apply to taxable years beginning after December 31, 1999."

(2) CONFORMING AMENDMENTS.—

(A) Section 38(b) of the Internal Revenue Code of 1986 is amended—

(i) by striking out "plus" at the end of paragraph (11),

(ii) by striking out the period at the end of paragraph (12), and inserting a comma and "plus", and

(iii) by adding at the end the following new paragraph:

"(13) the employer-provided child care credit determined under section 45D."

(B) The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

"Sec. 45D. Employer-provided child care credit."

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 1996.

(b) MODIFICATION TO FOREIGN TAX CREDIT CARRYBACK AND CARRYOVER PERIODS.—

(1) IN GENERAL.—Subsection (c) of section 904 of the Internal Revenue Code of 1986 (relating to limitation on credit) is amended—

(A) by striking "in the second preceding taxable year,", and

(B) by striking "or fifth" and inserting "fifth, sixth, or seventh".

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to credits arising in taxable years beginning after December 31, 1997.

WELLSTONE AMENDMENTS NOS. 1552–1553

(Ordered to lie on the table.)

Mr. WELLSTONE submitted two amendments intended to be proposed by him to the bill, H.R. 2646, supra; as follows:

AMENDMENT NO. 1552

At the appropriate place, insert the following:

SEC. . ALLOCATION OF ALCOHOL FUELS CREDIT TO PATRONS OF A COOPERATIVE.

(a) ALLOCATION.—

(1) IN GENERAL.—Subsection (d) of section 40 of the Internal Revenue Code of 1986 (relating to alcohol used as fuel) is amended by adding at the end the following new paragraph:

"(6) ALLOCATION OF SMALL ETHANOL PRODUCER CREDIT TO PATRONS OF COOPERATIVE.—

"(A) IN GENERAL.—In the case of a cooperative organization described in section 1381(a), any portion of the credit determined under subsection (a)(3) for the taxable year may, at the election of the organization made on a timely filed return (including extensions) for such year, be apportioned pro rata among patrons on the basis of the quantity or value of business done with or for such patrons for the taxable year. Such an election, once made, shall be irrevocable for such taxable year.

"(B) TREATMENT OF ORGANIZATIONS AND PATRONS.—The amount of the credit apportioned to patrons pursuant to subparagraph (A)—

"(i) shall not be included in the amount determined under subsection (a) for the taxable year of the organization, and

"(ii) shall be included in the amount determined under subsection (a) for the taxable year of each patron in which the patronage dividend for the taxable year referred to in subparagraph (A) is includible in gross income.

"(C) SPECIAL RULE FOR DECREASING CREDIT FOR TAXABLE YEAR.—If the amount of the credit of a cooperative organization determined under subsection (a)(3) for a taxable year is less than the amount of such credit shown on the cooperative organization's return for such year, an amount equal to the excess of such reduction over the amount not apportioned to the patrons under subparagraph (A) for the taxable year shall be treated as an increase in tax imposed by this chapter on the organization. Any such increase shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit under this subpart or subpart A, B, E, or G of this part."

(2) TECHNICAL AMENDMENT.—Section 1388 of the Internal Revenue Code of 1986 (relating to definitions and special rules for cooperative organizations) is amended by adding at the end the following new subsection:

"(k) CROSS REFERENCE.—

"For provisions relating to the apportionment of the alcohol fuels credit between cooperative organizations and their patrons, see section 40(d)(6)."

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after December 31, 1997.

(b) OFFSET OF PAST-DUE, LEGALLY ENFORCEABLE STATE TAX OBLIGATIONS AGAINST OVERPAYMENTS.—

(1) IN GENERAL.—Section 6402 of the Internal Revenue Code of 1986 is amended by redesignating subsections (e) through (i) as subsections (f) through (j), respectively, and by inserting after subsection (d) the following new subsection:

"(e) COLLECTION OF PAST-DUE, LEGALLY ENFORCEABLE STATE TAX OBLIGATIONS.—

"(1) IN GENERAL.—Upon receiving notice from any State that a named person owes a past-due, legally enforceable State tax obligation to such State, the Secretary shall, under such conditions as may be prescribed by the Secretary—

"(A) reduce the amount of any overpayment payable to such person by the amount of such State tax obligation;

"(B) pay the amount by which such overpayment is reduced under subparagraph (A) to such State and notify such State of such person's name, taxpayer identification number, address, and the amount collected; and

"(C) notify the person making such overpayment that the overpayment has been reduced by an amount necessary to satisfy a past-due, legally enforceable State tax obligation.

If an offset is made pursuant to a joint return, the notice under subparagraph (B) shall include the names, taxpayer identification numbers, and addresses of each person filing such return.

"(2) OFFSET PERMITTED ONLY AGAINST RESIDENTS OF STATE SEEKING OFFSET.—Paragraph (1) shall apply to an overpayment by any person for a taxable year only if the address shown on the return for such taxable year is an address within the State seeking the offset.

"(3) PRIORITIES FOR OFFSET.—Any overpayment by a person shall be reduced pursuant to this subsection—

"(A) after such overpayment is reduced pursuant to—

"(i) subsection (a) with respect to any liability for any internal revenue tax on the part of the person who made the overpayment,

"(ii) subsection (c) with respect to past-due support, and

"(iii) subsection (d) with respect to any past-due, legally enforceable debt owed to a Federal agency, and

"(B) before such overpayment is credited to the future liability for any Federal internal revenue tax of such person pursuant to subsection (b).

If the Secretary receives notice from 1 or more agencies of the State of more than 1 debt subject to paragraph (1) that is owed by such person to such an agency, any overpayment by such person shall be applied against such debts in the order in which such debts accrued.

"(4) NOTICE; CONSIDERATION OF EVIDENCE.—No State may take action under this subsection until such State—

"(A) notifies the person owing the past-due State tax liability that the State proposes to take action pursuant to this section,

"(B) gives such person at least 60 days to present evidence that all or part of such liability is not past-due or not legally enforceable,

"(C) considers any evidence presented by such person and determines that an amount of such debt is past-due and legally enforceable, and

"(D) satisfies such other conditions as the Secretary may prescribe to ensure that the determination made under subparagraph (C) is valid and that the State has made reasonable efforts to obtain payment of such State tax obligation.

"(5) PAST-DUE, LEGALLY ENFORCEABLE STATE TAX OBLIGATION.—For purposes of this subsection, the term 'past-due, legally enforceable State tax obligation' means a debt—

"(A)(i) which resulted from—

"(I) a judgment rendered by a court of competent jurisdiction which has determined an amount of State tax to be due, or

"(II) a determination after an administrative hearing which has determined an amount of State tax to be due, and

"(ii) which is no longer subject to judicial review, or

"(B) which resulted from a State tax which has been assessed but not collected, the time for redetermination of which has expired, and which has not been delinquent for more than 10 years.

For purposes of this paragraph, the term 'State tax' includes any local tax administered by the chief tax administration agency of the State.

"(6) REGULATIONS.—The Secretary shall issue regulations prescribing the time and manner in which States must submit notices of past-due, legally enforceable State tax obligations and the necessary information that must be contained in or accompany such notices. The regulations shall specify the types of State taxes and the minimum amount of debt to which the reduction procedure established by paragraph (1) may be applied. The regulations may require States to pay a fee to reimburse the Secretary for the cost of applying such procedure. Any fee paid to the Secretary pursuant to the preceding sentence shall be used to reimburse appropriations which bore all or part of the cost of applying such procedure.

"(7) ERRONEOUS PAYMENT TO STATE.—Any State receiving notice from the Secretary that an erroneous payment has been made to such State under paragraph (1) shall pay promptly to the Secretary, in accordance with such regulations as the Secretary may prescribe, an amount equal to the amount of such erroneous payment (without regard to whether any other amounts payable to such State under such paragraph have been paid to such State).".

(2) DISCLOSURE OF CERTAIN INFORMATION TO STATES REQUESTING REFUND OFFSETS FOR PAST-DUE, LEGALLY ENFORCEABLE STATE TAX OBLIGATIONS.—

(A) Paragraph (10) of section 6103(l) of the Internal Revenue Code of 1986 is amended by striking "(c) or (d)" each place it appears and inserting "(c), (d), or (e)".

(B) The paragraph heading for such paragraph (10) is amended by striking "SECTION 6402(c) OR 6402(d)" and inserting "SUBSECTION (c), (d), OR (e) OF SECTION 6402".

(3) CONFORMING AMENDMENTS.—

(A) Subsection (a) of section 6402 of the Internal Revenue Code of 1986 is amended by striking "(c) and (d)" and inserting "(c), (d), and (e)".

(B) Paragraph (2) of section 6402(d) of the Internal Revenue Code of 1986 is amended by striking "and before such overpayment" and inserting "and before such overpayment is reduced pursuant to subsection (e) and before such overpayment".

(C) Subsection (f) of section 6402 of the Internal Revenue Code of 1986, as redesignated by paragraph (1), is amended—

(i) by striking "(c) or (d)" and inserting "(c), (d), or (e)", and

(ii) by striking "Federal agency" and inserting "Federal agency or State".

(D) Subsection (h) of section 6402 of the Internal Revenue Code of 1986, as redesignated by paragraph (1), is amended by striking "subsection (c)" and inserting "subsection (c) or (e)".

(4) AMENDMENTS APPLIED AFTER TECHNICAL CORRECTIONS TO PERSONAL RESPONSIBILITY AND WORK OPPORTUNITY RECONCILIATION ACT OF 1996.—

(A) Section 110(l) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 is amended by striking paragraphs (4), (5), and (7) (and the amendments made by such paragraphs), and the Internal Revenue Code of 1986 shall be applied as if such paragraphs (and amendments) had never been enacted.

(B) For purposes of applying the amendments made by this subsection other than this paragraph, the provisions of this paragraph shall be treated as having been enacted immediately before the other provisions of this subsection.

(5) EFFECTIVE DATE.—The amendments made by this subsection (other than paragraph (4)) shall apply to refunds payable under section 6402 of the Internal Revenue Code of 1986 after December 31, 1998.

AMENDMENT NO. 1553

At the appropriate place, insert the following:

"It is the sense of the Senate that the Federal budget deficit should be reduced, and a surplus should be achieved, in a way that is fair and responsible, in part by enacting provisions to close longstanding loopholes in our tax code and eliminating unwarranted special interest subsidies."

MOSELEY-BRAUN AMENDMENTS NOS. 1554–1556

(Ordered to lie on the table.)

Ms. MOSELEY-BRAUN submitted three amendments intended to be proposed by her to the bill, H.R. 2646, supra; as follows:

AMENDMENT NO. 1554

At the end add the following:

SEC. ___. EXTENSION AND MODIFICATION OF SUBSIDIES FOR ALCOHOL FUELS.

(a) EXTENSION.—

(1) The following provisions of the Internal Revenue Code of 1986 are each amended by striking "2000" each place it appears and inserting "2007":

(A) Section 4041(b)(2)(C) (relating to termination).

(B) Section 4041(k)(3) (relating to termination).

(C) Section 4081(c)(8) (relating to termination).

(D) Section 4091(c)(5) (relating to termination).

(2) Section 4041(m)(1)(A) of such Code (relating to certain alcohol fuels), as amended by section 907(b) of the Taxpayer Relief Act of 1997, is amended by striking "1999" both places it appears and inserting "2005".

(3) Section 6427(f)(4) of such Code (relating to termination) is amended by striking "1999" and inserting "2007".

(4) Section 40(e)(1) of such Code (relating to termination) is amended—

(A) by striking "December 31, 2000" and inserting "December 31, 2007", and

(B) by striking subparagraph (B) and inserting the following:

"(B) of any fuel for any period before January 1, 2008, during which the rate of tax under section 4081(a)(2)(A) is 4.3 cents per gallon.".

(5) Headings 9901.00.50 and 9901.00.52 of the Harmonized Tariff Schedule of the United States (19 U.S.C. 3007) are amended in the effective period column by striking "10/1/2000" each place it appears and inserting "10/1/2007".

(b) MODIFICATION.—

(1) IN GENERAL.—Subsection (h) of section 40 of the Internal Revenue Code of 1986 (relating to alcohol used as fuel) is amended to read as follows:

"(h) REDUCED CREDIT FOR ETHANOL BLENDERS.—

"(1) IN GENERAL.—In the case of any alcohol mixture credit or alcohol credit with respect to any sale or use of alcohol which is ethanol during calendar years 2001 through 2007—

"(A) subsections (b)(1)(A) and (b)(2)(A) shall be applied by substituting 'the blender amount' for '60 cents',

"(B) subsection (b)(3) shall be applied by substituting 'the low-proof blender amount' for '45 cents' and 'the blender amount' for '60 cents', and

"(C) subparagraphs (A) and (B) of subsection (d)(3) shall be applied by substituting 'the blender amount' for '60 cents' and 'the low-proof blender amount' for '45 cents'.

"(2) AMOUNTS.—For purposes of paragraph (1), the blender amount and the low-proof blender amount shall be determined in accordance with the following table:

In the case of any sale or use during calendar year:	The blender amount is:	The low-proof blender amount is:
2001 or 2002	53 cents	39.26 cents
2003 or 2004	52 cents	38.52 cents
2005, 2006, or 2007	51 cents	37.78 cents.".

(2) CONFORMING AMENDMENTS.—

(A) Section 4041(b)(2) of such Code is amended—

(i) in subparagraph (A)(i), by striking "5.4 cents" and inserting "the applicable blender rate", and

(ii) by redesignating subparagraph (C), as amended by subsection (a)(2)(A), as subparagraph (D) and by inserting after subparagraph (B) the following:

"(C) APPLICABLE BLENDER RATE.—For purposes of subparagraph (A)(i), the applicable blender rate is—

"(i) except as provided in clause (ii), 5.4 cents, and

"(ii) for sales or uses during calendar years 2001 through 2007, 1/10 of the blender amount applicable under section 40(h)(2) for the calendar year in which the sale or use occurs.".

(B) Subparagraph (A) of section 4081(c)(4) of such Code is amended to read as follows:

"(A) GENERAL RULES.—

"(i) MIXTURES CONTAINING ETHANOL.—Except as provided in clause (ii), in the case of a qualified alcohol mixture which contains gasoline, the alcohol mixture rate is the excess of the rate which would (but for this paragraph) be determined under subsection (a) over—

"(I) in the case of 10 percent gasohol, the applicable blender rate (as defined in section 4041(b)(2)(A)) per gallon,

"(II) in the case of 7.7 percent gasohol, the number of cents per gallon equal to 77 percent of such applicable blender rate, and

"(III),in the case of 5.7 percent gasohol, the number of cents per gallon equal to 57 percent of such applicable blender rate.

"(ii) MIXTURES NOT CONTAINING ETHANOL.—In the case of a qualified alcohol mixture which contains gasoline and none of the alcohol in which consists of ethanol, the alcohol mixture rate is the excess of the rate which would (but for this paragraph) be determined under subsection (a) over—

"(I) in the case of 10 percent gasohol, 6 cents per gallon,

"(II) in the case of 7.7 percent gasohol, 4.62 cents per gallon, and

"(III) in the case of 5.7 percent gasohol, 3.42 cents per gallon.".

(C) Section 4081(c)(5) of such Code is amended by striking "5.4 cents" and inserting "the applicable blender rate (as defined in section 4041(b)(2)(C))".

(D) Section 4091(c)(1) of such Code is amended by striking "13.4 cents" each place it appears and inserting "the applicable blender amount" and by adding at the end the following new sentence: "For purposes of this paragraph, the term 'applicable blender amount' means 13.3 cents in the case of any sale or use during 2001 or 2002, 13.2 cents in the case of any sale or use during 2003 or 2004, 13.1 cents in the case of any sale or use during 2005, 2006, or 2007, and 13.4 cents in the case of any sale or use during 2008 or thereafter.".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on January 1, 2001.

AMENDMENT NO. 1555

At the end add the following:

SEC. . INCREASE IN MAXIMUM EXCLUSION FOR EMPLOYER-PROVIDED TRANSIT PASSES.

(a) In General.—Subparagraph (A) of section 132(f)(2) of the Internal Revenue Code of 1986 (relating to limitation on exclusion) is amended by striking "$60" and inserting "$170".

(b) Conforming Amendment.—Section 132(f)(2)(B) of such Code is amended by striking "$155" and inserting "$170".

(c) Conforming Inflation Adjustment.—Paragraph (6) of section 132(f) of such Code (relating to qualified transportation fringe) is amended to read as follows:

"(6) Inflation adjustment.—In the case of any taxable year beginning in a calendar year after 1997, the dollar amounts contained in subparagraphs (A) and (B) of paragraph (2) shall be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting 'calendar year 1996' for 'calendar year 1992'.

If any increase determined under the preceding sentence is not a multiple of $5, such increase shall be rounded to the next lowest multiple of $5.".

(d) Modification to Foreign Tax Credit Carryback and Carryover Periods.—Subsection (c) of section 904 of such Code (relating to limitation on credit) is amended—

(1) by striking "in the second preceding taxable year,", and

(2) by striking "of fifth" and inserting "fifth, sixth, or seventh".

(3) Effective Dates.—

(1) Except as provided in paragraph (2), the amendments made by this section shall apply to taxable years beginning after December 31, 1997.

(2) The amendment made by subsection (d) shall apply to credits arising in taxable years beginning after December 31, 1997.

Amendment No. 1556

Beginning on page 2, line 3, strike all through page 6, line 9, and insert:

SECTION 1. REMOVAL OF DOLLAR AND 60-MONTH LIMITATIONS ON DEDUCTION FOR STUDENT LOANS.

(a) In General.—Section 221 of the Internal Revenue Code of 1986 (relating to interest on education loans) is amended by striking subsections (b)(1) and (d) and by redesignating subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively.

(b) Conforming Amendments.—

(1) Subsection (b) of section 221 of such Code, as amended by subsection (a), is amended to read as follows:

"(b) Limitation Based on Modified Adjusted Gross Income.—

"(1) In general.—The amount which would (but for this subsection) be allowable as a deduction under this section shall be reduced (but not below zero) by the amount determined under paragraph (2).

"(2) Amount of reduction.—The amount determined under this paragraph is the amount which would be so taken into ratio to the amount which would be so taken into account as—

"(A) the excess of—

"(i) the taxpayer's modified adjusted gross income for such taxable year, over

"(ii) $40,000 ($60,000 in the case of a joint return), bears to

"(B) $15,000.

"(3) Modified adjusted gross income.—The term 'modified adjusted gross income' means adjusted gross income determined—

"(A) without regard to this section and sections 135, 137, 911, 931, and 933, and

"(B) after application of sections 86, 219, and 469.

For purposes of sections 86, 135, 137, 219, and 469, adjusted gross income shall be determined without regard to the deduction allowed under this section.".

(2) Section 6050S(e) of such Code is amended by striking "section 221(e)(1)" and inserting "section 221(d)(1)".

(c) Effective Date.—The amendments made by this section shall take effect as if included in the amendments made by section 202 of the Taxpayer Relief Act of 1997.

KERREY AMENDMENT NO. 1557

(Ordered to lie on the table.)

Mr. KERREY submitted an amendment intended to be proposed by him to the bill, H.R. 2646, supra; as follows:

At the end add the following:

SEC. . CHILD CREDIT LIMITED TO EDUCATION SAVINGS FOR CHILDREN UNDER AGE 6.

(a) In General.—Section 24 of the Internal Revenue Code of 1986 (relating to child tax credit) is amended by adding at the end the following:

"(g) Credit Limited to Education Savings for Certain Children.—

"(1) In general.—In the case of a qualifying child who has not attained the age of 6 as of the close of the calendar year in which the taxable year of the taxpayer begins, the amount of the credit allowed under this section for such taxable year with respect to such child (after the application of any preceding subsection) shall not exceed the excess of—

"(A) the aggregate amount contributed by the taxpayer for such taxable year for the benefit of such child to qualified tuition programs (as defined in section 529) and education individual retirement accounts (as defined in section 530), over

"(B) the aggregate amount distributed during such taxable year from such programs and accounts (the beneficiary of which is such child) which is subject to tax under section 529(c) or 530(d).

"(2) Recapture of credit.—

"(A) In general.—If—

"(i) during any taxable year any amount is withdrawn from a qualified tuition program or an education individual retirement account maintained for the benefit of a beneficiary and such amount is subject to tax under section 529(c) or 530(d), and

"(ii) the amount of the credit allowed under this section for the prior taxable year was contingent on a contribution being made to such a program or account for the benefit of such beneficiary,

the taxpayer's tax imposed by this chapter for the taxable year shall be increased by the lesser of the amount described in clause (i) or the credit described in clause (ii).

"(B) No credits against tax, etc.—Any increase in tax under this paragraph shall not be treated as a tax imposed by this chapter for purposes of determining—

"(i) the amount of any credit under this subpart or subpart B or D of this part, and

"(ii) the amount of the minimum tax imposed by section 55.".

(b) Effective Date.—The amendment made by this section shall take effect as if included in the amendments made by section 101 of the Taxpayer Relief Act of 1997.

MOYNIHAN AMENDMENT NO. 1558

(Ordered to lie on the table.)

Mr. MOYNIHAN submitted an amendment intended to be proposed by him to the bill, H.R. 2646, supra; as follows:

At the end add the following:

SEC. . SENSE OF THE SENATE REGARDING TREATMENT OF FUTURE UNIFIED BUDGET SURPLUSES.

(a) Findings.—The Senate finds that—

(1) the current economic expansion is now in its seventh year and shows no signs of ending;

(2) the unemployment rate is below 5 percent for the first time in 24 years;

(3) the current official inflation rate, which may be overstated, is about 2 percent;

(4) the deficit has been reduced from $290,000,000,000 in fiscal year 1992 to $23,000,000,000 in fiscal year 1997, or just three-tenths of 1 percent of the Gross Domestic Product (GDP);

(5) the Congressional Budget Office projects that, under present law, the unified budget will have a surplus of $86,000,000,000 in 2007;

(6) the Congressional Budget Office also projects that, under present law, the debt held by the public will fall from about 50 percent of GDP this year to about 30 percent by 2007;

(7) this extraordinary combination of good budget and economic news is largely the result of budget policies included in the Omnibus Budget and Reconciliation Act of 1993;

(8) the budget is not yet in surplus;

(9) the Congressional Budget Office also projects that the deficit is likely to reappear after 2007, and that the debt held by the public as a percentage of GDP is also likely to increase as the baby boom generation begins to retire;

(10) without the on-budget surpluses of the social security trust funds, the Congressional Budget Office still projects annual deficits of about $100,000,000,000 even after the budget is "balanced" in 2002; and

(11) projected unified budget surpluses in the short-run would rapidly disappear if the current expansion ends, and the economy would enter a recession.

(b) Sense of the Senate.—It is the sense of the Senate that—

(1) any unified budget surpluses that might arise in the current expansion should be used to reduce the Federal debt held by the public; and

(2) to achieve this goal during this economic expansion that there be no net tax cut or new spending that is not offset by reductions in spending on other programs or tax increases.

DODD AMENDMENT NO. 1559

(Ordered to lie on the table.)

Mr. DODD submitted an amendment intended to be proposed by him to the bill, H.R. 2646, supra; as follows:

Beginning on page 2, line 3, strike all through page 6, line 9, and insert:

SECTION 1. DEPENDENT CARE CREDIT MADE REFUNDABLE FOR LOW-INCOME TAXPAYERS.

(a) In General.—Section 21 of the Internal Revenue Code of 1986 (relating to credit for household and dependent care services) is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following:

"(f) Credit Made Refundable for Low Income Taxpayers.—

"(1) In general.—For purposes of this subtitle, in the case of an applicable taxpayer individual, the credit allowable under subsection (a) for any taxable year shall be treated as a credit allowable under subpart C of this part.

"(2) APPLICABLE TAXPAYER.—For purposes of this subsection, the term 'applicable taxpayer' means a taxpayer with respect to whom the credit under section 32 is allowable for the taxable year.

"(3) COORDINATION WITH ADVANCE PAYMENTS AND MINIMUM TAX.—Rules similar to the rules of subsections (g) and (h) of section 32 shall apply with respect to the portion of any credit to which this subsection applies.".

(b) Advance Payment of Credit.—

(1) IN GENERAL.—Chapter 25 of the Internal Revenue Code of 1986 (relating to general provisions relating to employment taxes) is amended by inserting after section 3507 the following:

"SEC. 3507A. ADVANCE PAYMENT OF DEPENDENT CARE CREDIT.

"(a) GENERAL RULE.—Except as otherwise provided in this section, every employer making payment of wages with respect to whom a dependent care eligibility certificate is in effect shall, at the time of paying such wages, make an additional payment equal to such employee's dependent care advance amount.

"(b) DEPENDENT CARE ELIGIBILITY CERTIFICATE.—For purposes of this title, a dependent care eligibility certificate is a statement furnished by an employee to the employer which—

"(1) certifies that the employee will be eligible to receive the credit provided by section 21 for the taxable year,

"(2) certifies that the employee reasonably expects to be an applicable taxpayer for the taxable year,

"(3) certifies that the employee does not have a dependent care eligibility certificate in effect for the calendar year with respect to the payment of wages by another employer,

"(4) states whether or not the employee's spouse has a dependent care eligibility certificate in effect,

"(5) states the number of qualifying individuals in the household maintained by the employee, and

"(6) estimates the amount of employment-related expenses for the calendar year.

"(c) DEPENDENT CARE ADVANCE AMOUNT.—

"(1) IN GENERAL.—For purposes of this title, the term 'dependent care advance amount' means, with respect to any payroll period, the amount determined—

"(A) on the basis of the employee's wages from the employer for such period,

"(B) on the basis of the employee's estimated employment-related expenses included in the dependent care eligibility certificate, and

"(C) in accordance with tables provided by the Secretary.

"(2) ADVANCE AMOUNT TABLES.—The tables referred to in paragraph (1)(C) shall be similar in form to the tables prescribed under section 3402 and, to the maximum extent feasible, shall be coordinated with such tables and the tables prescribed under section 3507(c).

"(d) OTHER RULES.—For purposes of this section, rules similar to the rules of subsections (d) and (e) of section 3507 shall apply.

"(e) DEFINITIONS.—For purposes of this section, terms used in this section which are defined in section 21 shall have the respective meanings given such terms by section 21.".

(c) CONFORMING AMENDMENT.—The table of sections for chapter 25 of the Internal Revenue Code of 1986 is amended by adding after the item relating to section 3507 the following:

"Sec. 3507A. Advance payment of dependent care credit.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1997.

KENNEDY AMENDMENTS NOS. 1560–1569

(Ordered to lie on the table.)

Mr. KENNEDY submitted 10 amendments intended to be proposed by him to the bill, H.R. 2646, supra; as follows:

AMENDMENT NO. 1560

Strike section 2 and insert:

SEC. 2. EXCLUSION FOR EDUCATIONAL ASSISTANCE TO GRADUATE STUDENTS.

(A) IN GENERAL.—The last sentence of section 127(c)(1) of the Internal Revenue Code of 1986 (defining educational assistance) is amended by striking ", and such term also does not include any payment for, or the provision of any benefits with respect to, any graduate level course of a kind normally taken by an individual pursuing a program leading to a law, business, medical, or other advanced academic or professional degree".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to expenses relating to courses beginning after June 30, 1996.

AMENDMENT NO. 1561

Strike section 2 and insert:

SEC. 2. MODIFICATIONS TO EDUCATION INDIVIDUAL RETIREMENT ACCOUNTS.

(a) TEMPORARY INCREASE IN MAXIMUM ANNUAL CONTRIBUTIONS.—

(1) IN GENERAL.—Section 530(b)(1)(A)(iii) of the Internal Revenue Code of 1986 is amended by striking "$500" and inserting "the contribution limit for such taxable year".

(2) CONTRIBUTION LIMIT.—Section 530(b) of such Code is amended by adding at the end the following new paragraph:

"(4) CONTRIBUTION LIMIT.—The term 'contribution limit' means $2,500 ($500 in the case of any taxable year ending after December 31, 2002).".

(3) CONFORMING AMENDMENTS.—

(A) Section 530(d)(4)(C) of such Code is amended by striking "$500" and inserting "the contribution limit for such taxable year".

(B) Section 4973(e)(1)(A) of such Code is amended by striking "$500" and inserting "the contribution limit (as defined in section 530(b)(4)) for such taxable year".

(b) WAIVER OF AGE LIMITATIONS FOR CHILDREN WITH SPECIAL NEEDS.—Paragraph (1) of section 530(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following flush sentence:

"The age limitations in the proceeding sentence shall not apply to any designated beneficiary with special needs (as determined under regulations prescribed by the Secretary).".

(c) CORPORATIONS PERMITTED TO CONTRIBUTE TO ACCOUNTS.—Paragraph (1) of section 530(c) of the Internal Revenue Code of 1986 is amended by striking "The maximum amount which a contributor" and inserting "In the case of a contributor who is an individual, the maximum amount the contributor".

(d) EFFECTIVE DATE; REFERENCES.—

(1) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the amendments made by section 213 of the Taxpayer Relief Act of 1997.

(2) REFERENCES.—Any reference in this section to any section of the Internal Revenue Code of 1986 shall be a reference to such section as added by the Taxpayer Relief Act of 1997.

AMENDMENT NO. 1562

Strike section 2 and insert:

SEC. 2. MODIFICATIONS TO EDUCATION INDIVIDUAL RETIREMENT ACCOUNTS.

(a) TEMPORARY INCREASE IN MAXIMUM ANNUAL CONTRIBUTIONS.—

(1) IN GENERAL.—Section 530(b)(1)(A)(iii) of the Internal Revenue Code of 1986 is amended by striking "$500" and inserting "the contribution limit for such taxable year".

(2) CONTRIBUTION LIMIT.—Section 530(b) of such Code is amended by adding at the end the following new paragraph:

"(4) CONTRIBUTION LIMIT.—The term 'contribution limit' means $2,000 ($500 in the case of any taxable year ending after December 31, 2002).".

(3) CONFORMING AMENDMENTS.—

(A) Section 530(d)(4)(C) of such Code is amended by striking "$500" and inserting "the contribution limit for such taxable year".

(B) Section 4973(e)(1)(A) of such Code is amended by striking "$500" and inserting "the contribution limit (as defined in section 530(b)(4)) for such taxable year".

(b) WAIVER OF AGE LIMITATIONS FOR CHILDREN WITH SPECIAL NEEDS.—Paragraph (1) of section 530(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following flush sentence:

"The age limitations in the preceding sentence shall not apply to any designated beneficiary with special needs (as determined under regulations prescribed by the Secretary).".

(c) CORPORATIONS PERMITTED TO CONTRIBUTE TO ACCOUNTS.—Paragraph (1) of section 530(c) of the Internal Revenue Code of 1986 is amended by striking "The maximum amount which a contributor" and inserting "In the case of a contributor who is an individual, the maximum amount the contributor".

(d) EFFECTIVE DATE; REFERENCES.—

(1) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the amendments made by section 213 of the Taxpayer Relief Act of 1997.

(2) REFERENCES.—Any reference in this section to any section of the Internal Revenue Code of 1986 shall be a reference to such section as added by the Taxpayer Relief Act of 1997.

AMENDMENT NO. 1563

Strike section 2 and insert:

SEC. 2. MODIFICATIONS TO EDUCATION INDIVIDUAL RETIREMENT ACCOUNTS.

(a) TEMPORARY INCREASE IN MAXIMUM ANNUAL CONTRIBUTIONS.—

(1) IN GENERAL.—Section 530(b)(1)(A)(iii) of the Internal Revenue Code of 1986 is amended by striking "$500" and inserting "the contribution limit for such taxable year".

(2) CONTRIBUTION LIMIT.—Section 530(b) of such Code is amended by adding at the end the following new paragraph:

"(4) CONTRIBUTION LIMIT.—The term 'contribution limit' means $1,500 ($500 in the case of any taxable year ending after December 31, 2002).".

(3) CONFORMING AMENDMENTS.—

(A) Section 530(d)(4)(C) of such Code is amended by striking "$500" and inserting "the contribution limit for such taxable year".

(B) Section 4973(e)(1)(A) of such Code is amended by striking "$500" and inserting "the contribution limit (as defined in section 530(b)(4)) for such taxable year".

(b) WAIVER OF AGE LIMITATIONS FOR CHILDREN WITH SPECIAL NEEDS.—Paragraph (1) of section 530(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following flush sentence:

"The age limitations in the preceding sentence shall not apply to any designated beneficiary with special needs (as determined under regulations prescribed by the Secretary).".

(c) CORPORATIONS PERMITTED TO CONTRIBUTE TO ACCOUNTS.—Paragraph (1) of section 530(c) of the International Revenue Code of 1986 is amended by striking "The maximum amount which a contributor" and inserting "In the case of a contributor who is an individual, the maximum amount the contributor".

(d) EFFECTIVE DATE, REFERENCES.—

(1) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the amendments made by section 213 of the Taxpayer Relief Act of 1997.

(2) REFERENCES.—Any reference in this section to any section of the Internal Revenue Code of 1986 shall be a reference to such section as added by the Taxpayer Relief Act of 1997.

Amendment No. 1564

Strike section 2 and insert:

SEC. 2. MODIFICATIONS TO EDUCATION INDIVIDUAL RETIREMENT ACCOUNTS.

(a) TEMPORARY INCREASE IN MAXIMUM ANNUAL CONTRIBUTIONS.—

(1) IN GENERAL.—Section 530(b)(1)(A)(iii) of the Internal Revenue Code of 1986 is amended by striking "$500" and inserting "the contribution limit for such taxable year".

(2) CONTRIBUTION LIMIT.—Section 530(b) of such Code is amended by adding at the end the following new paragraph:

"(4) CONTRIBUTION LIMIT.—The term 'contribution limit' means $1,000 ($500 in the case of any taxable year ending after December 31, 2002).".

(3) CONFORMING AMENDMENTS.—

(A) Section 530(d)(4)(C) of such Code is amended by striking "$500" and inserting "the contribution limit for such taxable year".

(B) Section 4973(e)(1)(A) of such Code is amended by striking "$500" and inserting "the contribution limit (as defined in section 530(b)(4)) for such taxable year".

(b) WAIVER OF AGE LIMITATIONS FOR CHILDREN WITH SPECIAL NEEDS.—Paragraph (1) of section 530(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following flush sentence:

"The age limitations in the preceding sentence shall not apply to any designated beneficiary with special needs (as determined under regulations prescribed by the Secretary).".

(c) CORPORATIONS PERMITTED TO CONTRIBUTE TO ACCOUNTS.—Paragraph (1) of section 530(c) of the Internal Revenue Code of 1986 is amended by striking "The maximum amount which a contributor" and inserting "In the case of a contributor who is an individual, the maximum amount the contributor".

(d) EFFECTIVE DATE; REFERENCES.—

(1) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the amendments made by section 213 of the Taxpayer Relief Act of 1997.

(2) REFERENCES.—Any reference in this section to any section of the Internal Revenue Code of 1986 shall be a reference to such section as added by the Taxpayer Relief Act of 1997.

Amendment No. 1565

On page 6, line 5, strike "1997" and insert "1997, except that such amendments shall only take effect to the extent that—

(A) contributions to education individual retirement accounts for qualified elementary and secondary education expenses are—

(i) limited to accounts that, at the time the account is created or organized, are designated solely for the payment of such expenses, and

(ii) not allowed for contributors who have modified adjusted gross income in excess of $65,000 and are ratably reduced to zero for contributors who have modified adjusted gross income between $50,000 and $65,000,

(B) contributions to education individual retirement accounts in excess of $500 for any taxable years may be made only to accounts described in subparagraph (A)(i),

(C) no contributions may be made to accounts described in subparagraph (A)(i) for taxable years ending after December 31, 2002,

(D) the modified adjusted gross income limitation shall apply to all contributors but contributions made by a person other than the taxpayer with respect to whom a deduction is allowable under section 151(c)(1) for a designated beneficiary shall be treated as having been made by such taxpayer, and

(E) expenses for computer and other equipment, transportation, and supplementary items are allowed tax-free only if required or provided by the school."

Amendment No. 1566

On page 6, line 5, strike "1997" and insert "1997, except that such amendments shall only take effect to the extent that—

(A) contributions to education individual retirement accounts for qualified elementary and secondary education expenses are—

(i) limited to accounts that, at the time the account is created or organized, are designated solely for the payment of such expenses, and

(ii) not allowed for contributors who have modified adjusted gross income in excess of $60,000 and are ratably reduced to zero for contributors who have modified adjusted gross income between $50,000 and $60,000,

(B) contributions to education individual retirement accounts in excess of $500 for any taxable years may be made only to accounts described in subparagraph (A)(i),

(C) no contributions may be made to accounts described in subparagraph (A)(i) for taxable years ending after December 31, 2002,

(D) the modified adjusted gross income limitation shall apply to all contributors but contributions made by a person other than the taxpayer with respect to whom a deduction is allowable under section 151(c)(1) for a designated beneficiary shall be treated as having been made by such taxpayer, and

(E) expenses for computer and other equipment, transportation, and supplementary items are allowed tax-free only if required or provided by the school."

Amendment No. 1567

On page 6, line 5, strike "1997" and insert "1997, except that such amendments shall only take effect to the extent that—

(A) contributions to education individual retirement accounts for qualified elementary and secondary education expenses are—

(i) limited to accounts that, at the time the account is created or organized, are designated solely for the payment of such expenses, and

(ii) not allowed for contributors who have modified adjusted gross income in excess of $50,000 and are ratably reduced to zero for contributors who have modified adjusted gross income between $40,000 and $50,000,

(B) contributions to education individual retirement accounts in excess of $500 for any taxable years may be made only to accounts described in subparagraph (A)(i),

(C) no contributions may be made to accounts described in subparagraph (A)(i) for taxable years ending after December 31, 2002,

(D) the modified adjusted gross income limitation shall apply to all contributors but contributions made by a person other than the taxpayer with respect to whom a deduction is allowable under section 151(c)(1) for a designated beneficiary shall be treated as having been made by such taxpayer, and

(E) expenses for computer and other equipment, transportation, and supplementary items are allowed tax-free only if required or provided by the school."

Amendment No. 1568

On page 3, beginning with line 14, strike all through page 4, line 10, and insert:

"(4) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—

"(A) IN GENERAL.—The term 'qualified elementary and secondary education expenses' means tuition, fees, tutoring, special needs services, books, supplies, computer equipment (including related software and services) and other equipment, transportation, and supplementary expenses required for the enrollment or attendance of the designated beneficiary of the trust at a public school.

"(B) SPECIAL RULE FOR HOME-SCHOOLING.—Such term shall include expenses described in subparagraph (A) required for education provided for homeschooling if the requirements of any applicable State or local law are met with respect to such education.

"(C) SCHOOL.—The term 'school' means any public or home school which provides elementary education or secondary education (through grade 12), as determined under State law.".

Amendment No. 1569

On page 3, beginning with line 14, strike all through page 4, line 10, and insert:

"(4) QUALIFIED ELEMENTARY AND SECONDARY EDUCATION EXPENSES.—

"(A) IN GENERAL.—The term 'qualified elementary and secondary education expenses' means tuition fees, tutoring, special needs services, books, supplies, computer equipment (including related software and services) and other equipment, transportation, and supplementary expenses required for the enrollment or attendance of the designated beneficiary of the trust at a public school.

"(B) SCHOOL.—The term 'school' means any public school which provides elementary education or secondary education (through grade 12), as determined under State law.".

GRAMM AMENDMENT NO. 1570

(Ordered to lie on the table.)

Mr. GRAMM submitted an amendment intended to be proposed by him to the bill, H.R. 2646, supra; as follows:

(a) IN GENERAL.—Subpart A of Part IV of subchapter A of Chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 24 the following new section:

"SEC 24A EXPEDITED FAMILY TAX RELIEF.

"(a) NOTICE OF CREDIT.—The Secretary of the Treasury shall transmit to all individual taxpayers by a separate mailing made on or before June 1, 1998, a notice which states only the following: The Taxpayer Relief Act of 1997 was recently passed by the Congress. The Act's child tax credit allows taxpayers to reduce their taxes by $400 per child in 1998 and $500 thereafter. The credit is effective January 1, 1998.

You will receive this tax credit in 1999 as part of your 1998 tax refund OR you may elect to receive the credit this year through lower income tax withholding from your paycheck for the period October 1, 1998 to December 25, 1998.

To take advantage of the credit to which you are entitled for the current tax year, you should notify your employer of your election to receive the tax credit in 1998 by September 1, 1998. Your employer will reduce the amount of federal income tax withheld during the period from October 1 through December 31, 1995. That notification should also:

(1). Confirm that your projected income for 1998 is

in the case of a joint return, less than $110,000

in the case of married couple filing separately, less than $55,000

in the case of an individual who is not married, less than $75,000; and

(2). identify the number of eligible children age 16 or less that qualify as your dependent under section 151."

(b) The Secretary of the Treasury shall transmit to all employers by a separate mailing made on or before June 1, 1998 the following table to assist in determining the changes to federal income tax withholding required by subsection (a)

The amount of income tax withheld per paycheck issued during the period October 1, 1998 to Dec. 25, 1998 is reduced by:

No. of eligible children	Monthly paycheck	Biweekly paycheck	Weekly paycheck
1	$133	$66.50	$33.25
2	266	133.00	66.50
3	399	200.00	100.00
4	532	266.50	133.25

For more than 4 children, increase the dollar amount in row 4 by the dollar amount in row 1 for each child."

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON ADMINISTRATIVE OVERSIGHT AND THE COURTS

Mr. ROTH. Mr. President, I ask unanimous consent that the Subcommittee on Administrative Oversight and the Courts, of the Senate Judiciary Committee, be authorized to meet during the session of the Senate on Monday, November 3, 1997, at 2 p.m. to hold a hearing in room 226, Senate Dirksen Building, on: "Oversight of the Administrative Procedures and Examination of Antislamming Laws."

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL SECURITY, PROLIFERATION, AND FEDERAL SERVICES

Mr. ROTH. Mr. President, I ask unanimous consent on behalf of the Subcommittee on International Security, Proliferation, and Federal Services of the Governmental Affairs Committee to meet on Monday, November 3, at 2:30 p.m. for a hearing on Oversight of the U.S. Postal Service.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TRIBUTE TO HAMPTON FALLS, NH, ON ITS 275TH ANNIVERSARY

• Mr. SMITH of New Hampshire. Mr. President I rise today to honor the town of Hampton Falls, NH, for celebrating its 275th anniversary on November 22, 1997. The town is planning an evening of celebration, commemoration, and entertainment on this most important date. There will be a dinner party, a musical presentation by the Winnacunnet High School Chamber Singers, and a historical slide show dedicated to 275 years of history and heritage. This special night is certain to include full participation from the town's proud people.

Originally, Hampton Falls was part of the town of Hampton. However, due to its seacoast location, high tides often prevented those living in the area from attending the church. In 1709 the General Assembly of Portsmouth acted on this problem and gave the residents permission to maintain a separate church. Nine years later Hampton Falls became a separate parish. That same year the first town meeting was held in which selectmen and a town clerk were elected.

Hampton Falls, however, still remained a part of Hampton. The townspeople successfully petitioned for independence from their parent church after the death of the minister from that town. On November 22, 1722, the town was incorporated as an independent jurisdiction.

Hampton Falls can be categorized as the quintessential New England town through its history and scenery. During the eighteenth century the local economy was dominated by mills; sawmills, gristmills, and cotton mills dotted the landscape and provided for a major source of employment. Also, the town served as an important post town where horse changes were frequently made. At times, up to 125 horses could be found stabled within this small vicinity. One of the most significant stables in the area was the Wells Inn, which could accommodate 40 horses. Today, the stage house is known as the Wellswood Inn, and provides fine food and atmosphere to patrons. On December 13, 1774 Paul Revere passed through Hampton Falls on his legendary ride from Boston to Portsmouth proclaiming the arrival of the British. Few towns can claim a more American existence. Hampton Falls, with its simple white churches and colonial buildings, provides for a prime example of American history and culture.

Today, Hampton Falls is a thriving southern New Hampshire community of approximately 1,700 people. The town is unmistakably New England. Winding country roads bring one past many sprawling farms and picture-perfect farmhouses. Presently, the town's central industry is agriculture. A major area business is Applecrest Farms, one of the last working orchards on the seacoast. Applecrest celebrates the harvest season with pick-your-own apples, a country farmers market, and entertainment. Harvest season is a festive time in Hampton Falls, and it seems fitting that the town's anniversary would be during this period.

I congratulate the residents of this beautiful town on 275 years of distinguished history, and wish to extend my very best wishes of continued prosperity. Happy birthday, Hampton Falls.•

CAMPAIGN FINANCE IS STILL A PRIORITY

• Mr. CLELAND. Mr. President, I recently had the privilege of attending a reunion of Carter administration officials in Atlanta. In an interview he gave to the Atlanta Journal-Constitution, President Carter, whose personal integrity has never been questioned, summed up the current state of affairs very candidly, and all too well. The President's comments, which appeared in the October 19, 1997 edition of the Journal-Constitution, were as follows:

> The intense competition now almost forces Democrats and Republicans to cut corners on basic principles of politics in order to raise enormous amounts of soft money. I think it's an embarrassment to our nation. It's a travesty of proper political life. And I think it debilitates democracy itself in our country. As (Vice President Mondale) and I have agreed, it's a form of legal bribery. People can raise hundreds of thousands of dollars and contribute that money to candidates in both parties. They don't do this from a sense of altruism or benevolence or generosity. They do it in expectation of access to leaders, to present their point of view personally to someone in the Senate or someone in the White House when the people who might suffer from that sort of decision don't have an equal opportunity to present their point of view. So it distorts the whole political system and I hope it will be changed.

At that same Atlanta gathering, former Vice President Mondale paraphrased Abraham Lincoln to the effect that, "With public trust, everything is possible. Without public trust, nothing is possible." He added, compellingly: "Public trust cannot be bought. It must be earned."

Indeed, this is an indictment of our political system from individuals who have reached the pinnacle of success in that system. I believe the single most important step we can take in this Congress in rebuilding public confidence and faith in our democracy is to enact, on a bipartisan basis, meaningful campaign finance reform to clean up a system which has gotten completely out of control and which undermines both the operation and reputation of our entire national government. I think President Carter and

Vice President Mondale would certainly agree, and I commend their observations to my colleagues.●

TRIBUTE TO RICHARD LETTS

● Mr. ABRAHAM. Mr. President, I rise today to honor one of Lansing, MI's most outstanding citizens who recently passed away, Richard Letts. Because of his tremendous commitment and involvement in many organizations throughout the community, Mr. Letts became affectionately known as Mr. Lansing.

Mr. Letts' life, even while fighting a battle against cancer, was a tribute to the human spirit. Whether as a champion athlete, a 27-year career as Lansing's human relations director or a community leader in volunteer organizations such as Boy Scouts, United Way, Old Newsboys, United Negro College Fund, Boys and Girls Club, Urban League, and Lions Club just to name a few, Richard Letts was a dominating figure in Lansing's landscape. Yet even as he struggled with his health, the people of Lansing gave tributes, proclamations, speeches, and parades to a man who so often became the comforter, as people came to comfort him.

Olivia Letts, Richard's wife of 46 years, has said, "People don't change who they are when they become ill." Indeed, Mr. Letts refused to quit. His message in his life, and our future: Race should not matter, color should not matter, all people matter. Richard Letts mattered to Lansing and all of Michigan. The loss of his presence will be mourned, but the mark his life left on Lansing is permanent.●

POSITION ON CLOTURE VOTES ON H.R. 2646 AND DEFENSE AUTHORIZATION CONFERENCE REPORT

● Mr. BAUCUS. Mr. President, I was not present for the cloture votes on October 31, 1997. I would like to record my position, had I been present for the votes.

Had I been present for the cloture vote on H.R. 2646, the Education Savings Act for Public and Private Schools, I would have opposed cloture. In addition to the many serious public policy implications raised by this legislation, as a member of the Senate Finance Committee I have serious concerns about the virtually unprecedented manner in which it was brought to the floor. After H.R. 2646 was approved by the House it was sent directly to the desk, where it was pulled from and sent to the floor—completely bypassing the Finance Committee where virtually all tax legislation is reviewed.

The lack of review is particularly distressing given the budget implications of H.R. 2646—it would increase spending by $4 billion over 10 years. It is both shortsighted and unwise to make major modifications in the Tax Code without review by the committee of jurisdiction and without first asking a simple question: Are these IRA's our highest priority for educational funding? To my way of thinking, that question has not been addressed.

When this bill was immediately considered under a cloture strategy, all ability to make any changes in this policy were blocked. That is simply unacceptable. This legislation should be considered under a less restricted approach. In keeping with the customary Senate approach we should conduct a thorough debate with ample opportunity for amendments. Anything less should be rejected.

I should also note my absence for the cloture vote on the Defense authorization conference report. Cloture was invoked in an overwhelming vote. Had I been present, I too would have cast my vote in favor of cloture.

Mr. President, there are many demands made on the time of a Senator. Few are as important or as rewarding as being a part of the life of our school children. And on last Friday, when presented with a choice between keeping important commitments to Montana students or procedural votes in the Senate, I faced a difficult decision. And while I take my responsibilities here in Washington very seriously, I decided that I needed to be with these Montana students on this occasion. And in this particular instance my votes would not have affected the ultimate outcome of either vote.●

TRIBUTE TO DANIEL URBAN KILEY

● Mr. JEFFORDS. Mr. President, I rise today to pay tribute to Daniel Urban Kiley of Charlotte, VT, recipient of a 1997 National Medal of Arts. The National Medal of Arts is our Nation's highest honor in the arts, recognizing individuals and organizations who have made outstanding contributions to the excellence, growth, support and availability of the arts in the United States. Mr. Kiley is the first landscape architect to be honored with this prestigious award.

Mr. Kiley, 84, has been called "the most celebrated landscape architect of this century". His many works include the setting for Dulles International Airport, the grounds for the Gateway Arch in St. Louis, the interior and exterior landscapes for the East Wing of the National Gallery of Art, and the Navy Pier in Chicago. Yet, despite his work all over the world, Mr. Kiley has stayed in close touch with the people and landscapes of Vermont. His work can be seen at Twin Farms Inn in Barnard, VT, the Lake Champlain Basin Region, and even at my own farm in Shrewsbury.

Daniel Kiley's works have been likened to "a walk through nature," reflecting his central tenet that designs should grow out of a landscape, not be forced upon it. His designs have been sought out by the leading modern architects and his unique vision celebrated and taught throughout the world.

In addition to his long career as a landscape architect, Mr. Kiley served as an Army Captain in World War II. He was selected by President Truman and General Eisenhower to find a site to try the Nazi war criminals, and his selection of Nuremberg as the site as well as his courtroom design earned him the Decorated Legion of Merit.

Once again, I rise to honor Mr. Kiley's many contributions and accomplishments, far too numerous to list today. As a Vermonter, and as one of the millions of Americans who have enjoyed Daniel Kiley's designs, I extend my most heartfelt congratulations on his receiving the National Medal of Arts, and I wish him many more years of continued success.●

CONGRATULATIONS TO MEAGAN CORLIN AND ALIA SZOPA

● Mr. SMITH of New Hampshire. Mr. President, I rise today to congratulate two outstanding youths, Meagan Corlin and Alia Szopa, who are the 1997 honorees from New Hampshire for the Prudential Spirit of Community Awards. These awards, sponsored by the Prudential Insurance Co. of America in partnership with the National Association of Secondary School Principals, honor outstanding, self-initiated community service by young people in middle and high school grades.

The Prudential Spirit of Community Awards, the country's largest youth recognition program based solely on community service, were created in 1995 following a nationwide survey of high school students. The survey indicated that while 95 percent of teenagers believe community volunteer work is important, a large proportion don't know how to get involved and lack role models that could inspire them to seek out volunteer opportunities. As a former high school teacher, I am well aware of the importance of empowering students with volunteer opportunities.

Meagan and Alia have both created innovative community service programs to serve various needs in their respective communities.

Meagan Corlin, from Strafford School in Center Strafford, NH, created a reading program called Story-time on the Road to share her love of books with others. She uses her title as Miss New Hampshire Pre-Teen to promote her program to day care centers, libraries, elderly housing facilities, and homeless shelters. Each week, she and several of her schoolmates travel to these various locations in order to read stories to children or to the elderly.

Alia Szopa, from Central High School in Manchester, NH, created a dance program called Legato for pre-teen girls with developmental disabilities. Her program works in conjunction with the Moore Center, an agency serving the disabled, to provide training for dance instructors who will teach the children at the center. One hour each week, from November to June, Szopa and five other instructors teach basic dance to five students.

School honorees are judged by State selection committees, which name the top middle-level and high school volunteer in each State. These State-level honorees receive a silver medallion, $1,000 and a trip to Washington, DC with a parent or guardian, for several days of national recognition events in May. Also, in May, America's top 10 youth volunteers for 1998 are chosen from the State-level honorees by a blue-ribbon national selection panel. These 10 national honorees will be announced at a special ceremony at the National Press Club in Washington, where they each will receive an additional $5,000, a gold medallion and a crystal trophy for his or her school.

Meagan and Alia have made significant contributions to their communities and to the State of New Hampshire. Not only have they served their community selflessly, but they have also served as inspirational role models to other students. Volunteerism strengthens community life as well as enhances the lives of people. I applaud Meagan and Alia's dedication and innovation in creating programs to serve the needs of citizens in their community. Without these young leaders, our country would be lost. It takes a special person to make a difference in someone's life. Meagan and Alia are indeed special and treasures to their school, the State of New Hampshire and to our country.●

THE VETERANS' CEMETERY PROTECTION ACT OF 1997

Mr. THURMOND. Mr. President, next week, November 11, our Nation will observe Veterans Day. Commemorative services will be held throughout the Nation on that day. I expect services will be held at Arlington Cemetery and other national cemeteries, where thousands of war dead are buried.

As I mentioned in a statement last May, prior to Memorial Day, Mr. President, not all activities at our national cemeteries have honored our Nation's veterans. There have been, unfortunately, instances of vandalism and theft at our national cemeteries. While many of these incidents are minor, many attacks on national cemeteries are serious. The Department of Justice reports that between January 1, 1995, and May 31, 1997, there were 21 reports of vandalism or crime at national cemeteries, where the estimated damage was over $1,000. The total loss to our national cemeteries from these incidents is more than $98,000. In addition, more than 56 incidents were reported, with damage less than $1,000, during that same time period. These incidents caused another $15,000 in losses to the Government.

The harm resulting from attacks on our national cemeteries, however, is more than economic loss. Such criminal activity is an assault on the honor of our veterans, particularly those who made the supreme sacrifice in defense of our Nation. It is an attack on the heritage and values for which our veterans fought. Such conduct is unconscionable and deserves a strong response.

The time has come to demand a stop to this type of insulting behavior and punish it when it occurs. That is why I introduced S. 813, the Veterans' Cemetery Protection Act of 1997. This bill imposes criminal penalties for vandalism and theft at national cemeteries operated by the VA, the Department of Defense, and the Department of Interior.

Specifically, this bill authorizes the U.S. Sentencing Commission to review and amend the Federal sentencing guidelines to provide an appropriate sentencing enhancement for any offense against the property of a national cemetery.

I am delighted that Senators MCCAIN, INHOFE, INOUYE, D'AMATO, and SESSIONS have joined as cosponsors. I thank all Senators for their support on final passage. I particularly appreciate the support from the Senate Committee on Veterans' Affairs, the Senate Judiciary Committee, the Department of Justice, and the U.S. Sentencing Commission. I look forward to passage of this measure by the other body, so this bill can be on the President's desk by Veterans Day.

Mr. GRASSLEY. Mr. President, I ask unanimous consent I be permitted to speak for 12 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE PERFORMANCE OF TREASURY IG VALERIE LAU

Mr. GRASSLEY. Mr. President, I rise today to inform my colleagues about an instance of failed leadership in protecting the taxpayers' money, and in executing the law enforcement functions of our Government. It's a story full of irony, of abuse of power, of a breakdown in the people's trust.

Last Friday, and again today, hearings were held by the Governmental Affairs Permanent Subcommittee on Investigations. The chairman of that subcommittee is Senator SUSAN COLLINS of Maine. The subject was the performance and conduct of the Treasury Department's inspector general, Valerie Lau, and her staff.

During Friday's hearing, we learned that Ms. Lau personally let two illegal contracts, including one to a long time associate, Mr. Frank Sato. IG Lau violated procurement laws and regulations in the sole-source procurement of the two consulting contracts. The judgment that these two contracts were illegal was not made by members of the subcommittee. It was made by the independent, nonpartisan General Accounting Office.

The GAO also found that IG Lau violated the standards of ethical conduct. This is because she failed to disclose her personal and professional relationship with Mr. Sato.

Today, at the subcommittee's second hearing, we heard more. We learned that IG Lau and her staff provided false and/or inaccurate testimony to Congress and congressional investigators. We learned of the destruction of a document. The document was destroyed, in my view, as part of a cover-up. It was to hide the fact that a potentially criminal investigation had been launched—without merit—of two agents of the U.S. Secret Service. It was in retaliation for their testimony before Congress in the FBI Filegate matter. Again, that is my own judgment.

The IG and her staff, as well as other Treasury officials, had told my staff as well as officials of the Secret Service that a potentially criminal case had been opened. Then, the IG and her staff denied having told us that, and maintained that such a case was never opened. The record now shows that those statements were false: There was, in fact, such an investigation of the two agents.

Also today, we learned that the IG presides over an agency that has become totally demoralized. It's clearly because of failed leadership at the top. Wrongful and questionable activity can be assigned to virtually the entire upper level of the IG's office. The troops below are suffering from bad morale. The office of the Treasury IG has been severely crippled.

The irony in all this is that an inspector general's job is to detect these very violations in others. An IG is not supposed to commit them.

One of the illegal contracts that the IG let, grew from $85,000 to $345,000. That's called contract nourishment. There's not much to show for it. Except 1,000 rulers, Mr. President. The rulers are 6 inches in length. They're made of flexible plastic. They have the inspector general's mission, vision, and values statement printed on them to remind employees of who they are and what they do.

Mr. President, I take the amount of rulers purchased—1,000—and divide that into the cost of the contract—$345,000—and I come up with a value per ruler of $345.

That's right, Mr. President. The $345 ruler.

Mr. President, this is not the first time in my experience that the Government bought ordinary products at extraordinary prices. I recall coming to this floor in 1983. I had with me a small steel washer that was a spare part for an Air Force airplane. The price of that washer was $364. It was worth only about a quarter.

The Pentagon, at the time, defended the cost of the washer. First of all, it wasn't just a washer, you see. Why, it was a "sheer pin spacer." And the $364-price tag wasn't really outrageous. After all, it was precision-molded from space-age alloys: extremely light weight, less than half an ounce; no moving parts; easy-to-handle circular shape; plus, there was inflation; transportation costs; special packaging; obsolescence; breakage; deterioration; pilferage; and so forth. All of these are costly. So, $364 was an absolute bargain, according to the Pentagon, for a steel washer. Excuse me—a sheer pin spacer.

Given my experience with military spare parts, I thought to myself: Now, what could possibly be the justification for the Treasury IG first, buying all these rulers, and second, buying them at $345 per copy?

Well, let's look at the first question: Why does the IG need all these rulers? There are only 300 employees in the office. Yet, she bought 1,000. That's three rulers for each employee. Perhaps the extra 700 are spare parts.

Also, Congress recently passed the Government Performance and Results Act. That act gives Congress the ability to measure the performance of Government agencies. It does so by requiring agencies to come up with performance goals, and then provide us with data so we can measure their performance against their goals.

The contract in question provided no real benefit to the taxpayers. It was intended to boost morale. But testimony from witnesses at today's hearing said morale was worse after the study than before it. That means, the only real, tangible benefit to the taxpayers out of this contract were the 1,000 rulers.

So I must assume, Mr. President, that the IG needed these rulers to help measure performance. Is it possible the IG took the measurement function a little too literally?

If so, that gives new meaning to the term "performance measurement."

Now that might justify why we purchased the ruler. But it doesn't justify the price tag.

Perhaps I could take a stab at that. I note that the ruler is lightweight—less than half an ounce. It looks like it could be made of precision-molded space-age teflon. No moving parts. Flat, streamlined sides for trouble-free underlining. Able to withstand thousands of whacks on the knuckles. Customized to fit in most standard pockets. It's a real triumph of 21st century technological configuration. Then, of course, there's the packaging costs, the cost of inspection, planning, transportation, and so forth. Just like the DOD steel washer. A real bargain, Mr. President.

With that kind of price tag, this IG is perhaps better off working at the Pentagon as a contracting officer, rather than an IG guarding the public's Treasury. At least at the Pentagon, a $345 ruler would not be an anomaly.

But seriously, Mr. President, clearly the aforementioned is a major embarrassment for the inspector general, who needs to always be beyond reproach, for the Secretary of the Treasury, and for the President, who nominated this IG. And also the Congress, which confirmed the IG.

But nothing is more unconscionable than what this IG's office did in perpetrating a potentially criminal investigation of two dedicated agents of the U.S. Secret Service, in retaliation for their testimony before two committees of the U.S. Congress. And after opening such a case, it was denied and covered up. As part of the cover-up, an official document was destroyed.

I have seen similar abuses of power in the past, since I arrived in Congress. That's not what's new. Bureaucracies do that all the time. That's why we have IG's. IG's are supposed to catch those who abuse their power.

What's new in all this is that the abuse of authority is by someone in whom the citizens have vested the powers to combat such actions. I have never seen such an abuse of power by a Federal law enforcement official.

The responsibility of employing such powers is of enormous proportions. The full powers of the IG's office were directed against the most precious right that exists in this country—the civil liberties of two American citizens. It cost these two agents over $26,000 so far. Worse, there has been a cloud over them and their families for more than a year.

What happens the next time these agents are in a court of law, or being interviewed for a future job opportunity? Suppose they are asked, "Have you ever been the target of a criminal investigation?" How are they supposed to answer that question? Technically, they were targeted improperly. But if it's a yes-or-no question, they would have to answer yes. It's just not fair.

The process of correcting the wrong that was done began today. The IG, after a year of denials, contradictions, and wordsmithing, finally apologized at this morning's hearing. It was a year overdue. Nonetheless, it was the appropriate thing to do.

I mentioned earlier that this ruler, purchased as part of one of the illegal contracts, displays the IG's value statement. Ironically, the actions of upper management in the IG's office systematically violated almost every one of them.

The value statement reads as follows:

> The core values which govern all of our employee and organizational actions are trust, mutual respect, integrity and competence. These values are demonstrated through qualities such as fairness, honesty, cooperation, open communication, shared goals, and a commitment to excellence.

Mr. President, in my view, the taxpayers would have got more value out of this contract had the Treasury IG's office practiced the values listed on this ruler. It did not. And that reflects a major leadership void in that office.

I mentioned earlier that the IG engaged in the fine art of wordsmithing. Instead of answering questions, she did a soft-shoe routine. For example, when GAO found that she let two illegal contracts, her response was to call them "technical violations." That response hardly instills confidence that this IG should remain in that job. Quite the contrary, it speaks volumes about the need for a new IG.

Mr. President, the Secretary of any Department is required, under the Inspector General Act of 1978, to generally supervise the IG. I hope that Treasury Secretary Rubin makes himself familiar with the facts and findings of the investigation by the Permanent Subcommittee on Investigations. Were he to do that, I am confident that he would reach the same conclusion I have—that the IG's own actions have undermined her moral authority to lead that office. Her ability to continue to run that office effectively, and in the taxpayers' interest, has been compromised.

I do not come to this judgment frivolously. I have been intimately involved in the investigation and circumstances of this case for over a year. I worked with Chairwoman COLLINS for several months, who did an outstanding job on this investigation, Mr. President. She and her staff are to be greatly commended for digging out all the facts on this case, and laying them in front of the American people.

So I feel an obligation to call on the Treasury IG to step aside so that a new IG and IG management team can be brought in to reestablish the trust and confidence of the people, and to restore the morale of the many hardworking and dedicated employees of that office. There is a tremendous responsibility that comes with being Treasury IG. And we in Congress need to make sure every effort is made to maintain the public's confidence in their law enforcement agencies. That's why I think this decision to step aside must be made.

I thank the Chair. I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT BY THE MAJORITY LEADER

The PRESIDING OFFICER. The Chair, on behalf of the majority leader, and in consultation with the Democratic leader, pursuant to Public Law 105–33, announces the appointment of the following Members to the National Bipartisan Commission on the Future of Medicare: The Senator from Nebraska [Mr. KERREY] and the Senator from West Virginia [Mr. ROCKEFELLER].

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. GRASSLEY. Mr. President, in executive session, I ask unanimous consent that the Senate proceed to the following nomination on the Executive Calendar: No. 274.

I also ask unanimous consent that the nomination be confirmed, the motion to reconsider be laid upon the table, any statements relating to the nomination appear in the RECORD at this point, the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination considered and confirmed is as follows:

DEPARTMENT OF STATE

Curtis Warren Kamman, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Colombia.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

ORDERS FOR TUESDAY, NOVEMBER 4, 1997

Mr. GRASSLEY. Also for our distinguished leader, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 10 a.m. on Tuesday, November 4. I further ask that on Tuesday, immediately following the prayer, the routine requests through the morning hour be granted, and that there then be a period of morning business until 11 a.m., with Senators permitted to speak for up to 5 minutes each, with the following exceptions: Senator HATCH for 20 minutes; Senator COVERDELL for 15 minutes; Senator ROBERTS for 20 minutes, and Senator DODD for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Under the provisions of rule XXII, the cloture vote with respect to the Coverdell A-plus education accounts bill will occur at 11 a.m. on Tuesday. Following the cloture vote, if not invoked, the Senate will then either seek consent to set the next cloture vote at 2:30 p.m. on Tuesday or, if consent cannot be granted, the Senate would recess until 2:30 p.m. In either case, the cloture vote on the motion to proceed to fast track will occur at 2:30 p.m. on Tuesday.

I further ask unanimous consent that if the Senate is not previously in recess, the Senate stand in recess from the hour of 12:30 p.m. to 2:30 p.m. for the weekly policy luncheons of each party to meet.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. GRASSLEY. In conjunction with a previous unanimous-consent agreement, on Tuesday, the Senate will be in a period of morning business from 10 a.m. to 11 a.m. At 11 a.m., the Senate will proceed to the cloture vote on H.R. 2646, the A-plus savings account bill. If cloture is not invoked, the Senate will proceed to the cloture vote on the motion to proceed to S. 1269, the fast-track legislation, at 2:30 p.m. If cloture is invoked on the motion to proceed to the fast-track legislation, the Senate will be in debate on the motion to proceed to S. 1269.

In addition, the Senate may also consider and complete action on the D.C. appropriations bill, the Food and Drug Administration reform conference report, the intelligence authorization conference report, and any additional legislative or executive items that can be cleared for action. Therefore, Members can anticipate additional rollcall votes following the 11 a.m. cloture vote.

Also, as under the consent, the Senate will recess from 12:30 p.m. to 2:30 p.m. for the weekly policy luncheons to meet.

As a reminder to all Members then, the first rollcall vote tomorrow will occur at 11 a.m.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. GRASSLEY. If there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7 p.m., adjourned until Tuesday, November 4, 1997, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate November 3, 1997:

DEPARTMENT OF TRANSPORTATION

JOHN CHARLES HORSLEY, OF WASHINGTON, TO BE ASSOCIATE DEPUTY SECRETARY OF TRANSPORTATION, VICE MICHAEL HUERTA.

CONFIRMATIONS

Executive nominations confirmed by the Senate November 3, 1997:

DEPARTMENT OF STATE

CURTIS WARREN KAMMAN, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF COLOMBIA.

DEPARTMENT OF THE TREASURY

CHARLES ROSSOTTI, OF THE DISTRICT OF COLUMBIA, TO BE COMMISSIONER OF INTERNAL REVENUE.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

EXTENSIONS OF REMARKS

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, November 4, 1997, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

NOVEMBER 5

9:30 a.m.

Banking, Housing, and Urban Affairs

Financial Institutions and Regulatory Relief Subcommittee

To hold hearings to examine the presence of foreign governments and companies, particularly in China, in U.S. securities and banking sectors, and on S. 1315, to establish an Office of National Security within the Securities and Exchange Commission, provide for the monitoring of the extent of foreign involvement in United States securities markets, financial institutions, and pension funds.

SD-538

Commerce, Science, and Transportation

To hold hearings to examine the environmental consequences of global warming scenarios.

SR-253

Rules and Administration

Business meeting, to consider pending administrative matters.

SR-301

10:00 a.m.

Environment and Public Works

Transportation and Infrastructure Subcommittee

To hold hearings to examine the General Services Administration proposal to construct or otherwise acquire a facility to house the headquarters of the Department of Transportation.

SD-406

Finance

To hold hearings on proposed legislation to restructure the Internal Revenue Service (IRS), and to examine the recommendations of the IRS Restructuring Commission.

SD-215

Foreign Relations

To hold hearings to examine how the American public views NATO enlargement.

SD-419

Governmental Affairs

Business meeting, to consider pending calendar business.

SD-342

Judiciary

Immigration Subcommittee

To hold hearings on proposed legislation on the impact of section 110 of the 1996 Immigration Act on land borders of the United States.

SD-562

Judiciary

Youth Violence Subcommittee

To hold hearings to examine Federal efforts to prevent juvenile crime.

SD-226

2:00 p.m.

Finance

Health Care Subcommittee

To hold hearings on S. 249, to require that health plans provide coverage for a minimum hospital stay for mastectomies and lymph node dissection for the treatment of breast cancer, coverage for reconstructive surgery following mastectomies, and coverage for secondary consultations.

SD-215

Judiciary

To hold hearings on the nomination of Seth Waxman, of the District of Columbia, to be Solicitor General of the United States, Department of Justice.

SD-226

Judiciary

Technology, Terrorism, and Government Information Subcommittee

Closed briefing on the "eligible receiver" exercise.

SH-217

3:00 p.m.

Judiciary

Technology, Terrorism, and Government Information Subcommittee

To hold hearings to examine the report of the President's Commission on Critical Infrastructure Protection.

SD-226

NOVEMBER 6

9:30 a.m.

Budget

To hold hearings to examine Federal prekindergarten through grade twelve education programs.

SD-608

Environment and Public Works

Business meeting, to mark up H.R. 1787, to assist in the conservation of Asian elephants by supporting and providing financial resources for the conservation programs of nations within the range of Asian elephants an projects of person with demonstrated expertise in the conservation of Asian elephants, and to consider other pending calendar business.

SD-406

Select on Intelligence

To hold hearings to examine proliferation issues.

SD-106

10:00 a.m.

Foreign Relations

To hold hearings to examine commercial activities of China's People's Liberation Army (PLA).

SD-419

Judiciary

Business meeting, to consider the nomination of Bill Lann Lee, of California, to be Assistant Attorney General for the Civil Rights Division, Department of Justice.

SD-226

12:00 p.m.

Governmental Affairs

Oversight of Government Management, Restructuring and the District of Columbia Subcommittee

To hold hearings to examine the social impact of music violence.

SD-342

2:00 p.m.

Judiciary

To hold hearings on the nominations of Robert S. Warshaw, of New York, to be Associate Director, and Thomas J. Umberg, of California, to be Deputy Director for Supply Reduction, both of the Office of National Drug Control Policy.

SD-226

2:30 p.m.

Select on Intelligence

To hold closed hearings on intelligence matters.

SH-219

NOVEMBER 7

9:30 a.m.

Joint Economic

To hold hearings to examine the employment-unemployment situation for October.

1334 Longworth Building

CANCELLATIONS

NOVEMBER 4

2:00 p.m.

Budget

To hold hearings to examine options for funding social security benefits in the 21st century.

SD-608

NOVEMBER 5

9:30 a.m.

Indian Affairs

To hold oversight hearings on proposals to extend compacting to agencies of the Department of Health and Human Services.

SR-485

SENATE—*Tuesday, November 4, 1997*

The Senate met at 10 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Dear Father, we confess our total dependence on You, not only for every breath we breathe but also for every ingenious thought we think. You are the source of our strength, the author of our vision, and the instigator of our creativity.

We begin this day with praise that You have chosen us to serve You. All our talents, education, and experience have been entrusted to us by You. Today, the needs before us will bring forth the expression of Your creative, divine intelligence from within us. Thank You in advance for Your provision of exactly what we will need to serve You. We trust You completely. This is Your day; You will show the way; we will respond to Your guidance without delay. Through our Lord and Saviour. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, the distinguished Senator from Oklahoma, is recognized.

SCHEDULE

Mr. INHOFE. Mr. President, this morning the Senate will be in a period of morning business until 11 a.m. At 11 a.m. the Senate will proceed to the cloture vote on H.R. 2646, the A-plus education savings account bill. If cloture is not invoked, the majority leader hopes consent will be granted to set the cloture vote on a motion to proceed to S. 1269, the fast-track legislation, at 2:30 p.m. If that is not possible, the Senate will recess following the 11 a.m. vote until 2:30 p.m. Otherwise, under the consent the Senate will recess from 12:30 p.m. to 2:30 p.m. for the weekly policy luncheons to meet. When the Senate reconvenes at 2:30 p.m., the Senate will proceed to the cloture vote on the motion to proceed to S. 1269, the fast-track legislation. If cloture is invoked, the Senate will begin debate on the motion to proceed to S. 1269.

In addition, the Senate may also consider and complete action on the D.C. appropriations bill, the FDA Reform conference report, the Intelligence authorization conference report, and any additional legislative or executive items that can be cleared for action. Therefore, Members can anticipate rollcall votes throughout Tuesday's session of the Senate.

As a reminder to all Members, the first rollcall vote will occur at 11 a.m.

Mr. President, I ask unanimous consent that Senators will have until the time of the vote for filing of second-degree amendments to H.R. 2646, the A-plus Education Savings Act.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business until the hour of 11 a.m., with Senators permitted to speak for up to 5 minutes, with the following exceptions: Senator HATCH for 20 minutes; Senator COVERDELL for 15 minutes; Senator ROBERTS for 20 minutes; Senator DODD for 5 minutes.

The able Senator from Utah is recognized for 20 minutes.

THE NOMINATION OF BILL LANN LEE

I. INTRODUCTION

Mr. HATCH. Mr. President, I rise this morning to discuss the nomination of Mr. Bill Lann Lee of California to be President Clinton's Assistant Attorney General for Civil Rights. Let me say at the outset that, in my 5 years as the senior Republican on the Judiciary Committee, I have been proud to have advanced no less than 230 of President Clinton's nominees to the Federal courts. After a thorough review of these nominees' views and records, I have supported the confirmation of all but two of them. In addition, I have also worked to ensure that President Clinton's Justice Department nominees receive a fair, expeditious, and thorough review. Without question, the Senate's advice and consent responsibility is one that I take very seriously. This nomination is no exception.

While I have the highest personal regard for Bill Lann Lee, his record and his responses to questions posed by the committee suggest a distorted view of the law that makes it difficult for me in good conscience to support his nomination to be the chief enforcer of the Nation's civil rights laws. The Assistant Attorney General must be America's civil rights law enforcer, not the civil rights ombudsman for the political left. Accordingly, when the Judiciary Committee votes on whether to report his nomination to the full Senate, I will regretfully vote "no".

At the outset, I want to say that no one in this body respects and appreciates the compelling personal history of Mr. Lee and his family more than I. Mr. Lee's parents came to these shores full of hope for the future. They believed in the promise of America. And despite meager circumstances and the scourge of bigotry, they worked hard, educated their children, and never lost faith in this great country.

Yet, what we must never forget as we take up this debate is that the sum of our experiences says less about who we become than does what we take from those experiences. For example, my good friend Justice Clarence Thomas was, like Mr. Lee, born into a circumstance where opportunities were unjustly limited. Nevertheless, Clarence Thomas worked hard, and has devoted his career to ensuring that the law protects every individual with equal force. The same can be said of another African-American, Bill Lucas, who was nominated by President Bush for the same position as Mr. Lee, but whose nomination was rejected by my colleagues on the other side of the aisle.

Bill Lann Lee is, to his credit, an able civil rights lawyer with a profoundly admirable passion to improve the lives of many Americans who have been left behind. His talent and good intentions have taken him far. But his good intentions should not be sufficient to earn the consent of this body. Those charged with enforcing the Nation's laws must demonstrate a proper understanding of that law, and a determination to uphold its letter and its spirit. Unfortunately, much of Mr. Lee's work has been devoted to preserving constitutionally suspect race-conscious public policies that ultimately sort and divide citizens by race. To this day, he is an adamant defender of preferential policies that, by definition, favor some and disfavor others based upon race and ethnicity.

At his hearing before the Judiciary Committee, Mr. Lee suggested he would enforce the law without regard to his personal opinions. But that cannot be the end of our inquiry. The Senate's responsibility is then to determine what the nominee's view of the law is. That question is particularly important for a nominee to the Justice Department's Civil Rights Division.

II. CIVIL RIGHTS DIVISION

As I have made clear in the past, it is my view that the Assistant Attorney General for Civil Rights is one of the most important law enforcement positions in the Federal Government. No

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

position in Government more profoundly shapes and implements our Nation's goal of equality under law.

The Civil Rights Division was established in 1957 to enforce President Eisenhower's Civil Rights Act of 1957, the first civil rights statute since Reconstruction. Since the appointment of the first Assistant Attorney General for Civil Rights, Mr. Harold Tyler, the Division has had a distinguished record of enforcing the Nation's civil rights laws, often against perilous political odds. With great leaders like Burke Marshall, John Doar, and Stanley Pottinger, the Civil Rights Division emphasized the equality of individuals under law, and a commitment to ensuring that every American—regardless of race, ethnicity, gender, national origin, or disability—enjoys an equal opportunity to pursue his or her talents free of illegal discrimination. That is a commitment that I fundamentally share, and take very seriously as I consider a nominee to this important Division.

Today, however, the Civil Rights Division, and the Nation's fundamental civil rights policies, stand at a crossroads. In recent years, the Nation's courts have underscored the notion that the constitutional guarantee of equal protection applies equally to every individual American. Consistent with that principle, they have placed strict limitations on the Government's ability to count among its citizens by race. Nevertheless, many among us who lay claim to the mantle of civil rights would have us continue on the road of racial spoils—a road on which Americans are seen principally through the looking glass of race. I regret to say that Bill Lee's record suggests that he too wishes the Nation to travel that unfortunate road.

The country today, however, demands a Civil Rights Division devoted to protecting us all equally. It cannot do that when it is committed to policies that elevate one citizen's rights above another's. Let me share one example of what results from the race-consciousness that some, Bill Lann Lee among them, would have us embrace.

Earlier this year, the Judiciary Committee held a hearing to examine the problem of discrimination in America. One story, that of Charlene Loen was particularly moving. Ms. Loen is a Chinese-American mother of two who lives in San Francisco. Ms. Loen's son Patrick was denied admission to a distinguished public magnet school in San Francisco, pursuant to the racial preference policy contained in a consent decree which caps the percentage of ethnic group representation in each of the city's public schools. The cap has the effect of requiring young, Chinese students to score significantly higher on magnet school entrance exams than students of other races. While young Patrick scored higher than many of his friends on the admissions exam, he was denied admission, while other children who scored less well were admitted. Ms. Loen sought to have Patrick admitted to several other public magnet schools in the city, and time after time she was told in no uncertain terms that because he was Chinese, Patrick need not apply.

So you see, a policy that prefers one, by definition disfavors another. In this case, the disfavored other has a name, Patrick. The law must be understood to protect Patrick, and others like him, no less than anyone else. What matters under the law is not that Patrick is ethnic Chinese, but that he is American. Affirmative action policies as originally conceived embraced that ideal. Recruiting and outreach that ensures broad inclusion is one thing; racial and gender preferences that enforce double standards are quite another.

But the case against Bill Lee is broader, and more fundamental, than his aggressive support for public policies that sort and divide by race. What Bill Lee's record fundamentally suggests is a willingness to read the civil rights laws so narrowly—and to find exceptions so broad—as to undermine their very spirit, if not their letter. Let me share a few cases to illustrate the point.

III. ADARAND

At his hearing, Mr. Lee was asked about the Supreme Court's holding in the case of Adarand Constructors versus Pech, in which the Supreme Court held that State-sanctioned racial distinctions are presumptively unconstitutional. When asked to state the holding of the case, Mr. Lee said that it epitomizes the Supreme Court's view that racial preference programs are permissible if "conducted in a limited and measured manner." That is, arguably, a narrowly correct statement. But it purposefully misses the mark of the Court's fundamental holding that such programs are presumptively unconstitutional. Imagine if a nominee had come before this body and stated for the record that the Court's first amendment cases stand for the proposition that the state can interfere with religious practices if it does so carefully. Such a purposefully misleading view would properly be assailed as a fundamental mischaracterization of the spirit of the law. So, too, is Mr. Lee's view of the Supreme Court's statements about racial distinctions enforced by the Government.

In addition, Mr. Lee stated for the record his personal opposition to Adarand. He then said that in spite of that, he would enforce the law, if confirmed. Fair enough. But, in response to a written question from Senator ASHCROFT, Mr. Lee's narrow view of what the law is becomes astonishingly clear. Senator ASHCROFT asked Mr. Lee whether the program at issue in the Adarand case is unconstitutional. Mr. Lee noted that the Supreme Court in Adarand remanded the case to the district court in Colorado. He further noted that the district court just this summer held that the programs in question are not narrowly tailored and are therefore unconstitutional. In so holding, the court stated in its opinion that

> [c]ontrary to the [Supreme] Court's pronouncement that strict scrutiny is not "fatal in fact," I find it difficult to envisage a race-based classification that is narrowly tailored.

But despite the court's strong pronouncement, Mr. Lee asserts in his response to Senator ASHCROFT that he believes "this program is sufficiently narrowly tailored to satisfy the strict scrutiny test." Apparently, then, Mr. Lee is prepared to support racial preference programs until every possible exception under the law is unequivocally foreclosed by the Supreme Court, despite the Court's view that such programs are presumptively unconstitutional and may only be used in exceptional circumstances. Mr. Lee's view of the law, it seems to me, is exceedingly narrow and violative of the Court's rulings and holdings. We must expect more of the Nation's chief civil rights law enforcer.

IV. PROPOSITION 209

I realize that some still embrace policies that divide and sort by race. And given the court's narrow exception in Adarand, I am willing to consider a nominee who believes such policies may be constitutional in limited circumstances. It is fair that that view is heard. Yet, it is quite another matter altogether when a nominee takes the position that the contrary view—that racial preferences should be prohibited—is unconstitutional. Such a view of the law effectively silences dissenting voices on this, the most important civil rights issue of our day.

Mr. Lee and his organization, the Western Office of the NAACP Legal Defense & Educational Fund, have led the opposition to California's proposition 209, which said simply that no Californian can be discriminated against or preferred by the State on the basis of race, gender, or national origin. He has also challenged the University of California's efforts to comply with its colorblindness mandate, by complaining to the Federal Department of Education that the University's race-neutral use of standardized tests and weighted grade point averages violates the civil rights laws. Even the anti-209 director of admissions at the UCLA School of Law, Michael Rappaport, has described the NAACP's complaint as "frightening" for universities wishing to employ rigorous academic standards. That complaint is only part of a comprehensive effort by Mr. Lee and his organization to undermine the people of California's political judgment that their government should respect the rights of citizens without regard to race.

Soon after 54 percent of Californians voted to pass proposition 209, Mr. Lee's office filed a brief in the Federal court action challenging the constitutionality of the initiative, relying on the cases of Hunter versus Erickson—fair housing legislation—and Washington versus Seattle—busing—to allege that 209 was an unconstitutional restructuring of the political process because minorities are no longer permitted to petition local governments for preferential treatment. Of course, the Ninth Circuit Court of Appeals—perhaps the most liberal circuit court in the Nation—forcefully and unequivocally rejected that argument, noting that governmental racial distinctions are presumptively unconstitutional, and concluded:

> As a matter of "conventional" equal protection analysis, there is simply no doubt that Proposition 209 is constitutional. . . . After all, the "goal" of the Fourteenth Amendment, "to which the Nation continues to aspire," is "a political system in which race no longer matters" (citation omitted). . . . The Fourteenth Amendment, lest we lose sight of the forest for the trees, does not require what it barely permits.
>
> (Coalition for Economic Equity, et al. v. Wilson, 122 F.3d 692 [9th Cir. 1997].)

Earlier this year, the Clinton administration filed an amicus brief in the ninth circuit supporting the constitutional challenge so decisively rejected by the appeals court. I asked Mr. Lee whether, given the Supreme Court's holding in Adarand and the forceful statement of law by the ninth circuit, he would argue against the administration's continued challenge to prop 209's constitutionality. He said he would support the administration's position.

After Mr. Lee's hearing, I took it upon myself to offer an olive branch to the administration. I emphasized the fundamental problem I have with Mr. Lee's and the administration's view of the Constitution as it relates to racial matters. I suggested that if this White House could find its way to put aside the now-discredited argument that efforts like prop 209 actually violate the Constitution, that it would be much easier for my colleagues and me to support this nomination. It certainly would be something that would be helpful.

On Wednesday of last week, I received a letter from Mr. Lee explaining that he would recuse himself from the administration's deliberations about its policy in the specific prop 209 case. And just yesterday, of course, the Supreme Court declined to grant certiorari in the 209 case. But, important as they are, those gestures do not lessen my fundamental concern about Mr. Lee's view on the matter. Those developments do nothing to preclude the administration from challenging future colorblindness efforts in the States, or in the Congress—including my and Senator McCONNELL's Civil Rights Act of 1997; they do nothing to provide much needed leadership within the Department on this most important policy issue—creating yet another leadership void within the Department; and at bottom, Mr. Lee's letter seems little more than a cynical ploy by the administration to momentarily ease Mr. Lee's way to confirmation, while doing nothing to address my underlying, substantive concerns about his interpretation of the law. In the final analysis, my concerns about Mr. Lee's record are vastly broader than simply how he might counsel the administration in one discrete case.

V. PRISON LITIGATION REFORM ACT

Mr. Lee was also asked for his views on the Prison Litigation Reform Act, a piece of legislation that I sponsored and worked hard to pass in the last Congress. In response to written questions from Senator ABRAHAM about the Department's enforcement of the PLRA, Mr. Lee either defended unjustified Department positions, or evaded the questions altogether.

The PLRA establishes a 2-year limitation on most consent decrees governing prison operations. If after the 2 years, a constitutional violation continues to exist, the law provides that a prisoner may petition a court to extend the term of the decree. When asked whether the Department was correct to argue that PLRA places the burden of proof on a defendant seeking to be relieved from a prison consent decree to prove that constitutional violations no longer exist, rather than on a prisoner seeking extension of a decree to show that violations continue to exist, Lee argued that the Department's "approach seems sensible to me." But the Department's approach undermines the spirit of the law, which places limits on judicial control of our prisons absent proof of a continuing constitutional violation.

Mr. Lee's support for the Justice Department's efforts to undermine the effectiveness of the Prison Litigation Reform Act further justify opposition to his nomination. This view is yet another example of Mr. Lee's approach to the law, which suggests that when confronted with a law he doesn't like, he creatively interprets the law in the narrowest possible fashion, to allow him to pursue his ends contrary to the spirit, if not the letter, of the law. That is unacceptable for one seeking to enforce the Nation's civil rights laws.

VI. LOS ANGELES CONSENT DECREE CASE

I am also troubled by Mr. Lee's involvement in an apparent effort to rush through a consent decree in Los Angeles that would have bound the city to racial and gender hiring goals for 18 years. Mr. Lee and other attorneys in the case sought to have the proposed consent decree approved by the city council and then by a magistrate judge on the very day that the citizens of California were voting on proposition 209. Proposition 209 would quite likely prohibit enforcement of the goals in the proposed decree. But by its terms, the proposition does not apply to consent decrees in force prior to its effective date. The decree was taken to the magistrate without notice to the district judge presiding over the case, as was required by local court rules; and more importantly in my view, Mr. Lee sought to have the decree approved without a fairness hearing to assess the impact of the decree on individuals who might in the future be affected by its terms, but who were not represented in the negotiations.

It should be noted that even Los Angeles Mayor Richard Riordan, a supporter of Mr. Lee's nomination, and then-Los Angeles Police Commission President Raymond Fisher, the President's nominee to be Associate Attorney General, both opposed the proposed decree. Mayor Riordan expressed concern about the scope of outside enforcement authority under the decree, and Mr. Fisher called the decree "extremely intrusive to the operations of the [police] department." To seek even partial approval of a decree raising such concerns, without benefit of a fairness hearing, raises legitimate questions.

The district court judge, learning of the parties' ploy through media accounts, resumed control over the case, citing the significance of a decree that would bind a government for 18 years, and remarked that the decree "may present substantial constitutional questions." The judge later noted in a memorandum order that

> . . . the unusual procedures employed by the existing parties in this case—seeking same-day approval of the Proposed Decree and requesting that no fairness hearing be held—certainly raise alarm bells about the adequacy of their representation [of potentially affected individuals not represented in the negotiations].

Mr. President, the very core of what we must expect of an Assistant Attorney General for Civil Rights is a steadfast concern that every individual be treated fairly—equally—under our laws. Mr. Lee's involvement in an effort to lock in 18-year racial hiring goals for public employment without an opportunity first to consider the impact of that race consciousness on individuals who may fall on the wrong side of those goals, suggests a willingness to place group representation above the rights of individuals to be treated equally under the law. As Senators sworn to uphold the Constitution, we have a responsibility to reject that priority for the Nation's defender of civil rights. While I do not question Mr. Lee's integrity, I am concerned about his commitment to serve every citizen of the Nation in equal measure.

Selecting an Assistant Attorney General for Civil Rights should not be a simple coronation of an effective civil rights litigator for a leading activist organization. Enforcing the Nation's laws on behalf of every American citizen is a profoundly different role. Despite that, Mr. Lee seems simply unable to distinguish his role as NAACP activist litigator, and the role of Assistant Attorney General. When asked by the Judiciary Committee to list cases he filed at the LDF which he would not file as Assistant Attorney General, Mr. Lee simply replied that, as a jurisdictional matter, he could not bring State law claims as Assistant Attorney General. Everything else is apparently fair game. Clearly then, Mr. Lee is unable to distinguish the substantive role of law enforcer for all citizens from that of a private activist litigator charged with pushing the limits of the law. That is unacceptable for an individual seeking to take the reins of the Civil Rights Division's massive enforcement apparatus.

VII. DEVAL PATRICK AND CONSENT DECREE ACTIVISM

Mr. Lee's supporters have characterized him as a "pragmatist"—a "practical litigator," rather than a pro-preference ideolog. That is a familiar tune in this debate. Three years ago, the President nominated another individual who was widely hailed as a pragmatist. Deval Patrick, another man for whom I have a high personal regard, was described by one paper as "a practically oriented working lawyer." Based upon those assurances, I resolved to set aside my concerns about Mr. Patrick's views, gave him the benefit of the doubt, and supported his nomination.

But upon assuming the reins of the Civil Rights Division, Mr. Patrick revealed himself to be a liberal civil rights ideolog. He used statistical racial imbalances and the vast resources of the Justice Department to extract race-conscious settlements from businesses and governments, large and small. For example, he undertook a credit-bias probe of Chevy Chase Savings & Loan in Maryland based largely on the fact that the bank had opened branch offices in the District of Columbia suburbs, but not in the city itself. There was no evidence that the bank had discriminated against qualified individuals seeking bank services. Nevertheless, Mr. Patrick entered into a consent decree that essentially forced the bank to open a branch in a low-income District neighborhood, and measures the bank's compliance with the decree by assessing whether the the bank achieves a loan market share in minority neighborhoods that is reasonably comparable to its share in nonminority neighborhoods. Mr. Patrick's Civil Rights Division took it upon itself to decide where a bank must do business, and then implemented dubious statistical measurements to determine whether the bank's efforts stayed clear of the division's view of the law.

Mr. Patrick also forced municipalities across the country to abandon tests used to evaluate candidates for local police forces. In Nassau County, NY, Patrick entered into a consent decree that forced the county to abandon a rigorous test that yielded a differential passage rate for different ethnic groups. The test now used by the county, after the expenditure of millions of dollars in the action, is so weak that the reading portion of the exam is now graded on a pass/fail basis. A candidate passes the reading test if he or she reads at the level of the lowest 1 percent of existing officers. So much for high standards.

In another case, Mr. Patrick ordered Fullerton, CA to set-aside 9 percent of its police and fire department positions for African-Americans, despite the fact that fewer than 2 percent of the city's residents are black.

These cases suggest the damage that can be done when the resources of the Justice Department are brought to bear to force defendants into consent decrees. Such decrees are often attractive to both parties. Preference ideolog in the Justice Department win so-called voluntary commitments to undertake constitutionally suspect race-conscious action to eliminate racial disparities; defendants save millions of dollars in legal fees and receive a public disclaimer of liability. Everyone wins, except for consumers and individuals on the losing end of the racial or gender goals and preferences.

Given Deval Patrick's excesses in the Department, I am unprepared to again give the benefit of the doubt to a liberal activist nominee described by political allies as a pragmatist and a conciliator. When asked at his hearing how he would differentiate his views from those of Mr. Patrick, Bill Lee was unable to muster a response.

VIII. CONCLUSION

I am sad to say, Mr. President, that Bill Lann Lee has fallen victim to President Clinton's double-talk on the issue of racial and gender preferences. In the wake of the Adarand decision, the President pledged to "mend it, not end it." In practice, however, the President's policy on preferences can more accurately be described as "don't mend it, extend it." In fact, while the Congressional Research Service tells us that there are at least 160 Federal programs containing presumptively unconstitutional racial preferences, the President has seen fit to eliminate fewer than a handful of them. When Mr. Lee was asked to suggest real or hypothetical Federal programs that may not meet constitutional muster, he was able to come up with a whopping one—one that the Clinton administration had already seen fit to eliminate. In fact, the Clinton administration has sought to pitch Mr. Lee, and itself, as something they simply are not—centrists on civil rights policy.

In the end, my decision today is an unhappy one. It brings me no pleasure to oppose the nomination of this fine activist lawyer and this very fine human being. But fine human beings—and certainly fine lawyers—can make mistakes. And they can approach the law in a way that is flawed, and that disserves the laws they are sworn to uphold. That is the case with this nomination. Bill Lann Lee's long record of public service must ultimately be reconciled with the role he seeks. The Assistant Attorney General is America's civil rights law enforcer, not an advocate for the political left.

Unfortunately, Mr. Lee's understanding of the Nation's civil rights laws is sufficiently cramped and distorted to compel my opposition. The Assistant Attorney General for Civil Rights must abide by the law. In matters ranging from racial preferences, to proposition 209, to the Prison Litigation Reform Act, Mr. Lee has demonstrated a decided reluctance to enforce our Nation's civil rights laws as intended, and in some cases his litigation efforts expose an outright hostility to it. The Civil Rights Division requires a better approach, and our courts, the Senate, and the Nation demand it. It is for that reason that I must oppose this unfortunate nomination.

Mr. President, I ask unanimous consent that I be permitted to enter into the RECORD several items that echo my concerns about Mr. Lee's record. I would like to enter a letter from 16 Republican members of the California congressional delegation; a statement from California Gov. Pete Wilson; and letters from Mr. Ward Connerly of the American Civil Rights Institute in California, and Ms. Susan Au Allen, president of the U.S. Pan-Asian American Chamber of Commerce.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
Washington, DC, October 30, 1997.

HON. ORRIN G. HATCH,
Chairman, Senate Committee on the Judiciary, Washington, DC

DEAR MR. CHAIRMAN: We, the undersigned members of the California Congressional delegation, wish to express our deep concern regarding the confirmation of Mr. Bill Lann Lee as the Assistant Attorney General for Civil Rights. This confirmation is of particular concern to California.

California Governor Pete Wilson said, "All of the relevant evidence suggests that Mr. Bill Lann Lee will not enforce the civil rights laws as defined by the courts but as desired by special interest advocates of unconstitutional and unfair preferences. It is time we had a civil rights enforcer who enforced the law, not distorted it."

We find it very disturbing that Mr. Lee has actively advocated quotas and preferences. He attempted to force through a consent degree mandating racial and gender preferences in the Los Angeles Police Department. The Washington, DC-based Institute for Justice issued a twenty-page report on

Lee's litigation for the NAACP Legal Defense Fund, which has furthered legal action challenging the California Civil Rights Initiative and supported racial preferences and forced busing. The study's author and Institute director Clint Bolick stated, "Lee's assault on Proposition 209 and his support of racial preferences raises serious questions about his suitability as the nation's top civil rights official." Mr. Bolick further stated, "Unless Lee makes clear he will not transfer his personal agenda to the Justice Department, the Senate should not confirm him."

It appears to be fundamentally incompatible for the Senate to confirm as the Assistant Attorney General for Civil Rights an individual with a record of advocating racial discrimination through quotas and preferences. We respectfully urge the Senate Judiciary Committee to carefully and thoroughly review Mr. Lee's philosophy on basic civil rights issues before voting on his confirmation.

Sincerely,

HOWARD "BUCK" MCKEON.
DANA ROHRABACHER.
KEN CALVERT.
JAMES E. ROGAN.
ED ROYCE.
FRANK RIGGS.
ELTON GALLEGLY.
DAVID DREIER.
JERRY LEWIS.
WALLY HERGER.
RON PACKARD.
SONNY BONO.
JOHN T. DOOLITTLE.
BRIAN BILBRAY.
TOM CAMPBELL.
"DUKE" CUNNINGHAM.

AMERICAN CIVIL RIGHTS COALITION,
Sacramento, CA, October 23, 1997.

Hon. ORRIN G. HATCH,
U.S. Senate, Washington, DC.

DEAR CHAIRMAN HATCH: I watched with interest yesterday's hearing on the nomination of Bill Lann Lee as Assistant Attorney General for Civil Rights. Prior to the hearing, my organization hesitated in taking a formal position on his nomination.

However, his comments of yesterday—namely, that he believes Proposition 209 is "unconstitutional" and that he disagrees with Adarand v. Pena—lead us to believe the most powerful civil rights law enforcement position in the United Stares belongs not to Mr. Lee, but to a nominee who respects the law of the land.

As of today, the American Civil Rights Institute is formally opposing Mr. Lee's nomination to this post and encourages your leadership in rejecting this nomination. An individual who neither understands or respects the people's and the court's commitment to race-neutral laws and policies does not deserve this important position.

Sincerely,

WARD CONNERLY,
Chairman.

STATE OF CALIFORNIA,
GOVERNOR'S COMMUNICATIONS OFFICE,
September 25, 1997.

[Memorandum]

To: John Kramer, Institute of Justice.
From: Kim Walsh.
Subject: Statement from Governor Wilson.

Summary: Below is a statement from Governor Pete Wilson regarding the nomination of Bill Lann Lee as Assistant Attorney General:

"All of the relevant evidence suggests that Mr. Bill Lann Lee will not enforce the civil rights laws as defined by the courts but as desired by special interest advocates of unconstitutional and unfair preferences. It is time we had a civil rights enforcer who enforced the law, not distorted it."

UNITED STATES PAN ASIAN
AMERICAN CHAMBER OF COMMERCE,
Washington, DC, October 28, 1997.

Re: Nomination of Bill Lann Lee as Assistant Attorney General for Civil Rights.

Hon. ORRIN HATCH,
Chairman, Senate Committee on the Judiciary,
U.S. Senate, Washington, DC.

DEAR CHAIRMAN HATCH: Please vote against the nomination of Bill Lann Lee as Assistant Attorney General for Civil Rights. I enclose a copy of the actual testimony I gave at Mr. Lee's nomination hearing before the Senate Committee on the Judiciary Last week.

Mr. Lee believes the California Civil Rights Initiative (Proposition 209) is unconstitutional. Thus, he is the wrong person to hold the nation's top civil rights enforcer position.

Proposition 209 mirrors the language of the Civil Rights Act of 1964. Mr. Lee's latest assertions during his nomination hearing, of his opposition against Proposition 209, adds to our apprehension that he will further divide America along racial lines because of his conviction that civil rights are not for all Americans, but select Americans based on their race and gender. Should he become the nation's top civil rights enforcer, he will have 250 lawyers to help him do the job. This must not happen. America cannot afford it.

I ask you to vote against his nomination as the Assistant Attorney General for Civil Rights.

Sincerely,

SUSAN AU ALLEN.

Mr. HATCH. Mr. President, I yield the floor.

Mr. ROBERTS addressed the Chair.

The PRESIDING OFFICER (Mr. INHOFE). The Senator from Kansas is recognized.

WAIVING MANDATORY QUORUM IN RELATION TO H.R. 2646

Mr. ROBERTS. Mr. President, I ask unanimous consent, pursuant to rule XXII, that the mandatory quorum in relation to H.R. 2646 be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNITED STATES PRESENCE IN BOSNIA

Mr. ROBERTS. Mr. President, yesterday those who cover national security policy and issues within our Nation's press reported the best-kept nonsecret in Washington; namely, what has already been discussed or leaked or trial ballooned or decided upon and reported for weeks in the United States and the international media has finally become public—sort of.

In the last days of this session, the administration apparently will now consult with the Congress and today announce what has been obvious, and that is, Mr. President, that the United States has no intention of leaving Bosnia by the once stated deadline of the 8th of June of next year.

President Clinton has not said this outright. The position to date is that he has not ruled out staying beyond June 8. However, given the overall goals of the Dayton accords in juxtaposition with the ongoing ethnic apartheid reality in Bosnia, the concern of our allies, the coming of winter in Bosnia, and the crucial and obvious need for U.S. and allied commanders to have enough time for central planning have all forced the administration's hand.

Simply put, the clock is moving toward the stated deadline to have the SFOR mission in Bosnia completed. And simply put, whatever that mission is and despite recent and obvious changes under our stated mission, it is not complete.

It is long past the time for the President and his national security team to simply tell it like it is. Despite the past promises to limit our engagement to 1 year, and then 2 years, and now indefinitely—I might add, promises that should not have been made and could not be kept—we are in Bosnia, for better or worse, for the long haul.

First of all, our commanders and troops in the field know there are many actions that need to take place now or should have already taken place if, in fact, we are serious about ending the commitment in Bosnia in June 1998. From a military point of view, we have established significant infrastructure in Bosnia to support the SFOR troops, and unless we just intend at great cost to abandon what we have established—and we are not going to do that—the military needs a plan and time to remove equipment, to disassemble buildings, to conduct the environmental cleanup and a myriad of other tasks.

Several months ago, I visited Bosnia, and I saw firsthand the extent of our involvement and developed an understanding of the complexity required to extract the SFOR troops should that decision be made. On that same trip, I visited Taszar, Hungary, the staging base for U.S. troops going into and coming out of Bosnia. Taszar also provides operational support for logistics in Bosnia.

I asked the commanding general in Taszar, what is the drop dead time to support an orderly withdrawal from Bosnia and fully restore the facilities in country? And his answer was, 9 to 10 months to do the job right. Guess what? We are already past that deadline. We should have already made the decision and started to work. But apparently we have not because the President has not publicly admitted what is obvious to most people—we have no intention of leaving Bosnia in June 1998. All I am asking of the President and the administration is to be candid, come before the people and explain his intention concerning our commitment in Bosnia.

Even a casual reading, Mr. President, of U.S. and European newspapers reveals numerous stories spelling out the need for continued presence of NATO forces past June 1998. These stories frequently quote U.S. administration and NATO ally decisionmakers. Let me give you an example of what I am talking about.

New York Times, just last week: "Policymakers Agree on Need to extend U.S. Mission in Bosnia."

> The Clinton administration's top foreign policymakers have reached a broad consensus on the need to keep some American troops in Bosnia after their mission ends in June of next year.

The article further quoted the White House National Security Adviser, Sandy Berger: "We must not forget the important interests that led us to work for a more stable, more peaceful Bosnia" including European stability and NATO's own credibility, he said at Georgetown University. "The gains are not irreversible, and locking them in will require that the international community stay engaged in Bosnia for a good while to come."

In the Great Britain Guardian, also last week; "Bosnia forces await US Green light."

> Although the multinational NATO-led Forces are supposed to disband next June, plans for a follow-on force—unofficially the Deterrent force (D-Force)—

We are going from IFOR to SFOR to DFOR—

> have already begun.

The article continues:

> But senior military officials are reluctant to talk openly—

Let me repeat this, Mr. President—

> But senior military officials are reluctant to talk openly until a skeptical United States Congress has been convinced there is no alternative to staying on.

The Financial Times as of Tuesday, October 14: "Solana plea over Bosnia support."

> Javier Solana, the NATO secretary general, made his strongest plea to date for "a long-term commitment" by the alliance to peacekeeping in Bosnia.

Continuing, the article states:

> Following the lead of US administration officials who have recently started to prepare public opinion for some residual US role in Bosnia after the middle of next year, Mr. Solana said: "NATO troops cannot and will not stay indefinitely, but NATO has a long-term interest in and commitment to Bosnia."

The French Press Agency, 3 weeks ago: "A 'dissuasion' force to replace SFOR in Bosnia."

> A "dissuasion" force will take over from the NATO-led Stabilization Force in Bosnia. . ., Defense Minister Volker Ruehe told the weekly Der Spiegel. The new "Deterrent Force" will be significantly smaller than SFOR, which [now] numbers 36,000 men. . .

These, Mr. President, are but a few examples of reports of a debate and subsequent decisions that apparently have taken place on future actions in Bosnia involving NATO and United States forces. But the sad commentary is that the Congress and the American people have been left out of this important discussion.

All I am asking, Mr. President—I am referring to President Clinton—is for you to be candid. Let us have straight talk. Come clean. Come to the Congress. Tell us your plan. Let us know what your thoughts are and the forces required after June 1998.

It is my understanding that this afternoon, at approximately 4:30, that many Members of Congress, the Senate, will go to the White House to enter into a discussion finally on the administration's decision in regard to Bosnia.

I have tried to understand why the President is reluctant to directly engage the Members of this body on this vital foreign policy matter. Perhaps it is because there has been some misunderstanding or maybe even he has misled us on his intent in Bosnia for the past 3 years.

"We'll be out in just 1 year." That was the first statement that is starting to ring a little hollow on the Hill. Does he think that we are so naive that we will not notice that the term "SFOR" has been replaced by "DFOR," and we will think he has kept his commitment to end SFOR in June 1998? I think not. Mr. President, the issue is not the name of the commitment but the commitment itself. The use of United States forces in Bosnia is what we are concerned about.

Some have suggested that the reluctance on the part of the President is the concern of two events: NATO enlargement and the decision on Bosnia will happen at about the same time next year and that both will be negatively impacted in the debate in Congress. That certainly could happen.

He could be right, if an examination into the commitment in Bosnia and the debate on enlarging NATO occurs at the same time—that debate should take place at about the same time—and there will be troubling questions raised.

But the fact remains that we are in Bosnia, SFOR ends in June 1998, and the administration has done much work on the follow-on forces in Bosnia. Again, however, the administration has failed to include the Congress in its decision process. That time is now.

These questions are not difficult. They are challenging, but they are obvious.

I would like to review the requirement added to the defense appropriations bill that requires the President to provide certain information on our Bosnian policy. This is a matter of law. These provisions are about being honest with the American public.

I want to thank the distinguished chairman of the Senate Appropriations Committee for referring to these amendments as the Roberts amendment. We have had long talks about the need to become candid.

Specifically, these provisions require the President to certify to Congress by May 15 that the continued presence of United States forces in Bosnia is in our national security interest and why. He must state the reasons for our deployment and the expected duration of deployment.

He must provide numbers of troops deployed, estimate the dollar costs involved, and give the effect of such deployment on the overall effectiveness of our overall United States forces.

Most importantly, the President must provide a clear statement of our mission and the objectives.

And he must provide an exit strategy for bringing our troops home.

If these specifics are not provided to the satisfaction of Congress, funding for military deployment in Bosnia will end next May. Let me repeat: We are requiring the administration to clearly articulate our Bosnia policy, justify the use of military forces, and tell us when and under what circumstances our troops can come home.

I do not think that is asking too much.

In my view, events of recent weeks make this an urgent matter, Mr. President. It has become increasingly clear that in the wake of the Dayton accords this administration has, to some degree, lost focus and purpose in Bosnia.

Just consider the following:

After drifting for months, and with elections on the near horizon, and the crippling winter only days away, I believe the mission has been changed. We have gone from peacekeeping, which is the stated goal, to peace enforcement with very dubious tactics.

Item. Troop protection, refugee relocation, democracy building, and economic restoration and, the other policy goal, "Oh, by the way, if we run across a war criminal, well, let's arrest him"—that has all been replaced.

Today, we see increased troop strength—we are not revolving the troops home—have picked a United States candidate for president of Bosnia—we are no longer neutral—we have embarked upon aggressive disarmament and the location, capture and prosecution of war criminals.

Is this mission creep or long overdue action? We do not know.

The world was treated to the spectacle of American troops, the symbol of defenders of freedom, taking over a Bosnian television station in an effort to muzzle its news. And the troops were then stoned by angry citizens.

In our new role as TV executives in Bosnia, we actually suggested what kind of programs could be run and what kind of programs could not be run. We ordered TV stations to read an apology concerning their inaccurate and unfair broadcasting. We wrote the message for them and required they read it every day for 5 days.

Gen. Wesley Clark is now a new TV executive in determining what goes on television and what does not.

The Washington Times reported United States troops have become the butt of jokes in Bosnia because of pregnancies. It seems the pregnancy rate among our female soldiers is between 7.5 to 8.5 percent. The Bosnia media joked that the peacekeepers are breeding like rabbits while turning a blind eye to war criminals on the lam.

In a country where any benevolent leader is very scarce, we have chosen up sides, we have picked our candidates, supporting the cause of one candidate over another. I might add, that candidate has lost support as a result.

Elections were conducted, but to cast ballots, many citizens had to be bussed back to their homes, which they now cannot live in or may never occupy, and then bussed out.

NATO forces, which include U.S. troops, have been cast into the role of cops on the beat, chasing war crimes suspects. Just to arrest Mr. Karadzic, we are told, try him for war crimes and our problems will be solved. But as the New York Times recently pointed out: "[Mr.] Karadzic reflects widely held views in Serbian society." If you bring him to trial in The Hague, somebody else will take his place.

Do these events reflect a sound and defensible Bosnian policy that is in our national interest? Or do they sound an ominous alarm as America is dragged down into a Byzantine nightmare straight out of a Kafka novel?

Ask the basic question, "Who's in charge and where are we heading?" and to date there has been silence from the administration. But that silence speaks volumes, Mr. President, about the lack of direction and focus of our Bosnian policy.

If the provisions of the defense appropriations bill do nothing else, they should force a major reexamination of our Bosnian involvement from top to bottom.

As Chairman STEVENS, the distinguished chairman of the Senate Appropriations Committee, will tell you, our involvement in Bosnia has come at a large price. There are approximately 9,000 American troops in Bosnia. That is closer to 15,000 today. That is nearly one-third of the NATO troops involved.

Dollar costs are escalating. From 1992 until 1995, the United States spent about $2.2 billion on various peacekeeping operations in the Balkans. From 1996 through 1998, costs are estimated to be $7.8 billion. That figure, too, is escalating.

In justifying our policy in Bosnia, the administration must include a plan to fund the costs. Do they intend to take these rising costs out of the current defense budget, money we need for modernization, procurement, quality of life for the armed services to protect our vital national security interests? Or is the administration prepared to come clean and ask for the money up front?

Finally, I offer these thoughts, Mr. President. All of us in this body desperately want lasting peace in Bosnia. I know it is easy to criticize, but we want the killing to stop. We all want that. We want stability in that part of the world. We do not want a Palestine in the middle of Central Europe. Permanent peace, permanent stability, but wishing—wishing—it does not make it so.

Richard Grenier, writing for the Washington Times, put it this way:

> . . . generally speaking, Serbs didn't love Croats, Croats didn't love Serbs, nor did either of them love Muslims. Reciprocally, Muslims loved neither Croats or Serbs.
>
> What happened to the lessons we're supposed to have learned in Beirut and Somalia? What happened to our swearing off of mission creep? In Beirut we were intervening in Lebanese domestic affairs, which led to the death of 241 U.S. Marines. Our mission in Somalia, originally purely humanitarian, expanded like a balloon as we thought, given our great talent, we could build a new Somali nation. [We all saw] what happened.
>
> But here we go again in Bosnia. Once again our goal was at first laudably humanitarian: to stop the killing.

We have done that, thank goodness.

> But it expanded as we thought how wonderful it would be if we could build a beautiful, tolerant, multi-ethnic Bosnia, on the model of American multiculturalism. . .

Gen. John Sheehan, a Marine general, just stated in the press—and a remarkable candidate interviewed just this past week—we can stay in Bosnia for 500 years and we would not solve the problem. It is a cultural war. It is an ethnic war.

The Bosnian situation is complex. And it is shrouded by centuries of conflict that only a few understand. They have had peace and stability and order and discipline only a few times in their history—the latest being with an iron fist by Marshal Tito.

Is that what NATO is going to be all about? What we have seen in recent months is a lull in the fighting, unfortunately not its end. It is a fragile peace held together only by continued presence of military force. How long can that continue? Are we prepared to pay the price?

National Security Adviser Sandy Berger said the United States must remain engaged in Bosnia beyond June of next year, but that continued American troop presence has not been decided.

This afternoon, when Members of Congress meet at the White House, it is time to decide what the specifics of our Bosnian policy will be.

Compare that statement of our National Security Adviser, Sandy Berger, with that of the advice of former Secretary of State Dr. Henry Kissinger, who wrote just this past week: "America must avoid drifting into crisis with implications it may not be able to master" and that "America has no [vital] national interest for which to risk lives to produce a multiethnic state in Bosnia."

Mr. President, no more drift. It is time for candor and clear purpose. Let the debate begin when the White House meets, finally, with Members of Congress this afternoon.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

EDUCATION SAVINGS ACT FOR PUBLIC AND PRIVATE SCHOOLS

Mr. DODD. Mr. President, I know we have a vote at about 11 o'clock and my colleague from Georgia wants to be heard before that time. I will try and move this along.

Mr. President, the vote around 11 o'clock is on a cloture motion dealing with a proposal that has been offered by my colleague from Georgia, whom I respect greatly and agree with on many issues. On this one we disagree, not because of his intent at all, but rather because I am concerned it is not the best use of scarce resources. Even though our budget situation is vastly improved from what it was even a few months ago—with the deficit now down around to unimaginably low levels—still we must make careful decisions about how to best invest those dollars.

When you are trying to help out working parents with the costs of raising children, the question becomes one of priorities in allocating resources. As I understand it, if the cloture motion that will be offered shortly were to be agreed to, an amendment that I would like to offer would be foreclosed because it would probably not pass the procedural test of being germane. I am concerned about that, and for that reason will oppose the cloture motion.

The amendment I would offer, Mr. President, would propose a substitute to what our colleague from Georgia has offered. My proposal would allow for a refundable tax credit for child care. As it is right now, we have some 2 million American families—working families; not on welfare, but working—who don't have any tax liability at all and, therefore, cannot claim the current child care tax credit.

The affordability and quality of child care, Mr. President, is an area in which most Americans are developing a growing sense of concern. The recent tragedy in Massachusetts that we have all been witness to over the last several days, highlights the concerns that millions and millions of American families have today about who will care for their children and whether they can afford to place them in a quality environment.

In contrast, when we are talking about education, choices do exist for parents. There are 53 million American children who are in our elementary and secondary schools at this very hour. About 90 percent of them are in public schools, about 10 percent in private and parochial schools. There is a choice, Mr. President. Parents have a choice. Now, it is expensive in some private and parochial schools, but the choice of free public schooling is there. It is not a great choice in many areas because of the condition of our public schools, but at least affordability is not an issue.

When it comes to child care, Mr. President, there really are not many choices available to parents. If you are coming off welfare, if you are working, you have to place your children someplace. The issues of quality and accessibility are obviously important, but if you can't afford it at all, if you can't afford the $4,000 to the $9,000 a year that it costs to place your child in a child care setting, you have no choices.

Today, when we have working families out there that are barely making it and we have about $2 billion in tax credits we can offer, I ask the question of my colleagues of whether we can't do something to help. While we might like to do everything for everyone if we could, given the choice of providing a tax credit to someone making $85,000 a year to send their child to a private school or saying to a working family that is barely making it, here are some resources that will allow you to place your child while you work in a decent child care setting, what choice do we make? Do we provide a tax break, with all due respect, to people who have a choice? Or do we offer a refundable tax credit of roughly the same cost as Senator COVERDELL's amendment to working families, struggling to hold body and soul together—people who have no choices.

Mr. President, the other day there was an article in the Hartford Courant about a woman who has three children, making $6.50 an hour. She has a small apartment and a 1981 automobile. Now she is about to leave welfare. She will lose her welfare benefits of $500 or $600 a month. That ends this week. Now, at $6.50 an hour, with three kids, trying to keep an apartment, trying to keep her family going, I would like to say to her I can't do everything for you with regard to your children as you go to work. But I would at least like to say that I can offer you a refundable tax credit—because at $6.50 an hour you are not paying taxes—and give you a break to see that your three children can be in a child care setting where they may be safe.

The question is, do I try to help her? Or, with all due respect, do I instead help someone making—$50,000, $60,000, or $70,000 a year to go to a private school in Washington, Maryland or Virginia? Those are the kind of choices we have to make.

I argue very strongly that when you have limited resources, let's put them to work for people who are struggling out there, who need the help the most. Because I can't offer an amendment that I think would make the right choice if cloture were adopted, with all due respect to the authors of the amendment, I will oppose cloture.

I yield the floor.

Mr. COVERDELL. Mr. President, I ask unanimous consent that I be permitted to complete my remarks prior to the scheduled 11 a.m. vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, originally we were allocated some 15 minutes for comments prior to the vote. Under this unanimous consent, I yield up to 7 minutes of my time to my distinguished colleague from New Jersey.

Mr. TORRICELLI. I thank the Senator from Georgia for yielding.

Mr. President, through the years there has been no more compelling voice on the floor of this Senate for the interests of children and families than Senator DODD. Today is no exception. Senator DODD has made a compelling case for the need for child care in America. I could not agree more strongly. I wish he had a chance on this day to have his amendment offered, and I would join in voting with him.

The choice before the Senate today is not a choice between Senator COVERDELL's proposal and Senator DODD. Both have merit. I would support each. Senator COVERDELL's proposal is fully paid for by offsetting the elimination of a corporate deduction. It has no negative impact on the budget. It is paid for, as Senator DODD's amendment, indeed, can also be paid for.

What the Senate has before it today is a chance to escape this continuing nonproductive dialog about whether or not we will engage in vouchers for private school or leave the plight to private school students unanswered. Senator COVERDELL has offered an imaginative answer by expanding what is indeed a proposal that the Senate adopted earlier in the year for HOPE scholarships offered by President Clinton. By that same concept of allowing families to save their own money to make their own choices for the education of their families, Senator COVERDELL's proposal would be expanded to high school and grade school.

It is an economic sense and a compelling answer to a real national dilemma. First, that the education of a child and some of those decisions be retained by families, where families use their own resources—not just mothers and fathers but aunts, uncles, sister and brothers—who may not be able to put away $2,000 or $2,500 in a year with limited resources, but can on every birthday and every anniversary and every holiday put away $10, $20, and $100 so that during the course of a child's life those resources are available, families are involved, using their money.

Second, it isn't just a question of whether this money would be available for private school students. The Joint Committee on Taxation estimates that 70 percent of the families who would avail themselves of these resources would be public school students because under the proposal that money is available to buy home computers or transportation for extracurricular activities, school uniforms or, most importantly in my mind, after-school tutors to help with the advancing math and science curriculum in our schools.

Third, also a compelling aspect of this case is not only is it private money, not only would much of it go to public school students, but it will also stop potentially the hemorrhaging loss of private schools in this country. A parochial school in America closes every week. We are not opening up enough public schools to make up the difference. At a time when education is the Nation's principal challenge to our economic well-being, the number of classrooms and chairs for American students is declining. This is the use of private savings, private resources, to stop that hemorrhaging loss.

Critics argue this is money that is going to help the wealthiest families in America when we should be doing more for working families. On the contrary. First, there is a cap in the legislation of $95,000 for single filing taxpayers. Overwhelmingly, three-quarters of this money is going to families that earn less than $70,000 a year. This is the answer to giving working families a chance to get involved in the education of their children.

Mr. President, I make no case for the procedures involved in this. There are worthwhile additions to this bill I would like to support. Senator LANDRIEU and Senator GRAHAM have a worthwhile proposal for prepaid tuitions. I believe in Senator DODD's proposal for day care and child care. I would like to see the Senate address both. Indeed, in time, I hope and I trust that we will.

But on this day we address the question of whether or not families will be able to use their own resources to become involved in their own planning for their children's public or private education. This Congress has been presented with a series of challenges by the President. One was to address new resources to education. We do it. Second, to get families back involved. We do it. Third, he has stated a great national goal to get every school in America online into the new century. We go beyond it. Sixty percent of American families and 85 percent of minority students have no access to a home computer. They are not going to school on an equal basis with all other American students. They don't have it for their homework, they don't have it for composition, they don't have it for research. The Internet and those computers are the principal tool for American students in the 21st century.

Under the Coverdell-Torricelli proposal not only will America schools be online but so will American families at home because these students can use these A-plus accounts to buy that equipment for home.

Mr. President, I join with Senator COVERDELL on this day, asking that this be a genuinely bipartisan answer for a genuinely bipartisan problem. Education is the American issue of these last years of the 21st century. It is the question of whether or not America maintains our standard of living and is economically competitive. Education is an issue without par in this Congress and in this country. This may not be a total answer. It is certainly not the last of the answer but it is an important addition for the labyrinth of issues and questions we must walk through in answering the education question.

Mr. President, I thank the Senator from Georgia for yielding the time.

Mr. COVERDELL. Mr. President, I want to compliment the Senator from New Jersey for his remarks, and more importantly, for his steadfast support of this proposal, and not always under the easiest of circumstances. He has been a great colleague and advocate and I have enjoyed working with him on this proposal.

Where we find ourselves, moments away from this vote, Mr. President, is that the filibuster could not be broken last week and it was suggested that if we could just iron out a few amendments that both sides would come together.

Over the weekend we suggested that we would agree to two or three amendments on both sides and try to proceed. That would require a unanimous consent, or for those listening, a unanimous agreement—everybody will have to agree. The other side of the aisle cannot secure that.

Given the hour of this session, this is no time to open it up to a free-for-all. So the filibuster will probably continue and my prediction is, fall a vote or two short of ending the filibuster and proceeding with what would be easy passage of the education savings account. It is unfortunate, because every time we delay these ideas another week, another month, we just slow down the great need to get at the problems in education in grades kindergarten through high school. Every time we delay, we create another student whose economic opportunity, whose challenges in this society will be inhibited because of a lack of resources that might have been made available to that child.

However, the adoption of this concept is inevitable. The status quo, which has fought from day one and continues to do everything it can to block almost any new idea, will not prevail. The American people will override the status quo, and ideas like the education savings account are going to become law. My prediction is that, come February 1998, this proposal will be back before us and we will ultimately secure passage of it.

Just a reminder. Mr. President, the education savings account will allow families to save up to $2,500 a year of their own aftertax money, and the interest buildup would not be taxed if the proceeds of the principal and interest are used to help an education purpose—essentially, grades kindergarten through high school, which is where our problems are; although it could be used in college.

Senator DODD, in his remarks, inferred that these were resources that were going to allow somebody to enjoy private education. I think it's important that we take an overview of the entire proposal. The Joint Committee on Taxation says that the education savings account will be used by 14 million American families. That probably equates to 20 to 25 million children that would be the beneficiaries of this concept. That is almost half the school population in the United States that would benefit from this new structure, this education savings account. And 10.8 million of these families would be families with children in public schools. Seventy percent of all the value of these savings accounts will go to augment public schools. Thirty percent will augment those that are in a private school.

It is statistically insignificant, but it is a fact that some families will use the account to change schools. But in the overall picture, you are essentially bringing new dollars that don't have to be taxed, new dollars that people are saving themselves and, as Senator TORRICELLI said, families becoming involved, families setting aside money to augment the child's education deficiency.

Now, I call these dollars smart dollars. They are smart dollars because the family is directing their expenditure, and we know that it will, therefore, go to the exact child deficiency, which may be the fact that the child does not have a home computer; it may be that the child needs a math tutor; it may be that the child is experiencing dyslexia or some medical problem and the family will be able to augment and help support a learning disability. Well, the list goes on and on and on, as to the kind of particular or peculiar deficiencies that the child may suffer. This allows a resource to be gathered together to be put right on the problem. Unfortunately, you can't get that kind of utility for most public dollars.

As Senator TORRICELLI said, 70 percent of all these resources will assist families making $75,000 or less. So it's going right to the hardest pressed, the middle class. It's right on target.

Mr. President, there is another unique feature about the education savings account. The education savings account, which for most people would resemble an IRA, is different in that it would allow sponsors to contribute to the account. That could be an extended family member, an uncle, aunt, cousin, grandparent. More importantly, it could be a church, it could be an employer, it could be a community assistance organization, it could be a labor union. The imagination can't even perceive the kinds of community activities. How often have we seen a law enforcement officer fall in the line of duty and the community wants to come forward to help? This is the kind of tool that would be used. That community could set up an education savings account for the surviving children so that they would be more able to deal with their educational needs as they grow older without their father or mother.

I can envision a company saying, well, we will put $50 a month in the account for the children that work for our employees if the employee will match it. By the end of the year, that would be half of the amount of money that is legally available; that would be $1,200. So it's an instrument that allows the entire community, the entire family to bring together resources to help with whatever problem that child may confront when they get to school.

The other side has tried to describe it as a voucher. It's not. A voucher is public money given to the parents to decide what to do with. This is the parents' money. This is private money. We are allowing the parents an opportunity, to get focused on that child's education, and just with the attention alone in creating 14 million family accounts like this, there will be an attitude change. You know, they can get focused on it and they think of their child and what that child needs, and they will have an exhilarated feeling of putting a resource in that account once a month, or every quarter, or on holidays, as Senator TORRICELLI said.

They have said this goes to the wealthy. It does not. It goes to the middle class. They have even said, at one point, well, it doesn't amount to much. If it doesn't, I can't imagine why in the devil I am facing this filibuster and why the President said he would veto the entire tax relief plan if this proposal were in the tax relief bill.

Mr. President, this is an idea whose time has come. The education savings account is going to become law. It is just a matter of time. I hoped we could do it in this session, but I think the filibuster is, once again, going to deny a good idea. America, as Senator TORRICELLI said, is focused on education. It will not accept the status quo. It is going to force new ideas. We cannot afford to have a failed elementary education system in place as we come to the new century.

So, Mr. President, I thank my colleagues on the other side of the aisle that have stood up to the special interests and have said we are going to change the status quo. I appreciate all the assistance from the colleagues on my side of the aisle.

I yield the floor.

Mr. GRAMS. Mr. President, today we will vote on whether to invoke cloture on a bill—H.R. 2646—that would allow parents to save money for their children's education without incurring tax liability.

The proposed new education savings account, which expands existing law, would allow families to contribute up to $2,500 per year in a savings account for a variety of public or private education-related expenses. Congress had earlier voted to support the Coverdell amendment 59 to 41, on June 27.

Currently, the reconciliation law we passed this year as part of the budget agreement, allows parents to save up to $500 per year for their children's college education without penalty.

The new education savings accounts are more expansive in that they allow the money to be used for children's kindergarten through 12th grade education expenses as well as college.

Our adoption of this bill without further delay comes at a notable time, a time of increasing focus on the future of America's children. Just over a week ago, the White House held a summit intended to bring children's issues into the forefront as a national priority.

What better way to turn consensus-building into action than to give parents the practical tool which the Coverdell bill supplies; a tool which allows parents to better provide options for their children's education.

The education savings accounts help working families. They are a good complement to the $500 per child tax credit I have long championed, which was included in the tax bill this year. They encourage savings and allow families to make plans which shape a child's future.

This provision is directed at low- and middle-income families, not wealthy families who currently have education options. All families should have a better opportunity to choose the best education for their children.

According to the Joint Committee on Taxation, the great majority of families expected to take advantage of the education savings accounts have incomes of $75,000 or less.

In other words, in families where both parents are working, individual parent income is at the very most an average of $37,500 in more than two-thirds of the families expected to take advantage of this legislation. Clearly, these are the families who need our help the most.

Mr. President, this important legislation offers a real solution for America's working families. We must act now to help families best provide for one of life's most basic necessities—a child's education.

Mr. KENNEDY. Mr. President, I oppose the Coverdell bill because it uses regressive tax policy to subsidize vouchers for private schools. It does not give any real financial help to low-income, working- and middle-class families, and it does not help children in the Nation's classrooms. What it does is undermine public schools and provide yet another tax giveaway for the wealthy.

Public education is one of the great successes of American democracy. It makes no sense for Congress to undermine it. This bill turns its back on the Nation's longstanding support of public schools and earmarks tax dollars for private schools. This bill is a fundamental step in the wrong direction for education and for the Nation's children.

Senator COVERDELL's proposal would spend $2.5 billion over the next 5 years on subsidies to help wealthy people pay the private school expenses they already pay, and do nothing to help children in public schools get a better education.

It is important to strengthen our national investment in education. We should invest more in improving public schools by fixing leaky roofs and crumbling buildings, by recruiting and preparing excellent teachers, and by taking many other steps.

If we have $2.5 billion more to spend on elementary and secondary education, we should spend it to deal with these problems. We should not invest in bad education policy and bad tax policy. We should support teachers and rebuild schools—not build tax shelters for the wealthy.

Proponents of the bill claim that it deserves our support because the Joint Committee on Taxation estimates that almost 75 percent of funds will go to public school students.

But they're distorting the facts. According to the Department of Treasury, 70 percent of the benefit of the bill would go to those families in the highest income brackets. An October 28, 1997, Joint Tax Committee memorandum states that 83 percent of families with children in private schools would use this account, but only 28 percent of families with children in public schools would make use of it. It is a sham to pretend that the bill is not providing a subsidy for private schools. The overwhelming majority of the benefits go to high-income families who are already sending their children to private school, and does nothing to improve public education.

In fact, the Joint Tax Committee memorandum clearly confirms this basic point that the bill disproportionately benefits families who send their children to private schools. As the committee memorandum states, "The dollar benefit to returns with children in public schools is assumed to be significantly lower than that attributable to returns with children in private schools."

Proponents of the bill claim that 70 percent of the benefits from the Coverdell accounts would go to families that earn under $70,000 a year.

But again, they're distorting the facts. The facts are that the majority of the benefits under the proposal go to upper income families. Only about 10 percent of taxpayers have incomes between $70,000 and the capped income levels. Therefore, 30% of the benefits would go to just 10 percent of the taxpayers. In addition, the majority of the benefits for families who earn under $70,000 a year go to those earning between $55,000 and $70,000 a year.

Other families will get almost no tax break from this legislation. Families earning less than $50,000 a year will get a tax cut of $2.50 a year from this legislation—$2.50. You can't even buy a good box of crayons for that amount. Families in the lowest income brackets—those making less than $17,000 a year—will get a tax cut of all of $1—$1. But, a family earning over $93,000 will get $97.

Proponents also claim that these IRA's do not use public money. The money invested in the accounts, whether by individuals, their employer, or their labor union is their own money, not public funds.

But the loss to the Treasury is clear. This proposal will cost the Treasury $2.5 billion in the first 5 years. It is nonsense to pretend that these funds are not a Federal subsidy to private schools.

Scarce tax dollars should be targeted to public schools, which don't have the luxury of closing their doors to students who pose special challenges, such as children with disabilities, limited English-proficient children, or homeless students. Private schools can decide whether to accept a child or not. The real choice under this bill goes to the schools, not the parents. We should not use public tax dollars to support schools that select some children and reject others.

We all want children to get the best possible education. We should be doing more—much more—to support efforts to improve local public schools. We should oppose any plan that would undermine those efforts.

This bill is simply private school vouchers under another name. It is wrong for Congress to subsidize private schools. We should improve our public schools—not abandon them.

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Mr. President, I ask unanimous consent that Kelly Miller be granted floor privileges during this vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

CLOTURE MOTION

The PRESIDING OFFICER (Mr. ALLARD). Pursuant to rule XXII, the clerk will report the motion to invoke cloture on H.R. 2646.

The bill clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on H.R. 2646, the Education Savings Act for Public and Private Schools.

Trent Lott, Paul Coverdell, Robert F. Bennett, Pat Roberts, Strom Thurmond, Gordon H. Smith, Bill Frist, Mike DeWine, Larry E. Craig, Don Nickles, Connie Mack, Jeff Sessions, Conrad Burns, Lauch Faircloth, Thad Cochran, and Wayne Allard.

CALL OF THE ROLL

The PRESIDING OFFICER. Under a previous order, the live quorum required under the rule has been waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on H.R. 2646, the Education Savings Act for public and private schools, shall be brought to a close?

The yeas and nays are mandatory. The clerk will call the roll.

The bill clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 56, nays 44, as follows:

[Rollcall Vote No. 291 Leg.]

YEAS—56

Abraham
Allard
Ashcroft
Bennett
Bond
Brownback
Burns
Campbell
Coats
Cochran
Collins
Coverdell
Craig
D'Amato
DeWine
Domenici
Enzi
Faircloth
Frist
Gorton
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inhofe
Jeffords
Kempthorne
Kyl
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Murkowski
Nickles
Roberts
Roth
Santorum
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Torricelli
Warner

NAYS—44

Akaka
Baucus
Biden
Bingaman
Boxer
Breaux
Bryan
Bumpers
Byrd
Chafee
Cleland
Conrad
Daschle
Dodd
Dorgan
Durbin
Feingold
Feinstein
Ford
Glenn
Graham
Harkin
Hollings
Inouye
Johnson
Kennedy
Kerrey
Kerry
Kohl
Landrieu
Lautenberg
Leahy
Levin
Mikulski
Moseley-Braun
Moynihan
Murray
Reed
Reid
Robb
Rockefeller
Sarbanes
Wellstone
Wyden

The PRESIDING OFFICER. On this vote the yeas are 56, the nays are 44. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. LOTT. Mr. President, I move to reconsider the vote and I move to table the motion.

The motion to lay on the table was agreed to.

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that there now be a period for morning business until the hour of 12:30 p.m., with Senators permitted to speak for up to 10 minutes each, with the time equally divided between the two leaders or their designees.

Following morning business, the Senate would then stand in recess under the previous order until 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Therefore, the next rollcall vote would occur at 2:30 p.m. That vote would be on the cloture motion with respect to the motion to proceed to the fast-track legislation.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

ADVANCE PLANNING AND COMPASSIONATE CARE ACT

Ms. COLLINS. Mr. President, last week I was pleased to join with my colleague from West Virginia, Senator ROCKEFELLER, in introducing S. 1345, the Advance Planning and Compassionate Care Act which is intended to improve the way we care for people at the end of their lives.

Noted health economist Uwe Reinhardt once observed that "Americans are the only people on earth who believe that death is negotiable." Advancements in medicine, public health, and technology have enabled more and more of us to live longer and healthier lives. However, when medical treatment can no longer promise a continuation of life, patients and their families should not have to fear that the process of dying will be marked by preventable pain, avoidable distress, or care that is inconsistent with their values or wishes.

The fact is, dying is a universal experience, and it is time to reexamine how we approach death and dying and how we care for people at the end of their lives. Clearly there is more that we can do to relieve suffering, respect personal choice and dignity, and provide opportunities for people to find meaning and comfort at life's conclusion.

Unfortunately, most Medicare patients and their physicians do not currently discuss death or routinely make advance plans for end-of-life care. As a result, about one-fourth of Medicare funds are now spent on care at the end of life that is geared toward expensive, high-technology interventions, and rescue care. While four out of five Americans say they would prefer to die at home, studies show that almost 80 percent die in institutions where they may be in pain, and where they are subjected to high-technology treatments that merely prolong suffering.

Moreover, according to a Dartmouth study released earlier this month, where a patient lives has a direct impact on how that patient dies. The study found that the amount of medical treatment Americans receive in their final months varies tremendously in the different parts of the country, and it concluded that the determination of whether or not an older patient dies in the hospital probably has more to do with the supply of hospital beds than the patient's needs or preference.

The Advance Planning and Compassionate Care Act is intended to help us improve the way our health care system serves patients at the end of their lives. Among other provisions, the bill makes a number of changes to the Patient Self-Determination Act of 1990 to facilitate appropriate discussions and individual autonomy in making difficult discussions about end-of-life care. For instance, the legislation requires that every Medicare beneficiary receiving care in a hospital or nursing facility be given the opportunity to discuss end-of-life care and the preparation of an advanced directive with an appropriately trained professional within the institution. The legislation also requires that if a patient has an advanced directive, it must be displayed in a prominent place in the medical record so that all the doctors and nurses can clearly see it.

The legislation will expand access to effective and appropriate pain medications for Medicare beneficiaries at the end of their lives. Severe pain, including breakthrough pain that defies usual methods of pain control, is one of the most debilitating aspects of terminal illness. However, the only pain medication currently covered by Medicare in an outpatient setting is that which is administered by a portable pump.

It is widely recognized among physicians treating patients with cancer and other life-threatening diseases that self-administered pain medications, including oral drugs and transdermal patches, offer alternatives that are equally effective in controlling pain, more comfortable for the patient, and much less costly than the pump. Therefore, the Advance Planning and Compassionate Care Act would expand Medicare to cover self-administered pain medications prescribed for the relief of chronic pain in life-threatening diseases or conditions.

In addition, the legislation authorizes the Department of Health and Human Services to study end-of-life issues for Medicare and Medicaid patients and also to develop demonstration projects to develop models for end-of-life care for Medicare beneficiaries who do not qualify for the hospice benefit, but who still have chronic debilitating and ultimately fatal illnesses. Currently, in order for a Medicare beneficiary to qualify for the hospice benefit, a physician must document that the person has a life expectancy of 6 months or less. With some conditions—like congestive heart failure—it is difficult to project life expectancy with any certainty. However, these patients still need hospice-like services, including advance planning, support services, symptom management, and other services that are not currently available.

Finally, the legislation establishes a telephone hotline to provide consumer information and advice concerning advance directives, end-of-life issues and medical decision making and directs the Agency for Health Care Policy and Research to develop a research agenda for the development of quality measures for end-of-life care.

The legislation we are introducing today is particularly important in light of the current debate on physician-assisted suicide. As the Bangor Daily News pointed out in an editorial published earlier this year, the desire for assisted suicide is generally driven by concerns about the quality of care for the terminally ill; by the fear of prolonged pain, loss of dignity and emotional strain on family members. Such worries would recede and support for assisted suicide would evaporate if better palliative care and more effective pain management were widely available. I ask unanimous consent that this editorial be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Ms. COLLINS. Mr. President, patients and their families should be able to trust that the care they receive at the end of their lives is not only of high quality, but also that it respects their desires for peace, autonomy, and dignity. The Advanced Planning and Compassionate Care Act that Senator ROCKEFELLER and I have introduced will give us some of the tools that we need to improve care of the dying in this country, and I urge my colleagues to join us in this effort.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

EXPLOITATIVE CHILD LABOR

Mr. HARKIN. Mr. President, I want to speak for a few minutes about a very troubling shortcoming in the legislation to grant the President fast-track authority, and that is its failure to adequately address the issue of abusive and exploitative child labor.

First, let me discuss what I mean by exploitative child labor. It is a term well known in international relations. We are not talking about children who work part time after school or on weekends. There is nothing wrong with that. I worked in my youth. I bet the occupant of the Chair worked in his youth. There is nothing wrong with young people working. That is not the issue.

Exploitative child labor involves children under the age of 15, forced to work, many times in hazardous conditions, many under slave-like conditions, who sweat long hours for little or no pay. They are denied an education or the opportunity to grow and develop. It is the kind of work that endangers a child's physical and emotional well-being and growth. The International Labor Organization estimates that there are some 250 million children worldwide engaged in this sort of economic activity.

These are the kind of kids we are talking about. We are talking about this young Mexican girl, harvesting vegetables in the fields of Hidaigo State. They are out there working long hours, all day long. They are not in school. You know, my farmers in Iowa can compete with anybody around the world. That is why we have always believed in free trade. But we believe in a level playing field. My farmers cannot compete with this slave. That is what she is. You can dress it up in all kinds of fancy words and cover it up, but that girl out in that field is working under slave-like conditions because she has no other choice. And isn't that the definition of slavery?

She is not alone. It is in Pakistan and India, Bolivia, Southeast Asia, all around the world—children working under these kinds of conditions. I am not talking about after school. I am talking about kids who are denied an education, forced to work in fields and factories under hazardous conditions for little or no pay.

I have been working on this issue for a long time. In 1992 I introduced the Child Labor Deterrence Act, to try to end abusive and exploitative child labor. It would have banned the importation of all goods into the United States made by abusive and exploitative child labor.

Some have said this is revolutionary, but I don't believe so. I believe it is written in the most conservative of all ideas that this country stands for; that international trade cannot ignore international values.

Would the President of the United States ever send a bill to Congress dealing with free trade or opening up trade with a country that employed slave labor? Of course not; he would be laughed off the floor. But what about this young girl? What about the millions more like her around the world? They are as good as slaves because they don't have any other choice and they are forced to do this under the guise of free trade.

We, as a nation, cannot ignore, this. In 1993, this Senate put itself on record in opposition to the exploitation of children by passing a sense-of-the-Senate resolution that I submitted.

In 1994, as chairman of the Labor, Health and Human Services Appropriations Subcommittee, I requested the Department of Labor to begin a series of reports on child labor. Those reports, now three in number, represent the most thorough documentation ever assembled by the U.S. Government on this issue. They published three reports; the fourth will be completed shortly.

Earlier this year, I introduced a bill called the Child Labor Free Consumer Information Act, which would give consumers the power to decide through a voluntary labeling system whether they want to buy an article made by child labor or not. Every time you buy a shirt, it says on the shirt where it was made. It tells you how much cotton, how much polyester and how much nylon, et cetera, is in that shirt. It has a price tag on it and tells you how much it cost to buy. But it won't tell you what it may have cost a child to make that shirt or that pair of shoes or that glassware or that brass object or that soccer ball or any number of items, including the vegetables that this girl is harvesting in Mexico.

So we said, let's have a voluntary labeling system, and if a company wanted to import items into the United States, they could affix a label saying it was child labor free. In exchange for that label, they would have to agree to allow surprise inspections of their plants to ensure that no children were ever employed there.

To me, this puts the power in the hands of consumers. It gives us the information that we need to know. I still think this is the direction in which we ought to go, a labeling system, and we have experience in that.

Right now "RUGMARK" is being affixed to labels on rugs coming out of India and Nepal that verifies that rug was not made with child labor, and it is working. It is working well, because now the people authorized to use the "RUGMARK" label have to open up their plants for people to come in and make sure no children are employed there, and they get the label "RUGMARK," which certifies it was not made with child labor. The "RUGMARK" program also provides funds to build schools and provides teachers to educate these children so that they are not displaced. So if I, as a consumer, want to buy a nice hand-knotted rug, if I see that "RUGMARK" label, I know it was not made by child labor. More and more importers are importing "RUGMARK" rugs into this country. It has worked well in Europe, and now it is in the United States.

In October of this year, Congress passed into law another provision that I had worked on with Congressman SANDERS in the House. It is regarding section 307 of the Tariff Act of 1930, which makes it clear that goods made with forced or indentured labor are to be barred from entry into the United States. Section 307 of the tariff law of

1930 banned articles made by prison labor and forced labor from coming into this country. That has been on the books since 1930. What Congress passed was a clarification of that law or an explanation of that law to say that it also covers goods made by forced or indentured child labor. Congress passed it as part of the Treasury-Postal appropriations bill.

So you might say, Well, if you have done that, then there is nothing else to do. But that is only an appropriations bill, and it is only good for 1 year. We are now working with Customs officials to try to decide how they find those articles made by exploitative child labor. Again, it is only good for 1 year. Will we be able to put this into permanent law next year? I don't know. And that still does not address the issue of children who don't make goods bound for the U.S. market.

Right now, Mr. President, it is estimated somewhere in the neighborhood of 12.5 million kids around the world are involved in this kind of exploitative child labor, making goods that go into foreign trade that come into this country; 12.5 million kids, a large number being exploited for the economic gain of others.

Make no mistake about it, their economic gain is an economic loss for this child and their country and for the United States. Every child lost to the workplace in this manner is a child who will not learn a valuable skill to help their country develop economically or becoming a more active participant in the global markets.

We have done much to address the issue of exploitative child labor, but I am sorry to say that one of the most important measures that we will be asked to vote on this year or perhaps next year, depending on when it comes here for a vote—this bill, S. 1269, the so-called fast-track bill—does not recognize the depths of the problem of exploitative child labor and does little to help protect them from exploitation.

This bill protects songs. It protects computer chips. Let me read. Intellectual property. This bill, under part B, says, "the principal trade negotiating objectives." There are 15. Principal trade negotiating objectives. The first is reduction of barriers to trade in goods. The second is trade in services. The third is foreign investment. Fourth is intellectual property, and it says:

> The principal negotiating objectives of the United States regarding intellectual property are—

And it has a bunch of things here. It says:

> . . . to recognize and adequately protect intellectual property, including copyrights, patents, trademarks, semiconductor chip layout designs. . .

The PRESIDING OFFICER. The Senator's time has expired.

Mr. HARKIN. I ask unanimous consent for 5 more minutes to finish up.

The PRESIDING OFFICER. Is there objection?

Mr. HARKIN. Three more minutes.

Mr. BOND. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. Mr. President, I know people are here to speak. I just want to finish.

We are protecting semiconductor chip computer design layouts. If we can protect a song, we can protect a child. That is my bottom line on this. What do they do with child labor? Oh, it is back here on page 18, "It's the policy of the United States to reinforce trade agreements process by seeking to establish in the International Labor Organization"—the ILO—"a mechanism for the examination of, reporting on"—et cetera, and includes exploitative child labor. It doesn't mean a thing. I know all about the ILO. It is a great organization. It has absolutely zero enforcement powers.

If we can protect a song, why can't we protect a child? Why don't we elevate exploitative child labor to the same status as intellectual property rights? Let's make it a separate principal trade negotiating objective of this Government that when we negotiate a trade agreement with a country, yes, we will negotiate on trade in services and on foreign investment and intellectual property. But let's also put child labor right up there as one of the principal negotiating objectives of our Government.

I have an amendment drafted to that extent. It mirrors exactly what is done in intellectual property. We make this young girl the equivalent of a song or a computer chip layout design. Anything less than that means that this fast-track legislation ought to be consigned to the trash heap of history. If we are not willing to take that kind of a step to announce it loudly and forcefully to the White House and to instruct the people who are involved in negotiating our trade agreements, then this body has no reason at all to pass fast-track legislation. We must elevate the issue of exploitative child labor to that level. Anything less will not do.

I yield the floor and thank my friend from Missouri for giving me the opportunity to finish my statement.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from Missouri.

TRANSPORTATION REAUTHORIZATION BILL

Mr. BOND. Mr. President, I rise today to present to my colleagues what I think is a compromise that will help us get over a very difficult situation. I am very proud to be a member of the Environment and Public Works Committee and to have joined with the leadership of that committee—Chairman CHAFEE, Senator WARNER, Ranking Member BAUCUS, and the other members of the committee, in reporting out what I believe is an excellent transportation reauthorization bill.

I think this is a bill that we need for the next 6 years. We need it for transportation, for safety, for economic development. The simple fact of the matter is, without discussing the whys, the "where we are" is we are not going to get that passed this year. There, in my view, is no way that we can get agreement, get it passed on the floor of the Senate, and agree with the House on a very different approach they are taking prior to the time we adjourn for the remainder of the year.

If we don't—and we had a hearing today in Environment and Public Works—No. 1, the Department of Transportation operations cannot continue, vitally needed safety programs cannot continue, transit programs cannot continue, and many States will not be able to let the contracts they need for major construction projects in the coming months because they will not have the obligational authority.

There is a lot of money in the States—over $9 billion—that is unobligated that has been authorized, but the problem is very often it is in the wrong category. The States have money, but it may be in CMAQ when they need it in STP or the various different programs.

The question is, what are we going to do about it? Some in the House have presented a proposal that is sort of a 6-month extension. It keeps the old formula and tries to jam everything into 12 months. Frankly, that is very unfair to my State and quite a few other States that are known in this body as donor States.

I can assure you that any time we try to do something in the highway and transportation area that gets us into a formula discussion, we are going to spend some time at it. I feel very strongly about the formulas, and I intend to express myself about them, as other Members should.

What are we going to do about it? What are we going to do about the fact that safety and transit programs run out and many States will not be able to let contracts they need for major projects at the end of the winter when they have to get ready for the summer construction season?

Today I presented to my colleagues in the Environment and Public Works Committee a compromise which I think enables us to continue these vitally important operations. Certainly highways and transportation are right at the top of the list of things that my constituents in Missouri want to see us do. It will enable us to come back after the first of the year, pass a 6-year reauthorization and do so without penalizing the States and the transit and the safety programs.

What we would do under my bill is provide 6 months of funding for the safety programs, the Department of Transportation operations and transit. For the unobligated balances, we would give the States complete flexibility. If they want to put surface transportation money into construction mitigation, they could do so, and they would be able to continue their operations and issue contracts through March 31.

Some States do not have enough unobligated balances to be able to continue their contracting authority through March 31 at the same rate they had done in this year or the previous year. So for those States, my measure would provide them an advance, an advance against what we are going to authorize in the bill that we must pass and that the President must sign so transportation can go forward in this country.

For most States, it means a small amount, but we would advance fund that money without regard to the formula. Say, for example, you had $250 million in unobligated balances, but in the first 6 months in one of those years you obligated $290 million. We would have the Department of Transportation advance $40 million to that State so that between now and March 31, the State would be able to obligate $290 million for transportation purposes.

Later on in the year, when that State's allocation is determined and, say, under the formula that State would get $500 million from probably, say, $800 million for the year, that $40 million would be deducted from the allocations under the new authorization, and they would get $760 million.

What this does, Mr. President, is allow us to keep things operating, keep contracts being let, keep transit programs and safety programs operating without getting bogged down in the formula fight.

As I said earlier, when I say "bogged down," I look forward to the very active discussion of the funding formula. It is one of the most important things that we need to do around here in terms of economic development, transportation and safety. But it will take some time. I would envision that whenever the majority leader wants to schedule it, it would take at least a couple of weeks and maybe more. So while we are doing that, we should not cut off the transit, the safety, or the contracting obligation that the States would normally do.

As I said, we presented this at the EPW hearing this morning. We had a very good discussion with representatives of the National Governors' Association and the Department of Transportation.

Mr. President, the National Governors' Association has sent a letter signed by 39 Governors. Getting 39 Governors—having been one—I can tell you, to sign on a letter is not easy. But the Governors very simply said:

> . . . it is imperative for the Senate to consider and pass short-term legislation providing funding for highway, transit, and safety programs and to complete a conference on that legislation with the House of Representatives. Such legislation would minimize the interruption in funding to State and local governments. It would also avoid the disastrous effects that a several-month lapse in authorization would have on many States' transportation programs.

Mr. President, I ask unanimous consent that that letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL GOVERNORS ASSOCIATION,
Washington, DC, November 4, 1997.

Hon. TRENT LOTT,
Majority Leader, U.S. Senate,
Washington, DC.

Hon. THOMAS A. DASCHLE,
Minority Leader, U.S. Senate,
Washington, DC.

DEAR SENATOR LOTT AND SENATOR DASCHLE: Given the very limited time remaining in this legislative session, it is imperative for the Senate to consider and pass short-term legislation providing funding for highway, transit, and safety programs and to complete a conference on that legislation with the House of Representatives. Such legislation would minimize the interruption in funding to state and local governments. It would also avoid the disastrous effects that a several-month lapse in authorization would have on many states' transportation programs.

Sincerely,

Governor George V. Voinovich; Governor Thomas R. Carper; Governor Edward T. Schafer, Co-Chair, Transportation Task Force; Governor Paul E. Patton, Co-Chair, Transportation Task Force; Governor Mike Huckabee; Governor Roy Romer; Governor Lawton Chiles; Governor Philip E. Batt; Governor Terry E. Brandstad; Governor Mike Foster; Governor Parris N. Glendening; Governor Arne H. Carlson; Governor Marc Racicot; Governor Jeanne Shaheen; Governor Jane Dee Hull; Governor Pete Wilson; Governor John G. Rowland; Governor Zell Miller; Governor Frank O'Bannon; Governor Bill Graves; Governor Angus S. King, Jr.; Governor John Engler; Governor Mel Carnahan; Governor Bob Miller; Governor Christine T. Whitman; Governor James B. Hunt, Jr.; Governor David M. Beasley; Governor Don Sundquist; Governor Howard Dean, M.D.; Governor Gary Locke; Governor Tommy G. Thompson; Governor Benjamin J. Cayetano; Governor John A. Kitzlaber; Governor William J. Janklow; Governor Michael O. Leavitt; Governor Roy Lester Schneider, M.D.; Governor Cecil H. Underwood; Governor E. Benjamin Nelson; Governor Pedro Rosselló.

Mr. BOND. Mr. President, in conclusion, let me say that we have had good ideas from both sides of the aisle in the EPW Committee. We look forward to working with Chairman WARNER, Senator BAUCUS, Chairman CHAFEE, the other members of the committee.

I hope this is something that we could agree on and move forward on quickly so that our States and the traveling public will not suffer while we go through the very important discussions on coming up with a new highway funding formula.

I invite comments. I look forward to working with my colleagues. This one I hope we can do on a bipartisan basis without the regional differences that will inevitably arise when we begin discussion of the funding formula.

Mr. President, I appreciate the time, and I yield the floor.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, November 3, 1997, the Federal debt stood at $5,427,078,768,247.28 (Five trillion, four hundred twenty-seven billion, seventy-eight million, seven hundred sixty-eight thousand, two hundred forty-seven dollars and twenty-eight cents).

Five years ago, November 3, 1992, the Federal debt stood at $4,068,937,000,000 (Four trillion, sixty-eight billion, nine hundred thirty-seven million).

Ten years ago, November 3, 1987, the Federal debt stood at $2,392,685,000,000 (Two trillion, three hundred ninety-two billion, six hundred eighty-five million).

Fifteen years ago, November 3, 1982, the Federal debt stood at $1,142,065,000,000 (One trillion, one hundred forty-two billion, sixty-five million).

Twenty-five years ago, November 3, 1972, the Federal debt stood at $435,625,000,000 (Four hundred thirty-five billion, six hundred twenty-five million) which reflects a debt increase of nearly $5 trillion—$4,991,453,768,247.28 (Four trillion, nine hundred ninety-one billion, four hundred fifty-three million, seven hundred sixty-eight thousand, two hundred forty-seven dollars and twenty-eight cents) during the past 25 years.

ENSURING THE HEALTH OF INTERNATIONALLY ADOPTED CHILDREN UNDER 10

Mr. ABRAHAM. Mr. President, I rise to express my support for H.R. 2464, legislation to exempt internationally adopted children under age 10 from the immunization requirement that was contained in last year's immigration bill.

Mr. President, in my view it is important that the Federal Government not unnecessarily burden American parents who adopt foreign born children. The process of adopting a child abroad is already quite arduous and involves great emotional risk. The Federal Government should not make that process yet more difficult. It is particularly important that we not endanger the health of these children.

Last year's immigration bill unnecessarily and unintentionally made the process of adopting foreign born children more difficult.

I am, however, concerned that this bill did not go far enough. There are adopted children 10 years of age and older who do not need to be treated differently than those under 10 years old. Moreover, the problems with infected needles in many countries should give us serious pause as to whether immigrant children who are not adopted are undergoing undue risk.

I also want to call attention to a provision that I would have preferred not be in this bill—the provision requiring that parents of the exempted adopted children must sign an affidavit promising to vaccinate their children within 30 days or when it is medically appropriate. I think we do not want to imply in this or other legislation that the Federal Government cares more about children than parents do and, unfortunately, I think that is what this provision says.

Despite these reservations, I think that this is a good bill and it is an important bill for the many Americans who will be adopting children internationally both this year and in the years to come. I want to commend the sponsors of the bill and commend the leadership on this issue of the two Senators from Arizona, Senator KYL and Senator MCCAIN, who have helped see to it that this important correction in law will become a reality and thus help ensure the safe adoption of foreign-born children by American citizens.

ONE-CALL NOTIFICATION PROVISIONS

Mr. FAIRCLOTH. I would like to clarify the intent of the Commerce Committee's ISTEA transportation safety amendment as it relates to State one-call—call-before-you-dig—programs. It is my understanding that the one-call provisions of this amendment are the same as the provisions of S. 1115, the Comprehensive One-Call Notification Act of 1997.

Mr. LOTT. The Senator is correct. The minority leader and I introduced as S. 1115 on July 31. Thirteen of our colleagues have joined us as cosponsors to the bill, and the Committee on Commerce, Science, and Transportation held a hearing on the bill on September 17. I will be happy to respond to the Senator's questions.

Mr. FAIRCLOTH. I have received a number of calls and letters from North Carolina contractors concerned about this bill and its inclusion in ISTEA. As the leader knows, these companies are overwhelmingly small businesses, and they provide a large number of jobs for people in our States. However, when they think of the Federal Government and its regulators, they think of the Occupational Safety and Health Administration. Their experience with OSHA has not been good. The contractors are definitely not interested in seeing a toehold established for further regulation of this type under the guise of one-call notification. Can the leader tell me that the provisions we are talking about here will not be converted into a Federal regulatory program effecting small business?

Mr. LOTT. I can assure the Senator, most emphatically, that this will not happen. This is not a regulatory bill. The Lott-Daschle bill presumes that each State provides the legislative foundation for the one-call notification program in that State. Remember, all one-call programs are currently State programs, and this will remain unchanged. The sole aim of the bill is to encourage States to act voluntarily to improve their own State one-call programs by providing fiscal assistance for those States who want to do more.

Furthermore, this legislation does not regulate through the back door by imposing a Federal mandate on the States to modify their existing one-call programs. Rather, it makes funding available to improve these programs. To be eligible for the funding, the programs must meet certain minimum standards, but even those standards are performance-based, not prescriptive. And States will be involved in the rulemaking which establishes these standards. No State has to apply for these funds if it doesn't wish to.

The bill does not preempt State law. Let me repeat that; no State law will be preempted. States continue to their responsibility for the regulations for notification prior to excavation and for location and for marking of underground facilities. Nothing in this bill changes this. States prescribe the details of one-call notification programs. This not something the Federal Government should do or is able to do effectively.

This bill is not intended to lead to a Federal regulatory program on the backs of small business. It is not intended to do this, and it will not do this.

Mr. FAIRCLOTH. I thank leader for that assurance.

Among the minimum standards required for a one-call notification program to be eligible for Federal assistance is the requirement for "appropriate participation" by all excavators and underground facility operators. "Appropriate participation" would be determined based on the "risks to public safety, the environment, excavators and vital public services."

Contractors who visited my office see this as a loophole that could actually weaken State programs. The contractors are very concerned that the Federal Government would declare some situations to be low risk, and this would in turn encourage facility operators to seek exemptions from one-call requirements because their participation would be deemed no longer "appropriate".

Mr. LOTT. First, let me say to my colleague that I am very much in favor of encouraging Federal and State agencies put regulatory effort where the real risks are. We don't have so much money and so much desire to regulate that we can afford to spend our time and money regulating nonexistent risks. There is far too much regulating of fictitious risks going on in our economy today. So I think the emphasis on looking at actual risk is desirable. And the other side of it is that situations that pose a real risk should be covered, absolutely should be covered. We think the Lott-Daschle bill will encourage the States to look at risks that are not now covered and increase participation in one-call notification programs accordingly.

In answer to the contractors' contention, I would reply to them that the intent of this bill is to strengthen State one-call programs and not to weaken them. This is what the Congress is saying to the States with the Lott-Daschle bill: "Strengthen your programs. Strengthen your programs, and you will be rewarded."

And the Department of Transportation, which will administer this program, is saying the same thing. I recently received a letter from Secretary of Transportation Rodney E. Slater supporting the Lott-Daschle one-call notification bill. I put that letter in the RECORD of October 22. In his letter, Secretary Slater says, "safety is the Department of Transportation's highest priority."

Secretary Slater is not interested in weakening State one-call notification programs. A State that submits a grant application to the Department of Transportation with a weakened State one-call program is not going to see that application approved. The Department of Transportation will make sure of that.

Finally, the Lott-Daschle bill does not provide for a one-size-fits-all Federal determination of what constitutes a risk. Under the bill the intent is that the determination of risk will be made at the State level, where local conditions and practices can be taken into account.

This is another reason that I'm sure we don't need to be concerned about weakening State laws. States with strong laws are not going to undertake to weaken them in order to apply for a grant from the DOT under this bill. They know that DOT is trying to strengthen these laws. It just wouldn't make any sense.

A State which successfully confronted special interests and enacted a strong one-call program would be both unlikely and foolish to try to use this bill to weaken these programs. If a State were that misguided, the DOT is certain to reject their application.

This bill will mean stronger State one-call notification laws, more participation and better enforcement. That's why 15 Senators want to advance this legislation.

Mr. FAIRCLOTH. The contractors who visited my office felt that the bill is a dagger pointing at them, and that it unfairly singles out excavators as the cause of accidents at underground facilities. Can the bill be made more evenhanded?

Mr. LOTT. I believe the bill does attempt to be evenhanded. For example, finding (2) of the bill points to excavation without prior notice as a cause of accidents, but in the same phrase it includes failure to mark the location of underground facilities in an accurate or timely way as a cause as well. In truth, these are both causes of accidents, and the bill proposes to deal with both.

Both excavators and underground facilities can stand to improve performance in the area of compliance with one-call requirements. There is no intent in this bill to blame one side or the other. If the Senator believes that the bill unfairly stigmatizes contractors, I would want to right the balance, because that is not what is intended.

What we are trying to do is to set up a process where the States can address problems we all know are there. There are too many accidents at underground facilities. Let's see what we can do to improve that situation. Let's see what we can do cooperatively, underground facility operators and contractors, Federal agencies and State agencies. Let's use incentives rather than preemption and regulation. That is what this bill is trying to do.

Mr. FAIRCLOTH. I thank the leader for these clarifications.

BEING ON TIME

Mr. GRASSLEY. Mr. President, in the spirit of legislation I am sponsoring with Senator WYDEN, I want to make something clear. I want to make it a matter of public record that I am putting a hold on the nominations for ambassador of individuals being considered for posts in Bolivia, Haiti, Jamaica, and Belize. I am also asking to be consulted on any unanimous-consent agreements involving the Foreign Service promotion list if it should come up for consideration.

I am taking this step to make it clear to the State Department and the administration that the Congress takes the law seriously. Something the administration appears not to do. Under the law, the administration is required to submit to the Congress on November 1 of each year the names of countries that the administration will certify for cooperation on drugs. Last year, the administration was late in submitting that list. The administration had asked for more time and we gave it to them. Although I believe 6 weeks was pushing it.

The Congress made it clear then, however, that being late was not a precedent. We gave the administration an extra month in law. And they missed that deadline. They asked for more time last year and we gave it to them. We made it clear, though, that giving more time last year was not to become an excuse for being tardy in the future.

This point seems to have gotten lost. This year, again, the administration has not submitted the list as required by the law on the date specified. And there is no indication just when or if it may arrive. This is simply not acceptable. This leisurely approach and irresponsible attitude needs an appropriate response.

It appears we need to get the administration's attention so that they will abide by the law. This needs to be done especially on a law involving drug control issues at a time of rising teenage use. In the spirit, then, of reminding the administration that we in Congress actually do mean the things we say in law, I am putting a hold on these nominations.

The countries in question have been on past lists, and therefore there is a link to my hold now. That hold will remain in place until such time as we receive the list in question. If we do not receive a timely response, I may consider adding to my list of holds.

Let me note, also, that by "timely response" I do not mean a request for more time. I mean having the list in hand. The November 1 deadline is not a closely held secret. The fact that the list is due is not an annual surprise. Or it shouldn't be. I hope that the administration will find it possible to comply with the law, late though this response now is. And that they will do the responsible thing in the future. I thank you.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ABRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. ABRAHAM, Mr. GRAMS, and Mr. D'AMATO pertaining to the introduction of S. 136 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

RECESS UNTIL 2:30

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2:30 p.m.

Thereupon, the Senate, at 12:30 p.m., recessed until 2:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. COATS).

CLOTURE MOTION

The PRESIDING OFFICER. The Chair directs the clerk to report the motion to invoke cloture on the motion to proceed to the fast track legislation.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provision of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to calendar No. 198, S. 1269, the so-called fast-track legislation.

Trent Lott, Bill Roth, Jon Kyl, Pete Domenici, Thad Cochran, Rod Grams, Sam Brownback, Richard Shelby, John Warner, Slade Gorton, Craig Thomas, Larry E. Craig, Mitch McConnell, Wayne Allard, Paul Coverdell, and Robert F. Bennett.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate shall be brought to a close on the motion to proceed to S. 1269, the so-called fast track legislation?

The rules require a yea or nay vote. The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 69, nays 31, as follows:

[Rollcall Vote No. 292 Leg.]

YEAS—69

Abraham
Akaka
Allard
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Breaux
Brownback
Bryan
Bumpers
Chafee
Cleland
Coats
Cochran
Collins
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Domenici
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Helms
Hutchinson
Hutchison
Inouye
Jeffords
Johnson
Kempthorne
Kerrey
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Moynihan
Murkowski
Murray
Nickles
Robb
Roberts
Rockefeller
Roth
Sessions
Smith (OR)
Thomas
Thompson
Warner
Wyden

NAYS—31

Boxer
Burns
Byrd
Campbell
Conrad
Dorgan
Durbin
Enzi
Faircloth
Feingold
Feinstein
Ford
Harkin
Hollings
Inhofe
Kennedy
Levin
Mikulski
Moseley-Braun
Reed
Reid
Santorum
Sarbanes
Shelby
Smith (NH)
Snowe
Specter
Stevens
Thurmond
Torricelli
Wellstone

The PRESIDING OFFICER. On this vote the yeas are 69, the nays are 31. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote.

Mr. GRAMM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RECIPROCAL TRADE AGREEMENT OF 1997—MOTION TO PROCEED

The Senate proceeded to consider the motion.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Mr. President, under the rule, I would like to yield 1 hour that I have to the distinguished ranking member of the Senate Finance Committee, Senator MOYNIHAN.

The PRESIDING OFFICER. If the Senator will suspend for a moment, the Senate is not in order. If Members will take their conversations off the floor? The Senator from New York.

Mr. MOYNIHAN. Mr. President, I thank the generosity of my good friend and colleague on the Finance Committee, the Senator from Nevada. He is, as ever, generous and not without a certain wisdom because this debate could be going on for a long time.

I yield the floor.

The PRESIDING OFFICER. The question is on the motion to proceed to the bill. Is there further debate?

The Senator from North Dakota.

Mr. DORGAN. Mr. President, could I clarify with the Presiding Officer the parliamentary situation? My understanding is that we are in a postcloture period of up to 30 hours debate?

The PRESIDING OFFICER. The Senator is advised we are under postcloture debate, 30 hours of consideration.

Mr. DORGAN. Might I ask the Parliamentarian how that debate will be managed and or divided? My understanding is that each Senator is allowed to speak for up to 1 hour during the postcloture period, is that correct?

The PRESIDING OFFICER. The Senator is correct. A maximum of 1 hour.

Mr. DORGAN. With the exception being that time can be provided, up to 3 hours, to managers of the bill, is that correct, if another Senator would yield his or her hour?

The PRESIDING OFFICER. The Senator is correct. Each manager and each leader may receive up to 2 hours from other Senators, and then of course with their own hour the total would be 3.

Mr. DORGAN. Would I be correct to say that in a postcloture proceeding of this type, that the manager on each side can be a manager on the same side of the issue?

The PRESIDING OFFICER. That could occur.

Mr. DORGAN. So I then ask the managers, if I might yield to them for a response, because we will be involved here in a period of discussion prior to the vote on the motion to proceed, and that discussion is a period provided for up to 30 hours, I would like to ask my colleagues how we might decide that all sides will have an opportunity for full discussion of this?

I guess what I would ask the ranking manager, and the chairman of the Finance Committee as well, is how they would envision us proceeding in this postcloture period? I will be happy to yield to the chairman of the Senate Finance Committee for that purpose.

The PRESIDING OFFICER. Does the Senator from North Dakota yield the floor?

Mr. DORGAN. No. I do not. As I understand it, the Presiding Officer was intending to move to put the question on the motion to proceed. Because the Presiding Officer was intending to do that, I sought recognition and the Presiding Officer recognized me. My understanding is we are now in a postcloture period providing up to 30 hours of discussion.

The PRESIDING OFFICER. The Senator is correct. The 30 hours of consideration.

Mr. DORGAN. Consideration. Then I seek to be recognized, inasmuch as no one else was intending to be recognized and inasmuch as I certainly want time to be used to discuss this issue. I was simply inquiring of the chairman of the Finance Committee and the ranking member of the Finance Committee the process they might engage in, in terms of using this time that we are now in, in postcloture. I was intending to yield—not yield the floor, but I was intending to ask a question so we might have a discussion about how we use this time.

If I am unable to do that, I will just begin to use some time, I guess, if that would be appropriate.

I invite again—I didn't seek the floor for the purpose of intending to speak ahead of those who perhaps should begin this discussion. But neither did I want the Presiding Officer to go to the question, which the Presiding Officer was intending to do.

Is the Senator——

The PRESIDING OFFICER. The Senator presumes to know what the Presiding Officer was intending to go do. He may or may not be correct in that assertion.

Mr. DORGAN. The Presiding Officer announced his intention, which was the reason I sought the floor. If it is not inappropriate, then, I would simply begin a discussion. But I don't want to do that if the chairman of the Finance Committee, who I think should certainly have the opportunity to begin the discussion, or the ranking member, wish to do that. I was simply inquiring about the opportunity on how we might divide some of the time as we proceed.

The PRESIDING OFFICER. Does the Senator yield the floor?

Mr. DORGAN. Mr. President, having invited that response, if there is no response I will be happy to begin a discussion in the postcloture period. But again I certainly want to——

Mr. ROTH. Parliamentary inquiry, doesn't he have to yield the floor to get a response?

The PRESIDING OFFICER. The Chair would advise, in response to the question of the Senator from Delaware, that the Senator who has the floor has no right to pose the question to another Senator unless he yields the floor.

Mr. DORGAN. Mr. President, I make the point of order a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KEMPTHORNE). Without objection, it is so ordered.

Mr. ROTH. Mr. President, it is unthinkable that the Senate would not revive the fast-track trade negotiation authority enjoyed by previous Presidents.

Since its inception, the United States has been a trading state, and from the Jay treaty that ended the Revolutionary War to the Uruguay round agreements that established the World Trade Organization, we have, in the main, pursued a policy of free and open commerce with all nations.

That legacy has helped bring us unrivaled prosperity. We are in the seventh year of sustained economic expansion, and during that same period, the United States has registered the greatest rise in industrial production of any developed nation, an increase over the last decade of 30 percent.

It is no coincidence that our economic growth has taken place at a time when we have struck a series of international agreements that have sharply lowered barriers to American trade abroad. The opponents of trade and economic growth do not want you to hear that the United States has been a significant winner in those agreements.

In the Uruguay round, we cut our tariffs an average of 2 percentage points, while trading partners cut theirs between 3 and 8 percent.

In NAFTA, while we eliminated the average 2-percent tariff on Mexican imports, Mexico eliminated its 10-percent average tariffs, as well as a host of nontariff barriers that inhibited United States market access.

That job is not done. In most developing countries which represent the markets of the future for U.S. goods and services, tariffs on many products range up to 30 percent and higher. Developed countries continue to maintain high barriers in sectors where the United States has a tremendous comparative advantage. In Europe, for example, tariffs on our dairy products exceed 100 percent. In Japan, the tariffs on United States dairy products exceed 300 percent, and tariffs on our wheat exports, most of it grown in Midwestern States such as North Dakota, remain above 150 percent. In other words, we have vastly more to gain from trade than we do to lose.

Let's agree on this much: We cannot legislate reduction in foreign tariffs or market access. That has to be done at the negotiating table. For that, the President needs negotiating authority. Simply put, a vote for fast track recognizes the fact that today, more than ever, our economic well-being is tied to trade.

Exports now generate one-third of all economic growth in the United States. Export jobs pay 10 to 15 percent more than the average wage. In the last 4 years alone, exports have created 1.7 million well-paying jobs and, by some estimates, as many as 11 million jobs, and this country now depends directly on exports.

As a result, when asked why the Senate would extend fast-track authority to the President, I offered a very practical answer. In 1989, General Motors exported three automobiles to Mexico. This past year, the third full year after we reached a trade agreement with Mexico that many have criticized, General Motors exported over 60,000 vehicles. That amounts to $1.2 billion in sales and paychecks for workers in General Motors' facilities and those of their U.S. suppliers.

I also explained that trade benefits all of us in many other ways. By producing more of what we are best at and trading for those goods in which we do not have a comparative advantage, we ensure that every working American has access to a wider array of higher quality goods at lower prices. In that respect, using the fast-track authority to liberalize trade acts just like a tax cut; we leave more of each consumer's paycheck in their pocket at the end of each month by ensuring that they get the highest quality goods at the lowest price.

I think it is also worth underscoring that trade does not mean fewer jobs. By increasing the size of the economic pie, trade means more jobs and better pay, as the figures I noted attest. Higher wages depend on rising productivity, a growing economy and rising demand for labor. Each of those factors depend on expanding our access to foreign markets, and to expand our access to foreign markets, the President needs fast-track authority.

I do not, therefore, view the question before this body as simply whether another, in a long line of bills, will pass. The question before this body is whether the United States will maintain its leadership role as the world's foremost economic power and assure our future economic prosperity.

Some might ask why the United States should continue to bear that responsibility. The answer lies in our own history. It relates those times when we have forsaken our traditional policy of open commerce in favor of protectionism, as some would have us do now.

The Smoot-Hawley tariff and the retaliation it engendered among our trading partners gravely deepened the Great Depression. Economic deprivation left citizens in many countries easy prey for the political movements that led directly to the Second World War. And it is worth remembering that the foundations of the current international trading system were built on the ashes of that great conflict. America led the way in establishing the current economic order as a means of ensuring that the trade policies of the past would not—and I emphasize would not—lead to similar devastating conflicts in the future.

It was, in fact, the effects of the Smoot-Hawley tariff and the Depression that led to the original grant of tariff negotiating authority and the namesake of this bill: Reciprocal Trade Agreement Act of 1934.

On the strength of that grant of negotiating authority, President Roosevelt and his Secretary of State Cordell Hull, a distinguished former Member of this body and a member of the Finance Committee, created the trade agreements programs that reversed the protectionist course of trade relations and laid the groundwork for the post-war economic order. Five decades and eight multilateral rounds of trade negotiations have helped us to build this burgeoning economy.

The lessons of the postwar years are easy to forget. It is easy to forget that Congress' grant of trade negotiating authority to the President was one of the key components of our economic success, and led to reduction in tariffs among developed countries from an average of over 40 percent to just 6 percent at the end of the Uruguay Round.

It is easy to forget that on the strength of those grants of negotiating authority, Democratic and Republican Presidents alike helped forge economic relationships with our allies that have seen us through the succeeding decades to the dawn of a new era.

American firms and American workers now compete in a global marketplace for goods and services, and the economic future of each and every American now depends on our ability to meet that challenge. The changes we see in the marketplace and in our daily lives represent the benefits and costs of technological change. We should not make trade a scapegoat, as some do, for that process.

Progress brings dislocation and requires adjustment. Indeed, with every expansion of our economy there are dislocations. This is an inevitable part of the economic process. Every expansion exposes inefficiency.

At its most basic and personal level, economic progress occurs when an individual worker shifts from an inefficient way of doing things to a more efficient one, from stage coach driver, the original teamster, to railroad engineer, to truck driver, to pilot for an overnight air delivery system.

Such transitions, of course, are not always easy. I firmly believe that the many who benefit from expanding trade and economic growth must help those who do not. But that adjustment is the inevitable effect of technological progress and economic growth, not the grant of fast-track authority.

There are some who argue that the cost of these transitions is too high, that we are doing just fine economically without further trade agreements, and that there is no need for fast-track negotiating authority. My reply is simple and straightforward. We need fast-track authority now more than ever. Without the ability to take a seat at the negotiating table, we will be giving up the ability to shape our own economic destiny. If we leave it to others to write the rules for the new era of international competition, we will be leaving our economic future in their hands, and we will lose the ability to shape the rules of the new global economy to our liking.

The evidence of that is already mounting. Our trading partners are proceeding without us and giving their firms a competitive advantage over American businesses in the process. Canada and Mexico have, for example, negotiated free-trade arrangements with Chile while we have debated the merits of fast track. And because Chilean tariffs average 11 percent, our firms now compete at an 11-percent disadvantage against Canadian and Mexican goods in the Chilean market.

The same holds true more broadly in the rest of the rapidly growing markets of Latin America and Asia. A recent article in the Wall Street Journal described the efforts of European trade negotiation to steal a march on the United States and Latin America while the debate on fast-track authority continues here.

There is even more at stake in upcoming negotiations in the World Trade Organization. We are scheduled to complete talks on opening foreign markets to our financial services, a sector in which the United States has a strong comparative advantage.

Without fast-track authority, the President is unlikely to be able to conclude these terms or these talks on terms most favorable to the United States. In a little over a year, the World Trade Organization will once again take up the difficult and contentious issue of barriers to trade and agriculture.

I know of no one in the agricultural sector who was entirely satisfied with the outcome of the Uruguay round talks. It is difficult, as a consequence, to conceive of a more harmful message to send our own agricultural community than derailing fast-track negotiating authority that will allow the United States to participate fully in those talks.

Thus, we in this body face a simple choice—we can reject our heritage as the world's greatest trading state, or we can vindicate the faith of our forefathers and America's ability to compete anywhere in the world where the terms of competition are free and fair. We can focus only on the possible economic dislocations that occur when trade barriers are lowered, or we can look at the common good that results from economic growth. We can leave our economic fate in the hands of others, or we can step forward to shape our own economic destiny.

For me, the choice is clear. We must move forward to maintain our economic leadership in the eyes of the world, as well as provide the fruits of an expanding economy to our citizens. Enacting the pending legislation is indeed essential to that effort. Our trading partners will not negotiate trade agreements with us unless we as a nation can speak with one voice.

That is what this bill does. It allows two branches of the Government, the President and the Congress, to speak with one voice on trade. This bill creates a partnership between two branches that allows us to speak with one voice and does so to a degree greater than previous fast-track bills.

As it has since the original grant of fast-track authority, Congress establishes the negotiating objectives that will guide the President's use of this authority. The negotiating objectives also serve as limits on the Executive, since the bill ensures that only agreements achieving the objectives set out in the bill will receive fast-track treatment.

In that regard, I want to emphasize the effort we have made to ensure that the negotiating objectives restore the proper focus of the fast-track authority. This authority is granted for one reason alone, to allow the President to negotiate the reduction or elimination of barriers to U.S. trade.

Authority granted in this bill is not designed to allow the President to rewrite the fundamental objectives of our domestic laws. Rather, the fast-track process applies solely to those limited instances in which legislation is needed to ensure that U.S. law conforms to our international obligations.

There is one trade negotiating objective that has drawn particular attention. It relates to foreign government regulations. It includes labor and environmental rules that may impede U.S. exports and investments in order to provide a commercial advantage to locally produced goods and services.

Indeed, in this provision is the concern that foreign governments might lower their labor, health and safety or environmental standards for the purpose of attracting investment or inhibiting U.S. exports. I want to emphasize that this negotiating objective is limited to affecting conduct by foreign governments in these areas. It does not authorize the President to negotiate any change in U.S. labor, health, safety or environmental laws at either the Federal or State level, nor does it authorize a negotiation of any rules that would otherwise limit the autonomy of our Federal or State governments to set their own health, safety, labor or environmental standards as they see fit.

I view these provisions of the bill as protecting everyone's interests in these areas. I know of no one who is an advocate of labor or environmental interests that would want the President to be able to negotiate international trade agreements that effectively weaken U.S. standards and then submit the implementing legislation on a fast-track basis. Under this bill, no President can negotiate an agreement that raises or lowers U.S. labor or environmental standards and then submit an implementing bill for consideration on a fast-track basis.

Beyond setting the specific negotiating objectives, we have also strengthened Congress' role in the trade agreement process in several ways.

First, we have ensured the right of the two committees of the Congress that have general trade jurisdiction to veto at the outset any negotiation that might ultimately rely on fast-track authority if those committees disagreed with the President's objective. This check on the Executive applies to all negotiations, not merely bilateral free trade negotiations as under prior law. The only exceptions are for negotiations already underway, such as financial services negotiations in the World Trade Organization, those anticipated with Chile.

Second, the bill strengthens Congress' role and the partnership with the President by requiring greater consultation by our trade negotiators than has ever occurred in the past.

The bill requires the U.S. Trade Representative to consult closely and on a timely basis throughout the process and even immediately before the agreement is initialed. The bill obliges the President to explain the scope and terms of any proposed agreement, how the agreement would achieve the policy purposes and objectives set out in this bill, and whether implementing legislation on nontrade items would also be necessary since only trade provisions are entitled to fast-track treatment.

Any nontrade items would be handled under the regular practices and procedures of the Senate, which allow for amendment and unlimited debate. Clearly, many in the Congress have been displeased in the past with cursory and nontimely consultation. The legislation in our report makes clear that this will no longer do.

The bill provides an explicit provision allowing Congress to withdraw the fast-track procedures with respect to any agreement for which consultation has not been adequate. So not only does the legislation exhort the trade negotiators to consult; it provides sanctions if they do not adequately do so.

Third, the bill carefully circumscribes the scope of the implementing legislation that can be considered under fast-track procedures. Basically, to qualify, the implementing legislation must be a trade bill. It must be limited to approving a trade agreement, which is defined to include only, one, reducing or eliminating duties and barriers and, two, prohibiting or limiting such duties or barriers.

Moreover, the implementing legislation may only include provisions necessary to implement such trade agreement and provisions otherwise related to the implementation, enforcement, and adjustment to the efforts of such trade agreement that are directly related to trade.

Examples of such provisions would include amendments to our antidumping laws and extensions of trade adjustment assistance such as those reauthorized with this bill.

Finally, the implementing bill may include pay for provisions needed to comply with budget requirements. Since this component of the implementing legislation does not address the agreement and its implementation but is included only to satisfy interim budget requirements, some have suggested that this portion of the implementing legislation be fully amendable.

The Finance Committee decided to follow previous fast-track legislation out of concern that allowing amendments to this portion would make passage of the implementing bill more difficult. There was concern about turning every implementing bill into a general tax bill, that pay for provisions might be offered by opponents to cause mischief, and that adopting amendments would create the need for conference with the House and would invite deadlock over nontrade issues.

In sum, the terms of the partnership between Congress and the President are these: If the President adheres to the trade objectives expressed in the bill to which fast-track procedures apply, if he provides us an opportunity to disapprove of a specific negotiation at the outset, if he consults with us closely throughout the negotiation right up to the time the agreement is to be initialed, if the agreement is a trade agreement as defined in the bill, and if the implementing legislation contains only the trade-related items I noted, Congress agrees to allow an up-or-down bill after 30 hours of debate on the implementing legislation.

Now, I think for Congress that is a very good deal. I fully appreciate the important role and responsibility this body has in American Government: The right to offer amendments, to debate the merits of an issue as long as necessary, are rights not to be laid aside lightly. That is why at every juncture we have sought to refocus the fast-track procedure on reducing trade barriers.

We have done our best to make sure that matters of domestic policy remain outside the limited scope of the fast-track procedure. Such matters of domestic policy should and will remain subject to the traditional practices and procedures of the U.S. Senate. I would not support this limited exception to our Senate traditions were it not absolutely essential to our continued economic leadership around the world. This is a critically important accommodation. It is not unprecedented. Grants of similar authority for the President, in effect, exceptions to our Senate rules, have been provided in the past, dating back to the Trade Act of 1974.

As recently as 1988 a Democrat-controlled Congress provided a Republican President the legal assurance that America would speak with one voice on trade. I hope that a similar spirit of bipartisanship envelops us today.

Let me say in conclusion that if in 1988 my colleagues on the other side of the aisle do, for the good of this country, see fit to entrust a President from another party with this authority, that today it would help us in extending this authority to President Clinton.

I yield the floor.

Mr. MOYNIHAN. Mr. President, I rise with a measure of ebullience. By a solid majority of both sides of the aisle, we have just voted to do exactly what our revered chairman said ought to be done, and reported how in the past it has been done. The vote was 69 to 31. I think that augurs well.

I would particularly like to note a fact about this legislation which has been little remarked, the fact that with great felicity and sense of historic importance, the chairman has given to the bill the title the Reciprocal Trade Agreements Act of 1997. The Reciprocal Trade Agreements Act, hearkening back almost two-thirds of a century to 1934 when Cordell Hull, a former member of the Finance Committee, as Secretary of State helped the Nation out of the ruin that had been brought about by the Smoot-Hawley Tariff Act of 1930, a tariff meant to raise living standards and do all the things that seem so easy if you don't think them through.

If you were to make a list of five events that led to the Second World War and the horror of that war, that tariff bill of 1930 would be one of them. If there was a harbinger of the reemergence of the civilized world and the reinstitution of intelligent analysis of public policy, it was the Reciprocal Trade Agreements Act of 1934.

I might like to take a preliminary effort to note that in 1934 the United States, in fact, did two things of note regarding legislation before the Senate today. We passed the Reciprocal Trade Agreements Act, and the President proposed and Congress agreed to our membership in the International Labor Organization, two parallel but distinct measures. We began opening our trade and in the same year, same Congress, moved to join the International Labor Organization for purposes not different than ones we have expounded in this legislation, which speaks directly to that issue. Now, the matter before the Senate is of the highest portent and urgency. Just yesterday in the Washington Post our—how do I say it? Has Bob Dole been gone long enough to be called fabled, legendary? Certainly vastly embraced by this institution on both sides of the aisle. Senator Dole, Republican candidate in the last election, wrote in yesterday's Post, "the fate of fast-track legislation this fall may determine whether the President ever will negotiate another free trade agreement." He urged that we give the President this power, a power which every President since President Ford has had and which under the original Reciprocal Trade Agreements Act has been in place for two-thirds of a century.

Since the fast-track authority lapsed, as it did 3 and one half years ago, the United States has effectively been reduced to the status of an observer as unprecedented new trading arrangements, bilateral and multilateral, have been put in place. The changes in trade and patterns and arrangements that you see very much correspond to the change in techniques of production, in modes of manufacture and in the information age of which we have heard so much. They reflect the technological underpinnings which have changed the economies of the developed world, are changing the developing world, and in consequence, change the economy.

For example, as the chairman remarked, Mexico and Chile negotiated a free trade agreement in 1991 and now are engaged in talks to expand the scope of that agreement by the end of this year. On July 2 of this year, Canada's free trade agreement with Chile entered force, giving Canadian exports just that advantage, the 11-percent tariff advantage, that the chairman has spoken of. Remember, the pattern of Canadian production and exports is very like ours. We are in a competing world with them. We wish them every success. But there is no point in hindering our own ability to negotiate and trade in the same way.

If I may remind the Senator, we have been here before. On March 4, 1974, President Nixon's Special Trade Representative, William D. Eberle, testified before the Finance Committee in support of the legislation that established the first fast-track procedures for non-tariff matters. He said, "Without the fast-track authority, our trading partners will continue to negotiate but they will do so bilaterally and regionally, to the probable exclusion of the United States."

Do not suppose that cannot happen again. The United States is at a position of unparalleled influence and importance in the world. That can produce an unparalleled resentment with consequences that will move through the generations to come. Do not be overconfident in a moment such as this, and certainly do not be fearful. We have nothing to fear from world trade. We gain from it. We have gained from it. And now I am confident with that resounding bipartisan vote, we will.

Of course, in 1994 we created the World Trade Organization. It took us a long time. In the aftermath of World War II it had been understood we would have an international trade organization to correspond with the World Bank and the International Monetary Fund. That never came to pass. It came to grief, in point of fact, in the Finance Committee.

The WTO, the World Trade Organization, is beginning negotiations on agricultural trade, protection of intellectual property. By intellectual property, think Silicon Valley, think Microsoft, think of all the innovations we have made in the world, and the innovators have the right to see their work protected. And, again, international trade in services, think banking, insurance, all those areas in which we have been particularly excluded in the developing world and which we can now negotiate.

The Uruguay round of negotiations represented the first serious attempt to address barriers to American farm products, but a great deal needs to be done. The last area of economic activity which is freed from protection will always be farm matters. It is one of the great events of our age that the great agricultural States in this Nation have seen what trade can do for them and are supporting these measures. Agriculture is always protected, always subsidized, but in 1999, the World Trade Organization on that matter will begin and we ought to take these negotiations seriously. We ought to be part of them and now we will be.

American farm exports in 1996 reached $60 billion in an overall global market estimated at something more than half a trillion. So we have something like 10 percent of that trade. This export sector alone represents about 1 million American jobs.

A similar situation exists with respect to services trade, which was addressed for the first time in the Uruguay round, and the financial services, banking, insurance, securities, are scheduled to wrap up in December in an important round of talks. Another round will begin on January 1 of the year 2000 involving a full range of services, including such sectors as health care, motion pictures, and advertising, where American companies are among the strongest in the world. I don't think it would be in any way inappropriate to recall the remarks of President Jiang Zemin of the People's Republic of China just a few feet off the floor here a week ago, in which he described the formative experience of his college years when he watched the film "Gone With the Wind." It is America that makes the movies for the world to see. Getting them in is a matter of negotiation. Now we can do it.

I would like to make a point of particular importance to the matter before us. First of all, this is not a new authority, untested or untried. We have been with it for two-thirds of a century. The Smoot-Hawley Act, in which Congress, line by line, set more than 20,000 tariffs, resulted in an average tariff rate, by the estimate of the International Trade Commission, of 60 percent. The result was ruinous, not only to us, but to our trading partners. The British abandoned their free trade policy and went to empire preferences. The Japanese went to the Greater East Asian Co-Prosperity Sphere. In that year, Adolf Hitler became chancellor of Germany in a free election. Such was the degree of unemployment and seeming despair that the consequences of the First World War would never be over.

Next came one of the largest trade events of the postwar period, the Kennedy round, which came about because of the Trade Expansion Act of 1962. I make the point, sir, that there were persons at that time, as now, concerned about the impact of expanding trade on American workers and American firms. As a condition of a Senate vote on giving the President the power to negotiate what became the Kennedy round—it was named for the President who began it—we had to negotiate a separate agreement, the Long-Term Cotton Textile Agreement, and three persons were sent to do this negotiation: W. Michael Blumenthal, Deputy Assistant Secretary of State; Hickman Price, Jr., an Assistant Secretary of Commerce; and myself, then an Assistant Secretary of Labor. We negotiated to limit surges of imports that might come about from drops in tariffs. It was meant to be a 5-year matter, as I recall. That was 35 years ago, and it's still in place. It was succeeded by the Multi-Fiber Agreement. We have not been unattending to the needs of our workers in these matters. To the contrary. We began Trade Adjustment Assistance in the 1970's. We have more Trade Adjustment Assistance in this legislation. We negotiate these matters with the interests of the American worker in mind, and the evidence is the standard of living we have achieved in this country, of which there is no equal.

With that point, sir, I would like to call attention to a very special issue. We are asked by some to include in this legislation a requirement that trade agreements include provisions, in effect, statutory requirements, concerning labor and the environment. At first, it seems a good idea. Why not? But let me tell you why not, and if I can just presume on age at this point, which is getting to be a factor in my perspective. I have been there and it doesn't happen, it doesn't work.

If you go to a developing country and say to them, "We would like to enter into a trade arrangement whereby you will reduce your tariffs and barriers—non-tariff barriers—we will do the same, so we can have more trade," and at the same time, in the same setting, say, "We want you to adopt higher environmental standards and higher labor standards," right or wrong, the negotiating partners will say, "Oh, you want us to lower our tariff barriers and raise our costs." Well, they won't do it. "You are asking that we be put at a double disadvantage. We put those tariffs in to protect ourselves against you, and our environmental and labor standards are those of a developing nation. Now you want to put us at a double disadvantage." It won't happen. There will be no such agreements.

I can speak to this. I was Ambassador to India when our trade was at a very, very low level. The great anxiety of the Government of India was that we would somehow use trade in a way that would disrupt their internal affairs, which was never our intention, but it was a perception, and will be even more so now. That is why I point to the serendipity, if you would like, of the provisions in this bill. I made the point that the Reciprocal Trade Agreements Act—the original one—was enacted in 1934, and the United States joined the International Labor Organization in 1934—a measure of great importance at that time. President Roosevelt was very firmly in favor of it, and Frances Perkins—and I talked to her about it—thought it was one of the central initiatives. They saw it as parallel to trade—parallel.

Over the years, the International Labor Organization has developed a series of what are called the ILO Core Human Rights Conventions. There are a great many important conventions, but they tend to be on technical matters. These go right to the rights of working people. And there are not many. They are the Forced Labor Convention of 1930; Freedom of Association and Protection of the Right to Organize Convention of 1948; Right to Organize and Collective Bargaining Convention of 1949; Equal Remuneration Convention, equal pay for men and women, of 1951; Abolition of Forced Labor Convention of 1957.

In 1991, I stood on the floor of this Senate, with Claiborne Pell, then chairman of the Foreign Relations Committee, and we called that up, and it passed the U.S. Senate unanimously. It is our law now because we chose to make it our law. We passed it. It is a treaty and we passed it as such. And then there was the Discrimination (Employment and Occupation) Convention of 1958, and the Minimum Age Convention—a child labor convention—of 1973.

Now, in this bill before you is an extraordinary initiative. We fought for an initiative by the United States to promote respect for workers' rights by seeking to establish in the International Labor Organization a mechanism for the systematic examination of and reporting on the extent to which ILO members promote and enforce the freedom of a subsidization, the right to organize and bargain collectively, prohibition on the use of forced labor, prohibition on exploitive child labor, and a prohibition on discrimination in employment.

We have never before made such a proposal. It has enormous possibilities. The ILO is the oldest of our international organizations. But it comes from an era when the idea of sending inspectors into a country to see whether that country was keeping an agreement would have been thought much too radical. That all changed in the aftermath of World War II.

Just this moment, we are going through something of a crisis with Iraq over the right of American members of the inspection team from the International Atomic Energy Agency to look into Iraqi production of nuclear power and the possibility of nuclear weapons. That begins with the International Atomic Energy Agency, which is part of the United Nations system. You send inspectors in to see what they are doing. It is now a common practice over a whole range of international concerns.

What we propose is that the International Labor Organization bundle, if you like, the core labor standards, and then set about an inspection system, to see to it how China is doing on prison labor, or child labor, or how the United States is doing—we will be looked into, too—and how countries around the world have done. Now, this will take energy. I would like to think that, somewhere in the executive branch, someone is listening to this debate because these measures were proposed by the President. But it takes energy in the executive to get this done. Come to think of it, Alexander Hamilton's definition of good government was "energy in the executive."

I would like to think that our Trade Representative, our Department of Labor, our Department of Commerce, will be actively involved. I say the Department of Commerce because business is involved. The ILO is a tripartite group. Business has a vote, the U.S. Council for International Business, as does the AFL-CIO. They each have a vote, and the U.S. Government has two votes. This is a business-labor enterprise. We have been involved with it for a very long time. Herbert Hoover, as Secretary of Commerce under President Harding, sent delegates to the ILO conference in Geneva from the Chamber of Commerce and from the AFL-CIO. So we are addressing concerns about the environment and labor standards in their proper context and setting. If you want them, you have to do it there.

If you only want not to have more open trade, you can try it in negotiations. But Mr. President, it won't work. The trading partners just will not agree. And if you want to take the time to find it out, very well, but for the moment, I think you will find that the overwhelming judgment of economists is that what we have here is a clean measure. That is the way to go. And this is what we now need to do—give the President fast-track authority, which will enable him to enter negotiations that will result in agreements, and with those agreements in place, we will go into the 21st century proud of what we began in the 20th.

Mr. President, I again thank my chairman for the felicity with which he chose to give the name Reciprocal Trade Agreements Act of 1997 to this legislation.

For the purpose of the RECORD, I ask unanimous consent that the description of the ILO Core Human Rights Conventions be printed in the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ILO HUMAN RIGHTS (CORE) CONVENTIONS

The ILO's human rights conventions, commonly referred to as "core" conventions, are receiving more attention as the debate on trade and labor standards continues after the World Trade Organization's ministerial meeting last December.

Informal agreement on which ILO conventions are human rights standards dates at least as far back as 1960. Formal recognition was achieved when the Social Summit in Copenhagen in 1995 identified six ILO conventions as essential to ensuring human rights in the workplace: Nos. 29, 87, 98, 100, 105, and 111. In addition, the United Nations High Commissioner for Human Rights now includes these conventions as the list of "International Human Rights Instruments."

The Governing Body of the ILO subsequently confirmed the addition of the ILO Convention on Minimum Age, No. 138 (1973), in recognition of the rights of children. An ILO convention banning intolerable forms of child labor is in preparation and is scheduled for a vote on adoption in 1998.

Conventions Nos. 87 and 98 form the cornerstone of the ILO's international labor code. They embody the principle of freedom of association, which is affirmed by the ILO Constitution and is applicable to all member states. A complaint for non-observance of this principle may be brought against a member state under a special procedure, whether or not the member state has ratified these two conventions.

The following list presents the seven core conventions and their coverage. The chart on the reverse side of this sheet shows which countries have ratified them as of December 31, 1996.

NO. 29—FORCED LABOR CONVENTION (1930)

Requires the suppression of forced or compulsory labor in all its forms. Certain exceptions are permitted, such as military service, convict labor properly supervised, emergencies such as wars, fires, earthquakes . . .

NO. 87—FREEDOM OF ASSOCIATION AND PROTECTION OF THE RIGHT TO ORGANIZE CONVENTION (1948)

Establishes the right of all workers and employers to form and join organizations of their own choosing without prior authorization, and lays down a series of guarantees for the free functioning of organizations without interference by the public authorities.

NO. 98—RIGHT TO ORGANIZE AND COLLECTIVE BARGAINING CONVENTION (1949)

Provides for protection against anti-union discrimination, for protection of workers' and employers' organizations against acts of interference by each other, and for measures to promote collective bargaining.

NO. 100—EQUAL REMUNERATION CONVENTION (1951)

Calls for equal pay and benefits for men and women for work of equal value.

NO. 105—ABOLITION OF FORCED LABOR CONVENTION (1957)

Prohibits the use of any form of forced or compulsory labor as a means of political coercion or education, punishment for the expression of political or ideological views, workforce mobilization, labor discipline, punishment for participation in strikes, or discrimination.

NO. 111—DISCRIMINATION (EMPLOYMENT AND OCCUPATION) CONVENTION (1958)

Calls for a national policy to eliminate discrimination in access to employment, training and working conditions, on grounds of race, color, sex, religion, political opinion, national extraction or social origin and to promote equality of opportunity and treatment.

NO. 138—MINIMUM AGE CONVENTION (1973)

Aims at the abolition of child labor, stipulating that the minimum age for admission to employment shall not be less than the age of completion of compulsory schooling.

Mr. MOYNIHAN. Mr. President, without further comment, I yield the floor once again with a sense of ebullience. We are going to do this. We kept the faith. We followed the convictions and the experience of Presidents going all the way back to the 1930's.

So I close simply by quoting again, Senator Dole in his fine op-ed piece in yesterday's Washington Post:

> The decision to give the President fast-track authority is urgent and must be made now. Very simply, passing fast track is the right thing to do. Our Nation's future prosperity, the good jobs that will provide a living for our children and grandchildren, will be created through international trade. Today it is more important than ever that the debate between advocates of free trade and protectionism is over. Global trade is a fact of life rather than a policy position. That is why we cannot cede leadership in developing markets to our competitors through inaction, thereby endangering America's economic future and abandoning our responsibility to lead as the sole remaining superpower.

Mr. President, I thank the Chair for his courteous attention and I yield the floor.

The PRESIDING OFFICER (Mr. BURNS). The Senator from North Dakota.

Mr. DORGAN. Mr. President, I listened with interest to the two presentations. They are thoughtful Senators, but Senators with whom I disagree. I would like to spend some time describing my view of where we are. Let me start by saying what this debate is not about.

This debate is not about whether we should be involved in global trade. Nor is it about whether expanded global opportunities are going to be part of this country's future. That is not what this debate is about. There are some who will always say, the minute you start talking about trade, that there are those of us who believe in free trade and then there are the rest of you who don't understand. They say that there are those of us who believe in the global economy and the benefits and fruits that come from being involved in expanded trade in a global economy, and then there are the rest of you who are xenophobic isolationists who want to build a wall around America. That is the way it is frequently described when we discuss trade.

But that is not what this discussion is about; not at all. It is about our trade strategy and whether it works. When I think of our trade strategy I think of watching a wedding dance when I was a little boy. A man and woman were trying to dance. One was dancing the waltz and the other was dancing the two-step. Needless to say, it didn't work out.

We have a trade strategy that is a unilateral free trade strategy that says we are going to confront others, who have managed trade strategies, with our trade strategy. Somehow this strategy is going to work out. We are going to open our markets but we are not going to pressure other countries to do the same. We are going to pass free trade agreements and we are going to move on to the next agreement without enforcing the agreement we had.

I would like to just take inventory, if I might. Let's take some inventory about what we have experienced in trade. For those who are color conscious, the red in this chart would not be considered good. Red represents deficits. This chart represents this country's merchandise trade deficit. We have had 21 straight years of trade deficits. The last 3 years have been the worst three in the history of this country, and we will set a new record again this year. In 36 out of the past 38 years we had current account deficits. We had 21 merchandise trade deficits in a row. This year will mean 4 years of higher record trade deficits.

I want to ask a question. When you suffer these sort of merchandise trade deficits every year—and they are getting worse, not better—is this a country moving in the right direction? Is this a trade strategy we want more of? Or should we, perhaps, decide that something is wrong and we ought to stop and evaluate what doesn't work and how do we fix it?

We are choking on red ink in international trade. This trade strategy doesn't work. So the debate is going to be between those of us who want change and those who want to cling to the same old thing. There are those of us who believe this policy isn't working and we want to change that policy. We want to reduce and eliminate these trade deficits and expand this country's trade opportunities. We want to do it in a way that is fair to this country and improves this country's economy. Then there are those who say no, and who are against change. They are for the same old thing. They support the same, tired, shopworn strategy that I say doesn't work. That is what this debate is about.

The last debate we had about trade was a few years ago. It was on NAFTA, the North American Free Trade Agreement. And you had fast track for that. It is a trade agreement with Canada and Mexico. Before we adopted that trade agreement we had an $11 billion trade deficit with Canada and we adopted that agreement and the trade deficit has doubled. Before we adopted this trade agreement we had a $2 billion trade surplus with Mexico and that has collapsed to a $16 billion trade deficit.

According to an Economic Policy Institute recent study, 167,000 jobs were lost to Canada, 227,000 jobs lost to Mexico, 395,000 jobs lost as a result of NAFTA. The combined accumulated deficit as a result of NAFTA cannot possibly be anything that anyone around here wants to stand up on the floor and raise their hand about and say, "Yes, that's what I envisioned. I voted for that. That's what I was hoping would happen."

Surely we must have someone who will come to the floor and say I voted for this but boy, this turns out to be a pretty sour deal. We didn't expect the deficits to expand and mushroom. Is there someone who will suggest that somehow this hasn't worked out the way we expected? Or is this, in fact, the kind of thing that we embrace? Do we have a trade strategy that no matter how bankrupt, we continue to say, "Yes, we are the parents. This is ours. This is our conception." I am wondering when enough is enough?

Let's look at the trade treaty tally. We are told that if you don't have fast-track procedures given to this President, he can't do anything about trade. They ask who on Earth would negotiate with him? Well, there have been countries apparently that will negotiate, because there have been 220 some separate trade agreements negotiated by the USTR since 1993. That is the President's own statement. He has negotiated 220 agreements . Only two of them have used fast track. He didn't need fast track on the rest of them. So why would they have negotiated with him if he didn't have fast track?

Fast track has been used five times in this country's history: The Tokyo round in 1975; United States-Canada, 1988; United States-Israel, 1989; NAFTA, 1993 and the Uruguay round and WTO—GATT, in 1994.

Let me show you what has happened with respect to each of these areas. When the Tokyo round took effect, we had a $28 billion annual merchandise trade deficit. Then we had a United States-Canada free trade agreement. By that time the trade deficit was $115 billion. Go to NAFTA, $166 billion. Then the Uruguay round it was $173 billion. We now are up to a $191 billion merchandise trade deficit and it is getting worse, not better. Does anybody here think we are moving in the right direction? If you do, tell us we need more of this. I guess that is what we are hearing. This is working so well. Let's have more of this red ink. Let's accumulate more of these deficits.

Let me describe this here. I mentioned the trade agreements, NAFTA, and others. We have bilateral trade arrangements with Japan and China that also yield huge deficits for this country. One of our problems in this trade strategy that doesn't work is that we negotiate bad agreements, No. 1; and then, No. 2, we don't enforce the agreements we negotiated.

The American Chamber of Commerce in Japan said the following:

> Indeed, the American Chamber of Commerce in Japan was astonished to learn that no U.S. Government agency has a readily accessible list of US-Japan agreements or their complete texts. This may indicate it has often been more important for the two Governments to reach agreement and declare victory than to undertake the difficult task of monitoring the agreements to ensure their implementation produces results.

My point is this. We go out and negotiate trade agreements and don't even keep track of them let alone enforce them. We can't even get a list of them. No Federal agency had a list of the trade agreements we had with Japan. Does that tell you they are probably not being enforced, aside from the fact they were not negotiated well? I can give chapter and verse on negotiations with Japan on which we are able to lose almost in a nanosecond.

Senator HELMS reminded me the other day of something I read previously by Will Rogers. He said many years ago, "The United States has never lost a war and never won a treaty." That is certainly true with respect to trade. Take a look at these records and tell me whether you think this country is moving in the right direction in trade.

So, what is this about? One of the columnists for whom I have very high regard in this town is David Broder. I think he is one of the best journalists in Washington, DC, and he writes a column today that could have been written by virtually anybody in this town because they all say the same thing: If Clinton fails to win fast-track negotiating authority, "it would threaten a central part of his overall economic policy, it would signal a retreat by the United States from its leadership role for a more open international marketplace."

I have great respect for him. I think he is one of the best journalists in town. Yet my point is that he says what they all say. There becomes a "speak" in this town, about these issues. Then because everybody says it, they think it is true.

It is not the case that if this Congress doesn't give fast-track trade authority to this President, that we will not be able to have future trade agreements and will not be able to expand our international trade. It is the case that some of us believe we ought to stand up for the economic interests of this country.

Let me go through a few points because we are going to deal with this issue in macroeconomic terms. We are going to be hearing the debate about theory, and all of the trade concepts that people have. Then we negotiate trade agreements and then the jobs leave and people lose their jobs and it doesn't matter, I guess, to some because these are just the details.

Jay Garment Corporation had two plants with 245 jobs in Portland, IN and Clarksville, TN. They produced blue jeans. They moved the plants to Mexico where they could get people to work for 40 cents an hour.

For the past 75 years in Queens, NY, workers have been making something called Swingline brand staplers. They had 408 workers. They are now moving the plant to Mexico. Nancy Dewent is 47 years old. She has been working at that plant for 19 years and was making $11.58 an hour. Manufacturing jobs are often the better jobs, paying better wages and better benefits. That assembly job, now, making staplers, will be in Mexico at 50 cents a hour. That plant owner expects to save $12 million a year by moving that plant to Mexico and selling the products back into the United States.

Borg Warner is closing a transmission plant in Muncie, IN. That means 800 people will lose their jobs, jobs that were paying an average of $17.50 an hour. Production is moving to Mexico.

Atlas Crankshaft, owned by Cummins Engine, literally put its plant on trucks and moved the plant from Fostoria, OH, to San Luis Potosi in Mexico; 200 jobs gone south.

In North Baltimore, OH, the Abbott Corporation produces wiring harness for Whirlpool appliances, closed its plant; 117 jobs moved to Mexico.

Bob Bramer, who worked 31 years at Sandvik Hard Metals in Warren, MI, watched his plant closed down. The equipment was put on trucks and moved to Mexico. Another 26 American jobs gone south.

People say you don't understand. That is the natural order of things. If we can't compete, tough luck for us. If we can't compete we lose our jobs.

The question we ought to ask ourselves in this discussion is not whether this is a global economy. It is. Not whether we are going to have expanded trade, we should. We are a recipient for massive quantities of goods produced in China, massive quantities of goods produced in Japan and in Mexico and elsewhere. The question is not whether our economy is going to assimilate and purchase much of those goods. The question is what is fair trade between us and these countries? I hope, in this discussion, we might get to this question. Is there anything—is there anything that would concern Members of Congress about what is called the free market system and accessing the American marketplace with foreign production?

For example, is it all right to hire 12-year-old kids and pay them 12 cents an hour and work them 12 hours a day and have them produce garage door openers? Is that all right? Is that fair trade? And then ship those garage door openers to Pittsburgh, Los Angeles, Fargo, and Denver and then compete with someone in this country who produces the same garage door openers, hires American workers, has to abide by safety laws, by child labor standards, by workplace safety laws, and pay minimum wages? Is that fair trade? Is it fair competition?

The answer clearly is no. If we allow producers to decide that in the world marketplace you can pole vault over all the discussions we have had for 50 years and you can produce where there is a lot less hassle, you can move your plant and move your jobs to a foreign land, and you can dump the chemicals in the water, you can pollute the air, hire kids and pay a dime an hour and you can bloat your profits and ship that product to Delaware, to North Dakota, to Colorado, and to New York, is that fair trade?

It is not fair trade where I come from. That is not fair trade. This country ought to be concerned about the conditions of trade and about the circumstances of trade that we are involved with. That is why we have these swollen trade deficits year after year after year. I know those who push fast track and push the current system, the same old thing, say, "We are the ones for expanded trade." I don't think so at all.

The reason we have not gotten our products into foreign markets, at least not with the success we should have, is this country doesn't have the nerve and the will to require it, and the other countries know it. They know there are going to be enough in the Senate and enough in the House to stand up and make these claims that if you don't support the current trade strategy and you don't support expanded trade, that you are a protectionist. Other countries know that. This country doesn't have the nerve and the will to say to Japan and China, Mexico, and others that if our market is open to you, you had better understand that your market is required to be open to us. Our country simply has not required that of our trading partners. Until it does, we will continue to run these huge swollen trade deficits.

The question that we will get to soon will be a narrower question of fast-track trade authority. Very simply, for those who don't know what that means, it means that the President will go off and negotiate a trade treaty through his trade negotiators, bring it back to the Congress, and then fast-track authority means no one in Congress may offer any amendments.

I have been through this with the United States-Canada trade agreement. I want to describe for my colleagues why I feel so passionate about this.

The United States-Canada Free-Trade Agreement passed the Congress. I was in the House of Representatives at the time and on the Ways and Means Committee, where it passed by a vote of 34 to 1. I was told just before the vote, "We have to have a unanimous vote here in the House Ways and Means Committee. We need to get everybody voting for this. You can't be the only holdout. How would you feel about 34 to 1? What does that say, 34 to 1?"

I said, "No, that is not a source of trouble to me, that is a source of enormous pride, because you are engaging in a trade agreement with Canada that fundamentally sells out the interests of the American farmers."

"We don't do that," they said. "In fact, we'll provide you paper," and they shoved all this paper at me saying that we guarantee, we promise and they made all the promises in the world, and I still voted against it.

Guess what is happening? The United States-Canada trade agreement went into effect and our farmers, especially in North Dakota and the northern part of this country, have seen a virtual deluge of Canadian grain coming into our country undercutting our markets, taking $220 million a year out of the pockets of North Dakota farmers—durum wheat, barley. So we complain about it and say this is unfair trade. It is clearly and demonstrably unfair trade.

It comes in from a state trading enterprise in Canada called the Canadian Wheat Board, which would be illegal in our country. It is clearly unfair trade. Just as clearly to me, it violates our antidumping laws because every bushel that comes in comes in with secret prices. In our country, when you sell grain, prices are fully disclosed. With the Canadian Wheat Board those are secret prices by a state trading enterprise that would be illegal in this country.

For 8 years this has gone on, and we can't correct it. Why? Because this trade agreement was so incompetently negotiated that we traded away our ability to solve the trade problems resulting from it.

I come here to say this. I have great respect for this President. This President has taken some of the few enforcement actions that have ever been taken with respect to some of our trading partners. But, until this President and until these trade negotiators and others involved in our current trade strategy in our country demonstrate the nerve, the will and the interest to stand up for the interests of American producers and, yes, farmers and manufacturers and workers; until they demonstrate a willingness and ability to stand up for the interests of this country, I do not intend to vote for fast-track trade authority.

Once we decide as a country we are willing to stand up for our economic interests and say to China, "You cannot continue to run up a $50 billion trade surplus with us; we cannot continue to stand a $50 billion trade deficit with you," or say to Japan, "We will not allow you year after year after year every year to have a $50 to $60 billion trade surplus with this country"—we have a deficit with them; they have a surplus with us.

What does that mean. The past 21 years of merchandise trade deficits contribute a combined nearly $2 trillion to our current accounts deficit? It means somebody has to pay the bill some day. When we pay the bill, we will pay it with a lower standard of living in this country, all because we had a trade strategy that did not stand up for the economic interests of this country's producers.

I know there are people here who say, "Gosh, look how well things are going in this country; things are going so well." In fact, we have a proclivity in this country to measure how well we are doing every month by what we consume. If we have good consumption numbers, boy, we are doing well.

It is not what we consume that measures the economic health of a nation, it is what we produce. No country will long remain a strong economically healthy country, a country with a strong economy, unless it retains a strong, vibrant and growing manufacturing base. That is not the case in this country, because we have decided with trade agreements that it is fine for American producers to get in a small plane, circle the globe, find out where they can relocate their plant and pay pennies an hour and not be bothered by child labor laws or by environmental restrictions or by minimum wages or all the other things we fought about for 50 to 75 years in this country, move the production there, produce the same product and ship it back here. The net result is a trade loss for this country, a loss of good-paying, important manufacturing jobs for this country, and a continued erosion of this country's manufacturing base. That, I think, is moving in the wrong direction.

Mr. President, I am not going to take the full hour allotted to me at this point. I intend to, at another point in this process, speak more about the issue, but I want to finish by saying, once again, that we will have, I assume, a discussion that represents the same old discussion, and that is an attempt to portray those who don't support this fast-track proposal as those who don't support expanded international trade.

Let me portray it the way I think it really is. We have some people clinging to a failed trade strategy that has produced the largest trade deficits in the history of this country, clinging to it with their life because they resist change at every turn. There are those of us who understand that this trade strategy does not strengthen this country. It weakens this country. Increasing deficits don't strengthen this country. They undermine this country. Those of us who believe that it is time to change our trade policies.

Do we want to change by keeping imports out? No. Do we want to change by retreating from the international economy? No. We want to change by insisting and demanding that it should be fashionable for a while to stand up for the economic interests of this country and that those who do so should not be called protectionists. Those of us who stand up, do so in a way that is designed to strengthen and to expand our country's economic opportunity in the years ahead.

So, Mr. President, we will have many hours this week to talk about trade. I come from a State that needs to find a foreign home for much of what it produces. I am not someone who wants to retard trade. I want to expand trade. But I am someone who believes our Nation's trade strategy has not worked. Instead, we need a new trade strategy to expand exports, to expand opportunity and to diminish and eliminate these bloated trade deficits that threaten, in my judgment, this country's economic future. Mr. President, I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER (Mr. GORTON). The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, in the trial of a case, when you present a witness such as a doctor or an engineer, you qualify the witness by providing his background and experience. I am in the same position of having to qualify myself—not that I am expert on any particular thing—because only yesterday in a discussion on the floor, one of my esteemed colleagues said, "I know how you are going to vote with respect to fast track because you are against trade." Mr. President, nothing could be further from the truth.

Let me say at the very beginning that I was raised and still live in a port city. I worked in that port two summers, paying my way through college with a coastal geodetic survey before World War II, when we were laying submarine nets in the harbor.

I also was a lawyer later on in life, practicing before the U.S. Customs Court with the Honorable Judge Paul Rayall of New York. As an attorney, I also represented the South Carolina Port Authority. So I am familiar with the field of trade law.

Later, as Governor of South Carolina, I had the privilege of putting in all the expanded facilities for our State ports, such as grain elevators for our farmers so that they could compete, but more particularly. During my tenure as Governor, I also was one of the first elected representatives to take trips abroad to promote trade and to encourage foreign companies to open plants in the United States.

I was just thinking the other day, when the President was going for the first time to Latin America, that I took that trip to Buenos Aires, Argentina, back in 1960. I have been there a half dozen times since then. And I have been not just to Sao Paulo but to the port of Santos in Brazil and to Caracas, where we buy now a majority of our oil.

I learned early on in looking for trade opportunities that my hometown of Charleston is 350 miles closer to Caracas, Venezuela, and the Latin American markets than New Orleans. Look at it sometimes—the offset of the South American continent—and you will see that my hometown of Charleston is about on the same latitude as the Panama Canal.

So I went after trade and have been working on trade for at least 40 years, as an attorney and as Governor. Today, my office in Charleston is in the Customs House.

I have participated in the various trade debates in my 30 years in the U.S. Senate. I have heard the same things come up time and time again without any understanding of the fact that we do not have a trade policy. We have a foreign policy.

A friend who says you are against trade and he is for foreign aid is not for trade. We were fat, rich, and happy after World War II, and, yes, we taxed ourselves to the tune of what would be equal to some $80 billion in today's amounts. We couldn't even get taxes to pay our own bills, much less the vanquished enemy in Europe and in the Pacific, but we taxed ourselves and we sent over not just the best expertise to tell them how to develop industrially, but more particularly, Mr. President, the best machinery.

I have always heard people talk about textile fellows. According to critics, we want subsidies and protectionism. Now, we have asked for enforcement of and protection under U.S. international trade agreements, but we never have asked for subsidies like the airline manufacturers receive, for example.

And of course, much of our technology comes from Defense. Then we make sure that it is financed under the Export-Import Bank. And incidentally, the $3 billion contract with China, you might as well count on only a percentage of that—China is in part trading with itself, because it has Boeing China where they make the tail assemblies, and they make the electronic parts in Japan, and everything else of that kind, so we can look at really where the contract is being sourced.

Unfortunately, Mr. President, we are exporting our most precious technology. General Motors, for example, has agreed not only to produce cars in the People's Republic of China, but also China has required, Mr. President, that they design the automobiles. So the new cars that we in America will be buying here at the turn of the century will be designed in downtown Shanghai with the finest computerization and machinery being installed there now by American companies.

So we watch this particular trend. And we understand that the administration and those championing fast track are totally off-base with respect to the welfare of the United States of America, with respect to the security of the United States of America.

Mr. President, the Nation's security rests on a three-legged stool. The three legs comprise our defense, values, and economy. And we have the one leg that is military power, which is unquestioned. Our troops and our military technologies are without equal in the world today. This leg is sound.

The second leg is that of our Nation's values. This leg, too, is sound, our values unquestioned. We commit ourselves to freedom, democracy, and individual rights the world around—from Haiti and Bosnia. We work hard in all the councils of the world to promote the health and welfare of the free world. Our commitment to democracy and human rights is unwavering and our democratic values still are strong, as was noted here just last week on the visitation of Jiang Zemin.

But, Mr. President, the third leg of our Nation's security—and this must be emphasized—is the economic leg. Unfortunately, the economic leg has been fractured over the last 50 years, somewhat in an intentional manner.

I mentioned the Marshall plan. I mentioned the expertise we supplied to our vanquished foes. I mentioned the attempt to build up freedom and capitalism around the world, continuing today with the fall of the wall in Europe and the capitalistic trends even in People's Republic of China. And we have succeeded in this policy, so we do not regret it. But too often over the last 50 years we have given in to our competitors.

When 10 percent of U.S. textile consumption was provided by imports, President John F. Kennedy declared an emergency, and under the law he appointed a cabinet commission. And he had the Secretaries of Treasury, Agriculture, Commerce, Labor and State meet. In May, 1961, complying with national security provisions, they determined that before President Kennedy could move, he was required to find that the particular commodity was important to our national security.

At the Department of Defense, this particular commission found that next to steel, textiles were the commodity most important to our national security. After all, our Government could not send our soldiers to war in a Japanese-made uniform. So President Kennedy took action and formulated a 7-point program with respect to textiles. But this program has never been enforced.

I continue to say that if we were to go back to our dumping laws and enforce them, we wouldn't have to have a debate of this kind on the floor of the U.S. Senate. But they are not enforced, Mr. President, and now two-thirds of the clothing worn here on the floor of the U.S. Senate is imported. And 86 percent of the shoes are imported.

While I am on this subject, Mr. President, we have gradually gone out of the role of a productive United States of America to a become a consuming people.

I ask unanimous consent to have printed in the RECORD a ratio of imports to domestic consumption of various items.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

1996 Data

Industry/commodity group	*Ratio imports to domestic consumption in percents*
Metals:	
Ferroalloys	52.8
Machine tools for cutting metal and parts	44.3
Steel Mill products	16.7
Industrial fasteners	29.5
Iron construction castings	46.2
Cooking and kitchen ware	59.5
Cutlery other than tableware	31.8
Table flatware	63.6
Certain builders' hardware	19.5
Metal and ceramic sanitary ware	18.2
Machinery:	
Electrical transformers, static converters, and inductors	38.6
Pumps for liquids	29.8
Commercial machinery	19.7
Electrical household appliances	18.2
Centrifuges, filtering, and purifying equipment	51.2
Wrapping, packing, and can-sealing equipment	26.7
Scales and weighing machinery	29.8
Mineral processing machinery	64.2
Farm and garden machinery and equipment	21.7
Industrial food-processing and related machinery	23.0
Pulp, paper, and paperboard machinery	34.4
Printing, typesetting, and bookbinding machinery	54.8
Metal rolling mills	61.4
Machine tools for metal forming	61.4
Non-metal working machine tools	44.1
Taps, cocks, valves, and similar devices	27.6
Gear boxes, and other speed changers, torque converters	30.5
Boilers, turbines, and related machinery	48.0
Electric motors and generators	21.1
Portable electric hand tools	27.4
Nonelectrically powered hand tools	34.1
Electric lights, light bulbs and flashlights	31.0
Electric and gas welding equipment	18.4
Insulated electrical wire and cable	30.9
Electronic products sector:	
Automatic data processing machines	59.3
Office machines	48.0
Telephones	26.2
Television receivers and video monitors	53.4
Television apparatus (including cameras, and camcorders)	74.7
Television picture tubes	33.8
Diodes, transistors, and integrated circuits	60.6
Electrical capacitors and resistors	68.1
Semiconductor manufacturing equipment and robotics	21.9
Photographic cameras and equipment	84.0
Watches	95.9
Clocks and timing devices	54.9
Radio transmission and reception equipment	47.9
Tape recorders, tape players, VCR's, CD players	100
Microphones, loudspeakers, and audio amplifiers	67.6
Unrecorded magnetic tapes, discs and other media	48.2
Textiles:	
Men's and boys' suits and sport coats	39.4
Men's and boys' coats and jackets	56.3
Men's and boys' trousers	37.7
Women's and girls' trousers	47.9
Shirts and blouses	54.8
Sweaters	71.1
Women's and girls' suits, skirts, and coats	55.9
Women's and girls' dresses	26.9
Robes, nightwear, and underwear	51.0
Body-supporting garments	37.0
Neckwear, handkerchiefs and scarves	55.5
Gloves	68.5
Headwear	50.5
Leather apparel and accessories	70.2
Rubber, plastic, and coated fabric material	86.4
Footwear and footwear parts	83.1
Transportation equipment:	
Aircraft engines and gas turbines	47.5
Aircraft, spacecraft, and related equipment	30.5
Internal combustion engine, other than for aircraft	19.9
Forklift trucks and industrial vehicles	21.5
Construction and mining equipment	28.6
Ball and roller bearings	24.9
Batteries	26.4
Ignition and starting electrical equipment	22.3
Rail locomotive and rolling stock	22.8
Carrier motor vehicle parts	19.5
Automobiles, trucks, buses	39.0
Motorcycles, mopeds, and parts	51.8
Bicycles and certain parts	54.5
Miscellaneous manufacturers:	
Luggage and handbags	76.9
Leather goods	37.4
Musical instruments and instruments	57.7
Toys and models	72.3
Dolls	95.8
Sporting Goods	32.0

Brooms and brushes	26.5

*1996 data from ITC publ. 3051

Mr. HOLLINGS. Mr. President, my time is limited. It is unfortunate we have forced cloture. We have had no debate. This is an arrogant procedure: on a Friday afternoon, late on Friday when everyone was gone, they put in the so-called bill with the cloture motion, and now the world's most deliberative body is not going to have a chance in the world to deliberate. We had no debate on Monday, and now after forcing a vote on Tuesday they say, "All right. You've got an hour." Oh, isn't that fine. Isn't that polite? Isn't that courteous? Isn't it Senatorial? Not at all. Not at all.

What we really need is an extended debate on the most important item that faces this country—our economic security.

Today we practically are out of business in manufacturing. People talk about the manufacturing jobs that have been created, but 10 years ago we had 26 percent of our work force in manufacturing. We are down to 13 percent of jobs now in manufacturing.

I go right to one of our adversaries, who is one of the finest industrialists in the history of man, Akio Morita of Sony Corp. And on a seminar in the early 1980's, in Chicago, we were talking about the developing Third World countries. And he said, "Oh, no. They cannot become a nation state until they develop a strong manufacturing capacity." And later on in that seminar he pointed to me and said, "By the way, Senator, that world power that loses its capacity of manufacturing will cease to be a world power."

We are going to have Veterans Day here very shortly. And I think back to my the 3-year jaunt overseas in World War II and the invasion of North Africa, and Corsica, and Southern France. And I remember well how valiant our fighting men were. And I take pride in average citizens from the main streets and farms of America volunteering to fight and die for our Nation.

In those days, when we looked up at the skies we saw our wonderful Air Force. And we saw them bombing the adversary into smithereens, to the point where they had no productive industrial manufacturing capacity. We, in contrast, were turning out five B–29's a day at the Marietta plant just outside of Atlanta. They were not turning out any planes at all. Their plants had been destroyed. And so we had a superiority of equipment and everything else as we moved forward through Alsace and across the Rhine.

And as much as congratulating all the veterans on Veterans Day, I will be making talks like other politicians. I want to emulate Rosy the Riveter who, back home, kept things going. It was the wonderful productive capacity of the United States of America that kept this world free. Let us never forget it. So when we talk of trade, we are talking of something of historic proportions here.

I will go to the history here in the unlimited time because in a few hours—in an hour and a half, to be exact—the Commerce Committee, with the Capitol Historical Society, will celebrate the 181st anniversary of the Committee of Commerce, Space, Science, and Transportation.

That brings us back to our earliest days and the mistaken idea that there is somewhere, somehow, other than here in the United States, free trade, free trade, free trade, free trade. There is absolutely no free trade in the world. Trade is reciprocal and competitive. The word "trade" itself means something for something. If it is something for nothing, it is a gift.

I know some people talk about different subsidies and different nontariff trade barriers, and that is what they mean. But what has come about, as we have been setting the example by just that, with free trade with Chile, our average tariff was 2 percent. The average tariff in Chile is 11 percent. So the people in Chile now almost have free trade. We have almost nothing left to swap in order to bring them to terms to open their markets.

As long as we cry and moan and grown, "free trade, free trade," like the arrogant nonsense that somehow our way is the only way, we are going to wake up in America like the United Kingdom. They told Great Britain at the end of World War II, "Don't worry, instead of a nation of brawn, you're going to be a nation of brains. And instead of producing products, you're going to provide services. And instead of creating wealth, you're going to handle it and be a financial center." And England has gone to hell in an economic handbasket; downtown London is an amusement park. Poor Great Britain: it is not great any longer. And that is the road that we are on here in the United States.

I want to get off that road and sober these folks up and let them stop, look, and listen to what they are talking about. I would like, Mr. President, to emphasize what the global competition is. Some act as if it's something new, and we have just come into it. No. We started 220-some years ago, in the earliest days of our republic.

Thinking today about this particular celebration we are going to have this evening, I realized that in 1816, when the Commerce Committee was first started, it was started as the Committee of Commerce and Manufacturing. Commerce and Manufacturing was the name of it.

That was foremost in the minds of the Founding Fathers when they thought about our relations with Great Britain, the mother country, once we had won our freedom and were a fledgling colony. The British wanted to trade with us under the doctrine of competitive advantage. They said at that particular time that what you ought to do back in the colony is trade with what you can produce best and we will trade back with the little fledgling colony from the United Kingdom what we produce best—free trade, free trade, Adam Smith, Adam Smith, free trade, consumption.

Well, Alexander Hamilton wrote "Report on Manufactures," and there is one copy left that I know of over at the Library of Congress under lock and key. I won't read it—I would if we had extended time where we can debate this and begin to understand the Founding Members. In a line in that booklet, Alexander Hamilton told Great Britain essentially, bug off, we are not going to remain your colony. The second act ever enacted by Congress—which had a mindset of competition and building, rather than buying votes with consumption and tax cuts and free trade and all that kind of nonsense—passed a tariff of 50 percent on some 60 articles, which included textiles, iron, and just about everything else.

What we said was "no, thank you." We are going to follow Friedrich List, who said that the strength of a nation is measured not by what it can consume but rather by what it can produce. And the Founders said that they we going to produce our own industrial backbone, beginning with tariffs and instituting a Committee of Commerce and Manufactures.

This mindset continued through President Lincoln. His advisors told the President during the construction of the transcontinental railroad, "Mr. President, we ought to get that steel cheap from England." And he said "No, we are going to build the steel mill, and when we get through we not only will we have the transcontinental railroad but we will have a steel capacity to make the weapons of war and the tools of agriculture."

And in the darkest days of the Depression we passed price supports for America's agriculture which this Senate supports. It is not like we are against the farmer. I have had the pleasure of being elected six times, and each time the farm vote has either put me over the top or saved me. I have been elected six times. I have the greatest respect and we had not only the price supports but protective quotas, import quotas.

Eisenhower, in 1955, put in oil import quotas so we could build up our own capacity of oil production. So we have been practicing that until we have been overcome, so to speak, with the multinational singsong.

You see the policy of building up capitalism the world around has worked. I was with the manufacturers in the early 1950's. They hated to fly all the way to the Far East and come back.

But after a while they found out they could produce cheaper by producing overseas.

We had this testimony and we had the hearing before the Finance Committee which is a procedure of parliamentary fix. We had hearings that proved that 30 percent of the cost of manufacturing is in labor and you can save as much as 20 percent of your labor costs by moving offshore to a low-wage country. In other words, if you have a volume or sales of $500 million, you can keep your headquarters and sales force here but move your production overseas and save tens of millions of pretax dollars; or you can continue to stay home and work your own work force and go bankrupt.

That is the jobs policy of this Congress. That is the jobs policy of this fast track. That is the jobs policy of President Clinton and his administration. That is why I am so strongly opposed to this kind of nonsense.

They come around here with talking about consulting and retraining and everything else of that kind but the truth of the matter is, I will take them down to Andrews or some other towns in my State of South Carolina. We have lost, since NAFTA, some 23,500 jobs when counted last May and over 25,000 jobs easily since then.

Go to where they make simple T-shirts, in Andrews, SC, where they had 487 workers. The age average is 47 years. And let's do it Washington's way, let's retrain the 487 workers so tomorrow morning they are all computer operators. Are you going to hire the 47-year-old computer operator or the 21-year-old computer operator? You are not going to take on the health care costs, the retirement costs of the 47-year-old. Andrews is drying up. They are gone with all this retraining. We don't need retraining. I have the best training facilities. That is how I get Hoffmann-La Roche, BMW and all the sophisticated plants, Honda and otherwise, that are coming into my State.

So we say with knowledge that we are not against trade; we have experience in this field. In South Carolina, we have the best industries on the one hand, 2.8 percent unemployment in Greenville County. But go down to Williamsburg County and you have 14 percent unemployment.

On October 28, one week ago, the Washington Post published an editorial by James Glassman. Obviously, Mr. Glassman does not understand exactly what is at issue here.

I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Oct. 28, 1997]

CONSUMERS FIRST

(By James K. Glassman)

We work in order to eat, not vice versa. In other words, an economy should, first and foremost, benefit consumers, not producers—individuals rather than the established interests of business and labor.

This simple truth, which is regularly ignored by politicians and the media, is at the heart of many of our current debates—over free trade, taxes and, most recently, the antitrust action against Microsoft.

Adam Smith said it best in 1783: "Consumption is the sole end and purpose of all production, and the interest of the producers ought to be attended to, only in so far as it may be necessary for promoting that of the consumer."

That's why free trade is so beneficial. If we make it easy for Italy to export inexpensive shoes to us, then U.S. shoemakers may have to find jobs in other fields. But, meanwhile, the 260 million Americans who wear shoes every day get a bargain. The money they save can be used to buy other things and start businesses, such as software, in which Americans have a clear advantage.

In its defense of fast-track to boost trade deals, the Clinton administration has completely ignored this approach: that the main reason we trade is to get good, low-priced imports, which, incidentally, help keep down inflation. Politicians have spent so much of their time helping producer interest groups (a term that always includes big labor) that they've forgotten the best argument for free trade—that it's a tremendous boon to consumers.

But consumers, who, by their very nature, are unorganized, are consistently given short shrift—even by groups, such as Ralph Nader's, that purport to represent them. Take Attorney General Janet Reno's million-dollar-a-day fine against Microsoft, hailed by Nader and based on her claim that the company is "forcing PC manufacturers to take one Microsoft product as a condition of buying a monopoly product like Windows 95."

Yes, producers are forced to do something they may not like, but consumers get something free—a browser that helps them move around the Internet. It's difficult to see how the aggressive, even vicious, competitive tactics of companies like Microsoft and Intel have hurt consumers, who now enjoy more and more computer power for less and less money.

It's nonsense to believe that a computer industry in a constant state of revolution will thwart individuals unless government steps in. It's consumers who determine whether a product succeeds or fails. For an economy to reward the best producers, consumers have to be given free rein to make choices and send signals about what they really want.

Unfortunately, the history of antitrust—not to mention trade policies like high tariffs, quotas and anti-dumping rules—reveals a pattern of enforcement that benefits politically powerful producers, while paying only lip service to consumers.

If I seem overly agitated about producer-favoritism, it's because I've seen the deadly results. I just returned from a trip to Germany, a country which, only a few years ago, U.S. politicians held up as an ideal. Today, there's a complacency and hopelessness about the economy. Unemployment is 11.7 percent. "This has little to do with the business cycle," Otto Graf Lambsdorff, the respected former economics minister, told me. "It is structural unemployment."

Germans are—stereotypically and actually—precise, diligent, well-educated and technically proficient. But between 1990 and 1996, their total industrial output actually declined by 3 percent while that of the United States rose 17 percent. (Output in Japan, another producer-oriented economy that's in the dumps, fell 5 percent.)

Why? One reason is the drag imposed by the sheer size of the German welfare state, but at least as important is an economic policy that consistently stymies the interests of consumers.

For instance, wage agreements, enshrined in law, are set by the big manufacturers and their unions, then imposed on smaller companies—a process that prevents serious competition that would drive down prices and help Germans live better.

German regulations also keep new entrants out of the marketplace. The medieval guild system still rules, and it's hard to start a business without the certification of companies that are already in it. Three people told me the same story: Bill Gates never could have launched Microsoft in Germany because it's illegal to work in a garage—no windows.

The most glaring example of producers-first is the law that sets nationwide operating hours for retail businesses. Exactly a year ago, those hours were finally extended—for just 90 minutes. Now, businesses have to close Monday through Friday at 8 p.m. and on Saturdays at 4 p.m. On Sundays, only bakeries can open.

Why have such a law at all? While some in the Bundestag argued that longer hours hurt family life and church-going (then why not ban telecasts of soccer games?), the main opposition came from producers themselves (and their attendant unions). Cartels love the status quo. Allow innovation, and new firms might drive us out of business. In other words, the consumer be damned.

Economic policy really isn't as complicated as it seems. Since, as Adam Smith pointed out, the consumer comes first, then the first question should always be: Does this help consumers, not in some imagined future but in the here and now? Free trade does. Microsoft's free browser does. A tax system that stresses low rates, simplicity and no breaks for special interests does.

The people who run Germany may never learn this important axiom, but most Americans know it instinctively. Now, if only the politicians and the press would catch on.

Mr. HOLLINGS. "Since as Adam Smith pointed out, the consumer comes first."

Come on, that is historically inaccurate. If we would have done that, we would still be a colony. He doesn't know what he is talking about. They didn't land here from the Mayflower looking for consumption and a cheap T-shirt. They came here to build a nation. You don't build it without a strong manufacturing capacity and you can find more silly articles running around loose. There is one by David Broder. He was quoted by my distinguished colleagues from New York and from North Dakota on both sides of the issue, but I want to read one paragraph, and I ask unanimous consent this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 4, 1997]

Fast Track, Heavy Freight

(By David S. Broder)

For President Clinton, the big trade vote scheduled later this week represents "Double Jeopardy."

If Clinton fails to win the same "fast track" negotiating authority that previous presidents have carried into international bargaining, it would threaten a central part of his overall economic policy and rattle already jumpy world stock markets. It would signal retreat by the United States from its leadership role for a more open international marketplace and—by the sober judgment of the embassies of at least two key allies—could set off serious trade wars.

Chances are, it won't come to that. The Senate, which is scheduled to vote first, seems likely to approve the fast-track procedure in which trade agreements are voted up or down by Congress but are not subject to amendment. In the House, which is slated to follow on Friday, Clinton faces an uphill struggle, but one he might still win.

The cost of victory may be high, however. By every calculation, more than two-thirds of the affirmative votes will have to come from Republicans. The more Clinton has to turn to Speaker Newt Gingrich and his allies, the higher the price they can extract on other issues. Gingrich, still trying to shore up his own shaky position after last summer's failed coup, simply cannot afford to be altruistic.

The reason Clinton may have to pay a high price is that he has signally failed to persuade his own party of the rightness of his trade policy. In 1993, after a vigorous campaign by Clinton, only 40 percent of House Democrats supported NAFTA—the free trade agreement with Mexico and Canada. "On fast track, he will lose 20 or more people who voted for NAFTA," House Democratic Whip David Bonior of Michigan, an ardent opponent, told me over the weekend. A key House Democratic Supporter conceded that Clinton is unlikely to get many more than 30 percent of the 206 Democrats to go along—a figure low enough that it could prove fatal.

Clinton aides blame the problem on organized labor, which has led the fight against "fast track," just as it did against NAFTA. "This is the most blatant example of the corrupting effect of campaign finances on Washington policy-making I know," one high administration official said.

Even if you accept AFL–CIO lobbyist Peggy Taylor's assurance that "we have not threatened to cut off contributions to anyone," there is no doubt the dependence of most congressional Democrats on unions for their bedrock financing makes them receptive to the arguments Taylor and other labor lobbyists offer.

But there's more than money involved. In the 1994 midterm election, a year after the NAFTA vote, union activists, stung by losing that fight to Clinton and by the president's failure to get a Democratic Congress even to vote on his promised health care reform, deserted their posts. Phone banks went unmanned; the turnout of union families plummeted; 40 percent of those who bothered to vote backed GOP candidates, and the Democrats lost the House for the first time in 40 years.

In 1996, by contrast, labor, under new leadership, targeted Gingrich and the GOP early, boosted its share of the electorate and helped the Democrats to a 10-seat gain. Understandably, its arguments are heeded.

Labor is less monolithic than it appears, however. The growing unions—notably those representing public employees and service industries—care much less about the trade issue than do the teamsters or the big industrial unions. Vice President Al Gore, despite his pro-NAFTA and pro-fast-track stance, has at least as many allies among top unionists as his prospective opponent for the 2000 nomination, Minority Leader Dick Gephardt of Missouri, who is leading the fight for labor.

What Clinton and the White House have been slow to realize is that Gephardt has convinced many of his colleagues that demanding stronger worker and environmental protections as part of future trade agreements is a way of helping their constituents—not undercutting a successful Clinton economic policy. Until very recently, the president let the opposition dominate the public debate.

As a result, Cliton will not get the votes of such thoughtful Democrats as Rep. Ron Kind, a moderate freshman from a marginal district in Wisconsin, who concedes he is adopting the "parochial concern" of dairy farmers frustrated by their post-NAFTA dealings with Canada. "Very few of us oppose giving the president the authority to negotiate," he said, "but he should have elevated this to a national debate on what the rules of trade should look like in the 21st century. That is what Ronald Reagan would have done."

As a result of that failure, Clinton will pay Gingrich a high price if he is to avoid a truly devastating defeat.

Mr. HOLLINGS. The article reads in part:

> Clinton aides blame the problem on organized labor which has led the fight against fast track just as it did against NAFTA. "This is the most blatant example of the corrupting effect of campaign finances on Washington policy-making I know," one high administration official said.

Boy, oh boy, is it. Is it one of the most scandalous, corrupting effects of campaign finances. Why? Mr. President, 250 of these multinational corporations are responsible for 80 percent of the exports. That is the moneyed crowd that came with the white tent on the lawn for NAFTA. That is the moneyed crowd and the Business Advisory Council that sent around a month ago, "We are allocating $50,000 for this debate." Each of your corporate entities, send the money in so we can buy the TV to bamboozle those silly Senators in Congress.

It is one of the most corrupting—not labor. God bless labor. At least they are fighting for what Henry Ford said: "I want to make sure that the man that produces the car can buy the car." And he brought in good, responsible wages. That is what labor is trying to get—a responsible wage and working conditions and no child labor and no environmental degradations.

Since I'm talking, I want everyone to know I'm just not reading things. I have been there and I have seen, as Martin Luther King, Jr. said, the other side. So at Tijuana, Mr. President, you go there and you think you are in Korea. Go across from San Diego into Tijuana—beautiful industries, mostly Korean, and what happens? Then you go out to the living conditions, some 150,000 to 200,000 people in that dust bowl. The mayor comes up and he says, "Senator, I want you to meet with 12 people if you don't mind." I said I would be glad to. "I would like you to listen to what they are talking about."

It so happens that in that area, the mills have the flag, whether American or Korean, they have a beautiful lawn, a nice, clean factory on the outside and the living conditions are squalid—literally, five garage doors put together as a hovel to live in, no running water, the electric power is one little electric line where I was visiting and the fellow had a car battery to turn on his TV because if he turned on the light and TV everything blew up.

There wasn't any sewage, there weren't any roads or streets. When they had a heavy rain and when the rains came at the turn of the year, it washed down all that mud, dust, and what have you, and their homes were literally being washed away. Trying to save them, they missed a day's work, these 12 workers. Later in February, one of the workers in a plastic coat hanger factory—a factory that had moved down from Los Angeles, CA, to Mexico, a low-wage thing, maquiladora is the word for it—had lost his eyesight from the dust flicked up in his eyes by the coat hangers. That caused real concern because they had been docked having missed 1 day's work. They were docked under the work rules. They lost 4 days' pay. And now they were losing one of their companion workers and his eyesight, and around the first of May the most popular supervisor was expecting childbirth and she went to the front office and said, "I'm feeling badly and I have to go home this afternoon," and the plant managers said, "Oh, no, you are not, you are working out there," and she stayed that afternoon and miscarried.

So these 12 that the mayor had me meet said they were going to get a union and they went up to Los Angeles. You know what they found, Mr. President? These are labor rights they have down in Mexico. They found they already had a union. When the plants had moved down there 3 years before they had signed a legal document back there in Los Angeles between lawyers for the so-called union that they never saw, never saw. The union master or anything else of that kind never visited the plant, and under Mexican law, since they had a union, these workers were fired because you are not allowed to try to organize a union when you have one. That is labor rights in Mexico. So they lost their jobs. And the mayor was pointing them out to me.

Labor is there working so that the United States can go out and spread its values. I talked about our values as a Nation, the strength of them, and it isn't to get a cheap T-shirt or cheap production. It is to extend those rights.

We had the highest standard of living here in the United States, and we are trying to extend that standard of living so that others can buy and purchase. If we had the time, Mr. President, I would go into overcapacity. I remember when Bill Greider published his book a couple of years ago, "One World, Ready or Not." He talked about overcapacity; at the time, commentators ridiculed Greider, but now they find that we in the United States have the capacity to produce 500,000 more cars than we can sell; in the European sector, they have the capacity to produce 4 to 5 million more cars than they can sell, and with the yen down, you can watch automobiles coming in here like gangbusters.

Now, what are we saying? They don't know what they are talking about. We are trying to produce consumers to go and buy those cars. And what did we get out of NAFTA? Instead of $1 an hour workers' wages have gone down. Read the American Chamber of Commerce report in Mexico earlier this year. Instead of $1 an hour they now make 70 cents an hour. They can't buy the car. There are no consumers there; that is why there is the overcapacity. They act like we have equals; they say in a naive fashion that 96 percent of the consumers are outside the United States, when all that they are doing is looking at population figures.

They don't know what they are talking about. They are not consuming. They are not able. I wish I had the Boston Globe article about the shoe manufacturer. I don't want to mention the name because I want to be accurate. But the tennis shoes were being made by three young women who slept on the floor, without a window, in a shack down in Malaysia, and their monthly salary was less than the cost of one pair of the shoes they were making. Now, come on. These are facts we must bring out in this debate. Wait a minute here, we know how to compete, how to open up markets. Via Friedrich List, we have been trying for 50 years to get into Japan and we have had little success.

If you want to sell textile products, you have to go to the textile industry of Korea and get permission or you don't get it. In Europe, the VCR's shipped there—there are nontariff trade barriers. They put VCR's up in Dijon, France. It took a year to get up there and clear all the redtape, get them released from the warehouse. Automobiles stayed on the dock in Europe—Toyota—and are still there. If you want to buy a 1998 model, you are going to have to wait until October 1, 1998, not October 1, 1997, because the '98 models that just came out, they have a year to inspect.

The competition, Mr. President, out there in this global economy is the Friedrich List model, not the Adam Smith model. We just need to get that through the hard heads of the State Department and the White House and the leadership in this Congress. Labor is being derided because they are trying to bring the benefits to all so they can become consumers, so, yes, as a result all will be able to purchase these products. But we are roaring blindly into an overcapacity problem the world around and the global economy, and we are headed for deflation. Remember that we said it first here in the beginning of November in 1997.

Mr. President, I have the article I was mentioning earlier. It was Reebok. My staff has just given that to me.

We have learned the hard way. We know our responsibility. That is what really boils me. Here comes this crowd from the White House: "Give the President the authority, give him the authority." He has had the authority to negotiate since 1934 under the Reciprocal Trade Act. We delegated that negotiating authority on behalf of the Congress. I am reminded of my friend Congressman Mendel Rivers, who used to be chairman of the Armed Services Committee. He had a seal in front of his desk that said "Congress of the United States." When Secretary McNamara would come up, Chairman Rivers would lean over and say to Robert McNamara, "Not the President, not the Supreme Court, but the Congress of the United States shall raise and support armies," article I, section 8. Also in article I, section 8 it says "the Congress of the United States shall regulate foreign commerce," not the President, not the Supreme Court, but the Congress of the United States. That is not only our authority, it is our responsibility. But they say: Fast track, fast track, fast track. Forget your responsibility constitutionally. Take it or leave it.

How do they get NAFTA passed? The White House amends the treaty. Mr. President, in that particular debate, we remembered there were some 16 amendments. One Congressman down in Texas got 2 additional C–17's and he gave in his vote. Another distinguished Congressman, my good friend Jake Pickle, got a trade center. Another group down in Florida got a citrus amendment to take care of their concerns, and the Louisiana vote was taken care of with sugar, and for the Midwest, up by the border, it was a Durum wheat amendment. I could go down the list of the 16 amendments. What I am saying to this body is that we, the Congress, can't amend the treaties, but the White House can. It is the most arrogant, unconstitutional assault and usurpation. Said George Washington in his farewell address, if in the opinion of the people the distribution of powers under the Constitution be in any particular wrong, "then let it be amendable in the way that the Congress designates, for in the usurpation may in the one instance be the instrument of good, it is the customary weapon by which free governments are destroyed." And so we are in the hands of the Philistines, the multinationals.

As I started out saying, the program of spreading capitalism has worked. That is what defeated the Soviet Union and brought about the fall of the wall. We all glory in it. But in the meantime, those who had gone abroad spreading that subsidized initiative learned that they could produce cheaper overseas, that they could save one-third of their sales of volume cost. So they began moving overseas their offshore production. And then the banks financing this movement—Chase Manhattan and Citicorp, as of the year 1973—I remember that debate—made a majority of their profits outside of the United States. IBM is no longer an American company. They have a majority of workers outside of the United States. We could go down the list. But they had the banks and then the nationals were becoming multinationals. Then they had all the consultants and the think tanks that they financed to grind out all these papers. They come around babbling, "free trade, free trade." So you have the multinationals, the banks, the consultants, the think tanks, the college campuses—oh, yes, and the retailers.

Every time we debated the textile bill—five times we passed it—I would go down to Herman's and find a catcher's mitt, one made in Michigan and one made in Korea, both for $43, the same price. We went down to Bloomingdale's and got a ladies' blouse made in Taiwan and one made in New Jersey, both for $27.

My point was that they get their imports, bring it in for the large profit, and only give a little bit of the overrun of the particular sales to Grand Rapids in New Jersey. They are not lowering their price as a result of competition. The retailers put out all of this nonsense about Smoot-Hawley. Paul Krugman said the best of the best—we had some quotes from him. We had that debate.

I will ask, Mr. President, to have printed in the RECORD the quote with respect to Smoot-Hawley because we heard that same thing here a little earlier today.

I ask unanimous consent to have printed in the RECORD at this point the record on Smoot-Hawley made by our distinguished colleague, the late Senator John Heinz, in 1983, where he made a studied report of it.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE MYTH OF SMOOT-HAWLEY

Mr. HEINZ. Mr. President, every time someone in the administration or the Congress gives a speech about a more aggressive trade policy or the need to confront our trading partners with their subsidies, barriers to import and other unfair practices, others, often in the academic community or in the Congress immediately react with speeches on the return of Smoot-Hawley and the dark days of blatant protectionism. "Smoot-Hawley," for those uninitiated in this arcane field, is the Tariff Act of 1930 (Public Law 71-361) which among other things imposed significant increases on a large number of items in the Tariff Schedules. The act has also been, for a number of years, the basis of our countervaillling duty law and a number of other provisions relating to unfair trade practices, a fact that tends to be ignored when people talk about the evils of Smoot-Hawley.

A return to Smoot-Hawley, of course, is intended to mean a return to depression, unemployment, poverty, misery, and even war, all of which apparently were directly caused by this awful piece of legislation. Smoot-Hawley has thus become a code word for protectionism, and in turn a code word for depression and major economic disaster. Those who sometimes wonder at the ability of Congress to change the country's direction through legislation must marvel at the sea change in our economy apparently wrought by this single bill in 1930.

Historians and economists, who usually view these things objectively, realize that the truth is a good deal more complicated, that the causes of the Depression were far deeper, and that the link between high tariffs and economic disaster is much more tenuous than is implied by this simplistic linkage. Now, however, someone has dared to explode this myth publicly through an economic analysis of the actual tariff increases in the act and their effects in the early years of the Depression. The study points out that the increases in question affected only 231 million dollars' worth of products in the second half of 1930, significantly less than 1 percent of world trade; that in 1930–32 duty-free imports into the United States dropped at virtually the same percentage rate as dutiable imports; and that a 13.5 percent drop in GNP in 1930 can hardly be blamed on a single piece of legislation that was not even enacted until midyear.

This, of course, in not to suggest that high tariffs are good or that Smoot-Hawley was a wise piece of legislation. It was not. But it was also clearly not responsible for all the ills of the 1930's that are habitually blamed on it by those who fancy themselves defenders of free trade. While I believe this study does have some policy implications, which I may want to discuss at some future time, one of the most useful things it may do is help us all clean up our rhetoric and reflect a more sophisticated—and accurate—view of economic history.

Mr. President, I ask that the study, by Don Bedell of Bedell Associates, be printed in the RECORD.

The study follows:

BEDELL ASSOCIATES,
Palm Desert, Calif., April 1983

TARIFFS MISCAST AS VILLAIN IN BEARING BLAME FOR GREAT DEPRESSION—SMOOT/HAWLEY EXONERATED

(By Donald W. Bedell)

SMOOT/HAWLEY, DEPRESSION AND WORLD REVOLUTION

It has recently become fashionable for media reporters, editorial writers here and abroad, economists, Members of Congress, members of foreign governments, UN organizations and a wide variety of scholars to express the conviction that the United States, by the single act of causing the Tariff Act of 1930 to become law (Public Law 361 of the 71st Congress) plunged the world into an economic depression, may well have prolonged it, led to Hitler and World War II.

Smoot/Hawley lifted import tariffs into the U.S. for a cross section of products beginning mid-year 1930, or *more than 8 months following the 1929 financial collapse*. Many observers are tempted simply repeat "free trade" economic doctrine by claiming that this relatively insignificant statute contained an inherent trigger mechanism which upset a neatly functioning world trading system based squarely on the theory of comparative economics, and which propelled the world into a cataclysm of unmeasurable proportions.

We believe that sound policy development in international trade must be based solidly on facts as opposed to suspicious, political or national bias, or "off-the-cuff" impressions 50 to 60 years later of how certain events may have occurred.

When pertinent economic, statistical and trade data are carefully examined will they show, on the basis of preponderance of fact, that passage of the Act did in fact trigger or prolong the Great Depression of the Thirties, that it had nothing to do with the Great Depression, or that it represented a minor response of a desperate nation to a giant world-wide economic collapse already underway?

It should be recalled that by the time Smoot/Hawley was passed 6 months had elapsed of 1930 and 8 months had gone by since the economic collapse in October, 1929. Manufacturing plants were already absorbing losses, agriculture surpluses began to accumulate, the spectre of homes being foreclosed appeared, and unemployment showed ominous signs of a precipitous rise.

The country was stunned, as was the rest of the world. All nations sought very elusive solutions. Even by 1932, and the Roosevelt election, improvisation and experiment described government response and the technique of the New Deal, in the words of Arthur Schlesinger, Jr. in a New York Times article on April 10, 1983. President Roosevelt himself is quoted in the article as saying in the 1932 campaign, "It is common sense to take a method and try it. If it fails, admit it frankly and try another. But above all, try something."

The facts are that, rightly or wrongly, there were no major Roosevelt Administration initiatives regarding foreign trade until well into his Administration; thus clearly suggesting that initiatives in that sector were not thought to be any more important than the Hoover Administration thought them. However, when all the numbers are examined we believe neither. President Hoover nor President Roosevelt can be faulted for placing international trade's role in world economy near the end of a long list of sectors of the economy that had caused chaos and suffering and therefore needed major corrective legislation.

How important was international trade to the U.S.? How important was U.S. trade to its partners in the Twenties and Thirties?

In 1919, 66% of U.S. imports were duty free, or $2.9 Billion of a total of $4.3 Billion. Exports amounted to $5.2 Billion in that year making a total trade number of $9.6 Billion or about 14% of the world's total. See Chart I below.

CHART I.—U.S. GROSS NATIONAL PRODUCT, 1929–33

[Dollar amounts in billions]

	1929	1930	1931	1932	1933
GNP	$103.4	$89.5	$76.3	$56.8	$55.4
U.S. international trade	$9.6	$6.8	$4.5	$2.9	$3.2
U.S. international trade percent of GNP	$.3	7.6	5.9	5.1	$5.6 [1]

[1] Series U, Department of Commerce of the United States, Bureau of Economic Analysis.

Using the numbers in that same Chart I it can be seen that U.S. imports amounted to $4.3 Billion or just slightly above 12% of total world trade. When account is taken of the fact that only 33%, or $1.5 Billion, of U.S. imports was in the Dutiable category, the entire impact of Smoot/Hawley has to be focused on the $1.5 Billion number which is barely 1.5% of U.S. GNP and 4% of world imports.

What was the impact? In dollars Dutiable imports fell by $462 Million, or from $1.5 Billion to $1.0 Billion, during 1930. It's difficult to determine how much of that small number occurred in the second half of 1930 but the probability is that it was less than 50%. In any case, the total impact of Smoot/Hawley in 1930 was limited to a "damage" number of $231 Million; spread over several hundred products and several hundred countries.

A further analysis of imports into the U.S. discloses that all European countries accounted for 30% or $1.3 Billion in 1929 divided as follows: U.K. at $330 Million or 7½%, France at $171 Million or 3.9%, Germany at $255 Million or 5.9%, and some 15 other nations accounting for $578 Million or 13.1% for an average of 1%.

These numbers suggest that U.S. imports were spread broadly over a great array of products and countries, so that any tariff action would by definition have only a quite modest impact in any given year or could be projected to have any important cumulative effect.

This same phenomenon is apparent for Asian countries which accounted for 29% of U.S. imports divided as follows: China at 3.8%, Japan at $432 Million and 9.8% and with some 20 other countries sharing in 15% or less than 1% on average.

Australia's share was 1.3% and all African countries sold 2.5% of U.S. imports.

Western Hemisphere countries provided some 37% of U.S. imports with Canada at 11.4%, Cuba at 4.7%, Mexico at 2.7%, Brazil at 4.7% and all others accounting for 13.3% or about 1% each.

The conclusion appears inescapable on the basis of these numbers; a potential adverse impact of $231 Million spread over the great array of imported products which were available in 1929 could not realistically have had any measurable impact on America's trading partners.

Meanwhile, the Gross National Product (GNP) in the United States had dropped an unprecedented 13.5% in 1930 alone, from $103.4 Billion in 1929 to $89 Billion by the end of 1930. It is unrealistic to expect that a shift in U.S. international imports of just 1.6% of U.S. GNP in 1930, for example ($231 Million or $14.4 Billion) could be viewed as establishing a "precedent" for America's trading partners to follow, or represented a "model" to follow.

Even more to the point an impact of just 1.6% could not reasonably be expected to have any measurable effect on the economic health of America's trading partners.

Note should be taken of the claim by those who repeat the Smoot/Hawley "villain" theory that it set off a "chain" reaction around the world. While there is some evidence that certain of America's trading partners retaliated against the U.S. there can be no reliance placed on the assertion that those same trading partners retaliated against each other by way of showing anger and frustration with the U.S. Self-interest alone would dictate otherwise, common sense would intercede on the side of avoidance of "shooting oneself in the foot," and the facts disclose that world trade declined by 18% by the end of 1930 while U.S. trade declined by some 10% more or 28%. U.S. foreign trade continued to decline by 10% more through 1931, or 53% versus 43% for worldwide trade, but U.S. share of world trade declined by only 18% from 14% to 11.3% by the end of 1931.

Reference was made earlier to the Duty Free category of U.S. imports. What is especially significant about those import numbers is the fact that they dropped in dollars by an almost identical percentage as did Dutiable goods through 1931 and beyond: Duty Free imports declined by 29% in 1930 versus 27% for Dutiable goods, and by the end of 1931 the numbers were 52% versus 51% respectively.

The only rational explanation for this phenomenon is that Americans were buying less and prices were falling. No basis exists for any claim that Smoot/Hawley had a distinctively devastating effect on imports beyond and separate from the economic impact of the economic collapse in 1929.

Based on the numbers examined so far, Smoot/Hawley is clearly a mis-cast villain. Further, the numbers suggest the clear possibility that when compared to the enormity of the developing international economic crisis Smoot/Hawley had only a minimal impact and international trade was a victim of the Great Depression.

This possibility will become clear when the course of the Gross National Product (GNP) during 1929–1933 is examined and when price behaviour world-wide is reviewed, and when particular Tariff Schedules of Manufacturers outlined in the legislation are analyzed.

Before getting to that point another curious aspect of the "villain" theory is worthy of note. Without careful recollection it is tempting to view a period of our history some 50–60 years ago in terms of our present world. Such a superficial view not only makes no contribution to constructive policy-making. It overlooks several vital considerations which characterized the Twenties and Thirties:

1. The international trading system of the Twenties bears no relation to the interdependent world of the Eighties commercially, industrially and financially in size or complexity.

2. No effective international organization existed, similar to the General Agreement for Tariffs and Trade (GATT) for example for resolution of disputes. There were no trade "leaders" among the world's nations in part because most mercantile nations felt more comfortable without dispute settlement bodies.

3. Except for a few critical products foreign trade was not generally viewed in the "economy-critical" context as currently in the U.S. As indicated earlier neither President Hoover nor President Roosevelt viewed foreign trade as crucial to the economy in general or recovery in particular.

4. U.S. foreign trade was relatively an amorphous phenomenon quite unlike the highly structured system of the Eighties; characterized largely then by "caveat emptor" and a broadly laissez-faire philosophy generally unacceptable presently.

These characteristics, together with the fact that 66 percent of U.S. imports were Duty Free in 1929 and beyond, placed overall international trade for Americans in the Twenties and Thirties on a very low level of priority especially against the backdrop of world-wide depression. Americans in the Twenties and Thirties could no more visualize the world of the Eighties than we in the Eighties can legitimately hold them responsible for failure by viewing their world in other than the most pragmatic and realistic way given those circumstances.

For those Americans then, and for us now, the numbers remain the same. On the basis of sheer order of magnitude of the numbers illustrated so far, the "villain" theory often attributed to Smoot/Hawley is an incorrect reading of history and a misunderstanding of the basic and incontrovertible law of cause and effect.

It should also now be recalled that, despite heroic efforts by U.S. policy-makers its GNP continued to slump year-by-year and reached a total of just $55.4 billion in 1933 for a total decline from 1929 levels of 46 percent. The financial collapse of October, 1920 had indeed left its mark.

By 1933 the 1929 collapse had prompted formation in the U.S. of the Reconstruction Finance Corporation, Federal Home Loan Bank Board, brought in a Democrat President with a program to take control of banking, provide credit to property owners and corporations in financial difficulties, relief to farmers, regulation and stimulation of business, new labor laws and social security legislation.[1]

So concerned were American citizens about domestic economic affairs, including the Roosevelt Administration and the Congress, that scant attention was paid to the solitary figure of Secretary of State Cordell Hull. He, alone among the Cabinet, was convinced that international trade had material relevance to lifting the country back from depression. His efforts to liberalize trade in general and to find markets abroad for U.S. products in particular from among representatives of economically stricken Europe, Asia and Latin America were abruptly ended by the President and the 1933 London Economic Conference collapsed without result.

The Secretary did manage to make modest contributions to eventual trade recovery through the Most Favored Nation (MFN) concept. But it would be left for the United States at the end of World War II to undertake an economic and political role of leadership in the world; a role which in the Twenties and Thirties Americans in and out of government felt no need to assume, and did not assume. Evidence that conditions in the trade world would have been better, or even different, had the U.S. attempted some leadership role cannot responsibly be assembled. Changing the course of past history has always been less fruitful than applying perceptively history's lessons.

The most frequently used members thrown out about Smoot/Hawley's impact by those who believe in the "villain" theory are those which clearly establish that U.S. dollar decline in foreign trade plummeted by 66 percent by the end of 1933 from 1929 levels, $9.6 billion to $3.2 billion annually.

Much is made of the co-incidence that world-wide trade also sank about 66 percent for the period. Chart II summarizes the numbers.

CHART II.—UNITED STATES AND WORLD TRADE, 1929–33

[In billions of U.S. dollars]

	1929	1930	1931	1932	1933
United States:					
Exports	5.2	3.8	2.4	1.6	1.7
Imports	4.4	3.0	2.1	1.3	1.5
Worldwide:					
Exports	33.0	26.5	18.9	12.9	11.7
Imports	35.6	29.1	20.8	14.0	[a] 12.5

[a] Series U Department of Commerce of the United States, League of Nations, and International Monetary Fund.

The inference is that since Smoot/Hawley was the first "protectionist" legislation of the Twenties, and the end of 1933 saw an equal drop in trade that Smoot/Hawley must have caused it. Even the data already presented suggest the relative irrelevance of the tariff-raising Act on a strictly trade numbers basis. When we examine the role of a world-wide price decline in the trade figures for almost every product made or commodity grown the "villain" Smoot/Hawley's impact will not be measurable.

It may be relevant to note here that the world's trading "system" paid as little attention to America's revival of foreign trade beginning in 1934 as it did to American trade policy in the early Thirties. From 1934 through 1939 U.S. foreign trade rose in dollars by 80% compared to world-wide growth of 15%. Imports grew by 68% and exports climbed by a stunning 93%. U.S. GNP by 1939 had developed to $91 billion, to within 88% of its 1929 level.

Perhaps this suggests that America's trading partners were more vulnerable to an economic collapse and thus much less resilient than was the U.S. In any case the international trade decline beginning as a result of the 1929 economic collapse, and the subsequent return by the U.S. beginning in 1934 appear clearly to have been wholly unrelated to Smoot/Hawley.

As we begin to analyze certain specific Schedules appearing in the Tariff Act of 1930 it should be noted that sharp erosion of prices world-wide caused dollar volumes in trade statistics to drop rather more than unit-volume thus emphasizing the decline value. In addition, it must be remembered that as the Great Depression wore on, people simply bought less of everything increasing further price pressure downward. All this wholly apart from Smoot/Hawley.

When considering specific Schedules, No. 5 which includes Sugar, Molasses, and Manufactures Of, maple sugar cane, sirups, adonite, dulcite, galactose, inulin, lactose and sugar candy. Between 1929 and 1933 import volume into the U.S. declined by about 40% in dollars. In price on a world basis producers suffered a stunning 60% drop. Volume of sugar imports declined by only 42% into the U.S. in tons. All these changes lend no credibility to the "villain" theory unless one assumes, erroneously, that the world price of sugar was so delicately balanced that a 28% drop in sugar imports by tons into the U.S. in 1930 destroyed the price structure and that the decline was caused by tariffs and not at least shared by decreased purchases by consumers in the U.S. and around the world.

Schedule 4 describes Wood and Manufactures Of, timber hewn, maple, brier root, cedar from Spain, wood veneer, hubs for wheels, casks, boxes, reed and rattan, toothpicks, porch furniture, blinds and clothes pins among a great variety of product categories. Dollar imports into the U.S. slipped by 52% from 1929 to 1933. By applying our own GNP as a reasonable index of prices both at home and overseas, unit volume decreased only 6% since GNP had dropped by 46% in

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[1] Beard, Charles and Mary. New Basic History of the United States.

1933. The world-wide price decline did not help profitability of wood product makers, but to tie that modest decline in volume to a law affecting only 6½% of U.S. imports in 1929 puts great stress on credibility, in terms of harm done to any one country or group of countries.

Schedule 9, Cotton Manufactures, a decline of 54% in dollars is registered for the period, against a drop of 46% in price as reflected in the GNP number. On the assumption that U.S. GNP constituted a rough comparison to world prices, and the fact that U.S. imports of these products was infinitesimal, Smoot/Hawley was irrelevant. Further, the price of raw cotton in the world plunged 50% from 1929 to 1933. U.S. growers had to suffer the consequences of that low price but the price itself was set by world market prices, and was totally unaffected by any tariff action by the U.S.

Schedule 12 deals with Silk Manufactures, a category which decreased by some 60% in dollars. While the decrease amounted to 14% more than the GNP drop, volume of product remained nearly the same during the period. Assigning responsibility to Smoot/Hawley for this very large decrease in price beginning in 1930 stretches credibility beyond the breaking point.

Several additional examples of price behaviour are relevant.

One is Schedule 2 products which include brick and tile. Another is Schedule 3 iron and steel products. One outstanding casualty of the financial collapse in October, 1929 was the Gross Private Investment number. From $16.2 Billion annually in 1939 by 1933 it has fallen by 91% to just $1.4 Billion. No tariff policy, in all candor, could have so devastated an industry as did the economic collapse of 1929. For all intents and purposes construction came to a halt and markets for glass, brick and steel products with it.

Another example of price degradation world-wide completely unrelated to tariff policy is Petroleum products. By 1933 these products had decreased in world price by 82% but Smott/Hawley had no Petroleum Schedule. The world market place set the price.

Another example of price erosion in world market is contained in the history of exported cotton goods from the United States. Between 1929 and 1933 the volume of exported goods actually increased by 13.5% while the dollar value dropped 48%. This result was wholly unrelated to the tariff policy of any country.

While these examples do not include all Schedules of Smoot/Hawley they clearly suggest that overwhelming economic and financial forces were at work affecting supply and demand and hence on prices of all products and commodities and that these forces simply obscured any measurable impact the Tariff Act of 1930 might possibly have had under conditions of several years earlier.

To assert otherwise puts on those proponents of the Smoot/Hawley "villian" theory a formidable challenge to explain the following questions:

1. What was the nature of the "trigger" mechanism in the Act that set off the alleged domino phenomenon in 1930 that began or prolonged the Great Depression when implementation of the Act did not begin until mid-year?

2. In what ways was the size and nature of U.S. foreign trade in 1929 so significant and critical to the world economy's health that a less than 4% swing in U.S. imports could be termed a crushing and devastating blow?

3. On the basis of what economic theory can the Act be said to have caused a GNP drop of an astounding drop of 13.5% in 1930 when the Act was only passed in mid-1930? DId the entire decline take place in the second half of 1930? Did world-wide trade begin its decline of some $13 Billion only in the second half of 1930?

4. Does the fact that duty free imports into the U.S. dropped in 1930 and 1931 and in 1932 at the same percentage rate as dutiable imports support the view that Smoot/Hawley was the cause of the decline in U.S. imports?

5. Is the fact that world wide trade declined less rapidly than did U.S. foreign trade prove the assertion that American trading partners retaliated against each other as well as against the U.S. because and subsequently held the U.S. accountable for starting an international trade war?

6. Was the international trading system of the Twenties so delicately balanced that a single hastily drawn tariff increase bill affecting just $231 Million of dutiable products in the second half of 1930 began a chain reaction that scuttled the entire system? Percentage-wise $231 Million is but 0.65% of all of 1929 world-wide trade and just half that of world-wide imports.

The preponderance of history and facts of economic life in the international area make an affirmative response by the "villain" proponents an intolerable burden.

It must be said that the U.S. does offer a tempting target for Americans who incessantly cry "mea culpa" over all the world's problems, and for many among our trading partners to explain their problems in terms of perceived American inability to solve those problems.

In the world of the Eighties U.S. has indeed very serious and perhaps grave responsibility to assume leadership in international trade and finance, and in politics as well.

On the record, the United States has met that challenge beginning shortly after World War II.

The U.S. role in structuring the United Nations, the General Agreement on Tariffs and Trade (GATT), the International Monetary Fund, the Bretton Woods and Dumbarton Oaks Conference on monetary policy, the World Bank and various Regional Development Banks, for example, is a record unparalleled in the history of mankind.

But in the Twenties and Thirties there was no acknowledged leader in International affairs. On the contrary, evidence abounds that most nations preferred the centuries-old patterns of international trade which emphasized pure competition free from interference by any effective international supervisory body such as GATT.

Even in the Eighties examples abound of trading nations succumbing to nationalistic tendencies and ignoring signed trade agreements. Yet the United States continues as the bulwark in trade liberalization proposals within the GATT. It does so not because it could not defend itself against any kind of retaliation in a worst case scenario but because no other nation is strong enough to support them successfully without the United States.

The basic rules of GATT are primarily for all those countries who can't protect themselves in the world of the Eighties and beyond without rule of conduct and discipline.

The attempt to assign responsibility to the U.S. in the Thirties for passing the Smoot/Hawley tariff act and thus set off a chain reaction of international depression and war is, on the basis of a prepondance of fact, a serious mis-reading of history, a repeal of the basic concept of cause and effect and a disregard for the principle of proportion of numbers.

It may constitute a fascinating theory for political mischief-making but it is a cruel hoax on all those responsible for developing new and imaginative measures designed to liberalize international trade.

Such constructive development and growth is severely impeded by perpetuating what is no more than a symbolic economic myth.

Nothing is less worthwhile than attempting to re-write history, not learning from it. Nothing is more worthwhile than making careful and perceptive and objective analysis in the hope that it may lead to an improved and liberalized international trading system.

Mr. HOLLINGS. Mr. President, the crash occurred October 29, and Smoot-Hawley passed June 19, 8 months later. It didn't cause any crash. It didn't have any affect on the economy. Neither President Hoover nor President Roosevelt had any particular concern with it, because it was less than 2 percent, a little over 1 percent of GNP. Trade now is 18 percent of the GDP. But it was less than 2 percent at that particular time, and two-thirds of the trade was duty free. The two-thirds duty free was affected the same as the Smoot-Hawley tariff type trade. While in the year 1933, under reciprocal free trade, reciprocity, we came back with a plus balance of trade. So we have to listen to these things about we are going to start a domino effect with Smoot-Hawley again coming in.

I can tell you that right now, I would be glad to debate Smoot-Hawley at any particular time.

Well ,I just read the book called "Agents of Influence." This takes place 7 or 8 years ago. The gentlemen was a Vice President of TRW and he lost his job because he wrote the truth. He said one country, Japan, had over 100 law firms, consultant firms in Washington representing itself, at the cost of $113 million. The consummate salary of the 100 Senators and 435 House Members is only $73 million. The people of Japan, by way of pay, are better represented in Washington than the people of America.

When are we going to wake up? I have been sitting on the Commerce Committee for 30 years and I see the front office fill up on every kind of trade matter that comes about. Why? Because the multinationals. Now, by gosh, not just 41 percent, but the majority, let's say over 50 percent of what they are producing has been manufactured offshore and brought back in. So if they are going to lead the cheer "free trade, free trade, Japan, Korea, People's Republic of China, right on, brother, you lead the way, we will follow you."

Do you blame the People's Republic of China for not agreeing to anything? I have to note one agreement. Oh, boy, it turned everybody upside down in this town 2 weeks ago. We had an agreement with Japan relative to our maritime services, and our ships would go into the ports of Tokyo and the other ports in Japan. And they had finally came around agreeing to the same privileges that we grant them, the stevedores. They actually handle the goods and so forth. The Japanese ship that comes into Charleston can have its own stevedore, but the American ships going in to Japan could not, up until this time. And we have been trying for years—and they have all kinds of controls over us in shipping that are absolutely burdensome. They agreed—Japan and the United States—in April. At that particular time in April, when they agreed, we sat down and said, fine, let's go with it. They passed four deadlines, in June, July, August and September. Every time we added a drop-dead date, when are you going to do it? Oh, we are going to do it. So we stopped the ships coming in. You know what happened? My phone rang off. The 100 lawyers, the ports authority lawyers, the lobbyists—Christmas wasn't going to happen, children weren't going to get any toys, the world was going to end, but we had one distinguished gentlemen with his maritime commission, Hal Creel, the chairman, who I want to praise this afternoon. He held his guns. The State Department later came in, and I will credit Stuart Eizenstat with sticking up for the United States. But it was many times that they came before we got them finally to agree.

So, we stuck to the guns, and who was on our side? The shipping industry of Japan, because organized crime had taken over, in many instances, in these ports. And they, the shipping industry in Japan, had been trying to do something, too. It wasn't until we stopped veritably the Japanese ship from coming into the American harbor that they finally sat down and got to the table. The White House was calling: Give in, give in. Oh, this is going to be a hard incident. This is going to be terrible. Chicken Little, the sky is falling, we are going to start a trade war and everything else of that kind.

Mr. Creel stuck to his guns. That is what I am talking about on trade. That is the global competition.

The other day former Majority Leader Dole wrote an op-ed regarding fast track. Don't give me Bob Dole writing the thing is a fact. The distinguished gentleman should put under there that he represents the Chilean salmon industry. Don't give me our good friend, Jay Berman. Everyone knows he lost out for the recording industry on the last two agreements. He said, I'm not going to lose out, I am going to be the President's handler, I am going to handle the Congress for the White House.

We are in the hands of the Philistines. The country is going down the tubes and all they are doing is the rich folks are hollering, give the President authority. He has the authority, but give me my constitutional duty of doing just exactly what we did.

Come on, we have had, as the Senator from North Dakota said, in 221 years hundreds of trade agreements. We had one this morning in committee. It was an OECD shipbuilding trade agreement that we approved between 16 nations at the Commerce Committee just today, without fast track. We negotiated the telecommunications agreement, an international agreement with 123 countries, without fast track.

I better stop. I don't know that I have any time left. Mr. President, I thank the distinguished body for yielding me this time. I hope I have some time left here, because we have plenty more to debate to wake up this country and start competing.

There is nothing wrong with the industrial worker of the United States. He is the most competitive, the most productive in the world. Look at any of the figures. What is not producing and not competitive is the Government here in Washington. It has to stop.

I yield the floor. I reserve the remainder of my time.

PRIVILEGE OF THE FLOOR

Mr. ROTH. Mr. President, I ask unanimous consent that full floor privileges be granted to Grant Aldonas during the pendency of S. 1269 and the House corresponding bill, H.R. 2621, during this Congress, and that, too, the privilege of the floor be granted to Robert M. Baker with respect to the same bills during the first session.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I have enjoyed listening to my friend, the distinguished Senator from South Carolina, who knows this subject up and down, back and forward, around and around. I thank him for the contribution he has made to the debate. I wish he had another hour.

Mr. President, there has been a great deal of discussion during the past several months about fast track. Sadly, little of that discussion has been enlightening or informative. The administration, which submitted the Export Expansion and Reciprocal Trade Agreement Act of 1997 in September, has apparently decided that misleading, exaggerated, and vacuous rhetoric is necessary if it is to win fast track renewal. Thus, the U.S. Trade Representative—for whom I have great respect—has described the President's fast track proposal to the Senate in the following terms:

> What is at stake in your consideration of this proposal is nothing less than whether the United States will continue to be at the forefront of nations seeking the reduction of trade barriers and the expansion of more open, equitable and reciprocal trading practices throughout the world.

Let me say that again:

> What is at stake in your consideration [meaning the consideration by the Congress] of this proposal is nothing less than whether the United States will continue to be at the forefront of nations seeking the reduction of trade barriers and the expansion of more open, equitable and reciprocal trading practices throughout the world . . . . This is not the time to shrink from the future, but to seize the opportunities it holds.

Let me assure you, Mr. President, that I am fully in favor of "seizing the future." I, too, seek the reduction of trade barriers, and I long for "more open, equitable and reciprocal trading practices." That is why I am firmly and implacably opposed to fast track.

Mr. President, I did not come here today to add to the miasma of confusion that fast track supporters have created with their murky logic and overheated rhetoric. My purpose is to shed a little light, if I may, into the murk by exploring the institutional and practical problems that fast track presents. I believe that it is my duty toward my colleagues and my constituents to lay out in clear, simple and direct language the reasons for my opposition to fast track.

I haven't been invited down to the White House. I presume that my good friend from South Carolina has not had an invitation down there.

Mr. HOLLINGS. No.

Mr. BYRD. I haven't been invited down. I am not looking for an invitation. I do not expect any invitation to change my mind. I have had the master of arm twisters ahold of my arm, Lyndon B. Johnson. He was the master arm twister. But I said no to him.

When my first grandchild was born I gave to my daughter, the mother of that grandchild, a Bible. In that Bible I wrote these words: "Teach him to say no." That's all I wrote, "Teach him to say no."

Mr. President, it doesn't make any difference if you have a vocabulary of 60,000 or 600,000 words. If you can't say no, then all these other words at some point or another in your lifetime are going to find you sadly lacking—if you can't say no. I am telling this story in my autobiography, of how I said no to Lyndon B. Johnson on more than one occasion. It was hard to do, because he put me on the Appropriations Committee when I first came here. And I felt as though I had been put through a wringer after going through a 30-minute skirmish with Lyndon Johnson but still saying, "No. No, Mr. President."

So, I haven't been invited down to the White House. But I can still say no and would be glad to.

So, if the President wants to hear me say no, all he has to do is call me on this. He doesn't have to invite me down to the White House. I'll bet the Senator from South Carolina won't get any invitation either.

Mr. HOLLINGS. No.

Mr. BYRD. I don't blame those who accept the invitation. I assume some of them will say no likewise.

I don't expect to convince my colleagues, all of them or maybe any of them. But I do hope to lay the groundwork for the healthy, open and honest debate about fast track that this Chamber and this country sorely need.

So let me start by making clear that Congress has and must continue to have a central role in regulating trade with foreign countries. The Constitution—here it is, right out of my shirt pocket. Here is the anchor of my liberties, the Constitution. Let's see what it says.

Article I, section 8 assigns to the Congress the power "to regulate Commerce with foreign Nations, and among the several States, and with the Indian Tribes," assigns the power "to regulate Commerce with foreign Nations," and to "lay and collect * * * Duties, Imposts, and Excises." Pursuant to this authority, Congress may, for example, impose tariffs, authorize reciprocal trade agreements, grant or deny most-favored-nation status, and regulate international communication. All this Congress can and must do according to the Constitution of the United States.

Nor is this the extent of Congress' involvement in matters of foreign trade. It scarcely needs to be pointed out that Congress' central function—Congress' central function as laid out in the first section of the first article of the Constitution, the very first sentence—its central function is to make the laws of the land. This means that any trade agreements that are not self-executing, meaning that they require changes in domestic law, can only take effect if and when Congress passes implementing legislation codifying those changes.

So it should be clear from the Constitution that the framers assigned Congress broad authority over foreign trade agreements. Even Alexander Hamilton, who so often championed the President's supremacy in foreign affairs, acknowledged in the Federalist Papers that Congress' authority to regulate foreign commerce was essential to prevent the President from becoming as powerful as the King of Great Britain.

Given the President's responsibilities in conducting relations with foreign powers, Hamilton argued that Congress' regulation of foreign trade was a vital check upon Executive power. But look what we are doing, look what we are about to do. We are, through fast track, just as we did with the line-item veto, handing off the few powers that we have to check the Executive. Let me say that again.

We are, through fast track, just as we did with the line-item veto, handing off the few powers that we have to check the Executive. We are making a king. He already has his castle with his concrete moat. I can see it out there. The Senator from Delaware can see it. Here he has this concrete moat out there, and with the king's guard standing watch in dark glasses—you know how they wear those dark glasses—with ears glued to wrist radios, and little implements on their lapels, he has his own private coach, his own chef and royal tasters, his retinue of fancy-titled king's men. You read "All the King's Men"?

So what are we waiting for? What are we waiting for? Just call in the jeweler, contact the goldsmith, let's make the crown; let's make the crown. Crown him king. That is the road on which we are traveling.

We gave away the line-item veto. The Roman Senate did the same. It gave away the power of the purse, and when the Roman Senate gave away the power of the purse, it gave away its check against the executive. So Sulla became dictator in 82 B.C. He was dictator from 82 to 80 B.C., and then a little later, the Senate—it wasn't under pressure to do it—voluntarily ceded the power over the purse to Caesar and made him dictator for a year. That was in 49 B.C.

Then in 48 B.C., it made him dictator again. And in 46 B.C., it made him dictator for 10 years, just as we are going to do with fast track now for 5 years. We don't do it a year at a time. The Roman Senate made Caesar dictator for 10 years. That was in 46 B.C. But the very next year, in 425 B.C., it made him dictator for life.

I don't know when we will reach that point, but we have already ceded to this President great power over the purse. It has never before been done in the more than 200 years of American history. It was never given to any President, the power over the purse. Now we are going to give the President fast track. So we are just waiting, just waiting for the jeweler! We are on the point of contacting the goldsmith! Let's now make the crown!

From 1789 to 1974, Congress faithfully fulfilled Hamilton's dictate, and the dictate of the Constitution that it regulate foreign trade. During those years, Congress showed that it was willing and able to supervise commerce with other countries. Congress also proved that it understood when changing circumstances required it to delegate or refine portions of its regulatory power over trade. For example, starting with the 1934 Reciprocal Trade Act, as trade negotiations became increasingly frequent, Congress authorized the President to modify tariffs and duties during his negotiations with foreign powers. Such proclamation authority has been renewed at regular intervals, most recently in the 1994 GATT Reciprocal Trade Act, which I voted against.

I mentioned that Congress fulfilled its obligation to regulate foreign trade from 1789 to 1974. Well, what, you may wonder, happened in 1974?

Mr. President, it was in 1974 that Congress first approved a fast-track mechanism to allow for expedited consideration in Congress of trade agreements negotiated by the President. Fast track set out limits on how Congress would consider trade agreements by banning amendments, limiting debate and all but eliminating committee involvement.

So we relegated ourselves to a thumbs-up or thumbs-down role. Thumbs up, thumbs down. Under fast track, Congress agreed to tie its hands and to gag itself when the President sends up a trade agreement for our consideration.

Why on Earth, you might ask, would Congress agree to such a thing? What would convince Members of Congress to willingly relinquish a portion of Congress' constitutional power over foreign commerce? What were Members thinking when they agreed to limits on the democratic processes by which laws are made? And why, if extensive debate and the freedom to offer amendments are essential to all of the areas of lawmaking, would Congress decide that when it comes to foreign trade, we can do without such fundamental legislative procedures?

Mr. President, the answers to these questions are straightforward. When Congress established fast track in 1974, it did so at a time when international commercial agreements were narrowly—narrowly—limited to trade. Consider the first two instances in which fast track was employed.

The first was for the 1979 GATT Tokyo Round Agreement. The implementing bill that resulted dealt almost exclusively with tariff issues and required few changes in U.S. law.

The second use of fast track was for the U.S.-Israel Free Trade Agreement of 1985. The implementing language for that agreement was all of 4 pages—all of 4 pages—and it dealt only with tariffs and rules on Government procurement.

If its first two uses were relatively innocuous, starting with its third use, fast track began to change and to develop an evil twin. I refer to the 1988 U.S.-Canada Free Trade Agreement which, despite its title, extended well beyond trade issues to address farming, banking, food inspection and other domestic matters. One has only to see the size of the agreement's implementing bill, covering over 100 pages now, to see how different this was from the first two agreements approved under the fast-track mechanism.

By the time of the NAFTA agreement in 1993 and the GATT Uruguay Round of 1994, the insidious nature of fast track was becoming apparent for all to see.

NAFTA required substantial changes in U.S. law, addressing everything from local banking rules to telecommunications law to regulations regarding the weight and length of American trucks. And these changes were bundled aboard a hefty bill numbering over

1,000 pages and propelled down the fast track before many Members of Congress knew what was going on.

I doubt that many of my colleagues realized the extent to which, first, NAFTA and then GATT would alter purely domestic law.

Most of us thought of GATT as related to trade and foreign relations, but through the magic mechanism of the fast-track wand—presto—trade legislation became a vehicle for sweeping changes in domestic law.

So what had happened? What had happened? Mr. President, Socrates, in his Apology to the judges said "Petrifaction is of two sorts. There is a petrifaction of the understanding, and there is also a petrifaction of the sense of shame." I fear that with respect to the Constitution, there is not only a petrifaction of our understanding of that document, but there is also a petrifaction of reverence for the document, and a petrifaction of our sense of duty toward that organic law. So petrifaction has set in.

Mention the Constitution to Members: "When did you last read it? What did you mean when you swore that you would support and defend the Constitution of the United States against all enemies, foreign and domestic? What did you have in mind? Did you have in mind some foreign invader that was about to set foot on American soil? Was that it? Or did you think about emasculating the Constitution by passing line-item veto legislation or by passing fast track?"

Has a petrifaction of our sense of duty to the Constitution set in? Has a petrifaction of our understanding of the Constitution set in? Has a petrifaction of our caring about the Constitution taken over?

Well, fast track served to bind and gag the Senate, preventing much needed debate and precluding the possibility of correcting amendments. Think about that. We give up our right to amend. And the result, as many observers today would agree, is hardly a triumph for free trade or American workers.

How much time do I have remaining, Mr. President?

The PRESIDING OFFICER. The Senator from West Virginia has 36 minutes remaining.

Mr. BYRD. I thank the Chair.

Mr. President, it was our first and, in my opinion, greatest President, George Washington, who analogized the Senate to a saucer, we are told, into which we pour legislation so as to cool it. Washington foresaw that a country as young, as aggressive and at times as impatient as ours needed some institutional curb to prevent it from rashly throwing itself into action without sufficient reflection.

Indeed, Mr. President, the Senate has more than once lived up to this role by providing a forum where cool minds and level intellects prevailed.

Alas, the Senate did not fulfill this role when NAFTA and GATT came along. And the fault lies with the adoption of the artificial and unwise procedure now known as fast track—fast track. That is what the administration is telling Members of Congress we have to have. Instead of scrutinizing these proposals closely, instead of engaging in prolonged and incisive debate, we were forced to play our parts in ill-considered haste. Rather than patiently and thoughtfully evaluating the pros and cons—what did we do?—we buckled—buckled—in the face of administration pressure.

And that is what we will do again. That is what we will do again. We are not going to think about the Constitution. How many of us cared a whit about what the Constitution said?

Rather than pouring over the trade agreements, we peered at them from afar like tourists gawking at a distant and rapid train thundering down a very fast and very slick track indeed.

The GATT and NAFTA experiences suggest that fast track—like the fast lane—can be risky business for U.S. trade policy. Fast track was Congress' response to a time when trade agreements were just that—trade agreements, agreements on trade and trade alone.

Now that time has passed—it is gone—as huge, sprawling agreements like GATT and NAFTA propose changes in trade policy whose ramifications spill outwards into all aspects of domestic law and policy. Now what is our duty? What is our duty? Where does our duty lie?

It is time that we in Congress wake up and resume a more traditional role of treating trade agreements with the care and the attention that they deserve and the care and attention that the Constitution requires that we give them.

Now, Mr. President, I have tried to shine a few rays of truth through the murky rhetoric that surrounds this contentious issue. I have patiently laid out the history of foreign trade regulations in order to emphasize the important role that tradition and the Constitution assigned to Congress and to show how fast track has impeded our recent efforts to fulfill that role. But I would be remiss in my duties if I did not take the time to address some of the supposedly compelling justifications that fast track supporters have advanced.

So let me start with the first myth—the first myth—of fast track, which posits that no country will negotiate with the United States unless the administration has fast track in place. How laughable, how preposterous.

In the President's words:

> Our trading partners will only negotiate with one America—not first with an American President and next with an American Congress.

Well, what did the framers say about that? What did the framers say about that? They said that Congress shall regulate, have the power to regulate foreign commerce. The Constitution placed the duty upon us 100 Senators and upon the other 1,743 Members of this body who have walked across this stage in the more than 200 years. So we 100 need to remember that this document—this document—places the responsibility on us.

Do not be blinded by the glittering gewgaws in the form of words that come from the White House. Do not let a call from the President of the United States, his "Eminence," as John Adams wanted to refer to the President, do not let a call or a handshake or a look in the eye from the chief executive, awe one—he puts his britches on just like I do, one leg at a time. And when he nicks himself with a razor, he bleeds just like I do.

So the President said:

> Our trading partners will only negotiate with one American—not first with an American President and next with an American Congress.

What does the Constitution say?

As I suggested earlier, the absence of fast track in the years before 1974 did not seem to discourage nations from negotiating trade agreements with the United States. Moreover, even since 1974, fast track has been used so infrequently that it can scarcely be said to have affected prospective trade partners.

Listening to the administration might lead one to conclude that every trade agreement since 1974 could not have been concluded—just could not have been concluded—without fast track. To hear them tell it down on the other end of Pennsylvania Avenue, the western end, where the Sun rises—but not according to this, not according to this Constitution. The Sun does not rise in the west.

But listening to the administration might lead one to conclude that every trade agreement since 1974 simply could not have been concluded without fast track. Well, nothing could be further from the truth. Of the hundreds and hundreds of trade agreements that we have entered into over the past 23 years, only—only—the five that I mentioned earlier have used fast track.

"What? Are you out of your head?" Only the five that I mentioned earlier have used fast track? That is right.

Fast track has been used on a grand total of five occasions. Indeed, the current administration alone has entered into some 200 trade agreements without the benefit of fast track.

Mr. President, the divine Circe was an enchantress. And Homer tells us that Odysseus was urged by Circe to stay away from the sirens' isle. "Don't go near it," the sirens' isle, with their melodious voices that came from lips as sweet as honey. "Odysseus alone must hear them. Don't let your companions hear them." So plugging his companions' ears with wax, Odysseus ordered his companions to bind him to the mast of the ship with ropes, and that if he should ask them to untie him and let him go, to bind him even tighter.

And so they bound him, hand and foot, with ropes to the mast of the ship. And he instructed them to disregard his order. "Don't follow my orders," he said. "Tie them tighter than ever," until they were a long way past the sirens' isle.

That is what we have been hearing—these voices, the sirens. They come out of the west, down where the Sun rises at the western end of Pennsylvania Avenue. That is where the Sun rises, believe it or not, in the west.

I say to my colleagues, plug your ears with wax if you are invited down to the White House. Plug your ears with wax or, better still, find somewhere else to go. Just do not go. Do not go down there. Tie yourselves with ropes to the columns of the Capitol. Do not go down there in the land of the rising sun, the western end of Pennsylvania Avenue. Do not go. But if you do go, plug your ears with wax, lest you fall victim to the blandishments of the sirens.

Mr. President, I sincerely doubt that any country will hesitate to negotiate trade agreements with the dominant economic and political power of our time out of concern that that country's legislative procedures will impede a proper agreement. So do not listen to that argument. Do not listen to the argument of the administration when they say, if they do not have a fast-track agreement other countries simply will not negotiate with us.

No country—no country—in my judgment, will hesitate to negotiate trade agreements with this country, the dominant economic and political power of the age out of concern that this country's legislative procedures will impede a proper agreement. If any country does entertain such concerns, then I suspect that the fault lies with the administration, whose alarmist statements and doom-laden prophecies have doubtless misled many foreign and domestic observers into thinking that fast track is the only key to open trade. The administration's Chicken Little impersonation has succeeded in whipping up false fears and phony worries that never existed before. One has only to ignore this rhetoric and look at the administration's actual trade record to see that the sky, far from falling, is still solidly secured to the heavens.

Mr. President, how much time have I consumed?

The PRESIDING OFFICER. The Senator has consumed 40 minutes and has 20 minutes remaining.

Mr. BYRD. I thank the Chair.

The record speaks for itself: Over 200 trade agreements entered into without fast track—and I am talking about the record which speaks for itself. The administration's actual trade record, over 200 trade agreements entered into without fast track versus 2 trade agreements entered into with fast track—200 without fast track, 2 with fast track. I might add that the latter 2 agreements have probably generated more controversy than the other 200 combined. I suspect that many of my colleagues rue the day that they allowed the administration to speed GATT and NAFTA through Congress.

The other great myth of fast track is that the possibility of Congress' amending trade agreements will seriously hamper future negotiations. Lest I be accused of distorting the administration's position, let me quote the President's words on trade negotiations verbatim.

> . . . I cannot fully succeed without the Congress at my side. We must work in partnership, together with the American people, in securing our country's future. The United States must be united when we sit down at the negotiating table.

Mr. President, I fully agree with the notion of a partnership between the executive and legislative branches, and I assure you that I will work with this President and with future Presidents to ensure our mutual trade objectives. But I will not accept the argument that America's trade interests are best served by Congress taking a walk, abdicating its responsibility to consider, abdicating its responsibility to debate, abdicating its responsibility to amend, if necessary, trade proposals.

Now, the Constitution gives this Senate the right to amend and we ought not give away that right. We ought not to agree to anything less than that. This Constitution says that when it comes to raising money, those measures shall originate in the other body but that the Senate may amend as on all other bills. So there you are. The Constitution recognizes the right of the Senate to amend. The Senate may propose or concur with amendments as on other bills. There it is. That is the Constitution.

So Congress ought not take a walk. Congress ought not abdicate its responsibility to consider, debate, and, if necessary, to amend trade proposals.

The President asked that we trust him alone to make trade decisions. Now, I like the President and I respect the President, but our political system was not built on trust. The Constitution did not say "trust in the President of the United States with all thy heart, with all thy mind, and with all thy soul." Our political system was built on checks and balances, on separation of powers, on each branch of Government looking carefully and meticulously over the other branch's shoulder. That is how much trust the system has built into it.

Our Constitution's Framers realized that the surest way of preventing tyranny and achieving enlightened rule was to divide power among distinct coordinate branches of Government. As Madison famously observed, men are not angels. Accordingly, the Framers devised a "policy of supplying, by opposite and rival interests, the defect of better motives" in which "the constant aim is to divide and arrange the several offices of Government in such a manner as that each may be a check on the other."

Mr. President, that was a good reply that Diogenes made to a man who asked him for letters of recommendation. "That you are a man, he will know when he sees you. Whether you are a good man or a bad one he will know, if he has any skill in discerning the good and the bad. But if he has no such skill, he will never know though I write to him 1,000 times."

"It is as though a piece of silver money desired someone to recommend it to be tested. If the man be a good judge of silver, he will know. The coin," said Diogenes, "will tell its own tale." And so will the Constitution, Mr. President. It needs no letters of recommendation.

The President asks for a "partnership" with Congress. He asks the country to be united at the negotiating table. But I'm afraid that what he really wants is an unequal partnership in which the administration sits at the negotiating table and Congress sits quietly and subserviently at his feet while he negotiates. Congress sits subserviently.

Mr. President, I have a different view of the partnership between the President, any President, and Congress, a view that is rooted in the Congress and in the institutional traditions of this country. I see a partnership in which the executive fulfills its role at the negotiating table and Congress makes sure that the product of such negotiations serves the national interest, not just the interests of a party but the national interest. I don't believe that either branch has a monopoly on wisdom or a monopoly on patriotism or a monopoly on savvy. That is why I believe that each can improve the other's actions. I have no doubt that Congress, after careful scrutiny, will continue to approve agreements that truly improve trade and open markets.

Now, I'm not interested in looking at the duties on every little fiddle string or corkscrew that is brought into this country, but they are overweighing policy matters that Congress ought to be interested in and acted about, and it may be that Congress should offer an amendment in one way or another.

Congress must be free to correct possible mistakes or sloppiness or oversight in the negotiating process that would harm this country's interests and impede truly free trade. Congress knows full well that any amendments it may offer could unravel a freshly negotiated agreement. It knows that amendments should not be freely offered and adopted promiscuously, haphazardly, but should rather be seen as a last resort to remedy serious deficiencies in an agreement. I see no reason, however, why a legislative procedure that is considered essential in all other policy debates should not be used in debating trade agreements.

We amend bills, we amend resolutions on various and sundry subjects, we amend legislation that raises revenues, we amend bills that make appropriations and public moneys. Why, then, if that legislative procedure is essential in all other debates, why should it not be used in debating trade agreements?

Mr. President, I recognize the importance of opening markets and removing trade barriers. I also appreciate the tremendous difficulty, the tremendous difficulty of negotiating trade agreements that benefit all sectors of our society.

Mr. President, I cannot support fast track. I cannot support surrendering the rights and prerogatives and duties and responsibilities of this body under the Constitution to any President. I cannot support fast track. To do so would prevent me from subjecting future trade agreements to the close scrutiny that they deserve on behalf of the people of this Nation. I can and will strive to exercise my limited powers in pursuit of freer, more open trade which serves the interests of everyone in this Nation. But I cannot, in good conscience, allow fast track to strip me and my constituents of our constitutional prerogatives and strip this branch of its rightful role in regulating foreign commerce. I can't do that for any President.

Mr. President, on December 5, 63 B.C. the Roman Senate sat to debate and to decide the fate of five accomplices of Catiline. Silaneus proposed the death penalty. Julius Caesar, when he was called upon, proposed that the death penalty not be applied, but that the five accomplices of Catiline be scattered in various towns, that their properties be confiscated, and that their trials await another day.

Cato the Younger was then called upon and asked for his opinion. He said to his fellow Senators, "Do not believe that it was by force of arms alone that your ancestors lifted the state from its small beginnings and made it a great Republic. It was something quite different that made them great, something that we are entirely lacking. They were hard workers at home. They were just rulers abroad. And they brought to the Senate untrammeled minds, not enslaved by passions."

And I say to my colleagues, on this question, we should come to the Senate with untrammeled minds, not enslaved by passions—partisan, political, or otherwise, keeping uppermost in our minds our duties and responsibilities under the Constitution of the United States. That is the mast to which we should tie ourselves—the Constitution.

I close with these final words by Cato: "We have lost those virtues," he said—speaking of the virtues of their ancestors—"we pile up riches for ourselves while the state is bankrupt. We sing the praises of prosperity and idle away our lives, good men or bad; it is all one. All the prizes that merit ought to win are carried off by ambitious intriguers, and no wonder each one of you schemes only for himself, when in your private lives you are slaves to pleasure. And here in the Senate the tools of money or influence."

Those are Cato's words, and his words are just as fitting today and on this question. Cato said, "The result is that when an assault is made upon the republic, there is no one here to defend it."

Mr. President, how true are Cato's words today! I urge my colleagues to vote no on the motion to proceed.

I yield the floor.

Mr. REED addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Mr. President, I rise today to use my time to discuss the fast-track bill. First, let me commend the excellent statement by the Senator from West Virginia. His staunch defense of the Senate and the Congress is based not only on his unsurpassed knowledge of the Constitution, but also his common sense and appreciation that the wisdom of the American people expressly represent the best way to make a treaty.

I rise to discuss a number of issues with respect to our trade policy, most particularly, the fast-track legislation that is before us today. Like all of my colleagues, I understand the importance of international trade. Today, the value of trade equals 30 percent of our gross domestic product, which is up from about 13 percent in 1970. Indeed, trade is of great importance to my State of Rhode Island, which exported goods totaling $1 billion in 1996.

There is nobody on this floor today that is arguing that trade is not important and that the United States shouldn't be actively involved in international trade. The question today is not whether the United States should engage in trade. The question today is whether we will establish a framework that will open markets without undermining our standard of living. This debate is more than about simply increasing our access to cheap goods; it is about our continuing efforts to promote employment at decent wages here at home, continuing our efforts to protect the environment around the world, and strengthening our efforts to promote stable trade and fair trade throughout the world.

The critical aspects of this fast-track legislation are the goals which we set as Members of the Senate. These goals are known as principal negotiating objectives. This is the mission we give to the President—to go out and negotiate, based on these goals, to reach settlements that will advance these multiple objectives: freer trade, fairer trade, a rising standard of living here in America and, we hope, around the world.

The rationale for fast track was aptly summarized back in 1974 when the Senate Finance Committee wrote its report with respect to the first fast-track legislation. This report language bears repeating:

> The committee recognizes that such agreements negotiated by the executive should be given an up-or-down vote by the Congress. Our negotiators cannot be expected to accomplish the negotiating goals if there are no reasonable assurances that the negotiated agreement would not be voted up or down on their merits. Our trading partners have expressed an unwillingness to negotiate without some assurances that Congress will consider the agreement within a definite timeframe.

The key operative phrase in this passage is the phrase which we have highlighted behind me. The negotiated goals. That essentially is what we are about today. Charting negotiating goals that will give the President of the United States the direction and the incentive to conduct appropriate negotiations, to yield a treaty which will benefit ourselves, and also to signal to our trading partners what is critical and crucial to this Congress and the American people in terms of trade agreements. This rationale for fast track makes sense, and only makes sense, if we get it right here, if we get the negotiating goals correct.

Unfortunately, the bill before us does not provide the President with the full range of goals necessary to increase U.S. trade and enhance our standard of living. Indeed, this bill is contrary to some of the provisions of the 1988 fast-track legislation which specifically recognized workers' rights and monetary coordination as fundamental negotiating goals. In addition, the 1988 fast-track bill gave the President greater authority to negotiate on environmental issues in the context of these trade agreements. The Roth bill limits this authority.

Fast track is a great slogan. Free trade is a great slogan. But here today we are not about sloganizing, we are about legislating. And, as such, we must look to this bill, to all of its details and specifically to the goal which it lays out for the President of the United States. In failing to adequately address issues such as labor and monetary conditions, the Roth bill neglects the serious assumptions that underlie the whole theory of free trade.

The theory of free trade evolved over many, many years, based upon the economic notions of comparative advantage and specialization, notions that were advanced hundreds of years ago by David Ricardo, the English economist. At the core of these notions of comparative advantage and specialization is that certain nations can produce or prepare goods and services better than others, and that if we trade we can maximize values throughout the world. These assumptions, though, rest on other critical assumptions. As Professor Samuelson, the famous economist, pointed out in his 10th edition work on economic theory:

> The important law of comparative advantage must be qualified to take into account certain interferences with it. Thus, if exchange rate parities and money wage rates are rigid in both countries, or fiscal or monetary policies are poorly run in both countries, then the blessings of cheap imports that international specialization might give would be turned into the curse of unemployment.

We will hear a lot about free trade, but this bill does not give the President the direction to establish the underlying environment which is necessary for free trade—respect for and recognition of the rights of workers to freely associate, to seek higher wages, respect for and acknowledgment of the critical role of currencies in the world of trade. Because of these reasons and many others, this bill, I think, falls far short of what we should in fact pass as a means to achieve the goal we all fervently seek, which is free, open trade and fair trade throughout the world.

Now, the debate on trade in the United States is not new. From the beginning of our country we have fiercely debated the role of trade in our economy. Beginning with Alexander Hamilton's "Report On Manufacturers," there has been a constant ebb and flow between those that would advise protective tariffs and those that would suggest free, open trade is the only route. This battle back and forth between opposing views took on, in many respects, the characterization of protectionism versus free traders. It reached its culmination, perhaps, before World War II when, in 1930, this Congress passed the Smoot-Hawley Tariff Act which has become infamous because of its effect upon, at that time, the beginning of the world depression. And then, in 1934 the protective tariffs embedded in Smoot-Hawley were reversed. In 1934, the Tariff Act gave the President the right to reciprocally negotiate trade and tariff adjustment. So, this phase, running from the beginning of the country to the advent of World War II, saw a fierce battle between protectionists and open-marketeers.

The second phase of our debate on trade began in the aftermath of World War II where a dominant American economy sought to establish rules for freer trade. But from World War II through 1974, particularly with respect to the Kennedy and Tokyo Rounds of GATT, our view was more or less using trade as a foreign policy device, using trade as a way to establish bulwarks against the threats of communism, the threats of instability. And in so many respects it was this unintended but accumulation of concessions to trading partners around the world that has left us where we are today, which in many respects our market is virtually open in terms of tariffs and in terms of nontariff barriers, but there are many other countries who still maintain barriers to our trade.

Beginning in 1974, we recognized that an important part of access to markets was not just the tariff level but those nontariff barriers. As a result, we started the fast-track process. In this context that I described, fast track makes sense if we get the goals right. Today's legislation, I suggest, does not get the goals right. Indeed, since 1974 international trade has taken on a much more central position in our economy in terms of its size and, now, in a variation on some of the foreign policy themes we heard during the 1950's and 1960's, as a way of some to create the democracies, the markets which we think are essential to progress around the world. In any respect, we are here today not to stop the progress of free trade but, in fact, to ensure that free trade results in benefits for all of our citizens and, indeed, benefits for those citizens of the world economy which we hope to trade with.

Some have labeled anyone who opposes this fast-track mechanism as a protectionist. I think quite the contrary, those of us—let me speak for myself. I certainly think that we represent interventionists, because we feel that to get trade right, you can't simply leave the country we trade with as we found it. We have to insist that they begin to adapt to and accept international standards with respect to workers' rights, environmental quality, currency coordination, a host of issues. In fact, when we look at the agreement, we see instances within this legislation, it is quite clearly acknowledged, where we are pushing or trying to push countries to adapt to our way of doing business. But they seem to be exclusively with respect to commercial practices—commercial laws or agricultural policies. So we have in some respects the will to try to develop a world system based upon our model, but when it comes to critical issues like workers' protections and environmental quality, this legislation does not express that necessary role.

The administration has expressed their deep desire for this legislation. Indeed, I hope we could pass a fast-track legislative bill this session to open up markets to American firms, to compete in a global economy. With under 5 percent of the world's population living in the United States, we certainly have to find ways to sell to the remaining 95 percent of the world's population. It is no secret that economies in many parts of the world are growing faster than we are and offer tremendous opportunities for our investment and our exports. It is indeed predicted that economies in Asia and economies in Latin America will continue to grow at significant rates and we have to be part of this.

But we have to be part of this growth in trade in a way that will ensure that American firms and American workers are in the best position to compete and win in this global economy, this battle for success in the global economy. But I don't think, as I mentioned before, that this bill will set the goals necessary to win that competition.

Now, as Senator BYRD indicated so eloquently, this legislation also represents a significant expansion in the authority of the President to conduct the foreign policy of the United States and the commercial policy of the United States. In fact, since the adoption in 1974, the President's ability to negotiate and enter into trade agreements to reduce or eliminate tariff and nontariff barriers has increased significantly. But because it is such a significant delegation of authority, we have to, as I indicated before, make sure that we get the general goals correct, because we won't have the opportunity, as we do in other ways, to second-guess or correct the President's decision as we go forward.

So, again, as the Senator from West Virginia indicated, this is the opportunity for us, and maybe the only opportunity, to set the appropriate agenda for discussions going forward on international trade. I think, as I said, the current bill before us does not establish the appropriate negotiating goals so that we do ensure the President not only has the authority but the appropriate direction to serve the interests of the American people in establishing a regime of free and open trade throughout the world.

Now, as I indicated before, the Roth bill that is before us today is deficient in many specifics. First, let me take one specific and that is the notion of providing a very active negotiating goal to seek ways to improve and enforce labor relations in other countries around the world. In 1988, fast-track legislation stated that one of the administration's principal negotiating objectives in trade agreements was:

> To promote respect for worker rights; to secure a review of the relationship between worker rights to GATT articles, objectives, and related instruments with a view to ensuring that the benefits of the trading system are available to all workers; to adopt as a principle of the GATT, that the denial of worker rights should not be a means for a country or its industries to gain competitive advantage in international trade.

This legislation before us eliminates this workers' rights provision as a principal negotiating objective in trade agreements. I dare say if we read that to any Member of this Senate, they would say of course that has to be a goal of our trade negotiators. Yet in this legislation it is not such a goal.

As a result, it will limit the President's ability to try to negotiate improvements of labor standards and, as such, it will cast aside the interests of millions of American workers as well as the interests of workers worldwide.

It is no secret that income inequality has risen substantially in the United States in recent years. For nearly 2 decades the real wages and compensation of American blue-collar workers have been declining. Hourly compensation for nonsupervisory production workers fell by approximately 9.5 percent between 1979 and 1995.

There are many reasons for this. Some would cite declining rates of unionization, some the erosion of the real value of the minimum wage. But others would cite the increasing globalization of trade. Although it is difficult to determine exactly the composition, the factors that are influencing this phenomena, there is an emerging consensus by economists that approximately 30 percent of the relative decline in the wages of noncollege-educated workers, and even a larger share in the decline with respect to production-wage workers, is a result of international trade and its effects. And I should say even though the President has suggested Executive initiatives in the last 2 days to try to correct some of these incongruities, it is not likely to do so. In fact, if we want to ensure that our wages remain comparable with our increases in productivity, we have to ensure that when our negotiators go to the table and negotiate arrangements, they are conscious of the rights of American workers and conscious of the rights of those workers in the countries with which we are attempt to go negotiate these trade agreements. Indeed, in light of these trends it is imperative that this provision be part of our fast-track legislation. It is not such a part of the legislation.

We have the recent experience of NAFTA to further inform the debate on these issues. It has been estimated that since enactment of NAFTA in 1993, trade with Canada and Mexico has cost the United States approximately 420,000 jobs, including 2,200 in my home State of Rhode Island. As a minimal estimate of job loss, the Labor Department has certified approximately 143,000 workers as being eligible for assistance because of trade dislocation.

The list of companies that have made NAFTA-related layoffs is a veritable "Who's Who" of American industry. It includes General Electric, Allied Signal, Sara Lee, Black and Decker, TRW, Georgia Pacific, Johnson & Johnson—and the layoffs continue.

Indeed, I don't think one can point the finger merely at these companies because they are certainly just taking advantage of something which we created, the opportunity legally—in fact some would argue the incentive legally—to move production out of the United States to other areas, in this case Mexico.

But the effect is not simply in the jobs lost. The effect perhaps is more decisive in the suppression of wages. There are reports that companies will either explicitly or implicitly threaten to relocate to places like Mexico if wage concessions are not made. In fact, during the debate last year on NAFTA, a Wall Street Journal poll of executives found a majority of executives from large companies intended to use NAFTA, as they indicated, as "a bargaining chip to keep down wages in the United States."

And this is borne out by numerous anecdotes. For example, workers at a plant in my home State in Warwick, RI, agreed to freeze wages and work 12-hour shifts without overtime pay because the company threatened to move production to Mexico. Similarly, 4,000 workers in a plant in Webster, NY, accepted 33-percent cuts in base pay to avoid a threatened plant relocation. A company in Georgia threatened to move 300 jobs at a lighting plant to Mexico unless workers took a 20-percent cut in pay and 36-percent cut in benefits. Mr. President, 220 workers at a plant in Baltimore agreed to take a $1-an-hour pay cut to keep the plant open. And the list goes on and on and on.

The negative implications of NAFTA has been felt by U.S. workers and it should give us renewed energy and commitment to ensure that in the next round of fast-track legislation we at least replicate the 1988 goal of actively trying to ensure that worker protection, workers' rights are a central part of our negotiating strategy. Once again, this legislation does not do that.

It is important also to note that in the context of NAFTA, the benefits for Mexican workers have not been what they were advertised as. Since the passage of NAFTA, real manufacturing wages of Mexican workers have declined 25 percent. Part of this decline is attributable, of course, to the peso crisis. However it is important to recognize that real wages were stagnating prior to the peso crisis, while worker productivity in Mexico continued to grow. So, despite increased productivity, wages in Mexico continue to stagnate or decline. In fact, the percentage of Mexicans considered extremely poor rose from 31 percent in 1993 to 50 percent in 1996, after NAFTA. And two out of three Mexicans report that their personal economic situation is worse now than before NAFTA.

Following NAFTA, we have the benefit of these experiences which we did not have when we were considering the legislation back in 1988. Again, it seems inconceivable that seeing what has taken place in NAFTA, seeing how important—not only to our workers but to the workers of the country we hope to trade with—how important it is to negotiate and to reach principled agreements on worker protections and worker rights, that we are neglecting to do that in this legislation. And, as such, we have left a huge hole in our responsibility to give the President the responsibility and the direction to do what is best for the working men and women of this country, do what is best for the overall welfare of this country.

Now, with respect to the environment, that is another area where this legislation is deficient. It restricts the ability of the President to negotiate environmental issues and trade agreements by requiring that they be "directly related" to trade. And this differs from the 1988 fast-track bill which provided greater latitude for the President to negotiate on environmental issues. I would assume that "directly related to trade" means that if we have a problem getting a good into a country because they object to an environmental rule, that we might say, for example, labeling of a can, of a product, that that might be actionable. But it is not actionable if the country has absolutely no environmental enforcement; that it allows pollution to run rampant, that it actually encourages the relocation of factories and production facilities because of lax environmental rulings, because one I assume would argue that's not directly related to trade, it's not directly related to a good we are trying to get into the economy. But in fact, and again the NAFTA experience is instructive, this is precisely one of the ways in which countries undermine our environmental laws at home on the standard of living of our workers here in the United States. Indeed, after NAFTA we should be much more interested in including strong environmental protections. For the examples that the NAFTA experience has given us.

Subsequent to the passage of NAFTA the Canadian province of Alberta, which was only one of two Canadian provinces to sign the NAFTA environmental side agreement, adopted legislation in May 1996 prohibiting citizens from suing environmental officials to enforce environmental laws. And, in fact, since that time, to attract corporate investment, Alberta has advertised its lax regulatory climate as part of "the Alberta advantage."

Now, it might be an advantage to Alberta. Certainly I don't think it is to many residents of Alberta. And it is not an advantage to U.S. companies or U.S. workers who are faced with laws that we passed, and rightfully so, that demand high-quality environmental controls in the workplace.

In October 1995 Mexico announced that it would no longer require environmental impact assessments for investments in highly polluting sectors such as petrochemicals, refining, fertilizers and steel.

(Mr. BROWNBACK assumed the chair.)

Mr. REED. Mr. President, Mexican officials said they were eliminating these environmental impact assessments to increase investment, which may well be an apparent violation of NAFTA because it prohibits, apparently, the weakening of environmental laws to attract investment.

So our experience with NAFTA should tell us that we must redouble our efforts to have the principal negotiating objective of environmental concerns. Yet, again we have constrained and circumscribed the ability of the President by simply saying they have to be directly related to trade, and many environmental problems are not directly related to trade.

For example, near the United States-Mexican border, there is an area known as Ciudad Industrial, where a number of sophisticated, highly automated manufacturing plants have been established since NAFTA. These manufacturing plants discharge hazardous waste through a nearby sewer outfall which adjoins a river that is used for washing and bathing. The Mexican Government has enacted a number of institutional barriers to environmental progress to prevent pollution abatement. For example, Mexican law prohibits the local government from taxing these state-of-the-art factories to pay for sewers, to pay for cleaning up.

In these ways, unrelated directly to trade, there are advantages to relocating production in countries. These are the type of actions which we should be concerned about, that we should, in fact, direct the President to be concerned about, that we should, in fact, insist the President bring to the table as a significant negotiating goal.

There is a final point I would like to make with respect to the specific deficiency of these goals, and that is the issue of monetary coordination. The 1988 fast-track bill included monetary coordination as a principal negotiating objective. Specifically the bill stated:

> The principal negotiating objective of the United States regarding trade in monetary coordination is to develop mechanisms to ensure greater coordination, consistency and cooperation between international trade and monetary systems and institutions.

The bill before us today eliminates monetary coordination as a principal negotiating objective, thereby limiting the President's ability to address issues of currency valuation, fluctuating currency, all of the issues that have become tangible and palpable in the last few days, as we witnessed the gyrations of currency and the stock market throughout the Orient.

Currency valuation is a key component of trade policy because it affects the price of imports and exports. For example, as the U.S. dollar gets stronger relative to other currencies, U.S. exports to a foreign country will likely become more expensive in that country and the country's imports will become cheap in the United States. Inversely, as the U.S. dollar gets weaker relative to other currencies, U.S. exports to a foreign country will become cheaper in that country, and that country's imports will become more expensive in the United States. As a result, and quite clearly, currency valuation affects trade flow between countries and, consequently, the trade deficit.

We have to be terribly conscious of these currency valuations. It is evident in recent statistics on the valuation of the dollar in trade that there is a high correlation between the two. Since mid-1995, the dollar has risen against a number of foreign currencies, and during this period, the United States trade deficit rose also. It is estimated the trade deficit will increase to $206 billion by the end of 1997. Also, currency valuation affects direct investment into our country by foreign investors, and that is something that we also have to be sensitive to.

Again, the NAFTA experience gives us further evidence—if we didn't know about it before—it gives us further evidence. As you know, NAFTA was enacted and shortly thereafter, the peso collapsed. What we thought were significant reductions in Mexican tariffs were wiped out by a 40-percent reduction in the value of the peso.

This reduction was part of inevitably the continuing strategy of Mexico, and the strategy of many countries, to have export-led growth to reduce the cost of their goods to United States consumers, and one way they did this was through the devaluation of the peso.

If we continue to be indifferent to the notion of currency and its role in our international trade, we are going to continue to see these problems and others like them.

It turned out that before the negotiation of NAFTA, Mexico was running a trade deficit of $29 billion with the United States, a very large trade deficit, 8 percent of its gross domestic product. By 1994, after the onset of NAFTA and towards 1996, their deficit had turned into a surplus, again, in many respects because of the currency changes that took place because of the peso prices.

So we do have to be very, very conscious of these currency effects. Once again, this is not a part of the major negotiating goals for this legislation.

Reduced currency values in Mexico has prompted increased investment there. In the past year, investment in maquiladora plants in the Mexican State of Baja California, have increased by more than 35 percent. In effect, because of their policies, because of our adoption of NAFTA, we have created monetary incentives to move and invest in Mexico and not just for the United States but for other countries around the world who are using Mexico as a platform for low-cost production which, in turn, is imported into the United States without duties.

Over the horizon, there is another major trading partner whose currency manipulations, if you will, can cause us significant problems, and that is China. As part of its strategy to encourage exports and discourage imports, China has engaged in an effort to reduce the value of its currency relative to the dollar. These currency valuations wipe out many of the concessions that we think we have sometimes with the Chinese with respect to their trade and our trade.

It puts, of course, downward pressure on the wages of U.S. workers as we cannot produce here the items that can be produced overseas more cheaply, not because of differences in productivity, but, in many cases, in part at least in the very calculated manipulation of currencies by foreign countries.

Again, the absence of such a major negotiating provision within the bill, I think, is a fatal flaw.

Overall, the bill before us continues a policy of protecting capital without, I think, sufficient protection for workers, protecting the ability of capital to relocate throughout the world, without recognizing that there must be commensurate protections for workers, workers both here in the United States and workers worldwide.

Because of the incentives now to deploy capital almost everywhere, we are beginning to recognize the phenomena of excess capacity in production facilities around the world, and many economists fear that this will lead to a massive deflation, and this massive deflation could be the major economic challenge that we face in the year's ahead.

The lack of work protections, the fact that countries can manipulate currencies, the lack of sensitivity to environmental policies has been an incentive, a very powerful incentive, to move production from the United States into these developing countries. For example, Malaysia's booming electronics industry is based on the explicit promise to American semiconductor companies that workers will effectively prohibited from unionizing. In fact, when Malaysia considered lifting this ban on unionizing, American companies threatened to move to China or Vietnam, more receptive countries. This competition for cheap labor continues to put downward pressure on wages in developed countries as companies use the threat of relocation to leverage or reduce the pay of their workers.

These trends, related to labor and technology, are creating a situation, as I indicated, of overcapacity in many respects which may outstrip the ability of the workers to afford the very goods they are producing. The economic journalist, William Grieder, characterized the situation as follows:

> The central economic problem of our present industrial revolution, not so different in nature from our previous one, is an excess of supply, the growing permanent surpluses of goods, labor and productive capacity. The supply problem is the core of what drives destruction and instability. Accumulation of factories, redundant factories as new ones are simultaneously built in emerging markets, mass unemployment and declining wages, irregular mercantilist struggles for market entry and shares in the industrial base, market gluts that depress prices and profits, fierce contests that lead to cooperative cartels among competitors and other consequences.

That is an outline of a world which faces increasing prices. The oil companies are a good example potentially of that world. By the year 2000, the global auto industry will be able to produce nearly 80 million vehicles. However, there will only be a market for approximately 60 million buyers. These imbalances, created by excessive supply, will put downward pressure on prices, and reduced profits and begin a deflationary trend.

Another commentator, William Gross, is managing director of Pacific Mutual Investment Co., which manages more than $90 billion worldwide, now pegs the risk of a general deflation at 1 in 5 in the next several years. He states:

> My deflationary fears are supported by two arguments: exceptional productivity growth and global glut.

He cites twin causes. Real wages both in the United States and abroad cannot keep up with the rapid growth of new production. That is, there will not be enough demand to buy all excess goods and emerging economies create aggressive new players eager to outproduce and underprice everyone else.

Overcapacity may be at the heart of the crisis that we have seen in Asia, the crisis which is manifested through currency turbulence and also through the stock market gyrations. We have seen in Thailand, for example, where, fueled by massive capital infusions, the economy in Thailand took off at a staggering rate. Between 1985 and 1994, the Thais had the world's highest growth rate, an average of 8.2 percent. It was prompted by developers who were building office towers and industrial parks that were built regardless of demand. They continued to build even as the completed buildings were half empty.

Petrochemical, steel, and cement plants were operating at half capacity because of oversupply. To address the oversupply issue, currency speculators thought it inevitable that the Thai currency, which was pegged to the dollar, would be devalued to boost Thailand's exports. Based on those assumptions, currency speculators began selling Thai currency and it decreased. The Government was forced to step in. They could not sustain their support and the bottom, if you will, dropped out of the local Thai currency, the baht. We feel similar pressures with the Philippines, Malaysia, and Indonesia.

All of this is prompted, in part, by the fact that capital can move everywhere, capital is moving everywhere, and we are not, I think, recognizing it in terms of our overall trade policy and certainly not recognizing in terms of this legislation.

We have to be conscious, very conscious, that the conditions of untrammeled deployment of capital around the world has beneficial effects but can have very detrimental effects. It has to be balanced. It has to be balanced by similar regimes in terms of workers' rights, in terms of environmental quality, in terms of coordinating currency, in terms of those factors which will allow free trade to be truly free and not allow situations to develop where capital is attracted not because of quality of workers, not because of natural resources, not because of factories that go to the heart of the production function, but because countries consciously try to depress their wages, try to suppress enforcement of environmental quality, try to manipulate currency, try to lure for short-term growth capital which will end up eventually bringing their house of cards down but, in the meantime, affecting the livelihood, the welfare and the state of living of millions and millions of American workers.

This bill does not adequately address those capital movements. It doesn't adequately understand or recognize that modern technology is assisting these capital movements. It does not recognize that we have to have policies that comprehend what is going on in the world today. This migration of capital, this technological expansion, all of these things have an impact on the wages of American workers. All of these have an impact on what we should be doing here today in terms of developing our response to world trade as it exists today.

There is another aspect of this capital deployment and this technology deployment and that is the notion of forced technology transfer which many of our trading allies engage in, specifically China. Their trade policies have demanded that companies investing in or exporting to China must also transfer product manufacturing technology to China.

A recent article in the Washington Post chronicled this issue. For example, to win the right to form a joint venture with China's leading automaker, General Motors promised to build a factory in China featuring the latest in automotive manufacturing technology, including flexible tooling and lean manufacturing process.

GM also pledged to establish five training institutes for Chinese automotive engineers and to buy most of its parts for the Chinese venture locally after 5 years.

Similarly, an unidentified United States manufacturer is planning to build a major facility in China instead of the United States in response to Chinese pressure. An executive with the company indicated that production will be more expensive in China and the quality will be worse, but in order to do business in China, they had to conform to these demands.

According to many United States business executives, China's demands for technology are simply a cost of doing business with China. However, the effect is that our companies are transferring their facilities to China, making China not trading partners but ultimately competitors to our own world.

An interesting experience of DuPont. In the late 1980's, DuPont negotiated with China's Chemical Industry Ministry to form a joint venture to make a rice herbicide called Londax. By the time the venture started production in 1992, several factories in China were already producing Londax using DuPont technology that it was providing to the joint venture. Soon thereafter, approximately 30 Chinese factories were making several DuPont proprietary herbicides, all without the explicit permission of DuPont.

So what we are seeing again is not only the deployment of capital because of natural market forces, but because of the will and because of the negotiating stance of foreign countries that are required as a part of free trade, we are seeing the free transfer of our expertise, our proprietary information, our technology, and ultimately in many cases our jobs.

The other aspect of this legislation which should be noted, I think with some significance, is the fact that this legislation really does not recognize the fact that we have been running trade deficits of staggering proportions year in and year out.

It is interesting to hear the proponents of fast track talking about this as the great salvation for our trading partners. And we have had fast track now since 1974. I would daresay, we were probably running trade deficits in 1974. So clearly, fast track is a mechanism—in fact, some would argue the way we conduct some of these bilateral Free Trade Agreements is not the answer to the most consistent foreign problem we face in America today; that is, continued trade deficits. We have to address these problems.

The major trade deficit we run of course is with the Japanese. But we are also running significant deficits with the Chinese.

In some respects, one wonders why we are here today talking about fast track when one would argue our major problem is adjusting our trade relationship not with emerging countries like Chile, but with countries like Japan and China. Once again, I do not know what this legislation will do to effect those major problems.

Let me just suggest that we have entered into a fast-track procedure which is flawed because the goals we have established do not reach the most important issues that we face in the world today. They do not address our trade deficit directly. They certainly do not address the issues of work protections, environmental policy, currency issues. In fact, also they are sending wrong signals to our allies, our potential trading partners.

By not adopting these as central, important key negotiating goals, we are essentially telling our potential trading partners we do not care. Oh, yes, we will have side agreements. We will have executive initiatives. We will talk a good game about these issues. But they are not at the heart of this legislation which is the defining legislation for our whole procedure.

I do not think it takes much for a trade minister in a foreign country to figure out pretty quickly it is not important—not important—to the American people, not important to Congress, not important to our trade effort when, in fact, I would argue it is the most important thing that we can and should do.

We have seen the side agreements mentioned, but the side agreements have not, I think, produced anything near the type of mechanism, type of framework which is essential to good trade policy throughout the country and throughout the world.

Let me just conclude by saying that the fast-track procedure will work if we get the goals right. We have neglected to get negotiating goals right. We have neglected key issues with respect to worker protections, key issues with respect to environment, key issues with respect to the coordination of currency. And the suggestion that we can, by side agreements or by legislative initiatives, make up the difference I think is mistaken. The experience of NAFTA has been very instructive in that regard.

Today, we are here as Members of this Senate to do what we must do in the trade process. And that is, to write legislation which will clearly define all the relevant goals that are necessary to not only open up markets but to maintain the standard of living of the United States.

This is a central issue that we face today and will face in the days ahead. This bill, sadly, will not give us the kind of direction, give the President the kind of direction that he needs and that the American people demand.

I yield back the balance of my time.

Mr. President, could I reserve the balance of my time?

The PRESIDING OFFICER (Mr. ALLARD). That will be reserved.

Mr. SARBANES addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Mr. SARBANES. First, I want to commend the very able Senator from Rhode Island for a very thorough and thoughtful analysis of the issues surrounding this legislation. Obviously, a great deal of work went into that statement, and I think the distinguished Senator touched on a number of very important and critical issues.

Mr. President, I rise in opposition to the motion to proceed to S. 1269. This legislation would provide trade agreement approval procedures, so-called fast-track procedures, for implementing the results of trade agreements that require changes in U.S. law.

In my view, this is a poorly conceived piece of legislation that does not serve the interests of the American people.

First, let me observe the fast-track procedures are relevant only to a narrow range of trade agreements, specifically, those agreements which require Congress to make changes in existing U.S. law in order for the agreements to be implemented.

Most trade agreements do not require legislative changes and, therefore, fast track consideration would in effect be inapplicable to them.

It is my understanding, for example, that the Clinton administration has negotiated over 220 trade agreements. Only two required fast-track authority—NAFTA and the GATT Uruguay round agreement.

So let me just observe at the outset that there is a great deal of overstatement going on as to the importance of fast-track authority to the administration's ability to negotiate trade agreements and open foreign markets to U.S. exporters.

The fact is that for the overwhelming majority of trade agreements, fast-track authority is not needed. And based on its own record, the administration has concluded a large number of such trade agreements without fast-track authority—not under fast-track authority.

The question then becomes, for the narrow range of trade agreements that will require legislative action by the Congress, because the trade agreement reached requires a change in U.S. law, what is the appropriate role for the Congress in approving those agreements?

Now, article II, section 8 of the Constitution explicitly grants Congress the authority "To regulate Commerce with foreign Nations . . ."

The authority of Congress to approve trade agreements is unquestioned. And it is very clearly spelled out in the Constitution. So the issue is simply, how should the Congress best exercise this authority?

I want to go back just a little bit historically and trace some of the evolution of trade negotiating authority in order to bring us to set the current situation in context.

As many have observed, up until a couple of decades ago, most trade agreements dealt with setting tariffs on traded goods.

Up until 1930, Congress passed occasional tariff acts that actually set tariff terms. However, Congress became increasingly reluctant to set tariff schedules in legislation. And in 1934, in the Reciprocal Trade Act—I emphasize the word "reciprocal" —the Reciprocal Trade Act, Congress granted to the President for the first time so-called proclamation authority, the power to set tariffs by executive agreement with U.S. trading partners.

But that was a power with respect to the setting of tariffs that was limited, specifically limited within certain limits and for fixed periods of time. From the 1930's through the 1960's, Congress extended the 1934 act authorizing the President to negotiate reductions in U.S. tariffs in exchange for comparable reductions by U.S. trading partners.

Congress would typically limit how much tariffs could be reduced. In other words, we would set the range below which the administration could not go. We would give a range how long negotiations could go on, and the Congress even exempted specific products from the negotiations. But once the reductions were negotiated within the range that the Congress had established, the President then issued an order proclaiming the new tariffs and trade agreements between 1934 and 1974 were negotiated pursuant to this authority.

Now, during the 1960's, trade talks began to expand into nontariff trade areas that were governed by existing U.S. law; in other words, the trade talks began to involve matters that were not tariff matters but matters that were covered by our law. The Kennedy round GATT negotiations, for example, required for the first time changes to U.S. antidumping laws. We had antidumping laws on the books. The negotiated agreement required changes in those antidumping laws. The Congress made clear at that time that the executive branch had to obtain authority from the Congress to change a U.S. law in a trade agreement. The executive branch can't go and negotiate a trade agreement and simply by signing off on the trade agreement change an existing law without the approval of the Congress.

Now, proclamation authority for the President, which had been used in the reciprocal trade agreements for tariffs, did not extend to authority to proclaim all changes to U.S. law called for in a trade agreement.

Fast track was a procedure first enacted by Congress in the Trade Act of 1974 to deal with trade agreements that called for changes in U.S. law. What fast track provided for was a commitment by the Congress before the negotiations started that whenever an agreement came back from the trade negotiations, the executive branch could write legislation implementing the trade agreement and have that legislation voted on by the Congress without any opportunity to change or amend it. In other words, it had to be voted as presented by the administration. Only 20 hours of debate are allowed and a floor vote must take place within 60 days after the legislation is submitted.

Now, since its initial enactment, fast-track authority has been utilized for five trade agreements: The GATT Tokyo round agreement of 1979; the United States-Israel Free Trade Agreement of 1985; the United States-Canada Free Trade Agreement of 1988; the North American Free Trade Agreement, NAFTA, 1993; and the GATT Uruguay round of 1994. Fast-track authority expired in December 1994 at the conclusion of the Uruguay round and has not been extended since, and the Congress is now confronting that question.

Now, over that same period of time, hundreds of trade agreements were reached by U.S. administrations. Hundreds of agreements were reached. Other countries were prepared to enter into them, and they did not require fast track and were not submitted under fast-track authority to the Congress.

Now, in examining this grant of authority, I first want to differ with one of the assertions that is made by its supporters that the executive branch would not be able to negotiate trade agreements if those agreements were subject to amendment by the Congress. That is the argument that is made. Unless we have this authority, we won't be able to negotiate agreements. As I have already indicated, the vast majority of trade agreements do not require changes to U.S. law and do not utilize fast-track procedures, and the successive administrations have been able to negotiate such agreements without any apparent significant difficulty.

Now, the very idea that the Congress should, in effect, delegate to the executive branch the authority to write changes in U.S. law and not have those changes subject to modification or amendment by the Congress represents an extraordinary grant of authority by the Congress to the Executive. My very distinguished colleague, Senator BYRD of West Virginia, spoke to this issue eloquently earlier in this debate, pointing out what a derogation of authority this represents from the legislative to the executive branch.

It is my own view that if changes are going to be made in U.S. statutes, those changes ought to be subject to the scrutiny of the Congress and amendment by the Congress. That is the role the Congress is given under the Constitution. Failure to provide for that congressional role, for that discipline, may leave the American people without any recourse to change unwise agreements entered into by the Executive.

Who is to say that all of the particular decisions made by the Executive in reaching an agreement are the right ones, or that the balance struck by the Executive is the right one? Is the Congress, then, simply to have to take this package and consider it as an all-or-nothing proposition? That is not what the Constitution calls for, and I don't think Congress ought to be delegating this authority.

I recognize that a stronger case can be made for the availability of fast-track authority to approve large multilateral trade agreements involving well over 100 countries, like the Uruguay round of the GATT and bilateral trade agreements like NAFTA. There is a plausible argument that concluding such multilateral agreements might be complicated by the ability of individual countries, then, to make legislative changes in the agreement. That argument has been asserted and, on occasion, recognized by Members of the Congress. However, I point out that argument loses any persuasive weight when only two or a few countries are involved in the trade agreement. This legislation makes no such distinction between multilateral and bilateral trade agreements and would provide fast track for both.

It is worth noting that all major U.S. tax, arms control, territorial, defense, and other treaties are done through normal constitutional congressional procedures. We negotiated an arms control agreement with the Soviet Union. What can be more important? It is submitted to the Senate for approval. The Senate has the authority, if it chooses to do so, to amend that agreement. There is no fast track on an agreement far more important than trade agreements, involving the national security of our country, where they say to the Senate, "You must approve this arms control agreement exactly as it was negotiated by the administration, and you can only vote for it or against it." We have never accepted that.

The argument will be made at the time, "Don't amend it because we don't want to have to go back and have to renegotiate," but clearly our power to amend it is recognized and it is submitted to us under those terms.

Now, if the agreement can withstand the scrutiny as to why it ought not to be amended, then it should not be amended. But to bind ourselves in advance that we will only vote it up or down, without the opportunity to amend it, is to give away a tremendous grant of legislative authority.

Among the nontrade treaties done under regular procedures during the 1970's, 1980's and 1990's are the Nuclear Weapons Reduction Treaty, SALT I, SALT II, START, Atmospheric Test Ban Treaty, Biological Weapons Convention, the Customs Harmonization Convention, dozens of international tax treaties, Airline Landings Rights Treaty, Convention on International Trade and Endangered Species, Montreal protocol, Ozone Treaty, and on and on and on and on.

No one said at the time that the Congress can only consider these to vote yes or no, without the power and authority to amend them; and no one said that unless you give us such a grant of authority, we won't be able to negotiate these treaties.

Now let's turn for a moment and examine the question of what benefits have we received from this extraordinary grant of authority to the executive embodied in the fast-track procedures. The fact of the matter is—and I am not necessarily asserting that, because the time period corresponds, the whole cause was fast-track authority—but since fast-track authority was first granted by the Trade Act of 1974, there has been a sharp deterioration in the U.S. balance of trade with the rest of the world. During the period 1945 to 1975, the United States generally enjoyed a positive balance of trade with the rest of the world, running for most of the time a modest surplus. Since then, the U.S. balance of trade has sharply declined.

Now, I first want to show a chart that shows the merchandise trade, goods traded.

What this chart shows, Mr. President, is this. It begins back in the late 1940's and it comes through to the present day. This is our merchandise trade deficit. We ran a modest but positive balance throughout the 1940's, 1950's, 1960's, and into the 1970's. Here about 1975, this trade balance begins to deteriorate, and it's now down here at $200 billion a year. In fact, from 1948 until 1970, we had a positive merchandise trade balance in each and every year. In 1971 and 1972, we had a slight minus, but it was back positive in 1973, minus in 1974, positive in 1975; and since 1975, every year we have had a negative merchandise trade balance. We have been in deficit on our merchandise trade balance.

Listen to the numbers. I will just take a few of them. It was $28 billion in 1977. In 1984, it jumped to $106 billion. It was $152 billion in 1987. It dropped back down; it was down to $84 billion in 1992. It went back up. In the last 4 years, it was $115 billion, $150 billion, $158 billion, and $168 billion—negative trade deficits.

Now, this incredible deterioration in the merchandise trade balance was offset somewhat—by no means anywhere near entirely, but it was offset somewhat, to give a full picture—by an improvement in our services trade balance. Again, that had run in balance more or less all the way, and we have had an improvement here, as you can see, over the last few years.

The total trade deficits—in other words, adding the two together—however, continues to show a deterioration in the U.S. economic position. This is what has happened to the total trade balance. We are running along here more or less with a positive balance, and then we have had this deterioration in the trade balance. During the first 9 months of 1997, the United States has been running a trade deficit that is outpacing the 1996 rate. The cumulative U.S. trade deficit from 1974 to 1996, according to the Congressional Research Service, is $1.8 trillion. Let me repeat that. The cumulative U.S. trade deficit from 1974 to 1996 is $1.8 trillion. The cumulative current account deficits, when you offset the surface improvement during that period, is $1.5 trillion.

We are running these enormous deficits. This is what we ought to be debating. One argument to turn down this fast-track authority is in order to precipitate a national debate on what our trade policy ought to be and what our trade position is. We have been running these huge trade deficits year in and year out. I defy anyone to assert that that is a desirable thing to do—to run trade deficits of the kind and magnitude that we are talking about here—$1.5 trillion over the last 22 years.

What these mounting trade deficits have done, which have persisted over this 20-year period, is they have resulted in the accumulation of U.S. foreign debt obligations that will approach $1 trillion by the end of this year—$1 trillion in foreign debt obligations. The fact of the matter is that our trade deficits over the last 15 years have moved the United States from being the largest creditor nation in the world in 1981 to being the largest debtor nation in the world in 1996. And this debtor status is continuing to deepen. Let me repeat that. These large trade deficits that we have run successively over the last 20 years have moved the United States from being the largest creditor nation in the world in 1981 to being the largest debtor nation in the world in 1996. Just think of that. We have gone from being the largest creditor nation to being the largest debtor nation. And then everyone is saying that the trade policy is a source of great strength. How can it be a source of great strength when we are getting deeper and deeper into the hole as a debtor?

This development has raised concerns about the ability of the United States to finance the debt. These are claims that foreigners hold on us. For example, Lester Thurow, in his recent book "The Future of Capitalism" wrote:

> No country, not even one as big as the United States, can run a trade deficit forever.
>
> Money must be borrowed to pay for the deficit, and money must be borrowed to pay interest on the borrowings. Even if the annual deficit does not grow, interest payments will grow until they are so large that they cannot be financed. At some point world capital markets will quit lending to Americans and Americans will run out of assets foreigners want to buy.

Now, I am not suggesting that all of the blame for this ought to be laid on fast-track authority. There is a complex factor. But what I am suggesting is that contrary to the constant assertions, it cannot be shown by the statistics that fast-track authority has had a positive impact on the U.S. balance of trade. That is what we should be debating. We ought to be debating why is this happening? What can be done about it? What does it do to the United States to become the world's largest debtor country?

Now, in many respects the assertion that fast track is needed in order to resolve some of our trade problems, I think, misses the mark. Let me give you a very clear example. The United States bilateral trade deficit with China in 1996 was $40 billion, second only to our trade deficit with Japan, and that trade deficit is continuing to deteriorate in 1997. In other words, the figures for 1997 will be more than the $40 billion figure for the 1996 trade deficit with China. Resolving our trade deficit with China does not require fast-track procedures. It requires a determined effort by our Government to address the type of problem described in a recent Washington Post article entitled, "China Plays Rough: Invest and Transfer Technology or No Market Access."

"China Plays Rough: Invest and Transfer Technology or No Market Access."

That article describes how China forces United States companies to transfer jobs and technology as a price for getting export sales. That is the so-called offsets issue. Of course, what we are doing is to gain a temporary, momentary advantage we are giving away the long run. In other words, because of this requirement, companies come in. In order to get some exports now, they transfer the technology and make the investments in China which will guarantee that they will get no exports in the future. And the Chinese are requiring that as part of the trade negotiation.

Those are the kinds of issues we ought to be addressing here. That is a serious issue. And that has very severe and consequential long-term implications.

The ongoing deterioration in the international position of the United States should raise fundamental questions about our trade posture. I defy anyone to look at these charts and this movement in terms of our trade balance and not conclude that we are facing a serious problem here.

I am frank to tell you, I think those agreements ought to come to the Congress and let the Congress scrutinize them. The Executive makes these agreements. They develop the package. They do all the tradeoffs. They say, if it goes to the Congress, there will be all kinds of tradeoffs, as if there are no tradeoffs downtown, as if the Executive is not engaged in all sorts of tradeoffs. Who is to say that their tradeoffs better serve the public national interests of the country than the judgments or decisions that Congress would make?

Recently, Kenneth Lewis, the retired chief executive of a shipping company in Portland, OR, and a member of the Presidential Commission on United States Pacific Trade and Investment Policy, wrote an article in the New York Times. In that article, he called for a significant dialog on U.S. trade policy and the establishment of a permanent commission charged with developing plans to end in the next 10 years our huge and continuing trade deficits. In fact, Senators BYRD and DORGAN and I have sponsored legislation to establish such a commission. In his article Mr. Lewis wrote:

> Full discussion is needed on questions like: What is the purpose of our trade policy and what do we want our domestic economy to look like? Who gains and who loses, and to what extent, from the increases in exports and the greater increases in imports?

The greater increases in imports, what this chart says. See, everyone comes in, and they say, well, we are going to be able to increase our exports. Everyone says, well, that's a wonderful thing. No one looks at the other side of the ledger, which is this incredible increase which has taken place in imports and, therefore, the deteriorating economic position of the United States as we run these very large trade deficits—$1.5 trillion deficits since 1974, and because of that the United States, which has been the world's largest creditor nation into the 1970's—and we even survived up to 1980 because we had a creditor position before it was worked down. Eventually it was worked down. At the end of this year we will be a $1 trillion debtor, with every indication that it will continue on out into the future—continue on out into the future.

Let me go back to this quote from Mr. Lewis:

> Full discussion is needed on questions like: What is the purpose of our trade policy and what do we want our domestic economy to look like? Who gains and who loses, and to what extent, from the increases in exports and the greater increases in imports? Do American workers benefit, or only consumers and investors? What conditions must exist—concerning human rights, workers rights, or environmental protections—for us to allow other nations' goods to enter our country?

These strike me as the fundamental questions that we are failing to ask about our trade policy, and fast track is not an answer to any of those questions. What we really should do here is not do the fast track. Launch a major debate on our trade policy, a major examination of the trade figures and a major consideration of why the United States is running these large trade deficits. I defy anyone to come to the floor and suggest that running these large trade deficits is to our national interest, that that is a positive situation. It is clearly not a positive situation.

Throughout this whole period we ran modest but positive trade balances. In fact, many have said that the United States purposely tried to hold down its positive trade balances in order to help the rest of the world develop subsequent to World War II. So we ran these modest but positive trade balances, and beginning in the mid-1970's—coincidentally, as I said, about the time we started doing fast-track authority—we began to get this deterioration. That's in the overall trade balance.

In the merchandise trade balance, the deterioration was absolutely dramatic, as I have indicated earlier. We just had an incredible deterioration in the goods balance, as we can see by this chart here. This is about a $1.8 trillion deterioration in the trade. Now, it is somewhat offset a bit by the improvement in the service balance. But the net figure comes out to show this figure on total trade balance.

Mr. BYRD. Mr. President, will the Senator yield for a question?

Mr. SARBANES. Certainly.

Mr. BYRD. It is really difficult to comprehend how much a trillion dollars is. And the distinguished Senator has pointed to the trade deficit that our country has been running. And he said that up until the early part of the 1980's our country was a creditor Nation, the foremost creditor Nation on Earth. And that during the 1980's it became a debtor Nation, to the tune of $1 trillion.

Mr. SARBANES. Now we are at a trillion. Each year, if you add $100 billion, $125 billion, $150 billion, if you run a deficit that year at $100 billion to $150 billion, that is another $100 billion or $150 billion you add to your debtor status. So, unless you get out of this status, you are continuing to worsen your position and get deeper and deeper into the hole. What it means to be in a debtor status is that others abroad have claims on us. When we were a creditor Nation we had claims on them. Now they have claims on us. I submit that is a weakening, that is a deterioration of the U.S. economic position.

Then they will come along and say, "Well, the economy is working well." The economy is working well now. There is no question about it. But the one thing we have not straightened out or addressed are these constant trade deficits which get us deeper and deeper into the hole. Others continue to finance us. But you wonder how long they are going to go on doing it. And even if they continue to do it, we nevertheless are more and more at their mercy.

I mean we are depending on the good will of strangers, is what it amounts to, on the economic front. And I am just saying —now, if you didn't have fast track, would you correct it? Well, I don't know. At least the agreements would be subjected to a much closer scrutiny. In any event, we could turn our attention to finding out what the factors are that cause this.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. SARBANES. Certainly.

Mr. BYRD. I compliment the Senator on the presentation that he is making and on his charts. It is amazing, when one contemplates that, if one were to count a trillion dollars at the rate of $1 per second, it would require 32,000 years to count a trillion dollars. It is pretty amazing. The Senator and his charts point to the road that we are traveling. I thank the Senator for his fine statement. He has been a student of this matter for many years and on his committee, the Joint Economic Committee, I believe it is, he has accumulated a tremendous amount of knowledge in this respect. I thank him for his presentation. I hope that Senators who are not here will take the time to read it in tomorrow's RECORD.

I thank the Senator for yielding.

Mr. SARBANES. I appreciate the comments of my distinguished colleague.

Mr. President, I have one final point I want to make and that is on this matter of protection for workers' rights, health and safety standards, and environmental standards.

Actually, in many respects, this legislation is weaker than the legislation which last reauthorized fast track in 1988 in these areas. The administration has come in today with a number of so-called initiatives and I am sure we will see more tomorrow, more the next day, and so forth. But, as I read them, none of those initiatives go right to the heart of the fast-track negotiating process in terms of what the negotiating goals should be. Let me just point out that under this legislation, we drastically limit the extent to which workers' rights, health and safety standards, and environmental protection are addressed in the principal negotiating objectives of the fast-track authority. The fast-track authority sets out principal negotiating objectives. And it is those objectives that describe the subject matter of trade agreements which are covered by fast-track procedure.

My very able colleague from Rhode Island, Senator REED, made this point in a very careful and thoughtful way. The bill states that the principal negotiating objectives with respect to labor, health and safety, or environmental standards only include foreign government regulations and other government practices, "including the lowering of or derogation from existing labor, health and safety or environmental standards for the purpose of attracting investment or inhibiting U.S. exports."

"The lowering of or derogation from existing * * * standards. * * *" Thus the bill would not allow for fast track-consideration of provisions to improve labor, environmental and health and safety standards in other countries. It, in effect, says they can't lower it. But it says nothing about improving it. And one of the problems, of course, that we face is that environmental standards, workers' standards, health and safety standards in other countries are completely inadequate and we are in that competitive environment.

The principal negotiating objectives, which are what the implementing legislation has to be limited to, leave no room for provisions that are outside a very narrow range, strictly needed to implement the trade agreement. So this provision, despite these assurances now which are coming in, all of which are unilateral assurances by the executive branch and not included in the negotiating objectives, would be included within the fast-track authority. So we are not even going to be able to start addressing this very serious and severe question about the discrepancy between workers' standards, environmental standards, and health and safety standards—between what exists in this country and what exists with a number of our competitors.

What is the answer to that? Are we simply going to accept these lower standards, many of which result in lower costs, and then continue to experience these growing trade deficits? Are we going to lower our own standards, when clearly we put them into place because we perceive that they are necessary in order to deal with the sort of problems at which they are directed, when we are trying to get the rest of the world to come up not to go down? These are many of the questions that I think need to be addressed on the trade issue.

Very quickly in summary, the fast-track authority represents a tremendous derogation of the power of the Congress. The Constitution gives us the power to regulate foreign commerce and we ought to exercise that power. We do very serious consequential arms control agreements that are open to amendment when they come to the floor of the Senate. We may not amend them. We may decide not to amend them. But we don't give away or forswear the power to do so. I don't see why we should give away or forswear that power when it comes to trade agreements.

Of course we have had this incredible deterioration in our trade situation.

That is the issue that ought to be addressed. It would serve everyone's purpose if we rejected the fast-track authority and then provoked or precipitated, as a consequence, a major national debate with respect to trade policy. It is constantly asserted—I understand the economic theory for free trade and I don't really differ with it, although I do submit to you that many of the countries with which we are engaged in trade are not practicing free trade. They are not playing according to the rules. They are manipulating the rules to their own advantage and to our disadvantage—witness these. In many instances the consequence of that is to contribute to these very large trade deficits. But those are the matters that we ought to be debating. We ought to have a full-scale examination of that and the Congress ought not to give away its ability to be a full partner in developing and formulating trade policy. This proposal that is before us, in effect, requires the Congress to give up a significant amount of its authority in reviewing trade agreements. I think, therefore, they don't get the kind of scrutiny which they deserve.

The examination is always on one side. It says, we will get these additional exports. No one looks at what is going to happen on the import side and what the balance will be between the two.

As a consequence of not examining the balance, we have had this incredible deterioration. We used to not do that. We used to have in mind the fact there was a balance and that it was important to us. We sought to sustain that balance, as this line indicates. We held that line for 25 years after World War II. Since then, we have gone into this kind of decline, and I, for one, think it is time to address that problem. I think the way to begin is not to grant this fast-track authority.

Mr. President, I yield the floor and reserve the remainder of my time. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BENNETT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BENNETT. Mr. President, I ask unanimous consent that there now be a period of morning business with Senators permitted to speak for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOTICE OF ADOPTION OF AMENDMENTS TO REGULATIONS AND SUBMISSION FOR APPROVAL

Mr. THURMOND. Mr. President, pursuant to section 304 of the Congressional Accountability Act of 1995 (2 U.S.C. sec. 1384), Notices of Adoption of Amendments to Regulations and Submission for Approval were submitted by the Office of Compliance, U.S. Congress. These notices contain amendments to regulations under sections 204, 205 and 215 of the Congressional Accountability Act. Section 204 applies rights and protections of the Employee Polygraph Protection Act of 1988; section 205 applies rights and protections of the Worker Adjustment Retraining and Notification Act; and section 215 applies rights and protections of the Occupational Safety and Health Act of 1970.

Section 304 requires these notices and amendments be printed in the CONGRESSIONAL RECORD; therefore I ask unanimous consent that the notices and amendments be printed in the RECORD and referred to the appropriate committee for consideration.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

OFFICE OF COMPLIANCE—THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995: EXTENSION OF RIGHTS AND PROTECTIONS UNDER THE EMPLOYEE POLYGRAPH PROTECTION ACT OF 1988

NOTICE OF ADOPTION OF AMENDMENTS TO REGULATIONS AND SUBMISSION FOR APPROVAL

Summary: The Board of Directors ("Board") of the Office of Compliance has adopted amendments to the Board's regulations implementing section 204 of the Congressional Accountability Act of 1995 ("CAA"), 2 U.S.C. §1314, and is hereby submitting the amendments to the House of Representatives and the Senate for publication in the CONGRESSIONAL RECORD and for approval. The CAA applies the rights and protections of eleven labor and employment and public access laws to covered employees and employing offices within the Legislative Branch, and section 204 applies rights and protections of the Employee Polygraph Protection Act of 1988 ("EPPA"). Section 204 will go into effect with respect to the General Accounting Office ("GAO") and the Library of Congress ("Library") on December 30, 1997, and these amendments extend the coverage of the Board's regulations under section 204 to include GAO and the Library. The amendments also make minor corrections to the regulations.

The Board has also adopted amendments to bring GAO and the Library within the coverage of the Board's regulations under sections 205 and 215 of the CAA, which apply the rights and protections, respectively, of the Worker Adjustment and Retraining Notification Act and the Occupational Safety and Health Act of 1970. To enable the House and Senate to consider and act on the amendments under sections 204, 205, and 215 separately, if the House and Senate so choose, the Board adopted the amendments under these three sections by three separate documents and is submitting the Notices for the amendments under sections 205 and 215 together with this Notice to the House and Senate for publication and approval.

For further information contact: Executive Director, Office of Compliance, John Adams Building, Room LA 200, Washington, D.C. 20540–1999. Telephone: (202) 724-9250 (voice), (202) 426–1912 (TTY).

SUPPLEMENTARY INFORMATION

1. Background and Purpose of this Rulemaking

The background and purpose of this rulemaking were described in detail in a Notice of Proposed Rulemaking published by the Board on September 9, 1997, at 143 Cong. Rec. S9014 (daily ed. Sept. 9, 1997) ("NPRM"), and will be summarized here briefly. The CAA, enacted on January 23, 1995, applies the rights and protections of eleven labor and employment and public access laws to covered employees and employing offices in the Legislative Branch. Section 204 of the CAA, 2 U.S.C. § 1314, applies the rights and protections of the Employee Polygraph Protection Act of 1988 ("EPPA") by providing, generally, that no employing office may require a covered employee to take a lie detector test where such a test would be prohibited if required by an employer under paragraph (1), (2), or (3) of section 3 of the EPPA, 29 U.S.C. § 2002 (1), (2), (3).

For most employing offices and covered employees, section 204 became effective on January 23, 1996, and the Board published interim regulations on January 22, 1997 and final regulations on April 23, 1996 to implement section 204 for those offices and employees. (142 Cong. Rec. S260-62, S262–70) (daily ed. Jan. 22, 1996) (Notices of Adoption of Regulation and Submission for Approval and Issuance of Interim Regulations); 142 Cong. Rec. S3917–24, S3924 (daily ed. Apr. 23, 1996) (Notices of Issuance of Final Regulations). However, with respect to GAO and the Library, section 204 will become effective on December 30, 1997, and the purpose of this rulemaking is to adopt regulations to implement section 204 with respect to GAO and the Library as well.

2. Description of Amendments

In the NPRM, the Board proposed that coverage of the existing regulations under section 204 be extended so that the same regulatory provisions would apply to GAO and the Library and their employees as now apply to other employing offices and covered employees. No comments were received, and the Board has adopted the amendments as proposed.

In the Board's regulations under section 204, the scope of coverage is established by the definitions of "employing office" in section 1.2(i) and "covered employee" in section 1.2(c), and the amendments add GAO and the Library and their employees into these definitions. In addition, as proposed in the NPRM, the amendments make minor corrections to the regulations.[1]

Recommended method of approval. The Board adopted three identical versions of the amendments, one amending the regulations that apply to the Senate and employees of the Senate, one amending the regulations that apply to the House of Representatives and employees of the House, and one amending the regulations that apply to other covered employees and employing offices, and the Board recommends, as it did in the NPRM, (1) that the version amending the regulations that apply to the Senate and employees of the Senate be approved by the Senate by resolution, (2) that the version amending the regulations that apply to the House and employees of the House be approved by the House by resolution, and (3) that the version amending the regulations that apply to other covered employees and employing offices be approved by the Congress by concurrent resolution.

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[1] In the definitions of "employing office" and "covered employee," the references to the Office of Technology Assessment and to employees of that Office are removed, as that Office no longer exists.

Signed at Washington, DC, on this 31st day of October, 1997.

GLEN D. NAGER,
Chair of the Board, Office of Compliance.

The regulations implementing section 204 of the CAA, issued by publication in the CONGRESSIONAL RECORD on April 23, 1996 at 142 Cong. Rec. S3917–24 (daily ed. Apr. 23, 1996), are amended by revising section 1.2(c) and the first sentence of section 1.2(i) to read as follows:

"*Sec. 1.2 Definitions*

* * * * *

"(c) The term covered employee means any employee of (1) the House of Representatives; (2) the Senate; (3) the Capitol Guide Service; (4) the Congressional Budget Office; (5) the Office of the Architect of the Capitol; (6) the Office of the Attending Physician; (7) the Office of Compliance; (8) the General Accounting Office; or (9) the Library of Congress.

* * * * *

"(i) The term employing office means (1) the personal office of a Member of the House of Representatives or of a Senator; (2) a committee of the House of Representatives or the Senate or a joint committee; (3) any other office headed by a person with the final authority to appoint, hire, discharge, and set the terms, conditions, or privileges of the employment of an employee of the House of Representatives or the Senate; (4) the Capitol Guide Board, the Congressional Budget Office, the Office of the Architect of the Capitol, the Office of the Attending Physician, and the Office of Compliance; (5) the General Accounting Office; or (6) the Library of Congress.* * *".

OFFICE OF COMPLIANCE—THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995: EXTENSION OF RIGHTS AND PROTECTIONS UNDER THE WORKER ADJUSTMENT AND RETRAINING NOTIFICATION ACT

NOTICE OF ADOPTION OF AMENDMENTS TO REGULATIONS AND SUBMISSION FOR APPROVAL

Summary: The Board of Directors ("Board") of the Office of Compliance has adopted amendments to the Board's regulations implementing section 205 of the Congressional Accountability Act of 1995 ("CAA"), 2 U.S.C. §1315, and is hereby submitting the amendments to the House of Representatives and the Senate for publication in the Congressional Record and for approval. The CAA applies the rights and protections of eleven labor and employment and public access laws to covered employees and employing offices within the Legislative Branch, and section 205 applies rights and protections of the Worker Adjustment Retraining and Notification Act ("WARN Act"). Section 205 will go into effect with respect to the General Accounting Office ("GAO") and the Library of Congress ("Library") on December 30, 1997, and these amendments extend the coverage of the Board's regulations under section 205 to include GAO and the Library. The amendments also make a minor correction to the regulations.

The Board has also adopted amendments to bring GAO and the Library within the coverage of the Board's regulations under sections 204 and 215 of the CAA, which apply the rights and protections, respectively, of the Employee Polygraph Protection Act of 1988 and the Occupational Safety and Health Act of 1970. To enable the House and Senate to consider and act on the amendments under sections 204, 205, and 215 separately, if the House and Senate so choose, the Board adopted the amendments under these three sections by three separate documents and is submitting the Notices for the amendments under sections 204 and 215 together with this Notice to the House and Senate for publication and approval.

For further .information contact: Executive Director, Office of Compliance, John Adams Building, Room LA 200, Washington, D.C. 20540–1999. Telephone: (202) 724–9250 (voice), (202) 426–1912 (TTY).

SUPPLEMENTARY INFORMATION

1. Background and Purpose of this Rulemaking

The background and purpose of this rulemaking were described in detail in a Notice of Proposed Rulemaking published by the Board on September 9, 1997, at 143 Cong. Rec. S9014 (daily ed. Sept. 9, 1997) ("NPRM"), and will be summarized here briefly. The CAA, enacted on January 23, 1995, applies the rights and protections of eleven labor and employment and public access laws to covered employees and employing offices in the Legislative Branch. Section 205 of the CAA, 2 U.S.C. §1315, applies the rights and protections of the Worker Adjustment and Retraining Notification Act ("WARN Act") by providing, generally, that no employing office shall be closed or a mass layoff ordered within the meaning of section 3 of the WARN Act, 29 U.S.C. §2102, until 60 days after the employing office has provided written notice to covered employees.

For most covered employees and employing offices, section 205 became effective on January 23, 1996, and the Board published interim regulations on January 22, 1997 and final regulations on April 23, 1996 to implement section 205 for those offices and employees. 142 Cong. Rec. S270–74) (daily ed. Jan. 22, 1996) (Notice of Adoption of Regulation and Submission for Approval and Issuance of Interim Regulations); 142 Cong. Rec. S3949–52 (daily ed. Apr. 23, 1996) (Notice of Issuance of Final Regulations). However, with respect to GAO and the Library, section 205 will become effective on December 30, 1997, and the purpose of this rulemaking is to adopt regulations to implement section 205 with respect to GAO and the Library as well.

2. Description of Amendments

In the NPRM, the Board proposed that coverage of the existing regulations under section 205 be extended so that the same regulatory provisions would apply to GAO and the Library and their employees as now apply to other employing offices and covered employees. No comments were received, and the Board has adopted the amendments as proposed.

In the Board's regulations implementing section 205, the scope of coverage is established by the definition of "employing office" in section 639.3(a)(1), which, by referring to the definition of "employing office" in section 101(9) of the CAA, 2 U.S.C. §1301(9), includes all covered employees and employing offices other than GAO and the Library. The amendments add to this regulatory provision a reference to section 205(a)(2) of the CAA, which, for purposes of section 205, adds GAO and the Library into the definition of "employing office." In addition, as proposed in the NPRM, the amendments make a minor correction to the regulations.[1]

Recommended method of approval. The Board adopted three identical versions of the amendments, one amending the regulations that apply to the Senate and employees of the Senate, one amending the regulations that apply to the House of Representatives and employees of the House, and one amending the regulations that apply to other covered employees and employing offices, and the Board recommends, as it did in the NPRM, (1) that the version amending the regulations that apply to the Senate and employees of the Senate be approved by the Senate by resolution, (2) that the version amending the regulations that apply to the House and employees of the House be approved by the House by resolution, and (3) that the version amending the regulations that apply to other covered employees and employing offices be approved by the Congress by concurrent resolution.

Signed at Washington, DC, on this 31st day of October, 1997.

GLEN D. NAGER,
Chair of the Board, Office of Compliance.

The regulations implementing section 205 of the CAA, issued by publication in the Congressional Record on April 23, 1996 at 142 Cong. Rec. S3949–52 (daily ed. Apr. 23, 1996), are amended by revising the title at the beginning of the regulations and the introductory text of the first sentence of section 639.3(a)(1) to read as follows:

"APPLICATION OF RIGHTS AND PROTECTIONS OF THE WORKER ADJUSTMENT AND RETRAINING NOTIFICATION ACT

* * * * *

"*§639.3 Definitions.*

"(a) *Employing office.* (1) The term "employing office" means any of the entities listed in section 101(9) of the CAA, 2 U.S.C. §1301(9), and either of the entities included in the definition of "employing office" by section 205(a)(2) of the CAA, 2 U.S.C. §1315(a)(2), that employs—

"(i) * * *".

* * * * *

OFFICE OF COMPLIANCE—THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995: EXTENSION OF RIGHTS AND PROTECTIONS UNDER THE OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

NOTICE OF ADOPTION OF AMENDMENTS TO REGULATIONS AND SUBMISSION FOR APPROVAL

Summary: The Board of Directors ("Board") of the Office of Compliance has adopted amendments to the Board's regulations implementing section 215 of the Congressional Accountability Act of 1995 ("CAA"), 2 U.S.C. §1341, and is hereby submitting the amendments to the House of Representatives and the Senate for publication in the CONGRESSIONAL RECORD and for approval. The CAA applies the rights and protections of eleven labor and employment and public access laws to covered employees and employing offices within the Legislative Branch, and section 215 applies rights and protections of the Occupational Safety and Health Act of 1970 ("OSHAct"). Section 215 will go into effect with respect to the General Accounting Office ("GAO") and the Library of Congress ("Library") on December 30, 1997, and these amendments extend the coverage of the Board's regulations under section 215 to include GAO and the Library. The amendments also make minor corrections and changes to the regulations.

The Board has also adopted amendments to bring GAO and the Library within the coverage of the Board's regulations under sections 204 and 205 of the CAA, which apply the rights and protections, respectively, of the Employee Polygraph Protection Act of 1988 and the Worker Adjustment and Retraining Notification Act. To enable the House and Senate to consider and act on the amendments under sections 204, 205, and 215 separately, if the House and Senate so choose, the Board adopted the amendments under these three sections by three separate documents and is submitting the Notices for the amendments under sections 204 and 205 together with this Notice to the House and Senate for publication and approval.

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[1] The title at the beginning of the regulations is being corrected.

For further information contact: Executive Director, Office of Compliance, John Adams Building, Room LA 200, Washington, DC 20540-1999. Telephone: (202) 724-9250 (voice), (202) 426-1912 (TTY).

SUPPLEMENTARY INFORMATION

1.Background and Purpose of this Rulemaking

The background and purpose of this rulemaking were described in detail in a Notice of Proposed Rulemaking published by the Board on September 9, 1997, at 143 CONG. REC. S9014 (daily ed. Sept. 9, 1997) ("NPRM"), and will be summarized here briefly. The CAA, enacted on January 23, 1995, applies the rights and protections of eleven labor and employment and public access laws to covered employees and employing offices in the Legislative Branch. Section 215 of the CAA, 2 U.S.C. §1341, applies the rights and protections of the Occupational Safety and Health Act of 1970 ("OSHAct") by providing, generally, that each employing office and each covered employee must comply with the provisions of section 5 of the OSHAct, 29 U.S.C. §654.

For most covered employees and employing offices, section 215 became effective on January 1, 1997, and the Board adopted regulations published on January 7, 1997 to implement section 215 for those offices and employees. 143 CONG. REC. S61-70 (Jan. 7, 1997) (Notice of Adoption and Submission for Approval). However, with respect to GAO and the Library, section 215 will become effective on December 30, 1997, and the purpose of this rulemaking is to adopt regulations to implement section 215 with respect to GAO and the Library as well.

2. Description of Amendments

In the NPRM, the Board proposed that coverage of the existing regulations under section 215 be extended so that the same regulatory provisions would apply to GAO and the Library and their employees as would apply to other employing offices and covered employees. No comments were received, and the Board has adopted the amendments as proposed.

In the Board's regulations implementing section 215, the scope of coverage is established by the definitions of "covered employee" in section 1.102(c) and "employing office" in section 1.102(i) and by the listings in sections 1.102(j) and 1.103 of entities that are included as employing offices if responsible for correcting a violation of section 215 of the CAA, and the amendments add GAO and the Library and their employees into these definitions and listings. In addition, in the provisions of the Board's regulations that cross-reference the Secretary of Labor's regulations under the OSHAct, the amendments correct several editorial and technical errors and incorporate recent changes in the Secretary's regulations, and the amendments make other typographical and minor corrections to the Board's regulations.[1]

Recommended method of approval. The Board adopted three identical versions of the amendments, one amending the regulations that apply to the Senate and employees of the Senate, one amending the regulations that apply to the House of Representatives and employees of the House, and one amending the regulations that apply to other covered employees and employing offices, and the Board recommends, as it did in the NPRM, (1) that the version amending the regulations that apply to the Senate and employees of the Senate be approved by the Senate by resolution, (2) that the version amending the regulations that apply to the House and employees of the House be approved by the House by resolution, and (3) that the version amending the regulations that apply to other covered employees and employing offices be approved by the Congress by concurrent resolution. The Board's regulations under section 215 have not yet been approved by the House and Senate, and, if the regulations remain unapproved when the amendments come before the House and Senate for consideration, the Board recommends that the House and Senate approve the amendments together with the regulations.

Signed at Washington, DC, on this 31st day of October, 1997.

GLEN D. NAGER,
Chair of the Board, Office of Compliance.

The regulations implementing section 215 of the CAA, adopted and published in the CONGRESSIONAL RECORD on January 7, 1997 at 143 CONG. REC. S61, 66-69 (daily ed. Jan. 7, 1997), are amended as follows:

1. EXTENSION OF COVERAGE.—By revising sections 1.102(c), (i), and (j) and 1.103 to read as follows:

"*§1.102 Definitions.*

* * * * *

"(c) The term *covered employee* means any employee of (1) the House of Representatives; (2) the Senate; (3) the Capitol Guide Service; (4) the Capitol Police; (5) the Congressional Budget Office; (6) the Office of the Architect of the Capitol; (7) the Office of the Attending Physician; (8) the Office of Compliance; (9) the General Accounting Office; and (10) the Library of Congress.

* * * * *

"(i) The term *employing office* means: (1) the personal office of a Member of the House of Representatives or of a Senator; (2) a committee of the House of Representatives or the Senate or a joint committee; (3) any other office headed by a person with the final authority to appoint, hire, discharge, and set the terms, conditions, or privileges of the employment of an employee of the House of Representatives or the Senate; (4) the Capitol Guide Board, the Congressional Budget Office, the Office of the Architect of the Capitol, the Office of the Attending Physician, and the Office of Compliance; (5) the General Accounting Office; or (6) the Library of Congress."

* * * * *

"(j) The term *employing office* includes any of the following entities that is responsible for the correction of a violation of section 215 of the CAA (as determined under section 1.106), irrespective of whether the entity has an employment relationship with any covered employee in any employing office in which such violation occurs: (1) each office of the Senate, including each office of a Senator and each committee; (2) each office of the House of Representatives, including each office of a Member of the House of Representatives and each committee; (3) each joint committee of the Congress; (4) the Capitol Guide Service; (5) the Capitol Police; (6) the Congressional Budget office; (7) the Office of the Architect of the Capitol (including the Senate Restaurants and the Botanic Garden); (8) the Office of the Attending Physician; (9) the Office of Compliance; (10) the General Accounting Office; and (11) the Library of Congress.

* * * * *

"*§1.103 Coverage.*

"The coverage of Section 215 of the CAA extends to any "covered employee." It also extends to any "covered employing office," which includes any of the following entities that is responsible for the correction of a violation of section 215 (as determined under section 1.106), irrespective of whether the entity has an employment relationship with any covered employee in any employing office in which such a violation occurs:

"(1) each office of the Senate, including each office of a Senator and each committee;

"(2) each office of the House of Representatives, including each office of a Member of the House of Representatives and each committee;

"(3) each joint committee of the Congress;

"(4) the Capitol Guide Service;

"(5) the Capitol Police;

"(6) the Congressional Budget Office;

"(7) the Office of the Architect of the Capitol (including the Senate Restaurants and the Botanic Garden);

"(8) the Office of the Attending Physician;

"(9) the Office of Compliance;

"(10) the General Accounting Office; and

"(11) the Library of Congress.".

2. CORRECTIONS TO CROSS-REFERENCES.—By making the following amendments in Appendix A to Part 1900, which is entitled "References to Sections of Part 1910, 29 CFR, Adopted as Occupational Safety and health Standards Under Section 215(d) of the CAA":

(a) After "1910.1050 Methylenedianiline." insert the following:

"1910.1051 1,3-Butadinene.

"1910.1052 Methylene chloride.".

(b) Strike "1926.63—Cadmium (This standard has been redesignated as 1926.1127)." and insert instead the following:

"1926.63 [Reserved]".

(c) Strike "Subpart L—Scaffolding", "1926.450 [Reserved]", "1926.451 Scaffolding.", "1926.452 Guardrails, handrails, and covers.", and "1926.453 Manually propelled mobile ladder stands and scaffolds (towers)." and insert instead the following:

"*Subpart L—Scaffolds*

"1926.450 Scope, application, and definitions applicable to this subpart.

"1926.451 General requirements.

"1926.452 Additional requirements applicable to specific types of scaffolds.

"1926.453 Aerial lifts.

"1926.454 Training.".

(d) Strike "1926.556 Aerial lifts.".

(e)Strike "1926.753 Safety Nets.".

(f)Strike "Appendix A to Part 1926—Designations for General Industry Standards" and insert instead the following:

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[1] In the definition of "employing office" in section 1.102(i) "the Senate" is stricken from clause (1) and "of a Senator" is inserted instead, and "or a joint committee" is stricken from that clause, for conformity with the text of section 101(9)(A) of the CAA, 2 U.S.C. §1301(9)(A). In section 1.102(j), "a violation of this section" is stricken and "a violation of section 215 of the CAA (as determined under section 1.106)" is inserted instead, for consistency with the language in section 1.103 of the regulations.

"Appendix A to Part 1926—Designations for General Industry Standards Incorporated Into Body of Construction Standards".

SENSE OF THE CONGRESS REGARDING PROLIFERATION OF MISSILE TECHNOLOGY FROM RUSSIA TO IRAN

Mr. HELMS. Mr. President, as chairman of the Senate Foreign Relations Committee, I am pleased that the committee has reported favorably Senate Concurrent Resolution 48, expressing the sense of the Congress regarding proliferation of missile technology from Russia to Iran.

The committee held a hearing on alleged Russian ballistic missile proliferation activities with Iran on October 8, but the committee did not hold a specific hearing on Senate Concurrent Resolution 48. The resolution was placed on the agenda of the committee's business meeting for October 9, 1997. During the business meeting several members of the committee raised questions about the intent, scope, and implication of the resolution. Desirous of maintaining consensus, I postponed consideration of the resolution until the questions were answered.

Specifically, questions arose regarding paragraph (2) of section (1) of the resolution. After consultation, the sponsors and co-sponsors of Senate Concurrent Resolution 48 agreed with the committee that the resolution does not raise, suggest, or recommend reassessment of those programs which are in the national security interests of the United States. Accordingly, in the committee's view this interpretation removes from consideration, under this resolution, any ongoing programs and projects currently being conducted by the United States which seek to reduce the threat of the proliferation of weapons of mass destruction, their materials and know-how, as well as associated means of delivery. The resolution is also not intended to affect cooperative space programs between the United States and Russia. Nor is the resolution intended to affect humanitarian assistance or the programs of the National Endowment for Democracy, which promote democracy and market economic principles. Finally, the committee intends that the responsibility for making the determination regarding the adequacy of the Russian response under paragraph (2) lies with the President.

Mr. KYL. Mr. President, over the past few weeks, a series of increasingly troubling reports have been published in the press indicating Iran has nearly completed development of two long-range missiles that will allow it to strike targets as far away as central Europe. According to these press reports, Russian missile assistance has been the critical factor that has enabled Tehran's missile program to make such rapid progress.

In order to halt this dangerous trade, Representative HARMAN and I have introduced a bipartisan concurrent resolution expressing the sense of the Congress that proliferation of such technology and missile components by Russian governmental and nongovernmental entities must stop. Our resolution calls on the President to use all the tools at his disposal, including targeted sanctions, to end this proliferation threat, if these activities do not cease.

I join with Representative HARMAN, in clarifying that this resolution is not intended to affect the Cooperative Threat Reduction Program or similar U.S. government projects and programs which seek to reduce the threat of proliferation of weapons of mass destruction, their materials, know-how, as well as associated means of delivery currently being conducted. But we need to be clear that those individuals who proliferate will be penalized with the tools the U.S. has available.

Mr. LUGAR. Mr. President, would the Senator yield?

Mr. KYL. Mr. President, I would be happy to yield to the Senator from Indiana.

Mr. LUGAR. I thank the Senator. I think we both agree that the proliferation of weapons of mass destruction, their materials, known-how, as well as associated means of delivery might very well be the number one national security threat facing the United States.

As the Senator knows, when his resolution was raised at the Committee on Foreign Relations business meeting on October 9, 1997, I was concerned about the meaning of paragraph (2) of section (1). Paragraph (2) of section (1) states that: "if the Russian response in inadequate" to Presidential demands that the Russian Government take concrete actions to stop governmental and nongovernmental entities from providing ballistic missile technology and technical advice to Iran, "the United States should impose sanctions on the responsible Russian entities in accordance with Executive Order 12938 on the Proliferation of Weapons of Mass Destruction, and reassess cooperative activities with Russia."

I was joined by several colleagues on the Foreign Relations Committee who were also unsure of the intent of the Senator's language as well as the definition of the term "cooperative activities". As the Senator knows, many of our colleagues in Congress and in the executive branch believe that our ongoing cooperative efforts with Russia to dismantle, eliminate, destroy, and convert weapons of mass destruction, their materials, know-how, as well as associated means of delivery is vital of the national security interests of the United States. In particular, I am proud of the steps of our Department of Defense, Department of Energy and other executive agencies have made in reducing the threats to the United States from weapons and materials of mass destruction.

I thank the Senator for taking the time to contact me personally and for working with me to ensure that this resolution does not have the unintended consequence of calling in question these critical national security programs. I believe the Cooperative Threat Reduction Program, the Department of Energy's Material Protection Control and Accounting Program, and others have played and will continue to play a critical role in serving the national security interests of the United States.

Mr. President, I thank the Senator from Arizona.

Mr. KYL. Mr. President, I thank the Senator from Indiana and I assure him that I support the Committee's report language which removes from consideration, under this resolution, any ongoing programs and projects which seek to reduce the threat of the proliferation of weapons of mass destruction, their materials, and know-how; as well as cooperative space programs between the United States and Russia and the programs of the National Endowment for Democracy which promote democracy and market economic principles in Russia.

A+ EDUCATION SAVINGS ACCOUNTS

Mr. ABRAHAM. Mr. President, I rise today as a cosponsor of the Coverdell A+ education accounts, offered in legislation by my colleague the Senator from Georgia. This legislation would allow parents to contribute up to $2,500 per child to an education savings account, in which it would accrue tax-exempt interest that could be used for K–12 education expenses.

Each year, Mr. President, we are bombarded with statistics showing that our children are losing ground academically.

Each year, colleges and universities spend millions on remedial education for children entering their halls without the basic skills necessary to succeed in their courses.

Fully 60 percent of our 17-year-olds are not reading at grade level. They are unprepared to take their place in a college classroom, or in the many skilled occupations that literally make our country work. It is painfully clear, in my view, that something must be done to improve the quality of our K–12 education.

We spend more money per child than nearly any other industrialized nation. But, tragically, half of American children cannot meet minimum standards in reading and math.

The problem with our schools is not how much money we are spending on them. It is how that money is being spent—and even more importantly who is deciding how that money will be spent.

Too many decisions regarding our children's education are being made by bureaucrats in Washington and too few by parents. Thus too much money is being spent on bureaucrats and Washington-knows-best regulations, and too little on meeting the real educational needs of our children.

Mr. President, Michigan does not need Federal programs and Beltway bureaucrats to improve our education system; we need more power in the hands of our parents.

Teachers, principals, and school boards also are crucial to educating our children. But we must not forget that every child's most important, extensive, and fundamental education takes place in the home and must be guided by the principles and habits established there.

Every day parents educate children—helping with homework, looking over tests, and providing the love and support that foster successful intellectual, moral, and spiritual growth. No Washington program can provide this nurturing. And this makes it our duty to increase parents' power and resources as they seek to steer their children to successful and responsible adulthood.

During the balanced budget debate, Congress focused a great deal of attention on loans and other assistance for higher education. But while the availability and quality of higher education should be an issue of tremendous concern for our Nation, it becomes a moot point if children do not receive the education they need in elementary and secondary school.

During consideration of the Taxpayer Relief Act last summer, Congress debated legislation allowing parents to set up an education savings account to help pay tuition and other expenses at public or private colleges.

Senator COVERDELL offered an amendment to that provision, allowing the funds to also be used for K–12 education expenses. This amendment passed the Senate but, regrettably, was taken out during conference due to a threatened veto by the President.

Thankfully, the Senator from Georgia has reintroduced his amendment as a free-standing bill. In doing so, he has forced Congress to address the critical question of what we can do to support parents as they struggle to provide the best education possible for their children.

Senator COVERDELL's legislation is an important step in the right direction because it provides parents greater opportunity to save and invest in not only their child's higher education, but in their child's elementary and secondary education as well.

Specifically, the Coverdell A+ accounts bill expands the use of education savings accounts to include expenses related to elementary and secondary education at public, private, or religious schools and homeschools.

Parents may withdraw from the account to pay for tuition, fees, tutoring, special needs services, books, supplies, computer equipment and software, transportation, and supplementary expenses.

This legislation provides parents with a wide variety of opportunities to supplement their child's education. Some parents may choose a private or specialized education setting for their child.

For children attending public school, parents can use the money for tutoring or transportation costs. For parents of a child with special needs, the money could be used for tutoring or other personalized services.

Put simply, the Coverdell A+ accounts bill provides parents with more options to meet the educational needs of their children at an early age. And this improved education will produce better opportunities for their children throughout their lives.

Mr. President, the education savings account proposal for higher education passed Congress overwhelmingly, and was supported by the President. It is simply irrational to oppose the same concept for elementary and secondary education.

For all the reasons Congress supported investing in higher education, Congress must support investing in elementary and secondary education. Both proposals are based on a sound principle, that parents should plan for the long-term educational needs of their children. The Coverdell proposal allows parents to do that from the moment their child enters elementary school until that child graduates from college.

In my view, Mr. President, there is no reason to oppose A+ accounts on the grounds that they would provide Federal support to religious schools.

Right now, today, Federal funds in the form of student loan guarantees and other assistance are helping thousands of college students attend religious colleges. I have heard no serious objections to this practice, and I am glad for that.

There is no reason to discriminate against students choosing to attend Catholic University, Notre Dame, Calvin College, or any of the many other fine religious colleges in America.

By the same token, however, there is no sound reason for objecting to students and their parents who choose to attend primary and secondary schools with religious affiliations.

Likewise, Mr. President, I see no basis for the charge that A+ accounts will starve our public schools of needed funds. No provision in this legislation will cost public schools so much as one thin dime.

Rather, A+ accounts will bring significant benefits to our public schools. We should keep in mind, for example, that fully 70 percent of the children whose parents will receive benefits under this legislation attend public school. The extra help in the form of tutors, computers and other aids that the children will receive thanks to A+ accounts will make them better students and enhance the learning experience for all children in those schools.

HONORING THE KIRKS ON THEIR 50TH WEDDING ANNIVERSARY

Mr. ASHCROFT. Mr. President, families are the cornerstone of America. The data are undeniable: Individuals from strong families contribute to the society. In an era when nearly half of all couples married today will see their union dissolve into divorce, I believe it is both instructive and important to honor those who have taken the commitment of "till death us do part" seriously, demonstrating successfully the timeless principles of love, honor, and fidelity. These characteristics make our country strong.

For these important reasons, I rise today to honor Frankie and Harlan Kirk of St. Louis, MO, who on November 15, 1997, will celebrate their 50th wedding anniversary. My wife, Janet, and I look forward to the day we can celebrate a similar milestone. The Kirks' commitment to the principles and values of their marriage deserves to be saluted and recognized.

HONORING THE PRICES ON THEIR 50TH WEDDING ANNIVERSARY

Mr. ASHCROFT. Mr. President, families are the cornerstone of America. The data are undeniable: Individuals from strong families contribute to the society. In an era when nearly half of all couples married today will see their union dissolve into divorce, I believe it is both instructive and important to honor those who have taken the commitment of "till death us do part" seriously, demonstrating successfully the timeless principles of love, honor, and fidelity. These characteristics make our country strong.

For these important reasons, I rise today to honor Pauline and Larry Price of St. Louis, MO, who on November 12, 1997, will celebrate their 50th wedding anniversary. My wife, Janet, and I look forward to the day we can celebrate a similar milestone. The Prices' commitment to the principles and values of their marriage deserves to be saluted and recognized.

MESSAGES FROM THE PRESIDENT

REPORT OF THE EXECUTIVE ORDER BLOCKING SUDANESE GOVERNMENT PROPERTY AND PROHIBITING TRANSACTIONS WITH SUDAN—MESSAGE FROM THE PRESIDENT—PM 79

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

Pursuant to section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(b), I hereby report to the Congress that I have exercised my statutory authority to declare that the policies of the Government of Sudan constitute an unusual and extraordinary threat to the national security and foreign policy of the United States and to declare a national emergency to deal with the threat.

Pursuant to this legal authority, I have blocked Sudanese governmental assets in the United States. I have also prohibited certain transactions, including the following: (1) the importation into the United States of any goods or services of Sudanese origin, other than information or informational materials; (2) the exportation or reexportation to Sudan of any nonexempt goods, technology, or services from the United States; (3) the facilitation by any United States person of the exportation or reexportation of goods, technology, or services from Sudan to any destination, or to Sudan from any destination; (4) the performance by any United States person of any contract, including a financing contract, in support of an industrial, commercial, public utility, or governmental project in Sudan; (5) the grant or extension of credits or loans by any United States person to the Government of Sudan; and (6) any transaction by any United States person relating to transportation of cargo to, from, or through Sudan, or by Sudanese vessel or aircraft.

We intend to license only those activities that serve U.S. interests. Transactions necessary to conduct the official business of the United States Government and the United Nations are exempted. This order and subsequent licenses will allow humanitarian, diplomatic, and journalistic activities to continue. Other activities may be considered for licensing on a case-by-case basis based on their merits. We will continue to permit regulated transfers of fees and stipends from the Government of Sudan to Sudanese students in the United States. Among the other activities we may consider licensing are those permitting American citizens resident in Sudan to make payments for their routine living expenses, including taxes and utilities; the importation of certain products unavailable from other sources, such as gum arabic; and products to ensure civilian aircraft safety.

I have decided to impose comprehensive sanctions in response to the Sudanese government's continued provision of sanctuary and support for terrorist groups, its sponsorship of regional insurgencies that threaten neighboring governments friendly to the United States, its continued prosecution of a devastating civil war, and its abysmal human rights record that includes the denial of religious freedom and inadequate steps to eradicate slavery in the country.

The behavior of the Sudanese government directly threatens stability in the region and poses a direct threat to the people and interests of the United States. Only a fundamental change in Sudan's policies will enhance the peace and security of people in the United States, Sudan, and around the world. My Administration will continue to work with the Congress to develop the most effective policies in this regard.

The above-described measures, many of which reflect congressional concerns, will immediately demonstrate to the Sudanese government the seriousness of our concern with the situation in that country. It is particularly important to increase pressure on Sudan to engage seriously during the current round of negotiations taking place now in Nairobi. The sanctions will also deprive the Sudanese government of the material and financial benefits of conducting trade and financial transactions with the United States.

The prohibitions set forth in this order shall be effective as of 12:01 a.m., eastern standard time, November 4, 1997, and shall be transmitted to the Congress and published in the *Federal Register*. The Executive order provides 30 days in which to complete trade transactions with Sudan covered by contracts that predate the order and the performance of preexisting financing agreements for those trade initiatives.

WILLIAM J. CLINTON.
THE WHITE HOUSE, *November 3, 1997.*

MESSAGES FROM THE HOUSE

ENROLLED BILL SIGNED

At 12:38 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 2107. An act making appropriations for the Department of Interior and related agencies for the fiscal year ending September 30, 1998, and for other purposes.

The enrolled bill was signed subsequently by the President pro tempore [Mr. THURMOND].

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated.

POM-296. A resolution adopted by the Council of the City of Warren, Michigan relative to global climate change; to the Committee on Environment and Public Works.

POM-297. A resolution adopted by the Commissioners of Benton County, Iowa relative to the English language; to the Committee on Governmental Affairs.

POM-298. A petition from a citizen of the State of Texas relative to the Twenty-Seventh Amendment to the U.S. Constitution; to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CHAFEE, from the Committee on Environment and Public Works, with an amendment in the nature of a substitute:

S. 1219. A bill to require the establishment of a research and grant program for the eradication or control of Pfiesteria pisicicida and other aquatic toxins (Rept. No. 105–132).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

H.R. 651. A bill to extend the deadline under the Federal Power Act for the construction of a hydroelectric project located in the State of Washington, and for other purposes (Rept. No. 105–133).

H.R. 652. A bill to extend the deadline under the Federal Power Act for the construction of a hydroelectric project located in the State of Washington, and for other purposes (Rept. No. 105–134).

H.R. 848. A bill to extend the deadline under the Federal Power Act applicable to the construction of the AuSable Hydroelectric Project in New York, and for other purposes (Rept. No. 105–135).

H.R. 1184. A bill to extend the deadline under the Federal Power Act for the construction of the Bear Creek hydroelectric project in the State of Washington, and for other purposes (Rept. No. 105–136).

H.R. 1217. A bill to extend the deadline under the Federal Power Act for the construction of a hydroelectric project located in the State of Washington, and for other purposes (Rept. No. 105–137).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

H.R. 858. A bill to direct the Secretary of Agriculture to conduct a pilot project on designated lands within Plumas, Lassen, and Tahoe National Forests in the State of California to demonstrate the effectiveness of the resource management activities proposed by the Quincy Library Group and to amend current land and resource management plans for these national forests to consider the incorporation of these resource management activities (Rept. No. 105–138).

By Mr. HELMS, from the Committee on Foreign Relations, with an amendment in the nature of a substitute and an amendment to the title:

S. 759. A bill to provide for an annual report to Congress concerning diplomatic immunity.

By Mr. CHAFEE, from the Committee on Environment and Public Works, with an amendment:

S. 1258. A bill to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 to prohibit an alien who is not lawfully present in the United States from receiving assistance under that Act.

By Mr. HELMS, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Con. Res. 48. Concurrent resolution expressing the sense of the Congress regarding proliferation of missile technology from Russia to Iran.

S. Con. Res. 58. Concurrent resolution expressing the sense of Congress over Russia's newly passed religion law.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. McCain, from the Committee on Commerce, Science, and Transportation:

Duncan T. Moore, of New York to be an Associate Director of the Office of Science and Technology Policy.

Arthur Bienenstock, of California, to be an Associate Director of the Office of Science and Technology Policy.

Raymond G. Kammer, of Maryland, to be Director of the National Institute of Standards and Technology.

Terry D. Garcia, of California, to be Assistant Secretary of Commerce for Oceans and Atmosphere.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

IN THE COAST GUARD

The following-named individual for appointment as a permanent regular officer in the United States Coast Guard in the grade indicated under title 14, U.S. Code, section 211:

To be lieutenant (junior grade)

Whitney L. Yelle, 6516

The following-named officers for appointment to the grade indicated in the U.S. Coast Guard under title 14, United States Code, section 271:

To be lieutenant commander

Thomas Flora, 1977
Alfredo T. Soriano, 3245
William E. Thompson, 5963
Allen B. Cleveland, 5661
Timothy M. Fitzpatrick, 1834
Michael J. Kelly, 6895
Peter W. Seaman, 3947
William P. Green, 4602
John R. Turley, 8780
Markus D. Dausses, 4313
John L. Bragaw, 3661
Glenn L. Gebele, 4212
Michael S. Sabellico, 8701
Laura H. O'Hare, 6357
Susan K. Vukovich, 5076
Craig O. Fowler, 3715
Daniel S. Cramer, 3202
John J. Metcalf, 4539
Steven J. Reynolds, 9836
Sean M. Mahoney, 1321
Kevin J. McKenna, 1964
Christopher E. Alexander, 5686
James W. Sebastian, 9852
Han Kim, 8423
Phyllis E. Blanton, 3093
Andrew C. Palmiotto, 5986
Matthew K. Creelman, 5359
Caleb Corson, 9543
Marc H. Nguyen, 3884
Cynthia L. Stowe, 7198
Charles Jennings, 1640
Mary J. Sohlberg, 2583
John F. Maloney, 3275
Craig T. Hoskins, 3608
James P. McLeod, 2174
Raymond D. Hunt, 2465
Kenneth V. Fordham, 7677
Jon S. Kellams, 7003
Keith M. Smith, 5923
Donna L. Cottrell, 3421
James W. Crowe, 1207
Peter D. Conley, 7522
Kelly L. Kachele, 6708
Scott A. Buttrick, 5681
Janet R. Florey, 8250
Melissa A. Bulkley, 2351
James H. Whitehead, 0654
William R. Kelly, 6357
Jason Lyuke, 0055
John M. Danaher, 2841
John E. Boris, 1322
Mark D. Berkeley, 7271
Richard A. Sandoval, 8247
Charles M. Greene, 6480
Brian P. Hall, 4972
Eric P. Christensen, 7911
Ronald J. Haas, 3994
Mark D. Wallace, 5429
Matthew C. Stanley, 7668
Frank G. DeLeon, 6529
Rod D. Lubasky, 9808
Darcy D. Guyant, 1335
Perry S. Huey, 7794
Donald F. Potter, 4090
Kevin M. Balderson, 0693
Patrick Flynn, 2133
Wayne A. Stacey, 8485
Patrick G. McLaughlin, 5268
Wayne C. Conner, 1137
Jeffrey S. Phelps, 3423
Michael G. Bloom, 4211
Roger D. Mason, 5022
Michael W. Duggan, 1775
Bruce E. Graham, 1599
Lamberto D. Sazon, 2681
Henry D. Kocevar, 1869
Bruce D. Henson, 6391
Sean A. McBrearty, 1878
Robert C. Wilson, 9887
Gary L. Bruce, 9690
Jim L. Munro, 7204
Kevin P. Frost, 8805
Robert D. Kirk, 4164
William L. Stinehour, 6022
Scott B. Varco, 9386
Dawayne R. Penberthy, 6652
Keith R. Bills, 8588
Richard K. Woolford, 7374
Timothy A. Orner, 9409
Douglas M. Gordon, 0133
James D. Jenkins, 5482
Larry D. Bowling, 8411
Drew J. Trousdell, 8260
Scott W. Bornemann, 8846
Paul A. Titcombe, 8636
William M. Drelling, 2198
Kristin A. Williams, 5974
John E. Hurst, 6443
Kevin D. Camp, 6677
Steven W. Poore, 5565
Arthur R. Thomas, 4799
Thomas E. Cafferty, 6049
Jeffrey A. Reeves, 2042
Ronald L. Hensel, 9354
Marc P. Lebeau, 7776
Barry O. Arnold, 5817
Samuel Short, 7633
Gary E. Bracken, 7885
David C. Hartt, 7003
Richard T. Gatlin, 3552
Joseph P. Kelly, 5257
Eric V. Walters, 6027
Corey J. Jones, 7371
Michael J. Bosley, 7625
Roger R. Laferriere, 6326
John G. Keeton, 9728
Robert S. Young, 5588
John J. Dolan, 7454
Alan W. Carver, 4858
Leonard C. Greig, 6456
David A. Walker, 2710
David L. Hartley, 7876
Michael A. Megan, 3989
William J. Boeh, 3490
Stewart M. Dietrick, 7750
Thomas Tardibuono, 7928
John E. Souza, 8253
Timothy J. Heitsch, 1634
Julie A. Gahn, 4521
Donald E. Culkin, 4485
Byron L. Black, 7990
James E. Hanzalik, 0191
Kurt A. Sebastian, 8559
Gregory J. Sanial, 8158
Frank R. Parker, 4486
John A. Healy, 9902
Tina L. Burke, 2896
John D. Wood, 6878
Jan M. Johnson, 7441
Timothy G. Stueve, 8573
Keith A. Russell, 1052
John F. Moriarty, 5799
Michael P. Ryan, 2670
John B. Sullivan, 1035
Larry R. Kennedy, 7449
Robert P. Hayes, 2250
Stuart L. Lebruska, 7101
Christopher J. Meade, 9834
Charles A. Richards, 8949
Donald Jillson, 8089
Charles E. Rawson, 3411
Janet E. Stevens, 6512
Cirristopher D. Nichols, 1626
Joel D. Slotten, 7105
Dominic Dibari, 1055
Stephen P. Czerwonka, 3738
Kurt C. O'Brien, 0534
Robert T. McCarty, 6264
Kevin P. Freeman, 9325
Joel D. Dolbeck, 5478
Richard D. Fontana, 5960
Sean M. Burke, 2944
Edgars A. Auzenbergs, 1579
Joel D. Magnussen, 3176
Michael J. Lopez, 3878
Thomas F. Ryan, 5351
Alan N. Arsenault, 3958
Peter N. Decola, 8972
Thomas G. Nelson, 0329
James Carlson, 2414
Philip J. Skowronek, 1126
Pat Dequattro, 4688
David M. Dermanelian, 8757
Austin J. Gould, 2015
Stephen M. Sabellico, 8642
Andy J. Fordham, 8207
Scott D. Pisel, 1756
Laurence J. Prevost, 2308
Joseph M. Pesci, 4592
Charles L. Cashin, 9267
Jesse K. Moore, 1449
Glenn M. Sulmasy, 3347
Matthew J. Zamary, 0480
Anthony S. Lloyd, 1217
Kirk A. Bartnik, 8918
William J. Wolter, 8350
Francis E. Genco, 1716
David P. Crowley, 4708
Joseph F. Hester, 5624
John C. Rendon, 9496
Charles S. Camp, 1661
William R. Meese, 8432
Michael P. Carosotto, 3938
Steven A. Banks, 3620
Joseph E. Manjone, 5020
Timothy F. Pettek, 6421

Keith T. Whiteman, 0595
James E. Scheye, 6147
Joseph E. Balda, 0358
James R. Olive, 4453
James Tabor, 0332
Gary A. Charbonneau, 9620
Edward J. Cubanski, 5911
Eric G. Johnson, 8984
Patrick J. McGuire, 0839
Bradford Clark, 0448
Joseph J. Losciuto, 1557
Victoria A. Huyck, 2775
Romualdo Domingo, 8070
Cameron T. Naron, 9727
Jason A. Fosdick, 1569
Adam J. Shaw, 8486
Ian Liu, 2246
Patrick Foley, 6448
Basil F. Brown, 9721
George M. Zeitler, 9546
Christian J. Herzberger, 3083
Robert F. Olson, 7556
Michael Z. Ernesto, 4427
Mitchell C. Ekstrom, 8953
Michael D. Callahan, 7181
Robert E. Styron, 6449
Douglas M. Ruhde, 4912
Darwyn A. Wilmoth, 5464
Steven M. Sheridan, 9866
James B. Nicholson, 0642
Joseph L. Duffy, 4813
Robert A. Laahs, 3670
Cedric A. Hughes, 6254
Carmen T. Lapkiewicz, 6240
Glena T. Sanchez, 8906
Roderick D. Davis, 3556
Brian K. Gove, 6433
Russell C. Proctor, 5358
Gerardo Morgan, 2320
David S. Fish, 7202
Kevin C. Burke, 5766
Michael A. Jendrossek, 8874
Tony C. Clark, 3835
Robert D. Phillips, 1678
Steven R. Sator, 3408
Theodore R. Salmon, 7543
Jason L. Tengan, 0784
Mark S. Ryan, 7592
Robert J. Greve, 2511
Peter M. Kilfoyle, 8179
Brian K. Moore, 4779
William F. Adickes, 8017
Mark J. Wilbert, 0179
Thurman T. Maine, 8652
Craig A. Petersen, 8689
Robert I. Griffin, 2267
Donald R. Ling, 9189
Jeffrey S. Hudkins, 3961
Mark J. Gandolfo, 4285
Dirk A. Greene, 7181
David J. Rokes, 2696
Todd A. Tschannen, 7318
Michael R. Olson, 1914

(The above nominations were reported with the recommendation that they be confirmed.)

By Mr. SPECTER, from the Committee on Veterans' Affairs:

William P. Greene, Jr., of West Virginia, to be an Associate Judge of the U.S. Court of Veterans Appeals for the term of fifteen years.

Richard J. Griffin, of Illinois, to be Inspector General, Department of Veterans Affairs.

Joseph Thompson, of New York, to be Under Secretary for Benefits of the Department of Veterans Affairs.

Espiridion A. Borrego, of Texas, to be Assistant Secretary of Labor for Veterans' Employment and Training.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. D'AMATO, from the Committee on Banking, Housing, and Urban Affairs:

Kevin Emanuel Marchman, of Colorado, to be an Assistant Secretary of Housing and Urban Development.

Saul N. Ramirez, Jr., of Texas, to be an Assistant Secretary of Housing and Urban Development.

Jo Ann Jay Howard, of Texas, to be Federal Insurance Administrator, Federal Emergency Management Agency.

Richard F. Keevey, of Virginia, to be Chief Financial Officer, Department of Housing and Urban Development.

Eva M. Plaza, of Maryland, to be an Assistant Secretary of Housing and Urban Development.

F. Amanda DeBush, of Maryland, to be an Assistant Secretary of Commerce.

Gail W. Laster, of New York, to be General Counsel of the Department of Housing and Urban Development.

R. Roger Majak, of Virginia, to be an Assistant Secretary of Commerce.

David L. Aaron, of New York, to be Under Secretary of Commerce for International Trade.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. HELMS, from the Committee on Foreign Relations:

Edward S. Walker, Jr., of Maryland, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Israel.

Nominee: Edward S. Walker, Jr.

Post: Ambassador to Israel.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self: none.
2. Spouse: Wendy J. Walker, none.
3. Children: Kathryn E. Walker and Christopher J. Walker, none.
4. Parents: Deceased.
5. Grandparents: Deceased.
6. Brothers: None.
7. Sisters: Josephine F. Walker, none.

Alexander R. Vershbow, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be United States Permanent Representative on the Council of the North Atlantic Treaty Organization, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

Nominee: Alexander R. Vershbow.

Post: U.S. Ambassador to NATO.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self, none.
2. Spouse, $35, 1993, Dem. Nat'l Committee.
3. Children and spouses names, Benjamin, Gregory, none.
4. Parents names, Arthur E. Vershbow, Charlotte Z. Vershbow, $15, 1994, Sen. John Kerry.
5. Grandparents names, deceased.
6. Brothers and spouses names (no brothers), N/A.
7. Sisters and spouses names, Ann R. Vershbow, Charles Beitz, $100, 8/94, Tom Andrews; $100, 4/96, Tom Allen; $100, 7/96, Tom Allen; (all 3 U.S. Congressional Candidates—Maine).

William H. Twaddell, of Rhode Island, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal Republic of Nigeria.

Nominee: William H. Twaddell.

Post: Nigeria.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self, nil.
2. Spouse, Susan Hardy, nil.
3. Children and spouses names, W. Sanderson Twaddell, Ellen J. Twaddell, nil.
4. Parents names, Helen J. Twaddell, nil.
5. Grandparents names, N/A.
6. Brothers and spouses names, James and Mandy Twaddell, Steven and Pye Twaddell, nil.
7. Sisters and spouses names, N/A.

Peter Francis Tufo, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Hungary.

Nominee: Peter F. Tufo.

Post: Ambassador to Hungary.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self:

1993:	
Bob Kerry for U.S. Senate Committee (D. NE)	$500
1994:	
Moynihan for Senate (D. NY)	1,000
Democratic National Committee	6,000
1995:	
Friends of Senator Carl Levin	500
A Lot of People Supporting Tom Daschle (D. SD)	1,000
Friends of Schumer (D. NY)	1,000
Democratic National Committee	10,000
Clinton for President	1,000
Emilys List	500
1996:	
Torricelli for U.S. Senate (D. NJ)	1,000
Friends of Tom Strickland (D. CO)	1,000
Friends of Carolyn McCarthy (D. NY)	1,000
Rangel National Leadership PAC (D. NY)	1,000
Italian American Democratic Leadership Council	1,000
Democratic National Committee	30,000
1997:	
Friends of Chris Dodd for Senate (D. CT)	1,000

Daschle for Senate (D. SD) 1,000

2. Spouse, Francesca S. Tufo, $1,000, 11/95, Clinton for President; $1,000, 2/97, Dodd for Senate.

3. Children and spouses names, Serena S. Tufo, Peter S. Tufo, none.

4. Parents names, Lee S. Tufo, none; Gustave F. Tufo (deceased).

5. Grandparents names, none.

6. Brothers and spouses names, none.

7. Sisters and spouses names, none.

Brenda Schoonover, of Maryland, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Togo.

Nominee: Brenda Brown Schoonover.

Post: Ambassador, Republic of Togo.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self, none.

2. Spouse, none.

3. Children and spouses names, none.

4. Parents names, none.

5. Grandparents names, NA.

6. Brothers and spouses names, none.

7. Sisters and spouses names, none.

Lange Schermerhorn, of New Jersey, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Djibouti.

Nominee: Lange Schermerhorn.

Post: Djibouti.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self, none.

2. Spouse, none.

3. Children and spouses, none.

4. Parents names, none.

5. Grandparents, none.

6. Brothers and spouses names, none.

7. Sisters and spouses names, none.

James Carew Rosapepe, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Romania.

Nominee: James C. Rosapepe.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self: $250, 5/19/93, Kaptur for Congress; $350, 9/14/93, Democratic State Central Committee of Maryland; $1,000, 5/25/94, Friends of Tom Andrews; $250, 6/2/93, Mike Synar for Congress; $250, 6/20/94, Mike Synar for Congress; $250, 8/11/94, Robb for the Senate; $300, 10/4/94, New Mexicans for Bill Richardson; $750, 10/24/94, Larocco for Congress; $250, 10/2/95, Friends of John Conyers; $250, 11/10/95, Friends of Sen. Carl Levin; $500, 11/21/95, Defazio for Senate;

$250, 11/18/95, Karen McCarthy for Congress; $250, 7/18/95, Democratic State Central Committee of Maryland; $1,000, 11/10/95, Torricelli for U.S. Senate; $1,000, 3/18/96, Italian American Democratic Leadership Council; $250, 8/14/96, Cummings for Congress; $250, 9/27/96, Karen McCarthy for Congress; $1,000, 6/22/95, Clinton Gore '96 Primary Committee; $250, 10/26/95, Friends of Dick Durbin; $500, 8/7/95, Leahy for U.S. Senate; $250, 1/5/96, Sherman for Congress; $1,000, 7/30/96, Paolino for Congress;

$500, 9/19/96, Hoyer for Congress; $5,000, 8/21/96, Democratic National Committee; $600, 9/4/96, Democratic National Committee; $500, 9/14/96, Sherman for Congress; $1,000, 9/13/96, Democratic Congressional Campaign Committee; $500, 8/7/96, Citizens for Harkin; $250, 10/10/96, Friends of John LaFalce; $500, 8/21/96, Clinton-Gore '96 General Election Legal and Accounting Compliance; $500, 12/18/96, Leahy for U.S. Senator; $1,000, 1/24/97, Italian American Democratic Leadership Council; and $500, 4/4/97, Hoyer for Congress.

2. Spouse, Sheilah A. Kast, none.

3. Children and spouses, none.

4. Parents, Joseph S. Rosapepe, deceased; Dorothy Carew Rosapepe, deceased.

5. Grandparents, George Carew, deceased; Dora Carew, deceased; Attilio Rosapepe, deceased; Rebecca Rosapepe, deceased.

6. Brothers and spouses, none.

7. Sisters and spouses names, Dorothy C.R. Bodwell, Douglas F. Bodwell, none.

Kathryn Linda Haycock Proffitt, of Arizona, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Malta.

Nominee: Kathryn Linda Haycock Proffitt.

Post: U.S. Ambassador to Malta.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date and donee.

1. Self, $450, 6/19/92, McCain Re-election Committee; $400, 7/29/92, McCain Re-election Committee; $250, 9/15/92, Kolbe '92; $250, 9/11/92, Pastor for Arizona; $125, 10/25/92, Republican National Committee—Victory '92; $250, 1/13/94, Friends of Jim Cooper; $125, 5/22/94, National Republican Congressional Committee; $1,000, 12/5/94, Citizens Committee for Ernest F. Hollings; $1,000, 8/8/95, Clinton/Gore 1996 Primary Committee; $10,000, 11/21/95, Democratic National Committee; $5,000, 12/7/95, Democratic Party of Oregon; $1,000, 12/29/95, Steve Owens for Congress—Primary; $1,000, 12/29/95, Steve Owens for Congress—General; $500, 3/21/96, New Mexicans for Bill Richardson; $500, 3/27/96, Tim Johnson for Senate; $1,000, 8/13/96, Clinton/Gore Election Legal & Accounting; $5,000, 8/16/96, Birthday Victory Fund; $500, 10/7/96, Henry for Congress; $1,000, 10/22/96, Arizona Democratic Party Federal Account; $5,000, 1/21/97, Democratic Senatorial Campaign Comm.

2. Spouse (former), Paul W. Haycock.

I was divorced in February of 1994. I cannot respond with certainty regarding contributions made by my former spouse.

3. Children and Spouses, Korbin Haycock, None; Hollie Haycock, None; Garron Haycock, None; Rachelle Haycock, None.

4. Parents, Phyllis Douglas (mother), $1,000, 8/16/95, Clinton/Gore 1996 Primary Committee; Gary Douglas (step-father), $1,000, 8/16/95, Clinton/Gore 1996 Primary Committee.

5. Grandparents, Leslie Gloyd Hall, Deceased; Rhea Hall, Deceased; Thelma Proffitt, Deceased; David Proffitt, Deceased.

6. Brothers and Spouses, Francis Proffitt, None; Janet Proffitt (spouse), None; Wesley Proffitt, None; Rolanda Proffitt (spouse), None.

7. Sisters and Spouses, None.

Joseph A. Presel, of Rhode Island, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Uzbekistan.

Nominee: Joseph A. Presel.

Post: Ambassador to Uzebekistan.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee.

1. Self, Joseph Presel, $50, 7/29/96, Porter for Congress.

2. Spouse, Claire-Lise Presel, none.

3. Children and Spouses names, no children.

4. Parents names, Howard Presel, deceased; Marie Roitman Presel, deceased.

5. Grandparents names, Barnet Roitman, Kate Roitman, Joseph Presel, Esther Presel, all deceased.

6. Brothers and spouses names, no brothers.

7. Sisters and spouses names, no sisters.

Steven Karl Pifer, of California, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ukraine.

Nominee: Steven Karl Pifer.

Post: Ambassador to Ukraine.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date and donee.

1. Self, none.

2. Spouse, Marilyn Pifer, none.

3. Child, Christine Pifer, none.

4. Father, John Pifer, $19,93, 2/93, Jon Kyle Reelection Committee; $50.00, 5/93, Friends of Jon Kyle; $40.00, 9/93, Friends of Jon Kyle; $2,000.00, 6/96, Republican Senatorial Inner Circle; $500.00, 5/97, McCain for Senate; $1,000.00, 9/93, Pacific Legal Foundation; $1,000.00, 9/94, Pacific Legal Foundation; $1,000.00, 12/95, Pacific Legal Foundation; $1,000.00, 12/96, Pacific Legal Foundation; Mother, Norma Pifer, none; Stepmother, Stacy Pifer, none; Former stepmother, Yvonne Pifer, none.

5. Grandparents, Marguerite Clark, deceased; Oscar Smith, deceased; Althea Pifer, deceased; John Carl Pifer, deceased.

6. Brother, Kevin Pifer, none; Stepbrother, Hugo Olliphant, none.

7. Stepsister, Sandi Pifer, none.

Lyndon Lowell Olson, Jr., of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Sweden.

Nominee: Lyndon Lowell Olson, Jr.

Post: U.S. Ambassador to Sweden.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee.

1. Self, Lyndon Lowell Olson, Jr., $1,000, 4/8/97, Ken Bentsen for Congress; $1,000, 3/4/97, Gene Green Election Fund; $1,000, 3/10/97, Friends of Patrick Kennedy; $1,000, 3/13/97, New Democratic Network; $10,000, 2/20/97, Democratic Senatorial Campaign Committee; $1,000, 2/19/97, Citizens for Joe Kennedy; $1,000, 7/1/96, Martin Frost Campaign Committee; $1,000, 7/2/96, Bruggere for Senate; $1,000, 8/26/96, Weiland for Congress; $1,000, 9/5/96, Chas. Stenholm for Congress; $1,000, 9/26/96, Pat Frank for Congress; $2,000 12/13/96, Tom Daschle (Primary & General); $1,000, 7/12/96, Chet Edwards for Congress; $1,000, 1/9/96, Friends of Senator Rockefeller; $1,000, 7/18/96, Rangel Victory Fund; $1,000, 3/19/96, Tom Strickland; $1,000, 4/11/96, Sanders for Senate; $1,000, 6/12/96, Torricelli for Senate; $1,000, 12/5/96, Nick Lampson Campaign; $1,000, 9/25/95, Clinton/Gore '96 Primary Committee; $1,000, 4/19/95, Edwards for Congress; $1,000, 12/18/95, Odom U.S. Senate Campaign; $1,000, 3/22/95, Citizens for Harkin; $1,000, 8/24/95, Friends of Carl Levin; $1,000, 5/5/95, Citizens for Joe Kennedy; $1,000, 4/15/95, Kerry for Senate; $1,000, 9/11/95, Ben Nelson for Senate; $1,000, 12/28/95, Maloney for Congress; $1,000, 3/7/94, Cooper for Senate; $1,000, 10/3/94, Ken Bentsen for Congress; $1,000, 3/28/94, Harris Wofford; $1,000, 1/19/94, Craig Washington; $1,000, 2/24/94, Mike Andrews Campaign Committee; $1,000, 3/11/94, Jerry Nadler for Congress; $1,000, 4/11/94, Fisher for Senate; $2,500, 9/5/94, Effective Government Committee; $1,000, 10/7/94, Earl Pomeroy for Congress; $1,000, 9/27/94, Robb for Senate; $1,000, 7/14/94, Martin Frost Campaign Committee; $1,000, 4/12/93, Joe Kennedy Campaign; $1,000, 12/17/93, ACLI PAC; $1,000, 12/4/93, Frost Campaign Committee; $1,000, 6/18/93, Riegle for Senate; $1,000, 6/9/93, Edwards for Congress; $2,000, 8/9/93, Effective Government Committee; $250, 4/20/93, Effective Government Committee; $2,500, 10/10/93, Effective Government Committee; $1,000, 3/5/93, Krueger for Senate; $1,000, 12/7/93, Joe Lieberman Senate Campaign; $1,000, 8/16/93, Bingaman Campaign Committee; $1,000, 8/23/98, Jim Sasser Committee; $2,000, 12/24/92, Effective Gov't. Committee; $1,000, 8/25/92, Tom Daschle; $1,000, 9/18/92, Gephardt in Congress Committee; $1,000, 4/9/92, Life PAC; $1,000, 4/21/92, Democratic Senatorial Campaign Committee; $1,000, 7/12/92, Democratic Senatorial Campaign Committee; $1,000, 5/15/92, Democratic Congressional Campaign Committee; $1,000, 6/6/92, Pomeroy for Congress; $500, 9/6/92, Chet Edwards for Congress; $1,000, 12/2/92, Chet Edwards for Congress.

2. Spouse, Kathleen Woodward Olson, $1,000, 2/19/97, Citizens for Joe Kennedy;

1996

$1,000, 7/12/96, Chet Edwards Campaign Committee; $1,000, 12/13/96, Tom Daschle; $1,000, 4/11/96, Sanders for Senate; $1,000, 6/20/95, Pete Wilson for President; $1,000, 4/19/95, Edwards for Congress; $1,000, 6/11/93, Chet Edwards Campaign.

3. Children and spouses names, none.

4. Parents names, Lyndon L. Olson, Sr., $1,000, 4/21/95, Joe Kennedy Campaign Congress, Frances M. Olson, None.

5. Grandparents names, E.A. Olson & Beth Olson, deceased, none. C.B. McLaughlin & Lillie McLaughlin, deceased, none.

6. Brothers and spouses names, Kristine D. Olson, None. Charles D. Olson, $1,000, 5/13/96, Sanders for Senate; $250, 1/23/95, Chet Edwards; $250, 4/16/95, Chet Edwards; $250, 7/17/95, Chet Edwards; $250, 11/20/95, Chet Edwards; $1,000, 5/15/95, Citizens for Joe Kennedy; $1,000, 4/26/93, Citizens for Joe Kennedy; $1,000, 3/26/92 Clinton for President; $1,000, 12/17/92, Senator Lloyd Bentsen Campaign. Kristine K. Olson, none.

7. Sisters and spouses names, none.

George Edward Moose, of Maryland, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Representative of the United States of America to the European Office of the United Nations, with the rank of Ambassador.

Nominee: George E. Moose.

Post: Representative of the United States to the European Office of the United Nations.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee.

1. Self, none.

2. Spouse, none.

3. Children and spouses names, none.

4. Parents names, Ellen McCloud Moose, 1997, Democratic Congressional Committee, $50.00. 1996, Democratic National Committee, $900.00; Democratic Congressional Committee, $140.00; Democratic Senatorial Committee, $135.00; Democrats 2000, $100.00; Clinton-Gore GELAC, $400.00; National Comm. for an Elected Congress, $70.00; Colorado Democratic Party, $720.00. 1995, Democratic National Committee, $220.00; Clinton—America's Future Fund, $300.00; Democratic Senatorial Committee, $170.00; Clinton-Gore Primary Committee, $100.00. 1994, Clinton—America's Future Fund, $100.00; Democratic National Committee, $420.00; Democratic Senatorial Committee, $70.00. 1993, Estimated contributions of to DNC, DSC and other Democratic Party Funds, $1,200.00; Total: $5,045.00. Robert Moose, information not available (no contact).

5. Grandparents names, none (no grandparents living).

6. Brothers and spouses names, none (no brothers).

7. Sisters and spouses names, Adonica and Larry Walker, none.

William Dale Montgomery, of Pennsylvania, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Croatia.

Nominee: William Dale Montgomery.

Post: Zagreb, Croatia.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee.

1. Self, none.

2. Spouse, Lynne, none.

3. Children and spouses names, Alexander (14), Amelia (10), Katarina (9), none.

4. Parents names, Blondell Close Montgomery (mother); father, deceased, none.

5. Grandparents names, all deceased for more than ten years.

6. Brothers and spouses names, none.

7. Sisters and spouses names, Merrie Montgomery King and husband Dennis King, none. Cynthia Montgomery Wernerfeldt and husband Birgir Wernerfeldt, up to $1,000, 1992, Clinton Presidential Campaign.

Stanley Louis McLelland, of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Jamaica.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: Stanley Louis McLelland.

Post: Ambassador.

Contributions, amount, date, and donee:

1. Self, see attached schedule.

2. Spouse, not married.

3. Children and spouses, I do not have any children.

4. Parents names, Roberta Lois Chaudoin McLelland, none; Ralph Ervin McLelland, deceased.

5. Grandparents names, all grandparents have been deceased for over 15 years.

6. Brothers and spouses names, Gerald R. McLelland, none; Sue McLelland, none.

7. Sisters and spouses names, Martha L. McLelland Stenseng, none; Vern Stenseng, none.

ATTACHMENT TO FEDERAL CAMPAIGN CONTRIBUTION REPORT

Nominee: Stanley Louis McLelland.

Social Sec. No.: 458–70–1863.

Post: Ambassador.

Contributions, amount, date, recipient:

Self, $10,000, 05/14/97, Dem. Senatorial Campaign Comm.

Self, $1,000, 05/09/97, Kay Bailey Hutchison.

Self, $1,000, 03/25/97, Friends of Chris Dodd.

Self (in-kind), $1,000, 03/25/97, Friends of Chris Dodd.

Self, $500, 02/20/97, Citizens for Joe Kennedy.

Self, $10,000, 02/14/97, Dem. Senatorial Campaign Comm.

Self, $2,000, 12/19/96, Tom Daschle Committee.

Self, $500, 11/21/96, Nick Lampson for Congress.

Self, $1,000, 11/21/96, Ken Bentsen for Congress.

Self, $5,000, 10/22/96, Presidential Unity '96 (non-federal).

Self, $500, 09/26/96, Nick Lampson for Congress.

Self, $5,000, 09/24/96, Dem. Senatorial Campaign Comm.

Self, $10,000, 08/20/96, Birthday Victory Fund ($8,000 attributed to Dem., Nat'l Comm. & $2,000 attributed, to Texas Dem. Comm.).

Self, $1,000, 08/19/96, Victory '96 Federal Account.

Self, $700, 08/16/96, Dem. Nat'l Comm. Convention Program (non-federal).

Self, $5,000, 08/01/96, Dem. Nat'l Comm. (non-federal).

Self, $20,000, 08/01/96, Dem. Nat'l Comm. (non-federal).

Self, $25,000, 06/25/96, Tex. Victory '96 (non-federal).

Self, $25,000, 05/09/96, Dem. Nat'l comm. (non-federal).

Self (in-kind), $529, 05/05/96, Dem. Nat'l Comm. (non-federal).

Self, $25,000, 12/05/95, DNC Media Fund: ($20,000 attributed to federal account and $5,000 attributed to non-federal account).

Self, $500, 09/22/95, Friends for Nelson wolff.

Self, $1,000, 08/07/95, John Odam for U.S. Senate.

Self, $1,000, 06/27/95, Clinton/Gore '94.

Self, $1,000, 07/14/94, Fisher for Senate '94.

Self, $1,000, 07/08/94, Doggett for Congress.

Self, $1,000, 02/16/94, Mike Andrews for U.S. Senate.

Self, $1,000, 01/24/94, Carrin F. Patman for Congress.

Self, $2,000, 03/25/93, Bob Krueger Campaign.

Self, $5,000, 3/25/93, Texas Dem. Party.

Gerald S.McGowan, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to be the Republic of Portugal

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: Gerald S. McGowan.

Post: Ambassador of Portugal.

Contributions, amount, date, donee:

1. Self, (See Attachment C).

2. Spouse, Sharon S. McGowan (deceased) (1995).

3. Children and spouses names, Jason Gropper, Zachary Gropper, Lukas, Connor, Molly, Sean and Dylan McGowan, none.

4. Parents names, Harry McGowan, Mary McGowan, miscellaneous amount to Democrats—nothing over $100 (deceased).

5. Grandparents names, all deceased for over 20 years.

6. Brothers and spouses names, Harry J. and Victoria McGowan, none; James and Vivian McGowan, $25.00, 1996.

7. Sisters and spouses names, Maureen McGowan and Mark Malone, none; Michael Mulvihill and Kathleen McGowan Mulvihill, none.

Year, name, amount:

[Attachment C]

1991	Clinton for President	$1,000
1992	Democratic National Committee	7,500
	Kopetski for Congress	500
1994	Democratic National Committee	75,000
	Democratic Party of Virginia	1,000
	Friends of Margolis-Mezvinski	850
1995	People for Wilhelm	1,000
1996	Democratic National Committee	700
	Wilder Committee	1,000
	Friends of Strickland	2,000
	Friends of Senator Levin	500
	Wyden for Senate	1,000
	Clinton/Gore	1,000
	Friends of Mark Warner	2,000
	Friends of Evan Bayh	1,000
	Markey for Congress	500
	Levin for Congress	500
	Levin & Levin	1,000
1997	Leahy for Senate	1,000
	Dorgan for Senate	500

Victor Marrero, of New York, to be the Permanent Representative of the United States to the Organization of American States, with the rank of Ambassador.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Nominee: Victor Marrero.

Post: U.S. Representative to the OAS.

Contributions, amount, date, donee:

1. Self, $500, October 1996, Presidential Unity Fund, DNC. $250, May 1994, Chief Deputy Whip's Fund.

2. Spouse, Veronica White, none.

3. Children and spouses names, Andrew, none; Robert, none.

4. Parents names, Josefina, deceased; Ezequiel, deceased.

5. Grandparents names, N/A, deceased; N/A, deceased.

6. Brothers and spouses names, Louis Marrero, none; Virginia Marrero, none.

7. Sisters and spouses names, Carmen Gomez, none; Jemes Gomez, see attached; Yvonne Schonborg, none; David Schonborg, none.

FEDERAL CAMPAIGN CONTRIBUTION REPORT

Nominee: Victor Marrero.

Post: U.S. Representative to the OAS.

Contributions, amount, date, donee:

Gomez, James,

$1,000, 7/7/93, Committee to elect Nydia M. Valazquez to Congress.

$1,000, 2/27/97, Juan Solis for Congress Committee.

$1,000, 2/16/97 Silvestre Reyes candidature for U.S. Congress.

$1,000, 2/18/96, Comite Eleccion de Carlos, Romero-Barcelo al Congreso Inc.

$500, 9/21/96, Friends of Chris Dodd—'98.

$1,000, 11/13/96, Committee to elect Nydia M. Valazquez to Congress.

$500 8/21/95, Goldman Sachs Partners PAC.

James A. Larocco, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Kuwait.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: James A. Larocco.

Post: Kuwait.

Contributions, amount, date, donee:

1. Self, James A. Larocco, none.

2. Spouse, Janet M. Larocco, none.

3. Children and spouses names, Stephanie, Charles, and Mary, none (all minors).

4. Parents names, Charles and Nena Larocco, James and Sylvia McIlwain, none (deceased).

5. Grandparents names, James and Lillian Larocco, Anthony and Theresa Amount, none (deceased).

6. Brothers and spouses names, Robert Larocco, none.

7. Sisters and spouses names, Sister Nina Larocco (Nun), Charlene and William Berg, Elaine and Charles Travers, none.

Daniel Charles Kurtzer, of Maryland, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Arab Republic of Egypt.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: Daniel Charles Kurtzer, none.

2. Spouse, Sheila Kurtzer, none.

3. Children and spouses names, David Shimon Kurtzer, none. Jared Louis Kurtzer, none.

4. Parents names, Jacob Doppelt Kurtzer, none; Nathan and Sylvia Kurtzer, none; Minnie Doppelt, none.

5. Grandparents, names, Rebecca Posner (deceased).

6. Brothers and spouses names, Benjamin and Melissa Kurtzer, none; Ira Doppelt, none.

7. Sisters and spouses names, Max and Gale Bienstock, none; Richard and Debra Forman, none; Arthur and Joyce Miltz, $100 to local Councilman campaign in 1990.

James Catherwood Hormel, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Luxembourg.

(The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.)

Nominee: James C. Hormel.

Post: Ambassador to Luxembourg.

Contributions, amount, date, donee:

1. Self, James C. Hormel (See attached list).

2. Spouse, none.

3. Children and spouses names (See attached list).

4. Parents names Jay C. Hormel (deceased), Germaine Dubois Hormel (deceased).

5. Grandparents names, George A. Hormel (deceased), Lillian B. Gleason Hormel (deceased).

6. Brothers and spouses names (See attached list).

7. Sisters and spouses names, none.

FEDERAL CAMPAIGN CONTRIBUTION REPORT

1. Donor: James C. Hormel.

Amount, date, donee:

1993

$1,500, 2–5–93, Committee to Re-elect Edw. Kennedy. (Returned) (1994 election). (Contribution returned by Senator Kennedy after letter of recommendation written on my behalf.)

$1,000, 3–15–93, The Bob Krueger Campaign.

$1,000, 4–12–93, Citizens for Harkin (1996 election).

$1,000, 4–19–93, Mitchell for Senate (1994 election).

$1,000, 4–19–93, Human Rights Campaign Fund.

$500, 4–21–93, Democratic Congressional Campaign.

$1,000, 5–28–93, Feinstein for Senate 1994.

$5,000, 6–7–93, Human Rights Campaign Fund.

$1,000, 8–30–93, Robb for Senate Committee.

$5,000, 9–24–93, Democratic Congressional Campaign.

$5,000, 9–24–93, Ollie-PAC.

$5,000, 11–17–93, Democratic Senate Campaign Committee.

1994

$1,000, 2–15–94, Anna Eshoo for Congress.

$1,000, 2–22–94, Robb for Senate Committee.

$1,000, 2–22–94, Wolsey for Congress.

$1,000, 2–24–94, Nancy Pelosi for Congress.

$2,000, 2–28–94, Return on Kennedy for Senate '92 and '93.

$5,000, 3–14–94, Human Rights Campaign Fund.

$250, 3–14–94, Tom Duane For Congress.

$1,000, 3–28–94, Comm. to Elect Dan Hamburg.

$1,000, 3–29–94, Tom Andrews for Senate.

$1,000, 4–4–94, Studds for Congress Committee (primary).

$1,000, 4–4–94, Studds for Congress Committee (general).

$2,000, 5–19–94, California Victory '94.

$1,000, 5–19–94, Tom Andrews for Senate.

$1,000, 5–19–94, Fazio for Congress.

$1,000, 5–19–94, People for Marty Stone.

$200, 5–19–94, Zoe Logren for Congress.

1995

$10,000, 5–12–95, Democratic Congressional Campaign Committee.

$5,000, 6–30–95, Democratic Senatorial Campaign Committee.

$1,000, 6–30–95, Clinton/Gore '96 (96 Election).

$2,000, 9–8–95, Friends of Barbara Boxer (98 Election).

$1,000, 11-10-95, Jerry Estruth for Congress.
$1,000, 11-10-95, Kennedy for Senate 94 (Debt).
$205.74, 11-16-95, Kennedy for Senate 94 (Debt) reception expense.
$4,000, 11-30-95, Democratic Party of Oregon.
$500, 12-11-95, Richard Durbin for Senate (96 Election).
$1,000, 12-13-95, Friends of Carl Levin (96 Election).
$500, 12-13-95, Woolsey for Congress (96 Election).
$500, 12-13-95, Rick Zbur for Congress (96 Election).

1996

$5,000, 3-4-96, Democratic Senatorial Campaign Committee.
$1,000, 3-12-96, McCormick for Congress.
$1,000, 3-12-96, Gantt for U.S. Senate 96.
$500, 3-13-96, Nancy Pelosi for Congress 96.
$547.36, 4-29-96, John Kerry for Senate reception expense.
$1,000, 5-13-96, Michela Alioto for Congress.
$1,000, 5-15-96, Rick Zbur for Congress.
$1,000, 5-31-96, Wellstone for Senate.
$1,000, 6-27-96, Ellen Tauscher for Congress.
$500, 7-18-96, Committee for Loretta Sanchez.
$1,000, 8-20-96, Fazio for Congress.
$500, 8-23-96, Tom Bruggere for U.S. Senate.
$5,000, 8-23-96, Democratic Congressional Campaign Committee.
$500, 8-23-96, People for Weiland.
$500, 8-23-96, Friends of Walter Capps.

1997

$3,000, 3-6-97, California Victory '98 (98 Election).
$10,000, 5-8-97, Democratic Congressional Campaign Committee.
$1,000, 5-16-97, Nancy Pelosi for Congress.

3. Donor: Children and spouses: Alison M. Hormel Webb, daughter and Bernard C. Webb, none; Anne C. Hormel Holt, daughter and Cecil T. Holt, none; Elizabeth M. Hormel, daughter and A. Andrew Leddy, none; James C. Hormel, Jr., son and Kathleen G. Hormel, none; Sarah Hormel von Quillfeldt, daughter and Falk von Quillfeldt, none.

6. Donor: Brothers and spouses: George A. Hormel II, brother and Jamie Hormel, none; Thomas D. Hormel, brother and Rampa R. Hormel.

THOMAS D. HORMEL

Amount, date, donee:

1993

$1,000, 12-19-93, Gerry Studds for Congress.

1994

$1,000, 4-22-94, Dan Hamburg.
$1,000, 4-22-94, Tom Andrews.
$1,000, 5-9-94, Mike Burkett.
$1,000, 5-24-94, Dianne Feinstein.
$1,000, 6-15-94, Dan Hamburg.
$4,000, 7-18-94, Maine '94.
$1,000, 7-18-94, Tom Andrews.
$5,000, 10-8-94, League of Conservation Voters.
$1,000, 10-8-94, Jolene Unsoeld.

1995

$1,000, 7-25-95, Clinton/Gore 96.
$1,000, 8-3-95, Dan Williams.
$1,000, 11-2-95, Walt Minnick.

1996

1,000, 1-12-96, Wyden for Senate.
1,000, 3-31-96, Dan Williams.
1,000, 6-30-96, Walt Minnick.
1,000, 6-30-96, Luther for Congress.
1,000, 8-13-96, John Kerry for Senate.
1,000, 10-16-96, John Kerry for Senate.
1,000, 10-16-96, Wellington for Senate.
1,000, 10-16-96, Strickland for Senate.

1997

None.

RAMPA R. HORMEL

1993

None.

1994

1,000, 5-1-94, Dan Hamburg.
1,000, 5-11-94, Dianne Feinstein.
1,000, 5-16-94, Dan Hamburg.
1,500, 7-19-94, Maine '94.
1,000, 7-19-94, Tom Andrews.
1,000, 10-8-94, Jolene Unsoeld.

1995

1,000, 8-3-95, Dan Williams.
1,000, 11-2-95, Walt Minnick.

1996

1,000, 1-12-96, Wyden for Senate.
1,000, 1-31-96, Byron Sher for Senate.
1,000, 4-4-96, Ian Bowles for Congress.
1,000, 8-31-96, John Kerry for Senate.
250, 9-15-96, Democratic National Party.
1,000, 10-15-96, Walt Minnick for Senate.
500, 10-15-95, Michela Alioto for Congress.
500, 10-15-95, Capp for Congress.
500, 10-15-96, Rick Zbur for Congress.
500, 10-15-96, Loretta Sanchez for Congress.
500, 10-15-96, Brad Sherman.
1,000, 10-21-96, Wellington for Senate.
1,000, 10-21-96, Strickland for Senate.
1,000, 10-21-96, Swett for Congress.

1997

500, 2-15-97, Committee for Loretta Sanchez.

David B. Hermelin, of Michigan, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway.

Post: United States Ambassador to Norway.

Nominee: David B. Hermelin.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. David B. Hermelin, $250.00, 2/29/92, Reynolds for Congress '92; 100.00, 3/13/92, Dan Coats; 1,000.00, 3/30/92, Levine Campaign Committee; 500.00, 3/31/92, Levin for Congress; 150.00, 5/1/92, Fingerhut for Congress; 100.00, 5/8/92, JAPAC; 250.00, 5/14/92, Hagan for Congress; 1,000.00, 5/15/92, MOPAC; 100.00, 5/21/92, J. Dingell for Congress; 250.00, 6/9/92, Tanter for Congress; 500.00, 6/23/92, A Lot of People Supporting Tom Daschle; 500.00, 6/24/92, Friends of Chris Dodd; 500.00, 6/26/92, Friends of Bob Graham; 250.00, 6/30/92, Alice Gilbert for Congress; 250.00, 7/14/92, Committee for Wendell Ford; 125.00, 7/22/92, Friends of Barbara Rose Collins; 500.00, 8/11/92, Glickman for Congress; 12,500.00, 8/24/92, DNC Services Corporation; 50.00, 9/1/92, Broomfield Tribute; 250.00, 9/8/92, Bonior for Congress; 250.00, 9/25/92, W. Briggs for Congress; 500.00, 10/13/92, Dick Swett for Congress; 1,000.00, 10/13/92, Friends of Bob Carr; 250.00, 10/20/92, Briggs for Congress; 1,000.00, 12/18/92, Lautenberg Committee; 250.00, 12/18/92, Briggs for Congress; 1,000.00, 4/15/93, Riegle for Senate; 1,000.00, 4/15/93, Riegle for Senate; 1,000.00, 4/15/93, Riegle for Senate; (1,000.00), 8/5/93, Riegle for Senate; 100.00, 9/1/93, Connie Mack for Senate; 300.00, 9/3/93, Levin for Congress; 700.00, 11/11/93, Levin for Congress; (1,000.00), 11/18/93, Riegle for Senate; 1,000.00, 12/15/93, MOPAC; 1,000.00, 12/17/93, Friends of Bob Carr; 1,000.00, 12/28/93, Dick Swett for Congress; 100.00 2/21/94, Mahoney '94 Senate; 200.00, 2/23/94, Friends of Congressman Fingerhut; 500.00, 3/9/94, Glickman for Congress; 100.00, 3/9/94, Hollowell for Congress; 500.00, 3/21/94, Citizens for Sarbanes; 1,000.00, 4/13/94, Effective Gvt. Comm.; 1,000.00, 4/27/94, Friends of Bob Carr; 100.00, 5/1/94, Hollowell for Congress; 200.00, 5/1/94, Friends of John Glenn; 100.00, 5/10/94, Friends of Barbara Rose Collins; 1,000.00, 5/16/94, Lautenberg Committee; 300.00, 5/26/94, Tom Hecht for Congress; 500.00, 6/1/94, Friends for Bryan '94; 100.00, 6/2/94, John D. Dingell for Congress; 1,000.00, 6/6/94, Levin for Congress; 500.00, 6/8/94, Robb for the Senate; 180.00, 6/15/94, Friends of A. Gilbert; 320.00, 6/17/94, Friends of A. Gilbert; 500.00, 6/17/94, Lieberman '94 Comm.; 250.00, 6/22/94, Bob Mitchell for Congress; 100.00, 6/24/95, Rivers for Congress; 250.00, 8/5/94, Dhillon for Congress; 250.00, 8/28/94, Bonior for Congress; 500.00, 8/31/94, Committee to Re-elect Tom Foley; 1,000.00, 9/1/94, MOPAC; 2,500.00, 9/9/94, Democratic Senatorial Campaign Committee; 2,500.00, 9/9/94, Michigan Senate Victory Fund; 250.00, 9/9/94, Glickman for Congress; 250.00, 9/11/94, Sam Coppersmith for U.S. Senate; 1,000.00, 9/16/94, Levin for Congress; 500.00, 9/24/94, Committee to Re-elect Tom Foley; 300.00, 10/10/94, Friends of Congressman Fingerhut; 500.00, 10/17/94, Hyatt for Senate; 100.00, 10/17/94, Bob Mitchell for Congress; 500.00, 10/19/94, Dick Swett for Congress; 500.00, 10/24/94, Dick Swett for Congress; 250.00, 10/31/94, Bob Mitchell for Congress; 407.44, 11/7/94, Friends for Bob Carr; 70.00, 11/7/94, Friends of Bob Carr; 308.00, 1/23/95, DNC Services Corporation; 100.00, 2/23/95, Swett for Senate; 1,000.00, 4/28/95, Friends of Senator Carl Levin; 1,000.00, 4/28/95, Friends of Senator Carl Levin; 100.00, 5/30/95, Joint Action Committee for Public Affairs; 500.00, 6/21/95, Friends of Bob Carr; 500.00, 6/29/95, Levin for Congress; 1,000.00, 6/30/95, Clinton/Gore '96 Primary Committee; 1,000.00, 10/19/95, MOPAC; 150.00, 11/9/95, The Reed Committee; 50.00, 11/29/95, Friends of Barbara Rose Collins; 1,000.00, 11/29/95, Citizens for Biden '96; 1,000.00, 11/29/95, Citizens for Biden '96; 500.00, 12/1/95, Levin for Congress; 500.00, 12/5/95, Levin for Congress; 500.00, 12/29/95, Stabenow for Congress; 1,000.00, 12/31/95, Wyden for Senate; 50.00, 2/7/96, Yates for Congress; 500.00, 2/8/96, John D. Dingell for Congress; 500.00, 2/8/96, John D. Dingell for Congress; 200.00, 3/1/96, Stupak for Congress; 500.00, 3/4/96, Levin for Congress; 24,000.00, 3/6/96, Victory '96 (Non-Federal); 100.00, 3/19/96, Shirley Gold for Congress; 250.00, 3/22/96, Friends of Dick Durbin; 250.00, 3/31/96, Lynn Rivers for Congress '98; 250.00, 5/7/96, Richard Klein for Congress; 500.00, 5/13/96, Stabenow for Congress; 50.00, 5/23/96, Martin Frost Campaign; 100.00, 6/3/96, Committee to Elect Douglas Diggs; 1,000.00, 6/28/96, John D. Dingell for Congress; 1,000.00, 7/8/96, MOPAC; 1,000.00, 7/12/96, Friends of Tom Strickland; 150.00, 7/15/96, Friends of Senator Rockefeller; 100.00, 7/15/96, Joint Action Committee for Political Affairs; 500.00, 7/22/96, Dick Swett for Senate; 500.00, 7/23/96, Diggs for Congress; 250.00, 7/30/96, Friends of Max Cleland for the U.S. Senate; 250.00, 8/1/96, Ieyoub for Senate; 250.00, 8/9/96, Cohen for Congress; 50.00, 8/9/96, Martin Frost Campaign; 100.00, 8/14/96, Congressman Kildee; 250.00, 8/20/96, Sam Gejdenson Re-Election; 500.00, 8/21/96, Citizens for Harkin; 500.00, 8/21/96, Kerry Committee; 500.00, 8/21/96, Friends of Max Baucus; 250.00, 8/26/96, Bonior for Congress; 250.00, 9/4/96, Lynn Rivers for Congress '98; 250.00, 9/4/96, Reed Committee; 100.00, 9/6/96, Kilpatrick for Congress; 250.00, 9/6/96, Committee to Elect Morris Frumin; 250.00, 9/9/96, Bonior for Congress; 1,000.00, 9/9/96, Clinton/Gore '96 GELAC;

250.00, 9/16/96, Tunnicliff for Congress; 1,000.00, 9/19/96, Stabenow for Congress; 250.00, 10/26/96, Harvey Gant for Senate; 500.00, 10/30/96, Friends of Max Baucus; 500.00, 11/3/96, Swett for Senate; 500.00, 11/31/96, Congressman Kildee; 100.00, 12/13/96, Stabenow for Congress; 1,000.00, 3/11/97, Stabenow for Congress; 1,000.00, 3/20/97, Kennedy 2000; 1,000.00, 4/21/97, DNC.

2. Doreen N. Hermelin 250.00, 6/9/92, Tanter for Congress; 12,500.00, 8/24/92, DNC Service Corporation; 150.00, 10/1/92, Bill Ford; 1,000.00, 4/15/93, Riegle for Senate; (1,000.00), 11/18/93, Riegle for Senate; 500.00, 12/6/93, Nita Lowey for Congress; 1,000.00, 4/27/94, Friends of Bob Carr; 1,500.00, 9/9/94, Democratic Senatorial Campaign Committee; 2,500.00, 9/9/94, Michigan Senate Victory Fund; 1,000.00, 9/19/94, Friends of Bob Carr; 1,000.00, 9/19/94, Levin for Congress; 250.00, 11/11/94, Joint Action Committee for Political Affairs; 250.00, 1/18/95, Emily's List; 1,000.00, 5/22/95, Emily's List; 1,000.00, 6/26/95, Friends of Senator Carl Levin; 1,000.00, 6/30/95, Clinton/Gore '96 Primary Committee; 500.00, 10/26/95, Wyden for Senate; 2,000.00, 12/19/95, Citizens for Biden 1996; 1,000.00, 12/28/95, Friends of Senator Carl Levin; 250.00, 12/28/95, WINPAC; 500.00, 1/10/96, Wyden for Senate; 19,000.00, 3/6/96, Victory '96 Non-Federal; 5,000.00, 3/6/96, Victory '96; 250.00, 4/12/96, Joint Action Committee for Public Affairs; 125.00, 4/25/96, Nita Lowey for Congress; 250.00, 5/7/96, Richard Klein for Congress; 1,000.00, 5/13/96, Stabenow for Congress; 5,000.00, 5/21/96, Democratic Senatorial Campaign Committee; 1,000.00, 7/12/96, Friends of Tom Strickland; 5,000.00, 6/19/96, DNC Services Corporation; 200.00, 8/28/96, Lynn Rivers for Congress '98; 1,000.00, 9/19/96, Stabenow for Congress; 100.00, 9/27/96, Committee to Elect Godchaux; 250.00, 10/29/96, Joint Action Committee for Political Affairs.

3. Marcia Hermelin Orley, Robert Orley, spouse: 100.00, 5/7/92, Committee to elect Eric Fingerhut; 50.00, 6/16/92, Committee to re-elect Chris Dodd; 50.00, 6/16/92, Committee to re-elect Bob Graham; 50.00, 6/16/92, Committee to re-elect Tom Daschle; 125.00, 7/24/92, Committee to re-elect Barbara Rose Collins; 250.00, 8/27/92, Fingerhut for Congress; 100.00, 4/9/93, Emily's List; 100.00, 2/27/94, Friends of Fingerhut; 150,00, 3/29/94, Hollowell for Congress; 250,00, 4/27/94, Friends of Bob Carr; 100.00, 5/12/94, Friends of Joe Knollenberg; 200,00, 5/31/94, Friends of Bob Carr; 100.00, 6/1/94, Friends of Richard H. Bryan; 100.00, 6/1/94, Lieberman for Senate; 250,00, 6/8/94, Robb for Senate; 150.00, 7/8/94, Levin for Congress; 250,00, 7/8/94, Coppersmith for Senate; 500.00, 8/23/94, Friends of Congressman Fingerhut; 500.00, 9/10/94, Michigan Senate Victory Fund; 500.00, 9/10/94, Friends of Bob Carr; 250,00, 9/28/94, Friends of Congressman Fingerhut; 250,00, 9/30/94, Sam Coppersmith for U.S. Senate; 100.00, 10/7/94, Levin for Congress; 200.00, 11/21/95, Joint Action Committee for Political Affairs; 1,000.00, 12/21/95, Friends of Senator Carl Levin; 250,00, 5/13/96, Stabenow for Congress; 1,000.00, 8/5/96, Levin for Senate; 250,00, 8/12/96, Senator Max Baucus; 250,00, 8/12/96, Citizens for Harkin; 250.00, 8/21/96, Senator John Kerry; 250.00, 8/23/96, Levin for Congress; 100.00, 8/28/96, Committee to re-elect Carolyn Cheeks Kilpatrick; 250.00, 9/19/96, Wyden for Senate; 500.00, 12/9/96, Wyden for Senate.

Karen Beth Hermelin, None.

Brian Michael Hermelin, Jennifer, spouse, 1,000.00, 7/8/94, Friends of Bob Carr; 75.00, 8/9/94, Levin for Congress; 500.00, 10/20/94, Dick Swett for Congress; 1,000.00, 12/27/95, Friends of Senator Carl Levin; 75.00, 7/17/96, Levin for Congress; 100.00, 10/9/96, Rivers for Congress.

Julie Carol Hermelin, None.

Francine Gail Hermelin, Adam Levite, spouse, None.

4. Frances Heidenreich Hermelin (Deceased), None.

Irving M. Hermelin (Deceased), 12,500.00, 8/24/92, DNC Services Corporation; 100.00, 6/15/94, C. Burns for Senate.

5. Hannah Marks Heidenreich, Moses Heidenreich (Deceased), None.

Hendel Wolfe Hermelin, Chayim Shalom Hermelin (Deceased), None.

6. Marvin Hermelin (Deceased), None.

7. Henrietta Hermelin Weinberg, None.

Kathryn Walt Hall, of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Austria.

Post: Ambassador to Austria NOMINATED (Month, day, year)

NOMINEE: Kathryn Walt Hall

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee;

1, Self, 1,000.00, 10/16/96, Jill Docking for Senate; 1,000.00, 10/16/96, Roger Bedford for Senate; 1,000.00, 10/16/96, Tom Bruggere for Senate; 1,000.00, 10/16/96, Friends of Tom Strickland; 50.00, 09/11/96, The Victor Morales Campaign; 982.00, 08/21/96, Eddie Bernice Johnson For Congress; 1,000.00, 07/09/96, The Mary Landrieu for Senate Committee; 1,000.00, 07/01/96, People for Weiland; 1,000.00, 06/10/96, Torricelli For US Senate; 950.00, 01/18/96, Wyden For Senate; 5,000.00, 01/15/96, Democratic Party of Oregon; 1,000.00, 01/15/96, Oregon Victory Fund; 1,000.00, 01/15/96, 01/15/96, Friends of Senator Rockefeller; 1,000.00, 01/15/96, John Pouland For Congress; 10,000.00, 12/20/95, Democratic Senatorial Campaign Committee; 1,000.00, 11/17/95, Tim Johnson For South Dakota, Inc.; 1,000.00 10/12/95, Clinton/Gore '96 Primary Committee Inc.; 5,000.00, 09/28/95, Democratic Senatorial Campaign Committee; 1,000.00, 08/14/95, Dallas County Democratic Party; 1,000.00, 07/27/95, Friends of Senator Carl Levin; 1,000.00, 07/27/95, Friends of Senator Carl Levin; 5,000.00, 06/30/95, Democratic Senatorial Campaign Committee; 1,000.00, 06/30/95, A Lot of People Supporting Tom Daschle; 1,000.00, 06/30/95, A Lot of People Supporting Tom Daschle; 1,000.00, 06/08/95, Emily's List Women Voters; 1,000.00, 06/26/95, John Bryant Campaign; 1,000.00, 06/01/95, Sanders for Senate; 1,000.00, 04/12/95, Citizens for Joe Kennedy; 1,000.00, 04/05/95, Kerry Committee; 1,000.00, 11/02/94, Citizens for Senator Wofford; 7,500.00, 09/30/94, Democratic Senatorial Campaign Committee; 1,000.00, 09/30/94, Wynia for Senate Committee; 1,000.00 09/30/94, Jack Mudd for U.S. Senate; 1,000.00, 08/19/94, John Bryant Campaign Committee; 1,000.00, 07/18/94, Friends of Dave McCurdy; 500.00, 05/16/94, Friends of Bob Carr; 1,000.00, 04/01/94, Jim Mattox Campaign; 1,000.00, 03/01/94, Jim Mattox Campaign.

2, Spouse, 500.00, 04/25/97, Friends of Patrick Kennedy; 1,000.00, 04/10/97, Friends of Barbara Boxer; 2,500.00, 03/07/97, Democratic Party of Texas; 1,000.00, 02/20/97, Citizens for Joe Kennedy; 550.00, 10/16/96, Jill Docking for Senate; 1,000.00, 10/16/96, Roger Bedford for Senate; 1,000.00, 10/16/96, Tom Bruggere for Senate; 1,000.00, 10/16/96, Friends of Tom Strickland; 1,000.00, 07/09/96, The Mary Landrieu for Senate Committee; 1,000.00, 07/01/96, People for Weiland; 1,000.00, 06/10/96, Torricelli For US Senate: 500.00, 02/06/96, Friends of Bob Graham Committee; 3,000.00, 01/22/96, Democratic Senatorial Campaign Committee; 950.00, 01/18/96, Wyden For Senate; 1,000.00 01/15/96, Oregon Victory Fund; 1,000.00, 01/15/96, John Pouland For Congress; 5,000.00, 01/15/96, Oregon Democratic Party; 1,000.00, 01/15/96, Friends of Senator Rockefeller; 1,000.00, 11/17/95, Tim Johnson For South Dakota Inc.; 1,000.00, 10/12/95, Clinton/Gore '96 Primary Committee Inc.; 5,000.00, 09/30/95, Democratic Senatorial Campaign Committee; 500.00, 08/17/95, Martin Frost Campaign; 5,000.00, 06/30/95, Democratic Senatorial Campaign Committee; 1,000.00, 06/30/95, A Lot of People Supporting Tom Daschle; 1,000.00, 06/30/95, A Lot of People Supporting Tom Daschle; 1,000.00, 06/26/95, John Bryant Campaign; 1,000.00, 06/01/95, Sanders for Senate; 10,000.00, 04/30/95, Democratic Senatorial Campaign Committee; 500.00, 04/13/95, Dallas County Democratic Party; 500.00, 03/16/95, Martin Frost Campaign; 1,000.00, 10/06/94, John Bryant Campaign Committee; 7,500.00, 09/30/94, Democratic Senatorial Campaign Committee; 2,000.00, 09/16/94, Effective Government Committee; 500.00, 09/12/94, Martin Frost Campaign Committee; 500.00, 04/20/94, Martin Frost Campaign Committee; 500.00, 04/07/94, Friends of Alan Wheat; 500.00, 04/04/94, The Buck Starts Here Fund (Senator Bentsen); 1.000.00, 03/01/94, Jim Mattox Campaign; 1,000.00, 01/25/94, Democratic National Committee; 3,000.00, 11/01/93, Democratic Senatorial Campaign Committee; 1,000.00, 10/31/93, Robb for the Senate; 1,000.00, 10/31/93, Robb for the Senate; 5,000.00, 09/22/93, Democratic Senatorial Campaign Committee; 1,000.00, 09/22/93, Virginia Victory Fund; 4,000.00, 09/22/93, Virginia Victory Fund; 500.00, 05/19/93, National Multi Housing Council PAC; (510.00), 03/15/93, Senator Lloyd Bentsen Election Committee; 1,000.00, 03/03/93, Bob Krueger Campaign.

Non-Federal Political Contributions—Craig & Kathryn Hall, 2,500.00, 12/19/96, Emily's List; 50,000.00, 10/02/96, Democratic National Committee; 10,000.00, 09/13/96, Emily's List; 50,000.00, 09/10/96, Texas Victory '96; 92,500.00, 06/27/96, Texas Victory '96; 3,000.00, 06/25/96, South Dakota Democratic Party Non-Federal; 3,000.00, 06/25/96, South Dakota Democratic Party Non-Federal; 7,500.00, 06/20/96, Democratic National Committee; 10,000.00, 04/18/96, Democratic State Party-Non Federal Account; 125.00, 04/12/96, 21st Century Democrats; 1,000.00, 04/24/96, 21st Century Democrats; 2,000.00, 01/22/96, Democratic Senatorial Campaign Committee; 1,000.00, 10/24/94, Emily's List Women Voters; 7,500.00, 09/30/94, Democratic Senatorial Campaign Committee; 150.00, 09/22/94, Democratic Senatorial Campaign Committee.

3. Children and Spouses, Jennifer Cain, David Cain, None.

Marcia Hall, Melissa Hall, Brijetta Hall, Kristina Hall, None.

4. Parents, Robert Walt, Dolores Walt (both deceased), None.

5. Grandparents, Laura Newbold, Donald Newbold (both deceased), None.

Frances Walt, Raffe Walt (both deceased), None.

6. Brothers and Spouses, Robert Walt, Jr., Catherine Walt, None.

7. Sisters and Spouses, Pamela Chauve, Georges Chauve, None.

Steven J. Green, of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Singapore.

Post: Ambassador to Singapore

Nominee: Steven J. Green

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of the my knowledge, the information contained in this report is complete and accurate.

STEVEN J. & DOROTHEA GREEN & FAMILY POLITICAL CONTRIBUTIONS

DATE	ORGANIZATION	AMOUNT	CONTRIBUTOR
1997			
1/29/97	SO DAKOTA COORDINATED CAMPAIGN-FEDERAL ACCT.	5,000	STEVEN J. GREEN
1/29/97	SO DAKOTA COORDINATED CAMPAIGN-NON FEDERAL ACCT.	3,000	STEVEN J. GREEN
1996			
4/30/96	DNC	10,000	STEVEN J. GREEN
7/16/96	TENNESSEE DEMOCRATIC VICTORY FED 96.	2,000	STEVEN J. GREEN
7/16/96	GELAC	1,000	STEVEN J. GREEN
10/16/96	MASS DEMOCRATIC STATE PARTY NON FEDERAL.	10,000	STEVEN J. GREEN
10/16/96	SO DAKOTA MAJORITY PROGRAM.	3,000	STEVEN J. GREEN
10/23/96	ARKANSAS STATE DEM	10,000	STEVEN J. GREEN
11/12/96	ARKANSAS STATE DEM	5,000	DOROTHEA GREEN
1995			
6/30/95	JOHN KERRY FOR SENATE	2,000	STEVEN J. GREEN
6/30/95	CONGRESSMAN TIM JOHNSON	1,000	STEVEN J. GREEN
7/19/95	NATIONAL DEMOCRATIC COMMITTEE.	1,000	STEVEN J. GREEN
10/3/95	REPUBLICAN MAJORITY FUND	5,000	STEVEN J. GREEN
10/3/95	MCCONNELL FOR SENATE	1,000	STEVEN J. GREEN
1994			
5/18/94	DASCHLE REELECTION	2,000	STEVEN J. GREEN
10/25/94	UNITED 94-STATE AC	1,000	STEVEN J. GREEN
10/25/94	OBERLY FOR SENATE	1,000	STEVEN J. GREEN
10/29/94	MCCURDY FOR SENATE	1,000	STEVEN J. GREEN
10/29/94	OBERLY FOR SENATE	1,000	DOROTHEA GREEN
10/29/94	MCCURDY FOR SENATE	1,000	DOROTHEA GREEN
1993			
1/7/93	LIEBERMAN FOR SENATE	2,000	DOROTHEA GREEN
7/2/93	REELECT SEN. KENNEDY	2,000	STEVEN J. GREEN
7/12/93	SENATOR KENNEDY CAMPAIGN.	2,000	DOROTHEA GREEN
12/29/93	BOB KERREY FOR SENATE	2,000	STEVEN J. GREEN
12/29/93	CONNIE MACK FOR SENATE	1,000	DOROTHEA GREEN
12/29/93	WOFFORD FOR SENATE	1,000	STEVEN J. GREEN
12/29/93	LYNN SCHENK FOR CONGRESS.	2,000	STEVEN J. GREEN
1992			
1/20/92	CLINTON FOR PRESIDENT	1,000	STEVEN J. GREEN
1/23/92	CLINTON FOR PRESIDENT	1,000	DOROTHEA GREEN
3/2/92	CLINTON FOR PRESIDENT COMMITTEE.	1,000	ANDREA GREEN
3/2/92	CLINTON FOR PRESIDENT COMMITTEE.	1,000	KIMBERLY GREEN
3/11/92	CLINTON FOR PRESIDENT COMMITTEE.	1,000	CARL GREEN
3/11/92	CLINTON FOR PRESIDENT COMMITTEE.	1,000	SYLVIA GREEN
3/17/92	SENATOR JOHN BREAUX	2,000	STEVEN J. GREEN
3/17/92	SENATOR TIM WIRTH	1,000	STEVEN J. GREEN
3/24/92	SENATOR DASCHLE	2,000	DOROTHEA GREEN
6/11/92	LYNN SCHENK FOR CONGRESS.	1,000	DOROTHEA GREEN
12/7/92	LIEBERMAN FOR SENATE	2,000	STEVEN J. GREEN
12/7/92	BRYAN FOR SENATE	2,000	STEVEN J. GREEN
12/7/92	WOFFORD FOR SENATE	1,000	STEVEN J. GREEN
12/7/92	SCHENK FOR CONGRESS	1,000	STEVEN J. GREEN

Edward M. Gabriel, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Morocco.

Post: Chief of Mission, Morocco.

Nominee: Edward M. Gabriel.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee:

1. EDWARD GABRIEL, $500, January 24, 1992, Marty Russo; $500, March 3, 1992, Marty Russo; $500, May 22, 1992, George Miller; $250, June 1, 1992, Jim Chapman; $750, June 22, 1992, Malcom Wallop; $500, August 2, 1992, Lee Hamilton; $1000, December 2, 1992, Kent Conrad; $350, October 13, 1992, Mr. Murtha; $1000, January 30, 1992, John Dingell; $1000, January 30, 1992, Johnston for Congress; $500, May 5, 1992, Tim Roemer; $300, May 26, 1992, Bill Richardson; $500, September 16, 1992, Tim Roemer; $500, September 16, 1992, Tim Roemer; $500, September 30, 1992, Ben Campbell; $200, October 14, 1992, Bill Richardson; $250, March 12, 1993, Rick Boucher; $1000, December 31, 1993, Jim Cooper; $1000, May 10, 1994, Leslie Byrne; $250, July 12, 1994, Oberly Senate Com.; $1000, August 16, 1994, Sullivan for Senate; $500, August 26, 1994, Doug Costle; 1995, NONE; $3000, May 15, 1996, DNC-Non Federal; $20,000, May 15, 1996, DNC Services Corp.; $500, September 30, 1996, Navarro for Congress; $1000, October 23, 1996, Tom Bruggere for Senate; $1000, April 8, 1996, Clinton/Gore Primary; $100, April 15, 1996, John Baldacci; $1000, June 30, 1996, Ieyoub for Senate; $1000, October 21, 1996, Orton for Congress; $1000, October 22, 1996, Dennis Kucinich; $150, November, 1996, People for Rick Weiland; $2000, December, 1996, DNC.

2. KATHLEEN M. LINEHAN (Spouse), $500, May 11, 1992, Billy Tauzin; $250, June 22, 1992, Malcom Wallop; $500, September 18, 1992, Johnston for Congress; $250, September 21, 1992, Phil Sharp; $200, September 4, 1992, Coleman for Congress; $200, September 18, 1992, Rick Boucher; $500, July 27, 1992, Ben Campbell;

3. Children and Spouses, None.

4. Parents, Cecelia Gabriel (deceased).

Michael Gabriel (deceased).

5. Grandparents, Michael and Mary Moses (deceased).

John and Esma Gabriel (deceased).

6. Brothers and Spouses, None.

7. Sisters and Spouses, Mary and Ulrich R. Schlegel, $25, 1995; Frank Wolf; $100, August 7, 1996, Clinton/Gore-GELAC; $100, September 22, 1996, American Task Force for Lebanon PAC; $100, July 15, 1996, Richard Ieyoub; $50, February 3, 1996, American Task Force for Lebanon PAC; $100, April 15, 1996, John Baldacci.

Daniel Fried, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Poland.

Post: Ambassador, Republic of Poland.

Nominee: Daniel Fried.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee.

1. Self, None.

2. Spouse, Olga Karpiw, None.

3. Children and Spouses, Hannah, None.

Sophia, None.

4. Parents, Gerald Fried, None. Judith Fried, $25, 7/16/92, Clinton for President Campaign; $25, 11/17/93, Anne Richards Campaign; $25, 8/3/94, Tom Duane Campaign (Congress); $10, 2/22/96, Harvey Gantt Campaign (Senate).

5. Grandparents, Samuel Joseph Fried, Deceased.

Selma Fried, Deceased.

Sidney Pines, Deceased.

Edith Pines, Deceased.

6. Brothers and Spouses, Jonathan Fried/Deena Shoshkas, None.

Joshua Fried, $20, 9/96, Harvey Gantt Campaign (Senate).

7. Sisters and Spouses, Deborah Fried/Kalman Watsky, None.

Stanley Tuemler Escudero, of Florida, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Azerbaijan.

Post: AZERBAIJAN

Nominee: Stanley T. Escudero

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, Amount, Date, and Donee.

1. Self, None.

2. Spouse, None.

3. Children and Spouses, S. Alexander C. Escudero (Unmarried), None. W. Benjamin P. Escudero (Unmarried), None.

4. Parents, Estelle T. Damgaard, None. Stanley D. Escudero (Father, Deceased).

5. Grandparents, William Tuemler (Deceased), Mary Tuemler (Deceased). Manuel Escudero (Deceased), Mabel Escudero (Deceased).

6. Brothers and Spouses, None.

7. Sisters and Spouses, None.

Shaun Edward Donnelly, of Indiana, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Socialist Republic of Sri Lanka, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Maldives.

Nominee: Shaun Edward Donnelly.

Post: U.S. Ambassador, Sri Lanka and Maldives.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self, none.

2. Spouse, Susan Donnelly, $30, Jan. 19, 1995, Democratic Nat'l Cmte.

3. Children and spouses names, Alex Donnelly, Age 11, Eric Donnelly, Age 8, none.

4. Parents names, Alfred Donnelly, deceased 1984, Barbara Donnelly, none.

5. Grandparents names, Ralph Thornburg, deceased 1962, Hazel Thornburg, deceased 1987, John Donnelly, deceased 1920, Mary Donnelly, deceased 1949.

6. Brothers and spouses names, none.

7. Sisters and spouses names, Lela Donnelly Hildebrand, deceased 1975, Susan K. Donnelly, none.

Carolyn Curiel, of Indiana, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Belize.

Nominee: Carolyn Curiel.

Post: Belize.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, and donee:

1. Self, none.

2. Spouse, N/A.

3. Children and spouses names, N/A.

4. Parents names, Alexander Curiel, Angeline Curiel, none.

5. Grandparents names, Jesse Ortiz, deceased, Isabel Ortiz, deceased, Roman Curiel, deceased, Victoria Curiel, none.

6. Brothers and spouses names, Alexander R. Curiel, Patricia Curiel, Frederick Curiel, Carolann Curiel, Michael P. Curiel, Rebecca Curiel, Louis A. Curiel, none.

7. Sisters and spouses names, Isabel Jakov, David Jakov, Bernadette Sahulcik, Richard Sahulcik, none.

Richard Frank Celeste, of Ohio, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to India.

Nominee: Richard Frank Celeste.

Post: Ambassador to India.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, donee:

1. Self, $500, 10/15/96 Tom Sawyer Committee; $100, 3/12/96, Friends of Max Cleland; $1000, 8/5/96, Victory '96, $100, 8/31/94, Citizens for Wofford; $50, 8/31/94, Jules Levine Committee; $100, 8/31/94, George Brown Campaign; $100, 1/92, Cordrey for Congress; $50, 9/92, George Brown Campaign; $250, 8/92, Geraldine Ferraro Senate Campaign; $250, 5/12/95, Clinton-Gore '96 Primary; $25, 5/23/94, Friends of Max Cleland; $50, 11/18/93, Tom Sawyer Committee.

2. Spouse, Jacqueline Ruth Lundquist, none.

3. Children and spouses; Eric Frank Celeste, Mary Hess (spouse), $25, 3/26/92, Brown for President; Christopher Arthur Celeste, $40 100/92, Cordrey for Congress; Melanie Celeste (spouse) $100, /96, Victory '96; Maria Gabrielle Celeste, none, Marie Teresa Noelle Celeste, none, Natalie Marie Celeste, None, Stephen Michael Theodore, Celeste, none.

4. Parents names, Frank P. Celeste (deceased 1988), Margaret L. Celeste (deceased 1993).

5. Grandparents names, Theodore and Elizabeth Louis Samuel and Caroline Celeste (all grandparents deceased by 1976) .

6. Brothers and spouses names, Theodore Samuel Celeste, $192, 3/5/96, (federal account), Ohio Democratic Party; Bobbie Lynn Celeste, $40, 6/28/96, Strickland for Congress.

7. Sisters and spouses names, Mary Patricia Hoffman (divorced) none.

Timothy Michael Carney of Washington, a Career Members of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Haiti.

Nominee: Timothy Michael Carney.

Post: Ambassador to the Republic of Haiti.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, donee:

Self, none.

2. Spouse Victoria A. Butler, none.

3. Children and Spouses names, Anne H.D. Carney (unmarried), Declined to state for privacy reasons.

4. Parents names, Clement E. Carney (deceased), Marjorie S. Carney (stepmother-declines to specify), Jane Booth (mother-deceased), Kenneth Booth (stepfather, none).

5. Grandparents names, Mr. and Mrs. P Carney (deceased), Mr. and Mrs. J. Byrne (deceased).

6. Brothers and spouses names, Brian B. Carney (declines to specify), Jane V. Carney (declines to specify).

7. Sisters and spouses names, Sharon J. Carney, (divorced), none.

Amy L. Bondurant, of the District of Columbia, to be Representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador.

Nominee: Amy Bondurant.

Post: Ambassador to OECD.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, donee:

1. Self, $250.00, 1/26/97, Committee for Wendell Ford; $135.50 12/96, VLMBH–PAC (Verner, Liipfert Political Action Committee); $250.00, 10/25/96, Gordon for Senate; $100.00, 10/2/96, Friends of Patrick Kennedy; $100.00, 9/26/96, David Price for Congress; $250.00, 9/26/96, Keefe for Congress 1996; $500.00, 9/17/96, Torricelli for Senate; $1,400.00, 8/21/96, Democratic National Committee ('96 convention); $1,000.00, 7/26/96, Clinton/Gore '96 GELAC; $300.00, 7/23/96, Citizens Committee for Ernest F. Hollings; $250.00, 7/23/96, Coloradans for David Skaggs; $500.00, 7/6/96, Ward for Congress; $75.00, 6/18/96, Jim McGovern for Congress; $125.00, 6/18/96, Friends of Jay Rockefeller; $250.00, 6/18/96, The Picard for Congress Committee; $250.00, 5/28/96, Brennen for U.S. Senate; $1,000.00, 3/28/96, Steve Owens for Congress; $100.00, 3/26/96, Price for Congress; $1,000.00, 3/13/96, Beshear for Senate; ($4,116.00), 2/96, Returned pre-payment from PAC (paid in installments); $100.00, 1/30/96, Cummings for Congress; $500.00, 1/30/96, Friends of Jane Harman for Congress; $4,116.00, 1/4/96, VLBMH–PAC (pre-payment of contribution); $500.00, 11/8/95, Tim Johnson for South Dakota; $1,000.00, 11/8/95, Ron Wyden for Senate; $345.00, 10/95, VLMBH–PAC; $1,000.00, 10/18/95, Effective Government Committee; $500.00, 10/16/95, Torricelli for Senate; $345.00, 9/95, VLMBH–PAC; $250.00, 9/27/95, Clinton/Gore '96; $345.00, 8/95, VLMBH–PAC; $345.00. 7/95, VLMBH–PAC; $300.00, 6/13/95, Citizens Committee for Ernest F. Hollings; $750.00, 6/5/96, Clinton-Gore '96; $345.00, 5/95, VLMBH–PAC; $345.00, 4/95, VLMBH–PAC; $125.00, 4/20/95, Emily's List; $345.00, 3/95, VLMBH–PAC; $345.00, 2/95, VLMBH–PAC; $345.00, 1/95, VLMBH–PAC; $740.00, 10/94, VLMBH–PAC; $990.00, 10/17/94, Friends of Jim Cooper; $10.00, 10/94, Friends of Jim Cooper (cash); $1,000.00, 10/1/94, Kennedy for Senate; $100.00, 9/20/94, Adkisson for Congress; $250.00, 9/8/94, Friends of Jim Folsom; $413.00, 8/94, VLMBH–PAC; $500.00, 8/10/94, Brennan for Governor; $1,000.00, 3/15/94, Lautenberg Campaign; $500.00, 3/15/94, Cooper for Senate Campaign; $413.00, 2/94, VLMBH–PAC; $413.00, 1/94, VLMBH–PAC; $400.00, 12/93, VLMBH–PAC; $400.00, 11/93 VLMBH–PAC; $400.00, 10/93, VLMBH–PAC; $400.00, 9/93, VLMBH–PAC; $400.00, 8/93, VLMBH–PAC; $400.00, 7/93, VLMBH–PAC; $400.00, 5/93, VLMBH–PAC; $400.00, 4/93, VLMBH–PAC; $400.00, 3/93, VLMBH–PAC; $400.00, 2/93, VLMBH–PAC.

2. David E. Dunn, $100.00, 4/24/97, Texas Network; $250.00, 9/30/96, Roger Bedford for U.S. Senate; $1,000.00, 7/26/96, Clinton-Gore GELAC; $250.00, 5/17/95, Friends of Senator Joe Loeper; $1,000.00, 6/5/95, Clinton/Gore '96; $1,000.00, 4/18/95, Murtha for Congress; $500.00, 8/10/94, Drew Grigg (States Attorney); $1,000.00, 7/27/94, Harris Wofford for Senate; $250.00, 6/14/94, Rodham for Senate; $100.00, 4/21/94, Hogsett for Congress; $500.00, 3/14/94, Drew Grigg (States Attorney); $100.00, 1/10/94, Committee for Mary Boerges.

3. Children and spouses names, David Bondurant Dunn, none.

4. Parents names, Doris Bondurant, none, Judge John Bondurant, $25.00, 3/27/97, DCCC; $100.00, 3/18/97, DNC; $50.00, 1/10/97, DCCC; $25.00, 11/96, DCCC; $19.96, 10/3/96, Null for Congress; $50.00, 8/23/96, Dennis Null for Congress; $100.00, 8/12/96, DNC; $50.00, 6/24/96, DCCC; $150.00, 3/21/96, Clinton-Gore re-elect; $150.00, 4/27/95, Clinton-Gore re-elect; $50.00, 10/5/94, Barlow for Congress; $50.00, 1/26/94, DNC; $150.00, 5/7/93, DNC; $50.00 3/8/93, DNC.

5. Grandparents, names, Hoyt Bell, deceased; Flora Amy Ragsdale Bell, deceased; Clarence Crittenden Bondurant, deceased; and Lucy Burrus Bondurant, deceased.

6. Brothers and spouses names, none.

7. Sisters and spouses names, Lucy Wilson, none, her spouse, Max Wilson, none, Ann Bondurant, None.

Christopher C. Ashby, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Oriental Republic of Uruguay.

Nominee: Christopher Ashby.

Post: Ambassador to Uruguay.

The following is a list of all members of my immediate family and their spouses. I have asked each of these persons to inform me of the pertinent contributions made by them. To the best of my knowledge, the information contained in this report is complete and accurate.

Contributions, amount, date, donee:

1. Self, $1,000, 7/95, Clinton-Gore Campaign.

2. Spouse, Amy Ashby, $25, 1/96. DNC.

3. Children and Spouses names, Christopher Ashby Jr, Anson Ashby, None.

4. Parents names, Patrick Ashby, none, John E. Ashby, deceased, Lillian Weddington, none.

5. Grandparents names, all grandparents deceased.

6. Brothers and spouses names John E. Ashby Jr, $500, 92–96, Various Texas Republicans, Lynn Ashby, none.

7. Sisters and spouses names, Nancy Clark, none.

Mary Mel French, of the District of Columbia, to be Chief of Protocol, and to have the rank of Ambassador during her tenure of service.

David Timothy Johnson, of Georgia, a Career Member of the Senior Foreign Service, Class of Counselor, for the rank of Ambassador during his tenure of service as Head of the United States Delegation to the Organization for Security and Cooperation in Europe (OSCE).

Cheryl F. Halpern, of New Jersey, to be a Member of the Broadcasting Board of Governors for a term expiring August 13, 1999. (Reappointment)

Thomas H. Fox, of the District of Columbia, to be an Assistant Administrator of the Agency for International Development.

Ordered, that the following nomination be referred to the Committee on Foreign Relations:

Mark Erwin, of North Carolina, to be a Member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1999.

Ordered, that the following nomination be referred to the Committee on Foreign Relations:

Terrence J. Brown, of Virginia, a Career Member of the Senior Foreign Service, Class of Career Minister, to be an Assistant Administrator of the Agency for International Development.

Hank Brown, of Colorado, to be a Member of the United States Advisory Commission on Public Diplomacy for a term expiring April 6, 2000.

Richard Sklar, of California, to be an Alternate Representative of the United States of America to the Sessions of the General Assembly of the United Nations during his tenure of service as Representative of the United States of America to the United Nations for UN Management and Reform.

Harriet C. Babbitt, of Arizona, to be Deputy Administrator of the Agency for International Development.

A. Peter Burleigh, of California, to be a Representative of the United States of America to the Sessions of the General Assembly of the United Nations during his tenure of service as deputy Representative of the United States of America to the United Nations.

Bill Richardson, of New Mexico, to be a Representative of the United States of America to the Sessions of the General Assembly of the United Nations during his tenure of service as Representative of the United States of America to the United Nations.

Frank D. Yturria, of Texas, to be a Member of the Board of Directors of the Inter-American Foundation for a term expiring June 26, 2002. (Reappointment)

Julia Taft, of the District of Columbia, to be an Assistant Secretary of State.

Carl Spielvogel, of New York, to be a Member of the Broadcasting Board of Governors for a term expiring August 13, 1999. (Reappointment)

Nancy H. Rubin, of New York, for the rank of Ambassador during her tenure of service as Representative of the United States of America on the Human Rights Commission of the Economic and Social Council of the United Nations.

B. Lynn Pascoe, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador during his tenure of service as Special Negotiator for Nagorno-Karabakh.

Thomas J. Miller, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador during his tenure of service as Special Coordinator for Cyprus.

Penne Percy Korth, of Texas, to be a Member of the United States Advisory Commission on Public Diplomacy for a term expiring July 1, 2000.

Betty Eileen King, of Maryland, to be an Alternate Representative of the United States of America to the Sessions of the General Assembly of the United Nations during her tenure of service as Representative of the United States of America on the Economic and Social Council of the United Nations.

Phyllis E. Oakley, of Louisiana, to be an Assistant Secretary of State.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. HELMS. Mr. President, for the Committee on Foreign Relations, I also report favorably three nomination lists in the Foreign Service which were printed in full in the CONGRESSIONAL RECORDS of September 3, October 8 and 9, 1997, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar, that this nomination lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORDS on September 3, October 8 and 9, 1997, at the end of the Senate proceedings.)

The following-named Career Members of the Senior Foreign Service of the Department of State for promotion in the Senior Foreign Service to the classes indicated:

Career Members of the Senior Foreign Service of the United States of America, Class of Career Minister:

Jeffrey Davidow, of Virginia
Ruth A. Davis, of Georgia
Patrick Francis Kennedy, of Illinois

Career Members of the Senior Foreign Service of the United States of America, Class of Minister-Counselor:

Vincent M. Battle, of New York
Robert M. Beecroft, of Maryland
William M. Bellamy, of California
Peter Edward Bergin, of Maryland
John William Blaney, of California
William Joseph Burns, of Pennsylvania
John Campbell, of Virginia
John A. Collins, Jr., of Maryland
James B. Cunningham, of Pennsylvania
Robert Sidney Deutsch, of Virginia
Cedric E. Dumont, M.D., of Maryland
Barbara J. Griffiths, of Virginia
Lino Gutierrez, of Florida
Barbara S. Harvey, of the District of Columbia
Patrick R. Hayes, of Maryland
Donald S. Hays, of Virginia
John C. Holzman, of Hawaii
Sarah R. Horsey, of California
William H. Itoh, of New Mexico
Daniel A. Johnson, of Florida
Donald C. Johnson, of Texas
Richard H. Jones, of Virginia
John F. Keane, of New York
Marisa R. Lino, of Oregon
Michael W. Marine, of Connecticut
William C. McCahill, of New Jersey
William Dale Montgomery, of Pennsylvania
Janet Elaine Mules, M.D., of Washington
Robert C. Reis, Jr., of Missouri
Edward Bryan Samuel, of Florida
Theodore Eugene Strickler, of Texas
Robert J. Surprise, of Virginia
John F. Tefft, of Virginia
Robert E. Tynes, of Virginia

The following-named Career Members of the Foreign Service for promotion into the Senior Foreign Service, and for appointment as Consular Officers and Secretaries in the Diplomatic Service, as indicated:

Career Members of the Senior Foreign Service of the United States of America, Class of Counselor:

Michael Donald Bellows, of Iowa
Peter William Bodde, of Maryland
Martin G. Brennan, of California
Wayne Jeffrey Bush, of Oregon
Peter H. Chase, of Washington
Phillip T. Chicola, of Florida
Laura A. Clerici, of South Carolina
Frank John Coulter, Jr., of Maryland
Caryl M. Courtney, of West Virginia
Anne E. Derse, of Michigan
Milton K. Drucker, of Connecticut
David B. Dunn, of California
William A. Eaton, of Virginia
Reed J. Fendrick, of New York
Robert Patrick John Finn, of New York
Robert W. Fitts, of New Hampshire
Gregory T. Frost, of Iowa
Walter Greenfield, of the District of Columbia
Michael E. Guest, of South Carolina
Richard Charles Hermann, of Iowa
Ravic Rolf Huso, of Virginia
James Franklin Jeffrey, of Massachusetts
Laurence Michael Kerr, of Ohio
Cornelis Mathias Keur, of Michigan
Scott Frederic Kilner, of California
Sharon A. Lavorel, of Hawaii
Joseph Evan LeBaron, of Oregon
Rose Marie Likins, of Virginia
Joseph A. Limprecht, of California
R. Niels Marquardt, of California
Roger Allen Meece, of Washington
Gillian Arlette Milovanovic, of Pennsylvania
James F. Moriarty, of Massachusetts
Rosil A. Nesberg, of Washington
Stephen James Nolan, of Pennsylvania
Larry Leon Palmer, of Georgia
Sue Ford Patrick, of Florida
Maureen Quinn, of New Jersey
Kenneth F. Sackett, of Florida
David Michael Satterfield, of Texas
John F. Scott, of Iowa
Paul E. Simons, of New Jersey
Stephen T. Smith, of Nebraska
Joseph D. Stafford III, of Florida
George McDade Staples, of California
Doris Kathleen Stephens, of Arizona
Sharon Anderholm Wiener, of Ohio
Herbert Yarvin, of California

Career Members of the Senior Foreign Service, Class of Counselor, and Consular Officers and Secretaries in the Diplomatic Service of the United States of America:

Mary Janice Fleck, of Tennessee
Robert J. Franks, of Virginia
Burley P. Fuselier, of Virginia
Sidney L. Kaplan, of Connecticut
John J. Keyes III, of Florida
Robert K. Novak, of Washington
Anita G. Schroeder, of Virginia
Charles E. Sparks, of Virginia
Joseph Thomas Yanci, of Pennsylvania

The following-named Career Members of the Senior Foreign Service of the Agency for International Development for promotion in the Senior Foreign Service to the classes indicated:

Career Member of the Senior Foreign Service of the United States of America, Class of Career Minister:

Carl H. Leonard, of Virginia

Career Members of the Senior Foreign Service of the United States of America, Class of Minister-Counselor:

Donald Bolyston Clark, of New Hampshire
Toni Christiansen-Wagner, of Colorado
Kathleen Dollar Hansen, of Virginia
Donald L. Pressley, of Virginia
Henry W. Reynolds, of Florida
John A. Tennant, of California

The following-named Career Members of the Foreign Service of the Agency for International Development for promotion into the Senior Foreign Service.

Career Members of the Senior Foreign Service of the United States of America, Class of Counselor:

Hilda Marie Arellano, of Texas
Priscilla Del Bosque, of Oregon
Ronald D. Harvey, of Texas
Peter Benedict Lapera, of Florida
George E. Lewis, of Washington
Wayne R. Nilsestuen, of Maryland
Joy Riggs-Perla, of Virginia
David Livingstone Rhoad, of Virginia
F. Wayne Tate, of Virginia

The following-named Career Members of the Foreign Service for promotion into the Senior Foreign Service, and for appointment as Consular Officers and Secretaries of the Diplomatic Service, as indicated:

Career Members of the Senior Foreign Service of the United States of America, Class of Counselor:

Joanne T. Hale, of California

The following-named persons of the agencies indicated for appointment as Foreign

Service Officers of the classes stated, and also for the other appointments indicated herewith:

For appointment as Foreign Service Officer of Class One, Consular Officer and Secretary in the Diplomatic Service of the United States of America:

AGENCY FOR INTERNATIONAL DEVELOPMENT

Richard B. Howard, of California

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Robert James Bigart, Jr., of New York
Sue K. Brown, of Texas
Cathy Taylor Chikes, of Virginia
Renate Zimmerman Coleshill, of Florida
James R. Cunningham, of Virginia
Thomas E. Fachetti, of Pennsylvania
Linda Gray Martins, of Virginia
Nikita Grigorovich-Barsky, of Maryland
Susan M. Hewitt, of Virginia
John D. Lavelle, Jr., of Virginia
Jo Ann Quintron-Samuels, of Florida
Vincent P. Raimondi, of New York
Raymond E. Simmerson, of Maryland
Robert D. Smoot, of Florida
Carol J. Urban, of the District of Columbia
Patricia L. Waller, of California

For appointment as Foreign Service Officer of Class Two, Consular Officer and Secretary in the Diplomatic Service of the United States of America:

AGENCY FOR INTERNATIONAL DEVELOPMENT

Carey N. Gordon, of Florida
Cecil Duncan McFarland, of Kentucky
Stephen Huxley Smith, of New Hampshire

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Ergibe A. Boyd, of Maryland
Timothy James Dodman, of Nebraska
Samuel G. Durrett, of Virginia
Stanley E. Gibson, of Ohio
Paul Lawrence Good, of California
Gayle Carter Hamilton, of Texas
Betty Diane Jenkins, of Virginia
Gerald K. Kandel, of Nevada
Mary A. McCarter-Sheehan, of Kansas
Margaret C. Ososky, of the District of Columbia
Deloris D. Smith, of Maryland
Michele Isa Sprechman, of New York

For appointment as Foreign Service Officer of Class Three, Consular Officer and Secretary in the Diplomatic Service of the United States of America:

AGENCY FOR INTERNATIONAL DEVELOPMENT

Timothy H. Anderson, of Virginia
John A. Beed, of Maryland
Peter R. Hubbard, of California
George R. Jiron, Jr., of New Mexico
Cynthia Diane Pruett, of Texas
Glenn Roy Rogers, of Texas
David P. Young, of Virginia

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Miriam W. Adofo, of Maryland
Sandra L. Davis, of Maryland
Barbara J. DeJournette, of North Carolina
Lonnie Kelley, Jr., of Texas
Diane M. Lacroix, of New Hampshire
Barbara L. McCarthy, of Virginia

DEPARTMENT OF STATE

Rhonda J. Watson, of Florida

For appointment as Foreign Service Officers of Class Four, Consular Officers and Secretaries in the Diplomatic Service of the United States of America:

DEPARTMENT OF AGRICULTURE

Joseph M. Carroll, of the District of Columbia
David N. Kiefner, of Pennsylvania

DEPARTMENT OF STATE

Stephen C. Anderson, of Missouri
Alina Arias-Miller, of Indiana
Robert Lloyd Batchelder, of Colorado
Robert Stephen Beecroft, of California
Drew Gardner Blakeney, of Texas
Richard C. Boly, of Washington
Katherine Ann Brucker, of California
Marilyn Joan Bruno, of Florida
Sally A. Cochran, of Florida
Christina Dougherty, of Virginia
Patrick Michael Dunn, of Florida
Samuel Dickson Dykema, of Wisconsin
Ruta D. Elvikis, of Texas
Lisa B. Gregory, of Pennsylvania
Kathleen M. Hamann, of Washington
Jeffrey J. Hawkins, of California
Lisa Ann Henderson Harms, of Pennsylvania
John Robert Higi, of Florida
Robyn A. Hooker, of Florida
Raymond Eric Hotz, of Kentucky
James J. Hunter, of New Jersey
Mary B. Johnson, of Indiana
Wendy Meroe Johnson, of California
Lisa S. Kierans, of New Jersey
Douglas A. Koneff, of Florida
Evan A. Kopp, of California
Kimberly Constance Krhounek, of Nebraska
Daniel J. Kritenbrink, of Virginia
Timothy P. Lattimer, of California
Susan M. Lauer, of Florida
Jessica Sue Levine, of Massachusetts
Alexis F. Ludwig, of California
Nicholas Jordan Manring, of Washington
Paul Overton Mayer, of Kansas
James A. McNaught, of Florida
Stephen Howard Miller, of Maryland
Margaret Gran Mitchell, of Maryland
James D. Mullinax, of Washington
Nels Peter Nordquist, of Montana
Mark Brendan O'Connor, of Florida
Stuart Everett Patt, of California
Beth A. Payne, of Virginia
Joan A. Polaschik, of Virginia
Ashley R. Profaizer, of Texas
John Robert Rodgers, of Virginia
Paul F. Schultz III, of Virginia
Donald Mark Sheehan, of Virginia
Roger A. Skavdahl, of Texas
Phillip John Skotte, of New York
Anton Kurt Smith, of Arkansas
Willard Tenney Smith, of Texas
Sean B. Stein, of Utah
Lesslie C. Viguerie, of Virginia
Peggy Jeanne Walker, of Arizona
Benjamin Weber, of New Jersey
Kenneth M. Wetzel, of Virginia
Stephanie Turco Williams, of Texas
Margaret G. Woodburn, of Minnesota
Barbara Ann Bootes Yoder, of Florida

U.S. INFORMATION AGENCY

Elizabeth A. Cemal, of Virginia

The following-named Members of the Foreign Service of the Department of Commerce and the Department of State to be Consular Officers and/or Secretaries in the Diplomatic Service of the United States of America, as indicated:

Consular Officers and Secretaries in the Diplomatic Service of the United States of America:

Robert Leslie Barco, of Virginia
Jennifer Barlament, of Virginia
Robert H. Bates, of Virginia
Michael Richard Belanger, of Maryland
Ralph W. Bild, of Virginia
Timothy Hayes Bouchard, of Virginia
Nancy E. Bond, of Virginia
Mary Susan Bracken, of Virginia
Mark B. Burnett, of California
Gerard Cheyne, of Connecticut
Karen Kyung Won Choe, of New York
Lynn M. Clemons, of Virginia
Kent E. Clizbe, of Virginia
Michael A. Collier, of Maryland
Timothy Edward Corcoran, of Virginia
Glenn A. Corn, of Virginia
Whitney Anthony Coulon III, of Virginia
Erin James Coyle, of Virginia
Allen Bruce Craft, of Maryland
Daniel T. Crocker, of North Carolina
Anne Elizabeth Davis, of Georgia
Shirley Nelson Dean, of Virginia
Christopher James Del Corso, of New York
Lilburn S. Deskins III, of Missouri
Joseph Marcus DeTrani, of Virginia
Stewart Travis Devine, of Florida
Peter M. Dillon, of Maryland
Mark Duane Dudley, of Virginia
Elizabeth A. Duncan, of Illinois
Ellen M. Dunlap, of Florida
Ian Fallowfield Dunn, of Virginia
Edith D. Early, of Virginia
Cynthia C. Echeverria, of Illinois
David Abraham El-Hinn, of California
G. Michael Epperson, of Maryland
Elizabeth A. Fernandez, of Virginia
Romulo Andres Gallegos, of Illinois
James Garry, of the District of Columbia
Heather Gifford, of the District of Columbia
Jaime A. Gonzalez, of Virginia
Alison E. Graves, of Virginia
Harriet Ann Halbert, of Virginia
Donovan John Hall, of Virginia
Ruth I. Hammel, of Ohio
Robert W. Henry, of Virginia
Ellen Mackey Hoffman, of Virginia
Dereck J. Hogan, of New Jersey
Mimi M. Huang, of Michigan
Gregory H. Jesseman, of Virginia
Anthony L. Johnson, of Virginia
Jocelyn Hernried Johnston, of Maryland
Laurel M. Kalnoky, of Virginia
Margaret Lynn Kane, of Ohio
Laura Vaughn Kirk, of Virginia
Tan Van Le, of Maryland
Gabrielle T. Legeay, of Virginia
Mark Edward Lewis, of Virginia
Marc Daniel Liebermann, of Maryland
Marvin Suttles Massey III, of Virginia
Douglas John Mathews, of Virginia
Michael H. Mattei, of Virginia
Timothy John McCullough, of Virginia
Christopher Andrew McElvein, of Virginia
Victor Manuel Mendez, of Virginia
Andrew Benjamin Mitchell, of Texas
Trevor W. Monroe, of Virginia
Stephen B. Munn, of Alabama
Brian Patrick Murphy, of Virginia
Philip T. Nemec, of Washington
Paul Francis Crocker Nevin, of Florida
Stephen P. Newhouse, of California
Denise E. Nixon, of Virginia
Mai-Thao T. Nguyen, of Texas
Lawrence E. O'Connell, of Virginia
Elizabeth Anne O'Connor, of Virginia
Michael T. Oswald, of Connecticut
Kathleen G. Owen, of Virginia
Todd Harold Pavela, Jr., of Virginia
Richard T. Pelletier, of Maryland
David M. Rabette, of Virginia
Deborah L. Reynolds, of Virginia
Phillip C. Reynolds, of Virginia
Sara C. Reynolds, of Virginia
Sara Darroch Robertson, of Virginia
Wylma Christina Samaranayke Robinson, of Virginia
Elbert George Ross, of Texas
Frances S. Ross, of Virginia
James P. Sanchez, of Virginia
Stelianos George Scarlis, of Virginia
Jonathan Andrew Schools, of Texas
Nicholas E.T. Siegel, of Connecticut
Howard Solomon, of Kansas
Anne R. Sorensen, of New York
Susan Scopetski Snyder, of Virginia
Dana Edward Sotherlund, of Virginia
Michael Christopher Speckhard, of Virginia
Bonnie Phillips Sperow, of Virginia
David T. Stadelmyer, of Virginia

William M. Susong, of Virginia
Mary G. Thompson, of Virginia
Melanie F. Ting, of Virginia
Alexander Tounger, of Virginia
W. Jean Watkins, of Florida
Sonya Anjali Engstrom Watts, of Iowa
Richard Marc Weiss, of Virginia
Steven J. Whitaker, of Florida
Austin Roger Wiehe, of Virginia
Shelly Montgomery Williams, of the District of Columbia
Eric Marshall Wong, of California
Robert P. Woods, of Virginia

For appointment as Consular Officer and Secretary in the Diplomatic Service of the United States of America, effective July 12, 1994:

U.S. INFORMATION AGENCY

Susan Ziadeh, of Washington

The following-named Career Member of the Foreign Service of the Department of State for promotion into the Senior Foreign Service to the class indicated, effective October 16, 1994:

Career Member of the Senior Foreign Service of the United States of America, Class of Counselor:

Kenneth Alan Duncan, of Connecticut

The following-named Career Member of the Foreign Service of the Department of State for promotion in the Senior Foreign Service to the class indicated, effective November 28, 1993:

Career Member of the Senior Foreign Service of the United States of America, Class of Counselor:

Richard T. Miller, of Texas

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. ROTH, from the Committee on Finance:

Nancy Killefer, of Florida, to be an Assistant Secretary of the Treasury.

(The above nomination was reported with the recommendation that she be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. JEFFORDS (for himself, Mr. Inhofe, Mr. Akaka, Mr. Conrad, Mr. Reid, Ms. Collins, Mr. Craig, Mr. Daschle, Mr. Murkowski, and Ms. Snowe):

S. 1359. A bill to amend title 38, United States Code, to limit the amount of recoupment from veteran's disability compensation that is required in the case of veterans who have received certain separation payments from the Department of Defense; to the Committee on Veterans Affairs.

By Mr. ABRAHAM (for himself, Mr. Kennedy, Mr. D'Amato, Mr. Leahy, Mr. Grams, Mr. Dorgan, Ms. Collins, Mrs. Murray, Mr. Burns, and Ms. Snowe):

S. 1360. A bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to clarify and improve the requirements for the development of an automated entry-exit control system, to enhance land border control and enforcement, and for other purposes; to the Committee on the Judiciary.

By Mr. KOHL (for himself and Mr. Feingold):

S. 1361. A bill to provide for the appointment of 1 additional Federal district judge for the eastern district of Wisconsin, and for other purposes; to the Committee on the Judiciary.

By Mr. GRASSLEY (for himself and Mr. Breaux):

S. 1362. A bill to promote the use of universal product members on claims forms used for reimbursement under the medicare program; to the Committee on Finance.

By Mr. CHAFEE:

S. 1363. A bill to amend the Sikes Act to enhance fish and wildlife conservation and natural resources management programs, and for other purposes; to the Committee on Environment and Public Works.

By Mr. McCAIN (for himself and Mr. Levin):

S. 1364. A bill to eliminate unnecessary and wasteful Federal reports; to the Committee on Governmental Affairs.

By Ms. MIKULSKI:

S. 1365. A bill to amend title II of the Social Security Act to provide that the reductions in social security benefits which are required in the case of spouses and surviving spouses who are also receiving certain Government pensions shall be equal to the amount by which two-thirds of the total amount of the combined monthly benefit (before reduction) and monthly pension exceeds $1,200, adjusted for inflation; to the Committee on Finance.

By Mr. KERREY (for himself and Mr. Conrad):

S. 1366. A bill to amend the Internal Revenue Code of 1986 to eliminate the 10 percent floor for deductible disaster losses; to the Committee on Finance.

By Mrs. HUTCHISON:

S. 1367. A bill to amend the Act that authorized the Canadian River reclamation project, Texas to direct the Secretary of the Interior to allow use of the project distribution system to transport water from sources other than the project; to the Committee on Energy and Natural Resources.

By Mr. LEAHY (for himself and Mr. Kennedy):

S. 1368. A bill to provide individuals with access to health information of which they are the subject, ensure personal privacy with respect to personal medical records and health care-related information, impose criminal and civil penalties for unauthorized use of personal health information, and to provide for the strong enforcement of these rights; to the Committee on Labor and Human Resources.

By Mr. DODD:

S. 1369. A bill to provide for truancy prevention and reduction, and for other purposes; to the Committee on Labor and Human Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. McCAIN (for himself and Mr. Thomas):

S. Con. Res. 60. A concurrent resolution expressing the sense of Congress in support of efforts to foster friendship and cooperation between the United States and Mongolia, and for other purposes; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JEFFORDS (for himself, Mr. Inhofe, Mr. Akaka, Mr. Conrad, Mr. Reid, Ms. Collins, Mr. Craig, Mr. Daschle, Mr. Murkowski, and Ms. Snowe):

S. 1359. A bill to amend title 38, United States Code, to limit the amount of recoupment from veterans' disability compensation that is required in the case of veterans who have received certain separation payments from Department of Defense; to the Committee on Veterans' Affairs.

THE VETERANS' DISABILITY BENEFITS RELIEF ACT OF 1997

Mr. JEFFORDS. Mr. President, today I rise to introduce the Veterans' Disability Benefits Relief Act. This legislation would address an unfair provision that double taxes veterans who participate in military downsizing programs run by the Department of Defense [DOD].

Mr. President, since 1991, in an effort by the DOD to downsize the armed services, certain military personnel have been eligible for either the special separation benefit [SSB] or the voluntary separation incentive [VSI] program. However, SSB or VSI recipients who are subsequently diagnosed with a service-connected disability must offset the full SSB/VSI amount paid to that individual by withholding amounts that would be paid as disability compensation by the Department of Veterans Affairs [VA].

Additionally, veterans who participate in the DOD's downsizing by selecting an SSB lump sum payment or a VSI monthly annuity payment, are forced to pay back the full, pretax amount in disability compensation—offsetting money that the veteran would never see with or without a service-connected disability. This is a gross injustice to veterans by double taxing their hard-earned compensation.

My bill would ease this double taxation for all members who accept an SSB or VSI payment package and make these alterations retroactive to December 5, 1991. Thus, service members not able to receive payment concurrently since 1991 will be reimbursed for their lost compensation portion that was taxed. The cost of this bill was estimated by CBO to be only $195 million over 25 years. This is a fraction of a percentage of our annual spending on compensation and benefits for former military personnel. I urge Congress to correct this injustice to our Nation's veterans and provide these veterans with the proper compensation they deserve.

By Mr. ABRAHAM (for himself, Mr. KENNEDY, Mr. D'AMATO, Mr. LEAHY, Mr. GRAMS, Mr. DORGAN, Ms. COLLINS, Mrs. MURRAY, Mr. BURNS, and Ms. SNOWE):

S. 1360. A bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to clarify and improve the requirements for the development of an automated entry-exit control system, to enhance land border control and enforcement, and for other purposes; to the Committee on the Judiciary.

THE BORDER IMPROVEMENT AND IMMIGRATION ACT OF 1997

Mr. ABRAHAM. Mr. President, today I am introducing legislation to address a problem that has been attracting significant concern not only in my State of Michigan, but also in many other northern border States as well as along the southern border. This bill, entitled "The Border Improvement and Immigration Act of 1997," will also add desperately needed resources for border control and enforcement at the land borders.

I am proud to have a broad range of bipartisan support on this bill and to have as original cosponsors Senators KENNEDY, D'AMATO, LEAHY, GRAMS, DORGAN, COLLINS, MURRAY, BURNS, and SNOWE.

This legislation is needed to clarify the applicability of a small provision of the 1996 Illegal Immigration Reform and Immigrant Responsibility Act—section 110 of that act. That section requires the Immigration and Naturalization Service to develop, by September 30, 1998, an automated entry and exit system to document the entry and departure of every alien arriving in and leaving the United States. While that may sound straightforward enough, the truth is that there could be disastrous consequences if this is not amended to conform with Congress' intent and to provide a sensible approach to automated entry-exit control.

The problem is that the term "every alien" could be interpreted to include Canadians who cross our northern land border—and in fact to include all aliens crossing the land borders and many aliens entering elsewhere who are currently exempt from filling out immigration forms. We could literally end up with intolerable backlogs and delays at the land borders and could end up creating a conflict with current documentary requirements, such as our practice of not requiring Canadians to present a passport, visa or border-crossing identification card to enter the United States for short-term visits.

The potential problems here are generating great concern. The United States Ambassador to Canada wrote to me on October 14, for example, that he is deeply concerned about this issue and noted that "section 110 is inconsistent with the concerted efforts the United States and Canada have made in recent years to improve and simplify cross-border traffic flows." The Canadian Ambassador to the United States expressed similar concerns to me when I met with him last month. I recently chaired a field hearing of the Immigration Subcommittee on this issue in Detroit, MI, at which elected officials and industry representatives testified about the unprecedented traffic congestion, decreased trade, lost business and jobs, and harm to America's international relations that could result from the full implementation of section 110 in its current form.

Mr. President, this provision was not intended by the law's authors to have the impact I just outlined. Our former colleague, Senator Alan Simpson, who preceded me as chairman of the Senate Immigration Subcommittee, and Representative LAMAR SMITH, who is chairman of the House Immigration Subcommittee, wrote in a letter last year to the Canadian Government that they "did not intend to impose a new requirement for border crossing cards on Canadians who are not presently required to possess such documents."

The INS appears to maintain, however, that the law as it stands does call for a record of each and every noncitizen entering or leaving the United States. When you look at the text of the statute, you can certainly see a basis for their view.

That is why I think the most sensible course here is simply to correct the statute. I should note that the administration shares our concern and has already requested that Congress correct section 110 and clarify that it should not apply along the land borders.

The full implementation of section 110 would create a nightmare at our land borders for several reasons. First, every alien could be required to fill out immigration forms and hand them to border inspectors. That would create added delays at entry points into the United States, which would be intolerable. Our land border crossings simply cannot support such added pressures.

A recent study by Parsons, Brinckerhoff, Quade & Douglas points out that traffic congestion and delays at our land borders already create unneeded costs and inconvenience. What we need are increased resources at the land borders, not increased burdens and bureaucracy.

Second, every alien would likewise have to hand in forms when they leave the United States. Our immigration officials currently inspect only those entering the United States, and there are thus no inspection facilities at locations where people leave the country. This means that new inspections facilities would need to be built and that we would see significant increases in traffic on U.S. roads leaving the country.

This additional infrastructure could run into billions of dollars, but the precise cost estimates are not possible at this point since we do not know what technology could even make such an exit system feasible. Even as a simple fiscal matter, we should not be requiring the kind of investment that would be involved here without knowing what the payoff, if any, will be, particularly where an undeveloped and untested system is involved. Also, at many border crossings, particularly on bridges or in tunnels, there simply is not room to construct additional facilities.

The magnitude of these problems cannot be overstated. As just one example, take the northern border, with which I am most familiar.

In 1996 alone, over 116 million people entered the United States by land from Canada, over 52 million of whom were Canadians or United States lawful permanent residents. The new provision would require a stop on the U.S. side to record the exit of every one of those 52 million people. That is more than 140,000 every day; it is more than 6,000 every hour; and more than 100 every minute. And that is only in one direction. The inconvenience, the traffic, and delays will be staggering.

If uncorrected, section 110 will also have a devastating economic impact. The free flow of goods and services that are exchanged every day through the United States and Canada has provided both countries with enormous economic benefits. Trade and tourism between the two nations are worth $1 billion a day for the United States. Canada is not only the United States' largest trading partner, but the United States-Canadian trading relationship is the most extensive and profitable in the world.

My own State of Michigan has been an important beneficiary of that relationship. And 46 percent of the volume and 40.6 percent of the value of United States-Canada trade crosses the Michigan-Ontario border. Last year alone, exports to Canada generated over 72,000 jobs in key manufacturing industries in my State of Michigan and over $4.68 billion in value added for the State.

The United States automobile industry alone conducts 300 million dollars' worth of trade with Canada every day. New just in time delivery methods have made United States-Canadian border-crossings integral parts of our automobile assembly lines. A delivery of parts delayed by as little as 20 minutes can cause expensive assembly line shutdowns.

Tourism and travel industries would likewise suffer by the full implementation of section 110. People in Windsor, Canada who thought they would head to Detroit for a Tiger's baseball game or Red Wing's hockey game might think again and stay home—with their money.

Canadians might decide not to bother to see the American side of Niagara Falls, or not to go hiking or fishing in

Maine. This would happen all across the northern border.

I am beginning to hear concerns from those along the southern border as well, and I believe that the impact of full implementation of section 110 there could be equally disastrous.

Congress did not intend to wreak such havoc on the borders. The fact is that these issues were simply not considered last Congress.

Section 110 was principally designed to make entry-exit control automated, so that the system would function better; it was not intended to expand documentary requirements and immigration bureaucracy into new and uncharted territory. A simple clarification of section 110 will take care of these problems. At the same time, we can take steps to improve inspections at our borders and to begin to take a sensible and longer term approach to automated entry-exit control.

Mr. President, my legislation is quite straightforward and contains three pieces.

First, it provides that section 110's requirement that the INS develop an automated entry-exit control system would not apply at the land borders, to U.S. lawful permanent residents, or to any aliens of foreign contiguous territory for whom the U.S. Attorney General and the Secretary of State have already waived visa requirements under existing statutory authority. This would maintain the status quo for lawful permanent residents and for a handful of our neighboring territories, including Canada, whose nationals do not pose a particular immigration threat and are already granted special status by the Attorney General and the Secretary of State.

As its second main provision, my legislation calls for a report on full automated entry-exit control. In my view, Congress should not expand entry-exit control into new territory until it has received a report on what that would mean.

The bottom line here is that we simply do not know whether such a fully implemented system is feasible, how much it will cost, whether the INS has the capacity and resources to use the data from such a system, and whether it might make more sense to devote our resources to going after the problem of visa overstayers in other ways.

Finally, my bill provides for increased personnel for border inspections by INS and Customs to address the backlogs and delays we already have on the border. For 3 years, it would increase INS inspectors at the land borders by 300 per year and Customs inspectors at the land borders by 150 per year.

Mr. President, our borders are already crowded. In 1993, nearly 9 million people traveled over the Ambassador Bridge, 6.4 million traveled through the Detroit-Windsor tunnel, and approximately 6.1 million crossed the Blue Water Bridge in Port Huron. Even without new controls, we have unacceptable delays at many points of our borders.

We should alleviate the problems we already have, not make them worse by adding more controls and burdens. Even in the best case scenario, the new entry-exit controls might take an extra 2 minutes per border crosser to fulfill. That is almost 17 hours of delay for every hour's worth of traffic. It's just not practical. We must act to prevent it from happening and take action to address the delays already existing at our borders.

I would also like to note that placing new entry-exit control requirements on our border neighbors will do virtually nothing to catch people entering our country illegally. For that, we need to improve border inspections and increase resources there.

I do agree that automated entry-exit control certainly is needed to improve upon the INS's current system, which has a poor track record of providing data on visa overstayers. Having correct and usable data would be extremely helpful for a number of purposes; for example, to determine whether countries should remain in the visa waiver program and which countries pose particular visa overstay problems.

However, in my view, being able to use automated entry-exit control as a means of going after individual visa overstayers is a long way off. That is why we should be cautious in our approach.

We need to study this problem and consider some hard questions like what we will do down the road with all this data. Do we really think that the INS is currently capable of compiling and matching the data correctly or that INS has the resources to track down individuals based on this data? Do we want to be directing the INS to use its limited resources in this manner?

I recommend that for the time being we attack the visa overstayer problem by focussing on our current enforcement tools and by continuing the enforcement approach taken in last year's illegal immigration reform bill. I supported efforts there to increase the sanctions for visa overstayers and to increase the number of INS investigators looking into visa overstayers.

But before we burden the vast majority who do not present an enforcement problem and before we add inconveniences and costs to our own citizens, we should continue to study the options for broader automated entry-exit control.

I look forward to working with my colleagues to move this legislation quickly. Tomorrow, we will be having a hearing to consider this bill and these issues in the Immigration Subcommittee. Given the overwhelming support for this along the land borders and from the administration, there is no need to wait on such an important issue or to leave so many with uncertainty.

I ask unanimous consent that the entire text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1360

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Border Improvement and Immigration Act of 1997".

SEC. 2. AMENDMENT OF THE ILLEGAL IMMIGRATION REFORM AND IMMIGRANT RESPONSIBILITY ACT OF 1996.

(a) IN GENERAL.—Section 110(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1221 note) is amended to read as follows:

"(a) SYSTEM.—

"(1) IN GENERAL.—Subject to paragraph (2), not later than 2 years after the date of the enactment of this Act, the Attorney General shall develop an automated entry and exit control system that will—

"(A) collect a record of departure for every alien departing the United States and match the record of departure with the record of the alien's arrival in the United States; and

"(B) enable the Attorney General to identify, through on-line searching procedures, lawfully admitted nonimmigrants who remain in the United States beyond the period authorized by the Attorney General.

"(2) EXCEPTION.—The system under paragraph (1) shall not collect a record of arrival or departure—

"(A) at a land border of the United States for any alien;

"(B) for any alien lawfully admitted to the United States for permanent residence; or

"(C) for any alien for whom the documentary requirements in section 212(a)(7)(B) of the Immigration and Nationality Act have been waived by the Attorney General and the Secretary of State under section 212(d)(4)(B) of the Immigration and Nationality Act.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104-208; 110 Stat. 3009-546).

SEC. 3. REPORT.

(a) REQUIREMENT.—Not later than two years after the date of enactment of this Act, the Attorney General shall submit a report to the Committees on the Judiciary of the Senate and the House of Representatives on the feasibility of developing and implementing an automated entry-exit control system that would collect a record of departure for every alien departing the United States and match the record of departure with the record of the alien's arrival in the United States, including departures and arrivals at the land borders of the United States.

(b) CONTENTS OF REPORT.—Such report shall—

(1) assess the costs and feasibility of various means of operating such an automated entry-exit control system, including exploring—

(A) how, if the automated entry-exit control system were limited to certain aliens arriving at airports, departure records of those aliens could be collected when they depart through a land border or seaport; and

(B) the feasibility of the Attorney General, in consultation with the Secretary of State, negotiating reciprocal agreements with the governments of contiguous countries to collect such information on behalf of the United States and share it in an acceptable automated format;

(2) consider the various means of developing such a system, including the use of pilot projects if appropriate, and assess which means would be most appropriate in which geographical regions;

(3) evaluate how such a system could be implemented without increasing border traffic congestion and border crossing delays and, if any such system would increase border crossing delays, evaluate to what extent such congestion or delays would increase; and

(4) estimate the length of time that would be required for any such system to be developed and implemented.

SEC. 4. INCREASED RESOURCES FOR BORDER CONTROL AND ENFORCEMENT.

(a) INCREASED NUMBER OF INS INSPECTORS AT THE LAND BORDERS.—The Attorney General in each of fiscal years 1998, 1999, and 2000 shall increase by not less than 300 the number of full-time inspectors assigned to active duty at the land borders of the United States by the Immigration and Naturalization Service, above the number of such positions for which funds were made available for the preceding fiscal year. Not less than one-half of the inspectors added under the preceding sentence in each fiscal year shall be assigned to the northern border of the United States.

(b) INCREASED NUMBER OF CUSTOMS INSPECTORS AT THE LAND BORDERS.—The Secretary of the Treasury in each of fiscal years 1998, 1999, and 2000 shall increase by not less than 150 the number of full-time inspectors assigned to active duty at the land borders of the United States by the Customs Service, above the number of such positions for which funds were made available for the preceding fiscal year. Not less than one-half of the inspectors added under the preceding sentence in each fiscal year shall be assigned to the northern border of the United States.

Mr. D'AMATO. I want to congratulate the chairman of the Immigration Subcommittee, Senator ABRAHAM, for focusing on this issue and am pleased to join him and my other colleagues in putting forth this legislation which is aimed at correcting deficiencies that exist in the current law.

Let me say I don't intend to repeat all of the arguments put forth by my colleagues. But I do want to point out, very clearly, there are a number of my colleagues who are concerned about the impact of implementation of this legislation.

We were given such assurances as it related to its enforcement—that there was no intent to impose various requirements that would actually stop people from Canada who were coming in on a daily basis—millions of people, millions. In New York, 2.7 million Canadians visit for at least 1 night. One bridge, the Peace Bridge, carries 80 million dollars' worth of goods and services between Canada and New York, my State. Mr. President, 80 million dollars' worth of merchandise a day.

It is estimated that if we impose this law that we will impose more time on inspections, which is now about 30 seconds per person, and make that at least 2 minutes a person. We will have traffic jams of 3, 4, 5 and 6 hours. We will cost American consumers hundreds and hundreds of millions of dollars. We will disrupt trade. We will create an absolute catastrophe at our borders.

Now, is that what we intend to do? If we really want to go after drug dealers, and that is what this intends to do, then let's go after them. We know who the cartel leaders are.

You are going to stop millions of people on a daily basis who are traveling back and forth between Canada and the United States? That is not going to affect the drug trade. Who are we kidding?

The implementation of this would be costly because we are talking about $1 billion a day in trade. That is what we are talking about, $1 billion a day.

Senator Simpson, who was chairman of the Subcommittee on Immigration last year, along with Congressman LAMAR SMITH, chairman of the House committee, in a letter that they wrote to the Canadian Ambassador, said that "We did not intend to impose a new requirement for border crossing cards * * * on Canadians who are not presently required to possess such documents."

Mr. President, this legislation authored by Senator ABRAHAM, and which I am very pleased to support, would exclude Canadians who are currently exempted, just like we told the Canadian Ambassador. So this legislation really keeps a commitment that was made to our friends, to our partners in Canada, and one in which I must say is absolutely vital to the interests of many, many communities.

Let me mention a number of communities who have said if this legislation is not amended, it would be disastrous: Buffalo, NY; Syracuse, NY; Onondaga County; Oswego County and Plattsburgh. I have to tell you, they have been absolutely aghast. These are just some of the communities who have written to me and expressed, by either way of their elected officials or by the various trade groups and representatives, that this would be catastrophic. I believe they are right.

This bill will stop problems before they are created—traffic jams never envisioned before, the flow of goods and services absolutely brought to a stop. I don't think we should wait for the problem to take place, nor do I think we can continue to abdicate our responsibility. As Senator ABRAHAM has pointed out quite eloquently, we have not gotten the kind of clarification necessary that would allow the normal intercourse of business between our two great countries. You can't jeopardize people's lives, the well-being of our communities and, indeed, our national prosperity. I am pleased to support this bill. I hope we can get Senator ABRAHAM speedy action on this. I intend to support Senator ABRAHAM in every way possible and I want to commend you for having brought this to the attention of the U.S. Congress and putting forth legislation in such a thoughtful way.

Last but not least, this legislation does something that is pretty important. It calls for increasing the number of Customs and INS inspectors and says at least half of them have to be placed on northern borders. While I understand that we have some tremendous problems on our southern borders dealing with the flow of drugs, we cannot underestimate the importance of continuing the process of commerce—in a manner which will continue to expand upon it and not impinge upon it.

I thank my colleague from Michigan for being so forthright on this. I hope we can get this legislation passed sooner rather than later.

To reiterate, I am pleased to join with the chairman of the Immigration Subcommittee, Senator ABRAHAM and the ranking member of the subcommittee, Senator KENNEDY, to introduce the Border Improvement and Immigration Act of 1997—a bill that will preserve the smooth and efficient trade and travel experienced between the United States and Canada.

A provision of the 1996 Illegal Immigration Reform and Immigrant Responsibility Act has caused enormous trepidation among businesses and families living along the northern border of the United States and Canada. Several organizations have contacted me with their concern about section 110 of the 1996 act—a provision that requires "every alien" to display documents upon entry to or exit from the United States.

To put this problem into perspective, let me explain what implementation of section 110 would mean for New York State. Over 2.7 million Canadians visit New York each year for at least 1 night, spending over $400 million. Last year, my State's exports to Canada exceeded $9.5 billion and the first 6 months of 1997 has seen a rise in exports. The ties between the communities are strong and must not be disrupted.

The common council of the city of Plattsburgh has submitted a resolution indicating the threat to the strong relationship enjoyed by Canada and the United States—its economic, cultural, and social impact. The Greater Buffalo Partnership states that there are about 5,000 trucks moving goods through the port of Buffalo every day that will be subject to a time intensive document production under this provision. They conclude that "this provision will cause 5-hour delays and jeopardize every business relying on just in time deliveries."

This new requirement will cause unprecedented traffic jams at the border and chaos in the business and travel industry in northern New York.

Implementation of this border restriction would be costly for both American and Canadian business and tourism throughout both nations. Nationally, trade with Canada hovers near $1 billion a day and there has been up to 116 million people entered the United States from Canada in 1996. As bilateral trade grows every year, traffic congestion and back ups could be expected to last hours, translating into frustration and lost opportunities.

When Congress passed this law, there was no intent to impose this requirement on Canadians. As expressed by Senator Alan Simpson, chairman of the Senate Subcommittee on Immigration last year, and Congressman LAMAR SMITH, the chairman of the House Subcommittee on Immigration, in a letter to the Canadian Ambassador, "we did not intend to impose a new requirement for border crossing cards * * * on Canadians who are not presently required to possess such documents."

This new legislation will exclude Canadians, who are currently exempted from documentary requirements, from having to register every arrival and departure at the United States border. Because of the tremendous burden of enforcement on our borders, the bill also authorizes an increase of at least 300 INS inspectors and 150 Customs inspectors each year.

There is a major problem brewing on our border with Canada. It's a problem that threatens vital trade and travel between our two countries. This bill will halt the problem, and allow our normal trade and tourism to continue successfully. I am proud to lead the effort to pass this important legislation.

Mr. GRAMS. Mr. President, Minnesota and Michigan are two States that share a common border with Canada, and so I am very proud today to join my colleague, Senator ABRAHAM, chairman of the Judiciary Immigration Subcommittee, as a cosponsor of his bill to ensure Canada will receive current treatment once the immigration law is implemented in 1998. There has been a great deal of concern, especially in Minnesota, as well, as to how the immigration law we passed last year will affect the northern U.S. border. Right now the fear is the law is being misinterpreted by the Immigration and Naturalization Service.

Minnesota alone has about 817 miles of shared border with Canada and we share many interests with our northern neighbor—tourism, trade, and family visits among the most prevalent. In the last few years, passage back and forth over the Minnesota/Canadian border has been more open and free flowing, especially since the North American Free-Trade Agreement (NAFTA) went into effect. There were 116 million travelers entering the United States from Canada in 1996 over the land border. As our relationship with Canada is increasingly interwoven, we have sought a less restrictive access to each country.

The immigration bill last year was intended to focus on illegal aliens entering this country from Mexico and living in the United States illegally. The new law states that "every alien" entering and leaving the United States would have to register at all the borders—land, sea, and air. The Immigration and Naturalization Service was tasked with the effort to set up automated pilot sites along the border to discover the most effective way to implement this law, which was to become effective on September 30, 1998.

The INS was quietly going about establishing a pilot site on the New York State border when the reality sunk in. A flood of calls from constituents came into the offices of all of us serving in Canadian border states. Canadian citizens also registered opposition to this new restriction. It became quite clear that no one had considered how the new law affected Canada. Current law already waives the document requirement for most Canadian nationals, but still requires certain citizens to register at border crossings. That system has worked. There have been very few problems at the northern border with drug trafficking and illegal aliens.

In an effort to resolve this situation, I have joined Senators ABRAHAM, D'AMATO, COLLINS, SNOWE, BURNS, JEFFORDS, KENNEDY, LEAHY, MOYNIHAN, and GRAHAM of Florida in a letter asking INS Commissioner Meissner for her interpretation of this law and how she expects to implement it. We have not had a response to date, but the INS' previous reaction to this issue indicates that every alien would include both Canadian nationals and American permanent residents—everyone crossing the border.

Therefore, we must make it very clear that Congress did not intend to impose additional documentary requirements on Canadian nationals; Senator ABRAHAM's bill will restore our intent. Our legislation, the Border Improvement and Immigration Act of 1997, will not open the floodgates for illegal aliens to pass through—it will still require those who currently need documentation to continue to produce it and remain registered in a new INS system. This will allow the INS to keep track of that category of non-immigrant entering our country to ensure they leave when their visas expire. Senator ABRAHAM's bill will not unfairly treat our friends on the Canadian side that have been deemed not to need documentation—they will still be able to pass freely back and forth across the border.

But our bill will enable us to avoid the huge traffic jams and confusion which would no doubt occur if every alien was to be registered in and out of the United States. Such registration would discourage trade and visits to the United States. It would delay shipments of important industrial equipment, auto parts services and other shared ventures that have long thrived along the northern border. It will discourage the economic revival that northern Minnesotans are experiencing, helped by Canadian shoppers and tourists.

Mr. President, I do not believe Congress intended to create this new mandate. We sought to keep illegal aliens and illegal drugs out, not our trading partners and visiting consumers. Through the Abraham bill, we will still do that while keeping the door open to our neighbors from the north. The bill is good foreign policy, good public policy and good economic policy. We all will benefit while retaining our ability to keep track of nonimmigrants who enter our borders.

Mr. President, I want to take a moment to thank Senator ABRAHAM for his leadership on this very important matter. I am aware that Senator ABRAHAM had a successful hearing on this issue recently in Michigan. Many Minnesotans, through letters, calls and personal appeals, have also showed their opposition to a potential crisis. I look forward to testifying before the Immigration Subcommittee hearing tomorrow and assisting my colleague from Michigan in his efforts to pass this bill before the 1998 implementation date. Again, this is an unacceptable burden on our Canadian neighbors and those who depend upon their free access that effects the economics of all border states.

Mr. DORGAN. Mr. President, I am pleased today to join Senator ABRAHAM, chairman of the Immigration Subcommittee, as a cosponsor of legislation to clarify the intent of Congress under section 110 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996. He has taken up this matter to clarify the intent of Congress and I appreciate his efforts and those of Senator KENNEDY to deal with this expeditiously.

The interest of North Dakota in this bill specifically relates to the impact of imposing section 110 entry-exit requirements on the land border between Canada and North Dakota. In September, I introduced legislation, S. 1212, to exempt Canadian nationals from the requirements of section 110. Senators CONRAD, MOYNIHAN, and LEVIN have joined me in cosponsoring the bill.

I have subsequently heard from small businesses not only in North Dakota, but from New York State, Michigan, and other States. They are very concerned that if Congress fails to take action to exempt Canadian nationals from the section 110 requirements it could have a devastating impact on their businesses.

In 1995, Canadian visitors spent nearly $200 million in North Dakota. That is one in every four total tourism dollars coming into the State of North Dakota. Grand Forks, ND, devastated by floods last spring, is seeing a return of Canadian weekend visitors. The Convention and Visitors Bureau there tells me that without the Canadian visitors—who shop there, and who stay in area motels—without the Canadian visitors Grand Forks may never see a full economic recovery. These visitors are terribly important to this city trying to make a comeback.

Ask any small business owner in northern North Dakota—or for that matter any northern border State. We should be talking about policies to encourage more Canadians to visit the United States. It is incumbent on the Senate and the House to act to exempt Canadian nationals from the requirements of section 110 and to send a signal that we welcome their business.

Mr. President, I commend Senator ABRAHAM for taking up this important issue at this time. I endorse the exemption of Canadian nationals from section 110 requirements, and I wholeheartedly support his efforts to authorize additional personnel for the northern border. The northern borders in particular have seen no growth in resources for some time now.

I encourage the committee to move expeditiously to bring this bill to the floor. To do so will reassure small business owners and small communities across the northern United States that we are looking out for their economic interests.

Mr. BURNS. Mr. President, I rise today to support my colleague from Michigan, Senator ABRAHAM, in the introduction of the Border Improvement and Immigration Act of 1997. This legislation will clarify a small provision of the 1996 Illegal Immigration Reform and Immigrant Responsibility Act, specifically section 110. Section 110 requires the Immigration and Naturalization Service to develop, by September 30, 1998, an automated entry and exit control system to document the entry and departure of 'every alien' arriving in and leaving the United States.

This section, if not amended, would pose great hardship to Montana, and to most border States. The current procedure allows Canadians to cross the United States-Canadian border without requiring them to present a passport, visa, or border-crossing identification card. This assists our communities, on both sides of the border, to expand their economic growth. A large portion of our economic life is derived from the business we have that comes from Canada, whether it be from travel, tourism, or regular trade. The free flow of goods and services that are exchanged every day through the United States and Canada has provided both countries with enormous economic benefits. If not amended, this could drop dramatically.

Congress did not intend to cause such a disruption of service when it passed the Immigration Reform and Immigrant Responsibility Act. Section 110 was principally designed to make the current entry-exist control system automated—so that the system would function better; it was not intended to expand documentary requirements and bureaucracy. This legislation will take the steps needed to insure that the law is read properly. This bill would require that the Immigration and Naturalization Service to develop an automated entry-exit control system would not apply at the land borders, to U.S. lawful permanent residents or to any nationals of foreign contiguous territory from whom the Attorney General and the Secretary of State have already waived visa requirements.

Mr. President, I hope that the Senate will review this bill and understand the merits that it provides, not only for our border States, but also for the Nation. I look forward to working with my colleagues to ensure its swift passage.

Mr. LEAHY. Mr. President, I am proud to be an original cosponsor of The Border Improvement and Immigration Act of 1997. This bill will ensure that Canadians and United States permanent residents are treated fairly and appropriately and that the United States and Canada's long and friendly relationship regarding immigration issues is preserved.

We must preserve the integrity of our open border and ensure that no undue hassle, inconvenience, or burden is placed upon those who cross the United States-Canada border. Vermont and Canada share many traditions, and one that we all value is the free flow of trade and tourism. Ours is the longest open border in the world, and we should do nothing to change or endanger that relationship. On Vermont's border with Canada, commerce, tourism, and other exchanges across the border are part of our way of life. A general store in Norton, VT, on the border has the separate cash registers at either end of the shop.

The Border Improvement Act will preserve the status quo for Canadians and Americans crossing the United States' northern border. It will ensure that tourists and trade continue to be able to freely cross the border, without additional documentation requirements. This bill will also guarantee that the over $1 billion in daily cross-border trade is not hindered in any way. The Border Improvement Act takes a more thoughtful approach to modifying U.S. immigration policies than last year's bill, the Illegal Immigration Reform and Immigrant Responsibility Act [IIRIRA]. By requiring the Attorney General to thoroughly assess the potential cost and impact before implementing any sort of automated entry-exit monitoring system on the Nation's land borders, this bill ensures that any such system will be well planned and implemented. Finally, the Border Improvement Act will ensure adequate staffing on the northern border by requiring a substantial increase in the number of INS and Customs agents assigned to this region over the next 3 years.

I am particularly pleased to see that this bill has clear bipartisan support. Last year, I worked closely with Senator ABRAHAM to quash another ill-conceived proposed addition to the immigration bill—the implementation of border-crossing fees. We successfully defeated the fee proposal last year, but only after much debate and negotiation.

Unfortunately, we did not have the same opportunity to debate fully the provision in section 110 of the IIRIRA which mandates that the INS develop an automated entry and exit control system to track the arrival and departure of all aliens at all borders by next October.

The current language in section 110 of the IIRIRA, as agreed to in last would have a significant negative impact on trade and relations between the United States and Canada. By requiring an automated system for monitoring the entry and exit of all aliens, this provision would require that the INS and Customs agents stop each vehicle or individual entering or exiting the United States at all ports of entry. Canadians, United States permanent residents and many others who are not currently required to show documentation of their status would either have to carry some form of identification or fill out paperwork at the points of entry. This sort of tracking system would be enormously costly to implement along the northern border, especially since there is no current system or infrastructure to track the departure of citizens and others leaving the United States. Section 110, as currently worded, would also lead to excessive and costly traffic delays for those living and working near the border. These delays would surely have a negative impact on the $2.4 billion in goods and services shipped annually from Vermont to Canada and would likely reduce the $120 million per year which Canadians spend in Vermont.

This legislation has been crafted with input from the INS and representatives of the Canadian Government. By including the administration and our northern neighbor in the discussions, Senators ABRAHAM and KENNEDY have developed a remedy which is sure to be implemented smoothly. My cosponsorship of this bill reflects my ongoing concern about the negative impact the implementation of the current language in section 110 of the IIRIRA would have on the economy in my home State of Vermont, as well as in the other northern border States. While this remedy was being negotiated, I cosponsored an amendment on the floor and sent letters to Attorney General Reno and INS Commissioner Meissner requesting that a study be undertaken before any sort of automated entry-exit monitoring system be implemented. I am pleased that this bill has a similar provision. But, the Border Improvement Act goes one step further to protect our Canadian neighbors' rights to freely cross the border into the United States without facing needless traffic delays or unnecessary paperwork requirements.

I am pleased that Senator ABRAHAM has called a hearing tomorrow to discuss this bill and the negative impact the current law would have in so many of our States. At the hearing, we will hear the testimony of Bill Stenger, the president of the Jay Peak Ski Resort in Vermont which is situated only a few miles from the Canadian border. Mr. Stenger will testify to the disastrous effect any increased documentation requirements for Canadians would have on his business, and so many other United States businesses which are dependent on the preservation of free trade and travel across the Canadian border.

By Mr. KOHL (for himself and Mr. FEINGOLD):

S. 1361. A bill to provide for the appointment of 1 additional Federal district judge for the eastern district of Wisconsin, and for other purposes; to the Committee on the Judiciary.

THE WISCONSIN FEDERAL JUDGESHIP ACT OF 1997

Mr. KOHL. Mr. President, I rise today with my colleague from Wisconsin, Senator FEINGOLD, to introduce the Wisconsin Federal Judgeship Act of 1997. This bill would create one additional Federal judgeship for the eastern district of Wisconsin and situate it in Green Bay, where a district court is crucially needed. Let me explain how the current system hurts—and how this additional judgeship will help—businesses, law enforcement agents, witnesses, victims, and individual litigants in northeastern Wisconsin.

First, the four full-time district court judges for the eastern district of Wisconsin currently preside in Milwaukee. Yet for most litigants and witnesses in northeastern Wisconsin, Milwaukee is well over 100 miles away. Thus, litigants and witnesses must incur substantial costs in traveling from northern Wisconsin to Milwaukee—costs in terms of time, money, resources, and effort. Indeed driving from Green Bay to Milwaukee takes nearly two hours each way. Add inclement weather or a departure point north of Green Bay—such as Oconto or Marinette—and the driving time alone often results in witnesses traveling for a far longer period of time than they actually spend testifying.

Second, Mr. President, as Attorney General Janet Reno recently noted before the Judiciary Committee, Federal crimes remain unacceptably high in northeastern Wisconsin. These crimes range from bank robbery and kidnaping to Medicare and Medicaid fraud. However, without the appropriate judicial resources, a crackdown on Federal crimes in the upper will be made enormously more difficult.

Third, many manufacturing and retail companies are located in northeastern Wisconsin. These companies often require a Federal court to litigate complex price-fixing, contract, and liability disputes with out-of-State businesses. But the sad truth is that many of these cases are never even filed—precisely because the northern part of the State lacks a Federal court. Mr. President, this hurts businesses not only in Wisconsin, but across the Nation.

Fourth, prosecuting cases on the Menominee Indian Reservation creates specific problems that alone justify having a Federal judge in Green Bay. Under current law, the Federal Government is required to prosecute all felonies committed by Indians that occur on the Menominee Reservation. The reservation's distance from the Federal prosecutors and courts—more than 150 miles—makes these prosecutions problematic. And because the Justice Department compensates attorneys, investigators, and sometimes witnesses for travel expenses, the existing system costs all of us. In addition, Mr. President, we saw juvenile crime rates on this reservation rise by 279 percent last year alone. Without an additional judge in Green Bay, the administration of justice, as well as the public's pocketbook, will suffer enormously.

Fifth, Mr. President, the creation of an additional judgeship in the eastern district of Wisconsin is also clearly justified on the basis of caseload. I have commissioned the General Accounting Office to look at this issue and their report will be released early next year and which we expect will confirm our belief. However, based on standards already established by the Judicial Conference, the administrative and statistical arm of the Federal judiciary, an additional judgeship is clearly needed. In 1994, the Judicial Conference recommended the creation of additional Federal judgeships on the basis of weighted filings; that is, the total number of cases filed per judge modified by the average level of case complexity. In 1994, new positions were justified where a district's workload exceeded 430 weighted filings per judge. On this basis, the eastern district of Wisconsin clearly merits an additional judgeship: it tallied more than 435 weighted filings in 1993 and averaged 434 weighted filings per judge between 1991–93. In fact, though our bill would not add an additional judge in the western district of Wisconsin, we could make a strong case for doing so because the average weighted filings per judge in the western district was almost as high as in the eastern district.

Mr. President, our legislation in simple, effective, and straightforward. It creates an additional judgeship for the eastern district, requires that one judge hold court in Green Bay, and gives the chief judge of the eastern district the flexibility to designate which judge holds court there. And this legislation would increase the number of Federal district judges in Wisconsin for the first time since 1978. During that period, more than 252 new Federal district judgeships have been created nationwide, but not a single one in Wisconsin.

And don't take my word for it, Mr. President, ask the people who would be most affected: in 1994 each and every sheriff and district attorney in northeastern Wisconsin urged me to create a Federal district court in Green Bay. I ask unanimous consent that a letter from these law enforcement officials be included in the RECORD at the conclusion of my remarks. I also ask unanimous consent that a letter from the U.S. attorney for the eastern district of Wisconsin, Tom Schneider, also be included. This letter expresses the support of the entire Federal law enforcement community in Wisconsin—including the FBI, the DEA, and the BATF—for the legislation we are introducing. They needed this additional judicial resource in 1994, and certainly, Mr. President, that need has only increased over the last 3 years.

Perhaps most important, the people of Green Bay also agree on the need for an additional Federal judge, as the endorsement of our proposal by the Green Bay Chamber of Commerce demonstrates.

In conclusion, Mr. President, having a Federal judge in Green Bay will reduce costs and inconvenience while increasing judicial efficiency. But most important, it will help ensure that justice is more available and more affordable to the people of northeastern Wisconsin. As the courts are currently arranged, the northern portion of the eastern district is more remote from a Federal court than any other major population center, commercial or industrial, in the United States. For these sensible reasons, I urge my colleagues to support this legislation. We hope to enact this measure, either separately or as a part of an omnibus judgeship bill the Judiciary Committee may consider later this Congress.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1361

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ADDITIONAL FEDERAL DISTRICT JUDGE FOR THE EASTERN DISTRICT OF WISCONSIN.

(1) SHORT TITLE.—This Act may be cited as the "Wisconsin Federal Judgeship Act of 1997".

(b) IN GENERAL.—The President shall appoint, by and with the advice and consent of the Senate, 1 additional district judge for the eastern district of Wisconsin.

(c) TABLES.—In order that the table contained in section 133 of title 28, United States Code, shall reflect the change in the total number of permanent district judgeships authorized under subsection (a), such table is amended by amending the item relating to Wisconsin to read as follows:

"*Wisconsin:*	
"Eastern	5
"Western	2".

(d) HOLDING OF COURT.—The chief judge of the eastern district of Wisconsin shall designate 1 judge who shall hold court for such district in Green Bay, Wisconsin.

AUGUST 8, 1994.

U.S. Senator HERB KOHL,
Washington, DC.

DEAR SENATOR KOHL: We are writing to urge your support for the creation of a Federal District Court in Green Bay. The Eastern District of Wisconsin includes the 28 eastern-most counties from Forest and Florence Counties in the north to Kenosha and Walworth Counties in the south.

Green Bay is central to the northern part of the district which includes approximately one third of the district's population. Currently, all Federal District Judges hold court in Milwaukee.

A federal court in Green Bay would make federal proceedings much more accessible to the people of northern Wisconsin and would alleviate many problems for citizens and law enforcement. Travel time of 3 or 4 hours each way makes it difficult and expensive for witnesses and officers to go to court in Milwaukee. Citizen witnesses are often reluctant to travel back and forth to Milwaukee. It often takes a whole day of travel to come to court and testify for a few minutes. Any lengthy testimony requires an inconvenient and costly overnight stay in Milwaukee. Sending officers is costly and takes substantial amounts of travel time, thereby reducing the number of officers available on the street. Many cases are simply never referred to federal court because of this cost and inconvenience.

In some cases there is no alternative. For example, the Federal government has the obligation to prosecute all felony offenses committed by Indians on the Menominee Reservation. Yet the Reservation's distance from the Federal Courts and prosecutors in Milwaukee poses serious problems. Imagine the District Attorney of Milwaukee being located in Keshena or Green Bay or Marinette and trying to coordinate witness interviews, case preparation, and testimony.

As local law enforcement officials, we try to work closely with other local, state and federal agencies, and we believe establishing a Federal District Court in Green Bay will measurably enhance these efforts. Most important, a Federal Court in Green Bay will make these courts substantially more accessible to the citizens who live here.

We urge you to introduce and support legislation to create and fund an additional Federal District Court in Green Bay.

Gary Robert Bruno, Shawano and Menominee County District Attorney; Jay Conley, Oconto County District Attorney; John DesJardins, Outagamie County District Attorney; Douglas Drexler, Florence County District Attorney; Guy Dutcher, Waushara County District Attorney; E. James FitzGerald, Manitowoc County District Attorney; Kenneth Kratz, Calumet County District Attorney; Jackson Main, Jr., Kewaunee County District Attorney; David Miron, Marinette County District Attorney; Joseph Paulus, Winnebago County District Attorney; Gary Schuster, Door County District Attorney; John Snider, Waupaca County District Attorney; Ralph Uttke, Langlade County District Attorney; Demetrio Verich, Forest County District Attorney; John Zakowski, Brown County District Attorney.

William Aschenbrener, Shawano County Sheriff; Charles Brann, Door County Sheriff; Todd Chaney, Kewaunee County Sheriff; Michael Donart, Brown County Sheriff; Patrick Fox, Waushara County Sheriff; Bradley Gehring, Outagamie County Sheriff; Daniel Gillis, Calumet County Sheriff; James Kanikula, Marinette County Sheriff; Norman Knoll, Forest County Sheriff; Thomas Kocourek, Manitowoc County Sheriff; Robert Kraus, Winnebago County Sheriff; William Mork, Waupaca County Sheriff; Jeffrey Rickaby, Florence County Sheriff; David Steger, Langlade County Sheriff; Kenneth Woodworth, Oconto County Sheriff.

Richard Awonhopay, Chief, Menominee Tribal Police; Richard Brey, Chief of Police, Manitowoc; Patrick Campbell, Chief of Police, Kaukauna; James Danforth, Chief of Police, Oneida Public Safety; Donald Forcey, Chief of Police, Neenah; David Gorski, Chief of Police, Appleton; Robert Langan, Chief of Police, Green Bay; Michael Lien, Chief of Police, Two Rivers; Mike Nordin, Chief of Police, Sturgeon Bay; Patrick Ravet, Chief of Police, Marinette; Robert Stanke, Chief of Police, Menasha; Don Thaves, Chief of Police, Shawano; James Thome, Chief of Police, Oshkosh.

U.S. DEPARTMENT OF JUSTICE, U.S. ATTORNEY, EASTERN DISTRICT OF WISCONSIN,
Milwaukee, WI, August 9, 1994.

To: The District Attorney's, Sheriffs and Police Chiefs Urging the Creation of a Federal District Court in Green Bay.

From: Thomas P. Schneider, U.S. Attorney, Eastern District of Wisconsin.

Thank you for your letter of August 8, 1994, urging the creation of a Federal District Court in Green Bay. You point out a number of facts in your letter:

(1) Although ⅓ of the population of the Eastern District of Wisconsin is in the northern part of the district, all of the Federal District Courts are located in Milwaukee.

(2) A federal court in Green Bay would be more accessible to the people of northern Wisconsin. It would substantially reduce witness travel time and expenses, and it would make federal court more accessible and less costly for local law enforcement agencies.

(3) The federal government has exclusive jurisdiction over most felonies committed on the Menominee Reservation, located approximately 3 hours from Milwaukee. The distance to Milwaukee is a particular problem for victims, witnesses, and officers from the Reservation.

I have discussed this proposal with the chiefs of the federal law enforcement agencies in the Eastern District of Wisconsin, including the Federal Bureau of Investigation, Federal Drug Enforcement Administration, Bureau of Alcohol, Tobacco and Firearms, Secret Service, U.S. Marshal, U.S. Customs Service, and Internal Revenue Service-Criminal Investigation Division. All express support for such a court and given additional reasons why it is needed.

Over the past several years, the FBI, DEA, and IRS have initiated a substantial number of investigations in the northern half of the district. In preparation for indictments and trials, and when needed to testify before the Grand Jury or in court, officers regularly travel to Milwaukee. Each trip requires 4 to 6 hours of round trip travel per day, plus the actual time in court. In other words, the agencies' already scarce resources are severely taxed. Several federal agencies report that many cases which are appropriate for prosecution are simply not charged federally because local law enforcement agencies do not have the resources to bring these cases and officers back and forth to Milwaukee.

Nevertheless, there have been a substantial number of successful federal investigations and prosecutions from the Fox Valley area and other parts of the Northern District of Wisconsin including major drug organizations, bank frauds, tax cases, and weapons cases.

It is interesting to note that the U.S. Bankruptcy Court in the Eastern District of Wisconsin holds hearings in Green Bay, Manitowoc, and Oshkosh, all in the northern half of the district. For the past four years approximately 29% of all bankruptcy filings in the district were in these three locations.

In addition, we continue to prosecute most felonies committed on the Menominee Reservation. Yet, the Reservation's distance from the federal courts in Milwaukee poses serious problems. A federal court in Green Bay is critically important if the federal government is to live up to its moral and legal obligation to enforce the law on the Reservation.

In summary, I appreciate and understand your concerns and I join you in urging the certain of a Federal District Court in Green Bay.

THOMAS P. SCHNEIDER,
U.S. Attorney, Eastern District of Wisconsin.

Mr. FEINGOLD. Mr. President, I am pleased today to join my friend and colleague from Wisconsin, Senator KOHL, in introducing the Wisconsin Federal Judgeship Act of 1997. I want to commend my colleague for his leadership and dedication on this very important matter.

Mr. President, the legislation being introduced will address a serious problem currently confronting the citizens of the eastern district of Wisconsin. At present, the eastern district of Wisconsin consists of four district court judges and two appellate judges, all of which sit in Milwaukee. However, the eastern district of Wisconsin is an expansive area which extends from Wisconsin's southern border with Illinois all the way to the north and the Great Lakes. Approximately one-third of the population of the eastern district of

Wisconsin lives and works in the northern part of the district. While Milwaukee is centrally located for the majority of residents who reside in southeastern Wisconsin, the same cannot be said for the residents of my State which live in the northern portion of the district.

The Wisconsin Judgeship Act addresses this problem by placing a fifth district court judgeship in Green Bay which is centrally located in the northern portion of Wisconsin's eastern district. The simple fact of the matter is that at present access to the justice system is burdensome and expensive for the residents and for law enforcement of northeastern Wisconsin. In some instances, the travel time incurred by victims, witnesses, and law enforcement is as much as 3 or 4 hours each way, often longer depending upon the weather. In some cases, the cost, both in time and in scarce resources, may simply mean that legitimate cases are not being heard. Another troubling facet of this situation is that northeastern Wisconsin is home to the Menominee Indian Reservation. Because the Federal Government retains significant jurisdictional responsibility for cases arising on the reservation, the requirement that the cases be adjudicated in Milwaukee is particularly problematic in these cases. Based on these facts Mr. President, it is little wonder that this legislation has the strong support of law enforcement, both from police and prosecutors, from all across the eastern district of Wisconsin.

By placing a Federal judge in Green Bay, not only will the residents of the growing Fox River Valley have easier access to the court, but so too will those residents of my State which live in the north. Mr. President, I have long believed that access to the administration of justice is among the most important and fundamental rights that we as Americans retain. Ensuring access to the courthouse is one of the primary responsibilities that the Federal Government has to its citizens. As members of the Senate Committee on the Judiciary, Senator KOHL and I see firsthand how important the timely administration of justice is to our Democratic Government. The inability to receive one's day in court because of geographic distance, as appears to be happening to some in my State, is unacceptable. This legislation will address that inequity and I look forward to working with Senator KOHL and other members of the Judiciary Committee and the Senate as this legislation moves forward.

By Mr. GRASSLEY (for himself and Mr. BREAUX):

S. 1362. A bill to promote the use of universal product members on claim forms used for reimbursement under the medicare program; to the Committee on Finance.

THE MEDICARE UNIVERSAL PRODUCT NUMBER ACT OF 1997

Mr. GRASSLEY. Mr. President, on behalf of Senator BREAUX and myself, I am introducing legislation today to require the use of universal product numbers [UPNs] for all durable medical equipment [DME] Medicare purchases. The purpose of this legislation is to improve the Health Care Financing Administration's [HCFA] ability to track and to appropriately assess the value of the durable medical equipment it pays for under the Medicare Program. Very simply, our bill will ensure Medicare gets what it pays for.

According to an interim report by the General Accounting Office [GAO] and the Office of Inspector General's review of billing practices for specific medical supplies, the Medicare program is often paying greater than the market price for durable medical equipment and Medicare beneficiaries are not receiving the quality of care they should. HCFA currently does not require DME suppliers to identify specific products on their Medicare claims. Therefore it does not know for which products it is paying. HCFA's billing codes often cover a broad range of products of various types, qualities and market prices. For example, the GAO found that one Medicare billing code is used by the industry for more than 200 different urological catheters, with many of these products varying significantly in price, use, and quality.

Medicare's inability to accurately track and price medical equipment and supplies it purchases could be remedied with the use of product specific codes known as bar codes or universal product numbers [UPN's]. These codes are similar to the codes you see on products you purchase at the grocery store. Use of such bar codes is already being required by the Department of Defense and several large private sector purchasing groups. The industry strongly supports such an initiative as well. I am submitting several letters of endorsement for the record on behalf of the National Association of Medical Equipment Services and the Health Industry Distributors Association.

This bill represents a common-sense approach. It will improve the way Medicare monitors and reimburses suppliers for medical equipment and supplies. Patients will receive better care. And the Federal Government will save money. I ask that my colleagues on both sides of the aisle support this legislation which I am introducing today with my friend and colleague, Senator BREAUX.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1362

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Medicare Universal Product Number Act of 1997".

SEC. 2. UNIVERSAL PRODUCT NUMBERS ON CLAIMS FORMS FOR REIMBURSEMENT UNDER THE MEDICARE PROGRAM.

(a) ACCOMMODATION OF UPNS ON MEDICARE ELECTRONIC CLAIMS FORMS.—Not later than February 1, 2000, all electronic claims forms developed or used by the Secretary of Health and Human Services for reimbursement under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) pursuant to part C of title XI of that Act (42 U.S.C. 1320d et seq.) or any other law shall accommodate the use of universal product numbers (as defined in section 1897(a)(2) of that Act (as added by subsection (b))) for covered items (as defined in section 1834(a)(13) of that Act (42 U.S.C. 1395m(a)(13))).

(b) REQUIREMENT FOR PAYMENT OF CLAIMS.—Title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) (as amended by section 4015 of the Balanced Budget Act of 1997 (Public Law 105-33; 111 Stat. 337)) is amended by adding at the end the following:

"USE OF UNIVERSAL PRODUCT NUMBERS

SEC. 1897. (a) DEFINITIONS.—In this section:

"(1) COVERED ITEM.—The term 'covered item' has the meaning given that term in section 1834(a)(13).

"(2) UNIVERSAL PRODUCT NUMBER.—The term 'universal product number' means a number that is—

"(A) affixed by the manufacturer to each individual covered item that uniquely identifies the item at each packaging level; and

"(B) based on commercially acceptable identification standards established by the Uniform Code Council—International Article Numbering System and the Health Industry Business Communication Council.

"(b) IN GENERAL.—No payment shall be made under this title for any claim for reimbursement for any covered item unless the claim contains the universal product number of the covered item.".

(c) DEVELOPMENT AND IMPLEMENTATION OF PROCEDURES.—From the information obtained by the use of universal product numbers (as defined in section 1897(a)(2) of the Social Security Act (as added by section 2(b))) on claims for reimbursement under the medicare program, the Secretary of Health and Human Services, in consultation with interested parties, shall periodically review the covered items billed under the Health Care Financing Administration Common Procedure Coding System and adjust such coding system to ensure that functionally equivalent covered items are billed and reimbursed under the same codes.

(d) EFFECTIVE DATE.—The amendment made by subsection (b) shall apply to claims for reimbursement submitted on and after February 1, 2001.

SEC. 3. STUDY AND REPORTS TO CONGRESS.

(a) STUDY.—The Secretary of Health and Human Services shall conduct a study on the results of the implementation of the provisions in subsections (a) and (c) of section 2 and the amendment to the Social Security Act in subsection (b) of that section.

(b) REPORTS.—Not later than 6 months after the date of enactment of this Act, and annually thereafter, the Secretary of Health and Human Services shall submit a report to

Congress that contains a detailed description of the results of the study conducted pursuant to subsection (a), together with the Secretary's recommendations regarding the use of universal product numbers (as defined in section 1897(a)(2) of the Social Security Act (as added by section 2(b) of this Act)) and the use of data obtained from the use of such numbers.

HEALTH INDUSTRY DISTRIBUTORS ASSN.,
Alexandria VA., November 3, 1997.

Hon. CHARLES GRASSLEY,
Chairman, Special Committee on Aging,
U.S. Senate, Washington, DC.

DEAR SENATOR GRASSLEY: On behalf of the Health Industry Distributors Association (HIDA), I would like to applaud your support for the use of universal product number (UPNs) on Medical billings. HIDA is the national trade association of home care companies and medical products distribution firms. Created in 1902, HIDA represents over 600 companies with appropriately 2500 locations nationwide. HIDA Members provide value-added distribution services to virtually every hospital, physician's office, nursing facility, clinic, and other health care cities across the country, as well as to a growing number of home care patients.

HIDA has long supported the use of UPN's for medical products and supplies. UPNs provide a standard format for identifying each individual product. UPNs are a major enabling factor in the health industry's efforts to minimize fraudulent billings and automate the distribution process. The Department of Defense (DOD) has taken a leadership position in promoting the implementation of the industry standards of UPNs. As a part of their decision to use commercial medical products distributors, the DOD has mandated the use UPNs for all medical/surgical products delivered to DOD facilities.

HIDA believes that the Medicare Program could benefit greatly from the use of UPNs. By cross-referencing each UPN with the HCFA Common Procedure Coding System (HCPCS) and requiring the UPN on each claim for durable medical equipment, prosthetics, orthotics and supplies (DMEPOS), Medicare's ability to track utilization and combat fraud and abuse would be greatly enhanced. By using UPNs, the Medicare system would be able to correctly identify product utilization. As UPNs provide a unique, unambiguous means of identifying each item of DMEPOS on the market, Medicare would have a record of the exact product used by the beneficiary. Trends in product utilization and claims for "suspicious" items would be easily identifiable. HCPCS alone can not provide this information as many products of varying quality and cost are included in a single code.

In addition, problems with "upcoding" could be greatly reduced through the implementation of UPNs. Upcoding occurs when a beneficiary receives a product of lesser cost/quality than the HCPCS billed to Medicare. UPNs would correctly identify the specific item of DMEPOS, thereby making it impossible to misrepresent the cost and quality of the item. Importantly, by addressing the problem of upcoding, the Medicare Program would take great steps in assuring that beneficiaries receive the exact items of DMEPOS that they were intended to receive.

HIDA firmly believes that the Medicare Program and DMEPOS industry would benefit greatly from the use of UPNs. This standard would not only increase Medicare's understanding of what it pays for, but also assist in the effective administration of the Program. If HIDA can provide any further information or be of any assistance, please contact Ms. Erin H. Bush, Associate Director of Government Relations at (703) 838-6110.

Again, thank you for your interest in this important matter.

Sincerely,

CARA C. BACHENHEIMER,
Executive Director, Home Care and Long Term Care Market Groups.

NATIONAL ASSOCIATION FOR
MEDICAL EQUIPMENT SERVICES,
Alexandria, VA, November 3, 1997.

Hon. CHARLES GRASSLEY,
U.S. Senate, Special Committee on Aging.

Hon. JOHN BREAUX,
U.S. Senate, Special Committee on Aging.

DEAR SENATORS GRASSLEY AND BREAUX: The National Association for Medical Equipment Services appreciates your October 27 letter requesting comment on your draft bill concerning use of uniform product number on home medical equipment. On behalf of our 1,200 member companies, NAMES is pleased to endorse this bill. We look forward to working with you as it proceeds through the legislative process. And, once enacted, we would hope the Administration would work with the industry to implement this law appropriately.

Sincerely,

WILLIAM D. COUGHLAN, CAE,
President and Chief Executive Officer.

By Mr. McCAIN (for himself and Mr. LEVIN):

S. 1364. A bill to eliminate unnecessary and wasteful Federal reports; to the Committee on Governmental Affairs.

THE FEDERAL REPORTS ELIMINATION ACT OF 1997

Mr. McCAIN. Mr. President, I am pleased to rise today to introduce legislation that would eliminate approximately 150 unnecessary reports that have been mandated by the Congress. All of these reports have been judged as unnecessary, wasteful, or redundant by each of the Federal agencies which have been required to produce them. I am also pleased to have the considerable assistance of the coauthor of this legislation, Senator LEVIN.

This proposal is intended to combat the growing problem of the thousands of mandatory reports that Congress has been imposing upon the executive branch over the last decade. Each year, Members of Congress continue to burden the executive branch agencies by mandating numerous reports. The price for the wasteful reports is extraordinarily high. Not only do they cost American taxpayers hundreds of millions of dollars each year, but they exhaust the often limited resources of the Federal agencies which have to meet these reporting requirements. Furthermore, the thousands of Federal employees who must work for months on these unnecessary reports could focus their energies to work on far more worthy ventures on behalf of taxpayers. They are a dubious use of taxpayers dollars and Government productivity.

Senator LEVIN and I began working on various aspects of eliminating and sunsetting unnecessary Federal reports in 1993. We have both been long concerned about the vast amounts of public funds and valuable government personnel resources that are being wasted. Let me state just one instructive example of how reporting mandates drain public funds and departmental resources. The Department of Agriculture alone spent over $40 million in taxpayers money in 1993 to produce the 280 reports it was required to submit to the Congress that year. While many of these reports may provide vital information to the Congress and the public, it is undeniable that many others can and should be repealed in order to save taxpayer dollars and staff time. This is true for virtually every agency of the Federal Government.

In 1995, Senator LEVIN and I were able to successfully eliminate approximately 200 reports, and sunset several hundred others. However, since that time, the administration has highlighted 450 additional reports that they would like repealed. Here are a few examples of the type of reports I am talking about. Each year, the following are required to be sent to the Congress from Federal agencies: Report on the Elimination of Notice to Congress Regarding Waiver of Requirement for Use of Vegetable Ink in Lithographic Printing; Report on Canadian Acid Rain Control Program; and Report on Metal Casting Research and Development Activities.

I have asked OMB to calculate the total amount of public funds we would save if the unnecessary or redundant reporting requirements contained in this legislation are repealed, and I will provide my colleagues with their response. Considering that we currently have over a $5 trillion dollar Federal deficit, Mr. President, I'm sure that you would agree that our citizens would not support this egregious expenditure of hundreds of useless reports each and every year.

It is important to note that this reporting mandate problem continues to grow with each passing year. GAO determined several years ago that "Congress imposes about 300 new requirements on Federal agencies each year." Prompt Senate action to authorize the elimination of wasteful reports in this proposal will be an important service to our constituents and these agencies. The staffing burdens and paper shuffling these outdated reporting mandates cause are of little real value to the important work of government. We should lighten the load of both overburdened taxpayers and the agencies involved by ending them now.

I would again like to thank Senator LEVIN for his hard work and dedication on this issue over the past few years. Furthermore, I must acknowledge the administration for its earnest support of this effort. Additionally, the proposed terminations were carefully reviewed and then approved by each respective committee chairman and ranking member. These reports represent the flagrant waste of taxpayers dollars and Government productivity.

It is clear that this bipartisan effort will put an end to a significant part of the unnecessary cycle of waste and misspent resources that these reports represent. The adoption of this legislation would be a strong contribution toward downsizing Government as the American people have repeatedly called upon us to do. I urge my colleagues to support this legislation and remove the millstone of unnecessary and costly paperwork that Congress has hung around the neck of the Federal Government for too long.

Mr. LEVIN. Mr. President, I am pleased to join Senator McCAIN in introducing the Federal Reports Elimination Act of 1997, which will eliminate or modify 187 outdated or unnecessary congressionally mandated reporting requirements. This legislation will reduce unnecessary paperwork generated, and staff time spent, in producing reports to Congress that are no longer relevant or useful.

Senator McCAIN and I introduced and got enacted similar legislation in 1995, Public Law 104–66, the Federal Reports Elimination and Sunset Act of 1995. In that legislation we eliminated or modified 207 congressionally mandated reporting requirements and placed a 4-year sunset on all other reports that were required to be made on an annual or otherwise regular basis. We also required in that legislation that the President include in the first annual budget submitted after the date of enactment of the Federal Reports Elimination and Sunset Act of 1995 a list of the congressionally mandated reports that he has determined to be unnecessary or wasteful. The President provided a list of nearly 400 reports in the fiscal year 1997 budget along with comments on why the agencies involved felt the reporting requirements should be eliminated or modified. In many instances, the administration states, the reports are obsolete or contain duplicate information already conveyed to Congress in another report or publication.

For example, one report that is required of the Department of Agriculture asks the agency to provide to Congress a list of the advisory committee members, principal place of residence, persons or companies by whom they are employed, and other major sources of income. This information may be useful at the agency level, but is not significant to Congress. The administration's recommendation for elimination of this report stated that the "preparation of this report is time consuming and may not be of particular interest to Congress. If the requirement for an annual report is deleted, the information contained in the report would still be available upon request."

Another example of unnecessary reporting is the requirement to provide reports for programs that have never been funded. The Department of Energy was asked to provide a biennial update to the National Advanced Materials Initiative Five-Year Program Plan in support of the Energy Policy Act of 1992, for which funds were never provided. The Department of Justice never received funding for a program that required the submission of a report to the Judiciary Committee on the security of State and local immigration and naturalization documents and any improvements that occurred as a result of the Immigration Nursing Relief Act of 1989. The Department of Transportation has never received funding for a requirement to study the effects of climatic conditions on the costs of highway construction and maintenance. The National Advisory Commission on Resource Conservation and Recovery for the Environmental Protection Agency is tasked with providing an interim report of its activities. This Commission was established and commissioned in 1981 and has never met nor received funding for its activities.

The Vice President's National Performance Review estimated that Congress requires executive branch agencies to prepare more than 5,300 reports each year. That number has increased dramatically from only 750 such reports required by Congress in 1970. The GAO reports that Congress imposes close to 300 new requirements on Federal agencies each year.

And preparation of these reports costs money. The Department of Agriculture estimated in 1993 that it spent more than $40 million in preparing 280 mandated reports.

In developing this bill, Senator McCAIN and I wrote to the chairmen and ranking members of the relevant Senate committees and asked them to review the list of reports, under their jurisdiction, that the administration identified as no longer necessary or useful and, therefore, ready for elimination or modification. We wanted to be sure that the committees of jurisdiction concurred with the administration in their assessment of the lack of need for these reports. Many of the committees responded to the request. Those responses were generally supportive and some contained only a few changes to the administration's recommendations. Some committees identified reports under their jurisdiction which they wanted to retain because the information contained in the report is still of use to the committee. Those suggestions were incorporated into the bill so that the bill reflects only those reports for which there is general agreement about elimination or modification.

Senator McCAIN and I are introducing this bipartisan legislation to reduce the paperwork burdens placed on Federal agencies, streamline the information that flows from these agencies to Congress, and ultimately save millions of taxpayer dollars. I hope we can act quickly on this legislation.

By Ms. MIKULSKI:

S. 1365. A bill to amend title II of the Social Security Act to provide that the reductions in social security benefits which are required in the case of spouses and surviving spouses who are also receiving certain Government pensions shall be equal to the amount by which two-thirds of the total amount of the combined monthly benefit (before reduction) and monthly pension exceeds $1,200, adjusted for inflation; to the Committee on Finance.

THE GOVERNMENT PENSION OFFSET MODIFICATION ACT OF 1997

Ms. MIKULSKI. Mr. President, I rise to talk about an issue that is very important to me, very important to my constituents in Maryland, and very important to government workers and retirees across the Nation.

Today, I am introducing a bill to modify a harsh and heartless rule of government that is unfair and prevents current workers from enjoying the benefits of their hard work in their retirement. I want the middle class of this Nation to know that if you worked hard to become middle class you should stay middle class when you retire.

Under current law, there is something called the pension offset law. This is a harsh and unfair policy. Let me tell you why.

If you are a retired government worker, and you qualify for a spousal Social Security benefit based on your spouse's employment record, you may not receive what you qualify for. Because the pension offset law reduces or entirely eliminates a Social Security spousal benefit when the surviving spouse is eligible for a pension from a local, state, or federal government job that was not covered by Social Security.

This policy only applies to government workers, not private sector workers. Let me give you an example of two women, Helen and her sister Phyllis.

Helen is a retired Social Security benefits counselor who lives in Woodlawn, MD. Helen currently earns $600 a month from her Federal Government pension. She's also entitled to a $645 a month spousal benefit from Social Security based on her deceased husband's hard work as an auto mechanic. That's a combined monthly benefit of $1,245.

Phyllis is a retired bank teller also in Woodlawn, MD. She currently earns a pension of $600 a month from the bank. Like Helen, Phyllis is also entitled to a $645 a month spousal benefit from Social Security based on her husband's employment. He was an auto mechanic, too. In fact, he worked at the same shop as Helen's husband.

So, Phyllis is entitled to a total of $1,245 a month, the same as Helen. But, because of the pension offset law, Helen's spousal benefit is reduced by two-thirds of her government pension, or $400. So instead of $1,245 per month, she will only receive $845 per month.

This reduction in benefits only happens to Helen because she worked for the government. Phyllis will receive her full benefits because her pension is a private sector pension. I don't think that's right, and that's why I'm introducing this legislation.

The crucial thing about the Mikulski modification is that it guarantees a minimum benefit of $1,200. So, with the Mikulski modification to the pension offset, Helen is guaranteed at least $1,200 per month.

Let me tell you how it works. Helen's spousal benefit will be reduced only by two-thirds of the amount her combined monthly benefit exceeds $1,200. In her case, the amount of the offset would be two thirds of $45, or $30. That's a big difference from $400, and I think people like our Federal workers, teachers, and our firefighters deserve that big difference.

Why should earning a government pension penalize the surviving spouse? If a deceased spouse had a job covered by Social Security and paid into the Social Security system. That spouse expected his earned Social Security benefits would be there for his surviving spouse.

Most working men believe this and many working women are counting on their spousal benefits. But because of this harsh and heartless policy the spousal benefits will not be there, your spouse will not benefit from your hard work, and, chances are, you won't find out about it until your loved one is gone and you really need the money.

The Mikulski modification guarantees that the spouse will at least receive $1,200 in combined benefits. That Helen will receive the same amount as Phyllis.

I'm introducing this legislation, because these survivors deserve better than the reduced monthly benefits that the pension offset currently allows. They deserve to be rewarded for their hard work, not penalized for it.

Many workers affected by this offset policy are women, or clerical workers and bus drivers who are currently working and looking forward to a deserved retirement. These are people who worked hard as Federal employees, school teachers, or firefighters.

Frankly, I would repeal this policy all together. But, I realize that budget considerations make that unlikely. As a compromise, I hope we can agree that retirees who work hard should not have this offset applied until their combined monthly benefit exceeds $1,200.

In the few cases where retirees might have their benefits reduced by this policy change, my legislation will calculate their pension offset by the current method. I also have a provision in this legislation to index the minimum amount of $1,200 to inflation so retirees will see their minimum benefits increase as the cost of living increases.

I believe that people who work hard and play by the rules should not be penalized by arcane, legislative technicalities. That's why I'm introducing this bill today.

Representative WILLIAM JEFFERSON of Louisiana has introduced similar legislation in the House. I look forward to working with him to modify the harsh pension offset rule.

If the Federal Government is going to force government workers and retirees in Maryland and across the country to give up a portion of their spousal benefits, the retirees should at least receive a fair portion of their benefits.

I want to urge my Senate colleagues to join me in this effort and support my legislation to modify the Government pension offset.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1365

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LIMITATION ON REDUCTIONS IN BENEFITS FOR SPOUSES AND SURVIVING SPOUSES RECEIVING GOVERNMENT PENSIONS.

(a) WIFE'S INSURANCE BENEFITS.—Section 202(b)(4)(A) of the Social Security Act (42 U.S.C. 402(b)(4)(A)) is amended—

(1) by inserting "the amount (if any) by which the sum of such benefit (before reduction under this paragraph) and" after "two-thirds"; and

(2) by inserting "exceeds the amount described in subsection (z) for such month," before "if".

(b) HUSBAND'S INSURANCE BENEFITS.—Section 202(c)(2)(A) of such Act (42 U.S.C. 402(c)(2)(A)) is amended—

(1) by inserting "the amount (if any) by which the sum of such benefit (before reduction under this paragraph) and" after "two-thirds of"; and

(2) by inserting "exceeds the amount described in subsection (z) for such month," before "if".

(c) WIDOW'S INSURANCE BENEFITS.—Section 202(e)(7)(A) of such Act (42 U.S.C. 402(e)(7)(A)) is amended—

(1) by inserting "the amount (if any) by which the sum of such benefit (before reduction under this paragraph) and" after "two-thirds of"; and

(2) by inserting "exceeds the amount described in subsection (z) for such month," before "if".

(d) WIDOWER'S INSURANCE BENEFITS.—Section 202(f)(2)(A) of such Act (42 U.S.C. 402(f)(2)(A)) is amended—

(1) by inserting "the amount (if any) by which the sum of such benefit (before reduction under this paragraph) and" after "two-thirds of"; and

(2) by inserting "exceeds the amount described in subsection (z) for such month," before "if".

(e) MOTHER'S AND FATHER'S INSURANCE BENEFITS.—Section 202(g)(4)(A) of such Act (42 U.S.C. 402(g)(4)(A)) is amended—

(1) by inserting "the amount (if any) by which the sum of such benefit (before reduction under this paragraph) and" after "two-thirds of"; and

(2) by inserting "exceeds the amount described in subsection (z) for such month," before "if".

(f) AMOUNT DESCRIBED.—Section 202 of such Act (42 U.S.C. 402) is amended by adding at the end the following:

"(z) The amount described in this subsection is, for months in each 12-month period beginning in December of 1997, and each succeeding calendar year, the greater of—

"(1) $1200; or

"(2) the amount applicable for months in the preceding 12-month period, increased by the cost-of-living adjustment for such period determined for an annuity under section 8340 of title 5, United States Code (without regard to any other provision of law).".

(g) LIMITATIONS ON REDUCTIONS IN BENEFITS.—Section 202 of such Act (42 U.S.C. 402), as amended by subsection (f), is amended by adding at the end the following:

"(aa) For any month after December 1997, in no event shall an individual receive a reduction in a benefit under subsection (b)(4)(A), (c)(2)(A), (e)(7)(A), (f)(2)(A), or (g)(4)(A) for the month that is more than the reduction in such benefit that would have applied for such month under such subsections as in effect on December 1, 1997.".

SEC. 2. EFFECTIVE DATE.

The amendments made by section 1 shall apply with respect to monthly insurance benefits payable under title II of the Social Security Act for months after December 1997.

By Mr. KERREY (for himself and Mr. CONRAD):

S. 1366. A bill to amend the Internal Revenue Code of 1986 to eliminate the 10 percent floor for deductible disaster losses; to the Committee on Finance.

DISASTER RELIEF LEGISLATION

Mr. KERREY. Mr. President, under current law, personal property damage is tax-deductible only to the extent that each loss is more than $100 and the total losses exceed 10 percent of income. Today, I am introducing legislation which would eliminate the 10-percent test for unreimbursed casualty losses resulting from a Presidentially declared disaster that occurs in 1997.

Just over a week ago, Nebraska was hit by a massive winter storm that dumped up to 20 inches of snow and 2½ inches of rain on our State unusually early in the season. As a result, Nebraskans have suffered massive damages, the extent of which we are only beginning to discover as the process of digging out begins. More than 175,000 lost electrical power, and many of them are still waiting for it to be restored. Thousands still lack phone service. About 85 percent of trees—still heavy with fall leaves—were damaged in Omaha alone.

Mr. President, changing this tax law won't shovel the snow, or restore all the phone and electrical service. But for the homeowner whose property was damaged by felled trees, or thousands of other Nebraskans who suffered losses in this storm, allowing them to deduct the full amount of those losses will provide a little breathing room as the long process of digging out—and rebuilding—begins. I hope we act on it soon.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1366

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELIMINATION OF 10 PERCENT FLOOR FOR DEDUCTIBLE DISASTER LOSSES.

(a) GENERAL RULE.—Section 165(h)(2)(A) of the Internal Revenue Code of 1986 (relating to net casualty loss allowed only to the extent it exceeds 10 percent of adjusted gross income) is amended by striking clauses (i) and (ii) and inserting the following new clauses:

"(i) the amount of the personal casualty gains for the taxable year,

"(ii) the amount of the federally declared disaster losses for the taxable year (or, if lesser, the net casualty loss), plus

"(iii) the portion of the net casualty loss which is not deductible under clause (ii) but only to the extent such portion exceeds 10 percent of the adjusted gross income of the individual.

For purposes of the preceding sentence, the term 'net casualty loss' means the excess of personal casualty losses for the taxable year over personal casualty gains.".

(b) FEDERALLY DECLARED DISASTER LOSS DEFINED.—Section 165(h)(3) of such Code (defining personal casualty gain and personal casualty loss) is amended—

(1) by adding at the end the following new subparagraph:

"(C) FEDERALLY DECLARED DISASTER LOSS.—

"(i) IN GENERAL.—The term 'federally declared disaster loss' means any personal casualty loss attributable to a disaster occurring during 1997 in an area subsequently determined by the President of the United States to warrant assistance by the Federal Government under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

"(ii) DOLLAR LIMITATION.—Such term shall not include personal casualty losses to the extent such losses exceed $10,000 for the taxable year.", and

(2) by striking "OF PERSONAL CASUALTY GAIN AND PERSONAL CASUALTY LOSS" in the heading.

(c) CONFORMING AMENDMENT.—The heading for section 165(h)(2) of such Code is amended by striking "NET CASUALTY LOSS" and inserting "NET NONDISASTER CASUALTY LOSS".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to losses attributable to disasters occurring after December 31, 1996, including for purposes of determining the portion of such losses allowable in taxable years ending before such date pursuant to an election under section 165(i) of the Internal Revenue Code of 1986.

By Mrs. HUTCHISON:

S. 1367. A bill to amend the act that authorized the Canadian River reclamation project, Texas to direct the Secretary of the Interior to allow use of the project distribution system to transport water from sources other than the project; to the Committee on Energy and Natural Resources.

THE CANADIAN RIVER MUNICIPAL WATER AUTHORITY ACT OF 1997

Mrs. HUTCHISON. Mr. President, today I am introducing legislation that would enable the Canadian River Municipal Water Authority in Texas to use the Canadian River Project's water distribution system to transport water from sources other than those envisioned when the project was conceived nearly 50 years ago.

The Canadian River Municipal Water Authority is a State agency which supplies water to over 500,000 citizens in 11 cities on the Texas high plains, including Lubbock and Amarillo. The water authority was created by the Texas Legislature which authorized it to contract with the Federal Government under Federal reclamation laws to build and develop the Canadian River Project, also known as Lake Meredith. While the operation and maintenance responsibilities of the project were transferred to the water authority, the Bureau of Reclamation retained the title and ownership of the project.

The quality and supply of water from the Canadian River Project has not met the expectations of either the Bureau of Reclamation or the residents of the Texas high plains. Not only is their insufficient water to provide adequately for the needs of the communities Lake Meredith serves, but the water has high levels of salt.

The Canadian River Municipal Water Authority has proposed to supplement the water in Lake Meredith with better quality groundwater from nearby aquifers. While this will not require any Federal funding, the Bureau of Reclamation has ill-conceived guidelines precluding nonproject water from flowing through their reservoirs or distribution systems.

The legislation I am introducing today would allow the use of the Canadian River Project water distribution system to transport better quality water from the nearby aquifers which are outside the originally defined project scope. An environmental review, as required by law, would be conducted and completed within 90 days of enactment of this legislation. Congressman MAC THORNBERRY has introduced similar legislation in the House of Representatives.

The citizens of the Texas Panhandle have long suffered from insufficient water and poor water quality. The Bureau of Reclamation has worked with the water authority to develop a solution to the high salt content in the water. Local officials believe that one solution is to simply dilute the poor quality water with better quality water from the nearby aquifers.

I urge my colleagues to pass this legislation quickly to meet the long-term water needs of many Texas Panhandle residents.

By Mr. LEAHY (for himself and Mr. KENNEDY):

S. 1368. A bill to provide individuals with access to health information of which they are the subject, ensure personal privacy with respect to personal medical records and health care-related information, impose criminal and civil penalties for unauthorized use of personal health information, and to provide for the strong enforcement of these rights; to the Committee on Labor and Human Resources.

THE MEDICAL RECORDS PRIVACY ACT OF 1997

Mr. LEAHY. Mr. President, the time has come for Congress to enact a strong and effective federal law to protect the privacy of medical records.

To address this need, today, Senator KENNEDY and I are introducing the Medical Information Privacy and Security Act (MIPSA).

Americans strongly believe that their personal, private medical records should be kept private. The time-honored ethics of the medical profession also reflect this principle. The physicians' oath of Hippocrates requires that medical information be kept "as sacred as secrets."

A guiding principle in drafting this legislation is that the movement to more a integrated system of health care in our country will only continue to be supported by the American people if they are assured that the personal privacy of their health care information is protected. In fact, without the confidence that one's personal privacy will be protected, many will be discouraged from seeking medical help.

I am encouraged that a variety of public policy and health professional organizations, across the political spectrum, are signaling their intentions to step forward to join forces with consumers during this debate.

For the American public, and for the Congress, this debate boils down to a fundamental question: Who controls our medical records, and how freely can others use them?

Many of us in this chamber quickly criticized the Social Security Administration and the IRS regarding the security of computer records. We blasted the IRS for allowing employees to randomly scan through our personal financial records.

If we are concerned about IRS employees looking at our tax records, should we not be concerned about the millions of employers, insurers, pharmaceutical companies, government agencies and others who have nearly unfettered access to the personal medical records of more than 250 million Americans?

All of us are health care consumers—every individual and every American family. As Congress works toward answering this question, the privacy interests of the American public will be at odds with powerful economic interests and with the penchant for large organizations and complex systems to control this kind of personal information. Well-funded and sharply focused special interests often win in a match-up like this.

Senator Bob Dole, the former majority leader of the Senate, put his finger on this problem when he observed that a "compromise of privacy" that sends information about health and treatment to a national data bank without a person's approval would be something that none of us would accept.

Unfortunately, this nightmare that Senator Dole envisioned is being brought to life by provisions insisted upon by the House in last year's health insurance portability bill that requires, a system of health care information exchanges by computers and through computer clearinghouses and data networks.

We are now confronted with the fact that the computerization of health care record provisions are going into effect in the next few months but we are still contemplating the delay of promulgating privacy protection until August of 1999, unless Congress acts sooner.

The Information Age opens the door to endless new possibilities and has empowered individuals with marvelous new tools and freedoms. But technology is our servant; we should not let it become our master. Unless we are vigilant, the Information Age can overwhelm our privacy rights before we even know it has happened.

I do not want advancing technology to lead to a loss of personal privacy and do not want the fear that confidentiality is being compromised to deter people from seeking medical treatment or stifle technological or scientific development.

The outlines of the challenge we face in stemming the erosion of medical privacy are already clear. Insurance companies have set up their Medical Information Bureau (MIB) which stores personal medical information on millions of Americans. M.I.B. may have personal information on all of us in Congress and our families.

Managed care companies, HMOs, drug companies, and hospitals are spending up to $15 billion a year on information technology to acquire and exchange vast amounts of medical information about Americans.

While this in and of itself may not be the issue—the question is how and why is it being collected and for what specific use is this information being used and do individuals know about this? Patients should be advised about the existence of data bases in which medical information concerning the patients is stored.

This information can be very useful for quality assurance, and to provide more cost effective health care. But I am not certain that the American public would agree with a recent Fortune magazine article which lauded a health insurer that poked through the individual medical records of clients to figure out who may be depressed and could benefit from the use of the anti-depressant Prozac. Are we now encouraging replacing sound clinical judgment of doctors with health insurance clerks who look at records to determine whether you are not really suffering from a physical illness, but a mental illness?

Contrary to some, I believe that computerization can assure more privacy to individuals than the current system if my legislation is enacted. But if we do not act, the increased potential for embarrassment and harassment is tremendous.

There are many more stories which highlight the problems that are out there due with the lack of privacy and security of individuals medical records, unfortunately so many other breaches of privacy are more subtle.

Singer Tammy Wynette entered the hospital in 1995 for a bile duct problem. She used a pseudonym, but a hospital staff member broke into her computerized medical records and sold the information to the press, supposedly for thousands of dollars. The sensational National Enquirer then erroneously reported that Wynette was near death and in need of a liver transplant.

A current Member of Congress had her medical records faxed to the New York Post on the eve of her primary. In 1994, she offered eloquent testimony before Congress detailing her ordeal.

In another example, an insurance agent advised a couple that they would be denied coverage for any more pregnancies since they had a 25 percent chance that their children would have a fatal disease.

In Florida, a state public health worker improperly brought home a computer disk with the names of 4,000 HIV positive patients. The disks were then sent to two Florida newspapers.

Medical privacy issues in today's world also take on international implications. Canada and the nations of Europe are taking concrete steps to protect the confidentiality of computerized medical records.

Our nation lags so far behind others in its protection of medical records that companies in Europe may not be allowed to send medical information to the United States electronically. European countries—through an EU privacy directive—are ensuring that private medical records are kept private. The EU prohibits the transfer of personal information from Europe to the U.S. if the EU finds U.S. privacy law inadequate. The implications for U.S. trade are staggering.

The legislation we are introducing today addresses the issues I have outlined to close the existing gaps in federal privacy law to cover personally identifiable health information.

MIPSA is broad in scope—it applies to medical records in whatever form—paper or electronic. It applies to each release of medical information—including re-releases. It comprehensively covers entities other than just health care providers and payers, such as life insurance companies, employers and marketers and others that may have access to sensitive personal health data.

It establishes a clear and enforceable right of privacy with respect all personally identifiable medical information including information regarding the results of genetic tests.

It gives individuals the right to inspect, copy and supplement their protected health information. Today, only 28 states grant this right.

It allows individuals to segregate portions of their medical records, such as mental health records, from broad viewing by individuals who are not directly involved in their care.

It gives individuals a civil right of action against anyone who misuses their personally identifiable health information. It establishes criminal and civil penalties that can be invoked if individually identifiable health information is knowingly or negligently misused.

It sets up a national office of health information privacy to aid consumers in learning about their rights and how they may seek recourse for violations of their rights.

It creates a set of rules and norms to govern the disclosure of personal health information and narrows the sharing of personal details within the health care system to the minimum necessary to provide care, allow for payment and to facilitate effective oversight. Special attention is paid to situations such as emergency medical care and public health requirements.

We have tried to accommodate legitimate oversight concerns so that we do not create unnecessary impediments to health care fraud investigations. Effective health care oversight is essential if our health care system is to function and fulfill its intended goals. Otherwise, we risk establishing a publicly-sanctioned playground for the unscrupulous. Health care is too important a public investment to be the subject of undetected fraud or abuse.

MIPSA also extends to all research facilities using personally identifiable information the current requirements met by federally funded researchers. I am troubled that research is viewed by some as an area where privacy rights should be sacrificed and consent not required for use of individually identifiable health information. If there are to be any exceptions in a federal medical privacy law for research using personally identifiable health information, the Congress and the American people need to understand better why this may be necessary. To address this concern our bill mandates an evaluation of the waiver of informed consent that is allowed under current regulations.

It does not preempt state laws that are more protective of privacy. This is consistent with all other federal civil rights and privacy laws.

It prohibits law enforcement agents from searching through medical records without a warrant. It does not limit law enforcement agents to gain information while in hot pursuit of a suspect.

I know that these are important matters about which many of us feel very strongly. It is never easy to legislate about privacy.

I invite other Members of Congress, federal agencies and outside interest groups to examine the legislation we have introduced today. This bill is a work in progress and we welcome any comments or suggestions to make improvements to this legislation.

I am pleased that my colleague from Vermont, the Chairman of the Labor and Human Resources Committee, Senator JEFFORDS, has already held two hearings this year on the issue of medical privacy. The clock, however, is ticking and other Members of Congress need to join us to move forward to pass strong and workable medical privacy legislation.

As policy makers, we must remember that the right to privacy is one of our most cherished freedoms—it is the right to be left alone and to choose what we will reveal of ourselves and what we will keep from others. Privacy is not a partisan issue and should not be made a political issue. It is too important.

By Mr. DODD:

S. 1369. A bill to provide truancy prevention and reduction, and for other purposes; to the Committee on Labor and Human Resources.

THE PREVENTION OF TRUANCY ACT OF 1997

Mr. DODD. Mr. President, I rise today to introduce legislation that would help our communities respond to an increasingly serious problem in our country: truancy. Truancy is a dangerous and growing trend in our nation's schools. It not only prevents our children from receiving the education they need, but it is often the first warning of more serious problems to come. Truant students are at greater risk of falling into substance abuse, gangs, and violent behavior. Truancy is a gateway into all of these activities.

In the past ten years, truancy has increased by 67 percent. In 1994, courts formally processed 36,400 truancy cases. And in some inner city schools, absentee rates approach 50 percent. Fortunately, truancy is a solvable problem. Many communities have begun to set up early intervention programs—to reach out and prevent truancy before it leads to delinquency and criminal behavior. These programs are showing signs of success, as several towns have reported drops in daytime burglary rates of as much as 75 percent after instituting truancy prevention initiatives.

Unfortunately, implementing these programs has been a challenge. Truancy is considered an educational rather than a criminal issue, and, with growing classroom enrollments, many financially-strapped schools don't have the resources to adequately address this problem.

Today, I am introducing "The Prevention of Truancy [PTA] Act of 1997" whose goal is to promote anti-truancy partnerships between schools, parents, law enforcement agencies, and social service and youth organizations. This bill would provide $80 million in grant funding for the purpose of developing, implementing, or operating partnerships for the prevention and reduction of truancy. The partnerships would be administered by the Department of Education.

All of the partnership programs would be required to sanction students engaging in truancy, as well as provide incentives for parents to take responsibility for their children. These programs would also be evaluated for their effectiveness in preventing truancy, increasing school attendance, and reducing juvenile crime.

Truancy prevention programs produce long-term savings. By some estimates, truants cost this nation more than $240 billion in lost earnings and foregone taxes over their lifetimes. And billions more are spent on law enforcement, prisons, welfare, health care, and other social services for these individuals. Imagine what we could do with this money if we could keep our kids in school? Imagine how bright their futures could be? I hope my legislation will help communities build successful programs to prevent and reduce truancy so that one day we will realize these concrete savings and admire the accomplishments of the youth who benefitted from these programs.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1369

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Prevention of Truancy Act of 1997".

SEC. 2. FINDINGS.

Congress finds that—

(1) in 1994, courts in the United States formally processed 36,400 truancy cases, representing a 35 percent increase since 1990, and a 67 percent increase since 1985, in the formal processing of truancy cases;

(2) in 1993, among individuals aged 16 through 24, approximately 3,400,000,000 (11 percent of all individuals in this age group) had not completed high school and were not enrolled in school;

(3) the economic and social costs of providing for the increasing population of youth who are at risk of leaving or who have left the educational mainstream are an enormous drain on the resources of Federal, State, and local governments and the private sector;

(4) truancy is the first indicator that a young person is giving up and losing his or her way;

(5) students who become truant and eventually drop out of school put themselves at a long-term disadvantage in becoming productive citizens;

(6) high school drop-outs are two and one-half times more likely to be on welfare than high school graduates;

(7) high school drop-outs are almost twice as likely to be unemployed as high school graduates;

(8) in 1993, 17 percent of youth under age 18 who entered adult prisons had not completed grade school, one-fourth of such youth had completed 10th grade, and 2 percent of such youth had a high school diploma or its recognized equivalent;

(9) truancy contributes to increased use of the foster care and court systems;

(10) truancy is a gateway to crime, and high rates of truancy are linked to high daytime burglary rates and high vandalism rates;

(11) communities that have instituted truancy prevention programs have seen daytime burglary rates decline by as much as 75 percent; and

(12) truancy prevention and reduction programs result in significant increases in school attendance.

SEC. 3. GOALS.

The goals of this Act are to prevent and reduce truancy.

SEC. 4. DEFINITIONS.

In this Act:

(1) ELEMENTARY SCHOOL; SECONDARY SCHOOL.—The terms "elementary school" and "secondary school" have the meanings given the terms in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

(2) PARENT.—The term "parent" means the biological parent, adoptive parent, or legal guardian, of a child.

(3) SECRETARY.—The term "Secretary" means the Secretary of Education.

SEC. 5. ESTABLISHMENT OF TRUANCY PREVENTION AND CRIME CONTROL DEMONSTRATION PROJECTS.

(a) DEMONSTRATIONS AUTHORIZED.—The Secretary shall make grants to partnerships consisting of an elementary school or secondary school, a local law enforcement agency, and a social service and youth serving organization, for the purpose of developing, implementing, or operating projects for the prevention or reduction of truancy.

(b) USE OF FUNDS.—Grant funds under this section may be used for programs that prevent or reduce truancy, such as programs that use police officers or patrol officers to pick up truant students, return the students to school, or take the students to centers for assessment.

(c) APPLICATION AND SELECTION.—Each partnership desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each such application shall—

(1) contain a description of the proposed truancy prevention or reduction project to

be established or improved with funds provided under this Act;

(2) specify the methods to be used to involve parents in truancy prevention or reduction activities;

(3) specify the types of sanctions that students will face for engaging in truant behavior;

(4) specify the incentives that will be used for parental responsibility;

(5) specify the types of initiatives, if any, that schools will develop to combat the underlying causes of truancy; and

(6) specify the linkages that will be made with local law enforcement agencies.

(d) SELECTION CRITERIA.—The Secretary shall give priority in awarding grants under this Act to partnerships—

(1) serving areas with concentrations of poverty, including urban and rural areas; and

(2) that meet any other criteria that the Secretary determines will contribute to the achievement of the goals of this Act.

SEC. 6. EVALUATIONS AND REPORTS.

(a) PROJECT EVALUATIONS.—

(1) IN GENERAL.—Each partnership receiving a grant under this section shall—

(A) provide for the evaluation of the project assisted under this Act, which evaluation shall meet such conditions and standards as the Secretary may require; and

(B) submit to the Secretary reports, at such times, in such formats, and containing such information, as the Secretary may require.

(2) REQUIRED INFORMATION.—A report submitted under subparagraph (1)(B) shall include information on and analysis of the effect of the project with respect to—

(A) prevention of or reduction in truancy;

(B) increased school attendance; and

(C) reduction in juvenile crime.

(b) REPORTS TO CONGRESS.—The Secretary, on the basis of the reports received under subsection (a), shall submit interim reports, and, not later than March 1, 2002, submit a final report, to Congress. Each report submitted under this subsection shall contain an assessment of the effectiveness of the projects assisted under this Act, and any recommendations for legislative action that the Secretary considers appropriate.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this Act—

(1) $80,000,000 for fiscal year 1998; and

(2) such sums as may be necessary for each of the fiscal years 1999, 2000, and 2001.

(b) AVAILABILITY.—Funds appropriated under subsection (a) shall remain available until expended.

ADDITIONAL COSPONSORS

S. 61

At the request of Mr. LOTT, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 61, a bill to amend title 46, United States Code, to extend eligibility for veterans' burial benefits, funeral benefits, and related benefits for veterans of certain service in the United States merchant marine during World War II.

S. 143

At the request of Mr. DASCHLE, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 143, a bill to amend the Public Health Service Act and Employee Retirement Income Security Act of 1974 to require that group and individual health insurance coverage and group health plans provide coverage for a minimum hospital stay for mastectomies and lymph node dissections performed for the treatment of breast cancer.

S. 512

At the request of Mr. KYL, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 512, a bill to amend chapter 47 of title 18, United States Code, relating to identity fraud, and for other purposes.

S. 766

At the request of Ms. SNOWE, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 766, a bill to require equitable coverage of prescription contraceptive drugs and devices, and contraceptive services under health plans.

S. 995

At the request of Mr. LAUTENBERG, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 995, a bill to amend title 18, United States Code, to prohibit certain interstate conduct relating to exotic animals.

S. 1067

At the request of Mr. KERRY, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 1067, a bill to prohibit United States military assistance and arms transfers to foreign governments that are undemocratic, do not adequately protect human rights, are engaged in acts of armed aggression, or are not fully participating in the United Nations Register of Conventional Arms.

S. 1081

At the request of Mr. LEAHY, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 1081, a bill to enhance the rights and protections for victims of crime.

S. 1102

At the request of Mr. CRAIG, the name of the Senator from Arizona [Mr. KYL] was added as a cosponsor of S. 1102, a bill to amend the general mining laws to provide a reasonable royalty from mineral activities on Federal lands, to specify reclamation requirements for mineral activities on Federal lands, to create a State program for the reclamation of abandoned hard rock mining sites on Federal lands, and for other purposes.

S. 1222

At the request of Mr. CHAFEE, the names of the Senator from New Jersey [Mr. TORRICELLI] and the Senator from California [Mrs. BOXER] were added as cosponsors of S. 1222, a bill to catalyze restoration of estuary habitat through more efficient financing of projects and enhanced coordination of Federal and non-Federal restoration programs, and for other purposes.

S. 1283

At the request of Mr. BUMPERS, the names of the Senator from Florida [Mr. GRAHAM] and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of S. 1283, a bill to award Congressional gold medals to Jean Brown Trickey, Carlotta Walls LaNier, Melba Patillo Beals, Terrence Roberts, Gloria Ray Karlmark, Thelma Mothershed Wair, Ernest Green, Elizabeth Eckford, and Jefferson Thomas, commonly referred collectively as the "Little Rock Nine" on the occasion of the 40th anniversary of the integration of the Central High School in Little Rock, Arkansas.

S. 1311

At the request of Mr. LOTT, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from Wyoming [Mr. ENZI], the Senator from Tennessee [Mr. THOMPSON], the Senator from New Hampshire [Mr. GREGG], the Senator from Texas [Mrs. HUTCHISON], and the Senator from Utah [Mr. HATCH] were added as cosponsors of S. 1311, a bill to impose certain sanctions on foreign persons who transfer items contributing to Iran's efforts to acquire, develop, or produce ballistic missiles.

S. 1350

At the request of Mr. LEAHY, the name of the Senator from Washington [Mrs. MURRAY] was added as a cosponsor of S. 1350, a bill to amend section 332 of the Communications Act of 1934 to preserve State and local authority to regulate the placement, construction, and modification of certain telecommunications facilites, and for other purposes.

SENATE CONCURRENT RESOLUTION 30

At the request of Mr. HELMS, the name of the Senator from Louisiana [Ms. LANDRIEU] was added as a cosponsor of Senate Concurrent Resolution 30, a concurrent resolution expressing the sense of the Congress that the Republic of China should be admitted to multilateral economic institutions, including the International Monetary Fund and the International Bank for Reconstruction and Development.

SENATE CONCURRENT RESOLUTION 60—RELATIVE TO MONGOLIA

Mr. MCCAIN (for himself and Mr. THOMAS) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 60

Whereas in 1990, Mongolia renounced the Communist form of government and peacefully adopted a series of changes that linked economic development with democratic political reforms;

Whereas the Mongolian people have held 2 presidential elections and 3 parliamentary elections since 1990, all featuring vigorous campaigns by candidates from multiple political parties;

Whereas these elections have been free from violence, voter intimidation, and ballot irregularities, and the peaceful transfer of power from one Mongolian government to another has been successfully completed, demonstrating Mongolia's commitment to peace, stability, and the rule of law;

Whereas every Mongolian government since the end of communism has dedicated itself to promoting and protecting individual freedoms, the rule of law, respect for human rights, freedom of the press, and the principle of self-government, thereby demonstrating that Mongolia is consolidating democratic gains and moving to institutionalize democratic processes;

Whereas Mongolia stands apart as one of the few countries in central and southeast Asia that is truly a fully functioning democracy;

Whereas the efforts of Mongolia to promote economic development through free market economic policies, while also promoting human rights and individual liberties, building democratic institutions, and protecting the environment, serve as a beacon to freethinking people throughout the region and the world;

Whereas the commitment of Mongolia to democracy makes it a critical element in efforts to foster and maintain regional stability throughout central and southeast Asia;

Whereas Mongolia has some of the most pristine environments in the world, which provide habitats to plant and animal species that have been lost elsewhere, and has shown a strong desire to protect its environment through the Biodiversity Conservation Action Plan while moving forward with economic development, thus service as a model for developing nations in the region and throughout the world;

Whereas Mongolia has demonstrated a strong commitment to the same ideals that the United States stands for as a nation, and has indicated a strong desire to deepen and strengthen its relationship with the United States;

Whereas the Mongolia Government has established civilian control of the military—a hallmark of democratic nations—and is now working with parliamentary and military leaders in Mongolia, through the United States International Military Education and Training program, to further develop oversight of the Mongolia military; and

Whereas Mongolia is seeking to develop political and military relationships with neighboring countries as a means of enhancing regional stability: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That—

(1) Congress—

(A) strongly supports efforts by the United States and Mongolia to use the resources of their respective countries to strengthen political, economic, educational, and cultural ties between the two countries;

(B) confirms the commitment of the United States to an independent, sovereign, secure, and democratic Mongolia;

(C) applauds and encourages Mongolia's simultaneous efforts to develop its democratic and free market institutions;

(D) supports future contacts between the United States and Mongolia in such a manner as will benefit the parliamentary, judicial, and political institutions of Mongolia, particularly through the creation of an interparliamentary exchange between Congress of the United States and the Mongolian parliament;

(E) supports the efforts of the Mongolia parliament to establish United States-Mongolia Friendship Day;

(F) encourages the efforts of Mongolia toward economic development that is compatible with environmental protection and supports an exchange of ideas and information with respect to such efforts between Mongolia and United States scientists;

(G) commends Mongolia for its foresight in environmental protection through the Biodiversity Conservation Action Plan and encourages Mongolia to obtain the goals illustrated in the plan; and

(H) commends the efforts of Mongolia to strengthen civilian control over the Mongolia military through parliamentary oversight and recommends that Mongolia be admitted into the Partnership for Peace initiative at the earliest opportunity; and

(2) it is the sense of Congress that the President—

(A) should, both through the vote of the United States in international financial institutions and in the administration of the bilateral assistance programs of the United States, support Mongolia in its efforts to expand economic opportunity through free market structures and policies;

(B) should assist Mongolia in its efforts to integrate itself into international economic structures, such as the World Trade Organization; and

(C) should promote efforts to increase commercial investment in Mongolia by United States businesses and should promote policies which will increase economic cooperation and development between the United States and Mongolia.

Mr. McCAIN. Mr. President, today I am submitting a concurrent resolution expressing the sense of Congress in support of efforts to foster friendship and cooperation between the United States and Mongolia. Passage of this resolution will signal American support of Mongolia's peaceful transition to a stable democracy and market economy. Senator THOMAS is an original cosponsor to this resolution.

There has been a stunning political transformation in Mongolia since it broke away from Communist rule in 1990. In the past 7 years, there have been two Presidential elections and three parliamentary elections. All of these have been open and democratic, and have not suffered from violence or fraud.

The most important aspect of these elections is that they have showed the triumph of democracy and democratic forces. In 1996, the Mongolian Social Democratic Party [MSDP] and Mongolian National Democratic Party [MNDP] formed a coalition with two smaller parties to promote a unified democratic front. The fruits of this decision soon came to bear when the unified coalition campaigned on a "Contract with the Mongolian Voter" and won 50 of the 76 seats in the 1996 Parliamentary elections. I am happy to say that the International Republican Institute played a major role in this victory by showing these parties how to mobilize their supporters and work toward victory. The Mongolian Peoples Revolutionary Party, the former Mongolian Communist Party, won a Presidential election this year, and the President-elect has made assurances, including to me personally in August, that he supports democracy.

This democratic transformation has established a firm human rights regime. The Mongolian Constitution allows freedom of speech, the press, and expression. Separation of church and state is recognized in this predominantly Buddhist nation as well as the right to worship or not worship. Full freedom of emigration is allowed, and Mongolia now is in full compliance with sections 402 and 409 of the Trade Act of 1974, also known as the Jackson-Vanik amendment. An independent judiciary has been established to protect these rights from any future violation.

Mongolia is also in the middle of an economic transformation. As part of the "Contract with the Mongolian Voter," the democratic coalition of the MNDP and MSDP ran on promises to establish private property rights and encourage foreign investment. The Mongolian Government is now steadily creating a market economy. A program has been set up to allow residents of Government-owned high rise apartments to acquire ownership of their residences. Mongolia joined the World Trade Organization in January this year, and in May the Parliament eliminated all tariffs, except on personal automobiles, alcoholic beverages, and tobacco. In September 1996, the Government removed price controls and Mongolians were able to finally survive a winter without a major breakdown of heat or electricity. The Mongolian Government is now boldly moving to set the nation on a course to privatize large-scale enterprise and reform the state pension system.

When I was in Mongolia, I saw the effects of this economic transformation firsthand. At a town hall meeting in Kharakhorum, the ancient capital of the Mongol Empire, I met a herdsman and asked him about the economic liberalization. First, I asked him how many sheep he had under communism. He said none, because the Communists didn't allow private property. Then I asked him how many sheep he owned after privatization. He answered that he had 3 sheep then, which is not much in a country with 25 million sheep. So I asked him how many sheep he has now. He answered that he now has 90 goats, 60 sheep, 20 cows, and 6 horses. I asked him if that was considered successful. He replied that he was successful as were many herdsmen in this new economy. He then told me that he would never want to change the system back to what it was, because "now Mongols have control over their own life and destiny." That is the new culture of a market Mongolian economy.

There are many benefits to supporting Mongolian democracy and economic liberalization. In 1991, Secretary of State James Baker promised Mongolia that the United States would be

Mongolia's "third neighbor." We remain committed to that course of action to encourage Mongolia in its endeavors and promote it as an example of how nations can successfully convert from a Communist totalitarian state to a market democracy. Finally, a democratic Mongolia will promote peace and stability in northern Asia.

Finally, there are important economic benefits to the United States. Mongolia would like to make the United States a major trading partner. Total two-way trade between the United States and Mongolia has almost tripled in value from $13 million in 1991 to $35 million in 1996. Total U.S. exports have more than doubled from over $2 million in 1992 to $4.2 million in 1996. As Mongolia continues to liberalize its economy, the United States will be able to count on it to become an important market for American goods and services.

I hope that my colleagues here in the Senate will join me in recognizing Mongolia as an example of successful democratic transformation and supporting the Mongol transition to a market economy.

NOTICE OF HEARING

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LUGAR. Mr. President, I would like to announce that the Committee on Agriculture, Nutrition, and Forestry will meet on Thursday, November 13, 1997 at 9:00 a.m. in SR–328A. The hearing will examine ways renewable fuels could aid in decreasing greenhouse gas emissions and increasing U.S. energy security.

NOTICES OF FIELD HEARINGS

SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. THOMAS. Mr. President, I would like to announce for the public that an oversight field hearing has been scheduled before the Subcommittee on National Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources. The hearing will take place Saturday, November 15, 1997 at 9:00 a.m. to 12:00 noon at the Cooperative Service Building at the University of Florida, 18710 S.W. 288 Street, Homestead, Florida. The purpose of this hearing is to review the National Parks Restoration Plan—"Vision 2020" and to solicit proactive solutions and innovative remedies to build a more efficient and effective National Park Service System.

The Committee will invite witnesses representing a cross-section of views and organizations to testify at the hearing. Others wishing to testify may, as time permits, make a brief statement of no more than 2 minutes. Those wishing to testify should contact Jim O'Toole or Steve Schackelton of the Subcommittee staff at (202) 224–6969. Every attempt will be made to accommodate as many witnesses as possible, within the time allowed, while ensuring that all views are represented.

Witnesses invited to testify are requested to bring 10 copies of their testimony with them to the hearing, it is not necessary to submit any testimony in advance. Statements may also be submitted for inclusion in the hearing record. Those wishing to submit written testimony should send two copies of their testimony to the attention of Jim O'Toole, Committee on Energy and Natural Resources, United States Senate, 354 Dirksen Senate Office Building, Washington, D.C. 20510.

For further information, please contact Jim O'Toole of the Committee staff at (202) 224–5161.

SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. THOMAS. Mr. President, I would like to announce for the public that an oversight field hearing has been scheduled before the Subcommittee on National Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources. The hearing will take place Monday, November 17, 1997 at 9:00 a.m. to 12:00 noon in the Rock Mountain Room at the EPA Region 8 Institute & Conference Center, 999 18th Street, Denver, CO. The purpose of this hearing is to review the National Parks Restoration Plan—"Vision 2020" and to solicit proactive solutions and innovative remedies to build a more efficient and effective National Park Service System.

The Committee will invite witnesses representing a cross-section of views and organizations to testify at the hearing. Others wishing to testify may, as time permits, make a brief statement of no more than 2 minutes. Those wishing to testify should contact Jim O'Toole or Steve Schackelton of the Subcommittee staff at (202) 224–6969. Every attempt will be made to accommodate as many witnesses as possible, within the time allowed, while ensuring that all views are represented.

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For further information, please contact Jim O'Toole of the Committee staff at (202) 224–5161.

SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. THOMAS. Mr. President, I would like to announce for the public that an oversight field hearing has been scheduled before the Subcommittee on National Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources. The hearing will take place Wednesday November 19, 1997 at 9:00 a.m. to 12:00 noon at the Officer's Club in the Presideo of San Francisco in San Francisco, California. The purpose of this hearing is to review the National Parks Restoration Plan—"Vision 2020" and to solicit pro-active solutions and innovative remedies to build a more efficient and effective National Park Service System.

The Committee will invite witnesses representing a cross-section of views and organizations to testify at the hearing. Others wishing to testify may, as time permits, make a brief statement of no more than 2 minutes. Those wishing to testify should contact Jim O'Toole or Steve Schackelton of the Subcommittee staff at (202) 224–6969. Every attempt will be made to accommodate as many witnesses as possible, within the time allowed, while ensuring that all views are represented.

Witnesses invited to testify are requested to bring 10 copies of their testimony with them to the hearing. It is not necessary to submit any testimony in advance. Statements may also be submitted for inclusion in the hearing record. Those wishing to submit written testimony should send two copies of their testimony to the attention of Jim O'Toole, Committee on Energy and Natural Resources, United States Senate, 354 Dirksen Senate Office Building, Washington, D.C. 20510.

For further information, please contact Jim O'Toole of the Committee staff at (202) 224–5161.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate in executive session on Tuesday, November 4, 1997, to conduct a markup of pending nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Tuesday, November 4, 1997, at 9:30 am on pending committee business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Tuesday, November 4, for purposes of conducting a full committee hearing which is scheduled to begin at 10:00 a.m. The purpose of this hearing is to consider the nominations of Curtis L. Hebert and Linda Key Breathitt to be Members of the Federal Energy Regulatory Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. D'AMATO. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to conduct a hearing Tuesday, November 4, 2:00 p.m., Hearing Room (SD-406), on S. 627, The African Elephant Conservation Act reauthorization, and S. 1287, the Asian Elephant Conservation Act of 1997.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, November 4, 1997, at 2:15 to hold a Business Meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. D'AMATO. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Tuesday, November 4, at 9:00 a.m. for a Nomination Hearing on the following nominees: Ernesta Ballard, to be a Member, Postal Board of Governors; Dale Cabaniss, to be a Member, Federal Labor Relations Authority; and Susanne T. Marshall, to be a Member, Merit Systems Protection Board.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Senate Committee on Indian Affairs be authorized to meet at 9:15 a.m. on Tuesday, November 4, 1997 in Room 485 of the Russell Senate Building to mark-up the following: H.R. 976, the Mississippi Sioux Tribe Judgment Fund Distribution Act of 1997; and the Nomination of B. Kevin Gover, to be Assistant Secretary for Indian Affairs, Department of the Interior.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Tuesday, November 4, 1997 at 10:00 a.m. in room 216 of the Senate Hart Office Building to hold a hearing on "competition, innovation, and public policy in the digital age."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. D'AMATO. The Committee on Veterans' Affairs requests unanimous consent to hold a markup on the following nominations: Richard J. Griffin to be Inspector General, Department of Veterans Affairs; William P. Greene, Jr. to be Associate Judge, Court of Veterans Appeals; Joseph Thompson to be Under Secretary for Benefits, Department of Veterans Affairs; and Espiridion A. Borrego to be Assistant Secretary for Veterans Employment and Training, Department of Labor;

The markup will take place in S216, of the Capitol Building, after the first scheduled votes in the Senate on Tuesday morning, November 4, 1997.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FINANCIAL SERVICES AND TECHNOLOGY

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Subcommittee on Financial Services and Technology of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Tuesday, November 4, 1997, to conduct a hearing on "mandating year 2000 disclosure by publicly traded companies".

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY AND SPACE

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology and Space of the Committee on Commerce, Science, and Transportation be authorized to meet at 2:30 p.m. on next generation internet.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Subcommittee on Transportation and Infrastructure be granted permission to conduct a hearing Tuesday, November 4, 9:30 a.m., Hearing Room (SD-406) on the status of Federal transportation programs in the absence of a multi-year reauthorization.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

REAPPOINTMENT OF FRANK D. YTURRIA TO THE INTER-AMERICAN FOUNDATION BOARD OF DIRECTORS

• Mrs. HUTCHISON. Mr. President, I am pleased to recognize an outstanding American and Texan and to take note of his recent reappointment by President Clinton as a member of the Board of Directors of the Inter-American Foundation.

Many in South Texas know Frank Yturria, and is wife, Mary, for the many years they have devoted to public service in Brownsville, TX, and throughout the Rio Grande Valley. As a leading voice for community improvement, Frank Yturria has served as an example of devotion to community. He and his wife have been involved in, and often led, numerous community projects in the south Rio Grande Valley. They are also pioneers in the effort to forge meaningful and productive relationships with private and public sector community leaders on the Mexican side of the border.

Frank Yturria was first appointed in 1990 by President Bush to serve as chairman of the Board of Directors of the Inter-American Foundation, a development agency which promotes self-help community efforts in Latin America and the Caribbean. During his tenure, Frank Yturria instituted necessary reforms at the agency and insisted on program accountability. Because of his efforts and hard work, Frank Yturria is the first member of the Inter-American Foundation's Board of Directors to be reappointed by any President, Democrat or Republican. This reappointment by President Clinton clearly speaks volumes about Frank Yturria's contributions to his community, Texas, and to our Nation. I support his reappointment and wish him well as be continues to work for mutual friendship and prosperity of the United States and Latin America.•

INTERNATIONAL REPUBLICAN INSTITUTE 1997 FREEDOM AWARD

• Mr. GRAMS. Mr. President, late last month in downtown Washington, the International Republican Institute honored Ronald Reagan as the recipient of their 1997 Freedom Award. Seldom, if ever, has a Washington dinner been held to honor an American when the honor was more richly deserved or more sincerely conferred. There was a deep and abiding outpouring of respect, admiration and affection for our Nation's 40th President. Even a touch of nostalgia was present as guests and speakers recalled when our Nation was led by a President guided by a clear vision and deeply-held convictions.

The formal program included remarks by James Billington, the Librarian of Congress, and our colleague, the chairman of I.R.I., Senator McCAIN of Arizona. Mrs. Reagan was there to represent her husband and she made a brief statement in his behalf when the award was presented. These statements focused on Ronald Reagan's indispensable leadership that led to the fall of the Berlin Wall and to freedom for hundreds of millions throughout the globe.

Mr. President, the statements of these distinguished Americans deserve the attention of the Senate and the American people. Moreover, they should be part of the public record so that future generations will have convenient access to them as they examine the life and influence of this great American whose vision and leadership changed the world.

Accordingly, Mr. President, I ask that the statements by Senator MCCAIN and Dr. Billington, as well as the brief remarks by Mrs. Reagan, be printed in the RECORD.

The statements follow:

THE FOREIGN POLICY OF PRESIDENT RONALD REAGAN (BY JAMES H. BILLINGTON, LIBRARIAN OF CONGRESS, SEPTEMBER 25, 1997)

The Cold War was the central conflict of the second half of the 20th century, the longest and most unconventional war of the entire modern era and an altogether unprecedented experience for Americans. We never directly fought our principal antagonist, the Soviet Union, but we were faced for the first time in our history—and over a long period—with an opponent who was both ideologically committed to overthrow our system and materially equipped to destroy us physically.

President Ronald Reagan was the single most important political figure in ending the Cold War without either making concessions or incurring major loss of life on either side. It was an astonishing accomplishment. Not surprising, those who never thought such an outcome was possible in the first place have been slow to recognize that the unraveling of the Soviet Empire began, and became irreversible, on his watch—and in no small part as a result of his special qualities of leadership.

In his monumental study of the rise and fall of civilizations, written just as the Cold War was beginning, Arnold Tonybee suggested that empires begin their inevitable decline when they meet a challenge to which they are systematically unable to respond. The hierarchical control system of the Soviet Empire met such a challenge with the Solidarity Movement in Poland. As a bottom-up mass movement rooted in religion within the largest Soviet satellite, Solidarity was not the kind of movement which Soviet imperial managers could domesticate either by decapitating or co-opting the leaders or by offering carrots and sticks to its members. John Paul II, the first Slavic Pope, spiritually inspired it, and President Reagan's political support helped it survive martial law to become the decisive catalyst in the eventual chain reaction of Communist collapse at the end of the 1980's.

What were the key elements of Ronald Reagan's role in all of this? First of all, he was guided by a simple vision that ordinary people everywhere could understand—rather than by some complex strategic doctrine intelligible only to foreign policy wonks. In 1981 at Notre Dame, he spoke not of winning the cold war but of the bright prospects "for the cause of freedom and the spread of civilization," indicating that "the West will not contain Communism; it will transcend Communism."

He made it clear at the beginning of the administration that tokenism in arms control and photo-op summit solutions to serious problems would no longer be accepted. In effect, he told the world he would not go on playing the old favorite Russian game of chess, the aim of which always seemed to be to play for a draw. Here, at last, was a good old-fashioned American poker player who knew he had the stronger hand, was willing to raise the ante to a level that the strained Soviet system could not meet, and had the imagination to throw in the wild card of a strategic defensive initiative. He proved that an American President could be reelected without having had a summit meeting of any kind—let alone the kind which legitimized Soviet leaders and placed the spotlight on weapons: the one area where the Soviet Union did, in some respects, enjoy parity with America.

Reagan's strategic defense initiative addressed a need which is arguably still important today with the possibility of rogue states acquiring deadly delivery capabilities. But, at that time, it represented as well a second key challenge to which the Soviet system was systematically unable to respond—neither materially, because of their backwardness in computers and high technology, nor politically, because ordinary people (as distinct from policy wonks) could not believe that a defensive system that we were willing to share with others really threatened anybody.

If the first element of the Reagan leadership, then, was vision backed by strength in his first term, the second ingredient was his ability to be an altogether gracious winner in his second term. By establishing a genuinely warm and basically non-adversarial relationship with Gorbachev, cemented by a rapid-fire set of summits in his second term, President Reagan defied the general assumption of the foreign policy establishment that summits had to be basically choreographed by experts and incremental in accomplishment. He began at Geneva by going one-on-one with Gorbachev. He reacted to the accelerating crisis of communism in a way that did not humiliate but, in fact, honored an opponent who was moving things in the right direction.

It is easy to forget now just how ritualized the Soviet-American conflict had become by the end of the 1970's—and how fatalistic the Western establishment had become in accepting a more-or-less indefinite coexistence with a Soviet Empire then at the height of its expansiveness. What helped change all that was the third element in President Reagan's formula: the disarmingly simple way he redefined the conflict itself as being not fundamentally between systems, alliances, or even nations but between good and evil.

His famous "evil empire speech," which met with almost universal condemnation in the Western media and academia, may well have played an important role in unclogging the logjam in the Soviet system and ending the menace of accidental or mutual destruction that always hovered over the Cold War. Two different Soviet reformist politicians told me amidst the alcoholic bonhomie of the state dinner at the Reagan-Gorbachev Moscow summit in June 1988 that they used the unprecedently undiplomatic nature of that talk to convince other Soviet leaders that they should try to accommodate and not continue to confront the West. It seems of course, paradoxical to suggest that a belligerent speech could pave the way to peaceful change. But what seems unlikely in theory may well be true in real life. Real life is told in stories. No one was a greater storyteller in real life than Ronald Reagan; and he had a good basic story to tell. In my view, the end of the Cold War represented essentially the victory of a story over a theory.

The United States of America is the result not of any theory but of a story—made up over the years out of hundreds of individual human stories. The Soviet Union was the product of a theory suddenly superimposed by politicized intellectuals through a coup in the midst of the inhuman chaos of World War I. Because Communism as a theory was, in some ways, inherently appealing, Americans were often reluctant to believe that the Soviet system was evil rather than just a temporary victim of Stalin's paranoia or perhaps of defective genes traceable back to Ivan the Terrible or Genghis Khan. It had been easy for intellectuals to believe that Nazi totalitarianism represented a threat because of its exclusivist, racist underpinnings, but it seemed hard to believe that anything could be fundamentally wrong with the inclusive ideal of an egalitarian society or with fellow intellectuals like Marx and Lenin, who spent so much time in the British Museum even if they never worked in factories.

The capacity to provide gratuitous excuses for Soviet behavior had reached a grotesque climax in the immediate aftermath of the Afghan invasion. For the first couple of days, the only explanation the Soviet regime could offer was that they were intervening at the invitation of the leader whom they had then proceeded to shoot. They were soon rescued from this embarrassment by the gratuitous rationalizations and explanations for their behavior provided by the Western media.

Reagan, the storyteller, instinctively realized that America was a story, not a theory; that stories tend to unify people; and that the best stories are based on relatively universal archetypes that deal with good and evil. Theories rarly bring peace, since they inspire divisions based on right and wrong and invite argument that leads to conflict. Stories are shared; theories are debated.

Anyone who came within the President's orbit was immediately attracted by his stories. They invariably drew the diverse people at his table together and were essentially inclusive. Theories, on the other hand, tend to exclude those who do not believe in them—and to induce arrogance in those who do.

The American academic experts whom President Reagan periodically gathered around a lunch table in the White House were often perplexed by his tendency to relate tales of his own negotiations with labor leaders in Hollywood. Yet, as I listened to these stories, I saw that he was both securing a measure of buy-in from the often skeptical intellectual community and, at the same time, pre-testing his future tactics by probing for the reaction of theorists to the practicalities of his negotiating techniques.

President Reagan could negotiate from strength because he had reassured us that our own story was a positive one, and that the sun was rising and not setting on America.

I do not know exactly what the substance was of the President's early conversations with Gorbachev, but they seemed to involve more the telling of stories than the debating of theories. Debates like wars have a winner and loser, but a story can celebrate the common victory of a higher good. President Reagan never claimed victory in the cold War. Rather, he seemed to be welcoming Russia into the near-universal story of movement toward freedom and openness.

President Reagan also had respect for the Russians' own story. In his important addresses of June 1988 at Moscow State University, he repeatedly used Russian examples to illustrate the universal principles of freedom and moral responsibility. During the same Moscow summit, he invited for lunch a full range of dissident Russian voices, each of whom had a story to tell; and at the State dinner at Spaso House, he invited many of these same figures and mixed them up at tables with political leaders. Each dinner table brought the best storytellers of the emerging reforms face-to-face for the first time in one room with the powerful perpetuators of outmoded theories.

I was able to observe first-hand, in the course of preparations for and the execution of President Reagan's Moscow summit in June 1988, how he supported the forces of change at the level of both vision and tactics. The President had asked me, as perhaps he had asked others on the eve of the summit, a simple but centrally important question. How was it possible, he asked, for people to survive with sanity in such a cruel and repressive system? I did not have time to think much about the question and responded instinctively, largely on the basis of my own family's experience of living there. "Because of the women, Mr. President." It was the *babushkas* who held the family together, staying at home while both parents worked, creating a nest of warmth and honesty that compensated for the falsehoods and absurdities of the system and the coldness of both the climate and the bureaucracy.

At a dramatic moment at the Moscow summit of 1988, President Reagan was asked by a Russian reporter on live television if he had any messages to leave behind to the Russian people. He replied that he wanted to send this heartfelt greetings to the women of Russia for their role in holding families together and transmitting the traditions and values of the Russian people from one generation to another. This spontaneous response was mentioned by almost all Russians with whom I talked in the additional week I stayed on after the summit to inventory popular reactions. And I thought of this remark again when I was in Moscow three years later as the entire system imploded during 48 dramatic hours in August 1991. Crucial in the resistance against the coup attempt of the dying Communist system were the old women who castigated the young boys in the tanks and, in effect, became an alternate chain of command, demanding that they obey their mothers rather than their officers.

President Reagan's Moscow summit in 1988 coincided with the Russian celebration of the Millennium of Christianity, and the President had planned to visit the newly restored Danilov Monastery and to identify himself with the old Biblical story that Russians were then recovering. Many Americans, however, were urging him to cancel this visit because of the role that the Russian Orthodox Church hierarchy had played in suppressing the rights of Uniate Catholics in the Ukraine. The President resolved this dilemma not by retreating from the visit but by using it energetically to endorse the rights of the Catholic minority in the very sanctuary of Russian Orthodoxy. He seems instinctively to have understood that even imperfect sources of the good should be supported if the mission is to expel the real evil that had so long been camouflaged under the mask of utopian perfection.

Of course, Ronald Reagan was not the only, and at times not the main, hero of the story of the Cold War's ending. The peoples of Eastern Europe and leaders like Gorbachev basically affected the changes; and, on the American side, it was a cumulative and essentially bi-partisan accomplishment.

But President Reagan, in playing out the all-important end game of the Cold War, had a rare gift for making the American people comfortable with the main lines of his foreign policy even when they were uncomfortable with details.

At the end of an ideal story, good not only triumphs over evil, but those who had been in darkness find the light and every one lives happily ever after. We all know that even this happy story did not quite work out this way. Many are still in darkness in the East; there were and are some shadows in our light; and it was not the end of history.

But the long-lingering cloud of potential total war was evaporated along with the empire that might have activated it. And our children and our children's children will always owe a lot to a man who had a good story to tell, and like most great storytellers, was at heart a romantic.

In most morality tales that have human appeal, there is a strong woman who helps the forces of good overcome those of evil and redeem the follies of man.

Ronald Reagan had—and still has—such a woman at his side. At the Moscow summit of 1988, the President was sustained and supported at every turn by a wife who did not simply do traditional, ritual things, but read richly into Russian history and subjected herself to a cram course that continued right up to the moment Air Force One touched down in Moscow. She then plunged into an overdrive schedule of visiting and empathizing with almost all the positive elements in Russia that were then pressing for change. As she debarked from the plane, she was whisked by Raisa Gorbachev into the Cathedral of the Assumption in the Kremlin, where she politely asked why it was no longer the center of worship that it had been and would once again soon become. She got up early the next morning and asked to see Russia's greatest icons which had been removed from public view by the regime, ostensibly for restoration but probably also to avoid excessive veneration during Russia's Millennium year of Christianity. By prying these holy pictures out of the reserve collection of the Tretyakov Gallery, she enabled Russians to see them since there had to be television coverage of her visit.

She visited schools, writers, and Pastenak's grave, and—all on one hectic day—the greatest single mind and the two best cultural centers in St. Petersburg before returning by plane to host the state dinner at which she inter-seated the Soviet political establishment with its own cultural and political opposition.

This whirlwind of activity exhausted her traveling companions, like the wife of the Russian President, Mrs. Gromyko, who observed on the plane going back to Moscow that she had solemnly concluded that some kind of Supreme Being might actually exist. Gorbachev met for the very first time at Nancy Reagan's dinner Tengiz Abuladze, whose great film "Repentance" was probably the most important, single cultural document in pushing for the repudiation rather than just the modification of the Soviet system.

Thanks, largely to Nancy, the Reagan story is not over just because the sound track is now silent. The one key illustration for this story is that of a man and woman, hand-in-hand, who made their sunset years those of America's sunrise.

REMARKS BY SENATOR JOHN MCCAIN

A long running dispute among historians is whether great men and women shape their times or whether the times shape the person. I suspect both propositions are true, but, there is no doubt that Ronald Reagan, a man who's character was certainly shaped by the times, profoundly influenced the course of human history. He did so in many ways which Senator Lott so ably identified.

But, of all the lessons President Ronald Reagan also taught the world, the one which transcended all the others was his extraordinary insight into the universal appeal of American Ideals and the ultimate futility of building walls to freedom.

At the time Ronald Reagan began his presidency there were few among us who shared his remarkable confidence that a new age of enlightenment for the rights of man would be ascended in all the corners of the world. This was not only possible in some distant century but probable in our time. For most of us who have lived through the long struggle between the forces of freedom and the forces of tyranny the prospect of our eventual triumph seemed a long distance off. Ronald Reagan did not see it that way. Ronald Reagan did not believe in walls. That was his genius. Ronald Reagan predicted to a skeptical world that it was inevitable, eminent for freedom. "Let us by shy no longer" he asked, "let us go to our strength. Let us offer hope, let us tell the world that a new age is not only possible but probable." These words marshaled the American people and their allies for a reinvigorated campaign to support the forces of liberty in some of the most closed societies on earth.

In one perfect sentence, that keen observer of the Reagan Presidency, Lady Margaret Thatcher summed up President Reagan's contribution to the astonishing changes in the world today, "Ronald Reagan won the Cold War without firing a shot." Credit for the victory is shared by all who fought and suffered for the idea that just government is derived from the consent for the government.

Americans and freedom fighters everywhere recognize President Reagan as the godfather of the contemporary movement that would liberate half a billion people from communism and authoritarianism.

Mrs. Reagan, tonight we are giving IRI's Freedom Award to President Reagan to honor the man who's faith in our country and it's mission is unyielding. But, we are here to honor you as well for your long partnership with the President for the work that has meant so much to America and the world. For your shared commitment to preserve the ideals which make America great, for your compassion for those who struggle to live their lives as we live ours, free people in a free country.

This is a fitting expression of our gratitude but it will not suffice to honor the service you and the President rendered to humanity, merely a token of our appreciation. The highest tribute we can pay it to keep faith, your faith, and the faith that shouts to tyrants, "tear down this wall." Like Ronald Reagan we must be destroyers, not builders of walls. All Americans, especially Republicans gain courage from your example and not fear the challenge from an every smaller world. We should build our walls in a futile attempt to keep the world at bay, not walls to people, no walls to the free exchange of ideas, no walls to trade. Ronald Reagan knew and you did, that an open competition of our ideals and ingenuity assure dour success. You both knew that isolationism and protectionism is a fools error. You both knew that walls were for cowards, not for us, not for Americans.

There are those who define this country by what we are against and not what we are for. It is enough for them that the United States opposed communism and once the threat communism posed to our security was defeated they view America as the champion of liberty to become an expensive vanity which was sure to disappear with the Berlin wall. Such a grand view of the American purpose insults the generous spirit of Ronald Reagan who believed that supporting the forces of democracy overseas was our abiding moral obligation just as it was a practical necessity during the Cold War.

I am proud of Americas long and successful opposition to communism, but being anti-communist was not enough. It was never enough. In our efforts to help others secure the blessings of liberty distinguishes us from all other nations on earth. It was necessary to defeat communism to protect the well-being of Americans but it was also necessary to defeat communism because it threatened America's best sense of itself and our sublime legacy to the world.

Mrs. Reagan, we thought long and hard about a gift to give you and the President this evening in addition to the Freedom Award. We decided upon something appropriate for the occasion and to the spirit of the Reagan legacy. But without our sincere commitment of carrying on that legacy, these tokens will have little value, and on behalf of everyone here, I give you and President Reagan that commitment.

Many years ago now, I and a great many friends were kept behind walls in a place where human beings suffered for their dignity without a feel to a just government. When we came home many of us were eager to visit with two people we knew who didn't believe in walls, two people who did the right things to help free us from the walls which confined us. Two people who we knew kept faith in us as we were challenged to keep faith in our country. You and, then, Governor Ronald Reagan, graciously attended a homecoming reception for us one evening in San Francisco. It was an event none of us will ever forget, nor our admiration and appreciation for you began many years before when we learned that taps on walls and whispered conversations was work being done to help us return to a land without walls.

This handsome box contains two symbols of the vision and faith for which we and the President will always be celebrating. The first is a piece of the multi-colored brick taken from the rubble of what was once a prison wall built by the French a century ago and called by the Vietnamese 'hoaloa'. The Americans who were later obliged to dwell there, called it the 'Hanoi Hilton'. These walls no longer stand, the prison was demolished a few years ago and a real hotel, presumably with better room service was erected in its place.

The second gift is a customized POW bracelet inscribed to you and President Reagan for your faith, loyalty and perseverance from all of us who came home, as well as those who did not, remember with enormous gratitude your loyalty to us and your steadfast faith in the cause we serve.

There's a story about President and Mrs. Reagan that has always impressed me, because it demonstrates their sincerity and concern for Americans who suffer for their country's sake. A long time ago, the President and Mrs. Reagan became concerned about the plight of those who were held captive in Vietnam. President Reagan decided to hold a press conference to express his support for improvement in their treatment and their rapid homecoming. At that press conference were families and children of those who were missing in action at that time. As President Reagan began his remarks for the bank of cameras and media people there, a little boy, about three years old, came forward from the crowd and tugged at his sleeve. President Reagan bent over and the little boy whispered in his ear and then President Reagan left with the little boy to his office and then came back. It turns out that the young boy had to go to the bathroom.

Then as President Reagan began his remarks again the young boy tugged his sleeve again and Ronald Reagan bent over and he said, "Please, can you help bring my daddy home?" President Reagan from that time on wore a bracelet with Captain Hanson's name on it.

Mrs. Reagan, your husband served and honored us and are honoring us still. As you remember us, we will always remember you. And stand witness to a greatness and a faith that could not abide walls. Mrs. Reagan.

REMARKS BY MRS. NANCY REAGAN 1997

Thank you very much. Thank you for all our presents and for a very kind introduction. Thank you, Trent and thank you, Jim for those wonderful remarks about my husband and me. I do know that I am not the speech maker in the family or the storyteller. But I am very honored to be here tonight to accept the 1997 IRI Freedom Award on my husband's behalf. I wanted to be here tonight for him, especially since tonight is really a special night for the both of us. Not only is the IRI honoring my husband but it's been done in partnership with the Ronald Reagan Presidential Foundation that supports the Reagan library and its programs. The library is a very special place for both Ronnie and me. It's a place where the legacy of Ronald Reagan is preserved for generations to come. And speaking of legacies, the International Republican Institute is really the living legacy of Ronald Reagan's peace through strength approach to foreign policy. I know I am being biased a little bit, I know you'll agree that during his eight years in the White House, my husband encouraged untold numbers of people around the world to move toward democracy. Ronnie was a believer. He believed in the power of freedom. He had a dream that in the twenty-first century human beings would be respected everywhere, hoping that one day, people of all nations would have the privilege of basking in the light of freedom and I'm convinced that along with your help and vision this dream will come true, and I know you do to.

Thank you for inviting me here, for acknowledging my roommate. I know that he will enjoy being a part of these special people. Thank you.●

THE INVESTITURE OF THE HONORABLE DEBORAH ROSS ADAMS

● Mr. ABRAHAM. Mr. President, I rise today to congratulate the Honorable Deborah Ross Adams on her appointment as a new judge of the 36th District Court. On Friday, November 14 she will be invested and begin her official duties.

Judge Adams is very deserving of this appointment. Throughout her career, she has maintained the strongest of commitments to the highest judicial standards. From her private practice to her role as a magistrate, Judge Adams has been recognized by her peers for her impartiality and broad knowledge of the law.

Judge Adams has accumulated this wealth of legal knowledge over several years and numerous experiences. After attending one of the most outstanding institutions of legal education in the Nation, she was a law clerk, started her own private practice, and served the city of Detroit, among other roles. These many experiences have afforded Judge Adams tremendous opportunities to gain a better, more comprehensive understanding of the law. In the process, she has become a most qualified individual.

Additionally, Judge Adams is very involved with her community. Belonging to numerous civic and professional organizations, Judge Adams continues to help the children and families of Michigan. Through these many memberships, Judge Adams has come to know her community intimately; an education that especially prepares her for the role she now undertakes.

Mr. President, it gives me great pleasure to welcome Judge Adams to the bench. Her reputation as being fair-minded precedes her, and I am confident the 36th District and the State of Michigan will benefit from her tenure.●

SUDAN SANCTIONS ON TARGET

● Mr. FEINGOLD. Mr. President, I rise today to commend the Administration on a policy change announced today.

Last night President Clinton signed an executive order imposing comprehensive sanctions on the Government of the Sudan. Specifically, the United States has put into place new, unilateral sanctions that will prevent the Government of the Sudan from reaping financial and material gain from trade and investment initiatives by the United States.

As Secretary of State Madeleine Albright said earlier today, this policy change is designed to send a strong signal to the Sudanese Government that it has failed to address the concerns expressed in no uncertain terms and on several occasions by the Clinton Administration. In particular, the Sudan continues to engage in practices that we Americans find unconscionable, including: providing sanctuary for individuals and groups known to have engaged in terrorist activity; encouraging and supporting regional insurgencies; continuing a violent civil war that has cost the lives of thousands of civilians; and engaging in abominable human rights abuses.

Mr. President, these are the four main issues that continue to plague U.S.-Sudan relations. Let me take each of them in turn.

First, terrorism. Terrorism is clearly one of the most vexing threats to our national security today. Terrorist groups, by seeking to destabilize or overthrow governments, serve to erode international stability. By its very nature, terrorism goes against everything we understand to be part of the "international system," challenging us with methods we do not necessarily comprehend. People—often, innocent bystanders—die as a result of such terrorism. Buildings are destroyed. And everyone's sense of personal safety is shattered.

According to the State Department's most recent Patterns of Global Terrorism report, Sudan "continued to serve as a refuge, nexus, and training hub in 1995 for a number of international terrorist organizations," which likely include some of the most notorious groups in the world such as Hamas, Abu Nidal and Hezbollah, among others. In addition, the government continues to harbor individuals known to have committed terrorist acts. For example, it is widely believed that Osama Bin Laden, who was once described by the State Department as "one of the most significant financial sponsors of Islamic extremist activities in the world," enjoyed refuge in the Sudan in the early 1990's.

Second, Sudan's support of insurgency movements in many of its neighboring countries poses a significant threat to regional stability. In Eritrea, it supports the Eritrean Islamic Jihad, and in Uganda, it supports both the Lord's Resistance Army and the West Bank Nile Front. Sudanese government officals have been known to smuggle weapons into Tunisia.

Third, Sudan continues to promote a brutal civil war against the largely Christian and animist people of Southern Sudan. Sadly, during its 41 years of independence, Sudan has only seen about 11 years of peace. This seemingly endless conflict has taken the lives of more than 1.5 million people and resulted in well over 2 million displaced persons or refugees. Perhaps the saddest consequence of the war is that there are thousands of teenagers who do not remember a peaceful period, and who know better the barrel of a gun than the inside of a classroom.

The international community has done the best that it can with this situation; there are approximately 40 national and international humanitarian organizations providing millions of dollars annually in food aid and development assistance. For its part, the United States government has provided more than $600 million in food assistance and non-food disaster assistance since the mid-1980's.

The United Nations' Operation Lifeline Sudan [OLS], which maintains a unique agreement with parties to the conflict, has been instrumental in allowing humanitarian access to displaced persons in the southern Sudan. I commend the humanitarian organizations operating in the region who daily face not only enormous technical and logistical challenges in serving the Sudanese population, but also the all-too-frequent threat of another offensive nearby.

Fourth, the Sudanese government has a deplorable record in the area of human rights. According to the most recent State Department human rights report, the Khartoum government maintains not only regular police and army units, but also internal and external security organs, a militia unit, and a parallel police called the Popular Police, whose mission includes enforcing proper social behavior. In 1996, according to the report, government forces were responsible for extrajudicial killings, disappearance, forced labor, slavery, and forced conscription of children. Basic freedoms—of assembly, of association, of privacy—are routinely restricted by the government. Worse, imposition of Islamic law on non-Muslims is far too common. An April 1997 U.N. Human Rights Commission resolution identified pages of similar abuses.

Mr. President, this is not a regime that should be included in the community of nations.

In response to Sudan's actions in these areas, particularly with respect to terrorism, the U.S. government has imposed a series of sanctions on the current Sudanese regime over the past several years, including suspending its assistance program and denying senior Sudanese government officials entry into the United States.

In part at my urging, the Administration officially designated Sudan as a state sponsor of terrorism by placing it on the so-called "terrorism list" in 1993. Inclusion on the terrorism list, according to Section 6(j) of the Export Administration Act (P.L. 96–72), automatically puts statutory restrictions on the bilateral relationship including prohibitions on foreign, agricultural, military and export-import assistance, as well as licensing restrictions for dual use items and mandated U.S. opposition to loans from international financial institutions.

In addition, the United States has supported several resolutions by the United Nations Security Council, including three demands that Sudan extradite three suspects wanted in connection with the failed 1995 assassination attempt against Egyptian President Hosni Mubarak. After Sudan failed to comply with these resolutions, the Council later adopted measures calling on member states to adopt travel restrictions and to ban flights by Sudanese-government controlled aircraft.

But, as important as these measures have been, Sudan has apparently refused to get the message that its actions are simply unacceptable.

Sudan has the potential to be one of the most important countries in Africa. It is the largest country on the continent and has a population of 29 million people. With cultural and geographic ties to both Arab North Africa and black sub-Saharan Africa, the Sudan has the potential to play a significant role in East Africa and the Gulf region.

Unfortunately, Mr. President, Sudan continues to squander that potential by engaging in or supporting outrageous acts of violence and terrorism.

So, Mr. President, I welcome the President's decision to take a tougher line with respect to Sudan.●

FEHBP + 65 DEMONSTRATION PROJECT

● Mr. BURNS. Mr. President, as a cosponsor of S. 224, to allow Medicare—eligible military retirees to join the Federal Employees Health Benefits Plan, I am pleased to cosponsor S. 1334, introduced by Senator BOND. S. 1334 will create a demonstration project to evaluate the concept of increasing access to health care for military retirees by allowing them to enroll in the Federal employees plan.

After hearing from military retirees in Montana, I am convinced that FEHBP + 65, as it's called, is a necessary step to help ensure that military retirees have access to quality health care. When military retirees turn 65, they no longer have guaranteed access to health care. The lucky ones can get services from military treatment facilities [MTFs] on a space-available basis, but the rest do not have access to MTF's. They must rely on Medicare, which has less generous benefits and significant out-of-pocket costs, despite the commitment they received for lifetime health benefits by virtue of their service to this country. They are the only group of Federal employees to have their health benefits cut off at age 65. That just not right.

The Federal Employees Health Benefits Plan is a popular program which provides good benefits at a reasonable cost. It will serve military retirees well and uphold the Government's commitment to provide quality health benefits. Our military retirees deserve no less.●

FUNDING OF THE MEDICINE CREEK TRIBAL COLLEGE

● Mrs. MURRAY. Mr. President, would the chairman of the Interior Appropriations Subcommittee yield for a question?

Mr. GORTON. I would be happy to yield to the Senator from Washington.

Mrs. MURRAY. Mr. President, Senator GORTON and I have been working with the Puyallup Tribe of Washington to establish base funding in the BIA budget for the Medicine Creek Tribal Community College in Tacoma, WA. The Tribe has been working diligently and patiently with the BIA to secure the necessary accreditation to facilitate such base funding. I am happy to report that the tribe has just recently received such accreditation.

However, the BIA has recently denied the Puyallup request for funding on the grounds that they had not established their accreditation, even though that was not a requirement of the BIA rules when the initial request for funding was made. On April 8, 1997, I wrote the BIA to express my concern regarding an apparent accreditation "catch-22". It seemed that in order to be accredited, the school needed to demonstrate a secure funding base. However, to secure a funding base the college needed to be accredited. I expressed to the BIA my sincere desire to see this apparent conundrum resolved. Over the past several months, it appeared that the BIA was, in fact, moving to address this issue. In a recent meeting the tribe had with Michael Anderson, Deputy Assistant Secretary for Indian Affairs, they were assured they would receive funding for fiscal year 1998. But we now understand that the BIA has changed its mind and indicated that Medicine Creek Tribal College will not receive funding for fiscal year 1998. This is not acceptable.

In the conference report on H.R. 2107, the conferees agreed to increase funding for tribally controlled community colleges by $2,500,000 over the fiscal year 1997 level. Is it the intention of the chairman of the subcommittee that the Medicine Creek Tribal College be eligible for some of this funding?

Mr. GORTON. Mr. President, like Senator MURRAY, I am disturbed that BIA has now taken the position that the Medicine Creek Tribal College will not receive any funding. My office has worked with the tribe and understood that their funding needs would be met in fiscal year 1998. We urge the BIA make funds available from the increase in tribal community college funding to assist the Medicine Creek Tribal College move forward with its recent accreditation.

Mrs. MURRAY. Mr. President, I thank the chairman for this important clarification.●

TRIBUTE TO DELEGATE LACEY PUTNEY

● Mr. WARNER. Mr. President, across our great Nation in the 50 State legislatures, we find true public servants who receive very little remuneration, but dedicate themselves to the challenge—the pain and the joy—of representing at the grassroots of American citizens. They are the first line of defense and offense for our citizens.

I rise today to pay tribute to one who quietly and humbly personifies the best qualities of these public servants. Delegate Lacey Putney of Big Island, VA, is the most senior member of the Virginia House of Delegates and the only Independent. When he is re-elected today, he will tie with former speaker John Warren Cooke's record for the longest service in Virginia's General Assembly—38 years.

Delegate Putney and I were classmates and close friends as students at Washington and Lee University a half century ago. I have been privileged to count him as a valued advisor since that time.

As this month's "Virginia—Capitol Connections" magazine states: "Lacey Putney: The Democrats Want Him, The Republicans Want Him, But the People of Virginia Have Him."

I ask unanimous consent to place in the RECORD at this point two tributes to Delegate Putney.

The tributes follow:

THE HONORABLE LACEY E. PUTNEY

(By Charles W. Gunn, Jr.)

Some forty-two years ago I first met Lacey Putney, the country gentleman from Big Island, Virginia. This young man was different from most in his comfortable approach to strangers in that he assisted them while thanking them for helping him. I never saw him ask for help, but I saw him carefully seek out those who needed help.

His deep compassion for his fellow man was quite unique and so needed in our world today. He is a man of action with many personal accomplishments of assisting the most needy without seeking public acknowledgment. When he hears of a need, he responds either in person or else contacts the person or agency who can best address the problem. He is tough and thorough, while coupled with a soft heart. If you decide to debate him, be certain you are well prepared, for he seldom uses all of his ammunition but saves some for the rebuttal. He rarely loses!

During his thirty-six years of selfless service, thousands of citizens have been helped by his legislative actions. Equally, thousands have been helped by his personal involvement or intervention. He is an Independent by choice (officially since 1967) but has always been independent in making decisions in our government. If it's a matter of principle, Lacey will take his stand even if he is alone. That's integrity at it's best.

I am grateful to Lacey's wonderful wife, Elizbeth, and his children, Susan and Edward, for their sacrifice in giving Lacey their sincere support during these thirty-six years of service to all Virginians.

Lacey touched my personal life and family in ways that were miraculous as he did in dozens of lives that I am personally aware of. His private nature and extreme humility prevent me from detailing these "personal blessings" that he made possible for many of us.

I am honored to have the privilege of sharing with you some of the contributions made by the country boy from Big Island; that man of great integrity, wisdom, faith, compassion and humility; the gentleman from Bedford, the Honorable Lacey E. Putney, House of Delegates member, Nineteenth District, with thirty-six years of distinction.

"Bedford City Council works with a number of Virginia legislators and it is gratifying to see the high level of esteem and respect that Lacey is accorded from both his state peers as well as national representatives.

"Lacey has taken a personal interest in assuring that Bedford has received proper recognition and the deserved respect on the following:

"Passage of legislation that guaranteed Barr Laboratories locating in Bedford County;

"Strong leadership position with respect to the National D-Day Memorial's state funding;

"Persistence with the Highway Commission to insure needed work on Highway 501 and the Independence Boulevard project.

"Lacey has responded to the needs of our community in real time with real results.

"Lacey plays a pretty good game of tennis for an old guy."—Skip Tharp, Bedford City Council.●

SURGE IN DIABETES

● Mr. DOMENICI. Mr. President, as I work with my colleagues to increase federal support for combating the incidence of diabetes particularly among minorities such as American Indians, Hispanics, Blacks, and Asians, I would like to draw your attention to an article in Monday's Washington Times, November 3, 1997. It is by Joyce Howard Price and entitled "Surge in diabetes tied to unhealthy lifestyles."

Dr. Gerald Bernstein, President-elect of the American Diabetes Association, is reported to say that the national increase in diabetes was predictable, "given that the population is older, fatter, and less active."

Dr. Bernstein was referring to a report from the Centers for Disease Control and Prevention (CDC) estimating that 16 million Americans currently have diabetes, but only 10 million have been diagnosed. He said, "Cancer is much more dramatic and devastating. With diabetes, you erode and rot away. It's almost like leprosy."

The article goes on to quote Dr. Richard C. Eastman, director of the National Institute of Diabetes and Digestive and Kidney Diseases who said, "While we usually get an increase of 3 to 4 percent, there was an 8 percent increase this year. We fund 1 in 4 or 1 in 5 investigators." Dr. Eastman estimates the current national research effort in diabetes at $200 million.

Health and Human Services (HHS) Secretary Donna Shalala agreed with me earlier this year that a special effort is needed to create a multi-million dollar effort for a "large-scale, coordinated primary, secondary, and tertiary prevention effort among the Navajo, who have a large population with a high incidence of diabetes and risk factors for diabetes."

I have reached agreements in the Senate Appropriations bill for Labor-HHS to fund such a center for preventing diabetes in Gallup, New Mexico. In a colloquy with Subcommittee Chairman ARLEN SPECTER, we will affirm the need for this center in our national approach to alleviating the acute increases in diabetes, especially among American Indians whose incidence rate is almost three times the national average.

Among Navajo Indians over age 45, two in five have been diagnosed as diabetic, and many experts believe that almost four in five actually have diabetes, but we will not know until our outreach and testing efforts are improved on this vast Indian reservation.

Dr. Bernstein "points out that the gene that predisposes someone to diabetes is five times more prevalent in American Indians than in whites and twice as prevalent in blacks, Hispanics and Asians than in non-Hispanic whites." He says the disease has "failed to get priority status because it strikes minorities disproportionately."

He is absolutely right about the lack of attention to the problems of Navajo and Zuni Indians in New Mexico and Arizona. I would remind my colleagues that the Balanced Budget Act of 1998 has a $30 million per year program for preventing and treating diabetes among American Indians through the Indian Health Service (IHS). This commitment is for five years or a total of $150 million.

I am currently working with HHS Secretary Shalala to coordinate the efforts of this IHS funding from the Balanced Budget Act with CDC to focus on designing more culturally relevant prevention and diagnosis approaches in a new prevention research center in Gallup, New Mexico. Even if we are slow to learn more about treating this dreaded disease, enough is known today to significantly control the negative end results of diabetes like blindness, amputation, and kidney failure.

I hope my colleagues will continue to support my efforts to create this very specialized center for the study of improving prevention techniques for Indians and other minorities. In the case of Navajo and Zuni Indians, prevention can be difficult to incorporate into daily reservation life. Exercise programs may not be readily available, dietary changes may be contrary to local custom for preparing foods, or soft drinks may be routinely substituted for drinking water that is not plentiful or potable.

These kinds of factors in Indian life will be studied carefully at the Gallup Diabetes Prevention Research Center. Recommendations and CDC assistance will be provided to IHS service providers throughout the Navajo Nation, the Zuni Pueblo, and other Apache and Pueblo Indians in New Mexico and Arizona. It is my hope that improved diagnostic and prevention programs will readily flow from this Gallup center to all IHS facilities around the country.

It may surprise my colleagues as it did me, that in the 1950's the IHS officially reported negligible rates of diabetes among Navajo Indians. In less than 50 years, diabetes has gone from negligible to rampant and epidemic.

I commend the Washington Times for this timely and informative update on the surge in diabetes in our nation. I ask to have the entire article printed in the RECORD following my remarks.

I believe this article is a poignant reminder of the seriousness of this disease and its rapid growth in our country. My colleagues can count on me to continue to help with the critical funding to control this disease with every sensible means possible, especially among the First Americans who seem to suffer at disproportionately high rates. With our funding successes of this year, I would urge my colleagues to continue to seek ways to combat the slow physical erosion that Dr. Bernstein described as being almost like leprosy.

Dr. Bernstein is advocating for a billion dollars to expand urgent research and treatment of diabetes. I do not see this amount possible in our current budget situation, but I do concur that the medical costs of treating diabetes will continue to escalate unless our medical and prevention research efforts are more successful. I thank the Senate for this year's strong support of our efforts in this year's budget to improve the situation for all Americans who are susceptible to the ravages of diabetes.

The article follows:

[From the Washington Times, Nov. 3, 1997]

SURGE IN DIABETES TIED TO UNHEALTHY LIFESTYLES—DOCTORS CALL FOR FEDERAL RESEARCH FUNDS

(By Joyce Howard Price)

The president-elect of the American diabetes Association, Dr. Gerald Bernstein, says no one should be surprised by the explosion of diabetes in the United States today, confirmed in a new federal report.

Given that the population is older, fatter and less active, Dr. Bernstein says, the continued increase in diabetes was predictable. He also criticizes the federal government for "totally inadequate" levels of support for research.

With all its complications, he says, diabetes costs the nation about $140 billion a year—about 15 percent of all U.S. health expenditures:

"While cancer, HIV [and other major diseases] get $5 to $10 for research for every $100 spent on health care, diabetes gets just 25 cents," says Dr. Bernstein, director of the Harold Rifkin Diabetes Center in New York.

A report by the federal Centers for Disease Control and Prevention says about 16 million Americans currently have diabetes, but only about 10 million have been diagnosed. The number of diagnosed cases is up from 1.6 million in 1958.

Diabetes is the nation's seventh leading killer and was the primary cause of more than 59,200 deaths in 1995, according to the National Center for Health Statistics. But data also indicate it may have contributed to as many as 180,000 deaths that year.

"We are becoming a more overweight population, we are less active and we are also getting somewhat older," says Dr. Frank Vinicor, director of the CDC's diabetes division. "If you put all of those factors together, we are seeing a chronic disease epidemic occurring."

Diabetes is a disease caused by a deficiency of insulin, a hormone secreted by the pancreas that is necessary for the metabolism of sugar.

Of the estimated 16 million diabetics in the United States today, less than 1 million have Type I diabetes, meaning their pancreases do not work at all, and they are insulin-dependent. Type I diabetes usually occurs in childhood or adolescence.

The overwhelming majority of diabetics have Type 2 diabetes, a form of the disease that usually occurs after age 40 and is usually treated by diet, pills or both.

"The prevalence of Type 2 diabetes is increasing tremendously in the United States as people adapt more sedentary lifestyles and obesity increases," says Dr. Stephen Clement, director of the Diabetes Center at Georgetown University Medical Center.

Dr. Bernstein says "more women die of diabetes than breast cancer."

Nevertheless, he says, it has been hard to "politicize" diabetes except when young children are involved, because the average Type 2 diabetic is a "fat [adult] individual who's not compliant" with recommendations that he or she exercise and adopt a healthy diet.

"Cancer is much more dramatic and devastating. With diabetes, you erode and rot away. It's almost like leprosy," he says, explaining why this disease has been given short shrift by political leaders, the media and those handing out research dollars. He says the disease has failed to get priority status because it strikes minorities disproportionately.

He points out that the gene that predisposes someone to diabetes is five times more prevalent in American Indians than in whites and twice as prevalent in blacks, Hispanics and Asians than in non-Hispanic whites.

Dr. Richard C. Eastman, director of the National Institute of Diabetes and Digestive and Kidney Diseases, declines to comment on the adequacy of research funding for diabetes, which he says is currently $200 million a year.

"We had a record (funding) increase this year," he says. "While we usually get an increase of 3 to 4 percent, there was an 8 percent increase this year. We fund 1 in 4 or 1 in 5 investigators."

Dr. Bernstein says the recent push for stepped-up diabetes research money came from medical insurers, overwhelmed by having to pay the staggering costs of treating patients stricken with strokes, cardiovascular disorders, nerve damage, kidney problems, limb amputations, and vision loss triggered by diabetes.

Cardiovascular disease and stroke risk are two to four times more common among diabetics than the general population, and better than 60 percent of diabetics have high blood pressure and mild to severe neuropathy, or nerve damage.

"This disease is going to break the economic back of this country, so the amount provided [by the federal government] for diabetes research should be a billion dollars a year," Dr. Bernstein says.

As evidence of the need for more research, he cites a recent study by researchers at the University of Arkansas "who found a teenage population that was obese, hypertensive [had high blood pressure], and also had Type 2 diabetes," a condition usually confined to middle-aged adults. "So we're now seeing it's all over the place."

Dr. Clement agrees a lot more federal money is needed for research. But he and Dr. Eastman point out that the National Institutes of Health is currently funding large studies designed to determine if both types of diabetes can be prevented.●

CBO COST ESTIMATE—S. 1228

● Mr. D'AMATO. Mr. President, the Committee on Banking, Housing, and Urban Affairs reported S. 1228, the 50 States Commemorative Coin Program

Act on Friday, October 31, 1997. The committee report, Senate Report No. 105–130, was filed the same day.

The Congressional Budget Office cost estimate required by Senate Rule XXVI, section 11(b) of the Standing Rules of the Senate and section 403 of the Congressional Budget Impoundment and Control Act, was not available at the time of filing and, therefore, was not included in the committee report. Instead, the committee indicated the Congressional Budget Office cost estimate would be published in the CONGRESSIONAL RECORD when it became available.

Mr. President, I ask that the full statement and cover letter from the Congressional Budget Office regarding S. 1228 be printed in the RECORD.

The material follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 31, 1997.

Hon. ALFONSE M. D'AMATO,
Chairman, Committee on Banking, Housing, and Urban Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1228, the 50 States Commemorative Coin Program Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is John R. Righter (for federal costs), and Matthew Eyles (for the private-sector impact).

Sincerely,
JAMES L. BLUM
(For June E. O'Neill, Director).

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

S. 1228—50 States Commemorative Coin Program Act

Summary: S. 1228 would require the U.S. Mint to make changes to the quarter-dollar and one-dollar coins and to issue three coins commemorating the 100th anniversary of the first flight at Kitty Hawk, North Carolina. CBO estimates that enacting this bill would decrease direct spending by $15 million over the 1998–2002 period and by $40 million over the 1998–2007 period. Because the bill would affect direct spending, pay-as-you-go procedures would apply. S. 1228 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 (UMRA) and would not affect the budgets of state, local, or tribal governments.

Description of the bill's major provisions: S. 1228 would direct the Secretary of the Treasury to design and issue a series of quarters commemorating the 50 states over a 10-year period beginning in 1999. During this period, designs for each state would replace the current eagle design on the reverse side of the George Washington quarter. The Mint would issue five quarters a year in the order that the states ratified the Constitution or were admitted into the Union. Before selecting an emblem for each state, the Secretary of the Treasury would consult with the state's governor and with the federal Commission of Fine Arts (CFA) and would submit the selected design for review by the Citizens Commemorative Coin Advisory Committee (CCCAC). The bill would authorize the Mint to sell silver replicas of the quarters—both in proof and uncirculated versions.

S. 1228 also would permanently replace the current Susan B. Anthony one-dollar coin with a new dollar coin. Under the bill, the Mint could produce additional quantities of the Susan B. Anthony, if needed, until the new coin was ready for circulation. (The Mint predicts that public demand will exhaust its current inventory of approximately 130 million coins in about 30 months.) The new one-dollar coin would be golden in color and have distinctive tactile and visual features but would have the same diameter and weight as the current coin. In consultation with the Congress, the Secretary of the Treasury would select the designs for both sides of the coin. The bill also would direct the Treasury to market the coin to the American public before placing it into circulation and to study and report to the Congress on the results of its efforts. In addition, the Mint would have the authority to include quantities of the new coin in collector sets sold to the public prior to its introduction into circulation. Unlike previous proposals to introduce a new dollar coin, S. 1228 would not eliminate the one-dollar bill.

Finally, S. 1228 would direct the U.S. Mint to produce a ten-dollar gold coin, a one-dollar silver coin, and a half-dollar clad coin in fiscal years 2003 and 2004 commemorating the 100th anniversary of the first flight of Orville and Wilbur Wright at Kitty Hawk, North Carolina. In selecting a design for each coin, the Secretary of the Treasury would consult with the Board of Directors of the First Flight Foundation and the CFA and submit the designs for review by the CCCAC. The coins would be available for sale from August 1, 2003, through July 31, 2004. The price of each coin would equal the sum of its face value, the amount of the surcharge set for it by the bill, and the costs of the Mint to produce it. The bill would set a surcharge of $35 per coin for the ten-dollar coin, $10 per coin for the one-dollar coin, and $1 per coin for the half-dollar coin. S. 1228 would require the Mint to transfer all proceeds from surcharges to the First Flight Foundation.

Estimated cost to the Federal Government: The estimated budgetary impact of S. 1228 is shown in the following table. The costs of this legislation fall within budget function 800 (general government).

In addition to the budgetary effects summarized in the table, by increasing the public's holding of coins, S. 1228 also would result in the government acquiring additional resources for financing the federal deficit. The seigniorage (or profit, the difference between the face value of coins and their cost of production) from placing the additional coins in circulation would reduce the amount of government borrowing from the public. Under the principles established by the President's Commission on Budget Concepts in 1967, seigniorage does not affect the deficit but is treated as a means of financing the deficit.

	By fiscal year, in millions of dollars—				
	1998	1999	2000	2001	2002
CHANGES IN DIRECT SPENDING					
50 States Quarter Program:					
Estimated Budget Authority	0	−8	−5	−5	−5
Estimated Outlays	0	−8	−5	−5	−5
New One-Dollar Coin:					
Estimated Budget Authority	1	3	3	1	0
Estimated Outlays	1	3	3	1	0
Net Change in Direct Spending Under S. 1228:					
Estimated Budget Authority	1	−5	−2	−4	−5
Estimated Outlays	1	−5	−2	−4	−5

Note.—The table only includes provisions that would change direct spending in fiscal years 1998 through 2002. S. 1228 also includes a provision that would authorize the Mint to issue three commemorative coins during fiscal years 2003 and 2004.

Basis of estimate

Direct spending

50 States Circulating Commemorative Quarter Program. Beginning in 1999, S. 1228 would authorize the Mint to sell silver replicas of the redesigned 50 states quarters—both in proof and uncirculated varieties. CBO estimates that enacting this provision would decrease direct spending by $23 million over the 1998–2002 period and by $48 million over the 1998–2007 period.

CBO assumes the Mint would sell a five-coin proof set a price of around $30, which would cover the full cost of the set and provide it with a margin of profit consistent with past silver proof sets. We also assume the Mint would sell each uncirculated silver quarter at a price equal to the spot price of silver plus a markup of 3 percent. Because the silver replicas would be sold as a commercial product, the receipts would constitute offsetting collections to the Mint. Based on information provided by the Mint, including historical sales and profit data for past silver proof and uncirculated designs, CBO estimates that the sale of the silver replicas would increase offsetting collections to the Mint by about $10 million each year for a total of $40 million over the 1999–2002 period. This estimate assumes that, on average, the Mint would sell about 1 million five-coin proof sets each year, which would generate the $10 million in profits. CBO expects that the profits earned in any one year from selling uncirculated versions of the quarters would not be significant.

Public Law 104-52, which established the U.S. Mint Public Enterprise Fund, requires the Mint to transfer any excess funds to the general fund of the Treasury at least annually. For the purposes of this estimate, CBO assumes that the Mint would retain about one-half of the $10 million in increased offsetting collections generated from annual sales of the silver replicas. We estimate that half of the amount retained would be spent in the same fiscal year, with the other half spent in the following fiscal year. In total, net direct spending would decrease by between $20 million and $25 million over the 1998–2002 period, or by about one-half of the increase in offsetting collections to the Mint.

New One-Dollar Coin. S. 1228 would replace the current Susan B. Anthony one-dollar coin with a new one-dollar coin. The bill would authorize the Mint to produce quantities of the Susan B. Anthony, as needed, until the new coin was ready for circulation. (The Mint has not produced any new Susan B. Anthony coins since 1981). According to the Mint, it would need at least 30 months to design, test, and produce a new one-dollar coin for circulation. Thus, assuming this bill is enacted within the next several months, CBO expects that the new coin would not begin circulating before sometime in fiscal year 2000. CBO estimates that producing a new one-dollar coin would increase direct spending by between $5 million and $10 million over the 1998–2002 period.

Previously, the Mint has estimated cost of about $93 million to purchase the necessary infrastructure and materials and to design and promote a new one-dollar coin. That estimate, however, assumed that the one-dollar bill would be eliminated, and that the Mint would produce an initial supply of approximately 9 billion coins to meet the public's demand for one-dollar currency. Under S. 1228, CBO expects the public's annual demand for one-dollar coins would approximate the roughly 50 million Susan B. Anthony coins currently added to the nation's circulation of coins each year. Thus, based on information provided by the Mint, CBO estimates start-up costs under this bill of between $5 million and $10 million. That estimate includes the costs to research, design, and test the new coin and to market it to the public. CBO estimates the Mint would also incur costs of less than $500,000 in fiscal year 2001 to study the effects of the marketing program and report its results to the Congress by March 31, 2001.

S. 1228 also would authorize the Mint to include the redesigned dollar coin in coin sets sold as commercial products to the public. The Mint currently offers a five-coin proof set, a five-coin silver proof set, and a 10-coin uncirculated set. Adding a redesigned dollar coin to one or all of these sets could increase offsetting collections to the U.S. Mint Public Enterprise Fund if its addition increases collectors' interest in the sets. It is uncertain whether the Mint would add a redesigned dollar coin to each of these sets. Given the addition of the commercial items that would be included under the 50 states quarter program, as well as the Mint's recent introduction of platinum coins and its expected first-time issue of .9999 fine gold coin sets, CBO estimates that even if the Mint does include the new dollar coin, any increase in net offsetting collections from the sale of all commercial products would be small—as much as several million dollars in the first two years—and largely one-time. In addition, CBO estimates that the Mint would retain and spend any additional collections, resulting in no net budgetary effect over time.

Commemorative Coins. S. 1228 would direct the Mint to produce and issue three coins commemorating the 100th anniversary of the first flight at Kitty Hawk, North Carolina. Because the coins would not become available until 2003, the provision would have no budgetary impact over the next five years. CBO estimates that the provision would have no net budgetary effect over the 1998–2007 period. The bill could raise as much as $9.25 million in surcharges if the Mint sold the maximum mintage level authorized for each coin, although the experience of recent anniversary-based commemoratives suggests that sales would be less than the authorized total of 1.35 million coins. Because the bill would require that the Mint transfer all surcharges to the First Flight Foundation, a nonfederal entity, proceeds from surcharges would have no net budgetary impact over time. We expect that the Mint would retain and spend any additional net proceeds generated from such sales to fund other commercial activities.

Seigniorage

In addition to the bills' effects on direct spending, by increasing the public's holding of quarters, S. 1228 also would result in the government acquiring additional resources for financing the federal deficit. Based on the previous experience of both the United States, with the bicentennial quarter in 1975 and 1976, and Canada, with its series of quarters commemorating its 12 provinces and territories in 1992, CBO expects that enacting the bill would lead to a greater production of quarters. The seigniorage, or profit, from placing the additional coins in circulation would reduce the amount of government borrowing from the public. Such profits are likely to be very significant—the Mint estimates that the seigniorage from making a quarter is 20.2 cents, so for each additional $100 million worth of quarters put into circulation each year for 10 years, the amount of seigniorage earned by the federal government would increase by about $808 million over the ten-year period.

By substituting a new dollar coin for the current Susan B. Anthony, the legislation could also affect the seigniorage earned—estimated at 92 cents per coin—from circulating one-dollar coins. That increase would occur only to the extent that the public demanded more one-dollar coins than under current law. (According to the Mint, the federal government currently is increasing the amount of Susan B. Anthony dollars placed in circulation by about 50 million coins each year.) Because S. 1228 would not eliminate the one-dollar bill, CBO expects that any increase in circulation of the one-dollar coin would not be significant.

Previously, CBO has done estimates for proposals that would replace the one-dollar bill with a new one-dollar coin. S. 1228 would not remove the one-dollar bill from circulation. Consequently, the savings in the production and handling of the nation's currency and the changes in seigniorage previously estimated by CBO would not apply to S. 1228.

Pay-as-you-go-considerations: The Balanced Budget and Emergency Deficit Control Act of 1985 specifies procedures for legislation affecting direct spending or receipts. The projected changes in direct spending are shown in the following table for fiscal years 1998 through 2007. For purposes of enforcing pay-as-you-go procedures, however, only the effects in the budget year and the succeeding four years are counted.

SUMMARY OF EFFECTS ON DIRECT SPENDING AND RECEIPTS

	By fiscal year, in millions of dollars—									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Changes in outlays	1	−5	−2	−4	−5	−5	−5	−5	−5	−5
Changes in receipts	Not applicable									

Estimated impact on State, local, and tribal governments: S. 1228 contains no intergovernmental mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

Estimated impact on the private sector: S. 1228 contains no private-sector mandates as defined in UMRA. However, some private-sector entities would incur costs as a result of provisions in the bill to issue a new dollar coin. Vending machine operators who choose to accept the new coin, for example, would be required to modify their machines because the electromagnetic properties of the new gold-colored dollar coin would be different from those of the Susan B. Anthony dollar (which many machines are currently equipped to accept). Costs of modification would be reduced if the new coins were used with some regularity and operators were able to eliminate bill acceptors from most vending machines. In addition, to the extent that the dollar coin circulates even modestly, depository institutions would incur some additional expenses because they bear a substantial share of processing costs for all circulating coinage. Other entities, such as mass transit authorities, would experience lower costs because coins can be collected and processed at a cost that is significantly lower than notes. Mass transit authorities, however, are generally publicly operated and therefore not included in the private sector. Nevertheless, because no provision in federal law requires any person or organization to accept a specific form of payment, including the proposed new dollar coin, S. 1228 contains no private-sector mandates as defined in UMRA.

Estimate prepared by: Federal Costs: John R. Righter. Impact on the Private Sector: Matthew Eyles.

Estimated approved by: Paul N. Van de Water, Assistant Director for Budget Analysis.●

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to 10 U.S.C. 4355(a) appoints the following Senator to the Board of Visitors of the U.S. Military Academy: The Senator from New Jersey [Mr. LAUTENBERG] from the Committee on Appropriations, vice the Senator from Wisconsin [Mr. KOHL].

UNANIMOUS-CONSENT AGREEMENT—NOMINATION OF JAMES S. GWIN

Mr. BENNETT. Mr. President, as in executive session, I ask unanimous consent that at 9:30 a.m., on Wednesday, November 5, the Senate proceed to executive session and that there then be 10 minutes of debate, equally divided, between the chairman and ranking member of the Judiciary Committee. I further ask unanimous consent that following that debate, the Senate proceed to vote on the confirmation of Calendar No. 328, the nomination of James Gwin to be U.S. district judge in Ohio. I finally ask unanimous consent that immediately following that vote, the President be notified of the Senate's action, and that the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOOPA VALLEY RESERVATION SOUTH BOUNDARY ADJUSTMENT ACT

Mr. BENNETT. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 230, H.R. 79.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 79) to provide for the conveyance of certain land in the Six Rivers National Forest in the State of California for the benefit of the Hoopa Valley Tribe.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. BENNETT. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The bill (H.R. 79) was read the third time and passed.

AMENDING THE IMMIGRATION AND NATIONALITY ACT

Mr. BENNETT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 2464, which was received from the House.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2464) to amend the Immigration and Nationality Act to exempt internationally adopted children 10 years of age or younger from the immunization requirement in section 212(a)(1)(A)(ii) of such Act.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. KENNEDY. Mr. President, this bill exempts adopted immigrant children ages 10 and under from the battery of immunizations they would normally have to receive before being allowed to enter the United States.

I share Senator ABRAHAM's disappointment that this bill does not go further. The immunization requirement which has caused so many problems for all immigrants, including the parents of adopted immigrant children, was passed as a part of last year's immigration bill. This provision requires all immigrants to receive the entire series of vaccinations recommended by the Advisory Committee on Immunization Practices before they are allowed to enter the United States. During the debate of the immigration bill, significant concerns were raised that this requirement would lead to many unintended results, such as forged immunization records, unavailability of vaccines, and inadequate health care if the immigrant had an adverse reaction to a vaccine.

As a result of these concerns, the Senate passed a modified immunization provision, requiring immigrants to obtain most of their immunizations after they entered the United States, where vaccines and health care are available and adequate. Unfortunately, the Senate provisions were dropped in the conference on the final bill. Our concerns were borne out, and the bill we are about to pass deals with part of the problems caused by the overseas immunization requirement. I had hoped we could pass a bill that exempted all immigrant children, not just adopted immigrant children, from this requirement. However, the adoptive parents are legitimately concerned about their children's health, and they deserve this relief. I urge my colleagues to approve this legislation.

Mr. BENNETT. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed, and the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The bill (H.R. 2464) was read the third time and passed.

VETERANS' CEMETERY PROTECTION ACT OF 1997

Mr. BENNETT. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of calendar No. 224, S. 813.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 813) to amend chapter 91 of title 18, United States Code, to provide criminal penalties for theft and willful vandalism at national cemeteries.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Cemetery Protection Act of 1997".

SEC. 2 SENTENCING FOR OFFENSES AGAINST PROPERTY AT NATIONAL CEMETERIES.

(a) IN GENERAL.—Pursuant to its authority under section 994 of title 28, United States Code, the United States Sentencing Commission shall review and amend the Federal sentencing guidelines to provide a sentencing enhancement of not less than 2 levels for any offense against the property of a national cemetery.

(b) COMMISSION DUTIES.—In carrying out subsection (a), the Sentencing Commission shall ensure that the sentences, guidelines, and policy statements for offenders convicted of an offense described in that subsection are—

(1) appropriately severe; and

(2) reasonably consistent with other relevant directives and with other Federal sentencing guidelines.

(c) DEFINITION OF NATIONAL CEMETERY.—In this section, the term "national cemetery" means a cemetery—

(1) in the National Cemetery System established under section 2400 of title 38, United States Code; or

(2) under the jurisdiction of the Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, or the Secretary of the Interior.

Mr. BENNETT. Mr. President, I ask unanimous consent that the committee substitute be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee substitute was agreed to.

Mr. BENNETT. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The bill (S. 813), as amended, was read the third time and passed.

U.S. FIRE ADMINISTRATION AUTHORIZATION ACT FOR FISCAL YEARS 1998 AND 1999

Mr. BENNETT. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 237, S. 1231.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1231) to authorize appropriations for fiscal years 1998 and 1999 for the United States Fire Administration, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. HOLLINGS. Mr. President, I rise today in support of S. 1231 as reported by the Commerce Committee. This bill would reauthorize the programs of the U.S. Fire Administration [USFA].

As I stated when we introduced this bill, it is a tragic statistic that the United States currently has one of the worst fire records of any country in the industrial world with more than 2 million fires reported in the United States every year. Even more tragic is the fact that these fires result in over 4,500 deaths, 30,000 civilian injuries, and billions property losses.

The USFA has done a tremendous job since its creation in 1974, pursuant to the recommendation of the National Commission on Fire and Control, in reducing deaths and damage caused by fires. This bill before the Senate today will allow the USFA to continue assisting our Nation's 1.2 million member fire service in doing their job, efficiently and safely, with the best technology available.

Mr. President, the fire service is one of the most hazardous professions in the country. Firefighters not only confront daily the dangers of fire; they also are required to respond to other natural disasters, such as earthquakes, floods, medical emergencies, and hazardous materials spills.

Finally, we are all well aware of the recent rise in arson activities in this country. Arsonists are responsible for over 500,000 fires every year. Arson is the No. 1 cause of all fires, and is the second leading cause of fire deaths in residences.

The USFA has initiated several measures to combat this weapon of hatred, including: community grants in high risk areas to hire part-time law enforcement officers, and to pay for law enforcement overtime and other church arson prevention activities; National Fire Academy training courses; additional training and education for arson investigators with the Bureau of Alcohol, Tobacco, and Firearms; arson prevention information for the general public; and juvenile arson prevention workshops. This bill allows these efforts to continue.

Mr. President, we owe our support to this Nation's 1.2 million firefighters who risk their lives every day to save the lives and property of others. By passing this bill, the USFA can continue providing the education, data analysis, training, and technology needed to enable these brave individuals to do their job as efficiently and safely as possible. This bill ensures that both firefighters and the USFA get the financial resources they need to serve the public. I encourage my colleagues to support passage of S. 1231.

Mr. BENNETT. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at the appropriate place in the Record.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The bill (S. 1231) was read the third time and passed, as follows:

S. 1231

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States Fire Administration Authorization Act for Fiscal Years 1998 and 1999".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

Section 17(g)(1) of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2216(g)(1)) is amended—

(1) by striking "and" at the end of subparagraph (E);

(2) by striking the period at the end of subparagraph (F) and inserting a semicolon; and

(3) by adding at the end the following:

"(G) $29,664,000 for the fiscal year ending September 30, 1998; and

"(H) $30,554,000 for the fiscal year ending September 30, 1999.".

SEC. 3. SUCCESSOR FIRE SAFETY STANDARDS.

The Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2201 et seq.) is amended—

(1) in section 29(a)(1), by inserting "or any successor standard to that standard" after "Association Standard 74";

(2) in section 29(a)(2), by inserting ", or any successor standard to that standard" before ", whichever is appropriate,";

(3) in section 29(b)(2), by inserting ", or any successor standard to that standard" after "Association Standard 13 or 13-R";

(4) in section 31(c)(2)(B)(i), by inserting "or any successor standard to that standard" after "Life Safety Code)"; and

(5) in section 31(c)(2)(B)(ii), by inserting "or any successor standard to that standard" after "Association Standard 101".

SEC. 4. TERMINATION OR PRIVATIZATION OF FUNCTIONS.

(a) In General.—Not later than 60 days before the termination or transfer to a private sector person or entity of any significant function of the United States Fire Administration, as described in subsection (b), the Administrator of the United States Fire Administration shall transmit to Congress a report providing notice of that termination or transfer.

(b) Covered Terminations and Transfers.—For purposes of subsection (a), a termination or transfer to a person or entity described in that subsection shall be considered to be a termination or transfer of a significant function of the United States Fire Administration if the termination or transfer—

(1) relates to a function of the Administration that requires the expenditure of more than 5 percent of the total amount of funds made available by appropriations to the Administration; or

(2) involves the termination of more than 5 percent of the employees of the Administration.

SEC. 5. NOTICE.

(a) Major Reorganization Defined.—With respect to the United States Fire Administration, the term "major reorganization" means any reorganization of the Administration that involves the reassignment of more than 25 percent of the employees of the Administration.

(b) Notice of Reprogramming.—If any funds appropriated pursuant to the amendments made by this Act are subject to a reprogramming action that requires notice to be provided to the Committees on Appropriations of the Senate and the House of Representatives, notice of that action shall concurrently be provided to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives.

(c) Notice of Reorganization.—Not later than 15 days before any major reorganization of any program, project, or activity of the United States Fire Administration, the Administrator of the United States Fire Administration shall provide notice to the Committees on Science and Appropriations of the House of Representatives and the Committees on Commerce, Science, and Transportation and Appropriations of the Senate.

SEC. 6. SENSE OF CONGRESS ON THE YEAR 2000 PROBLEM.

With the year 2000 rapidly approaching, it is the sense of Congress that the Administrator of the United States Fire Administration should—

(1) give high priority to correcting all 2-digit date-related problems in the computer systems of the United States Fire Administration to ensure that those systems continue to operate effectively in the year 2000 and in subsequent years;

(2) as soon as practicable after the date of enactment of this Act, assess the extent of the risk to the operations of the United States Fire Administration posed by the problems referred to in paragraph (1), and plan and budget for achieving compliance for all of the mission-critical systems of the system by the year 2000; and

(3) develop contingency plans for those systems that the United States Fire Administration is unable to correct by the year 2000.

SEC. 7. ENHANCEMENT OF SCIENCE AND MATHEMATICS PROGRAMS.

(a) Definitions.—In this section:

(1) Administrator.—The term "Administrator" means the Administrator of the United States Fire Administration.

(2) Educationally useful federal equipment.—The term "educationally useful Federal equipment" means computers and related peripheral tools and research equipment that is appropriate for use in schools.

(3) School.—The term "school" means a public or private educational institution that serves any of the grades of kindergarten through grade 12.

(b) Sense of Congress.—

(1) In general.—It is the sense of Congress that the Administrator should, to the greatest extent practicable and in a manner consistent with applicable Federal law (including Executive Order No. 12999), donate educationally useful Federal equipment to schools in order to enhance the science and mathematics programs of those schools.

(2) Reports.—

(A) In general.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Administrator shall prepare and submit to the President a report that meets the requirements of this paragraph. The President shall submit that report to Congress at the same time as the President submits a budget request to Congress under section 1105(a) of title 31, United States Code.

(B) Contents of report.—The report prepared by the Administrator under this paragraph shall describe any donations of educationally useful Federal equipment to schools made during the period covered by the report.

SEC. 8. REPORT TO CONGRESS.

(a) In General.—Not later than 180 days after the date of enactment of this Act, the Administrator of the United States Fire Administration (referred to in this section as the "Administrator") shall prepare and submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives a report that meets the requirements of this section.

(b) Contents of Report.—The report under this section shall—

(1) examine the risks to firefighters in suppressing fires caused by burning tires;

(2) address any risks that are uniquely attributable to fires described in paragraph (1), including any risks relating to—

(A) exposure to toxic substances (as that term is defined by the Administrator);

(B) personal protection;

(C) the duration of those fires; and

(D) site hazards associated with those fires;

(3) identify any special training that may be necessary for firefighters to suppress those fires; and

(4) assess how the training referred to in paragraph (3) may be provided by the United States Fire Administration.

BATTLE OF MIDWAY NATIONAL MEMORIAL STUDY ACT

Mr. BENNETT. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of calendar No. 228, S. 940.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 940) to provide for a study of the establishment of Midway Atoll as a national memorial to the Battle of Midway, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited the "Battle of Midway National Memorial Study Act".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) September 2, 1997, marked the 52nd anniversary of the United States victory over Japan in World War II.

(2) The Battle of Midway proved to be the turning point in the war in the Pacific, as United States Navy forces inflicted such severe losses on the Imperial Japanese Navy during the battle that the Imperial Japanese Navy never again took the offensive against the United States or the allied forces.

(3) During the Battle of Midway on June 4, 1942, an outnumbered force of the United States Navy, consisting of 29 ships and other units of the Armed Forces under the command of Admiral Nimitz and Admiral Spruance, out-maneuvered and out-fought 350 ships of the Imperial Japanese Navy.

(4) It is in the public interest to study whether Midway Atoll should be established as a national memorial to the Battle of Midway to express the enduring gratitude of the American people for victory in the battle and to inspire future generations of Americans with the heroism and sacrifice of the members of the Armed Forces who achieved that victory.

(5) The historic structures and facilities on Midway Atoll should be protected and maintained.

SEC. 3. PURPOSE.

The purpose of this Act is to require a study of the feasibility and suitability of designating the Midway Atoll as a National Memorial to the Battle of Midway within the boundaries of the Midway Atoll National Wildlife Refuge. The study of the Midway Atoll and its environs shall include, but not be limited to, identification of interpretative opportunities for the educational and inspirational benefit of present and future generations, and of the unique and significant circumstances involving the defense of the island by the United States in World War II and the Battle of Midway.

SEC. 4. STUDY OF THE ESTABLISHMENT OF MIDWAY ATOLL AS A NATIONAL MEMORIAL TO THE BATTLE OF MIDWAY.

(a) IN GENERAL.—Not later than six months after the date of enactment of this Act, the Secretary of the Interior shall, acting through the Director of the National Park Service and in consultation with the Director of the United States and Wildlife Service, the International Midway Memorial Foundation, Inc. (hereafter referred to as the "Foundation"), and Midway Phoenix Corporation, carry out a study of the suitability and feasibility of establishing Midway Atoll as a national memorial to the Battle of Midway.

(b) CONSIDERATIONS.—In studying the establishment of Midway Atoll as a national memorial to the Battle of Midway under subsection (a), the Secretary shall address the following:

(1) The appropriate federal agency to manage such a memorial, and whether and under what conditions, to lease or otherwise allow the Foundation or another appropriate entity to administer, maintain, and fully utilize the lands (including any equipment, facilities, infrastructure, and other improvements) and waters of Midway Atoll if designated as a national memorial.

(2) Whether designation as a national memorial would conflict with current management of Midway Atoll as a wildlife refuge and whether, and under what circumstances, the needs and requirements of the wildlife refuge should take precedence over the needs and requirements of a national memorial on Midway Atoll.

(3) Whether, and under what conditions, to permit the use of the facilities on Sand Island for purposes other than a wildlife refuge or a national memorial.

(4) Whether to impose conditions on public access to Midway Atoll as a national memorial.

(c) REPORT.—Upon completion of the study required under subsection (a), the Secretary shall submit, to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Resources of the House of Representatives, a report on the study, which shall include any recommendations for further legislative action. The report shall also include an inventory of all known past and present facilities and structures of historic significance on Midway Atoll and its environs. The report shall include a description of each historic facility and structure and a discussion of how each will contribute to the designation and interpretation of the proposed national memorial.

SEC. CONTINUING DISCUSSIONS.

Nothing in this Act shall be construed to delay or prohibit discussions between the Foundation and the United States Fish and Wildlife Service or any other government entity regarding the future role of the Foundation on Midway Atoll.

Mr. BENNETT. Mr. President, I ask unanimous consent that the committee substitute be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee substitute was agreed to.

Mr. BENNETT. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The bill (S. 940), as amended, was read the third time and passed.

BILOXI HARBOR NAVIGATION ACT

Mr. BENNETT. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of calendar No. 238, S. 1324.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1324) to deauthorize a portion of the project for navigation, Biloxi Harbor, Mississippi.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. CHAFEE. Mr. President, today the Senate is considering S. 1324, a bill introduced by Senator LOTT to deauthorize a portion of the project for navigation at Biloxi Harbor, MS. The Senate Committee on Environment and Public Works unanimously approved this measure on October 29, 1997.

This technical legislation is necessary as the Mississippi Department of Transportation intends to replace an existing bascule bridge, which spans a segment of the Bernard Bayou Federal navigation channel in Biloxi Harbor, with a fixed span bridge. Construction of the fixed span bridge would obstruct the navigation channel, which was authorized as part of the 1960 River and Harbor Act. However, the U.S. Army Corps of Engineers has determined that there is no current or expected commercial navigation along the channel.

Thus, deauthorization of a portion of the Bernard Bayou Federal channel appropriately addressed an artifact of the 1960 authorization and allows for construction of the fixed span bridge. The Army Corps of Engineers has informed the Congress that it has no objection to deauthorization of the Bernard Bayou Federal navigation channel segment identified in S. 1324. Mr. President, I encourage Senate adoption of this necessary measure.

I ask unanimous consent that a letter from June O'Neill of the CBO to me be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 31, 1997.

Hon. JOHN H. CHAFEE,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1324, a bill to deauthorize a portion of the project for navigation, Biloxi Harbor, Mississippi.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Gary Brown.

Sincerely,

JAMES. L. BLUM
(For June E. O'Neill).

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

S. 1324—A bill to deauthorize a portion of the project for navigation, Biloxi Harbor, Mississippi

CBO estimates that enacting the bill would have no impact on the federal budget. The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995, and would impose no costs on state, local, or tribal governments.

S. 1324 would deauthorize a portion of the project for navigation of Bernard Bayou Channel, Biloxi, Mississippi, that was authorized by the River and Harbor Act of 1960. The deauthorization would allow the Mississippi Department of Transportation to replace the existing bascule bridge (drawbridge) that spans that channel with a fixed-span bridge. Any costs associated with constructing a bridge would be incurred voluntarily by the state of Mississippi.

If you wish further details on this estimate, we will be pleased to provide them. the CBO staff contact is Gary Brown. This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.

Mr. BENNETT. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The bill (S. 1324) was read the third time and passed, as follows:

S. 1324

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION. 1 BILOXI HARBOR, MISSISSIPPI.

The portion of the project for navigation, Biloxi Harbor, Mississippi, authorized by the River and Harbor Act of 1960 (74 Stat. 481), for the Bernard Bayou Channel beginning near the Air Force Oil Terminal at approximately navigation mile 2.6 and extending downstream to the North-South ½ of Section 30, Township 7 South, Range 10 West, Harrison County, Mississippi, just west of Kremer Boat Yards, is not authorized after the date of enactment of this Act.

GRAZING PRIVILEGES ACT

Mr. BENNETT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 219, H.R. 708.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 708) to require the Secretary of the Interior to conduct a study concerning grazing use of certain land within and adjacent to Grand Teton National Park, Wyoming, and to extend temporarily certain grazing privileges.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. BENNETT. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The bill (H.R. 708) was read the third time and passed.

ORDERS FOR WEDNESDAY, NOVEMBER 5, 1997

Mr. BENNETT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:30 a.m., on Wednesday, November 5th. I further ask unanimous consent that on Wednesday, immediately following the prayer, the routine requests through the morning hour be granted and the Senate proceed immediately to 10 minutes of debate in executive session on the nomination of Judge James Gwin, of Ohio, to be U.S. District Judge for the Northern District of Ohio, to be followed by a rollcall vote on his confirmation, as under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENNETT. Mr. President, I also ask unanimous consent that following the vote on the Gwin nomination, the Senate proceed to legislative session to resume consideration of the motion to proceed to S. 1269, the fast-track legislation, with Senator ROTH or his designee being in control of 3 hours and Senator DORGAN or his designee in control of 4 hours. I further ask unanimous consent that at no later than 5 p.m., the Senate proceed to a rollcall vote on or in relation to the motion to proceed to S. 1269.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BENNETT. In conjunction with the previous consent agreements, tomorrow at 9:40 the Senate will proceed to executive session to vote on the nomination of James S. Gwin to be U.S. district judge for the Northern District of Ohio. Following that vote, the Senate will resume legislative session and debate on the motion to proceed to S. 1269, the fast-track legislation, with Senator ROTH in control of 3 hours and Senator DORGAN in control of 4 hours. As under the previous consent, the Senate will vote on or in relation to the motion to proceed to S. 1269 at no later than 5 p.m. tomorrow. Following that vote the Senate could turn to any of the following items, if available: The D.C. appropriations bill, the FDA reform conference report, the Intelligence authorization conference report, and any additional legislative or executive items that can be cleared for action. Therefore, Members can anticipate rollcall votes throughout Wednesday's session of the Senate. As a reminder to all Members, the first rollcall vote tomorrow will occur at 9:40 a.m.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. BENNETT. If there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 8:11 p.m., adjourned until Wednesday, November 5, 1997, at 9:30 a.m.

HOUSE OF REPRESENTATIVES—*Tuesday, November 4, 1997*

The House met at 10:30 a.m. and was called to order by the Speaker pro tempore [Mr. SNOWBARGER].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
November 4, 1997.

I hereby designate the Honorable VINCE SNOWBARGER to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Sherman Williams, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. McDevitt, one of its clerks, announced that the Senate disagrees to the amendment of the House to the bill (S. 1026) "An Act to reauthorize the Export-Import Bank of the United States," agrees to a conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. D'AMATO, Mr. GRAMS, Mr. HAGEL, Mr. SARBANES, and Ms. MOSELEY-BRAUN, to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendment of the House to the bill (S. 1139) "An Act to reauthorize the programs of the Small Business Administration, and for other purposes," with an amendment.

The message also announced that pursuant to Public Law 105-33, the Chair, on behalf of the majority leader, and in consultation with the Democratic leader, announces the appointment of the following members of the National Bipartisan Commission on the Future of Medicare:

The Senator from Nebraska [Mr. KERREY]; and

The Senator from West Virginia [Mr. ROCKEFELLER].

MORNING HOUR DEBATES

The SPEAKER pro tempore (Mr. SNOWBARGER). Pursuant to the order of the House of January 21, 1997, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to 30 minutes, and each Member except the majority leader, the minority leader, or the minority whip limited to 5 minutes.

The Chair recognizes the gentleman from Florida [Mr. DIAZ-BALART] for 5 minutes.

SHAME ON VENEZUELA

Mr. DIAZ-BALART. Mr. Speaker, a few years ago, actually more than 6 or 7 years ago, the gangster who used to be the President of Mexico, Carlos Salinas, and his accomplice in some crimes and other activities, the former Prime Minister of Spain, Felipe Gonzalez, created a conference that meets every year named the Iberoamericana Summit and they invite the Latin American countries, heads of state and government, and of Spain and Portugal. They all curtsy to the king of Spain as though Spain still rules in this hemisphere every year when they meet, but the main purpose of Carlos Salinas' and Felipe Gonzalez' little gathering was to bring into the club and give credence and help out in every way possible their friend and certainly their accomplice in business and crime, the dictator of Cuba.

So the decrepit tyrant is invited every year to these meetings of elected heads of state and government, and he sits there and he demagogs and offends the United States and lies about history, and of course offends even his own people, the people of Cuba, year in and year out.

It is grotesque that they have invited to that putrid system that they created called the Iberoamericana Summit, it is putrid because of the fact that it was born with that tyrant and it is offensive that they invite that tyrant year in and year out.

In a few days they will have another meeting, this time in Venezuela, with the decrepit tyrant, which of course the good news is not only is he decrepit and in his last months, but certainly his last years, because the good Lord is finally deciding to take him away.

But something happened yesterday in Venezuela as they prepare for the summit in a few days where they have invited again the decrepit, bloody tyrant and will treat him with all of the honors which really, Mr. Speaker, is beyond the pale. Cuban exile organizations went, as they have gone every year, to meet with all who will listen, to meet with the press, to have press conferences, to denounce what the decrepit, Cuban bloody tyrant does to his people. And the Government of Venezuela, led by President Caldera, yesterday arrested the Cuban exile leaders, some of them, by the way, Venezuelan citizens, and is expelling them from Venezuela so that the decrepit, bloody Cuban tyrant does not even have to have, in the country that he is in, anybody expressing any view in dissent of what the decrepit, bloody Cuban tyrant does to his own people.

So what President Caldera did is not only beyond the pale, it is condemnable, it is grotesque. It has gone beyond appeasement, Mr. Speaker, and it is in fact a disgusting, a disgusting act which now has become cowardly complicity with the torture apparatus of the decrepit tyrant in Havana.

Shame on Venezuela, shame on Rafael Caldera. This will go down in history as something that will mark his history forever. The Cuban people, when the Venezuelans suffered a dictatorship, were hosts to Caldera and to other democratic leaders of Venezuela, in solidarity and in friendship, during the dictatorship of Perez Jimenez, and other dictatorships that the Venezuelans have to suffer.

Now, notice how the Cuban people are reciprocated by leaders, mediocre leaders, such as this man, Rafael Caldera. The Cuban people will not forget and the friends of the Cuban people in the United States and elsewhere will not forget this act of cowardice, this shameful act of cowardice. This is an act of mediocrity and an act of cowardice and shamefulness.

If there is any dignity left, Mr. Speaker, in the Venezuelan Government, they must forthwith apologize and readmit the Cuban exile leaders so that they may peacefully be able to express dissent against the horror, the oppression, the murder, the torture, the random arrests that the Cuban tyrant is continuing to engage in to this moment against the Cuban people.

While a nation of 11 million people die at the hands of a murderous madman, much of the world and especially this hemisphere, Mr. Speaker, is led by men who make the word "mediocrity" seem like statesmanship in comparison. Men who are more than mediocre, men who commit acts of shame such as the one committed by Caldera. Shame on Venezuela.

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

DO THE SCIENCE FIRST

The SPEAKER pro tempore. Under the Speaker's announced policy of January 21, 1997, the gentleman from Pennsylvania [Mr. KLINK] is recognized during morning hour debates for 5 minutes.

Mr. KLINK. Mr. Speaker, I rise today to speak on behalf of nearly 200 Members of the House of Representatives, nearly 200 Members who have decided that they want to take some action in a bipartisan fashion to ensure the health of the people of this Nation and, while ensuring the health of the people of this great Nation, also ensuring the prosperity of this Nation's economy and of the industries that lead to that great economy and participate in that great economy.

What I am talking about is an action which was announced about a year ago about the EPA. Director Carol Browner said that she did not think that the air quality standards were strict enough, that there was some evidence resulting from a reexamination that was ordered by a court because the EPA lost in court to the American Lung Association. And so they had to take a look at something called particulate matter, which is measured right now at one standard and they now want to begin measuring it at a finer standard. They want to go from P.M.-10 microns to P.M.-2.5.

My friends who run the Committee on Commerce and the Subcommittee on Oversight and Investigations, under the leadership of the gentleman from Texas [Mr. BARTON], have done I think a tremendous job and are to be lauded in taking a look at this issue and conducting oversight to see what are the ramifications of changing these regulations.

First of all, we found out that there are only 50 monitors in this Nation that can measure P.M.-2.5. Then we find out, when Carol Browner speaks in front of the Committee on Agriculture on September 16 of this year, that these new rules that she wants to promulgate will not take effect, according to her, they are not going to enforce them, until 2009.

Now, the question comes up, why in the world do we want to promulgate new regulations that we are not going to enforce for over a decade? Why would we do that? Because we need to understand what industry has to do in planning to make capital investment. They have to plan today for what the rules will be in 2005, 2006, 2007, 2008, 2009 because they are making long-term investments, and we have not yet done the science. So nearly 200 Members of this House, 142 from the Republican side and 55 from the Democratic side, have joined together and said to the EPA, wait a minute. Let us do the science first.

We are willing, as Republicans and Democrats, to work together to give $300 million to build the monitors that can be installed across this great Nation to determine how much of a problem P.M.-2.5 is, and is there a difference in the health impact of different kinds of particulate matter, or is there a difference when that fine particulate matter is mixed with other kinds of pollutants? We do not know the answer to either of those questions, Mr. Speaker.

So the Republicans and Democrats, working together, said we will spend the money, we will authorize the spending of that money so that this Nation's scientists and this Nation's industries and this Nation's health professionals will know what is the impact of P.M.-2.5.

We want to make sure that if Carol Browner is correct, we are headed in the right direction, and that we do it before 2009. So we asked for a 5-year moratorium. We asked that these rules not be promulgated and that we continue to work on the current clean air standards during the time the study is occurring. Both Ms. Browner, the administration, and those of us in Congress agree that the Clean Air Act is working. As we clean the air, we have seen a higher incidence of asthma. Why is that, Mr. Speaker? We do not know. Perhaps something in this study can help us.

So we have introduced a bill known as H.R. 1984, along with the gentleman from Michigan [Mr. UPTON], my Republican colleague, and the gentleman from Virginia [Mr. BOUCHER], my Democratic colleague; we have worked this bill. When many people wanted to attack the EPA for being shortsighted, for rushing to judgment, we said, let us do this correctly. Let us give this money to the EPA so that that agency can do the science.

Then the EPA comes before the Committee on Commerce and says well, we are very concerned. Fifteen thousand people a year are dying prematurely because this new standard has not been impacted, and 100,000 people have lung diseases each year because this is not the standard. Well, why wait until 2009? We think that our bill, H.R. 1984, with 200 sponsors or nearly 200 cosponsors, Mr. Speaker, should be moved immediately and I ask the Republican leadership to move that bill, to not embarrass 142 of their Republican colleagues who have signed on to the bill and the 55 Democrats who have done likewise.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 12 noon.

Accordingly (at 10 o'clock and 44 minutes a.m.), the House stood in recess until 12 noon.

☐ 1200

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

As You have created a formation of the world and the majesty of the heavens, O God, so Your spirit also touches us in the commonplace and ordinary events of the day. So may we see Your presence in great affirmations and momentous occurrences but also in those modest moments when the world does not notice, that we can see Your hand of grace touching individuals' lives and allowing us to sense Your love and comfort. May Your presence, O gracious God, that is new every morning and washes away the doubt of the day, be with all Your people now and evermore. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Michigan [Mr. KNOLLENBERG] come forward and lead the House in the Pledge of Allegiance.

Mr. KNOLLENBERG led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day.

The Clerk will call the first individual bill on the Private Calendar.

JOHN ANDRE CHALOT

The Clerk called the bill (H.R. 2732) for the relief of John Andre Chalot.

There being no objection, the Clerk read the bill as follows:

H.R. 2732

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MODIFICATION OF EFFECTIVE DATE OF NATURALIZATION OF JOHN ANDRE CHALOT.

Notwithstanding title III of the Immigration and Nationality Act, any predecessor provisions to such title, or any other provision of law relating to naturalization, for purposes of determining the eligibility of John Andre Chalot for relief under the Agreement Between the Government of the United States and the Government of the

Federal Republic of Germany Concerning Final Benefits to Certain United States Nationals Who Were Victims of National Socialist Measures of Persecution, signed at Bonn on September 19, 1995, John Andre Chalot is deemed to be a naturalized citizen of the United States as of September 3, 1943.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROY DESMOND MOSER

The Clerk called the bill (H.R. 2731) for the relief of Roy Desmond Moser.

There being no objection, the Clerk read the bill as follows:

H.R. 2731

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MODIFICATION OF EFFECTIVE DATE OF NATURALIZATION OF ROY DESMOND MOSER.

Notwithstanding title III of the Immigration and Nationality Act, any predecessor provisions to such title, or any other provision of law relating to naturalization, for purposes of determining the eligibility of Roy Desmond Moser for relief under the Agreement Between the Government of the United States and the Government of the Federal Republic of Germany Concerning Final Benefits to Certain United States Nationals Who Were Victims of National Socialist Measures of Persecution, signed at Bonn on September 19, 1995, Roy Desmond Moser is deemed to be a naturalized citizen of the United States as of August 8, 1942.

Mr. DELAHUNT. Mr. Speaker, the relief provided by this legislation is of exceptional urgency, and I want to express my appreciation to Chairman HYDE, Chairman SMITH, Mr. CONYERS, and Mr. WATT, for their cooperation and assistance in bringing this legislation forward on an expedited basis.

These bills concern two men, now in their seventies, who have been American citizens for over 50 years. Each served in the Armed Forces of the United States during World War II, and each was captured by the Nazis and interned at the infamous concentration camp known as Buchenwald.

The first man, Roy Desmond Moser, was held as a prisoner of war at Stalag 9B, one of the most brutal of the Nazi POW camps. From there, he and 350 of his American comrades were transported to Berga, a sub-camp of Buchenwald. There they were confined in unhealthy, degrading and inhumane conditions, subsisting on a starvation diet, subjected to forced labor, and brutalized by camp guards. After only 6 weeks at Berga, 24 had perished from starvation, overwork, disease and physical abuse. In early April 1945, the remaining prisoners were driven on a death march away from the advancing Allied front. Of the 280 American POW's who survived, most weighed less than 90 pounds when they were finally liberated.

The second man, John Andre Chalot, was too young to enlist in the U.S. Army, so he went to Canada and joined the Royal Canadian Air Force. He flew Spitfires with the RCAF based in England from 1940 to 1943, and transferred to the U.S. Army Air Corps, 358th Fighter Squadron, in 1943, receiving a commission as a second lieutenant. Early in 1944, Mr. Chalot was flying a P–51 mission over Germany when his plane was hit and he crash-landed in Holland. With the help of the Resistance, he managed to get to Paris, but was arrested and imprisoned there. In August 1944, he and his fellow prisoners, including 168 Allied airmen, were crowded into boxcars and transported to Buchenwald, where they suffered extreme deprivations and were even subjected to Nazi medical experiments. Mr. Chalot and most of his fellow airmen were eventually transferred to Stalag Luft III, a POW camp, where they remained until their liberation.

After the war, both men returned to the United States to resume their lives. Mr. Moser retired after 32 years on the Boston police force and lives with his family in Holbrook, MA. Mr. Chalot is a retired postal worker in Bradenton, FL.

Up to this point, their stories are not dissimilar from those of the hundreds of other American POW's who were transported to the death camps. But unlike their comrades-in-arms, Mr. Moser and Mr. Chalot discovered after the war that they were not American citizens. Mr. Moser had come to the United States from Canada at the age of 6 months; Mr. Chalot had immigrated from France before the age of 2. Neither had been naturalized at the time of their military service, although both were granted citizenship upon their return.

The fact that they were not American citizens had made no difference to the U.S. Army, nor had it prevented the Third Reich from sending them to Buchenwald. But 50 years later, when they applied under a United States-German agreement for compensation as American nationals who were victims of Nazi persecution, each was informed that he was not eligible because he was not a U.S. citizen at the time.

I am sure all of my colleagues would agree that this is a great injustice which we must correct. The bills under consideration would make Mr. Moser and Mr. Chalot eligible for compensation by deeming them to be naturalized U.S. citizens as of the date they began their military service. It is urgent that we pass these bills now, because the State Department is about to forward to the German Government the list of those who are eligible to participate in the program.

After what these men suffered in the service of our country, this is truly the least we can do.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. This concludes the call of the Private Calendar.

COMBINED FEDERAL CAMPAIGN

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, I want to take this opportunity to tell all of our coworkers in the Federal Government about the Combined Federal Campaign.

For nearly 40 years, Federal workers have been contributing to local and national charities through the Combined Federal Campaign. When we give to the Combined Federal Campaign in the Washington area, 96 cents of every $1 goes directly to the charities of our choice.

I urge everyone to find a charity to champion. As my colleagues know, I wear both a Habitat for Humanity pin and Earning by Learning pin, because I think those are programs that are very helpful.

There are over 2000 local, national, and international organizations listed in the Combined Federal Campaign catalog. Your contribution can be automatically deducted from your paycheck.

Some of you may not think your small contribution can make a difference, but it can. I just want to suggest that for the price of 2 movie tickets deducted from your paycheck every month, you can send one disadvantaged child in the inner city to 5 life-changing days at a summer camp; $20 a month buys a light-weight wheelchair for a person with a disability; $30 a month provides equipment to establish a clinic for several villages in the Third World; $5 a month can buy 16 bottles of propane to instruct disadvantaged women in welding techniques for job training. With a one-time gift of $5, we can feed one Rwandan refugee child for 20 days.

I want to thank Jay Eagen for his leadership in chairing the campaign. I urge every Member and House staffer to contact the key worker in your office and consider supporting the campaign today.

JOHN NATHAN STURDIVANT: LEADER AND VISIONARY

(Mr. ABERCROMBIE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ABERCROMBIE. Mr. Speaker, on rare occasions during our lifetimes, we have the opportunity to encounter an extraordinary individual. One such individual is John Nathan Sturdivant, president of the American Federation of Government Employees. His recent death was a heavy blow for Federal workers, their families, and for all of us who admired the qualities that he brought to his work.

John Sturdivant served our country as a member of the Armed Forces and as a civilian employee. As a leader of the AFGE, he continued to serve by representing the Federal employees who translate policy in the actual operations of the Federal Government. To this task, John Sturdivant brought the qualities of vision and leadership. He supported Federal employees working with managers to make Government more efficient, productive, and cost effective. At the same time, he remained a labor leader, dedicated to the principle of collective bargaining and the dignity of working people.

May I conclude, Mr. Speaker, with a personal note. John Sturdivant displayed throughout his final months extraordinary bravery and commitment. He worked without ceasing as long as he was physically capable. His attitude and demeanor never reflected his pain and distress. He was devoted to the AFGE, its principles and its people to the end of his life. His dedication to service on behalf of the American public was unfailing. All of us who address the public interests can only hope to live up to the standards set by John Sturdivant.

John Sturdivant had the capacity to inspire loyalty and the ability to enlarge the vision of those with whom he worked. These are the qualities of a true leader.

To his daughter Michelle, to his family and to the membership of the American Federation of Government Employees, we extend our deepest sympathy. John Sturdivant was one of those who made the world a better place than he found it. He will be deeply missed by all of us.

THE UNITED STATES-CARIBBEAN BASIN TRADE PARTNERSHIP ACT

(Mr. BEREUTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEREUTER. Mr. Speaker, I rise in support of the United States-Caribbean Basin Trade Partnership Act, because it will strengthen the mutually beneficial relationship that exists between the United States and the smaller countries of the Caribbean Basin.

Due in large part to the Caribbean Basin initiative, which was proposed by President Reagan in 1982 and passed by the Congress in 1983, trade between the United States and Caribbean Basin nations have more than doubled in the past dozen years and now equal close to $30 billion a year. During that time, U.S. trade with the CBI region has generated roughly 18,000 new export-oriented jobs each year. What was once a trade deficit of $2.7 billion with the Caribbean is now a United States trade surplus of over $1 billion.

Mr. Speaker, passage of H.R. 2644 will strengthen the United States-Caribbean Basin trade partnership while at the same time enhancing the competitiveness of United States firms and workers. I strongly urge my colleagues to support this important bill.

VOTE "NO" ON NAFTA EXPANSION

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, let there be no mistake. The vote today on the Caribbean Trade Partnership Act is a litmus test from the White House. They want to pass NAFTA expansion, and the President is twisting arms. In fact, the President is reminding everybody that we must build a bridge to the 21st century.

Now, if that is not enough to repave your off ramp, here is how that bridge really works. The bridge brings in Mexican tomatoes, Canadian beef, illegal immigrants, narcotics, and everything under the sun made in China and Japan. The bridge takes away American jobs. The bridge takes away American factories. The bridge destroys American families.

Beam me up. That is not a bridge the White House is selling; that is a toll road leading to a dead end for American workers. Vote "no" today on that partnership act, vote "no" on NAFTA expansion.

I yield back the liberal wage jobs we keep sending overseas.

FAST TRACK IS CRITICAL TO THIS COUNTRY

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Speaker, the House is scheduled to vote this week on a matter essential to the economic vitality of this country, a vote to extend fast track trade negotiating authority to the President. Fast track is a crucial partnership between the President and Congress. My colleagues will remember that Presidents Nixon, Carter, Reagan, and Bush all used this authority to negotiate open markets with foreign governments in good faith.

The United States has benefited from these negotiations. Since fast track expired in 1994, foreign governments have refused to enter into trade negotiations with the United States. These countries continue to open trade and investments for their own companies and their own workers, while retaining barriers against U.S. exports.

Without fast track, we risk being left behind. It does not force Congress to give up its power to oversee the negotiations. Congress simply agrees to vote on a completed trade agreement without any changes. Fast track is critical to this country, to the U.S. leadership in the global economy. Support the extension of fast track.

THE TIME IS NOW FOR CAMPAIGN FINANCE REFORM

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, the Senate has now agreed to a date for a full and fair and open debate on campaign finance reform next March. The American public wants this done, and I believe the majority of Members of the House want this done.

The time has come now for the Republican leadership to agree to set a date for that debate. That debate must be open, it must be fair, it must allow for the consideration of the competing bills for reforming our campaign finance reform system. There is a rule that is at this desk, or a discharge petition to create a rule that would allow that debate on those competing items for reform.

The time has come for the Republican leadership to get out of the way, let the Congress have that debate, let the public watch that debate, because they are hungry for campaign finance reform.

We have spent a year listening to and discovering scandals on both sides of the aisle on the misuse of campaign money, on the overwhelming onslaught of soft money in our system. The time has come to reform it. Mr. Speaker, do it now. Give us a date before we leave town.

PRESIDENT'S POSITION ON TAX RELIEF IS PUZZLING

(Mr. BALLENGER asked and was given permission to address the House for 1 minute.)

Mr. BALLENGER. Mr. Speaker, I am wondering if some of my liberal friends on the other side of the aisle can help me with a question that is puzzling me. Why is it that it is selfish when we wish to keep what belongs to us, whereas it is compassion when we wish to take what belongs to another? I suppose by your own logic, it is selfish to lock your doors at night when you want to keep what you have earned.

I guess all of the hard work and sacrifice that goes into earning what belongs to you, that is forgotten, because the liberals are busy today talking about how compassionate they are spending other people's money.

Now we have the President of the United States on record showing what side he is on. Yesterday he called those of us that want tax cuts selfish. The President thinks that ordinary Americans ought to be condemned for thinking that the Government could get by on a little less, that families ought to have a little bit more.

It is kind of puzzling, is it not?

NEBRASKA NEEDS FAST TRACK

(Mr. BARRETT of Nebraska asked and was given permission to address the House for 1 minute.)

Mr. BARRETT of Nebraska. Mr. Speaker, Nebraska needs more export opportunities abroad in order to attract and retain businesses and jobs. Nebraska needs fast track.

From 1987 to 1996, Nebraska's exports increased almost 646 percent. Our top exports in 1996 were food products at $1.4 billion, followed by agriculture and livestock at $229 million, industrial machinery and computers, $193 million, electronic equipment at $131 million, and so on and so forth.

Last year our top exporting partners were Japan, Canada, Korea, and Mexico. Without fast track, any of the export gains that we have made could be wiped away as our trade competitors negotiate anti-U.S. trade deals. It simply makes no sense to me why some want the United States to unilaterally disarm itself at the trade bargaining table.

I encourage my colleagues to examine their own States' trade history to see how exports have helped create jobs at home. If your State's history is anything like mine, the answer will be pretty obvious. The United States needs fast track.

AMERICAN PEOPLE SAY TIME FOR TAX CUTS

(Mr. CHABOT asked and was given permission to address the House for 1 minute.)

Mr. CHABOT. Mr. Speaker, President Clinton traveled to Virginia yesterday and told voters who favored a tax cut that they were selfish. I am not kidding, he really said that.

In Virginia, like most places, working families pay Federal taxes and State taxes, excise taxes, sales taxes, property taxes, and on and on, but Virginia, many folks pay a particularly odious tax, a car tax, a tax on their own personal vehicle which they must pay to the government year after year again and again. The Republican candidate for Governor of Virginia pledged to eliminate that tax, and that has made the President very angry.

President Clinton is showing us the fundamental difference between conservatives and liberals once again, between those of us who think working Americans pay too much tax and those that believe that the government can always bleed those so-called selfish taxpayers a little bit more.

Mr. Speaker, today the so-called selfish taxpayers and voters of Virginia get to respond to the President. I wonder what they will have to say to him.

□ 1215

THE TAXPAYER PROTECTION ACT OF 1997

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, a copy of an internal IRS document sent to my office clearly shows that the IRS is using a quota system in evaluating employee performance, despite the fact that using quotas was made illegal 9 years ago. This memo clearly shows the handwritten comments of an IRS supervisor stating that the monthly total collected by this employee is only 13 percent of the expected or required total. When confronted with this evidence, the IRS took a play right out of the plausible denial handbook of the White House; oh, yes, they said, we are not using quotas, these are just goals.

Plausible denial or goals, whatever the name is or that the IRS assigns to this practice, it must be stopped. I have introduced the Taxpayer Protection Act of 1997, which will once and for all end quotas for the IRS. IRS agents should be determining the correct amount of tax dollars owed, not trying to inflate their numbers so that they may be considered for a promotion.

I urge my colleagues to join me in a fight to once and for all end the use of quotas.

TRIBUTE TO JOHN CARTER, FIREFIGHTER

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Mr. Speaker, I rise to pay tribute to John M. Carter, a firefighter in the District of Columbia who died last month in the line of duty. John Carter was a hometown hero, one of a special breed of men who put his life on the line on a constant basis to protect his community. He was the son of a retired Montgomery County, MD, fire chief, and the brother and brother-in-law of two D.C. firefighters. The Washington Post called him "one of a special breed of heroes that the District of Columbia is fortunate to have on its side."

John Carter routinely faced the searing heat, choking smoke, clouds of toxic chemicals, and hazardous traffic conditions. He was a First Battalion sergeant who was the first to go into the burning building at Fourth and Kennedy Streets, Northwest. This was typical for John Carter, who is a 15-year veteran firefighter. When the roof collapsed, John Carter was trapped inside, and it was impossible to escape to safety. John Carter's death at age 38 in the line of duty was a tragedy. He is one of those unsung heroes who provides the highest quality of service to our citizens.

I rise to pay tribute to him, his brave family, his wife Deborah, and his son Brian. They deserve the highest recognition for their courage, commitment, and the sacrifices they have made on behalf of all of us.

AN APOLOGY TO VIRGINIANS

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, I got up early this morning and went jogging down Independence Avenue. As I did, a lot of hard-working men and women were coming in from Virginia to work. It was early in the morning for these two-income families. They work hard, and they raise kids. Statistically, many of them have two kids. They help them with their homework, try to teach them responsibility. These parents volunteer at the school and the church and the United Way. They often have to sacrifice. They cannot go on vacation because they have to buy a new dryer or a new set of tires. They might have to buy braces for the 14-year-old.

But yesterday, the President of the United States told these hard-working men and women that if you vote Republican today in Virginia, you are selfish. Paying 38 percent total household taxes is not enough. You have to pay more, the President of the United States told these hard-working men and women.

I would say to them that they are doing their best, they are paying taxes, they are not taking things out of society, they are earning their way, they are teaching their children to earn their way, and they are going to become future taxpayers. They are doing more. I wish we had more of these selfish people, Mr. President. I think you owe the people of Virginia an apology.

"SELFISH" AMERICANS WANT MORE TAX CUTS

(Mr. BOEHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOEHNER. Mr. Speaker, earlier this year a Treasury Department official described Americans who wanted further tax relief as "selfish." Two weeks ago the minority leader in the other body said, and I quote, that he did not think most Americans were overtaxed. So perhaps it should not come as any surprise when I picked up the paper this morning to learn that the President described the people of Virginia as selfish for supporting a tax cut. According to the Washington Times this morning, the President is miffed that voters still want tax cuts, even though the economy has improved.

I have news for the President, the economy has improved because of the hard work and ingenuity of the American people. They work hard to feed their children's appetites, not Washington's appetite to spend money.

The Tax Foundation recently released their latest study showing that government at all levels is taking the biggest bite out of the Americans paychecks in the history of our country. What we need to do is what Washington should do. That is to only take that amount of money that we need to officially run this Government, and not one penny more.

APPOINTMENT OF MEMBERS TO ATTEND THE FUNERAL OF THE LATE HONORABLE WALTER H. CAPPS

The SPEAKER pro tempore (Mr. PACKARD). Pursuant to the provisions of House Resolution 286, the Chair announces the Speaker's appointment of the following Members of the House to the committee to attend the funeral of the late Walter H. Capps:

Mr. DELLUMS, California;
Mr. GEPHARDT, Missouri;
Mr. FAZIO, California;
Mr. BROWN, California;
Mr. STARK, California;
Mr. MILLER, California;
Mr. WAXMAN, California;
Mr. DIXON, California;
Mr. LEWIS, California;
Mr. MATSUI, California;
Mr. THOMAS, California;
Mr. DREIER, California;
Mr. HUNTER, California;
Mr. LANTOS, California;
Mr. MARTINEZ, California;
Mr. BERMAN, California;
Mr. PACKARD, California;
Mr. TORRES, California;
Mr. GALLEGLY, California;
Mr. HERGER, California;
Ms. PELOSI, California;
Mr. COX, California;
Mr. ROHRABACHER, California;
Mr. CONDIT, California;
Mr. CUNNINGHAM, California;
Mr. DOOLEY, California;
Mr. DOOLITTLE, California;
Ms. WATERS, California;
Mr. BECERRA, California;
Mr. CALVERT, California;
Ms. ESHOO, California;
Mr. FILNER, California;
Ms. HARMAN, California;
Mr. HORN, California;
Mr. KIM, California;
Mr. MCKEON, California;
Mr. POMBO, California;
Ms. ROYBAL-ALLARD, California;
Mr. ROYCE, California;
Ms. WOOLSEY, California;
Mr. FARR, California;
Mr. RIGGS, California;
Mr. BILBRAY, California;
Mr. BONO, California;
Ms. LOFGREN, California;
Mr. RADANOVICH, California;
Mr. CAMPBELL, California;
Ms. MILLENDER-MCDONALD, California;
Mr. ROGAN, California;
Mr. SHERMAN, California;
Ms. SANCHEZ, California;
Mrs. TAUSCHER, California;
Mr. SENSENBRENNER, Wisconsin;
Mr. KENNEDY, Rhode Island;
Mr. JACKSON, Illinois;
Mr. JOHNSON, Wisconsin; and
Ms. CHRISTIAN-GREEN, Virgin Islands.

ADDITION OF NAME OF MEMBER AS COSPONSOR OF H.R. 2676

Mr. LINDER. Mr. Speaker, I ask unanimous consent that the name of gentleman from Ohio [Mr. TRAFICANT] be added as a cosponsor to H.R. 2676.

The SPEAKER pro tempore. Without objection, the gentleman from Ohio will be added by the original sponsor as an additional cosponsor.

There was no objection.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

U.S. HOUSE OF REPRESENTATIVES,
OFFICE OF THE CLERK,
Washington, DC, November 3, 1997.

Hon. NEWT GINGRICH,
The Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit correspondence received from the White House on November 1, 1997 at 12:00 noon and said to contain a message from the President pursuant to the Line Item Veto Act (P.L. 104-130) transmitting a cancellation with respect to the Department of Transportation and Related Agencies Appropriations Act, 1998.

With warm regards,
ROBIN H. CARLE,
Clerk.

CANCELLATION OF SPECIFIC DISCRETIONARY BUDGET AUTHORITY WITH RESPECT TO DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1998—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, pursuant to section 1025(a) of the Congressional Budget and Impoundment Control Act of 1974, referred to the Committee on the Budget and the Committee on Appropriations and ordered to be printed.

To the Congress of the United States:

In accordance with the Line Item Veto Act, I hereby cancel the dollar amounts of discretionary budget authority, as specified in the attached reports contained in the "Department of Transportation and Related Agencies Appropriations Act, 1998" (Public Law 105-66; H.R. 2169). I have determined that the cancellation of these amounts will reduce the Federal budget deficit, will not impair any essential Government functions, and will not harm the national interest.

WILLIAM J. CLINTON.
THE WHITE HOUSE, *November 1, 1997.*

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

U.S. HOUSE OF REPRESENTATIVES,
OFFICE OF THE CLERK,
Washington, DC, November 3, 1997.

Hon. NEWT GINGRICH,
The Speaker, U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit correspondence received from the White House on November 1, 1997 at 12:00 noon and said to contain a message from the President pursuant to the Line Item Veto Act (P.L. 104-130) transmitting a cancellation with respect to the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998.

With warm regards,
ROBIN H. CARLE,
Clerk.

CANCELLATION OF SPECIFIC DISCRETIONARY BUDGET AUTHORITY WITH RESPECT TO DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1998—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, pursuant to section 1025(a) of the Congressional Budget and Impoundment Control Act of 1974, referred to the Committee on the Budget and the Committee on Appropriations and ordered to be printed.

To the Congress of the United States:

In accordance with the Line Item Veto Act, I hereby cancel the dollar amounts of discretionary budget authority, as specified in the attached reports, contained in the "Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1998" (Public Law 105-65; H.R. 2158). I have determined that the cancellation of these amounts will reduce the Federal budget deficit, will not impair any essential Government functions, and will not harm the national interest.

WILLIAM J. CLINTON.
THE WHITE HOUSE, *November 1, 1997.*

DECLARATION OF NATIONAL EMERGENCY WITH RESPECT TO THE GOVERNMENT OF SUDAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 105-166)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on International Relations and ordered to be printed.

To the Congress of the United States:

Pursuant to section 204(b) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(b), I hereby report to the Congress that I have exercised my statutory authority to declare that the policies of the Government of Sudan constitute an unusual and extraordinary threat to the national security and foreign policy of the United States and to declare a national emergency to deal with the threat.

Pursuant to this legal authority, I have blocked Sudanese governmental assets in the United States. I have also prohibited certain transactions, including the following: (1) the importation into the United States of any goods or services of Sudanese origin, other than information or informational materials; (2) the exportation or reexportation to Sudan of any nonexempt goods, technology, or services from the United States; (3) the facilitation by any United States person of the exportation or reexportation of goods, technology, or services from Sudan to any destination, or to Sudan from any destination; (4) the performance by any United States person of any contract, including a financing contract, in support of an industrial, commercial, public utility, or governmental project in Sudan; (5) the grant or extension of credits or loans by any United States person to the Government of Sudan; and (6) any transaction by any United States person relating to transportation of cargo to, from, or through Sudan, or by Sudanese vessel or aircraft.

We intend to license only those activities that serve U.S. interests. Transactions necessary to conduct the official business of the United States Government and the United Nations are exempted. This order and subsequent licenses will allow humanitarian, diplomatic, and journalistic activities to continue. Other activities may be considered for licensing on a case-by-case basis based on their merits. We will continue to permit regulated transfers of fees and stipends from the Government of Sudan to Sudanese students in the United States. Among the other activities we may consider licensing are those permitting American citizens resident in Sudan to make payments for their routine living expenses, including taxes and utilities; the importation of certain products unavailable from other sources, such as gum arabic; and products to ensure civilian aircraft safety.

I have decided to impose comprehensive sanctions in response to the Sudanese government's continued provision of sanctuary and support for terrorist groups, its sponsorship of regional insurgencies that threaten neighboring governments friendly to the United States, its continued prosecution of a devastating civil war, and its abysmal human rights record that includes the denial of religious freedom and inadequate steps to eradicate slavery in the country.

The behavior of the Sudanese government directly threatens stability in the region and poses a direct threat to the people and interests of the United States. Only a fundamental change in Sudan's policies will enhance the peace and security of people in the United States, Sudan, and around the world. My Administration will continue to work with the Congress to develop the most effective policies in this regard.

The above-described measures, many of which reflect congressional concerns, will immediately demonstrate to the Sudanese government the seriousness of our concern with the situation in that country. It is particularly important to increase pressure on Sudan to engage seriously during the current round of negotiations taking place now in Nairobi. The sanctions will also deprive the Sudanese government of the material and financial benefits of conducting trade and financial transactions with the United States.

The prohibitions set forth in this order shall be effective as of 12:01 a.m., eastern standard time, November 4, 1997, and shall be transmitted to the Congress and published in the *Federal Register*. The Executive order provides 30 days in which to complete trade transactions with Sudan covered by contracts that predate the order and the performance of preexisting financing agreements for those trade initiatives.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *November 3, 1997.*

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4, rule XV.

Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules, but not before 5 p.m. today.

UNITED STATES-CARIBBEAN TRADE PARTNERSHIP ACT

Mr. CRANE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2644) to provide to beneficiary countries under the Caribbean Basin Economic Recovery Act benefits equivalent to those provided under the North American Free Trade Agreement.

The Clerk read as follows:

H.R. 2644

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States-Caribbean Trade Partnership Act".

SEC. 2. FINDINGS AND POLICY.

(a) FINDINGS.—The Congress makes the following findings:

(1) The Caribbean Basin Economic Recovery Act represents a permanent commitment by the United States to encourage the development of strong democratic governments and revitalized economies in neighboring countries in the Caribbean Basin.

(2) The economic security of the countries in the Caribbean Basin is potentially threatened by the diversion of investment to Mexico as a result of the North American Free Trade Agreement.

(3) Offering NAFTA equivalent benefits to Caribbean Basin beneficiary countries, pending their eventual accession to the NAFTA or a free trade agreement comparable to the NAFTA, will promote the growth of free enterprise and economic opportunity in the region, and thereby enhance the national security interests of the United States.

(4) Countries in the Western Hemisphere offer the greatest opportunities for increased exports of United States textile and apparel products.

(5) Given the greater propensity of countries located in the Western Hemisphere to use United States components and to purchase United States products compared to other countries, increased trade and economic activity between the United States and countries in the Western Hemisphere will create new jobs in the United States as a result of expanding export opportunities.

(b) POLICY.—It is the policy of the United States—

(1) to offer to the products of Caribbean Basin partnership countries tariffs and quota treatment equivalent to that accorded to products of NAFTA countries, and to seek the accession of these partnership countries to the NAFTA or a free trade agreement comparable to the NAFTA at the earliest possible date, with the goal of achieving full participation in the NAFTA or in a free trade agreement comparable to the NAFTA by all partnership countries by not later than January 1, 2005; and

(2) to assure that the domestic textile and apparel industry remains competitive in the global marketplace by encouraging the formation and expansion of "partnerships" between the textile and apparel industry of the United States and the textile and apparel industry of various countries located in the Western Hemisphere.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) PARTNERSHIP COUNTRY.—The term "partnership country" means a beneficiary country as defined in section 212(a)(1)(A) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(a)(1)(A)).

(2) NAFTA.—The term "NAFTA" means the North American Free Trade Agreement entered into between the United States, Mexico, and Canada on December 17, 1992.

(3) TRADE REPRESENTATIVE.—The term "Trade Representative" means the United States Trade Representative.

(4) WTO AND WTO MEMBER.—The terms "WTO" and "WTO member" have the meanings given those terms in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501).

SEC. 4. TEMPORARY PROVISIONS TO PROVIDE NAFTA PARITY TO PARTNERSHIP COUNTRIES.

(a) Temporary Provisions.—Section 213(b) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(b)) is amended to read as follows:

"(b) Import-Sensitive Articles.—

"(1) In general.—Subject to paragraphs (2) through (5), the duty-free treatment provided under this title does not apply to—

"(A) textile and apparel articles which were not eligible articles for purposes of this title on January 1, 1994, as this title was in effect on that date;

"(B) footwear not designated at the time of the effective date of this title as eligible articles for the purpose of the generalized system of preferences under title V of the Trade Act of 1974;

"(C) tuna, prepared or preserved in any manner, in airtight containers;

"(D) petroleum, or any product derived from petroleum, provided for in headings 2709 and 2710 of the HTS;

"(E) watches and watch parts (including cases, bracelets and straps), of whatever type including, but not limited to, mechanical, quartz digital, or quartz analog, if such watches or watch parts contain any material which is the product of any country with respect to which HTS column 2 rates of duty apply; or

"(F) articles to which reduced rates of duty apply under subsection (h).

"(2) NAFTA transition period treatment of certain textile and apparel articles.—

"(A) Equivalent tariff and quota treatment.—During the transition period—

"(i) the tariff treatment accorded at any time to any textile or apparel article that originates in the territory of a partnership country shall be identical to the tariff treatment that is accorded at such time under section 2 of the Annex to an article described in the same 8-digit subheading of the HTS that is a good of Mexico and is imported into the United States;

"(ii) duty-free treatment under this title shall apply to any textile or apparel article that is imported into the United States from a partnership country and that—

"(I) is assembled in a partnership country, from fabrics wholly formed and cut in the United States from yarns formed in the United States, and is entered—

"(aa) under subheading 9802.00.80 of the HTS; or

"(bb) under chapter 61, 62, or 63 of the HTS if, after such assembly, the article would have qualified for treatment under subheading 9802.00.80 of the HTS, but for the fact the article was subjected to bleaching, garments dyeing, stone-washing, enzyme-washing, acid-washing, perma-pressing, oven-baking, or embroidery; or

"(II) is knit-to-shape in a partnership country from yarns wholly formed in the United States;

"(III) is made in a partnership country from fabric knit in a partnership country from yarns wholly formed in the United States;

"(IV) is cut and assembled in a partnership country from fabrics wholly formed in the United States from yarns wholly formed in the United States; or

"(V) is identified under subparagraph (C) as a handloomed, handmade, or folklore article of such country and is certified as such by the competent authority of such country; and

"(iii) no quantitative restriction or consultation level may be applied to the importation into the United States of any textile or apparel article that—

"(I) originates in the territory of a partnership country, or

"(II) qualifies for duty-free treatment under subclause (I), (II), (III), (IV), or (V) of clause (ii).

"(B) NAFTA transition period treatment of other nonoriginating textile and apparel articles.—

"(i) Preferential tariff treatment.—Subject to clause (ii), the President may place in effect at any time during the transition period with respect to any textile or apparel article that—

"(I) is a product of a partnership country, but

"(II) does not qualify as a good that originates in the territory of a partnership country or is eligible for benefits under subparagraph (A)(ii),

tariff treatment that is identical to the in-preference-level tariff treatment accorded at such time under Appendix 6.B of the Annex to an article described in the same 8-digit subheading of the HTS that is a product of Mexico and is imported into the United States. For purposes of this clause, the 'in-preference-level tariff treatment' accorded to an article that is a product of Mexico is the rate of duty applied to that article when imported in quantities less than or equal to the quantities specified in Schedule 6.B.1, 6.B.2., or 6.B.3. of the Annex for imports of that article from Mexico into the United States.

"(ii) Limitations on all articles.—(I) Tariff treatment under clause (i) may be extended, during any calendar year, to not more than 45,000,000 square meter equivalents of cotton or man-made fiber apparel, to not more than 1,500,000 square meter equivalents of wool apparel, and to not more than 25,000,000 square meter equivalents of goods entered under subheading 9802.00.80 of the HTS.

"(II) Except as provided in subclause (III), the amounts set forth in subclause (I) shall be allocated among the 7 partnership countries with the largest volume of exports to the United States of textile and apparel goods in calendar year 1996, based upon a pro rata share of the volume of textile and apparel goods of each of those 7 countries that entered the United States under subheading 9802.00.80 of the HTS during the first 12 months of the 14-month period ending on the date of the enactment of the United States-Caribbean Trade Partnership Act.

"(III) Five percent of the amounts set forth in subclause (I) shall be allocated among the partnership countries, other than those to which subclause (II) applies, based upon a pro rata share of the exports to the United States of textile and apparel goods of each of those countries during the first 12 months of the 14-month period ending on the date of the enactment of the United States-Caribbean Trade Partnership Act.

"(iii) Prior consultation.—The President may implement the preferential tariff treatment described in clause (i) only after consultation with representatives of the United States textile and apparel industry and other interested parties regarding—

"(I) the specific articles to which such treatment will be extended,

"(II) the annual quantities of such articles that may be imported at the preferential duty rates described in clause (i), and

"(III) the allocation of such annual quantities among beneficiary countries.

"(C) Handloomed, handmade, and folklore articles.—For purposes of subparagraph (A), the Trade Representative shall consult with representatives of the partnership country for the purpose of identifying particular textile and apparel goods that are mutually agreed upon as being handloomed, handmade, or folklore goods of a kind described in section 2.3 (a), (b), or (c) or Appendix 3.1.B.11 of the Annex.

"(D) Bilateral emergency actions.—(i) The President may take—

"(I) bilateral emergency tariff actions of a kind described in section 4 of the Annex with respect to any textile or apparel article imported from a partnership country if the application of tariff treatment under subparagraph (A) to such article results in conditions that would be cause for the taking of such actions under such section 4 with respect to an article described in the same 8-digit subheading of the HTS that is imported from Mexico; or

"(II) bilateral emergency quantitative restriction actions of a kind described in section 5 of the Annex with respect to imports of any textile or apparel article described in subparagraphs (B)(i) (I) and (II) if the importation of such article into the United States results in conditions that would be cause for the taking of such actions under such section 5 with respect to a like article that is a product of Mexico.

"(ii) The requirement in paragraph (5) of section 4 of the Annex (relating to providing compensation) shall not be deemed to apply to a bilateral emergency action taken under this subparagraph.

"(iii) For purposes of applying bilateral emergency action under this subparagraph—

"(I) the term 'transition period' in sections 4 and 5 of the Annex shall be deemed to be the period defined in paragraph (5)(E); and

"(II) any requirements to consult specified in section 4 or 5 of the Annex are deemed to be satisfied if the President requests consultations with the partnership country in question and the country does not agree to consult within the time period specified under such section 4 or 5, whichever is applicable.

"(3) NAFTA transition period treatment of certain other articles originating in beneficiary countries.—

"(A) Equivalent tariff treatment.—

"(i) In general.—Subject to clause (ii), the tariff treatment accorded at any time during the transition period to any article referred to in any of subparagraphs (B) through (F) of paragraph (1) that originates in the territory of a partnership country shall be identical to the tariff treatment that is accorded at such time under Annex 302.2 of the NAFTA to an article described in the same 8-digit subheading of the HTS that is a good of Mexico and is imported into the United States.

"(ii) Exception.—Clause (i) does not apply to any article accorded duty-free treatment under U.S. Note 2(b) to subchapter II of chapter 98 of the HTS.

"(B) Relationship to subsection (h) duty reductions.—If at any time during the transition period the rate of duty that would (but for action taken under subparagraph (A)(i) in regard to such period) apply with respect to any article under subsection (h) is a rate of duty that is lower than the rate of duty resulting from such action, then such lower rate of duty shall be applied for the purposes of implementing such action.

"(4) Customs procedures.—

"(A) In general.—

"(i) Regulations.—Any importer that claims preferential tariff treatment under paragraph (2) or (3) shall comply with customs procedures similar in all material respects to the requirements of Article 502(1) of the NAFTA as implemented pursuant to United States law, in accordance with regulations promulgated by the Secretary of the Treasury.

"(ii) DETERMINATION.—In order to qualify for such preferential tariff treatment and for a Certificate of Origin to be valid with respect to any article for which such treatment is claimed, there shall be in effect a determination by the President that—

"(I) the partnership country from which the article is exported, and

"(II) each partnership country in which materials used in the production of the article originate or undergo production that contributes to a claim that the article qualifies for such preferential tariff treatment,

has implemented and follows, or is making substantial progress toward implementing and following, procedures and requirements similar in all material respects to the relevant procedures and requirements under chapter 5 of the NAFTA.

"(B) CERTIFICATE OF ORIGIN.—The Certificate of Origin that otherwise would be required pursuant to the provisions of subparagraph (A) shall not be required in the case of an article imported under paragraph (2) or (3) if such Certificate of Origin would not be required under Article 503 of the NAFTA (as implemented pursuant to United States law), if the article were imported from Mexico.

"(C) PENALTIES FOR TRANSSHIPMENTS.—If the President determines, based on sufficient evidence, that an exporter has engaged in willful illegal transshipment or willful customs fraud with respect to textile or apparel articles for which preferential tariff treatment under subparagraph (A) or (B) of paragraph (2) is claimed, then the President shall deny all benefits under this title to such exporter, and any successors of such exporter, for a period of 2 years.

"(D) STUDY BY USTR ON COOPERATION OF OTHER COUNTRIES CONCERNING CIRCUMVENTION.—The United States Commissioner of Customs shall conduct a study analyzing the extent to which each partnership country—

"(i) has cooperated fully with the United States, consistent with its domestic laws and procedures, in instances of circumvention or alleged circumvention of existing quotas on imports of textile and apparel goods, to establish necessary relevant facts in the places of import, export, and, where applicable, transshipment, including investigation of circumvention practices, exchanges of documents, correspondence, reports, and other relevant information, to the extent such information is available;

"(ii) has taken appropriate measures, consistent with its domestic laws and procedures, against exporters and importers involved in instances of false declaration concerning fiber content, quantities, description, classification, or origin of textile and apparel goods; and

"(iii) has penalized the individuals and entities involved in any such circumvention, consistent with its domestic laws and procedures, and has worked closely to seek the cooperation of any third country to prevent such circumvention from taking place in that third country.

The Trade Representative shall submit to the Congress, not later than October 1, 1998, a report on the study conducted under this subparagraph.

"(5) DEFINITIONS.—For purposes of this subsection—

"(A) The term 'the Annex' means Annex 300–B of the NAFTA.

"(B) The term 'NAFTA' means the North American Free Trade Agreement entered into between the United States, Mexico, and Canada on December 17, 1992.

"(C) The term 'partnership country' means a beneficiary country.

"(D) The term 'textile or apparel article' means any article referred to in paragraph (1)(A) that is a good listed in Appendix 1.1 of the Annex.

"(E) The term 'transition period' means, with respect to a partnership country, the period that begins on May 15, 1998, and ends on the earlier of—

"(i) July 15, 1999; or

"(ii) the date on which—

"(I) the United States first applies the NAFTA to the partnership country upon its accession to the NAFTA, or

"(II) there enters into force with respect to the United States and the partnership country a free trade agreement comparable to the NAFTA that makes substantial progress in achieving the negotiating objectives set forth in section 108(b)(5) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3317(b)(5)).

"(F) An article shall be deemed as originating in the territory of a partnership country if the article meets the rules of origin for a good set forth in chapter 4 of the NAFTA, and, in the case of an article described in Appendix 6.A of the Annex, the requirements stated in such Appendix 6.A for such article to be treated as if it were an originating good. In applying such chapter 4 or Appendix 6.A with respect to a partnership country for purposes of this subsection—

"(i) no countries other than the United States and partnership countries may be treated as being Parties to the NAFTA,

"(ii) references to trade between the United States and Mexico shall be deemed to refer to trade between the United States and partnership countries, and

"(iii) references to a Party shall be deemed to refer to the United States or a partnership country, and references to the Parties shall be deemed to refer to any combination of partnership countries or the United States.".

(b) DETERMINATION REGARDING RETENTION OF DESIGNATION.—Section 212(e)(1) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(e)) is amended—

(1) by inserting "(A)" after "(1)";

(2) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(3) by adding at the end the following:

"(B)(i) Based on the President's review and analysis described in subsection (f), the President may determine if the preferential treatment under section 213(b) (2) and (3) should be withdrawn, suspended, or limited with respect to any article of a partnership country. Such determination shall be included in the report required by subsection (f).

"(ii) Withdrawal, suspension, or limitation of the preferential treatment under section 213(b) (2) and (3) with respect to a partnership country shall be taken only after the requirements of subsection (a)(2) and paragraph (2) of this subsection have been met.".

(c) REPORTING REQUIREMENTS.—Section 212(f) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702(f)) is amended to read as follows:

"(f) REPORTING REQUIREMENTS.—Not later than 1 year after the date of the enactment of the United States-Caribbean Trade Partnership Act and at the close of each 3-year period thereafter, the President shall submit to the Congress a complete report regarding the operation of this title, including—

"(1) with respect to subsections (b) and (c) of this section, the results of a general review of beneficiary countries based on the considerations described in such subsections;

"(2) with respect to subsection (c)(4), the degree to which a country follows accepted rules of international trade provided for under the General Agreement on Tariffs and Trade and the World Trade Organization;

"(3) with respect to subsection (c)(9), the extent to which beneficiary countries are providing or taking steps to provide protection of intellectual property rights comparable to the protection provided to the United States in bilateral intellectual property rights agreements;

"(4) with respect to subsection (b)(2) and subsection (c)(5), the extent that beneficiary countries are providing or taking steps to provide protection of investment and investors comparable to the protection provided to the United States in bilateral investment treaties;

"(5) with respect to subsection (c)(3), the extent that beneficiary countries are providing the United States and other WTO members (as such term is defined in section 2(10) of the Uruguay Round Agreements Act (19 U.S.C. 3501(10)) with equitable and reasonable market access in the product sectors for which benefits are provided under this title;

"(6) with respect to subsection (c)(11), the extent that beneficiary countries are cooperating with the United States in administering the provisions of section 213(b); and

"(7) with respect to subsection (c)(8), the extent that beneficiary countries are meeting the internationally recognized worker rights criteria under such subsection.

In the first report under this subsection, the President shall include a review of the implementation of section 213(b), and his analysis of whether the benefits under paragraphs (2) and (3) of such section further the objectives of this title and whether such benefits should be continued.".

(d) CONFORMING AMENDMENT.—Section 213(a)(1) of the Caribbean Basin Economic Recovery Act is amended by inserting "and except as provided in section 213(b) (2) and (3)," after "Tax Reform Act of 1986,".

SEC. 5. EFFECT OF NAFTA ON SUGAR IMPORTS FROM BENEFICIARY COUNTRIES.

The President shall monitor the effects, if any, that the implementation of the NAFTA has on the access of beneficiary countries under the Caribbean Basin Economic Recovery Act to the United States market for sugars, syrups, and molasses. If the President considers that the implementation of the NAFTA is affecting, or will likely affect, in an adverse manner the access of such countries to the United States market, the President shall promptly—

(1) take such actions, after consulting with interested parties and with the appropriate committees of the House of Representatives and the Senate, or

(2) propose to the Congress such legislative actions,

as may be necessary or appropriate to ameliorate such adverse effect.

SEC. 6. DUTY-FREE TREATMENT FOR CERTAIN BEVERAGES MADE WITH CARIBBEAN RUM.

Section 213(a) of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2703(a)) is amended—

(1) in paragraph (5), by striking "chapter" and inserting "title"; and

(2) by adding at the end the following new paragraph:

"(6) Notwithstanding paragraph (1), the duty-free treatment provided under this title shall apply to liqueurs and spirituous beverages produced in the territory of Canada from rum if—

"(A) such rum is the growth, product, or manufacture of a beneficiary country or of the Virgin Islands of the United States;

"(B) such rum is imported directly from a beneficiary country or the Virgin Islands of the United States into the territory of Canada, and such liqueurs and spirituous beverages are imported directly from the territory of Canada into the customs territory of the United States;

"(C) when imported into the customs territory of the United States, such liqueurs and spirituous beverages are classified in subheading 2208.90 or 2208.40 of the HTS; and

"(D) such rum accounts for at least 90 percent by volume of the alcoholic content of such liqueurs and spiritous beverages.".

SEC. 7. MEETINGS OF TRADE MINISTERS AND USTR.

(a) SCHEDULE OF MEETINGS.—The President shall take the necessary steps to convene a meeting with the trade ministers of the partnership countries in order to establish a schedule of regular meetings, to commence as soon as is practicable, of the trade ministers and the Trade Representative, for the purpose set forth in subsection (b).

(b) PURPOSE.—The purpose of the meetings scheduled under subsection (a) is to reach agreement between the United States and partnership countries on the likely timing and procedures for initiating negotiations for partnership to accede to the NAFTA, or to enter into mutually advantageous free trade agreements with the United States that contain provisions comparable to those in the NAFTA and would make substantial progress in achieving the negotiating objectives set forth in section 108(b)(5) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3317(b)(5)).

SEC. 8. REPORT ON ECONOMIC DEVELOPMENT AND MARKET ORIENTED REFORMS IN THE CARIBBEAN.

(a) IN GENERAL.—The Trade Representative shall make an assessment of the economic development efforts and market oriented reforms in each partnership country and the ability of each such country, on the basis of such efforts and reforms, to undertake the obligations of the NAFTA. The Trade Representative shall, not later than July 1, 1998, submit to the President and to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report on that assessment.

(b) ACCESSION TO NAFTA.—

(1) ABILITY OF COUNTRIES TO IMPLEMENT NAFTA.—The Trade Representative shall include in the report under subsection (a) a discussion of possible timetables and procedures pursuant to which partnership countries can complete the economic reforms necessary to enable them to negotiate accession to the NAFTA. The Trade Representative shall also include an assessment of the potential phase-in periods that may be necessary for those partnership countries with less developed economies to implement the obligations of the NAFTA.

(2) FACTORS IN ASSESSING ABILITY TO IMPLEMENT NAFTA.—In assessing the ability of each partnership country to undertake the obligations of the NAFTA, the Trade Representative should consider, among other factors—

(A) whether the country has joined the WTO;

(B) the extent to which the country provides equitable access to the markets of that country;

(C) the degree to which the country uses export subsidies or imposes export performance requirements or local content requirements;

(D) macroeconomic reforms in the country such as the abolition of price controls on traded goods and fiscal discipline;

(E) progress the country has made in the protection of intellectual property rights;

(F) progress the country has made in the elimination of barriers to trade in services;

(G) whether the country provides national treatment to foreign direct investment;

(H) the level of tariffs bound by the country under the WTO (if the country is a WTO member);

(I) the extent to which the country has taken other trade liberalization measures; and

(J) the extent which the country works to accommodate market access objectives of the United States.

(c) PARITY REVIEW IN THE EVENT A NEW COUNTRY ACCEDES TO NAFTA.—If—

(1) a country or group of countries accedes to the NAFTA, or

(2) the United States negotiates a comparable free trade agreement with another country or group of countries,

the Trade Representative shall provide to the committees referred to in subsection (a) a separate report on the economic impact of the new trade relationship on partnership countries. The report shall include any measures the Trade Representative proposes to minimize the potential for the diversion of investment from partnership countries to the new NAFTA member or free trade agreement partner.

SEC. 9. OVERRULING OF SCHMIDT BAKING COMPANY CASE WITH RESPECT TO SEVERANCE PAY.

(a) IN GENERAL.—The Internal Revenue Code of 1986 shall be applied with respect to severance pay without regard to the result reached in the case of Schmidt Baking Company, Inc. v. Commissioner of Internal Revenue, 107 T.C. 271 (1996).

(b) REGULATIONS.—The Secretary of the Treasury or the Secretary's delegate shall prescribe regulations to reflect subsection (a).

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Subsections (a) and (b) shall apply to taxable years ending after October 8, 1997.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer required by this section to change its method of accounting for its first taxable year ending after October 8, 1997—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account in such first taxable year.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Illinois [Mr. CRANE] and the gentleman from New York [Mr. RANGEL] each will control 20 minutes.

Mr. CARDIN. Mr. Speaker, may I inquire whether the gentleman from New York [Mr. RANGEL] is opposed to the bill?

Mr. RANGEL. No, Mr. Speaker, I am not.

The SPEAKER pro tempore. Is the gentleman from Maryland opposed to the bill?

Mr. CARDIN. Yes; and I would ask to claim the time in opposition, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Maryland [Mr. CARDIN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. CRANE].

Mr. CRANE. Mr. Speaker, I yield 10 minutes to the gentleman from New York [Mr. RANGEL], and I ask unanimous consent that he be permitted to yield further blocks of time in support of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in strong support of H.R. 2644, the United States-Caribbean Basin Trade Partnership Act. This bill would allow the people of the Caribbean region to compete on a level playing field with their counterparts in the rest of North America.

I firmly believe fostering self-sufficiency through trade, not foreign aid, is the best way to assist our 30 million neighbors living in the Caribbean Basin countries, especially given the relative lack of development in that region.

The bill accomplishes this by granting to the Caribbean Basin partnership countries tariff treatments similar to that accorded to Canada and Mexico for a temporary period of 14 months. I believe that expanding the benefits of the Caribbean Basin initiative on a temporary basis will encourage partnership countries to complete the economic reforms that will be necessary for them to qualify for similar trade benefits on a permanent basis in the future.

For my colleagues who are new to this body, the original Caribbean Basin initiative, or CBI, was passed in 1983 under the leadership of President Reagan and Mr. Sam Gibbons. The program is based on the understanding that it is in the national security interests of the United States to encourage the development of strong democratic governments and healthy economies in neighboring countries of the Caribbean and Central America through the expansion of trade.

Likewise, it is fundamentally in the economic interests of the United States to encourage coproduction arrangements with the region in order to sustain textile and apparel manufacturing operations in the United States under changing competitive conditions.

Since the CBI became law, U.S. trade policy has focused on other geographic areas. The bill before us today assures that our commitment to the Caribbean Basin countries fostered by Ronald Reagan nearly 15 years ago is not eroded over time.

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Furthermore, I believe it is important that the United States develop a coherent trade policy that recognizes the economic development needs of Caribbean Basin countries and which does not prejudice their participation in future trade arrangements.

My purpose in pursuing this bill is to foster a policy where CBI countries receive guidance and the necessary incentives to adopt the market opening reforms that will prepare them for further trade liberalization.

I want to emphasize here today that expanding trade with the Caribbean through existing CBI provisions has already been a huge success for U.S. business and workers. During the life of the program, U.S. exports to the region have grown from $5.8 billion in 1983 to over $15.4 billion in 1996. Last year, U.S. exports to the Caribbean Basin grew by 14.5 percent, a rate more than twice as great as the rate of growth in U.S. exports to the rest of the world.

Prior to the original CBI legislation, the United States ran a substantial trade deficit with the region. The United States now has almost a $1 billion annual trade surplus with this group of countries. Moreover, many of the countries in the region regularly import the vast majority of the foreign products they purchase each year from the United States.

As CBI countries expand their success, it translates directly into U.S. economic growth and job creation. Presently, the U.S.-Caribbean commercial relationship supports more than 300,000 jobs in the United States. Virtually every State in the Union has benefited from this relationship. I know my own State of Illinois sold $319 million of exports to the region last year.

Finally, I would remind my colleagues that the provisions of this bill were already approved by the House last summer as part of the balanced budget reconciliation bill. They were dropped in conference at the insistence of the Senate which had not yet considered the measure. However, the Senate Committee on Finance recently reported similar legislation. So consideration of the bill separately today is highly appropriate, now that the other body is beginning to appreciate the importance of expanding trade with the CBI region.

Mr. Speaker, H.R. 2644 was reported from the Committee on Ways and Means by voice vote twice this year and has strong bipartisan support. Let us build on past success and expand the U.S. partnership with our neighbors in the Caribbean Basin. I urge approval of H.R. 2644.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 2644.

As the gentleman from Illinois [Mr. CRANE] pointed out, in 1983 we saw fit to go into a trade agreement with the small island countries. It was really an emotional experience, as the Committee on Ways and Means visited island after island, to see the love and affection that the people of these countries had. Even though some of them had just first started enjoying democracy, most all of them, then as now, are living through very fragile economies.

There were a lot of Members who thought that we would be big losers in this trade, but as it turned out, and the gentleman from Illinois [Mr. CRANE] has pointed out, we have had a tremendous increase in exports to these countries, over 150 percent over the last 12 years.

But the most exciting thing to see when you do visit these countries is, every place you go it says, "Made in the U.S.A." It is "Made in the U.S.A." because we have been more than just trading partners, we have really been friends, and this friendship is now being tested as we see the devastating effects that the North American Free Trade Agreement has had on these small countries.

I know that NAFTA had been controversial when it was first passed. I know it is controversial today. I know some Members, when they see NAFTA, they want to vote against anything that looks like an extension of it. But if they would just pause and see that what has happened is that the passage of NAFTA has caused the advantages, or the parity, that we had hoped to give to the people on these islands to put them at a definite disadvantage as we find that trade that normally we would be doing with these Caribbean countries is now going on in Mexico.

So it means that friends of the Caribbean and the United States that have promised that we were going to give them a level playing field are now coming today saying, "I do not like NAFTA." It seems to me that we should not hold these small countries hostage because of a disadvantage that they are now suffering because of legislation or trade agreements that some Members may have.

Please remember that we are not talking about North Vietnam. We are not talking about North Korea. We are not talking about Communist China. We are talking about traditional friends that are going through some very hard economic times, that we have never had to beg for their friendship, we have never had to pay for their friendship. When the whole world seemed like they were going against us, including Europe, we always had our friends in the Caribbean. So I hope that the United States domestic politics does not override the fact that we should be doing the right thing.

Please remember, we are not talking about giving them any advantages. We are talking about keeping our promise that we made to these very small island countries when we entered into the 1983 agreement. It is good for the people in the Caribbean; it is good for the United States. It is good for the free world to see a leader like we are take care of our friends who may not be as big and may not be as powerful but, to me, and I hope to my colleagues, they are just as important.

Mr. Speaker, I reserve the balance of my time.

Mr. CARDIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would urge my colleagues to vote against this suspension of the rules. I would like to follow up on some of the comments that the gentleman from New York [Mr. RANGEL] made.

H.R. 2644, the U.S.-Caribbean Trade Act, is meant to provide parity with the nations in the Caribbean with Mexico as it relates to NAFTA.

First, it is important to point out that the nations that we are talking about, they are not just the small island nations but we are talking about many of the countries of Central America.

What is the reason for this bill? Why is there the need for parity? What has NAFTA caused harm in the Caribbean nations? If you look at the major industry that was created by the Caribbean Basin Initiative, it has been the selling of garments that has been one of the principal objectives of the CBI initiative.

Since the passage of NAFTA, the export share from the Caribbean and Central American nations in the CBI has increased from 18 percent to 23 percent their share of U.S. market. They have not been hurt by NAFTA. It appears like they have been helped. If you look at the percentage increase from the 26 CBI nations to the United States, between 1993 and 1996, in apparel, it has increased by 63 percent.

So we have seen a significant increase in exports from these nations since the passage of NAFTA. We are not talking about small industries. The textile and apparel imports from the CBI nations, namely, from Central America, totaled $6.1 billion last year. By contrast, imports from Mexico were $3.6 billion. We have more imports from Central America and the Caribbean than we do from Mexico.

But unlike NAFTA, and this is called the NAFTA Parity Act, I think it is a misnomer because, unlike NAFTA, there are no obligations on the Caribbean nations that are part of the CBI for getting these additional benefits. There are no requirements for sanctions against sweatshops or child labor, for requirements for cooperation on drug interdiction, money laundering or illegal immigration, no requirements to remove trade barriers from U.S. exporters.

This bill has been scored at $243 million for its 14 months. The taxpayers of this country should not be subsidizing more loss of jobs here in the United States. If we use our 5-year rules, as we should be using, this bill costs over $1 billion. At the very least, the Members of this body should have the opportunity to offer amendments to this legislation.

The chairman of the subcommittee mentioned that our friends in the other body have moved similar legislation. It is quite different in that it does provide certain protection to U.S. manufacturers and producers. The legislation considered in the other body requires that the textiles be made from U.S. fabric. That is not the bill that we have before us. Some of us would like to be able to offer that as an amendment, but under suspension of rules, we cannot; it is not the right process.

The Members of this House should have the opportunity to fully debate this issue and offer amendments. It is a very important bill. I would urge my colleagues to resist the suspension of rules. Let it go through normal order.

Mr. Speaker, I reserve the balance of my time.

Mr. CRANE. Mr. Speaker, I yield 1½ minutes to the gentleman from North Carolina [Mr. BALLENGER].

Mr. BALLENGER. Mr. Speaker, I rise in support of the U.S. Caribbean Trade Partnership Act.

This bill, introduced by the gentleman from Texas [Mr. ARCHER] and the gentleman from Illinois [Mr. CRANE], extends duty-free access for 14 months to certain products such as apparel, handbags, and so forth. As a member of the Committee on International Relations, I have always supported trade with our neighbors in this hemisphere. We have consistently worked to reduce tariffs and to ease trade barriers between our country and Latin America.

The United States Caribbean Trade Partnership Act will restore trade benefits to our Caribbean neighbors which were lost as a result of NAFTA. Ultimately, increased trade will create jobs here and help countries like Nicaragua, El Salvador, Guatemala become more stable. After years of war and removing dictators, these countries are now fragile democracies and need our help.

However, I do have some reservations about the rule-of-origin requirements of this bill. However, my belief is that with this guarantee, this bill will create more domestic jobs and opportunities for Americans. Reducing tariffs will result in lower consumer prices for imported products which benefit all consumers. Americans will benefit from these changes, and they will go to purchase clothes and other items. Join me in supporting the U.S. Caribbean Trade Partnership Act.

Mr. CARDIN. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky [Mr. BUNNING].

Mr. BUNNING. Mr. Speaker, 4 years ago almost to the day, I spoke against and voted against the North American Free Trade Agreement. Unfortunately, time has proven that NAFTA was wrong for America, and by attempting to expand it today, we are only compounding that mistake. How many more jobs do we have to lose until we wake up and smell the Caribbean coffee?

If you voted against the NAFTA or you are not happy with the effects that NAFTA has had on America, then do not vote today to expand it and for the CBI countries. Before you vote on this issue, ask yourself three simple questions: Are there any benefits to the American worker in extending NAFTA to the CBI countries? The answer is "no". Will extending the NAFTA to Caribbean countries increase American jobs? The answer is no. Will it cost U.S. jobs? The answer is "yes".

Extending the NAFTA to Central American countries will only cost more hard-working Americans good-paying jobs. In fact, just last month a major textile manufacturer in my State announced that they were cutting 800 jobs from their Campbellsville and Jamestown, KY plants and moving them south of the border. However, instead of saying adios to these jobs, we should be doing all that we can to protect them and keep them in places like Campbellsville and Jamestown, KY.

NAFTA was a mistake, the wrong treaty at the wrong time. It is too late to stop NAFTA, but it is not too late to limit the damage. Join me in denying the extension of NAFTA trade benefits to the Caribbean and Central American countries. Vote "no" on CBI parity.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. FATTAH].

Mr. FATTAH. Mr. Speaker, let me thank the gentleman from New York [Mr. RANGEL], ranking member of the Committee on Ways and Means, and also the gentleman from New York [Mr. GILMAN] and the gentleman from Illinois [Mr. CRANE]. This is a very, very important piece of legislation because it speaks to who we are as a country, what the nature of the contribution is that we are prepared to make to help build in this hemisphere the relationship that will be necessary.

There has been a lot said here today. I wanted to rise in support of this bill. It is critically important that our neighbors in the Caribbean see that we are willing to work with their very fragile democratic circumstances, help to continue to build their economies. They are in a whole host of bilateral and hemispheric agreements with us relative to crime and safety, drug trafficking, money laundering that has been mentioned earlier. We have to make sure that these economies can lawfully participate in what has now been created as almost a market between Canada and Mexico and ourselves. We see the European Union being formed. We see our neighbors in the Pacific rim getting their act together.

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We do not want these small island nations just to fall by the wayside. I want to thank the gentleman from New York [Mr. RANGEL] for his leadership on this and would hope that all of us would find it within ourselves to be supportive of this.

The gentleman from Maryland [Mr. CARDIN] said there would be some cost. He is correct. There will be some cost. There will be costs either way that we proceed. I think that what the gentleman from New York [Mr. RANGEL] offers for us is an opportunity for us to do what is right. And, in the end, not only will there be some costs, but there will be some rewards for our Nation for standing by our friends who have been our traditional allies.

Mr. CARDIN. Mr. Speaker, I yield 3 minutes to my friend, the gentleman from Georgia [Mr. LEWIS], a member of the Committee on Ways and Means.

Mr. LEWIS of Georgia. Mr. Speaker, I want to thank my friend and colleague the gentleman from Maryland [Mr. CARDIN] for yielding me the time.

Mr. Speaker, this bill does not make sense to me. It is bad news for American workers and bad policy. Supporters of this bill argue that it is designed to help Caribbean nations that have suffered as a result of NAFTA. They said that these countries have lost business to Mexico as a result of NAFTA.

Well, Mr. Speaker, another group of people have suffered as a result of NAFTA, and they will suffer as a result of this bill, the American workers. Since NAFTA, exports from Mexico are up. Since NAFTA, exports from the CBI countries are up. Since NAFTA, our trade surplus with Mexico has changed to a trade deficit.

NAFTA has helped Mexican exports. During the same time, the CBI countries have increased the apparel export to the United States. However, during that same time, one group has lost, American workers. More than 250,000 American apparel workers have lost their jobs to Mexico and the CBI nations. So this bill does not make sense. It does not make any sense to me.

Many of the workers who lost their jobs are minorities and women. Many of them live and work in areas where there are few other jobs. These jobs are good jobs. The workers do not get rich in these jobs, but they make a living wage. And this bill will speed up the loss of these jobs.

It is not necessary for the CBI nations. They are doing pretty well. Their exports to the United States have increased since NAFTA. I support trade with other nations. I support workers in Mexico and the CBI countries. But we need to be on the floor today considering a bill that helps American workers, a bill that helps keep jobs here at home, here in this country, a bill that promotes American products and helps American workers. We need a bill that promotes free and fair and open trade. We need trade with other countries. But it cannot, it must not, be trade at the expense of our working men and women.

I urge all of my colleagues to oppose this bill.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

I remind my colleague, the gentleman from Georgia [Mr. LEWIS], that we have been at full employment for two straight years.

Mr. Speaker, I yield 3 minutes to our distinguished colleague, the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I thank the gentleman from Illinois [Mr. CRANE] for yielding me the time.

Mr. Speaker, I am pleased to rise in support of the Caribbean Basin Trade Partnership Act. I want to commend the gentleman from Illinois [Mr. CRANE], our distinguished chairman of the Subcommittee on Trade, the gentleman from Texas [Mr. ARCHER], the distinguished chairman of the Committee on Ways and Means, and the gentleman from New York [Mr. RANGEL], ranking minority member, for bringing this matter to the floor at this time.

In 1983, President Reagan launched the Caribbean Basin Initiative to extend America's hand to our neighbors in the Caribbean. At that time, the threat was subversion sponsored by the Soviet Union and Cuba. Today, the threat of narcotics trafficking in the region is as grave and more insidious than ever.

By fostering trade and legitimate investment, this bill will strengthen our friends and neighbors in this strategic region to resist the utterly corrosive temptation to turn to transshipping drugs onto our streets as a way of earning their livelihood.

Helping our friends and neighbors in the Caribbean has benefited our Nation. Taken as a whole, the Caribbean Basin is our Nation's tenth largest export market, surpassing countries such as France. The Caribbean Basin is one of the few regions in the world where U.S. exporters have maintained a trade surplus each and every year for the past 11 years; 70 cents of each dollar spent in the Caribbean is sent right back here to our Nation on U.S. goods and services.

In the garment industry, for example, Caribbean firms rely heavily upon U.S. produced textiles. This bill provides a more level playing field for American and Caribbean manufacturers to deepen their mutually beneficial partnerships.

I would like to take this opportunity, Mr. Speaker, to call on the administration to translate this bill into renewed attention to restarting the assembly firms in Haiti, which, along with businesses here in our Nation and in my own congressional district were devastated by the recent economic embargo.

New York is the 7th largest supplier to that region. This bill will enhance New York's position in the Caribbean Basin. The Caribbean Basin Economic Recovery Act, unlike NAFTA, provides several important safeguards to participate in the program. Caribbean countries will have to satisfy conditions under existing CBI legislation. CBI countries will have to satisfy additional criteria relating to market access for U.S. products, investment guarantees, adherence to internationally accepted rules of international trade, observance of internationally recognized workers rights, and promotion of intellectual property rights.

The President will be authorized to revoke a country's eligibility if that country fails to satisfy existing CBI criteria or meet any of the new criteria established under this law. Accordingly, passage of this bill will move it to conference where additional concerns may be addressed.

I urge my colleagues to join in supporting the legislation.

Mr. CARDIN. Mr. Speaker, I yield 2 minutes to my friend, the gentleman from North Carolina [Mr. WATT].

Mr. WATT of North Carolina. Mr. Speaker, I rise in reluctant opposition to this bill. I say "reluctant" because it is always difficult to be on the opposite side of an issue from my friend, the gentleman from New York [Mr. RANGEL], and also because, as a general proposition, I am a supporter of CBI parity.

Unfortunately, this bill does not get us where we need to be, and it comes on the suspension calendar, where nobody can make any amendments or offer any amendments to improve the bill and address some of the issues which need to be addressed. Second, it has a particularly adverse effect on the workers in my State of North Carolina.

The gentleman from Illinois [Mr. CRANE] indicated that we have been at full employment for some time now. Tell that to the workers in North Carolina. H.R. 2644 will reduce or eliminate tariffs and quotas on watches, food ware, tuna, and apparel. These industries enjoy some modest tariff and quota protection because they are vulnerable to cheap imports.

Supporters of this bill imply that giving away the jobs in these industries, especially in the garment industry, is an acceptable sacrifice. But let me tell my colleagues a little about these people who work in this industry in North Carolina. These workers in these factories are hard-working people. They are considered unskilled workers, but only because their highly developed sewing skills do not have much application outside the garment industry. They have spent years perfecting their craft.

This bill will pull the rug from under them. My colleagues will hear that garment jobs are low-paying jobs and we should sacrifice them, but an experienced seamstress in North Carolina makes about $10 an hour. Those are jobs that, if they cannot do these jobs, they are going somewhere else offshore and these people will be forced onto welfare. We should not have to make that sacrifice. We should defeat this bill.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I thank the distinguished gentleman from New York [Mr. RANGEL] for yielding me the time.

Since the Caribbean Basin Initiative in 1983, that legislation has created about 18,000 new American export-oriented jobs each year. What was once a trade deficit has grown into a very major trade surplus for us. And those CBI countries today purchase as much as 75 percent of their imports from the United States. A good portion of that gain has been in the textile and apparel industries.

To maintain a globally competitive product and to offset the advantages of low wages from our Asian competitors, many United States firms have formed strategic alliances with garment firms throughout the Caribbean Basin region. I saw, with the distinguished gentleman from New York [Mr. RANGEL] in a CODEL led by the gentleman from Nevada [Mr. GIBBONS], our former chairman of the Subcommittee on Trade, that kind of a relationship ongoing in Jamaica, and that has been very beneficial for American firms.

By using the combination of United States and Caribbean skills and materials, American and CBI firms have developed a joint production process that guarantees the viability of our domestic industry while ensuring the production of quality cost competitive garments. That is just one example.

CBI has been conceived as a way to help the United States and Caribbean and Central American countries navigate the threats of the Cold War. That is over. But it is time to update this program to help the United States and its neighbors in the Caribbean and Central America face the challenges of the next century.

I strongly urge passage of H.R. 2644. It will strengthen the U.S.-Caribbean Basin trade partnership, while at the same time embracing the competitiveness of U.S. firms and workers.

Mr. CARDIN. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I thank the gentleman from Maryland [Mr. CARDIN], my pit colleague, and as an old pit quarterback, today's debate is not about friendship. Today's debate is about business.

I oppose this bill. I keep score. America is losing. Our trade deficit with Japan is at record levels; trade deficit with China will exceed $50 billion; trade deficit with Canada, $22 billion. And Mexico started out as a $2 billion surplus. It is now a $20 billion deficit. So let's forget about the $1 billion Caribbean surplus.

Let's tell it like it is. For some reason, Congress and the White House keeps going forward on trade like a group of misdirected masochists, so help me God. It reminds me of a smoker dying of lung cancer who continues to chain smoke. Let's talk business today.

If you manufacture a product in Youngstown, OH, IRS, Social Security, Workmen's Comp, Unemployment Comp, OHSA, EPA, bank regulations, security regulations, pension law, health inspectors, minimum wage, and $20 an hour average manufacturing costs. You move to Mexico or the Caribbean, like you want, no OHSA, no EPA, no regs, no minimum wage, no labor law, no labor unions, pensions, health insurance. What are you talking about? That is foreign language. Let me tell my colleagues something else. They hire people at 17 cents an hour.

Beam me up here. So help me God, the Constitution says, "Congress shall regulate commerce with foreign nations." Now evidently someone interpreted it to mean that Congress shall donate commerce to foreign nations. We are misdirected. We are wrong.

Japan and China, for years every President has threatened Japan to open their markets, from Nixon up to Clinton. Evidently, Japan never opened their markets. We need reciprocal trade. Let me tell my colleagues something, this is a welfare program for Caribbean workers. I am opposed to it. We are putting American workers in welfare lines and extending sophisticated commercial trade concepts to create welfare for foreign workers.

I disagree with this policy. And the greatest respect in the world for the chairman, the gentleman from New York [Mr. RANGEL], greatest respect in the world. I am proud to see the gentleman from Maryland [Mr. CARDIN] step forward. I am glad to see it is a pitman.

My colleagues, I keep score. America is losing. We are elected to look after the interests of the United States of America. We do not have to hurt the Caribbean nations. But we sure as hell do not have to give away the farm. I recommend my colleagues vote no on this.

Let me say one last thing about NAFTA expansion. There is no amendment that can cure cancer. When we have cancer, we cut it out. Let's start taking care of number one. We do not have to hurt anybody else.

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Mr. CARDIN. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. BECERRA], my colleague on the Committee on Ways and Means.

Mr. BECERRA. Mr. Speaker, I thank the gentleman for yielding me this time. I come here with one particular concern. I believe it could have been addressed adequately in committee and was not. On top of some of the other things that have been said by some of my colleagues with respect to concerns with regard to expanding NAFTA to the Caribbean Basin, I do support and I did support NAFTA and I would support trying to extend to the degree possible the free trade zone into the Caribbean Basin. But let me focus my attention on one particular aspect which to me personally rubs very deeply within me. In committee, I asked that we try to extend trade adjustment assistance in this CBI proposal as we had in NAFTA. Trade adjustment assistance goes to workers who are dislocated as a result of companies moving from this country into the new area of the free trade zone. There is $6 million available in this legislation to pay for that type of adjustment assistance. We were told we had no CBO comparison to tell us exactly how much it would cost. We thought it would cost about the $6 million that was available. We find out now that it is only $2 million that it would cost to provide the protections to workers who may face dislocation as a result of this legislation. Yet we have been unable to get any commitment on the part of the Republican leadership to include the $2 million it would cost to protect American workers who may face dislocation as a result of this. What a small price to pay, especially when we have the money there. It rubs me the wrong way to have to stand here to say that $2 million stands in the way of being able to protect American workers. Why we would not do that, I do not understand, and I am somewhat speechless, because we have the money. We have $6 million available, $2 million to protect American workers, to give them things like unemployment benefits similar to unemployment benefits, to allow them to get training, to allow them to have some assistance to make sure that their families do not go without while they are unemployed. Yet we are not going to do it. It does not make any sense, it is shameless, and for that reason I had to take to the floor today.

Mr. CRANE. Mr. Speaker, I yield the balance of my time to the distinguished gentleman from Illinois [Mr. WELLER].

The SPEAKER pro tempore [Mr. PACKARD]. The gentleman from Illinois [Mr. WELLER] is recognized for 1 minute.

Mr. WELLER. Mr. Speaker, I want to thank the gentleman from Illinois [Mr. CRANE] for yielding me this time and also commend him for his leadership as well as the gentlemen from New York and for Maryland for their leadership, even though they disagree today.

Mr. Speaker, I plan to vote for this legislation, H.R. 2644 today, because I believe that we do need to move forward in providing greater trade opportunities, trade opportunities that do move towards free trade. But I also stand as one of those who believes that as we work for free trade, it should also be fair. I believe it is important to expand our trade opportunities, particularly when they benefit States such as Illinois, particularly Illinois middle-class working families. Mr. Speaker, I will be voting for this legislation because I want it to move forward, but what I ask as this legislation passes the House and goes into conference is that we take a very careful look at some of the ideas that are incorporated into the Senate version of this legislation, ideas that I believe will help Illinois as well. I support moving this legislation forward because I believe that we should always work to expand trade opportunities. It is important for jobs back home in Illinois.

Mr. CARDIN. Mr. Speaker, I yield the balance of my time to the gentleman from South Carolina [Mr. SPRATT] who has been one of the real fighters for U.S. textiles.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. SPRATT] is recognized for 4 minutes.

Mr. SPRATT. Mr. Speaker, I thank the gentleman for yielding me this time. In just a short time I think we have shown that there are lots of objections to the bill before us. First of all, at a time when our trade deficit is reaching record highs, this bill, H.R. 2644, is totally one-sided. It lowers tariffs, it lifts quotas on apparel and six or seven different kinds of imports from 26 countries in the Caribbean and Central America, and it does so unilaterally. These countries are not required to make in return any trade concessions whatsoever to the United States.

Second, this is a blanket grant of trade benefit to these CBI countries without any sanctions, without even any questions being asked about sweatshops or child labor or whether or not the country in question cooperates with the United States when it comes to interdicting drugs, money laundering and dealing with corrupt practices and corrupt customs, and those problems are endemic in some of these countries.

Why do we do this? Why do we make these unilateral concessions? All in the name of fixing a nonexistent problem. Before NAFTA, the CBI countries exported, this is volume, 1.39 billion square meter equivalents of clothing to the United States. Since NAFTA, 1996, the CBI countries increased their exports to 2.26 billion SMEs, square meter equivalents. Before NAFTA, CBI imports accounted for 18.4 percent of all apparel imports into the United States. Since NAFTA, CBI imports have increased to 23.4 percent of all the apparel imports coming into the United States. They have got a huge share of our market. These countries are not suffering from NAFTA, far from it. They are shipping us more clothing, more apparel than ever.

Mr. ABERCROMBIE. Mr. Speaker, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from Hawaii to comment on the lack of sanctions and labor provisions.

Mr. ABERCROMBIE. Would the gentleman agree that the result of this, then, is that the domestic industry is shrinking by thousands of jobs? As a matter of fact, I believe that the domestic industry shrank by 56,000 jobs in 1996 alone and 52,000 more jobs through September of this year.

Just today we had the announcement from the Levi Company that one-third of all its employees in North America are going to be released. The union representing these workers is forced to negotiate their release. This clothing import situation under this bill will only get worse, and that means the loss of American jobs by the thousands.

Mr. SPRATT. That is indeed the consequence of this and other legislation, no question about it. Slipping this bill through under suspension makes it appear to be uncontroversial or inconsequential. The point I am trying to make is that H.R. 2644 will have a greater impact on the U.S. apparel industry and U.S. apparel workers than NAFTA ever had.

Because of rules, long-standing rules known as item 807 and item 807(a), cloth that is cut and made in the United States can be sewn and assembled under clothing in a CBI country. Then when the clothing is reexported to the United States, the duties imposed when it comes back into our country are only imposed on the value added in the CBI country.

Because of this concession, which has existed for a long time, the CBI countries now export to the United States more than twice as much apparel as Mexico, whether we measure it by volume in SMEs or by value. In 1996, the CBI countries shipped the U.S. 2.26 billion square meter equivalents of clothing. Mexico shipped us 1.1 billion square meter equivalents.

Let me also comment as the ranking member on the Committee on the Budget on the revenue losses, the budgetary impacts of this bill. It results in substantial revenue losses. To get around these revenue losses and the pay-go rules, this bill uses a low-ball estimate from CBO, then it uses a contrived accounting technique.

Mr. Speaker, all we have is the choice to vote this bill up or down, and I say we should vote it down.

Mr. RANGEL. Mr. Speaker, I yield myself the balance of my time. Let me thank my colleagues that have come to the floor in support of this bill. Listening to the debate, one might believe that Cuba is a threat to our national security and now the CBI is a threat to our national economy. We are dealing with friends. Someone said that should not matter, that we are dealing with trade. But when we deal with friends, if they have a problem with the economy, we have been known to provide leadership in this hemisphere, even to the point that the American people and this Congress has seen fit to send troops to this part of the world in order to maintain peace. For decades, we have sent money there in terms of aid. Now they are coming and saying that in lieu of these things, they just want to be trading partners with us.

Mr. Speaker, for those who visit the islands, going into a retail store is like going into a store in the United States if they are looking to see where the products have been manufactured, where they have been shipped from. I suspect after this debate is over, we soon will be hearing from those American companies that hire American workers that export these retail goods to our friends in the Caribbean. We have just been hit hard with the crisis that they have had with bananas, where we have taken the case to the WTO, the World Trade Organization, which gave a negative decision as relates to the Caribbean. They work hard every day. These are not people that are known to have slave labor. These are independent countries, literate countries. They work hard, they have labor unions, and there are provisions in the bill that provide for labor rights. But something that concerns me, too, is that these small islands out there in the Caribbean are really vulnerable to the international drug traffickers. They have fought against this and their countries have not succumbed as we have to become addicted to these drugs, even though corruptions have hit some part of the countries as relates to transshipment of drugs. The gentleman from New York [Mr. GILMAN] and I have traveled in this part of the world and we have seen the impact. It seems to me that we just do not slap friends in the face at a time like this when so much of their own money has been protecting their borders against drugs coming in which is basically consumed by us.

Mr. Speaker, I ask my colleagues to support this bill. It is the right thing to do. It is the fair thing to do. The President wants it. I think we owe it to the people in that part of the world.

Mr. ADERHOLT. Mr. Speaker, I rise today to voice my serious concerns about H.R. 2644. I have heard from many folks in my district who work in the textile industry who oppose this bill in its present form. I have also been contacted by some, such as Fruit of the Loom, who support the Senate version and are hopeful that passage of H.R. 2644 will be a step toward enacting a fairer version of free trade for the Caribbean region.

Which brings me to my concern about H.R. 2644 being brought up under the Suspension Calendar. I believe that this bill in its present form raises too many concerns, and that these concerns would be better addressed if H.R. 2644 was to be brought to the floor with a rule allowing the necessary changes to be made.

H.R. 2644 in its present form will unilaterally provide Caribbean and Central American countries parity with Mexico under the North American Free Trade Agreement [NAFTA]. I fear that this legislation would inflict further damage on our Nation's textile and apparel industries, which have lost 250,000 jobs since 1994.

Furthermore, it is my understanding that the premise of this legislation, that Caribbean-Central American countries have been harmed by NAFTA, is erroneous. While U.S. employment, particularly in the apparel industry, is plummeting, apparel imports from Caribbean-Central America are surging. The U.S. textile industry should not be subject to the same upheaval the apparel industry had to go through under NAFTA.

Simply put, it is bad economic and trade policy to grant countries unilateral, free access to the U.S. market without obtaining reciprocal access to foreign markets. I support free trade—but in the end—it must be fair trade.

Mr. KLECZKA. Mr. Speaker, I rise today to strongly object not only to the legislation before us, but to the tactics being used to push this bill through the House.

On October 8, the Ways and Means Committee, on which I serve, passed by voice vote this bill to extend North America Free Trade Agreement benefits to Caribbean and Latin American nations. I requested a recorded vote in committee, but was denied this request.

Now, the leadership of the House is trying to slide this measure by the full House in a similar manner by putting the bill on the Suspension Calendar. It is generally known that the Suspension Calendar is reserved for noncontroversial legislation, and that bills considered under suspension of the rules pass by voice vote. H.R. 2644 is highly controversial and ought to have full, open debate afforded to other bills of this magnitude.

CBI parity has been rejected over and over by Congress because it is an expansion of the failing NAFTA. But, this year the debate on CBI parity is overshadowed by the larger discussion of fast track authority. We must not let this happen.

NAFTA has hurt, not helped, the American worker. Passage of CBI parity will further jeopardize jobs and exports by opening the door to textiles and apparel made with cheap labor and in substandard working conditions. Plus, the taxpayer is hit with a double blow in lost revenues. Once parity is offered for a year to these countries, you can bet there will be a strong effort to renew this legislation when it expires.

For these reasons, we should reject H.R. 2644 and keep American jobs at home.

Mr. TOWNS. Mr. Speaker, we have a unique opportunity today to assist American business as well as supporting economic development in the Caribbean. The Caribbean basin is now the 10th largest export market for the United States greater than even some European countries. Our U.S. exporters maintain a trade surplus with the Caribbean and have done so for the past 11 years. Additionally, every 100 jobs in the Caribbean apparel sector creates 15 apparel jobs in the United States. Additional American jobs are also created in the textile, distribution, and retail sectors.

We must acknowledge, Mr. Speaker, that NAFTA has been detrimental to the Caribbean. According to the ITC, Mexico's share of the garment assembly market has increased 50 percent, while the Caribbean share has dropped by 15 percent, since 1993. The Caribbean Textiles and Apparel Institute reports that, between 1995 and 1996, more than 150 apparel plants closed in the Caribbean resulting in the loss of 123,000 jobs.

The bill before us today, H.R. 2644 will level the playing field for the Caribbean. It will ensure that Caribbean countries are prepared to meet their obligations, ranging from market access to intellectual property rights, as part of the free trade area of the Americas. To participate in this program, CBI countries must satisfy the additional criteria of adherence to internationally accepted rules of international trade and the observance of internationally recognized workers rights. I would urge my colleagues to support the bill and I urge its passage under suspension of the rules.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. CRANE] that the House suspend the rules and pass the bill, H.R. 2644.

The question was taken.

Mr. CARDIN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. CRANE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 2644.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

MAKING TECHNICAL AMENDMENTS TO TITLE 17, UNITED STATES CODE

Mr. COBLE. Mr. Speaker, I move to suspend the rules and concur in the Senate amendments to the bill (H.R. 672) to make technical amendments to certain provisions of title 17, United States Code.

The Clerk read as follows:

Senate amendments:

Page 15, after line 8, insert:

SEC. 11. DISTRIBUTION OF PHONORECORDS.

Section 303 of title 17, United States Code, is amended—

(1) by striking "Copyright" and inserting "(a) Copyright"; and

(2) by inserting at the end the following:

"(b) The distribution before January 1, 1978, of a phonorecord shall not for any purpose constitute a publication of the musical work embodied therein.".

Page 15, line 9, strike out "11" and insert "12".

Page 20, line 7, strike out "12" and insert "13".

Page 20, line 16, strike out "11(b)(1)" and insert "12(b)(1)".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina [Mr. COBLE] and the gentleman from Massachusetts [Mr. FRANK] each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. COBLE].

GENERAL LEAVE

Mr. COBLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COBLE. Mr. Speaker, I yield myself such time as I may consume. H.R. 672 contains much needed technical amendments to the Copyright Act. The Copyright Office needs these amendments in order to administer the Copyright Act efficiently and effectively. H.R. 672 also clarifies that the distribution of a phonorecord before January 1, 1978, did not constitute a publication of the musical work embodied therein.

□ 1315

In 1995 the ninth circuit, in La Cienega versus Z.Z. Top, overturned nearly 90 years of Presidential decisions and held that a phonorecord did constitute a publication of the musical work embodied in it. As a result, thousands of pre-1978 songs are at risk of falling into the public domain because the authors and music publishers relied on the Copyright Office decisions and did not place a copyright symbol on the phonorecords.

We must protect the copyright holders who justifiable relied upon judicial and Copyright Office decisions. The United States cannot afford to let its rich musical heritage be lost into the public domain, and I urge the Members to vote "yes" on H.R. 672.

Mr. Speaker, I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, my colleague, the chairman, has explained this. This is a bill which was broadly supported on both sides. We have some controversial issues that will be coming up later dealing with the copyright subject matter. This is not one of them.

What we are doing here is concurring in the first place with the Senate over a base bill that we already passed. This is a bill that included amendments of a technical nature that we already passed, with one or two dissenting votes on a rollcall.

The Senate added this bill, which we have referred to as La Cienega, because that was the name of the case, and what we have here is a reading by the courts, and it was not the court's choice of policy, it was a reading of the technical language of the statute, the effect of which would be to deprive decent, hard-working composers of the right to benefit from their compositions, not because of any real dispute over who owned what, not because of any policy issue, but because of a very narrow technical point. And I am pleased that we were able to bring this forward; I am pleased that the other body has gone forward with it. I hope we will just vote this through. It is, as I said, narrow, technical; it leaves other copyright issues ahead of us.

I suppose it is a sign that sometimes the law moves a little more slowly than technology that we are today passing a bill about phonorecords. When the phrase "phonorecords" first went into the law in 1909, there were not very many because they were too new. Now there are not very many because they are too old. So we have in this legislative history sort of gone through the life cycle of phonorecords.

I should note that the 1909 act was passed in the same year as the birth of our colleague, the gentleman from Illinois, which is irrelevant but interesting.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts and Nashville as a sideline [Mr. DELAHUNT], my colleague on the subcommittee.

Mr. DELAHUNT. Mr. Speaker, let me first acknowledge the hard work that was done on this particular proposal by both the Chair, my friend and colleague from North Carolina, and by the ranking member. As they both indicated, this bill is mostly about fairness, but there is even a trade deficit reform or concern, rather, addressed in this proposal.

Because of the opinion that was rendered in the case that has been referred to, La Cienega, there is now a cloud over the copyright of virtually every piece of American music written before 1978. American musicians, composers, and publishers now stand to lose some 1 and one-quarter billion dollars a year, and a significant portion of that 1 and one-quarter billion dollars is generated by overseas sales as American music is universally acknowledged to be the most popular on the planet. In fact, music is one of our most valuable exports and one of the few bright spots in our balance of trade.

We will hear this week in the course of the debate on fast track about how our former trade circle with Mexico is now a deficit of some $17 billion, and of course our trade deficit with China escalates by billions with every new report. Well, we cannot afford to lose the income derived from foreign sales of pre-1978 musical works. It is painfully clear we are in no position to exacerbate our ballooning trade deficit, and unless we pass this bill and reverse the La Cienega decision, that is exactly what will happen.

But this measure is, as both gentlemen indicated, much more than just trying to do something about our balance of trade problems. It is about being fair, being fair to thousands of hard-working, talented creators of American music who, for 86 years, were told by the Government and the American judicial system that their work was protected by the Copyright Act of 1909.

They were told all that was necessary to protect their works was to place the familiar copyright symbol on the printed musical score, the sheet music, if my colleagues will. We have all seen that symbol; it is the C in a circle. They were told that it was not necessary to place that symbol on the recording of their composition. They relied on the interpretation of the Copyright Act of 1909 because that is all the Government, through the Copyright Office, said that the Copyright Act required.

Furthermore, Mr. Speaker, there are a number of Federal court decisions that confirmed the position of the Copyright Office. So this was the law for 86 years, until 1995 when La Cienega arrived on the scene. The bill before us today would rectify this injustice, and I urge swift passage as any delay places at risk an entire industry and threatens to stifle that incredible creative talent of American song writers.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield back the balance of my time.

Mr. COBLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I will say very briefly I want to thank the ranking member, the gentleman from Massachusetts [Mr. FRANK], Members on both sides of the subcommittee, and the staff. We worked very effectively and harmoniously together to craft this very important piece of legislation.

Mr. BERMAN. Mr. Speaker, I rise in strong support of H.R. 672, the Copyright Clarification Act, and particularly the Senate amendment thereto.

In 1995, the Ninth Circuit issued a ruling in La Cienaga Music Corp. versus ZZ Top, which threatens the validity of copyright for musical works created prior to 1978. This decision poses a severe hardship for thousands of songwriters, many of whom I am proud to count as my constituents. What these composers and songwriters did was nothing more than to rely on an industry standard of many decades duration, which provides that the distribution of a phonorecord does not constitute publication of a musical work. This long-time understanding of copyright law has been ratified and reaffirmed by the Second Circuit over 20 years ago. American songwriters had every reason to consider this issue to be a matter of settled law.

But the LaCienaga decision took that settled law and cast it on its head, threatening to thrust into the public domain hundreds of thousands of musical works which presently enjoy copyright protection. This post-hoc penalty on copyright owners for failure to comply with copyright formalities, in reliance upon settled law, struck the members of the Subcommittee on Courts and Intellectual Property and, I am happy to say, the members of the other body as well, as grossly unfair. We concluded that the Ninth Circuit had reached an anomalous and insupportable result which in the interest of fundamental fairness begged to be corrected.

That is what the legislation before us would do. I commend this bill to my colleagues and urge its passage.

Mr. BONO. Mr. Speaker, I rise in support of H.R. 672 and urge my colleagues to join me. This is a very important measure needed in congressional response to a bizarre court decision. This decision also threatens to undermine the national economy. It is estimated that copyright industries contribute up to $4 billion to our economy and, in addition, are one of our most valuable exports.

The case of *La Cienaga Music Co.* v. *ZZ Top,* 53 F. 3d 950 (9th Cir. 1995), *cert. denied,* 116 S.Ct. 331 (1995) is unfortunate as it has jeopardized the private property rights for thousands of creative individuals who live within the jurisdiction of the Federal Court of Appeals of the Ninth Circuit. I am advised that this court decision makes it impossible for certain affected individual creators to bring an infringement action within the Ninth Circuit. Hence, you may have a copyright, but you have no available remedies against piracy.

Much of the credit for today belongs to House Judiciary Committee Chairman HYDE and Subcommittee Chairman COBLE for their diligence and attention to this issue. This is a bipartisan enterprise, and thanks for today also rests with Representative FRANK. This measure should be noncontroversial and speedily adopted by the House. As you know, this particular new language was contained in a much more comprehensive bill that I have sponsored along with Senate Judiciary Chairman HATCH, H.R. 1621. My House chairmen are also helping to bring along the rest of this badly needed legislation for copyright term extension to the floor. That cannot come too soon.

Mr. COBLE. Mr. Speaker, I have no further requests for time, and I, too, yield back the balance of my time.

The SPEAKER pro tempore [Mr. PACKARD]. The question is on the motion offered by the gentleman from North Carolina [Mr. COBLE] that the House suspend the rules and concur in the Senate amendments to H.R. 672.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendments were concurred in.

A motion to reconsider was laid on the table.

NO ELECTRONIC THEFT (NET) ACT

Mr. COBLE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2265) to amend the provisions of titles 17 and 18, United States Code, to provide greater copyright protection by amending criminal copyright infringement provisions, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2265

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "No Electronic Theft (NET) Act".

SEC. 2. CRIMINAL INFRINGEMENT OF COPYRIGHTS.

(a) DEFINITION OF FINANCIAL GAIN.—Section 101 of title 17, United States Code, is amended by inserting after the undesignated paragraph relating to the term "display", the following new paragraph: "The term 'financial gain' includes receipt, or expectation of receipt, of anything of value, including the receipt of other copyrighted works.".

(b) CRIMINAL OFFENSES.—Section 506(a) of title 17, United States Code, is amended to read as follows:

"(a) CRIMINAL INFRINGEMENT.—Any person who infringes a copyright willfully either—

"(1) for purposes of commercial advantage or private financial gain, or

"(2) by the reproduction or distribution, including by electronic means, during any 180-day period, of 1 or more copies or phonorecords of 1 or more copyrighted works, which have a total retail value of more than $1,000,

shall be punished as provided under section 2319 of title 18. For purposes of this subsection, evidence of reproduction or distribution of a copyrighted work, by itself, shall not be sufficient to establish willful infringement.".

(c) LIMITATION ON CRIMINAL PROCEEDINGS.—Section 507(a) of title 17, United States Code, is amended by striking "three" and inserting "5".

(d) CRIMINAL INFRINGEMENT OF A COPYRIGHT.—Section 2319 of title 18, United States Code, is amended—

(1) in subsection (a), by striking "subsection (b)" and inserting "subsections (b) and (c)";

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking "subsection (a) of this section" and inserting "section 506(a)(1) of title 17"; and

(B) in paragraph (1)—

(i) by inserting "including by electronic means," after "if the offense consists of the reproduction or distribution,"; and

(ii) by striking "with a retail value of more than $2,500" and inserting "which have a total retail value of more than $2,500"; and

(3) by redesignating subsection (c) as subsection (e) and inserting after subsection (b) the following:

"(c) Any person who commits an offense under section 506(a)(2) of title 17—

"(1) shall be imprisoned not more than 3 years, or fined in the amount set forth in this title, or both, if the offense consists of the reproduction or distribution of 10 or more copies or phonorecords of 1 or more copyrighted works, which have a total retail value of $2,500 or more;

"(2) shall be imprisoned not more than 6 years, or fined in the amount set forth in this title, or both, if the offense is a second or subsequent offense under paragraph (1); and

"(3) shall be imprisoned not more than 1 year, or fined in the amount set forth in this title, or both, if the offense consists of the reproduction or distribution of 1 or more copies or phonorecords of 1 or more copyrighted works, which have a total retail value of more than $1,000.

"(d)(1) During preparation of the presentence report pursuant to Rule 32(c) of the Federal Rules of Criminal Procedure, victims of the offense shall be permitted to submit, and the probation officer shall receive, a victim impact statement that identifies the victim of the offense and the extent and scope of the injury and loss suffered by the victim, including the estimated economic impact of the offense on that victim.

"(2) Persons permitted to submit victim impact statements shall include—

"(A) producers and sellers of legitimate works affected by conduct involved in the offense;

"(B) holders of intellectual property rights in such works; and

"(C) the legal representatives of such producers, sellers, and holders.".

(e) UNAUTHORIZED FIXATION AND TRAFFICKING OF LIVE MUSICAL PERFORMANCES.—Section 2319A of title 18, United States Code, is amended—

(1) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

(2) by inserting after subsection (c) the following:

"(d) VICTIM IMPACT STATEMENT.—(1) During preparation of the presentence report pursuant to Rule 32(c) of the Federal Rules of Criminal Procedure, victims of the offense shall be permitted to submit, and the probation officer shall receive, a victim impact statement that identifies the victim of the offense and the extent and scope of the injury and loss suffered by the victim, including the estimated economic impact of the offense on that victim.

"(2) Persons permitted to submit victim impact statements shall include—

"(A) producers and sellers of legitimate works affected by conduct involved in the offense;

"(B) holders of intellectual property rights in such works; and

"(C) the legal representatives of such producers, sellers, and holders.".

(f) TRAFFICKING IN COUNTERFEIT GOODS OR SERVICES.—Section 2320 of title 18, United States Code, is amended—

(1) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

(2) by inserting after subsection (c) the following:

"(d)(1) During preparation of the presentence report pursuant to Rule 32(c) of the Federal Rules of Criminal Procedure, victims of the offense shall be permitted to submit, and the probation officer shall receive, a victim impact statement that identifies the victim of the offense and the extent and scope of the injury and loss suffered by the victim, including the estimated economic impact of the offense on that victim.

"(2) Persons permitted to submit victim impact statements shall include—

"(A) producers and sellers of legitimate goods or services affected by conduct involved in the offense;

"(B) holders of intellectual property rights in such goods or services; and

"(C) the legal representatives of such producers, sellers, and holders.".

(g) DIRECTIVE TO SENTENCING COMMISSION.—(1) Under the authority of the Sentencing Reform Act of 1984 (Public Law 98-473; 98 Stat. 1987) and section 21 of the Sentencing Act of 1987 (Public Law 100-182; 101 Stat. 1271; 18 U.S.C. 994 note) (including the authority to amend the sentencing guidelines and policy statements), the United States Sentencing Commission shall ensure that the applicable guideline range for a defendant convicted of a crime against intellectual property (including offenses set forth at section 506(a) of title 17, United States Code, and sections 2319, 2319A, and 2320 of title 18, United States Code) is sufficiently stringent to deter such a crime and to adequately reflect the additional considerations set forth in paragraph (2) of this subsection.

(2) In implementing paragraph (1), the Sentencing Commission shall ensure that the guidelines provide for consideration of the retail value and quantity of the items with respect to which the crime against intellectual property was committed.

SEC. 3. INFRINGEMENT BY UNITED STATES.

Section 1498(b) of title 28, United States Code, is amended by striking "remedy of the owner of such copyright shall be by action" and inserting "action which may be brought for such infringement shall be an action by the copyright owner".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from North Carolina [Mr. COBLE] and the gentleman from Massachusetts [Mr. FRANK] each will control 20 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. COBLE].

GENERAL LEAVE

Mr. COBLE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COBLE. Mr. Speaker, I yield myself such time as I may consume.

H.R. 2265, Mr. Speaker, is a much needed legislative response to a 1994 court case that created a loophole which currently prevents the Department of Justice from prosecuting Internet copyright theft. The bill represents the hard work of industry representatives, officials from the Department of Justice and the Copyright Office, and the members of the Subcommittee on Courts and Intellectual Property and the full Committee on the Judiciary.

Again, this is a good bill that has been brought to the floor in a bipartisan manner, and I urge its adoption.

Mr. Speaker, I rise in support of H.R. 2265, the No Electronic Theft [NET] Act. Introduced by Mr. GOODLATTE of Virginia, this bill represents an important legislative response to those persons who cavalierly appropriate copyrighted works and share them with other Internet thieves.

Industry groups estimate that counterfeiting and piracy of intellectual property—especially computer software, compact discs, and movies—cost the affected copyrights holders more than $11 billion last year; some claim the actual figure is closer to $20 billion. Regrettably, the problem has great potential to worsen. The advent of digital video discs and the development of new audi-compression techniques, to cite two prominent examples, will only create additional incentive for copyright thieves to steal protected works.

The NET Act constitutes a legislative response to the so-called LaMacchi case, a 1994 decision authored by a Massachusetts Federal court. In LaMacchia, the defendant encouraged lawful purchasers of copyright software and computer games to upload these works via a special password to an electronic bulletin board on the Internet. The defendant then transferred the works to another electronic address and encouraged others with access to a second password to download the materials for personal use without authorization by or compensation to the copyright owners. While critical of the defendant's behavior, the court precluded his prosecution under a Federal wire fraud statute, stating that this area of the law was never intended to cover copyright infringement. The court also noted that the relevant criminal provisions of the Copyright Act and title 18 of the United States Code historically required prosecutors to prove that a defendant acted "willfully" and for "commercial advantage" or "private financial gain"—a threshold standard which did not apply to LaMacchia, who never benefited financially from his transgressions.

Accordingly, the NER Act proscribes the willful act of copyright infringement, either for "commercial advantage or private financial gain"; or by reproducing or distributing one or more copies of one or more copyrighted works with a total retail value of more than $1,000. The legislation specifically encompasses acts of reproduction or distribution the occur via "electronic means" which is to say, by computer theft. In addition, "financial gain" is defined as the acquisition of "anything of value, including the receipt of other copyrighted works." This change would enable the Department of Justice to pursue a LaMacchia-like defendant who steals copyrighted works but gives them away—instead of selling them—to others. This legislation includes stiff penalties and prison terms for infringers.

Mr. Speaker, the Subcommittee on Courts and Intellectual Property, during its markup of the NET Act, passed an amendment to ensure that the bill would not modify liability for copyright infringement, including the standard of willfulness for criminal infringement. After full committee consideration of H.R. 2265, negotiating sessions that included representatives of the Copyright Office, the Department of Justice, and relevant industry organizations produced compromise language, now inserted in the bill, that provides additional protection for entities which transmit copyrighted works over the Internet.

More specifically, this language is intended to clarify that a finding of willfulness cannot be established solely from evidence of reproduction or distribution of copyrighted works, and thus that prosecutions based solely on such evidence will not be pursued. While it is not the majority rule, some cases have held in the past that evidence of reproduction or distribution of such works, by itself, is sufficient to establish willfulness under 17 U.S.C. 506. This language rejects the holding of those cases, and clarifies that in order for criminal liability to attach to a defendant's conduct, the Government must prove something more than the mere reproduction or distribution of copyrighted works in establishing willfulness.

It should be emphasized that proof of the defendant's state of mind is not required. The Government should not be required to prove that the defendant was familiar with the criminal copyright statute or violated it intentionally. Particularly in cases of clear infringement, the willfulness standard should be satisfied if there is adequate proof that the defendant acted with reckless disregard of the rights of the copyright holder. In such circumstances, a proclaimed ignorance of the law should not allow the infringer to escape conviction. Willfulness is often established by circumstantial evidence, and may be inferred from the facts and circumstances of each case.

Further, a violation act of infringement performed by the defendant is required by this section. Evidence of reproductions or distributions, including those made electronically on behalf of third parties, would not, by itself, be sufficient to establish willfulness under the NET Act.

Finally, the requirements of a showing of financial gain or commercial advantage under 17 U.S.C.506(a) is not intended to imply that all types of financial gain or commercial advantage can, by themselves, trigger a finding of willful infringement. I should emphasize strongly that this bill addresses criminal, not civil, copyright liability. To repeat: nothing in H.R. 2265 affects civil liability for copyright infringement.

Mr. Speaker, the public must come to understand that intellectual property rights, while abstract and arcane, are no less deserving of protection than personal or real property rights. The intellectual property community will continue its works in educating the public about these concerns, but we in the Congress must do our job as well by ensuring that piracy of copyrighted works will be treated with an appropriate level of fair but serious disapproval. We will fulfill this obligation today by passing H.R. 2265.

Allow me to conclude by acknowledging the conspicuous hard work of the gentleman from Virginia, Mr. GOODLATTE, who is also the bill's sponsor; and the ranking subcommittee member from Massachusetts, Mr. FRANK. They and the other members of our subcommittee have truly worked in a bipartisan manner to expedite passage of the NET Act.

I reserve, Mr. Speaker, the balance of my time.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

As with the previous bill, this is a bipartisan bill brought forward by the subcommittee to try to deal with some technical problems. Once again, it is a response to a court decision, and I would just note by the way there are people who, here and in other places, from time to time object to court decisions. Often the court decisions that people object to are statutory interpretations. And we should be very clear. When a court has done something that many of us disagree with because of how they interpret a statute, we retain full power to overturn that, as we just did in the previous bill, as we are doing in this bill, and I have to say, in fairness to the courts, sometimes the statutory interpretation and question is a little strained; sometimes it is accurate because we were a little sloppy, and we had the ability to correct the inadvertent policy problem.

This is a very important policy. What we are essentially saying is if you trash somebody else's property, even if you are not doing it for money but you are just doing it because you wanted to show how smart you are and because you are seriously maladjusted and cannot make an impression on anybody in any other way, it is as criminal as if you stole. You have no right to use technical skills to interfere with other people's property.

And those who somehow admire that, those who try to make that skill into something that they boast of, are dead wrong morally. And that is what this bill says, "You have no right to interfere with the work and intellectual property of other people."

And it is precisely those who most understand the importance of the new technology to humanity who ought to be joining us in supporting this bill, because this is a threat to the ability of individuals to get the full use and enjoyment of it.

There is just one point I wanted to comment on as a result of, I think, a very useful process. When this bill left committee, we had one somewhat unresolved issue. It was not our intention in trying to make clear that you are criminally liable if you interfere with other people's property regardless of your motive; it was not our intention to lower the barrier by which people could find themselves criminally liable for acts that were not intentional. We were talking here, we were aiming at people who deliberately went and screwed up other people's work even if they were not doing it for money. There was a legitimate concern brought forward by, among others, the gentleman from Virginia and people who testified that we not go beyond that.

Now I do have to say there was one sort of misapplication or misdescription in the committee report. I did offer an amendment in subcommittee that tried to make clear that the bill was not intended to broaden the definition or reduce the burden that had to be met in order to show that somebody had done something intentionally.

We have two issues here: Was it intentional? and, why was it intentional? This bill only deals with why it is intentional. This bill says, "If you did it and you meant to do it, we don't care why. We care that you did it and you shouldn't have, and the fact that you didn't have a monetary incentive isn't relevant."

Some people fear that that might also mean that people who had done something without any intent to interfere with other people's work would somehow be implicated. The amendment I offered in subcommittee was aimed not at changing the definition of "willful" or making it harder to meet but making clear that this bill itself did not do that. And that amendment was adopted.

Indeed, Mr. Speaker, I have a proposal that we should put on the legislative keyboard a phrase that says this act does not do what this act does not do because we often have the problem of people reading into legislation things that are not there.

In any case, that turned out to be insufficient, and at the full committee the gentleman from Virginia proposed a further clarification. We had some disagreement about the specifics, but we agreed that he had brought up a very valid point, and as a result of the legislative process working, the bill that comes before us today which we can do under suspension has new language which makes it clear that there is no effort here and no intention on our part to make it easier to go after people when they were not acting intentionally. I believe the gentleman from Virginia is probably going to be expounding on that, and it will be very clear to people.

So I want to thank my colleagues on all sides of the committee. This is a bill which was noncontroversial in its purpose.

□ 1330

On two occasions we amended it to make clear that we would be dealing very specifically, it obviously would have been somewhat ironic in a bill that was aimed at curing legislative sloppiness to get sloppy again, and I think the bill that we have now brought forward does that appropriately.

Mr. Speaker, I reserve the balance of my time.

Mr. COBLE. Mr. Speaker, I yield 8 minutes to the gentleman from Virginia [Mr. GOODLATTE], the author of the bill.

Mr. GOODLATTE. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of H.R. 2265, the No Electronic Theft, or NET Act of 1997. I would like to thank the gentleman from North Carolina [Mr. COBLE]; the gentleman from Massachusetts [Mr. FRANK], the ranking Member; and also the gentleman from Utah [Mr. CANNON] for their leadership and support on this important legislation which I introduced.

The NET Act closes a loophole in our Nation's criminal copyright law and gives law enforcement the tools they need to bring to justice individuals who steal the products of America's authors, musicians and software producers. Additionally, the bill promotes the dissemination of creative works online and helps consumers realize the promise and potential of the Internet.

The Internet is a tremendous opportunity. Its development has contributed to the economic growth we have enjoyed in the last few years. Its true potential, however, lies in the future when students and teachers can access a wealth of information through the click of a mouse, and consumers can fully benefit from electronic commerce. For this to happen, creators must feel secure that they are protected by laws as effective in cyberspace as they are on Main Street.

The NET Act clarifies that when Internet users or any other individuals sell pirated copies of software, recordings, movies or other creative works, use pirated copies to barter for other works, or simply take pirated works and distribute them broadly even if they do not intend to profit personally, such individuals are stealing. Intellectual property is no less valuable than other property.

Pirating works online is the same as shoplifting a videotape, book, or record from a store. Through a loophole in the law, however, copyright infringers who pirate works knowingly and willfully, but not for profit, are outside the law. This situation has developed because the authors of our copyright laws could not have anticipated the nature of the Internet, which has made the theft of copyrighted works virtually cost-free and anonymous.

The Internet allows a single computer program or other copyrighted work to be illegally distributed to millions of users, virtually without cost, if an individual merely makes it available on a single server and points others to the location. Other users can contact that server at any time of day and download the copyrighted work to their own computers. It is unacceptable that today this activity can be carried out by individuals without fear of criminal prosecution.

Imagine the same situation occurring with tangible goods that could not be transmitted over the Internet, such as copying popular movies onto hundreds of blank tapes and passing them out on every street corner or copying personal software onto blank disks and freely distributing them throughout the world. Few would disagree that such activities are illegal and should be prosecuted. We should be no less vigilant when such activities occur on the Internet. We cannot allow the Internet to become the Home Shoplifting Network.

H.R. 2265 makes it a felony to willfully infringe a copyright by reproducing or distributing 10 or more copyrighted works with a value of at least $2,500, within a 180-day period, regardless of whether the infringing individual realized any commercial advantage or private financial gain. It also clarifies an existing portion of the law that makes it a crime to willfully infringe a copyright for profit or personal financial gain. It does so by specifying that receiving other copyrighted works in exchange for pirated copies, bartering essentially, is considered a form of profit and is as unlawful as simply selling pirated works for cash. Additionally, the NET Act calls for victim impact statements during sentencing and directs the sentencing commission to determine a sentence strong enough to deter these crimes.

During the Committee on the Judiciary's consideration of H.R. 2265, I offered an amendment to clarify that criminal copyright liability should not apply to those who merely intended to reproduce or distribute a copyrighted work without any accompanying criminal intent. With assurances from the chairman that this issue would be addressed, I withdrew that amendment. I am happy to report that language addressing this issue is included in the bill we are considering today, and would like to make a few comments regarding the intent of that provision.

This language is intended to clarify that a finding of willfulness cannot be established solely from evidence of the reproduction or distribution of copyright-protected works and thus, that prosecutions based solely on such evidence will not be pursued. While it is not the majority rule, some cases have held in the past that evidence of the reproduction or distribution of such works by itself is sufficient to establish willfulness under 17 U.S.C. 506. This section rejects the holding of those cases and clarifies that in order for criminal liability to attach to a defendant's conduct, the Government must prove something more than the mere reproduction or distribution of copyrighted works in establishing willfulness.

It should be also emphasized that proof of the defendant's state of mind is not required. The Government should not be required to prove that the defendant was familiar with the criminal copyright statute or violated it intentionally. Particularly in cases of clear infringement, the willfulness standard should be satisfied if there is adequate proof that the defendant acted with reckless disregard of the rights of the copyright holder. In such circumstances, a proclaimed ignorance of the law should not allow the infringer to escape conviction. Willfulness is often established by circumstantial evidence and may be inferred from the facts and circumstances of each case.

Further, a volitional act of infringement performed by the defendant is required by this section. Evidence of reproductions or distributions, including those made electronically on behalf of third parties, would not, by itself, be sufficient to establish willfulness under this act.

Finally, the requirement of a showing of financial gain or commercial advantage under 17 U.S.C. 506(a) is not intended to imply that all types of financial gain or commercial advantage can, by themselves, trigger a finding of willful infringement. It should also be made clear that this act deals only with criminal copyright liability. Nothing in this act affects civil liability for copyright infringement.

Mr. Speaker, the United States is the world leader in intellectual property. We export billions of dollars worth of creative works every year in the form of software, books, videotapes and records. Our ability to create so many quality products has become a bulwark of our national economy. By closing this loophole in our copyright law, the NET Act sends the strong message that we value the creations of our citizens and will not tolerate the theft of our intellectual property.

I urge my colleagues to support H.R. 2265.

Mr. FRANK of Massachusetts. Mr. Speaker, I yield myself 1 minute simply to say that I appreciate the very careful discussion of that point that the gentleman from Virginia [Mr. GOODLATTE] just engaged in, and I want to express my agreement with the exposition that the gentleman from Virginia gave. I think we have as a result of his comments a very clear expression of the consensus that exists on the committee as to the relevant standards that need to be met to find criminal liability.

Mr. Speaker, I yield back the balance of my time.

Mr. COBLE. Mr. Speaker, I yield 3 minutes to the gentleman from Utah [Mr. CANNON], who has worked dutifully on this bill.

Mr. CANNON. Mr. Speaker, I would like to thank the gentleman from North Carolina [Mr. COBLE]; the gentleman from Massachusetts [Mr. FRANK]; and the gentleman from Virginia [Mr. GOODLATTE], the author of the bill, for their hard work on this matter.

Mr. Speaker, information technologies are the wellspring of our Nation's future, and my home State of Utah is one of the primary sources. The idea of networking computers came from Novell. WordPerfect created the standard for word processing.

Utah is one of the top five U.S. centers for software development. Utah high-tech companies have generated sales in excess of $6.5 billion last year.

The heart of the Utah software industry is Utah County, the largest county in my district. Given the composition of my district, I am honored to be an original cosponsor of the NET, No Electronic Theft Act. I also need to compliment again those who worked so hard to bring this issue to a head today.

This is an important issue. In today's booming economy, U.S. computer software is one of the primary driving engines, with exports topping $26 billion per year. But software piracy is a significant and unjustified burden that American software companies are bearing. Last year piracy cost U.S. software companies an estimated $11.2 billion globally.

The NET Act is a concrete step toward curbing both domestic and international software theft. Current copyright law has a loophole for thieves who give software away, but do not sell it. Three years ago a Massachusetts Federal district court in U.S. versus LaMacchia held that a pirate who had given away 1 million dollars worth of commercial software through a bulletin board could not be prosecuted because the pirate had not been compensated by his fellow thieves.

Playing Robin Hood may have made sense when the Sheriff of Nottingham was extracting tribute from the peasantry, but playing Robin Hood on the Internet is a recipe for disaster for our domestic software industry. That is why we need the NET Act now.

The act is simple. It focuses on the damage done to the software owner, not just the money put into the pocket of the pirate. By doing so, the act gives the Department of Justice the tools to pursue U.S. software pirates who use the Internet as their primary conduit. By shutting down U.S. pirates, we can simultaneously curb domestic and overseas piracy. By doing so, we will boost one of our leading industries, enhance our exports and strengthen our competitiveness in a critical technological area.

For these reasons, I urge an affirmative vote.

Mr. COBLE. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Speaker, I would like to take this opportunity to thank the gentleman from North Carolina [Mr. COBLE]; the gentleman from Virginia [Mr. GOODLATTE]; and the gentleman from Massachusetts [Mr. FRANK] for the excellent work that they are doing on this intellectual property rights issue.

Intellectual property rights, especially when it concerns the entertainment industry and the software industry, is a vital part of the economy of California. We are talking about billions of dollars directly affecting the well-being of the people of my State and, yes, the people of our country.

We have a balance of payment problem as well. Software and entertainment play such an important role in keeping America's balance of payments manageable. So these bills today, both the one we are discussing now and the one we discussed just prior to this, represent hard work and responsibility on the part of this committee, and I would like to congratulate these gentlemen for a job well done.

Mr. COBLE. Mr. Speaker, I yield myself such time as I may consume.

I just want to say that this bill is about preventing theft. It will close a gap that currently exists in the Copyright Act to arrest electronic piracy.

I thank the gentleman from Virginia [Mr. GOODLATTE]; the gentleman from Massachusetts [Mr. FRANK]; and the gentleman from Utah [Mr. CANNON] and others on the subcommittee for the hard work that they did, and I specifically thank the gentleman from Massachusetts [Mr. FRANK] and the gentleman from Virginia [Mr. GOODLATTE] for having alluded to the manager's amendment included in today's bill.

I have submitted for the RECORD an extensive statement describing the intent of that amendment, and I again thank all of the members of the subcommittee for their good work, Mr. Speaker.

Mr. DELAHUNT. Mr. Speaker, I am proud to be a cosponsor of this legislation, and I rise to express my strong support for it.

The age of the Internet promises enormous benefits—instantaneous communication from one end of the planet to the other, paperless financial transactions, access to vast libraries of information at the touch of a button.

But these benefits are not without a price: the same technology that facilitates unprecedented access has also fostered a new breed of sophisticated criminals. Today's Internet pirates can download perfect digital copies of copyrighted works—from movies to musical recordings to video games—and distribute them to other Internet users without the knowledge or permission of the copyright holders.

Software piracy carries enormous costs for our society. Last year, it cost copyright holders between $11 and 20 billion worldwide, with $2.3 billion lost in the United States alone. That, in turn, meant the loss of many thousands of American jobs, higher prices to honest software purchasers, and a billion dollars in lost tax revenues.

Most people who commit these crimes do so for financial gain. But increasingly these crimes are being committed by computer hackers who obtain copyrighted software from lawful users and post it on electronic bulletin boards, free for the taking.

The present copyright law can do little to either deter or punish these crimes, because under current law there can be no culpability unless the defendant was seeking commercial gain. H.R. 2265 corrects that problem by criminalizing computer theft of copyrighted works whether or not the defendant derives a direct financial benefit from his actions.

I believe this measure will help preserve the creative incentive on which so much of our prosperity—and the future of the Internet itself—depend.

I urge support for the bill.

Mr. BERMAN. Mr. Speaker, I rise in strong support of H.R. 2265, the NET Act.

The enactment of H.R. 2265 is essential to the continuing growth of the Internet. Daily business developments attest to the pressing need for content to fill the pages of our newest medium for entertainment and mass communications. But that content will simply not be available unless its creators can be assured that their intellectual property will be protected.

The decision of the Federal District Court in Massachusetts in 1994 in *U.S. v. LaMacchia*, however, created a loophole which leaves copyright owners virtually defenseless against those who infringe copyright not for profit, but for the pure fun of it, as a top executive of the Recording Industry Association of America put it at the legislative hearing on H.R. 2265.

We simply must make clear that there is no hacker defense to criminal copyright liability. Copyright owners' exclusive rights of public performance, distribution, and reproduction must be protected no less from the grad student who thinks content on the Internet should be free than from the pirate who reaps a fortune from his counterfeiting operation. The end result is the same: the substantial loss of revenue to intellectual property owners, increasingly as technology makes it possible for more and more content to be moved over digital networks.

In enacting H.R. 2265, we make clear that the computer theft of copyrighted works is subject to criminal penalties, and in so doing exercise our constitutional responsibility to protect copyright. I urge my colleagues to vote for this important legislation.

Mr. COBLE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PACKARD). The question is on the motion offered by the gentleman from North Carolina [Mr. COBLE] that the House suspend the rules and pass the bill, H.R. 2265, as amended.

The question was taken.

Mr. FRANK of Massachusetts. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

REQUIRING ATTORNEY GENERAL TO ESTABLISH PROGRAM IN PRISONS TO IDENTIFY CRIMINAL ALIENS AND ALIENS UNLAWFULLY PRESENT IN THE UNITED STATES

Mr. GALLEGLY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1493) to require the Attorney General to establish a program in local prisons to identify, prior to arraignment, criminal aliens and aliens who are unlawfully present in the United States, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1493

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PROGRAM OF IDENTIFICATION OF CERTAIN DEPORTABLE ALIENS AWAITING ARRAIGNMENT.

(a) ESTABLISHMENT OF PROGRAM.—Not later than 6 months after the date of the enactment of this Act, and subject to such amounts as are provided in appropriations Acts, the Attorney General shall establish and implement a program to identify, from among the individuals who are incarcerated in local governmental incarceration facilities prior to arraignment on criminal charges, those individuals who are within 1 or more of the following classes of deportable aliens:

(1) Aliens unlawfully present in the United States.

(2) Aliens described in paragraph (2) or (4) of section 237(a) of the Immigration and Nationality Act (as redesignated by section 305(a)(2) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996).

(b) DESCRIPTION OF PROGRAM.—The program authorized by subsection (a) shall include—

(1) the detail, to each incarceration facility selected under subsection (c), of at least one employee of the Immigration and Naturalization Service who has expertise in the identification of aliens described in subsection (a); and

(2) provision of funds sufficient to provide for—

(A) the detail of such employees to each selected facility on a full-time basis, including the portions of the day or night when the greatest number of individuals are incarcerated prior to arraignment;

(B) access for such employees to records of the Service and other Federal law enforcement agencies that are necessary to identify such aliens; and

(C) in the case of an individual identified as such an alien, pre-arraignment reporting to the court regarding the Service's intention to remove the alien from the United States.

(c) SELECTION OF FACILITIES.—

(1) IN GENERAL.—The Attorney General shall select for participation in the program each incarceration facility that satisfies the following requirements:

(A) The facility is owned by the government of a local political subdivision described in clause (i) or (ii) of subparagraph (C).

(B) Such government has submitted a request for such selection to the Attorney General.

(C) The facility is located—

(i) in a county that is determined by the Attorney General to have a high concentration of aliens described in subsection (a); or

(ii) in a city, town, or other analogous local political subdivision, that is determined by the Attorney General to have a high concentration of such aliens (but only in the case of a facility that is not located in a country).

(D) The facility incarcerates or processes individuals prior to their arraignment on criminal charges.

(2) NUMBER OF QUALIFYING SUBDIVISIONS.—For any fiscal year, the total number of local political subdivisions determined under clauses (i) and (ii) of paragraph (1)(C) to meet the standard in such clauses shall be the following:

(A) For fiscal year 1999, not less than 10 and not more than 25.

(B) For fiscal year 2000, not less than 25 and not more than 50.

(C) For fiscal year 2001, not more than 75.

(D) For fiscal year 2002, not more than 100.

(E) For fiscal year 2003 and subsequent fiscal years, 100, or such other number of political subdivisions as may be specified in appropriations Acts.

(3) FACILITIES IN INTERIOR STATES.—For any fiscal year, of the local political subdivisions determined under clauses (i) and (ii) of paragraph (1)(C) to meet the standard in such clauses, not less than 20 percent shall be in States that are not contiguous to a land border.

(4) TREATMENT OF CERTAIN FACILITIES.—All of the incarceration facilities within the county of Orange, California, and the county of Ventura, California, that are owned by the government of a local political subdivision, and satisfy the requirements of paragraph (1)(D), shall be selected for participation in the program.

SEC. 2. STUDY AND REPORT.

Not later than 1 year after the date of the enactment of this Act, the Attorney General shall complete a study, and submit a report to the Congress, concerning the logistical and technological feasibility of implementing the program under section 1 in a greater number of locations than those selected under such section through—

(1) the assignment of a single Immigration and Naturalization Service employee to more than 1 incarceration facility; and

(2) the development of a system to permit the Attorney General to conduct off-site verification, by computer or other electronic means, of the immigration status of individuals who are incarcerated in local governmental incarceration facilities prior to arraignment on criminal charges.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. GALLEGLY] and the gentleman from New York [Mr. NADLER] each will control 20 minutes.

The Chair recognizes the gentleman from California [Mr. GALLEGLY].

GENERAL LEAVE

Mr. GALLEGLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1493.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GALLEGLY. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I appreciate the opportunity to rise and speak on behalf of H.R. 1493, a bill to make permanent and expand a very successful pilot program which identifies deportable criminal aliens awaiting arraignment.

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Since the pilot program began in November of last year, over 1,400 inmates have been interviewed at the Ventura County Jail. Of that number, almost 60 percent have been found to be deportable criminal aliens. This legislation will make permanent this vital crime-fighting tool, and will also help other affected communities across the Nation.

Like the current pilot program, H.R. 1493 would require the INS to screen for deportable criminal and illegal aliens prior to arraignment, thus preventing the release of these individuals back onto our streets and into our communities.

The bill also calls for a GAO study on expanding the program by allowing INS agents to conduct off-site verification of prisoners using computers or other electronic means.

In our desire to address concerns raised during the hearing on H.R. 1493, the bill was improved in several ways as it moved through the committee process. First, the bill was changed to phase in the pilot program to 100 high-impact counties over a 4-year period. It is important to note that the INS will expand this program only to counties that request to participate. Second, implementation of this expanded program was made subject to funds appropriated. Lastly, the bill was amended in the Committee on the Judiciary to ensure that at least 20 percent of the counties selected will be in the interior of the country.

One of the reasons this program has been so successful, Mr. Speaker, is the fact that it is a point of entry system. It identifies criminal deportable aliens that are booked, not just those serving prison sentences. After being booked or after serving their sentence, deportable criminal aliens are turned over to the INS for detention and deportation. This eliminates the possibility of their release back into our communities.

Equally important is the program's ability to identify criminals prior to their first arraignment before a judge, providing the magistrate with the true identity of the suspect and accurate criminal record information. Testifying on behalf of H.R. 1493, law enforcement officials from California cited the shocking example of a criminal alien who had been arrested 34 times, including 13 burglaries, and had used 51 different names and 13 different birthdays. Mr. Speaker, there are many instances where, had this pilot program been in place, tragedy would have been averted.

One such incident recently occurred in my district. A criminal alien was sentenced to 25 years to life in prison for murdering in cold blood in daylight a defenseless Santa Paula restaurant owner, Isabela Guzman. The man convicted of this cold-blooded murder had been arrested not once, but three times for assault with a deadly weapon. If this program had been in place at the time of the previous arrests, this killer would have been identified and deported, and Isabela Guzman most likely would be alive today.

The program has been one of the few instances where a Federal program has been tested at the local level and found to be a resounding success. In the area where the program has been operating, local law enforcement and local government officials are very supportive of its continuation and expansion. In addition, the measure has garnered bipartisan support throughout this House.

Mr. Speaker, by enacting H.R. 1493, we are finally able to identify and deport criminal aliens at the time they are arrested and before they are back on our streets committing more violent crimes and destroying lives of countless victims.

Mr. Speaker, I reserve the balance of my time.

Mr. NADLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1493. Mr. Speaker, this legislation would provide assistance to communities in identifying people who have been arrested who are either deportable criminal aliens or who are unlawfully present in the United States. It builds on successful pilot projects, such as the one in Anaheim, CA, which identified a substantial number of individuals who are either in the United States illegally or who might otherwise be subject to deportation.

The bill would require the Attorney General to detail INS employees to certain selected local government jails and prisons in order to identify prior to arraignment deportable criminal aliens or aliens unlawfully in the United States.

The program will be focused on jurisdictions having high concentrations of aliens who are illegally in this country. It would have the benefit of providing better information to immigration authorities and local governments about the extent to which illegal and criminal aliens are in our criminal justice system and would provide immigration authorities with the information they need to remove those individuals who should not be in the United States at all, much less to remain here to commit crimes.

I want there to be no mistake, this Nation has benefited tremendously from immigration and from the contribution of the many millions of people who came here from other lands. In my own city of New York, immigrants are rebuilding old neighborhoods right now and contributing to a rebirth of our city. We should welcome and support them, and not confuse those many law-abiding immigrants with the few who would disregard our laws.

But the United States has every right, as do all nations, to expect that its laws will be respected and obeyed. The enforcement of the immigration laws is the responsibility of the Federal Government. The failure of the Federal Government to do so has placed a real burden on some local communities, a burden which the pilot program established by this bill will help alleviate. I urge approval of the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. GALLEGLY. Mr. Speaker, I yield 2 minutes to my good friend, the gentleman from California [Mr. HORN].

Mr. HORN. Mr. Speaker, I thank the gentleman for yielding time to me, and praise the gentleman's authorship of this constructive legislation.

Mr. Speaker, H.R. 1493 expands nationwide the successful prearraignment identification programs currently run by the Immigration and Naturalization Service at the city of Anaheim and Ventura County jails. This means that 100 such programs will be phased in across the United States over the next 4 years.

Under these programs, all criminals booked into a local incarceration facility are identified as either citizens, legal aliens, or illegal aliens by a full-time officer of the Immigration and Naturalization Service who has access to the nationwide INS database. The INS officer is detailed to the facility. Those identified by INS as illegal aliens are deported. This is the most effective way to identify criminal illegal aliens and ensure they are deported and not released back into our communities.

Criminal illegal aliens are an outrage three times over. First, they break our immigration laws by crossing the border illegally or by overstaying of a legitimate visa. Second, all too many of them put our communities at risk by committing crimes. Third, they impose burdens on the taxpayers with the costs of their incarceration in American jails.

The program expanded under H.R. 1493 has worked very successfully in Anaheim and in Ventura County. In its first month the program identified 33 percent of the arrestees at the Anaheim city jail and 66 percent of the arrestees at the Ventura County Jail as criminal illegal aliens. Think of it, 33 percent of those arrested, illegal criminal aliens. And 66 percent of those arrested, criminal illegal aliens.

Think about that.

The President needs to renegotiate the criminal alien transfer treaties so we can deport them if they are convicted and serve time in their own country. But right now let us pass this useful piece of legislation.

Mr. NADLER. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. BENTSEN].

Mr. BENTSEN. Mr. Speaker, I want to thank the gentleman from New York for yielding time to me.

Mr. Speaker, this is a very appropriate bill, not only for the border States, but also for the entire country. But since I do represent the border State of Texas, I want to share an experience that I have had and why this bill is so important.

In Texas today, the Immigration and Naturalization Service estimates that there are a minimum of about 4,000 undocumented aliens in the State prison system. But that is a minimum. They really do not exactly know, and they think the number is actually much higher, so this is a cost that is being borne by the State taxpayers.

That does not take into account the number of undocumented aliens who are being held in the various municipal and county jails throughout the State of Texas. I am sure the same is true in the State of California and other States around the country.

I want to share with the Members a situation that I had last year that makes this legislation right on point. In my district in Harris County, TX, the third largest county in the country, there are about 10 municipalities, including the city of Houston. But outside the city of Houston, in the city of Pasadena, a community of about 125,000 people, the city mayor and police chief came to me and said that they had a problem.

Their biggest problem was with undocumented aliens that they picked up for various misdemeanor and felony charges, and upon arraignment and release, they would contact, or try and contact, the regional office or the district office of the INS and never be able to get through to anybody to explain to them what was going on and what to do with these individuals who, once being arraigned under State statute, were now subject to Federal immigration statute, but nobody was there to follow through.

After months and months of trying to work with the INS here in Washington, and joining with my colleagues in the Harris County, TX, delegation, we finally were able to obtain some relief in getting more detention beds, going from about 250 detention beds to 750 detention beds for the Harris County area.

But still, it is far insufficient. Of the deportations that occurred last year from the Harris County region, of the approximately 3,300, 2,200 were those of criminal aliens. So this is a severe problem. This legislation will affect and help cities, not just like the city of Houston, but the cities like Pasadena, Deer Park, LaPorte, and Baytown that I represent.

So I appreciate the fact that the Committee on the Judiciary has moved swiftly on this legislation and brought it up. This is a very serious problem that we have in our country and in our large metropolitan areas. I will work very hard with Harris County in helping them apply for this. I hope they can participate in this. I congratulate both the managers of the bill.

Mr. GALLEGLY. Mr. Speaker, I yield 3 minutes to the gentleman from Utah [Mr. CANNON].

Mr. CANNON. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, the problems of illegal immigration, while predominant in, are certainly not confined to, California, Texas, and our other border States. Illegal immigration has become a nationwide problem across Interstate 80 from the west and up Interstate 15 from the south. Illegal immigration has infected States within our interior, States like Utah, Wyoming, Nebraska, South Dakota, Iowa, and others. These areas are the new and easy targets of illegal aliens, criminal aliens, who bring drugs with them.

The most recent Salt Lake City police records, for example, indicate that 80 percent of arrests for felony level narcotics violations are undocumented aliens. H.R. 1493, the legislation we are discussing today, expands the pilot program that has been extremely successful in the city of Anaheim to several prisons across the Nation.

It is of particular interest to areas like Salt Lake County. One of the main challenges facing Salt Lake County at this time is inadequate jail space and lack of identification capabilities for aliens arrested by local authorities. By identifying illegal aliens prior to arraignment under this program, they can be deported immediately, rather than held in local jails at the expense of local taxpayers, rather than taking up space better used to hold more violent criminals arrested for committing local crimes, or worse yet, rather than being set free due to lack of jail space, and endangering the local populations.

By identifying illegal aliens, the burden which the Federal Government is currently placing on local entities can be significantly relieved. We live in times of limited resources. I was concerned that States like Utah would not be selected to participate in this very effective program, so during consideration of H.R. 1493 in the Committee on the Judiciary, I was pleased to have the opportunity to work with the gentleman from California [Mr. GALLEGLY], the gentleman from Texas [Mr. SMITH], the gentleman from North Carolina [Mr. WATT], and other distinguished members of the subcommittee to ensure that our interior States will be able to reap the benefits of this program.

Of the qualified facilities selected across the Nation for participation in the program, 20 percent of those must be located in areas that are not adjacent to a land border. This means that beginning in 1999, of the up to 25 sites selected for participation, about 5 must be located in interior areas with high concentrations of illegal immigration.

While we continue to read report after report of the problems with the Immigration and Naturalization Service, we must lend our support today to a program with a proven track record that will assist our local and State communities to stem the problem of illegal immigration.

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Mr. GALLEGLY. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Speaker, I would like to congratulate the gentleman from California [Mr. GALLEGLY]. He has been fighting this battle for a long time. He has taken many arrows and slings on various issues, whether it is 245(i) or other issues that have come before this body dealing with the illegal immigration issue.

Those of us in California know the deleterious effect that illegal immigration is having on our society and the harmful impact it is having on the lives of our citizens.

I rise in strong support of H.R. 1493, a bill that will make permanent and build upon a highly successful INS criminal alien identification program in Anaheim, CA. This program places INS agents at the Anaheim city jail to identify illegal aliens after they have been arrested prior to arraignment, as we have heard. This provides the judge the information a judge will need to prevent a suspect's release if he or she is in this country illegally.

Now, Members should understand the significance of what that means. I am an original cosponsor of H.R. 1493 because I believe it is a commonsense approach in dealing with those who have broken our immigration laws. This legislation will also send a clear message to those who are here illegally that blatantly violate our immigration laws will no longer be rewarding.

In the first 10 months of this year alone, illegal aliens were suspects in 22 percent of Anaheim's, this is the city we are talking about here, Anaheim's murders and 53 percent of all rapes. Illegal aliens made up 1,800 of the total Anaheim arrests so far this year.

It does not surprise me that those who would not respect our immigration laws would disregard the civil and criminal laws of our country as well. Without a program to identify these individuals as illegal aliens, they will be released into our society after they are arraigned. So it is imperative for us to make sure that judges understand who is in this country illegally so that they will just not be released. These people, if anybody, should be deported.

Contrary to what some Members say, a major reason we have a systematic process for legal immigration to this country is to keep an eye on individuals who we are finding now showing up in our jails. Our attempts last week to defeat 245(i) were defeated. Section 245(i) helps screen out; if we would eliminate that process, illegal aliens were being screened out because they had criminal backgrounds. But with 245(i), sometimes illegal aliens end up in this society. Now we are trying to do this to ensure that there is an identification process.

And one last word, and that is, I congratulate the gentleman from California [Mr. GALLEGLY] and the gentleman from California [Mr. PACKARD] who have worked so hard on this. The INS, under this administration, has been putting up roadblocks for us to try to get these illegal aliens in our jails from being deported from this country. This legislation is a good first step toward deporting illegal immigrants who are committing crimes and attacking our citizens.

Mr. NADLER. Mr. Speaker, I yield myself such time as I may consume.

I will comment very briefly, Mr. Speaker. This has nothing to do with section 245(i). I am glad we defeated the attempt to eliminate that last week. The people, in dealing with 245(i), are not criminal aliens, but this bill that does deal with criminal aliens and people who are here illegally, I simply want to commend the bipartisan nature of the cooperation, the bipartisan cooperation with which this bill was drafted and brought to the floor. Hopefully, it will be passed today. I urge all my colleagues to support it.

Mr. Speaker, I yield back the balance of my time.

Mr. GALLEGLY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would also like to make a point that most of the criminals who have been identified by this program are not first-time offenders. During the first 5 months of the pilot program, data compiled by INS at the Ventura County jail indicated that 70 percent of those identified as criminal or illegal aliens had at least one prior conviction. Most of these convictions were for very serious crimes, including 30 individuals who had prior convictions for aggravated felonies and 61 who had narcotics convictions.

In closing, Mr. Speaker, I would like to refer to the testimony of Richard Bryce, the undersheriff of Ventura County Sheriff's Department. In the subcommittee hearing Mr. Bryce stated, and I quote, to truly understand the benefit of such a program, it is important to realize the type of persons it identifies. The criminals, who the INS agents have determined are illegal aliens, include drug dealers, gang members involved in drive-by shootings, rapists, and murderers. Many of them have a long history of criminal activity.

Mr. Speaker, I thank the gentleman from New York [Mr. NADLER] for his bipartisan approach to working with this legislation, the gentleman from Texas [Mr. BENTSEN] for speaking on it, and many of the other Members on the other side of the aisle. This truly is a piece of bipartisan legislation. I urge my colleagues to join us in supporting this commonsense, crime-fighting legislation.

Ms. SANCHEZ. Mr. Speaker, I rise today to express my strong and full support for H.R.

1493. In addition, I am submitting two letters I received regarding this issue.

In particular, I want to call attention to the fact that this bill will permanently reinstate a criminal alien, prearraignment identification program at the detention facility in the city of Anaheim, CA.

This successful INS pilot program has existed in the city of Anaheim since October 1996.

The pilot program has effectively identified 4,500 undocumented criminal aliens in city detention facilities before their initial court appearance. Such suspects often fail to appear for subsequent court proceedings. The INS can then determine which inmates are in the country illegally and therefore subject to deportation.

On February 27, 1997, I wrote the Commissioner of the INS to urge continued operation of the prearraingment pilot program which was set to expire in April 1997. In addition, I asked the General Accounting Office to evaluate the cost effectiveness of the project.

On March 14, I received a letter from the city of Anaheim thanking me for supporting the project as well as suggesting criteria for the GAO study.

On April 3, the INS informed me that the program had been extended through June 30, 1997, primarily because of the facts I brought to their attention in support of the program.

Finally, on June 20, 1997, I joined my colleagues in the Orange County congressional delegation in a bipartisan letter to the INS to extend the program. The INS agreed to continue the program indefinitely pending the continuation of appropriated funds.

I have worked diligently on this issue because criminal conduct has no place in our communities. Moreover, undocumented criminal aliens should be quickly and permanently deported.

Not only do I support the permanent deportation of undocumented criminal aliens, I want them caught before they commit crimes and jeopardize our communities. Without Federal assistance in undertaking this law enforcement effort, undocumented criminal aliens could cause undue harm to women, men, and children.

Furthermore, immigration matters such as the determination of the immigration status of aliens is a Federal function.

Local law enforcement should not perform the rightful duties of INS agents. Police must continue to take care when arresting individuals.

Arrests must be based on probable cause and not on some profile based on ethnicity.

The Federal Government should do all it can to avoid burdening state and local police budgets with the cost of identifying, apprehending and deporting undocumented criminal aliens.

As a fiscal conservative, I believe Congress must implement a cost-effective program that deploys INS enforcement officers in the most efficient manner.

I believe the bill would help ensure this is accomplished.

We need to ensure that more criminals are captured earlier, before they have done harm to our people in our districts, and before they end up being a burden to our local law enforcement.

CONGRESS OF THE UNITED STATES,
Washington, DC, June 20, 1997.

MS. DORIS MEISSNER,
Commissioner, Immigration and Naturalization Service, Chester Arthur Building, Washington, DC.

DEAR COMMISSIONER MEISSNER: As members of Orange County's Congressional Delegation, we ask that you continue the City of Anaheim's Criminal Illegal Alien Pre-Arraignment Identification Program after June 30, 1997.

As you indicated in a March 17, 1997, letter to Anaheim City Mayor Tom Daly, "The INS is constantly striving for new and innovative law enforcement initiatives to combat the involvement of foreign nationals in criminal activities. From all reports I have received thus far, the Anaheim project certainly has the potential of becoming such an initiative." The success of this program, and its sister program in Ventura County, has led to the introduction of H.R. 1493, a bill to extend these programs nationwide. The House Immigration and Claims Subcommittee recently held a hearing on H.R. 1493, and plans on moving this bill in the near future.

In light of the fact that the Anaheim program is the only one of its kind in a city jail, and the only means of obtaining data from which Congress can evaluate the merits of this program, we strongly urge you to continue the program.

We look forward to your response to this urgent request.

Sincerely,

DANA ROHRABACHER.
RON PACKARD.
LORETTA SANCHEZ.
CHRIS COX.
ED ROYCE.

CITY OF ANAHEIM, CA,
March 14, 1997.

Hon. LORETTA SANCHEZ,
U.S. House of Representatives, Longworth House Office Building, Washington, DC.

DEAR CONGRESSWOMAN SANCHEZ: Thank you for your prompt response to our request for your support and endorsement of the continuation of the Anaheim/Immigration and Naturalization Service Pre-arraignment Criminal Alien Identification pilot project. We appreciate your request to Commissioner Meissner to continue this effective crime prevention tool.

With respect to the evaluation on the effectiveness of the pilot program, we feel it is important that any assessment include the value of "point of entry" identification and its direct relationship to actual number of suspected criminal illegal alien deportation. Since the inception of Anaheim's pilot program with the INS, 344 criminal aliens were placed directly in deportation proceedings. As you know, the cornerstone of Anaheim's pilot project is a pre-arraignment identification program designed to reduce the burden on local law enforcement and the court system. A criminal alien identification program at the County level functions as a post-arraignment system. As an example, in a County post-arraignment program, the 344 criminal aliens identified in Anaheim may have never been identified by INS by the time they were incarcerated at a County facility, and therefore released. Compounding the problem for local agencies is the "revolving door" phenomenon (repeat offenders using several assumed names) that occurs as a result of the absence of INS expertise at the municipal level. This aspect of the program (pre-arraignment identification) is the essence of the program's effectiveness in reducing crime.

In addition to program effectiveness, it is also important to evaluate the current INS enforcement priorities set forth by Congress and the Administration. The number of agents assigned to criminal alien identification programs is insufficient. Reprioritizing of INS programs, policies, and resources would address the Commissioner's concerns regarding the deployment of available agents.

Again, thank you for your consideration and responsiveness to our request. If you or your staff need additional information on the Anaheim pilot project, please do not hesitate to contact us.

Sincerely,

BOB ZEMEL,
Council Member.
TOM TAIT,
Council Member.

Mr. BERMAN. Mr. Speaker, I rise in support of H.R. 1493 which was introduced by my good friend from California, Mr. GALLEGLY. I enjoyed working with my colleague in the drafting of this bill as it addresses issues which seriously affect our home State. This bill will require the Attorney General to establish a program in local prisons to identify, prior to arraignment, criminal aliens and persons unlawfully present in the United States.

The bill directs the Attorney General to detail Immigration and Naturalization Service employees to selected city and county incarceration facilities. This program is different from the Institutional Hearing Program [IHP], which I also strongly support, where INS employees are stationed at State and Federal penal institutions to identify aliens convicted of deportable crimes. The IHP exists so that deportable criminal aliens can be placed into deportation proceedings while incarcerated, and then removed from the United States upon completion of their sentence.

H.R. 1493 will compliment the IHP as it will help identify deportable aliens AFTER arrest and BEFORE arraignment. This prearraignment process will identify unlawful residents and persons previously convicted of deportable crimes even if they are never tried for or convicted of the offenses for which they have been arrested. These individuals can then be turned over to the INS for removal from the United States.

This bill is subject to appropriations and participating facilities are phased in over a 4-year period. The CBO has estimated that this program will cost between $40 million and $200 million over the 1999–2002 period. I'm sure we can all agree that funding directed toward identifying and deporting criminal aliens is well spent.

Illegal immigration is a Federal problem, but its impact is felt primarily on the local level. It is the responsibility of the Federal Government to allocate resources to combat the many hardships which are in turn thrust upon those at the local level. I will continue to fight for programs which recognize this simple, but vital fact.

I am proud to be a cosponsor of this legislation and I urge my colleagues to support it.

Mr. KIM. Mr. Speaker, I rise today in strong support of H.R. 1493, a bill to authorize the Immigration and Naturalization Service to establish a permanent program to identify criminal illegal immigrants in local jails around the country. I am particularly pleased because this bill is patterned after an enormously successful pilot program that has been in operation in my district since last November.

When I was first elected to Congress in 1992, I immediately began hearing from law enforcement officials in my district about the tremendous burden that criminal illegal immigrants were putting on local jails. In my district and around the country, local authorities have been forced to house and process criminals, only to later find out that some are in the United States illegally, and could have been deported when first identified. Working closely with my congressional colleagues from Orange County, we looked for ways to help local communities solve this problem.

At our insistence, last year's Illegal Immigration Reform and Immigrant Responsibility Act established a pilot program in the Anaheim City Jail that identified, prior to arraignment, illegal immigrants who had been picked up for various crimes. Once identified, the illegal immigrants were immediately placed in deportation proceedings rather than clogging our local judicial system. In just the first 3 months that this program was in effect in Anaheim, INS officials placed holds on 338 inmates, nearly 17 percent of all those the jail processed. These criminal illegal immigrants were then removed into INS deportation proceedings, rather than remaining the responsibility of Anaheim, saving the local government the significant costs associated with housing and processing these criminals.

Because this pilot program was such a success in Anaheim, I am an original cosponsor of the bill we are considering today that would authorize the INS to continue the current program in Anaheim, and institute similar programs in other jails through my district and around the country, in communities with the highest concentration of illegal immigrants. Judging from what I have seen in Anaheim, this is a program that would provide tremendous benefits to many communities that are being inundated with criminal illegal immigrants.

Preventing illegal immigration is a Federal responsibility. Therefore, it is incumbent on the Federal Government to assist local authorities in combating crimes committed by illegal immigrants. I urge all my colleagues to support this bill.

Mr. GALLEGLY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore [Mr. PACKARD]. The question is on the motion offered by the gentleman from California [Mr. GALLEGLY] that the House suspend the rules and pass the bill, H.R. 1493, as amended.

The question was taken.

Mr. GALLEGLY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

APALACHICOLA-CHATTAHOOCHEE-FLINT RIVER BASIN COMPACT

Mr. GEKAS. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H. J. Res. 91) granting the consent of Congress to the Apalachicola-Chattahoochee-Flint River Basin Compact, as amended.

The Clerk read as follows:

H.J. RES. 91

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONGRESSIONAL CONSENT.

The Congress consents to the Apalachicola-Chattahoochee-Flint River Basin Compact entered into by the States of Alabama, Florida, and Georgia. The Compact is substantially as follows:

"Apalachicola-Chattahoochee-Flint River Basin Compact

"The States of Alabama, Florida and Georgia and the United States of America hereby agree to the following compact which shall become effective upon enactment of concurrent legislation by each respective state legislature and the Congress of the United States.

"SHORT TITLE

"This Act shall be known and may be cited as the 'Apalachicola-Chattahoochee-Flint River Basin Compact' and shall be referred to hereafter in this document as the 'ACF Compact' or 'Compact'.

"ARTICLE I

"COMPACT PURPOSES

"This Compact among the States of Alabama, Florida and Georgia and the United States of America has been entered into for the purposes of promoting interstate comity, removing causes of present and future controversies, equitably apportioning the surface waters of the ACF, engaging in water planning, and developing and sharing common data bases.

"ARTICLE II

"SCOPE OF THE COMPACT

"This Compact shall extend to all of the waters arising within the drainage basin of the ACF in the states of Alabama, Florida and Georgia.

"ARTICLE III

"PARTIES

"The parties to this Compact are the states of Alabama, Florida and Georgia and the United States of America.

"ARTICLE IV

"DEFINITIONS

"For the purposes of this Compact, the following words, phrases and terms shall have the following meanings:

"(a) 'ACF Basin' or 'ACF' means the area of natural drainage into the Apalachicola River and its tributaries, the Chattahoochee River and its tributaries, and the Flint River and its tributaries. Any reference to the rivers within this Compact will be designated using the letters 'ACF' and when so referenced will mean each of these three rivers and each of the tributaries to each such river.

"(b) 'Allocation formula' means the methodology, in whatever form, by which the ACF Basin Commission determines an equitable apportionment of surface waters within the ACF Basin among the three states. Such formula may be represented by a table, chart, mathematical calculation or any other expression of the Commission's apportionment of waters pursuant to this compact.

"(c) 'Commission' or 'ACF Basin Commission' means the Apalachicola-Chattahoochee-Flint River Basin Commission created and established pursuant to this Compact.

"(d) 'Ground waters' means waters within a saturated zone or stratum beneath the surface of land, whether or not flowing through known and definite channels.

"(e) 'Person' means any individual, firm, association, organization, partnership, business, trust, corporation, public corporation, company, the United States of America, any state, and all political subdivisions, regions, districts, municipalities, and public agencies thereof.

"(f) 'Surface waters' means waters upon the surface of the earth, whether contained in bounds created naturally or artificially or diffused. Water from natural springs shall be considered 'surface waters' when it exits from the spring onto the surface of the earth.

"(g) 'United States' means the executive branch of the government of the United States of America, and any department, agency, bureau or division thereof.

"(h) 'Water Resource Facility' means any facility or project constructed for the impoundment, diversion, retention, control or regulation of waters within the ACF Basin for any purpose.

"(i) 'Water resources,' or 'waters' means all surface waters and ground waters contained or otherwise originating within the ACF Basin.

"ARTICLE V

"CONDITIONS PRECEDENT TO LEGAL VIABILITY OF THE COMPACT

"This Compact shall not be binding on any party until it has been enacted into law by the legislatures of the states of Alabama, Florida and Georgia and by the Congress of the United States of America.

"ARTICLE VI

"ACF BASIN COMMISSION CREATED

"(a) There is hereby created an interstate administrative agency to be known as the 'ACF Basin Commission.' The Commission shall be comprised of one member representing the state of Alabama, one member representing the state of Florida, one member representing the state of Georgia, and one non-voting member representing the United States of America. The state members shall be known as 'State Commissioners' and the federal member shall be known as 'Federal Commissioner.' The ACF Basin Commission is a body politic and corporate, with succession for the duration of this Compact.

"(b) The Governor of each of the states shall serve as the State Commissioner for his or her state. Each State Commissioner shall appoint one or more alternate members and one of such alternates as designated by the State Commissioner shall serve in the State Commissioner's place and carry out the functions of the State Commissioner, including voting on Commission matters, in the event the State Commissioner is unable to attend a meeting of the Commission. The alternate members from each state shall be knowledgeable in the field of water resources management. Unless otherwise provided by law of the state for which an alternate State Commissioner is appointed, each alternate State Commissioner shall serve at the pleasure of the State Commissioner. In the event of a vacancy in the office of an alternate, it shall be filled in the same manner as an original appointment.

"(c) The President of the United States of America shall appoint the Federal Commissioner who shall serve as the representative of all federal agencies with an interest in the ACF. The President shall also appoint an alternate Federal Commissioner to attend and participate in the meetings of the Commission in the event the Federal Commissioner is unable to attend meetings. When at meetings, the alternate Federal Commissioner shall possess all of the powers of the Federal Commissioner. The Federal Commissioner and alternate appointed by the President shall serve until they resign or their replacements are appointed.

"(d) Each state shall have one vote on the ACF Basin Commission and the Commission

shall make all decisions and exercise all powers by unanimous vote of the three State Commissioners. The Federal Commissioner shall not have a vote, but shall attend and participate in all meetings of the ACF Basin Commission to the same extent as the State Commissioners.

''(e) The ACF Basin Commission shall meet at least once a year at a date set at its initial meeting. Such initial meeting shall take place within ninety days of the ratification of the Compact by the Congress of the United States and shall be called by the chairman of the Commission. Special meetings of the Commission may be called at the discretion of the chairman of the Commission and shall be called by the chairman of the Commission upon written request of any member of the Commission. All members shall be notified of the time and place designated for any regular or special meeting at least five days prior to such meeting in one of the following ways: by written notice mailed to the last mailing address given to the Commission by each member, by facsimile, telegram or by telephone. The Chairmanship of the Commission shall rotate annually among the voting members of the Commission on an alphabetical basis, with the first chairman to be the State Commissioner representing the State of Alabama.

''(f) All meetings of the Commission shall be open to the public.

''(g) The ACF Basin Commission, so long as the exercise of power is consistent with this Compact, shall have the following general powers:

''(1) to adopt bylaws and procedures governing its conduct;

''(2) to sue and be sued in any court of competent jurisdiction;

''(3) to retain and discharge professional, technical, clerical and other staff and such consultants as are necessary to accomplish the purposes of this Compact;

''(4) to receive funds from any lawful source and expend funds for any lawful purpose;

''(5) to enter into agreements or contracts, where appropriate, in order to accomplish the purposes of this Compact;

''(6) to create committees and delegate responsibilities;

''(7) to plan, coordinate, monitor, and make recommendations for the water resources of the ACF Basin for the purposes of, but not limited to, minimizing adverse impacts of floods and droughts and improving water quality, water supply, and conservation as may be deemed necessary by the Commission;

''(8) to participate with other governmental and non-governmental entities in carrying out the purposes of this Compact;

''(9) to conduct studies, to generate information regarding the water resources of the ACF Basin, and to share this information among the Commission members and with others;

''(10) to cooperate with appropriate state, federal, and local agencies or any other person in the development, ownership, sponsorship, and operation of water resource facilities in the ACF Basin; provided, however, that the Commission shall not own or operate a federally-owned water resource facility unless authorized by the United States Congress;

''(11) to acquire, receive, hold and convey such personal and real property as may be necessary for the performance of its duties under the Compact; provided, however, that nothing in this Compact shall be construed as granting the ACF Basin Commission authority to issue bonds or to exercise any right of eminent domain or power of condemnation;

''(12) to establish and modify an allocation formula for apportioning the surface waters of the ACF Basin among the states of Alabama, Florida and Georgia; and

''(13) to perform all functions required of it by this Compact and to do all things necessary, proper or convenient in the performance of its duties hereunder, either independently or in cooperation with any state or the United States.

''ARTICLE VII

''EQUITABLE APPORTIONMENT

''(a) It is the intent of the parties to this Compact to develop an allocation formula for equitably apportioning the surface waters of the ACF Basin among the states while protecting the water quality, ecology and biodiversity of the ACF, as provided in the Clean Water Act, 33 U.S.C. Sections 1251 et seq., the Endangered Species Act, 16 U.S.C. Sections 1532 et seq., the National Environmental Policy Act, 42 U.S.C. Sections 4321 et seq., the Rivers and Harbors Act of 1899, 33 U.S.C. Sections 401 et seq., and other applicable federal laws. For this purpose, all members of the ACF Basin Commission, including the Federal Commissioner, shall have full rights to notice of and participation in all meetings of the ACF Basin Commission and technical committees in which the basis and terms and conditions of the allocation formula are to be discussed or negotiated. When an allocation formula is unanimously approved by the State Commissioners, there shall be an agreement among the states regarding an allocation formula. The allocation formula thus agreed upon shall become effective and binding upon the parties to this Compact upon receipt by the Commission of a letter of concurrence with said formula from the Federal Commissioner. If, however, the Federal Commissioner fails to submit a letter of concurrence to the Commission within two hundred ten (210) days after the allocation formula is agreed upon by the State Commissioners, the Federal Commissioner shall within forty-five (45) days thereafter submit to the ACF Basin Commission a letter of nonconcurrence with the allocation formula setting forth therein specifically and in detail the reasons for nonconcurrence; provided, however, the reasons for nonconcurrence as contained in the letter of nonconcurrence shall be based solely upon federal law. The allocation formula shall also become effective and binding upon the parties to this Compact if the Federal Commissioner fails to submit to the ACF Basin Commission a letter of nonconcurrence in accordance with this Article. Once adopted pursuant to this Article, the allocation formula may only be modified by unanimous decision of the State Commissioners and the concurrence by the Federal Commissioner in accordance with the procedures set forth in this Article.

''(b) The parties to this Compact recognize that the United States operates certain projects within the ACF Basin that may influence the water resources within the ACF Basin. The parties to this Compact further acknowledge and recognize that various agencies of the United States have responsibilities for administering certain federal laws and exercising certain federal powers that may influence the water resources within the ACF Basin. It is the intent of the parties to this Compact, including the United States, to achieve compliance with the allocation formula adopted in accordance with this Article. Accordingly, once an allocation formula is adopted, each and every officer, agency, and instrumentality of the United States shall have an obligation and duty, to the maximum extent practicable, to exercise their powers, authority, and discretion in a manner consistent with the allocation formula so long as the exercise of such powers, authority, and discretion is not in conflict with federal law.

''(c) Between the effective date of this Compact and the approval of the allocation formula under this Article, the signatories to this Compact agree that any person who is withdrawing, diverting, or consuming water resources of the ACF Basin as of the effective date of this Compact, may continue to withdraw, divert or consume such water resources in accordance with the laws of the state where such person resides or does business and in accordance with applicable federal laws. The parties to this Compact further agree that any such person may increase the amount of water resources withdrawn, diverted or consumed to satisfy reasonable increases in the demand of such person for water between the effective date of this Compact and the date on which an allocation formula is approved by the ACF Basin Commission as permitted by applicable law. Each of the state parties to this Compact further agree to provide written notice to each of the other parties to this Compact in the event any person increases the withdrawal, diversion or consumption of such water resources by more than 10 million gallons per day on an average annual daily basis, or in the event any person, who was not withdrawing, diverting or consuming any water resources from the ACF Basin as of the effective date of this Compact, seeks to withdraw, divert or consume more than one million gallons per day on an average annual daily basis from such resources. This Article shall not be construed as granting any permanent, vested or perpetual rights to the amounts of water used between January 3, 1992 and the date on which the Commission adopts an allocation formula.

''(d) As the owner, operator, licensor, permitting authority or regulator of a water resource facility under its jurisdiction, each state shall be responsible for using its best efforts to achieve compliance with the allocation formula adopted pursuant to this Article. Each such state agrees to take such actions as may be necessary to achieve compliance with the allocation formula.

''(e) This Compact shall not commit any state to agree to any data generated by any study or commit any state to any allocation formula not acceptable to such state.

''ARTICLE VIII

''CONDITIONS RESULTING IN TERMINATION OF THE COMPACT

''(a) This Compact shall be terminated and thereby be void and of no further force and effect if any of the following events occur:

''(1) The legislatures of the states of Alabama, Florida and Georgia each agree by general laws enacted by each state within any three consecutive years that this Compact should be terminated.

''(2) The United States Congress enacts a law expressly repealing this Compact.

''(3) The States of Alabama, Florida and Georgia fail to agree on an equitable apportionment of the surface waters of the ACF as provided in Article VII(a) of this Compact by December 31, 1998, unless the voting members of the ACF Basin Commission unanimously agree to extend this deadline.

''(4) The Federal Commissioner submits to the Commission a letter of nonconcurrence in the initial allocation formula in accordance with Article VII(a) of the Compact, unless the voting members of the ACF Basin Commission unanimously agree to allow a single 45 day period in which the non-voting Federal Commissioner and the voting State Commissioners may renegotiate an allocation formula and the Federal Commissioner withdraws the letter of nonconcurrence upon completion of this renegotiation.

''(b) If the Compact is terminated in accordance with this Article it shall be of no further force and effect and shall not be the subject of any proceeding for the enforcement thereof in any federal or state court. Further, if so terminated, no party shall be deemed to have acquired a specific right to any quantity of water because it has become a signatory to this Compact.

"ARTICLE IX

"COMPLETION OF STUDIES PENDING ADOPTION OF ALLOCATION FORMULA

"The ACF Basin Commission, in conjunction with one or more interstate, federal, state or local agencies, is hereby authorized to participate in any study in process as of the effective date of this Compact, including, without limitation, all or any part of the Alabama-Coosa-Tallapoosa/Apalachicola-Chattahoochee-Flint River Basin Comprehensive Water Resource Study, as may be determined by the Commission in its sole discretion.

"ARTICLE X

"RELATIONSHIP TO OTHER LAWS

"(a) It is the intent of the party states and of the United States Congress by ratifying this Compact, that all state and federal officials enforcing, implementing or administering other state and federal laws affecting the ACF Basin shall, to the maximum extent practicable, enforce, implement or administer those laws in furtherance of the purposes of this Compact and the allocation formula adopted by the Commission insofar as such actions are not in conflict with applicable federal laws.

"(b) Nothing contained in this Compact shall be deemed to restrict the executive powers of the President in the event of a national emergency.

"(c) Nothing contained in this Compact shall impair or affect the constitutional authority of the United States or any of its powers, rights, functions or jurisdiction under other existing or future laws in and over the area or waters which are the subject of the Compact, including projects of the Commission, nor shall any act of the Commission have the effect of repealing, modifying or amending any federal law. All officers, agencies and instrumentalities of the United States shall exercise their powers and authority over water resources in the ACF Basin and water resource facilities, and to the maximum extent practicable, shall exercise their discretion in carrying out their responsibilities, powers, and authorities over water resources in the ACF Basin and water resource facilities in the ACF Basin in a manner consistent with and that effectuates the allocation formula developed pursuant to this Compact or any modification of the allocation formula so long as the actions are not in conflict with any applicable federal law. The United States Army Corps of Engineers, or its successors, and all other federal agencies and instrumentalities shall cooperate with the ACF Basin Commission in accomplishing the purposes of the Compact and fulfilling the obligations of each of the parties to the Compact regarding the allocation formula.

"(d) Once adopted by the three states and ratified by the United States Congress, this Compact shall have the full force and effect of federal law, and shall supersede state and local laws operating contrary to the provisions herein or the purposes of this Compact; provided, however, nothing contained in this Compact shall be construed as affecting or intending to affect or in any way to interfere with the laws of the respective signatory states relating to water quality, and riparian rights as among persons exclusively within each state.

"ARTICLE XI

"PUBLIC PARTICIPATION

"All meetings of the Commission shall be open to the public. The signatory parties recognize the importance and necessity of public participation in activities of the Commission, including the development and adoption of the initial allocation formula and any modification thereto. Prior to the adoption of the initial allocation formula, the Commission shall adopt procedures ensuring public participation in the development, review, and approval of the initial allocation formula and any subsequent modification thereto. At a minimum, public notice to interested parties and a comment period shall be provided. The Commission shall respond in writing to relevant comments.

"ARTICLE XII

"FUNDING AND EXPENSES OF THE COMMISSION

"Commissioners shall serve without compensation from the ACF Basin Commission. All general operational funding required by the Commission and agreed to by the voting members shall obligate each state to pay an equal share of such agreed upon funding. Funds remitted to the Commission by a state in payment of such obligation shall not lapse; provided, however, that if any state fails to remit payment within 90 days after payment is due, such obligation shall terminate and any state which has made payment may have such payment returned. Costs of attendance and participation at meetings of the Commission by the Federal Commissioner shall be paid by the United States.

"ARTICLE XIII

"DISPUTE RESOLUTION

"(a) In the event of a dispute between two or more voting members of this Compact involving a claim relating to compliance with the allocation formula adopted by the Commission under this Compact, the following procedures shall govern:

"(1) Notice of claim shall be filed with the Commission by a voting member of this Compact and served upon each member of the Commission. The notice shall provide a written statement of the claim, including a brief narrative of the relevant matters supporting the claimant's position.

"(2) Within twenty (20) days of the Commission's receipt of a written statement of a claim, the party or parties to the Compact against whom the complaint is made may prepare a brief narrative of the relevant matters and file it with the Commission and serve it upon each member of the Commission.

"(3) Upon receipt of a claim and any response or responses thereto, the Commission shall convene as soon as reasonably practicable, but in no event later than twenty (20) days from receipt of any response to the claim, and shall determine if a resolution of the dispute is possible.

"(4) A resolution of a dispute under this Article through unanimous vote of the State Commissioners shall be binding upon the state parties and any state party determined to be in violation of the allocation formula shall correct such violation without delay.

"(5) If the Commission is unable to resolve the dispute within 10 days from the date of the meeting convened pursuant to subparagraph (a)(3) of this Article, the Commission shall select, by unanimous decision of the voting members of the Commission, an independent mediator to conduct a non-binding mediation of the dispute. The mediator shall not be a resident or domiciliary of any member state, shall not be an employee or agent of any member of the Commission, shall be a person knowledgeable in water resource management issues, and shall disclose any and all current or prior contractual or other relations to any member of the Commission. The expenses of the mediator shall be paid by the Commission. If the mediator becomes unwilling or unable to serve, the Commission by unanimous decision of the voting members of the Commission, shall appoint another independent mediator.

"(6) If the Commission fails to appoint an independent mediator to conduct a non-binding mediation of the dispute within seventy-five (75) days of the filing of the original claim or within thirty (30) days of the date on which the Commission learns that a mediator is unwilling or unable to serve, the party submitting the claim shall have no further obligation to bring the claim before the Commission and may proceed by pursuing any appropriate remedies, including any and all judicial remedies.

"(7) If an independent mediator is selected, the mediator shall establish the time and location for the mediation session or sessions and may request that each party to the Compact submit, in writing, to the mediator a statement of its position regarding the issue or issues in dispute. Such statements shall not be exchanged by the parties except upon the unanimous agreement of the parties to the mediation.

"(8) The mediator shall not divulge confidential information disclosed to the mediator by the parties or by witnesses, if any, in the course of the mediation. All records, reports, or other documents received by a mediator while serving as a mediator shall be considered confidential. The mediator shall not be compelled in any adversary proceeding or judicial forum to divulge the contents of such documents or the fact that such documents exist or to testify in regard to the mediation.

"(9) Each party to the mediation shall maintain the confidentiality of the information received during the mediation and shall not rely on or introduce in any judicial proceeding as evidence:

"a. Views expressed or suggestions made by another party regarding a settlement of the dispute;

"b. Proposals made or views expressed by the mediator; or

"c. The fact that another party to the hearing had or had not indicated a willingness to accept a proposal for settlement of the dispute.

"(10) The mediator may terminate the non-binding mediation session or sessions whenever, in the judgment of the mediator, further efforts to resolve the dispute would not lead to a resolution of the dispute between or among the parties. Any party to the dispute may terminate the mediation process at any time by giving written notification to the mediator and the Commission. If terminated prior to reaching a resolution, the party submitting the original claim to the Commission shall have no further obligation to bring its claim before the Commission and may proceed by pursuing any appropriate remedies, including any and all judicial remedies.

"(11) The mediator shall have no authority to require the parties to enter into a settlement of any dispute regarding the Compact. The mediator may simply attempt to assist the parties in reaching a mutually acceptable resolution of their dispute. The mediator is authorized to conduct joint and separate meetings with the parties to the mediation and to make oral or written recommendations for a settlement of the dispute.

"(12) At any time during the mediation process, the Commission is encouraged to take whatever steps it deems necessary to assist the mediator or the parties to resolve the dispute.

"(13) In the event of a proceeding seeking enforcement of the allocation formula, this Compact creates a cause of action solely for equitable relief. No action for money damages may be maintained. The party or parties alleging a violation of the Compact shall have the burden of proof.

"(b) In the event of a dispute between any voting member and the United States relating to a state's noncompliance with the allocation formula as a result of actions or a refusal to act by officers, agencies or instrumentalities of the United States, the provisions set forth in paragraph (a) of this Article (other than the provisions of subparagraph (a)(4)) shall apply.

"(c) The United States may initiate dispute resolution under paragraph (a) in the same manner as other parties to this Compact.

"(d) Any signatory party who is affected by any action of the Commission, other than the *adoption or enforcement of or compliance with the allocation formula, may file a complaint before the ACF Basin Commission seeking to enforce any provision of this Compact.*

"(1) The Commission shall refer the dispute to an independent hearing officer or mediator, to conduct a hearing or mediation of the dispute. If the parties are unable to settle their dispute through mediation, a hearing shall be held by the Commission or its designated hearing officer. Following a hearing conducted by a hearing officer, the hearing officer shall submit a report to the Commission setting forth findings of fact and conclusions of law, and making recommendations to the Commission for the resolution of the dispute.

"(2) The Commission may adopt or modify the recommendations of the hearing officer within 60 days of submittal of the report. If the Commission is unable to reach unanimous agreement on the resolution of the dispute within 60 days of submittal of the report with the concurrence of the Federal Commissioner in disputes involving or affecting federal interests, the affected party may file an action in any court of competent jurisdiction to enforce the provisions of this Compact. The hearing officer's report shall be of no force and effect and shall not be admissible as evidence in any further proceedings.

"(e) All actions under this Article shall be subject to the following provisions:

"(1) The Commission shall adopt guidelines and procedures for the appointment of hearing officers or independent mediators to conduct all hearings and mediations required under this Article. The hearing officer or mediator appointed under this Article shall be compensated by the Commission.

"(2) All hearings or mediations conducted under this article may be conducted utilizing the Federal Administrative Procedures Act, the Federal Rules of Civil Procedure, and the Federal Rules of Evidence. The Commission may also choose to adopt some or all of its own procedural and evidentiary rules for the conduct of hearings or mediations under this Compact.

"(3) Any action brought under this Article shall be limited to equitable relief only. This Compact shall not give rise to a cause of action for money damages.

"(4) Any signatory party bringing an action before the Commission under this Article shall have the burdens of proof and persuasion.

"ARTICLE XIV

"ENFORCEMENT

"The Commission may, upon unanimous decision, bring an action against any person to enforce any provision of this Compact, other than the adoption or enforcement of or compliance with the allocation formula, in any court of competent jurisdiction.

"ARTICLE XV

"IMPACTS ON OTHER STREAM SYSTEMS

"This Compact shall not be construed as establishing any general principle or precedent applicable to any other interstate streams.

"ARTICLE XVI

"IMPACT OF COMPACT ON USE OF WATER WITHIN THE BOUNDARIES OF THE COMPACTING STATES

"The provisions of this Compact shall not interfere with the right or power of any state to regulate the use and control of water within the boundaries of the state, providing such state action is not inconsistent with the allocation formula.

"ARTICLE XVII

"AGREEMENT REGARDING WATER QUALITY

"(a) The States of Alabama, Florida, and Georgia mutually agree to the principle of individual State efforts to control man-made water pollution from sources located and operating within each State and to the continuing support of each State in active water pollution control programs.

"(b) The States of Alabama, Florida, and Georgia agree to cooperate, through their appropriate State agencies, in the investigation, abatement, and control of sources of alleged interstate pollution within the ACF River Basin whenever such sources are called to their attention by the Commission.

"(c) The States of Alabama, Florida, and Georgia agree to cooperate in maintaining the quality of the waters of the ACF River Basin.

"(d) The States of Alabama, Florida, and Georgia agree that no State may require another State to provide water for the purpose of water quality control as a substitute for or in lieu of adequate waste treatment.

"ARTICLE XVIII

"EFFECT OF OVER OR UNDER DELIVERIES UNDER THE COMPACT

"No state shall acquire any right or expectation to the use of water because of any other state's failure to use the full amount of water allocated to it under this Compact.

"ARTICLE XIX

"SEVERABILITY

"If any portion of this Compact is held invalid for any reason, the remaining portions, to the fullest extent possible, shall be severed from the void portion and given the fullest possible force, effect, and application.

"ARTICLE XX

"NOTICE AND FORMS OF SIGNATURE

"Notice of ratification of this Compact by the legislature of each state shall promptly be given by the Governor of the ratifying state to the Governors of the other participating states. When all three state legislatures have ratified the Compact, notice of their mutual ratification shall be forwarded to the Congressional delegation of the signatory states for submission to the Congress of the United States for ratification. When the Compact is ratified by the Congress of the United States, the President, upon signing the Federal ratification legislation, shall promptly notify the Governors of the participating states and appoint the Federal Commissioner. The Compact shall be signed by all four Commissioners as their first order of business at their first meeting and shall be filed of record in the party states.".

SEC. 2. INCONSISTENCY OF LANGUAGE.

The validity of the compact consented to by this Act shall not be affected by any insubstantial difference in its form or language as adopted by the States.

SEC. 3. RIGHT TO ALTER, AMEND, OR REPEAL.

The right to alter, amend, or repeal this joint resolution is hereby expressly reserved.

SEC. 4. RESERVATIONS.

To ensure participation of Federal agencies during the development of the allocation formula and participation in all technical working groups and meetings in which the terms and conditions of the allocation formula are negotiated and to preserve Federal discretion under law, the consent of Congress to, and participation of the United States in, the Apalachicola-Chattahoochee-Flint River Basin Compact, is subject to the following conditions and reservations:

(1) Representatives of any Federal agency may attend any and all meetings of the Commission.

(2) Upon the request of the Federal Commissioner, representatives of any Federal agency may participate in any meetings of technical committees, if any, of the Commission at which the basis or terms and conditions of the allocation formula or modifications to the allocation formula are to be discussed or negotiated.

(3) The Federal Commissioner shall be given notice of any meeting of the Commission or any meeting of technical committees, if any, of the Commission at which compliance with the allocation formula by one or more officers, agencies, or instrumentalities of the United States is to be discussed.

(4) Under the provisions of Article VII(a), the Federal Commissioner may submit a letter of concurrence with the allocation formula unanimously adopted by the State Commissioners within 255 days of such adoption.

(5) No mediator shall be selected under Article XIII(b) or Article XIII(c) without the concurrence of the Federal Commissioner and no resolution of a dispute under Article XIII(c) shall be made binding on the United States without the concurrence of the Federal Commissioner.

(6) The obligations of employees, agencies, and instrumentalities of the United States pursuant to Articles VII(b), X(a), and X(c) to exercise their discretion, to the maximum extent practicable, in a manner consistent with the allocation formula shall not be construed to interfere with the ability of such employees, agencies, and instrumentalities to take actions during emergency situations.

(7) As among water right holders within any one State, nothing in this Compact shall be construed as affecting or intending to affect or in any way to interfere with the laws of the respective signatory States relating to riparian rights of the United States in and to the waters of the Apalachicola-Chattahoochee-Flint River Basin.

SEC. 5. EFFECTUATION.

(a) FEDERAL AGENCY AUTHORITY.—To carry out the purposes of this Compact, Federal agencies are authorized, as they may deem appropriate—

(1) to engage in cooperative relationships with the Commission;

(2) to conduct studies and monitoring programs in cooperation with the Commission;

(3) to enter into agreements to indemnify private landowners against liability that may arise from studies and monitoring programs undertaken in cooperation with the Commission; and

(4) to furnish assistance, including the provision of services, facilities, and personnel, to the Federal Commissioner.

(b) APPROPRIATIONS.—Appropriations are authorized as necessary for implementing the Compact, including appropriations for carrying out the functions of the Federal Commissioner and alternates and for employment of personnel by the Federal Commissioner?

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania [Mr. GEKAS] and the gentleman from New York [Mr. NADLER] each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GEKAS].

GENERAL LEAVE

Mr. GEKAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the resolution now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GEKAS. Mr. Speaker, I yield myself such time as I may consume. I urge adoption of this legislation.

As Members know, the Constitution of the United States requires that when two or more States are in conflict over certain measures that affect those States and that they would be susceptible to an agreement among those States or between those States, that they cannot be finalized without the approval of the Congress of the United States.

Hence, the States of Alabama, Georgia, and Florida, not able to agree on water allocation stemming from the Apalachicola, Chattahoochee, and Flint Rivers in their jurisdictions, turned to the courts and other negotiating features to try to arrange their differences. They were unable to do so until very recently when their three respective legislatures finally agreed and approved of a measure suitable to all three States.

Because the Constitution requires our intervention, a hearing was held before our committee on the matter, and this bill provides the approval of the Congress for the various features of the agreement reached among Alabama, Georgia, and Florida.

Mr. Speaker, I reserve the balance of my time.

Mr. NADLER. Mr. Speaker, I yield myself such time as I may consume.

(Mr. NADLER asked and was given permission to revise and extend his remarks.)

Mr. NADLER. Mr. Speaker, I rise in support of this measure which passed the Committee on the Judiciary unanimously with the support of all Members on both sides of the aisle. The chairman of the subcommittee, the gentleman from Pennsylvania, has done a fine job of explaining the bill, and I will not attempt to cover the same ground a second time.

It has the support of the States involved in the compact of their congressional delegations and of the administration. It protects the discretion of Federal agencies to enforce the laws they are charged with enforcing. It is our responsibility under Article I of the Constitution to grant the consent of Congress to interstate compacts. I urge my colleagues to do so in this case.

Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia [Mr. LEWIS].

Mr. LEWIS of Georgia. Mr. Speaker, I want to thank my friend and colleague, the gentleman from New York [Mr. NADLER], for yielding me this time. I thank the chairman for all of his help and all of his support, the gentleman from Pennsylvania.

I am here to lend my strong support for these three tri-State water compacts. It was not easy, but the States of Georgia, Florida, and Alabama had come together with the Federal Government behind a proposal that we all can agree on. This legislation will protect the environment, the water supplies, and the interests of everyone involved.

A lot of dedicated people spent a lot of time working on this legislation. I want to thank my colleagues, the gentleman from Georgia [Mr. BARR] and the gentleman from Georgia [Mr. GINGRICH], for their work on this project. I also want to thank Rob Hood with the Speaker's office and Bob Herriott with the office of the gentleman from Georgia [Mr. BARR], Spinner Findley with the Department of Justice, Philip Mancusi-Ungaro with the EPA, Joe Tanner with the State of Georgia, and State Representative Bob Kerr, who deserve recognition for their contribution. In addition, I thank Sally Bethea with the Upper Chattahoochee River people for her work to ensure that these compacts adequately protect the environment.

Mr. Speaker, lastly, I thank Harold Reheis, head of the Georgia Environmental Protection Division. More than any other individual, Harry Reheis deserves recognition for bringing us to where we are today. Through his leadership and dedication, we have managed to resolve all of the differences and overcome all of the problems confronting this project. So I thank Mr. Reheis for all his work on this project.

Again, I express my strong support for these compacts and ask my colleagues for their support.

Mr. EVERETT. Mr. Speaker, I rise in support of H.J. Res. 91, a resolution providing congressional approval of the interstate compact between Alabama, Georgia, and Florida. This compact represents many months of hard work and negotiations between these States on how best to allocate limited water resources. This compact follows a 1992 agreement which expires at the end of this year; therefore, time is of essence. I support this water management plan and believe this compact is crucial to proper water flow and allocation in this region. My State of Alabama depends heavily on adequate water flow from these rivers to support the need of navigation, industry, agriculture and households. Please join me in supporting H.J. Res. 91.

Mr. GEKAS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. NADLER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. GEKAS] that the House suspend the rules and pass the joint resolution, House Joint Resolution 91, as amended.

The question was taken.

Mr. NADLER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

ALABAMA-COOSA-TALLAPOOSA RIVER BASIN COMPACT

Mr. GEKAS. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 92) granting the consent of Congress to the Alabama-Coosa-Tallapoosa River Basin Compact, as amended.

The Clerk read as follows:

H.J. RES. 92

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONGRESSIONAL CONSENT.

The Congress consents to the Alabama-Coosa-Tallapoosa River Basin Compact entered into by the States of Alabama and Georgia. The compact is substantially as follows:

"Alabama-Coosa-Tallapoosa River Basin Compact

"The States of Alabama and Georgia and the United States of America hereby agree to the following compact which shall become effective upon enactment of concurrent legislation by each respective state legislature and the Congress of the United States

"SHORT TITLE

"This Act shall be known and may be cited as the 'Alabama-Coosa-Tallapoosa River Basin Compact' and shall be referred to hereafter in this document as the 'ACT Compact' or 'Compact'.

"ARTICLE I

"COMPACT PURPOSES

"This Compact among the States of Alabama and Georgia and the United States of America has been entered into for the purposes of promoting interstate comity, removing causes of present and future controversies, equitably apportioning the surface waters of the ACT, engaging in water planning, and developing and sharing common data bases.

"ARTICLE II

"SCOPE OF THE COMPACT

"This Compact shall extend to all of the waters arising within the drainage basin of the ACT in the states of Alabama and Georgia.

"ARTICLE III

"PARTIES

"The parties to this Compact are the states of Alabama and Georgia and the United States of America.

"ARTICLE IV

"DEFINITIONS

"For the purposes of this Compact, the following words, phrases and terms shall have the following meanings:

"(a) 'ACT Basin' or 'ACT' means the area of natural drainage into the Alabama River and its tributaries, the Coosa River and its tributaries, and the Tallapoosa River and its tributaries. Any reference to the rivers within this Compact will be designated using the letters 'ACT' and when so referenced will mean each of these three rivers and each of the tributaries to each such river.

"(b) 'Allocation formula' means the methodology, in whatever form, by which the ACT Basin Commission determines an equitable apportionment of surface waters within the ACT Basin among the two states. Such formula may be represented by a table, chart, mathematical calculation or any other expression of the Commission's apportionment of waters pursuant to this compact.

"(c) 'Commission' or 'ACT Basin Commission' means the Alabama-Coosa-Tallapoosa River Basin Commission created and established pursuant to this Compact.

"(d) 'Ground waters' means waters within a saturated zone or stratum beneath the surface of land, whether or not flowing through known and definite channels.

"(e) 'Person' means any individual, firm, association, organization, partnership, business, trust, corporation, public corporation, company, the United States of America, any state, and all political subdivisions, regions, districts, municipalities, and public agencies thereof.

"(f) 'Surface waters' means waters upon the surface of the earth, whether contained in bounds created naturally or artificially or diffused. Water from natural springs shall be considered 'surface waters' when it exits from the spring onto the surface of the earth.

"(g) 'United States' means the executive branch of the Government of the United States of America, and any department, agency, bureau or division thereof.

"(h) 'Water Resource Facility' means any facility or project constructed for the impoundment, diversion, retention, control or regulation of waters within the ACT Basin for any purpose.

"(i) 'Water resources,' or 'waters' means all surface waters and ground waters contained or otherwise originating within the ACT Basin.

"ARTICLE V

"CONDITIONS PRECEDENT TO LEGAL VIABILITY OF THE COMPACT

"This Compact shall not be binding on any party until it has been enacted into law by the legislatures of the States of Alabama and Georgia and by the Congress of the United States of America.

"ARTICLE VI

"ACT BASIN COMMISSION CREATED

"(a) There is hereby created an interstate administrative agency to be known as the 'ACT Basin Commission.' The Commission shall be comprised of one member representing the State of Alabama, one member representing the State of Georgia, and one non-voting member representing the United States of America. The State members shall be known as 'State Commissioners' and the Federal member shall be known as 'Federal Commissioner.' The ACT Basin Commission is a body politic and corporate, with succession for the duration of this Compact.

"(b) The Governor of each of the States shall serve as the State Commissioner for his or her State. Each State Commissioner shall appoint one or more alternate members and one of such alternates as designated by the State Commissioner shall serve in the State Commissioner's place and carry out the functions of the State Commissioner, including voting on Commission matters, in the event the State Commissioner is unable to attend a meeting of the Commission. The alternate members from each State shall be knowledgeable in the field of water resources management. Unless otherwise provided by law of the State for which an alternate State Commissioner is appointed, each alternate State Commissioner shall serve at the pleasure of the State Commissioner. In the event of a vacancy in the office of an alternate, it shall be filled in the same manner as an original appointment.

"(c) The President of the United States of America shall appoint the Federal Commissioner who shall serve as the representative of all Federal agencies with an interest in the ACT. The President shall also appoint an alternate Federal Commissioner to attend and participate in the meetings of the Commission in the event the Federal Commissioner is unable to attend meetings. When at meetings, the alternate Federal Commissioner shall possess all of the powers of the Federal Commissioner. The Federal Commissioner and alternate appointed by the President shall serve until they resign or their replacements are appointed.

"(d) Each state shall have one vote on the ACT Basin Commission and the Commission shall make all decisions and exercise all powers by unanimous vote of the two State Commissioners. The Federal Commissioner shall not have a vote but shall attend and participate in all meetings of the ACT Basin Commission to the same extent as the State Commissioners.

"(e) The ACT Basin Commission shall meet at least once a year at a date set at its initial meeting. Such initial meeting shall take place within ninety days of the ratification of the Compact by the Congress of the United States and shall be called by the chairman of the Commission. Special meetings of the Commission may be called at the discretion of the chairman of the Commission and shall be called by the chairman of the Commission upon written request of any member of the Commission. All members shall be notified of the time and place designated for any regular or special meeting at least five days prior to such meeting in one of the following ways: by written notice mailed to the last mailing address given to the Commission by each member, by facsimile, telegram or by telephone. The Chairmanship of the Commission shall rotate annually among the voting members of the Commission on an alphabetical basis, with the first chairman to be the State Commissioner representing the State of Alabama.

"(f) All meetings of the Commission shall be open to the public.

"(g) The ACT Basin Commission, so long as the exercise of power is consistent with this Compact, shall have the following general powers:

"(1) to adopt bylaws and procedures governing its conduct;

"(2) to sue and be sued in any court of competent jurisdiction;

"(3) to retain and discharge professional, technical, clerical and other staff and such consultants as are necessary to accomplish the purposes of this Compact;

"(4) to receive funds from any lawful source and expend funds for any lawful purpose;

"(5) to enter into agreements or contracts, where appropriate, in order to accomplish the purposes of this Compact;

"(6) to create committees and delegate responsibilities;

"(7) to plan, coordinate, monitor, and make recommendations for the water resources of the ACT Basin for the purposes of, but not limited to, minimizing adverse impacts of floods and droughts and improving water quality, water supply, and conservation as may be deemed necessary by the Commission;

"(8) to participate with other governmental and non-governmental entities in carrying out the purposes of this Compact;

"(9) to conduct studies, to generate information regarding the water resources of the ACT Basin, and to share this information among the Commission members and with others;

"(10) to cooperate with appropriate state, federal, and local agencies or any other person in the development, ownership, sponsorship, and operation of water resource facilities in the ACT Basin; provided, however, that the Commission shall not own or operate a federally-owned water resource facility unless authorized by the United States Congress;

"(11) to acquire, receive, hold and convey such personal and real property as may be necessary for the performance of its duties under the Compact; provided, however, that nothing in this Compact shall be construed as granting the ACT Basin Commission authority to issue bonds or to exercise any right of eminent domain or power of condemnation;

"(12) to establish and modify an allocation formula for apportioning the surface waters of the ACT Basin among the states of Alabama and Georgia; and

"(13) to perform all functions required of it by this Compact and to do all things necessary, proper or convenient in the performance of its duties hereunder, either independently or in cooperation with any state or the United States.

"ARTICLE VII

"EQUITABLE APPORTIONMENT

"(a) It is the intent of the parties to this Compact to develop an allocation formula for equitably apportioning the surface waters of the ACT Basin among the states while protecting the water quality, ecology and biodiversity of the ACT, as provided in the Clean Water Act, 33 U.S.C. Sections 1251 et seq., the Endangered Species Act, 16 U.S.C. Sections 1532 et seq., the National Environmental Policy Act, 42 U.S.C. Sections 4321 et seq., the Rivers and Harbors Act of 1899, 33 U.S.C. Sections 401 et seq., and other applicable federal laws. For this purpose, all members of the ACT Basin Commission, including the Federal Commissioner, shall have full rights to notice of and participation in all meetings of the ACT Basin Commission and technical committees in which the basis and terms and conditions of the allocation formula are to be discussed or negotiated. When an allocation formula is unanimously approved by the State Commissioners, there shall be an agreement among the states regarding an allocation formula. The allocation formula thus agreed upon shall become effective and binding upon the parties to this Compact upon receipt by the Commission of a letter of concurrence with said formula from the Federal Commissioner. If, however, the Federal Commissioner fails to submit a letter of concurrence to the Commission within two hundred ten (210) days after the allocation formula is agreed upon by the State Commissioners, the Federal Commissioner shall within forty-five (45) days thereafter submit to the ACT Basin Commission a letter of nonconcurrence with the allocation formula setting forth therein specifically and in detail the reasons for nonconcurrence; provided, however, the reasons for nonconcurrence as contained in the letter of nonconcurrence shall be based solely upon federal law. The allocation formula shall also become effective and binding upon the parties to this Compact if the Federal Commissioner fails to submit to the ACT Basin Commission a letter of nonconcurrence in accordance with this Article. Once adopted pursuant to this Article, the allocation formula may only be modified by unanimous decision of the State Commissioners and the concurrence by the Federal Commissioner in accordance with the procedures set forth in this Article.

"(b) The parties to this Compact recognize that the United States operates certain projects within the ACT Basin that may influence the water resources within the ACT Basin. The parties to this Compact further acknowledge and recognize that various agencies of the United States have responsibilities for administering certain federal laws and exercising certain federal powers that may influence the water resources within the ACT Basin. It is the intent of the parties to this Compact, including the United States, to achieve compliance with the allocation formula adopted in accordance with this Article. Accordingly, once an allocation formula is adopted, each and every officer, agency, and instrumentality of the United States shall have an obligation and duty, to the maximum extent practicable, to exercise their powers, authority, and discretion in a manner consistent with the allocation formula so long as the exercise of such powers, authority, and discretion is not in conflict with federal law.

"(c) Between the effective date of this Compact and the approval of the allocation formula under this Article, the signatories to this Compact agree that any person who is withdrawing, diverting, or consuming water resources of the

ACT Basin as of the effective date of this Compact, may continue to withdraw, divert or consume such water resources in accordance with the laws of the state where such person resides or does business and in accordance with applicable federal laws. The parties to this Compact further agree that any such person may increase the amount of water resources withdrawn, diverted or consumed to satisfy reasonable increases in the demand of such person for water between the effective date of this Compact and the date on which an allocation formula is approved by the ACT Basin Commission as permitted by applicable law. Each of the state parties to this Compact further agree to provide written notice to each of the other parties to this Compact in the event any person increases the withdrawal, diversion or consumption of such water resources by more than 10 million gallons per day on an average annual daily basis, or in the event any person, who was not withdrawing, diverting or consuming any water resources from the ACT Basin as of the effective date of this Compact, seeks to withdraw, divert or consume more than one million gallons per day on an average annual daily basis from such resources. This Article shall not be construed as granting any permanent, vested or perpetual rights to the amounts of water used between January 3, 1992 and the date on which the Commission adopts an allocation formula.

"(d) As the owner, operator, licensor, permitting authority or regulator of a water resource facility under its jurisdiction, each state shall be responsible for using its best efforts to achieve compliance with the allocation formula adopted pursuant to this Article. Each such state agrees to take such actions as may be necessary to achieve compliance with the allocation formula.

"(e) This Compact shall not commit any state to agree to any data generated by any study or commit any state to any allocation formula not acceptable to such state.

"ARTICLE VIII

"CONDITIONS RESULTING IN TERMINATION OF THE COMPACT

"(a) This Compact shall be terminated and thereby be void and of no further force and effect if any of the following events occur:

"(1) The legislatures of the states of Alabama and Georgia each agree by general laws enacted by each state within any three consecutive years that this Compact should be terminated.

"(2) The United States Congress enacts a law expressly repealing this Compact.

"(3) The States of Alabama and Georgia fail to agree on an equitable apportionment of the surface waters of the ACT as provided in Article VII(a) of this Compact by December 31, 1998, unless the voting members of the ACT Basin Commission unanimously agree to extend this deadline.

"(4) The Federal Commissioner submits to the Commission a letter of nonconcurrence in the initial allocation formula in accordance with Article VII(a) of the Compact, unless the voting members of the ACT Basin Commission unanimously agree to allow a single 45 day period in which the non-voting Federal Commissioner and the voting State Commissioners may renegotiate an allocation formula and the Federal Commissioner withdraws the letter of nonconcurrence upon completion of this renegotiation.

"(b) If the Compact is terminated in accordance with this Article it shall be of no further force and effect and shall not be the subject of any proceeding for the enforcement thereof in any federal or state court. Further, if so terminated, no party shall be deemed to have acquired a specific right to any quantity of water because it has become a signatory to this Compact.

"ARTICLE IX

"COMPLETION OF STUDIES PENDING ADOPTION OF ALLOCATION FORMULA

"The ACT Basin Commission, in conjunction with one or more interstate, federal, state or local agencies, is hereby authorized to participate in any study in process as of the effective date of this Compact, including, without limitation, all or any part of the Alabama-Coosa-Tallapoosa/ Apalachicola-Chattahoochee-Flint River Basin Comprehensive Water Resource Study, as may be determined by the Commission in its sole discretion.

"ARTICLE X

"RELATIONSHIP TO OTHER LAWS

"(a) It is the intent of the party states and of the United States Congress by ratifying this Compact, that all state and federal officials enforcing, implementing or administering other state and federal laws affecting the ACT Basin shall, to the maximum extent practicable, enforce, implement or administer those laws in furtherance of the purposes of this Compact and the allocation formula adopted by the Commission insofar as such actions are not in conflict with applicable federal laws.

"(b) Nothing contained in this Compact shall be deemed to restrict the executive powers of the President in the event of a national emergency.

"(c) Nothing contained in this Compact shall impair or affect the constitutional authority of the United States or any of its powers, rights, functions or jurisdiction under other existing or future laws in and over the area or waters which are the subject of the Compact, including projects of the Commission, nor shall any act of the Commission have the effect of repealing, modifying or amending any federal law. All officers, agencies and instrumentalities of the United States shall exercise their powers and authority over water resources in the ACT Basin and water resource facilities, and to the maximum extent practicable, shall exercise their discretion in carrying out their responsibilities, powers, and authorities over water resources in the ACT Basin and water resource facilities in the ACT Basin in a manner consistent with and that effectuates the allocation formula developed pursuant to this Compact or any modification of the allocation formula so long as the actions are not in conflict with any applicable federal law. The United States Army Corps of Engineers, or its successors, and all other federal agencies and instrumentalities shall cooperate with the ACT Basin Commission in accomplishing the purposes of the Compact and fulfilling the obligations of each of the parties to the Compact regarding the allocation formula.

"(d) Once adopted by the two states and ratified by the United States Congress, this Compact shall have the full force and effect of federal law, and shall supersede state and local laws operating contrary to the provisions herein or the purposes of this Compact; provided, however, nothing contained in this Compact shall be construed as affecting or intending to affect or in any way to interfere with the laws of the respective signatory states relating to water quality, and riparian rights as among persons exclusively within each state.

"ARTICLE XI

"PUBLIC PARTICIPATION

"All meetings of the Commission shall be open to the public. The signatory parties recognize the importance and necessity of public participation in activities of the Commission, including the development and adoption of the initial allocation formula and any modification thereto. Prior to the adoption of the initial allocation formula, the Commission shall adopt procedures ensuring public participation in the development, review, and approval of the initial allocation formula and any subsequent modification thereto. At a minimum, public notice to interested parties and a comment period shall be provided. The Commission shall respond in writing to relevant comments.

"ARTICLE XII

"FUNDING AND EXPENSES OF THE COMMISSION

"Commissioners shall serve without compensation from the ACT Basin Commission. All general operational funding required by the Commission and agreed to by the voting members shall obligate each state to pay an equal share of such agreed upon funding. Funds remitted to the Commission by a state in payment of such obligation shall not lapse; provided, however, that if any state fails to remit payment within 90 days after payment is due, such obligation shall terminate and any state which has made payment may have such payment returned. Costs of attendance and participation at meetings of the Commission by the Federal Commissioner shall be paid by the United States.

"ARTICLE XIII

"DISPUTE RESOLUTION

"(a) In the event of a dispute between the voting members of this Compact involving a claim relating to compliance with the allocation formula adopted by the Commission under this Compact, the following procedures shall govern:

"(1) Notice of claim shall be filed with the Commission by a voting member of this Compact and served upon each member of the Commission. The notice shall provide a written statement of the claim, including a brief narrative of the relevant matters supporting the claimant's position.

"(2) Within twenty (20) days of the Commission's receipt of a written statement of a claim, the party or parties to the Compact against whom the complaint is made may prepare a brief narrative of the relevant matters and file it with the Commission and serve it upon each member of the Commission.

"(3) Upon receipt of a claim and any response or responses thereto, the Commission shall convene as soon as reasonably practicable, but in no event later than twenty (20) days from receipt of any response to the claim, and shall determine if a resolution of the dispute is possible.

"(4) A resolution of a dispute under this Article through unanimous vote of the State Commissioners shall be binding upon the state parties and any state party determined to be in violation of the allocation formula shall correct such violation without delay.

"(5) If the Commission is unable to resolve the dispute within 10 days from the date of the meeting convened pursuant to subparagraph (a)(3) of this Article, the Commission shall select, by unanimous decision of the voting members of the Commission, an independent mediator to conduct a non-binding mediation of the dispute. The mediator shall not be a resident or domiciliary of any member state, shall not be an employee or agent of any member of the Commission, shall be a person knowledgeable in water resource management issues, and shall disclose any and all current or prior contractual or other relations to any member of the Commission. The expenses of the mediator shall be paid by the Commission. If the mediator becomes unwilling or unable to serve, the Commission by unanimous decision of the voting members of the Commission, shall appoint another independent mediator.

"(6) If the Commission fails to appoint an independent mediator to conduct a non-binding mediation of the dispute within seventy-five (75) days of the filing of the original claim or within thirty (30) days of the date on which the Commission learns that a mediator is unwilling or unable to serve, the party submitting the claim

shall have no further obligation to bring the claim before the Commission and may proceed by pursuing any appropriate remedies, including any and all judicial remedies.

"(7) If an independent mediator is selected, the mediator shall establish the time and location for the mediation session or sessions and may request that each party to the Compact submit, in writing, to the mediator a statement of its position regarding the issue or issues in dispute. Such statements shall not be exchanged by the parties except upon the unanimous agreement of the parties to the mediation.

"(8) The mediator shall not divulge confidential information disclosed to the mediator by the parties or by witnesses, if any, in the course of the mediation. All records, reports, or other documents received by a mediator while serving as a mediator shall be considered confidential. The mediator shall not be compelled in any adversary proceeding or judicial forum to divulge the contents of such documents or the fact that such documents exist or to testify in regard to the mediation.

"(9) Each party to the mediation shall maintain the confidentiality of the information received during the mediation and shall not rely on or introduce in any judicial proceeding as evidence:

"a. Views expressed or suggestions made by another party regarding a settlement of the dispute;

"b. Proposals made or views expressed by the mediator; or

"c. The fact that another party to the hearing had or had not indicated a willingness to accept a proposal for settlement of the dispute.

"(10) The mediator may terminate the nonbinding mediation session or sessions whenever, in the judgment of the mediator, further efforts to resolve the dispute would not lead to a resolution of the dispute between or among the parties. Any party to the dispute may terminate the mediation process at any time by giving written notification to the mediator and the Commission. If terminated prior to reaching a resolution, the party submitting the original claim to the Commission shall have no further obligation to bring its claim before the Commission and may proceed by pursuing any appropriate remedies, including any and all judicial remedies.

"(11) The mediator shall have no authority to require the parties to enter into a settlement of any dispute regarding the Compact. The mediator may simply attempt to assist the parties in reaching a mutually acceptable resolution of their dispute. The mediator is authorized to conduct joint and separate meetings with the parties to the mediation and to make oral or written recommendations for a settlement of the dispute.

"(12) At any time during the mediation process, the Commission is encouraged to take whatever steps it deems necessary to assist the mediator or the parties to resolve the dispute.

"(13) In the event of a proceeding seeking enforcement of the allocation formula, this Compact creates a cause of action solely for equitable relief. No action for money damages may be maintained. The party or parties alleging a violation of the Compact shall have the burden of proof.

"(b) In the event of a dispute between any voting member and the United States relating to a state's noncompliance with the allocation formula as a result of actions or a refusal to act by officers, agencies or instrumentalities of the United States, the provisions set forth in paragraph (a) of this Article (other than the provisions of subparagraph (a)(4)) shall apply.

"(c) The United States may initiate dispute resolution under paragraph (a) in the same manner as other parties to this Compact.

"(d) Any signatory party who is affected by any action of the Commission, other than the adoption or enforcement of or compliance with the allocation formula, may file a complaint before the ACT Basin Commission seeking to enforce any provision of this Compact.

"(1) The Commission shall refer the dispute to an independent hearing officer or mediator, to conduct a hearing or mediation of the dispute. If the parties are unable to settle their dispute through mediation, a hearing shall be held by the Commission or its designated hearing officer. Following a hearing conducted by a hearing officer, the hearing officer shall submit a report to the Commission setting forth findings of fact and conclusions of law, and making recommendations to the Commission for the resolution of the dispute.

"(2) The Commission may adopt or modify the recommendations of the hearing officer within 60 days of submittal of the report. If the Commission is unable to reach unanimous agreement on the resolution of the dispute within 60 days of submittal of the report with the concurrence of the Federal Commissioner in disputes involving or affecting federal interests, the affected party may file an action in any court of competent jurisdiction to enforce the provisions of this Compact. The hearing officer's report shall be of no force and effect and shall not be admissible as evidence in any further proceedings.

"(e) All actions under this Article shall be subject to the following provisions:

"(1) The Commission shall adopt guidelines and procedures for the appointment of hearing officers or independent mediators to conduct all hearings and mediations required under this Article. The hearing officer or mediator appointed under this Article shall be compensated by the Commission.

"(2) All hearings or mediations conducted under this article may be conducted utilizing the Federal Administrative Procedures Act, the Federal Rules of Civil Procedure, and the Federal Rules of Evidence. The Commission may also choose to adopt some or all of its own procedural and evidentiary rules for the conduct of hearings or mediations under this Compact.

"(3) Any action brought under this Article shall be limited to equitable relief only. This Compact shall not give rise to a cause of action for money damages.

"(4) Any signatory party bringing an action before the Commission under this Article shall have the burdens of proof and persuasion.

"ARTICLE XIV

"ENFORCEMENT

"The Commission may, upon unanimous decision, bring an action against any person to enforce any provision of this Compact, other than the adoption or enforcement of or compliance with the allocation formula, in any court of competent jurisdiction.

"ARTICLE XV

"IMPACTS ON OTHER STREAM SYSTEMS

"This Compact shall not be construed as establishing any general principle or precedent applicable to any other interstate streams.

"ARTICLE XVI

"IMPACT OF COMPACT ON USE OF WATER WITHIN THE BOUNDARIES OF THE COMPACTING STATES

"The provisions of this Compact shall not interfere with the right or power of any state to regulate the use and control of water within the boundaries of the state, providing such state action is not inconsistent with the allocation formula.

"ARTICLE XVII

"AGREEMENT REGARDING WATER QUALITY

"(a) The States of Alabama and Georgia mutually agree to the principle of individual State efforts to control man-made water pollution from sources located and operating within each State and to the continuing support of each State in active water pollution control programs.

"(b) The States of Alabama and Georgia agree to cooperate, through their appropriate State agencies, in the investigation, abatement, and control of sources of alleged interstate pollution within the ACT River Basin whenever such sources are called to their attention by the Commission.

"(c) The States of Alabama and Georgia agree to cooperate in maintaining the quality of the waters of the ACT River Basin.

"(d) The States of Alabama and Georgia agree that no State may require another state to provide water for the purpose of water quality control as a substitute for or in lieu of adequate waste treatment.

"ARTICLE XVIII

"EFFECT OF OVER OR UNDER DELIVERIES UNDER THE COMPACT

"No state shall acquire any right or expectation to the use of water because of any other state's failure to use the full amount of water allocated to it under this Compact.

"ARTICLE XIX

"SEVERABILITY

"If any portion of this Compact is held invalid for any reason, the remaining portions, to the fullest extent possible, shall be severed from the void portion and given the fullest possible force, effect, and application.

"ARTICLE XX

"NOTICE AND FORMS OF SIGNATURE

"Notice of ratification of this Compact by the legislature of each state shall promptly be given by the Governor of the ratifying state to the Governor of the other participating state. When the two state legislatures have ratified the Compact, notice of their mutual ratification shall be forwarded to the Congressional delegation of the signatory states for submission to the Congress of the United States for ratification. When the Compact is ratified by the Congress of the United States, the President, upon signing the federal ratification legislation, shall promptly notify the Governors of the participating states and appoint the Federal Commissioner. The Compact shall be signed by all three Commissioners as their first order of business at their first meeting and shall be filed of record in the party states.".

SEC. 2. INCONSISTENCY OF LANGUAGE.

The validity of the compact consented to by this Act shall not be affected by any insubstantial difference in its form or language as adopted by the States.

SEC. 3. RIGHT TO ALTER, AMEND, OR REPEAL.

The right to alter, amend, or repeal this joint resolution is hereby expressly reserved.

SEC. 4. RESERVATIONS.

To ensure participation of Federal agencies during the development of the allocation formula and participation in all technical working groups and meetings in which the terms and conditions of the allocation formula are negotiated and to preserve Federal discretion under law, the consent of Congress to, and participation of the United States in, the Alabama-Coosa-Tallapoosa River Basin Compact, is subject to the following conditions and reservations:

(1) Representatives of any Federal agency may attend any and all meetings of the Commission.

(2) Upon the request of the Federal Commissioner, representatives of any Federal agency may participate in any meetings of technical committees, if any, of the Commission at which the basis or terms and conditions of the allocation formula or modifications to the allocation formula are to be discussed or negotiated.

(3) The Federal Commissioner shall be given notice of any meeting of the Commission or any meeting of technical committees, if any, of the Commission at which compliance with the allocation formula by one or more officers, agencies, or instrumentalities of the United States is to be discussed.

(4) Under the provisions of Article VII(a), the Federal Commissioner may submit a letter of concurrence with the allocation formula unanimously adopted by the State Commissioners within 255 days of such adoption.

(5) No mediator shall be selected under Article XIII(b) or Article XIII(c) without the concurrence of the Federal Commissioner and no resolution of a dispute under Article XIII(c) shall be made binding on the United States without the concurrence of the Federal Commissioner.

(6) The obligations of employees, agencies, and instrumentalities of the United States pursuant to Articles VII(b), X(a), and X(c) to exercise their discretion, to the maximum extent practicable, in a manner consistent with the allocation formula shall not be construed to interfere with the ability of such employees, agencies, and instrumentalities to take actions during emergency situations.

(7) As among water right holders within any one State, nothing in this Compact shall be construed as affecting or intending to affect or in any way to interfere with the laws of the respective signatory States relating to riparian rights of the United States in and to the waters of the Alabama-Coosa-Tallapoosa River Basin.

SEC. 5. EFFECTUATION.

(a) FEDERAL AGENCY AUTHORITY.—To carry out the purposes of this Compact, Federal agencies are authorized, as they may deem appropriate—

(1) to engage in cooperative relationships with the Commission;

(2) to conduct studies and monitoring programs in cooperation with the Commission;

(3) to enter into agreements to indemnify private landowners against liability that may arise from studies and monitoring programs undertaken in cooperation with the Commission; and

(4) to furnish assistance, including the provision of services, facilities, and personnel, to the Federal Commissioner.

(b) APPROPRIATIONS.—Appropriations are authorized as necessary for implementing the Compact, including appropriations for carrying out the functions of the Federal Commissioner and alternates and for employment of personnel by the Federal Commissioner.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania [Mr. GEKAS] and the gentleman from New York [Mr. NADLER], each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GEKAS].

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GENERAL LEAVE

Mr. GEKAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania [Mr. GEKAS]?

There was no objection.

Mr. GEKAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, just as we outlined in the previous matter, the Constitution provides that two or more States entering into agreements cannot finalize those agreements without the consent of the Congress. A similar situation has arisen in the States of Alabama and Georgia with respect to certain rights that they each claim and benefits that each would derive from an agreement. And, therefore, the two States finally entered into an agreement concerning the Alabama Coosa-Tallapoosa River Basin Commission. They developed a formula with which they can all live comfortably, and they come to the Congress for approval of the compact. Hence, our posture here today.

Mr. Speaker, I reserve the balance of my time.

Mr. NADLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, like the last measure that we just debated a few moments ago, this measure, which passed the Committee on the Judiciary unanimously, has the support of all the Members on both sides of the aisle on that committee. Again, the chairman has done a fine job of explaining it, and I am not going to repeat it.

Again, this bill has support of both States involved in the compact, of their entire congressional delegations of both parties, and of the administration. It protects the discretion of the Federal agencies to enforce the Federal laws that they have to enforce. And, therefore, there is no reason we should not grant our approval under article 1 to the two States' interstate compact.

I support this legislation. I urge my colleagues to do so.

Mr. Speaker, I reserve the balance of my time.

Mr. GEKAS. Mr. Speaker, I have no speakers on our side of the aisle, and I yield back the balance of my time.

Mr. SHUSTER. Mr. Speaker, as chairman of the Transportation and Infrastructure Committee, I rise to address provisions in House Joint Resolution 91, a joint resolution granting the consent of Congress to the Apalachicola-Chattahoochee-Flint River basin compact and House Joint Resolution 92, a joint resolution granting the consent of Congress to the Alabama-Coosa-Tallapoosa River basin compact.

I commend the Speaker, members of the Judiciary Committee, and Representatives of the States of Alabama, Florida, and Georgia and the Federal agencies involved. These two resolutions, and the underlying compacts, have a long history of conflict and cooperation. I understand the final text before us is the result of much compromise.

Because of its jurisdiction over the U.S. Army Corps of Engineers' water resources program, as well as the Clean Water Act, the Transportation and Infrastructure Committee has a significant interest in the joint resolutions, the interstate compacts and the development and implementation of the allocation formulas. In fact, in 1988 the committee's Subcommittee on Water Resources held hearings in Georgia and Florida on the water allocation issues these compacts are attempting to solve.

Perhaps at the heart of this debate among three States and two river basins is the management of Federal reservoirs. For example, proposed reallocation of storage water from corps' reservoirs in Georgia prompted litigation in 1990 which also lead in part to a memorandum of agreement among the States in 1992.

Today, and certainly into the future, the Corps of Engineers will be a critical player in determining the success of the compacts and their resulting water allocation formulas. It is my understanding the Judiciary Committee amended the introduced joint resolutions specifically to address outstanding concerns of the Corps of Engineers and the Department of Justice. One of the amendments is intended to preserve Federal discretion to comply with and enforce other congressional directives and authorities—such as project authorities contained in water resources development acts.

I recognize there is a delicate balance between Federal and State rights and responsibilities regarding water allocations in the two basin compacts. I expect our committee will be in a position to oversee and investigate the implementation of House Joint Resolution 91 and House Joint Resolution 92, particularly the efforts of Federal agencies to respect that delicate balance as we turn our attention to a water resources development act of 1998 and to future hearings and bills involving the Corps of Engineers.

Mr. Speaker, I commend you for your leadership on these joint resolutions and look forward to working with you and others on their implementation.

Mr. CALLAHAN. Mr. Speaker, I rise today to speak briefly in support of House Joint Resolution 92, a joint resolution endorsing the Alabama-Coosa-Tallapoosa [ACT] River Basin Compact and House Joint Resolution 91, a bill to implement the Apalachicola-Chattahoochee-Flint [ACF] River Basin Compact. The rivers of the ACT and ACF basins originate in northern Georgia and terminate in Mobile Bay in my congressional district in southern Alabama and Florida respectively. In recent years, the areas along these waterways have continued to grow, adding demands on the water systems from increased drinking water needs, flood control projects, hydropower and navigational demands, fish and wildlife conservation, and recreation.

In an effort to ensure a fair system for allocating the supply of water in both Georgia, Florida, and Alabama, the three States have entered into agreements between themselves and the Federal Government to provide a framework for the future determination of allocation formulas which meet the various demands placed on these systems. These joint resolutions are necessary to give congressional consent to the States' compacts.

I would like to take a moment to commend the offices of Gov. Fob James of Alabama, Gov. Zell Miller of Georgia, and Gov. Lawton Chiles of Florida for their dedication to resolving outstanding issues between the States and the appropriate Federal agencies. I would also like to thank Alabama's chief negotiator during these deliberations, Walter Stevenson of the Alabama Department of Economic and Community Affairs.

I would like to remind my colleagues, as the sponsor of House Joint Resolution 92 and a cosponsor of House Joint Resolution 91, these bills have strong support from the States and near unanimous support from the congressional delegations of Georgia, Florida, and Alabama. House Joint Resolution 91 and House Joint Resolution 92 represent a tremendous step forward in establishing a process to fairly allocate the waters of the ACT and ACF basins between the States of Georgia and Alabama. This legislation, and the cooperative Federal-State negotiations upon which they are based, should be seen as a model for all similar conflict resolutions.

I thank the Speaker for yielding me this time and encourage all my colleagues to support this legislation.

Mr. BARR of Georgia. Mr. Speaker, I want to begin by thanking Mr. Hyde and Mr. Gekas of the Judiciary Committee and their staff for diligently working with me to bring this legislation to the floor. I would also like to commend the Governors and legislators of the three States involved—Georgia, Alabama, and Florida—as well as the Clinton administration, for tirelessly working to find the appropriate middle ground that has allowed us to move forward with this Federal enacting legislation.

I would like to make a brief statement about the importance of these two pieces of legislation, House Joint Resolutions 91 and 92. Although the language in House Joint Resolution 91 and House Joint Resolution 92 does not set forth the actual water allocations, these bills are vital to the water flow in this tristate region. House Joint Resolutions 91 and 92 will simply lay out the process by which the States, with the approval of the administration, will negotiate the final water allocation formulas.

Without the timely passage of these bills, many months of hard negotiations between the States and administration, and the legislative efforts of three States and their Governors would have been lost. It is important to point out that without Federal action by the end of the current year the legislation before us would have been void, and with so few legislative days remaining in this session I am glad to see this legislation pass the House.

Again, all the parties involved are in agreement with the legislation and ready to move forward. It is my hope that Congress will now lend its approval to these proposals and pass House Joint Resolutions 91 and 92.

Mr. EVERETT. Mr. Speaker, I rise in support of House Joint Resolution 92, a resolution to provide congressional approval of the interstate compact between Alabama and Georgia. Both of these States have worked hard in arriving at a water resource sharing solution that benefits each State. This resolution simply endorses this agreement.

The combined partnership will enhance water quality, deliver water allocations in a responsible manner, and promote interstate commerce. It has always been my belief that locally derived solutions and cooperation regarding the allocation of valuable resources, such as the Alabama-Coosa-Tallapoosa River, makes far better sense than a solution derived in Washington. I support House Joint Resolution 92 and encourage my colleagues to do the same.

Mr. NADLER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore [Mr. Packard]. The question is on the motion offered by the gentleman from Pennsylvania [Mr. Gekas] that the House suspend the rules and pass the joint resolution, House Joint Resolution 92, as amended.

The question was taken.

Mr. NADLER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

COMMERCIAL SPACE ACT OF 1997

Mr. ROHRABACHER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1702) to encourage the development of a commercial space industry in the United States, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1702

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Commercial Space Act of 1997".

(b) Table of Contents.—

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.

TITLE I—PROMOTION OF COMMERCIAL SPACE OPPORTUNITIES

Sec. 101. Commercialization of space station.
Sec. 102. Commercial space launch amendments.
Sec. 103. Launch voucher demonstration program.
Sec. 104. Promotion of United States Global Positioning System standards.
Sec. 105. Acquisition of space science data.
Sec. 106. Administration of Commercial Space Centers.

TITLE II—REMOTE SENSING

Sec. 201. Land Remote Sensing Policy Act of 1992 amendments.
Sec. 202. Acquisition of earth science data.

TITLE III—FEDERAL ACQUISITION OF SPACE TRANSPORTATION SERVICES

Sec. 301. Requirement to procure commercial space transportation services.
Sec. 302. Acquisition of commercial space transportation services.
Sec. 303. Launch Services Purchase Act of 1990 amendments.
Sec. 304. Shuttle privatization.

SEC. 2. DEFINITIONS.

For purposes of this Act—

(1) the term "Administrator" means the Administrator of the National Aeronautics and Space Administration;

(2) the term "commercial provider" means any person providing space transportation services or other space-related activities, primary control of which is held by persons other than Federal, State, local, and foreign governments;

(3) the term "payload" means anything that a person undertakes to transport to, from, or within outer space, or in suborbital trajectory, by means of a space transportation vehicle, but does not include the space transportation vehicle itself except for its components which are specifically designed or adapted for that payload;

(4) the term "space-related activities" includes research and development, manufacturing, processing, service, and other associated and support activities;

(5) the term "space transportation services" means the preparation of a space transportation vehicle and its payloads for transportation to, from, or within outer space, or in suborbital trajectory, and the conduct of transporting a payload to, from, or within outer space, or in suborbital trajectory;

(6) the term "space transportation vehicle" means any vehicle constructed for the purpose of operating in, or transporting a payload to, from, or within, outer space, or in suborbital trajectory, and includes any component of such vehicle not specifically designed or adapted for a payload;

(7) the term "State" means each of the several States of the Union, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other commonwealth, territory, or possession of the United States; and

(8) the term "United States commercial provider" means a commercial provider, organized under the laws of the United States or of a State, which is—

(A) more than 50 percent owned by United States nationals; or

(B) a subsidiary of a foreign company and the Secretary of Transportation finds that—

(i) such subsidiary has in the past evidenced a substantial commitment to the United States market through—

(I) investments in the United States in long-term research, development, and manufacturing (including the manufacture of major components and subassemblies); and

(II) significant contributions to employment in the United States; and

(ii) the country or countries in which such foreign company is incorporated or organized, and, if appropriate, in which it principally conducts its business, affords reciprocal treatment to companies described in subparagraph (A) comparable to that afforded to such foreign company's subsidiary in the United States, as evidenced by—

(I) providing comparable opportunities for companies described in subparagraph (A) to participate in Government sponsored research and development similar to that authorized under this Act;

(II) providing no barriers, to companies described in subparagraph (A) with respect to local investment opportunities, that are not provided to foreign companies in the United States; and

(III) providing adequate and effective protection for the intellectual property rights of companies described in subparagraph (A).

TITLE I—PROMOTION OF COMMERCIAL SPACE OPPORTUNITIES

SEC. 101. COMMERCIALIZATION OF SPACE STATION.

(a) Policy.—The Congress declares that a priority goal of constructing the International Space Station is the economic development of Earth orbital space. The Congress further declares that free and competitive markets create the most efficient conditions for promoting economic development, and should therefore govern the economic development of Earth orbital space. The Congress further declares that the use of free market principles in operating, servicing, allocating the use of, and adding capabilities to the Space Station, and the resulting fullest possible engagement of commercial providers and participation of commercial users, will reduce Space Station operational costs for all partners and the Federal Government's share of the United States burden to fund operations.

(b) REPORTS.—(1) The Administrator shall deliver to the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate, within 90 days after the date of the enactment of this Act, a study that identifies and examines—

(A) the opportunities for commercial providers to play a role in International Space Station activities, including operation, use, servicing, and augmentation;

(B) the potential cost savings to be derived from commercial providers playing a role in each of these activities;

(C) which of the opportunities described in subparagraph (A) the Administrator plans to make available to commercial providers in fiscal year 1998 and 1999;

(D) the specific policies and initiatives the Administrator is advancing to encourage and facilitate these commercial opportunities; and

(E) the revenues and cost reimbursements to the Federal Government from commercial users of the Space Station.

(2) The Administrator shall deliver to the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate, within 180 days after the date of the enactment of this Act, an independently-conducted market study that examines and evaluates potential industry interest in providing commercial goods and services for the operation, servicing, and augmentation of the International Space Station, and in the commercial use of the International Space Station. This study shall also include updates to the cost savings and revenue estimates made in the study described in paragraph (1) based on the external market assessment.

(3) The Administrator shall deliver to the Congress, no later than the submission of the President's annual budget request for fiscal year 1999, a report detailing how many proposals (whether solicited or not) the National Aeronautics and Space Administration received during calendar year 1997 regarding commercial operation, servicing, utilization, or augmentation of the International Space Station, broken down by each of these four categories, and specifying how many agreements the National Aeronautics and Space Administration has entered into in response to these proposals, also broken down by these four categories.

(4) Each of the studies and reports required by paragraphs (1), (2), and (3) shall include consideration of the potential role of State governments as brokers in promoting commercial participation in the International Space Station program.

SEC. 102. COMMERCIAL SPACE LAUNCH AMENDMENTS.

(a) AMENDMENTS.—Chapter 701 of title 49, United States Code, is amended—

(1) in the table of sections—

(A) by amending the item relating to section 70104 to read as follows:

"70104. Restrictions on launches, operations, and reentries.";

(B) by amending the item relating to section 70108 to read as follows:

"70108. Prohibition, suspension, and end of launches, operation of launch sites and reentry sites, and reentries.";

(C) by amending the item relating to section 70109 to read as follows:

"70109. Preemption of scheduled launches or reentries.";

and

(D) by adding at the end the following new items:

"70120. Regulations.
"70121. Report to Congress.".

(2) in section 70101—

(A) by inserting "microgravity research," after "information services," in subsection (a)(3);

(B) by inserting ", reentry," after "launching" both places it appears in subsection (a)(4);

(C) by inserting ", reentry vehicles," after "launch vehicles" in subsection (a)(5);

(D) by inserting "and reentry services" after "launch services" in subsection (a)(6);

(E) by inserting ", reentries," after "launches" both places it appears in subsection (a)(7);

(F) by inserting ", reentry sites," after "launch sites" in subsection (a)(8);

(G) by inserting "and reentry services" after "launch services" in subsection (a)(8);

(H) by inserting "reentry sites," after "launch sites," in subsection (a)(9);

(I) by inserting "and reentry site" after "launch site" in subsection (a)(9);

(J) by inserting ", reentry vehicles," after "launch vehicles" in subsection (b)(2);

(K) by striking "launch" in subsection (b)(2)(A);

(L) by inserting "and reentry" after "conduct of commercial launch" in subsection (b)(3);

(M) by striking "launch" after "and transfer commercial" in subsection (b)(3); and

(N) by inserting "and development of reentry sites," after "launch-site support facilities," in subsection (b)(4);

(3) in section 70102—

(A) in paragraph (3)—

(i) by striking "and any payload" and inserting in lieu thereof "or reentry vehicle and any payload from Earth";

(ii) by striking the period at the end of subparagraph (C) and inserting in lieu thereof a comma; and

(iii) by adding after subparagraph (C) the following:

"including activities involved in the preparation of a launch vehicle or payload for launch, when those activities take place at a launch site in the United States.";

(B) in paragraph (5)—

(i) by redesignating subparagraphs (A) and (B) as subparagraphs (B) and (C), respectively; and

(ii) by inserting before subparagraph (B), as so redesignated by clause (i) of this subparagraph, the following new subparagraph:

"(A) activities directly related to the preparation of a launch site or payload facility for one or more launches;";

(C) by inserting "or reentry vehicle" after "means of a launch vehicle" in paragraph (8);

(D) by redesignating paragraphs (10), (11), and (12) as paragraphs (14), (15), and (16), respectively;

(E) by inserting after paragraph (9) the following new paragraphs:

"(10) 'reenter' and 'reentry' mean to return or attempt to return, purposefully, a reentry vehicle and its payload, if any, from Earth orbit or from outer space to Earth.

"(11) 'reentry services' means—

"(A) activities involved in the preparation of a reentry vehicle and its payload, if any, for reentry; and

"(B) the conduct of a reentry.

"(12) 'reentry site' means the location on Earth to which a reentry vehicle is intended to return (as defined in a license the Secretary issues or transfers under this chapter).

"(13) 'reentry vehicle' means a vehicle designed to return from Earth orbit or outer space to Earth, or a reusable launch vehicle designed to return from outer space to Earth, substantially intact."; and

(F) by inserting "or reentry services" after "launch services" each place it appears in paragraph (15), as so redesignated by subparagraph (D) of this paragraph;

(4) in section 70103(b)—

(A) by inserting "AND REENTRIES" after "LAUNCHES" in the subsection heading;

(B) by inserting "and reentries" after "commercial space launches" in paragraph (1); and

(C) by inserting "and reentry" after "space launch" in paragraph (2);

(5) in section 70104—

(A) by amending the section designation and heading to read as follows:

"§ 70104. Restrictions on launches, operations, and reentries";

(B) by inserting "or reentry site, or to reenter a reentry vehicle," after "operate a launch site" each place it appears in subsection (a);

(C) by inserting "or reentry" after "launch or operation" in subsection (a)(3) and (4);

(D) in subsection (b)—

(i) by striking "launch license" and inserting in lieu thereof "license";

(ii) by inserting "or reenter" after "may launch"; and

(iii) by inserting "or reentering" after "related to launching"; and

(E) in subsection (c)—

(i) by amending the subsection heading to read as follows: "PREVENTING LAUNCHES AND REENTRIES.—";

(ii) by inserting "or reentry" after "prevent the launch"; and

(iii) by inserting "or reentry" after "decides the launch";

(6) in section 70105—

(A) by inserting "(1)" before "A person may apply" in subsection (a);

(B) by striking "receiving an application" both places it appears in subsection (a) and inserting in lieu thereof "accepting an application in accordance with criteria established pursuant to subsection (b)(2)(D)";

(C) by adding at the end of subsection (a) the following: "The Secretary shall transmit to the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a written notice not later than 30 days after any occurrence when a license is not issued within the deadline established by this subsection.

"(2) In carrying out paragraph (1), the Secretary may establish procedures for safety approvals of launch vehicles, reentry vehicles, safety systems, processes, services, or personnel that may be used in conducting licensed commercial space launch or reentry activities.";

(D) by inserting "or a reentry site, or the reentry of a reentry vehicle," after "operation of a launch site" in subsection (b)(1);

(E) by striking "or operation" and inserting in lieu thereof ", operation, or reentry" in subsection (b)(2)(A);

(F) by striking "and" at the end of subsection (b)(2)(B);

(G) by striking the period at the end of subsection (b)(2)(C) and inserting in lieu thereof "; and";

(H) by adding at the end of subsection (b)(2) the following new subparagraph:

"(D) regulations establishing criteria for accepting or rejecting an application for a license under this chapter within 60 days after receipt of such application."; and

(I) by inserting ", including the requirement to obtain a license," after "waive a requirement" in subsection (b)(3);

(7) in section 70106(a)—

(A) by inserting "or reentry site" after "observer at a launch site";

(B) by inserting "or reentry vehicle" after "assemble a launch vehicle"; and

(C) by inserting "or reentry vehicle" after "with a launch vehicle";

(8) in section 70108—

(A) by amending the section designation and heading to read as follows:

"§ 70108. Prohibition, suspension, and end of launches, operation of launch sites and reentry sites, and reentries";

and

(B) in subsection (a)—

(i) by inserting "or reentry site, or reentry of a reentry vehicle," after "operation of a launch site"; and

(ii) by inserting "or reentry" after "launch or operation";

(9) in section 70109—

(A) by amending the section designation and heading to read as follows:

"§ 70109. Preemption of scheduled launches or reentries";

(B) in subsection (a)—

(i) by inserting "or reentry" after "ensure that a launch";

(ii) by inserting ", reentry site," after "United States Government launch site";

(iii) by inserting "or reentry date commitment" after "launch date commitment";

(iv) by inserting "or reentry" after "obtained for a launch";

(v) by inserting ", reentry site," after "access to a launch site";

(vi) by inserting ", or services related to a reentry," after "amount for launch services"; and

(vii) by inserting "or reentry" after "the scheduled launch"; and

(C) in subsection (c), by inserting "or reentry" after "prompt launching";

(10) in section 70110—

(A) by inserting "or reentry" after "prevent the launch" in subsection (a)(2); and

(B) by inserting "or reentry site, or reentry of a reentry vehicle," after "operation of a launch site" in subsection (a)(3)(B);

(11) in section 70111—

(A) by inserting "or reentry" after "launch" in subsection (a)(1)(A);

(B) by inserting "and reentry services" after "launch services" in subsection (a)(1)(B);

(C) by inserting "or reentry services" after "or launch services" in subsection (a)(2);

(D) by inserting "or reentry" after "commercial launch" both places it appears in subsection (b)(1);

(E) by inserting "or reentry services" after "launch services" in subsection (b)(2)(C);

(F) by inserting after subsection (b)(2) the following new paragraph:

"(3) The Secretary shall ensure the establishment of uniform guidelines for, and consistent implementation of, this section by all Federal agencies.";

(G) by striking "or its payload for launch" in subsection (d) and inserting in lieu thereof "or reentry vehicle, or the payload of either, for launch or reentry"; and

(H) by inserting ", reentry vehicle," after "manufacturer of the launch vehicle" in subsection (d);

(12) in section 70112—

(A) in subsection (a)(1), by inserting "launch or reentry" after "(1) When a";

(B) by inserting "or reentry" after "one launch" in subsection (a)(3);

(C) by inserting "or reentry services" after "launch services" in subsection (a)(4);

(D) in subsection (b)(1), by inserting "launch or reentry" after "(1) A";

(E) by inserting "or reentry services" after "launch services" each place it appears in subsection (b);

(F) by inserting "applicable" after "carried out under the" in paragraphs (1) and (2) of subsection (b);

(G) by striking ", Space, and Technology" in subsection (d)(1);

(H) by inserting "OR REENTRIES" after "LAUNCHES" in the heading for subsection (e);

(I) by inserting "or reentry site or a reentry" after "launch site" in subsection (e); and

(J) in subsection (f), by inserting "launch or reentry" after "carried out under a";

(13) in section 70113(a)(1) and (d)(1) and (2), by inserting "or reentry" after "one launch" each place it appears;

(14) in section 70115(b)(1)(D)(i)—

(A) by inserting "reentry site," after "launch site,"; and

(B) by inserting "or reentry vehicle" after "launch vehicle" both places it appears;

(15) in section 70117—

(A) by inserting "or reentry site, or to reenter a reentry vehicle" after "operate a launch site" in subsection (a);

(B) by inserting "or reentry" after "approval of a space launch" in subsection (d);

(C) by amending subsection (f) to read as follows:

"(f) Launch Not an Export; Reentry Not an Import.—A launch vehicle, reentry vehicle, or payload that is launched or reentered is not, because of the launch or reentry, an export or import, respectively, for purposes of a law controlling exports or imports, except that payloads launched pursuant to foreign trade zone procedures as provided for under the Foreign Trade Zones Act (19 U.S.C. 81a–81u) shall be considered exports with regard to customs entry."; and

(D) in subsection (g)—

(i) by striking "operation of a launch vehicle or launch site," in paragraph (1) and inserting in lieu thereof "reentry, operation of a launch vehicle or reentry vehicle, operation of a launch site or reentry site,"; and

(ii) by inserting "reentry," after "launch," in paragraph (2); and

(16) by adding at the end the following new sections:

"§ 70120. Regulations

"(a) In General.—The Secretary of Transportation, within 9 months after the date of the enactment of this section, shall issue regulations to carry out this chapter that include—

"(1) guidelines for industry and State governments to obtain sufficient insurance coverage for potential damages to third parties;

"(2) procedures for requesting and obtaining licenses to launch a commercial launch vehicle;

"(3) procedures for requesting and obtaining operator licenses for launch;

"(4) procedures for requesting and obtaining launch site operator licenses; and

"(5) procedures for the application of government indemnification.

"(b) Reentry.—The Secretary of Transportation, within 6 months after the date of the enactment of this section, shall issue a notice of proposed rulemaking to carry out this chapter that includes—

"(1) procedures for requesting and obtaining licenses to reenter a reentry vehicle;

"(2) procedures for requesting and obtaining operator licenses for reentry; and

"(3) procedures for requesting and obtaining reentry site operator licenses.

"§ 70121. Report to Congress

"The Secretary of Transportation shall submit to Congress an annual report to accompany the President's budget request that—

"(1) describes all activities undertaken under this chapter, including a description of the process for the application for and approval of licenses under this chapter and recommendations for legislation that may further commercial launches and reentries; and

"(2) reviews the performance of the regulatory activities and the effectiveness of the Office of Commercial Space Transportation.".

(b) Effective Date.—The amendments made by subsection (a)(6)(B) shall take effect upon the effective date of final regulations issued pursuant to section 70105(b)(2)(D) of title 49, United States Code, as added by subsection (a)(6)(H).

SEC. 103. LAUNCH VOUCHER DEMONSTRATION PROGRAM.

Section 504 of the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1993 (15 U.S.C. 5803) is amended—

(1) in subsection (a)—

(A) by striking "the Office of Commercial Programs within"; and

(B) by striking "Such program shall not be effective after September 30, 1995.";

(2) by striking subsection (c); and

(3) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

SEC. 104. PROMOTION OF UNITED STATES GLOBAL POSITIONING SYSTEM STANDARDS.

(a) Finding.—The Congress finds that the Global Positioning System, including satellites, signal equipment, ground stations, data links, and associated command and control facilities, has become an essential element in civil, scientific, and military space development because of the emergence of a United States commercial industry which provides Global Positioning System equipment and related services.

(b) International Cooperation.—In order to support and sustain the Global Positioning System in a manner that will most effectively contribute to the national security, public safety, scientific, and economic interests of the United States, the Congress encourages the President to—

(1) ensure the operation of the Global Positioning System on a continuous worldwide basis free of direct user fees; and

(2) enter into international agreements that promote cooperation with foreign governments and international organizations to—

(A) establish the Global Positioning System and its augmentations as an acceptable international standard; and

(B) eliminate any foreign barriers to applications of the Global Positioning System worldwide.

SEC. 105. ACQUISITION OF SPACE SCIENCE DATA.

(a) Acquisition From Commercial Providers.—In order to satisfy the scientific requirements of the National Aeronautics and Space Administration, and where practicable of other Federal agencies and scientific researchers, the Administrator shall to the maximum extent possible acquire, where cost effective, space science data from a commercial provider.

(b) Treatment of Space Science Data as Commercial Item Under Acquisition Laws.—Acquisitions of space science data by the Administrator shall be carried out in accordance with applicable acquisition laws and regulations (including chapters 137 and 140 of title 10, United States Code), except that space science data shall be considered to be a commercial item for purposes of such laws and regulations (including section 2306a of title 10, United States Code (relating to cost or pricing data), section 2320 of such title (relating to rights in technical data) and section 2321 of such title (relating to validation of proprietary data restrictions)).

(c) Definition.—For purposes of this section, the term "space science data" includes scientific data concerning the elemental and mineralogical resources of the moon, asteroids, planets and their moons, and comets, microgravity acceleration, and solar storm monitoring.

(d) Safety Standards.—Nothing in this section shall be construed to prohibit the Federal Government from requiring compliance with applicable safety standards.

(e) Limitation.—This section does not authorize the National Aeronautics and Space Administration to provide financial assistance for the development of commercial systems for the collection of space science data.

SEC. 106. ADMINISTRATION OF COMMERCIAL SPACE CENTERS.

The Administrator shall administer the Commercial Space Center program in a coordinated manner from National Aeronautics and Space Administration headquarters.

TITLE II—REMOTE SENSING

SEC. 201. LAND REMOTE SENSING POLICY ACT OF 1992 AMENDMENTS.

(a) Findings.—The Congress finds that—

(1) a robust domestic United States industry in high resolution Earth remote sensing is in the economic, employment, technological, scientific, and national security interests of the United States;

(2) to secure its national interests the United States must nurture a commercial remote sensing industry that leads the world;

(3) the Federal Government must provide policy and regulations that promote a stable business environment for that industry to succeed and fulfill the national interest;

(4) it is the responsibility of the Federal Government to create domestic and international conditions favorable to the health and growth of the United States commercial remote sensing industry; and

(5) it is a fundamental goal of United States policy to support and enhance United States industrial competitiveness in the field of remote sensing, while at the same time protecting the national security concerns and international obligations of the United States.

(b) Amendments.—The Land Remote Sensing Policy Act of 1992 is amended—

(1) in section 2 (15 U.S.C. 5601)—

(A) by amending paragraph (5) to read as follows:

"(5) Commercialization of land remote sensing is a near-term goal, and should remain a long-term goal, of United States policy.";

(B) by striking paragraph (6) and redesignating paragraphs (7) through (16) as paragraphs (6) through (15), respectively;

(C) in paragraph (11), as so redesignated by subparagraph (B) of this paragraph, by striking "determining the design" and all that follows through "international consortium" and inserting in lieu thereof "ensuring the continuity of Landsat quality data"; and

(D) by adding at the end the following new paragraph:

"(16) The United States should encourage remote sensing systems to promote access to land remote sensing data by scientific researchers and educators.";

(2) in section 101 (15 U.S.C. 5611)—

(A) in subsection (c)—

(i) by inserting "and" at the end of paragraph (6);

(ii) by striking paragraph (7); and

(iii) by redesignating paragraph (8) as paragraph (7); and

(B) in subsection (e)(1)—

(i) by inserting "and" at the end of subparagraph (A);

(ii) by striking ", and" at the end of subparagraph (B) and inserting in lieu thereof a period; and

(iii) by striking subparagraph (C);

(3) in section 201 (15 U.S.C. 5621)—

(A) by inserting "(1)" after "National Security.—" in subsection (b);

(B) in subsection (b)(1), as so redesignated by subparagraph (A) of this paragraph—

(i) by striking "No license shall be granted by the Secretary unless the Secretary determines in writing that the applicant will comply" and inserting in lieu thereof "The Secretary shall grant a license if the Secretary determines that the activities proposed in the application are consistent"; and

(ii) by inserting ", and that the applicant has provided assurances adequate to indicate, in combination with other information available to the Secretary that is relevant to activities proposed in the application, that the applicant will comply with all terms of the license" after "concerns of the United States";

(C) by adding at the end of subsection (b) the following new paragraph:

"(2) The Secretary, within 6 months after the date of the enactment of the Commercial Space Act of 1997, shall publish in the Federal Register a complete and specific list of all information required to comprise a complete application for a license under this title. An application shall be considered complete when the applicant has provided all information required by the list most recently published in the Federal Register before the date the application was first submitted. Unless the Secretary has, within 30 days after receipt of an application, notified the applicant of information necessary to complete an application, the Secretary may not deny the application on the basis of the absence of any such information.";

(D) in subsection (c), by amending the second sentence thereof to read as follows: "If the Secretary has not granted the license within such 120-day period, the Secretary shall inform the applicant, within such period, of any pending issues and actions required to be carried out by the applicant or the Secretary in order to result in the granting of a license."; and

(E) in subsection (e)(2)(B), by striking "and the importance of promoting widespread access to remote sensing data from United States and foreign systems";

(4) in section 202 (15 U.S.C. 5622)—

(A) by striking "section 506" in subsection (b)(1) and inserting in lieu thereof "section 507";

(B) in subsection (b)(2), by striking "as soon as such data are available and on reasonable terms and conditions" and inserting in lieu thereof "on reasonable terms and conditions, including the provision of such data in a timely manner subject to United States national security and foreign policy interests";

(C) in subsection (b)(6), by striking "any agreement" and all that follows through "nations or entities" and inserting in lieu thereof "any significant or substantial agreement with new foreign customers"; and

(D) by inserting after paragraph (6) of subsection (b) the following:

"The Secretary may not seek to enjoin a company from entering into a foreign agreement the Secretary receives notification of under paragraph (6) unless the Secretary has, within 30 days after receipt of such notification, transmitted to the licensee a statement that such agreement is inconsistent with the national security or international obligations of the United States, including an explanation of such inconsistency.";

(5) in section 203(a)(2) (15 U.S.C. 5623(a)(2)), by striking "under this title and" and inserting in lieu thereof "under this title and/or";

(6) in section 204 (15 U.S.C. 5624), by striking "may" and inserting in lieu thereof "shall";

(7) in section 205(c) (15 U.S.C. 5625(c)), by striking "if such remote sensing space system is licensed by the Secretary before commencing operation" and inserting in lieu thereof "if such private remote sensing space system will be licensed by the Secretary before commencing its commercial operation";

(8) by adding at the end of title II the following new section:

"SEC. 206. NOTIFICATION.

"(a) Limitations on Licensee.—Not later than 30 days after a determination by the Secretary to require a licensee to limit collection or distribution of data from a system licensed under this title, the Secretary shall provide written notification to Congress of such determination, including the reasons therefor, the limitations imposed on the licensee, and the period during which such limitations apply.

"(b) Termination, Modification, or Suspension.—Not later than 30 days after an action by the Secretary to seek an order of injunction or other judicial determination pursuant to section 202(b) or section 203(a)(2), the Secretary shall provide written notification to Congress of such action and the reasons therefor.";

(9) in section 301 (15 U.S.C. 5631)—

(A) by inserting ", that are not being commercially developed" after "and its environment" in subsection (a)(2)(B); and

(B) by adding at the end the following new subsection:

"(d) Duplication of Commercial Sector Activities.—The Federal Government shall not undertake activities under this section which duplicate activities available from the United States commercial sector, unless such activities would result in significant cost savings to the Federal Government, or are necessary for reasons of national security or international obligations.";

(10) in section 302 (15 U.S.C. 5632)—

(A) by striking "(a) General Rule.—";

(B) by striking ", including unenhanced data gathered under the technology demonstration program carried out pursuant to section 303," and inserting in lieu thereof "that is not otherwise available from the commercial sector"; and

(C) by striking subsection (b);

(11) by repealing section 303 (15 U.S.C. 5633);

(12) in section 401(b)(3) (15 U.S.C. 5641(b)(3)), by striking ", including any such enhancements developed under the technology demonstration program under section 303,";

(13) in section 501(a) (15 U.S.C. 5651(a)), by striking "section 506" and inserting in lieu thereof "section 507";

(14) in section 502(c)(7) (15 U.S.C. 5652(c)(7)), by striking "section 506" and inserting in lieu thereof "section 507"; and

(15) in section 507 (15 U.S.C. 5657)—

(A) by amending subsection (a) to read as follows:

"(a) RESPONSIBILITY OF THE SECRETARY OF DEFENSE.—The Secretary shall consult with the Secretary of Defense on all matters under title II affecting national security. The Secretary of Defense shall be responsible for determining those conditions, consistent with this Act, necessary to meet national security concerns of the United States, and for notifying the Secretary promptly of such conditions. Not later than 60 days after receiving a request from the Secretary to review a completed application, the Secretary of Defense shall notify the Secretary and the licensee of, and describe in appropriate detail, any specific national security concerns of the United States that the Secretary of Defense determines are an appropriate reason for delaying, modifying, or rejecting a license application. The Secretary of Defense shall convey to the Secretary any conditions for a license issued under title II, consistent with this Act, that the Secretary of Defense determines necessary to meet the national security concerns of the United States. If no such notification has been received by the Secretary within such 60-day period, the Secretary shall deem that activities proposed in the license application meet the national security concerns of the United States.";

(B) by striking subsection (b)(1) and (2) and inserting in lieu thereof the following:

"(b) RESPONSIBILITY OF THE SECRETARY OF STATE.—(1) The Secretary shall consult with the Secretary of State on all matters under title II affecting international obligations of the United States. The Secretary of State shall be responsible for determining those conditions, consistent with this Act, necessary to meet international obligations and policies of the United States and for notifying the Secretary promptly of such conditions. Not later than 60 days after receiving a request from the Secretary to review a completed application, the Secretary of State shall notify the Secretary and the licensee of, and describe in appropriate detail, any specific international obligations of the United States that the Secretary of State determines are an appropriate reason for delaying, modifying, or rejecting a license application. The Secretary of State shall convey to the Secretary any conditions for a license issued under title II, consistent with this Act, that the Secretary of State determines necessary to meet the international obligations of the United States. If no such notification has been received by the Secretary within such 60-day period, the Secretary shall deem that activities proposed in the license application meet the international obligations of the United States.

"(2) Appropriate United States Government agencies are authorized and encouraged to provide to developing nations, as a component of international aid, resources for purchasing remote sensing data, training, and analysis from commercial providers."; and

(C) in subsection (d), by striking "Secretary may require" and inserting in lieu thereof "Secretary shall, where appropriate, require".

SEC. 202. ACQUISITION OF EARTH SCIENCE DATA.

(a) ACQUISITION.—For purposes of meeting Government goals for Mission to Planet Earth, and in order to satisfy the scientific requirements of the National Aeronautics and Space Administration, and where practicable of other Federal agencies and scientific researchers, the Administrator shall to the maximum extent possible acquire, where cost-effective, space-based and airborne Earth remote sensing data, services, distribution, and applications from a commercial provider.

(b) TREATMENT AS COMMERCIAL ITEM UNDER ACQUISITION LAWS.—Acquisitions by the Administrator of the data, services, distribution, and applications referred to in subsection (a) shall be carried out in accordance with applicable acquisition laws and regulations (including chapters 137 and 140 of title 10, United States Code), except that such data, services, distribution, and applications shall be considered to be a commercial item for purposes of such laws and regulations (including section 2306a of title 10, United States Code (relating to cost or pricing data), section 2320 of such title (relating to rights in technical data) and section 2321 of such title (relating to validation of proprietary data restrictions)).

(c) STUDY.—(1) The Administrator shall conduct a study to determine the extent to which the baseline scientific requirements of Mission to Planet Earth can be met by commercial providers, and how the National Aeronautics and Space Administration will meet such requirements which cannot be met by commercial providers.

(2) The study conducted under this subsection shall—

(A) make recommendations to promote the availability of information from the National Aeronautics and Space Administration to commercial providers to enable commercial providers to better meet the baseline scientific requirements of Mission to Planet Earth;

(B) make recommendations to promote the dissemination to commercial providers of information on advanced technology research and development performed by or for the National Aeronautics and Space Administration; and

(C) identify policy, regulatory, and legislative barriers to the implementation of the recommendations made under this subsection.

(3) The results of the study conducted under this subsection shall be transmitted to the Congress within 6 months after the date of the enactment of this Act.

(d) SAFETY STANDARDS.—Nothing in this section shall be construed to prohibit the Federal Government from requiring compliance with applicable safety standards.

(e) ADMINISTRATION AND EXECUTION.—This section shall be carried out as part of the Commercial Remote Sensing Program at the Stennis Space Center.

TITLE III—FEDERAL ACQUISITION OF SPACE TRANSPORTATION SERVICES

SEC. 301. REQUIREMENT TO PROCURE COMMERCIAL SPACE TRANSPORTATION SERVICES.

(a) IN GENERAL.—Except as otherwise provided in this section, the Federal Government shall acquire space transportation services from United States commercial providers whenever such services are required in the course of its activities. To the maximum extent practicable, the Federal Government shall plan missions to accommodate the space transportation services capabilities of United States commercial providers.

(b) EXCEPTIONS.—The Federal Government shall not be required to acquire space transportation services under subsection (a) if, on a case-by-case basis, the Administrator or, in the case of a national security issue, the Secretary of the Air Force, determines that—

(1) a payload requires the unique capabilities of the space shuttle;

(2) cost effective space transportation services that meet specific mission requirements would not be reasonably available from United States commercial providers when required;

(3) the use of space transportation services from United States commercial providers poses an unacceptable risk of loss of a unique scientific opportunity;

(4) the use of space transportation services from United States commercial providers is inconsistent with national security objectives;

(5) the use of space transportation services from United States commercial providers is inconsistent with foreign policy purposes, or launch of the payload by a foreign entity serves foreign policy purposes, and a specific exception to the requirements of subsection (a) has been provided by a law, enacted after the date of the enactment of this Act, that contains no matter other than that exception;

(6) it is more cost effective to transport a payload in conjunction with a test or demonstration of a space transportation vehicle owned by the Federal Government; or

(7) a payload can make use of the available cargo space on a Space Shuttle mission as a secondary payload, and such payload is consistent with the requirements of research, development, demonstration, scientific, commercial, and educational programs authorized by the Administrator.

The Administrator, in consultation with the Secretary of State and the Secretary of Transportation, may propose to the Congress that a specific exception described in paragraph (5) be enacted for a launch or class of launches. Any such proposal shall include a description of the foreign policy purposes that would be served by such an exception, and shall identify the impacts of such an exception on the commercial launch industry. Nothing in this subsection shall prevent the Administrator from planning or negotiating agreements with foreign entities for the launch of Federal Government payloads for foreign policy purposes, contingent on enactment of a specific exception described in paragraph (5).

(c) DELAYED EFFECT.—Subsection (a) shall not apply to space transportation services and space transportation vehicles acquired or owned by the Federal Government before the date of the enactment of this Act, or with respect to which a contract for such acquisition or ownership has been entered into before such date.

(d) HISTORICAL PURPOSES.—This section shall not be construed to prohibit the Federal Government from acquiring, owning, or maintaining space transportation vehicles solely for historical display purposes.

SEC. 302. ACQUISITION OF COMMERCIAL SPACE TRANSPORTATION SERVICES.

(a) TREATMENT OF COMMERCIAL SPACE TRANSPORTATION SERVICES AS COMMERCIAL ITEM UNDER ACQUISITION LAWS.—Acquisitions of space transportation services by the Federal Government shall be carried out in accordance with applicable acquisition laws and regulations (including chapters 137 and 140 of title 10, United States Code), except that space transportation services shall be considered to be a commercial item for purposes of such laws and regulations (including section 2306a of title 10, United States Code (relating to cost or pricing data), section 2320 of such title (relating to rights in technical data) and section 2321 of such title (relating to validation of proprietary data restrictions)).

(b) SAFETY STANDARDS.—Nothing in this section shall be construed to prohibit the Federal Government from requiring compliance with applicable safety standards.

SEC. 303. LAUNCH SERVICES PURCHASE ACT OF 1990 AMENDMENTS.

The Launch Services Purchase Act of 1990 (42 U.S.C. 2465b et seq.) is amended—

(1) by striking section 202;

(2) in section 203—

(A) by striking paragraphs (1) and (2); and

(B) by redesignating paragraphs (3) and (4) as paragraphs (1) and (2), respectively;

(3) by striking sections 204 and 205; and

(4) in section 206—

(A) by striking "(a) COMMERCIAL PAYLOADS ON THE SPACE SHUTTLE.—"; and

(B) by striking subsection (b).

SEC. 304. SHUTTLE PRIVATIZATION.

(a) POLICY AND PREPARATION.—The Administrator shall prepare for an orderly transition from the Federal operation, or Federal management of contracted operation, of space transportation systems to the Federal purchase of commercial space transportation services for all nonemergency launch requirements, including human, cargo, and mixed payloads. In those preparations, the Administrator shall take into account the need for short-term economies, as well as the goal of restoring the National Aeronautics and Space Administration's research focus and its mandate to promote the fullest possible commercial use of space. As part of those preparations, the Administrator shall plan for the potential privatization of the Space Shuttle program. Such plan shall keep safety and cost effectiveness as high priorities. Nothing in this section shall prohibit the National Aeronautics and Space Administration from studying, designing, developing, or funding upgrades or modifications essential to the safe and economical operation of the Space Shuttle fleet.

(b) FEASIBILITY STUDY.—The Administrator shall conduct a study of the feasibility of implementing the recommendation of the Independent Shuttle Management Review Team that the National Aeronautics and Space Administration transition toward the privatization of the Space Shuttle. The study shall identify, discuss, and, where possible, present options for resolving, the major policy and legal issues that must be addressed before the Space Shuttle is privatized, including—

(1) whether the Federal Government or the Space Shuttle contractor should own the Space Shuttle orbiters and ground facilities;

(2) whether the Federal Government should indemnify the contractor for any third party liability arising from Space Shuttle operations, and, if so, under what terms and conditions;

(3) whether payloads other than National Aeronautics and Space Administration payloads should be allowed to be launched on the Space Shuttle, how missions will be prioritized, and who will decide which mission flies and when;

(4) whether commercial payloads should be allowed to be launched on the Space Shuttle and whether any classes of payloads should be made ineligible for launch consideration;

(5) whether National Aeronautics and Space Administration and other Federal Government payloads should have priority over non-Federal payloads in the Space Shuttle launch assignments, and what policies should be developed to prioritize among payloads generally;

(6) whether the public interest requires that certain Space Shuttle functions continue to be performed by the Federal Government; and

(7) how much cost savings, if any, will be generated by privatization of the Space Shuttle.

(c) REPORT TO CONGRESS.—Within 60 days after the date of the enactment of this Act, the National Aeronautics and Space Administration shall complete the study required under subsection (b) and shall submit a report on the study to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. ROHRABACHER] and the gentleman from Alabama [Mr. CRAMER] each will control 20 minutes.

The Chair recognizes the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, last month we marked the 40th anniversary of the beginning of the space age by recalling that day in 1957 when the Soviet Union orbited Sputnik, the world's first manmade satellite. We have accomplished a great deal in the last 40 years, largely through Federal spending. Because of that history, which is a history of the Federal Government's success in the space endeavor, we sometimes think that only the Government is capable of accomplishing missions in space.

As a result, Federal laws and policies are designed around space activities run by the Government for the Government. However, according to a recent study by the investment firm Spacevest and an accounting firm, that is KPMG Peat Marwick, global revenues from commercial space business now exceeds global revenues generated by Government outlays.

This is good news, for several reasons. It gives us a broader industrial base to support Federal space missions, lowering costs to taxpayers in the process. Second, it means that the American people are gaining access to a wide range of new space-related goods and services. Third, it means that the country is creating high-technology, high-paying aerospace jobs that are no longer dependent on Government spending for their existence. Finally, and perhaps most importantly, it means that our future in space is not bound by the Government's ability to spend money.

The spirit of American enterprise will take us to the stars. One problem that we still face is the fact that Government laws, policies, and regulations have not caught up with the way space is developing in the private sector. As a result, sometimes the Government inadvertently hinders commercial space activity. We need to change that so that the American business community can lead the way for the entire planet into space.

Fortunately, there has been bipartisan agreement that commercial space is and should be a vital part of America's space enterprise. Most recently, the Clinton administration has adopted several policies regarding space launch, remote sensing, and space-based navigation which help promote the national interest in commercial space.

We have introduced H.R. 1702 this year to capitalize on those policies and to incorporate some of the lessons we learned about commercial space over the last few years into law. The bill meets an urgent as well as near-term need to establish a regulatory framework that will allow commercial entities to reenter spacecraft and payloads from space to Earth.

Basically, what we are talking about here is allowing companies who are investing in reusable launch vehicles to legally operate this new type of exciting spacecraft that we believe will be the basis of our whole space exploration utilization effort in the years ahead.

The bill improves the legal framework for commercial remote sensing by requiring that license applications be examined by Secretaries of Defense and State to ensure their consistency with U.S. national security and international obligations. However, we are also giving the Government hard deadlines to act upon these applications.

In business, time is money and it can make the difference between success or failure. The past failures of Federal departments to coordinate implementation of the Land Remote Sensing Policy Act in a timely fashion have made it difficult for U.S. companies to retake the international lead in commercial remote sensing from a multitude of other countries.

Finally, the bill we are discussing today requires the Government to purchase commercial space launch services instead of relying on burdensome procurement rules in the purchase of rockets themselves.

Mr. Speaker, the Commercial Space Act of 1997 is a culmination of 2 years of extensive bipartisan consultation and cooperation. It would not have been possible to bring this bill to the floor today without the real dedication and commitment by Members of both sides of the aisle and, I might say, on both sides of the aisle in the Subcommittee on Space and Aeronautics.

There are three significant changes in the bill. By working together, we have come up with these changes to meet the request by committee members since our markup. We add today a new section on shuttle privatization, which contains the same language as the Civilian Space Authorization Act the House passed this April. In it we direct NASA to prepare for the potential privatization of the space shuttle system.

In the bill's amendments to the Commerce Space Launch Act, the language addressing "launch not an export" has been modified to underscore the intent of the original language in the Commercial Space Launch Act of 1984. The committee intends that payloads launched pursuant to foreign trade zone procedures be considered as exports only for the purpose of customs entry procedures so that such payloads will be in complete compliance with the duty deferral program.

The third change, which we made at the request, I might add, of ranking member, the gentleman from California [Mr. BROWN], is to add an exception to the bill's mandate that the Federal Government purchase launch services from U.S. commercial providers. We allow for an exception for reasons of foreign policy purposes but with a requirement that Congress pass a law in order to approve the exception.

Mr. Speaker, I am proud to say that this bill is also a product of excessive consultation and cooperation with the Clinton administration. This bill moved through the committee; and as it did, it attracted the attention of various bureaucrats, departments, and agencies.

During the markup, we have made over three dozen changes at the request of these agencies and will make several more today. In most cases, these changes improve the bill and we are happy and were happy to make them. In particular, the provisions that cause the administration the most concern have been changed.

For example, we deleted a requirement that the Defense Department and State Department publish lists of national security concerns and international obligations. We also added a reference to the international policies that exist in current law.

The other changes to this section include the promotion of greater access to remote sensing by scientific researchers and educators, making the current regulations for this growing industry consistent with the national security and foreign policy considerations of the United States, streamlining the application procedures for a commercial license so that the needs of the Government are addressed while ensuring that agencies are responsive to the highly competitive environment in the commercial sector.

In the sections on space science and Earth science data buys, we modified proposed language to include consideration of the data requirements of scientific researchers and other Federal agencies beyond NASA.

Finally, we made a change in the section on acquisition of commercial space transportation services to accommodate the Defense Department. Unfortunately, it has become clear that some Federal departments do not agree with either the President's own policy supporting commercial space development or the intent of Congress as expressed in previous laws supporting space enterprise. Those departments have asked us to make changes that have no other purpose than to fight bureaucratic turf battles or to enhance their own self-importance. We have rejected such changes.

Departments and agencies work for the American people, who have made it clear they want goods and services and the jobs of commercial space development is here and has been created here and to have these things done here instead of going overseas because of bureaucratic impediments.

These continued efforts by the entrenched Government bureaucrats to enhance their own power and, basically, these things conflict with the American people and our own national interest, and that national interest is that we lead the world in new space enterprise and industry.

As this bill moves through the Senate, we need to challenge our colleagues on the other side of the Capitol to be on guard against scare tactics by bureaucrats and by bureaucracies attempting to enhance their own power by changing this bill. We must also challenge the President and Vice President, who have developed very sound policies that this bill supports. But we like them and we want to make sure they stick to their guns. We must challenge the White House to impose order on the interagency process and to reject the special pleas of bureaucratic interest to change the bill in order to enhance certain bureaucrats' own authority.

If the White House is serious about its public pronouncements on space policy, and I believe the White House is sincere in this, then it needs to bring all Federal agencies into line with the goals of the American people rather than subverting those goals to accommodate different power bureaucrats here in Washington, DC.

With the President's support and with the discipline to reject the pleas from special interests, especially those within Government, to modify this bill further, we can give the American people sound, bipartisan legislation that will help build a better future and ensure that America remains the No. 1, power in space and especially the No. 1 space commercial power. I would ask all of my colleagues in the House on both sides of the aisle to join us in this effort.

Finally, I would like to thank the gentleman from Alabama [Mr. CRAMER] for the hard work that he has put in. This has truly been a bipartisan effort, and I congratulate him for the hard work he has put in and thank him for that.

Mr. Speaker, I reserve the balance of my time.

□ 1430

Mr. CRAMER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am privileged today to rise with the chairman of the Subcommittee on Space and Aeronautics in full support of the Commercial Space Act of 1997; that is, H.R. 1702, as amended. I want to say as well to the chairman of the Subcommittee on Space and Aeronautics, the chairman of the full committee, as well as the gentleman from California [Mr. BROWN], the ranking member, that it has been a pleasure to work with them on this very important piece of legislation.

Since the early years of the space age, successive Congresses and administrations have supported the development of a healthy, robust commercial space sector on a bipartisan basis. I think this that we are offering today is a reflection of that. As a result, we have already witnessed the explosive growth of the commercial satellite communications systems. This offers us so much potential, systems that have brought the rest of the world as close to us as the telephone and the television. Companies are investing billions of dollars to make sure that the next generation is able to benefit the way they should be able to benefit.

However, space commercialization is not just confined to the satellite communications. This Congress in years past has had an aggressive record of making sure that we were proactive in this area. Back in 1984, the Congress enacted the Commercial Space Launch Act. That led to the development of a U.S. commercial space launch industry that is competitive on a worldwide basis. Then again in 1992, we enacted the Land Remote Sensing Policy Act, which my colleague has detailed. This has kick-started the commercial remote sensing industry in this country and given us a tremendous lead and a tremendous advantage.

Today H.R. 1702, as amended, should be seen as another effort in those steps to help advance the commercial space sector. It includes a number of important provisions. In particular, I think a very important provision would allow the Department of Transportation to license reentry vehicle operations. That provision and other provisions are noncontroversial. There are provisions in there that would make sure that we move toward the eventual commercial operation of the reusable launch systems, the next generation of space transportation systems. I am someone who has long been a supporter of efforts to reduce the launch costs. I think it is very important to this country that we accomplish that. I am pleased that we are including such provisions, the licensing provisions, in H.R. 1702.

Mr. Speaker, again I want to thank the chairman of the Committee on Science, the chairman of the Subcommittee on Space and Aeronautics, and the gentleman from California [Mr.

BROWN], the ranking member, for their diligence and years of work on this legislation and similar legislation. I think H.R. 1702, as amended, is a useful piece of legislation, and I urge its passage today.

Mr. Speaker, I reserve the balance of my time.

Mr. ROHRABACHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from California [Mr. BROWN], our ranking member, has been a tremendous asset to us in this bill and as with all bills dealing with space. I salute that ranking member. I also salute the gentleman from Wisconsin [Mr. SENSENBRENNER], the chairman. He has done a terrific job as the newest chairman of the Committee on Science. The gentleman from Alabama [Mr. CRAMER] and I have worked together. If there is any committee in Congress that exemplifies the spirit of bipartisan cooperation, I think it is our committee.

I think this piece of legislation is a very positive piece of legislation. It has been made better by that spirit of cooperation. I am sure we can work this way in the future, but I would like to extend my congratulations to the gentleman from Alabama [Mr. CRAMER], who also will be moving on to another committee assignment on the Committee on Appropriations, so we are looking forward to bigger and better things from the gentleman from Alabama as well.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. CRAMER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have enjoyed very much working with my colleague across the aisle. In my years here in Congress, I came to this Congress so I could be on this committee, we have accomplished a number of extraordinary things together. We have fought battles in the trenches; won most of them, but not all of them. I want to congratulate the gentleman as well and the gentleman from Wisconsin [Mr. SENSENBRENNER] as well as the gentleman from California [Mr. BROWN] for those years of service. I just hope that my move now to another committee will give me a chance to advance my work with the space issues as well.

Mr. BROWN of California. Mr. Speaker, I would like to rise in support of H.R. 1702, as amended, also known as the Commercial Space Act of 1997. This bill, while not perfect, represents another step in Congress' efforts to promote the development of a vibrant, growing commercial space sector.

In the forty years since the dawn of the space age, Congress has enacted a series of legislative measures that have helped to increase the private sector's role in satellite communications, launch services, and remote sensing. As a result, commercial space activities have become a significant component of the Nation's economy, and they give every indication of being even more significant in the years ahead.

Mr. Speaker, I believe that America is best served by both a strong commercial space sector and a strong governmental commitment to space research and development. On the one hand, government should not try to compete with the private sector. On the other hand, the existence of a commercial space sector does not relieve the Federal Government of its responsibility to undertake those activities that only it can and/or should carry out.

I believe that H.R. 1702, while a relatively modest bill, includes a number of useful provisions, especially those related to reentry vehicle licensing, launch operations, and commercial launch services. I would note that the version of H.R. 1702 that is under consideration today also contains an amendment intended to at least partially address a concern I had raised about the Union Calendar version of the bill.

Specifically, existing law allows NASA to undertake cooperative missions with other nations that involve flying U.S. government payloads on foreign launch vehicles. Such an option can provide significant benefits to both parties, lowering costs to each partner and allowing enhanced mission capabilities. To cite just one example, the law allowed the highly successful Topex-Poseidon Earth science mission to be conducted with the French. That law also makes possible other cooperative space and Earth science missions, as well giving us the flexibility we will need to most effectively resupply the International Space Station.

I strongly believe that the ability to undertake such cooperative missions is in our national interest. The Union Calendar version of H.R. 1702 would have deleted that provision from existing law. An amendment that is included in the bill before us today restores that provision, albeit with restrictions. While I wish that the amendment had simply reaffirmed existing law, I believe that it represents a positive step forward in addressing the issue. I want to express my appreciation to Chairman SENSENBRENNER for his willingness to work with me on this matter.

Mr. Speaker, I believe that, on balance, H.R. 1702 is a useful bill. I recognize that the Administration has several areas of continuing concern with the bill. I intend to work with the Chairman, the Administration, and our counterparts in the Senate to resolve any remaining differences and enact a commercial space bill during the 105th Congress.

I urge Members to suspend the rules and pass H.R. 1702, as amended.

Mr. CRAMER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore [Mr. PACKARD]. The question is on the motion offered by the gentleman from California [Mr. ROHRABACHER] that the House suspend the rules and pass the bill, H.R. 1702, as amended.

The question was taken.

Mr. CRAMER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

GENERAL LEAVE

Mr. ROHRABACHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 1702.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

ADDITION OF NAMES OF MEMBERS AS COSPONSORS OF H.R. 1702

Mr. ROHRABACHER. Mr. Speaker, I ask unanimous consent that the names of the following members who were inadvertently not included as cosponsors of H.R. 1702 be placed in the RECORD at this point:

Mr. DOYLE of Pennsylvania;
Mr. HASTINGS from Florida; and
Mr. BRADY from Texas.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

NATIONAL SALVAGE MOTOR VEHICLE CONSUMER PROTECTION ACT OF 1997

Mr. BLILEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1839) to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles, as amended.

The Clerk read as follows:

H.R. 1839

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Salvage Motor Vehicle Consumer Protection Act of 1997".

SEC. 2. MOTOR VEHICLE TITLING AND DISCLOSURE REQUIREMENTS.

(a) AMENDMENT TO TITLE 49, UNITED STATES CODE.—Subtitle VI of title 49, United States Code, is amended by inserting a new chapter at the end:

"CHAPTER 333—AUTOMOBILE SAFETY AND TITLE DISCLOSURE REQUIREMENTS

"Sec.

"33301. Definitions.
"33302. Passenger motor vehicle titling.
"33303. Disclosure and label requirements on transfer of rebuilt salvage vehicles.
"33304. Report on funding.
"33305. Effect on State law.
"33306. Civil and criminal penalties.
"33307. Actions by States.

"§33301. Definitions

"(a) Definitions.—For the purposes of this chapter:

"(1) Passenger motor vehicle.—The term 'passenger motor vehicle' shall have the same meaning given such term by section 32101(10), except, notwithstanding section 32101(9), it shall include a multipurpose passenger vehicle (constructed on a truck chassis or with special features for occasional off-road operation), or a truck, other than a truck referred to in section 32101(10)(B), when that vehicle or truck is rated by the manufacturer of such vehicle or truck at not more than 10,000 pounds gross vehicle weight, and except further, it shall only include a vehicle manufactured primarily for use on public streets, roads, and highways.

"(2) Salvage vehicle.—The term 'salvage vehicle' means any passenger motor vehicle, other than a flood vehicle or a nonrepairable vehicle, which—

"(A) is a late model vehicle which has been wrecked, destroyed, or damaged, to the extent that the total cost of repairs to rebuild or reconstruct the passenger motor vehicle to its condition immediately before it was wrecked, destroyed, or damaged, and for legal operation on the roads or highways, exceeds 80 percent of the retail value of the passenger motor vehicle;

"(B) is a late model vehicle which has been wrecked, destroyed, or damaged, and to which an insurance company acquires ownership pursuant to a damage settlement (except in the case of a settlement in connection with a recovered stolen vehicle, unless such vehicle sustained damage sufficient to meet the damage threshold prescribed by subparagraph (A)); or

"(C) the owner wishes to voluntarily designate as a salvage vehicle by obtaining a salvage title, without regard to the level of damage, age, or value of such vehicle or any other factor, except that such designation by the owner shall not impose on the insurer of the passenger motor vehicle or on an insurer processing a claim made by or on behalf of the owner of the passenger motor vehicle any obligation or liability.

"(3) Salvage title.—The term 'salvage title' means a passenger motor vehicle ownership document issued by the State to the owner of a salvage vehicle. A salvage title shall be conspicuously labeled with the word 'salvage' across the front.

"(4) Rebuilt salvage vehicle.—The term 'rebuilt salvage vehicle' means—

"(A) any passenger motor vehicle which was previously issued a salvage title, has passed State anti-theft inspection, has been issued a certificate indicating that the passenger motor vehicle has passed the required anti-theft inspection, has passed the State safety inspection in those States requiring a safety inspection pursuant to section 33302(b)(8), has been issued a certificate indicating that the passenger motor vehicle has passed the required safety inspection in those States requiring such a safety inspection pursuant to section 33302(b)(8), and has a decal stating 'Rebuilt Salvage Vehicle—Anti-theft and Safety Inspections Passed' affixed to the driver's door jamb; or

"(B) any passenger motor vehicle which was previously issued a salvage title, has passed a State anti-theft inspection, has been issued a certificate indicating that the passenger motor vehicle has passed the required anti-theft inspection, and has, affixed to the driver's door jamb, a decal stating 'Rebuilt Salvage Vehicle—Anti-theft Inspection Passed/No Safety Inspection Pursuant to National Criteria' in those States not requiring a safety inspection pursuant to section 33302(b)(8).

"(5) Rebuilt salvage title.—The term 'rebuilt salvage title' means the passenger motor vehicle ownership document issued by the State to the owner of a rebuilt salvage vehicle. A rebuilt salvage title shall be conspicuously labeled either with the words 'Rebuilt Salvage Vehicle—Anti-theft and Safety Inspections Passed' or 'Rebuilt Salvage Vehicle—Anti-theft Inspection Passed/No Safety Inspection Pursuant to National Criteria,' as appropriate, across the front.

"(6) Nonrepairable vehicle.—The term 'nonrepairable vehicle' means any passenger motor vehicle, other than a flood vehicle, which is incapable of safe operation for use on roads or highways and which has no resale value except as a source of parts or scrap only or which the owner irreversibly designates as a source of parts or scrap. Such passenger motor vehicle shall be issued a nonrepairable vehicle certificate and shall never again be titled or registered.

"(7) Nonrepairable vehicle certificate.—The term 'nonrepairable vehicle certificate' means a passenger motor vehicle ownership document issued by the State to the owner of a nonrepairable vehicle. A nonrepairable vehicle certificate shall be conspicuously labeled with the word 'Nonrepairable' across the front.

"(8) Secretary.—The term 'Secretary' means the Secretary of Transportation.

"(9) Late model vehicle.—The term 'Late Model Vehicle' means any passenger motor vehicle which—

"(A) has a manufacturer's model year designation of or later than the year in which the vehicle was wrecked, destroyed, or damaged, or any of the six preceding years; or

"(B) has a retail value of more than $7,500.

The Secretary shall adjust such retail value on an annual basis in accordance with changes in the consumer price index.

"(10) Retail value.—The term 'retail value' means the actual cash value, fair market value, or retail value of a passenger motor vehicle as—

"(A) set forth in a current edition of any nationally recognized compilation (to include automated databases) of retail values; or

"(B) determined pursuant to a market survey of comparable vehicles with regard to condition and equipment.

"(11) Cost of repairs.—The term 'cost of repairs' means the estimated retail cost of parts needed to repair the vehicle or, if the vehicle has been repaired, the actual retail cost of the parts used in the repair, and the cost of labor computed by using the hourly labor rate and time allocations that are reasonable and customary in the automobile repair industry in the community where the repairs are to be performed.

"(12) Flood vehicle.—The term 'flood vehicle' means any passenger motor vehicle that—

"(A) has been acquired by an insurance company as part of a damage settlement due to water damage; or

"(B) has been submerged in water to the point that rising water has reached over the door sill, has entered the passenger or trunk compartment, and has exposed any electrical, computerized, or mechanical component to water, except—

"(i) where a passenger motor vehicle which, pursuant to an inspection conducted by an insurance adjuster or estimator, a motor vehicle repairer or motor vehicle dealer in accordance with inspection guidelines or procedures established by the Secretary or the State, is determined to have no electrical, computerized or mechanical components which were damaged by water; or,

"(ii) where a passenger motor vehicle which, pursuant to an inspection conducted by an insurance adjuster or estimator, a motor vehicle repairer or motor vehicle dealer in accordance with inspection guidelines or procedures established by the Secretary or the State, is determined to have one or more electrical, computerized or mechanical components which were damaged by water and where all such damaged components have been repaired or replaced.

Disclosure that a vehicle is a flood vehicle must be made at the time of transfer of ownership and the brand 'Flood' shall be conspicuously marked on all subsequent titles for the vehicle. No inspection shall be required unless the owner or insurer of the passenger motor vehicle is seeking to avoid a brand of 'Flood' pursuant to subparagraph (B). Disclosing a passenger motor vehicle's status as a flood vehicle or conducting an inspection pursuant to subparagraph (B) shall not impose on any person any liability for damage to (except in the case of damage caused by the inspector at the time of the inspection) or reduced value of a passenger motor vehicle.

"(b) Construction.—The definitions set forth in subsection (a) shall only apply to vehicles in a State which are wrecked, destroyed, or otherwise damaged on or after the date on which such State complies with the requirements of this chapter and the rule promulgated pursuant to section 33302(b).

"§ 33302. Passenger motor vehicle titling

"(a) Carry-Forward of Information on a Newly Issued Title Where the Previous Title for the Vehicle Was Not Issued Pursuant to New Nationally Uniform Standards.—For any passenger motor vehicle, the ownership of which is transferred on or after the date that is 1 year from the date of the enactment of this chapter, each State receiving funds, either directly or indirectly, appropriated under section 30503(c) of this title after fiscal year 1998, in licensing such vehicle for use, shall disclose in writing on the certificate of title whenever records readily accessible to the State indicate that the passenger motor vehicle was previously issued a title that bore any word or symbol signifying that the vehicle was 'salvage', 'unrebuildable', 'parts only', 'scrap', 'junk', 'nonrepairable', 'reconstructed', 'rebuilt', or any other symbol or word of like kind, or that it has been damaged by flood.

"(b) Nationally Uniform Title Standards and Control Methods.—Not later than 18 months after the date of the enactment of this chapter, the Secretary shall by rule require each State receiving funds, either directly or indirectly, appropriated under section 30503(c) of this title after fiscal year 1998, in licensing any passenger motor vehicle where ownership of such passenger motor vehicle is transferred more than 2 years after publication of such final rule, to apply uniform standards, procedures, and methods for the issuance and control of titles for motor vehicles and for information to be contained on such titles. Such titling standards, control procedures, methods, and information shall include the following requirements:

"(1) A State shall conspicuously indicate on the face of the title or certificate for a passenger motor vehicle, as applicable, if the passenger motor vehicle is a salvage vehicle, a nonrepairable vehicle, a rebuilt salvage vehicle, or a flood vehicle.

"(2) Such information concerning a passenger motor vehicle's status shall be conveyed on any subsequent title, including a duplicate or replacement title, for the passenger motor vehicle issued by the original titling State or any other State.

"(3) The title documents, the certificates, and decals required by section 33301(4), and the issuing system shall meet security standards minimizing the opportunities for fraud.

"(4) The certificate of title shall include the passenger motor vehicle make, model, body type, year, odometer disclosure, and vehicle identification number.

"(5) The title documents shall maintain a uniform layout, to be established in consultation with the States or an organization representing them.

"(6) A passenger motor vehicle designated as nonrepairable shall be issued a nonrepairable vehicle certificate and shall not be retitled.

"(7) No rebuilt salvage title shall be issued to a salvage vehicle unless, after the salvage vehicle is repaired or rebuilt, it complies with the requirements for a rebuilt salvage vehicle pursuant to section 33301(4). Any State inspection program operating under this paragraph shall be subject to continuing review by and approval of the Secretary. Any such anti-theft inspection program shall include the following:

"(A) A requirement that the owner of any passenger motor vehicle submitting such vehicle for an anti-theft inspection provide a completed document identifying the vehicle's damage prior to being repaired, a list of replacement parts used to repair the vehicle, and proof of ownership of such replacement parts, as may be evidenced by bills of sale, invoices, or, if such documents are not available, other proof of ownership for the replacement parts. The owner shall also include an affirmation that the information in the declaration is complete and accurate and that, to the knowledge of the declarant, no stolen parts were used during the rebuilding.

"(B) A requirement to inspect the passenger motor vehicle or any major part or any major replacement part required to be marked under section 33102 for signs of such mark or vehicle identification number being illegally altered, defaced, or falsified. Any such passenger motor vehicle or any such part having a mark or vehicle identification number that has been illegally altered, defaced, or falsified, and that cannot be identified as having been legally obtained (through bills of sale, invoices, or other ownership documentation), shall be contraband and subject to seizure. The Secretary, in consultation with the Attorney General, shall, as part of the rule required by this section, establish procedures for dealing with those parts whose mark or vehicle identification number is normally removed during industry accepted remanufacturing or rebuilding practices, which parts shall be deemed identified for purposes of this section if they bear a conspicuous mark of a type, and applied in such a manner, as designated by the Secretary, indicating that they have been rebuilt or remanufactured. With respect to any vehicle part, the Secretary's rule, as required by this section, shall acknowledge that a mark or vehicle identification number on such part may be legally removed or altered as provided for in section 511 of title 18, United States Code, and shall direct inspectors to adopt such procedures as may be necessary to prevent the seizure of a part from which the mark or vehicle identification number has been legally removed or altered.

"(8) Any safety inspection for a rebuilt salvage vehicle performed pursuant to this chapter shall be performed in accordance with nationally uniform safety inspection criteria established by the Secretary. A State may determine whether to conduct such safety inspection itself, contract with one or more third parties, or permit self-inspection by a person licensed by such State in an automotive-related business, all subject to criteria promulgated by the Secretary hereunder. Any State inspection program operating under this paragraph shall be subject to continuing review by and approval of the Secretary. A State requiring such safety inspection may require the payment of a fee for the privilege of such inspection or the processing thereof.

"(9) No duplicate or replacement title shall be issued unless the word 'duplicate' is clearly marked on the face thereof and unless the procedures for such issuance are substantially consistent with Recommendation three of the Motor Vehicle Titling, Registration and Salvage Advisory Committee.

"(10) A State shall employ the following titling and control methods:

"(A) If an insurance company is not involved in a damage settlement involving a salvage vehicle or a nonrepairable vehicle, the passenger motor vehicle owner shall apply for a salvage title or nonrepairable vehicle certificate, whichever is applicable, before the passenger motor vehicle is repaired or the ownership of the passenger motor vehicle is transferred, but in any event within 30 days after the passenger motor vehicle is damaged.

"(B) If an insurance company, pursuant to a damage settlement, acquires ownership of a passenger motor vehicle that has incurred damage requiring the vehicle to be titled as a salvage vehicle or nonrepairable vehicle, the insurance company or salvage facility or other agent on its behalf shall apply for a salvage title or nonrepairable vehicle certificate within 30 days after the title is properly assigned by the owner to the insurance company and delivered to the insurance company or salvage facility or other agent on its behalf with all liens released.

"(C) If an insurance company does not assume ownership of an insured's or claimant's passenger motor vehicle that has incurred damage requiring the vehicle to be titled as a salvage vehicle or nonrepairable vehicle, the insurance company shall notify the owner of the owner's obligation to apply for a salvage title or nonrepairable vehicle certificate for the passenger motor vehicle and notify the State passenger motor vehicle titling office that a salvage title or nonrepairable vehicle certificate should be issued for the vehicle, except to the extent such notification is prohibited by State insurance law.

"(D) If a leased passenger motor vehicle incurs damage requiring the vehicle to be titled as a salvage vehicle or nonrepairable vehicle, the lessor shall apply for a salvage title or nonrepairable vehicle certificate within 21 days after being notified by the lessee that the vehicle has been so damaged, except when an insurance company, pursuant to a damage settlement, acquires ownership of the vehicle. The lessee of such vehicle shall inform the lessor that the leased vehicle has been so damaged within 30 days after the occurrence of the damage.

"(E) Any person acquiring ownership of a damaged passenger motor vehicle that meets the definition of a salvage or nonrepairable vehicle for which a salvage title or nonrepairable vehicle certificate has not been issued, shall apply for a salvage title or nonrepairable vehicle certificate, whichever is applicable. This application shall be made before the vehicle is further transferred, but in any event, within 30 days after ownership is acquired. The requirements of this subparagraph shall not apply to any scrap metal processor which acquires a passenger motor vehicle for the sole purpose of processing it into prepared grades of scrap and which so processes such vehicle.

"(F) State records shall note when a nonrepairable vehicle certificate is issued. No State shall issue a nonrepairable vehicle certificate after 2 transfers of ownership.

"(G) When a passenger motor vehicle has been flattened, baled, or shredded, whichever comes first, the title or nonrepairable vehicle certificate for the vehicle shall be surrendered to the State within 30 days. If the second transferee on a nonrepairable vehicle certificate is unequipped to flatten, bale, or shred the vehicle, such transferee shall, at the time of final disposal of the vehicle, use the services of a professional automotive recycler or professional scrap processor who is hereby authorized to flatten, bale, or shred the vehicle and to effect the surrender of the nonrepairable vehicle certificate to the State on behalf of such second transferee. State records shall be updated to indicate the destruction of such vehicle and no further ownership transactions for the vehicle will be permitted. If different than the State of origin of the title or nonrepairable vehicle certificate, the State of surrender shall notify the State of origin of the surrender of the title or nonrepairable vehicle certificate and of the destruction of such vehicle.

"(H) When a salvage title is issued, the State records shall so note. No State shall permit the retitling for registration purposes or issuance of a rebuilt salvage title for a passenger motor vehicle with a salvage title without a certificate of inspection, which complies with the security and guideline standards established by the Secretary pursuant to paragraphs (3), (7), and (8), as applicable, indicating that the vehicle has passed the inspections required by the State. This subparagraph does not preclude the issuance of a new salvage title for a salvage vehicle after a transfer of ownership.

"(I) After a passenger motor vehicle titled with a salvage title has passed the inspections required by the State, the inspection official will affix the secure decal required pursuant to section 33301(4) to the driver's door jamb of the vehicle and issue to the owner of the vehicle a certificate indicating that the passenger motor vehicle has passed the inspections required by the State. The decal shall comply with the permanency requirements established by the Secretary.

"(J) The owner of a passenger motor vehicle titled with a salvage title may obtain a rebuilt salvage title or vehicle registration, or both, by presenting to the State the salvage title, properly assigned, if applicable, along with the certificate that the vehicle has passed the inspections required by the State. With such proper documentation and upon request, a rebuilt salvage title or registration, or both, shall be issued to the owner. When a rebuilt salvage title is issued, the State records shall so note.

"(11) A seller of a passenger motor vehicle that becomes a flood vehicle shall, at or prior to the time of transfer of ownership, give the buyer a written notice that the vehicle has been damaged by flood, provided such person has actual knowledge that such vehicle has been damaged by flood. At the time of the next title application for the vehicle, disclosure of the flood status shall be provided to the applicable State with the properly assigned title and the word 'Flood' shall be conspicuously labeled across the front of the new title.

“(12) In the case of a leased passenger motor vehicle, the lessee, within 15 days of the occurrence of the event that caused the vehicle to become a flood vehicle, shall give the lessor written disclosure that the vehicle is a flood vehicle.

“(13) Ownership of a passenger motor vehicle may be transferred on a salvage title, however, a passenger motor vehicle for which a salvage title has been issued shall not be registered for use on the roads or highways unless it has been issued a rebuilt salvage title.

“(14) Ownership of a passenger motor vehicle may be transferred on a rebuilt salvage title, and a passenger motor vehicle for which a rebuilt salvage title has been issued may be registered for use on the roads and highways.

“(15) Ownership of a passenger motor vehicle may only be transferred 2 times on a nonrepairable vehicle certificate. A passenger motor vehicle for which a nonrepairable vehicle certificate has been issued can never be titled or registered for use on roads or highways.

“(c) Consumer Notice in Noncompliant States.—Any State receiving, either directly or indirectly, funds appropriated under section 30503(c) of this title after fiscal year 1998 and not complying with the requirements of subsections (a) and (b) of this section, shall conspicuously print the following notice on all titles or ownership certificates issued for passenger motor vehicles in such State until such time as such State is in compliance with the requirements of subsections (a) and (b) of this section: ‘NOTICE: This State does not conform to the uniform Federal requirements of the National Salvage Motor Vehicle Consumer Protection Act of 1997.’.

“§ 33303. Disclosure and label requirements on transfer of rebuilt salvage vehicles

“(a) Written Disclosure Requirements.—

“(1) General rule.—Under regulations prescribed by the Secretary of Transportation, a person transferring ownership of a rebuilt salvage vehicle shall give the transferee a written disclosure that the vehicle is a rebuilt salvage vehicle when such person has actual knowledge of the status of such vehicle.

“(2) False statement.—A person making a written disclosure required by a regulation prescribed under paragraph (1) of this subsection may not make a false statement in the disclosure.

“(3) Completeness.—A person acquiring a rebuilt salvage vehicle for resale may accept a disclosure under paragraph (1) only if it is complete.

“(4) Regulations.—The regulations prescribed by the Secretary shall provide the way in which information is disclosed and retained under paragraph (1).

“(b) Label Requirements.—

“(1) In general.—The Secretary shall by regulation require that a label be affixed to the windshield or window of a rebuilt salvage vehicle before its first sale at retail containing such information regarding that vehicle as the Secretary may require. The label shall be affixed by the individual who conducts the applicable State antitheft inspection in a participating State.

“(2) Removal, alteration, or illegibility of required label.—No person shall willfully remove, alter, or render illegible any label required by paragraph (1) affixed to a rebuilt salvage vehicle before the vehicle is delivered to the actual custody and possession of the first retail purchaser.

“(c) Limitation.—The requirements of subsections (a) and (b) shall only apply to a transfer of ownership of a rebuilt salvage vehicle where such transfer occurs in a State which, at the time of the transfer, is complying with subsections (a) and (b) of section 33302.

“§ 33304. Report on funding

“The Secretary shall, contemporaneously with the issuance of a final rule pursuant to section 33302(b), report to appropriate committees of Congress whether the costs to the States of compliance with such rule can be met by user fees for issuance of titles, issuance of registrations, issuance of duplicate titles, inspection of rebuilt vehicles, or for the State services, or by earmarking any moneys collected through law enforcement action to enforce requirements established by such rule.

“§ 33305. Effect on State law

“(a) In General.—Unless a State is in compliance with subsection (c) of section 33302, effective on the date the rule promulgated pursuant to section 33302 becomes effective, the provisions of this chapter shall preempt all State laws in States receiving funds, either directly or indirectly, appropriated under section 30503(c) of this title after fiscal year 1998, to the extent they are inconsistent with the provisions of this chapter or the rule promulgated pursuant to section 33302, which—

“(1) set forth the form of the passenger motor vehicle title;

“(2) define, in connection with a passenger motor vehicle (but not in connection with a passenger motor vehicle part or part assembly separate from a passenger motor vehicle), any term defined in section 33301 or the terms ‘salvage’, ‘junk’, ‘reconstructed’, ‘nonrepairable’, ‘unrebuildable’, ‘scrap’, ‘parts only’, ‘rebuilt’, ‘flood’, or any other symbol or word of like kind, or apply any of those terms to any passenger motor vehicle (but not to a passenger motor vehicle part or part assembly separate from a passenger motor vehicle); or

“(3) set forth titling, recordkeeping, antitheft inspection, or control procedures in connection with any salvage vehicle, rebuilt salvage vehicle, nonrepairable vehicle, or flood vehicle.

The requirements described in paragraph (3) shall not be construed to affect any State consumer law actions that may be available to residents of the State for violations of this chapter.

“(b) Construction.—Additional disclosures of a passenger motor vehicle's title status or history, in addition to the terms defined in section 33301, shall not be deemed inconsistent with the provisions of this chapter. Such disclosures shall include disclosures made on a certificate of title. When used in connection with a passenger motor vehicle (but not in connection with a passenger motor vehicle part or part assembly separate from a passenger motor vehicle), any definition of a term defined in section 33301 which is different than the definition in that section or any use of any term listed in subsection (a), but not defined in section 33301, shall be deemed inconsistent with the provisions of this chapter. Nothing in this chapter shall preclude a State from disclosing on a rebuilt salvage title that a rebuilt salvage vehicle has passed a State safety inspection which differed from the nationally uniform criteria to be promulgated pursuant to section 33302(b)(8).

“§ 33306. Civil and criminal penalties

“(a) Prohibited Acts.—It shall be unlawful for any person knowingly and willfully to—

“(1) make or cause to be made any false statement on an application for a title (or duplicate title) for a passenger motor vehicle or any disclosure made pursuant to section 33303;

“(2) fail to apply for a salvage title when such an application is required;

“(3) alter, forge, or counterfeit a certificate of title (or an assignment thereof), a nonrepairable vehicle certificate, a certificate verifying an anti-theft inspection or an anti-theft and safety inspection, a decal affixed to a passenger motor vehicle pursuant to section 33302(b)(10)(I), or any disclosure made pursuant to section 33303;

“(4) falsify the results of, or provide false information in the course of, an inspection conducted pursuant to section 33302(b)(7) or (8);

“(5) offer to sell any salvage vehicle or nonrepairable vehicle as a rebuilt salvage vehicle;

“(6) fail to make any disclosure required by section 33303, except when the person lacks actual knowledge of the status of the rebuilt salvage vehicle;

“(7) violate a regulation prescribed under this chapter; or

“(8) conspire to commit any of the acts enumerated in paragraph (1), (2), (3), (4), (5), (6), or (7).

“(b) Civil Penalty.—Any person who commits an unlawful act as provided in subsection (a) of this section shall be fined a civil penalty of up to $2,000 per offense. A separate violation occurs for each passenger motor vehicle involved in the violation.

“(c) Criminal Penalty.—Any person who commits an unlawful act as provided in subsection (a) of this section shall be fined up to $50,000 or sentenced to up to 3 years imprisonment or both, per offense.

“§ 33307. Actions by States

“(a) In General.—Whenever an attorney general of any State has reason to believe that the interests of the residents of that State have been or are being threatened or adversely affected because any person has violated or is violating section 33302 or 33303, the State, as parens patriae, may bring a civil action on behalf of its residents in an appropriate district court of the United States or the appropriate State court to enjoin such violation or to enforce the civil penalties under section 33306 or enforce the criminal penalties under section 33306.

“(b) Notice.—The State shall serve prior written notice of any civil or criminal action under subsection (a) or (e)(2) upon the Attorney General and provide the Attorney General with a copy of its complaint, except that if it is not feasible for the State to provide such prior notice, the State shall serve such notice immediately upon instituting such action. Upon receiving a notice respecting a civil or criminal action, the Attorney General shall have the right—

“(1) to intervene in such action;

“(2) upon so intervening, to be heard on all matters arising therein; and

“(3) to file petitions for appeal.

“(c) Construction.—For purposes of bringing any civil or criminal action under subsection (a), nothing in this Act shall prevent an attorney general from exercising the powers conferred on the attorney general by the laws of such State to conduct investigations or to administer oaths or affirmations or to compel the attendance of witnesses or the production of documentary and other evidence.

“(d) Venue; Service of Process.—Any civil or criminal action brought under subsection (a) in a district court of the United States may be brought in the district in which the defendant is found, is an inhabitant, or transacts business or wherever venue is proper under section 1391 of title 28, United States Code. Process in such an action may be served in any district in which the defendant is an inhabitant or in which the defendant may be found.

"(e) ACTIONS BY STATE OFFICIALS.—

"(1) Nothing contained in this section shall prohibit an attorney general of a State or other authorized State official from proceeding in State court on the basis of an alleged violation of any civil or criminal statute of such State.

"(2) In addition to actions brought by an attorney general of a State under subsection (a), such an action may be brought by officers of such State who are authorized by the State to bring actions in such State on behalf of its residents.".

(b) CONFORMING AMENDMENT.—The table of chapters for part C at the beginning of subtitle VI of title 49, United States Code, is amended by inserting at the end the following new item:

"333. AUTOMOBILE SAFETY AND TITLE DISCLOSURE REQUIREMENTS .... 33301".

SEC. 3. AMENDMENTS TO CHAPTER 305.

(a) DEFINITIONS.—

(1) Amend section 30501(4) of title 49, United States Code, to read as follows:

"(4) 'nonrepairable vehicle', 'salvage vehicle', and 'rebuilt salvage vehicle' shall have the same meanings given those terms in section 33301 of this title.".

(2) Amend section 30501(5) of title 49, United States Code, by striking "junk automobiles" and inserting "nonrepairable vehicles".

(3) Amend section 30501(8) by striking "salvage automobiles" and inserting "salvage vehicles".

(4) Strike paragraph (7) of section 30501 of title 49, United States Code, and renumber the succeeding sections accordingly.

(b) NATIONAL MOTOR VEHICLE TITLE INFORMATION SYSTEM.—

(1) Amend section 30502(d)(3) of title 49, United States Code, to read as follows:

"(3) whether an automobile known to be titled in a particular State is or has been a nonrepairable vehicle, a rebuilt salvage vehicle, or a salvage vehicle;".

(2) Amend section 30502(d)(5) of title 49, United States Code, to read as follows:

"(5) whether an automobile bearing a known vehicle identification number has been reported as a nonrepairable vehicle, a rebuilt salvage vehicle, or a salvage vehicle under section 30504 of this title.".

(c) STATE PARTICIPATION.—Amend section 30503 of title 49, United States Code, to read as follows:

"§ 30503. State participation

"(a) STATE INFORMATION.—Each State receiving funds appropriated under subsection (c) shall make titling information maintained by that State available for use in operating the National Motor Vehicle Title Information System established or designated under section 30502 of this title.

"(b) VERIFICATION CHECKS.—Each State receiving funds appropriated under subsection (c) shall establish a practice of performing an instant title verification check before issuing a certificate of title to an individual or entity claiming to have purchased an automobile from an individual or entity in another State. The check shall consist of—

"(1) communicating to the operator—

"(A) the vehicle identification number of the automobile for which the certificate of title is sought;

"(B) the name of the State that issued the most recent certificate of title for the automobile; and

"(C) the name of the individual or entity to whom the certificate of title was issued; and

"(2) giving the operator an opportunity to communicate to the participating State the results of a search of the information.

"(c) GRANTS TO STATES.—

"(1) In cooperation with the States and not later than January 1, 1994, the Attorney General shall—

"(A) conduct a review of systems used by the States to compile and maintain information about the titling of automobiles; and

"(B) determine for each State the cost of making titling information maintained by that State available to the operator to meet the requirements of section 30502(d) of this title.

"(2) The Attorney General may make reasonable and necessary grants to participating States to be used in making titling information maintained by those States available to the operator.

"(d) REPORT TO CONGRESS.—Not later than October 1, 1998, the Attorney General shall report to Congress on which States have met the requirements of this section. If a State has not met the requirements, the Attorney General shall describe the impediments that have resulted in the State's failure to meet the requirements.".

(d) REPORTING REQUIREMENTS.—Section 30504 of title 49, United States Code, is amended by striking "junk automobiles or salvage automobiles" every place it appears and inserting "nonrepairable vehicles, rebuilt salvage vehicles, or salvage vehicles".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Virginia [Mr. BLILEY] and the gentleman from Massachusetts [Mr. MARKEY] each will control 20 minutes.

The Chair recognizes the gentleman from Virginia [Mr. BLILEY].

GENERAL LEAVE

Mr. BLILEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 1839.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. BLILEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I rise in strong support of H.R. 1839, the National Salvage Motor Vehicle Consumer Protection Act. Ever since my constituent Dick Strauss, a car dealer in Richmond, VA, first came to me to describe this problem several years ago, I have consistently supported the adoption of uniform definitions for salvage automobiles. It is an important protection for consumers, dealers, and insurers alike to prevent theft and to protect used car customers.

Frequently auto dealers will make every effort to ensure that the used cars on their lots are of the highest quality. Unfortunately, increasingly sophisticated scam artists are using the differences in State automobile titling schemes to swindle both consumers and legitimate businesspeople. We read about the problem in our local papers, even in the comics. I am reminded of a recent series in the Judge Parker comic strip about a young lady who discovered she had unknowingly purchased a vehicle that had been totaled in an accident. We have an obligation to protect real consumers from the same fate.

H.R. 1839 goes a long way toward achieving that goal. Supported by a coalition of business groups and the States, this bill implements many of the recommendations of a national panel of experts representing the States, law enforcement and business asking for Federal legislation to establish uniform definitions and procedures for the titling and registration of vehicles totaled by accident or flood. When enacted, H.R. 1839 will ensure that consumers have better access to information about the cars that they intend to purchase and that honest dealers can sell used cars without the worry that they may unwittingly be selling a stolen or totaled car.

The bill before the House today makes several changes to the bill reported by the Committee on Commerce. At the request of the States and the Committee on the Judiciary, we reexamined a provision in the committee reported bill which tied participation in the National Motor Vehicle Title Information System to the adoption of the standards in H.R. 1839. After extensive discussions with State motor vehicle administrators and others, we agreed that an approach using the incentive of an existing Federal grant program would address the concerns of State motor vehicle and law enforcement officials while at the same time significantly improving participation in the program.

The bill as amended eliminates the prohibition on participation in the National Motor Vehicle Title Information System which concerns State and Federal officials. However, the bill stipulates that if a State receives grant funding to upgrade its motor vehicle titling systems, it must either adopt the standards and procedures described in H.R. 1839 or print a notice on the face of each of its titles that it does not comply with the consumer protections required by this legislation. We believe that this change will encourage even more States to participate than CBO originally projected.

The legislation before the House today also improves the definition of "flood vehicle" provided in the bill as introduced. After the Midwest floods over the past few years, it was clear that a more precise definition of this term is needed. I was happy to see that the salvage operators, insurers, and automobile dealers worked together to address this problem.

Mr. Speaker, H.R. 1839 is legislation which protects consumers by striking a balance. It vastly improves the status quo by giving consumers, dealers and

State officials notice about the status of vehicles that have been totaled by accident or flood. Today the patchwork of 50 different State laws ensures that no State can adequately protect its own citizens. This bill changes that situation. For that reason I strongly support its passage.

In closing, I want to recognize the gentleman from Washington [Mr. WHITE] for all the hard work and his willingness to try to work with the interested groups for a solution to the problem. I would also like to thank the gentleman from Illinois [Mr. HYDE] and the gentleman from Florida [Mr. MCCOLLUM] for their willingness to work with the Committee on Commerce to bring this legislation forward. I urge all my colleagues to support the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. MARKEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise with significant concerns about the bill before us this afternoon. This legislation is opposed by the Center for Auto Safety, the Consumer Federation of America, the Consumers for Auto Reliability and Safety, U.S. PIRG, the National Association of Consumer Advocates, Public Citizen and the Consumers Union.

I believe the author of this legislation commenced with very noble intentions, but was forced into a rather elliptical legislative scheme to induce State actions for fear of triggering an unfunded mandates claim. As a result, this legislation ultimately does not require States to do much of anything to protect consumer safety. There are no mandatory safety inspections in the bill. Safety inspections are optional.

Moreover, this bill may unwittingly lead to greater consumer confusion about the condition of used cars because States will undoubtedly have various requirements for consumer disclosure from coast to coast.

In addition, the bill may force States to rewrite better consumer protection laws in which the terms "rebuilt salvage vehicle" or "salvage vehicle" now appear. It would prevent States from using a damage threshold of under 80 percent, which is higher than a number of States' laws, and higher than the recommendations from the Nation's attorneys general and a special task force that delved into these issues in depth.

Second, I continue to have concerns that the definition in the bill of a "late model vehicle" is overly narrow. This legislation would exempt sellers of cars over 6 model years old and worth less than $7,500 from having to disclose any accident damage. My car, my beautiful Buick Park Avenue, is 7 years old. It only has 42,000 miles on it. If I had a major accident, I would not have to disclose that, even though I could represent that it only had 42,000 miles, looked like it was in good condition. The average car on the road these days is close to 8 years old. The Department of Transportation tells us that. So we are potentially exempting a very large fleet of automobiles from the provisions in the bill.

Third, the legislation does not include a private right of action for aggrieved consumers. I believe that a private right of action ought to be included in the bill so that individuals can act without having to wait for a State attorney general to take action.

Again, this legislation is opposed by the Center for Auto Safety, the Consumer Federation of America, and all the rest of the groups that I mentioned. I would hope that before the legislative process is over, the bill will be adjusted so that consumer groups will support what is ostensibly being done on their behalf.

I do believe that we will still have an opportunity in the other body and in conference with the Senate to further improve the bill. I want to thank the gentleman from Virginia [Mr. BLILEY] for the way in which he has conducted proceedings on this bill, and I want to thank the gentleman from Louisiana [Mr. TAUZIN] and the gentleman from Washington [Mr. WHITE] for their willingness to work with people on this side of the aisle and to listen to our concerns and those of national consumer organizations.

The gentleman from Washington [Mr. WHITE] has made some adjustments in this legislation, and I thank him for that, but I continue to feel that this bill needs further adjustment and hope that we can continue to improve upon the language before the House this afternoon or when we reach conference committee with the Senate.

Mr. Speaker, I reserve the balance of my time.

Mr. BLILEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington [Mr. WHITE], a member of the committee.

□ 1445

Mr. WHITE. Mr. Speaker, I thank the gentleman from Virginia for his excellent work in helping on this bill and yielding me this time today.

Mr. Speaker, we have a bill here that in the last Congress had well over 200 cosponsors. In this Congress, we also have numerous cosponsors going all the way from the minority leader, the gentleman from Missouri [Mr. GEPHARDT] to many, many Republicans. That usually means one or two things; either it is a bill that is a really good idea and a lot of people support it, or it is a bill that does not do very much so people do not have to worry about it too much. I would respectfully suggest that in this case we are in the former situation, and I think all my colleagues should think very seriously about passing this bill.

This bill addresses a very simple problem, the fact that consumers now do not know, when they buy a used car, whether the car has been damaged and totaled and then reconstructed or not, and that can lead to a number of safety problems. The problem is, we do not have a uniform system among our States to title these vehicles, and the bill is designed to solve that problem.

Although it does seem like a simple problem, nothing is never quite as simple as we think when we start drafting a Federal bill, and we have spent 3 years, Mr. Speaker, talking to every single group we could find, from the State motor vehicle departments, the consumer groups, auto dealers, everybody we could come up with, to try to come up with a bill that solves this problem in a reasonable way, and I think the bill we have does that in a very good way.

I would say to my friend from Massachusetts that there are some groups who oppose this bill, but there are far more groups who support the bill, groups ranging from the motor vehicle administrators representing all the State and motor vehicle departments, certain consumer groups, new car dealers, and most of the people who have been involved in this process right from the beginning.

I would also say that while there are some groups who support it, many of them, the groups who oppose this bill, do so because it omits a private right of action, does not allow people to sue under a Federal statute in order to enforce certain parts of the bill. That is exactly what we tried to avoid in drafting this bill, was a process that would lead to a lot of litigation. We would like to have a simple rule that can be easily administered without a whole bunch of Federal preemptions of States rights.

I would also say to the gentleman that we have spent hours and hours and hours trying to figure out a definition that achieves a balance between protecting as many people as possible but not being absurd at the end of the day.

The gentleman may have an automobile that is more than 6 years old. I have to tell him that my automobile is 13 years old. My automobile has 120,000 miles on it, and I can tell my colleague that if I have a flat tire on my automobile, the value of the automobile is such that it might well trigger the 80-percent threshold for saying that my car has been totaled. And what we have tried to do in coming up with a definition is find a balance where we protect as many cars as possible but we do not bring into the definition of a car that has been totaled cars as old as mine and as worthless as mine that still work but might be considered totaled because they have a flat tire.

So we really have tried very hard to address the gentleman's concerns. I would say that we would like to continue to try to address the gentleman's concerns, and if this bill does pass today, as we hope, we would be happy to talk to him in the conference and see if we cannot make some additional adjustments that move things in the right direction, but we have worked very hard on this bill with all the groups who are interested, and I think it is time to pass it in this House today.

Mr. MARKEY. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, again, I want to compliment the gentleman from Washington State, and the gentleman from Virginia, and the gentleman from Louisiana for their work on this legislation. It is a complicated piece of legislation, and where we draw the line is, of course, one that is, as my colleagues know, a judgment that is quite subjective.

The bill that is before us today exempts sellers of cars where the automobile is 6 years, 6 model years, or older and worth less than $7,500. Now that is just a judgment call, but we are told that the average, the average automobile in the United States is 8 years old or older. So if the average car is 8 years old and we are picking 6 years, what are we talking about?

So what I did was, I had Kelly's Blue Book site on the Internet pulled up so we can take a look at some of the cars that one might be able to purchase that would not be covered, one would not get any warning that the car had had serious damage to it. Here are just a few of the 1989 model cars that the bill exempts in the Blue book:

A 1989 Chrysler Le Baron premium convertible 2-D, 100,000 miles; 1989; one could get it for $1,310; but they do not have to say if it has had a major collision, they do not have to give any information about it.

How about a 1989—would my colleague be interested in this: A 1989 Oldsmobile Cutlass Supreme coupe, 110,000 miles, cruise control, AM/FM stereo cassette, compact disk, CD changer, premium sound, sliding sun roof, and get it for 1,900 bucks? But my colleague is not going to get any information about whether or not it was in a crash.

How about this one? See if my colleague is interested. A 1989 Alfa Romeo Spyder convertible, compact disk, CD changer, premium sound, air-conditioning, power steering, the works, 4,470 bucks. 1989. But it is exempt; they do not have to pass on this information about whether or not it had a major accident.

Now how about this one if my colleague is not interested in the others? A 1989 Porsche 944 turbo coupe with air-conditioning, power steering, power windows, power door locks, tilt wheel, cruise control, premium sound, sliding sun roof, alloy rear wheels, excellent trade-in value, 7,455 bucks. This is a 1989 Porsche, no information about whether or not it had accidents.

I am almost done. As my colleague knows, I have got to go through the entire inventory in the store, and then I will be more than willing to yield to the gentleman.

Mr. WHITE. I have got my eye on one right now. I would be happy to buy it from the gentleman.

Mr. MARKEY. All right. Well, listen to this one. This might have been something that has been in the back of my colleague's mind over the years. I bet we all had a little bit of a fantasy about this car, a 1989 Jaguar XJS convertible, beautiful car, really a beautiful car, air-conditioning, power steering, power windows, power door locks, tilt wheel, AM/FM cassette, leather, alloy wheels, 7,125 bucks, 1989, 8 years old, the average age of a car in the United States.

I think that we at least should have the average car. Now we all know that an automobile that is older than this, as my colleagues know, is not going to be worth, on average, 7,500 bucks. It is tough to find a car that is 8, 9, 10 years old that is worth 7,500 bucks, but yet that is the average age of the cars on the road, and millions and millions of Americans every single year purchase a car in that age category because they cannot afford to buy a brand new car. Are not they entitled to some minimal amount of information about whether or not the previous owner had a major crackup with the car?

Mr. Speaker, I yield to the gentleman from Washington [Mr. WHITE].

Mr. WHITE. Mr. Speaker, I appreciate it very much, and I know it is a mistake to buy a used car from the gentleman from Massachusetts, but, nevertheless, I am intrigued by the Oldsmobile that he talked about, the 1989 Oldsmobile, I believe the gentleman said it had a sun roof, for $1,900; is that right?

Mr. MARKEY. That is correct.

Mr. WHITE. And if I bought that car from the gentleman, and the sun roof had a malfunction, it could easily cost me $1,000, $1,300, maybe even $1,600 to fix that sun roof, and if it did cost me $1,600 to fix that sun roof, the bill would be considered totaled under the 80 percent definition, which is why it would not make sense to include that car in this particular bill.

The whole thing is about coming up with a balance. We do not want a situation where a perfectly serviceable car, no structural damage, has a damaged sun roof and then all of a sudden has to be classified as a salvaged vehicle under this title, and that is the balance we are trying to strike. I know the gentleman wants to strike the balance too. I know he suggested that we use a definition of 8 years. We actually have 6 model years, which is actually 7 years, so we are very close.

Mr. MARKEY. If I may reclaim my time, what if, rather than the case the gentleman singles out, what if it was the axle of the car that was damaged? What if it was that the steering wheel, in fact, had been coming off in the hands of the previous owner? What if, in fact, the engine on a frequent basis had been exploding into flames in the driveway of the previous owner and he had been trying to unload it on some unsuspecting consumer looking for a bargain?

So, yes, the sun roof answer is an interesting one and kind of a cute one, but it does not get to the core of our concern, which is the safety-related issues that could be covered up.

Mr. Speaker, I yield to the gentleman from Washington [Mr. WHITE].

Mr. WHITE. All I want to point out is, the gentleman is absolutely right, if a car has an axle problem, that is something someone would like to know about, but under his bill a car, or his suggestion, a car that is older than 8 years, one still would not know about the axle.

So it is all a question of just where we draw the line to try to capture the most cars in a reasonable way.

Mr. MARKEY. Let me reclaim my time one more time to say I agree with the gentleman, it is where we draw the line. But if the average age of the average automobile on the American highway is 8 years of age, then at least let us give that protection. We can decide that in 10 years, in 12 years it is caveat emptor, but, my God, most of us, when and if we buy a used car, we are going to be buying it in the sixth to eighth year category. So that is the only point I am trying to make here.

The gentleman has moved the bill in the correct direction. I just think it stops short of capturing that group of automobiles which really is the most desirable used car that is being sold in America but with representations that may not fully reflect the safety of the car.

Mr. Speaker, I reserve the balance of my time at this point.

Mr. BLILEY. Mr. Speaker, I do not have any more speakers, so I would reserve the balance of my time.

Mr. MARKEY. May I ask, Mr. Speaker, how much time I have remaining?

The SPEAKER pro tempore [Mr. PACKARD]. The gentleman from Massachusetts has 9 minutes remaining.

Mr. MARKEY. Mr. Speaker, I yield 5 minutes to the gentleman from Pennsylvania [Mr. KLINK].

Mr. KLINK. Mr. Speaker, I thank the gentleman for yielding this time to me. He is gracious. I may not use all 5 minutes, and I would be happy to yield that time back if I do not.

I just want to say, Mr. Speaker, along with my colleague from Massachusetts, I rise today to inform my colleagues that, in fact, this bill might not be what they think it is, and I want to first of all start off by giving great praise to my colleague, the gentleman from Washington [Mr. WHITE], who has worked very hard on this piece of legislation, and the fact that we disagree on this piece of legislation does not mean that he has not worked with all great intention and he has moved the bill the right way, but I think that if this bill is to pass, that we are going to be making an already bad situation all the more confusing for the consumers across this Nation.

And I would agree that the national uniformity for auto salvage laws is a very good idea. In fact, VIN switching and title washing are definitely a problem that national uniformity would help. But as it has developed, this bill does not provide that uniformity.

As introduced, H.R. 1839 did require national uniformity even though, and I may have disagreed with how it would have preempted the State laws, at least it would have created a uniform system so that consumers would know exactly what it was they were buying, regardless of the State that they lived in.

But, Mr. Speaker, I have to point out to my colleagues that the bill that they will be voting on today, as changed by the manager's amendment, will not get us uniformity, and in fact it now runs the risk of being worse than us doing nothing at all.

In 1992, Members of Congress passed the Anti-Car Theft Act which, among other things, made carjacking a Federal crime. Also included in that act was the authorization of the National Motor Vehicle Title Information System to be a national data base of information on State and motor vehicle titles that would allow States to do an instant check on vehicles titled in another State.

The way this bill works is to require States that want to participate in the National Motor Vehicle Title Information System to either adopt the new Federal standards or include a new notice on the certificate of title that discloses that their State does not comply with the new Federal standards or stay exactly the way they are right now and not participate in the National Motor Vehicle Title Information System.

So, again, Mr. Speaker, I want to point out that making the adoption of the new Federal standards completely optional directly contradicts the bill's intended purpose to establish national uniformity and definitions and procedures regarding the titling of severely damaged motor vehicles.

If this act passes, we will have three kinds of States; we will have States that can opt into the Federal standards and can take Federal grant money to participate in a yet to be developed national motor vehicle titling information system at the cost of having their salvage laws preempted by the national law. If a State does not want to do that, they would fall perhaps in the second category, and that is States that opt out of the Federal standards but they still want to take Federal grant money to participate in the national motor vehicle titling information system, but they would then decide to disclose the fact that they do not comply with Federal standards on each certificate of title that they issue. Or we could have a third kind of State, States that completely opt out and keep their current law.

Now I am in favor of national uniformity, but, as my colleagues can see, we have some States adopting a Federal standard, some States that have to disclose that they are not going to adopt the Federal standards but that they still want to take Federal grant money to participate in a national motor vehicle titling information system, and some States that could say the heck with it all, we are going to stand pat on what we are doing now, we are going to keep our local standards, our current State law, that afford more disclosure to consumers than the proposed Federal standard.

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Now, I have to say again, this does not help us to achieve the stated goal of uniformity. In fact, I think it is going to worsen the current hodgepodge of State laws, while potentially undermining the effectiveness of the national motor vehicle tight link information system at the same time. In addition to having various State laws, we are now going to add to that another level of Federal law that consumers will assume is national uniformity, but, in fact, will not be.

Mr. Speaker, I remain very happy to work with my colleagues if this bill does not pass so that we can achieve our goals, but as of right now this is a bill that badly needs to be improved.

Mr. BLILEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington [Mr. WHITE].

Mr. WHITE. Mr. Speaker, I thank the gentleman for yielding me this time.

I just wanted to say in response to the gentleman from Pennsylvania, I appreciate his work on this bill too, and I know he has worked with us long and hard in a sincere effort in trying to improve this bill. The same is certainly true for the gentleman from Massachusetts.

If I could characterize what the gentleman from Pennsylvania has said, he is essentially saying this bill is not quite perfect, it does not quite establish a national uniform standard, and I would say to him that that is essentially true. It would be nice to have a uniform national standard, but we also have a Constitution that we have to deal with here and we can only do so much as the Constitution permits us.

I think it would be a mistake to make the perfect bill here be the enemy of a good bill. We have a good bill that takes us a long way in the right direction. We have heard from most of the States, and our sense is that virtually all of them will participate in this program.

So I think it is a good bill and one that is worth voting for.

Mr. MARKEY. Mr. Speaker, I have no remaining speakers on my side, so I would urge a "no" vote on this bill.

Mr. Speaker, I yield back the balance of my time.

Mr. BLILEY. Mr. Speaker, I yield myself such time as I may consume just to say this, and I will be very brief. The National Automobile Dealers support this bill; the American Association of Motor Vehicle Administrators, and a wide array of associations, industries, and law enforcement groups all support this bill.

Yes, I would like to have a national standard, but because of the Supreme Court Brady decision, we could not do that. I would also like to point out, there were some statements made today that perhaps 1839 would overrule existing State safety inspections. That is not the case. Mr. Speaker, 1839 specifically leaves intact existing State safety inspections of rebuilt and salvage vehicles. Mr. Speaker, I urge the adoption of the legislation.

Mr. POMEROY. Mr. Speaker, I rise today in support of H.R. 1839, the National Salvage Motor Vehicle Consumer Protection Act of 1997. The bill would remedy a situation where salvage vehicles that have been rebuilt are sold as undamaged used cars. This fraud occurs at the expense of $4 billion to consumers and business people each year.

Currently, there is no uniformity in how States define and report whether a vehicle has been damaged and if the level of damage warrants the vehicle to be deemed salvage. Some States require that this information appear on vehicle titles. However, even the States that require this disclosure record the information differently on vehicle titles. These discrepancies leave the door open for consumers to be defrauded. With each State having different guidelines, a car may be considered junked in one State and yet could cross State lines and obtain a clear title in another State. This problem becomes an issue of consumer rights. Car owners and the auto dealers who sell the cars have the right to know the history of their cars, and the rest of the public has the right to know that cars on the road are safe.

Under H.R. 1839, States involved in uniform titling and registering of salvage, rebuilt salvage and nonrepairable vehicles would have access to a Federal computer system that would assist in locating information about vehicle documents issued by other States. In an age when we attempt to track vehicles on Mars, why wouldn't we track our vehicles from one State to the next under a uniform system of titling procedures and definitions? It makes sense to use technology to guard consumers against theft and fraud of automobiles.

This legislation would set a definition of salvage vehicle to mean any damage that exceeds 80 percent of the retail value on a car up to 7 years old or newer. Once a car is designated as such, the car owner must get a salvage title. This sets the wheels in motion to ensure that a salvaged vehicle in North Dakota is a salvaged vehicle in New Mexico.

You may hear the argument that States aren't able to set their own guidelines under this bill. As a former State insurance commissioner, I firmly believe in States rights and the need for States to tailor laws for their respective residents. But this is a case where uniformity across State lines improves the overall safety of people in communities across the country.

The Motor Vehicle Titling, Registration and Salvage Advisory Committee, known simply as the Salvage Committee, that was formed as a result of the Anti-Car Theft Act of 1992 recommended many of the provisions of H.R. 1839. These provisions result in better information for consumers and dealers, and increased safety for the general public. With that in mind, I urge the Members to support the bill.

Mr. BLILEY. Mr. Speaker, having no further requests for time, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia [Mr. BLILEY] that the House suspend the rules and pass the bill, H.R. 1839, as amended.

The question was taken.

Mr. MARKEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

FEDERAL EMPLOYEES HEALTH CARE PROTECTION ACT OF 1997

Mr. MICA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1836) to amend chapter 89 of title 5, United States Code, to improve administration of sanctions against unfit health care providers under the Federal Employees Health Benefits Program, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1836

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Employees Health Care Protection Act of 1997".

SEC. 2. DEBARMENT AND OTHER SANCTIONS.

(a) AMENDMENTS.—Section 8902a of title 5, United States Code, is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) by striking "and" at the end of subparagraph (B);

(ii) by striking the period at the end of subparagraph (C) and inserting "; and"; and

(iii) by adding at the end the following:

"(D) the term 'should know' means that a person, with respect to information, acts in deliberate ignorance of, or in reckless disregard of, the truth or falsity of the information, and no proof of specific intent to defraud is required;"; and

(B) in paragraph (2)(A), by striking "subsection (b) or (c)" and inserting "subsection (b), (c), or (d)";

(2) in subsection (b)—

(A) by striking "The Office of Personnel Management may bar" and inserting "The Office of Personnel Management shall bar"; and

(B) by amending paragraph (5) to read as follows:

"(5) Any provider that is currently debarred, suspended, or otherwise excluded from any procurement or nonprocurement activity (within the meaning of section 2455 of the Federal Acquisition Streamlining Act of 1994).";

(3) by redesignating subsections (c) through (i) as subsections (d) through (j), respectively, and by inserting after subsection (b) the following:

"(c) The Office may bar the following providers of health care services from participating in the program under this chapter:

"(1) Any provider—

"(A) whose license to provide health care services or supplies has been revoked, suspended, restricted, or not renewed, by a State licensing authority for reasons relating to the provider's professional competence, professional performance, or financial integrity; or

"(B) that surrendered such a license while a formal disciplinary proceeding was pending before such an authority, if the proceeding concerned the provider's professional competence, professional performance, or financial integrity.

"(2) Any provider that is an entity directly or indirectly owned, or with a control interest of 5 percent or more held, by an individual who has been convicted of any offense described in subsection (b), against whom a civil monetary penalty has been assessed under subsection (d), or who has been debarred from participation under this chapter.

"(3) Any individual who directly or indirectly owns or has a control interest in a sanctioned entity and who knows or should know of the action constituting the basis for the entity's conviction of any offense described in subsection (b), assessment with a civil monetary penalty under subsection (d), or debarment from participation under this chapter.

"(4) Any provider that the Office determines, in connection with claims presented under this chapter, has charged for health care services or supplies in an amount substantially in excess of such provider's customary charge for such services or supplies (unless the Office finds there is good cause for such charge), or charged for health care services or supplies which are substantially in excess of the needs of the covered individual or which are of a quality that fails to meet professionally recognized standards for such services or supplies.

"(5) Any provider that the Office determines has committed acts described in subsection (d).

Any determination under paragraph (4) relating to whether a charge for health care services or supplies is substantially in excess of the needs of the covered individual shall be made by trained reviewers based on written medical protocols developed by physicians. In the event such a determination cannot be made based on such protocols, a physician in an appropriate specialty shall be consulted.";

(4) in subsection (d) (as so redesignated by paragraph (3)) by amending paragraph (1) to read as follows:

"(1) in connection with claims presented under this chapter, that a provider has charged for a health care service or supply which the provider knows or should have known involves—

"(A) an item or service not provided as claimed,

"(B) charges in violation of applicable charge limitations under section 8904(b), or

"(C) an item or service furnished during a period in which the provider was debarred from participation under this chapter pursuant to a determination by the Office under this section, other than as permitted under subsection (g)(2)(B);";

(5) in subsection (f) (as so redesignated by paragraph (3)) by inserting after "under this section" the first place it appears the following: "(where such debarment is not mandatory)";

(6) in subsection (g) (as so redesignated by paragraph (3))—

(A) by striking "(g)(1)" and all that follows through the end of paragraph (1) and inserting the following:

"(g)(1)(A) Except as provided in subparagraph (B), debarment of a provider under subsection (b) or (c) shall be effective at such time and upon such reasonable notice to such provider, and to carriers and covered individuals, as shall be specified in regulations prescribed by the Office. Any such provider that is debarred from participation may request a hearing in accordance with subsection (h)(1).

"(B) Unless the Office determines that the health or safety of individuals receiving health care services warrants an earlier effective date, the Office shall not make a determination adverse to a provider under subsection (c)(5) or (d) until such provider has been given reasonable notice and an opportunity for the determination to be made after a hearing as provided in accordance with subsection (h)(1).";

(B) in paragraph (3)—

(i) by inserting "of debarment" after "notice"; and

(ii) by adding at the end the following: "In the case of a debarment under paragraph (1), (2), (3), or (4) of subsection (b), the minimum period of debarment shall not be less than 3 years, except as provided in paragraph (4)(B)(ii).";

(C) in paragraph (4)(B)(i)(I) by striking "subsection (b) or (c)" and inserting "subsection (b), (c), or (d)"; and

(D) by striking paragraph (6);

(7) in subsection (h) (as so redesignated by paragraph (3)) by striking "(h)(1)" and all that follows through the end of paragraph (2) and inserting the following:

"(h)(1) Any provider of health care services or supplies that is the subject of an adverse determination by the Office under this section shall be entitled to reasonable notice and an opportunity to request a hearing of record, and to judicial review as provided in this subsection after the Office renders a final decision. The Office shall grant a request for a hearing upon a showing that due process rights have not previously been afforded with respect to any finding of fact which is relied upon as a cause for an adverse determination under this section. Such hearing shall be conducted without regard to subchapter II of chapter 5 and chapter 7 of this title by a hearing officer who shall be designated by the Director of the Office and who shall not otherwise have been involved in the adverse determination being appealed. A request for a hearing under this subsection shall be filed within such period and in accordance with such procedures as the Office shall prescribe by regulation.

"(2) Any provider adversely affected by a final decision under paragraph (1) made after a hearing to which such provider was a party may seek review of such decision in the United States District Court for the District of Columbia or for the district in which the plaintiff resides or has his or her principal place of business by filing a notice of appeal in such court within 60 days after the date the decision is issued, and by simultaneously sending copies of such notice by certified mail to the Director of the Office and to the Attorney General. In answer to the appeal, the Director of the Office shall promptly file in such court a certified copy of the transcript of the record, if the Office conducted a hearing, and other evidence upon which the findings and decision complained of are based. The court shall have power to enter, upon the pleadings and evidence of record, a judgment affirming, modifying, or setting aside, in whole or in part, the decision of the Office, with or without remanding the case for a rehearing. The district court shall not set aside or remand the decision of the Office unless there is not substantial evidence on the record, taken as whole, to support the findings by the Office of a cause for action under this section or unless action taken by the Office constitutes an abuse of discretion."; and

(8) in subsection (i) (as so redesignated by paragraph (3))—

(A) by striking "subsection (c)" and inserting "subsection (d)"; and

(B) by adding at the end the following: "The amount of a penalty or assessment as finally determined by the Office, or other amount the Office may agree to in compromise, may be deducted from any sum then or later owing by the United States to the party against whom the penalty or assessment has been levied.".

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) EXCEPTIONS.—(A) Paragraphs (2), (3), and (5) of section 8902a(c) of title 5, United States Code, as amended by subsection (a)(3), shall apply only to the extent that the misconduct which is the basis for debarment under such paragraph (2), (3), or (5), as applicable, occurs after the date of the enactment of this Act.

(B) Paragraph (1)(B) of section 8902a(d) of title 5, United States Code, as amended by subsection (a)(4), shall apply only with respect to charges which violate section 8904(b) of such title for items or services furnished after the date of the enactment of this Act.

(C) Paragraph (3) of section 8902a(g) of title 5, United States Code, as amended by subsection (a)(6)(B), shall apply only with respect to debarments based on convictions occurring after the date of the enactment of this Act.

SEC. 3. MISCELLANEOUS AMENDMENTS RELATING TO THE HEALTH BENEFITS PROGRAM FOR FEDERAL EMPLOYEES.

(a) DEFINITION OF A CARRIER.—Paragraph (7) of section 8901 of title 5, United States Code, is amended by striking "organization;" and inserting "organization and an association of organizations or other entities described in this paragraph sponsoring a health benefits plan;".

(b) SERVICE BENEFIT PLAN.—Paragraph (1) of section 8903 of title 5, United States Code, is amended by striking "plan," and inserting "plan, which may be underwritten by participating affiliates licensed in any number of States,".

(c) PREEMPTION.—Section 8902(m) of title 5, United States Code, is amended by striking "(m)(1)" and all that follows through the end of paragraph (1) and inserting the following:

"(m)(1) The terms of any contract under this chapter which relate to the nature, provision, or extent of coverage or benefits (including payments with respect to benefits) shall supersede and preempt any State or local law, or any regulation issued thereunder, which relates to health insurance or plans.".

SEC. 4. CONTINUED HEALTH INSURANCE COVERAGE FOR CERTAIN INDIVIDUALS.

(a) ENROLLMENT IN CHAPTER 89 PLAN.—For purposes of chapter 89 of title 5, United States Code, any period of enrollment—

(1) in a health benefits plan administered by the Federal Deposit Insurance Corporation before the termination of such plan on January 3, 1998, or

(2) subject to subsection (c), in a health benefits plan (not under chapter 89 of such title) with respect to which the eligibility of any employees or retired employees of the Board of Governors of the Federal Reserve System terminates on January 3, 1998,

shall be deemed to be a period of enrollment in a health benefits plan under chapter 89 of such title.

(b) CONTINUED COVERAGE.—(1) Subject to subsection (c), any individual who, on January 3, 1998, is enrolled in a health benefits plan described in subsection (a)(1) or (2) may enroll in an approved health benefits plan under chapter 89 of title 5, United States Code, either as an individual or for self and family, if, after taking into account the provisions of subsection (a), such individual—

(A) meets the requirements of such chapter for eligibility to become so enrolled as an employee, annuitant, or former spouse (within the meaning of such chapter); or

(B) would meet those requirements if, to the extent such requirements involve either retirement system under such title 5, such individual satisfies similar requirements or provisions of the Retirement Plan for Employees of the Federal Reserve System.

Any determination under subparagraph (B) shall be made under guidelines which the Office of Personnel Management shall establish in consultation with the Board of Governors of the Federal Reserve System.

(2) Subject to subsection (c), any individual who, on January 3, 1998, is entitled to continued coverage under a health benefits plan described in subsection (a)(1) or (2) shall be deemed to be entitled to continued coverage under section 8905a of title 5, United States Code, but only for the same remaining period as would have been allowable under the health benefits plan in which such individual was enrolled on January 3, 1998, if—

(A) such individual had remained enrolled in such plan; and

(B) such plan did not terminate, or the eligibility of such individual with respect to such plan did not terminate, as described in subsection (a).

(3) Subject to subsection (c), any individual (other than an individual under paragraph (2)) who, on January 3, 1998, is covered under a health benefits plan described in subsection (a)(1) or (2) as an unmarried dependent child, but who does not then qualify for coverage under chapter 89 of title 5, United States Code, as a family member (within the meaning of such chapter) shall be deemed to be entitled to continued coverage under section 8905a of such title, to the same extent and in the same manner as if such individual had, on January 3, 1998, ceased to meet the requirements for being considered an unmarried dependent child of an enrollee under such chapter.

(4) Coverage under chapter 89 of title 5, United States Code, pursuant to an enrollment under this section shall become effective on January 4, 1998.

(c) ELIGIBILITY FOR FEHBP LIMITED TO INDIVIDUALS LOSING ELIGIBILITY UNDER FORMER HEALTH PLAN.—Nothing in subsection (a)(2) or any paragraph of subsection (b) (to the extent such paragraph relates to the plan described in subsection (a)(2)) shall be considered to apply with respect to any individual whose eligibility for coverage under such plan does not involuntarily terminate on January 3, 1998.

(d) TRANSFERS TO THE EMPLOYEES HEALTH BENEFITS FUND.—The Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System shall transfer to the Employees Health Benefits Fund under section 8909 of title 5, United States Code, amounts determined by the Director of the Office of Personnel Management, after consultation with the Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System, to be necessary to reimburse the Fund for the cost of providing benefits under this section not otherwise paid for by the individuals covered by this section. The amounts so transferred shall be held in the Fund and used by the Office in addition to amounts available under section 8906(g)(1) of such title.

(e) ADMINISTRATION AND REGULATIONS.—The Office of Personnel Management—

(1) shall administer the provisions of this section to provide for—

(A) a period of notice and open enrollment for individuals affected by this section; and

(B) no lapse of health coverage for individuals who enroll in a health benefits plan under chapter 89 of title 5, United States Code, in accordance with this section; and

(2) may prescribe regulations to implement this section.

SEC. 5. FULL DISCLOSURE IN HEALTH PLAN CONTRACTS.

The Office of Personnel Management shall encourage carriers offering health benefits plans described by section 8903 or section 8903a of title 5, United States Code, with respect to contractual arrangements made by such carriers with any person for purposes of obtaining discounts from providers for health care services or supplies furnished to individuals enrolled in such plan, to seek assurance that the conditions for such discounts are fully disclosed to the providers who grant them.

SEC. 6. PROVISIONS RELATING TO CERTAIN PLANS THAT HAVE DISCONTINUED THEIR PARTICIPATION IN FEHBP.

(a) AUTHORITY TO READMIT.—

(1) IN GENERAL.—Chapter 89 of title 5, United States Code, is amended by inserting after section 8903a the following:

"§ 8903b. Authority to readmit an employee organization plan

"(a) In the event that a plan described by section 8903(3) or 8903a is discontinued under this chapter (other than in the circumstance described in section 8909(d)), that discontinuation shall be disregarded, for purposes of any determination as to that plan's eligibility to be considered an approved plan under this chapter, but only for purposes of any contract year later than the third contract year beginning after such plan is so discontinued.

"(b) A contract for a plan approved under this section shall require the carrier—

"(1) to demonstrate experience in service delivery within a managed care system (including provider networks) throughout the United States; and

"(2) if the carrier involved would not otherwise be subject to the requirement set forth in section 8903a(c)(1), to satisfy such requirement.".

(2) Conforming amendment.—The analysis for chapter 89 of title 5, United States Code, is amended by inserting after the item relating to section 8903a the following:

"8903b. Authority to readmit an employee organization plan.".

(3) Applicability.—

(A) In general.—The amendments made by this subsection shall apply as of the date of enactment of this Act, including with respect to any plan which has been discontinued as of such date.

(B) Transition rule.—For purposes of applying section 8903b(a) of title 5, United States Code (as amended by this subsection) with respect to any plan seeking to be readmitted for purposes of any contract year beginning before January 1, 2000, such section shall be applied by substituting "second contract year" for "third contract year".

(b) Treatment of the Contingency Reserve of a Discontinued Plan.—

(1) In general.—Subsection (e) of section 8909 of title 5, United States Code, is amended by striking "(e)" and inserting "(e)(1)" and by adding at the end the following:

"(2) Any crediting required under paragraph (1) pursuant to the discontinuation of any plan under this chapter shall be completed by the end of the second contract year beginning after such plan is so discontinued.

"(3) The Office shall prescribe regulations in accordance with which this subsection shall be applied in the case of any plan which is discontinued before being credited with the full amount to which it would otherwise be entitled based on the discontinuation of any other plan.".

(2) Transition rule.—In the case of any amounts remaining as of the date of enactment of this Act in the contingency reserve of a discontinued plan, such amounts shall be disposed of in accordance with section 8909(e) of title 5, United States Code, as amended by this subsection, by—

(A) the deadline set forth in section 8909(e) of such title (as so amended); or

(B) if later, the end of the 6-month period beginning on such date of enactment.

SEC. 7. MAXIMUM PHYSICIANS COMPARABILITY ALLOWANCE PAYABLE.

(a) In General.—Paragraph (2) of section 5948(a) of title 5, United States Code, is amended by striking "$20,000" and inserting "$30,000".

(b) Authority to Modify Existing Agreements.—

(1) In general.—Any service agreement under section 5948 of title 5, United States Code, which is in effect on the date of enactment of this Act may, with respect to any period of service remaining in such agreement, be modified based on the amendment made by subsection (a).

(2) Limitation.—A modification taking effect under this subsection in any year shall not cause an allowance to be increased to a rate which, if applied throughout such year, would cause the limitation under section 5948(a)(2) of such title (as amended by this section), or any other applicable limitation, to be exceeded.

(c) Rule of Construction.—Nothing in this section shall be considered to authorize additional or supplemental appropriations for the fiscal year in which occurs the date of enactment of this Act.

SEC. 8. CLARIFICATION RELATING TO SECTION 8902(k).

Section 8902(k) of title 5, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following:

"(2) Nothing in this subsection shall be considered to preclude a health benefits plan from providing direct access or direct payment or reimbursement to a provider in a health care practice or profession other than a practice or profession listed in paragraph (1), if such provider is licensed or certified as such under Federal or State law.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida [Mr. MICA] and the gentleman from Maryland [Mr. CUMMINGS] each will control 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. MICA].

Mr. MICA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Federal Government Employees Health Care Protection Act of 1997, H.R. 1836, makes some very significant improvements in the Federal Employees Health Benefit Program. It was introduced by the distinguished chairman of the full Committee on Government Reform and Oversight, the gentleman from Indiana [Mr. BURTON], in order to protect the integrity of the Federal Employees Health Benefit Program.

This is truly a bipartisan piece of legislation. The Office of Personnel Management, which administers this health benefits program, asked for many of the specific changes this bill proposes and suggested much of the language incorporated in this measure.

Additionally, some provisions in this bill are substantially similar to those in a bill which was introduced by the distinguished gentleman from Maryland, [Mr. CUMMINGS], who is the ranking member of our Subcommittee on Civil Service. I want to take this opportunity to commend the gentleman from Indiana [Mr. BURTON] for his leadership on this important piece of legislation and these issues, and thank the gentleman from Maryland [Mr. CUMMINGS] for his leadership and for his close cooperation on this particular piece of legislation.

Mr. Speaker, almost 9 million Federal employees, postal workers, retirees, and their families depend on the Federal Employee Health Benefit Program. They rely on this program to obtain high quality health care at affordable prices. For the most part, the program has been a great success story. It is widely considered to be a model employer-sponsored health care plan, and many have suggested that its model should be copied so others in need of coverage could have access to a similar program.

Key to the success is in fact the market orientation of the program. It provides Federal employees and retirees with the opportunity to choose from among numerous competing health care plans. Consumer choice and competition have kept premiums in check.

To keep the cost of health care affordable for our Federal employees, retirees, and other dependents, Mr. Speaker, it is important to protect their health benefits from those few unscrupulous health care providers that attempt to defraud the system or engage in other improper practices.

H.R. 1836 strengthens the Office of Personnel Management's ability to debar health care providers who commit such misconduct, and it also allows OPM to impose civil monetary penalties.

Fraudulent and abusive practices drive up the costs of our health care. Under this bill, OPM will better be able to protect the taxpayers and Federal health care consumers by acting swiftly against unethical providers.

This bill also contains other provisions that are very important, Mr. Speaker. For the first time, this bill establishes rules under which employee organizations-sponsored health care plans may reenter the Federal Employee Health Benefit Program after previously discontinuing their participation. It also requires the Office of Personnel Management to distribute the reserves of such plans that withdraw from the FEHB to plans that remain in the program.

Another feature of this legislation makes clear that the FEHB contracts preempt State and local laws. This is a necessary provision which will permit nationwide plans in the program to provide uniform benefits throughout our country.

Another important problem this bill addresses is the use of so-called silent PPOs. Mr. Speaker, PPOs, preferred provider organizations, negotiate lower rates from medical care providers. In exchange, the PPOs provide certain incentives to the providers. Directed PPOs promise to direct patients to the provider. Nondirected PPOs may promise financial incentives such as prepayment or prompt payment. Both directed PPOs and nondirected PPOs are in fact legitimate business arrangements, but silent PPOs are not. Silent PPOs arrange for carriers to pay discounted rates when they are not, in fact, entitled to them. They violate the terms of the discounted rate arrangements the providers have entered into with networks or carriers. Unfortunately, many people believe the Office of Personnel Management has tacitly encouraged the use of silent PPOs in a shortsighted effort to obtain lower rates from providers under any circumstances.

Hospitals and doctors are the first victims of silent PPOs, but in the end, the practice in fact drives up health care costs for all consumers, just as shoplifters drive up the cost of retail purchases for everyone.

Everyone agrees, Mr. Speaker, that full disclosure is the answer to this problem. This legislation, H.R. 1836, requires OPM to encourage carriers who enter into discount arrangements with third parties to seek assurances that the third party has fully disclosed the terms of the discount to the health care provider. This solution protects the sanctity of contracts and the integrity of the FEHB program without hindering legitimate PPOs, whether they are directed or nondirected.

Finally, Mr. Speaker, this bill permits certain employees and retirees from the Fed and also the FDIC to participate in our Federal Employees Health Benefit Program. Unless both Houses of Congress pass this bill during this session, some employees at these agencies will not be able to participate in the government's health care benefit program next year. These agencies in fact will be forced to find more costly alternatives to cover those employees.

I urge all Members to support this bill and the many improvements it offers us and our Federal employees today.

Mr. Speaker, I reserve the balance of my time.

Mr. CUMMINGS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I first of all want to take a moment to compliment the gentleman from Florida [Mr. MICA], the subcommittee chairman, who has worked very closely with this side of the aisle to make sure that we came up with a very, very good bill. I would also like to take a moment to recognize the ranking member of our full committee, Mr. WAXMAN, and to recognize the gentleman from Indiana, Mr. BURTON, our chairman, for this excellent piece of legislation. Furthermore, I would like to recognize two of our Members on our side, the gentlewoman from Washington, DC [Ms. NORTON] and the gentleman from Tennessee (Mr. FORD), who have worked very, very hard, and of course the gentlewoman from Maryland [Mrs. MORELLA], my colleague, who has played a very significant role with this legislation. I want to thank all of my colleagues for what we have been able to do together to make life a little bit easier for our Federal employees.

Mr. Speaker, H.R. 1836, the Federal Employees Health Care Protection Act of 1997, is a good bill that has won strong bipartisan support. It has at its core a provision that would enable the Office of Personnel Management to effectively use administrative sanctions to protect our health care program from fraud and abuse perpetrated by unscrupulous health care providers.

The enactment of this particular reform was requested by OPM earlier this year. I support it, and in fact, introduced a narrow bill to achieve the same result. H.R. 1836, however, contains some additional provisions that would improve the administration of the Federal Employees Health Benefits Program. I will highlight just a few of them.

The bill contains a provision that would strengthen the current preemption statute in title V so as to ensure that FEHB's programs and national plans can continue to provide uniform benefits and rates to enrollees regardless of where they live.

Another provision would permit active and retired employees of the Federal Deposit Insurance Corporation and the Federal Reserve System to enter the FEHB Program. This will save both agencies several millions of dollars in future premium costs.

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This bill also requires OPM to encourage participating health plans that contract with third parties to obtain discounted rates from health care providers to seek assurances that the conditions surrounding those discounts have been fully disclosed.

This proposal had proven to be somewhat controversial. I am pleased to say, however, that the majority worked cooperatively with our side and with the Office of Personnel Management to reach agreement on the language in the bill.

Finally, H.R. 1836 clarifies a provision of an existing law concerning direct access and reimbursement to health care providers in the program. The inclusion of that provision had also stirred some controversy; however, a compromise was reached on it as well.

Mr. Speaker, I believe that H.R. 1836 makes important and needed improvements in the Federal Employees Health Benefits Program. I urge all Members to give their support to this very, very significant piece of legislation. Again, I thank the subcommittee chairman for his cooperation.

Mr. Speaker, I reserve the balance of my time.

Mr. MICA. Mr. Speaker, I am pleased to yield 5 minutes to the distinguished gentleman from Indiana [Mr. BURTON], the chairman of our full Committee on Government Reform and Oversight.

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, earlier this year I introduced H.R. 1836, the Federal Employees Health Protection Act of 1997, to protect Federal employees and taxpayers by helping to reduce fraud in the Federal Employees Health Benefit Program. This bill will help strengthen the integrity and the standards of the FEHBP and continue its reputation as one of the strongest, most cost-effective and comprehensive programs in the United States.

I want to commend the chairman of the Subcommittee on Civil Service, the gentleman from Florida [Mr. MICA], for his diligence in getting this bill before the Committee on Government Reform and Oversight for consideration. Last week the full committee unanimously approved H.R. 1836.

This is a pro-Federal employee bill and is supported by all Members of the Congress from the D.C. metropolitan area. H.R. 1836 is a noncontroversial, bipartisan bill cosponsored by the ranking minority member of the Subcommittee on Civil Service, the gentleman from Maryland, Mr. CUMMINGS, and the ranking minority member of the full committee, the gentleman from California, Mr. HENRY WAXMAN.

H.R. 1836 is supported by the major hospital and health care associations, the National Association of Postmasters, the National Treasury Employees Union, the National Association of Retired Federal Employees, the Federal Managers Association, a number of health benefit carriers, the Federal Deposit Insurance Corporation, and the Federal Reserve. In fact, the only opposition to this bill is likely to come from health care providers and brokers who engage in unethical business practices.

The FEHB Program is the largest employer-sponsored health system in this country. It insures approximately 9 million Federal employees, annuitants, and their dependents at a cost of $16 billion a year. It is often cited as the model health care program that the private sector and public sector should attempt to replicate.

Through private sector competition with limited governmental intervention, this program has effectively and efficiently contained costs and continued to provide quality health care. The benefits have been very well explained by the gentleman from Florida [Mr. MICA] and the gentleman from Maryland [Mr. CUMMINGS], so I will not go into all those, but I would like to say that I urge support of all of my colleagues for this pro-Federal employee legislation.

Through the changes included in this bill, the integrity and the standards of the FEHB Program will be strengthened and protected. It is also my sincere hope that once this legislation is approved by the full House of Representatives, the Senate will move expeditiously and pass this very important bill.

I urge all of my colleagues to support this legislation that will help reduce fraud in the Federal Employees Health Benefit Program. Once again, congratulations on a job well done to the gentleman from Florida [Mr. MICA] and the gentleman from Maryland [Mr. CUMMINGS].

Mr. CUMMINGS. Mr. Speaker, I reserve the balance of my time.

Mr. MICA. Mr. Speaker, I am pleased to yield 5 minutes to the gentlewoman from Maryland [Mrs. MORELLA], another distinguished member of the

Committee on Government Reform and Oversight.

Mrs. MORELLA. I thank the gentleman for yielding me the time, Mr. Speaker.

Mr. Speaker, I rise in strong support of H.R. 1836, the Federal Employees Health Care Protection Act of 1997. Again, I offer my thanks to the gentleman from Indiana [Chairman BURTON] and the Subcommittee on Civil Service Chair, the gentleman from Florida [Mr. MICA] for working with me and the other Members to fine-tune this legislation as it moves through committee. My commendation also to the ranking member, the gentleman from Maryland [Mr. CUMMINGS], my colleague. As he mentioned, this legislation has bipartisan support.

Mr. Speaker, FEHBP is an outstanding program. But even among the best programs there is always room for improvement. The FEHBP is critically important to my constituents. Every year I hold a symposium for Federal employees and retirees in my district. The turnout is enormously high. The comments about FEHBP are generally very positive. FEHBP is the country's largest employer-based health insurance program, serving the health care needs of almost 10 million Federal employees, retirees and their families. In fact, when Congress considered health care reform in 1994, FEHBP was touted as a model.

FEHBP enjoys high customer satisfaction. Over 85 percent of participants in fee-for-service plans and HMO's are satisfied with their FEHBP plan. It is critical that we ensure that its success continues.

One important way Congress has ensured the continued success of FEHBP was by adopting an amendment that I offered to the budget reconciliation bill to prevent an annual increase of $276 per person in the program beginning in 1999. The new formula I offered as an amendment is derived from taking a weighted average of all the plans and setting the maximum Government contribution at 72 percent. It will ensure that Federal employees' premiums do not rise. Thus, the Government's share and the employees' share will remain the same.

The legislation before us is another opportunity to improve FEHBP. This legislation attacks fraud and abuse in the FEHB Program. It provides OPM with better tools to swiftly penalize fraudulent health care providers. The legislation will also enable OPM to bar fraudulent providers from FEHBP participation and impose monetary penalties on providers who engage in misconduct.

I want to, again, thank the gentleman from Florida [Chairman MICA] and the ranking member, the gentleman from Maryland [Mr. CUMMINGS], for their leadership on this issue.

H.R. 1836 extends FEHBP to the Federal Deposit Insurance Corporation and Federal Reserve Board employees. Without this legislation, the FDIC and the FED will be forced to establish a non-FEHB plan, costing both these agencies and the taxpayers a considerable amount of money and imposing unnecessary administrative burdens on the FDIC and FED. As the calendar year comes to a close, it is critical we move this legislation quickly.

The legislation also contains important language in section 5 concerning the disclosure of silent PPO's. While I opposed section 5 as it was originally drafted, I am pleased with the language that is in this legislation and the report language which will not restrict the competitive relationship between directed and nondirected PPO's.

There is a clear distinction between silent PPO's and the legitimate directed and non-directed PPO's. This section will not prohibit OPM from continuing to encourage FEHBP carriers to seek out the lowest prices possible for goods and services. Millions of dollars each year in savings accrue to Federal employees and the Government through the use of various savings initiatives, including both directed and nondirected PPO efforts. I am pleased that this legislation will not impede this activity.

Today I want to thank both the gentleman from Florida [Mr. MICA] and the gentleman from Indiana [Mr. BURTON] for ensuring that we move forward in a positive direction without increasing the costs to FEHBP that would have been borne jointly by the Federal Government and Federal employees.

Section 7 of H.R. 1836 was added by an amendment that I offered to the bill in subcommittee to increase the physician's comparability allowance, a critically important tool used to recruit and retain Federal physicians. I recently commissioned a GAO study to review the PCA and its usefulness. This September 1997 GAO report confirms that PCA is critical. Since I requested the GAO study, I have heard from hundreds of Federal physicians across the country who have stated very clearly that, without the PCA, they would have chosen a different career. This section would increase the PCA from $20,000 to $30,000, and it has not been increased for 10 years.

The increase, however, would not result in an increase in appropriations. It simply allows agencies to pay an additional PCA from their own budgets based on their recruitment and retention needs. According to the Office of Personnel Management, the PCA constitutes a declining percentage of income.

I had also hoped to include a provision of legislation that I introduced to H.R. 2541 that would include a physician's PCA in his or her average pay in order to compute retirement. I understand Chairman MICA'S cost concerns, and I have requested a CBO score so we can move this piece forward at a later date.

The over 2,700 Federal physicians eligible for the PCA are working on cures for HIV/AIDS, cancer, heart disease, protecting the safety of food and drugs, providing medical care to Defense and State Department employees and dependents, airline pilots, astronauts, Native Americans, Federal prisoners. Indeed, it is critically important that we have this PCA in this particular bill.

Again, I want to thank the chairman of the subcommittee and ranking member, and the chairman of the full committee and ranking member of the full committee. This is good legislation.

Mr. CUMMINGS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just wanted to close by saying, again, that this is a very excellent piece of legislation. I would recommend that all the Members of this great House vote in favor of it.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MICA. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, the Federal Employees Health Care Protection Act of 1997 deserves the support of every Member. This bill provides the Office of Personnel Management the tools to deal swiftly with health care providers who defraud the program or who engage in similar misconduct.

The bill protects the integrity of the FEHBP in other ways as well. First, it makes it abundantly clear that carriers and preferred provider networks are expected to live up to the terms of their agreements with doctors and hospitals. Also, it establishes rules for the reentry into plans that have been discontinued as far as participation in the program. Finally, it levels the playing field for certain health care providers by clarifying that carriers may provide direct access and direct payment to those providers, even though they are not named in the relevant statute.

Very finally, in closing, Mr. Speaker, a provision of this bill improves the Federal Government's ability to compete for highly qualified doctors by raising the maximum physician comparability allowance.

I want to take this final moment to thank the gentleman from Indiana, Chairman BURTON, for his introduction of the legislation, the gentleman from Maryland [Mr. CUMMINGS], the ranking member, and the gentlewoman who worked so hard on behalf of our civil servants, the gentlewoman from Maryland [Mrs. MORELLA], and Members and staff who have helped put this bill together.

This is a good bill, Mr. Speaker. I urge all Members to support this legislation.

Mr. SOUDER. Mr. Speaker, I wish to congratulate you on this important bipartisan legislation to protect the Federal Employees

Health Benefits Program [FEHBP] from fraud. I strongly support this legislation, which protects taxpayers from the misuse of their tax dollars.

One provision that is particularly meritorious is section 5 of the bill, which attempts to limit the growth of a group of health care brokers, known as silent preferred providers organizations, or silent PPO's. Through silent PPO's payors are obtaining preferred-provider discounts without physician, hospital, or other health system providers' knowledge or consent. These silent PPO's undermine legitimate PPO's by causing health care providers to question the utility of entering into legitimate contracts with health benefit carriers if fraudulent discounts are taken elsewhere. This fraudulent discounting is particularly insidious because it's so hard to track. Unfortunately, the Federal Government, through the Office of Personnel Management [OPM], has encouraged the use of these silent PPO's in the FEHBP.

Mr. Speaker, I believe the compromise language included in the Chairman's mark, which was proposed by the Office of Personnel Management, represents a substantial change in the administration's attitude toward silent PPO's. As I indicated OPM had previously encouraged the proliferation of these brokers of health care discounts. I commend the administration for recognizing the error of its ways and now moving to eliminate silent PPO's in the program.

Mr. Speaker, I again commend you for raising this issue by including section 5 in your legislation, and while the provision has been altered I believe the new language, which garnered the support of the administration, is a direct reflection of your leadership on this issue. It is only through your commitment to eliminating the fraudulent use of discounts that we are here today with a bipartisan bill that will substantially benefit all Federal employees and taxpayers.

It has been brought to my attention that the inspector general [IG] at OPM is investigating the activities of these silent PPO's, and I urge that this Committee should work with the IG to keep a close eye on these health care discounting practices. Furthermore, States are beginning to examine the activities of silent PPO's and North Carolina has recently passed legislation designating such discounting activities as unfair trade practices thereby subjecting violators to treble damages and attorney fees.

I urge support for H.R. 1836.

Mr. DAVIS of Virginia. Mr. Speaker, I rise today in support of H.R. 1836, and I want to compliment Mr. BURTON, the chairman of the Government Reform and Oversight Committee, for his sponsorship of this important bill. I had expressed concern regarding the original language in section 5 of this bill and I commend both Mr. MICA, chairman of the Civil Service Subcommittee, and Mr. BURTON for ensuring through redrafting that the concerns about potential increased costs to the Federal Employees Health Benefits Program [FEHBP] were addressed. The redrafting of section 5 allows the FEHBP to continue to benefit from the flexibility of being able to adapt quickly to ever-changing health care marketplace dynamics. This flexibility has been an enduring strength of the FEHBP and I am pleased to see that it will not be adversely impacted.

Mr. Speaker, section 5 of H.R. 1836 focuses on the use of silent PPO's in the FEHBP and is intended to address the inappropriate use of such discounts and, in so doing, protect plan enrollees and taxpayers in a manner consistent with the other provisions in the Federal Employees Health Care Protection Act of 1997. There is no clear distinction between silent PPO's and legitimate directed and nondirected PPO's. Directed and nondirected PPO's provide legitimate valuable benefits to health care providers, carriers, and patients. Nondirected PPO's are currently saving the Government and the FEHBP millions of dollars a year through their legitimate utilization of a number of fee-for-service carriers. Examples of nondirected discounts are those given by participating providers in return for incentives other than steerage, such as prompt payment, prepayment, claim audit assistance, and negotiated provider settlements.

Many of us believed that the original language of section 5 would increase costs to the FEHBP by placing nondirected PPO's at a market disadvantage which would have killed the savings they generate for the FEHBP. The Congressional Budget Office [CBO] agreed and scored the original language at a cost to the FEHBP of $10 to $50 million per year. CBO's initial estimates regarding the rewrite of section 5 is that it should now be neutral. I appreciate the efforts of Mr. MICA and Mr. BURTON to redraft this section so that it accomplishes their stated goal of shedding light on silent PPO's without adversely impacting the program savings direct and nondirect PPO's have been generating for many years now.

Mr. Speaker, I urge my colleagues to support this important legislation.

Mr. DELAY. Mr. Speaker, I rise today in support of H.R. 1836, the Federal Employee Health Care Protection Act of 1997. I want to commend the chairman of the Civil Service Subcommittee, Mr. MICA, and the chairman of the Government Reform and Oversight Committee, Mr. BURTON, for all of their efforts to bring this bill before the House today.

Virtually everyone agrees that vigorous competition among providers and carriers has been critical to the success of the Federal Employees Health Benefit Program. While Congress has provided the Office of Personnel Management with the broad authority to referee this competition, we have wisely chosen to allow the marketplace to sort out many related issues.

I was initially concerned that the original language in section 5 of the bill would have veered away from our reliance on the marketplace by imposing an unnecessary Federal mandate. This mandate would have unfairly tilted the playing field between directed and nondirected PPO's and resulted in significantly higher costs for the FEHBP.

I am pleased that section 5 has now been rewritten so that OPM may continue to allow FEHBP carriers to seek out appropriate provider discounts in a competitive marketplace.

I appreciate the efforts of Mr. MICA and Mr. BURTON to redraft section 5 so that it accomplishes their stated goal of shedding light on silent PPO's without adversely impacting the program savings that both direct and nondirect PPO's have been able to achieve. I encourage my colleagues to support final passage of this bill.

The SPEAKER pro tempore [Mr. KINGSTON]. The question is on the motion offered by the gentleman from California [Mr. GALLEGLY] that the House suspend the rules and pass the bill, H.R. 1836, as amended.

The question was taken.

Mr. CUMMINGS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

GENERAL LEAVE

Mr. MICA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 1836, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

FEDERAL EMPLOYEES LIFE INSURANCE IMPROVEMENT ACT

Mr. MICA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2675) to require that the Office of Personnel Management submit proposed legislation under which group universal life insurance and group variable universal life insurance would be available under chapter 87 of title 5, United States Code, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2675

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Employees Life Insurance Improvement Act".

SEC. 2. REQUIREMENT THAT A LEGISLATIVE PROPOSAL BE SUBMITTED.

(a) IN GENERAL.—Within 6 months after the date of enactment of this Act, the Office of Personnel Management shall submit to Congress proposed legislation under which there would be made available to Federal employees and annuitants the following:

(1) Group universal life insurance.

(2) Group variable universal life insurance.

(3) Additional voluntary accidental death and dismemberment insurance.

The proposal shall indicate whether any such insurance could be taken in addition to, in lieu of, or in combination with any insurance otherwise offered under chapter 87 of title 5, United States Code.

(b) DESCRIPTION OF POLICIES AND COSTS.—The proposed legislation shall be accompanied by a report which shall include a concise description of the policies proposed, an estimate of the cost to the Government anticipated with respect to each of those policies, and any other information which the Office of Personnel Management may consider appropriate.

SEC. 3. UNREDUCED ADDITIONAL OPTIONAL LIFE INSURANCE.

(a) In General.—Section 8714b of title 5, United States Code, is amended—

(1) in subsection (c)—

(A) by striking the last 2 sentences of paragraph (2); and

(B) by adding at the end the following:

"(3) The amount of additional optional insurance continued under paragraph (2) shall be continued, with or without reduction, in accordance with the employee's written election at the time eligibility to continue insurance during retirement or receipt of compensation arises, as follows:

"(A) The employee may elect to have withholdings cease in accordance with subsection (d), in which case—

"(i) the amount of additional optional insurance continued under paragraph (2) shall be reduced each month by 2 percent effective at the beginning of the second calendar month after the date the employee becomes 65 years of age and is retired or is in receipt of compensation; and

"(ii) the reduction under clause (i) shall continue for 50 months at which time the insurance shall stop.

"(B) The employee may, instead of the option under subparagraph (A), elect to have the full cost of additional optional insurance continue to be withheld from such employee's annuity or compensation on and after the date such withholdings would otherwise cease pursuant to an election under subparagraph (A), in which case the amount of additional optional insurance continued under paragraph (2) shall not be reduced, subject to paragraph (4).

"(C) An employee who does not make any election under the preceding provisions of this paragraph shall be treated as if such employee had made an election under subparagraph (A).

"(4) If an employee makes an election under paragraph (3)(B), that individual may subsequently cancel such election, in which case additional optional insurance shall be determined as if the individual had originally made an election under paragraph (3)(A)."; and

(2) in the second sentence of subsection (d)(1) by inserting "if insurance is continued as provided in subparagraph (A) of paragraph (3)," after "except that,".

(b) Technical Amendment.—The last sentence of section 8714b(d)(1) of title 5, United States Code, is amended by inserting "(and any amounts withheld as provided in subsection (c)(3)(B))" after "Amounts so withheld".

(c) Effective Date.—The amendments made by this section shall take effect on the 120th day after the date of enactment of this Act and shall apply with respect to employees who become eligible, on or after such 120th day, to continue additional optional insurance during retirement or receipt of compensation.

SEC. 4. IMPROVED OPTIONAL LIFE INSURANCE ON FAMILY MEMBERS.

(a) In General.—Subsection (b) of section 8714c of title 5, United States Code, is amended to read as follows:

"(b) The optional life insurance on family members provided under this section shall be made available to each eligible employee who has elected coverage under this section, under conditions the Office shall prescribe, in multiples, at the employee's election, of 1, 2, 3, 4, or 5 times—

"(1) $5,000 for a spouse; and

"(2) $2,500 for each child described in section 8701(d).

An employee may reduce or stop coverage elected pursuant to this section at any time.".

(b) Technical and Conforming Amendments.—Section 8714c of title 5, United States Code, is amended—

(1) in subsection (c)(2) by striking "section 8714b(c)(2) of this title" and inserting "section 8714b(c)(2)-(4)"; and

(2) in subsection (d)(1) by inserting before the last sentence the following: "Notwithstanding the preceding sentence, the full cost shall be continued after the calendar month in which the former employee becomes 65 years of age if, and for so long as, an election under this section corresponding to that described in section 8714b(c)(3)(B) remains in effect with respect to such former employee.".

(c) Effective Date; Open Enrollment Period.—

(1) Effective date.—The amendments made by this section shall take effect on the first day of the first pay period which begins on or after the 180th day following the date of enactment of this Act or on any earlier date that the Office of Personnel Management may prescribe.

(2) Open enrollment period.—

(A) In general.—Before the effective date under paragraph (1), the Office shall afford eligible employees a reasonable opportunity to elect to begin coverage under section 8714c of title 5, United States Code (as amended by this section), or to increase any existing optional life insurance on family members to any amount allowable under such section (as so amended), beginning on such effective date.

(B) Definition of an eligible employee.—For purposes of subparagraph (A), the term "eligible employee" means any employee (within the meaning of section 8701 of title 5, United States Code) covered by group life insurance under section 8704(a) of such title.

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The SPEAKER pro tempore (Mr. KINGSTON). Pursuant to the rule, the gentleman from Florida [Mr. MICA] and the gentleman from Maryland [Mr. CUMMINGS], each will control 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. MICA].

Mr. MICA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill before the House today, entitled the Federal Employees Life Insurance Improvement Act, is in fact a bipartisan effort. It incorporates the provisions of the bill which I originally introduced and amendments offered by the distinguished gentleman from Maryland [Mr. CUMMINGS], the ranking member of our Subcommittee on Civil Service.

I thank the gentleman from Maryland for his hard work on this legislation and also for his close cooperation on putting this legislation together.

The bill also addresses an issue first brought to our attention by the distinguished gentlewoman from Maryland [Mrs. MORELLA], and I also want to commend her for her interest and contributions to this bill.

Mr. Speaker, employer-provided benefit packages are in fact critical elements of employee compensation in our society today. If the Federal Government is to deliver the quality of services our overburdened taxpayers deserve, it must be competitive with the private sector to attract and to maintain a quality work force. Benefits must provide good value to Federal employees.

Mr. Speaker, earlier this year I held an oversight hearing on the Federal Employees Government Life Insurance program. I called that hearing because I was concerned that the current program does not deliver the value Federal Government employees deserve. It has been in fact too many years since key parts of the life insurance program have been improved or in fact reviewed.

More importantly, Congress has not even looked at the fundamental structure of the program since 1954. For 43 years, Mr. Speaker, the program has been based on term life insurance. For the first time in 43 years, this bill would introduce a life insurance option other than term insurance for our Federal employees.

Many things have changed between 1954 and today, Mr. Speaker. Life insurance products are no exception. As usual, the private sector has led the way. The Federal Government must learn from the private sector. We must adopt benefit practices from the private sector that have adjusted to the dynamic, ever-shifting market environments.

At our hearing, the Subcommittee on Civil Service heard from interested private sector insurance experts. We also heard from Met Life, which has been the sole provider of life insurance under the program since 1954. All of these experts agreed that it is time for major improvements in the Federal Government's life insurance program. All of these experts agreed that, at the very least, Congress should increase coverages that are currently available. All of these experts agreed that Congress should consider providing a new option to employees, group universal life insurance.

In a nutshell, Mr. Speaker, group universal life is a very flexible plan that permits employees to accumulate cash benefits for use in later years for various family needs or for their retirement. It has been gaining popularity in the private sector because it offers these many advantages.

Insurance planning is important to many of our employees. Employees want and need to protect their families from financial hardship. Life insurance is an important component of that protection. My colleagues on the subcommittee agreed that our Federal employees in fact need more flexibility to tailor insurance coverage to their own needs. To better protect their families, Federal employees would be able to choose from options that are increasingly available to employees in the private sector such as group universal life.

This bill does just that. It directs the Office of Personnel Management to present to Congress legislation offering our Federal employees group universal life insurance, group variable life insurance, and additional voluntary accidental and dismemberment insurance policies. In addition, Mr. Speaker, this bill permits employees to increase insurance coverage of family members and to maintain more adequate levels of coverage on themselves throughout their retirement years.

Mr. Speaker, the hallmarks of this legislation are family protection, employee choice, and flexibility. Federal employees and their families will enjoy more options as they plan for their financial security. It is an important bill. It is important to our Federal employees. It is the first major improvement in life insurance benefits for our Federal employees in 16 years. It is the first time in 43 years that an alternative to term insurance is incorporated for the benefit of our Federal employees.

I urge all Members to support this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. CUMMINGS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am very pleased that the gentleman from Florida, Mr. MICA, and I, along with all the other members of the Subcommittee on Civil Service were able to work together to develop this legislation which will implement some of the excellent recommendations we received from witnesses at our oversight hearing on the Federal Employees Group Life Insurance program, known as FEGLI. This bill will result in far better life insurance coverage being made available to Federal employees.

By directing OPM to provide us with draft legislative proposals for group universal life, group variable life, and accidental death and dismemberment insurance coverage within 6 months, our subcommittee will be in a far better position to act expeditiously should OPM's upcoming employee survey document that there is substantial interest in purchasing these options.

By giving enrollees the opportunity to continue the full extent of their life insurance coverage after they reach age 65, we will be providing a measure of comfort and convenience to many who would still have a desire to provide for the security of their loved ones. They will no longer have to seek out a new insurance company from which to purchase life insurance, something often very difficult and expensive to do at the late stage in life, at age 65.

I offered an amendment to H.R. 2675 during our subcommittee's markup of the bill which added a provision that would enable enrollees to purchase an increased amount of insurance coverage for their spouse and dependent children. Through the cooperation of Mr. MICA and all the Members on both sides of the aisle, we were able to successfully pass this amendment.

Clearly, the present levels of coverage available, $5,000 for one spouse and $2,500 for each child, is very inadequate. It neither compensates for the loss nor covers average burial expenses. The bill makes it possible to obtain coverage up to five times the current limits. The fact is that by doing what we have been able to do, I think it makes a very, very significant difference and it says to our Federal employees that we do care very much about them and their loved ones.

To the gentleman from Florida, I express my appreciation, and to all the members of the committee, because it is a fact that we did work together in a bipartisan manner, and if we can continue to do that throughout this House, I think that we will see a lot of great legislation coming forward such as this legislation.

Mr. Speaker, once again I believe that we have a good bipartisan bill before us. I strongly urge all Members to give their support. This is a very good piece of legislation. It does in fact lift up our Federal employees and make their lives better and the lives of their families. I urge all Members of the House to support this legislation.

Mr. Speaker, I yield back the balance of my time.

Mr. MICA. Mr. Speaker, I yield myself such time as I may consume.

The Federal Employees Life Insurance Improvement Act will provide valuable benefits to our Federal workers and their families. For the first time since 1954, Federal employees will have the opportunity to consider something other than term insurance as a plan for their family's financial future and security. They will be able to carry more insurance on themselves into retirement, I believe at very reasonable and competitive costs, and they will be able to increase the coverage for their dependents. This also will provide substantial benefits for our Federal retirees, who sometimes are lost without insurance coverage or see decreasing or diminishing value of their insurance coverage.

Finally, Mr. Speaker, I wish to thank both the Majority and Minority staff for their fine work on this legislation and for their efforts not only on this bill but also on the previous legislation which passed today.

I wish to also thank Members and staff for their work on the Subcommittee on Civil Service. In the 103d Congress, I might add, for the record, there were 54 staff that handled Civil Service issues in a number of subcommittees. We have operated with one subcommittee and seven professional staffers on both sides of the aisle total, and worked on numerous pieces of legislation, including the two presented here today and nearly all the appropriations measures and other legislation to come before the House.

I want to thank each of the staff members, members of my subcommittee, for their diligent participation and productive session as this may be the final bill we offer.

This legislation, in fact, Mr. Speaker, as I mentioned earlier, is bipartisan legislation. There is no controversy surrounding it. I urge all Members to support it.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KINGSTON). The question is on the motion offered by the gentleman from Florida [Mr. MICA] that the House suspend the rules and pass the bill, H.R. 2675, as amended.

The question was taken.

Mr. CUMMINGS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

GENERAL LEAVE

Mr. MICA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 2675, as amended.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

AMENDING FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949 TO AUTHORIZE TRANSFER TO STATE AND LOCAL GOVERNMENTS OF CERTAIN SURPLUS PROPERTY FOR USE FOR LAW ENFORCEMENT OR PUBLIC SAFETY PURPOSES

Mr. HORN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 404) to amend the Federal Property and Administrative Services Act of 1949 to authorize the transfer to State and local governments of certain surplus property for use for law enforcement or public safety purposes, as amended.

The Clerk read as follows:

H.R. 404

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORITY TO TRANSFER CERTAIN SURPLUS PROPERTY FOR USE FOR LAW ENFORCEMENT OR FIRE AND RESCUE PURPOSES.

Section 203(p)(1) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(p)(1)) is amended—

(1) by inserting "that is" after "personal property"; and

(2) by inserting ", or that is or was part of a military installation that has been closed or realigned pursuant to a base closure law and that is determined by the Attorney General to be needed for use by the transferee or grantee for a law enforcement or fire and rescue purpose approved by the Attorney General" before the first period.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. HORN] and the gentleman from Maryland [Mr. CUMMINGS] each will control 20 minutes.

The Chair recognizes the gentleman from California [Mr. HORN].

Mr. HORN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Speaker, the Federal Government owns an enormous amount of property, including some property that it no longer needs. H.R. 404 simplifies the process by which State and local governments are permitted to receive surplus Federal property on military bases for the benefit of their law enforcement and fire and rescue functions.

In making this simplification, H.R. 404, authored by the gentleman from California [Mr. CALVERT], both contributes to important State and local government functions and eases an administrative burden on the Federal Government. In 1949, the Commission on Organization of the Executive Branch of the Government, known as the first Hoover commission, appointed by President Truman, recommended the creation of an agency, the General Services Administration, GSA, to coordinate purchases, utilization and disposal of real and personal property for the Federal Government.

The Federal Property and Administrative Services Act of 1949 set forth the rules for the disposal of surplus Federal real estate. Normally, when one agency no longer needs property, the General Services Administration screens the excess property to determine whether another Federal agency needs it. If not, the property is declared surplus.

The Federal Property Act created a series of public benefit discounts whereby local governments can obtain surplus Federal real estate for a price below market value, generally at no cost. The current categories of public benefit discounts for real property include public health, education, recreation, national service activities, historic monuments, correctional facilities, and shipping ports, only in the base closure facilities.

The bill before us creates a new public benefit discount by expanding the definition of public benefit discounts for "correctional facilities" to cover "other law enforcement" and "fire and rescue" activities.

On June 3, 1997, the Subcommittee on Government Management, Information and Technology, which I chair, held a hearing on H.R. 404. Officials from Riverside County, CA, testified that they wanted to place a coroner's office and a law enforcement and fire training academy on surplus Federal property at the March Air Force Base. That surplus property became available through the actions of the Defense Base Realignment and Closure Commission.

The county officials observed that to receive the land for these purposes, they would have to go through the application process with two Federal agencies, the Department of Education for the training academy and the Department of Health and Human Services for the coroner's office. With H.R. 404, the process would be consolidated. Both functions would fall under the expanded definition of correctional facilities and, therefore, would be handled by the Department of Justice.

On June 26, 1997, the Subcommittee on Government Management, Information and Technology marked up H.R. 404. The subcommittee considered an amendment in the nature of a substitute that made technical corrections to the bill as introduced and voted unanimously to forward the substitute version to the full Committee on Government Reform And Oversight.

The full committee voted unanimously to report H.R. 404 to the House on September 30. There was a minor amendment made to the bill after it was reported to the Committee on Government Reform and Oversight. This amendment limits the application of this authority to military facilities closed under the Base Realignment and Closure Act. The change was necessary in order to ensure that no Budget Act point of order lay against the bill.

The amendment will not substantially alter the effect of the bill because closed military bases constitute over 90 percent of surplus Federal real property.

In conclusion, Mr. Speaker, we should note that this bill is a step toward making the Federal Government more efficient in its own processes and also more responsive to local needs. I urge my colleagues to support it.

Mr. Speaker, I reserve the balance of my time.

Mr. CUMMINGS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I commend the gentleman from California [Mr. HORN] for bringing before the House this bill to amend the Federal Property and Administrative Services Act of 1949. The gentlewoman from New York [Mrs. MALONEY], the ranking Democrat on the Subcommittee on Government Management, Information and Technology, has been detained in her district and asked me to manage this bill, which I gladly do.

The Committee on Government Reform and Oversight has jurisdiction over the Federal Property Act. It has a long history of overseeing its proper implementation. Under the Federal Property Act, State and local governments may acquire real estate that the Federal Government no longer needs. The Federal Property Act currently allows such surplus Federal property to be transferred to State and local governments at discounts of up to 100 percent of fair market value for certain public benefit purposes.

Current public benefit discount uses include public health or educational uses, public parks or recreational areas, historic monuments, correctional institutions, port facilities, public airports and wildlife conservation.

The original version of H.R. 404 would have added to that list "law enforcement or public safety purposes." Legitimate concern was expressed at our hearing on this legislation over the vagueness of the phrase "public safety purposes." During our committee's consideration of the bill, this problem was corrected by submitting "fire fighting and rescue purposes" for "public safety purposes." We also deleted an unnecessary retroactive provision. I support both of these changes.

The manager's amendment to H.R. 404 before us today also restricts the use of this new public benefit discount to property that was originally part of a military installation which has been closed or realigned under a base closure statute. This was done because of budgetary concerns with the bill as it passed committee.

I support H.R. 404, as amended. Law enforcement and fire and rescue purposes are legitimate reasons for State and local governments to acquire surplus Federal property at a discount. I also want to thank the majority for working with the minority to come up with a very, very good bill.

Mr. Speaker, I reserve the balance of my time.

Mr. HORN. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. CALVERT].

Mr. CALVERT. Mr. Speaker, I thank the gentleman from Long Beach, CA [Mr. HORN], my good friend and neighbor.

Mr. Speaker, I rise to ask my colleagues to support H.R. 404. We all know that the cost of crime prevented and a person diverted from a life of crime is much less than that of a prison cell. One of the keys to crime deterrence is a well-trained police force.

Due to the efforts of the Riverside Sheriff's Department in my district to do the right thing and emphasize police training over prison space, I discovered a Federal catch-22 that I believe we should quickly correct. When the Federal Government declares real property as surplus, various local entities may apply for the property at a no-cost basis if they use the property for some valid social purpose.

To obtain the excess Federal property, the local entity must apply to a Federal agency to sponsor the no-cost transfer. As would seem logical, agencies usually sponsor transfers in keeping with their charges. The Department of Education sponsors educational facilities. Housing and Urban Development sponsors housing. And Department of Justice sponsors prisons. Therein lies the problem.

Incredibly, the Department of Justice is prohibited by statute to sponsor law enforcement and/or fire and rescue training facilities. They can only sponsor the building of prisons. H.R. 404, as amended, would correct this quirk in the law and allow the Department of Justice to apply its considerable expertise to sponsor its excess property for training of law enforcement, fire and rescue officials.

Mr. Speaker, I would like to take a minute to thank the 60 cosponsors of this measure. I especially wanted to thank the gentleman from California [Mr. HORN] for his hard work and leadership in crafting this legislation and passing the measure out of committee. I wish to thank the gentlewoman from New York [Mrs. MALONEY] for her support. And I would also like to express my gratitude to the gentleman from California [Mr. BONO], who also shares the area of March Air Force Base and testified on the bill's behalf during subcommittee hearings. Finally, I wish to thank the gentleman from California [Mr. BROWN], the gentleman from California [Mr. LEWIS], the gentleman from Illinois [Mr. DAVIS] and the gentleman from California [Mr. FAZIO] for their strong support.

Mr. CUMMINGS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, again, I just want to thank the gentleman from California [Mr. HORN] and I want to thank the gentleman from California [Mr. CALVERT] for their cooperation in bringing this very important piece of legislation before us. Once again, I think it is a very important piece of legislation in that it serves a very important public purpose, and the bipartisanship that was displayed in bringing this together is very, very important.

Mr. Speaker, we have no other requests for time. Therefore, I yield back the balance of my time.

Mr. HORN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have no other witnesses. And I would simply say this in wrapping this up: We have had excellent cooperation from the Democratic staff and the Democratic Members, such as the gentleman from Maryland [Mr. CUMMINGS] today. The gentlewoman from New York [Mrs. MALONEY] has always been helpful on this, as well as many other bills.

So I would like to thank the Democratic staff, Mark Stephenson; the Democratic staff emeritus, Miles Romney, who we all look to for guidance and institutional memory over about 25 to 35 years; and the staff of the gentleman from California [Mr. CALVERT], Nelson Garcia, has been very helpful; and, of course, our own majority Republican staff Mark Brasher and the staff, who is the professional staff member assigned to surplus property, among many other duties, and Staff Director Russell George.

I would simply say this in summing up: I hope that the leadership of the General Services Administration, the Department of Justice—and anybody else that is involved as a result of this statute going on the books—will write those regulations as rapidly as possible. This surplus land has waited long enough for the obvious. And this is another move by Congress on a bipartisan basis to assure flexibility within the executive branch to meet the needs of people throughout America when they have base closure land and they want to put certain types of correctional law enforcement training facilities on that land and a coroner's office and laboratories, as it is in this case.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KINGSTON). The question is on the motion offered by the gentleman from California [Mr. HORN] that the House suspend the rules and pass the bill, H.R. 404, as amended.

The question was taken.

Mr. CUMMINGS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

CARSON AND SANTA FE NATIONAL FORESTS LAND CONVEYANCES

Mrs. CHENOWETH. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 434) to provide for the conveyance of small parcels of land in the Carson National Forest and the Santa Fe National Forest, NM to the village of El Rito and the town of Jemez Springs, NM as amended.

The Clerk read as follows:

H.R. 434

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LAND CONVEYANCE, CARSON NATIONAL FOREST, NEW MEXICO.

(a) CONVEYANCE REQUIRED.—The Secretary of Agriculture shall convey through sale or exchange to the County of Rio Arriba for the benefit of the village of El Rito, New Mexico (in this section referred to as "El Rito"), all right, title, and interest of the United States in and to a parcel of real property, together with any improvements thereon, consisting of approximately 5 acres located in the Carson National Forest in the State of New Mexico.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Forest Service.

(c) LANDS ACQUIRED IN EXCHANGE FROM RIO ARRIBA COUNTY.—Except as provided in this Act, any exchange of lands under subsection (a) shall be processed in accordance with the rules of the Secretary of Agriculture setting forth the procedures for conducting exchanges of National Forest System lands (36 CFR part 254). Any lands to be conveyed to the United States in such an exchange shall be acceptable to the Secretary and shall be subject to such valid existing rights or record as may be acceptable to the Secretary. Title to such land shall conform with the title approval standards applicable to Federal land acquisitions.

(d) VALUATION AND APPRAISALS.—Values of any lands exchanged pursuant to subsection (a) shall be equal as determined by the Secretary. If, due to size, location, or use of lands exchanged under subsection (a), the values are not exactly equal, they shall be equalized by the payment of cash. The Secretary may accept cash equalization payments in excess of 25 per centum of the total value of the Federal lands exchanged. Value of any lands sold to the County of Rio Arriba shall be on the basis of fair market value as determined by the Secretary.

(e) DISPOSITION OF FUNDS.—Payments from a sale under subsection (a) or cash equalization payments may be made in equal installments for a period not to exceed 10 years. Any funds received by the Secretary through the sale or by cash equalization shall be deposited into the fund established by the Act of December 4, 1967 (16 U.S.C. 484a), known as the Sisk Act, and shall be available for expenditure, upon appropriation, for the acquisition of lands and interests in lands in the State of New Mexico.

(f) STATUS OF LANDS.—Upon approval and acceptance of title by the Secretary, any lands acquired by the United States pursuant to subsection (a) shall become part of the Carson National Forest and the boundaries of the National Forest shall be adjusted to encompass such lands. Such lands shall be managed in accordance with the Act of March 1, 1911 (commonly known as the "Weeks Law") (36 Stat. 961), and shall be administered by the Secretary of Agriculture in accordance with the laws and regulations pertaining to the National Forest System. This section shall not limit the Secretary's authority to adjust the boundaries of the Carson National Forest pursuant to section 11 of the Act of March 1, 1911 ("Weeks Act"). For the purpose of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–9), the boundaries of the Carson National Forest, as adjusted by this Act, shall be considered to be boundaries of the Forest as of January 1, 1965.

SEC. 2. LAND CONVEYANCE, SANTA FE NATIONAL FOREST, NEW MEXICO.

(a) CONVEYANCE REQUIRED.—The Secretary of Agriculture shall convey, through exchange, to the town of Jemez Springs, New Mexico (in this section referred to as "Jemez Springs"), all right, title, and interest of the

United States in and to a parcel of real property, together with any improvements thereon, consisting of approximately 1 acre located in the Saint Fe National Forest in the State of New Mexico.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Forest Service.

(c) LANDS ACQUIRED IN EXCHANGE FROM THE TOWN OF JEMEZ SPRINGS.—Except as provided in this Act, any exchange of lands under subsection (a) shall be processed in accordance with the rules of the Secretary of Agriculture setting forth the procedures for conducting exchanges of National Forest System lands (36 CFR part 254). Any lands conveyed to the United States in such an exchange shall be acceptable to the Secretary and shall be subject to such valid existing rights or record as may be acceptable to the Secretary. Title to such land shall conform with the title approval standards applicable to Federal land acquisitions.

(d) VALUATION AND APPRAISALS.—Values of any lands to be exchanged pursuant to subsection (a) shall be equal as determined by the Secretary. If, due to size, location, or use of lands exchanged under section 1(a), the values are not exactly equal, they shall be equalized by the payment of cash. The Secretary may accept cash equalization payments in excess of 25 per centum of the total value of the involved Federal lands exchanged.

(e) DISPOSITION OF FUNDS.—Payments for any cash equalization for the exchange under subsection (a) may be made in equal installments for a period of not to exceed 10 years. Any funds received by the Secretary through the cash equalization shall be deposited into the fund established by the Act of December 4, 1967 (16 U.S.C. 484a), known as the Sisk Act, and shall be available for expenditure, upon appropriation, for the acquisition of lands and interests in lands in the State of New Mexico.

(f) STATUS OF LANDS.—Upon approval and acceptance of title by the Secretary, any lands acquired by the United States pursuant to subsection (a) shall become part of the Santa Fe National Forest and the boundaries of the National Forest shall be adjusted to encompass such lands. Such lands shall be managed in accordance with the Act of March 1, 1911 (commonly known as the "Weeks Law") (36 Stat. 961), and shall be administered by the Secretary of Agriculture in accordance with the laws and regulations pertaining to the National Forest System. This section does not limit the Secretary's authority to adjust the boundaries of the Carson National Forest pursuant to section 11 of the Act of March 1, 1911 ("Weeks Act"). For the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-9), the boundaries of the Santa Fe National Forest, as adjusted by this Act, shall be considered to be boundaries of the Forest as of January 1, 1965.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Idaho [Mrs. CHENOWETH] and the gentleman from America Samoa [Mr. FALEOMAVAEGA] each will control 20 minutes.

The Chair recognizes the gentlewoman from Idaho [Mrs. CHENOWETH].

Mrs. CHENOWETH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 434, introduced by former Congressman Bill Richardson, the current Ambassador to the United Nations, would provide a land conveyance for the village of El Rito and Jemez Springs in New Mexico. Both of these towns have important needs that deserve the attention of the committee.

I support the desire of the gentleman from New Mexico [Mr. REDMOND] to see that El Rito receive land for a public cemetery and Jemez Springs to obtain one acre of land within the town in order to construct a much needed fire substation.

It is my understanding that in 1993 the Jemez National Recreation Area was carved out of the Santa Fe National Forest and this transformed Jemez Springs from an obscure little village located in the Santa Fe National Forest to a little community housing over 1 million visitors annually. Without much imagination, we can see how this would cause significant problems for any community.

The gentleman from New Mexico [Mr. REDMOND] has continued the fine labors of Mr. Richardson, who worked extensively with the Forest Service and local communities to fashion this solution. I commend the gentleman from New Mexico [Mr. REDMOND] and urge passage of this bill.

Mr. Speaker, I reserve the balance of my time.

□ 1600

Mr. FALEOMAVAEGA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill was introduced by our former colleague, Congressman Bill Richardson, prior to his nomination as Ambassador to the United Nations. Serving on the Committee on Resources was no doubt good preparation for the many conflicts that he must now deal with around the world.

Mr. Speaker, at the hearing held on this bill in September of this year, the Forest Service expressed concerns about the conveyance without consideration of lands within the Carson National Forest and the Santa Fe National Forest in New Mexico. I am pleased to note that as amended by the committee, the bill provides that the Forest Service will receive fair market value in exchange for the properties which comprise a total of 6 acres. It is my understanding that the Forest Service now supports the bill as amended. I know of no objection on this side of the aisle. I urge my colleagues to support this measure.

Mr. REDMOND. Mr. Speaker, for bringing H.R. 434 to the floor today and thank you Mrs. CHENOWETH for offering the motion to suspend the rules and pass the bill. This bill was introduced on January 9, 1997, by my predecessor in the Third District of New Mexico, the Honorable Bill Richardson, current Ambassador to the United Nations.

When I was elected to Congress, I promised my constituents that I would do my best to move this legislation, as well as other bills that Mr. Richardson introduced on their behalf. I appreciate you working with me to accomplish this goal.

If passed, this bill would provide two simple land conveyances from the Santa Fe National Forest and the Carson National Forest to the cities of Jemez Springs and El Rito, respectively. These conveyances will amount to a total of six acres of land.

Jemez Springs will use their one-acre land conveyance to build a fire substation to accommodate the rapidly growing tourist population that is the result of a national recreation area created near their community. The city of El Rito will use its five-acre conveyance to expand a cemetery.

These two communities, along with the Forest Service and Mr. Richardson worked extensively to craft a piece of legislation that would provide El Rito and Jemez Springs with the land that they need to continue to provide adequate, efficient community service.

Several weeks ago, on behalf of the city of Jemez Springs, Mayor David Sanchez testified before the Forests and Forest Health Subcommittee. I want to thank him for taking the time and effort he took to appear before the committee.

Mr. FALEOMAVAEGA. Mr. Speaker, I have no additional requests for time, and I yield back the balance of my time.

Mrs. CHENOWETH. Mr. Speaker, I appreciate the fine comments from the gentleman from American Samoa [Mr. FALEOMAVAEGA].

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KINGSTON). The question is on the motion offered by the gentlewoman from Idaho [Mrs. CHENOWETH] that the House suspend the rules and pass the bill, H.R. 434, as amended.

The question was taken.

Mr. FALEOMAVAEGA. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

GENERAL LEAVE

Mrs. CHENOWETH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 434.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Idaho?

There was no objection.

EAGLES NEST WILDERNESS EXPANSION

Mrs. CHENOWETH. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 588) to provide for the expansion of the Eagles Nest Wilderness within the Arapaho National Forest and the White River National Forest, CO, to include land known as the Slate Creek Addition.

The Clerk read as follows:

S. 588

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SLATE CREEK ADDITION TO EAGLES NEST WILDERNESS, ARAPAHO AND WHITE RIVER NATIONAL FORESTS, COLORADO.

(a) SLATE CREEK ADDITION.—If, before December 31, 2000, the United States acquires the parcel of land described in subsection (b)—

(1) on acquisition of the parcel, the parcel shall be included in and managed as part of the Eagles Nest Wilderness designated by Public Law 94–352 (16 U.S.C. 1132 note; 90 Stat. 870); and

(2) the boundary of Eagles Nest Wilderness is adjusted to reflect the inclusion of the parcel.

(b) DESCRIPTION OF ADDITION.—The parcel referred to in subsection (a) is the parcel generally depicted on a map entitled "Slate Creek Addition-Eagles Nest Wilderness", dated February 1997, comprising approximately 160 acres in Summit County, Colorado, adjacent to the Eagles Nest Wilderness.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Idaho [Mrs. CHENOWETH] and the gentleman from American Samoa [Mr. FALEOMAVAEGA] each will control 20 minutes.

The Chair recognizes the gentlewoman from Idaho [Mrs. CHENOWETH].

Mrs. CHENOWETH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 588 is a noncontroversial bill affecting Forest Service lands in the district of the gentleman from Colorado [Mr. MCINNIS] which passed the House earlier this year as H.R. 985. I want to thank the gentleman from Colorado [Mr. MCINNIS] and the gentleman from New York [Mr. HINCHEY], the subcommittee ranking member, for their cooperation with passage of this measure.

This bill provides that a 160-acre parcel at Slate Creek in Summit County, CO, will be added to the Eagles Nest Wilderness and administered as part of the wilderness area if the land is acquired by the United States within the next 4 years.

The Slate Creek parcel is proposed for acquisition by the United States in a land exchange; however, the current owners are unwilling to convey the land unless it is added to the Eagles Nest Wilderness and permanently managed as wilderness. Since the Slate Creek parcel is surrounded on three sides by the wilderness area, it only makes sense that it be made a part of the wilderness area if the land is acquired by the United States.

I urge support for this measure, which does really enjoy broad support of the Summit County Board of County Supervisors and Commissioners, the Summit County Open Space Advisory Council, the Wilderness Land Trust and other interested parties.

Mr. Speaker, I reserve the balance of my time.

Mr. FALEOMAVAEGA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on today's agenda we have four previously House-passed Colorado bills. Senate bill 588 expands the Eagles Nest Wilderness within the Arapaho National Forest and the White River National Forest to include land known as the Slate Creek Addition. The House passed this bill in the form of H.R. 985 on June 17 of this year.

To their credit, the owners of this 160-acre parcel want assurances that their land will be protected as wilderness if acquired by the U.S. Forest Service. Accordingly, the bill provides that if the United States acquires the Slate Creek property prior to the year 2000, it will be included in the Eagles Nest Wilderness.

Mr. Speaker, this is good legislation, consistent with the desires of both the private property owners and in the public interest. I urge my colleagues to adopt this measure.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. CHENOWETH. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Idaho [Mrs. CHENOWETH] that the House suspend the rules and pass the Senate bill, S. 588.

The question was taken.

Mr. FALEOMAVAEGA. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

RAGGEDS WILDERNESS BOUNDARY ADJUSTMENT AND LAND CONVEYANCE

Mrs. CHENOWETH. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 589) to provide for a boundary adjustment and land conveyance involving the Raggeds Wilderness, White River National Forest, Colorado, to correct the effects of earlier erroneous land surveys.

The Clerk read as follows:

S. 589

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. BOUNDARY ADJUSTMENT AND LAND CONVEYANCE, RAGGEDS WILDERNESS, WHITE RIVER NATIONAL FOREST, COLORADO.

(a) FINDINGS.—Congress finds that—

(1) certain landowners in Gunnison County, Colorado, who own real property adjacent to the portion of the Raggeds Wilderness in the White River National Forest, Colorado, have occupied or improved their property in good faith and in reliance on erroneous surveys of their properties that the landowners reasonably believed were accurate;

(2) in 1993, a Forest Service resurvey of the Raggeds Wilderness established accurate boundaries between the wilderness area and adjacent private lands; and

(3) the resurvey indicates that a small portion of the Raggeds Wilderness is occupied by adjacent landowners on the basis of the earlier erroneous land surveys.

(b) PURPOSE.—If it the purpose of this section to remove from the boundaries of the Raggeds Wilderness certain real property so as to permit the Secretary of Agriculture to use the authority of Public Law 97–465 (commonly known as the "Small Tracts Act") (16 U.S.C. 521c et seq.) to convey the property to the landowners who occupied the property on the basis of erroneous land surveys.

(c) BOUNDARY ADJUSTMENT.—The boundary of the Raggeds Wilderness, Gunnison and White River National Forests, Colorado, as designed by section 102(a)(16) of Public Law 96–560 (94 Stat. 3267; 16 U.S.C. 1132 note), is hereby modified to exclude from the area encompassed by the wilderness a parcel of real property approximately 0.86-acres in size situated in the SW¼ of the NE¼ of Section 28, Township 11 South, Range 88 West of the 6th Principal Meridian, as depicted on the map entitled "Encroachment-Raggeds Wilderness", dated November 17, 1993.

(d) MAP.—The map described in subsection (c) shall be on file and available for inspection in the appropriate offices of the Forest Service, Department of Agriculture.

(e) CONVEYANCE OF LAND REMOVED FROM WILDERNESS AREA.—The Secretary of Agriculture shall use the authority provided by Public Law 97–465 (commonly known as the "Small Tracts Act") (16 U.S.C. 521c et seq.) to convey all right, title, and interest of the United States in and to the real property excluded from the boundaries of the Raggeds Wilderness under subsection (c) to the owners of real property in Gunnison County, Colorado, whose real property adjoins the excluded real property and who have occupied the excluded real property in good faith reliance on an erroneous survey.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Idaho [Mrs. CHENOWETH] and the gentleman from American Samoa [Mr. FALEOMAVAEGA] each will control 20 minutes.

The Chair recognizes the gentlewoman from Idaho [Mrs. CHENOWETH].

Mrs. CHENOWETH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, Senate bill 589 provides for a boundary adjustment and land conveyance involving the Raggeds Wilderness, White River National Forest, Colorado, to correct the effects of earlier erroneous land surveys. This bill is identical to legislation which passed within the House of Representatives earlier this year as H.R. 1019.

In 1993, following a boundary survey, the White River National Forest discovered an encroachment in the Raggeds Wilderness area just west of the town of Marble in Colorado. The encroachment consists of approximately 400 feet of power line and 450 feet of road. In addition, portions of four subdivision lots extend into the wilderness. The road is a country road and provides the sole legal access to these four lots. The entire encroachment is less than 1 acre of land.

The Bureau of Land Management Forest Service surveys found that the original survey of the Crystal Meadows subdivision was erroneous, and although less than 1 acre is affected, the Forest Service cannot settle the matter under the authority of the Small Tracts Act because the lands in question are within the Raggeds Wilderness area. The wilderness boundary may only be modified by an act of Congress, and S. 589 follows the guidelines established by the Small Tracts Act, Public Law 97-465.

This bill is noncontroversial, Mr. Speaker, and I urge its passage.

Mr. Speaker, I reserve the balance of my time.

Mr. FALEOMAVAEGA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the House passed H.R. 1019 on June 3, 1997, and the text has returned to us with a Senate bill number.

Mr. Speaker, this bill adjusts the boundaries of the Raggeds Wilderness in the White River National Forest in Colorado to accommodate landowners who occupy the property on the basis of erroneous land surveys. It conveys about 1 acre of land on which roads and other improvements were inadvertently constructed. The legislation is noncontroversial, and the administration does not object. I ask my colleagues to support this legislation.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. CHENOWETH. Mr. Speaker, I want to thank the gentleman from American Samoa [Mr. FALEOMAVAEGA] for his comments.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Idaho [Mrs. CHENOWETH] that the House suspend the rules and pass the Senate bill, S. 589.

The question was taken.

Mr. FALEOMAVAEGA. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

DILLON RANGER DISTRICT TRANSFER

Mrs. CHENOWETH. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 591) to transfer the Dillon Ranger District in the Arapaho National Forest to the White River National Forest in the State of Colorado.

The Clerk read as follows:

S. 591

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCLUSION OF DILLON RANGER DISTRICT IN WHITE RIVER NATIONAL FOREST, COLORADO.

(a) BOUNDARY ADJUSTMENTS.—

(1) WHITE RIVER NATIONAL FOREST.—The boundary of the White River National Forest in the State of Colorado is hereby adjusted to include all National Forest System lands located in Summit County, Colorado, comprising the Dillon Ranger District of the Arapaho National Forest.

(2) ARAPAHO NATIONAL FOREST.—The boundary of the Arapaho National Forest is adjusted to exclude the land transferred to the White River National Forest by paragraph (1).

(b) REFERENCE.—Any reference to the Dillon Ranger District, Arapaho National Forest, in any existing statute, regulation, manual, handbook, or other document shall be deemed to be a reference to the Dillon Ranger District, White River National Forest.

(c) EXISTING RIGHTS.—Nothing in this section affects valid existing rights of persons holding any authorization, permit, option, or other form of contract existing on the date of the enactment of this Act.

(d) FOREST RECEIPTS.—Notwithstanding the distribution requirements of payments under the sixth paragraph under the heading "FOREST SERVICE" in the Act entitled "An Act making appropriations for the Department of Agriculture for the fiscal year ending June thirtieth, nineteen hundred and nine", approved May 23, 1908 (35 Stat. 260, chapter 192; 16 U.S.C. 500), the distribution of receipts from the Arapaho National Forest and the White River National Forest to affected county governments shall be based on the national forest boundaries that existed on the day before the date of enactment of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Idaho [Mrs. CHENOWETH] and the gentleman from American Samoa [Mr. FALEOMAVAEGA] each will control 20 minutes.

The Chair recognizes the gentlewoman from Idaho [Mrs. CHENOWETH].

Mrs. CHENOWETH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 591 adjusts the boundaries of White River National Forest to include all national forest system lands within Summit County, Colorado, which are currently part of the Dillon Ranger District of the Arapaho National Forest. This bill passed the House earlier this year as H.R. 1020.

The White River National Forest has administered these lands for a number of years, and therefore the inclusion of the Dillon Ranger District within the White River Forest will more accurately depict the proper administration of these lands. Furthermore, the inclusion should reduce confusion within the general public as to who administers the Dillon Ranger District. The legislation will not alter the current distribution of forest receipts to the affected county governments.

The bill is noncontroversial, and I urge its passage.

Mr. Speaker, I reserve the balance of my time.

Mr. FALEOMAVAEGA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is yet another noncontroversial Colorado bill which we have already considered in the House. H.R. 1020 passed the House on June 3, 1997. The bill was introduced by the gentleman from Colorado [Mr. MCINNIS]. The other body in its wisdom has sent it back to us as Senate bill 591.

The bill provides for the transfer of the Dillon Ranger District in the Arapaho National Forest to the White River National Forest in Colorado. The administration has no objection to this bill, nor does this side of the aisle.

Mr. Speaker, I want to commend the gentlewoman from Idaho as chairman of the Subcommittee on Forests and Forest Health for her diligence, for her leadership and for her attention to issues such as this.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. CHENOWETH. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Idaho [Mrs. CHENOWETH] that the House suspend the rules and pass the Senate bill, S. 591.

The question was taken.

Mr. FALEOMAVAEGA. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

HINSDALE COUNTY, COLORADO LAND EXCHANGE

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 587) to require the Secretary of the Interior to exchange certain lands located in Hinsdale County, Colorado.

The Clerk read as follows:

S. 587

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LARSON AND FRIENDS CREEK EXCHANGE.

(a) IN GENERAL.—In exchange for conveyance to the United States of an equal value of offered land acceptable to the Secretary of the Interior that lies within, or in proximity to, the Handies Peak Wilderness Study Area, the Red Cloud Peak Wilderness Study Area, or the Alpine Loop Backcountry Bi-way, in Hinsdale County, Colorado, the Secretary of the Interior shall convey to Lake City Ranches, Ltd., a Texas limited partnership (referred to in this section as "LCR"), approximately 560 acres of selected land located in that county and generally depicted on a map entitled "Larson and Friends Creek Exchange", dated June 1996.

(b) CONTINGENCY.—The exchange under subsection (a) shall be contingent on the granting by LCR to the Secretary of a permanent conservation easement, on the approximately 440-acre Larson Creek portion of the selected land (as depicted on the map), that limits future use of the land to agricultural, wildlife, recreational, or open space purposes.

(c) APPRAISAL AND EQUALIZATION.—

(1) IN GENERAL.—The exchange under subsection (a) shall be subject to—

(A) the appraisal requirements and equalization payment limitations set forth in section 206 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716); and

(B) reviews and approvals relating to threatened species and endangered species, cultural and historic resources, and hazardous materials under other Federal laws

(2) COSTS OF APPRAISAL AND REVIEW.—The costs of appraisals and reviews shall be paid by LCR.

(3) CREDITING.—The Secretary may credit payments under paragraph (2) against the value of the selected land, if appropriate, under section 206(f) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(f)).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah [Mr. HANSEN] and the gentleman from American Samoa [Mr. FALEOMAVAEGA] each will control 20 minutes.

The Chair recognizes the gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the companion bill to S. 587, H.R. 591, was introduced by the gentleman from Colorado [Mr. MCINNIS]. The gentleman from Colorado has assembled a bill that is agreeable to the administration, to the environmental community and to private property owners. I would also like to commend the gentleman from Texas [Mr. THORNBERRY], who has added his support to this bill. This bill authorizes an uncomplicated land exchange and is noncontroversial.

Mr. Speaker, I reserve the balance of my time.

Mr. FALEOMAVAEGA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this legislation. This is one of the four Colorado-related bills on today's calendar which started in the House and have returned with the Senate numbers. In this case the House passed H.R. 591 on July 8, 1997, and we have before us the same bill in the form of Senate bill 587.

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Senate bill 587 directs the Secretary of the Interior to transfer about 560 acres of land located in Hinsdale County in Colorado and currently managed by the Bureau of Land Management. The exchange is contingent upon Department of Conservation easement being placed on 400 of these acres. In exchange, the Bureau of Land Management will receive high-priority lands of equal value within the Handies Peak Wilderness Study Area, the Red Cloud Peak Wilderness Study Area, or the Alpine Loop Backcountry Bi-way. According to the Bureau of Land Management, these areas have important wilderness, wildlife, and recreational values. The exchange is subject to appraisals and other requirements under Federal law and must meet the approval of the Secretary of the Interior.

This bill is supported by the administration, and I am not aware of any opposition.

Mr. Speaker, I yield back the balance of my time.

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill has very wide community support, and I urge all my colleagues to support this bill.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KINGSTON). The question is on the motion offered by the gentleman from Utah [Mr. HANSEN] that the House suspend the rules and pass the Senate bill, S. 587.

The question was taken.

Mr. FALEOMAVAEGA. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

MARJORY STONEMAN DOUGLAS WILDERNESS AND ERNEST F. COE VISITOR CENTER DESIGNATION ACT

Mr. HANSEN. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 931) to designate the Marjory Stoneman Douglas Wilderness and the Ernest F. Coe Visitor Center.

The Clerk read as follows:

S. 931

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Marjory Stoneman Douglas Wilderness and Ernest F. Coe Visitor Center Designation Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1)(A) Marjory Stoneman Douglas, through her book, "The Everglades: River of Grass" (published in 1947), defined the Everglades for the people of the United States and the world;

(B) Mrs. Douglas's book was the first to stimulate widespread understanding of the Everglades ecosystem and ultimately served to awaken the desire of the people of the United States to restore the ecosystem's health;

(C) in her 107th year, Mrs. Douglas is the sole surviving member of the original group of people who devoted decades of selfless effort to establish the Everglades National Park;

(D) when the water supply and ecology of the Everglades, both within and outside the park became threatened by drainage and development, Mrs. Douglas dedicated the balance of her life to the defense of the Everglades through extraordinary personal effort and by inspiring countless other people to take action;

(E) for these and many other accomplishments, the President awarded Mrs. Douglas the Medal of Freedom on Earth Day, 1994; and

(2)(A) Ernest F. Coe (1886–1951) was a leader in the creation of Everglades National Park;

(B) Mr. Coe organized the Tropic Everglades National Park Association in 1928 and was widely regarded as the father of Everglades National Park;

(C) as a landscape architect, Mr. Coe's vision for the park recognized the need to protect south Florida's diverse wildlife and habitats for future generations;

(D) Mr. Coe's original park proposal included lands and waters subsequently protected within the Everglades National Park, the Big Cypress National Preserve, and the Florida Keys National Marine Sanctuary; and

(E)(i) Mr. Coe's leadership, selfless devotion, and commitment to achieving his vision culminated in the authorization of the Everglades National Park by Congress in 1934;

(ii) after authorization of the park, Mr. Coe fought tirelessly and lobbied strenuously for establishment of the park, finally realizing his dream in 1947; and

(iii) Mr. Coe accomplished much of the work described in this paragraph at his own expense, which dramatically demonstrated his commitment to establishment of Everglades National Park.

(b) PURPOSE.—It is the purpose of this Act to commemorate the vision, leadership, and enduring contributions of Marjory Stoneman Douglas and Ernest F. Coe to the protection of the Everglades and the establishment of Everglades National Park.

SEC. 3. MARJORY STONEMAN DOUGLAS WILDERNESS.

(a) REDESIGNATION.—Section 401(3) of the National Parks and Recreation Act of 1978 (Public Law 95–625; 92 Stat. 3490; 16 U.S.C. 1132 note) is amended by striking "to be known as the Everglades Wilderness" and inserting "to be known as the Marjory Stoneman Douglas Wilderness, to commemorate the vision and leadership shown by Mrs. Douglas in the protection of the Everglades and the establishment of the Everglades National Park".

(b) NOTICE OF REDESIGNATION.—The Secretary of the Interior shall provide such notification of the redesignation made by the amendment made by subsection (a) by signs, materials, maps, markers, interpretive programs, and other means (including changes in signs, materials, maps, and markers in existence before the date of enactment of this Act) as will adequately inform the public of the redesignation of the wilderness area and the reasons for the redesignation.

(c) REFERENCES.—Any reference in any law, regulation, document, record, map, or other paper of the United States to the "Everglades Wilderness" shall be deemed to be a reference to the "Marjory Stoneman Douglas Wilderness".

SEC. 4. ERNEST F. COE VISITOR CENTER.

(a) DESIGNATION.—Section 103 of the Everglades National Park Protection and Expansion Act of 1989 (16 U.S.C. 410r–7) is amended by adding at the end the following new subsection:

"(f) ERNEST F. COE VISITOR CENTER.—On completion of construction of the main visitor center facility at the headquarters of Everglades National Park, the Secretary shall designate the visitor center facility as the 'Ernest F. Coe Visitor Center', to commemorate the vision and leadership shown by Mr. Coe in the establishment and protection of Everglades National Park.".

SEC. 5. CONFORMING AND TECHNICAL AMENDMENTS.

Section 103 of the Everglades National Park Protection and Expansion Act of 1989 (16 U.S.C. 410r–7) is amended—

(1) in subsection (c)(2), by striking "personally-owned" and inserting "personnally-owned"; and

(2) In subsection (e), by striking "VISITOR CENTER" and inserting "MARJORY STONEMAN DOUGLAS VISITOR CENTER".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Utah [Mr. HANSEN] and the gentleman from American Samoa [Mr. FALEOMAVAEGA] each will control 20 minutes.

The Chair recognizes the gentleman from Utah [Mr. HANSEN].

Mr. HANSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in full support of S. 931 and urge its adoption. Mr. DEUTSCH of Florida and Mr. GOSS from Florida introduced very similar legislation in the form of H.R. 136 in the House. The Subcommittee on National Parks and Public Lands held hearings on that legislation, and it is supported on a broad bipartisan basis by the Florida delegation, the administration, and many conservation organizations. I am pleased to support this legislation on the House floor and am pleased that we will be sending S. 931 to the President for his signature.

Mr. Speaker, I reserve the balance of my time.

Mr. FALEOMAVAEGA. Mr. Speaker, I yield myself such time as I may consume.

(Mr. FALEOMAVAEGA asked and was given permission to revise and extend his remarks.)

Mr. FALEOMAVAEGA. First of all, Mr. Speaker, I want to commend the gentleman from Utah, the chairman of the Subcommittee on National Parks and Public Lands, for his leadership and especially for his being here managing this piece of legislation.

Mr. Speaker, Senate bill 931 is the Senate companion measure to House bill H.R. 136 introduced by my colleague, the gentleman from Florida [Mr. DEUTSCH], who has been a strong advocate for this legislation. H.R. 136 was favorably reported by the Committee on Resources, and we are bringing the Senate-passed bill to the floor to expedite consideration.

This is truly a noncontroversial matter, and I am glad to see the House considering this bill so it can be sent to the President for his signature.

When the Committee on Resources held a hearing on this legislative initiative, the administration of the National Park Service strongly supported the legislation which would name the Everglades Wilderness and Visitor Center after two individuals who have long and distinguished association with the Everglades National Park. Marjory Stoneman Douglas was a tireless advocate of the Everglades for many years, and it is fitting to recognize her work in protecting this unique ecosystem. Likewise, Ernest F. Coe is considered the father of Everglades National Park, and the bill honors his work by naming the visitor center for him.

With that said, Mr. Speaker, I support the legislation, and I urge my colleagues for their approval and adoption by this Chamber.

Mr. DAVIS of Florida. Mr. Speaker, I rise in strong support of S. 931, legislation to commemorate two individuals whose work and dedication were instrumental in establishing the Everglades National Park, one of our Nation's natural treasures. The legislation before us today is nearly identical to H.R. 136, of which I am a proud cosponsor.

This year, citizens throughout Florida, and indeed our Nation, celebrate the 50th anniversary of the Everglades National Park. Over the past five decades, our knowledge and appreciation for the tremendous resources, so critical to the environmental health and quality of life in our State, have deepened in large part to the two individuals commemorated in this legislation: Marjory Stoneman Douglas and Ernest F. Coe.

Through Mrs. Douglas' trailblazing book entitled "The Everglades: River of Grass," Floridians were first alerted to the fragile nature of the Everglades ecosystem and the degree to which we are all dependent upon its continued health and protection. Since publication of the book in 1947, Mrs. Douglas has fought tirelessly in defense of the Everglades and now at the age of 107, she will be honored through this legislation designating 1.3 million acres within the park as the "Marjory Stoneman Douglas Wilderness."

In addition, this bill will honor the "Papa of the Everglades National Park," Ernest F. Coe, by naming the park's main visitor center after him. Mr. Coe's leadership was the driving force behind the establishment of the park and it was his vision which has inspired the preservation of the diverse ecosystem for future generations.

Mr. Speaker, as we celebrate the 50th anniversary of the Everglades National Park it is fitting that we commemorate the valuable service of Mrs. Douglas and Mr. Coe and I urge all my colleagues to support this legislation.

Mr. FALEOMAVAEGA. Mr. Speaker, I reserve the balance of my time.

Mr. HANSEN. Mr. Speaker, I have no further speakers on this, and I yield back the balance of my time.

Mr. FALEOMAVAEGA. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah [Mr. HANSEN] that the House suspend the rules and pass the Senate bill, S. 931.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HANSEN. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks and include extraneous material on S. 931.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Utah?

There was no objection.

NATIONAL WILDLIFE REFUGE SYSTEM VOLUNTEER AND COMMUNITY PARTNERSHIP ACT OF 1997

Mr. SAXTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1856) to amend the Fish and Wildlife Act of 1956 to direct the Secretary of the Interior to conduct a volunteer pilot project at one national wildlife refuge in each United States Fish and Wildlife Service region, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1856

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Wildlife Refuge System Volunteer and Community Partnership Act of 1997".

SEC. 2. VOLUNTEERS AND COMMUNITY PARTNERSHIPS FOR WILDLIFE.

(a) PROMOTION OF VOLUNTEERS AT NATIONAL WILDLIFE REFUGES.—Section 7(b)(2) of the Fish and Wildlife Act of 1956 (16 U.S.C. 742f(b)(2)) is amended by adding at the end the following: "Any gift or bequest made for the benefit of a particular national wildlife refuge or complex of refuges shall be disbursed only for the benefit of that refuge or complex of refuges.".

(b) AWARDS AND RECOGNITION FOR VOLUNTEERS.—Section 7(c)(2) of that Act (16 U.S.C. 742f(c)(2)) is amended—

(1) by inserting "awards and recognition," after "lodging,"; and

(2) by inserting "without regard to their place of residence" after "volunteers".

(c) VOLUNTEER AND COMMUNITY PARTNERSHIP ENHANCEMENT.—Section 7 of that Act

(16 U.S.C. 742) is amended by adding at the end the following:

"(d) VOLUNTEER AND COMMUNITY PARTNERSHIP ENHANCEMENT.—(1) The purposes of this subsection are the following:

"(A) To encourage the use of volunteers in the National Wildlife Refuge System.

"(B) To facilitate partnerships between the National Wildlife Refuge System and partner organizations.

"(C) To promote participation by individuals, organizations, and communities in understanding and conserving the fish and wildlife resources, lands, and facilities of the National Wildlife Refuge System.

"(D) To enhance the availability of interpretive and educational materials and services for the enjoyment of visitors to national wildlife refuges.

"(2) Subject to the availability of appropriations, the Secretary of the Interior shall conduct a pilot project at 1 national wildlife refuge in each United States Fish and Wildlife Service region, under which the Secretary shall employ a full-time volunteer coordinator for each refuge.

"(3)(A) Subject to the compatibility requirements of the National Wildlife Refuge System Administration Act of 1966 and this paragraph, the Secretary of the Interior may enter into a cooperative agreement (as that term is used in chapter 63 of title 31, United States Code) with any partner organization, academic institution, or State or local government organization, for the conduct of a project on a national wildlife refuge, under which—

"(i) there will be provided enhanced opportunities for private citizens to volunteer with a national wildlife refuge in their local communities and contribute to stewardship of the resources on that refuge;

"(ii) a partner organization, academic institution, or State or local government organization will develop, produce, publish, distribute, or sell educational materials and products pertaining to a national wildlife refuge approved by the Secretary, under conditions specified by the Secretary;

"(iii) a partner organization, academic institution, or State or local government organization will construct, maintain, operate, or improve a facility on a national wildlife refuge necessary for the sale or distribution of educational materials, products, programs, and services pertaining to national wildlife refuges;

"(iv) a partner organization, academic institution, or State or local government organization will provide visitor services, facilities, or activities within a national wildlife refuge, under terms that require that the net profits from such services, facilities, or activities shall be used exclusively for projects and programs that benefit the refuge and are consistent with the purposes for which it was established; or

"(v) there will be carried out within a national wildlife refuge, on a Federal/non-Federal cost sharing basis, habitat restoration and improvement, biological monitoring, research, public education and recreation, construction of facilities, or other projects.

"(B) Any Federal funds used to fund a project under a cooperative agreement under this paragraph—

"(i) may be used only for expenses directly related to the project; and

"(ii) may not be used for operation or administration of any non-Federal entity.

"(C) A partner organization, academic institution, or State or local government organization shall not receive preferential treatment in any application process to provide visitor services, products, or facilities in a national wildlife refuge.

"(D) Any facility or permanent improvement constructed pursuant to this subsection shall be the property of the United States Government.

"(4)(A) Amounts received by the Secretary of the Interior as a result of activities under paragraph (3) shall be deposited in a separate account in the Treasury.

"(B) Amounts in the account referred to in subparagraph (A) that are attributable to activities at a particular national wildlife refuge or complex of refuges shall be available to the Secretary of the Interior without further appropriation—

"(i) for materials, training, and other uses related to volunteer activities at the refuge or complex of refuges; or

"(ii) to carry out cooperative agreements under this subsection applicable to the refuge or complex of refuges.

"(5) For the purposes of this subsection, the term 'partner organization' means an organization—

"(A) the mission of which is to promote understanding and conservation of the fish and wildlife, cultural, or historic resources of a particular national wildlife refuge or a complex of related national wildlife refuges;

"(B) that draws its membership primarily from communities near that refuge or complex of related national wildlife refuges; and

"(C) that is described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of that Code.

"(6) In addition to amounts available under paragraph (4)(B), there are authorized to be appropriated to the Secretary of the Interior for each of fiscal years, 1998, 1999, 2000, 2001, 2002, and 2003—

"(A) $1,000,000 for carrying out activities under this subsection and subsection (c); and

"(B) $1,050,000 for pilot projects under paragraph (2) among the United States Fish and Wildlife Service Regions.".

(d) CONFORMING AMENDMENT.—Section 7(c)(6) of that Act (16 U.S.C. 742f(c)(6)) is amended by striking "$100,000 for the Secretary of the Interior and".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey [Mr. SAXTON] and the gentleman from American Samoa [Mr. FALEOMAVAEGA] each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the author of H.R. 1856, I am pleased to present the House of Representatives the National Wildlife Refuge System Community Partnership Act.

The U.S. Fish and Wildlife Service has a very successful program to encourage volunteer activities at the national wildlife refuge and other service field stations. Last year, for example, over 25,000 volunteers donated nearly $11 million worth of services, ranging from staffing of visitor centers to hunter safety classes to operating heavy equipment. I introduced this bill after a field hearing at the Edwin B. Forsythe National Wildlife Refuge in my district in New Jersey that addressed a large number of maintenance backlog issues.

Mr. Speaker, I urge an aye vote on H.R. 1856.

Mr. Speaker, as the author of H.R. 1856, I am pleased to present to the House of Representatives the National Wildlife Refuge System Community Partnership Act.

The U.S. Fish and Wildlife Service has a very successful program to encourage volunteer activities at National Wildlife Refuges and other Service field stations. Last year, for example, over 25,000 volunteers donated nearly $11 million worth of services, ranging from staffing visitor centers, to hunter safety classes, to operating heavy equipment.

I introduced this bill after a field hearing at the Edwin B. Forsythe National Wildlife Refuge in my district in New Jersey that addressed the large maintenance backlog at refuges. We heard from several local volunteer conservation groups who pointed out some problems with the existing volunteer program. This bill is intended to solve these problems.

First of all, the biggest obstacle to improving the volunteer program is a shortage of staff at refuges. We can't expect refuge employees who have full-time operation and maintenance duties to also donate all of their weekends to working with volunteer groups. H.R. 1856 would address this problem by establishing pilot projects at seven refuges for the purpose of hiring full-time volunteer coordinators. This will make it much easier for the Service and conservation groups to work together for the benefit of refuges.

Second, H.R. 1856 makes it easier for interested individuals and groups to donate money or services to refuges. It would ensure that gifts to a particular refuge will actually go to that refuge, instead of disappearing into a nationwide account.

Third, the bill will allow refuge managers to enter into cooperative agreements with local conservation groups to conduct projects on refuges. Again, these provisions are designed to make it easier for refuge managers to cooperate with local organizations. For example, if a volunteer group were interested in constructing a wildlife observation tower or other improvement at a refuge, this section would allow the refuge manager to contribute materials or staff assistance to the project.

All of these provisions are designed to make it easier for volunteers who are interested in helping to conserve fish and wildlife to contribute their skills and enthusiasm to our National Wildlife Refuges. Many of my colleagues have worked hard this year to improve Refuge operations and maintenance through the appropriations process, and to enact the National Wildlife Refuge System Improvement Act, which was signed into law on October 9th. However, it is the thousands of volunteers who directly donate their time and energy who really make the difference on the ground. By making it easier for them, this bill will enhance an already successful program and ultimately benefit fish and wildlife conservation throughout the National Wildlife Refuge System.

Mr. Speaker, I reserve the balance of my time.

Mr. FALEOMAVAEGA. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. DEUTSCH].

Mr. DEUTSCH. Mr. Speaker, I rise in support of the legislation, but also today, Mr. Speaker, we recognize two luminaries who ignited the movement to preserve one of America's greatest national treasures, the Florida Everglades.

I think most Americans know that the Everglades is an ecosystem in serious jeopardy. Decades of well intentioned but misguided human intervention have pushed the Everglades to the brink of extinction. While the pride of the Everglades is accepted as common knowledge today, this was not always the case. It took years of tireless campaigning by a few early leaders to raise public awareness to the appropriate level.

Mr. Speaker, today we consider legislation which recognizes the contributions of two of those early leaders who first led the charge to save the Everglades. The bill before us and the House companion bill, supported by 12 members of the Florida delegation, designates the Marjory Stoneman Douglas Wilderness and the Ernest Coe Visitor Center.

Ernest Coe is widely recognized as the father of Everglades National Park. In 1928 he organized a tropical Everglades National Park Association. As a landscape architect, Mr. Coe's vision for the park recognized the need to protect south Florida's diverse wildlife and habitats for future generations. His leadership and selfless devotion to commitment to achieving this vision culminated in the authorization of Everglades National Park by Congress in 1934 and its dedication by President Truman in 1947. Senate 931 dedicates the park's main visitor center in memory of Mr. Coe to remind visitors of his devotion to the Everglades.

The legislation also honors a person who is probably most identified with the Everglades, Marjory Stoneman Douglas. In 1947, Marjory Stoneman Douglas wrote a landmark book on Florida's largest wetland ecosystem, "The Everglades, River of Grass." This pioneering work was the first to highlight the plight of the Everglades and ultimately served to weigh upon public interest in restoring its health.

Professional journalist and author, Mrs. Douglas went on to lead many battles in defense of the Everglades. In 1994, President Clinton awarded her the Medal of Freedom, America's highest civilian honor. Considering her extraordinary accomplishments, it should come as no surprise that Mrs. Douglas is still going strong today at age 107. The legislation designates 1.3 million acres in Everglades National Park as Marjory Stoneman Douglas Wilderness. It is a fitting and permanent reminder by the Everglades' mightiest defender to forever treasure America's greatest tropical ecosystem.

Like so many Everglades accomplishments, this legislation has an entire delegation. I would especially like to thank the gentleman from Florida's southwest coast [Mr. GOSS], who has been the primary original cosponsor for two Congresses, and Florida's Senators, the sponsors of the bill before us today.

Mr. Speaker, our timing is also appropriate because the park is celebrating its 50th anniversary this year. I can say with confidence that the park would not have made it this far without Ernest Coe and Marjory Stoneman Douglas.

So as we look forward to the next 50 years, let us remember the contributions of those who made everything possible today. As a resident of south Florida in terms of both my children and my parents and hopefully grandchildren into the future, there are no words or no deeds that we can do that can thank these two people in specifics in terms of their work, in terms of quality of life in south Florida, so I urge the support of the bill today.

Mr. FALEOMAVAEGA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 1856. The bill was unanimously reported from the Committee on Resources, and the amendments before the House improves its benefits to wildlife even more. The bill's chief sponsor, the gentleman from New Jersey, and also chairman of the subcommittee, has done a yeoman service for wildlife in this country by introducing this legislation by expeditiously bringing it before the House.

The amendment does three things. It promotes volunteer programs in wildlife refuges, it protects wildlife habitat by reauthorizing the highly successful North American Wetlands Conservation Act, and it improves the management of nongame species of wildlife by reauthorizing a program of Federal matching grants for such activities.

Mr. Speaker, this bill is about protecting wildlife habitat and enhancing the management of both game and nongame wildlife. We have long since reached a point where government cannot provide all the know-how and resources adequately to protect our wildlife. By establishing a pilot program to encourage partnerships between wildlife refuges and private organizations, we create a win-win situation for wildlife. Local citizens get an opportunity to gain firsthand experience with wildlife while enjoying the simple pleasure of volunteer service. For their part wildlife refuges get expertise from the local community as well as goods and services which would not otherwise be available to them.

Mr. Speaker, in the 7 years of its existence, the North American Wetlands Act has resulted in the protection of more than 10 million acres of wetlands in the United States, Canada, and Mexico. Two hundred and eight million dollars in government funds for this voluntary, nonregulatory program has been matched by more than $420 million in non-Federal funds, conserving valuable habitat for migratory birds and many nonmigratory species as well.

Lastly, the amendment reauthorizes the Partnerships for Wildlife Act which provides matching grants for nongame wildlife conservation and appreciation. A permanent source of funding like we have for sport fish and game conservation is sorely needed for nongame species. The States currently estimate their unmet needs for nongame management and conservation at over $300 million annually.

I hope that we have the opportunity to give permanent funding for nongame species serious consideration next session. In the meantime, we will continue doing what we can for nongame species under the Partnerships for Wildlife program. This legislation is sound, to benefit wildlife throughout through nonregulatory programs that leverage scarce Federal resources, and, Mr. Speaker, I also would like to commend the gentleman from Hawaii, the ranking member of this subcommittee, for his contribution to this piece of legislation.

I urge my colleagues for their adoption and support of this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. SAXTON. Mr. Speaker, I yield 1½ minutes to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Speaker, I thank the gentleman for yielding me this time.

I rise in support of S. 931, a bill which honors two south Floridian conservation pioneers, Ernest Coe and Marjory Stoneman Douglas. S. 931 names the main visitor center at the Everglades National Park the Ernest F. Coe Visitor Center and designates 1.3 million acres in the park as the Marjory Stoneman Douglas Wilderness.

Ernest Coe, widely recognized as the father of the Everglades National Park, labored for more than 20 years with a single-minded determination to create a national park for the protection of the birds, panthers, and hundreds of other species of wildlife indigenous to Florida.

Almost 70 years ago, Coe presaged the societal pressures which would have threatened this unique habitat and made the designation of the park his purpose in life. Floridians owe him a debt of gratitude, and, indeed, the entire Nation does.

This bill also honors Marjory Stoneman Douglas. So much has been written about this woman's incredible life. Ms. Douglas has achieved near legendary status. At 107 years old, Ms. Douglas remains the single greatest icon of Everglades restoration and a true south Florida treasure.

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Although it is difficult to conceive in 1997, the Everglades before World War

II was considered by most to be a worthless swamp and a hindrance to development and industry. Ms. Douglas was among the first to suggest that the Federal Government's construction programs to drain and redirect the river of grass might upset the natural cycles on which the whole south Florida ecosystem relies. Thanks to Ms. Douglas' foresight, this ecological treasure is now protected in perpetuity.

Mr. Speaker, on the eve of the golden anniversary of the founding of the Everglades National Park, I urge my colleagues to support the bill.

Mr. FALEOMAVAEGA. Mr. Speaker, I yield myself such time as I may consume.

Again, I want to commend the gentleman from Hawaii [Mr. ABERCROMBIE], who is necessarily absent this afternoon, for his comanagement of this piece of legislation, and I want to commend him for his service and contributions to making this bill possible to be brought before the floor for consideration.

At this time I have no additional speakers, Mr. Speaker, and I yield back the balance of my time.

Mr. SAXTON. Mr. Speaker, the gentleman from American Samoa correctly points out the important role that the gentleman from Hawaii [Mr. ABERCROMBIE] played in developing and getting this bill to the floor. So I would like to thank him myself for his support of the National Wildlife Refuge System Volunteer and Community Partnership Acts of 1997.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KINGSTON). The question is on the motion offered by the gentleman from Utah [Mr. HANSEN] that the House suspend the rules and pass the bill, H.R. 1856, as amended.

The question was taken.

Mr. FALEOMAVAEGA. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

PROVIDING FOR THE DIVISION, USE, AND DISTRIBUTION OF JUDGMENT FUNDS OF OTTAWA AND CHIPPEWA INDIANS

Mr. SAXTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1604) to provide for the division, use, and distribution of judgment funds of the Ottawa and Chippewa Indians of Michigan pursuant to dockets numbered 18–E, 58, 364, and 18–R before the Indian Claims Commission, as amended.

The Clerk read as follows:

H.R. 1604

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Table of contents.
Sec. 2. Findings; purpose.
Sec. 3. Definitions.
Sec. 4. Division of funds.
Sec. 5. Development of tribal plans for use or distribution of funds.
Sec. 6. Preparation of judgment distribution roll of descendants.
Sec. 7. Plan for use and distribution of Bay Mills Indian Community funds.
Sec. 8. Plan for use of Sault Ste. Marie Tribe of Chippewa Indians of Michigan funds.
Sec. 9. Plan for use of Grand Traverse Band of Ottawa and Chippewa Indians of Michigan funds.
Sec. 10. Payment to newly recognized or reaffirmed tribes.
Sec. 11. Treatment of funds in relation to other laws.
Sec. 12. Treaties not affected.

SEC. 2. FINDINGS; PURPOSE.

(a) FINDINGS.—Congress finds the following:

(1) Judgments were rendered in the Indian Claims Commission in dockets numbered 18–E, 58, and 364 in favor of the Ottawa and Chippewa Indians of Michigan and in docket numbered 18–R in favor of the Sault Ste. Marie Tribe of Chippewa Indians.

(2) The funds Congress appropriated to pay these judgments have been held by the Department of the Interior for the beneficiaries pending a division of the funds among the beneficiaries in a manner acceptable to the tribes and descendency group and pending development of plans for the use and distribution of the respective tribes' share.

(3) The 1836 treaty negotiations show that the United States concluded negotiations with the Chippewa concerning the cession of the upper peninsula and with the Ottawa with respect to the lower peninsula.

(4) A number of sites in both areas were used by both the Ottawa and Chippewa Indians. The Ottawa and Chippewa Indians were intermarried and there were villages composed of members of both tribes.

(b) PURPOSE.—It is the purpose of this Act to provide for the fair and equitable division of the judgment funds among the beneficiaries and to provide the opportunity for the tribes to develop plans for the use or distribution of their share of the funds.

SEC. 3. DEFINITIONS.

For purposes of this Act the following definitions apply:

(1) The term "judgment funds" means funds appropriated in full satisfaction of judgments made in the Indian Claims Commission—

(A) reduced by an amount for attorneys fees and litigation expenses; and

(B) increased by the amount of any interest accrued with respect to such funds.

(2) The term "dockets 18–E and 58 judgment funds" means judgment funds awarded in dockets numbered 18–E and 58 in favor of the Ottawa and Chippewa Indians of Michigan.

(3) The term "docket 364 judgment funds" means the judgment funds awarded in docket numbered 364 in favor of the Ottawa and Chippewa Indians of Michigan.

(4) The term "docket 18–R judgment funds" means the judgment funds awarded in docket numbered 18–R in favor of the Sault Ste. Marie Band of Chippewa Indians.

(5) The term "judgment distribution roll of descendants" means the roll prepared pursuant to section 6.

(6) The term "Secretary" means the Secretary of the Interior.

SEC. 4. DIVISION OF FUNDS.

(a) DOCKET 18–E AND 58 JUDGMENT FUNDS.—The Secretary shall divide the docket 18–E and 58 judgment funds as follows:

(1) The lesser of 13.5 percent and $9,253,104.47, and additional funds as described in this section, for newly recognized or reaffirmed tribes described in section 10 and eligible individuals on the judgment distribution roll of descendants.

(2) 34.6 percent to the Sault Ste. Marie Tribe of Chippewa Indians of Michigan and the Bay Mills Indian Community, of which—

(A) the lesser of 35 percent of the principal and interest as of December 31, 1996, and $8,313,877 shall be for the Bay Mills Indian Community; and

(B) the remaining amount (less $161,723.89 which shall be added to the funds described in paragraph (1)) shall be for the Sault Ste. Marie Tribe of Chippewa Indians of Michigan.

(3) 17.3 percent (less $161,723.89 which shall be added to the funds described in paragraph (1)) to the Grand Traverse Band of Ottawa and Chippewa Indians of Michigan.

(4) 17.3 percent (less $161,723.89 which shall be added to the funds described in paragraph (1)) to the Little Traverse Bay Bands of Odawa Indians of Michigan.

(5) 17.3 percent (less $161,723.89 which shall be added to the funds described in paragraph (1)) to the Little River Band of Ottawa Indians of Michigan.

(6) Any funds remaining after distribution pursuant to paragraphs (1) through (5) shall be divided and distributed to each of the recognized tribes listed in this subsection in an amount which bears the same ratio to the amount so divided and distributed as the distribution of judgment funds pursuant to each of paragraphs (2) through (5) bears to the total distribution under all such paragraphs.

(b) DOCKET 364 JUDGMENT FUNDS.—The Secretary shall divide the docket 364 judgment funds as follows:

(1) The lesser of 20 percent and $28,026.79 for newly recognized or reaffirmed tribes described in section 10 and eligible individuals on the judgment distribution roll of descendants.

(2) 32 percent to the Sault Ste. Marie Tribe of Chippewa Indians of Michigan and the Bay Mills Indian Community, of which—

(A) 35 percent shall be for the Bay Mills Indian Community; and

(B) the remaining amount shall be for the Sault Ste. Marie Tribe of Chippewa Indians of Michigan.

(3) 16 percent to the Grand Traverse Band of Ottawa and Chippewa Indians of Michigan.

(4) 16 percent to the Little Traverse Bay Bands of Odawa Indians of Michigan.

(5) 16 percent to the Little River Band of Ottawa Indians of Michigan.

(6) Any funds remaining after distribution pursuant to paragraphs (1) through (5) shall be divided and distributed to each of the recognized tribes listed in this subsection in an amount which bears the same ratio to the amount so divided and distributed as the distribution of judgment funds pursuant to each of paragraphs (2) through (5) bears to the total distribution under all such paragraphs.

(c) Docket 18–R Judgment Funds.—The Secretary shall divide the docket 18–R judgment funds as follows:

(1) 65 percent to the Sault Ste. Marie Tribe of Chippewa Indians of Michigan.

(2) 35 percent to the Bay Mills Indian Community.

(d) Amounts for Newly Recognized or Reaffirmed Tribes or Individuals on the Judgment Distribution Roll of Descendants Held in Trust.—Pending distribution under this Act to newly recognized or reaffirmed tribes described in section 10 or individuals on the judgment distribution roll of descendants, the Secretary shall hold amounts referred to in subsections (a)(1) and (b)(1) in trust.

SEC. 5. DEVELOPMENT OF TRIBAL PLANS FOR USE OR DISTRIBUTION OF FUNDS.

(a) Disbursement of Funds.—(1) Except as provided in paragraphs (2), (3), and (4), the Secretary shall disburse each tribe's respective share of the judgment funds described in subsections (a), (b), and (c) of section 4 not later than 30 days after a plan for use and distribution of such funds has been approved in accordance with this section. Disbursement of a tribe's share shall not be dependent upon approval of any other tribe's plan.

(2) Section 7 shall be the plan for use and distribution of the judgment funds described in subsections (a)(2)(A), (b)(2)(A), and (c)(2) of section 4. Such plan shall be approved upon the enactment of this Act and such funds shall be distributed by the Secretary to the Bay Mills Indian Community not later than 90 days after the date of the enactment of this Act to be used and distributed in accordance with section 7.

(3) Section 8 shall be the plan for use and distribution of the judgment funds described in subsections (a)(2)(B), (b)(2)(B), and (c)(1) of section 4. Such plan shall be approved upon the enactment of this Act and such funds shall be distributed by the Secretary to the Sault Ste. Marie Tribe of Chippewa Indians of Michigan not later than 90 days after the date of the enactment of this Act to be used and distributed in accordance with section 8.

(4) Section 9 shall be the plan for use and distribution of the judgment funds described in subsections (a)(3) and (b)(3) of section 4. Such plan shall be approved upon the enactment of this Act and such funds shall be distributed by the Secretary to the Grand Traverse Band of Ottawa and Chippewa Indians of Michigan, not later than 90 days after the date of the enactment of this Act to be used and distributed in accordance with section 9.

(b) Approval or Comment of Secretary.—(1) Except as otherwise provided in this Act, each tribe shall develop a plan for the use and distribution of its respective share of the judgment funds. The tribe shall hold a hearing or general membership meeting on its proposed plan. The tribe shall submit to the Secretary its plan together with an accompanying resolution of its governing body accepting such plan, a transcript of its hearings or meetings in which the plan was discussed with its general membership, any documents circulated or made available to the membership on the proposed plan, and comments from its membership received on the proposed plan.

(2) Not later than 90 days after a tribe makes its submission under paragraph (1), the Secretary shall—

(A) if the plan complies with the provisions of section 3(b) of the Indian Tribal Judgment Funds Use or Distribution Act (25 U.S.C. 1403(b)), approve the plan; or

(B) if the plan does not comply with the provisions of section 3(b) of the Indian Tribal Judgment Funds Use or Distribution Act (25 U.S.C. 1403(b)), return the plan to the tribe with comments advising the tribe why the plan does not comply with such provisions.

(c) Response by Tribe.—The tribe shall have 60 days after receipt of comments under subsection (b)(2), or other time as the tribe and the Secretary agree upon, in which to respond to such comments and make such response by submitting a revised plan to the Secretary.

(d) Submission to Congress.—(1) The Secretary shall, within 45 days after receiving the governing body's comments under subsection (c), submit a plan to Congress in accordance with the provisions of section 3(b) of the Indian Tribal Judgment Funds Use or Distribution Act (25 U.S.C. 1403(b)). If the tribe does not submit a response pursuant to subsection (c), the Secretary shall, not later than 45 days after the end of the response time for such a response, submit a plan to Congress in accordance with the provisions of section 3(b) of the Indian Tribal Judgment Funds Use or Distribution Act (25 U.S.C. 1403(b)).

(2) If a tribe does not submit a plan to the Secretary within 8 years of the date of enactment of this Act, the Secretary shall approve a plan which complies with the provisions of section 3(b) of the Indian Tribal Judgment Funds Use or Distribution Act (25 U.S.C. 1403(b)).

(e) Governing Law After Approval by Secretary.—Once approved by the Secretary under this Act, the effective date of the plan and other requisite action, if any, is determined by the provisions of section 5 of the Indian Tribal Judgment Funds Use or Distribution Act (25 U.S.C. 1405).

(f) Hearings Not Required.—Notwithstanding section 3 and section 4 of the Indian Tribal Judgment Funds Use or Distribution Act (25 U.S.C. 1403 and 25 U.S.C. 1404), the Secretary shall not be required to hold hearings or submit transcripts of any hearings held previously concerning the Indian judgments which are related to the judgment funds. The Secretary's submission of the plan pursuant to this Act shall comply with section 4 of the Indian Tribal Judgment Funds Use or Distribution Act (25 U.S.C. 1404).

SEC. 6. PREPARATION OF JUDGMENT DISTRIBUTION ROLL OF DESCENDANTS.

(a) Preparation.—

(1) In general.—The Secretary shall prepare, in accordance with parts 61 and 62 of title 25, Code of Federal Regulations, a judgment distribution roll of all citizens of the United States who—

(A) were born on or before the date of enactment of this Act;

(B) were living on the date of the enactment of this Act;

(C) are of at least one-quarter Michigan Ottawa or Chippewa Indian blood, or a combination thereof;

(D) are not members of the tribal organizations listed in section 4;

(E) are lineal descendants of the Michigan Ottawa or Chippewa bands or tribes that were parties to either the 1820 treaty (7 Stat. 207), the 1836 treaty (7 Stat. 491), or the 1855 treaty (11 Stat. 621);

(F) are lineal descendants of at least one of the groups described in subsection (d); and

(G) are not described in subsection (e).

(2) Time limitations.—The judgment distribution roll of descendants prepared pursuant to paragraph (1)—

(A) shall not be approved before 8 years after the date of the enactment of this Act or a final determination has been made regarding each petition filed pursuant to section 10, whichever is earlier; and

(B) shall be approved not later than 9 years after the date of the enactment of this Act.

(b) Applications.—Applications for inclusion on the judgment distribution roll of descendants must be filed with the superintendent, Michigan agency, Bureau of Indian Affairs, Sault Ste. Marie, Michigan, not later than 1 year after the date of enactment of this Act.

(c) Appeals.—Appeals arising under this section shall be handled in accordance with parts 61 and 62 of title 25, Code of Federal Regulations.

(d) Groups.—The groups referred to in subsection (a)(1)(F) are Chippewa or Ottawa tribe or bands of—

(1) Grand River, Traverse, Grand Traverse, Little Traverse, Maskigo, or L'Arbre Croche, Cheboigan, Sault Ste. Marie, Michilmackinac; and

(2) any subdivisions of any groups referred to in paragraph (1).

(e) Ineligible Individuals.—An individual is not eligible under this section, if that individual—

(1) received benefits pursuant to the Secretarial Plan effective July 17, 1983, for the use and distribution of Potawatomi judgment funds;

(2) received benefits pursuant to the Secretarial Plan effective November 12, 1977, for the use and distribution of Saginaw Chippewa judgment funds;

(3) is a member of the Keweenaw Bay Chippewa Indian Community of Michigan on the date of the enactment of this Act;

(4) is a member of the Lac Vieux Desert Band of Lake Superior Chippewa Indians on the date of the enactment of this Act; or

(5) is a member of a tribe whose membership is predominantly Potawatomi.

(f) Use of Horace B. Durant Roll.—In preparing the judgment distribution roll of descendants under this section, the Secretary shall refer to the Horace B. Durant Roll, approved February 18, 1910, of the Ottawa and Chippewa Tribe of Michigan, as qualified and corrected by other rolls and records acceptable to the Secretary, including the Durant Field Notes of 1908–1909 and the Annuity Payroll of the Ottawa and Chippewa Tribe of Michigan approved May 17, 1910. The Secretary may employ the services of the descendant group enrollment review committees.

(g) Payment of Funds.—Subject to section 10, not later than 90 days after the approval by the Secretary of the judgment distribution roll of descendants prepared pursuant to this section, the Secretary shall distribute per capita the funds described in subsections (a)(1) and (b)(1) of section 4 to the individuals listed on that judgment distribution roll of descendants. Payment under this section—

(1) to which a living, competent adult is entitled under this Act shall be paid directly to that adult;

(2) to which a deceased individual is entitled under this Act shall be paid to that individual's heirs and legatees upon determination of such heirs and legatees in accordance with regulations prescribed by the Secretary; and

(3) to which a legally incompetent individual or an individual under 18 years of age is entitled under this Act shall be paid in accordance with such procedures (including the establishment of trusts) as the Secretary determines to be necessary to protect and preserve the interests of that individual.

SEC. 7. PLAN FOR USE AND DISTRIBUTION OF BAY MILLS INDIAN COMMUNITY FUNDS.

(a) TRIBAL LAND TRUST.—(1) The Executive Council of the Bay Mills Indian Community shall establish a nonexpendable trust to be known as the "Land Trust". Not later than 60 days after receipt of the funds distributed to the Bay Mills Indian Community pursuant to this Act, the Executive Council of the Bay Mills Indian Community shall deposit 20 percent of the share of the Bay Mills Indian Community into the Land Trust.

(2) The Executive Council shall be the trustee of the Land Trust and shall administer the Land Trust in accordance with this section. The Executive Council may retain or hire a professional trust manager and may pay the prevailing market rate for such services. Such payment for services shall be made from the current income accounts of the trust and charged against earnings of the current fiscal year.

(3) The earnings generated by the Land Trust shall be used exclusively for improvements on tribal land or the consolidation and enhancement of tribal landholdings through purchase or exchange. Any land acquired with funds from the Land Trust shall be held as Indian lands are held.

(4) The principal of the Land Trust shall not be expended for any purpose, including but not limited to, per capita payment to members of the Bay Mills Indian Community.

(5) The Land Trust shall be maintained as a separate account, which shall be audited at least once during each fiscal year by an independent certified public accountant who shall prepare a report on the results of such audit. Such report shall be a public document, and shall be available for inspection by any member of the Bay Mills Indian Community.

(6) Notwithstanding any other provision of law, the approval of the Secretary of any payment from the Land Trust shall not be required and the Secretary shall have no trust responsibility for the investment, supervision, administration, or expenditure of funds from the Land Trust.

(b) LAND CLAIMS DISTRIBUTION TRUST.—(1) The Executive Council of the Bay Mills Indian Community shall establish a nonexpendable trust to be known as the "Land Claims Distribution Trust Fund". Not later than 60 days after receipt of the funds distributed to the Bay Mills Indian Community pursuant to this Act, the Executive Council of the Bay Mills Indian Community shall deposit into the Land Claims Distribution Trust Fund the principal funds which shall consist of—

(A) amounts remaining of the funds distributed to the Bay Mills Indian Community after distribution pursuant to subsections (a) and (c);

(B) 10 percent of the annual earnings generated by the Land Claims Distribution Trust Fund; and

(C) such other funds which the Executive Council chooses to add to the Land Claims Distribution Trust Fund.

(2) The Executive Council shall be the trustee of the Land Claims Distribution Trust Fund and shall administer the Land Claims Distribution Trust Fund in accordance with this section. The Executive Council may retain or hire a professional trust manager and may pay for said services the prevailing market rate. Such payment for services shall be made from the current income accounts of the trust and charged against earnings of the current fiscal year.

(3) 90 percent of the annual earnings of the Land Claims Distribution Trust Fund shall be distributed on October 1 of each year after the creation of the trust fund to any person who—

(A) is enrolled as a member of the Bay Mills Indian Community;

(B) is at least 55 years of age as of the annual distribution date; and

(C)(i) has been enrolled as a member of the Bay Mills Indian Community for a minimum of 25 years as of the annual distribution date, or

(ii) was adopted as a member of the Bay Mills Indian Community on or before June 30, 1996.

(4) In the event that a member of the Bay Mills Indian Community who is eligible for payment under subsection (b)(3), should die after preparation of the annual distribution roll and prior to the October 1 distribution, that individual's share for that year shall be provided to the member's heirs at law.

(5) In the event that a member of the Bay Mills Indian Community who is at least 55 years of age and who is eligible for payment under subsection (b)(3), shall have a guardian appointed for said individual, such payment shall be made to the guardian.

(6) Under no circumstances shall any part of the principal of the Land Claims Distribution Trust Fund be distributed as a per capita payment to members of the Bay Mills Indian Community, or used or expended for any other purpose by the Executive Council.

(7) The Land Claims Distribution Trust Fund shall be maintained as a separate account, which shall be audited at least once during each fiscal year by an independent certified public accountant who shall prepare a report on the results of such audit. Such report shall be a public document and shall be available for inspection by any member of the Bay Mills Indian Community.

(8) Notwithstanding any other provision of law, the approval of the Secretary of any payment from the Land Claims Distribution Trust Fund shall not be required and the Secretary shall have no trust responsibility for the investment, supervision, administration, or expenditure of the Fund.

(c) LAND CLAIMS INITIAL PAYMENT.—As compensation to the members of the Bay Mills Indian Community for the delay in distribution of the judgment fund, payment shall be made by the Executive Council within 30 days of receipt of the Bay Mills Indian Community's share of the judgment fund from the Secretary, as follows:

(1) The sum of $3,000 to each enrolled member of the Bay Mills Indian Community living on the date of enactment of this legislation, who has attained the age of 55 years, but is less than 62 years of age, if that individual was adopted into or a member of the Bay Mills Indian Community on or before June 30, 1996.

(2) The sum of $5,000 to each enrolled member of the Bay Mills Indian Community living on the date of enactment of this legislation, who is at least 62 years of age and less than and 70 years of age, if that individual was adopted into or a member of the Bay Mills Indian Community on or before June 30, 1996.

(3) The sum of $10,000 to each enrolled member of the Bay Mills Indian Community living on the date of enactment of this legislation, who is 70 years of age or older, if that individual was adopted into or a member of the Bay Mills Indian Community on or before June 30, 1996.

(d) ANNUAL PAYMENTS FROM LAND CLAIMS DISTRIBUTION TRUST FUND.—The Executive Council shall prepare the annual distribution roll and ensure its accuracy prior to August 30 of each year prior to distribution. The distribution roll shall identify each member of the Bay Mills Indian Community who, on the date of distribution, will have attained the minimum age and membership duration required for distribution eligibility, as specified in subsection (b)(3). The number of eligible persons in each age category defined in this subsection, multiplied by the number of shares for which the age category is entitled, added together for the 3 categories, shall constitute the total number of shares to be distributed each year. On each October 1, the shares shall be distributed as follows:

(1) Each member who is at least 55 years of age and less than 62 years of age shall receive 1 share.

(2) Each member who is between the ages of 62 and 69 years shall receive 2 shares.

(3) Each member who is 70 years of age or older shall receive 3 shares.

SEC. 8. PLAN FOR USE OF SAULT STE. MARIE TRIBE OF CHIPPEWA INDIANS OF MICHIGAN FUNDS.

(a) SELF-SUFFICIENCY FUND.

(1) The Sault Ste. Marie Tribe of Chippewa Indians of Michigan (referred to in this section as the "Sault Ste. Marie Tribe"), through its board of directors, shall establish a trust fund for the benefit of the Sault Ste. Marie Tribe which shall be known as the "Self-Sufficiency Fund". The principal of the Self-Sufficiency Fund shall consist of—

(A) the Sault Ste. Marie Tribe's share of the judgment funds transferred by the Secretary to the board of directors pursuant to subsection (e);

(B) such amounts of the interest and other income of the Self-Sufficiency Fund as the board of directors may choose to add to the principal; and

(C) any other funds that the board of directors of the Sault Ste. Marie Tribe chooses to add to the principal.

(2) The board of directors shall be the trustee of the Self-Sufficiency Fund and shall administer the Fund in accordance with the provisions of this section.

(b) USE OF PRINCIPAL.—

(1) The principal of the Self-Sufficiency Fund shall be used exclusively for investments or expenditures which the board of directors determines—

(A) are reasonably related to—

(i) economic development beneficial to the tribe; or

(ii) development of tribal resources;

(B) are otherwise financially beneficial to the tribe and its members; or

(C) will consolidate or enhance tribal landholdings.

(2) At least one-half of the principal of the Self-Sufficiency Fund at any given time shall be invested in investment instruments or funds calculated to produce a reasonable rate of return without undue speculation or risk.

(3) No portion of the principal of the Self-Sufficiency Fund shall be distributed in the form of per capita payments.

(4) Any lands acquired using amounts from the Self-Sufficiency Fund shall be held as Indian lands are held.

(c) USE OF SELF-SUFFICIENCY FUND INCOME.—The interest and other investment income of the Self-Sufficiency Fund shall be distributed—

(1) as an addition to the principal of the Fund;

(2) as a dividend to tribal members;

(3) as a per capita payment to some group or category of tribal members designated by the board of directors;

(4) for educational, social welfare, health, cultural, or charitable purposes which benefit the members of the Sault Ste. Marie Tribe; or

(5) for consolidation or enhancement of tribal lands.

(d) General Rules and Procedures.—

(1) The Self-Sufficiency Fund shall be maintained as a separate account.

(2) The books and records of the Self-Sufficiency Fund shall be audited at least once during each fiscal year by an independent certified public accountant who shall prepare a report on the results of such audit. Such report shall be treated as a public document of the Sault Ste. Marie Tribe and a copy of the report shall be available for inspection by any enrolled member of the Sault Ste. Marie Tribe.

(e) Transfer of Judgment Funds to Self-Sufficiency Fund.—

(1) The Secretary shall transfer to the Self-Sufficiency Fund the share of the funds which have been allocated to the Sault Ste. Marie Tribe pursuant to section 4.

(2) Notwithstanding any other provision of law, after the transfer required by paragraph (1) the approval of the Secretary for any payment or distribution from the principal or income of the Self-Sufficiency Fund shall not be required and the Secretary shall have no trust responsibility for the investment, administration, or expenditure of the principal or income of the Self-Sufficiency Fund.

(f) Lands Acquired Using Interest or Other Income of the Self-Sufficiency Fund.—Any lands acquired using amounts from interest or other income of the Self-Sufficiency Fund shall be held in trust by the Secretary for the benefit of the tribe.

SEC. 9. PLAN FOR USE OF GRAND TRAVERSE BAND OF OTTAWA AND CHIPPEWA INDIANS OF MICHIGAN FUNDS.

(a) Land Claims Distribution Trust Fund.—(1) The share of the Grand Traverse Band of Ottawa and Chippewa Indians of Michigan (hereafter in this section referred to as the "Band"), as determined pursuant to subsections (a)(3) and (b)(3) of section 4, shall be deposited by the Secretary in a nonexpendable trust fund to be established by the Tribal Council of the Band to be known as the "Land Claims Distribution Trust Fund" (hereafter in this section referred to as the "Trust Fund").

(2) The principal of the Trust Fund shall consist of—

(A) the funds deposited into the Trust Fund by the Secretary pursuant to this subsection;

(B) annual earnings of the Trust Fund which shall be retained, and added to the principal; and

(C) such other funds as may be added to the Trust Fund by action of the Tribal Council of the Band.

(b) Management of the Trust Fund.—The Tribal Council of the Band shall be the trustee of the Trust Fund and shall administer the Fund in accordance with this section. In carrying out this responsibility, the Tribal Council may retain or hire a professional trust manager and may pay the prevailing market rate for such services. Such payment for services shall be made from the current income accounts of the Trust Fund and charged against the earnings of the fiscal year in which the payment becomes due.

(c) Trust Fund as Loan Collateral.—(1) The Trust Fund shall be used by the Band as collateral to secure a bank loan equal to 80 percent of the principal of the Trust Fund at the lowest interest rate then available. Such loan shall be used by the Band to make a one-time per capita payment to all eligible members.

(2) The loan secured pursuant to this subsection shall be amortized by the earnings of the Trust Fund. The Tribal Council of the Band shall have the authority to invest the principal of the Trust Fund on market risk principles that will ensure adequate payments of the debt obligation while at the same time protecting the principal.

(d) Elders' Land Claim Distribution Trust Fund.—(1) Upon the retirement of the loan obtained pursuant to subsection (c), the Tribal Council shall establish the Grand Traverse Band Elders' Land Claims Distribution Trust Fund (hereafter in this section referred to as the "Elders' Trust Fund"). There shall be deposited into the Elders' Trust Fund the principal and all accrued earnings that are in the Land Claims Distribution Trust Fund on the date of retirement of such loan.

(2) Upon establishment of the Elders' Trust Fund, the Tribal Council of the Band shall make a one-time payment to any person who is living on the date of the establishment of the Elders' Trust Fund, and who was an enrolled member of the Band for at least 2 years prior to, the date of the enactment of this Act as follows:

(A) $500 for each member who has attained the age of 55 years, but is less than 62 years of age.

(B) $1,000 for each member who has attained the age of 62 years, but is less than 70 years of age.

(C) $2,500 for each member who is 70 years of age or older.

(3) After distribution pursuant to paragraph (2), the net annual earnings of the Elders' Trust Fund shall be distributed as follows:

(A) 90 percent shall be distributed on October 1 of each year after the creation of the Elder's Trust Fund to all living enrolled members of the Band who have attained the age of 55 years upon such date, and who shall have been an enrolled member of the Band for not less than 2 years upon such date.

(B) 10 percent shall be added to the principal of the Elders' Trust Fund.

(4) Distribution pursuant to paragraph (3)(A) shall be as follows:

(A) One share for each person on the current annual Elders' roll who has attained the age of 55 years, but is less than 62 years of age.

(B) Two shares for each person who has attained the age of 62 years, but is less than 70 years of age.

(C) Three shares for each person who is 70 years of age or older.

(5) None of the funds in the Elders' Trust Fund shall be distributed or expended for any purpose other than as provided in this subsection.

(6) The Elders' Trust Fund shall be maintained as a separate account, which shall be audited at least once during each fiscal year by an independent certified public accountant who shall prepare a report on the results of such audit. Such report shall be reasonably available for inspection by the members of the Band.

(7) The Tribal Council of the Band shall prepare an annual Elders' distribution roll and ensure its accuracy prior to August 30 of each year. The roll shall identify each member of the Band who has attained the minimum age and membership duration required for distribution eligibility pursuant to paragraph (3)(A).

(e) General Provisions.—(1) In the event that a tribal member eligible for a payment under this section shall die after preparation of the annual distribution roll, but prior to the distribution date, such payment shall be paid to the estate of such member.

(2) In any case where a legal guardian has been appointed for a person eligible for a payment under this section, payment of that person's share shall be made to such guardian.

(f) No Secretarial Responsibilities for Trust Fund.—The Secretary shall have no trust responsibility for the investment, supervision, administration, or expenditure of the Land Claims Distribution Trust Fund or the Elders' Trust Fund.

SEC. 10. PAYMENT TO NEWLY RECOGNIZED OR REAFFIRMED TRIBES.

(a) Eligibility.—In order to be eligible for tribal funds under this Act, a tribe that is not federally recognized or reaffirmed on the date of the enactment of this Act—

(1) must be a signatory to either the 1836 treaty (7 Stat. 491) or the 1855 treaty (11 Stat. 621);

(2) must have a membership that is predominantly Chippewa and Ottawa;

(3) shall not later than 6 months after the date of the enactment of this Act, submit to the Bureau of Indian Affairs a letter of intent for Federal recognition if such a letter is not on file with the Bureau of Indian Affairs; and

(4) shall not later than 3 years after the date of the enactment of this Act, submit to the Bureau of Indian Affairs a documented petition for Federal recognition if such a petition is not on file with the Bureau of Indian Affairs.

(b) Distribution of Funds Allotted for Newly Recognized or Reaffirmed Tribes.—Not later than 90 days after a tribe that has submitted a timely petition pursuant to subsection (a) is federally recognized or reaffirmed, the Secretary shall segregate and hold in trust for such tribe, its respective share of the funds described in sections 4(a)(1) and (b)(1), $3,000,000 plus 30 percent of any income earned on the funds described in section 4(a)(1) and (b)(1) up to the date of such distribution.

(c) Distribution of Funds Allotted for Certain Individuals.—If, after the date of the enactment of this Act and before approval by the Secretary of the judgment distribution roll of descendants, Congress or the Secretary recognizes a tribe which has as a member an individual that is listed on the judgment distribution roll of descendants as approved pursuant to section 6, the Secretary shall, not later than 90 days after the approval of such judgment distribution roll of descendants, remove that individual's name from the descendants roll and reallocate the funds allotted for that individual to the fund established for such newly recognized or reaffirmed tribe.

(d) Funds Subject to Plan.—Funds held in trust for a newly recognized or reaffirmed tribe shall be subject to plans that are approved in accordance with this Act.

(e) Determination of Membership in Newly Recognized or Reaffirmed Tribe.—

(1) Submission of membership roll.—For purposes of this section—

(A) if the tribe is acknowledged by the Secretary under part 83 of title 25, Code of Federal Regulations, the Secretary shall use the tribe's most recent membership list provided under such part;

(B) unless otherwise provided by the statutes which recognizes the tribe, if Congress recognizes a tribe, the Secretary shall use the most recent membership list provided to Congress. If no membership list is provided to Congress, the Secretary shall use the most recent membership list provided with the tribe's petition for acknowledgment under part 83 of title 25, Code of Federal Regulations. If no such list was provided to Congress or under such part, the newly recognized tribe shall submit a membership list to the Secretary before the judgment distribution roll of descendants is approved or the judgment funds shall be distributed per capita pursuant to section 6;

(C) a tribe that has submitted a membership roll pursuant to this section may update its membership rolls not later than 180 days before distribution pursuant to section 6.

(2) FAILURE TO SUBMIT UPDATED MEMBERSHIP ROLL.—If a membership list was not provided—

(A) to the Secretary, the Secretary will use the tribe's most recent membership list provided to the Bureau of Indian Affairs in their petition for Federal acknowledgment filed under part 83 of title 25, Code of Federal Regulations, unless otherwise provided in the statute which recognized the tribe;

(B) to the Bureau of Indian Affairs, the newly recognized or reaffirmed tribe shall submit a membership list before the judgment distribution roll of descendants is approved by the Secretary, unless otherwise provided in the statute which recognized the tribe; and

(C) before the judgment distribution roll of descendants is approved, the judgment funds shall be distributed per capita pursuant to section 6.

SEC. 11. TREATMENT OF FUNDS IN RELATION TO OTHER LAWS.

The eligibility for or receipt of distributions under this Act by a tribe or individual shall not considered as income, resources, or otherwise when determining the eligibility for or computation of any payment or other benefit to such tribe, individual, or household under—

(1) any financial aid program of the United States, including grants and contracts subject to the Indian Self-Determination Act; or

(2) any other benefit to which such tribe, household, or individual would otherwise be entitled under any Federal or federally assisted program.

SEC. 12. TREATIES NOT AFFECTED.

No provision of this Act shall be construed to constitute an amendment, modification, or interpretation of any treaty to which a tribe mentioned in this Act is a party nor to any right secured to such a tribe or to any other tribe by any treaty.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey [Mr. SAXTON] and the gentleman from Michigan [Mr. KILDEE] each will control 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1604 will provide for the division, use and distribution of judgment funds of the Ottawa and Chippewa Indians of Michigan pursuant to the Indian Claims Commission dockets.

These judgment funds were appropriated by Congress years ago and have been held by the Department of Interior for the beneficiaries. The funds would be divided according to a formula included in H.R. 1604 between individuals and on judgment distribution rules of decedents to be created by the Secretary of the Interior and 5 Michigan tribes. Those portions of the funds to be distributed to each tribe shall be disbursed after a plan for use and distribution by each tribe has been approved by the Secretary of the Interior.

This is a good bill, it is fair. It has been approved by the tribes with whom we have worked who are entitled to the distribution of money. The Federal Government has delayed the distribution of these funds long enough. It is now time to act, and I urge a "yea" vote.

Mr. Speaker, I reserve the balance of my time.

Mr. KILDEE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the legislation before us today, the Michigan Land Claims Settlement Act, will resolve a long-standing injustice perpetrated against the Chippewa and Ottawa Indian Nations in Michigan.

Over a century and a half ago, the Chippewa and Ottawa Tribes signed a treaty in which the Michigan Indian Nations agreed to cede over 12 million acres of land to the Federal Government in exchange for a series of annuities to be paid to the tribes. This land encompassed most of the upper Lower Peninsula of Michigan and the eastern part of the upper peninsula. The final compensation considered paid to these tribes was approximately 15 cents an acre.

In 1948, the tribes filed suit with the Indian Claims Commission to examine the fairness of compensation paid to the Michigan tribes. After a thorough and exhaustive review, the Indian Claims Commission called the 15 cents an acre payment an "unconscionable consideration" and determined the tribes should have been given 90 cents an acre for their land. In 1971, the tribes were awarded over $10 million by the Congress to settle this lands claim.

These monies were placed in a trust fund that has been administered by the BIA for the last 26 years. Today, that fund is worth over $74 million.

The legislation before us, Mr. Speaker, will allow these funds to be distributed to the tribes. H.R. 1604 represents a negotiated compromise between the Michigan tribes and descendency groups to finally bring about the justice they so rightly deserve.

When the House Committee on Resources considered this bill, it was passed by a voice-vote. The administration is supportive of this bill, and I am hopeful that the Senate will take it up before we adjourn this year. I urge my colleagues to support this important legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. KILDEE. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. STUPAK].

Mr. STUPAK. Mr. Speaker, I thank the gentleman for yielding me this time, since most of these lands were ceded in my district.

I just want to say I certainly endorse this proposal. I hope it will be passed. It is long overdue. It has been a long time, 1971, this money has been sitting here. I thank the chairman and the gentleman from Michigan [Mr. KILDEE], the ranking member, for all their hard work in moving this legislation forward. It is a good, fair settlement. The Native Americans are entitled to this money and I certainly strongly support this legislation, and I thank the Members for assisting us in getting to this stage here today.

Mr. YOUNG of Alaska, Mr. Speaker, I submit the following: section-by-section analysis H.R. 1604, to provide for the division, use, and distribution of judgment funds of the Ottawa and Chippewa Indians of Michigan pursuant to dockets numbered 18–E, 58, 364, and 18–R before the Indian Claims Commission.

SECTION 1. TABLE OF CONTENTS

Section 1 of the bill provides the Table of Contents for the Act.

SECTION 2. FINDINGS: PURPOSE

Subsection (a) contains various Congressional findings relating to the Act. These findings specifically note that judgments were rendered in the Indian Claims Commission in dockets numbered 18–E, 58 and 364 in favor of the Ottawa and Chippewa Indians of Michigan and in docket numbered 18–R in favor of the Sault Ste. Marie Bank of Chippewa Indians. It also notes that the funds Congress appropriated to pay these judgments have been held by the U.S. Department of the Interior pending a division of the fund in a manner acceptable to the tribes and descendance group and pending the development of plans for the use and distribution of the respective tribe's share.

Subsection (b) states that the purpose of this Act is to provide for a fair and equitable division of these judgment funds among the beneficiaries and to allow the tribes to develop plans for the use and distribution of their respective shares of the funds.

SECTION 3. DEFINITIONS

This section defines the important terms used in the Act.

SECTION 4. DIVISION OF FUNDS

Subsection (a) provides for the Secretary of the Interior's division of the principal and interest generated by the funds appropriated to pay the claims stemming from dockets 18–E and 58.

Paragraph (1) provides that the lesser of 13.5% or $9,253,104.47 of the funds shall be paid to newly recognized or reaffirmed tribes as well as individuals whose names are found on the judgment distribution roll of descendants which the Secretary of the Interior is mandated to develop pursuant to section 6 of this Act.

Paragraph (2) states that the Bay Mills Indian Community and the Sault Ste. Marie Tribe of Chippewa Indians shall each receive a share of the next 34.6% of these monies. Of this 34.6%, the Bay Mills Indian Community shall receive the lesser of 35% of the principal and interest as of December 31, 1997, or $8,313,877 and the Sault Ste. Marie Tribe of Chippewa Indians shall receive the remaining amount minus $161,723.89 that will be added to the funds described in paragraph (1).

Paragraphs (3)–(5) provide that the Grand Traverse Band of Ottawa and Chippewa Indians of Michigan, the Little Traverse Bay Bands of Odawa Indians of Michigan and the Little River Band of Ottawa Indians of Michigan shall each receive 17.3% of the principal and interest, minus $161,723.89 from each tribe to be added to the fund provided for in paragraph (1).

Paragraph (6) states that any funds remaining after the aforementioned distributions are made shall be divided among the recognized tribes listed in paragraphs (1)–(5) of this section in an amount which bears the same ratio to the amount so divided and distributed as the distribution of judgment funds pursuant to each of subsections (1)–(5) above bears to the total distribution under all such subsections.

Subsection (b) explains how the Secretary of the Interior is to divide the principal and interest generated on the funds appropriated to pay the claims stemming from docket 364.

Paragraph (1) provides that the lesser of 20% or $28,026.79 of the principal and interest shall be paid to the individuals whose names are found on the judgment distribution roll of descendants which the Secretary of the Interior is mandated to develop pursuant to section 6 of this Act.

Paragraph (2) states that the Bay Mills Indian Community and the Sault Ste. Marie Tribe of Chippewa Indians shall each receive a share of the next 32% of these monies. Of this 32%, the Bay Mills Indian Community shall receive 35% and the Sault Ste. Marie Tribe of Chippewa Indians shall receive the remaining amount.

Paragraphs (3)–(5) provide that the Grand Traverse Band of Ottawa and Chippewa Indians of Michigan, the Little Traverse Bay Bands of Odawa Indians of Michigan and the Little River Bank of Ottawa Indians of Michigan shall each receive 16% of the principal and interest.

Paragraph (6) states that any funds remaining after the aforementioned distributions are made shall be divided between the recognized tribes listed in this subsection in an amount which bears the same ratio to the amount so divided and distributed as the distribution of judgment funds pursuant to each of subsections (1)–(5) above bears to the total distribution under all such subsections.

Subsection (c) provides for the Secretary of the Interior to pay 65% of the principal and interest generated on the funds appropriated to pay the claims stemming from docket 18–R to the Sault Ste. Marie Tribe of Chippewa Indians of Michigan and 35% to the Bay Mills Indian Community.

Subsection (d) requires the Secretary to hold all amounts to be paid to the individuals whose names are found on the judgment distribution roll of descendants, developed pursuant to section 6 of this Act, in trust until those monies are distributed to those individuals.

SECTION 5. DEVELOPMENT OF TRIBAL PLANS FOR USE OR DISTRIBUTION OF FUNDS

Section 5 provides for the development of tribal plans for the use and distribution of these judgment funds to the Bay Mills Indian Community, the Sault Ste. Marie Tribe of Chippewa Indians, the Grand Traverse Band of Ottawa and Chippewa Indians of Michigan, the Little Traverse Bay Bands of Odawa Indians of Michigan and the Little River Band of Ottawa Indians of Michigan.

Paragraph (1) requires the Secretary to distribute the funds allocated by this Act to the Grand Traverse Band of Ottawa and Chippewa Indians of Michigan, the Little Traverse Bay Bands of Odawa Indians of Michigan and the Little River Band of Ottawa Indians of Michigan no later than 30 days after each tribe submits and the Secretary approves a plan for that tribe's use and distribution of its respective share.

Paragraphs (2), (3) and (4) provide that the plans set forth in sections 7, 8 and 9 of this Act detailing the Bay Mills Indian Community's, the Sault Ste. Marie Tribe's, and the Grand Traverse Band's use and distribution of their respective shares of these judgment monies shall be deemed approved by the enactment of this Act. It also requires the Secretary to distribute the monies allocated to these tribes no later than 90 days after the enactment of this Act and requires the tribes to use these monies in the manner provided by the aforementioned plans.

Subsection (b) describes the process that the Little Traverse Bay Bands of Odawa Indians of Michigan, and the Little River Band of Ottawa Indians of Michigan must undertake to obtain the release of their respective shares of these judgment funds. This subsection requires each tribe to develop a plan for the use and distribution of its respective share. It further requires the tribe to hold a hearing or general membership meeting on that proposed plan and submit that plan together with a tribal government resolution, a transcription of its hearing or meeting on the plan, any documents circulated or made available to the membership on the plan, and the comments it received to the Secretary of the Interior. It also establishes time-lines within which the Secretary must act on the plans and the steps the Secretary must take if a tribe does not submit a plan within eight years of the date of enactment.

SECTION 6. PREPARATION OF JUDGMENT DISTRIBUTION ROLL OF DESCENDANTS

Section 6 requires the Secretary to develop a judgment distribution roll of descendants and details the procedures that he must follow in performing that task. This roll must be developed within nine years after the date of enactment of this Act and in accordance with parts 61 and 62 of title 25, of the Code of Federal Regulations. The roll shall consist of the names of all citizens of the United States who were both born and living on or before the date of enactment of this Act and who are at least one-quarter Michigan Ottawa or Chippewa Indian blood, or a combination thereof. This roll shall not include persons who are members of one of the tribes receiving judgment funds pursuant to section 4 of this Act. The persons whose names are contained on this roll must be lineal descendants whose Michigan Ottawa or Chippewa ancestry is derived from the Chippewa and/or Ottawa Bands of Cheboigon, Grand River, Traverse, Grand Traverse, Little Traverse, Maskigo, L'Arbre Croche, Michilmackinac, Sault Ste. Marie, or any Ottawa or Chippewa subdivisions of any of these groups. The Secretary shall also exclude from this roll the names of persons who are deemed ineligible under subsection (e).

In preparing this roll of descendants, the Secretary shall refer to the Horace B. Durant Roll, approved February 18, 1910, of the Ottawa or Chippewa Tribe of Michigan, as that roll has been qualified and corrected by other rolls and records acceptable to the Secretary, including the Durant Field Notes of 1908–1909 and the Annuity Payroll of the Ottawa or Chippewa Tribe of Michigan approved May 17, 1910. The Secretary is authorized to employ the services of descendant group enrollment review committees to assist in this effort.

SECTION 7. PLAN FOR USE AND DISTRIBUTION OF BAY MILLS INDIAN COMMUNITY FUNDS

The section establishes an approved plan for the Bay Mills Indian Community's use of its share of the judgment funds. Specifically the section authorizes the establishment of two tribal trust funds, a "Land Trust" which shall be used exclusively for the improvement of current and future tribal lands and the consolidation of the tribal land base, and a "Land Claims Distribution Trust" which shall be used to assist Bay Mills Members over the age of 55. Both funds shall be administered by the Bay Mills Executive Council. The Secretary of the Interior shall have no trust responsibility for the investment, supervision, administration or expenditure of the funds once they are transferred to these tribal accounts. The funds are, however, subject to an annual audit and the auditor's report must be made available for inspection by any member of the tribe.

SECTION 8. PLAN FOR USE OF SAULT STE. MARIE TRIBE OF CHIPPEWA INDIANS OF MICHIGAN FUNDS

This section establishes an approved plan for the Sault Ste. Marie Tribe's use of its share of the judgment funds. Specifically it authorizes the tribe to establish a "Self-Sufficiency" trust fund for the benefit of the tribe. This fund is administered by the tribe's board of directors. The principal of this fund must be used exclusively for investments or expenditures which the board determines are financially beneficial to the tribe, reasonably related to economic development, for the development of tribal resources, or for the consolidation or enhancement of tribal land holdings. The income produced by the fund can be used in one of five ways. It can be added to the fund's principal, it can be distributed as a dividend to tribal members, it can be distributed as per capita payment to some group or category of tribal members, or it can be used for educational, social welfare, health, cultural, or charitable purposes which benefit the tribe's members, or it can be used to purchase or exchange land to consolidate or enhance the tribal land holdings. All lands so acquired shall be held as Indian lands are held. The fund must be maintained as a separate account and shall be subject to an audit by a certified public accountant at least once a year. The Secretary of the Interior must transfer the tribe's share of said judgment funds directly into this fund and the approval of the Secretary shall not be required for any payment or distribution from the principal or income of the fund, nor shall the Secretary have any trust responsibility for the investment, supervision, administration, or expenditure of the funds it contains.

SECTION 9. PLAN FOR USE OF GRAND TRAVERSE BAND OF OTTAWA AND CHIPPEWA INDIANS OF MICHIGAN FUNDS

Section 9 of the bill authorizes the Secretary to deposit the total share of the Grand Traverse Band, as determined in section 4(a)(3) and section 4(b)(3), into a "Land Claims Distribution Trust Fund" to be established by the Band. The Band is empowered to use such funds as collateral for a loan in the amount of 80% of the share. The proceeds of this loan would be used by the Band to make a per capita payment to its members. The annual earnings of the Trust Fund, less amounts for administration, would be used to amortize the loan.

As soon as the loan was repaid from the proceeds of the Trust Fund, the Band would create a new trust fund to be known as the "Elders Land Claims Distribution Trust

Fund." The principal and accrued earnings remaining in the first fund would then be deposited in the Elders' Trust Fund. Thereafter, 90% of the earnings of the Elders' Trust Fund would be used by the Band to make supplementary income payments to their elderly members. The remaining 10% of the earnings would be added to the principal of the Elders' Trust Fund each year.

SECTION 10. PAYMENT TO NEWLY RECOGNIZED OR REAFFIRMED TRIBES

This section requires the Secretary to distribute the funds in section 4(a)(1) of this Act to the persons listed on the judgment distribution roll of descendants and to the newly recognized or reaffirmed tribes. This roll shall be prepared pursuant to section 6 of this Act. Upon federal recognition or reaffirmation, each tribe will receive a minimum of $3 million or more as called for in this section. The per capita payments are to be made directly to each living competent adult. However, if a person entitled to receive these funds is deceased, the funds shall be paid to that individual's heirs or legatees in accordance with the regulations prescribed by the Secretary. If a person entitled to a share of these funds is legally incompetent or is under the age of 18 years, the funds shall be paid in accordance with the procedures which the Secretary determines are necessary to protect and preserve the person's interests.

Subsection 10(c) provides that if, after the date of enactment of this Act, but before the Secretary's approval of the judgment distribution roll of descendants, a tribe is recognized, Congressionally or by the Secretary, which includes one or more individuals whose names are on the judgment distribution roll of descendants, the funds allotted for that individual shall be held in trust for that newly recognized or affirmed tribe. These funds shall then be subject to a plan approved in accordance with this Act.

Subsection 10(e) provides criteria to be used by the Secretary in determining whether one of more persons whose names are contained on the judgment distribution roll of descendants is included in a newly recognized tribe.

Subsection 10(e)(1)(A) provides that if the tribe is acknowledged by the Secretary under part 83 of title 25 of the Code of Federal Regulations, the Secretary shall use the tribe's most recent membership list provided under that part. If a tribe is recognized by Congress, the Secretary shall use the most recent membership list provided to Congress, unless the recognition statute otherwise provides. If the tribe did not submit a membership list to Congress, the Secretary shall use the most recent membership list it was provided under part 83 of title 25 of the Code of Federal Regulations. If none of these lists were provided, the newly recognized tribe shall submit a membership list to the Secretary before the judgment fund distribution roll of descendants is approved. If it fails to do so, its share of the funds will be distributed to the individuals named on the judgment fund distribution roll of descendants.

Subsection 10(e)(2) provides that if a membership list was not provided to the Secretary, the Secretary will use the tribe's most recent membership list provided to the Bureau of Indian Affairs in their petition for federal acknowledgment filed under part 83, of title 25 of the Code of Federal Regulations, unless the statute which recognized the tribe provides otherwise. If the Bureau of Indian Affairs was not provided a membership list, the tribe must submit a membership list to the Secretary before the judgment distribution is approved, unless the statute which recognized the tribe provides otherwise. If the tribe fails to provide either of these lists before the judgment distribution roll of descendants is approved, the judgment funds are to be distributed per capita as provided for in section 9 of this Act.

SECTION 11. TREATMENT OF FUNDS IN RELATION TO OTHER LAWS

Section 11 provides that an individual's or tribe's eligibility or receipt of distributions under this Act shall not be considered as income, resources, or otherwise when determining that tribe's or individual's eligibility for or computation of any payment or other benefit under any financial aid program of the United States, including grants and contracts subject to the Indian Self-Determination Act and any other benefit to which such tribe, household, or individual would otherwise be entitled under any federal or federally assisted program.

SECTION 12. TREATIES NOT AFFECTED

This section makes it clear that no provision of the Act shall be construed to constitute an amendment, modification, or interpretation of any treaty to which a tribe mentioned in the Act is a party, nor to any right secured to such a tribe, or to any other tribe by any treaty.

Mr. KILDEE. Mr. Speaker, I yield back the balance of my time.

Mr. SAXTON. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. SAXTON] that the House suspend the rules and pass the bill, H.R. 1604, as amended.

The question was taken.

Mr. SAXTON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

The point of no quorum is considered withdrawn.

BURT LAKE BAND OF OTTAWA AND CHIPPEWA INDIANS ACT

Mr. SAXTON. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 948) to reaffirm and clarify the Federal relationship of the Burt Lake Band as a distinct federally recognized Indian Tribe, and for other purposes.

The Clerk read as follows:

H.R. 948

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Burt Lake Band of Ottawa and Chippewa Indians Act".

SEC. 2. FINDINGS.

Congress finds the following:

(1) The Burt Lake Band of Ottawa and Chippewa Indians are descendants and political successors to the signatories of the 1836 Treaty of Washington and the 1855 Treaty of Detroit.

(2) The Grand Traverse Band of Ottawa and Chippewa Indians, Little Traverse Bay Band of Odawa Indians, the Little River Band of Ottawa, the Sault Ste. Marie Tribe of Chippewa Indians, and the Bay Mills Band of Chippewa Indians, whose members are also descendants of the signatories to the 1836 Treaty of Washington and the 1855 Treaty of Detroit, have been recognized by the Federal Government as distinct Indian tribes.

(3) The Burt Lake Band of Ottawa and Chippewa Indians consists of over 650 eligible members who continue to reside close to their ancestral homeland as recognized in the Cheboygan Reservation in the 1836 Treaty of Washington and 1855 Treaty of Detroit, which area is now known as Cheboygan County, Michigan.

(4) The Band continues its political and social existence with a viable tribal government. The Band, along with other Michigan Odawa/Ottawa groups, including the tribes described in paragraph (2), formed the Northern Michigan Ottawa Association in 1948. The Association subsequently pursued a successful land claim with the Indian Claims Commission.

(5) Between 1948 and 1975, the Band carried out many of their governmental functions through the Northern Michigan Ottawa Association, while retaining individual Band control over local decisions.

(6) In 1935, the Band petitioned under the Act of June 18, 1934 (25 U.S.C. 461 et seq.; commonly referred to as the "Indian Reorganization Act"), to form a government on behalf of the Band. Again, in spite of the Band's eligibility, the Bureau of Indian Affairs failed to act.

(7) The United States Government, the government of the State of Michigan, and local governments have had continuous dealings with the recognized political leaders of the Band from 1836 to the present.

SEC. 3. DEFINITIONS.

For purposes of this Act—

(1) the term "Band" means the Burt Lake Band of Ottawa and Chippewa Indians;

(2) the term "member" means those individuals enrolled in the Band pursuant to section 7; and

(3) the term "Secretary" means the Secretary of the Interior.

SEC. 4. FEDERAL RECOGNITION.

(a) FEDERAL RECOGNITION.—Federal recognition of the Burt Lake Band of Ottawa and Chippewa Indians is hereby reaffirmed. All laws and regulations of the United States of general application to Indians or nations, tribes, or bands of Indians, including the Act of June 18, 1934 (25 U.S.C. 461 et seq., commonly referred to as the "Indian Reorganization Act"), which are inconsistent with any specific provision of this Act shall not be applicable to the Band and its members.

(b) FEDERAL SERVICES AND BENEFITS.—

(1) IN GENERAL.—The Band and its members shall be eligible for all services and benefits provided by the Federal Government to Indians because of their status as federally recognized Indians, and notwithstanding any other provision of law, such services and benefits shall be provided after the date of the enactment of this Act to the Band and its members without regard to the existence of a reservation or the location of the residence of any member on or near any Indian reservation.

(2) SERVICE AREAS.—For purposes of the delivery of Federal services to the enrolled members of the Band, the area of the State of Michigan within 70 miles of the boundaries of the reservation for the Burt Lake Band as set out in Article I, paragraph "seventh" of the Treaty of 1855 (11 Stat. 621),

shall be deemed to be within or near a reservation, notwithstanding the establishment of a reservation for the tribe after the date of the enactment of this Act. Services may be provided to members outside the named service area unless prohibited by law or regulation.

SEC. 5. REAFFIRMATION OF RIGHTS.

(a) IN GENERAL.—All rights and privileges of the Band and its members, which may have been abrogated or diminished before the date of the enactment of this Act are hereby reaffirmed.

(b) EXISTING RIGHTS OF TRIBE.—Nothing in this Act shall be construed to diminish any right or privilege of the Band or of its members that existed before the date of the enactment of this Act. Except as otherwise specifically provided in any other provisions of this Act, nothing in this Act shall be construed as altering or affecting any legal or equitable claim the Band may have to enforce any right or privilege reserved by or granted to the Band which was wrongfully denied to or taken from the Band before the enactment of this Act.

SEC. 6. TRIBAL LANDS.

The Band's tribal lands shall consist of all real property, now or hereafter held by, or in trust for, the Band. The Secretary shall acquire real property for the Band. Any such property shall be taken by the Secretary in the name of the United States in trust for the benefit of the Band and shall become part of the Band's reservation.

SEC. 7. MEMBERSHIP.

Not later than 18 months after the date of the enactment of this Act, the Band shall submit to the Secretary a membership roll consisting of all individuals currently enrolled for membership in the Band. The qualifications for inclusion on the membership roll of the Band shall be determined by the membership clauses in the Band's governing document, in consultation with the Secretary. Upon completion of the roll, the Secretary shall immediately publish notice of such in the Federal Register. The Band shall ensure that such roll is maintained and kept current.

SEC. 8. CONSTITUTION AND GOVERNING BODY.

(a) CONSTITUTION.—

(1) ADOPTION.—Not later than 24 months after the date of the enactment of this Act, the Secretary shall conduct by secret ballot elections for the purpose of adopting a new constitution for the Band. The elections shall be held according to the procedures applicable to elections under section 16 of the Act of June 18, 1934 (25 U.S.C. 476; commonly referred to as the "Indian Reorganization Act").

(2) INTERIM GOVERNING DOCUMENTS.—Until such time as a new constitution is adopted under paragraph (1), the governing documents in effect on the date of the enactment of this Act shall be the interim governing documents for the Band.

(b) OFFICIALS.—

(1) ELECTIONS.—Not later than 6 months after the Band adopts their constitution and bylaws pursuant to subsection (a), the Band shall conduct elections by secret ballot for the purpose of electing officials for the Band as provided in the Band's governing constitution. The elections shall be conducted according to the procedures described in the Band's constitution and bylaws.

(2) INTERIM GOVERNMENTS.—Until such time as the Band elects new officials pursuant to paragraph (1), the Band's governing bodies shall be those bodies in place on the date of the enactment of this Act, or any new governing bodies selected under the election procedures specified in the respective interim governing documents of the Band.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New Jersey [Mr. SAXTON] and the gentleman from Michigan [Mr. KILDEE] each will control 20 minutes.

The Chair recognizes the gentleman from Connecticut [Mr. SHAYS].

Mr. SHAYS. Mr. Speaker, parliamentary inquiry.

Is the gentleman from Michigan opposed to the bill?

The SPEAKER pro tempore. Is the gentleman from Michigan opposed to the bill?

Mr. KILDEE. No, Mr. Speaker, I am not opposed to the bill.

Mr. SHAYS. Mr. Speaker, in that case I would claim the time in opposition to the bill.

The SPEAKER pro tempore. The gentleman from Connecticut [Mr. SHAYS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Speaker, just as a point of order, if I may would it be possible that I can yield to the gentleman from Michigan, and we will all be happy here, right?

The SPEAKER pro tempore. The gentleman has that right.

Mr. SAXTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, if I may, H.R. 948, the proposed Burt Lake Band of Ottawa and Chippewa Indians would reaffirm and clarify the Federal relationship of the Burt Lake Band of Ottawa and Chippewa Indians.

The Burt Lake Band consists of approximately 650 individual decedents from the Cheboigan band of Ottawa and Chippewa Indians who have lived for centuries along the shores of Burt Lake on Michigan's Lower Peninsula. The band, recognized by the Federal Government through various treaties and Federal court cases, was terminated by the Bureau of Indian Affairs without the approval of Congress earlier this century. H.R. 948 would restore the Federal recognition of the band by reaffirming the Federal Government's previous recognition. H.R. 948 is long overdue, and I recommend its passage by the House.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. Does the gentleman from New Jersey yield time to the gentleman from Michigan?

Mr. SAXTON. I think the gentleman from Michigan would just as soon wait to hear from the opposition, and then I will be happy to yield to him at that time.

Mr. SHAYS. Mr. Speaker, I am happy to reserve my time until we hear a presentation of the bill.

The SPEAKER pro tempore. The gentleman from Connecticut reserves the balance of his time.

Mr. SAXTON. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Mr. Speaker, I thank the gentleman for yielding. I appreciate the gentleman's generosity in sharing his time.

Mr. Speaker, I want to thank the gentleman for bringing this bill to the floor today. The legislation before the House today would simply reaffirm the relationship between the Burt Lake Band of Ottawa and Chippewa Indians of Michigan and the U.S. Government. This tribe has a long history with the United States Government, dating back to the Treaty of Washington in 1836 and 1855 Treaty of Detroit.

Although the Federal Government promised the Burt Lake Band a tract of land encompassing 1,000 acres for its reservation, the tribe never got the land. In fact, this tribe has suffered one of the worst injustices in our government's sordid history with Native Americans.

After the tribe signed 2 treaties with the U.S. Government in the 1800s, land was held in trust for the tribe by the governor of Michigan. In 1878, the land was unexplainably put back on the tax rolls and was eventually bought by a land speculator.

In the fall of 1900, in my father's memory, during his lifetime, my father recalls this, the local sheriff evicted the tribal members from their own homes and burned the tribe's village to the ground. It is from the ashes of this tragedy which has been told to me by my father that this tribe seeks reaffirmation today.

Mr. Speaker, this tribe deserves to have its relationship with the Federal Government reaffirmed. I urge the Members of this House to support this bill.

Mr. SAXTON. Mr. Speaker, I reserve the balance of my time.

Mr. SHAYS. Mr. Speaker, I yield myself such time as I may consume.

To my colleagues on both sides of the aisle, I rise in strong opposition, not to recognition of any tribe necessarily, but to recognition of a tribe through a legislative process rather than through the Bureau of Indian Affairs.

The fact is that this bill, as it is titled, is to reaffirm and clarify the Federal relationship with the Burt Lake Band as a distinctly recognized Indian tribe and for other purposes. What we are trying to do is circumvent a process of petition before the Bureau of Indian Affairs, while the Bureau of Indian Affairs is trying to determine that while you were once a tribe, does this group of people still constitute a tribe today. That is a process that is in the works today. As the Bureau of Indian Affairs has stated, they expect to know within 6 months whether or not they can recommend that this tribe should be Federally recognized.

Please know that when we recognize a tribe, we are giving them a status as an independent nation, notwithstanding the other benefit that they can establish a gaming institution.

For the purposes of this debate, I would like to point out on the floor what we are deprived of hearing right now, but what the Resources Committee heard in this statement from Ada Deer, the Assistant Secretary for Indian Affairs under the Department of Interior, supporting what basically had been told to this tribe 2 years earlier, and stated directly by the Secretary of the Interior. Her testimony before the committee on June 24 begins:

> Good morning, Mr. Chairman and members of the Committee. Thank you for the opportunity to present the views of the Department of the Interior on H.R. 948, a bill to "Reaffirm and clarify the Federal relationship of the Burt Lake Band as a distinct Federally recognized Indian tribe". The Department appreciates the interest the committee has expressed in recognition matters.

And then she continues:

> Although we acknowledge and respect the Congress' authority to recognize Indian tribes, we have serious concerns with H.R. 948 because of unresolved questions about the group's history, community, government, and the nature of the membership to be acknowledged. These are concerns that cannot be resolved at the present time without a detailed review of the facts and documents presented by this group. Knowledgeable members of this group have raised significant concerns with the BIA concerning the membership of the band. Preliminary research indicates that while the current leadership and a substantial body of new members affiliated with them may have ancestry from the historic band in the 19th century, they may not have been part of the tribal community and have not resided close to the historic homeland of the band for over a hundred years. This raises significant questions within the BIA about how the community wishes to define itself.
>
> This has also caused political dissension within the group. A related concern is that the group's present membership criteria appear to create the possibility that a large number of individuals with no ancestral ties to the "historic Burt Lake Band" or no Indian ancestry at all could be added to the group's membership.
>
> The BIA believes it is premature to consider acknowledgment, until the community resolves these questions. Although the bill states that it is to "reaffirm and clarify the Federal relationship of the Burt Lake Band as a distinct Federally recognized Indian tribe", the fact that a recognized Burt Lake Band existed at some earlier point in time does not automatically mean that a tribe presently exists. It is the responsibility of the Department to ascertain the maintenance of tribal existence for acknowledgment, notwithstanding previous tribal recognition.

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Then she said, "See the decision of the Ninth Circuit Court of Appeals in U.S. v. Washington. The court rejected the argument that the group should benefit from a presumption of continuing existence, just because their ancestors belonged to tribes with which the United States had signed treaties." This is what we are being asked to do.

"Without question, Congress has authority to recognize Indian tribes. However, we believe recognition would be premature even for Congress if it is yet to be established that the group has continued to exist as a social and political entity, as required of all other groups petitioning under established BIA procedures. The questions concerning the present composition of the membership requires this kind of detailed review."

Then she continues,

> During the 103rd Congress, legislative recognition and approval by the President ended the Department's review of certain Michigan acknowledgment cases. One of them, the Pokagon Pottawatomi, were recognized by Congress while the BIA was evaluating its petition. Stopping the administrative process has resulted in some problems for the band in defining its membership and in dealing with other issues petitioners normally resolve during the acknowledgment process.
>
> Because of the importance of Federal recognition and the rights and services acknowledgment brings to tribes, the BIA cannot, at this point, affirmatively support this legislation. It is important that the group document its existence in anticipation of adjustments to existing State-tribal agreements on treaty fishing rights under U.S. v. Michigan.
>
> "The BIA's acknowledgment process is designed to evaluate the facts and evidence pertinent to the Burt Lake Band and its members, and to provide pertinent information for resolving questionable and conflicting claims."
>
> The BIA maintains cordial working relationships with the Burt Lake Band leadership and the individuals working on their petition. Extensive technical assistance from the BIA Branch of Acknowledgment and Research has enabled the group to complete the documentation of its initial petition.
>
> The petition is now fully documented and ready for review. A preliminary determination under Section 83.8 is that a Burt Lake Band was previously recognized as late as 1917. However, the historical membership issues raise questions which the BIA has not had the opportunity to fully research. The question of whether the present group's membership reflects the same tribe as the one that was previously acknowledged must be resolved in cooperation with the group. If this is the same group as previously acknowledged in 1917, it would substantially reduce the amount of work necessary to produce a decision on acknowledgment.
>
> In conclusion, the BIA has provided technical assistance and conducted on-site visits as were promised to the Burt Lake Band's Congressman in 1995. The petitioner has subsequently completed its research. Real progress has been made and the case is moving forward. The acknowledgment process should be allowed to continue.
>
> An evaluation of the Burt Lake Band's petition under 25 Code of Federal Regulations Page 83 will allow resolution of important continuing issues concerning the group, verification of the petitioner's claims, and demonstration of continuous historic existence, while taking into account past Federal acknowledgment.

That concludes her statement.

Mr. Speaker, I would petition and ask the Congress and the Members who are not here, and the staff that may be listening, that we defeat this bill. It certainly should not be on the consent calendar, as I would call it. It should be defeated, and the Bureau of Indian Affairs should be allowed to conduct its review. Their estimate is that it will take 6 more months.

I know the gentleman from Michigan [Mr. KILDEE], who is interested in this bill and is working for his constituents, would like to move now rather than later. I appreciate that. But we should let the Bureau of Indian Affairs work its will, or we should just abolish the whole process. That, I would say, would be a disaster.

Mr. Speaker, I reserve the balance of my time.

Mr. SAXTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just like to say, in response to the gentleman from Connecticut [Mr. SHAYS], the gentleman is correct in that under normal circumstances we would all certainly prefer to let the Bureau of Indian Affairs manage those affairs which they have been delegated. Unfortunately, the history of this set of circumstances is such that I believe the great majority of the Members of this House believe that the action we are taking today is quite appropriate, and, in fact, perhaps more than appropriate.

Were we to step out of the way and permit the Bureau of Indian Affairs to complete their consideration, these things in the BIA take years. These people, these Native American people, have been waiting years if not decades to have their status as a recognized tribe restored. We can take an important step in that direction today.

Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. STUPAK].

Mr. STUPAK. Mr. Speaker, I rise today to express my strong support for H.R. 948 and for the reaffirmation and clarification, not the new certification and not a recognition, but a reaffirmation and clarification of the Federal relationship of the Burt Lake Band of Odawa and Chippewa Indians as a distinct federally-recognized Indian tribe.

The Burt Lake Band was an original signatory to the 1836 Treaty of Washington and the 1855 Treaty of Detroit. Pursuant to these treaties, the Burt Lake Band relinquished lands in the western half of the Upper Peninsula of Michigan and the northern half of the Lower Peninsula.

As a result of these treaties and the Burt Lake Band's subsequent treatment by the Federal Government, the Burt Lake Band was and is a federally recognized tribe. Shortly after the turn of the century, the Burt Lake Band lost all of its land as a result of illegal tax sales. They were forced from their homes, and as the gentleman from

Michigan [Mr. KILDEE] pointed out, their village was burned to the ground by the local sheriff and a timber baron who claimed ownership of the lands pursuant to the illegal tax. The United States Justice Department subsequently filed suit to recover the lands as trustee and guardian for the Burt Lake Band in 1917.

Mr. Speaker, a tribe can only be terminated by an act of Congress, not by the administrative action or the inaction of officials of Indian Service or the Bureau of Indian Affairs. Congress has never, Congress has never, ever passed an act to terminate the Burt Lake Band. The Burt Lake Band continues to exist today. However, the administrative actions of the Indian Service of the 1930s amounted to and had the practical effect of an administrative and illegal termination of the Burt Lake Band.

The Burt Lake Band contends, and I believe justifiably and legally so, that since they were never legally terminated, they have been and continue to this day to be a federally-recognized tribe. H.R. 948 simply reaffirms the Burt Lake Band's recognized status, which they have never legally lost, and would commence to mitigate the injustice the Burt Lake Band has endured since the 1930s.

The gentleman from Connecticut [Mr. SHAYS] mentions the Pokagon Band Potawatomie and the Algonquin, which we recognized in the 103rd Congress. That legislation was enacted into law, once again reaffirming the status of three other tribes in the Lower Peninsula of Michigan who were likewise previously considered to be recognized tribes, but who, like the Burt Lake Band, were denied the opportunity in the mid-1930s to reorganize under the IRA.

The Burt Lake Band also had similar legislation pending in the 103rd Congress. Unfortunately, it did not come before the floor. The merits of the Burt Lake Band, the merits of the Burt Lake Band legislation and this bill before us today are actually, I think, stronger than the legislation Congress adopted in 1994 for the three other Michigan tribes. H.R. 948 should be given the same thoughtful, favorable consideration.

With that, Mr. Speaker, I thank the gentleman from New Jersey for yielding, and I thank him for his work on behalf of the Burt Lake Band and the other Native Americans throughout northern Michigan.

Mr. SAXTON. Mr. Speaker, I yield 2 minutes and 30 seconds to the gentleman from American Samoa [Mr. FALEOMAVAEGA].

Mr. FALEOMAVAEGA. Mr. Speaker, I want to thank the gentleman from Michigan [Mr. KILDEE] for his sponsorship of this piece of legislation. I would also like to thank the chairman of the Committee on Resources, the gentleman from Alaska, Mr. DON YOUNG, for his support, and certainly other Members from that side of the aisle for their support, especially our good friend, the gentleman from New Jersey [Mr. SAXTON].

Mr. Speaker, I also want to say that I have the highest respect for the gentleman from Connecticut [Mr. SHAYS] expressing his point of opinion on this piece of legislation.

I would like to share some bits of information with my colleagues about this bill, and why it is important that we should pass this legislation.

In the first place, this tribe, along with three other tribes in Michigan, were unilaterally terminated by the Bureau of Indian Affairs. It was not by an act of Congress. But it was in 1994 that three tribes in Michigan were federally recognized by this body, by the Congress of the United States: the Little River Band, the Pokagon, and the Grand Traverse tribes. So what we are doing, we are just simply correcting a deficiency that existed even for these two tribes. We were simply saying that the Congress has absolute authority to do this.

I want to share some information with my friend, the gentleman from Connecticut. The Federal administrative procedure, in recognition given to the tribes, is not working and has never worked. We have tribes, Mr. Speaker, on the rolls that it has taken over 100 years, and they are still not recognized by the Federal Government. It is a sad situation for our Government to recognize the fact that the Federal administrative procedures now, as applied by the Bureau of Indian Affairs, simply is not working.

I want to say to my friend, the gentleman from Connecticut, this is just simply correcting an error that was committed by a bureaucracy. It was not done by the Congress. The Congress has the absolute authority to give proper recognition, Federal recognition, for any tribe that wants to be recognized federally.

The problem we have also with the recognition process, some tribes have accumulated in excess of $500,000 to $1 million just to pay attorneys to try to apply for recognition. If a tribe has only 500 members, where are they going to get half a million dollars to seek recognition from this bureaucracy? Impossible. So what we are simply doing here is correcting an error that was committed by a bureaucracy.

I sincerely hope my colleagues will support this bill. We should grant Federal recognition to these two tribes.

Mr. SHAYS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is not an easy process to speak against any bill proposed by any Member, but unfortunately, the explanation we were just given is the reason why we need to clearly vote down this attempt to circumvent the Bureau of Indian Affairs, because really, then, what we are saying is it is going to be a political process. It is going to be what Congressman do you know? What Congressman has the power? It is going to also be: which Indian tribes have greater motivation to be recognized? Which tribes will be given independent status as a nation within our own country?

This is an extraordinary decision. I totally concede the fact that this tribe did exist in 1917. We just do not know, and we will not know until the Bureau of Indian Affairs, with their documentation, ascertains that the tribe that existed in 1917 is the same tribe that we want to recognize, with all the same historic lineage. For us politically to make that determination, frankly, boggles my mind.

Mr. Speaker, I would strongly oppose recognition. I would say to both gentlemen from Michigan that we are going to know in 6 months whether the Burt Lake Band will be recognized as a tribe. The BIA has done so much work on this application. It is likely that this tribe will be recognized. It is likely, but not certain. But there will be some stipulations along with that recognition as to who, in fact, are members of the tribe and who are not, which are not issues resolved in this legislation and will not be.

We should allow the Bureau of Indian Affairs to complete their work and not do an end run around the Bureau of Indian Affairs, a system that we, the Congress, established.

Mr. Speaker, I reserve the balance of my time.

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Mr. SAXTON. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. KILDEE].

Mr. KILDEE. Mr. Speaker, the point of this bill is to correct a wrong. The wrong was the BIA's incorrect decision to administratively terminate a tribe, a power they did not have. Now, we are asking the same BIA to treat them well when they violated the law in terminating them in the first place.

A few years ago, the Catholic parish in this area, who keeps the best records, one can go back and find their great, great grandfather's baptismal records, they know these Indians. The Catholic parish gave them 3 acres of land so they would have at least some land they could call their own, some of the same land that they had lost before.

We should certainly recognize what the locals, the European locals, the European Catholic Church recognized, that these were the same people whose homes were burned to the ground by the sheriff. The church gave them some land so they would have at least that recognition. I think we should do no less.

Mr. SAXTON. Mr. Speaker, I reserve the balance of my time.

Mr. SHAYS. Mr. Speaker, I yield myself such time as I may consume.

I just want to say that this is not the same BIA today that existed in 1917. It is just blatantly not a factually correct statement. The facts are that the Bureau of Indian Affairs was established and new processes were established by recent Congresses to get recognition out of the political process, which it is in right now, and give it to the experts.

We had testimony before the full Resources Committee from Ada Deer, the Assistant Secretary for Indian Affairs, who has given us ample reason why we cannot recognize this tribe until we know who is actually a member of this tribe. And we have testimony from the Assistant Secretary who says that there is dispute as to who are members and who are not.

I beg this Congress to take this out of the political process. Let this work be completed in the next 6 months. The Bureau of Indian Affairs is cooperating with Burt Lake. We do not have much longer to wait. But what a gross precedent we will continue to set by circumventing the Bureau of Indian Affairs.

Mr. STUPAK. Mr. Speaker, will the gentleman yield?

Mr. SHAYS. I yield to the gentleman from Michigan.

Mr. STUPAK. With all due respect to the gentleman from Connecticut, in the 103rd Congress I had the legislation then to recognize the Burt Lake Band, and we were told it would only be 6 months, do not worry about it, we will get it taken care of. That was 4 years ago.

Mr. SHAYS. Mr. Speaker, reclaiming my time, let me just ask the gentleman, had they submitted a petition? Had they gone through the process?

Mr. STUPAK. Yes, Mr. Speaker.

Mr. SHAYS. Mr. Speaker, I do not think they had. The petition was just recently submitted to answer the questions the Bureau of Indian Affairs had.

Mr. STUPAK. Mr. Speaker, if the gentleman will continue to yield, the first part of that petition was before 1994, in the 103rd Congress. And to keep asking for more information, they say, just one more piece of information, we will get it to you. This has been going on since 1917.

Mr. SHAYS. Let me say to the gentleman, if he withdrew this bill, I would not oppose this bill next year if the bureau has not completed its work. I have been told they have the documentation. They can proceed, and it will be done.

Mr. STUPAK. With all due respect, Mr. Speaker, I have been hearing that since 1994. Here is our opportunity today. I think we should move the bill.

Mr. SHAYS. Mr. Speaker, reclaiming my time, just to say that the petition is now complete and they are ready to take action. It would be a shame to now circumvent the process.

Mr. SAXTON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SHAYS. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KINGSTON). The question is on the motion offered by gentleman from New Jersey [Mr. SAXTON] that the House suspend the rules and pass the bill, H.R. 948.

The question was taken.

Mr. SHAYS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. SAXTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the eight bills just debated, S. 588, S. 589, S. 591, S. 587, S. 531, H.R. 1856, H.R. 1604, and H.R. 948.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

HELPING EMPOWER LOW-INCOME PARENTS (HELP) SCHOLARSHIPS AMENDMENTS OF 1997

Mr. RIGGS. Mr. Speaker, pursuant to House Resolution 288, I call up the bill (H.R. 2746) to amend title VI of the Elementary and Secondary Education Act of 1965 to give parents with low-incomes the opportunity to choose the appropriate school for their children, and ask for its immediate consideration.

The Clerk read the title of the bill.

The text of H.R. 2746 is as follows:

H.R. 2746

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Helping Empower Low-income Parents (HELP) Scholarships Amendments of 1997".

SEC. 2. DEFINITIONS.

Section 6003 of the Elementary and Secondary Education Act of 1965 is amended—

(1) in the section heading by striking "definition" and inserting "definitions";

(2) by striking "(1)", "(2)", and "(3)";

(3) in the matter proceeding subparagraph (A), by striking "title the term" and inserting the following:

"title—

"(1) the term";

(4) by striking the period at the end; and

(5) by adding at the end the following:

"(2) the term 'poverty line' means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) applicable to a family of the size involved; and

"(3) the term 'voluntary public and private parental choice program' means a program that meets the requirements of section 6301(b)(9), is authorized by State law, and includes 1 or more private schools to allow low-income parents to choose the appropriate school for their children.".

SEC. 3. ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.

Section 6102(a) of the Elementary and Secondary Education Act of 1965 is amended to read as follows:

"(a) DISTRIBUTION RULE.—

"(1) IN GENERAL.—Except as provided in paragraph (2), from the sums made available each year to carry out this title, the State educational agency shall distribute not less than 90 percent to local educational agencies within such State according to the relative enrollments in public and private, nonprofit schools within the school districts of such agencies, adjusted, in accordance with criteria approved by the Secretary, to provide higher per pupil allocations to local educational agencies which have the greatest numbers or percentages of children whose education imposes a higher than average cost per child, such as—

"(A) children living in areas with high concentrations of low-income families;

"(B) children from low-income families; and

"(C) children living in sparsely populated areas.

"(2) EXCEPTION.—A State that has enacted or will enact a law that establishes a voluntary public and private parental choice program and that complies with the provisions of section 6301(b)(9) may reserve an additional 15 percent from the sums made available each year to carry out this title if the additional amount reserved is used exclusively for voluntary public and private parental choice programs.".

SEC. 4. USES OF FUNDS.

(a) STATE USES OF FUNDS.—Section 6201(a)(1) of the Elementary and Secondary Education Act of 1965 is amended—

(1) in subparagraph (C), by striking "and" after the semicolon;

(2) by inserting after subparagraph (C) the following:

"(D) establishing voluntary public and private parental choice programs in accordance with section 6301(b)(9); and".

(b) LOCAL USES OF FUNDS.—Section 6301(b) of the Elementary and Secondary Education Act of 1965 is amended—

(1) in paragraph (7), by striking "and" after the semicolon;

(2) in paragraph (8), by striking the period and inserting "; and"; and

(3) by inserting after paragraph (8) the following:

"(9) voluntary public and private parental choice programs that—

"(A) are located in an area that has the greatest numbers or percentages of children—

"(i) living in areas with a high concentration of low-income families;

"(ii) from low-income families; or

"(iii) living in sparsely populated areas;

"(B) ensure that participation in such a voluntary public and private parental choice program is limited to families whose family income does not exceed 185 percent of the poverty line;

"(C) ensure that—

"(i) the maximum amount of a voluntary public and private parental choice scholarship does not exceed the per pupil expenditure of the local educational agency in which an applicant for a voluntary public and private parental choice scholarship resides;

"(ii) the minimum amount of a voluntary public and private parental choice scholarship is not less than 60 percent of the per pupil expenditure of the local educational agency in which an applicant for a voluntary public and private parental choice scholarship resides or the cost of tuition at a private school, whichever is less;

"(D) ensure that for a private school that chooses to participate in a voluntary public and private parental choice program—

"(i) such a school is permitted to impose the same academic requirements for all students, including students selected for a scholarship as provided under this paragraph;

"(ii) receipt of funds under this title is not conditioned with requirements or regulations that preclude the use of such funds for sectarian educational purposes or require removal of religious art, icons, scripture, or other symbols; and

"(iii) such a school is in compliance with all State requirements applicable to the operation of a private school that are in effect in the year preceding the date of the enactment of the Helping Empower Low-income Parents (HELP) Scholarships Amendments of 1997;

"(E) may allow State, local, and private funds to be used for voluntary public and private parental choice programs; and

"(F) ensure priority for students who were enrolled in a public school in the school year preceding the school year in which a voluntary public and private parental choice school begins operation.".

SEC. 5. EVALUATION.

Part D of title VI of the Elementary and Secondary Education Act of 1965 is amended—

(1) by adding at the end of section 6402 the following new subsection:

"(j) Application.—This section shall not apply to funds that a State or local educational agency uses to establish a voluntary public and private parental choice program in accordance with section 6301(b)(9)."; and

(2) by adding at the end of such part the following new sections:

"SEC. 6404. EVALUATION.

"(a) Annual Evaluation.—

"(1) Contract.—The Comptroller General of the United States shall enter into a contract, with an evaluating agency that has demonstrated experience in conducting evaluations, for the conduct of an ongoing rigorous evaluation of the programs established under section 6301(b)(9).

"(2) Annual evaluation requirement.—The contract described in paragraph (1) shall require the evaluating agency entering into such contract to evaluate annually each program established under section 6301(b)(9) in accordance with the evaluation criteria described in subsection (b).

"(3) Transmission.—The contract described in paragraph (1) shall require the evaluating agency entering into such contract to transmit to the Comptroller General of the United States the findings of each annual evaluation under paragraph (1).

"(b) Evaluation Criteria.—The Comptroller General of the United States, in consultation with the Secretary, shall establish minimum criteria for evaluating each program established under section 6301(b)(9). Such criteria shall provide for—

"(1) a description of the implementation of each program established under section 6301(b)(9) and the program's effects on all participants, schools, and communities in the program area, with particular attention given to the effect of parent participation in the life of the school and the level of parental satisfaction with the program; and

"(2) a comparison of the educational achievement of all students in the program area, including a comparison between—

"(A) students receiving a voluntary public and private parental choice scholarships under section 6301(b)(9); and

"(B) students not receiving a voluntary public and private parental choice scholarships under such section.

"(c) Evaluation Funds.—Pursuant to the authority provided under section 14701, the Secretary shall reserve not more than 0.50 percent of the amount of funds made available under section 6002 to carry out this section.

"SEC. 6405. APPLICABILITY.

"(a) Not School Aid.—Subject to subsection (b), funds used under this title to establish a voluntary public and private parental choice program shall be considered assistance to the student and shall not be considered as assistance to any school that chooses to participate in such program.

"(b) No Federal Control.—The Secretary is not permitted to exercise any direction, supervision, or control over curricula, program of instruction, administration, or personnel of any school that chooses to participate in a voluntary public and private choice program established under 6309(b)(9).".

The SPEAKER pro tempore. Pursuant to House Resolution 288, the gentleman from California [Mr. RIGGS] and the gentleman from Missouri [Mr. CLAY], each will control 1 hour.

The Chair recognizes the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. GOODLING], chairman of the Committee on Education and the Workforce.

Mr. GOODLING. Mr. Speaker, I really did not plan to participate in this debate today, but as I thought about it over the weekend, I kept thinking that there probably will be more heat and more emotion than facts. And I thought perhaps I could start it by simply calling some of the facts to my colleagues' attention.

The first thing they probably will hear is that this is anti public education. I can assure my colleagues, never under my watch will anything occur on the floor of the House that is anti public education. I would imagine 80 or 85 percent of us have graduated from public schools. I spent my first 12 years there. I also spent 22 years as a public educator. So I want to make very sure that we do not start out with the business, well, this is anti public education.

Our problem is, as I have said many times, 75 percent of our schools do well, 75 percent of our children do well in public education. In that, 25 percent, with some schools within those school districts, they do well.

However, in the 21st century, we cannot have 75 percent of our children getting a quality education; we have to have 100 percent. Why? First of all, we are in a very competitive world. If they cannot play a leading role, then we cannot as a society, we cannot as a country, continue to be the powerful Nation that we are.

Secondly, we cannot allow 25 percent of our children not to have a quality education if they are ever going to get a piece of the American dream. We decided a year or two ago that we positively were going to move them to the position where they can get a piece of the American dream. Without a quality education, that cannot happen. Let me tell you about the last 30 years. I was not the chairman of the committee the last 30 years. We were not in the majority the last 30 years.

We did program after program after program, well-intended, with the idea that we were going to find some way to make sure that all children have a quality education. Thirty years later, billions of dollars later, we still have 25 percent without a quality education. Who are they? They are the poorest of the poor, with no one to speak for them, with no one to take the bull by the horns and say, everyone will receive a quality education. Of course, we know testing is not going to give them that quality education.

The second thing you are going to hear: "But we are taking Federal tax dollars for private and parochial schools." Again, I was not in charge the last 30 years, but I can read very quickly 17 programs where this happened during the last 30 years: Title I, Education for the Disadvantaged; title II, Teacher Training; title III, Education Technology; title IV, Safe and Drug-free Schools; title VI, which is what we are talking about today, used by private and parochial schools, Innovative Education Program; title VII, bilingual education; Part E of title XIV; Goals 2000; IDEA; transfer of excess and surplus Federal computer equipment; child nutrition programs; child care development block grants; national service; National Endowment of the Humanities; National Endowment for the Arts; National Science Foundation; nonimmigration students, just to mention a few. These are all private and parochial schools using Federal tax dollars. It is the law. It did not happen during my reign; it happened in the 30 years prior to that.

The third thing Members are going to hear is that we are taking money from public schools. That is not true either. The appropriators have seen fit to add $40 million to title VI, not taking anything away from anyone. They are adding $40 million.

The next thing I would like to make sure Members understand, this legislation has a very, very narrow scope. Why does it have a narrow scope? Well, I think it is called pleasing the chairman. Now, what is in that narrow scope? Why is it so narrow?

First of all, we have never told a State legislature before that they have to pass a law to participate in title VI. In this legislation, we say to the State legislature, for the first time, if anybody is going to use any of this title VI money, for public and private school choice; they must pass a law. We never did that before in title VI; we sent them a block and they did their thing. Now we say they must pass legislation. That will take a while.

Secondly, the State and the public schools must then determine whether they want to use any of the title VI money for that purpose. They do not have to use any of it.

Again, I hope that by introducing some of these things that are fact rather than an emotional discussion of the issue, that Members will understand exactly what we are doing. I want to repeat what I said earlier. We positively have to find a way, if we are going to remain a viable entity in this world in the 21st century, to ensure every child has a possibility of a quality education.

We have tried, and we have tried, and we have tried, and it was all well meaning. We did not succeed. Now we want to try something a little bit different, nothing new; it is still part of title VI. But let us make sure that every child, no matter how poor the family may be, no matter how terrible the conditions may be in which the child lives, that they do have an opportunity for a quality education.

Mr. CLAY. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, in 1965, Congressman Adam Clayton Powell, chairman of the Committee on Economic and Educational Opportunities, gave a forceful speech advocating a greater role of the Federal Government through passage of the Elementary and Secondary Education Act.

□ 1715

In that great speech he said, "We are compelled to give our most sincere and dedicated attention to the masses of our American youth, youth who give America new vision and new goals. We must not wait any longer. It is later than you think."

Today, Mr. Speaker, we are witness to the Republicans' contempt for the masses, for the 50 million children who attend public schools. Today, they bring to this floor a bill that would steal almost $2 billion from our public school systems. This proposal sends a clear and chilling signal that the Republicans have declared war on public education.

The most cynical and pernicious provision of this bill is the wholesale and deliberate denial of civil rights. The parents of low-income students who fall for this voucher scheme will be shocked to learn that their children will attend a private school that has no obligation to protect them from discrimination on the basis of race, sex, national origin, or age. The blatant disregard for civil rights fostered by proponents of this bill is an abomination.

Mr. Speaker, yesterday I received a letter from the Leadership Conference on Civil Rights vehemently opposing this Trojan Horse. In that letter, it was pointed out that under this bill, and I quote, "Private schools could permit widespread and severe racial harassment of students in class, provide female students with inferior athletic facilities, and refuse to make any accommodations for disabled students."

The letter concludes, "In short, H.R. 2746 would allow private schools to ignore the civil rights laws that have long protected students in federally funded education."

Mr. Speaker, this bill is an outrageous abandonment of civil rights. I find it ironic that the Speaker of the House stood on the floor of this House last week expressing compassion for little black children, while in fact this bill is striping away 30 years of civil rights protections from the very children he professed to help.

Mr. Speaker, in all of my years in Congress, I have not heard so many in this Chamber, who for years have refused to look beyond race and poverty, to see the human needs, now plead so eloquently for those who are victimized by their race and economic condition. No one should be deceived by the false promise that this bill is about saving poor children from the debilitating fate of inner-city schools.

Last year, Republicans in this House fought with every fiber of their being against increasing the minimum wage. In the 104th Congress, 223 House Republicans voted to cut child nutrition programs by $10 billion and to eliminate the Federal school lunch program entirely. Where was their compassion then?

If proponents of this bill are genuinely concerned about bad schools in black neighborhoods and want to give real choice to poverty stricken and educationally deprived students, let them mandate a program to give poor children the opportunity to attend any public school in the area, even in the most affluent neighboring school districts. That would be real public school choice. No reasonable, fair-minded person would deny that schools in more affluent areas have greater resources and their students receive a more complete and demanding education than children in poor neighborhoods.

This voucher bill has been condemned by a broad coalition of education groups because it does nothing to address crumbling and overcrowded schools or to improve teacher performance for the 50 million children now attending public schools.

I challenge the Republican leadership to stop playing politics with America's school children and to stop bashing public schools, parents, and teachers. I challenge them, Mr. Speaker, to embrace America's public schools instead of attacking them with this deceitful voucher scheme.

I reserve the balance of my time, Mr. Speaker.

Mr. RIGGS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me say that this subject of giving parents more choice to select the school and the educational environment that is appropriate and best for their child is too important to be demeaned by the distinguished ranking member of the full committee, who is perhaps trying to conjure up a ghost from the last Congress.

Apparently, he and members of his party are still denying that, slowly but surely, the Contract with America has become a reality. But the fact of the matter is we never proposed eliminating the school lunch program. We did propose block granting it to States and local education agencies to make it more efficient in order to serve more children.

That said, let me say that I believe there are many Members on the other side of the aisle who want to show contempt for the fundamental right of parents to choose, who do not believe that we need improvement through competition and choice in our education system today, who are fundamentally opposed to parents having the freedom to select the education again that is best and most appropriate for their child.

So I say to them, let freedom reign in education. Let those who are less privileged, those who cannot afford to attend the better schools that might be financially beyond their limits, let them have the same right, let those families have the same right as more fortunate and more affluent families.

And understand this, we have too many school children in this country today who are missing out, who are not getting the kind of education they need to prepare them for the 21st century. And that, my colleagues, is the real disgrace and the real tragedy that we ought to be debating in this Chamber, not raising red herrings.

Now, how do they explain opinion poll after opinion poll showing that an overwhelming number of the American people, particularly adults of childbearing age, now favor parental choice in education? How do they explain that away? And why do the numbers go through the roof when we talk about minority parents? Could it be because they are the ones that are right there that have the best knowledge of this issue, that have the greatest concern about the future well-being of their children? That would only be natural for them to have those sentiments. And every one of us who is a parent, who is faced with the ultimate responsibility of bringing into and raising another child in this world, ought to understand those sentiments, ought to sympathize with those parents, and ought to get behind the move to inject more competition and choice in our school system today.

Schools should be a magnet and not a trap. Let me tell my colleagues one thing I believe to the core of my being, and that is the education system we have in America today will reform itself, it will improve itself only when parents are free to choose the schools that they think are best able to educate their children.

And we are seeing, to their credit, many school districts around the country beginning to respond to the demand on the part of consumers, parents, and guardians for more choice, seeing them respond to that demand for competition by presenting more educational options for parents, whether it be home schooling, private school choice, public school choice, as we will be debating on the floor later tonight when we talk about more Federal taxpayer funding for public choice schools, independent charter schools. But school districts are responding to their credit.

We have to address this problem. It is not going to go away. To the extent we have a growing gap, an inequity in American society between the haves and have nots or have less, it is an education gap. There is a growing gap between the rich and poor in this society. And it is no accident. It begins as a gap between the well-educated and the poorly educated. And for all of us concerned about the quality of education in America today, I submit to you that is a problem that we ought to address together in as nonpartisan a way as possible. But more importantly, for the students who will be the future have-nots, the students who are receiving a poor or inadequate education, for them and for their families, it is a tragedy and a national disgrace.

Let me tell my colleagues what this bill does very simply, because it is a very, very modest bill. It amends the title VI block grant, the old chapter 2 program, by permitting state educational agencies and local educational agencies to use their title VI education block grant funds, this is probably the most flexible source of Federal taxpayer funding for Federal education, to use those funds for public and private school choice.

But this has to be, unlike what we discussed in the last Congress, instead of a top-down nationally driven program from here in Washington, this has to be a bottom-up program. These funds could only be used in those States and local communities that have decided that they will at least experiment with school choice for those children, low-income children, because this funding is very targeted and it is means tested, only for those children attending unsafe or underperforming schools.

This is a bottom-up movement designed to tell community activists and community leaders across the country that if they believe they should have more choice, more parental control and freedom in education today, they can use this source of Federal funding to provide scholarships to low-income families in low-income communities. So that is what this legislation is about.

I am going to conclude my remarks. But I want to say simply again, I cited this poll on the House floor the other day, and I would love to hear my colleagues respond to it, from American Viewpoint. The public, when asked whether parents should be allowed more control to choose where their children are educated, answered overwhelmingly, two-thirds to one-third, 67-28, that parents should have the right to choose the education that is best and most appropriate for their child, the best learning environment. And that is what this is about. Schools exist to serve children, not bureaucracy.

And lastly, from the first presidential debate in the last election campaign in Connecticut between the President and Bob Dole, the Republican nominee for President, these are the President's comments: "If you are going to have a private voucher program, that ought to be determined by States and localities where they are raising and spending most of the money."

That is exactly what this HELP scholarship legislation does. And I defy my colleagues to show me where it does not. If we are going to have a private voucher plan, that ought to be done, in other words, that ought to be determined at the local level or at the State level. Again, that is what this legislation does. It says to State and local communities, you have that option, you have that right. And in those communities, and we will talk hopefully more about them, like Cleveland and Milwaukee, in those 18 States that already have some form of school choice, we are saying you can use your Federal funding to expand those programs. And to the rest of America, we are saying, it is time now to give choice a chance.

Mr. Speaker, I reserve the balance of my time.

Mr. CLAY. Mr. Speaker, I yield 15 seconds to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, the gentleman from California [Mr. RIGGS] uses the term "demeans." We feel it is this very bill that demeans public education, just as his vote to cut $137 million from Head Start demeans public education, just as his vote to eliminate the school lunch program demeans public education. You are going to give choice to those on school lunch, the choice to not have any lunch.

Mr. CLAY. Mr. Speaker, I yield 2½ minutes to the gentleman from California [Mr. MARTINEZ].

Mr. MARTINEZ. Mr. Speaker, I want to thank the gentleman from Missouri [Mr. CLAY], the ranking member, for yielding me the time.

Respectfully, I want to remind the chairman who spoke a little earlier about the last 30 years. He was a part of a committee that developed bipartisan legislation in that committee over 3 years and Even Start was his, and it was a good bill and we all supported it. But for him to say this bill will fix education befuddled me. He was an educator, and he knows better.

Mr. Speaker, giving people a chance or a choice is a smoke screen. People have the choice now. All of us can send our kids to private school if we want to, and low-income people are doing it every day. They are sacrificing to do it because they want either more discipline or they want a better education or a religious education for their children. But the taxpayers are not paying for it.

Mr. Speaker, in my opinion, this is the extreme right's modern version of white flight from our cities. Just like we abandoned the poor parts of our cities when there were elements that we did not like and we left them to decay, this bill will leave our public schools in ruin in search of a panacea for just a few.

I would ask the chairman, where are the 90 percent that are going to be left behind that are not going to be served by this? This bill guts the very basic opportunity afforded to children, the opportunity to learn.

Mr. Speaker, the American people and my colleagues who have listened to Friday's debate on the rule heard the gentleman from California [Mr. RIGGS] condemn me for recognizing that Republicans are really doing the bidding of the conservative Christian Coalition in their advocacy for these ill-advised voucher proposals. Whether they know it or not, they are doing that.

The gentleman from California [Mr. RIGGS] even went so far as to say that my comments were, quote, beneath me. I can assure the gentleman from California [Mr. RIGGS] that I am the best judge of what is and what is not beneath me, and I never regard the truth as being beneath me.

To prove my point, why do we not take a look at some of what the extreme right has said about public schools in America. And if my colleagues want to look at the chart to my right, they can see, and I will read it for them. Pat Robertson, the founder of the Christian Coalition, states, "The public education movement has also been an anti-Christian movement. We can change education in America if you put the Christian principles in and the

Christian pedagogy in. In three years, you would totally revolutionize education in America."

□ 1730

And Jerry Falwell, our favorite Christian:

"I hope to live to see the day when we won't have any public schools. The churches will have taken them over again, and Christians will be running them. What a happy day that will be." America Can Be Saved.

Clearly, public policy is not driving Republicans to bring these voucher bills to the floor of the House. Rather, it is obvious to me it is a political debt that the majority feels it must repay. Shame on those who would use our children and their educational opportunity as an affirmation of an extreme right conservative view of the world. Let us consider the agenda on which these people brought this to the floor.

Mr. RIGGS. Mr. Speaker, I yield myself such time as I may consume.

I stand by my earlier comments. I do not believe that Christian bashing ought to take place on this floor. I deplore the use of the race card and race baiting. I really think it is inappropriate.

Mr. Speaker, when African-Americans of childbearing age are polled, 86 percent support government-funded, taxpayer-funded vouchers to send children to the public, private or parochial school of their choice. As the gentleman very well knows, we already have taxpayer-funded choice in both preschool, child care and in higher education, and I have never heard him voice any objections to that.

Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. PETERSON].

Mr. PETERSON of Pennsylvania. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise to support this legislation today. Freedom is about making choices. This country was founded upon religious freedom, religious choices, because in other countries they were not given that right. We have tried a lot of monopolies in this country, controlled monopolies. Transportation, trucking, airlines, utilities and our package delivery system were run and controlled by monopolies. We found out that they were not very efficient, they did not provide very good cost-effective service, and we have been slowly decontrolling all of those and still are today.

A few years ago the auto industry and the Big 3 were a monopoly in this country. They were a monopoly until in the 1980s. They did not take the consumer into view. Then in came the Japanese and the Germans and the Swedes, and the Hondas and Toyotas and the Nissans entered the marketplace and caused real pain in America, because they took away that monopoly. But what happened? Did it destroy our auto industry? No, it made it stronger, it made it healthier, and more dominant in the world today than ever.

At least 80 percent of our schools are good. If we doubled the funding for education, problem schools would remain. We will spend $300 billion for elementary and secondary education, and someone said here erroneously that we were going to take $2 billion away from public schools.

This bill is about $310 million in a title 6 block grant. If one-ninth of that goes to choice, that is .01 percent of the basic education budget. Why should our poorest who are failing schools have no choice? Our Congressmen have choice, our Senators have choice. The leaders of this country have choice because they can afford it. The poorest cannot.

What are we afraid of? A very small pilot project that only helps States who have voted on the public record to have some choice pilots. If students leave a school in meaningful numbers, what will happen is this: The school will fix the problem. The study done by Harvard already shows that. If you have weak math or weak science, or a drug-infested school or an unsafe school and students start to leave, the school will fix the problem.

We will improve public education. Competition brings excellence to everything. Higher education works. It worked in autos, transportation, and the package delivery system. Is the education of our children not more important than all the ones above? Is it not giving Americans a choice, and we are starting with the poorest who are trapped in schools that are not delivering, that are not giving them an appropriate ability to get a good education.

Mr. Speaker, there is nothing to be afraid of. I urge Members to support this legislation and give them the same choices that congressional leaders have.

Mr. CLAY. Mr. Speaker, I yield 30 seconds to the gentleman from California [Mr. MARTINEZ].

Mr. MARTINEZ. Mr. Speaker, in the first place, I did not bash any Christians. I bashed two particular people for what they said.

Number two, we have had choice from the beginning of the time this country started. There have always been private schools out there. In fact, there were private schools before there were public schools. That competition has never improved the public schools to this day. People do have choice, and poor people have choice. This is not choice for poor people. This is choice for rich people.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Ms. WOOLSEY].

Ms. WOOLSEY. Mr. Speaker, a sound public school system is the way to prepare 100 percent of our children for the high-skill, high-wage jobs that will ensure America's leadership in our world marketplace in our future. At the same time, Mr. Speaker, a good, sound public education system prevents dependency on welfare at home.

Public education is the backbone of our country. It is why we are a great Nation. Public education is available to all. It does not discriminate and must be strengthened, not weakened.

There is no question that the bill before us today will profoundly harm our public schools. This bill gives precious education dollars that public schools need to private and religious schools. Supporters of this bill say that it ensures parental choice in education, but we all know that private schools self-select their student body, and no voucher plan is going to change that. Parental choice is meaningless when it comes to private schools and self-selection.

What this bill does is make it easier, by adding $40 million to the budget, for a chosen few to go to private schools while leaving the majority of American school children in public schools. This is not acceptable.

Mr. Speaker, I am proud to speak up for public education in America. It is not perfect, but the solution to the problems with our public schools is not to give vouchers to a few kids. The solution is to fix our schools. Put that $40 million toward improving public education so that all children want to be in a good public school.

The supporters of this bill act as if vouchers are a magic bullet for American education, but H.R. 2746 does not help teachers or give them more opportunities for professional development. It creates yet another gap.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, I am very pleased that Speaker GINGRICH and his supporters have finally realized that the American people really do want the Federal Government to play a role, a vital role, in improving our schools. It was just a few months ago that the Republicans had a different approach. They had a big ax out here. They were ready to cut school lunch. They were ready to cut Head Start. They wanted to cut down the Department of Education and essentially terminate any Federal commitment to education. It was really only just a few weeks ago that they were right here on the floor of this House derisively referring to our public schools as government-owned schools.

Today they come forward with their big solution. They want to offer choice. We are all for choice, and the choice that they want to offer public education when we read the fine print of this bill is the choice to do without, the choice to do without the moneys to get the job done to educate our children.

It is a clever approach. They call it a help bill, but everyone who is familiar with the demands that are placed on our public schools recognize it is nothing but a hurt bill. It puts a big hurt on public education.

The whole bill reminds me a little bit of the fellow who was trying to come to my hometown, Austin, TX. He got lost over in the piney woods. He walked up to a fellow at a service station over there and asked how to get down to the state capital. The old man scratched his head and said, "I don't rightly know, but I sure wouldn't start from here."

Mr. Speaker, we sure do not want to start from here siphoning off money from public education. Unlike some earlier attempts, this bill is mighty clear. It will take money away from public education and give it to private parochial schools. I guarantee Members that folks like Jerry Falwell who says, "I hope to live to see the day when we won't have any public schools, what a happy day that will be," they have a stake in this because they are going to be the beneficiaries of robbing public education to help the few in private education.

I am all for private education, even though I am a graduate, as are my children, of the great public school system in central Texas. But let the parents pay for that private education, and use public resources not to fund Mr. Falwell, but to help our children.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. SCOTT].

Mr. SCOTT. Mr. Speaker, considering this as legislation that will give parents the right to select a private school of their choice is an absolute distortion. It will give a select, privileged few an opportunity to select the school of their choice if they can afford the difference between what the voucher is and the cost of the education.

Furthermore, Mr. Speaker, we talk about the polls that show support. What we ought to do is look at the referendums that have been taken across the country where people have had an opportunity to reflect for an entire campaign and get educated about the idea, not just a knee-jerk reaction to a poll. When we look at the referenda when people go to the polls and vote, these ideas are rejected by margins of approximately 3 to 1. And so we ought to look not just at knee-jerk reaction to the polls, we ought to look at what these bills actually do. I associate myself with the comments of many of the others.

I just wanted to point out one little trickery in this bill. There is a provision that declares that receipt of the voucher shall not be considered as assistance to any school. That kind of language looks innocuous on its face, but it will provide that the Federal Government cannot enforce anti-discrimination procedures against those schools. For example, religious and national origin discrimination cannot be enforced. Racial discrimination cannot be enforced by the Federal Government. There would have to be individual suits, one after another. The Department of Justice cannot invoke the situation where they can withdraw funds. David Duke academies could be funded without the enforcement of civil rights.

What is this language doing in the bill? It only gives exemption from Federal civil rights enforcement, and that is why we need to defeat the bill. It is under a closed rule. We cannot use an amendment to take that language out. We need to defeat the bill. This $50 million education gimmick will only take money from our public schools. We need to defeat the bill.

Mr. RIGGS. Mr. Speaker, I yield myself 10 seconds.

The money under this legislation would flow to parents, and this bill targets low-income communities and low-income families in States that have enacted into law school choice legislation.

Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina [Mr. GRAHAM].

Mr. GRAHAM. Mr. Speaker, I would like to congratulate the gentleman from California [Mr. Riggs] and the committee for doing something that is probably long overdue in this country, and that is giving people choices that they have yet to have. If you are a parent sending your kid to a public school system and you are pleased with it, good for you. If you are a parent sending your kids to a public school system and you are worried about them, that you are afraid they are going to get beat up or they are going to meet a drug dealer when they go in the door, or that the plaster is falling down on them, or somebody at school really does not have their best interests, well, there is a new crowd in town giving you some options you never had. There are some friends on this side of the aisle who agree with this idea, and there are some that do not, but this is a debate long overdue to be had in this country.

□ 1745

Public schools in this country by a large extent, I think, do a great job. I am a public school graduate, but there are places in our country where nobody in this building would send their child, and we need to do something, and all we hear is, spend more money, spend more money, spend more money.

Do my colleagues know what makes someone better? Competition makes them better. It will make us a better Congressman when somebody will run and want to take your job away. It will make the public school system better, where they failed, if there is somebody else in town that can take that child and do a quality job and give the parents the choice that they are lacking today.

This is a pilot project, but this is really a debate about the status quo versus reform. We spent money in the name of spending money. Forty years later, we have got a situation that is never going to change by just spending money. If my colleagues want to improve anybody's state in life, provide some good healthy competition.

And this finally addresses the basic problem of public education. It is a monopoly that does not respond to anything in some situations, and now there is a new act in town where parents, nobody else but mom and dad, get a choice that people in this room can afford but they cannot.

And if someone is doing a good job as a public educator, they have no fear from this. If they are failing the parents in our communities, we better get better, and it is probably not good English, but we better get our act together, because people can go somewhere else if we have our way. It is long overdue.

Mr. CLAY. Mr. Speaker, I yield 15 seconds to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, let me just say to the gentleman from South Carolina that we say this is declaring war on public education, that the first shot was fired when he voted to eliminate the school lunch program, that the second shot was fired when he voted to cut Head Start by $137 million, and now, when we take 10 cents on the dollar out of public education and give it to private education, that is another shot in the war against public education.

Mr. CLAY. Mr. Speaker, I yield 10 seconds to the gentleman from Virginia [Mr. SCOTT].

Mr. SCOTT. Mr. Speaker, the gentleman from California responded to some of the things I said but did not respond to when I said, shall not be considered assistance to any school, and I was wondering if somebody over there could respond to the effect of that language on special education students and the ability of private schools to discriminate on national origin and the effect of that language on the Department of Justice enforcing civil rights laws of the country.

Mr. RIGGS. Mr. Speaker, I yield myself 10 seconds to say and point out, and I would appreciate if the gentleman would not interrupt me then, let me just say, if I understand Mr. SCOTT correctly, I think he is arguing that they might support this proposal if only they could regulate the private schools in America.

Mr. Speaker, I yield 15 seconds to the gentleman from South Carolina [Mr. GRAHAM].

Mr. GRAHAM. Mr. Speaker, I would like to respond; my name was mentioned.

We are declaring war on people who just want to write checks as politicians and go home and feel good about it and still leave the crummy school system behind. We are declaring war on the status quo. We are fighting for parents. That is the war we are engaged in, and we choose the parents over the entrenched bureaucracy, and we are going to win that war.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. SAWYER].

Mr. SAWYER. Mr. Speaker, there are many good reasons to be skeptical about the bill before us, but the most important is often left out, and I want to say before I go any further that the gentleman from California and I have worked together in an attempt to do exactly what I am talking about.

It is because school choice has been so widely talked about but has not been scientifically evaluated on a sufficient scale to draw concrete conclusions that I believe that the gentleman has come up with an improved accountability section of this bill. Evaluation is critical if we are to succeed or if we are to avoid monumental failure in this experiment of some size. Parental satisfaction is important, but it is wholly insufficient to measure the efficacy of choice on such a broad scale.

A bill that is serious about a voucher experiment would include statutory requirements for a whole range of considerations, some of which I believe may well be included in the gentleman's bill but which go beyond many of those which are enumerated. And they talk about data on transportation problems and solutions, the effect on siblings within a family, the changing patterns of school enrollment by type and demographic characteristics. The list goes on and on.

In short, this bill has a better evaluation component than most of the voucher demonstration programs that have been proposed in the last few years. And this is the critical point: This is not a demonstration program. We are finally getting closer to the kind of evaluation we would need if, in fact, we were doing a demonstration program, but we have it on the wrong vehicle.

This is a huge and costly experiment with the lives of millions of children, and its emphasis on parental satisfaction matches the serious focus needed on cost benefits and measurable change in student performance. Whether or not politicians agree about the value of choice, the consequences fall on the lives of real children. We simply cannot afford to proceed without a mechanism for knowing whether we are right or wrong.

Mr. RIGGS. Mr. Speaker, I yield 4 minutes to the gentleman from Oklahoma [Mr. WATTS], a cosponsor and one of the most prominent, passionate, and articulate proponents of parental choice in education on this legislation.

Mr. WATTS of Oklahoma. Mr. Speaker, I thank the gentleman from California for leading the effort in fighting for what I believe is very important legislation.

Mr. Speaker, my father, who spent 2 days in the seventh grade, that is the extent of his education, he said to me once when I was about 45 days from graduating from the University of Oklahoma, he said to me when I would go home sometimes on the weekend and we would sit up in his front room and we would solve all of America's problems according to the book of Watts, and this particular evening about 2 o'clock in the morning it was time to retire, and daddy said something to me that I will never forget. He said to me, as you know, Junior, he said, I think I want to go to college. And I said, Daddy, why go to college at 57 years old, a double bypass heart patient, mama is diabetic, got this church with a pastor, got these cows, these rental properties being taken care of? Why did he want to go to college? He said, I would like to see what makes those guys fools after getting out. He said, those guys refuse to use common sense.

Now, common sense would say to us, or should say to us, that we have got kids in America today in the inner cities that go to schools where they have to walk through metal detectors, that they carry guns, people carry guns, people carry knives, that those kids cannot learn in that environment.

Now, Mr. Speaker, we have heard the debate today and we have heard both sides of the argument, and I think we need to separate fact from fiction. Now consider this. Common sense would say, or should say, to us if we are fighting and we are saying we are debating and we are saying that if we give poor parents the right to choose where they want to send their kids to school, that they are going to choose a private school or private faith-based school.

Now, Mr. Speaker, what does that do? What does that say to us? That is saying to us that if we give that parent a choice, they are going to choose the private school or the private faith-based school. That, in itself, is an indictment on poor schools. We are not indicting public schools. Those who say that we are hurting public schools, they are the ones that are indicting public schools.

And then we hear, we hear this. We say we cannot use this legislation for kids to go to other public schools. With these HELP scholarships, kids can go to other public schools, they can leave the school that is not working and go to a public school that is working. Or those parents can go to a private school or private faith-based school.

Frederick Douglass said this: He said some people know the importance of education because they have it. He said, I knew the importance of education because I did not have it. And, Mr. Speaker, we are sending our kids to schools every day of their lives, we are putting them in schools that are failing them every day of their lives, and when they get out into the job market to compete for good jobs, to compete in this global marketplace, they will not have the reading, writing, arithmetic skills, computer skills to compete in a global marketplace.

And then we say we hear, well, they are taking money away from public education. Let me tell my colleagues who is taking money from public education: The prison system. In every State in the Nation, we have an average of about—in the State of Oklahoma, I think we spend about $25,000 per year per inmate. And look at the inmates. We do not give them the proper reading skills, the proper writing skills, the proper arithmetic skills, the proper computer skills. Do my colleagues know where they end up? They end up in jail, they end up in prison, and then we spend 20 to 30 thousand a year to keep them in prison to house them. That is where our public education dollars are going.

Mr. Speaker, I say let us give this legislation a chance, let us pass this legislation, give those poor parents who are trapped that the Government has mandated that they must send their kids to schools every day that fail them. With this legislation, those poor parents will have a chance to get their kids out of those schools that failed, into schools that worked, public schools, private schools, or private faith-based schools. Give these parents a chance.

Let us support this legislation.

Mr. CLAY. Mr. Speaker, I yield 15 seconds to the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, I respectfully say to the gentleman that he is passionate all right, but I believe he is passionately wrong, and when he comes to the floor and votes to cut the school lunch program, votes to cut Head Start by $137 million, and then comes back to the floor and says, today I am here to help, there is a little bit of a credibility problem.

Mr. CLAY. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Indiana [Ms. CARSON].

Ms. CARSON. Mr. Speaker, I rise in opposition to H.R. 2746.

Mr. Speaker, education reform can succeed only if it benefits all of the students and not just a select few. To stand here on the floor of this august body and suggest that public schools manufactured the social problems that have been extolled here today such as guns, such as drugs, such as crime, such as teenage pregnancy, is a cruel hoax. Let us not try to fool the American people, and let us not be fooled ourselves.

The vouchers in this bill are also a cruel hoax. They do not give all parents a choice in education. This proposal would not provide nearly enough money to pay for private school tuition for all children. With record enrollments, crumbling buildings, and the growing threats of crime and drugs that our public schools did not create, public schools are facing greater challenges than ever before.

Children in public schools across the land do not have the basic materials that they need to get an education. Diverting resources to private schools is not the answer. Surely we can put the money to better use.

Public schoolchildren need text books, library books, and other fundamental tools for learning. The globalization of the economy poses greater challenges to our children than those ever faced by previous generations, including myself. Today our children need math, science, and training in computers to be able to get on the first rung of competition for the jobs of the 21st century. Public schools need the resources to meet these challenges.

I urge in the strongest possible terms that H.R. 2746 be defeated.

Mr. RIGGS. Mr. Speaker, I yield 10 seconds to the gentleman from Oklahoma [Mr. WATTS].

Mr. WATTS of Oklahoma. Mr. Speaker, it is interesting that the gentleman from Texas talked about what happened. It is interesting that in the school lunch program we put $200 million more in our program than the President offered in his. So that is amazing to me how that is a cut. And, secondly, this is one of the same people that said we were gutting Medicare to give tax breaks to the wealthy, one of the same people that said we could not cut taxes and balance the budget at the same time when we have done all those things. So, you know, let us separate the facts from the fiction and let us talk about the facts today.

Mr. RIGGS. Mr. Speaker, I yield a minute and a half to the gentleman from Texas [Mr. PAUL].

Mr. PAUL. Mr. Speaker, I rise in support of this legislation. I have been on the education committee now for 10 months, and I have not yet heard any Member stand up and brag about the public school system. Everybody seems to be critical of the system, and everybody has suggestions on what we can do.

I think the problem with the school system has definitely gotten worse since we have gained control of the public school system at the national level. There is pretty good evidence to this, and I think a new program and new expenditures up here will not do the trick. This program, however, does not fall into that category.

I believe that the States ought to have the right to set up one of these programs where scholarships can be offered. This is quite a bit different than mandating and dictating a brand new program and new appropriations. So I think this is a step in the right direction.

We should not be fearful of choice; we should not be fearful of competition. If we are serious about education, I think we should get beyond equating good education with the school lunch program. I cannot quite see the analogy of saying a good lunch is equivalent to good education.

□ 1800

But, more Federal programs will not solve the problem, and I believe very sincerely that if we allow some choice and if we allow some competition, we might see some improvement.

I do not believe this program is going to solve the problem of our educational system. We have serious structural problems. Some day we will have to look at the history of the public school system and look to the time when the public schools worked much better with local control and local financing.

Mr. Speaker, I appreciate the opportunity to express my support for H.R. 2746, the Helping Empower Low-Income Parents [HELP] Scholarships Amendments of 1997. The HELP Act allows States to use title VI funds for school voucher programs if the State has a voucher law. Nothing in this bill forces states to adapt a voucher program, states without voucher programs will not lose a penny of federal funds. HELP does not create a new federal program, nor does it provide a justification for an increase in federal education funds. Furthermore, this bill addresses the legitimate concerns that federally funded voucher programs will lead to state regulations of private schools by explicitly stating that receipt of these funds cannot be used as a reason for force religious schools to alter their curriculum, or force private schools to change their admission requirements. Additionally, participating private schools must only be in compliance with state regulations in effect one year prior to passage of the HELP Act.

Under 10th amendment to the Constitution, the question of whether or not to fund private-school voucher programs is a left solely to the state and localities. However, congressional activism has undermined state and local control of education as the federal education bureaucracy has grown increasingly powerful. Thus, many states now feel compelled to obey federal dictates and only engage in those education policies for which they can receive federal funds.

Individual states, localities and, in many cases, even private citizens cannot afford to support education programs without financial help from the federal government because of the oppressive tax burden imposed on the American people by this Congress! Congress then "returns" the money (minus a hefty federal "administrative" fee) to state governments and the American people to spend on federally approved purposes.

While the very existence of federal education programs and funding is an insult to the Constitution, and while the most effective education reform to entirely defund the federal education bureaucracy and return education funding to America's parents through deep tax credits and tax cuts, the more options the federal government provides states, localities, and individuals in the use of federal education dollars the better. Mr. Speaker, authority for funding education belongs to the people and the states. We in Congress have no legal or moral justification for denying the people the right to pursue any education reform they believe will help America's children—whether it is vouchers, charter schools, or statewide testing.

Mr. Speaker, my long-term goal remains the restoration of limited, constitutional government in all areas, including education. Until that goal is achieved, I will support measures, such as the one now before us, to give the states and the people as much control as possible over education dollars. After all, in the words of the pledge to abolish the IRS many of us signed last week, it is their money, not ours. Therefore, Mr. Speaker, I urge my colleagues to join me in supporting H.R. 2746, the Helping Empower Low-Income Parents [HELP] Scholarships Amendments of 1997.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Speaker, I rise in opposition to this legislation.

These are not scholarships. These are vouchers, and vouchers are not the way to improve the public school system.

In the first place, I question the constitutionality of using Federal dollars for private and parochial schools. But putting that question aside, this proposal will not be for all low-income students, and if it were for all low-income students, we would be creating a new entitlement, and I do not quite know what my friends on this side of the aisle are doing in creating this new program. But, it also opens the question of possible discrimination, and that this discrimination would be providing vouchers to some students, but not all.

Now, one does not have to be a lawyer with a law degree or a rocket scientist to predict that if this is passed, there will be with certainty a lawsuit that will be filed claiming discrimination, and that will be a giant step towards an entitlement.

However, put that aside too. The most important issue is what it is going to do to the public school system. Now, as a former school board member, I have some experience in these matters, and I want to tell my colleagues that it will greatly reduce support of the public schools, both urban and suburban, and ultimately, these vouchers will result in gutting the public school system, because it will be sending more and more of scarce financial resources out of the public system and into the private school system. It will be reducing financial support for the majority of students, the vast majority, and support a select few.

Gutting the public school system will not help those students who remain behind. What we need to do is to improve the system and improve the quality of standards for all students, not this select few.

Mr. Speaker, I rise in opposition to the HELP Scholarship Act. This is just another way of saying these are not scholarships, these are vouchers, and vouchers are not the way to improve our education system.

In the first place, I question the constitutionality of whether Federal dollars can be used for private and parochial schools. The Constitution provides for a division between church and State, and this proposal will interfere with that division. Such proposals have been found unconstitutional when they have not been provided to all low-income students, or when the tuition grant program has been used primarily to assist children in attending schools which are religiously affiliated.

This proposal will not be for all low-income students, and if it were to be provided for all low-income students then it would be an entitlement. And we do not need any more entitlements.

Why would we, as a Republican Party, be moving toward an entitlement. This is a problem of possible claims of discrimination—that is discrimination in providing some students with vouchers. This also moves us toward creating an entitlement.

How will it be decided which students will be provided with the vouchers? Doesn't this discriminate against the other students who are not given vouchers? It does not take a law degree or a rocket scientist to predict with certainty that a lawsuit will be filed claiming discrimination and that will be a giant step toward the entitlement.

Most important and as a former school board member with some experience in these matters, it will force regionalization of the public school system, greatly reduce support of the public schools, both urban and suburban, and ultimately these vouchers will result in gutting the public school system—because it will be sending more and more of our scarce financial resources out of the public system and into the private system. It will be reducing financial support for the vast majority to support a select few.

As a former teacher and school board member in my home community, I have always supported our public school system. I believe that our schools are best prepared to meet the educational needs of our youth when decisions about our school are made by that local community.

Gutting the public school system will not help those students who remain behind in the public school system. What we need to do is improve the system, and improve the quality and standards for all the students, not a select few.

It is also disturbing that these funds will be taken from title VI dollars. These funds are to be used for instructional materials, library materials, magnet schools, literacy programs, gifted and talented programs, dropout assistance, and other school reform activities. If school choice becomes an allowable use of funds, then these activities will not receive the funding and attention that they deserve.

This is not the way to improve our schools.

Mr. RIGGS. Mr. Speaker, I yield 10 seconds to the gentleman from Oklahoma [Mr. WATTS].

Mr. WATTS of Oklahoma. Mr. Speaker, I say to the gentlewoman from New Jersey [Mrs. ROUKEMA], and all of those who would say "discrimination," the ultimate discrimination, the ultimate economic and racial discrimination, is to keep these poor kids, these poor black kids, these poor white kids, these poor kids in schools that do not work, and the government mandates to those parents they must send their kids to those schools. It is the ultimate discrimination to do this to these poor kids.

Mr. RIGGS. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. WELDON], another longtime champion of parental choice in education.

Mr. WELDON of Florida. Mr. Speaker, I thank my colleague for yielding me this time. I just want to respond a little bit further to the gentlewoman from New Jersey [Mrs. ROUKEMA]. There has been a lot of talk about hurting public schools and that our agenda should be helping public schools.

I think our agenda really should be helping kids get a good education, and saving and protecting public schools sometimes is involved in that, but sometimes these public schools are so bad that they should be closed down, and I am really pleased to see this bill come to the floor. I worked with the gentleman from California last session on trying to get a school choice bill to the floor.

One of the reasons why I am so interested in this issue is one of the things I noticed when I got out of the Army and I went into private practice is that people with money send their kids to the schools of their choice, but poor people and people who are disadvantaged cannot do that. They are locked in a system, frequently a system that is failing. Some of our public schools are great, but some of them are failing miserably, and every time we try to talk about school choice, the same group of people get up and say, no, no, no, we cannot have school choice.

All we have here is a modest bill to try it. Let me tell my colleagues something. The American people support this, they want to see this. Look at this chart here. All Americans, 82 percent; black Americans, 84 percent; whites, 83 percent; Democrats, 81 percent; Republicans, 86 percent; Independents, 81 percent. But every time we try to do this much school choice in this body, the same naysayers get up and say it is going to destroy public education.

My desire is not to protect public education, but to provide kids in America better education, particularly those kids who are locked into failing schools, schools that are frequently riddled with drugs, where they are not getting an education, where they are coming out with a diploma and they cannot read. We are just trying to give some of those parents the ability to send their kids to a decent school, the ability that rich people have had for years.

Mr. CLAY. Mr. Speaker, I yield 1½ minutes to the gentleman from Illinois [Mr. DAVIS].

Mr. DAVIS of Illinois. Mr. Speaker, I rise today in strong opposition to this bill, which is cleverly disguised and masquerades to help empower low-income families to send their children to the best public or private schools.

This is nothing more than a third in a series of voucher bills. However, the HELP Scholarship Act is different. This is not a back-door, covert attempt to dismantle public education. This is an all-out, overt, frontal assault to help undermine and destroy public schools.

This bill reminds one of Dracula in that it seeks to suck the blood out of public education. Currently, 90 percent of America's children benefit from public schools. This bill provides no funds to improve public schools, which are in dire need of repair, teacher training, and curriculum development. This bill is anti-public education.

I urge that we reject it and say no. Halloween was last week, Halloween was last week. This bill is trick or treat, with more tricks than treats.

Mr. RIGGS. Mr. Speaker, I would inquire of the Chair as to how much time is remaining. I believe that the other side controls substantially more time than we do at this point.

The SPEAKER pro tempore [Mr. MCCOLLUM]. The gentleman from California [Mr. RIGGS] has 31 and three-quarter minutes remaining.

The gentleman from Missouri [Mr. CLAY] has 38 and one-quarter minutes remaining.

Mr. CLAY. Mr. Speaker, I yield 1 minute to the gentlewoman from Michigan [Ms. STABENOW].

Ms. STABENOW. Mr. Speaker, I rise very simply to indicate that this is not about choice, this is a bill about private school vouchers. This is an extension of a debate that we had in the Washington, D.C. budget earlier this year when the roofs are falling down in the D.C. schools and rather than fix the roof, the proposal was put forward to allow 2000 children out of 78,000 children to be able to leave the schools with private vouchers.

We are committed to a strong public school system investing in technology for our children, making sure they can read and write, and that they are qualifying for the jobs of the future, every child, every neighborhood. This proposal allows a few children to take a disproportionate amount of dollars out of the public schools to allow for private school vouchers. It is the wrong way to go.

I would very much like it if we took all of our energies together and focused them in the right direction, which is making sure every single child in America gets a quality education.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Ms. SANCHEZ].

Ms. SANCHEZ. Mr. Speaker, I guess I hold a distinction in this Congress. I say to my colleagues, I am a Head Start child, a public school kid, a Pell Grant recipient.

I would say to the gentleman from Texas [Mr. PAUL], I think some Federal programs do work for our children, and I would say to the gentleman from Oklahoma [Mr. WATTS], I guess when I started out, I would be one of those poor minority students the gentleman professes to be so concerned about.

But, Mr. Speaker, today I rise against the so-called HELP Scholarship Act. Let us face it. This bill is not talking about scholarships, it is talking about vouchers, and that is why this bill bypassed our committee, the Committee on Education and the Workforce, for any consideration, and it is now on the floor under a gag rule.

It saddens me that during a time when our public schools are facing their most challenging times, we are encouraging American people to turn to private schools to teach their children. Ninety percent of all of the children in America go to public schools, and the numbers increase every day.

Let that be the focus of our education agenda: How to improve America's public education system.

For example, in Orange County, all the kindergarten through 12 schools in my district are overcrowded. They have resorted to year-round classes, portable classrooms, just to deal with things in the classroom, and they still maintain high academic standards. Voucher programs, at most, would help only a few students, and those who do use these vouchers will not even be given civil rights protection under the school admissions process. What kind of school choice is that?

School construction is an issue that deserves the attention of this Congress, not vouchers. That is why I have introduced legislation that will offer interest-free bonds to school districts to help them finance these new school needs, the school construction needs that they have. Let us do what is right for America's children. Let us make sure that quality exists for everybody in our schools. Please vote against H.R. 2746.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from Texas, [Mr. GREEN].

Mr. GREEN. Mr. Speaker, I am amazed to see H.R. 2746 here again today. These are from the same folks who a few weeks ago characterized government-owned schools as a communist legacy. So now we have H.R. 2746 here to talk about how we are really going to educate children.

Our Nation has the ability to provide the highest quality of public education in the world, but the question remains, who will receive this education? My Republican colleagues' answer is with the HELP Scholarship Act, again, a voucher program.

The HELP Scholarship Act is a school voucher program that is intended to do nothing but harm public education because it is taking money out of what should be going to public education. This bill does nothing for the Nation's 50 million students who attend public schools.

We are not defending public education here on the floor today by opposing this bill. We are defending those 50 million children who are in public education and need more resources, but they are taking away even current resources, money that should be used to improve the public schools and instead will go to a small number of students to pay for private and parochial schools. Private and parochial schools are great, but they should not have public funds to do it.

This bill is not only unfair to those 50 million children who will not be able to participate, but I consider public education is an American legacy, not a communist legacy. The real challenge lies in not creating small privileges for a small number of students, but instead building a strong public education system that will provide for those 50 million students instead of taking it away. I believe the HELP Scholarship Act does not improve public education in America, but it threatens the public education of those 50 million children we are defending.

There is no evidence to suggest that vouchers will lead to improved public education performance for all children. In fact, the voucher programs drain funds earmarked for improving public schools and directs them to private schools. The Republican voucher program fails to address the needs of public education and should be defeated tonight. The future of our children is too important to gamble on an untried and unrealistic proposal.

Again, this is a bill in response to the same problem that we had a few weeks ago when they were calling public education a communist legacy by one of our colleagues from Colorado. This is their answer to solutions in the public schools. Let us work to make public schools better, not take funds away.

Mr. RIGGS. Mr. Speaker, I yield 10 seconds to the gentleman from Oklahoma [Mr. WATTS].

Mr. WATTS of Oklahoma. Mr. Speaker, I would say to the gentlewoman from California [Ms. SANCHEZ] that she proves my point exactly. Good schools should not be threatened by what we are doing. Bad schools. She went to a good public school. So did I. It is the bad public schools that we are saying, let us give those poor parents a chance to take those kids out of those bad public schools.

□ 1815

Mr. RIGGS. Mr. Speaker, I yield myself 15 seconds.

Mr. Speaker, I would note that I believe what the education establishment and those here who are beholden to them really fear is that competition threatens their monopoly of financial control.

Mr. Speaker, I yield 1 minute to the gentlewoman from Texas [Ms. GRANGER].

Ms. GRANGER. Mr. Speaker, as a former public school teacher, I rise in strong support of the HELP Scholarship Act. I have always believed that when you fail to plan, you plan to fail. Today this Congress will pass yet another part of a winning strategy for the future.

Today all children are not well-served by our schools. Sixty percent of all graduating seniors in high school cannot read on a 12th-grade level. As a whole, today's students score 60 points lower on the SATs than their parents did. Clearly there is much work to be done as we look for ways to improve our schools.

While the work of making our schools great again is in many ways difficult, it is in no way impossible. Piece by piece, one school and one child at a time, we can give our Nation the kind of education system it deserves, and we can give our children the kind of education their parents have a right to expect.

Today we have a chance to support the HELP Scholarship Act. This legislation will provide scholarships to low-income families to send their children to the school of their choice. It has often been said that the greatness of a Nation is measured by how it treats the most vulnerable and the less fortunate. The HELP Scholarship Act will help those who need our help the most, families who earn less than 185 percent of the poverty level.

Mr. CLAY. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia [Mr. LEWIS].

Mr. LEWIS of Georgia. Mr. Speaker, I rise in opposition to this so-called HELP Scholarship plan. This plan is not about helping the majority of students in America. This is just the latest attack on public schools by the opponents of public education.

Speaker GINGRICH and the radical Republican right have a plan to dismantle public education, abolish the Department of Education, cut the school lunch program, cut funding for safe- and drug-free schools, for teacher training, for Head Start.

Just 2 weeks ago the Republican opponents of public education supported a voucher scheme that would drain millions of public education dollars in our Nation's capital and give it to just 3 percent of students to attend private and religious schools. But taking money out of public schools in the District of Columbia was just the beginning.

Today we consider a plan that would drain resources from every public school in every neighborhood and every city and town in America. This so-called HELP Scholarship scheme does nothing to help public schools. It is about draining resources from public schools to help private and religious schools; help the few, deprive the many. This is the Republican plan.

Mr. Speaker, 50 million students in America attend public schools. Nine out of 10 students attend public schools. We as a society know that educational opportunity is good for all. It was Thomas Jefferson who said, education is the cornerstone of our democracy. That is why Democrats support investing in our public schools, rebuilding our crumbling school buildings, and giving every child in America a solid foundation through public education.

We should be building our public schools, building them up, not tearing them down. We should be working together to improve our public schools, not giving up on them and selling them down the river.

Mr. Speaker, I urge all of my colleagues to support public education in America, support education for all of our children. Oppose the Republican HELP Scholarship scheme. The scholarship is no help at all. These are really hurt scholarships. They hurt our public schools, and they hurt the overwhelming majority of our children. I urge my colleagues to defeat this bill. It does not help anyone. It does not help our children. It hurts our children, and it hurts our public schools.

Mr. RIGGS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just respond to the last speaker and point out that we are not saying on this side that competition and choice is a panacea. I wish people would not view this or try to portray this as some sort of attack on the public schools. I say that as the parent of a child who is in public school, because I always remember my most important title is not Congressman, it is dad.

But we had Alveda King testify. She is a highly respected civil rights advocate, the niece of the late Dr. Martin Luther King. She testified, I would say to the gentleman from Georgia [Mr. LEWIS] and others, before our subcommittee. She said, "If you have a boat going down, and there are 10 children on it, and you can only save 4, isn't it better to save the 4 than to let all 10 drown?"

What we are saying is our public school boat is in danger of sinking, that we are failing to serve too many children, and as a country we cannot afford to lose another generation of urban schoolchildren.

Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. FORBES].

Mr. FORBES. Mr. Speaker, if ever there was a moment under this majestic dome that marks the world's greatest democracy and the hope that is this Nation, it is now. Look at every urban center in America, and we will see repeated the scenario where we have relegated the most vulnerable children among us to a lifetime of poverty and bad education.

I am a product of the public schools and a public college, and proudly so, and I celebrate those good teachers and good parents that made it possible for me to get the education that I did. But what is wrong with stepping forward for the children, the most vulnerable children, who are being denied a quality education because we are refusing to address the problems of our urban schools?

This is a solution long in the making. I commend the authors of this legislation, and I urge my colleagues to support this matter of choice for our children. The parents of these children in every urban center of America are crying out for this kind of a solution. This is the right way to go. I would ask my friends who oppose this to reconsider their position. I ask them, what is the alternative?

Mr. CLAY. Mr. Speaker, I yield 15 seconds to the gentlewoman from Texas [Ms. JACKSON LEE].

Ms. JACKSON-LEE of Texas. Mr. Speaker, we all have a great concern for our children, but it concerns me that the gentleman that just spoke to the American people to express his concern for the plight of poor children, it seems hard to believe, since in his last vote he voted against Head Start. I think that should seriously raise doubt of the concern that has been expressed.

Mr. CLAY. Mr. Speaker, I yield 10 seconds to the gentleman from Georgia [Mr. LEWIS].

Mr. LEWIS of Georgia. Mr. Speaker, I would say to the gentleman from California [Mr. RIGGS], he invoked the name of Martin Luther King, Junior, and his niece, Alveda King Bill. I knew Martin Luther King, Junior. He was my mentor, my friend, and my leader. If he were alive today, he would be ashamed of what his niece did and said.

Mr. CLAY. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Speaker, I think the real question has to be, how do we go forward in helping the children of America? The real driving force behind this Republican proposal on vouchers is not parents who want a better education for their children, but the likes of Jerry Falwell, who says, "I hope to live to see the day when we won't have any public schools. The churches will have taken them over again, and Christians will be running them. What a happy day that will be."

Mr. Speaker, I believe in the first amendment, I believe in Christianity, the freedom of religion and I believe in all Americans. However, I also believe in public school education. This is what we should be doing: early childhood development; basics by 6; well-trained teachers; well-equipped classrooms; relief from crumbling and overcrowded schools; support for local plans to review neighborhood public schools; efficient and coordinated use of resources; parental choice, like charter schools.

That should be the message for public schools and those who support our children, not a denial of civil rights, as these vouchers will do, to parents and children; not where the parents will be denied admission by private schools when they come with their vouchers. We need a real plan for our public schools, not a system that destroys them. I support public schools. I ask my colleagues to do so as well by voting against the voucher bill which destroys public schools.

The primary point of concern, for myself, and many other members of this body in regards to H.R. 2746, is the school scholarship or vouchers provision included in this revision of title VI of the Education and Secondary Reform Act.

This provision would authorize the distribution of scholarships to low to moderate income families to attend public or private schools in nearby suburbs or to pay the costs of supplementary academic programs outside regular school hours for students attending public schools. However, only certain students will receive these tuition scholarships.

This legislative initiative could obviously set a dangerous precedent from this body as to the course of public education in America for decades to come. If the U.S. Congress abandons public education, and sends that message to localities nationwide, a fatal blow could be struck to public schooling. The impetus behind this legislative agenda is clearly suspect. Instead of using these funds to improve the quality of public education, this policy initiative enriches fiscally successful, local private and public institutions. Furthermore, if this policy initiative is so desirable, why are certain D.C. students left behind? Can this plan be a solution, I would assert that it can not. Unless all of our children are helped, what value does this grand political experiment have?

I see this initiative as a small step in trying to position the Government behind private elementary and secondary schools. The ultimate question is why do those in this body who continue to support public education with their lipservice, persist in trying to slowly erode the acknowledged sources of funding for our public schools? Public education, and its future, is an issue of the first magnitude. One that affects the constituency of every member of this House, and thus deserves full and open consideration.

School vouchers, have not been requested by the public mandate from the Congress, actually, they have failed every time they have been offered on a State ballot by 65 percent or greater. If a piece of legislation proposes to send our taxpayer dollars to private or religious schools, the highest levels of scrutiny are in order, and an amendment that may correct such a provision is unquestionably germane. Nine out of ten American children attend public schools, we must not abandon them, their reform is our hope.

Mr. RIGGS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would go back to what the gentleman from Georgia [Mr. LEWIS] said. We will let Ms. King's words speak for themselves. She is not only a highly respected civil rights advocate, but she is also a former public and private schoolteacher.

Here is what she said in testimony before our committee: "It has been demonstrated that when you implement a choice program, including vouchers, that you empower the parents, the system improves, the schools begin to compete, and hope arises."

Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. MCINTOSH], a member of the committee.

Mr. MCINTOSH. Mr. Speaker, I rise in support of the Flake-Watts bill, and want the American people and my colleagues to know that this bill attacks one of the root causes of discrimination and poverty in America and empowers families who are living in troubled communities.

Let me tell Members what it meant in the State of Indiana. The other day I met a remarkable lady named Barbara Lewis. Barbara is an African-American and lives in the inner city of Indianapolis. She struggles to raise her three boys, and Barbara has decided to become a leader in our community. She is president of a new grass-roots organization called FORCE, Families Organized for Real Choice in Education.

A few years ago her son Alphonso had the opportunity to escape one of these terrible inner-city schools that was failing to educate him, and through a private scholarship Alphonso was able to attend Holy Cross Catholic school. This opportunity enabled Alphonso to get into a better school, but it was his own intellectual abilities and hard work that put him on the honor roll, it was his own athletic abilities that made him stand out on the football team, and his own leadership that led his classmates to elect him to the student council. Now Barbara is energized, and she wants to give every inner-city kid the same chance that her son Alphonso had.

I could tell Members about studies that show how minority students do much better in these private schools, or how 43 of our Nation's Governors are supporting school choice. But Alphonso's success story speaks for itself, and his real-life experiences tell us of the merits of this.

I appeal to my colleagues on the other side of the aisle to look at the facts and cut through the rhetoric. I know there is strong pressure from the interest groups and the establishment who want to keep the status quo.

I know my colleagues are great believers in the public school system, as am I. I am a product of that system. But it is not a choice between public schools and private schools. The choice here is between preserving the failed status quo or moving forward and giving poor inner-city kids a hope for a better education. Vote for the Watts-Flake bill.

Mr. Speaker, the author Victor Hugo once wrote, "There is one thing stronger than all the armies in the world, and that is an idea whose time has come."

The time has come to allow parents the choice of selecting schools for their children. Parents across the country—especially in inner cities—demand this choice to give their kids the chance to grow and succeed.

I want Hoosier parents to have this choice. At the K–12 level, Indiana spends an average of $5,666 per student per year. Yet performance declines as the student progresses through the public school system.

For instance, in 1996, Indiana's 4th graders took the National Assessment of Education Progress math exam. They placed fourth out of 43 states that participated in the exam. Very good.

However, Indiana's 8th graders ranked only 17th out of 43 states.

On Advanced Placement exams, Indiana ranked last in comparison to other states and the District of Columbia in terms of the percentage of students who are in the top half.

Clearly, more money is not the answer. We need to rethink our whole approach to elementary and secondary education.

I ask my colleagues, is the status quo, which is discriminating against poor, and which is letting our children down, so important that we are willing to sacrifice the hopes and aspirations of thousands of children, for the sake of the special interest unions, not for the sake of our children.

Look at what President Clinton said—"People need to know they can walk away from bad schools. Choice changes . . ."

Democrat Senator JOSEPH LIEBERMAN made the following statement on the floor during the D.C. appropriations bill, "Voting against choice is about the equivalent of voting against Pell grants or the GI bill or child care programs." I couldn't agree more.

I appeal to everyone in this House to break the chains of the special interests! Break free and let the poor inner city children like Alphonso have the same opportunity as the wealthiest citizens in this country, the same opportunity for us that the President and his family have had.

Please give poor, underprivileged parents a real choice. For the sake of the children vote for the Watts-Flake HELP scholarship bill.

Mr. CLAY. Mr. Speaker, I yield 15 seconds to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Speaker, I believe the only pressure from the American people, I would say to the gentleman who just spoke, is the American people's surprise about his new concern for the poor, since he voted against Head Start, and he voted to eliminate school lunch programs that would help our children learn and help our children be better off as they seek to be educated in this country.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Speaker, this is a very interesting debate. I can remember many, many, many years ago in public school, and if we had the thinking of my colleagues over there at that particular period of time, we would not have been inoculated for measles, smallpox, we would not have gotten examined from the health nurse every year.

I have yet to find out how these vouchers are going to be administered. I am told that they are going to come in a block grant to the States. What makes us think that States are not a bureaucracy, just the same as the Federal Government? We are going to say to a poor parent, as they have to come and say, hey, I want one of them vouchers, they will say, okay, we are going to get you a voucher, but here is how much it is. Well, I cannot take my kid to a private school because it is way across town. I do not have a car. I am a single parent. Well, we will mark you off, and we will go to the next one, somebody that has.

This is an attack on the public school system, Mr. Speaker. I say to the Members on the other side, your record is not good. Folks that count catsup as a vegetable, vote against Head Start and all of these things, your record is just not good.

□ 1830

You have no credibility in education. It has always been that way. You were not for education when we wanted to have student loans for people years ago before some of you were born. When my dad wanted to go to college, you wanted to send kids to school, you did not have a program. You did not support any program. You did not support education. It is inherent with you. You do not have a good record on education. I am not being vicious. It is just the truth.

As Harry Truman said, to give them hell, you just tell the truth and it sounds like you are giving them hell.

But this is an attack on the public school system. Make no mistake about it. It is going to take millions of dollars out of the public school system and deny a lot of those people you are talking about from getting any chance for a public education. It is a fallacy, it is a rip-off, and it is a fraud.

Mr. RIGGS. Mr. Speaker, I yield myself 10 seconds to observe the gentleman from North Carolina is absolutely right. After 40 years of single-party control in the House of Representatives, our inner city schools in America are in great shape.

Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. BOEHNER], chairman of the House Republican Conference.

Mr. BOEHNER. Mr. Speaker, I have enjoyed listening to the debate this evening. I find it ironic that the debate is centering around whether this is for public schools, against public schools, whether it is for private schools. This has nothing to do with support for one school system or another.

What this HELP scholarship will do is to empower parents, parents and local communities, to take greater control over the education of their children. We spend far too much time in this body worrying about systems and worrying about a process instead of worrying about how we can help parents ensure that their child gets a better education. This bill tonight will do that for some people in America who do not have choice.

If you have got money, you have all the school choice you would want, but if you are poor and you are locked into an inner city school, you have no choice.

How long is it going to be before those of us in this body begin to take seriously the problems that we have in inner city schools in this country? How can we look one day longer at the system we have created that is denying those children a shot at the American dream? This helps them out of it.

Mr. CLAY. Mr. Speaker, I yield 15 seconds to the gentlewoman from Texas [Ms. JACKSON-LEE]

Ms. JACKSON-LEE of Texas. Mr. Speaker, I still maintain that it is the children that we should be concerned about. I would say to the gentleman who just spoke that the American people would find his concern for the plight of poor children in public education hard to believe since he voted against Head Start and against free lunches for our children so that they could learn.

Mr. CLAY. Mr. Speaker, I yield 2 minutes and 30 seconds to the gentleman from Rhode Island [Mr. KENNEDY].

Mr. KENNEDY of Rhode Island. Mr. Speaker, I thank the gentleman from Missouri for yielding me the time.

This proposal just violates the common sense test. It would be one thing for the majority party to offer scholarships, once the public education system was fully funded, once we fully funded Head Start, once we reduced the teacher/pupil ratio, once we went about getting the $100 billion that the GAO says is needed to fix our public school education system. But in the absence, in the absence of investing those needed dollars in our public education system, vouchers represent a Band-Aid approach.

Just think of it. Let us sprinkle a few vouchers out there, capture this kind of choice thing, make it sound all attractive, but what we are really doing is leaving a very unattractive system still in place. We know it needs work, but we are not doing anything to invest the dollars that are needed to make it work. We are saying, we will make it work for those who can get a voucher.

All I would ask is, what does that leave the people who cannot get a voucher? Where is the guarantee for every child?

I mean, I have heard this voucher argument a million times by you people. You talked about it with public housing. Guess what? People are going to want to take vouchers when you people cut operation and maintenance of our housing system.

There is no question our housing system is going to crumble and people are going to want a way out when you do not invest in it. That was your answer to the public housing problem, give people vouchers, do not fix the problem, just give them vouchers. Mr. Speaker, that represents a cut-and-run approach. It does not represent a meeting-the-problem-head-on approach.

The Democratic agenda for first class public schools is about meeting the agenda head on, addressing the problem that is out there head on, not giving this kind of voucher to whoever can be lucky enough to get a voucher and leaving all the rest of the kids in the dust.

Just think about it. What happens to the kids? We are not worried about the kids who can get into the private system or who can get a car to get to a better school, move to a better neighborhood. We are worried about the kids who are stuck. That is who we need to improve, their opportunities. Vouchers do nothing of the sort. They do not guarantee the child that is in the poor neighborhood, that cannot get out of the neighborhood, that is stuck with the crumbling school, an opportunity to leave that environment and get a better school system because you have failed to invest in the school system. You are just cutting and running.

Mr. RIGGS. Mr. Speaker, I yield myself 1 minute to say to the gentleman who just spoke, that was a very, very partisan, cynical comment.

Do not take my word for it. Here are 150 letters from parents whose children have participated in the Cleveland voucher program. They are all African American. They are all low income. And if the gentleman would take the time to familiarize himself with that program or the Milwaukee program, if he would listen to parents, he might change his view.

I am just going to cite a couple comments.

I appreciate the scholarship program my grandson is participating in. I feel he is getting a better education. Esther Carter.

The voucher program is a wonderful program for our children and the future of our children. Yvette Jackson.

I hope to see this and many more programs like this succeed in the very near future. My daughter and my family are truly blessed. Yolanda Pearcy.

It is a crying shame that when we had a field hearing in Cleveland there was not a Democratic Member of the House of Representatives who could take the time to join us in that field hearing and to participate and to listen to parents.

Mr. Speaker, I yield 2 minutes and 30 seconds to the gentleman from Michigan [Mr. HOEKSTRA], chairman of the Subcommittee on Oversight and Investigations.

Mr. HOEKSTRA. Mr. Speaker, I thank the gentleman for yielding me the time.

Let us take a look at exactly what this bill does. What this bill does is, it amends title VI of the education block grant program to allow States and localities, if they choose, if they choose, they are not required to do anything, but if they believe it is the most appropriate thing and the most appropriate effort for their local community to improve schools, they may use these block grants for voluntary public, private, and parental choice programs.

Other things that they can use title VI for are professional development, curriculum development, technology and computers, magnet schools. All this says is, if you and your community and your State believe this is what you want to do to help kids in your community, we are going to let you do it.

Why do we think that this is the right approach? Over the last 12 months, we have gone to Milwaukee; New York; Chicago; California; Phoenix; Wilmington, Delaware; Milledgeville, Georgia; Cincinnati, Ohio; Louisville; Little Rock, Arkansas; Cleveland; Muskegon, Michigan; Des Moines. We have gone to these 13 different States, 14, 15 different field hearings, and in every field hearing we have heard exciting innovations at the local level about what people are trying to do to solve the education problems in their communities.

In Milwaukee, in Cleveland, they have said, we really think a scholarship program and a scholarship effort is what is needed in our community. And wonderful things are happening. Is it a silver bullet? Is it going to work everywhere? No. But in these communities, it is these people have decided and they are having some wonderful success, and they want to be able to build off of that. We should let other

States and other communities have the same opportunity. We need to give these other people and other States the opportunity to experiment to see whether this is one of those tools that will move this country forward.

The focus is not on the system, but the people in these local communities are focused on the children because it is local people making decisions for their children. And my colleagues should listen to the parents. It is not only the letters that we get but the testimony that we get from parents coming in saying, help us and empower us to save our kids, and give us the control and the flexibility to do what we want to do in this community and not do what Washington is forcing us to do.

Mr. CLAY. Mr. Speaker, I yield 15 seconds to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Speaker, I wish the gentleman who had just spoken, with all the passion that he has expressed, had the same kind of passion when he voted against Head Start and school lunches. I hope the American people realize, in his now pretended concern for the plight of the poor, that he voted against Head Start and voted against school lunches which help our children be better prepared to learn.

Mr. CLAY. Mr. Speaker, I yield myself 10 seconds.

The previous speaker stated it right. He said if the States choose, but they are not required to do anything. That is absolutely right in terms of civil rights. If they choose to enforce the civil rights provision, they may, but they probably will not.

Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. OWENS].

Mr. OWENS. Mr. Speaker, the Republican majority that came into power 3 years ago insisting that the Department of Education be abolished, eliminated, has no validity, no credibility in this discussion. This is another cynical ploy, cynical partisan ploy to destroy public education, public school education.

These same advocates and sponsors of vouchers, I would like for them to tell me: In your district, have you gone to your own local school boards and proposed vouchers? What is their reaction? Do you have poor children in your districts? Most of you do. You get title I funds. They are spread all across the whole country so there are some poor children in your district. There are certainly middle-class families, who also send their children to private schools and would like to have the relief provided by funds vouchers.

Have you discussed it with your school boards? And what is their reaction? Is it popular? Is this something you want to jam down only the throats of the African Americans in the inner cities and use them as guinea pigs in an experiment which has no validity in your own district?

Do you know that all the States, in 1997, where legislation was introduced for vouchers, it did not pass, it failed. Arizona, California, Colorado, Connecticut, Delaware, Florida, Georgia; there were 24 States that introduced legislation for vouchers, and it did not pass in a single State. So is it the American people who want vouchers or is it something you want to impose from Washington?

You have used your power to try to impose it in Washington, DC. The people of Washington, DC., had a referendum. They said they did not want vouchers, they want charter schools. But you want to force it down their throats. You are cynically refusing to support programs that would benefit poor people.

Your majority in two sessions voted against Goals 2000. When you failed to eliminate Goals 2000 in a regular format, you went through the back door of the Committee on Appropriations and you eliminated opportunity-to-learn standards. Nothing is more significant for poor children in America than the opportunity-to-learn standards, which deal with just what I am saying, opportunity-to-learn.

If you are going to be able to learn, you need a decent building, so school construction is what we should be discussing here. You need trained teachers. We should be discussing training teachers. We should be discussing how to introduce the best educational technology into the poorest schools.

We are not discussing the things that are significant because you have the time preoccupied with a diversionary discussion of vouchers. You refused to pass all of the President's Technology Challenge Fund; you cut funds for that. And you denied low-income students the opportunity to continue their education by voting to cut student loans by $10.1 billion in fiscal year 1996. Whenever low-income programs are introduced, whenever they are introduced on this floor, the same Members who are advocating vouchers for a handful of poor children are the Members who vote those programs down.

Follow Mayor Giuliani. What he did in New York is, he went to the private sector. You want vouchers, you want to experiment with vouchers; go to the private sector, they can help a handful of children, instead of threatening to destroy the entire system.

□ 1845

What happens is that the Giuliani program is significant in that it says exactly what vouchers can do. There were 91,000 youngsters who had no place to sit when school opened in 1996. They took 1,000 of the 91,000 and they found a voucher program for them, they found scholarships for them. They are going to take care of 1,000 children.

In the meantime, what are they saying to the other 90,000? You cannot deal with poor people and the problems of poor people in our inner cities unless you move systematically to change the larger system. Charter schools could have an impact on that system. It could accomplish some of the things they want to accomplish.

Vouchers are a diversion. They are running away from the responsibility, the need to appropriate more money for construction, more money for teacher training, more money for books and supplies. They are running away from the responsibility and they are diverting the attention of the American people with vouchers.

In their own communities, voucher advocates refuse to go and ask for a referendum and ask for focus groups and campaign on it. It will be very unpopular, I assure you, if they dare to push voucher programs in their own communities.

Mr. RIGGS. Mr. Speaker, I yield myself such time as I may consume just to say to the gentleman from New York [Mr. OWENS] that, speaking of unpopular, how would he respond to Wisconsin State Senator Polly Williams, who spearheaded the choice program in Milwaukee City schools and who just happens to be an African-American? How would he respond to Fannie Lewis, the 80-year-old Cleveland City Councilwoman, who helped spearhead the school choice program there and who happens to be an African-American? Those are local people.

Mr. OWENS. Mr. Speaker, will the gentleman from California yield?

Mr. RIGGS. Mr. Speaker, I will not yield. I attempted to respond to his question, but it proved to be purely rhetorical and not meritorious.

I say to the gentleman from Missouri [Mr. CLAY] and the gentleman from Virginia [Mr. SCOTT], whom I very much respect, please put in the mix here, in the overall equation, the civil rights of parents, the civil rights of parents to select the education that is appropriate for their child, to be able to give their child the kind of future opportunity that every parent wants for their child.

Mr. Speaker, I yield 4 minutes to the gentleman from Missouri [Mr. TALENT], the primary author of this legislation, my cosponsor.

Mr. TALENT. Mr. Speaker, I thank the gentleman from California [Mr. RIGGS] for yielding me the time.

I am reminded that, in the midst of all this heat and the very little light, and the chairman of the committee predicted it and I think he was right in doing that, we are dealing with an issue that really matters to real people, to the millions of kids and their parents in low-income neighborhoods who are trapped in schools, trapped in schools, where they do not learn and where they are not safe.

The issue here, Mr. Speaker, is are we going to help these kids or are we going to sacrifice them on the alter of a system that is failing them and failing the country? Now, I say that with deep reluctance. But we cannot help these children unless we are honest about the situation. And we all know that this system is failing them.

In New York, Mr. Speaker, 25 percent of New York's public school students will receive their high school diploma. The record in the parochial school system is 95 percent in New York. In Baltimore, fewer than half of the city's ninth-graders could pass a basic rudimentary math test. In Philadelphia, less than 6 percent of the city high school students tested competent in reading.

Do you know what happens to you if you are in high school and you cannot read? You know what your life is going to be like? The system is so bad, Mr. Speaker, that none of us, whatever our feelings about this bill, would or do send our kids to these schools.

So what does the bill propose to do? It increases the block grant money that we are giving to all the public schools and it allows them the discretion, if they wish to use it, to institute a school choice program of the kind that has succeeded in Milwaukee and Cleveland and in New York and places around the country.

Why do we do that? Because this program works. The statistics show that. The waiting lists show that there are 20,000 parents waiting for 1300 privately funded scholarships in New York. And the reaction of the establishment shows it.

Mr. Speaker, the reason for the hostility of this bill is not because people are afraid the bill is going to fail but because they know it is going to succeed and the better education these kids will receive will embarrass an establishment that is failing them. The arguments against the bill, I have been sitting here listening to them, one of them is that we are not helping enough kids with it. We would like to help more. I would say we are helping them all. We are giving them all some hope. We are taking money away from the public schools. No, we are not. No, we are not. We are giving them more money. And then we are letting them, if they wish, use the money for these programs.

And then the argument that we are hurting public schools. Mr. Speaker, a member of the Milwaukee school board said that the school choice program there has encouraged and really forced his school system to adopt reforms that they should have adopted a long time ago. Apart from that, I have to say, with the greatest respect, it is time to stop worrying about the bureaucracy and to start worrying about these kids. The bureaucracies are doing fine. The number of employees in the Baltimore school system has doubled in the last 40 years, at the same time that math and reading skills are going down.

Mr. Speaker, let us put a human face to this. One of the things that motivates me, and I have talked to a lot of these kids and their parents around the country, is an article in the New York papers about the privately funded school changes program they have there; and they refer to a little boy named Carlos Rosario, age 9, of Washington Heights. And he explains why he would like a scholarship if he can get one. He says, "I don't like my school. The kids are too rough. They hit me and push me around."

Mr. Speaker, I have a 7-year-old boy and two other kids. And if it was my boy who came home and said that, I would do anything I could to protect him. We have an opportunity in this modest way to take a step ahead for people like Carlos Rosario and his mom. I would ask the House to drop this partisanship and these extraneous issues and support this bill.

APPLICANTS' PARENTS ARE SICK OF FEAR, VIOLENCE AND BAD TEACHERS

(By Tracy Connor and Maggie Haberman)

Parents applying for private-school scholarships say they want a smaller, safer, more educational environment than the public schools provide.

Single mom Shelmadine Usher of The Bronx is keeping her fingers crossed that her 6-year-old son, Timothy Moses, will get one of the coveted 1,300 spots.

He attends a private school, but the financial aid that pays for it dries up when Usher graduates from community college in June.

"I went to public school in The Bronx and it was bad, and I always said that when I had a child, I would make sacrifices to send him to private school, she said.

"I'm ready to work two jobs if this scholarship doesn't come through."

Timothy is a quick learner and avid reader, and Usher believes that private school—with higher standards and more parental involvement—will keep him on the fast track.

The greater amount of individual attention is also a plus.

Luiyina Abreu, a third-grader in northern Manhattan, is floundering in math class.

"I think they teach differently at private school, maybe better than at my school now," she said. "It would give me a chance to do better."

Classroom safety is another big concern.

"I don't like my school. The kids are too rough. They hit me and push me around," said Carlos Rosario, 9, who attends PS 153 in Washington Heights.

His mother, Maria Jiminez, is seeking scholarships for Carlos and his sister, Karla, 8, who emigrated from the Dominican Republic in 1993.

"Public school is dangerous," Jiminez said. "If you're a good parent, you teach your children how to behave at home. But then they go to school and it's a bad environment."

Jasmine Abdul-Quddus, 8, who lives in the East Village and attends PS 19, agrees. "They fight and call people names."

Her mother, Kalima Abdul-Quddus, who moved here from Atlanta three years ago, is just as concerned about academic standards for Jasmine and her sister Aleah, 7.

"In private school, the teachers are more devoted to education," she said. "In public school, they just push them through."

Mr. CLAY. Mr. Speaker, I yield 20 seconds to the gentleman from New York [Mr. OWENS].

Mr. OWENS. Mr. Speaker, does the local school board of the gentleman from Missouri [Mr. TALENT] endorse vouchers? Has he asked them to endorse vouchers?

Mr. TALENT. Mr. Speaker, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from Missouri.

Mr. TALENT. That is one of the reasons why we are giving them the discretion to decide whether they want to under the program.

Mr. OWENS. As an elected official, have you gone to them and asked them to endorse vouchers?

Mr. TALENT. I have talked to the superintendents in my area.

Mr. OWENS. Mr. Speaker, we keep hearing examples of youngsters who live somewhere else. I would like to hear some examples of the children who live in my colleague's district.

Mr. TALENT. If the gentleman would yield, that is a different thing. Do the children who live in these neighborhoods want these scholarships? Overwhelmingly.

If the gentleman will yield me about 30 seconds, I would be happy to tell him about that.

Mr. CLAY. Mr. Speaker, I yield myself 15 seconds.

I would like to ask the gentleman from Missouri [Mr. TALENT], whose district is adjacent to mine and one of the richest districts in the country, if the children in my district, who live in one of the poorest districts, if these scholarships will entitle them to go from public schools in my district to those rich public schools in his district? That is a "yes" or "no" question.

Mr. TALENT. Mr. Speaker, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from Missouri.

Mr. TALENT. I would say to the gentleman from Missouri [Mr. CLAY] that the kids from low-income neighborhoods around this country in my area and in his area want this program.

Mr. CLAY. Mr. Speaker, I yield myself 10 additional seconds. The question is a "yes" or "no." Will this bill permit poor kids in my schools to go to the rich schools in his district?

Mr. TALENT. Mr. Speaker, will the gentleman yield?

Mr. CLAY. I yield to the gentleman from Missouri.

Mr. TALENT. It will permit them to go to good schools in their neighborhoods.

Mr. CLAY. Reclaiming my time, public schools in your neighborhood, "yes" or "no"?

Mr. TALENT. Mr. Speaker, the gentleman from Missouri is asking me a question and I am trying to answer him.

Mr. CLAY. It is a "yes" or "no" answer.

Mr. TALENT. It is not a "yes" or "no" question.

Mr. CLAY. Mr. Speaker, I yield 15 seconds to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Will the gentleman from Missouri [Mr. TALENT] answer the question?

Again, I think this voucher program is a terminal wound to public schools. My only concern is, why would he vote against Head Start and school lunch programs if he is concerned about poor children in public schools?

Mr. RIGGS. Mr. Speaker, I yield 30 seconds to the gentleman from Missouri [Mr. TALENT].

Mr. TALENT. Mr. Speaker, in the first place, I have the greatest respect for all of my colleagues, and I know that they are doing what they are doing out of passion. They are, however, dragging in a number of issues that are extraneous to this bill and making comments about those issues that are simply not correct. We never cut the school lunch program. It always grew. The numbers are here. The Head Start program is always growing, and my colleagues all know that.

If my colleagues can defend the existing system, defend it. If they cannot defend it, then do something to help these kids. Concentrate on them instead of on the bureaucracy.

Mr. RIGGS. Mr. Speaker, I yield myself 10 seconds to answer the question of the gentleman from Missouri [Mr. CLAY] with a resounding "yes" and to tell the gentleman from New York [Mr. OWENS], if this legislation becomes law, that anyone, elected official or other civic leader, who believes in school choice can petition their local school board to use at least part of their Federal funding to provide scholarships for low-income parents in low-income communities.

Mr. Speaker, I yield 2 minutes to the gentleman from Colorado [Mr. BOB SCHAFFER], a member of the committee.

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I appreciate the gentleman from California [Mr. RIGGS] yielding me the time.

I would like to direct the body's attention, if I could, over here to my left. This graph shows and explains the choices that are expressed by Members of Congress. These bars show, according to committee, the first bar here is the Committee on Senate Finance, for example, seventy percent of the Members on the Committee on Senate Finance send their children to private schools. And these show other committees that reveal a high number of Members of Congress who, when given the choice, send their children to private schools.

Now, the debate is all about this. What the American people want, as expressed to us, is the same kind of treatment and same kind of choices that politicians are able to afford for themselves. This is what the debate really is about.

What the thousands and thousands of parents who we have heard from—here is just a sample of the letters that I received from parents—what they tell us is that they do not want the Democrat model of restricted choices, of suppressed opportunity, of poor performing schools and no choice beyond that. What they do want, however, is to be treated like real customers. Allowing parents to be treated like real customers is what the bill before us is all about.

I have to tell my colleagues, I am a strong supporter of public education. I have 3 children who are in public schools today, and they are there because in my district the public school system provides excellent opportunity and excellent results and it has earned my confidence. But what the American people are asking us for today and what we are hoping to deliver is a Republican model that treats the American people like the politicians in Washington treat themselves, just like you treat yourselves.

I would ask the following: When you retire tonight to your cocktail parties and your highbrow fund-raising receptions, please think about the parents from inner-city school districts throughout the country who have written to us and asked us to be treated like real customers, to choose the education settings that are in the best interest of their children. Think about the teachers who would like to be treated like real professionals, to have you choose them, to stand in line if you would like and choose the educational services that professional teachers offer.

I suggest we stand in strong support of public education today, and this bill is a good first step.

Mr. CLAY. Mr. Speaker, I yield 30 seconds to the gentleman from California [Mr. MARTINEZ].

Mr. MARTINEZ. Mr. Speaker, in 30 seconds, I would like to know if the gentleman from Colorado [Mr. BOB SCHAFFER], that just spoke would like to respond to the statement he made on the House floor on September 10, 1997: "Government-owned schools have a complete monopoly. Plain and simple. And all monopolies fear competition. I can 100 percent guarantee an inferior product of any human endeavor that producers are shielded from competition that produces and are not forced to innovate and improve. Just look at the communist legacy in every single case, especially education."

Would he like to elaborate on that?

Mr. CLAY. Mr. Speaker, I yield 15 seconds for the gentleman from Colorado [Mr. BOB SCHAFFER] to respond.

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I sure would. Those of you who wish to come up and defend this kind of a legacy, which has been a worldwide failure, I say be my guest.

What America should not do is move in the direction that you would propose, that we have seen in Eastern Europe, for example, where they create centralized government monopolies. We should do just the opposite. We should preserve what is great about public schools in America.

Mr. MARTINEZ. Mr. Speaker, the gentleman is saying that local school boards elected by the people in that district are communist legacies? Excuse me? To me that sounds like a democracy.

Mr. CLAY. Mr. Speaker, I yield 15 seconds to the gentleman from Colorado [Mr. BOB SCHAFFER] to finish his statement.

Mr. BOB SCHAFFER of Colorado. The legacy which the gentleman defends over here to my left is one that I would submit we should not allow to occur here in the United States.

Our public school system has become the strongest in the world, particularly because it is forced to innovate, because it is forced to be challenged, and that is what we ought to preserve about our system. We should not allow my colleague's side to consolidate authority in Washington, D.C., which has been considered a failure throughout the rest of the world.

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Mr. CLAY. Mr. Speaker, I yield 5 seconds to the gentleman from California [Mr. MARTINEZ].

Mr. MARTINEZ. Mr. Speaker, that is not what the gentleman said. He said, just look at the Communist legacy in every single case, especially in education. We are talking about here in the United States, not in Russia.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Mr. Speaker, I rise in strong opposition to the bill before us, the voucher bill. I am a proud product of parochial and Catholic schools, and I am a very strong advocate of public education in America. It has been said as education goes, so goes America.

The analogy here is that if our lifeboat is sinking, and vouchers can save four people, let us save four people. Many of us here on the Democratic side feel that to defend the current education system is indefensible, but you should save 10 children out of those 10 with a lifeboat, and not only four.

Mr. Speaker, I think that what we have here are two very different approaches to saving the public education system. One is the silver bullet that says vouchers will basically be a panacea, and the other is the golden rule; the silver bullet on that side versus the golden rule, which says let us help everybody. Let us not give up on one public child, one public school, whether it is in a rural or urban area. Let us fix them all.

Our plan, then, is this: It is public choice. It is fix all the public schools with the bill that the gentleman from California [Mr. RIGGS] and I have worked on, charter schools, where parents should be able to fix and work on and send their child to any public school they choose. It is discipline and safety in the schools. It is better student-teacher ratios. It is firing bad teachers that are not doing their jobs. It is putting schools on probation and shutting down poorly performing schools. That is the Chicago public reform model.

None of us, I hope on this side, are saying, "We're hopeful, we're helpful, we want the status quo." Let us fix all the schools and do it for every American child. Defeat the vouchers and let us move on to public choice in charter schools with the next vote.

Mr. CLAY. Mr. Speaker, I yield 1 minute to the gentleman from Virginia [Mr. SCOTT].

Mr. SCOTT. Mr. Speaker, I include for the RECORD a letter from the U.S. Catholic Conference which states that it is unable to support this proposed legislation as currently drafted. That is because of many reasons, one of which is the "Not School Aid" provision in the new section 6405. They say that that section can readily be construed to negate the application of longstanding civil rights statutes which would normally apply to a scholarship program. Lacking independent antidiscrimination provisions elsewhere, that section effectively means that out of the myriad uses of title VI funds authorized, only the scholarship program authorized in this bill will be exempt from the civil rights statutes. Without clear confirmation that that section cannot be construed in this manner, it remains a serious concern.

Mr. Speaker, we are very interested in civil rights application, and as presently drafted this bill exempts the scholarships from application of Federal civil rights enforcement. For that reason alone, the bill ought to be defeated.

Mr. Speaker, the text of the letter referred to is as follows:

DEPARTMENT OF EDUCATION
OFFICE OF THE SECRETARY,
Washington, DC, October 29, 1997.

Hon. FRANK RIGGS,
U.S. House of Representatives, Longworth House Office Building, Washington, DC.

DEAR CONGRESSMAN RIGGS: On behalf of the United States Catholic Conference, I would like to share some concerns we have with H.R. 2746 which place the USCC in the regrettable position of being unable to support this proposed legislation as it is currently drafted.

Allow me to state explicitly that the USCC has historically supported the right of all children to receive a quality education, be that in a public, private, or religious school. We recognize that the intent of your proposed legislation is to enable low income parents in areas of high poverty to send their children to the school they feel best serves their educational needs. We support the intention of H.R. 2746 in principle. However, we cannot support the proposition to fund this program through Title VI of the Elementary and Secondary Education Act or a program that contains the possibility of negating the application of current civil rights statutes.

Of all federal programs requiring the participation of private and religious school students, Title VI is the most utilized by, and impacts most positively, private and religious school students. Title VI enables all schools, public, private and religious, to improve curricula, technology, literary programs, as well as obtain library and instructional materials. For over thirty years this program has had the highest participation level and the most equitable distribution of benefits for private and religious school students and teachers.

Noting that the Clinton Administration has repeatedly zero funded Title VI in its annual budget proposals, as well as the Administration's strong opposition to any form of parental choice legislation, the USCC believes any move to amend Title VI in this manner would jeopardize the entire Title VI program by subjecting it to a potential use of the line item veto. It is the USCC's position that Title VI funding is so fundamentally important to public, private, and religious schools and their students that it should in no way be placed in such a compromised position.

The definition of a "voluntary public and private parental choice program" in new section 6003(3) of H.R. 2746 raises an additional concern. Participation of a single private school in a choice program would meet the requirements of the new scholarship program. Thus, it would be permissible for an LEA or an SEA to divert significant Title VI funds to public schools by designing an overwhelming public school choice program that includes only one token private school. Under the current statute, public and private school children share equitably in the benefits and services provided with Title VI funds. LEAs and SEAs should not be allowed to upset this longstanding balance under the pretext of a public and private parental choice program that in reality would essentially be a public school choice program. While the USCC is confident that this is not the Sponsors' intent, H.R. 2746 needs to be clarified to insure that the choice programs authorized include representative numbers of both public and private schools.

An additional reason why the USCC is unable to support H.R. 2746 is the "Not School Aid" provision in the new section 6405(a). Whatever its ramifications for defense against an Establishment Clause challenge, section 6405(a) can readily be construed to negate the application of longstanding civil rights statutes, in particular Title VI of the Civil Rights Act of 1964, Title X of the Education Amendments of 1972 and Section 504 of the Rehabilitation Act of 1973, that would normally apply to a scholarship program. Lacking independent antidiscrimination provisions elsewhere in H.R. 2746, section 6405(a) effectively means that out of the myriad of uses of Title VI funds authorized, only the scholarship program authorized by H.R. 2746 would be exempt from the civil rights statutes cited above. Without clear confirmation that section 6405(a) cannot be construed in this manner, it will remain a serious concern for the USCC. Contrary to what some may argue, we have been advised by counsel that applying the civil rights statutes to the attenuated indirect benefits that participating private schools may receive from enrolling scholarship students will not result in an Establishment Clause violation.

Again, the USCC expresses its support for the intent of the proposed legislation, but is unable to support H.R. 2746 due to the reasons outlined above.

Very Truly Yours,
Rev. Msgr. THOMAS J. MCDADE, EdD,
Secretary for Education.

Mr. CLAY. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. ROTHMAN].

Mr. ROTHMAN. Mr. Speaker, today unfortunately the radical Republicans in Congress are continuing their all-out attack on the public school system. They want it to wither on the vine, because just like with Medicare, the conservative extremists do not believe in public school education.

Public school education is the key that unlocks the door to the American dream for 90 percent of America's children, including my own two kids. We cannot allow these people in Congress to destroy America's public school system. Besides, what would be next? Are we going to give people vouchers to buy books if they do not believe in the public library? Are we going to give people vouchers to buy their own swing set if they feel that the local playground, local park, is inconvenient?

No, because we are still a country that believes in the collective good and the American dream. Let us fix our public schools, let us encourage charter schools to create competition, but let us not pillage the public school system in America. That will not be good for America.

Mr. RIGGS. Mr. Speaker, I yield myself 30 seconds to suggest to the gentleman who just read that prepared statement that he ought to listen to the poignant testimony of Devalon Shakespeare, who is the parent of a child who attends a parochial school in Cleveland under the Cleveland parental choice program, and who testified at our field hearing there. Here is Mr. Shakespeare's words. He happens to be an African-American:

"I'm not going to tear down the Cleveland Public School System," and we are not trying to do that on this side, but he went on to say, "I don't have time to wait for a school system to get themselves together. I'm trying to raise my children now."

Mr. Speaker, I do appreciate the bipartisan efforts of the gentleman from Indiana [Mr. ROEMER] on the charter school bill, and I hope later tonight or tomorrow, whenever this week we vote on that legislation, a majority of his Democratic colleagues are going to support final passage of the bill.

Mr. Speaker, I yield 1 minute to the gentleman from Maryland [Mr. GILCHREST], a former public school teacher.

Mr. GILCHREST. Mr. Speaker, I thank the gentleman for yielding me this time. One of the previous speakers made mention that this legislation, and I support this legislation, was a radical idea. Let me just tell Members some of the radicals in this Nation's history. THOMAS Jefferson was a radical, and he broke with tradition. Martin Luther King, Jr., was a radical, and he broke with tradition. Those people from our past had dreams.

I am a proud product of the public school system. I graduated public school 33 years ago, and it was an integrated public school. I am a proud former public school teacher. The only way we are going to improve the quality of our schools is to break with tradition. The only way we are going to improve the quality of the public schools is to come up with ideas and find alternatives. This Nation is based on ideas. This Nation is based on dreams. This Nation is based on vision. This is a visionary piece of legislation. I urge my colleagues to support it.

Mr. CLAY. Mr. Speaker, I yield 1½ minutes to the gentleman from Florida [Mr. DAVIS].

Mr. DAVIS of Florida. Mr. Speaker, one thing we can all agree upon here tonight is we have a fundamental obligation to confront the facts as we debate what is going to happen to children around the country in our public school system. I think it is clear the burden has not been met by those who are advocating the vouchers to prove that this will have a substantial impact that is positive to a substantial number of kids in our public school system.

It has been suggested our schools are broken. It is our fundamental obligation to fix those schools, working with the State, working with school boards, working with cities and counties to make those schools work. If we were to invest a fraction of the time and energy that has been devoted to these vouchers in trying to come through with positive reforms for our schools, we would have some positive impacts for all of our kids.

Let me give Members one specific example. Charter schools. Charter schools in my State, in Florida, are resulting in a serious reduction in the administrative costs in school systems. What the schools are doing is they are taking that money and they are putting it into class size. An average class size is 17 children in the charter schools that have been opened in many places in Florida. That gives a teacher more opportunity to provide attention to the gifted child, to the child with learning disabilities and to the average child. Equally importantly, it gives that teacher the opportunity to control unruly and disruptive kids in that class. That is positive reform. That is real reform. That is making a difference.

Public school choice, which we also adopted in Florida, is another meaningful way of empowering parents to choose the school of their choice for the child. We have also had success with magnet schools, both in Tampa, my home, and the State of Florida. These are proven, positive reforms at work. All we need to do is invest in making them happen. This is the way we impact our kids positively. Let us defeat vouchers and get on with some real business.

Mr. RIGGS. Mr. Speaker, after hearing the last gentleman's comments, I can tell he is very genuine and sincere, but I cannot understand why the National Education Association, the nationwide teachers union and the core constituency of the national Democratic Party opposes the Riggs-Roemer charter school bill.

Mr. Speaker, I yield 30 seconds to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, I just want to address the gentleman from New Jersey saying that we had radical ideas. My wife is a public schoolteacher and a principal today. She has got a doctorate in education, a master's in business, and a master's in education. I was a teacher in the public education system. My children have gone to public schools.

The last thing we want to do is hurt public education. But when we look at the position we are in in many of our schools, we do not want to deny children to get the same education as anyone else does in an education system. It is not a radical idea, it is an idea for the time.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee [Mr. FORD].

Mr. FORD. Mr. Speaker, I thank the gentleman from Missouri [Mr. CLAY] for yielding me this time.

It is so interesting to hear my colleagues on the opposite side of the aisle quote African American parents and their desire to have vouchers. I think that it suggests a few things. I would hope that the Republican Party and my leaders on the other side of the aisle would listen to African American families more often as they debate health care and debate education and debate ways to balance our budget in humane and compassionate ways.

But if we want to talk about African-American kids, I think it is somewhat unfortunate, because this is, indeed, an American issue. America's single greatest threat in tomorrow's marketplace is an uneducated work force. I would caution the gentleman from California [Mr. RIGGS] and all of his colleagues as they travel down that treacherous path.

I have been to a school in my district this last few days, Mr. Speaker, called Mitchell High School, where all of my aunts and uncles graduated from. They are the recipient of a corporate grant from the Pfizer Corp., which allows them to engage in an environmental study program at the school. All of the kids in the class came into the school yesterday, although school was out, to allow parents and teachers to engage in parent-teacher conferences. The kids all said the reason that they enjoy this class, Mr. Speaker, is because it is interesting, it is challenging, it is stimulating. No one talked about vouchers, no one talked about public schools, no one talked about choice.

If we are so concerned in this body about children and African American children, Latino children and inner-city children, let us listen to what the young people are saying. They want to be challenged and stimulated in the classroom. There is no guarantee that vouchers will do it or charter schools will do it, although I am a supporter of charter schools. But one thing is for certain. The plan that the gentleman has put forward will only impact a minute, finite number of kids in our school system and say they are helped. What do we do with the remaining 52.3 million kids in our school system, Mr. Speaker?

Mayor Daley in Chicago has shown us that the public school model can, indeed, work. Chicago is faced with every conceivable ill in the public system, yet Mayor Daley has tackled it, embraced it and moved forward.

I would say to my friends on the other side, defeat this bill, do what is right for kids. Let us challenge, stimulate them and empower them.

Mr. CLAY. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, I listened to my colleagues on the other side, particularly the gentleman from Maryland [Mr. GILCHREST] when he talked about innovation. We are all for innovation. I think the Democrats have clearly shown that we would like to see innovative programs in the public schools. But what we are saying is that that innovation should not be through private education, it should be through public education.

We went down a couple of weeks ago when the Republicans brought up the school vouchers bill in the D.C. schools to the Brent School, I think it was, just a couple of blocks from the Capitol. What we saw was a very innovative program in the public school, a public school that was doing great with tutoring programs, with some innovative programs in various ways.

In my home State of New Jersey through Goals 2000, I can give Members a whole list of innovations that are being accomplished in the public schools in New Jersey. That is a great thing. Innovation should be done, but it should be done in the public schools.

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Do not give up on the public schools. And I am afraid that is what my colleagues are doing. They are saying that they want to help the public schools, but this is just taking resources, scarce resources, away from the public schools.

This money today comes from an innovative approach in the classroom fund in title VI block grants which are used for innovations in the public schools. If they keep draining away the resources from the public schools to use them for a voucher program, there is not going to be anything left for innovative programs in the public schools.

The Republican leadership has been steadfastly against public education. They wanted to abolish the Department of Education. They have repeatedly slashed funding for public education in various Congresses, going way back.

So do not tell me that what we hear about today is trying to help the public schools through some sort of competition. That is not true. If my colleagues want to help the public schools, then put the money where their mouth is; put it in public education, do not take it away from title VI programs.

And that is what I see happening here over and over again in this Congress, started with D.C., where they have some of the most serious problems in terms of need for renovation and repairs and could use that money to fix up the schools, and now trying to expand this terrible voucher program nationwide.

Mr. RIGGS. Mr. Speaker, I yield myself 15 seconds to point out I am glad the gentleman mentioned D.C. public schools since he opposed and voted against opportunity scholarships for 2,000 District of Columbia parents and families even though that school district spends $10,000 per child and has the worst test scores and lowest graduation rates of any inner city school district in the country.

Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. FLAKE], a colleague who will soon be retiring from the House of Representatives, who has been a brave, courageous, lonely voice at times on the other side of the aisle and the Democrat cosponsor of this legislation.

Mr. FLAKE. Mr. Speaker, I stand in support of this bill as sponsor of the bill, and I realize that over the last few weeks I have been called everything from an enemy of the people to whatever can be imagined. But I do not have a problem with that, I do not have a problem with that, because I stand on my credentials.

I started my career in Head Start. I saw young people that we were able to get to second grade level. We tested them at second grade, tested the same young people at second grade after they had been in public school for 2 years. They were still at second grade level in most categories.

And I also represent I am a person who built a school almost 20 years ago. That school does produce young people at $3,200 per child versus $10,000 per child in the same district we do not test kids in. Those kids are educated; they are able to pass the national tests; they are able to function in an environment that is competitive.

I also served as dean of students at Boston University and as associate dean of students at Lincoln before that, and for those who say I cannot reason, I have an earned doctorate, not an honorary but an earned doctorate. So I do not think I am in a position not to be able to reason.

I just think that this issue transcends party, this issue transcends race. It deals with a simple question of educating our young people. All of our young people are not being educated. There is an upper tier and a lower tier. The lower tier is represented by many of the schools in the district that I represent, and on that lower tier I will tell my colleagues that these young people are not being prepared so that they can compete in the society in which we live.

We must do everything we can to assure that the public school system that we speak about is one that does not discriminate. We talk about discrimination provisions and civil rights provisions. I agree wholeheartedly that that is an appropriate discussion. But the reality is, discrimination is practiced every day in the system when young people in districts like the one I represent cannot go to the school, the better schools, when the young people in my district cannot go even to the better schools in the district because certain of those districts have limited the number of seats that are available for those young people to participate. They will take the cream of the crop; they leave the worst behind. They leave them in situations where they are not being properly educated. That, my brothers and sisters, is discrimination.

I think the system must benefit every child and must benefit them equally. The school system is not doing that. There are too many children who are stuck, there are too many children who have lost their dreams, have lost their hope of ever being able to be competitive in the society in which we live.

And there comes a point in time, and I saw it as I was in charge of the admissions program in both universities, when those young people have to compete with other persons, whether it is the ACT exam, the SAT, or whether they try to go to graduate school and get MCAT's and LSAT's and GMAT's. They are not competitive. We have an obligation to make them competitive in this society. If we are not doing that, we are not being fair to them. We must challenge them, and we must challenge the system.

I will vote for charter schools because I believe that we have to have all of the alternatives that we possibly can, but I also think that scholarships must be considered. I sit on the scholarship committee in New York. We put our 27,000 applications; 1,000 of those applications are all we could afford. Those were moneys that came from the outside. The persons I sit with on that committee represent some of the persons in this country who make the highest salaries, but they will not put those moneys in the public system.

I would say to my colleagues, those persons who pay their taxes every day deserve to have their children educated, and they deserve to have them educated without having a double tax because they turn right around and have to pay for private education.

My brothers and sisters, I will yield when I finish, when I get closer to the finish. My brother who is standing now says that we have not had groups, we have not had focus groups. Well, let me tell my colleagues, I was with 400 people and parents on Saturday at the Tucson Institute. Every one of those parents were there for one reason: Their children are not being properly educated.

I meet with an education focus group. Those people are generally teachers in the public system. They say, we have got to do something; we cannot do the job that we have been hired to do because of the bureaucracy in this system; we cannot do it because other people in the unions are jealous of us and will not let us do the jobs.

I say to my colleagues, let us try something. I cannot afford to see many more children die from this genocide.

Mr. RIGGS. Mr. Speaker, I yield the gentleman from New York [Mr. FLAKE] an additional 30 seconds.

Mr. FLAKE. Mr. Speaker, we must accept the fact that there is a lower tier in the system, and in that lower tier, genocide is being practiced every day, and when they cannot manage these children, they put them in special ed. It is the first track toward incarceration, and we wind up spending money for those children later on.

Mr. OWENS. Mr. Speaker, will the gentleman yield?

Mr. FLAKE. I yield to the gentleman from New York.

Mr. OWENS. How long is the waiting list at your excellent school?

Mr. FLAKE. My waiting list is 150 students. That is why we have to create as many slots as we can. And I take back the balance of my time.

Mr. OWENS. How many can you accept?

Mr. FLAKE. I cannot accept them because this program is for a different income class, but I will build another school.

Mr. CLAY. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. FAZIO].

Mr. FAZIO of California. Mr. Speaker, another day, another attempt to siphon resources away from our public schools. That is what is really before us today, a proposal that will take tax dollars and use them to subsidize private schools.

See, it seems the Republican Party has given up on public schools. Instead of trying to make them better for every child, it wants them to die on the vine by starving them of the resources they need. The bill before us takes money that is targeted to helping public schools and, as the gentlewoman from New Jersey [Mrs. ROUKEMA], a Republican, has said, creates a new educational entitlement for private schools. It is legislation driven by politics, not policy. It is a bill that has no hearing but a well orchestrated press conference behind it.

America's children deserve better than to be part of a poll-driven political strategy, which is just what this is. The answer to the woes in our Nation's schools that we have heard from the majority does not mean giving up on our neighborhood classrooms. The answer is a national commitment to fixing our schools so that every American child can live up to their God given potential.

In a northern rural part of my district, for example, Tehama County, California's Department of Education has just released this year's test scores. Second grade reading scores are up 29 percent over last year; third grade reading scores soared 24 percent.

So how did this school turn things around so that every child in this public school received a first-class education? Let me tell my colleagues. It slashed class sizes from 33 to 20 students, it trained teachers to do their job better through professional development classes, it made sure that teachers and their students committed 3 hours every day to literacy, and it made sure that every classroom was wired to the information highway.

When we make the commitment to public schools, they work. When parents and teachers and students and communities demand accountability from public schools, they work. So why is it that the Republicans want to pluck a select few out of the public schools while taking resources away from the rest? Why do they want to destroy schools that are accountable to parents and the community and give our tax money to private schools that put their bottom line ahead of the common good? Why is it that the very same people lecturing us here tonight about how public schools are failing are the very same Members who will not support the President's proposal to devote more of our resources to teach children how to read?

If schools are failing, the solution is not to give vouchers to a handful of children and leave the rest behind. The solution is fixing the problem, fixing the whole school, not providing a handout and taxpayer subsidies to private schools.

The choice tonight is clear. We ought to support choice in the public schools, not aiding private schools through vouchers. As a parent whose four children have gone to public schools, and they have never been, I might add, in the racial majority in any of them, I reject this effort to placate the political right.

Mr. RIGGS. Mr. Speaker, I yield myself 10 seconds to point out that under our bill the money goes to parents, and, unfortunately, there are those on the other side of the aisle, such as the gentleman who just spoke, who is perfectly prepared to tell those parents, the poorest of the poor, whose children attend unsafe or underperforming schools that there is no hope for them and for their children.

Mr. Speaker, I yield 15 seconds to the gentleman from Missouri [Mr. TALENT].

Mr. TALENT. Mr. Speaker, the bill will increase the amount of money that goes to the public schools because they are going to be able to keep more of the title VI money. It then lets them have the discretion to use that for these scholarships if they want. So it is going to mean more money for the public schools and more options for them and I think, and I hope, work out for more options for low income Americans.

PARLIAMENTARY INQUIRY

Mr. RIGGS. Mr. Speaker, just a parliamentary inquiry.

The SPEAKER pro tempore (Mr. MCCOLLUM). The gentleman will state his parliamentary inquiry.

Mr. RIGGS. At this point in time we have two speakers remaining, the majority leader of the House of Representatives and the Speaker of the House of Representatives, and it is our intent that if the minority agrees that at this point the majority leader would speak, then there would be one more speaker on their side to close debate on their side, and then we would go to the Speaker of the House to close the entire debate.

Mr. CLAY. Mr. Speaker, the gentleman is correct.

Mr. RIGGS. Mr. Speaker, I yield 4 minutes to the Majority Leader of the House of Representatives, the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Speaker, let me say at the outset that this legislation that we are debating today has practically no relevance whatsoever to the people who live in the 26th District of Texas, does not impact on their lives, does not mean a thing in their lives. People in my district, in the suburbs of Dallas, are relatively well off. They made their school choice when they took their incomes from their relatively good paying jobs and moved into the neighborhoods where the schools were sound, safe, and of service to their children. They are not interested in this subject, not the least bit. Many of them take their incomes and take their child, while they pay their local taxes to support the public schools, take their child to another school.

I myself took my own son out of the public school in the district in which I paid my taxes and to another public school down the road that had a better music program, and I myself was able to pay for the tuition costs. It is good fortune for my son.

And in this current law, these same schools that are so well off on their own basis received title VI moneys which they can use now for technology curricula or other instructional materials, library materials, assessments, magnet schools, literacy programs, gifted and talented programs, dropout assistance, and other reform activities.

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What we are thinking about here is those schools that are quite frankly in the minority among all the schools in America but, strategically relevant to the lives of the children in their communities, simply are failing the children, children whose parents are not well off like the parents in my district, children whose parents are not able to move to a better school district. They are not able to make all of the conventional, quiet, silent school choice decisions that many Americans make, but they find that it is imperative that their child get an education, perhaps even more so than the children that live in my district. They know acutely in their mind that the only hope for their child is to get an education that works in that child's life.

They do not care about theories. They do not care about dogma, they do not care about politics. They care about their child. And we are saying, let us extend the things under which title VI moneys might be used by the State, might be used by the State, to construct on behalf of those parents and those children the option to take that child that has now and next year to get through the third and the fourth grades and to do so successfully, so that they can be prepared to go on, and take them out of that school that today is failing that child and put them in that school in which their child can succeed, even though they do not have the independent means to do it themselves, to add another option for the parent on behalf of the child.

I cannot imagine anybody that would look to those parents who so desperately want this opportunity for this child now and say, mom, dad, why do we not wait until we repair this school that is failing this child now, in total disregard to their fear that this child will have lost this year, for this third grade, while they were waiting for help to arrive, that hopefully will arrive.

This is not an expression of lack of appreciation for public education. It is an expression of love for children who are caught in circumstances beyond their parents' control where their only current option is a school that is a proven failure, and a willingness to say to the States, if you have the heart for these children and these parents, you may use these funds to give those parents who cannot otherwise afford it a chance to do for their child what wealthy parents in my district do every day of their life.

I do not understand anybody who can find that objectionable. A child is not precious because he lives in my district. A child is not precious because his folks can afford to pay taxes for good schools that really shine. A child is not precious because his mom and dad can afford Sidwell Friends. A child is precious because a child is precious, and every child deserves whatever help this Congress can find it in their heart to do. That is really what it is all about. Is it about heart, or is it indeed about politics?

Mr. CLAY. Mr. Speaker, I yield 10 seconds to the gentleman from New York [Mr. OWENS].

Mr. OWENS. Mr. Speaker, I just wanted to ask the honorable majority leader if he could explain the fact that the State of Texas actually introduced vouchers in the legislature. They actually had a floor vote in Texas and it failed in the State legislature; it was not passed in the State legislature of Texas.

Mr. CLAY. Mr. Speaker, I yield the balance of my time to the distinguished minority leader, the gentleman from Missouri [Mr. GEPHARDT].

The SPEAKER pro tempore (Mr. MCCOLLUM). The gentleman from Missouri [Mr. GEPHARDT] is recognized for 4¼ minutes.

Mr. GEPHARDT. Mr. Speaker and Members of the House, I urge a "no" vote on vouchers and a "yes" vote for public schools. I want to say that I think everybody here tonight is well-meaning and everybody here I would submit cares about what happens to our children, but I believe that we have to enter into a new discussion. Part of that will happen with the gentleman from Indiana [Mr. ROEMER] on charter schools.

There are other ideas that we are wanting to talk about: Early childhood development, Basics by Six, well-trained teachers and equipped classrooms, relief for crumbling and overcrowded schools, support for local plans to review neighborhood public schools, efficient and coordinated use of resources, parental choice for public schools. This is an agenda that begins to start a national conversation about how we improve our public schools.

I had a meeting this morning in my district with the superintendents of all of the school districts in my district, the City of St. Louis, many of the county districts in St. Louis, Jefferson County, and I asked them about this agenda, and I asked them about what we ought to be talking about. Incidentally, most of those school districts, in fact all of them, get very good outcomes. That does not mean it is uniform. That does not mean that every kid is getting a good education. It does not mean every child is graduating, but they are getting some pretty darn good outcomes.

We never talk much about that; we never congratulate the people in the public schools that are doing a good job and getting a good result, which is the vast majority of our public schools. We act sometimes as if all the schools are bad and all the kids are not getting an education. Not true.

Mr. Speaker, when I asked my superintendents what they thought we ought to be talking about today instead of vouchers, they talked about repairing crumbling schools. One superintendent said, yes, you want to talk about computers? I cannot get an electric line from the electric pole outside my school to support computers. And then once, if I got the electricity and got the computers and got the software and trained the teachers, who would pay the connection charges to the Internet?

They talked about early childhood education. Every kindergarten in Missouri does not have kids go all day at age 5. They said the best thing you could do would be to have the kids come all day at age 5 into kindergarten so we could get a good start. That would probably be more important than many of the other ideas put together. There is a long list of things that we ought to be talking about our public schools.

Let me say to my colleagues, I think the organizing principle of this society should be making sure that every child is a productive citizen. After World War II we knew what the organizing principle in our society was. It was to make sure that we deterred nuclear war and we kept the Russians from invading us, and fighting communism, and everybody knew their role in that great mission that we won when the wall came down. But since then, we do not know what our organizing principle is. And the truth is, it is not just money; it is everybody's commitment to this task of making sure every child gets a chance at a good education.

I was in a school in my district last week, Shepard's School in the City of St. Louis, and they had all the mothers there. The principal goes out and sees parents who will not come in and work in the school and the one mother got up and she said, I work at night, but I am here every day from 7:30 in the morning until 3 o'clock in the afternoon, and I am here to do whatever the principal and the teachers want me to do. I said, why do you do this? She said, I have 2 kids in this school and I want them to have a good education and I want them to go to college. But then she said, but understand, every kid in this school is my child.

That is the attitude that we have to have on the part of every American in this country. Every child is my child. Even if I do not have a child in the school, I want to be in the school, because we must raise these children to be productive citizens. We must not siphon off the dollars that are so desperately needed by our public schools to go to private schools. We have to make sure that they go to the children that are wanting and demanding an opportunity to succeed.

Let us make that the organizing principle of this society. Let us stop this discussion of vouchers and let us get on to the discussion, the unfinished agenda of this country, to make the public schools in this country better. We can do it, and we are going to do it starting tonight.

Mr. RIGGS. Mr. Speaker, by his comments I guess the minority leader is suggesting that he will help us get a majority of Democratic votes for our charter school bill later tonight or later this week.

Mr. Speaker, at this point in time I am very proud to yield, for the purposes of closing the debate on the HELP scholarships bill, to the Speaker of the House, to the gentleman from Georgia [Mr. GINGRICH].

The SPEAKER pro tempore. The gentleman from Georgia [Mr. GINGRICH] is recognized for 2¼ minutes.

Mr. GINGRICH. I think it should be very clear to everyone who actually pays attention to this amendment that it is about educating our children. It is about educating children in schools where they are currently failing.

Let me give my colleagues the numbers for Washington, DC. If you are in the third grade in Washington, in mathematics, 37 percent of the students perform below grade level. But if you stay in those schools, by the time you are in sixth grade, 55 percent of the students perform below grade level. If you stay in those schools, by the time you are in the eighth grade, 72 percent of the students perform below grade level. If you stay in the schools, by the time you are in the tenth grade, 89 percent of the children in Washington are performing below the grade level.

Now, I do not think that is because children in Washington are peculiarly stupid. I think that is because they are trapped in a system which serves the union, serves the bureaucracy, serves the politicians, but fails to serve the children.

My good friend from Missouri made a great appeal. I want these children, the 89 percent who are scoring below grade level, to have a chance to have a decent life. I want them to have a choice to go to college and not to prison. And I know that after all of the years of trying, that all the speeches on this floor is not going to save a single child by keeping them trapped in a room that fails.

Now, recently, two very successful Americans announced that they would establish 1,000 scholarships, funded with private money, and in 10 days time they received 2,000 applications, 2,000 from parents who love their children and want them to avoid prison by having a chance to go to a school with discipline and having a chance to get an education, in 10 days time.

Now, what does this amendment say? It says that if your State legislature, your State legislature, wants to give children in your State a choice, to give the parents a choice; this is this great, radical, new, terrible thing. That is all it says, is that your State legislature can use some of that title VI money to give the children of your State a choice if they have concluded that theirs is a school district so bad, a school system so terrible that those children currently are being destroyed.

What do our friends over here on the left say? Do not even trust the State legislature to try to create an opportunity for those children to escape the union and escape the bureaucracy and escape the failure. Now, really, is it not sort of frightening to think that we have to trap the children?

I will just close with this observation. I am a graduate of public schools and I taught in a public high school. My wife is a graduate of public schools, both of my daughters are graduates of public schools, we believe in public schools, and in my district, middle class people have a choice because they move into our counties to go to school, and the rich have a choice because they send their kids to private school.

The only people in America without a choice are the poorest children in the poorest neighborhoods who are trapped by the bureaucracies and the unions and exploited against their will. Let us give those children a chance to go to college and not go to jail. Let us vote yes on this amendment.

Mr. CUMMINGS. Mr. Speaker, weeks ago, a vicious assault was made against Washington, D.C. public schools by offering vouchers as a cure-all solution; today, another assault is being directed against American public education. This proposed $310 million funding is not an investment with an anticipated return for better education in America; this funding is merely a political ploy. I oppose political motives at the risk of poor and disenfranchised children in America. I oppose this assault on public education.

Mr. Speaker, as a result of the Brown versus Board decision, announced in 1954, our nation began to address the issue of unequal education systems in the United States.

Today, a different phenomenon catches our attention. We witness a continued disparity within our education infrastructure among the rich and poor children of our society. The rich continue to gain access through the door of opportunity, while the poor are simultaneously condemned to the locked room of despair.

Mr. Speaker, the advocates of this bill say that it would correct the problem of continued disparity in our impoverished and disadvantaged communities.

Mr. Speaker, few students will actually benefit from this scholarship program relative to the entire group of impoverished students in America. Many students currently enrolled in public school will be left behind in inferior and unequal education institutions. Finally, many families, to whom vouchers would be given, would not have the necessary income to defray the residual costs of additional tuition for private schools. It is emphatically clear that the most needy families in America will not benefit from this voucher initiative.

Mr. Speaker, the day Congress appropriates for school vouchers is the day Congress abdicates from the long-lived and enduring concept of quality public education in America.

Mr. Speaker, I support the continued development and success of public education in America. Voucher programs are impractical, and do not allow us to address the real concerns of American public education. I urge my colleagues on both sides to consider the full effects of this bill, and vote against this legislation.

Ms. DELAURO. Mr. Speaker, I rise today in strong opposition to this legislation. The so-called "HELP" Scholarships would gut our public school system and provide no help at all to the children who need it the most.

It's not surprising that a party with a member who painted public education as a "communist legacy" continues to try to dismantle our nation's tradition of public schools. Time and time again Republicans have tried to push through their anti-education agenda, only to be pushed back by Democrats and a President who has vowed to veto these bills which would destroy our public schools.

A few weeks ago, Republicans passed with a one vote margin a measure to impose vouchers on the D.C. school system. Today they are trying to impose the same experiment on all of our nation's children.

Ninety percent of America's children depend on public schools to provide them with the skills they need to excel in the future. But the Gingrich voucher experiment will not help these students get a better start in life. Instead, the Gingrich voucher experiment will siphon funds out of the public school system and give them to private schools. Public schools will be left without the resources they desperately need to buy books, fix leaky roofs, and put computers in the classroom.

This is unacceptable. Our nation was founded on the principle that everyone would have an equal opportunity to succeed. Public schools bring together students of all races, creeds and economic classes to learn together. Each student comes in at equal footing, and everyone gets the same opportunities. That is the formula that works.

No one is arguing that public schools don't need improvement. So let's rise to that challenge and give them the means to improve. Let's not set our public schools up for failure by denying them the assistance to make changes and improve their students' performance.

Don't abandon the public school system. Give our children help they can use—invest in our public schools, and oppose the Gingrich voucher experiment.

Mr. CALVERT. Mr. Speaker, I rise today to speak in favor of H.R. 2746, the HELP Scholarships Act. The title of this legislation is very appropriate—HELP Empower Low-Income Parents—because H.R. 2746 gives parents greater choices to provide their children with a better education. One of the most contentious battles looming before us today is the battle to save our children by improving education. But now is the time to stop talking about saving schools and start talking about saving students. We must put partisan politics aside and debate the merits of legislation based on what is best for our children, not what is best for the education bureaucracy.

Every child is unique and has different needs from the education system. Public schools may not be the answer for everyone, yet lower income families have no other choice. The system is clearly failing these students when you hear statistics like 40 percent of all 10 year olds can't meet basic literacy standards, U.S. eighth-graders placed 28th in the world in math and science skills, and almost a third of today's college freshman require some remedial instruction.

This bill helps the poorest of our nation and gives their children a chance that they never had to get a quality education. In some cases, that will mean staying in a public school or going to a nearby magnet school. In others, it will mean attending a private or parochial school. But who do we think we are to stand in this chamber and dictate where every child must attend school? We are elected to represent those families, not to dictate their lives. The parents should be the ones to decide which school is right for their child. By means testing this program, as the legislation mandates, it will guarantee that only the lowest income families will be eligible to receive scholarships for their children. No one can claim that this bill is just another way to subsidize middle class parents sending their children to private schools. Scholarships would only go to students whose families are at or below 185 percent of the poverty rate to cover the cost of tuition at any private, public or religious school located in the impoverished neighborhood.

This bill is about helping parents help their children. I want the parents and children in my district to have access to the best education possible. As a lawmaker, I owe it to future generations. I urge all of my colleagues to support H.R. 2746.

Mr. FAWELL. Mr. Speaker, I do, indeed, have some troubling thoughts about this bill—H.R. 2746, the HELP Scholarship Act—though obviously well intentioned.

The bill is presented as "Parental Choice," but that choice is obviously conditioned upon the right of private schools to "pick and choose" which students will be accepted apparently on almost any condition—i.e., religion, creed, foreign birth, gender, academic standing, or mental or physical handicap. All in all, there doesn't appear to be as much choice for parents here as there is for the private school.

It is held out as "competition for the public schools". It surely is that, but it isn't "fair" competition, that is, there in no "level playing field". Public schools must accept every child who appears at its doors—regardless of race, religion, creed, foreign birth, academic standing, or mental or physical handicaps. When we compare public and private schools, after all, we are comparing good apples and good oranges. They do not compete on the same playing field in elementary and secondary education.

I wonder too—as bad as things are in many low income area public schools—what happens to the kids who can't get into a private school and are left behind? There's bound to be a loss of public funds for them, less Ch. VI funds, less state aid which is usually measured on the basis of student population.

I'm also concerned that we didn't have a markup on this bill so we could have aired our feelings and better understood the precedent we are establishing.

I think too that Charter schools are a better vehicle to help kids in low income areas.

I wonder too about the provision in this bill which provides that states "may allow State and local [tax] funds to be used for the voluntary public and private parental choice program."

These concerns will cause me to vote against this bill in spite of the good intentions of the sponsor.

I think it is a troublesome precedent.

Mr. STOKES. Mr. Speaker, I rise in opposition to H.R. 2746, the "HELP Scholarship Act." This measure amends the $310 million education block grant, title IV of the Elementary and Secondary Education Act. It is another attempt, by the Republican majority, to drain critical financial resources from our Nation's public schools and to put them in the hands of a select few students attending private and religious schools. These resources are needed to raise academic standards and achievements in schools that are increasingly overburdened with complex financial problems.

I am particularly concerned about the manner in which this bill has been rushed to the House floor. When supporters of H.R. 2746 realized that they did not have enough votes to report the bill out of the House Committee on Education and the Workforce last Friday, the full committee markup was canceled. Yet, late Wednesday night, the Rules Committee decided that H.R. 2746 would be considered under a closed rule, so that Members would not have an opportunity to offer amendments. The fact that this measure did not have full support from all of the Republicans on the House Committee on Education and the Workforce is a clear indication that H.R. 2746 is bad news for our Nation's students and public schools.

Mr. Speaker, supporters of school vouchers say that vouchers will foster improvements in the Nation's public schools by creating competition. However, as I mentioned earlier, school vouchers will drain scarce funds away from public schools, hurting the majority of students who will not have the opportunity to attend private and religious schools. Supporters of school vouchers say that vouchers will enable parents to send their children to any school that they choose. However, that is an illusion. Real choice remains in the hands of private school admissions officers.

Supporters of school vouchers also say that these programs raise student achievement. However, the most extensive research on the impact of existing school voucher programs does not show any clear, positive benefit. School vouchers programs are not powerful enough to impact the Nation's public schools in the way that supporters would like to believe.

The school voucher program in my own congressional district of Cleveland, OH, cost $6.4 million in 1996, including $5.25 million that had previously supported the Cleveland public school system's disadvantaged pupil aid program. And, while the program has only been in effect since September 1996, current evidence indicates that it has only had a marginal impact of the educational options available to public school families.

I strongly believe that we are morally obligated to ensure that all students across the Nation have equal access to quality education. We must not abandon our public schools. Instead, we must strengthen our commitment to improve them, doing all that we can to strengthen and reform them, not weaken them.

Mr. Speaker, I strongly oppose—and urge my colleagues to join me in opposing—H.R. 2746. This bill is bad public policy. Education reform can only succeed if all students benefit. There are nearly 46 million public school students in the United States and, it is estimated that by the year 2006, there will be 3 million more. School vouchers will only reach a limited number of students. We must support educational policies that will benefit all children. I urge my colleagues to vote "no" on the HELP Scholarship Act.

Mr. PAYNE. Mr. Speaker. I rise today in adamant opposition to the "Help Empower Low-income Parents Scholarship Bill." Do not be moved by supporters of this bill who claim that by opposing this legislation you are supporting schools that fail to serve children well. Let me make it clear that I certainly do not support schools that are not able to perform the basic task of teaching children how to read and write. However, I will not give up on the public education system of this country. I will not give up on this system because it has served as the great equalizer for people of this nation. The civil rights movement was based on the notion that if all people are able to have the opportunity to receive a quality education then we truly will make real steps toward equality. By supporting schools that are designed to serve all children we uphold this vision. Giving up on our school system and this notion of educational equality is exactly what this bill will accomplish. It will put federal funds not in the hands of low income parents but in the pockets of religious and private schools that will crop up simply to capitalize on this voucher program. It will do nothing to better the situation education is in today, but perpetuate it and make it far worse. Republicans claim this bill will empower low-income families. However, if they really cared about low-income children, a disproportionate number of whom are minorities, they would have included language that would protect civil rights and guarantee equal educational opportunities for all students. This bill blatantly lacks such language. Instead, this bill contains only watered down anti-discrimination requirements for participating schools. This is a clear indication that Republicans have motives not to improve education but to funnel federal money to private schools and out of public control. Let me make it clear that I do believe that our schools need to be reformed. However, I strongly believe that if there is a problem with something you work hard to correct it. You make an investment and a commitment both financially and philosophically to change and reform that problem. This is a commitment and investment that the majority party of this Congress has not made. They have not supported legislation to invest in school buildings so that children are not exposed to leaking roofs and peeling paint. In the 104th Congress they attacked the school lunch program that keeps children well fed and their minds ready for learning. They cut education programs when they first took control over this body and only backed down when they heard an outcry of opposition from parents and voters. To make matters worse, they have paid little attention to the positive things going on in public schools across this country. In my district, the Harriet Tubman School in Newark is a perfect example of how our teachers, patents and students are turning things around. I refuse to give up on schools such as Harriet Tubman and implore my colleagues to not give up on similar schools in their district for vouchers that will tear down the notion of educational equality in this country. We must oppose this bill for the future of education in America.

The SPEAKER pro tempore. All time for debate has expired.

The bill is considered as having been read for amendment.

Pursuant to House Resolution 288, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. ETHERIDGE

Mr. ETHERIDGE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. ETHERIDGE. I am opposed.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. ETHERIDGE moves to recommit the bill to the Committee on Education and the Workforce with instructions to hold a full, open, and fair hearing and markup on the bill before reporting it to the full House for consideration.

□ 1945

The SPEAKER pro tempore [Mr. MCCOLLUM]. The gentleman from North Carolina [Mr. ETHERIDGE] is recognized for 5 minutes.

Is there a Member who claims opposition to the motion to recommit?

Mr. RIGGS. Mr. Speaker, I claim the time in opposition.

The SPEAKER pro tempore. The gentleman from California [Mr. RIGGS] will be recognized for 5 minutes in opposition to the motion to recommit.

The Chair recognizes the gentleman from North Carolina [Mr. ETHERIDGE].

Mr. ETHERIDGE. Mr. Speaker, I rise tonight as a dedicated education supporter and reformer to send this anti-public school bill back to committee. There is a right way and a wrong way to reform education in this country. It is absolutely wrong for the House to pass this voucher bill that sells out our children, our teachers, our public schools, and the American taxpayer. Let me make it perfectly clear, it is wrong to take the taxpayers' money to subsidize private schools.

Mr. Speaker, prior to my election to the people's House, I served two 4-year terms as the elected State superintendent of the schools in my State. As school chief, I fought to improve, strengthen, and reform public schools so that every child would have the opportunity to live up to his or her God-given ability. I am tremendously proud of the record of accomplishment of the students, teachers, parents, and the entire community as they achieved improved performance in education.

Earlier this year, the respected NAEP came out, the National Assessment of Education Progress, and documented their successes. North Carolina's eighth-graders gained 18 points over the last 6 years on NAEP. That is more than twice the national average. Our fourth-graders gained almost three times the national average. North Carolina students have improved the equivalent of one full grade level during the decade. In other words, eighth-graders this year were one full year ahead of eighth-graders in 1990. That is the kind of improved public schools that the American people are demanding.

Mr. Speaker, I have been honored to have the opportunity to cochair the Democratic Caucus' Educational Task Force to develop a consensus for first class public schools. That proposal includes early childhood development for every child so that they will come to the public schools ready to learn; to recruit and train well-qualified teachers; to relieve our schools, which are crumbling and overcrowded, so children will have places to learn; ensure our public schools are safe and drug-free; and empower parents to choose the very best public schools for their children.

This agenda will work to improve public education for all children. Unfortunately, the bill before us tonight takes a headlong rush in the opposite direction. Instead of strengthening public schools, this bill represents a wholesale retreat from our national commitment to quality public schools.

This bill is a shameful act of cowardice. We must not turn our backs on the schoolchildren of America. Taking taxpayers' money to fund private schools is wrong. This bill is bad education policy. It is not even about education, this bill is about politics. This bill is about a cynical political agenda of some of the most extreme groups in this country. This bill is about dressing up an ideological agenda in a package of sound bites. This bill is about robbing our schools of precious resources needed to provide for quality education for all of our children.

Mr. Speaker, the legacy of this revolutionary majority in Congress has been one attack after another on our public schools. The previous Congress tried to abolish the Education Department, slash school lunches, and eliminate school loans. A few weeks ago a Member in the majority party even compared our public schools to the Communist legacy.

Mr. Speaker, I sought this office because I could not stand by and watch this Congress of the United States continue to launch attack after attack on our public schools. This bill is nothing but an ultimate attempt to scapegoat our schools, our teachers, our students, and our parents, and yes, their communities. Putting taxpayers' money in private schools is wrong.

I believe the American people want basic things: a strong national defense to keep our Nation free; safe streets and communities in which to live, work, and raise a family; an educated work force to keep us strong in an increasingly competitive global economy; and a public education system that provides each and every child the opportunity to make the most of his or her God-given ability. We must work to strengthen public school, not turn our backs on the public schools.

I urge my colleagues on both sides of the aisle to vote to recommit this bill, this underhanded attack on our public schools.

Mr. RIGGS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to tell the gentleman who just spoke that we have held field hearings in Milwaukee and Cleveland and in New York City with virtually little, if any, participation by Democratic Members of this House. I suspect one reason those hearings were boycotted is because Democratic Members did not want to hear the overwhelming support from parents in those communities for expanded parental choice, such as the HELP Scholarship bill would permit. We have had hearings here in Washington as well, and we have had field hearings in San Fernando, CA, and in Phoenix on expanded public school choice through charter schools.

Mr. Speaker, I yield 30 seconds to the gentleman from Missouri [Mr. TALENT].

Mr. TALENT. Mr. Speaker, I thank the gentleman for yielding me this time.

I thank very much the experience shared by my colleague who just spoke. I would say to the gentleman from North Carolina [Mr. ETHERIDGE], if North Carolina or any State does not want to use these opportunity scholarships, there is a simple answer. They do not have to under this bill. It is up to them.

I want to read a quote from Jonathan Rauch, who was writing in the November 10th New Republic. I think it is applicable to the debate today.

"It's hard to get excited about improving rich suburban high schools that act as feeders for Ivy League colleges. However, for poor children trapped in execrable schools, the case is moral rather than merely educational. These kids attend schools which cannot protect their physical safety, much less teach them. To require poor people to go to dangerous, dysfunctional schools that better-off people fled years ago, and that better-off people would never tolerate for their own children—all the while intoning pieties about 'saving' public education—is worse than unsound public policy. It is repugnant public policy."

Mr. RIGGS. Mr. Speaker, I yield the balance of my time to the gentleman from Georgia [Mr. GINGRICH], the Speaker of the House.

The SPEAKER pro tempore. The gentleman from Georgia [Mr. GINGRICH] is recognized for 3 minutes.

Mr. GINGRICH. Mr. Speaker, I want to take head on this question about public schools, because I represent a district which is very lucky.

Cobb County Public Schools are very, very good. There is a recent report out on the best high schools in Georgia, and two-thirds of them are in my district. They are in North Fulton, a fabulous area, growing rapidly. They are in Gwinnett County, a tremendous county, growing rapidly. They are in Cherokee County, one of the fastest growing counties in the State of Georgia.

When people of good income come to Georgia, and they move in looking for a job, and they look around, again and again they will say to the real estate agent, now, what counties have a good school? Where can I go to get a good school? And they will move into a good public school area.

I think that is wonderful. We are very lucky, and both of my daughters had a chance to go to the Carrollton Public Schools in Carrollton, Georgia, and they were terrific public schools. That is wonderful. This bill does not do a single thing to weaken those public schools. This bill does not take a penny away from those public schools.

If Members do not want to send their children to public school, and they are rich, they can just send them to private school. Maybe it is a nearby private school, maybe it is a distant private school, maybe it is a boarding school. They should take care of their kids.

That is not what this amendment is about. This amendment is not about people who can move into Cobb County and buy a nice, fancy house, or move into North Fulton or move into Gwinnett or move into Cherokee.

Those folks are going to schools that are terrific. They are going to keep their kids in public school. This bill is about the child who is trapped in New York City or Philadelphia or Atlanta, the child who is trapped in Washington, D.C.

I read the numbers. After all the talk about reform and all the talk about help, how can Members of this House in good conscience trap a child in a school where, when you have been there in the tenth grade, 89 percent of the children score below the grade level? How can Members live with their consciences, saying, oh, if you are well enough off, move out to Virginia or move out to Maryland? If you are rich enough, send your kids to a private, elite school, like many powerful politicians do? But now if you are poor and you are in public housing, and you have no money, and you are trapped in a school where you know that, literally, the longer your child stays in that school, the more likely they are to score below grade level, now, oh, we in the Congress are not going to take care of those kids.

I do not understand it. I do not understand how Members can walk off and leave a generation of children behind and offer them no hope.

Let me remind Members, what this amendment does is simple. It says that the State legislature has the option, it does not have to do it, the option, in a State that has a school system that is failing to offer the poorest children in the State, the weakest children in the State, to give the children with the least background an opportunity to go to a school with discipline, with learning, that is drug-free, and the difference is the difference between prison and college, the difference between pursuing happiness and being trapped in jail.

I would beg Members to look into their hearts, do not be afraid of the unions, do not be afraid of the bureaucrats, do not be afraid of the power structure; to look into their hearts, think about those children, and then vote to give them a chance to have a decent future.

The **SPEAKER** pro tempore. All time has expired.

Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The **SPEAKER** pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. **CLAY**. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER** pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to the provisions of clause 5 of rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of passage.

Without objection, the vote on the first suspension motion immediately thereafter will be reduced to a minimum of 5 minutes.

There was no objection.

The vote was taken by electronic device, and there were—yeas 203, nays 215, not voting 15, as follows:

[Roll No. 568]

YEAS—203

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barrett (WI)
Becerra
Bentsen
Bereuter
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Ensign
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gilman
Goode
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hooley
Horn
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Leach
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McKinney
Meehan
Meek
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Morella
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Traficant
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NAYS—215

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fawell
Flake
Foley
Forbes
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gingrich
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Quinn
Radanovich
Redmond
Regula
Riggs
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOT VOTING—15

Barcia
Coburn
Cubin
Foglietta
Gonzalez
Holden
McDade
McNulty
Menendez
Payne
Porter
Riley
Schiff
Slaughter
Towns

□ 2017

The Clerk announced the following pair:

On this vote:

Ms. Slaughter for, with Mr. Riley against.

Mr. BATEMAN, Mr. BOEHLERT, and Ms. GRANGER changed their vote from "yea" to "nay."

Messrs. BENTSEN, DAVIS of Illinois, MARKEY, REYES, and Mrs. MALONEY of New York changed their vote from "nay" to "yea."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore [Mr. McCOLLUM]. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CLAY. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were— yeas 191, nays 228, not voting 14, as follows:

[Roll No. 569]

YEAS—191

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Bartlett
Barton
Bass
Bateman
Bilbray
Bilirakis
Bliley
Boehner
Bonilla
Bono
Brady
Bryant
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Chabot
Chambliss
Chenoweth
Christensen
Coble
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cunningham
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
Ensign
Everett
Ewing
Flake
Foley
Forbes
Fowler
Fox
Franks (NJ)
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gingrich
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Hostettler
Hulshof
Hunter
Hyde
Inglis
Istook
John
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Knollenberg
Kolbe
Largent
Latham
LaTourette
Lazio
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
Lucas
Manzullo
McCollum
McCrery
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Myrick
Nethercutt
Neumann
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Portman
Pryce (OH)
Radanovich
Redmond
Riggs
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Royce
Ryun
Salmon
Sanford
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Tiahrt
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NAYS—228

Abercrombie
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (NE)
Barrett (WI)
Becerra
Bentsen
Bereuter
Berman
Berry
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Burr
Cannon
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Collins
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
Davis (VA)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Fawell
Fazio
Filner
Ford
Frank (MA)
Frelinghuysen
Frost
Furse
Gejdenson
Gephardt
Gilman
Goode
Goodlatte
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hooley
Horn
Houghton
Hoyer
Hutchinson
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Klug
Kucinich
LaFalce
LaHood
Lampson
Lantos
Leach
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDade
McDermott
McGovern
McHale
McHugh
McIntyre
McKinney
Meehan
Meek
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Neal
Ney
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Quinn
Rahall
Ramstad
Rangel
Regula
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Smith (NJ)
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thune
Thurman
Tierney
Torres
Traficant
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—14

Ackerman
Coburn
Cubin
Foglietta
Gonzalez
Holden
McNulty
Menendez
Payne
Porter
Riley
Schiff
Slaughter
Towns

□ 2025

The Clerk announced the following pair:

On this vote:

Mr. Riley for, with Mr. Porter against.

Mr. WALSH changed his vote from "nay" to "yea."

So the bill was not passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 5, rule I, the Chair will now put the question on the following two motions to suspend the rules, on which further proceedings were postponed earlier today, in the order in which the motion was entertained. The additional suspensions debated today will be postponed until later today.

Votes will be taken in the following order: H.R. 2644, by the yeas and nays; and H.R. 1493, by the yeas and nays.

UNITED STATES-CARIBBEAN TRADE PARTNERSHIP ACT

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 2644.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. CRANE] that the House suspend the rules and pass the bill, H.R. 2644, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 182, nays 234, not voting 16, as follows:

[Roll No. 570]

YEAS—182

Archer
Armey
Bachus
Baker
Ballenger
Barrett (NE)
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Berry
Bilbray
Bliley
Blumenauer
Blunt
Bonilla
Brady
Bryant
Burr
Buyer
Callahan
Calvert
Camp
Campbell
Cannon
Castle
Chabot
Christensen
Clement
Coble
Collins
Combest
Cox
Crane
Cummings
Cunningham
Davis (FL)
Davis (VA)
DeLay
Deutsch
Dicks
Dixon
Dooley
Dreier
Dunn
Ehlers
Ehrlich
Emerson
English
Eshoo
Ewing
Fattah
Fazio
Flake
Foley
Fowler
Frelinghuysen
Ganske
Gilchrest
Gillmor
Gilman
Goodlatte
Goss
Granger
Greenwood
Hall (OH)
Hamilton
Hastert
Hastings (WA)
Hayworth
Herger
Hill
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hyde
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones
Kasich
Kelly
Kennedy (MA)
Kennelly
Kim
King (NY)
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Linder
Livingston
Lowey
Luther
Manzullo
Matsui
McCarthy (MO)
McCollum
McCrery
McDermott
McIntosh
McKeon
McKinney
Meehan
Miller (FL)
Minge
Moran (KS)
Moran (VA)
Morella
Nethercutt
Ney
Northup
Nussle
Oxley
Packard
Pappas
Pastor
Paxon
Pease
Pelosi
Peterson (MN)
Petri
Pickering
Pickett
Pitts
Portman
Pryce (OH)
Ramstad
Rangel
Redmond
Regula
Roemer
Rogan
Roukema
Ryun

Salmon
Sanchez
Sanford
Schumer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Skaggs
Skeen
Smith (TX)
Snowbarger
Stenholm
Stump
Sununu
Talent
Tanner
Taylor (NC)
Thomas
Thornberry
Thune
Towns
Upton
Watkins
Watts (OK)
Weldon (FL)
Weller
Wexler
White
Wicker
Wynn

NAYS—234

Abercrombie
Aderholt
Allen
Andrews
Baesler
Baldacci
Barcia
Barr
Barrett (WI)
Bartlett
Becerra
Bilirakis
Bishop
Blagojevich
Boehlert
Boehner
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Bunning
Burton
Canady
Cardin
Carson
Chambliss
Chenoweth
Clay
Clayton
Clyburn
Condit
Conyers
Cook
Costello
Coyne
Cramer
Crapo
Danner
Davis (IL)
Deal
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Diaz-Balart
Dickey
Dingell
Doggett
Doolittle
Doyle
Duncan
Engel
Ensign
Etheridge
Evans
Everett
Farr
Filner
Forbes
Ford
Fox
Frank (MA)
Franks (NJ)
Frost
Furse
Gallegly
Gejdenson
Gekas
Gephardt
Gibbons
Goode
Goodling
Gordon
Graham
Green
Gutierrez
Gutknecht
Hall (TX)
Hansen
Harman
Hastings (FL)
Hefley
Hefner
Hilleary
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hunter
Hutchinson
Inglis
Istook
Jackson (IL)
Jenkins
John
Johnson (WI)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kingston
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
Lewis (KY)
Lipinski
LoBiondo
Lofgren
Lucas
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
McCarthy (NY)
McDade
McGovern
McHale
McHugh
McInnis
McIntyre
Meek
Metcalf
Mica
Millender-McDonald
Miller (CA)
Mink
Moakley
Mollohan
Murtha
Myrick
Nadler
Neal
Neumann
Norwood
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Parker
Pascrell
Paul
Peterson (PA)
Pombo
Pomeroy
Poshard
Price (NC)
Quinn
Radanovich
Rahall
Reyes
Riggs
Rivers
Rodriguez
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roybal-Allard
Royce
Rush
Sabo
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Scott
Serrano
Sherman
Shuster
Sisisky
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith, Adam
Smith, Linda
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stokes
Strickland
Stupak
Tauscher
Tauzin
Taylor (MS)
Thompson
Thurman
Tiahrt
Tierney
Torres
Traficant
Turner
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watt (NC)
Waxman
Weldon (PA)
Weygand
Whitfield
Wolf
Woolsey
Yates
Young (AK)
Young (FL)

NOT VOTING—16

Ackerman
Coburn
Cooksey
Cubin
Edwards
Fawell
Foglietta
Gonzalez
McNulty
Menendez
Payne
Porter
Riley
Schiff
Slaughter
Wise

□ 2034

The Clerk announced the following pair:

On this vote:

Mr. Porter and Mr. Riley for, with Mr. Cooksey against.

Mr. CUMMINGS changed his vote from "nay" to "yea."

So (two-thirds not having voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mrs. JOHNSON of Connecticut. Mr. Speaker, on rollcall No. 470, I was unavoidably detained. Had I been present, I would have voted "yes."

REQUIRING ATTORNEY GENERAL TO ESTABLISH PROGRAM IN PRISONS TO IDENTIFY CRIMINAL ALIENS AND ALIENS UNLAWFULLY PRESENT IN UNITED STATES

The SPEAKER pro tempore [Mr. McCOLLUM]. The pending business is the question of suspending the rules and passing the bill, H.R. 1493, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. GALLEGLY] that the House suspend the rules and pass the bill, H.R. 1493, as amended, on which the yeas and nays are ordered.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 410, nays 2, not voting 20, as follows:

[Roll No. 571]

YEAS—410

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Fawell
Fazio
Filner
Flake
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E.B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paxon
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns

Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)

NAYS—2

Paul
Ros-Lehtinen

NOT VOTING—20

Ackerman
Bonior
Coburn
Cubin
Ewing
Foglietta
Gonzalez
Goodling
McDade
McNulty
Menendez
Payne
Pickett
Porter
Riley
Schiff
Slaughter
Taylor (NC)
Towns
Wise

☐ 2043

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. EWING. Mr. Speaker, on rollcall No. 571, I was unavoidably detained. Had I been present, I would have voted "yes".

PERSONAL EXPLANATION

Mr. GOODLING. Mr. Speaker, on rollcall No. 571, I was negotiating with the White House and missed the vote. Had I been present, I would have voted "yes".

☐ 2045

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mrs. LOWEY. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgments concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, U.S. taxpayers have spent over $500,000 on this investigation—money that could have been better spent providing 110 children with 1 year of Head Start;

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it:

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore (Mr. MCCOLLUM).

Under rule IX, a resolution offered from the floor by a Member other than the majority leader or the minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within 2 legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from New York [Mrs. LOWEY] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mrs. CLAYTON. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privilege of the House.

The form of this resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C. on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marine barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgements concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, U.S. taxpayers have spent over $500,000 on this investigation—money that could have been better spent providing prenatal care for 450 pregnant women.

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's previous ruling under rule IX will be entered in the Record at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the majority leader or the minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within 2 legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from North Carolina [Mrs. Clayton] will appear in the Record at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. BROWN of Florida. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intent to offer a resolution which raises a question of the privileges of the House.

I ask unanimous consent that the resolution be printed in the Congressional Record in its entirety.

The SPEAKER pro tempore. Without objection, the resolution will be placed in the Record.

There was no objection.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 40th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 40th District of California met on February 26, 1997 in Washington, D.C. on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgments concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez' election to the Congress, and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the Record at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the majority leader or the minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within 2 legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from Florida [Mrs. Brown] will appear in the Record at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. KAPTUR. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certification of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C. on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgements concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, the continuation of this investigation discourages full participation of American voters in the electoral process.

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

☐ 2100

The SPEAKER pro tempore. Without objection, the Chair's previous reading of the rule under rule IX with regard to this matter will be entered into the Record at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the majority leader or the minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within 2 legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from Ohio [Ms. Kaptur] will appear in the Record at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mrs. McCARTHY of New York. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privilege of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C. on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration, records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgements concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswomen Sanchez's election to the Congress; and

Whereas U.S. taxpayers have spent over $500,000 on this investigation—money that could have provided immunizations for 3,000 children; and

Whereas the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's previous citation of the procedures for this matter under rule IX will be entered into the Record at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the majority leader or the minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within 2 legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from New York [Mrs. McCarthy] will appear in the Record at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

NOTICE OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. MILLENDER-McDONALD. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of this resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and,

Whereas, a Notice of Contest of Election was filed with the clerk of the House by Mr. Robert Dornan on December 26, 1996; and,

Whereas, the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C. on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas, the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas, the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States and the INS has been asked by Congress to verify the citizenship of the voters; and

Whereas, the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas, the Committee on House Oversight, subpoenaed the records seized by the

District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas, the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committee's possession by the Secretary of State of California; and

Whereas, the Task Force on Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgments concerning those votes; and

Whereas, the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman SANCHEZ and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman SANCHEZ's election to Congress; and

Whereas, Congresswoman SANCHEZ's election to the Congress represents an historic advance for all Americans, especially women and Californians committed to opportunity, equality, peaceful resolution of conflict and social justice; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the previous citation by the Chair of rule IX's disposition of this matter will be entered into the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the majority leader or the minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within 2 legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from California [Ms. MILLENDER-MCDONALD] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C. on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, the business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committee's possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgments concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, the U.S. taxpayers have spent more than $500,000 on an investigation which has not provided any credible evidence to overturn this election.

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, that unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's previous citation of the disposition of this matter under rule IX will be entered into the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the majority leader of the minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within 2 legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from Texas [Ms. EDDIE BERNICE JOHNSON] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

□ 2115

VACATING REQUEST TO LIST MEMBER AS COSPONSOR OF H.R. 2676

The SPEAKER pro tempore (Mr. MCCOLLUM). The Chair would like to make the following announcement. The unanimous-consent request earlier today by the gentleman from Georgia [Mr. LINDER] adding the gentleman from Ohio [Mr. TRAFICANT] as an original cosponsor of H.R. 2676 was not entertained by the Chair in that form under the precedent recorded on page 666 of the House Rules and Manual.

Since that time, the Chair has been informed that H.R. 2676 has been reported by committee. Without objection, the proceedings surrounding that request are vacated, but the request of the gentleman from Georgia [Mr. LINDER] that the record reflect the intent of the original sponsor, the gentleman from Texas [Mr. ARCHER], to list the gentleman from Ohio [Mr. TRAFICANT] as an original cosponsor will appear at this point in the RECORD.

There was no objection.

CHARTER SCHOOLS AMENDMENTS ACT OF 1997

The SPEAKER pro tempore. Pursuant to House Resolution 288 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2616.

□ 2116

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2616) to amend titles VI and X of the Elementary and Secondary Education Act of

1965 to improve and expand charter schools, with Mr. SNOWBARGER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Delaware [Mr. CASTLE] and the gentleman from Florida [Mr. DEUTSCH] each will control 30 minutes.

The Chair recognizes the gentleman from Delaware [Mr. CASTLE].

Mr. CASTLE. Mr. Chairman, I yield myself 3 minutes.

Just to start this discussion, Mr. Chairman, and the gentleman from California [Mr. RIGGS] will be carrying on here shortly, but I am a strong believer in the charter schools. I was not a supporter of the voucher bill that we just voted on, but I am a total believer that if we are going to deal with experimentation and change in our schools, this is the way to do it.

I have been in every single school in my State. This is Delaware we are talking about. It is 182 schools. I have not been in one of the charter schools, but I have been in our three charter schools which have started.

I think the best way to describe why we should increase this funding authorization from $15 million to $100 million and give them some additional latitude with respect to what they are doing is to say what is happening in these schools. The proof is certainly in the pudding when we see it here.

I have been to the charter school at Wilmington, which was sponsored by a consortium of six employers in Delaware and focuses on math and science. It offers the most rigorous academic program in the State, pays teachers based on merit, and emphasizes values and character development.

I have seen and heard of the Positive Outcome School in Dover, which targets children who are at risk of failure in school and who have learning difficulties and emotional problems. Ninety percent of students have attention deficit disorder, and 33 percent are learning-disabled. Positive Outcomes has a 1 to 10 teacher-student ratio.

Yesterday I went to the East Side Charter School in Wilmington, Delaware. It is run by the Wilmington Housing Authority. Every child in that school is a minority child. Nearly 30 percent of the school's students do reside in public housing. It is a K-through-3 school. It offers an 11-month academic year, a 1-to-15 teacher/student ratio, two full-day kindergarten classes, a strong curriculum in the basic academics. It goes through teacher conflict. It essentially is doing the kinds of things we talk about doing perhaps to give our public schools a better opportunity. This is a great opportunity for those young people in that school.

This is a great opportunity for the Congress of the United States to step forward and to do something which will help those students who can go to charter schools, but will also help us see how we can do better in our public schools. That is really what this is all about. It is a relatively simple bill. It is a piece of legislation which I think we should support universally. The President supports it. The National Education Association actually sponsors some charter schools.

We would encourage the creation of charter schools by directing funds to those States that allow an increase in the number of schools. We would encourage autonomy over budget and expenditures of charter schools. We reduce the Federal setaside from 10 percent to 5 percent. These are the very kinds of things that we need to do in America if we are truly going to make our public education system better.

I look upon this as a great help for the public education system, as well as a great outcome for those students who can avail themselves of the opportunity to attend the charter schools which are in existence now. We are going to double our charter schools in Delaware next year. I hope with this legislation we can do more across the country.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The time originally granted to the gentleman from Florida [Mr. DEUTSCH] will now be controlled by the gentleman from California [Mr. MARTINEZ].

The Chair recognizes the gentleman from California [Mr. MARTINEZ].

Mr. MARTINEZ. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I wish I could be as optimistic and enthusiastic as the last speaker was about charter schools.

As many Members know, I am cautious about charter schools. I am supportive of the concept of charter schools and their possible impacts on the larger public school system as a whole. The chairman of the subcommittee on which I am the ranking member, my friend and colleague, the gentleman from California [Mr. RIGGS], has held a number of hearings on charter schools to examine their place as an educational reform tool.

Obviously, since all of us, both Republicans and Democrats, say we are concerned about the educational opportunities of our children, we believe that charter schools are certainly an idea worth exploring, and in this instance probably an idea worthy of Federal support.

Throughout the hearings that we held on charter schools, we heard several serious problems, though, regarding the admission and provision of services to children with disabilities. In addition, controversy continues to swirl around the governing structure of charter schools in many States. Even here in D.C. there is a charter school that is in trouble, and the local school board is talking about taking away their charter. That is Marcus Garvey.

So I believe it is fair to say that because of their rather short existence, the oldest only being about 6 years old, there is still a lot to learn about their impact and their effectiveness in assuring educational success for our children.

Like I said earlier, while I have a positive outlook on the impact of charter schools on our educational system, I am concerned about the direction that this bill would take the Federal Government in the area of charter schools. I believe the bill raises a number of serious policy questions, and during later debate I intend to offer several amendments which I believe would fix these deficiencies.

This bill would establish, in my mind, a set of criteria which a State's charter statute would have to meet in order to ensure that the State is not at a disadvantage for funding. We here in Congress should not be in the practice of establishing funding priorities on how we believe individual State charters should be written, if we feel that flexibility is a success for them.

My colleagues who have heard me speak over the years know that I have always been concerned about unneeded interference by the Federal Government in the legislative affairs of the States and local governments. I have said repeatedly, it is local school boards who govern the school districts. Charter schools are defined by State statutes in the legislation they pass, so I do not believe it is the place of Congress through a micromanagement system to stipulate how that charter statute should be constructed.

I am also concerned about the changes in the period allowed for grants from 3 years to 5 years, and additional 2-year extension grants. I believe this change would force the Federal Government to begin supporting operating costs, rather than staying within the realm of start-up costs. Why should we extend the amount of time which a charter school would continue to receive start-up funds? Do we have charter schools taking 5 years to complete their start-up activities? I do not think so. I see little, if any, justification for that provision.

My last major concern lies in the rewrite of the national activities section of the statute. This bill would require the Secretary to make as his primary activity, with funds appropriated under the statute, the generation of private capital for charter schools.

I strongly believe that the emphasis of the Department's activities should be towards evaluation, technical assistance, and outreach, not to act as a Wall Street banker for charter schools. However, I do want to commend the gentleman from Indiana [Mr. ROEMER] for his extremely hard work in fashioning the bill that not only reflects his priorities, but Democratic priorities as well. The hard work of both the gentleman from Indiana [Mr. ROEMER] and his staff on this bill is a tribute to his dedication to the charter school concept.

In total, I do want to stress that I am not against the concept of charter schools. In fact, like many of my colleagues, I see the value in using charter schools as one of the many educational reform tools in our public education system. I just do not believe that the policy direction which this bill would take the Federal support of charter schools is in the best interests of charter schools or the children that they serve. I am hopeful that through the amendment process, that we can rectify the deficiencies that I have outlined.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The time originally controlled by the gentleman from Delaware [Mr. CASTLE] will be controlled by the gentleman from California [Mr. RIGGS].

The Chair recognizes the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I intend to come down to the well momentarily, but while I stand here at this podium, I want to thank my good friend and vice chairman of the subcommittee for claiming the time and for his eloquent statement in support of charter schools.

Mr. Chairman, first of all, let me tell Members that I am pleased that I can rise in support of what I hope becomes, based on the final vote, a very strong bipartisan bill expanding public school choice for parents. I emphasize that at the outset, because I just want my colleagues to know that on the last vote we had, just about an hour or so ago, the idea of allowing State and local school districts around the country to use one particular category or source of Federal taxpayer funding for education to provide scholarships for low-income parents unfortunately was defeated in this Chamber by pretty much a party line vote. In fact, I have the numbers here. Eighty-two percent of House Republicans supported the HELP Scholarships bill, and 93 percent of House Democrats voted against it.

The other thing I want to say, so I can get any note of partisan rancor here out of the way at the outset of the debate, I also want to take exception to comments that were made recently by the President. I have here in my hand an AP wire story from October 24 that begins by quoting the President as saying, "President Clinton suggested today," October 24, "that Congressional Republicans want the government to do next to nothing in education."

It is unfortunate the President would say those words, because, of course, what we have on the floor now is a bipartisan bill that would, as I said earlier, greatly expand public school choice for parents, and which would fully fund the President's proposal for $100 million in Federal taxpayer funding for the start-up or creation of more charter schools in America during the Federal fiscal year 1998.

So, Mr. President, you were ill-informed or certainly misspoken when you claimed that we are doing next to nothing in education, because here is a bill where we fully intend to team up with a number of House Democrats, Members of the President's own party, to advance legislation that he have requested.

And I will daresay, as I said earlier this evening during the debate on the HELP Scholarships bill, that at the end of the day, either later tonight or later this week when we reach final passage on this bill, a majority, an overwhelming majority, of House Republicans are going to support the Charter Schools Amendments Act of 1997. I daresay a majority, I hope it is not a large majority, but a majority of House Democrats will vote against that legislation. So be clear, Mr. President and the American people, who is trying to do something for parents and for children in education.

Now, it is clear to me that with respect to education, we are seeing a phenomenon across the land in this country today. It is one of those that we could sort of put under the heading of when the people lead, the leaders will follow. I am referring to the growing and widespread public demand on the part of education consumers, parents, and guardians for more competition and more choice in education.

I would like to cite for my colleagues and introduce for the RECORD an article that appeared on October 1 in the Washington Post, not exactly a conservative newspaper, entitled "Popularity Grows for Alternatives to Public Schools, Some Districts," referring to local school districts around the country, "Some Districts Reacting to Threat of Competition."

The article began by saying, "In a movement flustering schools across the Nation, more parents than ever are choosing alternatives to public education for their children, including public charter schools, religious schools, and home schooling, so much that what once seemed a fad to many educators is instead starting to resemble a revolution."

□ 2130

The article closed by quoting Robert Chase, who is the president of the National Education Association Teachers Union. I am not sure, Mr. Chase says, I am not sure if any of us really know yet where these trends are leading us, but it had better make us take a hard look at what we are doing in public education.

So I hope we are very clear that there is a growing competition and response to parents' concerns and that that growing competition is forcing the public school system to react. We are going to try to give that whole movement a little bit more impetus with the legislation before us on the House floor this evening.

I am very glad that I have been able to work closely with the gentleman from Indiana [Mr. ROEMER] on this legislation. Just on a personal note, he and his staff have been wonderful to work with. I think we really have forged a bill that strengthens existing law and which will enjoy wide bipartisan support in the House.

I think it is also important and fair to note that a majority of the Democrats on the full House Committee on Education and the Workforce supported this bill, 10 Democrats, thanks largely to the leadership of the gentleman from Indiana [Mr. ROEMER] and the respect in which he is held by his colleagues, 10 Democrats, 10 out of 18, so a majority voted for the bill in committee.

I believe, I hope I am correct in saying this, that the President has endorsed, if not this specific bill, legislation very similar in concept to our bill. And the Department of Education has issued a statement of qualified support for the legislation.

One reason for the growing bipartisan support for charter schools in Congress is the popularity of charter schools outside Washington, D.C., a popularity that has been soaring over just the last few years and that has led to Members, individual Members of Congress, hearing from parents, their constituents, about the demand, or maybe the desire is the better way to put it, for more and expanded public school choice.

This all began in 1991, in Minnesota, which became the first State in the Union to authorize charter schools. Now today, just 6 short years later, we have 29 States with charter school laws, along with the District of Columbia and Puerto Rico, and some 700 charter schools serving 170,000 children across the country. And there are more starting every day and several hundred more, I am told, on the drawing boards in these 29 States, the District of Columbia, and Puerto Rico.

So I think charter schools have arrived. They are now, I think, viewed as an integral component to reform and improvement of the public schools and our public education system. And the reports that we have heard and the testimony that we gathered during the committee process indicated that administrators who are running these charter schools are delighted to be freed up from stifling regulations.

Teachers are, indeed, this is probably the most important aspect of independent charter schools, teachers are free to innovate, and students who attend charter schools are eager to learn, and their parents seem to be thrilled by the results.

We heard, during the committee process, from Dr. Yvonne Chan, who is a lifelong professional educator for the Los Angeles Unified School District and a charter school developer in the San Fernando Valley area of Los Angeles, about the three B's, which represented her frustrations with traditional public schools, what she called busing, bureaucracy, and but; the fact that her schools too often had to bus neighborhood children outside that neighborhood to go to another public school. Now, by starting her own charter school, she is able to bring those kids back into the neighborhood where they live to attend school there.

Bureaucracy, and I think we all know the concerns about bureaucracy, and charter schools are quintessentially an experiment, but they are a movement in decentralizing and deregulating local public schools, giving them autonomy from the bureaucracy.

And Dr. Chan talked about the "but" problem, the "but" syndrome. Every time she had a good idea to propose up through the ranks, she got back the answer, that is a good idea but we cannot implement it for the following reasons. She was a very important witness to us, as we seek to expand charter schools and public school choice through the use of Federal taxpayer dollars.

Congress, the Federal Government, has been involved in the creation of charter schools since 1994, when Congress first authorized national charter schools as part of the Elementary and Secondary Education Act and established an earmarked Federal funding stream to assist charter schools with start-up costs.

We heard from a number of charter school developers around the country what business entrepreneurs have known for years, and that is, in trying to start up a charter school, it often takes longer and costs more than they originally anticipated. So there is clearly an important role where the Federal Government and Federal taxpayers can support the charter schools movement.

This bill responds to concerns expressed by students, parents, teachers, and charter school operators or developers in our five hearings on charter schools, and it responds to the findings of various public and private studies, including the Department of Education's own first year report of their 4-year study on charter schools.

The highlights of the bill, very quickly, are these.

One, it meets the President's funding level, his budget request to Congress for charter schools, by increasing the authorization, the current authorization, from $51 million in Federal taxpayer funding for charter schools to $100 million. So that is roughly a doubling or 100 percent increase in Federal taxpayer financial support for charter schools.

Two, it drives 95 percent of that money, the money for Federal charter schools, to the State and local levels to establish charter schools. It only leaves the Department with 5 percent to continue to conduct their study and other evaluation and national activities.

Three, it purposely directs the new money, the increase, the difference between 51 million and 100 million, to those States that provide a high degree of physical autonomy to charter schools and that allow for increases in the number of charter schools and that provide for strong academic accountability. We want to know, bottom line here, that charter schools are leading to an improvement in pupil performance and that charter schools are meeting or exceeding the academic performance goals set out in their charters.

Four, it ensures that charter schools can compete with traditional public schools on an equal footing for Federal categorical education aid. That is under the very simple premise that the money should follow the child and that charter schools should not be placed at some sort of competitive disadvantage in obtaining their fair and equitable share of per pupil funding under both Federal, State, and local funding sources.

Five, it directs the Secretary to assist charter schools in accessing private capital. That is particularly important to help charter schools deal with those up-front development costs, particularly capital expenses that they incur in trying to lease or renovate buildings and in trying to provide a housing or physical premise necessary to conduct a charter school.

Six, it extends the life of the Federal start-up grant from 3 years to 5 years in an effort to give charter schools a little bit more time to become financially stable and solvent, and that is again important because we heard from charter school operators in our hearings and in the written testimony, again, that many times while they were producing impressive academic results at the 3-year mark, they were still struggling to make ends meet financially.

This bill improves upon the existing Federal charter school law by sending more money directly to charter schools and by providing a maximum amount of flexibility for charter schools in that critical start-up phase. This legislation is the springboard necessary to meet the goal of having 3,000 charter schools in America in operation by the year 2000, a goal, a bipartisan goal, frequently cited by the President.

Again, in closing, I want to especially thank my good friend, the gentleman from Indiana [Mr. ROEMER], for his hard work on this issue and for the diligent work that his staffer, Gina Mahoney, has done in helping us to craft the legislation. He has, indeed, as his comments earlier tonight would suggest, been a very strong advocate for public education reform through charter schools, and this legislation would not be on the floor this evening without his very strong and active input and involvement.

I will close by citing these two charts. Clearly, support for charter schools is not only growing, as I mentioned earlier, but it really almost transcends the normal demographics and political party breakdown, as this chart indicates. There is strong support among all different groups, regardless of racial or ethnic backgrounds and regardless of political party affiliation, for creating more charter schools.

And lastly, since I referred to them, his comments earlier tonight in the context of our HELP scholarships bill, I do want to, out of fairness to the President, point out that he has been a leader on this issue. These are his comments from that same Presidential debate, the first Presidential debate in Connecticut last year with Senator Dole. He said there, I support school choice; I have advocated expansion of public school choice alternatives and the creation of 3,000 new schools that we are going to help the States finance.

And as I pointed out tonight, the Riggs-Roemer or the Roemer-Riggs or, as the minority leader suggested earlier, the Roemer bill would help us move much closer to that goal of 3,000 new schools.

And the President went on to say, I am all for students having more choices; we worked hard to expand public school choice; in my balanced budget bill, there are funds for 3,000 new schools created by teachers and parents, sometimes by business people, called charter schools that have no rules.

So I think we are on to something good here, and for those of us who truly believe that we ought to give parents more alternatives, that we ought to listen to the people demanding more choice and more competition, more freedom in the public education system, I think we have an opportunity to tell them, we hear you and we are going to respond to your concerns by the swift bipartisan passage of H.R. 2616, the Riggs-Roemer Charter Schools Amendments Act of 1997.

Mr. MARTINEZ. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. ROEMER], who is coauthor of the bill.

Mr. RIGGS. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. ROEMER].

The CHAIRMAN. The gentleman from Indiana [Mr. ROEMER] is recognized for 4 minutes.

Mr. ROEMER. Mr. Chairman, I would like to begin by saying that in this past session of Congress we have shown the American people that we wanted to work together in a bipartisan way to balance the budget, that we wanted to work together in a bipartisan way to provide modest tax relief for hard-working Americans, and now it is time to move on to education and work in a bipartisan way to help fix, restore, resurrect, and reform our public education system.

I want to thank for much of that bipartisanship the gentleman from California [Mr. RIGGS], my friend, and his fine staffer, Denzel McGuire, for her hard work, his entire personal staff and committee staff for their hard work. We have worked hours and hours, days and months on this legislation. The gentleman from California [Mr. RIGGS] has shown not only a very adept sense at understanding the legislation but a real common sense in listening to the people across this country that are very, very much in favor of charter schools.

I very much look forward to a strong bipartisan support here on the House floor, moving it to the Senate and then getting it signed by the President.

By the way, the President of the United States, President Clinton, not only talked about charter schools, which are public school choice, he has been a strong advocate of this program and wants to move from 700 charter schools that we currently have to over 3,000 charter schools. I thank the President and the Department of Education for their strong support.

Now, what are charter schools? Charter schools, for those listening out in Indiana and across America, are public school choice. Parents and students should be able to send their children to the best school in their environment. Whether it is an inner city or a rural community, let us insist on every public school being the best it can possibly be and that every child has the choice to go to that best public school. Let us make sure we save every one of these children and demand excellence from every one of our schools.

Charter schools are less regulated. Charter schools have less bureaucracy. Charter schools have more ability to be innovative and try new, bold ideas with the curriculum, doing partnerships with the business community, having longer school days and school years. Charter schools are cradles of invention and innovation, and we should very strongly support them today or next time we vote on this charter school legislation. I hope it is tomorrow or Thursday, whenever we get to this bill.

□ 2145

Public school choice is the way we should try to move in this country. What are the initial studies saying about school choice? The National School Board Association has noted that there are so-called secondary ripple effects with these charter schools, 700 of them already out there, that are now creating evidence that traditional schools are working harder to please local families so they will not abandon them for charter schools.

Charter schools are creating the competition to force other public schools to be the excellent schools that we need. The Chicago model for reforming and saving our public school system is using charter schools to be innovative. I think this is a very strong idea to help restore and save public education in this country, where education now is critically important. In the next century, it is going to determine even more so winners from losers.

So, again, I want to commend the gentleman from California [Mr. RIGGS] for his hard work. I strongly encourage my colleagues on the Republican and the Democratic side to support this charter school bill.

Mr. RIGGS. Mr. Chairman, may I clarify how much time is remaining on both sides?

The CHAIRMAN. The gentleman from California [Mr. RIGGS] has 10 minutes remaining. The other gentleman from California [Mr. MARTINEZ] has 22½ minutes remaining.

Mr. MARTINEZ. Mr. Chairman, I yield 2¼ minutes to the gentlewoman from Oregon [Ms. HOOLEY].

Ms. HOOLEY of Oregon. Mr. Chairman, I thank my colleague the gentleman from California [Mr. MARTINEZ] for yielding me the time.

Mr. Chairman, I rise to express some reservations that I have about this legislation. But first of all, I would like to thank my colleague, I would like to thank members of the committee, especially the gentleman from Indiana [Mr. ROEMER], the gentleman from Pennsylvania [Mr. GOODLING], chairman of the committee, the gentleman from California [Mr. RIGGS], chairman of the subcommittee, for the excellent work in bringing this bill before us today.

I agree with the sponsors of this bill that we must give States the flexibility to help foster the kind of innovation that charter schools provide while maintaining high levels of accountability. Parents, teachers, and administrators throughout the Nation have indicated again and again that they want the flexibility to try different approaches of educating their children, and we should support their efforts. Public charter schools expand the choices for parents, students, and typically they incorporate a great deal of input from our local communities.

There is a bipartisan agreement that charter schools have been effective in many cases, and the best way to continue this progress is to provide the additional start-up support for new charter schools.

The primary role of the Federal Government is to provide the support by sending money back to the States for the planning and the implementation of these new schools. However, that role is not to dictate to the States how they should run their charter school programs.

Mr. Chairman, I intend to offer an amendment to this legislation that would maintain existing language regarding State laws required to receive support from the Federal program. Charter schools, by design, are experiments in systemic reform. I am sure that the provisions in this bill were designed to increase the number of charter schools nationwide. We have heard that many times tonight. However, this legislation puts Congress in the role of deciding how State legislators should write their laws.

This bill does provide support for that innovation by extending the authorized amount for the program. But, at the same time, those States that already have enabling legislation, this bill says they must write new statutes or lose their funding. We should stick to providing funds that help establish new charter schools.

I urge my colleagues to support the amendment that I will introduce tomorrow and resist imposing new standards on these States.

Mr. MARTINEZ. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. TIERNEY].

Mr. TIERNEY. Mr. Chairman, I thank the gentleman from California [Mr. MARTINEZ], the ranking member, for yielding me the time.

I also want to thank the gentleman from California [Mr. RIGGS], chairman of the subcommittee, who has done a good job in putting together a generally very good bill here. I think it is one area in education that we can finally say that people have tried to work together without rancor and bitterness to try to come together with an idea of how we might really buttress our public schools.

When we voted a little over an hour ago on vouchers, I think there was a clear division, a clear disagreement as to whether or not that was a step outside of support for public schools into an area that many of us did not want to go and do not think is going to strengthen our public school system.

I have said it here on the floor before, and I think it bears repeating, that we have a clear philosophy in this country that we are, in fact, in favor of public schools. We understand that those people that are fortunate enough to be able to send their children to private schools should have the ability to do so, and that has historically been the case.

But there are over 50 million children in this country that do not have that kind of benefit, do not have the family with that kind of income. Nor is there any likelihood that we are going to ever create 50 million vouchers to give everybody the chance. But we can provide better public schools for all 50-million-plus of those children. We are willing to step forward on the charter schools to experiment, to let local States and communities experiment within the public school system and find the direction that they are comfortable with.

I think that we have done that in the appropriations bill, where we talked about the comprehensive schools, we talked about people and communities coming together with the school to define a mission, to decide just how they are going to measure the progress under that mission, to bring the whole community in to work on that, whether it is colleges nearby, business communities, the parents of course, employees at the school, the administration, to develop this system and to move forward. And always, we want higher standards.

But in all of those scenarios, we also expect we are going to have to provide the resources to make the public schools successful. The chairman of the subcommittee and I had a discussion the other day. We talked about a certain charter school, where it had left the public school building, set up across town, and thought they were doing great because they gave each student a computer and each student a computer at home. That will always work if you do it, even if the public school had not moved.

We want to say that there are parts of this bill we need to improve, one being the priority section, so that Massachusetts and other States can benefit from legislation as well. And providing we do that, an amendment will be offered for that, we should be able to work forward to improve our public schools.

Mr. MARTINEZ. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. Kind].

Mr. KIND. Mr. Chairman, I thank my friend the gentleman from California [Mr. MARTINEZ] on the Committee on Education and the Workforce for yielding me the time.

As a member of the Committee on Education and the Workforce, Mr. Chairman, I rise in strong support tonight for this legislation. I, too, would like to commend my colleagues and friends on the Committee on Education and the Workforce, the gentleman from Indiana [Mr. ROEMER] and the gentleman from California [Mr. RIGGS], for the hard work that they put in in drafting this legislation that is a good bipartisan piece of legislation, legislation that is really geared to helping the public school system in this country to improve themselves and give parents greater choice, teachers greater flexibility in how they are going to teach our children.

I urge my colleagues tonight to get behind and support this charter school legislation. I am a supporter of school choice, Mr. Chairman. I believe that the parents should be allowed to send their children, whether it is the public school or private schools of their choice. I oppose, however, the voucher plan that we earlier voted down in this Chamber. I think it is a drain on the public school resources, limited resources that are available.

My State of Wisconsin earlier this year struck down a private voucher plan in that State as an unconstitutional infringement upon the separation of church and State. The public schools are America's commitment and promise, really, to provide a quality education to every child in this country. They are the great equalizers in our society.

Charter schools are merely public schools that are created by teachers, parents, and other members of the community as innovative means to educate students and to stimulate creativity in the public school system.

Wisconsin passed its charter school bill back in 1993. We have 15 currently in existence. There is a lot of demand for increasing that number in recent years. This legislation will provide the seed money to allow States such as Wisconsin, with the positive feedback and results that we are seeing in the charter school system, get that type of seed money in order to improve the public education system.

I believe it is time to provide the support to parents and teachers, school districts and communities throughout the country to think creatively with bold innovative ideas and the flexibility necessary to meet the challenges we face in preparing all our children to the challenges of America. I urge passage of this legislation.

Mr. RIGGS. Mr. Chairman, I thank the gentleman from Wisconsin [Mr. KIND] for his comments.

Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. PAUL].

Mr. PAUL. Mr. Chairman, I thank the gentleman from California [Mr. RIGGS] for yielding me the time.

Mr. Chairman, I rise in opposition to this legislation. I was in support of the scholarship programs that we just voted down. But this bill introduces the notion of a brand new Federal program. I have not seen the problem to be lack of Government intervention at the Federal level, nor lack of funds.

I believe very sincerely that our public school system faces too much regulation from the Federal level, we do not need a new program. In this bill we will have mandates from the Federal Government on the States. There are also recommendations in here that the curriculum be evaluated. To me, this introduces a notion that we are so much opposed to testing, because it is the eventual evaluation and setting of standards that I think is so dangerous to the public school system.

This bill has $100 million in it. I can see why some who believe in big government believe in expanding the role of government in education, would support this. I strongly oppose it.

Mr. Chairman, I appreciate the opportunity to express my opposition to H.R. 2616, a bill amending titles VI and X of the Elementary and Secondary Education Act of 1965 to expand the use of charter schools. Despite the understandable enthusiasm many members of Congress feel toward charter schools, Congress should reject this bill as it represents an unconstitutional federal infringement upon the authority of States, local communities, and individual citizens to control education. The tenth amendment reserves to the States and the people "all powers not delegated to the United States by the Constitution," and thus forbids the federal government from any interference in education be it by mandating a national curriculum or providing incentives to States and localities to form charter schools. The drafters of the Constitution made no exception for education in the tenth amendment.

H.R. 2616 encourages states to alter their education laws and policies for the purpose of increasing the number of charter schools to at least 3,000 by the year 2000. In order to achieve this congressionally set goal, the Secretary of Education is instructed to give prioritized funding to states which allow charter schools a "high degree of autonomy" over their respective budgets and expenditures; have at least one chartering authority which allows for an increase in the number of charter schools each year; and provides for periodic review and evaluation by the authorized public chartering agency of each charter school. Thus, the federal government will use monies seized from the American people to "persuade" the states to create more charter schools with federal specifications. Of course, if the federal government reduced its oppressive level of taxation, the American people would have more resources to devote to education and states would feel less compelled to obey Congressional mandates in order to finance education.

A federal policy of encouraging charter schools represents an exercise in legislative hubris incompatible with ending "the era of big government." The charter school model may not be appropriate for every state in the nation. Whether or not a charter school is appropriate for a local community is a decision best made by the people in that respective community. Yet, this bill makes it national policy to encourage the formation of charter schools throughout the nation because Congress has determined charter schools are desirable. However, a centralized body such as Congress is institutionally incapable of knowing what reforms work best for every school district in this large and diverse nation. Therefore, rather than expanding federal programs, Congress should defund the federal education bureaucracy and return control over education to those best suited to design effective education programs—local communities and individual citizens.

Proponents of this bill claim that it expands the educational options available to the nation's children. However, increasing federal involvement in education actually decreases the ability of parents to control their child's education. As a greater percentage of the nation's educational resources are devoted to fulfilling the wishes of Congress, fewer resources will be devoted to fulfilling the wishes of America's parents. This is because some people who would otherwise operate a religious-based school, for example, will instead open charter schools in order to receive federal funds. Since charter schools cannot offer religious instruction, those parents who would send their children to that school if it provided a parochial education are denied the ability to educate their children in accordance with their preferences.

Mr. Chairman, further evidence of how this bill would actually limit educational options can be found in the language making "evaluations" of charter schools one of the stated purposes of the federal charter school program. National evaluation is a process whereby federal bureaucrats determine which are the best education practices, leading to a federally-approved set of "best practices" for charter schools. Over time, charter schools will face pressure, perhaps applied by future Congresses, to adopt those practices favored by the federal government. Language in this bill giving the Secretary of Education the power to make grants based on how well charter schools meet the academic performance requirements guarantees an increasing level of uniformity among the nation's charter schools. This may extend as far as federal control, or at least "oversight," of the curriculum offered by charter schools!

Defenders of this bill may point out that the statute specifies the review and evaluation of charter schools to determine how well the charter school meets or exceeds state performance standards. However, it is unlikely that any state seeking federal funds would set standards different from those favored by the federal educrats. Furthermore, states applying for federal funds for charter schools must describe to the Secretary the goals of charter schools and the means by which charter schools will be evaluated by the state, as well as the curriculum and instructional practices to be used by the states charter schools, thus giving the Secretary another means by which to impose a uniform federal model of charter schools.

This bill further centralizes education by ratifying the increase of federal expenditures for charter schools to one-hundred million dollars contained in this year's budget and "such sums as necessary for each of the four succeeding fiscal years." An authorization of "such sums as necessary" gives appropriators carte blanche to increase appropriations every year. Since federal education programs are funded by taking money from hardworking American taxpayers, increasing federal expenditures on charter schools, or any other education program favored by Congress, leaves America's parents with fewer resources to educate their children in the way they deem fit.

Mr. Chairman, if educational choice is to be the priority, Congress should support large educational tax credits for parents, such as those contained in the Family Education Freedom Act (H.R. 1816). Insofar as "he who pays the piper calls the tune," expanding federal education programs and federal education expenditures will inevitably lead to increased federal control. Conversely, education tax credits will restore parental control over education. Moreover, the tax credit approach is much more consistent with this Congress' stated goal of decentralizing education authority.

In conclusion, this bill, while dressed up in the rhetoric of "fostering educational innovation and increased parental empowerment," is really yet another unconstitutional infringement upon the rights of states, localities, and, especially, parents to control education.

Charter schools may be a valuable educational reform. However, it is neither the constitutional nor practical role of Congress to encourage states to adopt a particular reform. Therefore, Mr. Chairman, I urge my colleagues to reject this proposal and instead, work to eliminate all federal educational programs which interfere with education and, instead, return authority over education to the rightful owner—the American people.

The CHAIRMAN. The Chair would advise that the gentleman from California [Mr. RIGGS] has 9 minutes remaining and the gentleman from California [Mr. MARTINEZ] has 16¼ minutes remaining.

Mr. MARTINEZ. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. DEUTSCH].

Mr. DEUTSCH. Mr. Chairman, when this debate started, the gentleman from Delaware [Mr. CASTLE] was the first speaker, and the words that came out of his mouth were words that I could have spoken myself and, in a sense, I will speak myself at this moment. That is that I am, I believe, as strong a supporter of charter schools as anyone in this Chamber. And at the same time, I also voted against the ill-advised voucher proposal that we just defeated.

I commend my Republican colleagues, who, without their support, we would not have been able to defeat that proposal. One of the concepts of why I support charter schools is that it really does work. It creates competition within the public school system. I see it work on a very practical basis in the State of Florida in my own district, the 20th District in Broward County, FL.

I serve on the board of a charter school. I do not know how many other Members in this Chamber have that distinction in their sort of noncongressional lives. But it is a very proud part of my public service that I was part of a creation of a charter school, and it is a school that is working and that is benefitting about 40 children in my district. It is doing some good things. And within the public school system, it is creating competition. And competition works.

But I think if we look at the specifics of this legislation, it goes too far. It expands charter schools more than I think is appropriate, not just in Florida, not just in Broward County, but throughout the entire country. There are a number of specifics that have been pointed out that I think are important in terms of some of the problems that this legislation creates. One is changing from 3 to 5 years the grant proposal. If we want charter schools not to have that fiery entrepreneurship and independence that has worked, that has been practical, that is the way to do it.

Again, I think it is worth mentioning, in Florida and in south Florida, charter schools have been bipartisan. I am on the board of a charter school. The gentleman from Florida [Mr. HASTINGS] is. And former President Bush's son, Jeb Bush, actually started the first charter school in the State of Florida.

In closing, I would remind my Republican colleagues that one size really does not fit all, that the Federal Government sometimes does not do best. I urge the defeat of this proposal as presently drafted.

Mr. MARTINEZ. Mr. Chairman, I yield 2 minutes to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. Mr. Chairman, I rise in support of H.R. 2616, although not a perfect bill, the Charter School Amendment Act of 1997, the bill that we will have the opportunity to vote on very soon.

This innovative school choice program strengthens our public school system. At least that is the design of it. Charter schools are public schools established under State laws that are created by teachers, parents, and other members of the community to stimulate reform within the public school system.

Contrary to popular belief, charter schools do not exclusively serve suburban school districts. In fact, some of the most successful charter schools are in urban areas. Additionally, some of the schools only serve students with disabilities or also low-income students.

H.R. 2616 amends the current law. It extends it from 3 to 5 years, although there is question about that. The extension provides opportunity to actually see that these programs are implemented.

□ 2200

There are some 28 States, the District of Columbia and Puerto Rico that enjoy the great opportunity to implement charter schools. My State happens to be one. In fact, my State now has chartered more charter schools than most of the States.

In my district, charter schools are working. Not all of them are successful, but many of them are. Therefore, I would encourage other Members to give this legislation a chance, to support these schools, and to find innovation within the opportunity of public schools.

Mr. MARTINEZ. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. DAVIS].

Mr. DAVIS of Florida. Mr. Chairman, I would like to speak in support of the charter schools legislation and cite two important facts about what is happening in my home, the State of Florida. The first is that there are a significant number of at-risk children, children with learning disabilities whose parents have advocated for the creation of these schools.

The second point which I find particularly interesting is a lot of these schools are finding a way to succeed with a minimum amount of administration. In Florida that means not having assistant principals, not having guidance counselors, just the principal and the teachers. As a result of those savings from reduced administration, we have an average class size of about 17 students per teacher in many of these charter schools.

Why is that so terribly important? Let me share with Members a story. There was a team of sociologists a few years ago sent into a major inner-city school system to study what had happened to the kids who had been through that school system. After a lot of study, they found a group of kids who had succeeded wildly. These kids had gone on to college while many of their peers had never finished high school, were succeeding professionally, and had healthy emotional lives. They traced it all back to one teacher.

They found this teacher. She had retired from the school system. They went to her, they said, "Ma'am, what did you do to these students? Why did they succeed?" She said, "Mister, I knew each of the kids in my class. I had a small class. I knew each of them had something good in them. I helped them find that. I knew what it was. I loved those kids. I helped those kids succeed."

That is simply one powerful example of what happens when we have smaller class sizes, when our teachers can give students the attention they need, gifted students, average students, kids at risk. This is simply one of the first important lessons that charter schools are going to teach us, important lessons that we can replicate for the entire public school system to help all our kids in public schools succeed because of the innovation that we are going to be encouraging in charter schools.

Charter schools is a long overdue reform this Congress needs to encourage. We need to encourage reform. We need to encourage innovation. We need to let the local school districts run with the ball. We need to encourage parents to be activists. This bill helps do that.

Mr. MARTINEZ. Mr. Chairman, I yield 4 minutes to the gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Chairman, I do not rise to speak for or against charter schools. As a matter of fact, I tend to think that I could be supportive of charter schools. However, for many years now, I have been involved in trying to stop the rip-off of our Pell grants and Stafford loans by private postsecondary schools. I have worked with some people on the opposite side of the aisle.

Well, lo and behold I have discovered in the Los Angeles area some wise crook has found a way to rip off this charter school. Let me tell Members what they have done. An organization that is organized as a nonprofit charter school has a relationship with the Victorville School District out in the desert near San Bernardino. They have come into the inner cities from Victorville, this Cato Institute, which has the relationship with Victorville, and it has gone to the already private schools in Los Angeles where my grandson is enrolled in one of these private schools, and have worked out an arrangement with the owners of the school to allow these children to be signed up to the Victorville School District by way of the Cato Institute. Of course, the dollars that are derived from the Victorville School District are being shared through the Cato Institute with the private schools. My grandson and the other children remain in the private schools, their parents are paying tuition fee for them every month, so now what we have is we have government funds going through the charter school to help support private students.

We cannot have that. I do not know how this has happened. She has checked with the State of California. They said nothing that they know of envisioned this kind of thing happening, but it is what I worry about, when we allow the proliferation of any kind of school, whether it is charter schools or what have you, I worry about the crooks being able to come in and take advantage.

In this case, there is no reason why the government should be paying for my grandson whose mother is paying for him in private school. But this institute is getting the money from the Victorville School District, and sharing it per pupil with this private school, and promising that they will support them with resource materials, a sophisticated library access and maybe even computers. This is wrong, it is not right, and this is not what I think you intended for the charter schools.

I have talked with the gentleman from California [Mr. RIGGS] about it. I want to fix it.

Mr. RIGGS. Mr. Chairman, will the gentlewoman yield?

Ms. WATERS. I yield to the gentleman from California.

Mr. RIGGS. I appreciate the gentlewoman yielding to me.

She is correct. She was kind enough to approach me with her concerns. We have promised on this side to look into them, but I forgot to ask the gentlewoman, I guess, a pretty basic question; that is, does she know if this particular charter school in Victorville, California receives any Federal taxpayer funding?

Ms. WATERS. I do not know.

Mr. RIGGS. Mr. Chairman, I yield 2½ minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Chairman, it is purely coincidental that I stand here following the statement of the gentlewoman from California [Ms. WATERS], because the gentlewoman and I have worked together on the questions of scam technical schools and the default levels.

I can pledge absolutely to the gentlewoman from California that we will work together on this, but I do not think that that issue alone should defeat this question of charter schools, because I think the gentleman from California [Mr. RIGGS] has asked the correct question. We do not know whether that is under California law solely or whether it has to do with the Federal connection.

In any case, I believe as I read this legislation and whatever mutually acceptable amendments or language the gentlewoman and I could put in here to clarify it would deal with that question. But I think this accountability requirement, as I see this as one of the strongest parts of this legislation, is that it has quite explicit accountability standards both from the Federal level to the State level and down to the local autonomous group. I think it is a wonderful, creative, innovative way to bring parents, highly-trained professionals and the local communities to bettering children's education while at the same time maintaining accountability for standards.

But there is a question about how these charters are being handled in the State of California, or New Jersey, for that matter. To my knowledge, we have not had that problem in New Jersey, and we have been rather innovative ourselves.

Ms. WATERS. Mr. Chairman, will the gentlewoman yield?

Mrs. ROUKEMA. I yield to the gentlewoman from California.

Ms. WATERS. Mr. Chairman, my intent is not to defeat the legislation. My intent is to surface this problem that I have run into in California. Even if they are not receiving Federal assistance, I do not know if they are or not, you can perhaps not have this loophole in your legislation that would allow this kind of pass-through.

Mrs. ROUKEMA. That is very important, and I commit to that. It is just coincidental that my prepared remarks were going to focus on the accountability question with respect to educational standards. But certainly we have to be accountable as to how these charters are delivered or are presented.

Mr. Chairman, I rise in support of the Charter Schools Amendments Act of 1997. This legislation is a significant creative innovation to encourage States to look for new and creative ways to improve our country's schools.

Charter schools are an intelligent way to give local authority maximum innovative techniques using the strengths of parental involvement with the highest degree of professionalism and accountability.

This legislation will give priority of charter school funds to States that allow charter schools a high degree of autonomy over their budget and expenditures, allow for an increase in the number of charter schools from one year to the next, and include a periodic review.

I am pleased that this legislation has placed a strong emphasis on accountability. The legislation gives priority to States that include a law that provides for periodic review by the authorized public chartering agency. This review is to determine whether the school is meeting or exceeding the academic performance requirements and goals for charter schools as set under the State law and the school's charter.

We need this accountability in our school systems to hold someone responsible for improving the education that our nation's youth receive. To renew its charter, the school must be meeting its goals!

Charter schools are a good step for the future. They are schools with regulatory flexibility, where they are released from a variety of regulation so the schools can have flexibility in their development, and can experiment with new ideas. Charter schools are able to test a variety of educational approaches as they commit to attaining specific educational results and standards.

Charter schools have used this opening to excel in academic performance, parental satisfaction and involvement and teacher satisfaction. This past year, New Jersey granted 17 schools charters, including one in my district in Sussex County, New Jersey for 7th and 8th graders, which, as it continues to grow, will use the creativity and energy of the community with an emphasis on integrating available technologies, to find a way to meet the demands and challenges of today's society.

I would also like to note that this legislation reaffirms current law by specifically requiring that charter schools comply with Part B of the Individuals with Disabilities Education Act. The legislation also includes assurances that charter schools may not discriminate against children with disabilities.

This education legislation emphasizes accountability and originality. It is good legislation, and it encourages programs that will create innovation in our school system. Now is the time for such action.

Mr. RIGGS. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. HOEKSTRA], the chairman of the Subcommittee on Oversight and Investigations who has spearheaded our Education at the Crossroads project around the country.

Mr. HOEKSTRA. Mr. Chairman, I thank the gentleman from California for yielding me this time.

Let us take a look at what H.R. 2616 does. What the bill does is it increases funding for charter schools, reduces the amount of money that stays in Washington, directs the Secretary and the States to ensure that charter schools receive their fair share of other Federal funding dollars.

As we have gone around the country, one of the things that we have experienced when we have taken a look at charter schools is that charter schools seem in too many cases not to be getting their fair share of Federal dollars, so we are addressing that issue, and it also then amends title VI so that in this program, money that is used for professional development, computers and technology, curriculum development and magnet schools, that there is now one more use that is allowed. If a local school district or a State wants to use the money, they can use it for charter schools.

Why is this so important? As we have gone around the country, we have visited around 13 States, 15 different field hearings. Charter schools is an experiment that many of the States are working on to improve education for our children. In every State it is slightly different. What this says is we want to encourage this development at the State level. We want to support this innovation.

We have seen charter schools in California, we have seen them in Arizona, we saw them in Delaware, we have seen them in Michigan, we have seen different types and experimentation of similar types of programs in Wisconsin and Ohio. There is a lot of innovation going on, and this really is a fundamental role where the Federal Government maybe does have a legitimate place in being involved in saying, this is a research effort, we need to fund this research effort, we need to learn from this process, and we then need to share this learning and understanding with the other States and become kind of a clearinghouse so that other people can see and learn from what we are finding around the country.

As I have said, we have gone around the country. We have seen so many exciting things in education. We have seen in some of the toughest school districts in some of the toughest parts of the country, we have seen real improvement, because States have empowered people at the local level to do what they feel needs to be done at the local level.

Charter schools along with some of these other experiments is something that the Federal Government should be supporting, something that we should be encouraging, and something that we should be learning from and then disseminating the information around the country so that other local school districts and States can learn from it and put together the most effective education package for that local community and for that State.

Mr. MARTINEZ. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Mr. Chairman, I thank the gentleman from California [Mr. MARTINEZ] for yielding me this time. I would just like to say in regard to the people watching C-SPAN at this time of night that there is no more important issue that we could be working on in this Congress as education. Education firmly on the part of the American people is the single most important issue.

Why are charter schools the most important issue that we are working on at 10:15 tonight? Because people want public school choice. They want every single school in America improved so they are proud to send their child to that school, and that child gets a solid education for the workplace or to go to college in their life later on down the road. That there is accountability in charter schools.

There are great performing schools in America today, and there are some schools that are not doing as good as they should be. In charter schools, we are giving the schools the ability to shut down poorly performing schools.

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Third, they are about innovation, they are about bold ideas, they are about new curriculum, longer school days and longer school years. There are options, charter school right here in Washington, DC, that are serving 100 percent of their students that are eligible for free and reduced lunches, it is 100 percent minority, and they are graduating their students at a 20 percent higher rate than the DC public school system.

This has been a lot of hard work in putting this bill together, and I would just like to conclude by again thanking the gentleman from California [Mr. RIGGS] for the bipartisan support, thanking my staff member, Gina Mahoney, who has put in countless hours and has shown just real commitment to the legislation and an understanding of the legislation. She has sought out experts from across America to work and gain common sense on this legislation from California to New York.

Mr. Chairman, I encourage my colleagues to support this good bipartisan education bill for the United States of America.

Mr. RIGGS. Mr. Chairman, I yield myself such time as I may consume.

Let me indicate to my colleague from California that I believe I have the right to close debate and intend to close debate.

Mr. Chairman, I yield 30 seconds to the gentleman from Delaware [Mr. CASTLE] my good friend, the vice chairman of the subcommittee.

Mr. CASTLE. Mr. Chairman, let me just first say that support for charter schools which truly are innovative and truly can change education in America is extremely rewarding and well placed, and I would also like to say that I agree with the gentleman from Indiana [Mr. ROEMER] with respect to bipartisanship on education matters and for children in general. When is the last time we saw a 6-year-old who thought he was a Republican or a Democrat? We need to help those kids in every way we can.

Finally, I would like to thank the gentleman from Indiana [Mr. ROEMER] and the gentleman from California [Mr. RIGGS] for their exceptional work on this, and Mr. RIGGS in particular for the extraordinary work that he has done on this committee to try to advance the causes of education.

We need more of this in the Congress of the United States. I think this has been an exemplary piece of legislation, the way it has been managed and handled, and for that reason I hope we can all support it and pass it when the time comes.

Mr. MARTINEZ. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, just briefly before I yield back the balance of my time, I will say that several of the speakers have spoken about some of the concerns they have about the bill, and there will be amendments offered, it is an open rule, and I am glad for that. We will get a chance to debate some of those amendments. Hopefully, some of those amendments will be accepted so that we can really get truly a bipartisan, more than just a few on this side, but as many people as possible, because the basic concept is very good, and I would hope that it would be amended to a point where I could support it.

Mr. Chairman, I yield back the balance of my time.

Mr. RIGGS. Mr. Chairman, I yield myself my remaining time simply to point out that I think that the gentleman from Indiana [Mr. ROEMER] mentioned a charter school here in the District of Columbia. As we mentioned before, they are really sprouting up everywhere around the country. If my colleagues have not had an opportunity to go visit a charter school, ideally, obviously, one in the district, but, if not, another one nearby or in an adjacent community, I strongly encourage my colleagues to do so because they are hotbeds of learning. It is incredible. One cannot be in a charter school for more than a few minutes without sensing the excitement about learning; it is contagious.

I also noticed that a couple weeks ago, I believe it was USA Today, or not USA Today, Parade magazine, as part of the Sunday supplement, as my colleagues know, in the Sunday newspaper, they have a reporter who has a fifth-grade, has a teaching credential and has experience as a fifth-grade classroom teacher, and they sent her on an unusual assignment. She went on an assignment around the country working as a substitute in local school districts in five or six different communities across the country and then wrote about her experiences in Parade magazine, and she cited a charter school in Boston by the name of The Renaissance School as the best individual school that she had visited in the course of this assignment.

Why did she say that? Because she said at this school parents, teachers, and students are truly excited about learning. She talked about the fact that they have longer school hours there than traditional public schools. The children, through the charter school, each receive a computer, and the charter school goes beyond that and helps every family acquire and install a computer in the household at this particular school. And she cited it again in terms of the curriculum, the structure, the discipline, as the single best fifth-grade classroom and the single best classroom that she had visited around the entire country, and I will later, when I get a copy of the actual article, introduce that for the RECORD. But to me, that pretty much says it all about charter schools.

So, colleagues, here is an opportunity to do something on a positive bipartisan basis to expand choice for parents, to increase Federal taxpayer funding for public school choice by helping in the startup and creation of more charter schools around the country.

This legislation is truly commendable, it deserves support, and therefore I urge my colleagues that once we complete the amendment process, whenever that might be, later tonight or later this week, to support the bipartisan Riggs-Roemer Community Design Charter Schools Amendments Act of 1997.

Mr. Chairman, I yield back the balance of my time.

Mr. PACKARD. Mr. Chairman, parents across the nation want greater control of their children's education and greater accountability from their children's schools. Parents must be able to send their children to safe, quality schools that reinforce the lessons of responsibility and respect that they try so hard to teach at home.

Charter schools are innovative public schools that, once freed from burdensome regulations, have made great strides in improving and reforming public education. Today, we consider H.R. 2616, the Charter Schools Amendments Act. This measure will direct much-needed new money to states that provide character schools with a high degree of fiscal autonomy, allow increases in the number of charter schools from year to year and ensure academic accountability. In addition, this bill ensures that 95 percent of federal charter schools' money goes to the state and local levels.

Mr. Chairman, some will argue that charter schools would skim the best students from public schools. However, when you consider that 55 percent of U.S. charter school students in 1995–1996 were poor, 63 percent were minority-group members, 19 percent had limited English proficiency, and almost one in five had disabilities, I'd say their arguments have very little merit.

According to the Department of Education, the most significant problem faced by charter schools in 1997 was a lack of start-up funds. H.R. 2616 increases charter schools funding from $51 million in FY97 to $100 million in FY98 and expands the list of activities the newly authorized money can be used for to include start-up funds.

Mr. Chairman, I am committed to ensuring that every child has the same opportunities to thrive and succeed. The Charter Schools Amendments Act will give more children a chance at future success and a shot at the American Dream. It's the least they deserve and I will work to provide our children with a top-quality education. I encourage all of my colleagues to support H.R. 2616, the Charter Schools Amendments Act.

Ms. DELAURO. Mr. Chairman, I rise today in support of the Charter Schools Amendments, and I urge my colleagues to vote in favor of this bill.

This bill represents the strategy we should be taking—investing in our public school system to strengthen the schools that 90 percent of American children attend. Charter schools are an innovative means to change our public schools for the better, without siphoning off funds to private or parochial schools.

The two charter schools in my home town of New Haven—Common Ground High School and the Village Academy—have proven to be highly effective in improving student performance. They give parents a real opportunity for school choice. The schools are held to high standards and in fact are reviewed periodically to ensure that students are meeting their goals. This type of accountability is exactly what we need to improve our students' performance.

Unfortunately, Republicans don't always follow the policy of investing in public schools. Time and time again they have voted to take money out of our public schools and put it into private and parochial schools. I am particularly disappointed that this bill will be combined with the Gingrich voucher experiment—virtually guaranteeing a veto by a President who has promised to protect America's public schools.

Vouchers are not the way to strengthen our public school system. Innovative programs like charter schools will allow us to continue our investment in America's public schools without deserting our children.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the committee amendment in the nature of a substitute printed in the bill shall be considered as an original bill for the purpose of amendment under the 5-minute rule and shall be considered read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 2616

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Charter Schools Amendments Act of 1997".

SEC 2. INNOVATIVE CHARTER SCHOOLS.

Title VI of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7301 et seq.) is amended—

(1) in section 6201(a)—

(A) in paragraph (1)(C), by striking "and" after the semicolon;

(B) by redesignating paragraph (2) as paragraph (3); and

(C) by inserting after paragraph (1) the following:

"(2) support for planning, designing, and initial implementation of charter schools as described in part C of title X; and"; and

(2) in section 6301(b)—

(A) in paragraph (7), by striking "and" after the semicolon;

(B) by redesignating paragraph (8) as paragraph (9); and

(C) by inserting after paragraph (7) the following:

"(8) planning, designing, and initial implementation of charter schools as described in part C of title X; and".

SEC. 3. CHARTER SCHOOLS.

Part C of title X of the Elementary and Secondary Education Act of 1965 is amended to read as follows:

"PART C—PUBLIC CHARTER SCHOOLS

"SEC. 10301. FINDINGS AND PURPOSE.

"(a) Findings.—The Congress finds that—

"(1) enhancement of parent and student choices among public schools can assist in promoting comprehensive educational reform and give more students the opportunity to learn to challenging State content standards and challenging State student performance standards, if sufficiently diverse and high-quality choices, and genuine opportunities to take advantage of such choices, are available to all students;

"(2) useful examples of such choices can come from States and communities that experiment with methods of offering teachers and other educators, parents, and other members of the public the opportunity to design and implement new public schools and to transform existing public schools;

"(3) charter schools are a mechanism for testing a variety of educational approaches and should, therefore, be exempted from restrictive rules and regulations if the leadership of such schools commits to attaining specific and ambitious educational results for educationally disadvantaged students consistent with challenging State content standards and challenging State student performance standards for all students;

"(4) charter schools, as such schools have been implemented in a few States, can embody the necessary mixture of enhanced choice, exemption from restrictive regulations, and a focus on learning gains;

"(5) charter schools, including charter schools that are schools-within-schools, can help reduce school size, which can have a significant effect on student achievement;

"(6) the Federal Government should test, evaluate, and disseminate information on a variety of charter school models in order to help demonstrate the benefits of this promising educational reform; and

"(7) there is a strong documented need for cash-flow assistance to charter schools that are starting up, because State and local operating revenue streams are not immediately available.

"(b) Purposes.—The purposes of this part are—

"(1) to provide financial assistance for the planning, design, initial implementation of charter schools;

"(2) to facilitate the ability of States and localities to increase the number of charter schools in the Nation to not less than 3,000 by the year 2000; and

"(3) to evaluate the effects of charter schools, including the effects on students, student achievement, staff, and parents.

"SEC. 10302. PROGRAM AUTHORIZED.

"(a) In General.—The Secretary may award grants to State educational agencies having applications approved pursuant to section 10303 to enable such agencies to conduct a charter school grant program in accordance with this part.

"(b) Special Rule.—If a State educational agency elects not to participate in the program authorized by this part or does not have an application approved under section 10303, the Secretary may award a grant to an eligible applicant that serves such State and has an application approved pursuant to section 10303.

"(c) Program Periods.—

"(1) Grants to States.—

"(A) Basic grants.—Grants awarded to State educational agencies under this part for planning, design, or initial implementation of charter schools, shall be awarded for a period of not more than 5 years.

"(B) Extension.—Any eligible applicant that has received a grant or subgrant under this part prior to October 1, 1997, shall be eligible to receive an additional grant for a period not to exceed 2 years in accordance with this section.

"(2) Grants to eligible applicants.—

"(A) Basic grants.—Grants awarded by the Secretary to eligible applicants or subgrants awarded by State educational agencies to eligible applicants under this part shall be awarded for planning, design, or initial implementation of charter schools, for a period not to exceed more than 5 years, of which the eligible applicant may use—

"(i) not more than 30 months for planning and program design; and

"(ii) not more than 4 years for the initial implementation of a charter school.

"(B) Extension.—Any eligible applicant that has received a grant or subgrant under this part prior to October 1, 1997, shall be eligible to receive an additional grant for a period not to exceed 2 years in accordance with this section.

"(d) Limitation.—Except as otherwise provided under subsection (c), the Secretary shall not award more than one grant and State educational agencies shall not award more than one subgrant under this part to support a particular charter school.

"(e) Priority and Requirements.—

"(1) Priority.—

"(A) Fiscal years 1998, 1999, and 2000.—In awarding grants under this part for any of the fiscal years 1998, 1999, and 2000 from funds appropriated under section 10310 that are in excess of $51,000,000 for the fiscal year, the Secretary shall give priority to State educational agencies in accordance with subparagraph (C).

"(B) Succeeding fiscal years.—In awarding grants under this part for fiscal year 2001 or any succeeding fiscal year from any funds appropriated under section 10310, the Secretary shall consider the number of charter schools in each State and shall give priority to State educational agencies in accordance with subparagraph (C).

"(C) Priority order.—In awarding grants under subparagraphs (A) and (B), the Secretary shall, in the order listed, give priority to a State that—

"(i) meets all requirements of paragraph (2);

"(ii) meets 2 requirements of paragraph (2); and

"(iii) meets 1 requirement of paragraph (2).

"(2) Requirements.—The requirements referred to in paragraph (1)(C) are as follows:

"(A) The State law regarding charter schools ensures that each charter school has a high degree of autonomy over its budgets and expenditures.

"(B) The State law regarding charter schools provides that not less than 1 chartering authority in the State allows for an increase in the number of charter schools from 1 year to the next year; and

"(C) The State law regarding charter schools provides for periodic review and evaluation by the authorized public chartering agency of each charter school to determine whether the school is meeting or exceeding the academic performance requirements and goals for charter schools as set forth under State law or the school's charter.

"SEC. 10303. APPLICATIONS.

"(a) Applications From State Agencies.—Each State educational agency desiring a grant from the Secretary under this part shall submit to the Secretary an application at such time, in such manner, and containing or accompanied by such information as the Secretary may require.

"(b) Contents of a State Educational Agency Application.—Each application submitted pursuant to subsection (a) shall—

"(1) describe the objectives of the State educational agency's charter school grant program and a description of how such objectives will be fulfilled, including steps taken by the State educational agency to inform teachers, parents, and communities of the State educational agency's charter school grant program;

"(2) describe how the State educational agency will inform each charter school of available Federal programs and funds that each such school is eligible to receive and ensure that each such school receives its appropriate share of Federal education funds allocated by formula; and

"(3) contain assurances that the State educational agency will require each eligible applicant desiring to receive a subgrant to submit an application to the State educational agency containing—

"(A) a description of the educational program to be implemented by the proposed charter school, including—

"(i) how the program will enable all students to meet challenging State student performance standards;

"(ii) the grade levels or ages of children to be served; and

"(iii) the curriculum and instructional practices to be used;

"(B) a description of how the charter school will be managed;

"(C) a description of—

"(i) the objectives of the charter school; and

"(ii) the methods by which the charter school will determine its progress toward achieving those objectives;

"(D) a description of the administrative relationship between the charter school and the authorized public chartering agency;

"(E) a description of how parents and other members of the community will be involved in the design and implementation of the charter school;

"(F) a description of how the authorized public chartering agency will provide for continued operation of the school once the Federal grant has expired, if such agency determines that the school has met the objectives described in subparagraph (C)(i);

"(G) a request and justification for waivers of any Federal statutory or regulatory provisions

that the applicant believes are necessary for the successful operation of the charter school, and a description of any State or local rules, generally applicable to public schools, that will be waived for, or otherwise not apply to, the school;

"(H) a description of how the subgrant funds or grant funds, as appropriate, will be used, including a description of how such funds will be used in conjunction with other Federal programs administered by the Secretary;

"(I) a description of how students in the community will be—

"(i) informed about the charter school; and

"(ii) given an equal opportunity to attend the charter school;

"(J) an assurance that the eligible applicant will annually provide the Secretary and the State educational agency such information as may be required to determine if the charter school is making satisfactory progress toward achieving the objectives described in subparagraph (C)(i);

"(K) an assurance that the applicant will cooperate with the Secretary and the State educational agency in evaluating the program assisted under this part;

"(L) such other information and assurances as the Secretary and the State educational agency may require; and

"(4) describe how the State educational agency will disseminate best or promising practices of charter schools in such State to each local educational agency in the State.

"(c) CONTENTS OF ELIGIBLE APPLICANT APPLICATION.—Each eligible applicant desiring a grant pursuant to section 10302 shall submit an application to the State educational agency or Secretary, respectively, at such time, in such manner, and accompanied by such information as the State educational agency or Secretary, respectively, may reasonably require.

"(d) CONTENTS OF APPLICATION.—Each application submitted pursuant to subsection (c) shall contain—

"(1) the information and assurances described in subparagraphs (A) through (L) of subsection (b)(3), except that for purposes of this subsection subparagraphs (J), (K), and (L) of such subsection shall be applied by striking 'and the State educational agency' each place such term appears; and

"(2) assurances that the State educational agency—

"(A) will grant, or will obtain, waivers of State statutory or regulatory requirements; and

"(B) will assist each subgrantee in the State in receiving a waiver under section 10304(e).

"SEC. 10304. ADMINISTRATION.

"(a) SELECTION CRITERIA FOR STATE EDUCATIONAL AGENCIES.—The Secretary shall award grants to State educational agencies under this part on the basis of the quality of the applications submitted under section 10303(b), after taking into consideration such factors as—

"(1) the contribution that the charter schools grant program will make to assisting educationally disadvantaged and other students to achieving State content standards and State student performance standards and, in general, a State's education improvement plan;

"(2) the degree of flexibility afforded by the State educational agency to charter schools under the State's charter schools law;

"(3) the ambitiousness of the objectives for the State charter school grant program;

"(4) the quality of the strategy for assessing achievement of those objectives;

"(5) the likelihood that the charter school grant program will meet those objectives and improve educational results for students; and

"(6) the number of charter schools created under this part in the State.

"(b) SELECTION CRITERIA FOR ELIGIBLE APPLICANTS.—The Secretary shall award grants to eligible applicants under this part on the basis of the quality of the applications submitted under section 10303(c), after taking into consideration such factors as—

(1) the quality of the proposed curriculum and instructional practices;

"(2) the degree of flexibility afforded by the State educational agency and, if applicable, the local educational agency to the charter school;

"(3) the extent of community support for the application;

"(4) the ambitiousness of the objectives for the charter school;

"(5) the quality of the strategy for assessing achievement of those objectives; and

"(6) the likelihood that the charter school will meet those objectives and improve educational results for students.

"(c) PEER REVIEW.—The Secretary, and each State educational agency receiving a grant under this part, shall use a peer review process to review applications for assistance under this part.

"(d) DIVERSITY OF PROJECTS.—The Secretary and each State educational agency receiving a grant under this part, shall award subgrants under this part in a manner that, to the extent possible, ensures that such grants and subgrants—

"(1) are distributed throughout different areas of the Nation and each State, including urban and rural areas; and

"(2) will assist charter schools representing a variety of educational approaches, such as approaches designed to reduce school size.

"(e) WAIVERS.—The Secretary may waive any statutory or regulatory requirement over which the Secretary exercises administrative authority except any such requirement relating to the elements of a charter school described in section 10309(1), if—

"(1) the waiver is requested in an approved application under this part; and

"(2) the Secretary determines that granting such a waiver will promote the purpose of this part.

"(f) USE OF FUNDS.—

"(1) STATE EDUCATIONAL AGENCIES.—Each State educational agency receiving a grant under this part shall use such grant funds to award subgrants to one or more eligible applicants in the State to enable such applicant to plan and implement a charter school in accordance with this part.

"(2) ELIGIBLE APPLICANTS.—Each eligible applicant receiving funds from the Secretary or a State educational agency shall use such funds to plan and implement a charter school in accordance with this part.

"(3) ALLOWABLE ACTIVITIES FOR BASIC GRANTS.—An eligible applicant receiving a basic grant or subgrant under section 10302(c)(2) may use the grant or subgrant funds only for—

"(A) post-award planning and design of the educational program, which may include—

"(i) refinement of the desired educational results and of the methods for measuring progress toward achieving those results; and

"(ii) professional development of teachers and other staff who will work in the charter school; and

"(B) initial implementation of the charter school, which may include—

"(i) informing the community about the school;

"(ii) acquiring necessary equipment and educational materials and supplies;

"(iii) acquiring or developing curriculum materials; and

"(iv) other initial operational costs that cannot be met from State or local sources.

"(4) ADMINISTRATIVE EXPENSES.—Each State educational agency receiving a grant pursuant to this part may reserve not more than 5 percent of such grant funds for administrative expenses associated with the charter school grant program assisted under this part.

"SEC. 10305. NATIONAL ACTIVITIES.

"The Secretary shall reserve for each fiscal year the lesser of 5 percent of the amount appropriated to carry out this part for the fiscal year or $5,000,000, to carry out, giving highest priority to carrying paragraph (2), the following:

"(1) To provide charter schools, either directly or through the State educational agency, with information regarding available education funds that such school is eligible to receive, and assistance in applying for Federal education funds which are allocated by formula, including filing deadlines and submission of applications; and

"(2) To provide, through 1 or more contracts using a competitive bidding process—

"(A) charter schools with assistance in accessing private capital;

"(B) pilot projects in a variety of States to better understand and improve access to private capital by charter schools; and

"(C) collection on a nationwide basis, of information regarding successful programs that access private capital for charter schools and disseminate any such relevant information and model descriptions to all charter schools.

"(3) To provide for the completion of the 4-year national study (which began in 1995) of charter schools and any related evaluations or studies.

"(4)(A) To provide information to applicants for assistance under this part;

"(B) assistance to applicants for assistance under this part with the preparation of applications under section 10303;

"(C) assistance in the planning and startup of charter schools;

"(D) ongoing training and technical assistance to existing charter schools; and

"(E) for the dissemination of best practices in charter schools to other public schools.

"SEC. 10306. PART A, TITLE I ALLOCATION DURING FIRST YEAR AND FOR SUCCESSIVE ENROLLMENT EXPANSIONS.

"For purposes of the allocation to schools by the States or their agencies of funds under part A of title I, or of any other Federal educational assistance funds, the Secretary and each State educational agency shall take such measures not later than 6 months after the date of the enactment of this part as are necessary to ensure that every charter school receives the Federal funding for which it is eligible in the calendar year in which it first opens, notwithstanding the fact that the identity and characteristics of the students enrolling in that school are not fully and completely determined until that school actually opens. These measures shall similarly ensure that every charter school expanding its enrollment in any subsequent year of operation receives the Federal funding for which it is eligible during the calendar year of such expansion.

"SEC. 10307. RECORDS TRANSFER.

"State and local educational agencies, to the extent practicable, shall ensure that a student's records and if applicable a student's individualized education program as defined in section 602(11) of the Individuals with Disabilities Education Act (20 U.S.C. 1401(11)), are transferred to the charter school upon transfer of a student to a charter school in accordance with applicable State law.

"SEC. 10308. PAPERWORK REDUCTION.

"To the extent practicable, the Secretary and each authorized public chartering agency, shall ensure that implementation of this part results in a minimum of paperwork for any eligible applicant or charter school.

"SEC. 10309. DEFINITIONS.

"As used in this part:

"(1) The term 'charter school' means a public school that—

"(A) in accordance with a specific State charter school statute, is exempted from significant State or local rules that inhibit the flexible operation and management of public schools, but not from any rules relating to the other requirements of this paragraph;

"(B) is created by a developer as a public school, or is adapted by a developer from an existing public school, and is operated under public supervision and direction;

"(C) operates in pursuit of a specific set of educational objectives determined by the school's developer and agreed to by the authorized public chartering agency;

"(D) provides a program of elementary or secondary education, or both;

"(E) is nonsectarian in its programs, admissions policies, employment practices, and all other operations, and is not affiliated with a sectarian school or religious institution;

"(F) does not charge tuition;

"(G) complies with the Age Discrimination Act of 1975, title VI of the Civil Rights Act of 1964, title IX of the Education Amendments of 1972, section 504 of the Rehabilitation Act of 1973, and part B of the Individuals with Disabilities Education Act;

"(H) is a school to which parents choose to send their children, and that admits students on the basis of a lottery, if more students apply for admission than can be accommodated;

"(I) agrees to comply with the same Federal and State audit requirements as do other elementary and secondary schools in the State, unless such requirements are specifically waived for the purpose of this program;

"(J) meets all applicable Federal, State, and local health and safety requirements;

"(K) operates in accordance with State law; and

"(L) has a written performance contract with the authorized public chartering agency in the State.

"(2) The term 'developer' means an individual or group of individuals (including a public or private nonprofit organization), which may include teachers, administrators and other school staff, parents, or other members of the local community in which a charter school project will be carried out.

"(3) The term 'eligible applicant' means an authorized public chartering agency participating in a partnership with a developer to establish a charter school in accordance with this part.

"(4) The term 'authorized public chartering agency' means a State educational agency, local educational agency, or other public entity that has the authority pursuant to State law and approved by the Secretary to authorize or approve a charter school.

"SEC. 10310. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of carrying out this part, there are authorized to be appropriated $100,000,000 for fiscal year 1998 and such sums as may be necessary for each of the four succeeding fiscal years.".

The CHAIRMAN. Before consideration of any other amendment, it shall be in order to consider the amendment printed in House Report 105–357 if offered by the gentleman from Pennsylvania [Mr. GOODLING] or his designee. That amendment shall be considered read, shall be debatable for 10 minutes, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for a division of the question.

If that amendment is adopted, the bill, as amended, shall be considered as an original bill for the purpose of further amendment.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote provided that the time for voting on the first question shall be a minimum of 15 minutes.

AMENDMENT OFFERED BY MR. RIGGS

Mr. RIGGS. Mr. Chairman, pursuant to the rule which the Chair just recited, I offer an amendment printed in the report.

The CHAIRMAN. Is this the Goodling amendment?

Mr. RIGGS. Yes, Mr. Chairman.

The CHAIRMAN. Is the gentleman from California the designee of the gentleman from Pennsylvania [Mr. GOODLING]?

Mr. RIGGS. Yes, Mr. Chairman.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. RIGGS:

Page 12, strike lines 15 through 18, and insert the following:

"(4) describe how the State educational agency will use administrative funds provided under section 10304(f)(4) to disseminate best or promising practices of charter schools in such State to each local educational agency in the State, except that such dissemination shall result, to the extent practicable, in a minimum of paperwork for a State educational agency, eligible applicant, or charter school.".

Page 18, line 7, insert "out" after "carrying".

Beginning on page 19, strike line 17 and all that follows through page 20, line 9, and insert the following:

"SEC. 10306. FEDERAL FORMULA ALLOCATION DURING FIRST YEAR AND FOR SUCCESSIVE ENROLLMENT EXPANSIONS.

"For purposes of the allocation to schools by the States or their agencies of funds under Part A of title I, and any other Federal funds which the Secretary allocates to States on a formula basis, the Secretary and each State educational agency shall take such measures not later than 6 months after the date of the enactment of this part as are necessary to ensure that every charter school receives the Federal funding for which it is eligible not later than 5 months after first opening, notwithstanding the fact that the identity and characteristics of the students enrolling in that school are not fully and completely determined until that school actually opens. These measures shall similarly ensure that every charter school expanding its enrollment in any subsequent year of operation receives the Federal funding for which it is eligible not later than 5 months of such expansion.".

The CHAIRMAN. Pursuant to House Resolution 288, the gentleman from California [Mr. RIGGS] and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from California [Mr. RIGGS].

MODIFICATION TO AMENDMENT OFFERED BY MR. RIGGS

Mr. RIGGS. Mr. Chairman, before proceeding, I ask unanimous consent to modify the amendment.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment offered by Mr. RIGGS:

Page 5, line 23, strike "eligible applicant" and insert "State educational agency".

Page 12, strike lines 15 through 18, and insert the following:

"(4) describe how the State educational agency will use administrative funds provided under section 10304(f)(4) to disseminate best or promising practices of charter schools in such State to each local educational agency in the State, except that such dissemination shall result, to the extent practicable, in a minimum of paperwork for a State educational agency, eligible applicant, or charter school.".

Page 18, line 7, insert "out" after "carrying".

Beginning on page 19, strike line 17 and all that follows through page 20, line 9, and insert the following:

"SEC. 10306. FEDERAL FORMULA ALLOCATION DURING FIRST YEAR AND FOR SUCCESSIVE ENROLLMENT EXPANSIONS.

"For purposes of the allocation to schools by the States or their agencies of funds under part A of title I, and any other Federal funds which the Secretary allocates to States on a formula basis, the Secretary and each State educational agency shall take such measures not later than 6 months after the date of the enactment of this part as are necessary to ensure that every charter school receives the Federal funding for which it is eligible not later than 5 months after first opening, notwithstanding the fact that the identity and characteristics of the students enrolling in that school are not fully and completely determined until that school actually opens. These measures shall similarly ensure that every charter school expanding its enrollment in any subsequent year of operation receives the Federal funding for which it is eligible not later than 5 months after such expansion.".

Mr. RIGGS (during the reading). Mr. Chairman, I ask unanimous consent that the modification be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California [Mr. RIGGS] that the amendment be modified?

Mr. MARTINEZ. Reserving the right to object, Mr. Chairman, could the gentleman from California explain the modification?

Mr. RIGGS. Mr. Chairman, will the gentleman yield?

Mr. MARTINEZ. I yield to the gentleman from California.

Mr. RIGGS. Mr. Chairman, I believe the modification is very technical in nature, but if the gentleman wants a more detailed explanation, we will have to, I guess, hear the Clerk explain it.

Mr. MARTINEZ. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Without objection, the amendment is modified.

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, before I proceed with my 5 minutes, let me see if I can just alert the gentleman from Tennessee [Mr. FORD] that if he happens to be present, I would yield to him, and while we are perhaps looking for him, let me just explain very quickly to my good friend that my manager's package of amendments contains one technical amendment, two clarifying amendments.

The first clarifying amendment refines the language of an amendment that was accepted at the full committee markup. The amendment accepted in committee requires State education agencies to disseminate best or most promising practices of charter schools to local education agencies in that State, and the amendment also stipulates that the SEA, the State Education Agencies, can only use Federal charter school money to disseminate best or most promising practices from the 5 percent that they are permitted to retain for administrative purposes.

Further, my amendment requires that the dissemination of best or, again, most promising practices shall result in a minimum of paperwork for SEA and charter schools. The last thing we are trying to do is cause them more red tape or paperwork, and the amendment clarifies the language in the reported bill that directs the Secretary to take measures to ensure that charter schools receive the Federal funds for which they are eligible in their first year of operation.

In response to concerns expressed by some committee members, the amendment changes the time by which a charter school should receive their Federal money from, I quote now, within the calendar year to, again, quote, within 5 months in which the school first opens.

Mr. Chairman, I yield 2 minutes to the gentleman from Tennessee [Mr. FORD].

Mr. FORD. Mr. Chairman, given the rather fractious debate we have had this evening with regard to how we educate our kids in this Nation, I think we would all do well to return to a basic principle, a principle best articulated by Thomas Jefferson when he wrote that every child must be encouraged to get as much education as she has the ability to take. We want this not only for her sake, but for the Nation's sake.

Mr. Chairman, Jefferson did not use the words, "a few," or "several," or even "many." He used the word "every," every child, Mr. Chairman.

Charter schools, and I must applaud the leadership of the gentleman from Indiana [Mr. ROEMER] and his hard work in certainly reaching across the aisle to attract bipartisan support. Charter schools provide these opportunities. They are public schools, Mr. Chairman, schools accountable to public authorities but with the kind of local level autonomy that spurs innovation and excellence. Charter schools are part of a common sense solution to some of the problems facing and confronting parents and teachers and communities in America. They are not a panacea for all that ails our school system, for they will not solve our $112 billion infrastructure problem, the technology gap, or the resolve, the standards issue, but they do represent a very important step toward improvement.

At the same time, Mr. Chairman, we cannot allow our zeal for change to overtake our common sense. Charter schools and vouchers ought not to be part of the same conversation. Public choice encouraged by charters is one thing; vouchers, Mr. Chairman, are entirely another.

I recognize that some of my colleagues, particularly those on the other side of the aisle, however well intentioned, have been operating under the misapprehension that competition from small-scale vouchers will actually force public schools to improve. But unless every one of our Nation's nearly 50 million public school students is given a voucher, it hardly seems likely that public schools will be forced to improve.

In addition, Mr. Chairman, it seems a much more practical way, charter schools, to improve education for the majority of our Nation's students. That is exactly what charter schools do, which is why I support H.R. 2616 but did not support H.R. 2746, and I am proud to say neither did this House.

Again, let Mr. Jefferson's words be our guide. Let us oppose measures that do not educate the majority of our kids, taking out a few. Let us support the gentleman from Indiana [Mr. ROEMER] and the gentleman from California's [Mr. RIGGS] charter schools amendment.

Mr. MARTINEZ. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I understand that the amendment is simply technical in nature, and as a result, we have no objections on this side.

Mr. Chairman, I yield back the balance of my time.

Mr. RIGGS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment, as modified, offered by the gentleman from California [Mr. RIGGS].

The amendment, as modified, was agreed to.

□ 2230

Mr. RIGGS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. HANSEN] having assumed the chair, Mr. SNOWBARGER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2616), to amend titles VI and X of the Elementary and Secondary Education Act of 1965 to improve and expand charter schools, had come to no resolution thereon.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. HANSEN). Pursuant to clause 5 of rule 1, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed earlier today in the order in which that motion was entertained, except that without objection, the yeas and nays will be taken on H.R. 1839 after proceeding de novo on H.R. 1604.

Votes will be taken in the following order: H.R. 2265, de novo;

House Joint Resolution 91 de novo;
House Joint Resolution 92, de novo;
H.R. 1702 de novo;
H.R. 1836 de novo;
H.R. 2675 de novo;
H.R. 404 de novo;
H.R. 434 de novo;
Senate 588 de novo;
Senate 589 de novo;
Senate 591 de novo;
Senate 587 de novo;
H.R. 1856 de novo;
H.R. 1604 de novo;
H.R. 1839, yeas and nays; and
H.R. 948, yeas and nays.

There was no objection.

The SPEAKER pro tempore. The Chair will reduce to 5 minutes the time for any electronic vote after the first such vote in this series.

NO ELECTRONIC THEFT (NET) ACT

The SPEAKER pro tempore (Mr. HANSEN). The pending business is the question de novo of suspending the rules and passing the bill, H.R. 2265, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina [Mr. COBLE], that the House suspend the rules and pass the bill, H.R. 2265, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

APALACHICOLA-CHATAHOOCHEE-FLINT RIVER BASIN COMPACT

The SPEAKER pro tempore. The pending business is on the question de novo of suspending the rules and passing the joint resolution, H.J. Res. 91, as amended.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. GEKAS], that the House suspend the rules and pass the joint resolution, H.J.Res. 91, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution, as amended, was passed.

A motion to reconsider was laid on the table.

ALABAMA-COOSA-TALLAPOOSA RIVER BASIN COMPACT

The SPEAKER pro tempore. The pending business is the question de novo of suspending the rules and passing the joint resolution, H.J. Res 92, as amended.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania [Mr. GEKAS] that the House suspend the rules and pass the joint resolution, H.J. Res. 92, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution, H.J. Res. 92, as amended, was passed.

A motion to reconsider was laid on the table.

COMMERCIAL SPACE ACT OF 1997

The SPEAKER pro tempore. The pending business is the question de novo of suspending the rules and passing the bill, H.R. 1702, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. ROHRABACHER] that the House suspend the rules and pass the bill, H.R. 1702, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

FEDERAL EMPLOYEES HEALTH CARE PROTECTION ACT OF 1977

The SPEAKER pro tempore. The pending business is the question de novo of suspending the rules and passing the bill, H.R. 1836, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. MICA] that the House suspend the rules and pass the bill, H.R. 1836, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

FEDERAL EMPLOYMENT LIFE INSURANCE IMPROVEMENT ACT

The SPEAKER pro tempore. The pending business is the question de novo of suspending the rules and passing the bill, H.R. 2675, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. MICA] that the House suspend the rules and pass the bill, H.R. 2675, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

AMENDING FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949 TO AUTHORIZE TRANSFER TO STATE AND LOCAL GOVERNMENTS OF CERTAIN SURPLUS PROPERTY FOR USE FOR LAW ENFORCEMENT OR PUBLIC SAFETY PURPOSES

The SPEAKER pro tempore. The pending business is the question de novo of suspending the rules and passing the bill, H.R. 404, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. HORN] that the House suspend the rules and pass the bill, H.R. 404, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read:

"A bill to amend the Federal Property and Administrative Services Act of 1949 to authorize the transfer to State and local governments of certain surplus property needed for use for a law enforcement or fire and rescue purpose."

A motion to reconsider was laid on the table.

CARSON AND SANTA FE NATIONAL FORESTS LAND CONVEYANCES

The SPEAKER pro tempore. The pending business is the question de novo of suspending the rules and passing the bill, H.R. 434, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Idaho [Mrs. CHENOWETH] that the House suspend the rules and pass the bill, H.R. 434, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

EAGLES NEST WILDERNESS EXPANSION

The SPEAKER pro tempore. The pending business is the question de novo of suspending the rules and passing the Senate bill, S. 588.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Idaho [Mrs. CHENOWETH] that the House suspend the rules and pass the Senate bill, S. 588.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

RAGGEDS WILDERNESS BOUNDARY ADJUSTMENT AND LAND CONVEYANCE

The SPEAKER pro tempore. The pending business is the question de novo of suspending the rules and passing the Senate bill, S. 589.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Idaho [Mrs. CHENOWETH] that the House suspend the rules and pass the Senate bill, S. 589.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

DILLON RANGER DISTRICT TRANSFER

The SPEAKER pro tempore. The pending business is the question de novo of suspending the rules and passing the Senate bill, S. 591.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Idaho [Mrs. CHENOWETH] that the House suspend the rules and pass the Senate bill, S. 591.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

HINSDALE COUNTY, COLORADO LAND EXCHANGE

The SPEAKER pro tempore. The pending business is the question de novo of suspending the rules and passing the Senate bill, S. 587.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah [Mr. HANSEN], that the House suspend the rules and pass the Senate bill, S. 587.

The question was taken.

Mr. HASTINGS of Washington. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 406, nays 0, not voting 26, as follows:

[Roll No. 572]

YEAS—406

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Coyne
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fazio
Filner
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntyre
McKinney
Meehan
Meek
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (FL)

NOT VOTING—26

Ackerman
Coburn
Cox
Cubin
Fawell
Flake
Foglietta
Gephardt
Gonzalez
Hinojosa
King (NY)
Lewis (CA)
McIntosh
McKeon
McNulty
Menendez
Payne
Pelosi
Riley
Schiff
Scott
Shuster
Waxman
Weller
Yates
Young (AK)

□ 2259

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. SNOWBARGER). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on each additional motion to suspend the rules on which the Chair has postponed further proceedings.

NATIONAL WILDLIFE REFUGE SYSTEM VOLUNTEER AND COMMUNITY PARTNERSHIP ACT OF 1997

The SPEAKER pro tempore. The pending business is the question de novo of suspending the rules and passing the bill, H.R. 1856, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. SAXTON] that the House suspend the rules and pass the bill, H.R. 1856, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

PROVIDING FOR DIVISION, USE, AND DISTRIBUTION OF JUDGMENT FUNDS OF OTTAWA AND CHIPPEWA INDIANS

The SPEAKER pro tempore. The pending business is the question de novo of suspending the rules and passing the bill, H.R. 1604, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Utah [Mr. HANSEN] that the House suspend the rules and pass the bill, H.R. 1604, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

NATIONAL SALVAGE MOTOR VEHICLE CONSUMER PROTECTION ACT OF 1997

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 1839, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by gentleman from Virginia [Mr. BLILEY] that the House suspend the rules and pass the bill, H.R. 1839, as amended, on which the yeas and nays are ordered.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 336, nays 72, not voting 24, as follows:

[Roll No. 573]

YEAS—336

Aderholt
Allen
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berry
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boyd
Brady
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeFazio
Delahunt
DeLay
Deutsch
Diaz-Balart
Dickey
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Everett
Ewing
Farr
Foley
Forbes
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kasich
Kelly
Kennedy (RI)
Kildee
Kim
Kind (WI)
Kingston
Kleczka
Klug
Knollenberg
Kolbe
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Manzullo
Martinez
Mascara
Matsui
McCarthy (NY)
McCollum
McCrery
McDade
McGovern
McHugh
McInnis
McIntyre
Meek
Metcalf
Mica
Millender-McDonald
Miller (FL)
Minge
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Oxley
Packard
Pappas
Parker
Pascrell
Pastor
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sandlin
Saxton
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Torres
Towns
Traficant
Turner
Upton
Vento
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Wynn
Young (FL)

NAYS—72

Abercrombie
Andrews
Becerra
Berman
Blagojevich
Borski
Boswell
Boucher
Cardin
Carson
Conyers
Cummings
Davis (IL)
DeGette
DeLauro
Dellums
Dicks
Dingell
Evans
Fattah
Fazio
Filner
Ford
Frank (MA)
Furse
Gejdenson
Gutierrez
Hinchey
Jackson (IL)
Kaptur
Kennedy (MA)
Kennelly
Kilpatrick
Klink
Kucinich
LaFalce
Lewis (GA)
Maloney (CT)
Maloney (NY)
Manton
Markey
McCarthy (MO)
McDermott
McHale
McKinney
Meehan
Miller (CA)
Mink
Nadler
Neal
Olver
Ortiz
Owens
Pallone
Paul
Pelosi
Rothman
Roybal-Allard
Sanders
Sanford
Sawyer
Scarborough
Schumer
Serrano
Skaggs
Slaughter
Stark
Tierney
Velázquez
Waters
Watt (NC)
Woolsey

NOT VOTING—24

Ackerman
Clay
Coburn
Cubin
Fawell
Flake
Foglietta
Gephardt
Gonzalez
Hinojosa
King (NY)
Lewis (CA)
McIntosh
McKeon
McNulty
Menendez
Payne
Riley
Schiff
Scott
Shuster
Waxman
Yates
Young (AK)

□ 2312

Messrs. GEJDENSON, LAFALCE, and Mr. SANFORD changed their vote from "yea" to "nay."

Mr. GREEN and Mr. HOSTETTLER changed their vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

BURT LAKE BAND OF OTTAWA AND CHIPPEWA INDIANS ACT

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 948.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. SAXTON] that the House suspend the rules and pass the bill, H.R. 948, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 240, nays 167, not voting 25, as follows:

[Roll No. 574]

YEAS—240

Abercrombie
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Bass
Becerra
Bentsen
Berman
Berry
Bilbray
Bishop
Blagojevich
Bliley
Blumenauer
Boehlert
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Calvert
Campbell
Canady
Cardin
Carson
Chambliss
Clayton
Clement
Clyburn
Condit
Conyers
Cook
Costello
Cox
Coyne
Cramer
Crane
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Edwards
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Foley
Forbes
Ford
Frank (MA)
Frelinghuysen
Frost
Furse
Gallegly
Gejdenson
Gekas
Gillmor
Gilman
Goodling
Gordon
Granger
Green
Gutierrez
Hamilton
Harman
Hastings (FL)
Hayworth
Hefner
Hill
Hilliard
Hinchey
Holden
Hooley
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kim
Kind (WI)
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
LaFalce
Lampson
Lantos
Leach
Lewis (GA)
Linder
Lipinski
Livingston
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McHale
McIntyre
McKinney
Meehan
Meek
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Murtha
Myrick
Nadler
Neal
Ney
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Peterson (PA)
Pickett
Pitts
Pomeroy
Poshard
Price (NC)
Radanovich
Rahall
Rangel
Reyes
Rivers
Rodriguez
Rohrabacher
Ros-Lehtinen
Rothman
Roybal-Allard
Rush
Sabo
Salmon

Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schumer
Serrano
Shadegg
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith (NJ)
Smith (TX)
Smith, Adam
Snyder
Souder
Spratt
Stabenow
Stark
Stokes
Strickland
Stupak
Tanner
Tauscher
Tauzin
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velázquez
Vento
Waters
Watt (NC)
Weller
Wexler
Weygand
Wise
Woolsey
Wynn

NAYS—167

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Bilirakis
Blunt
Boehner
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Camp
Cannon
Castle
Chabot
Chenoweth
Christensen
Coble
Collins
Combest
Cooksey
Crapo
Cunningham
Davis (VA)
Deal
DeLauro
DeLay
Doolittle
Duncan
Dunn
Ehlers
Ehrlich
Everett
Ewing
Fowler
Fox
Franks (NJ)
Ganske
Gibbons
Gilchrest
Goode
Goodlatte
Goss
Graham
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hefley
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Johnson (CT)
Kasich
Kennelly
Kingston
Klug
LaHood
Largent
Latham
LaTourette
Lazio
Levin
Lewis (KY)
LoBiondo
Lucas
Manzullo
McCrery
McDade
McHugh
McInnis
Metcalf
Mica
Miller (FL)
Moran (KS)
Moran (VA)
Morella
Nethercutt
Neumann
Northup
Norwood
Nussle
Packard
Pappas
Parker
Paul
Paxon
Pease
Petri
Pickering
Pombo
Porter
Portman
Pryce (OH)
Quinn
Ramstad
Redmond
Regula
Riggs
Roemer
Rogan
Rogers
Roukema
Royce
Ryun
Sanford
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shaw
Shays
Shimkus
Skeen
Smith (MI)
Smith (OR)
Smith, Linda
Snowbarger
Solomon
Spence
Stearns
Stenholm
Stump
Sununu
Talent
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
White
Whitfield
Wicker
Wolf
Young (FL)

NOT VOTING—25

Ackerman
Clay
Coburn
Cubin
Fawell
Flake
Foglietta
Gephardt
Gonzalez
Hall (OH)
Hinojosa
King (NY)
Lewis (CA)
McIntosh
McKeon
McNulty
Menendez
Payne
Riley
Schiff
Scott
Shuster
Waxman
Yates
Young (AK)

□ 2322

Messrs. RYUN, SNOWBARGER, VISCLOSKY, and PICKERING and Mrs. NORTHUP changed their vote from "yea" to "nay."

So (two-thirds not having voted in favor thereof) the motion was rejected.

The result of the vote was announced as above recorded.

IN SUPPORT OF THE MARRIAGE TAX ELIMINATION ACT

(Mr. WELLER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. WELLER. Mr. Speaker, I rise today in support of the Marriage Tax Elimination Act. I would like to speak in favor of this important legislation with a few simple questions.

Mr. Speaker, do Americans feel it is fair that our Tax Code imposes a higher tax penalty on marriage? Do Americans feel that it is fair that 21 million middle-class married working couples pay an average of almost $1,400 in higher taxes just because they are married? Do Americans feel it is morally right that our Tax Code provides an incentive to get divorced?

Of course not. The marriage tax is not only unfair, it is wrong. It is immoral that our Tax Code punishes our society's most basic institution, marriage, with a tax penalty of almost $1,400 for 21 million working couples. The Marriage Tax Elimination Act eliminates the marriage penalty. It is important legislation that deserves bipartisan support. I am pleased we now have 223 cosponsors to eliminate the marriage tax penalty.

I include the following material for the Record:

Marriage Tax Quotes

If we are really interested in "putting children first", then why would this country penalize the very situation (marriage) where kids do best? When parents are truly committed to each other, through their marriage vows, their children's outcomes are enhanced. Children from solid, married families have higher graduation rates from high school and lower rates of drug abuse and teenage pregnancy.—Gary & Carla Gipson of Houston, Texas.

I am a 61 year old grandmother, still holding down a full time job, and I remarried three years ago. I had to think long and hard about marriage over staying single as I knew it would cost us several thousand dollars a year just to sign that marriage license. Marriage has become a contract between two individuals and the federal government.—Mary A. Hottel of New Castle, Virginia.

Last, I would like to share the few simple words spoken by a constituent of mine in Illinois' 11th Congressional District:

You try and be honest and do things straight, and you get penalized for it. That's just not right.—Mike Reading—Monee, Illinois.

[From the Daily Journal, Sept. 11, 1997]

The Marriage Tax

Congressman Jerry Weller is taking a leading part in the campaign to repeal the marriage tax.

A story in The Daily Journal Wednesday reported that both he and Rep. David MacIntosh of Indiana are spearheading an effort to get the tax repealed. They would like to see its repeal as part of any new tax bill next year.

We agree. The marriage tax is an unfair imposition. The code should be rewritten to eliminate it.

While we are all for simplicity in the tax code, the reality is that taxes drive social engineering. People will do anything, almost anything, that's legal to avoid taxes. Thus, throughout the 1980s, depreciation rules drove the construction, even overbuilding, in many areas of the country. Large portions of the health insurance crises were driven by a change in the tax laws. You used to be able to deduct insurance entirely off your income tax. It should not have surprised lawmakers that the percentage of people taking health insurance dropped when the deductibility of health insurance shrank.

Thus, laws should encourage, rather than discourage, marriage. And they should encourage, rather than discourage, couples from staying together.

It is patently unfair that a married couple, where both work, is taxed at a higher rate than two separate people. Every year you hear of a couple that humorously goes through a sham divorce just for tax purposes.

This year, the government did lurch in the right direction by enacting tax credits to help parents. Now it should act to help the rest of the family by repealing the marriage tax. Weller's initiative deserves support.

[From the Herald News, Oct. 16, 1997]

Working Families Welcome Repeal of Marriage Tax Penalty

Elimination of the marriage tax penalty looks like a "can't miss" campaign for married couples and Rep. Jerry Weller, R-Morris.

The problem is that it has failed in the past, most notably it was part of the recent Republican "Contract with America." It has been vetoed twice by President Bill Clinton.

Backing this tax reform is like supporting hot dogs and apple pie. It's "politically correct."

Weller's bill would allow married couples to select "single" or "married" on their Internal Revenue Service forms. They can pick the filing status that brings them the greatest tax relief.

Like any "relief," this proposal has a price tag. More than 21 million married couples pay an average of $1,400 more in taxes because they file joint income tax returns.

Weller has 218 co-sponsors for this legislation so far. That's a majority in the House of Representatives. The key player in his corner is House Speaker Newt Gingrich, R-Ga. Gingrich said that an anticipated budget surplus next spring could be used to offset the loss of revenue caused by the eliminating the marriage tax penalty.

Even a heavyweight like Gingrich will face opposition with this unfair tax. There are numerous other uses for that projected surplus, including legislators who want to spend more to repair the nation's highways.

All of this considered, the elimination of the marriage tax should have appeal for working families. Weller said the tax change would be the centerpiece of any 1998 tax relief bills.

Working couples should support this concept. The tax is clearly discriminatory.

Weller released the results of a national poll this week that showed Americans support repeal of the marriage tax. We are sure of that. This is a middle class issue that will draw considerable support when it is explained to taxpayers.

Taxpayers across America should support repeal of the marriage tax. In this region that means contacting Weller's office or Rep. Harris Fawell of Naperville. It will bring clear-cut tax relief to married couples. There may be competition to use federal dollars for other purposes but working people need to stand up and be counted on this proposal.

Marriage should not be penalized by the IRS.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. SNOWBARGER). Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House the following Members will be recognized for 5 minutes each.

HUMAN RIGHTS IN ECUADOR

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Florida [Ms. BROWN] is recognized for 5 minutes.

Ms. BROWN of Florida. Mr. Speaker, I rise this evening to talk about human rights in Ecuador.

On October 1, I traveled to Ecuador to visit several American prisoners who have been held for many years without even a trial. I made my first trip to Ecuador in April of this year, where I was surprised to see the horrible conditions of the prison and the chaotic condition that exists in the justice system.

Ecuador is a Third World country that cannot afford decent prisons. Many prisoners do not even have bathrooms or food that is safe to eat. The justice system is incredibly corrupt. Judges and lawyers ask for bribes, and it is only the wealthy who can buy their way out. Almost 80 percent of the prisoners in this country have been held on drug charges. Because Ecuador has some of the strictest drug laws in the world, I have been told by several officials that this policy is a result of pressure from the United States.

I firmly believe that we need to be tough on crime. But the problem in Ecuador is that the drug laws are so sophisticated that you have to have a good functional justice system to administer these laws. Ecuador does not. There is no computers in the courtroom. It takes months before the police even let the courts know that someone has been arrested. And then you can sit in jail for years before anyone acknowledges you.

The problem is that when, and if, the people go to trial, more than 60 percent of them are found innocent. Let me repeat this. Sixty percent of those people are found innocent. This is a travesty. And in this system, there are almost 60 Americans. But there has been progress. The condemnation of international attention and visits by Members of Congress in this part of the country has shed light on the situation. I am proud today that since April, Ecuador has released more than 800 Ecuadorean prisoners who were trapped in this unjust system.

One of those prisoners was an American who was released last month after my visit. I spoke about this woman when I came to the floor in May to talk about the problems of this horrible system. Her name is Sandra Chase. She is a 53-year-old woman who suffers a terrible circulatory disease. She was arrested in December 1995 during her first trip out of this country. It took almost 18 months for the police to take her deposition. While she was in jail, Sandra lost her house and everything she owned.

On October 7, the Ecuadorean Government gave amnesty to Sandra Chase. She came home October 9, and her daughter Tammi and I met her in Miami.

□ 2330

She is now with her daughter in California where she is receiving treatment for her disease. I cannot express how happy I was that after almost 2 years, Sandra Chase was able to come home to her family. What a terrible nightmare she suffered.

I am submitting a letter for the RECORD that I have sent to the Minister of Government in Ecuador thanking their country for their release of this prisoner.

While I am extremely grateful for the cooperation, I remain very concerned about another prisoner in Ecuador, Jim Williams. He has been held for 14 months, and the judge in this case continues to refuse all of the evidence presented on his behalf. This is a very good example of how the justice system does not work.

Jim Williams has brought an incredible amount of attention to the justice system in Ecuador and has helped many lives by doing so. I continue to pray for Jim Williams and his family. This Sunday night, November 9, Jim Williams and other American prisoners in Ecuador will be featured on 60 Minutes. I hope that this program will show the American people what is happening to our neighbors in South America and encourage this country to take a closer look at our policy in South America.

Finally, I want to thank the family of Jim Williams for their continued strong support. My thoughts and prayers go out to each of them, especially to Jim Williams' mother, who sends me cards of encouragement, and to Jim Williams' loving wife Robin Williams, who have worked campaigning for her husband each day since his arrest, and his brother Charlie Williams who refused to give up the fight. Robin and Charles are in Washington tonight working on behalf of Jim Williams.

PUBLICATION OF THE RULES OF THE JOINT COMMITTEE OF CONGRESS ON THE LIBRARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. THOMAS] is recognized for 5 minutes.

Mr. THOMAS. Mr. Speaker, pursuant to clause 2 of rule 11 of the Rules of the House of Representatives, I hereby submit the Rules of Procedure of the Joint Committee of Congress on the Library for printing in the CONGRESSIONAL RECORD.

RULES OF PROCEDURE OF THE JOINT COMMITTEE OF CONGRESS ON THE LIBRARY

[ONE HUNDRED FIFTH CONGRESS]

RULE NO. 1

GENERAL PROVISIONS

(a) The Rules of the House are the rules of the Joint Committee on the Library so far as applicable, except that a motion to recess from day to day is a motion of high privilege in committees.

(b) The committee is authorized at any time to conduct such investigations and studies as it may consider necessary or appropriate in the exercise of its responsibilities under House Rule X and (subject to the adoption of expense resolutions as required by House Rule XI, clause 5) to incur expenses (including travel expenses) in connection therewith.

(c) The committee is authorized to have printed and bound testimony and other data presented at hearings held by the committee, and to distribute such information by electronic means. All costs of stenographic services and transcripts in connection with any meeting or hearing of the committee shall be paid from the appropriate House account.

(d) The committee's rules shall be published in the Congressional Record as soon as possible following the committee's organizational meeting in each odd numbered year.

RULE NO. 2

REGULAR AND SPECIAL MEETINGS

(a) The regular meeting date of the Joint Committee on the Library shall be the second Wednesday of every month when the House is in session in accordance with clause 2(b) of House Rule XI. Additional meetings may be called by the chairman as he may deem necessary or at the request of a majority of the members of the committee in accordance with clause 2(c) of House Rule XI. The determination of the business to be considered at each meeting shall be made by the chairman subject to clause 2(c) of House Rule XI. A regularly scheduled meeting need not be held if there is no business to be considered.

(b) If the chairman of the committee is not present at any meeting of the committee, or at the discretion of the chairman, the vice chairman of the committee shall preside at the meeting. If the chairman and vice chairman of the committee are not present at any meeting of the committee, the ranking member of the majority party who is present shall preside at the meeting.

RULE NO. 3

OPEN MEETINGS

As required by clause 2(g), of House rule XI, each meeting for the transaction of business of the committee, shall be open to the public except when the committee, in open session and with a quorum present, determines by roll call vote that all or part of the remainder of the meeting on that day shall be closed to the public because disclosure of matters to be considered would endanger national security, would compromise sensitive law enforcement information, would tend to defame, degrade or incriminate any person, or otherwise would violate any law or rule of the House: provided, however, that no person other than member of the committee, and such congressional staff and such departmental representatives as they may authorize, shall be present in any business session which has been closed to the public.

Rule No. 4

RECORDS AND ROLL CALLS

(a) The result of each roll call vote in any meeting of the committee shall be transmitted for publication in the Congressional Record as soon as possible, but in no case later than two legislative days following such roll call vote, and shall be made available for inspection by the public at reasonable times at the committee offices, including a description of the amendment, motion, order or other proposition; the name of each member voting for and against; and the members present but not voting.

(b) All committee hearings, records, data, charts, and files shall be kept separate and distinct from the congressional office records of the member serving as chairman of the committee; and such records shall be the property of Congress and all members of Congress shall have access thereto.

(c) House records of the committee which are at the National Archives shall be made available pursuant to House Rule XXXVI. The chairman of the committee shall notify the ranking minority party member of any decision to withhold a record pursuant to the rule, and shall present the matter to the committee upon written request of any committee member.

(d) To the maximum extent feasible, the committee shall make its publications available in electronic form.

Rule No. 5

PROXIES

No vote by any member in the committee may be cast by proxy.

Rule No. 6

POWER TO SIT AND ACT; SUBPOENA POWER

(a) For the purpose of carrying out any of its functions and duties under House Rules X and XI, the committee is authorized, (subject to subparagraph (b)(1) of this paragraph):

(1) to sit and act at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, and to hold such hearings; and

(2) to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents; as it deems necessary. The chairman of the committee, or any member designated by the chairman, may administer oaths of any witness.

(b)(1) A subpoena may be authorized and issued by the committee in the conduct of any investigation or series of investigations or activities, only when authorized by a majority of the members voting, a majority being present. The power to authorize and issue subpoenas under subparagraph (a)(2) may be delegated to the chairman of the committee pursuant to such rules and under such limitations as the committee may prescribe. Authorized subpoenas shall be signed by the chairman of the committee or by any member designated by the committee.

(2) Compliance with any subpoena issued by the committee may be enforced only as authorized or directed by the House

Rule No. 7

QUORUMS

For the purposes of taking any action other than issuing a subpoena, closing meetings, promulgating committee orders, or changing the rules of the committee, the quorum shall be one-third of the members of the committee. For purposes of taking testimony and receiving evidence, two members shall constitute a quorum.

Rule No. 8

AMENDMENTS

Any amendment offered to any pending matter before the committee must be made available in written form when requested by any member of the committee. If such amendment is not available in written form when requested, the chair will allow an appropriate period of time for the provision thereof.

Rule No. 9

HEARING PROCEDURES

(a) The chairman, with the concurrence of the vice chairman, in the case of hearings to be conducted by the committee, shall make public announcement of the date, place, and subject matter of any hearing to be conducted on any measure or matter at the earliest possible date. The clerk of the committee shall promptly notify the Daily Digest Clerk of the Congressional Record as soon as possible after such public announcement is made.

(b) Unless excused by the chairman, each witness who is to appear before the committee shall file with the clerk of the committee, at least 48 hours in advance of his or her appearance, a written statement of his or her proposed testimony and shall limit his or her oral presentation to a summary of his or her statement.

(c) When any hearing is conducted by the committee upon any measure or matter, the minority party members on the committee shall be entitled, upon request to the chairman by a majority of those minority members before the completion of such hearing, to call witnesses selected by the minority to testify with respect to that measure or matter during at least one day of hearings thereon.

(d) Committee members may question a witness only when they have been recognized by the chairman for that purpose, and only for a 5-minute period until all members present have had an opportunity to question the witness. The 5-minute period for questioning a witness by any one member can be extended as provided by House Rules. The questioning of a witness in committee hearings shall be initiated by the chairman, followed by the ranking minority party member and all other members alternating between the majority and minority. In recognizing members to question witnesses in this fashion, the chairman shall take into consideration the ratio of the majority to minority members present and shall establish the order of recognition for questioning in such a manner as not to disadvantage the members of the majority. The chairman may accomplish this by recognizing two majority members for each minority member recognized.

(e) The following additional rules shall apply to hearings:

(1) The chairman at a hearing shall announce in an opening statement the subject of the investigation.

(2) A copy of the committee rules and this clause shall be made available to each witness.

(3) Witnesses at hearings may be accompanied by their own counsel for the purpose of advising them concerning their constitutional rights.

(4) The chairman may punish breaches of order and decorum, and of professional ethics on the part of counsel, by censure and exclusion from the hearings; and the committee may cite the offender to the House for contempt.

(5) If the committee determines that evidence or testimony at a hearing may tend to defame, degrade, or incriminate any person, it shall:

(A) afford such person an opportunity voluntarily to appear as a witness;

(B) receive such evidence or testimony in executive session; and

(C) receive and dispose of requests from such person to subpoena additional witnesses.

(6) Except as provided in subparagraph (f)(5), the chairman shall receive and the committee shall dispose of requests to subpoena additional witnesses.

(7) No evidence or testimony taken in executive session may be released or used in public sessions without the consent of the committee.

(8) In the discretion of the committee, witnesses may submit brief and pertinent sworn statements in writing for inclusion in the record. The committee is the sole judge of the pertinence of testimony and evidence adduced at its hearing.

(9) A witness may obtain a transcript copy of his testimony given at a public session or, if given at an executive session, when authorized by the committee.

Rule No. 10

BROADCASTING OF COMMITTEE HEARINGS AND MEETINGS

Whenever any hearing or meeting conducted by the committee is open to the public, those proceedings shall be open to coverage by television, radio, and still photography, as provided in clause 3 of House Rule XI, subject to the limitations therein.

Rule No. 11

TRAVEL OF MEMBERS AND STAFF

(a) Consistent with the primary expense resolution and such additional expense resolutions as may have been approved, the provisions of this rule shall govern travel of committee members and staff. Travel for any member or any staff member shall be paid only upon the prior authorization of the chairman. Travel may be authorized by the chairman for any member and any staff member in connection with the attendance of hearings conducted by the committee and meetings, conferences, and investigations which involve activities or subject matter under the general jurisdiction of the committee. Before such authorization is given there shall be submitted to the chairman in writing the following:

(1) the purpose of the travel;

(2) the dates during which the travel will occur;

(3) the locations to be visited and the length of time to be spent in each;

(4) the names of members and staff seeking authorization.

(b)(1) In the case of travel outside the United States of members and staff of the committee for the purpose of conducting hearings, investigations, studies, or attending meetings and conferences involving activities or subject matter under the jurisdiction of the committee, prior authorization must be obtained from the chairman. Before such authorization is given, there shall be submitted to the chairman, in writing, a request for such authorization. Each request, which shall be filed in a manner that allows for a reasonable period of time for review before such travel is scheduled to begin, shall include the following:

(A) the purpose of the travel;

(B) the dates during which the travel will occur;

(C) the names of the countries to be visited and the length of time to be spent in each;

(D) an agenda of anticipated activities for each country for which travel is authorized together with a description of the purpose to be served and the areas of committee jurisdiction involved; and

(E) the names of members and staff for whom authorization is sought.

(2) At the conclusion of any hearing, investigation, study, meeting or conference for which travel outside the United States has been authorized pursuant to this rule, members and staff attending meetings or conferences shall submit a written report to the chairman covering the activities and other pertinent observations or information gained as a result of such travel.

(c) Members and staff of the committee performing authorized travel on official business shall be governed by applicable laws, resolutions, or regulations of the House and of the Committee on House Oversight pertaining to such travel.

RULE NO. 12

POWERS AND DUTIES OF SUBUNITS OF THE COMMITTEE

The chairman of the committee is authorized to establish appropriately named subunits, such as task forces, composed of members of the committee, for any purpose, measure or matter; one member of each such subunit shall be designated chairman of the subunit by the chairman of the committee. All such subunits shall be considered ad hoc subcommittees of the committee. The rules of the committee shall be the rules of any subunit of the committee, so far as applicable, or as otherwise directed by the chairman of the committee. Each subunit of the committee is authorized to meet, hold hearings, receive evidence, and to require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents, as it deems necessary, and to report to the full committee on all measures or matters for which it was created. Chairman of subunits of the committee shall set meeting dates with the approval of the chairman of the full committee, with a view toward avoiding simultaneous scheduling of committee and subunit meetings or hearings wherever possible. It shall be the practice of the committee that meetings of subunits not be scheduled to occur simultaneously with meetings of the full committee. In order to ensure orderly and fair assignment of hearing and meeting rooms, hearings and meetings should be arranged in advance with the chairman through the clerk of the committee.

RULE NO. 13

OTHER PROCEDURES AND REGULATIONS

The chairman of the full committee may establish such other procedures and take such actions as may be necessary to carry out the foregoing rules or to facilitate the effective operation of the committee.

RULE NO. 14

DESIGNATION OF CLERK OF THE COMMITTEE

For the purposes of these rules and the Rules of the House of Representatives, the chairman designated staff person, of the committee shall act as the clerk of the committee.

THE DISMANTLING OF EQUAL OPPORTUNITY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. DAVIS] is recognized for 5 minutes.

Mr. DAVIS of Illinois. Mr. Speaker, I rise today to express my extreme disappointment with the Supreme Court's ruling yesterday that allows the ban on affirmative action in California to stand. The Supreme Court's decision yesterday is consistent with its trend to reverse the gains of African-Americans, women, and minorities in this country. The Court's unwillingness to take this case and decide it on the merits will spur an all-out frontal attack on initiatives that seek to ensure that minorities receive equal opportunity and fairness in contracting, higher education, employment, and many other areas.

Campaigns to eliminate preferences based on race and sex are under way in several States. Today voters in Houston, the Nation's fourth largest city, had an initiative on the ballot to end affirmative action in the area of public contracts. Perhaps W.E.B. Dubois was right when he said that the problem of the 21st century will be the problem of the color line.

Proponents of dismantling affirmative action have argued that discrimination and isolation are no longer barriers to achievement. However, the statistics bear out a different result. The U.S. Department of Labor's Glass Ceiling Commission report, released March 16, 1995, shows that while white men are only 43 percent of the Fortune 2,000 work force, they hold 95 percent of the senior management jobs. In addition, this report revealed that women are only 8.6 percent of engineers, less than 1 percent of carpenters, 23 percent of practicing attorneys, 16 percent of police, and 3.7 percent of firefighters.

Women and minorities are 66 percent of the population in this country, but only 35 percent of physicians, 20 percent of tenured professors, and 6 percent of school superintendents. Minority enrollments in law school and other graduate programs are plummeting for the first time in decades. Women make up 80 percent of the health service professionals, but white males dominate the senior management positions. It is plain that America is still a society where race and sex play major roles in how far you can go.

The concept of affirmative action encompasses three fundamental principles of fairness: First, ensuring that every American has access to education; second, ensuring that every American has access to good jobs; and the third basic principle of affirmative action for which there can be no retreat is ensuring that every American has the opportunity to advance as far in their field as their talents and hard work will take them.

Affirmative action is really all about our Nation's economic competitiveness. It is about being inclusive and not exclusive. In other words, it is about making sure that every American regardless of gender or race has an opportunity to live out the American dream. It is about trying to make sure that individuals do, in fact, have access to equal opportunity.

The Supreme Court's decision yesterday is a major setback for equal opportunity and diversity in this country. However, I urge all citizens who want to shatter the infamous glass ceiling, who want to make America's Statue of Liberty ring true when she says, I welcome your poor, tired, huddled masses of immigrants to our borders, to oppose efforts to end Federal affirmative action.

If we end Federal affirmative action, we are likely to see the gap between the haves and the have-nots widen. We are likely to see contracting for minorities, women and small businesses severely decline. In addition, we are likely to see opportunities for higher education continue to be reduced. Therefore, I urge the masses to mobilize and defeat those who would take us backwards rather than forward. Affirmative action must remain a reality in America.

SUPREME COURT WRONG IN LETTING AFFIRMATIVE ACTION BAN STAND

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Texas [Ms. JACKSON-LEE] is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I want to associate my remarks with that of the gentleman from Illinois in raising concerns about the recent Supreme Court decision that allowed to stand Proposition 209 in California.

I think it is very clear that many have misinterpreted the concept of affirmative action. Affirmative action simply provides an opportunity for those qualified. It is unfortunate that the proponents of 209 and the Supreme Court now in its refusal to hear the decision have denied the rights of women and minorities to address discriminatory practices. And so as we see in California, with the initial impact of Proposition 209, a decided decrease in the schools of medicine and law with respect in particular to Hispanics and African Americans.

We have seen as a result of 209 a chilling effect on qualified minority students leaving in droves the State of California because they find no opportunity for civil rights or the opportunity to be educated in their own schools because they have been denied those opportunities through the biased and unfair implementation of 209.

The question becomes, well, these individuals are not qualified. Evidence shows that graduate students in law and medicine who may have come in under an affirmative action program and scholarship program passed their medical boards and law boards equal to those who were admitted in another manner.

Additionally, I come from the State of Texas, and in particular represent the 18th Congressional District in Houston, TX. It is very clear that the Hopwood decision in Texas has been extremely chilling. In fact, I would say to you that Cheryl Hopwood, the petitioner in that case, which has now eliminated any opportunity for minority students to be accepted on what we call affirmative action goals-directed programs in the State of Texas, should have gotten into the University of Texas. In fact, she was far more qualified than many white males who got in under normal circumstances. So, in fact, I would have supported the admission of Cheryl Hopwood.

Unfortunately, her challenge was misdirected. It was directed at a program that sought to diversify a school system that had been born in segregation. Texas Southern University is a school that was organized in the State of Texas because Herman Sweat was not allowed to go to the law school at the University of Texas. Now we find ourselves having come full circle to deny now the best and the brightest of Texas from particularly Hispanic, African-American, and women populations along with Asians because of the implementation of the Hopwood decision. Now we find ourselves with a clone of 209 on the ballot as I speak in the city of Houston.

First I would like to thank all of those who worked in good faith to maintain the diversity and the international persona of the city of Houston. Mayor Bob Lanier was one of the leaders in this effort. I would suggest to Members that the people of good will know what is best for Houston, and that is to remain with an open door policy.

In this instance, proponents of the elimination of affirmative action directed their hostility toward the city's NWBE Program. Let me share with my colleagues the irony of such a rejection or opposition to the program. Our program was started in 1984, simply a goals aspiration program, simply saying to the majority community, which heretofore took 95 percent of city contracts, again paid for by city tax dollars of which all citizens pay for. After 1984, when the NWBE Program was carefully carved not to be a quotas program, not to be a preference program, we began to see 20 percent of the contracts going to women and minorities, 17 percent in construction and another percentage in professional services.

Now, the proponents of a clone of 209 say that that, in fact, is too much, say that Houston has preference, says that Houston has quotas. Absolutely absurd. What Houston has is the opportunity to promote minority businesses and women-owned businesses that have created jobs.

Mr. Speaker, as I close, let me simply say the Supreme Court was misdirected and unfortunately wrong in their opinion. I would encourage those who will be seeing these particular mechanisms on their ballot to fight hard to oppose allowing individuals to have a remedy for discrimination. That is all that affirmative action is, and we should join with colleagues of good will to likewise defeat any effort by the United States Congress to pass Federal legislation on affirmative action. That certainly will be the commitment that I offer, and I ask my colleagues to join me as well.

IRS IN NEED OF REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. FOX] is recognized for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, I rise to address the House this evening on an issue which is really front and center for all the American people, and that is the issue of tax reform and the issue of reforming the IRS. We only have to look to Carol Ward in Colorado Springs, CO, to look to the centrality of this problem. Here we have a young lady who was questioning for her son the way the IRS handled his particular return. Here the agent felt that she was being a little bit defensive or being a little bit actually helpful and he thought overly helpful in asking questions to the IRS agent. Her thanks for being watchful as to her son had her business closed by the IRS, signs placed on it saying that this business is closed, the IRS seized the assets, seized the bank accounts, put her out of business.

What justification did we have for a Federal agency that is supposed to be there for the benefit of taxpayers, to fund Federal agencies, of course, supposed to be a voluntary payment. Again we have involuntary agents going after Americans in this case where there was no probable cause. This was a fishing expedition. This was an act of retribution against a taxpayer trying to protect the rights of her son.

□ 2345

She recently won in court a settlement on this matter, but if Carol Warden did not have attorneys and could not afford to go forward in this action, she would be like many others who were victims of the IRS whose businesses and personal assets were seized and who in fact felt the full awesome power, Mr. Speaker, of the IRS without fairness and without proper procedures.

So it is for those reasons that many of us in the House, both sides of the aisle, Republican and Democrat, are working on legislative initiatives to change that.

One of the issues I am introducing, Mr. Speaker, is the taxpayer bill of rights 3. This will require for the first time there will be no fishing expeditions by the IRS, no more quotas, as you have heard, from the Senate Finance Committee where they have to have so many cases where they bring investigations or fines and penalties against unwitting Americans who did nothing wrong. But the IRS for the first time under my legislation will be responsible for business and personal losses caused by the IRS actions, and, furthermore, the IRS will be responsible for the legal fees that are a part of this entire charade.

Moreover, we change the burden of proof so it would not require that the IRS would assume that the commissioner is correct and the taxpayer is guilty.

Furthermore, the bill calls for mediation service for those taxpayers that could not afford an attorney that there be a mediation service to settle the claims.

And finally for those taxpayers who come forward with violations by the IRS that they would not be subject to a special audit because they came forward to report wrongdoing or problems with the IRS.

We in Congress need to work together with BILL ARCHER, Congressman PORTMAN, Congressman LARGENT and also Congressman PAXON on all relative bills which deal with the same topic, reforming IRS, making the agency more fair and making sure the Tax Code we have is changed by the year 2000, one that may be flatter, fairer, not have special exemptions and make sure that working Americans have a fair shake from this system and that the agency that will succeed the IRS will be fair to all taxpayers.

I appreciate this time to address the taxpayer bill of rights, and I look forward to the support of my colleagues on this important legislation.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF NINE MEASURES RELATING TO THE POLICY OF THE UNITED STATES WITH RESPECT TO THE PEOPLE'S REPUBLIC OF CHINA

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 105–379) on the resolution (H. Res. 302) providing for consideration of nine measures relating to the policy of the United States with respect to the People's Republic of China, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2676, IRS RESTRUCTURING AND REFORM ACT OF 1997

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 105–380) on the resolution (H. Res. 303) providing for consideration of the bill (H.R. 2676) to amend the Internal Revenue Code of 1986 to restructure and reform the Internal Revenue Service, and for other purposes, which was referred to the House Calendar and ordered to be printed.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. RILEY (at the request of Mr. ARMEY), for today and the balance of the week, on account of medical reasons.

Mr. MCNULTY (at the request of Mr. GEPHARDT), for today, on account of personal reasons.

Ms. SLAUGHTER (at the request of Mr. GEPHARDT), for today, on account of medical reasons.

Mr. YATES (at the request of Mr. GEPHARDT), for today after 10:30 p.m., on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. FORD) to revise and extend their remarks and include extraneous material:)

Ms. BROWN of Florida, for 5 minutes, today.

Mr. MCNULTY, for 5 minutes, today.

Mr. RUSH, for 5 minutes, today.

Mr. CUMMINGS, for 5 minutes, today.

Mr. LEWIS of Georgia, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Mrs. CLAYTON, for 5 minutes, today.

Mr. GREEN, for 5 minutes, today.

Mrs. MINK of Hawaii, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

(The following Members (at the request of Mr. WHITE) to revise and extend their remarks and include extraneous material:)

Mr. SAXTON, for 5 minutes, today.

Mrs. LINDA SMITH of Washington, for 5 minutes each day, on today and November 5, 6, and 7.

Mr. KINGSTON, for 5 minutes each day, on today and November 5.

Mr. JONES, for 5 minutes, on November 6.

Mr. THOMAS, for 5 minutes, today.

Mr. GIBBONS, for 5 minutes, on November 6.

Mr. MCHUGH, for 5 minutes, on November 6.

Mr. BOEHLERT, for 5 minutes, on November 6.

Mr. HOEKSTRA, for 5 minutes, today.

Mr. ADAM SMITH of Washington, for 5 minutes each day, on November 5, 6, and 7.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

Mr. FOX of Pennsylvania, for 5 minutes today.

EXTENSIONS OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. WHITE) and to include extraneous matter:)

Mr. FORBES.

Mr. CALLAHAN.

Mr. GILMAN.

Mr. ROGAN.

Mr. GRAHAM.

Mr. YOUNG of Alaska.

Mr. SAXTON.

Mr. BEREUTER.

Mr. ADERHOLT.

(The following Members (at the request of Mr. FORD) and to include extraneous matter:)

Mr. HOYER.

Mr. KUCINICH.

Mr. ABERCROMBIE.

Mr. FRANK of Massachusetts.

Mr. PAYNE in two instances.

Mr. ACKERMAN.

Mr. VENTO.

Mr. TOWNS.

Mr. LANTOS.

Mr. VISCLOSKY.

Mr. ORTIZ.

Mr. GONZALEZ.

Ms. DELAURO.

Mr. MANTON.

Mr. BENTSEN.

Ms. LOFGREN.

Mr. OWENS.

Mr. STARK.

Mr. KIND.

Mr. MCGOVERN.

(The following Members (at the request of Mr. FOX of California) and to include extraneous matter:)

Mrs. MCCARTHY of New York.

Mr. BOB SCHAFFER of Colorado.

ENROLLED BILL SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled, a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 2107. An act making appropriations for the Department of Interior and related agencies for the fiscal year ending September 30, 1998, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 2107. An act making appropriations for the Department of Interior and related agencies for the fiscal year ending September 30, 1998, and for other purposes.

ADJOURNMENT

Mr. FOX of Pennsylvania. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 48 minutes p.m.), the House adjourned until tomorrow, Wednesday, November 5, 1997, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

5719. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Avermectin; Pesticide Tolerances for Emergency Exemptions [OPP–300567; FRL–5750–8] (RIN: 2070–AB78) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5720. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Lambda-cyhalothrin; Pesticide Tolerances for Emergency Exemptions [OPP–300555; FRL–5745–5] (RIN: 2070–AB78) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5721. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Ferric Phosphate; Establishment of an Exemption from the Requirement of a Tolerance [OPP–300564; FRL–5749–2] (RIN: 2070–AB78) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5722. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—4-(2,2-difluoro-1,3-benzodioxol-4-yl) — H-pyrrole-3-carbonitrile; Pesticide Tolerance [OPP–300565; FRL–5750–2] (RIN: 2070–AB78) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5723. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Tebuconazole; Pesticide Tolerances for Emergency Exemptions [OPP–300570; FRL–5752–4] (RIN: 2070–AB78) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5724. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Dipropylene Glycol Dimethyl Ether; Final Significant New Use Rule [OPPTS–50621B; FRL–5745–1] (RIN: 2070–AB27) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5725. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Fuels and Fuel Additives; Elimination of Oxygenated Fuels Program Reformulated Gasoline (OPRG) Category from the Reformulated Gasoline Regulations [FRL–5917–7] (RIN: 2060–AH43) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5726. A letter from the AMD—Performance Evaluation and RECORDS Management, Federal Communications Commission, transmitting the Commission's final rule—Federal-State Joint Board on Universal Service [CC Docket No. 96–45] received October 31, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5727. A letter from the Deputy Director, Defense Security Assistance Agency, transmitting the Department of the Navy's proposed lease of defense articles to New Zealand (Transmittal No. 05–98), pursuant to 22 U.S.C. 2796a(a); to the Committee on International Relations.

5728. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially to Greece (Transmittal No. DTC–88–97), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5729. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially to the United Kingdom (Transmittal No. DTC–127–97), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5730. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed manufacturing license agreement for production of major military equipment with the United Kingdom (Transmittal No. DTC–129–97), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

5731. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially to the United Kingdom (Transmittal No. DTC–126–97), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5732. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially to Australia (Transmittal No. DTC–120–97), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5733. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially to the United Kingdom (Transmittal No. DTC–123–97), pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

5734. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

5735. A letter from the Secretary of Commerce, transmitting the semiannual report on the activities of the Office of the Inspector General and the Secretary's semiannual report on final action taken on Inspector General audits for the period from April 1, 1996 through September 30, 1996, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

5736. A letter from the Deputy Independent Counsel, Office of the Independent Counsel, transmitting the annual report on audit and investigative coverage required by the Federal Managers' Financial Integrity Act for the period ending September 30, 1997, pursuant to 5 U.S.C. app. 3 section 8G(h)(2); to the Committee on Government Reform and Oversight.

5737. A letter from the Acting Director, Office of Sustainable Fisheries, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Sablefish in the Central Regulatory Area of the Gulf of Alaska [Docket No. 961126334–7025–02; I.D. 102997B] received November 3, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5738. A letter from the Director, Office of Surface Mining Reclamation and Enforcement, transmitting the Office's final rule—Pennsylvania Regulatory Program [PA–113–FOR] received October 30, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

5739. A letter from the Director, Executive Office for Immigration Review, Department of Justice, transmitting the Department's final rule—Executive Office for Immigration Review; Adjustment of Status to That of Person Admitted for Permanent Residence [EOIR No. 119 I; A.G. ORDER No. 2120–97] (RIN: 1125–AA20) received November 3, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

5740. A letter from the the Acting Assistant Secretary (Civil Works), the Department of the Army, transmitting a report on the authorized deep-draft navigation project for the Cape Fear-Northeast (Cape Fear) Rivers, North Carolina, pursuant to Public Law 104—303, section 101(a)(22); (H. Doc. No. 105—164); to the Committee on Transportation and Infrastructure and ordered to be printed.

5741. A letter from the the Acting Assistant Secretary (Civil Works), the Department of the Army, transmitting a report on a flood damage reduction project for the Cedar Hammock (Wares Creek) area of Manatee County, Florida, pursuant to Public Law 104–303, section 101(a)(10); (H. Doc. No. 105–165); to the Committee on Transportation and Infrastructure and ordered to be printed.

5742. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; General Electric Company CF6–50 and –80C2 Series Turbofan Engines (Federal Aviation Administration) [Docket No. 97–ANE–52–AD; Amendment 39–10186; AD 97–22–14] (RIN: 2120–AA64) received November 3, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5743. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Raytheon Aircraft Company Models 1900, 1900C, and 1900D Airplanes (Federal Aviation Administration) [Docket No. 97–CE–11–AD; Amdt. 39–10187; AD 97–22–16] (RIN: 2120–AA64) received November 3, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5744. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A320 and A321 Series Airplanes (Federal Aviation Administration) [Docket No. 96–NM–252–AD; Amdt. 39–10185; AD 97–22–13] (RIN: 2120–AA64) received November 3, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5745. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Lewiston, ID (Federal Aviation Administration) [Airspace Docket No. 97–ANM–07] (RIN: 2120–AA66) received November 3, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5746. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment of Class E Airspace; Gillette, WY (Federal Aviation Administration) [Airspace Docket No. 97–ANM–11] (RIN: 2120–AA66) received November 3, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5747. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Twin Falls, ID (Federal Aviation Administration) [Airspace Docket No. 97–ANM–08] (RIN: 2120–AA66) received November 3, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5748. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Aurora, MO (Federal Aviation Administration) [Airspace Docket No. 97–ACE–15] (RIN: 2120–AA66) received November 3, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5749. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Pella, IA (Federal Aviation Administration) [Docket No. 97–ACE–25] (RIN: 2120–AA66) received November 3, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5750. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Anniston, AL (Federal Aviation Administration) [Airspace Docket No. 97–ASO–10] (RIN: 2120–AA66) received November 3, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Submitted November 3, 1997]

Mr. BLILEY: Committee on Commerce. H.R. 10. A bill to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers, and for other purposes; with an amendment (Rept. 105–164, Pt. 3). Referred to the Committee of the Whole House on the State of the Union.

[Submitted November 4, 1997]

Mr. BURTON: Committee on Government Reform and Oversight. H.R. 2675. A bill to require that the Office of Personnel Management submit proposed legislation under which group universal life insurance and group variable universal life insurance would be available under chapter 87 of title 5, United States Code, and for other purposes; with an amendment (Rept. 105—373). Referred to the Committee of the Whole House on the State of the Union.

Mr. BURTON: Committee on Government Reform and Oversight. H.R. 1836. A bill to amend chapter 89 of title 5, United States Code, to improve administration of sanctions against unfit health care providers under the Federal Employees Health Benefits Program, and for other purposes, with an amendment (Rept. 105–374). Referred to the Committee of the Whole House on the State of the Union.

Mr. GILMAN: Committee on International Relations. H.R. 2709. A bill to impose certain sanctions on foreign persons who transfer items contributing to Iran's efforts to acquire, develop, or produce ballistic missiles; with an amendment (Rept. 105–375). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of Oregon: Committee on Agriculture. H.R. 2534. A bill to reform, extend, and repeal certain agricultural research, extension, and education programs, and for other purposes; with an amendment (Rept. 105–376). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 799. A bill to require the Secretary of Agriculture to make a minor adjustment in the exterior boundary of the Hells Canyon Wilderness in the States of Oregon and Idaho to Exclude an established Forest Service road inadvertently included in the wilderness (Rept. 105–377). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 838. A bill to require adoption of a management plan for the Hells Canyon National Recreation Area that allows appropriate use of motorized and nonmotorized river craft in the recreation area, and for other purposes (Rept. 105–378). Referred to the Committee of the Whole House on the State of the Union.

Mr. SOLOMON: Committee on Rules. House Resolution 302. Resolution providing for consideration of nine measures relating to the policy of the United States with respect to the People's Republic of China (Rept. 105–379). Referred to the House Calendar.

Mr. DREIER: Committee on Rules. House Resolution 303. Resolution providing for consideration of the bill (H.R. 2676) to amend the Internal Revenue Code of 1986 to restructure and reform the Internal Revenue Service, and for other purposes (Rept. 105–380). Referred to the House Calendar.

DISCHARGE OF COMMITTEE

Pursuant to clause 5 of rule X the Committee on Rules discharged from further consideration. H.R. 2621 referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. BARRETT of Nebraska (for himself, Mrs. CUBIN, and Mr. CHRISTENSEN):

H.R. 2795. A bill to extend certain contracts between the Bureau of Reclamation and irrigation water contractors in Wyoming and Nebraska that receive water from Glendo Reservoir; to the Committee on Resources.

By Mrs. CLAYTON (for herself, Mr. DELLUMS, Mr. SKELTON, Mr. BATEMAN, Mr. SPRATT, Mr. HANSEN, Mr. ORTIZ, Mr. BUYER, Mr. ABERCROMBIE, Mrs. FOWLER, Mr. MCHALE, Mr. GIBBONS, Mr. HEFNER, Mr. BALLENGER, Mr. COBLE, Mr. BILBRAY, Mr. BLILEY, Mr. GOODE, Mrs. MEEK of Florida, Mr. FROST, Mr. PALLONE, Mr. MCGOVERN, Mr. STENHOLM, Mr. CLAY, Ms. FURSE, and Mr. PRICE of North Carolina):

H.R. 2796. A bill to authorize the reimbursement of members of the Army deployed to Europe in support of operations in Bosnia for certain out-of-pocket expenses incurred by the members during the period beginning on October 1, 1996, and ending on May 31, 1997; to the Committee on National Security.

By Mr. COOK:

H.R. 2797. A bill to require air carriers to charge a reduced fare for air transportation to and from certain clinical health trials; to the Committee on Transportation and Infrastructure.

By Mr. DAVIS of Illinois:

H.R. 2798. A bill to redesignate the building of the United States Postal Service located at 2419 West Monroe Street, in Chicago, Illinois, as the "Nancy B. Jefferson Post Office Building"; to the Committee on Government Reform and Oversight.

By Mr. DAVIS of Illinois:

H.R. 2799. A bill to redesignate the building of the United States Postal Service located at 324 South Laramie Street, in Chicago, Illinois, as the "Reverend Milton R. Brunson Post Office Building"; to the Committee on Government Reform and Oversight.

By Mr. DUNCAN:

H.R. 2800. A bill to provide for a study of the establishment of Midway Atoll as a national memorial to the Battle of Midway, and for other purposes; to the Committee on Resources.

By Mr. FAZIO of California (for himself, Ms. KAPTUR, Mr. SERRANO, Ms. DELAURO, Mr. PALLONE, and Mrs. LOWEY):

H.R. 2801. A bill to consolidate in a single independent agency in the executive branch the responsibilities regarding food safety, labeling, and inspection currently divided among several Federal agencies; to the Committee on Agriculture, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FRANK of Massachusetts (for himself, Mr. DELAHUNT, Ms. CARSON, and Mr. FROST):

H.R. 2802. A bill to amend the Internal Revenue Code of 1986 to restore the exclusion from gross income for damage awards for emotional distress; to the Committee on Ways and Means.

By Mr. GRAHAM:

H.R. 2803. A bill to amend the Internal Revenue Code of 1986 to reduce the noncorporate capital gains tax rate; to the Committee on Ways and Means.

By Ms. KILPATRICK (for herself, Mr. DAVIS of Illinois, Ms. HOOLEY of Oregon, Mr. JACKSON, Mr. MCINTYRE, Ms. MILLENDER-MCDONALD, Mr. PAUL, Mr. SANDLIN, and Mr. TOWNS):

H.R. 2804. A bill to amend the Internal Revenue Code of 1986 to provide a tax credit to primary health providers who establish practices in health professional shortage areas; to the Committee on Ways and Means.

By Ms. LOFGREN (for herself, Mr. LANTOS, Mr. MCGOVERN, Mrs. MINK of Hawaii, and Mr. MILLER of California):

H.R. 2805. A bill to prohibit a State official from releasing the results of a Presidential election in the State prior to the closing of the polls for such election in all States within the continental United States; to the Committee on House Oversight.

By Mr. PASCRELL:

H.R. 2806. A bill to amend title 49, United States Code, to provide that motor carriers safety permits for the transportation of hazardous material be subject to annual renewal; to the Committee on Transportation and Infrastructure.

By Mr. SAXTON (for himself and Mr. MILLER of California):

H.R. 2807. A bill to amend the Rhinoceros and Tiger Conservation Act of 1994 to prohibit the sale, importation, and exportation of products labeled as containing substances derived from rhinoceros or tiger; to the Committee on Resources.

By Mr. SKEEN:

H.R. 2808. A bill to designate a commercial zone within which the transportation of certain passengers or property in commerce is exempt from certain provisions of chapter 135 of title 49, United States Code; to the Committee on Transportation and Infrastructure.

By Mr. STUPAK:

H.R. 2809. A bill to provide for the declassification of the journal kept by GLENN T. Seaborg while serving as Chairman of the Atomic Energy Commission; to the Committee on Commerce.

By Mr. TAYLOR of North Carolina:

H.R. 2810. A bill to direct the Secretary of the Interior to conduct a study to determine the best uses for the property on which the Lorton Correctional Complex is located to obtain the maximum economic benefit from the closure of the Complex under the National Capital Revitalization and Self-Government Improvement Act of 1997; to the Committee on Government Reform and Oversight, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. THURMAN:

H.R. 2811. A bill to amend the Trade Act of 1974 and the Tariff Act of 1930 to clarify the definitions of domestic industry and like articles in certain investigations involving perishable agricultural products, and for other purposes; to the Committee on Ways and Means.

By Mr. YOUNG of Alaska:

H.R. 2812. A bill to provide for the recognition of certain Native communities under the Alaska Native Claims Settlement Act, and for other purposes; to the Committee on Resources.

By Mr. SOLOMON:

H. Res. 301. A resolution amending the Rules of the House of Representatives to repeal the exception to the requirement that public committee proceedings be open to all media; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII,

Mrs. FOWLER introduced A bill (H.R. 2813) to waive time limitations specified by law in order to allow the Medal of Honor to be awarded to Robert R. Ingram of Jacksonville, Florida, for acts of valor while a Navy Hospital Corpsman in the Republic of Vietnam during the Vietnam conflict; which was referred to the Committee on National Security.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 26: Mr. SOUDER, Mrs. MYRICK, and Mr. HOLDEN.

H.R. 59: Mr. EVERETT, Mr. CALLAHAN, Mr. MCINNIS, Mr. BOEHNER, and Mr. MORAN of Kansas.

H.R. 80: Mr. SALMON.

H.R. 135: Mr. BERRY.

H.R. 306: Mr. ROMERO-BARCELÓ, Mr. MOLLOHAN, and Mr. BORSKI.

H.R. 314: Mr. BILIRAKIS.

H.R. 383: Mr. LANTOS.

H.R. 591: Mrs. MALONEY of New York.

H.R. 619: Mr. PALLONE, Mr. FRELINGHUYSEN, Mr. KENNEDY of Rhode Island, Mr. ENGLE, Mr. MARTINEZ, Mr. LAZIO of New York, Mr. PAPPAS, Mr. WEYGAND.

H.R. 622: Mr. COOKSEY and Mr. COMBEST.

H.R. 716: Mr. SALMON.

H.R. 721: Mr. MINGE.

H.R. 746: Mr. CALVERT and Mr. SAM JOHNSON.

H.R. 754: Ms. STABENOW.

H.R. 815: Mr. BAESLER and Mrs. FOWLER.

H.R. 971: Mr. PAPPAS.

H.R. 979: Mr. LANTOS, Mr. KIM, Mr. NETHERCUTT, and Mr. TAYLOR of North Carolina.

H.R. 991: Mr. WYNN.

H.R. 1009: Mr. BATEMAN.

H.R. 1115: Mr. BROWN of California.

H.R. 1126: Mr. HORN.

H.R. 1165: Mr. LANTOS.

H.R. 1232: Ms. DEGETTE.

H.R. 1241: Mr. TORRES.

H.R. 1301: Mr. LUTHER.

H.R. 1334: Mr. BERMAN.

H.R. 1356: Mr. LEWIS of California.

H.R. 1415: Mr. ORTIZ, Mr. MORAN of Virginia, and Mr. BARTLETT of Maryland.

H.R. 1432: Mr. CLEMENT.

H.R. 1500: Mr. FRANKS of New Jersey.

H.R. 1544: Mr. BENTSEN.

H.R. 1595: Mr. DUNCAN and Mr. REDMOND.

H.R. 1625: Mr. DREIER, Mr. BASS, Mr. CRANE, Mr. BONILLA, Mr. BARTON of Texas, and Mrs. CHENOWETH.

H.R. 1719: Mr. MORAN of Kansas.

H.R. 1861: Mr. FRANKS of New Jersey.

H.R. 1872: Mr. DEAL of Georgia, Mr. ENGEL, and Mr. HASTINGS of Washington.

H.R. 1995: Mr. WALSH, Mr. BOEHLERT, Ms. CHRISTIAN-GREEN, Mr. MCHALE, and Mr. ROMERO-BARCELO.

H.R. 2023: Ms. RIVERS.

H.R. 2029: Mr. BURTON of Indiana.

H.R. 2040: Mr. GOSS.

H.R. 2139: Mr. SOLOMON.

H.R. 2212: Mr. LANTOS.

H.R. 2228: Ms. CHRISTIAN-GREEN, Mr. FILNER, Mr. DELLUMS, and Ms. PELOSI.

H.R. 2292: Mr. DEAL of Georgia and Ms. MCCARTHY of Missouri.

H.R. 2320: Mr. ABERCROMBIE, Mr. FROST, Mr. MCGOVERN, Ms. STABENOW, and Mr. THOMPSON.

H.R. 2321: Mr. BACHUS and Mr. MCCRERY.

H.R. 2327: Mr. STUMP.

H.R. 2351: Mr. BROWN of California, Ms. VELÁZQUEZ, and Ms. ROYBAL-ALLARD.

H.R. 2377: Mr. BOSWELL, Mr. SUNUNU, Mr. BASS, Mr. CAMP, and Ms. DUNN of Washington.

H.R. 2408: Mrs. CLAYTON, Mr. LEWIS of Georgia, Mr. PAYNE, Mr. ALLEN, and Mr. ACKERMAN.

H.R. 2442: Ms. ROS-LEHTINEN, Mr. DIAZ-BALART, Mr. BONOIR, and Mr. GEPHARDT.

H.R. 2449: Mr. RYUN.

H.R. 2450: Ms. KAPTUR and Mr. MARKEY.

H.R. 2468: Mr. MCGOVERN.

H.R. 2495: Mr. YATES, Mr. FROST, and Mr. OLVER.

H.R. 2503: Mr. MCGOVERN, Mrs. KELLY, Mr. HASTINGS of Florida, and Ms. MCCARTHY of Missouri.

H.R. 2509: Mr. KLINK, Mrs. MYRICK, Mr. CLYBURN, and Mr. COBLE.

H.R. 2523: Mr. DICKS.

H.R. 2549: Ms. KAPTUR.

H.R. 2570: Mr. BOB SCHAFFER, Mr. WATTS of Oklahoma, Mr. GREENWOOD, Mr. CHRISTENSEN, and Mr. BURTON of Indiana.

H.R. 2596: Mr. BARRETT of Nebraska, Mr. MCINTOSH, Mrs. EMERSON, Mr. HILL, Mr. NUSSLE, Mr. KLUG, and Mr. COMBEST.

H.R. 2604: Mr. TAYLOR of North Carolina, Mr. WELLER, and Mr. TORRES.

H.R. 2609: Mr. BOEHNER, Mr. PICKERING, Mr. TIAHRT, and Mr. MARTINEZ.

H.R. 2612: Mr. TRAFICANT.

H.R. 2625: Mr. WELLER, Mr. GOODLING, Mrs. KELLY, Mr. DAN SCHAEFER of Colorado, and Mr. THORNBERRY.

H.R. 2631: Mr. PACKARD, Mr. ROGAN, and Mr. Quinn.

H.R. 2647: Mr. BOB SCHAFFER, Mr. WATTS of Oklahoma, and Mr. BURTON of Indiana.

H.R. 2649: Mr. TORRES.

H.R. 2650: Mr. TORRES and Mr. BORSKI.

H.R. 2681: Mr. BOUCHER, Mr. RAHALL, Mr. BONIOR, and Ms. EDDIE BERNICE JOHNSON of Texas.

H.R. 2695: Mr. GREEN, Mr. PAYNE, Mr. FORD, Mr. TORRES, Mr. LANTOS, and Mr. ACKERMAN.

H.R. 2697: Mr. FROST, Mr. GUTIERREZ, Mr. RUSH, and Mr. SHERMAN.

H.R. 2708: Mr. GIBBONS, Mr. JEFFERSON, and Mr. SNYDER.

H.R. 2713: Mr. ALLEN and Mr. LANTOS.

H.R. 2746: Mr. WELDON of Florida, Mr. KING of New York, Mr. PETERSON of Pennsylvania, Mr. LARGENT, Mr. MCINTOSH, and Mr. NORWOOD.

H.R. 2757: Mr. LIPINSKI, Mr. WEYGAND, and Mrs. THURMAN.

H.R. 2760: Mr. SKELTON and Mr. BENTSEN.

H.R. 2779: Mrs. KELLY and Mr. BISHOP.

H. Con. Res. 52: Mr. FATTAH.

H. Con. Res. 152: Mr. QUINN and Mr. PASCRELL.

H. Con. Res. 182: Mrs. KELLY.

H. Res. 135: Mr. WATT of North Carolina.

H. Res. 279: Mr. LEWIS of Georgia, Mr. MCGOVERN, Mr. LANTOS, Mr. ABERCROMBIE, Mr. HEFNER, Ms. KILPATRICK, Ms. SANCHEZ, Mr. SANDLIN, and Ms. VELÁZQUEZ.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2616

OFFERED BY: MR. WEYGAND

AMENDMENT NO. 4: Page 15, line 17, strike ", to the extent possible,".

Page 15, line 20, insert "to" before "each".

Page 15, line 20, insert "which has applied for a grant in accordance with the requirements of subsections (a) and (b) of section 10303" after "State".

EXTENSIONS OF REMARKS

HONORING OUR VETERANS

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. HOYER. Mr. Speaker, I rise today not to praise the men and women who have served our Nation's Armed Forces, nor enumerate the deeds and sacrifices they have made for this country. I stand today to offer my most sincere gratitude and thanks to these ordinary citizens who have been called to do extraordinary things. As Veterans Day nears, we must ask ourselves what meaning this day has for us all.

This day, formerly known as Armistice Day, was conceived to honor those brave Americans who fought and died in the First World War. In 1938, the Congress passed a law officially making November 11th a national holiday. President Dwight D. Eisenhower, 16 years later in 1954, would sign legislation stating, "to honor Veterans on the 11th day of November each year . . . a day dedicated to world peace," formally recognizing this day as a time to honor those who have served this country.

The 11th hour, of the 11th day, of the 11th month, was the precise time which ended the First World War in 1918. That time marked the sacrifice of over 116,000 Americans who lost their lives on the battlefields of Northern France. This global war amassed more than 37 million military casualties, in addition to 10 million deaths among the civilian population. Although the horrors of war had been demonstrated to the world, an ill conceived peace from the Versailles conference, provided the impetus for a repeat of this madness with even deadlier consequences.

This day however, directly challenges those forces in the world that would break the fragile peace we now hold. And as each Veterans Day is celebrated, the fragility of that peace is strengthened and nurtured and allowed to grow; to grow with the hope that the flower it bears is not a poppy of sorrow, but rather a brilliant white rose celebrating peace.

Mr. Speaker, this day causes us all to think and reflect on the reasons why so many of our young men and women have served in our Armed Forces. For me, that answer is simple, to ensure the peace and domestic tranquility of this country. Though these words ring within the Constitution, it is that cause and that sentiment which these dedicated men and women have sworn to uphold. It is for that reason why this Nation in its vigil to maintain the peace, has helped to ensure the peace for the world and for generations of Americans to come.

War may glorify those human qualities which we hold high and dear but how much braver is the soldier standing on guard in 10 degree weather along the DMZ in Korea? How much more courageous is that maintenance personnel servicing vehicles in a lonely, isolated desert depot, or how dedicated is that medical assistant, routinely tending patients at the base health center, than their predecessors who served during wartime conditions. The sacrifices of our service members today cannot be divorced from those men and women who served in the past.

It is this common thread which holds the very fabric of the peace which shrouds our democracy and our way of life. To forget these links is to weaken the purpose and meaning of this auspicious day. The bright torch of freedom has been handed from our combat veterans to our present day service members. That torch burns brightly as a beacon to the rest of the world that we as a Nation stand ready to defend our hard earned peace.

No Nation can survive alone on the assurances of its technology or economic prowess. The willingness of our common citizenry to commit themselves to the causes of freedom and democracy are the assurances that have ensured the survival and existence of this country.

And so I ask you, Mr. Speaker, and my fellow colleagues, to join with me in not just recognizing but thanking those who have served this Nation. Our gratitude for those servicemen and women of yesterday and today is immeasurable. My simple thanks, is the sincerest form I have, to offer a group of Americans whose service has yielded us the full fruits of freedom. God bless our veterans.

HONORING THE LIFE OF NORMA JEAN CHURNOCK

HON. JAMES E. ROGAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. ROGAN. Mr. Speaker, I rise today to pay tribute to a loving mother, a compassionate friend, and a dedicated woman of faith—Norma Jean Churnock. While her passing reminds us of our frailty, her persistence, love and devotion remind us of what life really means.

Norma was born in August 1931, and lived her entire life near her hometown of West Covina, CA. Norma was often a quiet woman, but to know her was to have learned volumes about strength from gentleness.

Too often, we find our lives unfocused and off center. We are distracted by the unimportant and we lose sight of what truly matters. This was not so with Norma. The pride of her life was her dedication to ministry and to her extended family at Calvary Bible Church in Glendale, CA.

For over 30 years, Norma served not just the members of our church and her community, but she dedicated her time—quietly and unselfishly—to the people of Los Angeles and the surrounding communities. Her years of service with the Haven of Rest sent a message of hope, proving that one person can make a difference.

Norma led an exemplary life and brought joy as a mother, a volunteer, and an active member of our church family. As members of Calvary Church we looked to Norma as a dedicated matriarch of our faith. Her dedication carried beyond her love of music shown as a member of our choir. No job was too small; no task too great. Norma lived the exemplary Christian life by dedicating herself to serving those around her, and often those less fortunate than herself.

Mr. Speaker, we have lost a dear friend and a dedicated servant. Our solace comes from knowing we are not alone in remembering her and her dedication to all. In recognizing the memory of a true saint, I ask my colleagues to join me here today in saluting her life, and remembering in our prayers the family of Norma Jean Churnock.

IN HONOR OF MATTHEW S. FINLAY ON HIS ATTAINMENT OF EAGLE SCOUT

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. KUCINICH. Mr. Speaker, I rise to honor Matthew Finlay of Bay Village, OH, who will be honored for his attainment of Eagle Scout on November 23, 1997.

The attainment of Eagle Scout is a high and rare honor requiring years of dedication to self-improvement, hard work and the community. Each Eagle Scout must earn 21 merit badges, 12 of which are required, including badges in: lifesaving; first aid; citizenship in the community; citizenship in the Nation; citizenship in the world; personal management of time and money; family life; environmental science; and camping.

In addition to acquiring and proving proficiency in those and other skills, an Eagle Scout must hold leadership positions within the troop where he learns to earn the respect and hear the criticism of those he leads.

The Eagle Scout must live by the Scouting Law, which holds that he must be: trustworthy, loyal, brave, helpful, friendly, courteous, kind, obedient, cheerful, thrifty, clean, and reverent.

And the Eagle Scout must complete an Eagle project, which he must plan, finance, and evaluate on his own. It is no wonder that only 2 percent of all boys entering scouting achieve this rank.

My fellow colleagues, let us recognize and praise Matthew for his achievement.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

HONORING MAJ. GEN. ENOCH H. WILLIAMS

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. TOWNS. Mr. Speaker, I rise today to honor the work and achievements of Councilman Enoch Williams.

While attending the needs of a racially and ethnically diverse constituency, Mr. Williams has been a member of the New York City Council, representing the 41st Councilmanic District, since 1978. Prior to entering elective office, Mr. Williams served as the executive director of the Housing Development Corp. of the Council of Churches of New York City. He was also a community-organization specialist in the now-famous Youth-in-Action, Inc. antipoverty agency, where he developed the skill of working with community groups, guiding them to create housing and employment in the innercity.

While making important strides in his role as a councilman, Enoch has managed to contribute to his community in other meaningful ways. Currently, he is the civilian director of the New York City region of the Selective Service System. He is a member of the American Institute of Housing Consultants, the Community Service Society, the National Association for the Advancement of Colored People, the National Urban League, and the Unity Democratic Club. In addition, the councilman served as an elected delegate to the 1992 Democratic National Convention, having served in the same capacity in 1968 and 1972. He also served as Democratic district leader from 1986 to 1994.

As a veteran, Major General Williams has again proven his commitment to his country. He was appointed commander of the New York Guard in 1990. After serving as an enlisted member during World War II, General Williams earned his commission in 1950, and has enjoyed over 30 years of active service. His military decorations include the Legion of Merit, Army Commendation Medal, both the Bronze and Silver, and Silver Selective Service System Meritorious Service Medals. He retired in June 1995 as commander of the New York Guard, with the rank of major general.

Mr. Speaker, please join me in congratulating Councilman Enoch Williams for all of his years of faithful service to his country and to the 41st Councilmanic District of Brooklyn, NY.

TRIBUTE TO HELEN VINCENT

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. VISCLOSKY. Mr. Speaker, it is my great pleasure to extend sincere congratulations to Mrs. Helen Vincent on her retirement from Teamsters Union Local 142 next month. Helen will be honored for her 38 years of dedicated service to the Teamsters at a dinner to be held this Friday, November 7, at the Patio restaurant in Merrillville, IN. Helen's family and colleagues will be attending this special event, where Rick Kenney, secretary-treasurer of Teamsters Local 142, will speak in recognition of her outstanding service.

Helen began working as a secretary for Teamsters Local 142 in 1959. Founded in 1941 in Gary, IN, Teamsters Local 142 represents approximately 5,500 laborers in the trucking, warehousing, commercial services, municipalities, and manufacturing industries. Helen's responsibilities at Local 142 have included the preparation of contracts, personal secretarial work for the secretary-treasurer, bookkeeping, and related duties. Throughout her career, Helen's coworkers have regarded her as a very reliable and efficient worker, who always goes above and beyond the call of duty. In addition to her outstanding career with the Teamsters, Helen and her husband of 39 years, Bob, successfully raised two fine sons, Robert and Mark.

Mr. Speaker, I ask you and my other distinguished colleagues to join me in congratulating Helen Vincent on her imminent retirement from Teamsters Local 142. In all aspects of her life, Helen has managed to put forth her best effort for a job well done. Helen's husband, children, and four wonderful grandchildren, Bobby, Megan, Sam, and Teresa, should be proud of her accomplishments, as she has been an invaluable source of guidance and support for both the Teamsters and her family.

COLOMBIAN NATIONAL POLICE 106TH ANNIVERSARY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. GILMAN. Mr. Speaker, permit me to take this opportunity to inform my colleagues that the 6th of November is the 106th anniversary of the Colombian National Police [CNP]. The CNP has been our longstanding partner in the war on drugs. The CNP's success has been orchestrated by its director general, Gen. Rosso Jose Serrano, and the fearless leader of the DANTI, their antinarcotics unit. Col. Leonardo Gallego.

Under the leadership of these two outstanding officers, the CNP has received worldwide recognition from the law enforcement community including FBI Director Freeh at a recent International Relations Committee hearing. Under their leadership, the CNP has broken the backs of the world's largest drug cartels in both Medellin and Cali. Their efforts should be duly recognized here today by Congress.

Regrettably, their success has had a price, the lives of more than 4,000 brave young CNP officers over the last 9 years. Their sacrifice cannot be underestimated, or go unnoticed. Their deaths were not in vain. Today, we honor their memories here in the House. Despite the tragedies of their deaths fighting drugs, the DANTI is world renowned for its record on human rights. This is a credit to their dedication to their mission, and a credit to their leaders, General Serrano and Colonel Gallego.

Mr. Speaker, I would like to include, at the conclusion of my remarks, a copy of the letter from myself, Mr. BURTON, Mr. HASTERT, and Mr. BALLENGER to General Serrano congratulating him on this occasion of the 106th anniversary of the CNP.

I know I echo the words of many of my colleagues here today. We thank the Colombian National Police for their outstanding, courageous efforts in the harshest of circumstances. We extend our heartfelt congratulations on their 106th anniversary and wish their continued success in all of their endeavors.

CONGRESS OF THE UNITED STATES,
Washington, DC, November 5, 1997.

Gen. ROSSO JOSE SERRANO,
Director General, Colombian National Police.

DEAR GENERAL SERRANO: It is with great respect and admiration that we salute the Colombian National Police on this, the 106th anniversary of its inception. The professionalism of your police force has been proven repeatedly under the most adverse challenges imaginable.

The sterling reputation of the Colombian National Police is one that is the envy of law enforcement organizations world-wide. The sacrifices of your policemen have made that reputation what it is today.

We applaud the Colombian National Police's loyalty and your dedication to the principles of law enforcement. We also encourage your adherence to human rights, and salute the DANTI's world-renowned human rights reputation. We salute your continued sacrifices for law and order in a democratic republic.

Finally, please tell your policemen that they are not forgotten.

With best wishes,

DAN BURTON,
Chairman, Government Reform and Oversight Committee.
BEN GILMAN,
Chairman, International Relations Committee.
J. DENNIS HASTERT
Chairman, National Security Subcommittee.
CASS BALLENGER
Vice Chairman, Western Hemisphere Subcommittee.

CONFERENCE REPORT ON H.R 1119, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998

SPEECH OF

HON. JOHN M. SPRATT, JR.

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 28, 1997

Mr. SPRATT. Mr. Speaker, I rise to express my concerns about two provisions in the conference report on H.R. 1119, the Defense Authorization Act for Fiscal Year 1998. Although I was a member of the conference, I was not a conferee for these provisions and was not aware of their final resolution until the completion of the conference report.

Sections 522 and 523 of H.R. 1119 mandates that the Secretary of Defense submit a plan to eliminate 4,350 nondual status military technicians. These are Federal civilian employees working for the National Guard and the Army Reserve, often in administrative and administrative support positions, who would not be required to report with their reserve units during a deployment. The bill directs the Secretary to recommend ways to convert the status of these employees if it is determined that their positions can not be eliminated or filled by dual status technicians.

In many cases, these employees fill support positions which would be subject to high turnover if filled by dual status employees. Current nondual status employees have provided stability to these positions, often at low rates of pay. This provision appears to prejudge the need to eliminate these employees before it has been established whether such a move will provide a savings to the Government, or will improve national security. Further, I am troubled that this provision gives the Secretary of Defense no direction on the need to provide for the protection of pension and other employee benefits in the conversion process, especially for those employees whose length of service would reasonably entitle them to expect such benefits.

Second, I am sorely disappointed in the conference reports resolution in regards to a Senate amendment which would have elevated the Chief of the National Guard Bureau to a four-star ranking and made the Chief a member of the Joint Chiefs of Staff [JCS]. Although I did not support putting the Guard chief of the JCS, I do believe that there is currently a serious problem in resourcing for the Guard which can be improved by elevating the Chief of the Guard. I supported giving the Chief a fourth star and appointing him to the Joint Requirements Oversight Committee [JROC]. Sec. 901, H.R. 1119 instead creates two new assistants to the Chairman of the JCS: one for National Guard Matters and one for Reserve Matters.

Two 2-stars do not make a four star, nor does it solve the real budget problem within the Army. When I and several of my colleagues wrote the Chairman of the National Security Committee to urge the inclusion of legislation that would elevate the Chief of the National Guard Bureau from 3-star to 4-star general and place him on the Joint Requirements Oversight Committee, I believe then, as I believe now, that this is the right thing to do.

There are those critics that argue that making the Chief of the National Guard a four-star would be disruptive to the total force policy or is not justified. I disagree, because there is precedence, just look at the Marine Corps, the commandant of the Marine Corps at one point in time was a three-star general and did not have a seat on the Joint Chiefs of Staff. The Marine Corps to my knowledge are to this day part of the Navy. The Marine Corps to this day is a shining example of the total force concept, fully integrated across the spectrum and fully funded. Another example is the Coast Guard, while not part of the Department of Defense in peacetime, they support the Navy in times of war. Currently, the Coast Guard has a four-star admiral and four three-star vice admirals, for a $3.8 billion force of more than 75,000 active and reserve Coast Guard members across the country. The Coast Guard does a tremendous job of supporting maritime law and drug enforcement, maritime transportation support and disaster assistance in their domestic role. Now let's compare this to the National Guard. The National Guard has a three-star lieutenant general for $10 billion force of more than 466,000 full-time and part-time members in the Army and Air National Guard who are performing vital missions throughout the country and the world right this minute. This in itself is justification for the National Guard to have a four-star, not to mention that the National Guard has 54 percent of the Army's combat force structure and is located in over 2,700 communities in all States and territories.

Finally, concerning sec. 411, end strengths for Selected Reserve, where the Army National Guard was reduced in endstrength by 5,000 spaces. I do not support reducing the Army National Guard endstrength. The bottomline here is that the Army National Guard is the only service component, active or reserve, to be reduced below the President's budget request. The conference report cites the Army off-site of June 5, 1997 as the reason for reducing the endstrength of the Army National Guard. As I understand the results of the off-site, the active Army should have been reduced by 5,000 spaces as well, but that was not included in this bill. In fact the Army is not able to meet its endstrength. In fact the Army National Guard is currently meeting its endstrength goals. It makes it very difficult to justify reducing the Army National Guard, in essence punishing them for meeting their strength.

In conclusion, I believe that the provisions I have mentioned do nothing to enhance the resourcing and readiness issues faced by the National Guard and Reserve. I do believe that we should revisit these provisions next year as we prepare the fiscal year 1999 Defense authorization bill.

HONORING HERRICKS MIDDLE SCHOOL

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. ACKERMAN. Mr. Speaker, I rise to honor Herricks Middle School in Albertson, NY, which has recently received a Blue Ribbon Award for academic excellence by the Department of Education. The school will be honored in a ceremony with Education Secretary, Richard Riley on November 6.

Herricks Middle School strives to give every student the most well rounded education possible by fostering each child's cognitive, social, and physical development. Students are required to take a seventh grade guidance class, where they can initiate a positive relationship with a guidance counselor, early on in their academic careers. The school's academic teams, which consist of teachers, guidance counselors, administrators, and parents, focus upon each individual student, in order to provide critical support during difficult times. Herricks Middle School also has a diverse and innovative extracurricular program.

The school has also placed an important focus upon computer literacy programs. The administration has recognized that a computer in a classroom may not necessarily foster a student's education unless a teacher is fully versed in the proper technology. Thus, a part time staff member has been hired to train teachers in computer technology and help them apply it in a classroom setting. Since this training program was implemented, computer use by teachers has tripled.

The school's innovative curriculum also includes interdisciplinary units on the Holocaust and immigration. All of these factors have combined to create an extraordinary learning environment. The average daily attendance rate at Herricks Middle School exceeds an astounding 96 percent. The school's average standardized test scores in reading and math fall between the 82d and 92d percentiles nationwide. Much of this success can also be attributed to the leadership and commitment of the school's principal, Dr. Seth Weitzman.

Herricks Middle School is working to build tomorrow's leaders through innovative academic and guidance programs, constant teacher training, and diversified extracurricular activities. I ask all of my colleagues to join me in honoring this school for their extraordinary work and congratulating them on receiving the prestigious Blue Ribbon Award.

HONORING THE SUNY/BROOKLYN EDUCATIONAL OPPORTUNITY CENTER

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. TOWNS. Mr. Speaker, I am proud to acknowledge that on November 7, 1997, the SUNY/Brooklyn Educational Opportunity Center will celebrate 30 years of service to the borough of Brooklyn and the city of New York.

The center was established in 1996 by Governor Nelson Rockefeller, the New York State Legislature, and State University of New York. Throughout the years, the Brooklyn Center has served over 200,000 residents, enrolled 50,000 students and graduated approximately 28,000 adults and young adults. These graduates have become high school principals, corporate executives, college professors, city and State employees, secretaries, computer technicians, and mechanical drafters. Over the past 5 years the Brooklyn Educational Opportunity Center's alumni have contributed $7 million to the city and State treasuries. This program has also made it possible for 800 former welfare recipients to become gainfully employed.

Mr. Speaker, it is an honor and a privilege for me to congratulate SUNY/Brooklyn Educational Opportunity Center, and to wish them many more productive and prosperous years.

HONORING GREG LAIS, EXECUTIVE DIRECTOR OF WILDERNESS INQUIRY

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. VENTO. Mr. Speaker, on October 22 I had the pleasure of hosting the signing event that celebrated the establishment of a general framework of cooperation—a memorandum of understanding—between the Federal land management agencies and a private entity; Wilderness Inquiry. These agreements have a positive goal of increasing opportunities for people of all abilities to get out and enjoy America's public lands. I was joined by Chairman Jim Hansen and a number of representatives of Federal agencies who have dedicated their work to increasing access to our Nation's special places for all Americans. None of this would have been possible without the extraordinary efforts of a extraordinary Minnesotan, Greg Lais.

Since 1978, Wilderness Inquiry has served 30,000 people of all abilities on trips throughout North America, Europe and Australia. Greg Lais observes, "Meeting new friends, exploring wilderness areas, and participating in exciting outdoor activities is what Wilderness Inquiry is all about. Be prepared to step out of your normal routine and enter a world where time is measured by the sun and movement governed by wind and weather."

"In addition to having fun," Lais continues, "you'll have the opportunity to learn about a variety of topics, including the history and ecology of the areas you travel. And, since Wilderness Inquiry strives to include a diverse group of participants—including persons with disabilities—it's likely that you'll learn a bit about other people—and yourself—in the process."

With the signing of a memorandum of understanding [MOU] between Wilderness Inquiry and the Bureau of Land Management, the National Park Service, the U.S. Forest Service, the U.S. Fish and Wildlife Service, the Bureau of Reclamation, and the U.S. Army Corps of Engineers, more people will have the wealth of opportunities observed as our American experience and legacy. Wilderness Inquiry's expertise in service delivery will surely help the agencies achieve the goal of providing outdoor recreation programs and services that are accessible to all Americans. And Wilderness Inquiry's expertise is readily apparent: more than half of the people Wilderness Inquiry serve have physical, cognitive or emotional disabilities. Indeed, when a person with a disability calls Wilderness Inquiry and expresses a desire to experience the outdoors, Greg Lais and his talented staff figure out how to do it—not why it can't and shouldn't be done.

Wilderness Inquiry's program focus of integrating people from diverse backgrounds and ability levels has proven effective at fostering dignity, independence, and social integration. A lot of positive steps have already been taken. In 1991 Wilderness Inquiry completed a study on behalf of the National Council on Disability to determine the ability of people with disabilities to enjoy wilderness. That study came forward with a number of recommendations, many of which are currently being implemented. These includes suggestions and programs for training Federal employees, guidelines for policy implementation, and recommendations for service providers.

But much more remains to be done, and that is what this special agreement between Wilderness Inquiry and the Federal land managers is focused upon. It signals a Federal agency commitment to making our public lands accessible so that all Americans appreciate our rich natural and cultural heritage. The benefits to all Americans will be great. Customers will be better served and more satisfied, awareness of our great outdoors will be enhanced, and we will be on the road to achieving equal access to the comprehensive civil rights for persons with disabilities included in the Americans With Disabilities Act.

That is why I rise today to pay tribute to Greg Lais, a person who embodies the spirit of serving the public that makes this Minnesotans such a special person. His organization is doing good work, and for that I believe he deserves the respect and thanks of this House, this Congress, and the American people.

IN HONOR OF GRANT A. KNISELY ON HIS ATTAINMENT OF EAGLE SCOUT

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. KUCINICH. Mr. Speaker, I rise to honor Grant Knisely of Bay Village, OH, who will be honored for his attainment of Eagle Scout.

The attainment of Eagle Scout is a high and rare honor requiring years of dedication to self-improvement, hard work, and the community. Each Eagle Scout must earn 21 merit badges, 12 of which are required, including badges in: lifesaving; first aid; citizenship in the community; citizenship in the Nation; citizenship in the world; personal management of time and money; family life, environmental science; and camping.

In addition to acquiring and proving proficiency in those and other skills, an Eagle scout must hold leadership positions within the troop where he learns to earn the respect and hear the criticism of those he leads.

The Eagle Scout must live by the Scouting Law, which holds that he must be: trustworthy, loyal, brave, helpful, friendly, courteous, kind, obedient, cheerful, thrifty, clean, and reverent.

And the Eagle Scout must complete an Eagle Project, which he must plan, finance, and evaluate on his own. It is no wonder that only 2 percent of all boys entering scouting achieve this rank.

My fellow colleagues, let us recognize and praise Grant for his achievement.

A TRIBUTE TO THOMAS J. MURRAY

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. GILMAN. Mr. Speaker, one of my more remarkable constituents, Thomas J. Murray of Walden, NY, is going to be honored by the Walden Rotary Club in a few weeks for a lifetime of devotion to his community and his family. I would like to take this opportunity to share his life story with our colleagues so that they can join us in saluting an outstanding American citizen.

Tom Murray was born on August 3, 1914, in the town of Newburgh on a family homestead populated not only by his parents, but also by his three siblings, Dorothy, Anna, and Jack, by aunts, uncles, cousins, and other relatives. There were many adults interested in the future of young Tom who made certain the young man was raised on the straight and narrow. Tom was a student in the Newburgh school system and a graduate of Newburgh Free Academy.

In World War II, Tom was drafted into the service, and served in the 20th Air Force 58th Bomb Group as an engineer and a rear gunner on a B–29 aircraft. The 58th Bomb Group was one of the outstanding combat groups of the Second World War, and Tom was instrumental as an executive board member in keeping their annual reunion running smoothly for over 40 years. To honor those who served in the Army Air Corp, the group commissioned an original oil painting of the B–29 which now is on display at the U.S. Military Academy at West Point, the Naval Academy at Annapolis, the Air Force Academy in Colorado, and at the Air and Space Museum right down the street from the Capitol.

In 1942, Tom married the former Helen Alice Romash, now deceased. Helen was from Walden, NY, about 7 miles west of Tom's home in the town of Newburgh. The young couple settled in Walden where Tom remains until this day, even after the passing of Helen a few years ago. Tom and Helen had two lovely children, Patricia and Dennis.

When World War II ended, Tom went to work for the DuPont Chemical Co. in Newburgh. In the mid-1960's, when DuPont moved their plant to South Carolina, Tom went along to help set up the new plant down south. However, he refused to give up his Walden home and returned to check his home and to visit family and friends quite often during his 1 year in South Carolina. Tom finally decided to come back home to Walden once and for all.

Tom is the personification of the community activist. A long time parishioner at Most Precious Blood Catholic Church, he served for many years as an usher and was an important component in the successful efforts to raise building funds for the parochial school.

Tom also served as chairman of the March of Dimes for the town of Montgomery, of which Walden is a part, and was in charge of the food distribution program for seniors and low-income families.

Tom has also been a mainstay in the Walden Volunteer Fire Department for many years. He has served as an on-the-line fireman and as a fire policeman.

He has served as a member of the planning committee, and thus played a major role in the planned growth of the village of Walden, a concept he has always supported.

Tom is known in his home community and throughout his home County of Orange as "Mr. Republican." He has never wavered in his support of Republican causes, and is known for his outspoken honesty. He recently celebrated his 30th anniversary as a Republican committeeman representing Election District No. 8, and from 1982 until he voluntarily stepped down in September of this year having served as chairman of the Republican Committee of the Town of Montgomery.

Mr. Speaker, I have always considered it an honor to consider Tom Murray as a friend. Throughout his remarkable career, he is an individual who can always be counted upon for honest answers, penetrating questions, and genuine loyalty. The Walden Rotary Club tribute to Tom is in long overdue.

Mr. Speaker, I invite my colleagues to join in applauding an outstanding human being, Tom Murray of Walden, NY.

CONGRATULATIONS TO JAMES AND ANNA MAE GAMBLE ON THEIR 50TH ANNIVERSARY

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. TOWNS. Mr. Speaker, I rise today to congratulate Mr. and Mrs. Gamble on their 50th wedding anniversary. While raising their six children, Mr. Gamble worked as a printer and Mrs. Gamble worked as a supervisor with the Home Energy Assistant Program. Currently, they are proud parents of 6 children and grandparents to 13 grandchildren.

Over the years, Mr. and Mrs. Gamble have been strong supporters of their community. Because of his solid presence in their neighborhood, Mr. Gamble is often spoken of as the "Mayor" of Jefferson Avenue. As a past president of the Sand T Block Association, Mrs. Gamble has spent inexhaustible hours contributing to efforts which have made that community close knit.

Mr. Speaker, please join me in congratulating them in passing this milestone in their lives.

UNRECOGNIZED SOUTHEAST ALASKA NATIVE COMMUNITIES RECOGNITION ACT

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. YOUNG of Alaska. Mr. Speaker, today I am introducing the Unrecognized Southeast Alaska Native Communities Recognition Act. This legislation provides long overdue recognition of five Native communities of Haines, Ketchikan, Petersburg, Tenakee, and Wrangell, which were wrongly denied the opportunity to establish and enroll in a Native corporation under the terms of the Alaska Native Claims Settlement Act [ANCSA]. The act also provides for a process to determine the lands or other appropriate compensation for the communities.

This legislation is intended to rectify an injustice that is over 25 years old. In 1971, ANCSA was enacted as the means to settle the aboriginal claims of Alaska Natives to their traditional homelands. The law provided for the establishment of Native Corporations, which were awarded land and compensation. Natives could enroll to 1 of 13 regional corporations and, within the geographic area of their regional corporation, to the village where they lived or had historic, culture, or familial ties.

However, Natives in the five southeast Alaska villages of Haines, Ketchikan, Petersburg, Tenakee, and Wrangell, were not recognized in ANCSA, and therefore were denied the ability to form Native corporations. The legislative and historical record of ANCSA does not clearly provide a reason for leaving these villages out of the process of forming Native corporations.

A study ordered by Congress in 1993 examined why the five unrecognized communities were denied eligibility to form Native corporations. The study found that there was no meaningful distinction between the five communities and other communities in southeast Alaska recognized in ANCSA, and thus no justification for omission of the Native communities of Haines, Ketchikan, Petersburg, Tenakee, and Wrangell from eligibility to form urban or group corporations under ANCSA.

The Natives and their heirs in these communities deserve the chance to enroll to Native corporations. The legislation I am introducing simply grants recognition to these communities and enables them to form Native corporations. The bill also directs the Secretaries of Interior and of Agriculture to submit a report to Congress regarding lands or other compensation that should be provided to the new urban and group corporations that are established.

This is the first, but most important step to bringing the struggle of the Natives of five southeast Alaska communities to a close.

INTRODUCTION OF THE RHINO AND TIGER PRODUCT LABELING ACT: NOVEMBER 4, 1997

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. SAXTON. Mr. Speaker, I am pleased to introduce today, along with my colleague, George Miller, the Rhino and Tiger Product Labeling Act of 1997.

This legislation will amend the landmark Rhinoceros and Tiger Conservation Act of 1994, Public Law 103–391, to ensure that no person may import any product labeled or containing any species of rhinoceros or tiger into, or export any such product from, the United States.

Regrettably, all five species of both rhinoceros and tigers are critically endangered. For nearly 20 years they have been listed as endangered on both appendix I of the Convention on International Trade in Endangered Species of Wild Fauna and Flora [CITES] and our own Endangered Species Act.

In the case of tigers, their future is particularly bleak. In fact, it has been estimated that there are now less than 5,000 animals living in the wild, which is a 95-percent decline from the beginning of this century. There are fewer than 500 South China and Siberian tigers left in the world. Despite the enactment of Public Law 103–391 and the approval of several valuable tiger rescue grants financed by the Rhinoceros and Tiger Conservation Fund, these irreplaceable species continue to be killed by poachers for their fur, as well as for other body parts. Shamans and practitioners of traditional medicine, especially the Chinese, value almost every part of the cat.

Tiger bone powders and tablets have been used for generations to combat pain, kidney, and liver problems, rheumatism, convulsions, and heart conditions.

Mr. Speaker, the population estimates for the rhinoceros are slightly better than tigers with 11,000 animals living in the wild. Nevertheless, there are several rhino species that are teetering on extinction. For instance, there are only 100 Javan and fewer than 500 Sumatran rhinos left on this planet.

While human population growth and competition for land have contributed to the destruction of rhinoceros habitat, the major cause of this species' decline has been the insatiable demand for products made from rhino horn. In Asia, rhinoceros horn obtained almost exclusively from illegal sources has been used for generations to treat headaches and fever in children.

By killing these flagship species, poachers are reaping huge financial rewards. In fact, Asian rhino horn is selling for up to $60,000 per kilogram and tiger bones can sell for over $1,400 a pound.

In order to save these species, we must eliminate the market for these products and stop consumers from purchasing medicines made from endangered rhinos and tigers. While it may be difficult to change traditional healing practices in China, Taiwan, and Vietnam, we can stop their importation into the United States.

I am told that on any given day, a consumer can visit a drug store or pharmacy in such cities as Chicago, New York, Los Angeles, San Francisco, and Washington, DC, and purchase prepackaged medicines that clearly indicate they contain rhino and tiger parts. While some U.S. Customs agents will confiscate these products prior to importation, unfortunately it is virtually impossible to conclusively determine even in a laboratory that the active ingredients in the medicine originated from a rhinoceros or a tiger.

We can solve this problem by enacting the Rhino and Tiger Product Labeling Act. This legislation stipulates that if a label on a product says that it contains rhinoceros or tiger parts, then we can prevent it from coming into the United States by making the legal presumption, without any further scientific tests or analysis, that it violates our trade laws. In essence, it is a Truth in Labeling for these endangered species and if manufacturers choose to try to sell their medicines without a reference to rhinos or tigers, then consumers are not likely to purchase them.

Mr. Speaker, if there is any hope of saving rhinoceros or tigers for future generations, then we must stop the sale of products containing these animals and 1998 is the year of the tiger according to the Chinese calendar, and passage of this bill would be an effective way to celebrate this occasion.

I would urge my colleagues to join with me in this vital effort by cosponsoring the Rhino and Tiger Product Labeling Act of 1997. I would also like to thank the World Wildlife Fund and Traffic U.S.A. for their outstanding leadership in this issue and for dramatizing the plight of rhinos and tigers. We must work to ensure that the last rhino and tiger is not killed on our watch.

A TRIBUTE TO THE CHRIST COMMUNITY CHURCH OF STONY BROOK, LONG ISLAND

HON. MICHAEL P. FORBES

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. FORBES. Mr. Speaker, I rise today to honor and congratulate the Christ Community Church of Stony Brook, Long Island, as the church's members and friends celebrate its 30th anniversary year.

For more than three decades, before Christ Community Church was built, the Reformed Church of America has served the spiritual needs of this bucolic North Shore community. Since the founding of the Christ Community Church in 1967, a myriad of forces have changed the cultural, commercial, and political face of America and Long Island. But the steadfast devotion of the Christ Community Church and its members has neither wavered nor waned.

The origin of the Christ Community Church followed the 1962 birth of the State University of New York at Stony Brook. The new college and research hospital brought new jobs, thousands of new residents, and a demand for new houses of worship in this sleepy hamlet. So on land donated by businessman and legendary Long Island philanthropist Ward Melville, the Reformed Church of America began plans for its newest congregation.

So hungry for Christ's words were the first congregants that during construction the first pastor, Rev. Howard Newton, would lead the 50 charter members in worship in the garage of a home on Stockton Lane, in Stony Brook. Though the building was not fully complete and congregants had to use wooden planks to navigate across a sea of mud and puddles, the first formal worship service was held there on Palm Sunday, 1967.

Since its inception, congregants of Christ Community Church has sought to discover and apply Christ's word by serving God and community. Whether hosting the first organizational meetings of the Three Village School District, donating food, clothes, and money to the ministries at Coram or opening their doors to the Beth Emeth Reformed Congregation so that they could hold Sabbath services while their synagogue in Mt. Sinai was being built, the members of Christ Community Church have worked to serve their neighbors.

That is why, Mr. Speaker, I ask my colleagues in this hallowed Chamber to join me in congratulating the members of the Christ Community Church, and all of its friends and neighbors, on this historic 30th anniversary year. I pray that the Stony Brook community and all Long Island will forever enjoy the spirit of the Christ Community Church and the good work of its members.

HONORING NANCY L. SCHUCKMAN

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. TOWNS. Mr. Speaker, I rise today to honor the work and achievements of Nancy L. Schuckman. Ms. Schuckman was born in the east New York section of Brooklyn and has dedicated her professional life to educating the children in that area.

Soon after Nancy graduated from Brooklyn College in 1961, she began her career teaching at P.S. 202. For over 30 years Nancy has managed to provide invaluable services to everyone at P.S. 202. While working at the school, Ms. Schuckman has served as, an innovative and dedicated classroom teacher, a coordinator of social studies, reading, and physical education, a teacher trainer, a UFT chapter chairperson, an acting assistant principal, and a principal. Rarely, do we see the type of commitment, to an area and school, like that shown by Nancy Schuckman to P.S. 202.

There is no doubt that she has left an indelible mark on all the teachers and students that she has come in contact with. Her professionalism and her dedication to education, and the style in which it is administered to students, is the benchmark for others who follow in her footsteps.

Mr. Speaker, please join me in honoring Ms. Schuckman and all her contributions in the field of education.

HONORING SEYMOUR AND LOTTE MEYERSON

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. VISCLOSKY. Mr. Speaker, I would like to take this opportunity to commend two of northwest Indiana's outstanding citizens, Seymour and Lotte Meyerson. The Meyersons, who have lived in the Miller section of Gary for the last 45 years of their 54-year marriage, will be moving from northwest Indiana later this month. As they leave the region, the many accomplishments they have made in advocating individual human rights and liberties will be fondly remembered.

The Meyersons' long-time commitment to the ideals of dignity and rights for all human beings has brought positive change to the communities of northwest Indiana. Lotte Meyerson, a dedicated citizen activist, has made a campaign out of her devotion to human rights. Perhaps her most noteworthy contribution to the community was her leadership in forming the northwest Indiana Open Housing Center, of which she was president for 10 years. During her tenure with this organization, great strides were made in eliminating the institutional discrimination that prevents minorities from integrating into predominantly white neighborhoods. Lotte has further served her community by participating in activities with the Calumet Chapter of the Indiana Civil Liberties Union, the Gary League of Women Voters, and the Northwest Indiana Welfare Reform Coalition. Currently, she is serving as coordinator of the Northwest Indiana Coalition to Abolish Control Unit Prisons. This year, the coalition was successful in convincing the Indiana General Assembly to agree to study the advisability of limiting solitary confinement to 2 months or less and banning the practice for mentally ill prisoners.

A chemist specializing in mass spectrometry, Seymour Meyerson has made numerous professional contributions while maintaining his respect for nature and all of humanity. An Amoco employee for 37 years, Seymour advanced to the top of his field and , throughout his career, shared his technical findings in international science circles. Just recently, Seymour unselfishly donated his collection of mass spectrometry journals, which are worth $26,000, to Valparaiso University's chemistry department. Seymour shares his wife's deep-rooted convictions regarding the need to protect civil liberties.

The Meyersons will be moving to Asheville, N.C., where they will be living in a co-housing development community, which was founded on principles in keeping with their own. This unique living situation combines private homes with community living, and is modeled after a housing concept common in Denmark. Residents of the development, who are diverse in every respect, share a common house, where they can dine and share hobbies together, and common gardens, which are designed to foster a sense of community and belonging. Lotte and Seymour will be joining the family of their younger daughter, Elana Kohnle, as well as 24 other families in this community.

Mr. Speaker, I ask you and my other distinguished colleagues to join me in commending Seymour and Lotte Meyerson on the hard work and dedication they have put forth in achieving a better life for everyone in northwest Indiana. May their new life bring them much happiness and fulfillment.

CAPITAL GAINS TAX SIMPLIFICATION

HON. LINDSEY O. GRAHAM

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. GRAHAM. Mr. Speaker, today I am introducing legislation that removes the short-, mid-, and long-term distinctions on capital gains tax which were part of previous law and included in the Taxpayer Relief Act of 1997. This change simplifies capital gains tax assessments by removing arbitrary time constraints and applying the rates now, instead of in 2006. Without this change, gains made within the short- and mid-term rates will receive no tax break at all unless they are held for excessive periods of time.

The very idea of the Federal Government dictating time constraints on the holding of investments runs counter to the fundamental concept of our market-driven economy. With present holding periods, how can we conclude that an 18-month investment is better than a 17.9-month investment? For example, if an investor reaped $1,000 in capital gains, they would receive a return of $602 after taxes if they held it for 17 months and 30 days. But, after holding it for 1 day more, their after-tax return would jump to $720. That is a ridiculous 20 percent difference in 1 day. This legislation removes these conditions.

As we discuss the modification and simplification of the present Tax Code, this bill demonstrates Congress' desire to bring about an immediate beneficial change. It is becoming more and more evident that the Tax Code is a growing impediment to families, small business, and investors. While we conduct hearings and debate on what changes are to be made, streamlining the capital gains tax regulations in the interim shows the American people we are making progress toward a simple and lasting solution.

No changes in the gains tax percentages are made in this measure. The rates, agreed to by the Clinton administration earlier this year, would simply be applied without the time constraints. It is not only bipartisan, but logical as well. No concessions are made to corporate or big business capital gains taxes, nor is this bill designed to aid the wealthy. It allows individuals the opportunity to make investment decisions based on the market, rather than by obtuse Government time constraints. The rates in the present law are fair, the holding periods are not.

Mr. Speaker, this is a tremendous opportunity to help American families invest for their future. This bill removes frustrating obstacles for small businesses and investors who are often stymied in their efforts to reinvest their gains immediately because of the excessive losses they would incur under current law.

I urge my colleagues to support this technical change to the Taxpayer Relief Act of 1997. Removing the time constraints on capital gains tax demonstrates our desire to simplify the Tax Code and help Americans invest without unnecessary restrictions.

PRESIDENT OF THE AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. MANTON. Mr. Speaker, I rise today to pay tribute to the late John Sturdivant, President of the American Federation of Government Employees.

Mr. Sturdivant passed away on October 28, 1997, after a long, heroic fight against leukemia. I extend my most heartfelt condolences to Mr. Sturdivant's family. I hope it is of some comfort to the family to know that John greatly improved the lives of many through his work with the AFGE.

Through charismatic and innovative leadership, John Sturdivant brought the American Federation of Government Employees to prominence. He strived to increase wages and improve working conditions and benefits for Federal employees. Whether faced with government downsizing or budget cuts, John Sturdivant would face the situation with strength and determination. He consistently, and successfully, fought for Federal employees and the 600,000 workers he represented are sure to feel his loss.

John Sturdivant will be missed not only by his family, but by all the Federal employees he represented, as well as those with whom he bargained. It is a rare individual who possesses the talent and skills demonstrated by John Sturdivant in his many years of service to the labor movement.

Mr. Speaker, today I pay tribute to John Sturdivant for his achievements as the progressive leader of the American Federation of Government Employees.

BISHOP WILLIAM SWING OF THE EPISCOPAL DIOCESE OF CALIFORNIA DISCUSSES THE UNITED RELIGIOUS INITIATIVE, AN EFFORT TO ENCOURAGE PEACE AND RESPECT FOR HUMAN RIGHTS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. LANTOS. Mr. Speaker, the Right Reverend William Swing, Bishop of the Diocese of California of the Episcopal Church in the United States, is one of the outstanding religious leaders of our Nation. We in the bay area have the great blessing of having him in our city of San Francisco. Bishop Swing is an extraordinary man who is dedicated to promoting peace and respect for human rights around the globe. Throughout his life, he has also been sincerely dedicated to helping the homeless, the elderly, and the sick.

Recently, Bishop Swing has launched the United Religions Initiative which seeks to unite all religions in order to establish peace among them. In a world where blood is often shed in the name of religious belief, the United Religions Initiative is working toward the reconciliation of religious groups for the good of all nations.

Mr. Speaker, on October 29, Bishop Swing made a presentation at a briefing of the Congressional Human Rights Caucus to discuss the United Religions Initiative with Members of Congress and congressional staff. I had the pleasure of introducing Bishop Swing and spending time with him on that occasion as he presented his ideas for encouraging peace and respect for human rights.

I ask, Mr. Speaker, that Bishop Swing's remarks at this recent meeting of the Congressional Human Rights Caucus be placed in the Congressional Record, and I urge my colleagues to give thoughtful and serious considerations to the ideas of this dedicated man of God.

Remarks of Bishop William Swing to the Congressional Human Rights Caucus

I would like to call attention to an Initiative that could have a profound influence on global peacemaking. I am referring to the United Religions Initiative. This initiative seeks to create a new global forum where the world's faith communities, continuing to respect each others distinctness, would meet together on a daily and permanent basis to deepen mutual understanding, recognition and respect; to create an open dialogue for exchanging ideas and finding a common voice; and to cooperate in new ways to address urgent suffering. This effort would create for the world's religions a forum with the stature and visibility of the United Nations.

As the people of the world work together to shape a new world order following the end of the Cold War, we confront enormous questions. How can we ensure peace? How can the world's people live together as neighbors? What structures of cooperative effort can help us to secure a decent world for our grandchildren? And what visions can guide us as we consider these questions? Finding answers together will require not only new ways of thinking and new voices at the table, but also a firm foundation of shared spiritual values. In this conversation, the world's religions must necessarily be involved.

When we look to our religious traditions for guidance, however, we must first acknowledge a hard truth: while religions historically have been an immense source of good, they have also been the direct cause of much violent conflict. When not actually fighting themselves, they have all too often fanned the flames of hatred, or stood mute in the presence of injustice. Not one of the original founders of the world's religions taught murder, coercion or injustice as a way of propagating the faith; and yet religious violence continues to this day, deeply injuring the moral credibility of our religious institutions. Moreover, such violence is increasingly a major threat to world peace. Much of the large scale violence in the world today—in Bosnia, Chechnya, Palestine, Northern Ireland, Afghanistan, Sri Lanka, and East Timor, for example—is caused, encouraged or abetted by religion.

And yet the world's religions are also humanity's great treasure houses, where our deepest values, aspirations and wisdom have been sustained. It is religion that reminds us that life is ultimately larger than what we know; that life is sacred; that each of us is called to act responsibly in light of these truths; and that the deepest meanings of life are to be found beyond narrow self-interest. Religions are our window to a larger life, a life beyond ourselves. Drawing on their deepest sources, could they themselves now set an example of how we all might live with one another as neighbors? It is the conviction of the United Religions Initiative that this is indeed the challenge.

The Initiative owes much to previous interfaith efforts. Over the last 100 years, many have worked to begin dialogue and cooperation among people of different faiths. On the local level, interfaith cooperation is already rapidly emerging in hospital ministries, jail ministries, and university campus ministries. Cities around the world are developing interfaith commissions. National interfaith coalitions are beginning to appear. And a few groups, such as the Council for a Parliament of the World's Religions, the Temple of Understanding, the International Association for Religious Freedom, and the World Conference on Religion and Peace, have undertaken significant international dialogues and action projects. All of these distinct efforts have begun to provide an infrastructure of interfaith work throughout the world; and all of this deserves to be acknowledged and genuinely celebrated.

Given this present level of interreligious activity, and the world's search for a new foundation of shared values, is there anything else that could happen among religions beyond what already exists? The answer is an emphatic yes. There is a vast untapped potential for partnership among the world's religions that could be an enormous resource for peace-making and community building. If religions themselves could move just one step beyond their ancient competitions and attempt a new dimension of religious cooperation, a great new focus for global hope would be forthcoming. And if religions, continuing to respect their differences, were then able to join their enormous resources in a serious, mutual effort of service to the world, a tremendous new force for global good would come into being.

The United Religions Initiative is an attempt to call together members of the world's religions and spiritual traditions to create a comprehensive global framework for just such an effort. With the help of an organizational development team from Case Western Reserve University, they are building a worldwide network of supporters at the grassroots level, while simultaneously overseeing a large scale collaborative process of writing an organizational charter for a United Religions Organization. This charter will be formally signed on June 26, 2000, the 55th anniversary of the founding of the United Nations. Currently, the Initiative has active, committed groups on six continents, and they will hold some 15 regional conferences during the coming 18 months. They are committed to the inclusion of youth, women and indigenous traditions as full partners in this effort.

One key initial project of the Initiative is a call for twenty-four hours of non-violence and making peace among faith communities on December 31st, 1999. Organized through a large partnership of supporting organizations, this call will invite people around the world to one day of individual and community reflection, repentance, and resolution to offer each faith's deepest values as a gift for the new millennium. The logistical challenges of such an immense project are daunting; on the other hand, the overriding vision is that for this one day, the global hope of a United Religions could actually become a lived reality.

A United Religions would have much to offer the world as we move into the next millennium. Where economic and political solutions by themselves have proved inadequate, it could offer deeper, value-based visions of global possibility. It could directly address many of those deeper problems which are beyond the capabilities of government. Most importantly, as we move into an uncertain future, a United Religions could offer the world a powerful new vision of hope—the vision that the deepest stories we know can now cease to be causes of separation between people, and become instead the foundation for a reunited humanity.

HONORING REGINALD B. ALLEN

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. TOWNS. Mr. Speaker, I rise today to honor the work and achievement of Reginald B. Allen, Jr. His dedication to the city of New York, and the country has proven incomparable.

For 26 years, Mr. Allen served as a gunnery sergeant in the U.S. Marine Corps Reserve. Mr. Allen also served in the Korean and Vietnam conflicts before retiring from service in 1980. Mr. Allen has worked hard to improve the lives of fellow veterans, he was appointed by Mayor Edward I. Koch to the Veterans Advisory Board of New York City's Office of Veterans Affairs and the New York Korean Veterans Memorial Commission. Presently, he is a member of the New York State Senate's Veterans Advisory Council.

Mr. Allen has always been committed to bringing vital services to the people of New York City. After joining the Addiction Services Agency as a supervising addiction specialist, Mr. Allen has supervised the Court Referral Project to the Kings County Criminal Court and has supervised drug specialists who referred addicts and abusers to programs for treatment in place of incarceration. Currently, he is a supervisor for the Food Stamps Program of the Human Resources Agency. Clearly, our district has only benefited from his tireless efforts.

Mr. Speaker, the Council of the City of New York have honored Mr. Allen with a proclamation; I join them in congratulating Mr. Reginald Allen for all of his years of service.

"ROFEH INTERNATIONAL CONTINUES ITS EXCELLENT WORK"

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. FRANK of Massachusetts. Mr. Speaker, I am glad to continue what has become for me an important tradition—recognizing here the great work done by ROFEH International, a project sponsored by the New England Chassidic Center located in Brookline, MA. ROFEH International, like the New England Chassidic Center, is led by Grand Rabbi Levi Horowitz, known as the Bostoner Rebbe.

In addition to his religious leadership and scholarship, Rabbi Horowitz has become an expert in the field of medicine, and especially of medical ethics. His work on medical ethics is widely consulted, and as befits a religious leader who is dedicated to the welfare of others, Rabbi Horowitz has put the concept of medical ethics to work in a very important way through ROFEH International. ROFEH exists to help people from all over the world get access to first rate medical care which they would not otherwise have. Bringing people who could not otherwise afford it to Boston to be treated at the outstanding medical institutions which are so important in our metropolitan area is extraordinarily important work, and it is a concept which Rabbi Horowitz and his colleagues in ROFEH pioneered and have implemented brilliantly.

On November 23, 1997, a dinner will be held in Boston to celebrate the work of ROFEH, and this year, as in the past, the dinner will pay tribute to two particularly outstanding individuals. These two men are Dr. Benjamin Rabinovici and Dr. Andrew L. Warshaw.

The 1997 Man of the Year, Dr. Benjamin Rabinovici was born in Romania. He studied at the well known Vizhinitzer Yeshiva where he granted S'micha. Following his years at the Yeshiva he went to the Polytechnic University of Bucharest where he graduated with a B.S. degree in electrical engineering. When he immigrated to the United States in 1951, he continued his education at Columbia University where he received an M.S. degree in electrical engineering and the degree of Ph.D. in applied physics.

Dr. Rabinovici held senior scientific and managerial positions at CBS Laboratories, RCA, IBM and Honeywell. He left Honeywell for an academic appointment as professor of electrical engineering and computer science at Northeastern University. He published extensively in scientific and technical journals, holds numerous patents, and is a senior member of IEEE, American Physical Society, and New York Academy of Science.

Dr. Rabinovici is president and CEO of International Microwave Corp. and Tympanium Corp. He is founder and director of Parlex Corp. and is a trustee of Natick Village Investments. He is also in a number of Jewish organizations and is a trustee of Maimonides School.

Joining Dr. Rabinovici as an honoree is Dr. Andrew L. Warshaw who will receive the coveted Harry Andler Memorial Award.

Dr. Andrew L. Warshaw was born in New York. He received his A.B. from Harvard College, Cambridge, MA, (cum laude) and his M.D. from Harvard Medical School, Boston, MA, (magna cum laude). Dr. Warshaw fulfilled his surgical internships and residencies at Massachusetts General Hospital, Boston, MA.

Dr. Warshaw is the recipient of many awards including a Phi Beta Kappa, Alpha Omega Alpha and the Good Physician Award of the Massachusetts Medical Society.

Dr. Andrew L. Warshaw is one of the world's leading surgeons and is internationally renown for his care of patients and research in pancreatic disease. He is surgeon-in-chief and chairman of the Department of Surgery, Massachusetts General Hospital, Boston, MA.

Dr. Warshaw has served on many major committees. Amongst them are the Committee on Research, chairman of the Massachusetts General Staff Associates Executive Board, Operating Room Advisory Committee, chairman of the Committee on Future of Department of Surgery, Head, Pancreatic Cancer Study Group, Disease Focused Care Management Expert Team for Pancreatic Cancer, chairman of the Executive Committee for Operations Improvement Implementation (GI Surgery), Massachusetts General Hospital and director of the Massachusetts General Hospital Gastrointestinal Cancer Center.

Dr. Warshaw is a member of the Massachusetts Medical Society, American College of

Surgeons, chairman, Membership Committee, Halsted Society, president of the New England Surgical Society (1993–1994); co-president-elect, Society for Surgery of the Alimentary Tract (1996); president elect, International Association of Pancreatology (1996).

Dr. Warshaw has authored and co-authored many peer reviewed articles and books. Many of the doctor's articles have been published in leading medical books and journals.

Mr. Speaker, I am proud to share with my colleagues and the country the record of this excellent organization and the biographies of the two men they so justly honor.

HONORING CPL. HECTOR A. SOMOZA

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. ORTIZ. Mr. Speaker, I rise today to commend Corp. Hector A. Somoza, a U.S. Marine, who proudly serves and defends this great Nation. Following his family's distinguished patriotism, Corp. Hector A. Somoza has served in a honorable manner with the U.S. Marine Corps for 3 years, and most recently as a maintenance management clerk at the basic school, Quantico, VA.

Cpl. Hector A. Somoza, son of Jose D. Somoza a former sergeant in the armed forces of El Salvador, was born on July 25, 1974, in San Miguel, El Salvador. He immigrated into the United States in 1992 and attended Wakefield High School in Arlington, VA. In 1994 after graduating from high school, he enlisted in the U.S. Marine Corps. Upon his graduation from recruit training, at Parris Island SC, and after completing Marine combat training in the school of infantry, North Carolina, he was assigned to the 12th Marines. Third Marine Division, Okinawa, Japan as a basic electrician. During his tour in Okinawa he participated in the exercise, "Fire Dragon '95," which took place in Mount Fuji, mainland Japan. Next he was assigned to the Marine Corps Combat Development Command, Quantico.

After completing his third year of service in the military's most elite branch of service, and on behalf of a grateful Nation, we take this opportunity to award Cpl. Hector A. Somoza with the good conduct medal. It is an honor to pay tribute to a young man who continues to serve this Nation with distinction.

TRIBUTE IN MEMORY OF THE HONORABLE RALPH W. YARBOROUGH OF TEXAS

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. GONZALEZ. Mr. Speaker, the recently concluded regular session of the 75th Texas Legislature adopted, and the Governor then signed, House Concurrent Resolution No. 318, in memory of the Honorable Ralph W. Yarborough, who represented the great State of Texas in the U.S. Senate from April 1957, when he was elected to fill an unexpired term, until he departed elective office in January of 1971.

I am the only remaining member of the Texas delegation who had the privilege of serving with the late Senator Yarborough in the U.S. Congress, an honor which I had for more than 9 full years.

As the dean of my State's delegation, and as one who deeply admired and respected the Honorable Ralph W. Yarborough, I would like to take the opportunity to pay tribute to this champion of the common citizen and outstanding public servant by having placed in the RECORD the full text of the Texas Legislature's House Concurrent Resolution No. 318, which is here attached:

HOUSE CONCURRENT RESOLUTION NO. 318

Whereas, the passing of the Honorable Ralph Webster Yarborough on January 27, 1996, at the age of 92, brought a great loss to the family and many friends of this distinguished native Texan and former member of the United States Senate; and

Whereas, he was born in 1903 in Chandler and attended Sam Houston State College and the United States Military Academy at West Point, New York; after teaching school for three years, he enrolled in The University of Texas School of Law, graduating from that institution with honors in 1927; and

Whereas, a specialist in land law, he went on to become an assistant attorney general and, in a landmark case, helped to secure for the State's permanent school fund the interest money on nearly 4,000,000 acres of land; he was a respected jurist as well and served as a district judge in Austin before becoming a presiding judge over 30 counties in Central Texas; and

Whereas, like many of his generation, Senator Yarborough proudly served his country during World War II as a member of the United States Army, and he rose through the ranks of the military to become a lieutenant colonel; after the war ended, he was named military governor of Japan's Honshu Province, and his valor and meritorious service throughout his military career earned him both the Bronze Star and the Battle Star; and

Whereas, in addition to his remarkable contributions in these areas, Senator Yarborough will be well remembered for his outstanding career in the United States Senate; he first won election to that office in April of 1957 and went on to serve his State, and nation with the utmost integrity and distinction for 13 years; and

Whereas, Senator Yarborough was inspired by the goals advocated in President Franklin Delano Roosevelt's New Deal of the 1930's and 1940's; he truly envisioned himself as the people's servant and was dedicated to restoring fairness, justice, and economic opportunity for all Americans; indeed, shortly before the November 22, 1963, assassination in Dallas, President John Fitzgerald Kennedy said of the prolific federal legislator: "Ralph Yarborough speaks for Texas in the United States Senate, and he also speaks for our nation, and he speaks for progress for our people;" and

Whereas, a staunch advocate of equal rights, he earned further distinction as the only Southern senator to vote for the Civil Rights Act of 1964; he chaired the Labor and Public Welfare Committee and sponsored or actively supported nearly every piece of legislation in President Lyndon Johnson's Great Society programs of the 1960's; and

Whereas, Senator Yarborough's experience as a teacher fostered his abiding commitment to public education; he was instrumental in the creation of the country's first Bilingual Education Act, and as the sponsor of a Cold War GI Bill, he helped to extend education benefits to 5,000,000 veterans; and

Whereas, this illustrious statesman further enhanced the quality of life of his fellow citizens through his work on health care and social security legislation, and his involvement extended to the area of natural resources as well, for he helped to preserve the beauty of the South Texas coast by authoring legislation establishing the Padre Island National Seashore and many other national parks and preserves in the state; and

Whereas, firmly believing that every human being is best viewed as an asset, rather than as a liability, this renowned lawmaker's philosophy was quaintly summarized by his frequently-expressed hope that ". . . the jam be kept on the lower shelf so the little people can reach it . . ."; and

Whereas, Ralph Yarborough further contributed to the political culture of our country by inspiring those who have followed in his footsteps, and he has left behind a legacy of outstanding achievements that will endure in the hearts and minds of future generations for many years to come; Now, therefore, be it

Resolved, That the 75th Legislature of the State of Texas, Regular Session, 1997, hereby honor the memory of former United States Senator Ralph Webster Yarborough and extend sincere sympathy to the members of his family: to his beloved wife, Opal Warren Yarborough; to his brother, Donald V. Yarborough; to his sisters, Nell Yarborough Mallet and Margaret Yarborough Pickett; to his three grandchildren; and to the many other friends and relatives of this eminent public official; and, be it further

Resolved, That an official copy of this resolution be prepared for the members of his family and that when the Texas House of Representatives and Senate adjourn this day, they do so in memory of the Honorable Ralph Webster Yarborough.

HONORING COUNCILMAN ENOCH H. WILLIAMS

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. TOWNS. Mr. Speaker, I rise today to honor the work and achievements of Councilman Enoch Williams.

While attending the needs of a racially and ethnically diverse constituency, Mr. Williams has been a member of the New York City Council, representing the 41st Councilmanic District, since 1978. Prior to entering elective office, Mr. Williams served as the executive director of the Housing Development Corporation of the Council of Churches of New York City. He was also a community-organization specialist in the now-famous Youth-in-Action, Inc. anti-poverty agency, where he developed the skill of working with community groups, guiding them to create housing and employment in the innercity.

While making important strides in his role as a councilman, Enoch has managed to contribute to his community in other meaningful ways. Currently, he is the civilian director of the New York City region of the Selective Service System. He is a member of the American Institute of Housing Consultants, the Community Service Society, the National Association for the Advancement of Colored People, the National Urban League, and the Unity Democratic Club. In addition, the councilman served as an elected delegate to the 1992 Democratic National Convention, having served in the same capacity in 1968 and 1972. He also served as Democratic district leader from 1986 to 1994.

As a veteran, Major General Williams has again proven his commitment to his country. He was appointed Commander of the New York Guard in 1990. After serving as an enlisted member during World War II, General Williams earned his commission in 1950, and has enjoyed over 30 years of active service. His military decorations include the Legion of Merit, Army Commendation Medal, both the Bronze and Silver, and Silver Selective Service System Meritorious Service Medals. He retired in June 1995 as Commander of the New York Guard, with the rank of major general.

Mr. Speaker, please join me in congratulating Councilman Enoch Williams for all of his years of faithful service to his country and to the 41st Councilmanic District of Brooklyn, New York.

NATIONAL ELECTION FAIRNESS ACT

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Ms. LOFGREN. Mr. Speaker, without question, a fundamental necessity of our republican form of government is the participation of citizens in the electoral process. Today, across America, millions of voters will go to the polls and select their Representatives in Congress, the Governor's mansion, or their city council. These choices are extremely important and should enjoy the benefit of the collective wisdom of all citizens.

Can you imagine if you were a voter today in Alexandria, VA, and, before you could reach your polling place, the media begins to report that, based on results in Richmond, Norfolk, Roanoke, and other areas, the Governor's race was over? Obviously, this might discourage you from making any extra effort in casting your vote. Although this is a preposterous example for Virginia or other individual States, this is exactly what happens every 4 years during most Presidential elections.

It is demoralizing to be a voter on the West Coast on the way to the polls and hear on the car radio that the Presidential election is over—without your vote. In America's West, reports of results from the East is one significant factor in depressing voter turnout in Presidential elections. Certainly, Congress cannot restrict the freedom of the press to report factual information. However, we can take steps to delay the release of election results until after they would impact voters in States where polls are still open.

Today I am introducing the National Election Fairness Act, which will restrict State and local election officials from releasing Presidential election results until after all polls have closed in the continental United States. This bill will not restrict the ability of news organizations to conduct exit polling or employ other methods to predict election outcomes, but will merely prevent official Presidential election results from being announced before western polling places have closed.

I believe this limited measure will help to increase voter turnout in Presidential elections in my home State of California and in other States in the Central, Mountain, and Pacific time zones. I hope my colleagues will join me in supporting this bill and taking steps to ensure a more equitable election process that values the votes of a voter in California or Washington as much as a voter in Florida or New York.

REPUBLICAN LEADERSHIP OPPOSES HEALTH REFORM—WORKS WITH FOR-PROFIT INSURERS TO DESTROY CONSUMER PROTECTIONS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. STARK. Mr. Speaker, following is a memo from a staffer at the for-profit insurance lobby demonstrating how the Republican leadership is soliciting money to defeat consumer protections designed to provide a minimal floor of quality and protection for America's families.

Once again, those who profit off of insuring only those who are healthy and who resist any effort to provide minimal consumer protections reveal their cynical hand. Undoubtedly we will be flooded with literature in the coming months trashing proposals to require insurers to comply with simple rules against gagging what doctors can tell their patients and others, minimal consumer protections.

HEALTH INSURANCE ASSOCIATION OF AMERICA

MEMO

Date: October 22, 1997.
To: Michael Fortier.
From: Melody Harned.
Subject: Government Run Healthcare.

The message we are getting from House and Senate Leadership is that we are in a war and need to start fighting like we're in a war.

Republican Leadership is now engaged on this issue and is issuing strong directives to all players in the insurance and employer community to get activated. Earlier this week, I met with Keith Hennessey (Sen. Lott) along with the NFIB coalition. Hennessey will be working with House and Senate leadership to coordinate the advocacy effort. Senator Lott is well aware of the issue of mandates, incremental health care reform, etc., and is very concerned. Lott told Senator Jeffords that he could not introduce his "Quality Bill" this session and was advised to work less with Sen. Kennedy and more with his fellow Republicans on the Senate Labor Committee. Sen. Lott has also spoken with all Republicans on the Senate Labor Committee and told them to get involved and express their concerns. Sen. Lott also said that Senate Republicans need a lot of help from their friends on the outside, "Get off your butts, get off your wallets". Keith Hennessey believes that it is critical that employer/insurer grassroots occur during recess (Nov & Dec) so that Members are prepared when they come back to town in January.

At the NFIB Coalition meeting today, Mark Isokowitz (NFIB) informed the group that he had been summoned to the Hill by Missy Jenkins (Rep. Gingrich), Dean Clancy (Rep. Armey), Stacey Hughes (Sen. Nickles) and Keith Hennessey (Sen. Lott). Staff gave him four directives to take back to the coalition: (1.) Hold a briefing for Republican health LAs in 2 weeks; (2.) Implement heavy grassroots during recess; (3.) Meet with groups of Senators (e.g., Sen. Coverdell health care coalition) to report on what each organization is doing to fight these bills; and (4.) Write the definitive piece of paper trashing all these bills. Mark Isokowitz's overall impression from the meeting was that the Leadership was looking for signs of serious commitment on our part before they go out on a limb.

HONORING UNIVERSOUL CIRCUS

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. BENTSEN. Mr. Speaker, I rise to honor the Universoul Circus as they bring their successful tour of the United States to the Power Center in Houston, in my district. Their production has entertained families across the country and is benefiting communities economically as well.

The Universoul Circus is the first touring African-American circus in the United States in more than 100 years. It follows in the footsteps of Ephraim Williams, who in 1885 began the first all-African-American traveling show. What began with a horse doing math tricks quickly grew into three touring circuses, leading Williams to be called the Black P.T. Barnum. With the creation of the Universoul Circus, Cedric Walker has built on that tradition and brought it to a new generation.

Since its humble beginning in 1994, in a rented tent in a parking lot in Atlanta, Universoul has grown in attendance and significance. Today, it performs to sold-out crowds across the country and has become a source of family entertainment and community pride that will last for decades to come. Mr. Walker is committed to bringing the circus to neighborhoods that have been traditionally underserved by the entertainment industry. The group bypasses suburban arenas for our Nation's poorer neighborhood, bringing over 100 jobs with it at each stop along its tour. By the end of their 18-city tour, the Universoul Circus will have given back more than $5 million to the communities they have visited.

Like other circuses, the Universoul Circus showcases attractions from aerial and equestrian acts to wild animals and clown skits. Universoul, however, is much, much more than an ordinary circus. It spotlights the largest number of African-American performers in circus history and features urban themes, state-of-the-art lighting, and high-energy music under its big top. Performers pay tribute to such heroes as the renowned Buffalo Soldier cavalrymen, the Negro League ballplayers, and the famed Tuskeegee Airmen. For many of these performers, these acts are the first opportunity they have had to showcase their tremendous talents. Through their performances, they are honoring the struggles of the past while working to build a better future for our communities.

The Universoul Circus was developed to provide quality entertainment to all families, but also to give children examples of positive African-American role models. Walker and his performers include lessons in African-American history at each performance and encourage children to take the ringmaster's pledge to love their families and say no to drugs. Instead of avoiding difficult subjects such as slavery, stereotypes, and racism, the Universoul Circus uses these tragedies as tools, to show that, through strength of mind and spirit, we can overcome all obstacles.

Mr. Speaker, I congratulate the Universoul Circus for its success both in providing exciting, wholesome entertainment for our families and strong role models for our children.

TRIBUTE TO "WE WANT AMERICA BACK" RALLY

HON. ROBERT B. ADERHOLT

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. ADERHOLT. Mr. Speaker, I want to congratulate Pastor Billy Robinson and everyone involved with the "We Want America Back" rally on October 23, 1997. Over 700 people were there to stand up for the traditional values that made this country great. It is important to note that the mayor of Jasper, Don Goetz, remarked that it was the biggest crowd ever at the Sherer auditorium.

It is also noteworthy that this was not a political rally, or a denominational rally. It was an opportunity for people to stand up for what is right. In fact, it was the many people from different denominations and both political parties joining together that made this rally so successful.

Although I could not attend in person due to my official duties in Washington, I strongly support the efforts of those I represent to improve the moral climate in this country today, and reassert the vital importance of traditional values. I look forward to continuing to work in support of this cause.

TRIBUTE TO VERA PHANELSON

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. TOWNS. Mr. Speaker, I rise today to honor Ms. Vera Phanelson, a tireless worker and member of my district. Because of her commitment to children with mental illnesses, Ms. Phanelson's career has centered on providing care and assistance to the children who are working to overcome the challenges of these illnesses.

As a counselor at Blueberry Day Care Center and an educational assistant for the board of education and the Madison Day Care Center, Ms. Phanelson has provided a great service to our community and I would like to extend my thanks for all of her efforts. Also, she has been a long-standing charter member of the East New York Club of the National Association of Negro Business and Professional Women's Clubs, Inc.; a member of good standing at Holy Sacred Baptist Church; and a worker at the Rosetta Gaston Democratic Club in Brooklyn. It is people like Ms. Phanelson, and thousands like her, that allow communities such as East New York to thrive and grow.

Mr. Speaker, it is an honor and a privilege for me to be able to pay tribute to Ms. Vera Phanelson. Although it pained me to hear that she will be moving out of my district to Maryland, I am sure, through her work in the district, she has sown the seeds for others in our community to follow in her footsteps and provide the needed services for those who live there.

A POINT-OF-LIGHT FOR ALL AMERICANS: THELMA MARTIN

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. OWENS. Mr. Speaker, I rise to salute an individual who is a tireless advocate for her community—Mrs. Thelma Martin. At every critical juncture, she amasses the resources and summons the courage to challenge wrongdoings and embellish the lives of countless children, families, and citizens. She embarks on civic and community endeavors with the same fervor in which she attacks political and social ills. Upon any evaluation of her contributions, it is difficult to determine where her civic and professional responsibilities begin and end. Thelma Martin is a great POINT-OF-LIGHT whose work must be celebrated.

As a native New Yorker, Mrs. Martin's professional life has always been consumed by a relentless devotion to community. Currently, she is the executive director of the Renaissance Development Corp. In this capacity, Thelma Martin's accomplishments include development of various successful national-, state-, and local-sponsored programs including the Youth Development Delinquency and Recreation program, Commercial Revitalization program, Community Achievement project, Work Incentive program, and the Structured Educational Support program. Moreover, she is responsible for developing the first youth conference. Mrs. Martin also focuses her organization's endeavors on parental involvement projects, cultural trips, and practical workshops.

Thelma Martin's present record of public service is rivaled only by her past appointments. She has served as the executive director of the South Brooklyn Community Corp. Under her administration, Mrs. Martin sponsored and organized the First Annual South Brooklyn Summer Festival for area merchants and residents—now known as the "Atlantic Antic". She also supervised 19 delegate agencies and 254 employees and had the largest number of area residents enrolled in college out of the 26 other area poverty agencies.

Despite her professional demands, Mrs. Martin still finds time to excel in civic duties. She has served as the superintendent of the Cuyler Warren Street Church Sunday School, member of Community Board No. 16, member of the Brooklyn Chamber of Commerce, member of the New York State Association of Renewal and Housing Officials, member of the 76th Precinct Council, vice president of the New York City Association of Executive Directors, chairperson of the board of directors of the Jules Michael Day Care Center, council president of the Cuyler Warren Methodist Church and chairperson of the Pastor Public Relations Committee.

Unsurprisingly, Thelma Martin's work has not gone unacknowledged; she is the recipient of more than two dozen awards and commendations from many public officials and organizations. Among her honors are congressional awards from the 12th Congressional District and a senatorial award; an award from the New York State Democratic Party for her duties of community services; and awards from the Youth Committee Board No. 16, Ladies of Planning Board No. 16, and the African Methodist Episcopal Church. She was also recognized for helping to enrich the lives of more than 5 million children and their families.

A strong sense of family is another characteristic of Thelma Martin's life. She has been married to Woodrow Martin for 38 years and has two sons, Glen David and Mark Anthony; one grandson, Glen, Jr.; and one daughter-in-law, Ingrid.

Inarguably, Thelma Martin has conducted herself as a model citizen. She has accepted the rights, duties, and responsibilities of a democratic society with deliberation, fortitude, and compassion. She has chosen to exercise her inner power to the fullest possible extent, having utilized her actions to improve the lives of individuals, enhance her community, challenge institutions, and demand reform of adverse practices. She is a great POINT-OF-LIGHT for all of the people of America to appreciate and admire.

HMO DRUG RESTRICTIONS: LOOK OUT PATIENTS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. STARK. Mr. Speaker, following is an article from the October 16, 1997, Dallas Morning News regarding the Harris Methodist Health Plan's financial incentives restricting what doctors prescribe for their patients.

I'm glad I'm not in that plan—and if I were in it, I'd sure get out if I could. The plan's financial incentives on doctors not to prescribe violate the spirit, if not the letter, of the Medicare law limiting the type and amount of financial incentive that a plan can place on a doctor to withhold care.

This Texas example is a classic of why we need managed care consumer protection reforms—ASAP.

[From the Dallas Morning News, Oct. 16, 1997]

HMO FINES ANGERING PHYSICIANS; STATE REGULATORS EXAMINE HARRIS PRESCRIPTION POLICY

(By Charles Ornstein)

A growing number of Fort Worth- and Arlington-area doctors are accusing Harris Methodist Health Plan of penalizing them for writing too many prescriptions, and the controversy is drawing the attention of state insurance regulators.

The doctors say the health maintenance organization has fined them thousands of dollars this year because they exceeded a predetermined pharmacy budget, which is included in their contracts with Harris.

They contend that the company's policy, enforced for the first time this year, places the financial bottom line above the patients' best interest.

"My concern is that one day, I or another physician may withhold some care for financial reasons," said Dr. J. Mike White, a family practitioner in Joshua, south of Fort Worth, who had to repay Harris $28,000 this year. "That's inappropriate and that's unethical."

Harris officials defended their system Wednesday but said they will increase the allowable pharmacy expenses next year in response to the doctors' concerns. The officials said the network's 6,600 physicians should work harder to cut their costs.

"I think we are in a situation where we are not doing things as efficiently as possible and we need to change our practice patterns," said Dr. Ramiro Cavazos, chairman of Harris Methodist Select, the network's exclusive physician group. "The problem is that we have a premium, and we have to live within that premium."

The Texas Department of Insurance said Wednesday that it has begun a review of Harris' incentive policies. Spokesman Jim Davis said he does not know how long the review will last but said it comes after a physician complained to the state.

"Whenever questions are raised about the operations of HMOs or insurance companies in Texas, it's our job to look into the situation," Mr. Davis said. "This is nothing really special."

The Texas Medical Association board has said that it has serious concerns about the effect of the prescription limits on patient care.

"Our concern is that the financial incentives and disincentives appear to be really too severe in the sense of encouraging doctors to provide necessary care," said Rocky Wilcox, general counsel of the state medical group.

"Nobody has really looked to see whether these patients were provided with unnecessary medication or whether they really needed it."

Last week, the 18-doctor Fort Worth Clinic joined a lawsuit against Harris that was filed in August by physician Richard Hubner. Dr. Hubner, who practices in Springtown, in Parker County, settled his claims against Harris last month after officials agreed to stop penalizing him for writing too many prescriptions.

The clinic's court petition alleges that the health network provides an incentive for doctors to deny care and reject sick patients, which would be a violation of state law.

"I don't think that you would want your doctor to think about whether it would cost him money personally if he prescribes medicine that you need," said David Humphrey, the clinic's administrator. "We think it's wrong, and we've been advised that it's illegal."

Under Harris' contracts with its physicians, the company pays doctors a set monthly fee to provide all necessary care to each Harris HMO patient. That fee, which is a percentage of each member's premium, ranges from $11.87 to $15.19 per month.

In addition, doctors are entitled to spend 9.6 percent of each premium dollar on prescriptions. If they exceed that budget, the contract requires them to pay Harris 35 percent of the additional cost. If they spend less than the budget allowed, they receive a bonus.

Harris has awarded $338,000 in bonuses during the last quarter, Dr. Cavazos said. He didn't disclose the amount of fines assessed to doctors.

According to a confidential memo obtained by The Dallas Morning News, Harris doctors exceeded their pharmacy budget by more than 26 percent last year. Internists, who generally treat sicker patient, surpassed their budget by 46 percent, the memo says.

"I've been amazed at the number of people who have been suffering and paying this in silence," said Robin Weinman, executive director of the Tarrant County Medical Society. "I don't know how they're surviving, quite frankly."

Internist Karen Spetman said she was billed $10,000 by Harris in July for exceeding her pharmacy budget during the first six months of the year. That accounts for about 15 percent of the fees she has received from Harris, she said.

"Nobody works for free," she said. "But right now, that is what I'm doing. I'm not even working for free—I'm working for a negative number. I am paying money for the privilege of practicing medicine."

Dr. Spetman, the only Harris internist in the Fort Worth suburb of Willow Park, said she has met repeatedly with Harris representatives to explain her problems. When she reviewed her patient charts and prescriptions with a Harris pharmacy director, she was told that she was making the correct medical decisions, she said.

Harris officials did not contest Dr. Spetman's claims. But they said doctors in the system need to realize that increased efficiency and short-term sacrifices will eventually lead to long-term savings.

"When you get a bill, you're hopping mad," said Harris spokeswoman Lisa O'Steen. "But if you look at it in the long term, because Harris has such a high retention of patients and doctors, this is a savings you see over a long period of time."

TRIBUTE TO SPECIAL AGENT VITO S. DeMARCO

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Ms. DELAURO. Mr. Speaker, I rise today to recognize Special Agent Vito S. DeMarco of the U.S. Treasury Department, Bureau of Alcohol, Tobacco and Firearms, on the occasion of his retirement. After 30 years of diligent service in law enforcement, Special Agent DeMarco has built a distinguished reputation of protecting the United States and her citizens.

Special Agent DeMarco began his career with the Office of Naval Intelligence in 1967, after graduating from Fairfield University in Fairfield, CT. After his assignment to the Naval Investigative Service in New York City, Special Agent DeMarco spent the last 28 years of his tenure with the Boston Field Division of the Bureau of Alcohol, Tobacco, and Firearms.

During his tenure with BATF, Special Agent DeMarco distinguished himself by serving on several task forces, including the Sky Marshall Program during the 1970's. He has made his expertise available to the U.S. Secret Service, serving on protection details during the Presidential campaigns of Presidents Ford, Carter, Bush, and Clinton. In addition, he has contributed to the protection details of several foreign heads of state and conducted investigations into illicit firearms trafficking and numerous explosives and arson cases.

Special Agent DeMarco also served with distinction in the U.S. Navy Reserves, from which he retired in 1996 with the rank of commander. His 33 years of naval service included his activation for the Persian Gulf War, in which he commanded a special security division.

Special Agent DeMarco also demonstrated his steadfast commitment to his country and community by volunteering to work with the Marine Cadets of America. Mr. DeMarco has given a great deal of his time and energy to this organization, and has served on the board of its national office.

Law enforcement personnel serve our country by putting their lives on the line, ensuring the safety of our citizens. We owe them all a great debt of gratitude, so it is with the deepest appreciation and pride that I salute Special Agent DeMarco today.

U.S. EXTENDS ITS LEADING EFFORT TO REMOVE WORLD'S LAND MINES

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. BEREUTER. Mr. Speaker, this Member commends to his colleagues the editorial which appeared in the Omaha World-Herald on November 4, 1997.

U.S. EXTENDS ITS LEADING EFFORT TO REMOVE WORLD'S LAND MINES

The U.S. government has made a considerable effort to prevent people around the world from being killed or injured by antipersonnel mines. To the credit of the Clinton administration, the United States is about to do more.

President Clinton has announced a U.S.-led campaign to rid the world of the devices in the next dozen years. Secretary of State Madeleine Albright said the United States will contribute $80 million this year to an international effort to clean up minefields, double the U.S. contribution the previous year.

Some people might think a contradiction exists. The U.S. government is the major holdout from a proposed treaty banning mines. Clinton has said that the United States won't sign unless the treaty is amended to allow continued use of the devices along the U.S.-guarded demilitarized zone separating North and South Korea. A committee that won the Nobel Peace Prize for pushing for a global anti-mine treaty has treated the Clinton policy—and the president himself—with scorn and contempt.

The biggest problem with land mines has its roots in the past, however, not in the future behavior of the United States. An estimated 100 million of the explosive devices remain in the ground in more than 60 countries, from Bosnia to Angola and from El Salvador to Cambodia. Many of the mines were planted in haste by guerrilla forces—people who neither sign global treaties nor leave any record of where they lay their mines.

About 26,000 people are killed or injured by the devices every year, many of them children at play. This is the problem that the plan announced by Clinton and Ms. Albright is designed to solve by 2010.

American forces have already drastically curtailed their use of land mines. Part of the reason is that U.S. mines caused many U.S. casualties. The mines still in use are mostly manufactured to lose their explosive force after a few weeks. The locations are carefully recorded. The mines are removed when no longer needed.

As to U.S. reservations about the treaty: The situation on the Korean peninsula has few parallels anywhere in the world. A superpower that has been entrusted by peace-loving nations—and is expected by them—to prevent war in Korea is hardly going to add to the unmapped minefields that are causing the 26,000 casualties a year. The United States isn't out of line with its request to continue using land mines in Korea if it signs the treaty.

Indeed, treaties don't bind guerrilla forces. They are often ignored by aggressors. A land mine treaty, even if signed by the United States, would guarantee little in the long run.

On the other hand, an international cleanup of minefields could do a lot to reduce mine-related casualties. The campaign to find mined areas and remove the explosives safely is a noble humanitarian effort. U.S. participation is well worthwhile.

ACCOMPLISHMENT OF THE HEALTH CENTER PROGRAMS

SPEECH OF

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 29, 1997

Mr. STOKES. Mr. Speaker, I want to thank my colleague, the gentleman from, Illinois, Congressman DANNY K. DAVIS, for sponsoring this special order this evening. I am very pleased to join him in this discussion on an issue of great importance to the Congress and this Nation—community health centers.

The recently enacted Balanced Budget Act of 1997 will make nearly $13 billion in Medicaid cuts from fiscal year 1998 through fiscal year 2002. This will severely impact the way in which health care is financed and delivered across the Nation. The numbers of uninsured Americans and the cost of health care services are continuing to rise. Yet, the availability of financial resources to address these concerns is diminishing. Thus, we must carefully consider community health centers as a model of community-directed health care for our changing health care system.

Community health centers are unique public/private partnerships which were created to provide increased access to health care services for the Nation's poor and underserved. Located in isolated rural and inner city areas, with few or no physicians, that suffer with high levels of poverty, infant mortality, elderly and poor health, they hold the distinction of being locally-owned and operated by the very communities that they serve.

Our health care system relies heavily on charitable care to meet the growing health needs of the Nation's 37 million uninsured—as well as the million individuals with insufficient coverage. Community health centers provide invaluable health care services to more than 10 million of the Nation's most vulnerable and underserved individuals. These patients include minorities, women of childbearing age, infants, persons infected with HIV, substance abusers and/or the homeless and their families. In fact, according to the Bureau of Primary Health Care, of the 33 million patient encounters at community health centers in 1996, 65 percent of the persons served were African-American and other minorities, 85 percent were poor, and 41 percent were uninsured.

Community health centers are the true safety-net providers of this Nation. As such, they obligated to provide health care services to all patients without regard to their ability to pay. Patients are billed for health services on a sliding fee scale in order to ensure that neither income nor lack of insurance serves as a barrier to care. And, Federal grants received by the centers are used to subsidize the cost of health care that is provided to uninsured patients as well as those services which are not covered by Medicare, Medicaid, or private insurance.

Community health care centers also provide high quality cost-effective care. In fact, studies show that the average total health care costs to patients are 40 percent lower than for other providers that serve the same population. Significant savings are also achieved by reducing the need for hospital admissions and emergency care.

Mr. Speaker, as a member of the House Appropriations Subcommittee on Labor, Health and Human Services, and Education, as a health advocate, and as chairman of the Congressional Black Caucus Health Braintrust, I am concerned about the toll that the changing health care market is taking on many families across this Nation. Congress must recognize that community health centers play a critical role in filling health care service gaps. Therefore, I join my colleague, Congressman DAVIS, in urging our colleagues to ensure that this unique provider of health care services is preserved and strengthened to accommodate the growing health needs of the most vulnerable among us, the poor and the underserved.

CBO ANALYSIS OF KYL-ARCHER AMENDMENT: BAD NEWS FOR SENIORS AND DISABLED

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. STARK. Mr. Speaker, last week, the Congressional Budget Office made public its analysis of the budget impact of the Kyl-Archer amendment which will make it much easier for doctors to charge Medicare beneficiaries anything they want, anytime they want.

The Kyl-Archer amendment effectively ends Medicare insurance. There is no insurance if you never know whether the doctor is going to reject your Medicare card and ask you to pay the whole bill out of your pocket.

CBO describes a scary Halloween trick for the Nation's seniors and disabled. Doctors will be able to hold sick patients hostage for higher payments, fraud will increase, total national health care spending—already by far the highest in the world—will increase. It will be a treat for doctors, but the end of insurance peace of mind for seniors.

The full CBO letter analysis follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 30, 1997.

Hon. BILL ARCHER,
Chairman, Committee on Ways and Means, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: At your request, the Congressional Budget Office (CBO) has reviewed H.R. 2497, the Medicare Beneficiary Freedom to Contract Act of 1997, as introduced on September 18, 1997. (S. 1194, an identical bill, was introduced in the Senate on the same day.)

Direct contracting allows beneficiaries to make financial arrangements with health providers outside of the established Medicare payment rules. The direct contracting provision in current Medicare law, enacted in the Balanced Budget Act of 1997 (P.L. 105–33), requires providers contracting directly with patients to forgo any Medicare reimbursement for two years. Under that condition, CBO expects that direct contracting will almost never be used.

H.R. 2497 would eliminate the two-year exclusion period, allowing health providers to contract directly with their Medicare patients on a claim-by-claim basis. For example, a physician could bill Medicare for an office visit while directly contracting with the patient for an associated test or procedure.

Enactment of H.R. 2497 would affect Medicare outlays. Because of uncertainties about the number of claims that would be separately contracted and about the effectiveness of the regulatory oversight of those contracts by the Health Care Financing Administration (HCFA), however, CBO cannot estimate either the magnitude or the direction of the change in Medicare outlays that would ensue.

With Medicare's restrictions on balance billing—which limit the amount beneficiaries must pay for services covered by Medicare—providers may in some cases receive lower payments than what their patients would have been willing to pay out of pocket. The bill would allow physicians and other health care providers to increase their incomes by negotiating direct contracts that included prices in excess of Medicare's fees, effectively bypassing the limits on balance billing. For some services, CBO believes that such contracting would not be very widespread because few beneficiaries would be willing to pay the entire fee (not just the difference between the provider's charge and what Medicare would have paid). For other services—such as those where the need for timely medical treatment might increase patients' willingness to pay—direct contracting could become much more common.

If direct contracting continued to be rarely used, there would be no changes in benefit payments, no additional difficulties in combating fraud and abuse, and no major new administrative burdens placed on HCFA.

If direct contracting were extensively used, however, Medicare claims could be significantly reduced. At the same time, HCFA's efforts to screen inappropriate or fraudulent claims could be significantly compromised because it would be difficult to evaluate episodes of care with gaps where services were directly contracted. Furthermore, HCFA would be unlikely to devote significant administrative resources to the regulation of direct contracting. HCFA's efforts to administer other areas of Medicare law, including many of the new payment systems envisioned in the Balanced Budget Act, will continue to strain the agency's resources. Without adequate regulatory oversight, unethical providers could bill Medicare while also collecting from directly-contracted patients.

Although the impact of H.R. 2497 on the federal budget is uncertain, the bill would almost certainly raise national health spending. Even if direct contracts were rarely used, payments made under those contracts would probably be higher than what Medicare would have paid, and Medicare's efforts to combat fraud and abuse would probably be hampered to some extent.

If you have any questions about this analysis, we will be pleased to answer them. The CBO staff contact is Jeff Lemieux.

Sincerely,

JUNE E. O'NEILL,
Director.

CAMPAIGN FINANCE REFORM

HON. RON KIND

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. KIND. Mr. Speaker, we are starting another week of legislative session, possibly the last week this year, and still no campaign finance reform. The news over the weekend was encouraging for supporters of reform. Speaker GINGRICH announced that the House will schedule debate on campaign finance reform no later than March 6 next year.

This is another positive step on the road to reform, but it is not the answer. As I and many of my colleagues have warned, a vote next year, during an election year, is not satisfactory. By March of next year we will all be involved in our reelection campaigns, and any change will be too late to take effect in the 1998 elections. Mr. Speaker, rather than wait until March of next year to consider this issue, the House should take up campaign finance reform this week. There are a wide variety of bills currently introduced that could be considered. The House Committee on Government Reform and Oversight has been holding hearings on these bills. We have the time to consider campaign reform legislation this week and have a bill passed before we adjourn for the year.

The voters of this Nation want us to clean up our house. The leadership in the Senate and the House have agreed to allow a vote on this issue. The time to act is now. I refuse to take "no" for an answer.

INTRODUCING THE HEALTH CARE ACCESS IMPROVEMENT ACT

HON. CAROLYN C. KILPATRICK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Ms. KILPATRICK. Mr. Speaker, I rise today to proudly introduce the Health Care Access Improvement Act, legislation that will provide a $1,000 per month tax credit over 5 years for primary health care providers who are located or will establish practices in health professional shortage areas. These urban and rural underserved areas are designated by the Health Resources and Services Administration [HRSA]. In our Nation, there are 2,686 primary medical care, 960 dental and 518 mental health areas that are underserved, according to the latest list of designated sites issued by the Department of Health and Human Services. This list was published in the Friday, May 30, 1997 edition of the Federal Register at page 29396. This information is also available via the Internet at http://www.bphc.hrsa.dhhs.gov. While we do not have a shortage of doctors in our country, Mr. Speaker, we do have a shortage of doctors who are either willing or can afford to locate in certain areas. I want to tkank my colleagues, Representatives DANNY DAVIS of Illinois, DARLENE HOOLEY, JESSE L. JACKSON, JR., MIKE MCINTYRE, JUANITA MILLENDER-MCDONALD, RON PAUL, MAX SANDLIN, and EDOLPHUS TOWNS, who are original cosponsors of this bill and who recognize the need for Congress to provide an incentive for doctors to locate in these underserved areas.

In short, this bill will:

Provide current and future health care providers with a tax credit.—Those few doctors who are currently established in underserved areas, as well as those who relocate to these areas, would receive a tax credit of $1,000 per month over 5 years. The Health Care Access Improvement Act would help current and future primary health care providers.

Help doctors establish long-term relationships with the community.—This tax credit provides a long-term solution by enabling doctors to establish health care practices in poor areas. Unlike Public Health Service doctors, who rotate through community facilities, private doctors invest their own time, energy and money to open a practice in a community. Such an investment means that these doctors become an integral part of the community, and highly unlikely to leave. The Health Care Access Improvement Act gives primary health care providers an incentive to stay in the community.

Expand access to health care to more people.—This tax credit would be the most cost-effective way to establish health care practitioners in those areas where people do not have access to health care. More people would be able to go to their neighborhood doctors or dentist. The Health Care Access Improvement Act gives more urban and rural people choice in health care.

Preventive health care has been proven to save lives and money. The very first bill that I cosponsored as a Member of Congress related to improving health care, and I have sponsored several health care seminars and forums in the 15th Congressional District of Michigan. Access to more doctors will go a long way toward ensuring that all of our constituents have high quality health care. The Health Care Access Improvement Act is but a small step in the direction of health care equality and improved access for all. While no cost has been determined for this bill as of today's date, I will ensure that it will meet the requirements of offsetting cuts to provide for its implementation.

A TRIBUTE TO HER HONOR DEBORAH STEVENS MODICA

HON. CAROLYN McCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mrs. McCARTHY of New York. Mr. Speaker, I rise to congratulate Deborah Stevens Modica, who was sworn in as a judge on October 17, 1997. Mrs. Stevens Modica has represented the people as a prosecutor in the offices of the district attorney in New York for nearly 20 years, and, in light of the recent implementation of the death penalty in my State, has become the expert in New York and one of the top experts across the country on this issue.

A graduate of Fordham University and Fordham Law School, Mrs. Stevens Modica was admitted to the bar in 1978 and has since worked diligently to rise through the ranks in the district attorney's office. Starting in Queens, she moved from a researcher in appeals bureau to trial lawyer on the supreme court, major offense and homicide bureaus to chief of the appeals bureau from 1978 to 1989.

In 1990, she moved on to the district attorney's office of Kings County, where she started as the chief of the supreme court bureau. Her work there earned her a promotion to executive assistant district attorney in 1991. In 1995, she was promoted yet again to deputy district attorney. Her extensive knowledge of the justice legal system continued to grow, gradually catching the eye and gaining the respect of experts in the law profession across the country.

In addition to her mastery of law, she is a generous woman, devoting hours of time each month to the Adopt-A-School program which teaches fifth grade students how the legal system works. She was instrumental in successfully implementing this program in the schools in Brooklyn after a study proved that children 10 years old are at the most impressionable age in making decisions about the law.

Most amazingly, Mrs. Stevens Modica raised five daughters ranging in age 5 to 27.

Her perseverance in work, the community, and family has undoubtedly paid off, as evidenced by her appointment as judge to the criminal court in the city of New York. My warmest regards to Her Honor, Judge Deborah Stevens Modica.

CONCERN OVER THE FUTURE OF COLORADO FORESTS

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I rise today to share with my colleagues some thoughts expressed by Mr. Rob Nanfelt of Colorado. There is a growing concern over the future of our forests in Colorado. These are the views expressed by Mr. Nanfelt:

Our Colorado forests are in dismal shape. Scientists predict that a series of catastrophic wildfires will sweep through the state if something is not done. Dangerously high volumes of dead and decaying timber fuels have accumulated over the past 80 years and continued lack of action to deplete these fuels puts our families and homes at risk. As well as constituting a major threat to standing structures, these fires will have a significantly adverse impact on air quality for many towns, especially those in eastern Colorado.

It has been reported in recent months that the U.S. Forest Service will be taking a more active role in attempting to prevent these fires by setting fires of their own. This process of setting controlled fires is known as "prescribed burning" and is used to eliminate the overstocking of forest fuels. Earlier this year, in an address at Boise State University, Interior Secretary Bruce Babbitt said that he would endorse an increase in the frequency of these planned burns. "Fight fire with fire," he said. In fact, the Forest Service wants up to $50 million for the burning program in fiscal year 1998. The program would allow the Forest Service to set fire to nearly 1.5 million acres.

Prescribed burns are not an exact science. While there are certain benefits of a well-executed controlled burn, there are numerous risks. If not carried out precisely to plan, these fires can very easily spread out of control and cause property damage, less than desirable air quality, and in the most extreme cases, death.

Instead of focusing on such riskly methods, the Forest Service should consider other forest restoration options such as mechanical removal. While those in the environmental community may cringe at such a thought, mechanical removal is a more precise tool than prescribed burns. And in many cases, it can be every bit as environmentally friendly.

Sometimes the forest fuels have little or no commercial value. In these instances prescribed burns are probably prudent. However, the Forest Service should coordinate any of these planned burns with the Environmental Protection Agency (EPA). This will ensure that local communities are protected against any punitive measures handed down by the EPA. The risk of non-attainment in these communities as a result of these fires is a real concern. State and local officials should also be included in the process.

Local economies, the Forest Service, and the forests would all benefit if the Forest Service focused on using mechanical removal as its primary option for forest restoration. Local timber companies would have more work to do and as a result more jobs would be available. The Forest Service could concentrate on other management goals and have a little extra money to achieve these goals. The forests would be healthier and the threat of catastrophic wildfire greatly reduced. The Forest Service should not once again bow to the wishes of the extremists in the environmental community, and should instead base its decision on the elements of sound science and economic benefit.

It is up to each of us to pay attention to the issues that face us and make the right decisions for our future.

SENATE—*Wednesday, November 5, 1997*

The Senate met at 9:30 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, awe and wonder grip us as we think magnificently about You. You are all-knowing, all-loving, all-wise, all-powerful. We openly confess our human inadequacies and our need for You to infuse us with the strength, understanding, and compassion needed for this day.

We open our minds to think Your thoughts. We commit to You our communications with others. Help us to speak truth as we know it, but also enable us to be responsive to what others say. Free us from judgmental categorizations that make us resistant to listening to people with whom we expect to differ. Give us the humility to know that none of us has a corner on Your truth and that we all need each other to discover Your guidance together. We yield our attitudes and dispositions to Your control so that we might work effectively with others. We press on with the duties of the day with hope in our hearts. Through our Lord and Saviour. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, Senator ALLARD, is recognized.

UNANIMOUS-CONSENT AGREEMENT

Mr. ALLARD. Mr. President, I ask unanimous consent that the vote previously scheduled for 9:40 a.m. today now occur at 10:30 a.m., with the debate time on the nomination beginning at 10:20 a.m., as under the previous order.

In addition, I ask unanimous consent that the debate on the motion to proceed to S. 1269 now begin at 9:30 a.m., with the time counting as under the previous order.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ALLARD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLARD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. ALLARD. Mr. President, this morning, the Senate will resume legislative session and debate on the motion to proceed to S. 1269, the fast-track legislation, with Senator ROTH in control of 3 hours and Senator DORGAN in control of 4 hours. As under the previous order, the Senate will vote on or in relation to the motion to proceed to S. 1269 at no later than 5 p.m. At 10:20 this morning, the Senate will proceed to executive session to debate the nomination of James Gwin to be U.S. district judge for the northern district of Ohio for 10 minutes as under the previous order. A rollcall vote on the nomination will now occur at 10:30 a.m. Following the vote on fast track, the Senate may debate S. 1269 or turn to any of the following items if available: the D.C. appropriations bill, FDA reform conference report, Intelligence authorization conference report, and any additional legislative or executive items that can be cleared for action. Therefore, Members can anticipate rollcall votes throughout today's session of the Senate.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ALLARD). Without objection, it is so ordered.

NOMINATION OF MARGARET MORROW TO BE U.S. DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF CALIFORNIA

Mr. LEAHY. Mr. President, although I am delighted that the Senate will today be confirming James S. Gwin as a Federal district court judge, the Republican Leader has once again passed over and refused to take up the nomination of Margaret Morrow. Ms. Morrow's nomination is the longest pending judicial nomination on the Senate Calendar, having languished on the Senate Calendar since June 12. The central district of California desperately needs this vacancy filled, which has been open for more than 18 months, and Margaret Morrow is eminently qualified to fill it.

Just last week, the opponents of this nomination announced in a press conference that they welcomed a debate and rollcall vote on Margaret Morrow. But again the Republican majority leader has refused to bring up this well-qualified nominee for such debate and vote. It appears that Republicans have time for press conferences to attack one of the President's judicial nominations, but the majority leader will not allow the U.S. Senate to turn to that nomination for a vote. We can discuss the nomination in sequential press conferences and weekend talk show appearances but not in the one place that action must be taken on it, on the floor of the U.S. Senate. The Senate has suffered through hours of quorum calls in the past few weeks which time would have been better spent debating and voting on this judicial nomination.

The extremist attacks on Margaret Morrow are puzzling—not only to those of us in the Senate who know her record, but to those who know her best in California, including many Republicans.

They cannot fathom why a few Senators have decided to target someone as well-qualified and as moderate as she is.

Mr. President, I ask unanimous consent that a recent article from the Los Angles Times by Henry Weinstein on the nomination of Margaret Morrow, entitled "Bipartisan Support Not Enough For Judicial Nominee," be printed in the RECORD at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEAHY. This article documents the deep and widespread bipartisan support that Margaret Morrow enjoys from Republicans that know her. In fact, these Republicans are shocked that some Senators have attacked Ms. Morrow. For example, Sheldon H. Sloan, a former president of the Los Angeles County Bar Association and an associate of Gov. Pete Wilson, declared that: "My party has the wrong woman in their sights."

Stephen S. Trott, a former high-ranking official in the Reagan administration and now a Court of Appeals judge wrote to the majority leader to try to free up the Morrow nomination, according to this article, Judge Trott informed Senator LOTT.

> I know that you are concerned, and properly so, about the judicial philosophy of each candidate to the federal bench. So am I. I have taken the oath, and I know what it means: follow the law, don't make it up to suit your own purposes. Based on my own long acquaintance with Margaret Morrow, I have every confidence she will respect the limitations of a judicial position.

Robert Bonner, the former head of DEA under a Republican administration, observed in the article that: "Margaret has gotten tangled in a web

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

of larger forces about Clinton nominees. She is a mere pawn in this struggle." I could not agree more.

Mr. President, it is time to free the nomination of Margaret Morrow from this tangled web that some extremists are trying to weave. It is time to debate and vote on the nomination of Margaret Morrow.

Mr. President, again, I am pleased we will take up the nomination of Judge James Gwin. But we are, once again, overlooking the nomination of Margaret Morrow. Ms. Morrow's nomination is the longest pending judicial nomination on the Senate Calendar, and is strongly supported by both Republicans and Democrats. The Senate ought to have the courage and the honesty to either vote for her or against her.

[From the Los Angeles Times, Nov. 3, 1997]

EXHIBIT 1

BIPARTISAN SUPPORT NOT ENOUGH FOR JUDICIAL NOMINEE

(U.S. Senate: Margaret Morrow's appointment is stalled despite backing across political spectrum. Some say she is victim of effort to downsize courts)

(By Henry Weinstein)

If ever there was an unlikely candidate to be the target for a militant campaign against "judicial activism," it would be Los Angeles lawyer Margaret Mary Morrow.

An honors graduate of Harvard Law School, 47, was the first female president of the California Bar Assn., where she worked to strengthen the state's attorney discipline system.

A commercial litigation specialist, Morrow is a partner in the Los Angeles office of Arnold & Porter, one of the most venerable firms based in the nation's capital. Her clients have included First Interstate Bank, McDonnell Douglas, TWA and The Limited.

President Clinton, on the recommendation of Sen. Barbara Boxer (D-Calif.), tapped Morrow for a federal trial judgeship in May 1996. She quickly won bipartisan support—including endorsements from judges appointed by presidents Ronald Reagan and George Bush and governors George Deukmejian and Pete Wilson.

"Margaret is superbly well qualified," said Los Angeles lawyer Robert C. Bonner, who has served as a federal judge and head of the Drug Enforcement Administration during Bush's presidency.

She also received the highest possible rating—"very well qualified"—from the American Bar Assn.'s judicial evaluation committee. By late 1996, after a perfunctory hearing, Morrow cleared the committee unanimously. But the nomination died, along with several others in the congressional slowdown that inevitably occurs in election years.

Clinton renominated Morrow on Jan. 7. Within three weeks, trouble emerged and her nomination remains in limbo even though she was approved a second time on June 12 by the Judiciary Committee, whose chairman, Orrin G. Hatch (R-Utah), said in late September that he would push for a swift vote and support her.

Much to the surprise of her backers, particularly her Republican supporters, Morrow has become the subject of the sort of intense partisan attacks generally reserved for nominees with a long record of activism such as civil rights lawyer Thurgood Marshall or a trail of controversial decisions such as Judge Robert Bork.

Indeed, the story of Morrow's confirmation battle is in significant measure a tale about the fissures within the Republican Party about judicial nominations.

One conservative federal judge, speaking on condition of not being identified, said that, in reality, the campaign against Morrow has nothing to do with her qualifications or her views, but rather is part of a "conscious plan to downsize" the federal courts in the western United States with the goal of remaking them after Clinton's presidency ends.

Echoed Bonner: "Margaret has gotten tangled in a web of larger forces about Clinton nominees. She is a mere pawn in this struggle."

The campaign against Morrow began with a Jan. 28 op-ed piece in The Washington Times by Thomas L. Jipping, director of the militantly conservative Free Congress Foundation's Judicial Selection Monitoring Project.

Jipping contended that Morrow was likely to become an "activist judge," who improperly would attempt to legislate a political agenda from the bench. Soon, Republican senators John Ashcroft of Missouri and Jeff Sessions of Alabama, both staunch conservatives, new members of the Judiciary Committee and Jipping allies, joined the attack.

Since that time, Morrow has been back to the committee for another hearing and answered three sets of questions in writing—including highly unusual questions about her positions on many California ballot initiatives during the past 10 years. She also told the committee she would adhere strictly to precedents and would have no problem applying the death penalty.

Last Wednesday, the effort to derail Morrow's nomination escalated. Ashcroft and Sessions announced that they would spearhead further opposition to Morrow and said more than 100 "grassroots" organizations, including the National Rifle Assn. and the Traditional Values Coalition, had joined the campaign against her.

The coalition was assembled while Ashcroft had placed "a hold" on the nomination, which under Senate protocol had prevented it from coming to the floor for a vote. On Wednesday, at a news conference announcing the coalition, he said he now favors a roll-call vote.

Ashcroft and Sessions pointedly reminded their colleagues that several organizations in the coalition would be "scoring" the votes of senators on the nomination.

Morrow's adversaries contend that she would be a "judicial activist" on the bench. "She views the law as an engine for social change . . . and as a means of imposing public policy from the courts on the rest of us," Ashcroft asserted.

Morrow declined to respond. "I do not believe it is appropriate for me to comment while my nomination is pending before the Senate," she said in a brief telephone interview at week's end.

Morrow has previously denied such characterizations. For example, in June 1996, she told the Judiciary Committee: "I view the role of a judge as being the resolution of disputes that come before . . . him or her for resolution. So I would look to the facts of the case. I would attempt to apply the law as I understand it to those facts. And I would not seek to expand them or otherwise to use any particular case as a reason for articulating new constitutional rights or otherwise expanding what I understand to be the existing law."

Boxer and Patrick Leahy (D-Vt.), the ranking minority member on the Judiciary Committee, came to Morrow's defense last week. Boxer described her as "the epitome of mainstream" and Leahy charged that a coalition of conservative activists is using Morrow as "a fund-raising vehicle" for their campaign to reduce the power of federal judges.

Perhaps more importantly, several staunch Republicans said the accusations against Morrow are ludicrous. "My party has the wrong woman in their sights," declared Sheldon H. Sloan, former president of the Los Angeles County Bar Assn. and a close ally of Wilson. "There is no flag burning for Margaret Morrow," said Sloan, describing the nominee as both an outstanding lawyer and "a church-going, basketball mom."

A large number of prominent Republicans have backed the nominee in writing—highlighted by rare letters of support from three conservative U.S. 9th Circuit Court of Appeals judges—Pamela A. Rymer, Cynthia Holcomb Hall and Stephen S. Trott, State Supreme Court Justice Marvin R. Baxter and state appeals court justices Roger Boren, H. Walter Croskey and Charles S. Vogel, all appointed by Republican governors, also have weighed in on Morrow's behalf, as have Los Angeles Mayor Richard Riordan, then-state Assembly Majority Leader James E. Rogan of Glendale and Orange County Dist. Att. Michael R. Capizzi.

In an effort to unclog the nomination, Trott, who earlier served as a high-ranking official in the Justice Department under President Reagan, recently wrote to Senate Majority Leader Trent Lott (R-Miss.).

"I know you are concerned, and properly so, about the judicial philosophy of each candidate to the federal bench. So am I. I have taken the oath, and I know what it means: follow the law, don't make it up to suit your own purposes. Based on my own long acquaintance with Margaret Morrow, I have every confidence she will respect the limitations of a judicial position."

In their letters, some of Morrow's backers have sought to clearly establish their bona fides with conservative senators.

"I am a lifelong Republican from Orange County, California," Costa Mesa attorney Andrew J. Guilford wrote Hatch. "I have never voted for a Democrat in any presidential campaign. . . . I did not believe Anita Hill, I am happy that Justice Clarence Thomas is on our Supreme Court and I regret that [Robert] Bork is not on our Supreme Court. It is partly my concern over the unfair destruction of Judge Bork's judicial career that causes me to enthusiastically endorse Margaret Morrow."

Backers of Morrow cite her intellect, character and record of public service. As president of the Los Angeles County Bar Assn., she instituted a voluntary program urging attorneys to provide at least 35 hours of free legal services yearly for the poor. And she was a member of the commission that drafted an ethics code for Los Angeles city government.

Morrow's advocates also assert that her speeches and writings have been distorted beyond recognition by her foes, particularly one sentence in a 1988 article on the initiative process that is cited as prime evidence of her "activist" proclivities.

In the Los Angeles Lawyer magazine article, Morrow wrote: "The fact that initiatives are presented to a 'legislature' of 20 million people renders ephemeral any real hope of intelligent voting by a majority."

The article was written in the wake of one of the most expensive initiative campaigns in state history, highlighted by five complicated measures dealing with insurance and attorney's fees. At the time, many charged that that television advertising about the measures was misleading, prompting widespread calls for reform.

Morrow's article did not call for abolition of initiatives. The article noted that use of the initiative had escalated dramatically in the 1980s, discussed possible reforms of the initiative and legislative processes and urged lawyers to play a role in improving government.

Croskey, an appointee of Deukmejian, said he was stunned that the article was cited as evidence that Morrow would improperly legislate from the bench.

"She was making a profound and useful criticism of the initiative process and how it could be improved," Croskey said. "To metamorphose that into the conclusion that she is a judicial activist has no foundation."

On Friday, Croskey faxed a letter to Lott urging the senator to bring the nomination to the floor for a vote. But it seems unlikely that will happen before Congress adjourns in the next few weeks. Lott, who has the power under Senate procedure to hold up the nomination indefinitely, said a few days ago that he felt no pressure to take any action on judicial nominees during the remainder of the year.

The White House declined to comment last week on Morrow's nomination.

RECIPROCAL TRADE AGREEMENT OF 1997—MOTION TO PROCEED

The PRESIDING OFFICER (Mr. ALLARD.). The clerk will report the motion to proceed.

The assistant legislative clerk read as follows;

Motion to proceed to the consideration of S. 1269, a bill to establish objectives for negotiating and procedures for implementing certain trade agreements.

The Senate resumed consideration of the motion to proceed.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, the Senate, as I understand it, will be voting in about 50 minutes on the confirmation of a judge. Between now and that time, there will be time for debate on the motion to proceed to the fast-track legislation, and I intend to take a few minutes of that time. I believe Senator WELLSTONE will be here as well to speak. I wanted to begin, again, discussing this question because there seems to be a substantial amount of misinformation and there is a substantial misimpression by many people about what this debate is.

I started yesterday by saying this debate is not about whether we should have free trade or expanded trade or more trade. It is not about that. I think we should have expanded trade. I think we should lower barriers, lower tariffs—in fact, eliminate barriers, lower tariffs, and have a world in which we have more opportunity to trade. It's not about those who believe in trade and those who don't. It is a debate about whether our current trade strategy is working for this country. Does the current trade strategy work? Or is this country embarking on a trade strategy and are we in the middle of a trade strategy that, in recent years, has failed us, hurt our economy, injured our manufacturing base, has moved American jobs overseas and put us in a weaker position? I happen to think that is the case.

I want to go through some of this to describe why I am concerned about not just this fast-track proposal, but our trade policy generally. Mr. President, this is a chart that shows our net export balance. All of this red below the line represents deficits. We have had the largest net export deficits in the history of this country for 3 years in a row, and this year will make it the fourth year in a row. These are the largest trade deficits in the history of this country.

Now, I would ask the question of those trotting out here supporting the current trade strategy and saying, "let's again pass fast-track trade authority." Is this going in the right direction? Is this the right trade strategy? Is this producing the right results? If so, where do you intend to go with this? Do you want to take the chart out here and go down to $350 billion a year in net trade deficits, as some are predicting will happen? Because if you think this is working, the logical extension of this is larger and larger deficits.

We are now the largest debtor nation in the world, and a significant part of that debt comes from the contributions of these trade deficits. So if you think the current trade strategy is working real well and you like this chart and you love debt, then you need to be out here saying, gee, let's pass fast track and continue doing what we are doing because it is really good for this country.

Now, Mr. President, I have said before that I used to teach economics, briefly, in college. But I was able to overcome that experience and go on to do other things in life. I am told that in the old days in ancient China, those who would travel from one region to another giving advice of the type we now get from economists had to be careful about it. That is because if they gave the wrong advice and stuck around the province too long and it was discovered what they had suggested would happen didn't happen, they were boiled, cut in two, or put on the sides of two chariots and pulled apart. We have no such dilemma posed to the economists of today.

Economists of today tell us what they think, for example, on trade. They say if you pass a trade agreement with Canada and Mexico, we will substantially increase American jobs. We passed a trade agreement with Canada and Mexico, called NAFTA, and we lost 395,000 American jobs. Where are the economists who predicted these enormous gains for our country? They are off predicting the results of fast-track and new trade agreements. It's just fine for them to keep predicting, despite the fact that they are consistently wrong.

The components of this country's economy are personal consumption—you see where that is. That is personal consumption and expenditures. That is one component. There is gross private domestic investment. Then, we have Government expenditures and investments. The fourth component of this economy is the balance of net exports. Now, if you look at this chart, is this balance of net exports a net positive or a net negative? This shows red. Why? Because it is a net negative. It is a drag on our economy. It pulls our economy down, not lifts it up.

So when the President or Members of the Senate come to this Chamber and say, gee, we are doing so well, we have more exports and we are doing so well, and it boosts our economy, they are dead flat wrong. They would not pass the beginner's course in economics, preaching that message, because net exports and the current balance of net exports is a drag on our economy. It is not a contribution to our economy.

In fact, yesterday, somebody said, well, since we have negotiated the agreement with Mexico under NAFTA, we now get more cars into Mexico that are produced in the United States. That is true, we do. It is absolutely true. Conclusion: Was it a good agreement for our country? No, not at all. While we get a few more cars into Mexico, they send far more cars into the United States. So the net balance of auto trade between the United States and Mexico is completely out of kilter. In fact, we now import more cars from Mexico than the United States exports to the entire rest of the world. So the next time somebody stands up and talks about automobiles, and talks about what a great deal it is in terms of automobile trade with Mexico, I say tell the whole story. If you are describing a checkbook, don't just stand here and crow about the deposits. Tell us about the withdrawals. Tell the whole story.

So, Mr. President, the circumstances of trade are this. We are involved in a great deal of international trade. I support that. I insist that trade be fair to our country, to our producers, to our businesses, and to our workers. And, it is not fair. We don't have the nerve and will to require it be fair with China, with Japan, with Mexico—yes, with Canada. That is the problem. The result is huge deficits.

This chart shows that the imports of manufactured goods now in this country equal 51 percent of our total manufacturing in America. Just 16 or 18 years ago it was down to about 25 percent of our manufacturing base. Now imports equal over 50 percent of our manufacturing base.

Is that moving in the right direction? I don't think so.

Here is a chart that shows all of the fast-track authority that we have given Presidents. When the Tokyo round took effect, we had a $28 billion trade deficit at that point. We had fast track for the United States-Canada Free Trade Agreement. When it took effect we had a $115 billion trade deficit. We gave fast track for NAFTA. At that point we had a $166 billion trade deficit. Then we gave fast track to the Uruguay round. Then, we were up to $173 billion in trade deficits. Now we are at $191 billion in net merchandise trade deficits.

It is going to go higher. Do people think we are moving in the right direction? I have no idea what town they grew up in. They think this is success. It is not success. It is burdening this country with an obligation this country must repay. This country will repay and must repay nearly $2 trillion of accumulated net trade deficits with a lower standard of living in our future. That is not conjecture. It must be done because other people now have claims in the form of American dollars against our future.

Let me talk for just a moment about one of the more recent agreements, the United States-Canada Free Trade Agreement. I talked about the descriptions of the NAFTA agreement. I have told previously of the folks in ancient Rome who used to predict the future. We now call them economists. They used to call them augurs. It was the practice of augury. The practice of augury was to read the flight of birds, and evaluate the entrails of cattle, among other things, in order to portend the future. In our country we have economists. They tell us, on the one hand, and on the other hand. That is why Harry Truman said that he preferred a one-armed economist. Then they could tell us with one hand. What did the economists tell us with respect to NAFTA? They said if we would pass NAFTA with Canada and Mexico, we would have nearly 400,000—I guess 250,000, first, and some said 350,000—new jobs in America. NAFTA was passed. What we lost was 167,000 jobs to Canada, according to the Economic Policy Institute, and 227,000 jobs to Mexico.

Is that moving in the right direction? Not where I come from. We were told the trade that would come into our country from Mexico would be the product of low-skilled labor. What are the largest imports into the United States from Mexico? Automobiles, automobile parts, and electronics. That is not the product of low-skilled labor.

This last chart shows that the United States has become the world's largest debtor nation. It might not matter to people here. I don't see people coming into the Chamber worried about this. Three or four of us talk from time to time about the growing trade deficit. To most people it doesn't seem to matter. They say, "Look at the cars we send to Mexico. Isn't that a wonderful thing?"

They come here and talk about the deposit slips in their checkbook. They don't talk about the expenditures. The net balance of trade has been negative for our country, and growing worse. It is causing substantial trouble in our country. The question is: Will we solve this? Will someone decide this is not good for our country and decide to solve it? Need it be solved by starting a trade war? Should it be solved by putting walls around our country and describing ourselves as protectionists? No, I don't think so. That is not the point. That is not what we are here arguing.

The point we are debating is that those who come here with this mantra chant of "free trade"—just a mantra chant. You are either for free trade, or you are some xenophobic isolationist stooge who doesn't understand it. You just do not understand what the world has become. You are either for free trade, and you, therefore, understand all of the implications of that, or you just don't get it. You are for free trade, or you are a blatant protectionist, and shame on you. We are going to call you "Smoot and Hawley." That is the way this debate moves very quickly. Almost, instantaneously, it moves into that kind of a discussion.

The discussion that ought to be among all of is this. We now have the largest merchandise trade deficit in the history of this country. Is it good for this country? The answer is no. The question is, What will we do about it? Does anyone here have a plan to deal with this growing, mushrooming trade deficit that hurts this country? Anybody? Has anybody heard anybody come to the floor of the Senate who chants this mantra of free trade who says anything about dealing with these mushrooming deficits? Or is it for them just the act of chanting that satisfies their soul? Is it just the act of chanting that satisfies their desire to serve?

One would hope that those who come to the floor talking about the need for expanded trade—not with some chant—with some thoughtful analysis of this country's needs would also understand the need for balanced trade and the need for fair trade, and the demand that when we say to our trading partners, "You are strong, tough, worthy competitors of ours in the international marketplace, and we demand of you fair free trade."

As a nation, we need to say to China, "We demand of you that if you access the American marketplace and we will allow you to continue to do that, but when you do it you have a responsibility to this country. That responsibility is to open your marketplace to our goods." Don't tell us that you want to flood our marketplace with Chinese goods and then keep China's marketplace largely closed to American goods. Don't tell us that you want us to be your cash cow for hard currency, China, and you want to ship all of your goods to our country. But when it comes time to play by the book and compete, don't displace America as the largest wheat seller to China. That is not what we expect of a mutually beneficial trade relationship.

We need to say to Japan, "Don't tell us that you want a $60 billion a year trade surplus and deficit with us every year as far as the eye can see. Don't tell us you want to access our marketplace and then tell us we can't get American goods into yours."

That is not fair trade in any town in this country. And we ought to expect on behalf of the American economy and the American people and American workers and producers that we demand fair trade treatment from our allies and our trading partners.

Canada—we had a free trade agreement with Canada. We had an $11 billion trade deficit with Canada. We passed a free trade agreement. Now, the trade deficit has more than doubled.

In my part of the country we have a flood of unfairly subsidized Canadian grain coming through the borders. It is a virtual flood. It is sent to this country by a state trading enterprise called the Canadian Wheat Board. That would be illegal here in America. It has secret pricing. No one knows the price. It is sold by a state trading enterprise. That is a monopoly enterprise. The result is an avalanche of Canadian grain coming in undercutting our market and undercutting our farmers. It is patently unfair. And, we can't do a thing about it because it is in the trade agreements that were negotiated with Canada. Those negotiations were done in secret, behind closed doors. These secret negotiations pulled the rug out from under our producers. So now when trade is patently unfair you still cannot stop it.

I ask someone to come to the Senate floor today or tomorrow and tell us what you propose to do to demand that Canada stop that flood of unfairly subsidized grain. What do you propose to do to demand that?

What do you propose to do to demand that China open its markets? What do you propose to do to demand China open its markets completely to American imports when it buys airplanes made and manufactured in the United States of America rather than demanding that it wants United States airplanes manufactured in China?

What do you intend to do to say to Japan that the trade agreement 10 years ago with them on beef represents the lowest expectations of trade behavior that this country has? We negotiated trade on beef. And even our cattlemen jumped for joy because we finally reached an agreement with Japan on beef. Guess what the agreement is? There remains nearly a 50-percent tariff on all American beef getting into Japan. Is that a fair agreement? No. It represents the lowest expectations we have of our abilities to require our trading partners to treat us fairly. We still have a nearly 50-percent tariff on American beef going into Japan.

What on Earth are we doing? Why is this country lacking the nerve and the will to stand up to our trading partners and say to them, "Here is a mirror; treat us fairly because we are going to treat you like you treat us?" From our trade standpoint, our leadership is ready for us to say our market is open to you. We lead in the spirit of free and fair trade. We lead in the spirit of expanded trade. But, we demand more of our trading partners. We demand that our trading partners provide opportunities to American producers, American businesses, and American workers to access your marketplace just as you access ours.

Is this all theory? No, it is not all theory. Those who come to the floor and talk about free trade will talk in the abstract all day long. But what this is about is who will have the jobs and the economic growth and the opportunity 5 years, 10 years, 20 years, and 50 years from now.

I have no quarrel with those who come to the floor of the Senate and say that our future is in global trade. We have a global economy. Our future requires expansion of trade opportunities. I have no quarrel with those who have read the economic textbooks that describe the doctrine of comparative advantage, and the teachings of Ricardo, and others, who describe a world in which some can more appropriately produce one product and others can more appropriately raise one commodity. To the extent there are natural advantages to each, they should trade with each other. That becomes the doctrine of comparative advantage. Each does what it is their advantage to do and, therefore, trade with each other. I have no quarrel with that.

Of course, when Ricardo wrote that, incidentally, there was only nation-to-nation trading. There were no corporations when that doctrine was described. It is not the same now when the doctrine is interpreted to mean that a comparative advantage is a political advantage rather than a natural advantage, a natural resource advantage, or some sort of production advantage.

What is a political comparative advantage? A political advantage is a government over in some recess of the world when it describes the conditions of its production as a method of production in which you can hire 12-year-olds and pay them 12 cents an hour, and you can dump the pollution into the air and the water, and you can work the kids in unsafe factories. There is a political advantage in which that kind of production is acceptable and tolerated, and produces the commodities that are then traded in the international marketplace. But, that has nothing to do with the doctrine of comparative advantage. Absolutely nothing.

The question I asked yesterday about trade is one this country needs to continue to ask. Is there a requirement for admission to the American marketplace which, incidentally, has no substitute on the face of this globe. There are more people in other countries. China has far more people than we. But there is no substitute to having access to the American marketplace.

Is there any admission to the American marketplace? I am not talking about cash, or paying money to access the American marketplace. I ask is there an admission price at all? Will the admission price be, for example, a requirement that you not employ 8-year-olds or 10- or 12-year-olds to produce in a production factory and work them 12 hours a day and pay them little or nothing?

Could we at least start way back right at the first step and say, "Well, at least we will not accept the production of prison labor from a foreign country to come into our country and have the socks that are produced in a foreign prison hanging on a discount wall for sale to the American public?"

So we must decide what is right. We should not allow the work of foreign prisoners to come into our country because clearly that is unfair trade. So then let's step up the chain a bit, and ask ourselves: If not from foreign prisons—and I think most of us would agree that is certainly not fair trade—what about foreign factories that hire young kids, young children? I mentioned 12-year-olds. How about 8-year-olds? How about 250 million children producing around the world? Is there something that we find difficult in this country in our trade relationship in saying to another country, "Look, you have to meet certain standards?"

We are not demanding you pay the same minimum wage they pay in Pittsburgh or Denver. We are not demanding that. But you have to meet some standards in order to access our marketplace because we don't believe American producers who risk their money to build their plant, hire their workers, and then manufacture their goods ought to have to compete against someone who manufactures the same product for one-hundredth of the price or one-twentieth of the price because they don't have the responsibility to deal with air pollution and water pollution, child labor laws, and safe workplaces, minimum wages, and all of those kind of things.

Is there any standard that represents some standard of behavior that we expect in being able to access the American marketplace? Or is this a circumstance where we have decided that those corporations, the largest in the world who are now international corporations—not national enterprises but international corporations—have decided that the expectation they have of this system is to be able to look at their corporation and evaluate where in this world can they produce most cheaply. Where can they produce least expensively? Where can they produce it, and then where can they ship that product to the most affluent marketplace and therefore expect maximum profit?

Is that the construct of this new system, the new global economy? Buy a Gulfstream; travel around the world; look out the window and find where could you produce with the least possible expense? What corner is it? Sri Lanka, Indonesia, Bangladesh? What corner of the world is it that would allow you to take that manufacturing plant that you have in Ithaca, NY, shut it down, fire the workers, move it overseas, and produce at the least possible cost, paying the least amount of money, having a factory that has the least compliance with air and water pollution, no bother about worker safety issues, and so on, no OSHA, and then produce the same product and ship it back to Ithaca to be sold on the hardware store shelf? Is that the construct?

I am afraid that is what most of our institutional discussion has been in this country about, the new global reality. The new global reality is we should not worry about what percent of the manufacturing, in terms of our consumption, is done in the United States. We should not worry about our manufacturing base. We should not worry about whether we have a strong manufacturing base. What we should worry about is consumption. How are we doing as consumers?

I suppose we are doing fine as consumers. We have ample credit cards available. In fact, just wait at home today and open your mail box. You will get another invitation for 10 more, preapproved, with substantial limit, and if you are lucky, you can go to a discount store somewhere and probably buy something that was produced in a country that used kids to produce it, produced it less expensively, and you might—not always, but you might—be able as a consumer to purchase it less expensively at the expense of a diminished manufacturing base in this country, at the expense of a larger trade deficit, and at the expense of a lower standard of living later when this country will have to reconcile these huge and growing trade deficits.

Mr. President, let me end where I began. I know Senator WELLSTONE from Minnesota is waiting to speak. I started today by asking the question, can someone come to this Chamber in the next day or so and look at this ocean of red ink, of net trade deficits that are growing worse year after year after year, not better—can someone come here today, someone who thinks we are on the right path, who wants us to keep doing what we are doing and tell me how they believe this represents success? How do they believe this contributes to this country's wellbeing?

If they believe, as I do, that this ocean of red ink has made this country the largest debtor nation on Earth and it is destructive to this country's best interests. Then I say, let's in the coming hours talk about what we can do to fix this and don't tell me more of the same because that's what you are saying: We want more of the same.

This is what has happened. We have big, big deficits, getting worse. "Let's keep doing more of the same," they say. I say, let's change. Let's expect more and demand more of our trading partners. Let's have open foreign markets. Let's have the nerve and the will to stand up for this country's economic interests, and let's not move quickly to the thoughtless debate that this is between those who support free trade and those who do not.

That is not what this is about. It is about those of us who believe this country has an abiding and growing trade problem and is choking on trade deficits and must stand up and do something about it for this country's sake and those who believe things are just fine and we ought to keep doing more of what we have been doing. That is what the debate is about.

I will have more to say. Let me yield such time as he may consume to the Senator from Minnesota.

The PRESIDING OFFICER (Mr. INHOFE). The Senator from Minnesota.

Mr. WELLSTONE. I thank the Chair. I thank my colleague from North Dakota for his very important leadership in what is really a historic debate.

Let me say at the beginning that I don't think this is a debate where two positions are either we have walls that we put on the border of our country or we are involved in an international economy. We are a part of an international economy.

That's a false dichotomy. The question is, Are there any rules that go with this?

Let me, first of all, start out with one of the major reasons I oppose the motion to proceed to S. 1269, this reciprocal trade agreement of 1997.

I oppose it on the principle of democracy and representative accountability alone. I am opposed to fast track for that reason alone. It seems to me that we ought to understand that what we are talking about is a trade agreement which will crucially affect the quality or lack of quality of lives of the people that all of us represent, that will affect our domestic laws, everything in the world to do with wage levels, with consumer protection, with environmental protection, and it is difficult for me to understand how we could surrender our rights as Senators to an unlimited debate and the right to amendments to an important piece of legislation, indeed, to some legislation that will come before us, other agreements that will come before us up to the year 2001 that we have not even seen. Before we have even seen these agreements, we are supposed to agree to a procedure whereby we can't come to the floor and fight for the people we represent, we can't come to the floor and try to improve a trade agreement and make it work better for working families in our States. I would oppose this agreement just on this principle alone.

S. 1269 would lock us into fast-track rules for debates and votes that we are going to be taking later on in the Congress. This will lock us in until the year 2001. That is the duration of the bill's provisions. So what we are deciding right now is whether or not we are going to establish highly restrictive rules which will govern our debate and votes later on implementing bills for agreements, the contents of which we do not know at this time.

That is profoundly antidemocratic. On the principle of democracy, on the principle of being here to represent people in Minnesota, I would oppose this fast-track legislation just on this idea alone.

Let's talk a little bit about what could happen between now and 2001. We could bring Chile into NAFTA. It may be good; it may not be good. We could broaden what we call NAFTA to include additional countries in Latin America and the Caribbean, turning NAFTA eventually into a free-trade area for the Americas, FTAA. We could look to the Asian Pacific Economic Cooperation Forum, and we could negotiate these privileges as well, which could be NAFTA-like privileges, vis-a-vis countries in Asia. We might complete a worldwide multilateral agreement on investment which would be called the NIA. We could do all of these things.

But the point is that under this provision, if we enter into these agreements up until the year 2001, all of this will come to the floor of the Senate with an expedited procedure. No amendments will be in order and there will be a limited number of hours. How can we as Senators represent consumers in our States, how can we represent working families in our States, how can we be out here fighting for decent jobs and decent wages, how can we, for that matter, represent people in other countries who want to see their standard of living lifted, not depressed, and at the same time agree to these kinds of agreements—we don't even know what will be in them—with this procedure that there will be limited debate and no amendments.

This is a basic principle of democracy. I say to my colleagues we should not vote for this fast-track procedure because it denies us the ability to be out here representing the people in our States. That is what fast track is all about—an up-or-down vote on a giant bill which has a critical impact on numerous laws, these laws having a dramatic impact on the quality or lack of quality of life of the people we represent. That is one of the reasons I opposed NAFTA and one of the reasons I opposed the creation of the WTO as well.

Let me point out that one administration official testified last year that negotiators had effectively concluded 200 trade agreements since President Clinton took office in 1993—nearly 200 trade agreements—and only two of those utilized fast-track procedures. So if trade agreements can be so readily reached without the benefit of fast track, then I question the need to impose these kinds of procedures which are inherently undemocratic. They shorten the debate. We cannot come out here with amendments. We cannot come out here to represent people in our States the way we should. Therefore, I would oppose this, and I hope my colleagues will as well.

This whole idea of trade policy, which is so important, is supposed to be good for all of us, including consumers. Have the representatives of consumer groups been involved in this discussion? Certainly corporations and various economic sectors have helped to decide what our goals are, which is appropriate. But how about consumers? Consumers might be worried about downward harmonization of standards. Consumers might be worried about food safety standards and how this will affect their children. They might be worried about or oppose in principle deplorable child labor conditions in other countries. They might be worried about or oppose in principle deplorable violations of human rights of people in other countries.

Consumers, the people we represent, may say, look, we would like to make sure that this is a part of a trade agreement. But the position the administration has taken in fast track is that these concerns are excluded as trade objectives. But they probably would be included as objectives if we had a more democratic process for negotiating and considering trade agreements.

What I am trying to say is it becomes, I think, a Catch-22. If we as Senators are going to say, ipso facto, we give approval to any number of different trade agreements up through the year 2001, the provisions of which we do not even know about yet, then quite clearly what we are saying is we will not be able to come out here with amendments to protect consumers and working families, in which case I think we are going to get the same response from the administration, which is we will not make these agreements part of a trade agreement, basic protection on fair labor standards, on consumer protection, on environmental protection.

I think that is the tragic mistake we will be making if we approve fast track.

My second reason for opposing the motion to proceed is that I am not at all confident—in fact, unfortunately, I am quite certain—that as opposed to improving the standard of living and the quality of life for a majority of Americans, these trade agreements will have precisely the opposite effect.

Let me also say that I am equally concerned about trade agreements that will lead to an improvement of the quality of life and living standards of people in other countries. I am all for trade agreements that lead to an improvement of the standard of living of people in our country and people in other countries. I am not in favor of a trade agreement that ends up not being global village but global pillage, where what you have instead is a systematic violation of the rights of children, of basic human rights, of basic fair labor standards and of basic environmental standards leading to profits for the few large multinational corporations and misery for way too many people throughout the world.

Mr. President, we have had extensive debate on NAFTA, which was approved, and also extensive debate on the General Agreement on Tariffs and Trade, which ultimately led to the creation of the World Trade Organization, the WTO. I voted against implementing these trade agreements because I was concerned that these trade agreements would not take our country in the right direction. Now, as I think about it, I am afraid that the empirical evidence supports this view as well.

Let me say again, I didn't oppose NAFTA or WTO because I am a protectionist. I am an internationalist. I don't have any interest in building walls on the borders of our country to keep out goods and services. Nor do I fear fair competition from workers and companies operating in other countries. I am not afraid of our neighbors. I don't fear other countries nor their people. I am in favor of open trade, and I believe the President should negotiate trade agreements which lead, generally, to more open markets here and abroad.

Indeed, I am aware of the benefits of trade for the economy of Minnesota, and I am told about that constantly. We have an extremely internationally minded community of corporations, larger companies, small businesses, working people and farmers in our State. And we have done relatively well in this international economy. I am very proud of Minnesota's performance in this international economy.

We have lost some jobs to trade, as have most States, but we have also benefited from trade. We benefit both from the exports and the imports: The exports create the jobs, as we all know, but the imports are not necessarily a bad thing. They provide the competition for consumers and they can push our own domestic companies to do better, to be more productive and to be more efficient. Open trade can contribute significantly to the expansion of wealth and opportunity, and it can reward innovation and productivity. It can deliver higher quality goods and services at better prices.

So, what I am saying is not that we should not be involved in international trade, not that our country doesn't have a major role—we have a major role and play a major role in the international economy. But what I am saying is that the Congress should exercise its proper role in regulating trade, which is what trade agreements do, so that the rules of this international trade reflect American values. That is how America can lead in the world and it is how America should lead in the world.

What American values are we talking about when it comes to trade? What are the American values when it comes to trade? We believe in open markets at home and abroad. But we also think there is a role for Government to play, especially when it comes to the protection of fundamental labor rights for working women and men, when it comes to the protection of children in the labor force, when it comes to environmental standards, when it comes to food and other consumer protections. These are important values in our country. When it comes to fundamental standards dealing with human rights and when it comes to democracy, these are important American values. The question is, how can we pursue these values when we are negotiating trade agreements?

The Clinton administration believes that the commercial issues are primarily in the body of the trade agreements, which are enforceable with trade sanctions, and that the environmental and the labor rights issues and the human rights issues are secondary. A majority of the Senate appears to agree. I do not, and I don't believe most Americans agree with the President and the majority of the Senate on this question. I believe, and I think most Americans believe, that fundamental standard-of-living and quality-of-life issues are exactly what trade policy should be all about. That is why strong and enforceable labor rights, environmental and consumer protections belong directly in the agreements themselves. And if trade agreements do not help to uphold democracy and respect for human rights, then they are deficient. That is my position and, as we enter the 21st century, these should be the pillars of American leadership in the world.

At the same time we are told that America must lead on the issue of trade, we are also told that if we don't negotiate trade agreements, even ones that do not live up to our own principles, then other countries will do so with each other in our absence; we will be left out. That is what we are told. What a contradiction. We must lead but we must do so by weakening our values, by leaving enforcement of labor rights out of agreements we negotiate, by leaving protection of the environment out of agreements we negotiate, by surrendering our principal linkage of human rights concerns to trade policy.

Are we saying that when it comes down to it, that money is basically all that matters? Is that how America should lead the world? Not in my view. Our trade policy should seek to create fair trading arrangements which lift up the standards of people in all nations. It should foster competition based on productivity, quality, and rising living standards—not competition based on exploitation and a race to the bottom.

As one Minnesotan, Larry Weiss, wrote in our State's largest newspaper earlier this week, "What we want is a global village, not global pillage." Protection of basic labor and environmental and food safety standards are just as important and just as valid as any other commercial or economic objective sought by the U.S. negotiators in trade agreements. We need to be encouraging good corporate citizenship, not the flight of capital and the dissemination of good-paying jobs from the United States.

The PRESIDING OFFICER. If the Senator will suspend his remarks for a moment?

Mr. WELLSTONE. Mr. President, since I have to interrupt my remarks, I ask unanimous consent that I be recognized for additional comments immediately after the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

NOMINATION OF JAMES S. GWIN, OF OHIO, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF OHIO

The PRESIDING OFFICER. Under a previous order, the Senate will now proceed to executive session and the clerk will report the nomination.

The legislative clerk read the nomination of James S. Gwin, of Ohio, to be United States District Judge for the Northern District of Ohio.

The PRESIDING OFFICER. There are now 10 minutes equally divided on the nomination.

Mr. LEAHY. Mr. President, I am delighted that the majority leader has taken up the nomination of Judge James S. Gwin to be a U.S. district court judge for the northern district of Ohio.

Since 1989, Judge Gwin has served as a judge for the Court of Common Pleas in Stark County, OH. Three times during his judgeship, Judge Gwin has been elected administrative judge by his peers, and in 1995, he was elected presiding judge. In addition to his legal service, Judge Gwin has volunteered for several organizations, including the North Central Ohio Juvenile Diabetes Foundation and the Central Stark County Mental Health Center. His nomination enjoys the strong bipartisan support of Senator GLENN and Senator DEWINE.

Despite his exemplary record, one or more of my colleagues on the majority has again demanded a rollcall vote on a judicial nomination. That is, of course, the right of any Senator and I do not object. Indeed, I welcome the vote. I expect this rollcall vote to be much like the last eight in which a unanimous Senate approves a well-qualified judicial nomination. I congratulate Judge Gwin and his family on this achievement and look forward to his service on the U.S. district court.

Mr. WELLSTONE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, the time will be charged equally. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GREGG. Mr. President, I ask for the yeas and nays on the nomination.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of James S. Gwin, of Ohio, to be U.S. district judge for the northern district of Ohio? On this question, the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 100, nays 0, as follows:

[Rollcall Vote No. 293 Ex.]

YEAS—100

Abraham
Akaka
Allard
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Cleland
Coats
Cochran
Collins
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Domenici
Dorgan
Durbin
Enzi
Faircloth
Feingold
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Rockefeller
Roth
Santorum
Sarbanes
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Torricelli
Warner
Wellstone
Wyden

The nomination was confirmed.

The PRESIDING OFFICER. The President will be notified of the confirmation of the nomination.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

RECIPROCAL TRADE AGREEMENT OF 1997—MOTION TO PROCEED

The Senate continued with the consideration of the motion to proceed.

The PRESIDING OFFICER. Under unanimous consent, the Senator from Minnesota is recognized.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, it is the role of national governments to establish the rules within which companies and countries trade. That is what trade agreements do. They set strict rules. If, for example, a country does not enforce respect for patents, trade sanctions can be invoked.

Mr. President, you can bet that U.S. companies get right in the face of our negotiators to make sure that the rules in these agreements which protect their interests are ironclad and will be strictly enforced. That is what companies do. You can be absolutely sure that U.S. companies would laugh in the face of negotiators if they were told that their concerns were legitimate but could be pursued just as seriously in less enforceable side agreements.

My point, Mr. President, is that it is fine to represent the interests of the companies. We should do so. But we are also elected to represent other people in our country, not just large multinational corporations. We are elected to represent the majority of people.

I say, Mr. President, that we should take a very strong interest not only in representing the majority of people in our country but also in representing a lot of people, ordinary citizens, wage earners, ordinary people in the countries we trade with. Because if they do not make enough money to demand the products that we produce, then we are not going to do well.

Mr. President, I think this fast-track agreement, which extends on to NAFTA and GATT, is deeply skewed toward large corporate interests. That has been our recent experience with trade agreements. And I want to talk a little bit about what has happened with NAFTA.

NAFTA has been in operation for 3 years. And we heard a lot about what NAFTA was going to do for all of us. We have an opportunity now to look at the results with NAFTA. They include loss of jobs, suppression of wages, and the weakening of food, safety, and pollution laws.

Mr. President, if we repeat these mistakes, we are only going to condemn ourselves to replicate some of NAFTA's worst measurable consequences. Let me draw for colleagues from a respected Economic Policy Institute report. This report was issued in September of this year and titled "NAFTA and the States: Job Destruction is Widespread." EI's study concluded that "an exploding deficit in net exports with Mexico and Canada has eliminated 394,835 U.S. jobs since NAFTA took effect in 1994." The report argues that this job loss contributed significantly to a 4-percent decline in real median wages in the United States since 1993. Minnesota, according to this report, lost about 6,500 jobs due to the NAFTA-related trade deficit between 1993 and 1996, contributing to about a 3.8 percent drop in real median wages.

Mr. President, last month the Institute for Policy Studies and United for a Fair Economy published a study which tracked the performance and actions of a number of companies which belong to a major corporate coalition which is advocating passage of fast track. The study found that the 40 companies which are members of the America Leads on Trade coalition, from whom all of our offices have received pro-fast-track materials regularly, cut jobs in 89 U.S. plants under NAFTA. The study also documents that almost 13,000 workers who were laid off by members of this coalition, America Leads on Trade, qualified for NAFTA retraining assistance. And while jobs were being cut by these firms, these firms' profits soared and the salaries of their CEO's were significantly higher than those of executives in other leading firms.

Mr. President, again, looking at the record with NAFTA, according to Public Citizen in a report released in September of this year, U.S. food imports have skyrocketed while U.S. inspections of imported food have declined significantly. The report charges that "imports of Mexican crops documented by the U.S. Government to be at high risk of pesticide contamination have dramatically increased under NAFTA, while inspection has decreased."

Mr. President, our experience with NAFTA can't be dismissed. Jobs and wages in the United States have gone down. We have this paradox over the last 20 years of workers' productivity going up but real wages going down. Wages have gone down in Mexico, too, despite the fact that some workers in Mexico are performing high-skill, high-productivity labor. Our trade balance has dramatically worsened with respect to Mexico. This is all in the last 3 years, post-NAFTA agreement, and the number of U.S. firms that have not only relocated to Mexico but just as importantly have threatened to relocate to Mexico have effectively held wages down. Mr. President, this is a classic tactic used in any effort to organize—companies just simply saying, "We will go to Mexico."

Violations of fundamental democratic rights—we care about those rights—as well as basic human and labor rights continue to occur regularly in Mexico. And a NAFTA side agreement has not significantly improved Mexico's environment—the environment degradation goes on at the Maquiladoras—nor have they done anything to raise the wages or living standards of the people. When I visited the Maquiladora I thought the environmental degradation was horrifying. I could not believe little children that I saw working in the plants. When I talked to people, they were quite often terrified to even talk to a U.S. Senator for fear of losing their job.

Mr. President, I simply will say it one more time, we should be engaged in trade agreements, we should be a vital part of an international economy, and we are, but we can do it without injuring people in communities in our country and we can do it without injuring people in communities in other countries if we have the inclusion of enforceable labor rights and environmental provisions right in the agreements themselves. We don't have any like that in this fast-track proposal.

Mr. President, I said at the beginning that I wouldn't support this agreement on the principle of democracy alone. To lock ourselves into trade agreements up to the year 2001—other countries in Latin America, Caribbean countries, Asian countries—without even knowing what those agreements will entail, to not be able to come out here on the floor of the U.S. Senate and introduce amendments to fight for people in your State or South Carolina or Iowa or Washington or any other State, I think denies us as Senators what is really the most cherished and I think most sacred responsibility we have, which is the responsibility to be out here fighting for people.

These trade agreements affect the quality of life of people in Minnesota and all across the country. I believe that in the absence of, as a part of this trade agreement, clear fair labor standards and environmental standards and human rights standards, these trade agreements will continue to do exactly what NAFTA has done—depress the living standards of people in the United States and people in other countries, lead to further violation of human rights in other countries, not do one positive thing about environmental degradation, and ultimately it will be a good deal for large multinational corporations and a very bad deal for the people in Minnesota and the people across the country.

Mr. President, by way of conclusion, I oppose this agreement because of the fast-track procedure alone. I think it is profoundly antidemocratic. I oppose it because of the empirical evidence that has come in about NAFTA. It is quite clear to me this will lead to a depressing of living standards of people in our country and people in other countries. And finally, Mr. President, I oppose this agreement not because I am not an internationalist. I am the son of a Jewish immigrant from Russia. I am an internationalist. We are in an international economy. I want our country to lead the way. But I want the United States of America to lead the way as an economic power in this international economy by advocating our values. Our values respect human dignity, our values respect human rights, our values respect protecting children's lives, our values respect the environment, and our values respect fair labor working conditions for people. That is what is lacking in this agreement. That is why I am in such profound opposition to it.

I yield the floor.

The PRESIDING OFFICER (Mr. HUTCHINSON). The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I yield myself such time as I might consume.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, I support fair trade because trading creates jobs in America. A billion dollars worth of trade creates 18,000 jobs. Those jobs pay 15 percent above the national average of jobs in America. In my State of Iowa, corporations that export pay 32 percent higher benefits than corporations that don't export. If we are going to continue to grow as a Nation, we are going to have to be able to export more to create good paying jobs in America.

Why do we, from time to time as a Congress, give the President authority to negotiate trade agreements? The power to regulate interstate and foreign commerce is very clearly a power given to the Congress by the Constitution. It is one of the 17 explicit powers mentioned in the Constitution. Congress guards its constitutional authority very carefully.

But we have found that it is very difficult for Congress, made up of 535 men and women, to negotiate with 132 different countries who are part of the GATT process. Congress, for the large part, can't even negotiate agreements among its own Members a lot of times. So you can see the difficulty of Congress as a body reaching an agreement with foreign countries on how to reduce barriers.

So from time to time under very strict guidelines we delegate some of our negotiating authority to the President. But we don't do it in a willy-nilly fashion. We do it with safeguards to make sure that Congress' constitutional power to regulate interstate and foreign commerce is protected. And we do it for a short period of time. We also keep the power to deny the President the ability to negotiate with a specific country, if we don't want the President to do that. We make sure that the President and his people consult with Congress on a very regular basis so that we know what is going on, but more important, so the negotiators know what Congress wants negotiated or doesn't want negotiated to ensure the negotiations reflect the will of Congress. Then, obviously, nothing can become the law of our Nation if it is not passed by the Congress of the United States and signed by the President of the United States.

So we are very cautious in giving the power to negotiate. But we do it for two reasons: First, it is very impractical for Congress to negotiate with foreign countries, and quite frankly it is something that the President does on a regular basis on a lot of foreign policy issues. But more important we have seen opportunities for America's economic expansion happen because we have reduced barriers to trade since World War II. We have a track record of knowing our economy can expand when we export. We have a track record of knowing that jobs are created if we export. And we have a track record of knowing that those jobs that do export pay very good wages.

So we start with the proposition that we want to have an expanding economy, that we want to create jobs and we want to create good jobs because that has been the track record of expanding foreign trade over the last 50 years. We move forward with confidence, giving this President, as we have given Republican and Democrat Presidents in the past, the authority to negotiate trade agreements. And we are confident that the workers and consumers of America will benefit as a result of giving the President this negotiating authority.

We have seen barriers to trade around the world reduced from an average of 40 percent 50 years ago to an average of 5 percent today. Those are tariff figures. We have seen still, countries have higher barriers to trade—both tariff and nontariff trade barriers—than what we have in the United States. They are up here and we are down here. So it is a given. It is common sense, the extent to which the President can get these other countries to reduce their tariff and nontariff barriers to trade to a level equal to or closer to ours, it levels the playing field for our people, both large and small business, and that will create opportunities to export and enhance the economic well-being of our country.

So I rise strongly in support of S. 1269, the Reciprocal Trade Agreement Act of 1997, and I urge my colleagues to vote aye on further motions to proceed and to take up the bill. Mr. President, this debate is long overdue. The President has lacked the authority to negotiate trade agreements since the completion of the Uruguay round agreements in 1994.

Since then, the United States has, as far as I am concerned, relinquished its leadership role that we have had over the last 50 or 60 years in international trade issues. And the rest of the world will not wait for a long period of time for the United States to act but will move on without us.

This bill will restore the United States to its rightful position as the world's leader in international trade. If nothing else, it's going to reassert the moral authority of the United States to be a leader in fair trade negotiations around the world, as we have been for the last 60 years.

Since the original reciprocal trade agreements of 1934, the United States has taken this leadership role in reducing barriers to trade. We learned from the Smoot-Hawley legislation, we learned from the Great Depression of the 1930's, and we learned from the results of World War II that protectionism is not only bad economically, it's bad from the standpoint of promoting peace throughout the world. As I said, in the period of time since the United States started this process of reducing barriers to trade—not only our own barriers, but other barriers in other countries—we have seen global tariffs drop from an average of over 40 percent to about 4 or 5 percent today. This dramatic opening of world markets has led to an explosion of economic growth since World War II, and the United States has been the primary beneficiary of this growth.

American workers are the most productive, highest paid workers in the world. American companies produce the highest quality products, and American consumers have more choices of goods and pay less of their income on necessities, such as food, than consumers anywhere else in the world. These are the benefits of fair trade agreements.

Americans have enjoyed these benefits only because, through U.S. leadership, we have convinced other countries that freeing up trade and leveling the playing field for everybody is critical to economic growth, not only in our country, but around the world. And we have led by example. We have lowered our own tariffs to show our willingness to trade with the rest of the world, and to show that trade is beneficial to workers as well as consumers and not something to be feared. This bill reestablishes the United States in this leadership role.

This bill will allow the United States to continue on the path of economic growth and prosperity, and will show the way for other countries as well. Free and fair trade creates jobs—stable, high-paying jobs. Exports support more than 11 million jobs in our country. These jobs, as I have said before, pay 15 percent higher wages than other jobs. In my own State, exporting companies have 32 percent higher benefits than nonexporting corporations.

Trade is a major component of the economic growth of even the most recent decade. It is estimated that exports, as a share of gross domestic product, grew by 39 percent and accounted for nearly 50 percent of the total U.S. economic growth between the years 1986 and 1992. This year, total U.S. trade will be 30 percent of our total GDP. These statistics show that trade is important to this country. It's important to the well-being of our economy.

This bill will allow the United States to maintain its competitive advantage in the global economy. Trade negotiating authority is necessary to remove barriers to our exports and, hopefully, some day remove all remaining barriers to our exports. These barriers are taking money out of the pockets of American farmers and workers. But without this bill, the rest of the world will continue to raise barriers to our products. We will remain on the sidelines—where we have basically been since 1994.

Since trade negotiating authority expired back then, over 20 major trade agreements have been consummated. The United States was not a party to any of them. Do the opponents of this bill believe that other countries are looking out for the interests of the United States when negotiating these agreements? We had an opportunity to be at the table. Of course, nobody is going to look out for the interests of the United States, except our U.S. negotiators. We in the Congress are going to see that they look out for those interests. We can deny the President's authority to negotiate with a specific country. We will consult with the President of the United States on a regular basis on how those negotiations are going, and advise the President on what should be negotiated. Finally, we have an opportunity to enact the final product of any negotiations.

Now, I said that we have had 20 agreements negotiated, where the United States was not a party. But I can show in some of those negotiations where U.S. economic interests—and maybe humanitarian and nonpolitical interests, or political interests have also been hurt.

Chile is a good example of what we have sacrificed by not having trade negotiating authority. In 1992, President Clinton promised Chile that it would be part of the North American Free Trade Agreement. Five years later, Chile has a free trade agreement with Canada and with Mexico—the other two partners of the North American Free Trade Agreement—but not with the United States. Chile is an associate member of the MERCOSUR countries, which is a trading block composed of Brazil, Argentina, Paraguay, and Uruguay. Yet, Chile is still not a member of NAFTA. You might say, so what; you don't like NAFTA and you are applauding. But in the process, American workers and farmers are beginning to feel the consequences of this inaction.

An American company recently lost a $200 million telecommunication contract to a Canadian company that enjoys preferential treatment under its trade agreement with Chile.

American farmers currently supply 90 percent of Chile's free grain imports. Those are exports from states like Iowa, Minnesota, Nebraska, and Illinois. But our biggest competitors for this market, Argentina and Brazil, enjoy an 11-percent tariff advantage over American farmers. And whether or not we are going to continually supply feed grains to Chile—it is only a matter of time before we lose this important agricultural market. What will the opponents of this legislation say to the farmers of their State and the workers of their State when these workers and these farmers lose their jobs and lose income because this market is lost because we have an 11-percent disadvantage? This bill allows us to compete for these markets once again.

The economic benefits of trade negotiating authority are very clear. But let's remember that trade is also an important foreign policy initiative. Free and fair trade is humanitarian, as well as it is economic. Free and fair trade promotes liberty and freedom around the world. This bill is going to help increase the standard of living of our trading partners and, with it, enhance the stability of their political and economic systems. And when you enhance the political and economic systems, you open the door, through trade, for the United States to export its democratic principles of liberty and freedom. We are seeing enhancement of these institutions in countries where freedom and liberty was foreign to a lot of people. Economic intercourse opens the way, opens the door; it is a window of opportunity for other things that we in America believe in, which you can't put a dollar and cents value on. We know that when Americans travel overseas, when we enhance our business opportunities with other countries, this sort of rubbing shoulders with people of other countries has benefits that go way beyond just the dollars and cents of free and fair trade.

The people we trade with experience American values through the goods they purchase and the relationships they form when trading with us. In time, it is likely that they will insist that their own government uphold these values as well. We have seen it happen in Latin America, Eastern Europe, and someday—I am optimistic—we will see it happen in China.

Many scholars believe that a country must attain a certain standard of living and economic stability before democracy can even begin. Trade, and not foreign aid, is the mutually preferred method of achieving economic growth and economic stability, which is a forerunner of political stability.

Since 1986, I have hosted, on six different occasions during the month of August in my State, week-long tours of Iowa by foreign embassy ambassadors. In other words, the embassies here in Washington, DC, send their ambassadors and/or trade representatives. I hear from these people coming to my State of Iowa, again and again, from these international guests, that a mutually beneficial and healthy trade relationship is much preferred over foreign aid from the U.S. Government. While foreign aid can be fleeting, trade builds and expands economies. This, in turn, fuels the democratization process. So this bill helps our trading partners help themselves.

Mr. President, the opponents of this bill want to turn back the clock. They prefer a time when this country could afford to be isolationist, when we could consume all in America that we produce, and we didn't have to worry about exports, and when economic growth could be sustained then by domestic production alone.

Reminiscing about those past days may make for good political rhetoric. But that sort of rhetoric is dangerous because it simply ignores the economic facts of today's world. They ignore the benefits beyond economics that come from trade. Because, like it or not, we are in a global economy. Our jobs and standards of living have become to some degree dependent on trade with other countries. We can't afford to build walls around this country, and we can't afford to turn inward. If the United States were to do that, other countries would do it as well. And that could be dangerous. I just saw a quote recently, that I believe to be accurate. "If merchandise is not going to cross borders, soldiers will." It is a preventive of war. It is a promotion of peace when we trade.

We must lead. We still have all the advantages: A highly skilled, educated work force; we have technology, capital, and, most important, a sense of entrepreneurship that not only benefits America, but when this is promoted around the world, it is going to benefit all of the economies of the world. We also have the most stable economic and political system the world has ever known. The United States has the most to gain by leading and the most to lose by sitting on the sidelines.

This bill is the first step back into reasserting our moral authority to lead in leveling the playing field in international trade, an authority that we have exercised since the 1930's.

Mr. President, I want to remind my colleagues that the question is not whether future trade negotiations will occur. They are happening right now under our very noses between countries all over the world. I have cited 20 specific examples since 1992. Rather, the question is whether the United States will be at the negotiating table protecting the interests of our citizens for the good of this country and for the good of the world.

This legislation must become law.

I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER (Mr. ROBERTS). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I support free trade between the United States and other countries.

Mr. President, I yield such time as I might use from the Senator from South Carolina.

The PRESIDING OFFICER. The Senator is speaking on the time of the Senator from South Carolina.

The Senator is recognized.

Mr. KENNEDY. Mr. President, I support free trade between the United States and other countries. I have supported fast-track authority in the past, and I wish I could still do so.

But this fast-track bill is grossly one-sided and unfair. It goes the extra mile to protect intellectual property rights and other rights of business. Yet it puts major roadblocks in front of any effort to protect the rights of workers.

The bill lists 15 so-called principal negotiating objectives. Negotiators are directed to pursue these matters vigorously in trade talks with other nations. One of the objectives urges negotiators to seek strict enforcement of laws protecting copyrights, patents, and intellectual property. The bill even directs negotiators to seek criminal penalties for violations of intellectual property rights.

But the bill is silent about any corresponding effort to promote workers' rights. Negotiators are forbidden to encourage other countries to improve worker protections. Any provisions designed to strengthen labor protections or improve another country's enforcement of its labor protections cannot be given fast-track treatment.

No previous fast-track bill took such a one-sided and discriminatory approach. For example, the 1988 fast-track law included a specific objective to "promote worker rights," and this was an important part of the legislation.

The present bill is unprecedented. It's fast-track for business and no track for labor, and that isn't fair.

We should not make it impossible to use other countries' desire for access to U.S. markets to urge improvements in working conditions. Leaders in other countries often say their door is open to such initiatives. But this bill actually prevents our negotiators from taking advantage of such opportunities. It prevents the United States from using the incentive of access to our markets to persuade a country to improve working conditions for its employees, even in cases where the issue is prison labor or child labor. There is nothing fair about that.

The bill also prohibits fast-track consideration of any provision that would modify U.S. labor or environmental standards. Any agreement that seeks to create internationally-recognized worker rights—such as a ban on child labor or prison labor—could not be considered under fast-track procedures, because it would restrict the power of the United States to refuse unilaterally to modify our own laws in these areas. There is nothing fair about that.

The bill denies our negotiators the power to push for improvements in another country's labor protections. And it denies our negotiators the power to push for improvements on a multi-national basis as well. Under this legislation, there could be no effort to improve worker protections in any forum. There is nothing fair about that.

Congress should not handcuff our ability to negotiate improvements in agreements setting basic labor standards that apply to specific nations or to all nations. Instead, we should use the trend toward globalization of markets to raise the level of employee protections around the world.

We tried to accomplish this goal in the North American Free Trade Agreement in 1993. The labor and environmental side agreements that accompanied NAFTA were designed to strengthen labor standards and establish a forum for resolving disputes.

Many have criticized the effectiveness of these side agreements, and with good reason. In 1994, Mexican workers who tried to organize a union at a Sony Corp. plant in Nuevo Laredo were fired, and some were beaten. This brutality violated Mexican law, and the NAFTA enforcement authorities found that the Mexican Government had failed to comply with its obligations under the labor side agreement. But none of the employees was rehired, and no fines were assessed against either the Mexican Government or the company. The side agreements were not enforced.

Weak as they are, side agreements like these are barred from consideration under the present bill. Such side agreements could not be given fast-track treatment. They would be subject to full debate and amendment in both houses of Congress.

But under this defective fast-track bill, an agreement making it a crime to infringe a copyright would be given fast-track treatment, and rushed through Congress with limited debate and without amendment.

This double standard is unacceptable. Trade affects goods and business profits, but it affects workers' lives and health as well. We can't deny the linkage. Yet this bill treats property rights far better than it does labor and environmental protections. Surely the life or health of a working man or woman deserves at least equal priority.

It's also true that NAFTA has failed to live up to our hopes. The Labor Department has certified that 127,000 American workers lost their jobs as a direct result of trade with Mexico and Canada under NAFTA. Some experts say the number may be as much as four times higher.

The administration has announced that it will seek hundreds of millions of dollars more for trade adjustment assistance to help workers dislocated by foreign trade. When American firms move their American plants to foreign countries in search of higher profits through cheaper labor, the American workers left behind pay a heavy price.

Trade adjustment assistance can help, but to many workers, it is little more than funeral expenses. It's obviously not enough to offset the antiworker, antilabor bias of this discriminatory fast-track bill.

The five measures the administration announced earlier this week, through the World Trade Organization and the World Bank, are another small step in the right direction on labor issues. But again, four studies and a promise don't fix the problems with this bill.

I urge the Senate to reject this unfair approach. This bill puts the rights of business on a pedestal, and leaves the rights of workers in the gutter. That kind of discrimination is unacceptable. No worker should be treated with less dignity than a compact disk. I oppose this legislation, and I urge my colleagues to defeat it.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I rise in support of the fast-track legislation, and I yield myself so much time as I might use.

The PRESIDING OFFICER. The Senator is recognized.

Mr. GRAMM. Mr. President, I think it is important that people understand that the debate about fast track is a debate about trade. If we reject fast track in the Congress, we are sending a signal to the whole world that the United States of America, which has been the strongest proponent of trade in the post-World War II period, is backing away from that commitment. If we reject fast track, we are saying to the world that the position we have taken in the post-World War II period is a position that we are now vacating. We are saying to emerging markets all over the world that we are not going to be the dominant force in trade on this planet.

That message, in my opinion, would be a devastating message for world trade. It would be a devastating message in terms of America's leadership. And I am prayerfully hopeful that in the end reason will prevail and that we will not send that message.

Mr. President, I have had an opportunity, as a Member of the Senate for 13 years and as a Member of the House for 6 years before that, to speak on many subjects. My colleagues have heard me speak on the budget on many occasions. I think my colleagues understand that I have great passion about that subject. But as compared with world trade, the budget is a secondary issue. The issue that we debate today is the most important issue that we will debate during this Congress.

Americans by and large do not understand the trade issue. One of the great frustrations of my political career has been that of all the issues that we deal with, the hardest issue to get people to understand is the trade issue. This is not a new problem. Disraeli, the British Prime Minister in the 19th century, once said, "Not one person in 10,000 understands the currency question, and yet we meet him every day." And by "the currency question," he meant the value of the pound relative to foreign currency in international trade. What Disraeli said would certainly be reflected in the debate here today.

I would like in my speech to try to do several things.

No. 1, I want to try to explain why this issue is so critically important.

No. 2, I want to respond to those who say they are opposed to expanding trade, that they are opposed to fast track because they are concerned about low-wage workers, because they are concerned about child labor, because they are concerned about poverty, because they are concerned about the environment.

Finally, I want to do something that we don't do enough of here, and that is we don't attack this trade issue head on.

I know I have many colleagues who come to the floor and talk for endless hours about how wonderful it would be to build a wall around America and go hide under a rock somewhere, how if we could simply imitate the economic isolation of North Korea, that all would be wonderful and well in America. And generally those of us who know better don't take the time to come over and respond. I want to be sure I take the time to respond today.

First of all, trade is critically important. The most important contribution of America in the post-World War II period has been the explosion of world trade. We didn't rebuild Europe with the Marshall plan. We didn't rebuild Japan with foreign aid. We didn't stop communism in Greece and Turkey with economic assistance. I don't in any way mean to criticize the Marshall plan or the Truman doctrine. They were both critically important. They sent a very clear signal to the world that we intended to learn from the lessons of World War II and that we were going to resist the expansion of communism. But what stopped communism in Europe, what preserved freedom in Greece and Turkey, what rebuilt Japan, what created an economic miracle in Taiwan and Korea, what changed the balance of power, what won the cold war, what tore down the Berlin Wall, what liberated Eastern Europe, and what set more people free than any victory in any war in the history of mankind was the growth of world trade.

By opening up American markets and expanding trade first with Europe and Japan, then with a special focus on Turkey and Greece, then with a focus on Korea and Taiwan, we literally created a wealth machine, and that wealth machine brought prosperity to America such as we had never imagined possible. It created new, massive economic superpowers in places like South Korea, a poor agricultural country.

South Korea is a perfect example. In 1953, they had a per capita income of $50 a year. They were devastated by the Korean conflict. But through world trade their per capita income grew to over $6,000.

The same thing happened in Taiwan. And the attraction of that economic growth in Taiwan, in Hong Kong and Singapore, the sheer ability of the market system in world trade to feed the hungry, to create opportunity and freedom and happiness, the shift in the balance of power that that economic explosion created literally tore down the Berlin wall and liberated Eastern Europe. And while Chiang Kai-shek had long since been in the grave, the economic miracle on the little island that he fled to and the economic miracle in Hong Kong built by world trade was so powerful that it literally forced mainland China to begin to change its system and converted an enemy into a trading partner. It holds out the great prospect of creating cooperation with the one country in the world that can be our rival in the 21st century, and that is China.

Now, we know the lessons of the 20th century. We know the wars that involved conflicts over resources; where

Germany invaded Russia to get access to resources; where the Japanese invaded Manchuria to try to get access to mineral resources that in many cases were denied in trade agreements around the world. We know the totalitarianism of the 20th century.

When I am talking about trade, I am not just talking about goods and services. I am talking about a profoundly moral issue, a moral issue that really boils down to the question of whether we are going to repeat, beginning with a vote on fast track, the policies that created the terrible crises that we faced in the 20th century.

Did we learn from history or are we going to repeat it? I hope we learned. This is a profoundly moral issue because it is about freedom. It is about doing something about grinding poverty that for the great mass of mankind literally beats down the humanity of working men and women and their children all over the world.

Mr. President, I respect my colleagues and I know they mean well, but it is hard for me to sit here and listen to people say that they want to reduce trade because they are concerned about poverty. It is very difficult for me as an old economics professor to sit here and listen to people say, "Well, I would like to trade with China or Mexico or Chile or any other place in the world but I am concerned that workers are poor. I am concerned about child labor. And so as a result I do not want to trade."

Why does child labor exist? In the War of 1812 we had 8-year-olds in the Navy. We had child labor in America up until the Civil War. Why did we have it? Why does it exist all over the world in poor countries? It exists because it is a product of poverty. Wages are low because of poverty. Working conditions are poor because of poverty. If you really care about workers in another country, you want to trade with that country because only by trade, only by expanding prosperity both here and there can we do something about child labor, can we do something about poverty.

So if you really care about workers' rights in other countries, you do not solve their problem, you do not deal with child labor by building a wall between us and that country. You eradicate child labor by promoting trade, which promotes prosperity, which allows parents to put their children in schools and keep them there until they are educated.

So I reject the argument that is made by people who oppose trade and oppose fast track, because that is what this fast track debate is about. It is about trade. It is about whether we are going to continue to trade or whether we are going to start building walls. And I totally reject the idea that those who oppose this bill are protecting low-income workers and children.

I am protecting low-income workers and children. The policy that I promote of trade, expanded economic opportunity, expanded freedom and expanded prosperity, that is the only system in history that has ever done anything about poverty. Trade, free enterprise, individual freedom, those are the great tools for destroying poverty. So if you really want to stop child labor in the world, if you really care about workers' rights, then join the President and join me in tearing down barriers and expanding trade.

Likewise, I reject the notion that those who want to promote a good environment worldwide can do it by preventing trade. I ask my colleagues, and I ask those who are listening, to understand that the population of the world is growing, that people are going to be hungry, and unless we can create an economic system worldwide that is going to feed them, they are going to continue to destroy the environment in their countries.

Environmentalism, the concern about your surroundings, is a product of affluence. You can only be concerned about the environment when you have enough to eat. And if you really care about the environment, if you really are concerned about global warming, if you are concerned about the expansion of pollution, you ought to be for trade because trade creates prosperity, and prosperity makes it possible for people to improve the technology and in the process to improve the environment.

Our colleague from Massachusetts talked about Mexico. Mexico is a relatively poor country, but as a Senator from a State that shares 1,200 miles of border with Mexico, I can tell you that the expansion of trade with Mexico has meant bringing 1990's technology into Mexico, especially along the border, to replace 1950's technology, and the net result is that our new investments and the expansion of growth and opportunity in Mexico give them the first real opportunity that they have ever had to improve their environment.

So if you really care about workers and children, if you really care about the environment, use the one tool, the one tool that we have that can help people in other countries share in the great bounty we share, and that tool is trade.

Now, I have never heard so much poor mouthing in my life as the poor mouthing we have heard about trade. You would think Americans are a bunch of incompetents, that our workers are all these guys standing on assembly lines with big pot bellies, who are, in the words of that old country and western song, "having daydreams about night things in the middle of the afternoon."

In listening to our colleagues, you would think that we are just complete incompetents and that we need to build a wall around America to protect us from having to compete with other people.

That is totally out of sync with reality. America dominates the world market. Study after study of competitiveness concludes that America is the lowest-cost producer in the world of manufactured products, not because we have low wages but because we have skilled workers and because we have the best tools in the world. We dominate the world marketplace. We are the world's largest exporter, the world's largest importer. Our living standards are 20 percent higher than Japanese living standards. Germany has a living standard about 74 percent of our level. The American economy has grown in the last 10 years by 17.8 million new permanent, productive, taxpaying jobs. And since employment in Government has declined, this represents a net addition to the number of people who are involved in the marketplace creating goods and services. That is 5.7 million more jobs than Germany and Japan combined have created in the last 10 years.

And yet, to listen to our colleagues, our jobs are running offshore; our jobs are going to Japan; our jobs are going to Germany; our jobs are going to China. We have the highest levels of employment we have had in the history of the country. We have created 17.8 million new jobs in the last 10 years. Our economy is booming. And yet to listen to our colleagues pour ashes over their heads and talk about helpless, incompetent Americans, you would think we were incapable of producing or selling anything.

The reality is that in 10 years our exports are up by 130 percent. The exports of Europe are up by 55 percent. The exports of Japan are up by 24 percent. But if there is one thing that I could rejoice in, it is we are not hearing people say today, as they did in this debate 2 years ago, that we ought to copy Japan. We used to have Members of the Senate who would get up and talk about how wonderful it would be if our economy could be like Japan's, if we put up barriers to cheat our consumers and drive up the price of goods, if we had Government and business conspire to have these massive plans to dominate the world market. If we could just do what Japan does, they said, things would be wonderful. I do rejoice that nobody says that anymore. They don't say it anymore because the Japanese economy is on its back.

Government-dominated trade fails. The marketplace succeeds. You hear all of these tales of woe about how manufacturing jobs every day are leaving the country. The truth is that our exports in manufacturing are up 180 percent in the last 10 years. That is nine times the rate of growth of manufacturing exports in Japan. That is six times the rate of growth in exports in Germany.

One of the problems the President has on fast track today is that for the last 6 years he has pussyfooted with all these protectionists. He has engaged in little acts of protectionism and now all of a sudden he comes back to the same proponents of protectionism that he has been coddling with political favors for 6 years and says, "Oh, by the way, we have a profound national interest now and you have to stand up for trade." No wonder he is having trouble. The President has been on three sides of a two-sided issue for 6 years. But he is on the right side of this issue, and I am very proud to be with him.

Let me make another point about trade. Let me give two examples of how we benefit from trade even when we are not buying goods from abroad, and then I want to talk about how we benefit from trade by buying foreign goods.

Some of you will remember that in the 1980's, there was this massive push to get Ronald Reagan to protect the American automobile industry. In fact, I bought a Chevrolet truck in 1983. It was a clunker. That truck never was any good from the first day I bought it until the Lord provided somebody from an ad in the newspaper who came and bought that truck. Everything you can imagine happened to it. And, if you will remember, in the early 1980's, all these protectionists were coming, banging on our doors, saying, "We are going to be driven out of the automobile industry. General Motors is going to be broke. Ford is in crisis. Chrysler is on the verge of collapse and has to have a Government bailout." Thank God Ronald Reagan said, in essence, "compete or die."

In 1983 you didn't want to buy a car or truck produced on Monday because on Monday autoworkers were still thinking about the weekend. And you didn't want to buy a car or truck produced on Friday because on Friday they were thinking about the coming weekend. And you probably didn't want to buy one produced in the middle of the week because they weren't doing much thinking. I am not just talking about people on the assembly line, I am talking about all those white collar managers in all those fancy offices in Detroit. They were getting their fannies kicked because they were doing a rotten job and they were ripping off the American consumer. So, rather than make tough decisions and go to work, they came to Washington and they whined and they begged and they pleaded and they said, "Protect us, protect our jobs." And they wrapped themselves in the American flag. It was our duty, they said. We couldn't let all our automobile jobs go to Japan and Korea and all those places where people worked hard. So we were supposed to protect them.

Ronald Reagan said no. And what happened? Well, in 1991, I bought a new truck. This time I bought a Ford, but that didn't make the difference. In fact, I just recently bought a Chevrolet with the same result. That 1991 truck was the best vehicle I have ever bought in my life. Not only did I drive it; now my son is driving it. It has never broken down. It has never had a major mechanical problem. It is an absolute marvel.

Where did it come from? I owe the quality of that truck to the Japanese and to the Koreans, and I would like to thank them today. I owe it to them because they forced companies and the United Auto Workers to stop this crazy system where workers and managers were always in conflict. So when I bought that Ford Explorer in 1991, the United Auto Workers were proud to have their name on it along with Ford Motor Co. Quality was job 1.

I never will forget when General Motors said they had to determine whether they were going to be in the automobile business in the year 2000. They are still the automobile business, big time in the business. They are producing some of the best cars and the best trucks in the world.

If we had engaged in protectionism in 1982 and 1983, we would be getting the same lousy cars, the same lousy trucks, and we would be paying more. In fact, when Bill Clinton became President and, as a sop to the automobile industry and the labor unions, put a tariff of several thousand dollars on sport utility vehicles, what do you think happened? The price of sport utility vehicles went up by thousands of dollars. It was just theft, reaching right in the pockets of working families and pulling out thousands of dollars. That is an example of what I am talking about.

I think one of the mistakes we made—I am not going to go much deeper into this—but one of the mistakes we made is that we talk so much about jobs we forget why we work. There are a few people in America who have remarkable jobs. I see two of them here today who are at least listening to me with one ear, two Senators. If we could afford to do this job for nothing, we would probably do it for nothing. But most Americans work because they want to earn money to buy things. The end result of economic activity is consumption.

It never ceases to amaze me how perverted things get. I will give an example. We now have a suit filed with the International Trade Commission by salmon producers. I think we have about 500 people in America, mostly in the State of Maine, who are involved in growing salmon. They have filed an unfair trade practice suit against Chile. Chile produces massive amounts of salmon. They have a comparative advantage because they raise salmon all year long. They start out with eggs, they produce these little fingerlings, they feed them—the whole process is absolutely an economic marvel. When the salmon are 14 pounds, they harvest them, they clean them, the fillets are shipped fresh to America and Europe. And what has happened? Salmon prices have gone down dramatically.

Salmon is a superior product. When I was growing up I never ate any salmon. Rich folks ate salmon. Salmon has the right kind of cholesterol, as our colleague from Alaska would say. Because of the ability of Chile to produce salmon, literally tens of millions of Americans have changed their diets, and now eating salmon is becoming almost as common as eating steak.

So what now are we doing? Right now we have the International Trade Commission which, thanks to a President who today is for trade, is full of protectionists, and they are in the process of determining whether we should literally take quality food out of the mouths of tens of millions of Americans. Does that make any sense whatsoever, to take food out of the mouths of tens of millions of people to protect the jobs of 500 people. God never granted them or anyone else the eternal right to be in the salmon business.

An argument that carries no weight here but carries weight with me—and I always love to make it because I feel good when I make it—is, who gives anybody that right? Who has the right to tell me, a free man in a free country, that some 500 workers in the State of Maine can rob me by making me buy their product instead of buying a cheaper, better product produced somewhere else? Who gives them the right to do that in a free country? Am I only free to go to the street corner and shout, "Bill Clinton is a dope," or "PHIL GRAMM is crazy"? Or do I have a right to do something that is real, like go and use my money to feed my family in the way I choose? The argument for protectionism is really an argument for theft.

I want to give another example. Every day we hear about textiles. Every day we hear this clamor of protectionist arguments about how we have to protect textiles. And do you remember this big deal about how we were successful in reducing tariffs to China and so now we are not going to be importing as many textiles from China. It was just hailed as a great victory.

Well, go to the places where real, honest-to-God Americans shop and look at the quality goods and look at the prices. By protecting the textile industry, we are literally taking the shirts off the backs of children of working families in this country, and nobody seems to care. It is astounding to me in the U.S. Senate that we all care about producers, but nobody cares about consumers. We can get a couple of rich executives, business owners, textile manufacturers to come to

Washington and holler, and pretty soon we are falling all over ourselves to protect them from competition. Nobody seems to care that American children and their parents pay twice what they should for textiles today.

The paradox is that it is a losing battle. Britain lost the textile industry to New England, because the textile business is noncompetitive in a high-wage country. The exception, of course, is the part that is done by machines. We dominate the world in machine-made textiles, in fact, we are making a lot of money in the textile business today, but where you have to do hand work and where you have a lot of people involved, you tend to be noncompetitive.

This is not a new phenomenon. England lost the textile mills to New England, and then New England lost them to the South. In fact, the Congress first adopted the minimum wage to try to prevent textile mills from moving from New Hampshire to Georgia. But it didn't do any good; they moved anyway. And New Hampshire is much better off for it because they became a high-tech State.

Japan has lost the textile industry, Korea is losing the textile industry, and China will lose the textile industry, because the textile industry, at least in hand work, goes where there are low wages. But to protect a handful of jobs, we are willing to literally steal from millions of working families. Every day these arguments are made and people cloak themselves in the American flag when they are arguing for greedy, petty special interests to cheat the consumer. And I thought somebody ought to say something about it.

Now, I want to sum up with three quotes. I thought about a way to end this speech, and I want to end it with a quote from Ronald Reagan, one of the last things he ever said on trade during his Presidency. But I want to quote first from a Democrat, a Member of Congress from New York, who was a Member of Congress at the turn of the century. Nobody has ever heard of him, but I discovered him in reading a biography on Winston Churchill. I discovered him because Bourke Cockran, from New York, was a friend of Churchill's mama, and he profoundly influenced Churchill on trade. In fact, Churchill changed parties several times, as we all know, but he never, ever changed his position on trade. Churchill from the beginning of his career to the end of his career was a free trader. He was a free trader principally because of Bourke Cockran, who was one of the great orators in the history of this country. I just want to read a short statement from him because it says more than I can. I am not a very good reader, and so I apologize. We forget what trade is about. In the midst of all this special interest and ignorance that dominates this debate, we forget what it is about.

Cockran is an American. He is in London. It is July 15, 1903. America is a protectionist country. England is the only country in the world that has relatively open markets. Cockran is speaking to the Liberal Club in England, and "liberal" at the turn of the century means what "conservative" means today—freedom. With this relatively short paragraph he sums up what trade is about. I want to read it: "Your free trade system makes the whole industrial life of the world one vast scheme of cooperation for your benefit."

He is talking to the British people.

> At this moment, in every quarter of the globe, forces are at work to supply your necessities and improve your condition. As I speak, men are tending flocks on Australian fields and shearing wool which will clothe you during the coming winter. On western lands, men are reaping grain to supply your daily bread. In mines deep underground, men are swinging pickaxes and shovels to wrest from the bosom of the Earth the ores essential to the efficiency of your industry. Under tropical skies, hands are gathering, from bending boughs, luscious fruits which in a few days will be offered for your consumption in the streets of London.
>
> Over shining rails, locomotives are drawing trains, on heaving surges, sailors are piloting barks, through arid deserts Arabs are guiding caravans, all charged with the fruits of industry to be placed here freely at your feet. You alone, among all the peoples of the Earth, encourage this gracious tribute and enjoy its full benefit, for here alone it is received freely, without imposition, restriction or tax, while everywhere else, barriers are raised against it by stupidity and folly.

That speech could be given today about the United States of America. Ultimately, England went protectionist, and when it did, it declined as a world power. Ultimately, America promoted trade, and when we did, we rose to world prominence.

What a different world we live in than the world we have evolved from. We now have leaders who talk about trade as a problem, who talk about imports as if something is wrong with buying something from someone else.

When Pericles was delivering his funeral oration, honoring the dead of Athens, one of the great speeches in history, he talked of trade as a sign of greatness. Once a year, they had a ceremony where they would bring the bones of Athenian warriors who had died defending Athens during that year, and they would all be buried together.

When Pericles came to the point in the speech where he wanted to explain how you could know that Athens was a great city, here is what he said, and interestingly enough, he measured the greatness of Athens by its imports. What a far cry it is from today; what he understood, we have forgotten. And he understood it 2,500 years ago:

"The magnitude of our city draws the produce of the world into our harbor, so that to the Athenian the fruits of other countries are as familiar a luxury as those of his own."

Only a great country has the capacity through trade to get the whole world to work cooperatively to promote its prosperity.

Trade is like love. That is the miracle of this thing. It is not as if we are getting rich by trade at the expense of other countries, because trade makes us rich and it makes them rich. It is like love: The more of it you give away, the more of it you have. That is why it is magic. That is why it is so hard to understand.

I want to end with a quote from Ronald Reagan. President Reagan has never gotten the credit he deserves for standing up for trade. It was one of his great achievements in an era that was dominated by protectionism. But here is what he said, and I urge my colleagues, especially on my side of the aisle, people who love Ronald Reagan, to look at these words before we have our final vote on this issue. Ronald Reagan said this about trade, and it is so accurate in terms of fears versus hopes:

"Where others fear trade and economic growth, we see opportunities for creating new wealth and undreamed-of opportunities for millions in our own land and beyond. Where others seek to throw up barriers, we seek to bring them down; where others take counsel of their fears, we follow our hopes."

I am for free trade. I am for the fast-track bill. These two issues cannot be separated. We have colleagues who say, "Oh, I'm for trade, but I'm against fast track." We all know that without fast track, we are not going to have an expansion in trade. We all know that without fast track, Europe will tie itself to South America in their new free trade area, and we will end up with less and less trade and less and less influence and with less and less prosperity.

So the issue here is trade, and the issue is freedom. Do you care about working people in America and around the world? If you do, you ought to be for trade, because trade will raise our living standards, and it will raise the living standards of others. If you are really concerned about child labor, about low wages, about grinding poverty around the world, the way you help do something about it is through trade. You don't do something about it by building a wall around America. If you really care about the environment, you are not going to improve the world environment by promoting poverty. We are going to promote it by expanding trade and by expanding prosperity.

This is a very important vote we are going to have. We have not voted on anything in this Congress that is more important than giving the President fast track. If we reject fast track, we are saying that special interests dominate the trade policies of America, that the world's great trading nation, the most successful nation at trade in the history of the world, the nation that has benefited more from trade than any other country in the history of the planet, we are going to be saying that for the first time in the postwar period we are giving up our position of world leadership in trade, that we fear to trade.

I don't say that, and I don't believe it. I hope that we are going to give the President fast-track authority and continue a process that will continue our prosperity and economic growth. I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, I yield as much time as he may consume to the Senator from North Dakota, Senator CONRAD. Because no one else is on the floor and because of the time balance, I ask unanimous consent that Senator FEINSTEIN from California be allowed to follow the presentation by Senator CONRAD.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Mr. President, let me say, the Senator from Texas, Senator GRAMM, as always, makes an interesting and a challenging presentation. He is a very capable Member of the Senate.

I will say, I listened with great interest. One of the areas I think where we want to discuss some disagreement is whether, as he proposes, the American people do not really understand the issue of trade. I think the American people do, in fact, understand the issue of trade, and that is precisely what is requiring and causing this kind of discussion in the U.S. Senate.

Having said that—I will expound on that at some later time—let me yield now to my colleague, Senator CONRAD.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. I thank my colleague from North Dakota, Senator DORGAN. I also listened with great interest to the remarks of our colleague from Texas, Senator GRAMM. I, too, was struck when he said the American people don't understand trade. I must say, I disagree. I think the American people understand it very well. I think they understand that freer trade is in our interest, but I also think they understand that sometimes we don't do a very good job of negotiating these trade agreements with other countries, and, as a result, we quite often find ourselves at a disadvantage. That is not in America's interest. We ought to do a better job.

When it is a question of this fast-track proposal, I must say, I favor fast track, but I don't favor this fast-track proposal because it is flawed. It should be fixed, but there has been no serious attempt to fix it.

Mr. President, without question, we are the most competitive nation in the world. Others have higher barriers erected against our goods than we have erected against theirs, and that is why fundamentally it is in our interest to negotiate trade agreements with other nations to reduce their barriers to our exports. There is no question that is in America's economic interest. For that reason, I voted for the GATT agreement, the General Agreement on Tariffs and Trade. But I also recognize that the devil is in the details, and we have seen that both with the Canadian Free Trade Agreement and the North American Free Trade Agreement. There were flaws in those trade agreements, serious flaws that should have been fixed before America signed off on those trade agreements.

Before I go further into the details of what was wrong with NAFTA and the Canadian Free Trade Agreement and how those flaws came about, I would like to report to those who are listening on what happened in the Senate Finance Committee in considering the fast-track legislation that is before us, because I find just the process that has led us to where we are today disturbing.

Senator GRAMM said this is the most important measure this Congress will consider this year. I don't know about that, but certainly it is a very important measure. I would guess the American people think, well, the committees have gone over this, they have debated it, they have discussed it openly and freely, Members have had a chance to offer amendments. That is how the process usually works around here, but that isn't what happened on this bill that is before us today. No, no, something quite different happened.

We had a meeting, a closed meeting, outside of the public eye in the back room of the Finance Committee. A number of us had a chance to say, look, we think there are flaws in this legislation that ought to be fixed. The chairman told us he didn't want any amendments when we went out into the formal session. I didn't know that he meant by that that he wouldn't permit any amendments, but that is what happened, because when the closed meeting ended and we went out into public session, something occurred there that I have never seen in my 10 years in the U.S. Senate. There was no debate, there was no discussion, there were no amendments, because none were permitted.

Instead, this legislation was combined with the Caribbean Basin initiative and the tax provisions of the highway bill. They were wrapped all into one vote, no rollcall. The three of them together were voice voted, and no amendments were permitted. That is what happened. That is not my idea of the legislative process.

What are the advocates of this legislation so afraid of? Why can't we have votes on amendments? Why can't we have a debate? We certainly didn't have it in the Senate Finance Committee that has the jurisdiction over this legislation. I think I found a number of reasons maybe why they don't want to have amendments considered and they don't want to have a chance for debate and discussion. Maybe it is because there are flaws in this agreement and they would just as soon not discuss those flaws.

Mr. President, I think I detect at least three serious flaws in what is before us. First of all, we have to understand what fast track is all about, and I think every Member here understands that fast track means that individual Members give up their right to amend legislation implementing trade agreements.

That is a remarkable thing, because the greatness of this body is that every Member has a right to offer amendments on every bill in order to alter it, change it, to fix it. But we give up that right under fast track. The idea is that that is important to do, so that the President can negotiate trade agreements, because other countries would be reluctant to negotiate if the resulting agreements were then subject to amendment on the floor of the Senate.

Mr. President, the idea is that in exchange for giving up the right to amend, that Congress will be fully consulted in negotiating those trade agreements. It is called consultation.

Mr. President, I have been here now through GATT, through NAFTA, and through the Canadian Free Trade Agreement. And I think I can report, without fear of contradiction, that the notion that Congress is consulted is largely a formality. It is more of a wave and a handshake than it is any kind of serious consultation with Congress. None of that would matter so much if it did not mean that we lose the opportunity to correct flaws in agreements before they are signed off on by our country. Before Congress is faced with an up-or-down vote, you approve it all or you kill it. Under fast track, it is all or nothing.

That is what is seriously wrong with what is in front of us. We have given up the right to amend but we have not gotten in exchange any serious consultation process to try to prevent mistakes from being made before agreements are reached. That is not in America's interest.

The result has been, in previous agreements, that very serious flaws have been included that were injurious to America's interests.

In a minute I will discuss one that has affected my State and affected it seriously.

The second point I want to make, the second flaw that I have detected in this legislation, is we still have no means of correcting previous agreements that contain mistakes.

I know people who are listening must think, "How can that be? I mean, we have a circumstance in which we enter into trade agreements, but there is no mechanism for fixing mistakes that are contained in agreements we have already entered into?"

Well, as shocking as that might seem, that is precisely what we have. We have a circumstance in which, if there is a mistake in a previous agreement, there is no mechanism for fixing it.

Some will say, who are trade experts and listening, "Well, the Senator is not right. We do have a way of fixing things. We can file a section 301 case."

Well, let me just say, for people who are not aware of the technical details in trade legislation, section 301 is like an atom bomb. Section 301 means we take retaliatory action against a country. But they, under trade agreements we have signed, can then retaliate against us. And guess what happens? If we go the route of a 301, which is rarely done—rarely done—the country that we retaliate against for an unfair trade practice retaliates in turn against us. Obviously, then our country is very reluctant to take such an action.

That leaves us without any practical way to fix the mistakes in past agreements. I was prepared, in the Finance Committee, to offer an amendment as part of the negotiating instructions to our trade negotiators that they ought to pursue a mechanism for fixing trade agreements that are flawed. Is that such a radical idea? Sounds like common sense to me. We ought to have a way of fixing agreements that have mistakes that are flawed.

Mr. President, I am not just talking theoretically here. I am talking out of practical experience, of a bitter experience, that my State had with the so-called Canadian Free Trade Agreement.

In North Dakota, we produce Durum wheat. We produce the vast majority of Durum wheat produced in the United States. In fact, nearly 90 percent of the Durum produced in America is produced in North Dakota.

Durum, for those who may not be familiar with that term, is the type of wheat that makes pasta. Of course, pasta has enjoyed a dramatic increase in consumption in this country, and North Dakota has been the place that has provided the raw product.

Well, in the Canadian Free Trade Agreement there was a flaw, there was a mistake, and that provided an enormous loophole for our neighbors to the north to put Durum wheat into our country on an unfair basis. And you know what happened? Canada took advantage of that loophole, that mistake, that flaw, and before you know it, they went from zero percent of the United States market—zero—to 20 percent of the United States market.

I have a chart that just shows what occurred in Durum after the Canadian Free Trade Agreement.

This is before the Canadian Free Trade Agreement. You can see they had zero percent of the U.S. market—zero.

After the Canadian Free Trade Agreement, and its flaw, Canada started dramatic increases in exports to the United States. In fact, they reached this level, which represented 20 percent of the U.S. market.

We then were able to put limitations in place—something we could no longer do because of succeeding trade agreements that we have signed—and we were able to reduce their unfairly traded Canadian grain back to a more tolerable level. But we cannot put this kind of limitation in place anymore. So we are left with a circumstance where one of the major industries in my State is vulnerable to unfair competition.

Some would say, "Well, it sounds to me, Senator, like you're just afraid of competition out in North Dakota." Oh, no. We are not afraid of competition. We are ready to take on anybody, anytime, head to head in any market anywhere. We are among the most competitive agricultural areas in the world. But we cannot take on the Canadian farmer and the Canadian Government.

And that is what we are being asked to do. Because, while the Canadian Free Trade Agreement says—and says clearly—neither side shall dump below its cost in the other's market, in a secret side deal, never revealed to Congress, our trade negotiator at the time told the Canadians, "When you calculate your cost, you don't have to count certain things. One of the things you don't have to count, you don't have to count the final payment made by the Canadian Government to the Canadian farmer."

Guess what the Canadians did? They dramatically decreased the payments that count, and they increased the amount of their final payment to the Canadian farmer. And they do not have to count one penny of the final payment for the purposes of determining whether they are dumping wheat below their cost into our market. I know that is a flaw. That is a mistake. That is unfair. But you go and try and fix it, and what you will find is there is no mechanism for fixing past flawed agreements.

I think we ought to tell our negotiators, as part of their negotiating instructions, "Go and try to get a mechanism for fixing trade agreements that have mistakes." But that amendment could never be offered in the Senate Finance Committee because no amendments were permitted. Why? I have never seen that in my 10 years in the U.S. Senate in any committee on which I have served. No amendments permitted—none. That reminds me of a different country and a different time—not the United States.

Well, the third C that I talk about is currency valuation, because I think that, too, is something we ought to consider.

There is no consideration in these trade negotiations about the currency stability of the country with whom we are negotiating.

NAFTA is a perfect example of what that can mean.

This chart shows that in the NAFTA agreement we were able to secure a tariff gain of 10 percent by that trade agreement because we were able to convince Mexico to reduce their tariffs by that amount. So we got a tariff gain of 10 percent in terms of our competitive position.

Mexico, shortly thereafter, devalued its currency by 50 percent, completely overwhelming and negating what we had accomplished in the trade negotiation. Is it any wonder that we went from a trade surplus with Mexico before NAFTA to a $16 billion trade deficit with Mexico today? But nobody wants to talk about it, nobody wants to have an amendment offered that deals with this question.

All I am asking is that when we are negotiating with a country, that we ought to get a certification from our President that he has examined the currency stability of the country with which we are negotiating so that he can assure us that there is little risk of a dramatic devaluation that would completely wipe out what we accomplished at the trade negotiating table.

Common sense. It just makes common sense. You look before you leap. You examine the currency stability of the country with whom you are negotiating so that you can assure yourself they are not going to have a dramatic devaluation that wipes out what you accomplish at the trade negotiating table.

That amendment was never considered because, again, no amendments were permitted in the committee.

Mr. President, I would like to be able to vote for fast track. I believe in freer trade. But I also believe that there are serious flaws in this fast track proposal that deserve debate and discussion and votes on amendments. We were denied all of those in the Senate Finance Committee. I have never seen it in 10 years in the U.S. Senate. We are now going to have a chance here on the floor to offer those amendments—at least, I hope we are—I hope the majority leader is not going to come out here and fill up the tree and prevent amendments being offered by Members.

Mr. President, this is a serious matter. Senator GRAMM again said this is the most important vote we are going to have in the Senate this year. Again, I am not sure I would put it at the very pinnacle, but no question this is an important matter.

The fact is, the United States has a lot to gain and a lot to lose. We have a lot to gain if we really accomplish freer trade in this world because we are the most competitive nation on the globe. We have a lot to lose if we negotiate flawed agreements. We have a lot to lose if we continue on the path that leads to a nearly $200 billion trade deficit in part because the United States has not been tough enough in negotiations with other countries.

It seems to me these three C's that I have outlined—of consultation, of correcting prior agreements that have flaws and, third, that we consider the currency valuation of the country with which we are negotiating so that we can be confident they will not engage in a dramatic devaluation and completely offset what we have accomplished at the negotiating table—are commonsense measures.

I hope my colleagues, when I have a chance to offer these amendments, will carefully consider them because this is an important matter. We have a chance to make this fast-track proposal much better, to guard the interests of the people of the United States much better.

Mr. President, I will conclude as I began. I have supported well-crafted trade agreements. I was proud to vote for GATT. But I have opposed those agreements that I thought were flawed and not in the national interest.

Now, again, all Members are going to have to make a decision and a determination. And I say to them, as a member of the Finance Committee that considered the legislation before us, that it is flawed, and it ought to be fixed. Hopefully, we will have the opportunity to do that on the floor of the Senate, which we did not have in the Senate Finance Committee.

I thank the Chair and yield the floor.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER (Mr. GREGG). The Senator from California.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent for such time as I may consume.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. FEINSTEIN. Mr. President, I rise this afternoon to offer my views on this fast track proposal before the Senate. I have followed the debate very carefully. California has a significant stake on issues of international trade, an important engine driving the California economy today.

In recent weeks, we have heard a great deal about fast track, often with broad, sweeping claims. Some have said those voting against fast track are protectionist, xenophobic or antitrade. Others have claimed fast track is the Sun, the Moon, and the stars. I want to take a few minutes to describe just what I think fast-track authority is all about. Fast track is the abrogation of congressional authority to have some leverage on trade agreements and the ability to offer amendments on the floor.

This fast-track bill provides the President, for the remainder of his term, plus an optional extension, the authority to negotiate any trade treaty in the world and bring it rapidly to this body, without an opportunity to offer amendments. Article 1, section 8, of the U.S. Constitution gives the Congress responsibility over economic matters. Through fast track, we are effectively abrogating this responsibility.

There is no State in this Nation that has a more important role on issues of trade than the State of California. The stakes are very high.

California is the seventh largest economy on Earth. We are the economic powerhouse and the economic engine of the Nation, responsible for 13 percent of the Nation's economy and 20 percent of the Nation's export.

Free and fair trade is an integral part of California's economic future. But free and fair trade can only be brought about through a level playing field, with everybody playing by the same rules. My job as a U.S. Senator is to stand up and articulate my State's interests when its needs and concerns are not being taken into consideration. Simply stated, fast track gives the President total authority to negotiate any trade agreement.

Is fast track absolutely necessary? We have heard a great deal of comment and concern, calling for the passage of fast track: "We have to do it, we have to do it, you are un-American if we don't do it." But the fact of the matter is this President has concluded 220 trade agreements, and only 2 of them, the GATT Uruguay round and the North American Free Trade Agreement, have required fast-track authority.

In fact, other than GATT and NAFTA, there have only been three additional agreements in the Nation's history that have been adopted through the fast-track process: the Tokyo round of GATT in 1975, the United States-Canada Free-Trade Agreement in 1998 and the United States-Israel Free Trade Agreement in 1989. These are the only five agreements in the history of our Nation that have been passed using the fast-track process.

Yet we have seen exports increase in our country by 50 percent since 1991, without fast-track. Today, exports are 30 percent higher than they were in 1993. The trade growth and the trade agreements are occurring without fast-track authority.

Now, it may well be if I were the President of the United States, I would want to have fast track, too. It would make my life simpler. I would not have to deal with a Congress that can sometimes be recalcitrant or difficult and, at our best, obstreperous, and at our worst, an actual impediment.

However, the Senate is supposed to be a deliberative body and I feel sometimes no legislation is better than just any legislation. Yet with this fast track matter, we have seen a great rush. We are told we can't wait until next session or next year to have more thoughtful consideration on this issue. We have to do it right now.

I must tell you, the stakes are very big for my State. Fast track forces me to give my authority to offer changes. I give up my ability to pick up the phone and tell the administration, "Hey, if you negotiate this, I'm going to try to amend it on the floor because it disadvantages industries in my State."

The bottom line is, I think, the argument that the United States can't negotiate trade agreements without fast track, based on the record, are incorrect. Senator BYRON DORGAN has ably pointed out that the agreements that have been the subject of fast track, have been followed by a growing negative trade balance. Yet we can't do anything about it so we don't talk about it.

Under NAFTA, a $1.7 billion trade surplus in 1993, after NAFTA's passage, grew to a record trade imbalance of $16.3 billion by 1996. Our trade deficit with Canada has also grown, more than doubling from $11 to $23 billion annually.

We can't amend NAFTA, we can't change NAFTA. All we can do is give 6 months' notice and withdraw. The stakes are very big now, and withdrawal is not apt to happen politically.

The GATT agreement, which I voted for, has contributed to the largest merchandise trade deficit in U.S. history, rising in each of the last 4 years to an all-time high of $165 billion today.

I think these mounting trade deficits should be a loud and clear message that America should negotiate better trade deals rather than give up congressional responsibility through fast track. To me, these experiences say, "Go slow. Fast track may well backfire."

Yet, through fast track, we are saying we have to proceed quickly, we have to give up all scrutiny, we have to give up all right of amendment: do it fast, do it fast.

I would like to discuss one area where we face significant concerns. Right now, the international financial markets are more complex than ever. Today's international trading picture is more diverse and complicated than ever before. Take, for example, the currency problems some Southeast Asian nations are experiencing, which may well create a very unanticipated result.

Earlier this month, the International Monetary Fund announced it is preparing an emergency line of credit for Indonesia. The Indonesian rupiah has dropped more than 18 percent against the dollar since late September. Thailand received a $17 billion loan from an IMF-led consortium in August, which represents the second largest IMF rescue package ever.

Indonesia and Thailand now join the Philippines as Asia's former "economic tigers" who have looked for IMF emergency help due to financial crisis. As you may recall, following NAFTA, the United States extended the largest loan package to Mexico when it faced financial crisis and the peso was devalued. Much to Mexico's credit, this loan was promptly and fully repaid.

Many knowledgeable people involved in the Pacific rim trading theater believe these currency fluctuations are very serious harbingers of things to come. In many of these countries, banking practices may also be a subject of concern, with loans extended to those with political clout, rather than the most worthy. These currency fluctuations may foreshadow major banking scandals in the future.

If you combine questionable banking practices with currency fluctuations, we may see a scenario in which the only course open to some of these nations is for them to press harder to increase their exports and erect import barriers, regardless of what the trade agreements say. Further, the United States does not have a great record in enforcing many of the agreements that are on the books. As a result, U.S. manufacturers would lose exports and market share.

Free and fair trade is an integral part of California's economic future. But under fast track, California's two Senators could very easily get rolled despite the State's enormous economic stake. Many States, each with two Senators, don't have nearly the economic interests that we do. My State could face an agreement that very much disadvantages California's industries, and I would have no opportunity to try to correct that.

We are the leading agricultural State in the Union, home to 10 percent of the Nation's food processing employment.

The California wine industry is the Nation's leader, producing 75 percent of the wine and 90 percent of the wine exports.

We are the leading high-technology State, providing 20 percent of the Nation's jobs in high technology.

We lead the Nation in entertainment, providing 50 percent of the Nation's production.

We are home to 5 of the Nation's 10 largest software firms. We are the Nation's leader in biotechnical and pharmaceutical products, providing as much as 30 percent of the Nation's output. Yet, under fast track, I am asked to give up any opportunity to fight for my State's interests on the floor of the U.S. Senate if they are disadvantaged by a trade agreement negotiated by the administration. I cannot agree to those restrictions.

Let me talk for a moment about specific concerns with S. 1269, the Finance Committee bill. I have listened intently to the debate other the past several weeks. I have scrutinized amendments which may be offered to this legislation. In my view, the major deficiencies in the fast-track legislation before the Senate have not been addressed. In some ways, the legislation before the Senate today is weaker in addressing those concerns than in prior fast-track laws.

Under S. 1269, trade negotiations that involve issues such as protecting U.S. manufacturing, labor, or environmental standards, cannot be included in the fast-track process but will have to be dealt with separately where they could be the target of amendments, Senate filibusters, or bottled up in committee and never see the light of day.

Let me give an example. Unlike previous fast-track laws, S. 1269 requires that a provision of a trade agreement, to be entitled to receive the protection of fast track, must be "directly related to trade."

Previous fast-track laws have provided fast-track benefits to those provisions of an agreement that "serve the interests of U.S. commerce" and are "necessary and appropriate" to carry out the agreement.

So what is the practical effect of the changes? If a trade agreement included a component to fund border cleanup, these cleanup provisions could not be protected by fast-track rules because they are not considered "directly related to trade." They would have to proceed through the regular legislative process, subject to amendments, filibusters, with no certainty the provisions would ever receive a vote.

For example, NAFTA implementing legislation reduced tariffs in Mexico, Canada, and the United States and created the Border Environmental Cooperation Commission and the North American Development Bank to fund environmental cleanup. Although adopted in the NAFTA fast-track approval process, these two entities would not be eligible for fast-track if they were included in a future trade agreement brought under S. 1269's fast-track authority.

S. 1269 limits congressional opportunity to remedy worker safety, wage, and environmental concerns. Section (2)(b)(15) of the bill seeks to prevent foreign governments from "derogating," or reducing, a country's laws or regulations to provide a competitive advantage to its domestic companies or to attract investment to the country.

That sounds good, but what about those countries who have weak or even no environmental or labor standards in the first place? There is no provision in this legislation that would obligate countries to enact fair labor or environmental laws or to remedy serious inequities that already exist between the United States and other countries.

Furthermore, because efforts to address these inequities would not be considered "directly related to trade," any agreement addressing these issues would not be protected under fast-track rules but would be subject to amendment, filibuster, and other procedural rules that could prevent them from ever seeing the light of day.

Additionally, even in those cases where a country has derogated or failed to enforce environmental or labor laws, S. 1269 sets up an impossible enforcement standard. Not only must the United States prove that a country waived or reduced a law or regulation, but it must also prove that it did so to obtain a competitive advantage. Under this legislation, the onus is on the United States to prove a country's motives.

Let me give you some examples of the competitive disadvantage U.S. manufacturers would face, disadvantages the United States would be unable to require other countries to correct:

PCB's and benzene are prohibited in the United States in order to protect public health and safety, but they remain legal, low-cost solvents in Mexico. This reduces a Mexican company's manufacturing and cleanup/disposal costs to the disadvantage of United States companies, but raises significant health risks.

Mexico has a significant problem monitoring and controlling hazardous waste. Less than 20 percent of the industries producing hazardous waste in Mexico, 70 out of 352 industries, report proper hazardous waste disposal. Fewer than 20 percent of those industries meet their obligations. A 1995 report indicates that up to a quarter of all hazardous waste, about 44 tons daily, originating in the industrial border area in Mexico, the maquiladora area, simply disappears with no documented end point. No U.S. companies could get away with that. But companies in Mexico are able to get away with, undermining public health and safety, and gaining a cost advantage along the way.

In Tijuana, 7 miles south of California, lead and arsenic is, today, collecting in an uncontrolled pile. In the United States, these materials, which are found in every battery, can only be handled in a "contained or controlled" environment to protect against leakage, and they are buried in clay or porcelain-lined pits. In Tijuana, no cleanup has occurred.

I would like to offer another example. Molded plastic, such as the simple types of chairs or tables in many backyards, emits toxic fumes during the molding process. In the United States, the fumes must be captured during manufacturing under what's called an exhaust hood. But in Mexico, the cheaper manufacturing process is conducted in open air without an exhaust system, allowing for the release of the harmful toxins.

Now, these are specific, ongoing examples of disparities in environmental standards that serve as either an inducement for manufacturers to lower their standards, or a competitive disadvantage to U.S. manufacturers who are required to meet higher standards to protect public health and safety. They also are part of the sucking sound that Ross Perot described, in which U.S. industries are drawn to Mexico to manufacture, because they don't have to abide by the higher standards in the United States. There is no remedy for this under this fast-track law.

Without a remedy available as part of trade negotiations, these disparities in standards only encourage the flow of more jobs to areas with the lowest standards and, hence, the lowest manufacturing cost. The low-cost areas will include many Asian countries in the future.

Now, I would also like to give you a specific example illustrating the problems and why I feel so strongly. The example involves the California wine industry, which represents 75 percent of the Nation's output of wine and 90 percent of the Nation's wine export products.

NAFTA had an immediate negative impact on the California wine industry. Coincident with NAFTA, Mexico gave Chilean wines an immediate tariff reduction, from 20 to 8 percent, and a guarantee of duty-free status within 1 year. By contrast, United States wines face a 10-year phaseout of a much higher Mexican tariff, disadvantaging them in the Mexican market.

The result was predictable: United States wine exports to Mexico, following NAFTA, dropped by one-third, while Chilean wine exports to Mexico nearly doubled. Chilean wine picked up the market share lost by United States wineries dominated by California.

During the NAFTA debate, the administration pledged, in writing, to correct inequities within 120 days of NAFTA's approval. I would like to quote from a letter from the U.S. Trade Representative:

> . . . I will personally negotiate the immediate reduction of Mexican tariffs on U.S. wines to the level of Mexican tariffs on Chilean wines and, thereafter, have hem fall parallel with future reductions in such tariffs.

You would think that at least by today, 3½ years later, the tariffs would be equal. Not so. Three and one-half years later, they remain enshrined in law and there seems to be nothing we can do about it.

As a matter of fact, as a result of an unrelated trade dispute, Mexico actually raised tariffs on United States wine to the pre-NAFTA level of 20 percent, an increase above the 14 percent rate it had reached. The 20-percent tariff remains in effect today, representing a wipeout of United States market share to the Chilean wine entering Mexico.

From Mexico's standpoint, the strategy is clear. You keep the tariffs up for a period of time, eliminate United States market share, and another country comes in that doesn't face those tariffs and builds up sales and market share. That is exactly what has happened, chapter and verse.

GATT, which I supported, also contained monumental inequities for this important industry. This time, the problem was in the European Union, and this is how it worked. Even though the United States had the lowest tariffs of any major wine producer, United States negotiators agreed in the Uruguay round to drop our tariffs by 36 percent over 6 years, while the world's largest wine producer, the European Union, dropped its tariffs by only 10 percent.

As a result, the current U.S. tariff on all wine products is an average of 2.4 percent, compared to the EU's current average tariff is 13 percent.

GATT also disadvantaged California's entertainment industry, which allowed European restrictions on U.S. programming to persist. Europe didn't accept the GATT commitments on the audio-visual services. Instead, the EU maintained its 1989 European Union Broadcast Directive, which limits the market for U.S. movies and television broadcasting. France, for example, requires that 40 percent of all feature films and transmission time must be of French origin, while 60 percent must be of EU origin, leaving only 40 percent of the market open for United States competition.

So, you see, GATT and NAFTA, both the product of fast-track during my time here in the Senate, left California industries with significant disadvantages. During those negotiations, I called the administration and I said, "These are huge industries in my State and they will be hurt under this agreement." And I was effectively rolled. Why should I, or any Member of this body, give up our opportunity to stand on this Senate floor and move an amendment to protect an industry within our State?

That is what fast-track does, ladies and gentlemen. That is what fast-track does.

Through fast-track, we knowingly abrogate our responsibility, despite the requirements of the Constitution of the United States, article I, section 8, which gives that authority to the Congress of the United States.

As I said earlier, if I were President, I might want fast-track authority. I am not; I am a U.S. Senator. I am elected to protect the people and the industries and the workers in my State.

Now, there are ways that the legislation can be strengthened. One is to require that tariffs in other countries be reduced first, before we commit to deeper reductions in already lower U.S. tariff levels. All too often, the price of modest tariff reductions abroad is deeper reductions in the United States. U.S. producers need a level playing field.

Another important area for improvement is stronger enforcement. We need stronger enforcement tools, if trade barriers are not lowered as provided for in the agreement. A recent report from the American Chamber of Commerce in Japan said more effort must be dedicated to enforcement of existing trade agreements.

We can have appropriate environment and labor incentives built into these agreements.

I have always believed that the American dream was that workers on a plant production line, by dint of his or her work, could buy a home, buy a car and earn enough to send his or her kids to school. The American dream, to me, has always been that, by dint of labor, you can have all of the opportunities in this great country.

I didn't run for the U.S. Senate to preside over the diminution of the California worker or the American worker. I didn't run for the U.S. Senate to see that a 60 cents an hour minimum wage standard would prevail. I ran for the U.S. Senate to try to see that this American dream enables somebody, by the dint of their labor, to buy a home, buy a car and send their kids to good schools, so that the next generation can do better than the previous generation. I don't think that is an unrealistic dream. It has always been the dream of America. We can have appropriate environment and labor incentives.

Another area for reform is an effective dispute-resolution process. Farmers face phytosanitary disputes on the border all the time. Arbitrarily, countries and border agents can deny access to products like wheat in China or grapes in Australia or citrus in another country because of some claim somewhere. These barriers may have little basis in science or public health, but may reflect political judgments.

In conclusion, let me only say that I represent a huge State. I don't serve on the Finance Committee. The only opportunity I have to protect the industries and people of my State is the ability to stand up on this floor and introduce an amendment and say to the administration, "If you do this, I am going to filibuster the bill, I am going to amend the bill, and I am going to protect the people of my State."

Fast track is a total surrendering of this ability, without knowing what agreements are coming down the pike, without knowing what I am going to be asked to accept, or the industries are going to be asked to do. Fast track has to be reviewed in that framework because that is the true framework in which this decision is going to be made.

I thank the Chair. I yield the floor.

Mr. GRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. Mr. President, I speak on behalf of the passage of the legislation which will soon be before us which will authorize the President to enter into negotiations on behalf of this Nation as it relates to trade and trade-related matters.

Mr. President, we refer to this legislation as fast track. As with a number of other policy issues here in Washington, I consider these words to be nondescript. They do not convey what it is we are being asked to vote upon.

This legislation first establishes a framework within which the President of the United States can conduct negotiations. In essence, it is analogous to a board of directors of an organization telling its executive that it can negotiate a particular contract but stipulating what the conditions of that contract must be and what the limits of the negotiating authority are. When that negotiation reaches a conclusion, and if that conclusion is a trade agreement, when that agreement is returned to the Congress where the Congress has a single "yes" or "no" vote but cannot modify the agreement, and in the case of the Senate surrender some of the prerogatives relative to extension of debate and other procedural advantages which are normally available to us as individual Members of the Senate, the question is, why will the Congress today be willing to do this? Why have Congresses over the past two or three decades been willing to pass such legislation and transfer a portion of their authority to the President? The answer is very simple. That is, if we do not do this, we don't have the opportunity to enter into trade negotiations because our trading partners will not come to the table.

Why would countries like Great Britain, France, Argentina, and Japan not want to come to negotiate with the United States unless the President had this authority? Most of those countries have some form of a parliamentary form of government in which the executive branch and the legislative branch are effectively merged. Therefore, when the Prime Minister speaks on behalf of the Government of the United Kingdom, as an example, he or she is not only speaking as the head of the executive branch but speaking as the head of the legislative branch and as the head of the political coalition which controls the Government. So what the Prime Minister says at the negotiating table there is the political capability and expectation of his or her ability to deliver on behalf of the Government of the United Kingdom.

In the case of the United States, we don't have this integration of the executive and the legislative branch, and frequently the President is not the head of a coalition that effectively controls Government. We have one of those examples today in which the President is of one political party, the leadership of the Congress is of another. So our trading partners would say, why should I sit down with the President to negotiate the best agreement that I can? And, like all agreements, trade agreements contain a heavy component of compromise. You gain some benefits in area A, and you give some benefits in area B in order to reach an agreement that both sides will feel is advantageous. Our trading partners would say, why would we agree to such a treaty knowing that then Congress is going to come back, and in area B where we got our principal benefits they will try to offer a series of amendments to strip us of those benefits?

So the product that would finally emerge would not be one that both sides would feel is balanced and that can be supported.

So, the reason that we have this process is because without it we never get to the question of whether we would have a negotiated agreement because the other parties would not sit with us to enter into that discussion.

So, this is fundamentally a question of does the United States wish to negotiate trade agreements, or do we wish to sit in the stands while the other nations of the world negotiate trade agreements that will have an impact upon us?

I know that this debate is heavily affected by history. Much of that history is a result of the North American Free-Trade Agreement and negative experiences that people have had under the North American Free-Trade Agreement.

I come from a State that has felt that sting of the North American Free-Trade Agreement, particularly as it relates to agriculture. Our congressional delegation was very concerned about this in the days leading up to the final vote on the North American Free-Trade Agreement. We secured what we thought were some protective understandings from the administration. And I am sad to say that through a combination of inadequate enforcement and a failure to keep commitments we were very disappointed, and many sectors of our agricultural industry were adversely affected. Learning from this lesson—not what some have learned, which is we should wash our hands of this process and have nothing more to do with attempting to negotiate trade agreements, or to be involved when other people are negotiating trade agreements—the lesson that I and others have learned is this time we are going to put these concerns into writing in the legislation which sets the parameters for the negotiation and not depend upon promises of what will happen after the negotiation has been concluded.

So, in this fast-track legislation as passed by the Senate Finance Committee there are a number of provisions that are intended to provide that enhanced level of confidence that agreements reached will be agreements enforced, that commitments made will be commitments realized.

Let me just quote from page 8 of the Finance Committee's version of this legislation beginning on line 6:

> Agriculture: The principal negotiating objectives of the United States with respect to agriculture are in addition to those set forth in various sections of the Food Security Act of 1985 to achieve on an expedited basis to the maximum extent feasible more open and fair conditions of trade in agricultural commodities by . . .

And then a series of specific points are mentioned. Let me refer to three of those specific points.

> Specific requirements for negotiators to account for the unique problems of perishable agricultural products, including disciplines on restrictive or trade distorting import and export practices;
>
> Two: Requirements to address market access for the United States agricultural products, including removing unjustified sanitary and phytosanitary restrictions;
>
> Three: Protection against unfair trade practices, including State subsidies, dumping, and export targeting practices.

All of those, Mr. President, and more are listed in the fast-track legislation that is before us.

In addition to that, in the report language submitted by the Senate Finance Committee, there is a requirement for the President to account for foreign unfair or trade distorting practices for specific sectors, particularly perishable agricultural products, citrus fruit, and fruit juices.

So, we have learned some of the lessons of the recent past and are now applying those lessons in terms of the parameters of the negotiation in this fast-track agreement.

Why do we need to be there in the first place? We had this experience in the recent past. Why not just step back, defend our position in America, and let the rest of the world take its place?

I believe, Mr. President, that we are facing a stark choice; that is, a choice as to whether the United States is to maintain its leadership position in the world, to be at the table writing the rules of international trade so that those rules will take into consideration our circumstances, our expectations, and our economic interests. Or, are we to retreat from the world, and allow others to write the rules to their advantage?

Mr. President, we represent only 4 percent of the customers of the world. Ninety-six percent of the people on this planet are not residents of the United States of America. We cannot maintain our growing economy and its standard of living unless we reach out to that 96 percent of our fellow human beings who do not live in our country. We cannot maintain our current record level of economic growth and expansion and prosperity and full employment without active trade. The United States has already opened its borders to foreign goods. We have recognized the benefit to our people of having access to goods and services that are produced outside the United States. We have done so most dramatically by reducing our tariffs to an average level of 2 percent. That is the average level of tariff on products coming into the United States. But our products going out of the United States trying to reach that 96 percent of mankind who are not U.S. residents face tariffs that exceed 10 percent on average.

As an example, the country which is specifically mentioned in this legislation as being authorized for the President to negotiate membership in the North American Free-Trade Agreement is Chile. In February of last year, I visited Santiago. We learned from the United States-Chilean Chamber of Commerce that the average tariff against United States products in Chile is 11 percent. The average United States tariff against Chilean products is the 2 percent, which is the worldwide average.

In a discussion with several businesses, some of which are United States, some of which are non-United States, as to what would be the effect of the United States entering into an agreement which would reduce Chilean tariffs against United States products, the answer was universally that it would lead to a substantial increase in the Chilean purchase of United States products.

As an example, one firm that was in the boat building and boat repair business said that they bought their sheet steel and their machine tools from Europe because at the current level of tariffs Europe was more economically competitive, but that with a lowering of Chilean tariffs against United States products, the opening of a free trade relationship between the United States and Chile, they would shift their purchases of those products to the United States to the substantial benefit of our country.

Chile is a relatively small country, a population of about 15 million. It is about the same size as my State of Florida. But it is a country which has had a dynamic market-driven economic growth over recent years. It has had a powerful influence on other developing countries in South America, and in the world. Establishing this relationship with Chile would be a strong United States recognition of the progress that this country has made, and an encouragement for others to follow Chile's example.

Unfortunately, Mr. President, most of the debate about fast track has in fact focused on our own hemisphere, and specifically on the expansion of the North American Free-Trade Agreement.

That is certainly an important part of this fast-track authority, but it may be secondary in its importance to the U.S. economy to a series of important sectoral negotiations which are going to commence under the GATT agreement to which we have already agreed.

Under the GATT agreement beginning in the next few years, there will be a series of negotiations on specific economic sectors. I would like to focus on one of those sectors which will be the topic of negotiations in 1999. And that is agriculture. This is important to us because agriculture represents the area of trade in which the United States has the greatest surplus with the world. The largest area in which the United States has an advantage in terms of export over import is in agricultural products.

What are we going to be trying to accomplish at the 1999 agricultural sectoral negotiations? Some of the objectives of the United States will include reducing foreign tariffs in consultation with the U.S. agricultural industry on fruits and vegetables. Today, for example, Japan imposes a tariff on oranges which is as high as 40 percent. Other countries have similarly high tariffs on citrus products and other processed fruits and vegetables. One of our principal negotiating objectives will be to drive down those barriers to U.S. agricultural products in important markets.

Another objective will be to increase or eliminate tariff rate quotas. These are the limits on the amount of goods that the United States can export to a country before it faces high and often preventive levels of tariffs. We want to see those quota limits as high as possible or totally eliminated. This is another important objective of our negotiations.

Mr. President, our distinguished chairman has asked to have the floor returned to him, and I shall do so by just summarizing to say that two other important agricultural objectives are to eliminate export subsidies and to eliminate state trading enterprises which have both distorted the agricultural market. If we do not pass this legislation, the United States will not be at the table in 1999. We will not have the opportunity to advance our goals.

There are risks involved in extending to this President the same authority that we have granted to Presidents over the last two decades, but I believe the greater risk for the United States is to stand on the sidelines and let others write the rules that will determine our economic well-being. I believe the United States needs to be there. We need to be there with a sense of strength, pride, and confidence in our ability to negotiate an agreement. And if the President is found to have acted in a foolish way that is contrary to U.S. interests, we have the responsibility and the power to reject that agreement with a decisive "no" vote.

Mr. President, I appreciate the leadership which our chairman has given on this matter. I know what a strong supporter he has been on the issues.

I ask unanimous consent to have printed in the RECORD the draft of an amendment which I intend to offer, assuming that we move to proceed to this matter, which relates to increased enforcement responsibility for the executive branch relative to any treaties that it might negotiate.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT NO. —

(Purpose: To require a plan for the implementation and enforcement of trade agreements implemented pursuant to the trade agreement approval procedures)

On page 41, between lines 16 and 17, insert the following new section and redesignate the remaining sections and cross references thereto accordingly.

SEC. 6. ADDITIONAL IMPLEMENTATION AND ENFORCEMENT REQUIREMENTS.

At the time the President submits the final text of the agreement pursuant to section 5(a)(1)(C), the President shall also submit a plan for implementing and enforcing the agreement. The implementation and enforcement plan shall include the following:

(1) BORDER PERSONNEL REQUIREMENTS.—A description of additional personnel required at border entry points, including a list of additional customs and agricultural inspectors.

(2) AGENCY STAFFING REQUIREMENTS.—A description of additional personnel required by Federal agencies responsible for monitoring and implementing the trade agreement, including personnel required by the Office of the United States Trade Representative, the Department of Commerce, the Department of Agricultural, and the Department of the Treasury.

(8) CUSTOMS INFRASTRUCTURE REQUIREMENTS.—A description of the additional equipment and facilities needed by the United States Customs Service.

(4) IMPACT ON STATE AND LOCAL GOVERNMENTS.—A description of the impact the trade agreement will have on State and local governments as a result of increases in trade.

(5) COST ANALYSIS.—An analysis of the costs associated with each of the items listed in paragraphs (1) through (4).

Mr. GRAHAM. Mr. President, with that, I again express my appreciation to our chairman for his leadership and urge our colleagues to follow that leadership by supporting this important legislation.

The PRESIDING OFFICER (Mr. COATS). The Senator from Delaware.

Mr. ROTH. I thank the distinguished Senator for his words of support.

I now yield 10 minutes to the distinguished Senator from South Dakota.

Mr. DORGAN. Mr. President, might I ask unanimous consent that following the presentation by the Senator from

South Dakota, I be allowed to yield up to 20 minutes to the Senator from Colorado?

Mr. ROTH. That is fine.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON. Mr. President, I thank the distinguished chairman of the committee and thank him for his leadership on this extraordinarily important issue for our Nation.

I rise in support of the motion to proceed on fast-track negotiating authority, and I rise as one who as a Member of the other body cast a vote "no" on NAFTA and "yes" on GATT, and one who appreciates that the judgment on the final merits of negotiated trade agreements is something that comes next; that what we have at hand here is a critical procedural issue about whether in fact this administration, as past administrations, will have the authority to go forward to at least be at the table on trade arrangements.

So I am very mindful that today we are talking about process and not a final trade agreement, and that all of us as Members of this Senate will reserve our judgment on the merits of whatever negotiated agreement comes back to us for our ratification.

The Reciprocal Trade Agreements Act of 1997 simply provides the same basic structure and authority for this President as has been provided for past Presidents of both political parties back to President Ford. And if anything, this act strengthens the hand of Congress. It provides for more notification, more consultation, and in fact explicitly restricts Presidential authority in areas not specified in the act. The ability to negotiate under fast track has in fact expired with the approval of the Uruguay round of 1994, and we find ourselves now with great urgency having to deal with this procedural issue.

I think we need to understand, Mr. President, that we go forward or backward on trade. There is no such thing as the status quo. We live in a nation that historically has had very few restrictions on the import of products into our Nation. Most of the trade barriers that need to be dealt with in this world are barriers to the export of our goods abroad. If the United States does not lead on trade, the harsh reality is that others will displace our role with arrangements of their own that may very likely be harmful to the American economy, to American workers, to American jobs, and certainly to American agriculture.

Even in this hemisphere there are others who seek to displace the American leadership role. The European Union currently is attempting to negotiate trade agreements with leading South American nations by 1990, claiming that their future is with Europe rather than with the United States. Other bilateral, other regional arrangements are in the process of being negotiated. All of this goes forward with the United States on the sideline unless we extend this authority to the President because it is only by being engaged in international trade that we can expect to lead toward not only our economic prosperity but democracy, security, and improvement of the environment, dealing with drugs, dealing with terrorism, dealing with weapons of mass destruction.

The United States cannot be a leader for human rights but neglect its role on trade. I think it is important for the Members of this body to recognize that what we have before us is not a referendum on NAFTA. It is not a referendum on any previous trade agreement. It is, in fact, an acknowledgement that we live, however, in an interglobal economy, that we live in that reality, and that reality requires us to become involved in engagement and in a leadership role. Cowering behind walls of fear about trade does a disservice to us all, including workers, the environment and human rights.

The United States represents only 4 percent of the world's population but 21 percent of the world's gross domestic product. It ought to be obvious to us all how critically important trade is to the United States.

In my home State of South Dakota, 1 of every 3 acres of land throughout the State planted to crops is in effect planted for the export market. We simply cannot allow other nations to forge regional and bilateral trade arrangements without the United States even being at the table. And that is the question, that is the fundamental question before this Senate: will we bring the United States to the table to be a player, to be a leader, or will the United States cower on the sidelines and allow other nations to go forward with arrangements that may or may not be beneficial to American workers and the American economy?

Fast track is not about a particular trade agreement. It is not about politics, although there are, admittedly, some in the other body who would tie this agreement to collateral, unrelated issues involving international family planning or even antipublic school agendas, and so on. Hopefully, this will not be brought down by those kinds of irrelevant side issues. We should not be involved in ideology. What in fact we have here is an issue that is about jobs, about economic growth, about world competitiveness.

Other nations simply will not put forth their best offers at the table with our trade representatives if they know they will then have to renegotiate the entire matter with coalitions of Members of Congress and unending domestic political turmoil in our own Nation.

Trade is critically important to my own State of South Dakota. Its export trade has increased from $700 million to $1.2 billion in the past 5 years. Demand continues to grow. But, in fact, so does competition from suppliers, and the need for fair trade and fair access continues to be great. I am pleased with the administration's agricultural initiatives. I am pleased with their support for S. 219, of which I am a cosponsor, the Value Added Agricultural Products Market Access Act of 1997, which would allow for the U.S. Trade Representative on a annual basis to identify nations that deny market access for value added U.S. agricultural products or that apply standards for import from the United States not related to protecting human, animal, or plant life or health and not based on science.

Our red meat exports are now at a record level of $2.4 billion. I am pleased that the administration has directed the Secretary of Agriculture to improve the availability of livestock import data, and the Secretary of Agriculture, in cooperation with the livestock industry, to work on guidelines for voluntary labeling of meat and meat food products.

Agricultural exports nationally have grown 50 percent from 1990 to 1996, from $40 billion to a now record $60 billion. And in the current environment where we no longer have a farm price support system in place, it is all the more important that every possible tool be brought to bear to expand farm income, farm prices, and the competitiveness of one of America's great economic sectors.

I am pleased that agriculture will, in fact, be an explicit goal of the President's negotiating authority.

So again, Mr. President, this is not a referendum on past trade agreements, but it is a referendum on whether the United States will continue to be a leader or even a participant in international trade or whether we will succumb to fear, whether we will in fact enter the 21st century in retreat rather than as the global leader in economic issues, which this Nation deserves and which this Nation needs.

I yield back my time to the distinguished chairman.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. CAMPBELL. Mr. President, as we debate whether to proceed to the consideration of S. 1269, and on the larger question whether to provide the administration with fast-track authority, we have heard a number of arguments for and against this issue. As the debate continues, I suppose we will hear some things repeated over and over from different colleagues. I don't know a Senator, though—I think I can honestly say I don't know a Senator in this body who does not want to do what is best for American workers, American families, American farmers, American consumers, and the Nation at large.

I think most of us, certainly me, certainly Senator DORGAN, believe that we are protrade. We believe that international trade is important. We know that we would like to see a time when there are very few barriers, very few tariffs, very few quotas—if any. I know, as many of my colleagues do, that if we had no barriers whatsoever, American manufacturers, farmers, producers could compete with anyone and in fact win in that competition on a level playing field. It seems ironic to me that we will go through this effort on legislation that, if it ultimately does pass both the House and Senate, will limit the deliberative and representative processes that are now at the heart of the legislative branch of Government.

Essentially, fast track provides the administration with the assurance that any trade agreement it negotiates will come to Congress as a privileged piece of legislation. That means Congress must consider a trade agreement within 90 days of when the administration formally submits it to this body. In addition, there will be no hearings, no markups. The enacting bill will go to the floors of both the House and the Senate where debate is limited to 20 hours and no amendments are allowed.

Mr. President, 20 hours of debate is not very long for an important issue such as international trade, when you consider there are 100 Senators whose States are heavily impacted by an extensive agreement, such as NAFTA was. It seems even more ludicrous to believe that the 20 hours of debate in the other body, the House, with 435 Members, would provide a fair hearing. That would come out to about 3 minutes per Member, as I understand it. Finally, after the debate is finished, the House and the Senate would only be able to vote "yes" or "no" on the entire agreement. For such an agreement, such as NAFTA, that translates into a vote on a document of about 1,000 pages long with no public input whatsoever.

Fast-track authority is truly a unique procedure. If this authority is granted to the administration, Congress is essentially giving the President powers that I believe are supposed to be reserved for this body in our Constitution. First, it allows the President to control the agenda and determine when trade agreements are considered. More important, and second, it gives the President the authority to actually write the legislation upon which Congress will act. Added on top of this is the fact that I, as just one Member of the Senate, would not be allowed to offer any amendments on the final enacting bill, whether I liked it or disliked it. I am sure many of our colleagues have not yet decided how they will vote, and I certainly can count as well as anybody, and I think probably the tide might be going against us. But I for one do not believe we were elected to be rubber stamps for the administration, and on fast track that simply reduces this body to rubberstamp status.

Article I, section 8, of the Constitution of the United States of America provides Congress with the authority to regulate commerce with foreign nations. The Constitution also gives the President the authority to negotiate with foreign countries. So let's not be misled when people say the President needs fast-track authority in order to negotiate. He can do that at any time. This is simply not true. Fast-track authority gives the President additional powers which our Founding Fathers had reserved solely for the Congress.

I don't believe most of us are isolationists. I believe in free trade. In fact, in this day and age I think we all understand and agree that free trade is an important direction to go. But, quite frankly, I think many us do not support these pell-mell rushes to judgment. We get tired of the old argument that anyone who opposes fast track must be a protectionist and that the opponents of fast track are trying to hinder free trade.

I have to tell you, if it got right down to who we are supposed to protect, whether it's the CEO's of multinational corporations or foreign-owned corporations or American corporations and American jobs, I would have to plead guilty that I prefer to protect our jobs and our corporations and our country. But these kinds of claims sound like something from a tabloid, designed to stir the emotions of the American public.

I think, more important, when we talk about free trade we also have to link it to what is fair. We often hear that bandied around—fair trade. Like many of my colleagues, I am sorely disappointed in some of our past trade agreements that this country has entered into because I don't think they were, basically, fair to us. Before we continue to offer this extraordinary power to the administration, I think Congress has a responsibility to review past policies. Senator DORGAN has done a marvelous job. I think he has done it very well, pointing out the trade deficit, as an example. With every trade agreement we have made under fast track in the past, the trade deficit has actually gone up for America and not down. We got the worst end of every single agreement that was negotiated under fast track.

For those who argue that if we fail to grant fast-track authority to the President, other countries will refuse to negotiate with the United States and the United States won't even be allowed to sit at the negotiating table, that is absolutely ludicrous. This is the largest economy in the world. There will always be a place at the table for any international agreements.

Let's consider that fast track has been used only five times. Yet without it, the Clinton administration, as an example, has successfully negotiated 198 agreements. I think that speaks for itself whether fast track is needed. We are an economic powerhouse. The world knows that. It is in the best interests of other countries throughout the world to negotiate with us. That is evidenced by the 198 agreements that our trade representatives are so proud of that did not need fast track. So we really ought to do away with these scare tactics that are kind of designed to stampede us like sheep to voting for something in the last waning days of Congress without giving it a slow, deliberative understanding of what we are going to do and what we are going to put in place.

Supporters say we need the agreements so we don't get bogged down in Congress and load it with amendments. I understand this is a slow process, and we are often accused of taking too much time. We often do add many things to the amendments. But I think most of those amendments are done in good faith. But if we are sent here to try to deal with good, fair trade agreements, I don't think there is a big problem. I don't think we should have to worry about it that much without fast track. The bottom line is we are here to represent this Nation and our own constituents from the States from which we were elected.

I know my constituents did not vote for me to send me here to this great institution to give away their voice, to not let them be involved in it. I think most Senators feel the same way. We didn't get elected to represent Mexico or Chile or Japan or some other country. We got elected primarily to represent this Nation and our own States.

I realize that this debate over granting fast-track authority to the administration is not to be a critique of NAFTA. But if fast track has been used only five times, then we have no choice but to bring up NAFTA if we are going to consider the merits of fast track. Just about 4 years ago, Congress passed NAFTA implementing legislation, and that was an over-1,000-page document. It was hailed as a major achievement that would create jobs and not cost jobs in America. I concede that NAFTA has benefited several segments of our society. There is no question about that. But I think, looking at it in toto, it has cost more than it has gained.

Jobs is the perfect example. In October, 1993, I sent a letter with several other Senators to the U.S. Trade Representative, Mickey Kantor, in which I asked about the potential loss of jobs and what the administration planned to do about displaced workers.

In his response to me in November, 1993, Mr. Kantor replied that "NAFTA would account for no more than 400,000 jobs lost over 15 years." I quote that directly from his letter. Perhaps those 400,000 jobs aren't important to some people—unless it's your job or unless it's the breadwinner of your household. Then it becomes very important.

While I heard a whole number of figures on the number of jobs created by NAFTA used as evidence of NAFTA's success, many of those figures seem to discuss jobs that have been created basically as a result of increased U.S. growth that would have happened with or without NAFTA. Many of them dealt with the service industry jobs, too, but not hard, well-paying manufacturing jobs. I know that we need to increase our exports, and I think that we are trying to do that. We need to look at that in balance, about our imports, too.

The Economic Policy Institute did just that. According to the Institute's recently released study, 394,835 jobs have been lost as a result of NAFTA. That was a net loss of jobs. I don't hardly consider that a success in our negotiating deals with foreign countries. I believe we simply cannot have a strong nation if we do not have a strong manufacturing base. Those jobs that left primarily were manufacturing jobs. If, Heaven forbid, we should get into some major international conflict, there is simply no way we are going to field strong military might from America if we have to import all of our parts for our apparatus from foreign countries.

In effect, we might ask the question: Did it help workers anywhere? In my opinion it certainly didn't help the workers in Mexico under the NAFTA that we did pass. The maquiladora factories that sprang up overnight across the border are still paying poor wages, a dollar an hour or less in most jobs. Many of the workers live in substandard housing. Their children drink contaminated water. There is still a high incidence of sickness among those children. So it didn't help workers on our side of the border, and it didn't help workers on the other side of the border either.

The problem is, we are coming close, now, to our targeted adjournment date, perhaps this Friday. And to meet that date, we may be forced to consider fast track within a more limited amount of time than we should to be dealing with this issue.

But I think Senators will do the right thing. They will do what they can. Those of us who disagree with it, as he does, certainly commend Senator DORGAN for the leadership role he has taken. I believe it is time America stopped being referred to around the world as "Uncle Sucker" and return to that status that we had at one time being Uncle Sam, a nation of proud workers, manufacturing good-quality material for the rest of the world.

I yield the remainder of my time.

Several Senators addressed the Chair.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent for 2 minutes to introduce a bill as in morning business at this time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The Senator from Alaska is recognized.

Mr. MURKOWSKI. I thank the Chair.

(The remarks of Mr. MURKOWSKI pertaining to the introduction of S. 1373 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, the time, I understand, is winding down until 5 o'clock when we have a vote this afternoon on the motion to proceed. I wanted to take just a few minutes to comment on some of the things that we have heard in the last couple of hours. I believe Senator HOLLINGS is on his way to the floor. He will be taking some time. We have several other speakers on this side. But I would like to take a moment to respond to a couple of the things that we have heard.

First of all, I feel this is a good debate. It is about time we had this debate in this Chamber. Many of us have wanted to have a discussion about trade and trade issues for some long while. But the opportunity to do that has been limited. Now that fast track has been brought to the floor of the Senate is a very good and useful opportunity for that debate.

A speaker a couple of hours ago came to the floor of the Senate and said the problem that he has on this issue is the American people don't understand trade. It occurs to me that the American people understand trade. They well understand the trade issue. It occurs to me that some of the people here in Washington, DC—yes, maybe even in Congress—don't understand trade.

When the American people see a trade strategy that results in 21 straight years of trade deficits, getting worse year after year, setting new records year after year, I think the American people understand that there is a problem. That is just lost, apparently, on some Members of this Chamber, and perhaps some administrations who are engaged in trade policies that are not working.

So I think it is not accurate to suggest that the American people don't understand trade. Oh, they understand it all right. They understand it when they see factories close and move to Mexico or move to Indonesia or move to Sri Lanka. They understand it when they see their jobs leaving. They understand it when they can't compete with products that are produced at 12-cents-an-hour labor or without the requirement to clean up their emissions or without the requirement to have a safe workplace. The American people understand that. And, that is precisely what drives a lot of this discussion.

We are told there are 50 chief executive officers of major corporations on Capitol Hill today lobbying and discussing with Members of Congress why fast track is important. The point I would like to make is that there is not necessarily a parallel interest between our country's interest and the interests of the American people and these 50 CEO's who have an interest in maximizing profits for their stockholders.

It is likely, in fact, it is certain, that in a number of board rooms and executive offices in this country that the chief executive officers must evaluate where can they produce more cheaply. Each of these CEO's is asking, "Where can I move my manufacturing jobs? Where can I and how can I shut my factory here and move the jobs overseas in order to access cheaper labor, in order to escape the requirements of air pollution and water pollution laws, or in order to escape OSHA and the requirements of a safe workplace? Where can I do that, without giving much thought as to whether it benefits the American economy, but in order to maximize my corporate profits?"

That would be the interest, it seems to me, of most CEO's: the return to the shareholder and the maximization of corporate profits. That is not necessarily parallel with the interests of our country. It might well be that the parochial interests of a corporation to move its production facilities to Indonesia or to move its production facilities to Thailand or Sri Lanka is in the company's best interest, but certainly not in our country's best interest.

So we will, I assume, hear from CEO's today with many of them on Capitol Hill helping President Clinton push for fast-track trade authority.

The point I make is that their interest is not necessarily parallel to the interests of this country. I am not saying they are un-American. I am just saying they have an interest in disconnecting from American manufacturing where they can maximize profits by moving their manufacturing elsewhere, and that is not necessarily in this country's interest.

A statement earlier this morning brought a smile to me. It was a statement by one of the speakers who said, "What we have here are two sides: One believes in free trade." It is like "We are on that side," they say, "and we believe in free trade, motherhood and tourism. So we are good guys."

You can't wear hats in the Senate or whomever said that would certainly have put on a huge white hat. It undoubtedly would be a very large white hat. Then he would have thrown dark hats somewhere to the other side of the Senate, because this speaker said that you believe in free trade and expanded American economic opportunity, or you believe in going to a kind of North Korea, building a wall around your country and then going to hide under a rock. That was the example.

That is, obviously, the first argument one hears in a debate about trade by someone who wants to describe the opponents as being unworthy and possessing arguments totally without merit: "We are for free trade; you're a North Korea kind of person, you want to put up a wall and go hide under a rock."

The fact is, no one that I have heard speak is talking about putting up walls around our country. I voted against fast track previously. I believe in expanded trade. I don't believe in putting up walls. I believe our economic health is tied to our ability to expand economic opportunity through trade. I just happen to believe our current trade strategy doesn't do that nearly as effectively as we could if we as a country had a little bit of nerve and some will to say to our trading partners, "You have a responsibility to us, and that responsibility is to open your market to American producers."

The Washington Post editorial is not a surprise, obviously. The Washington Post has been blowing a trumpet for this trade strategy all the way up the trade deficit chart, year after year, as bigger deficits grew. Year after year, the Post has given merits to this failed trade strategy. The Washington Post says the following about the position of those of us who have opposed fast track:

> To a large extent, this is simply putting new clothes on old-fashioned protectionism, but fast-track opponents also make an argument geared to the changing conditions of a globalizing economy in which companies are freer than ever to locate across borders, and so workers find themselves more than ever competing across borders.

I always find it interesting that there is no journalist I am aware of—certainly no politician—but no journalist who ever lost their job because of a bad trade agreement. But they sure do give us a great deal of advice on trade, and for that we are very thankful.

There is one song, one note that comes from the Washington Post. It is that you are either for the current trade strategy and, therefore, fast track, or you are a protectionist. The Washington Post, in my judgment, in its editorial, errs by suggesting that those who don't support the current trade strategy are protectionists.

Is it being a protectionist to decide that a trade strategy that results in the largest trade deficits in history year after year isn't working? Is it protectionist to be concerned about a trade strategy that results in an increasing, a mushrooming trade deficit with China, ratcheting up now we expect it close to $50 billion, or a trade strategy that results in mushrooming trade deficits with Japan this year, expected to reach $60 billion this year? Incidentally, that means that every year as far as the eye can see, backward and forward, we can talk about a trade imbalance with Japan of $45 billion, $55 billion or $65 billion a year. Is it really the case that those of us who believe that this does not serve our country's interest are protectionists? Or could it be possible that those of us who believe that trade deficits hurt our country and trade deficits detract from our economic opportunity are those who are supporting change, positive change that would help this country and assist this country in improving its economic future?

I don't expect that those in this town who have only one note to sound on trade will ever concede the point. It seems to me that they think the proof is in the economy. We have a decent economy in this country. I don't deny that. Unemployment is down some. Inflation is way down. Deficits are down, way down. There is no question that the American economy has improved.

But, I would make this point. You can live in a neighborhood and see a neighbor who looks wonderfully prosperous, not understanding that all of those cars in the driveway, the house, the clothes, the jewelry are all on a credit card or some mortgage instrument somewhere and that person, while looking very prosperous, is not far from real trouble.

The point I have made repeatedly is these ballooning trade deficits, the largest in our country's history, are troublesome. You don't hear one word on the Senate floor about them.

I heard a presentation today I thought was a good presentation in favor of fast track. I thought it was well-constructed, well-delivered and persuasive. But, there was not one word about the trade deficit, not one word about the imbalance in our trade relations with our trading partners, with China, with Japan, with Mexico, with Canada. Not one word. Why? Because they only talk about one side of the issue.

Can you imagine a business that says, "I want you to evaluate me, and here is how I want you to evaluate me. I want you to evaluate me based on my revenues, and I will not tell you about my expenditures because that is irrelevant. Just look at my revenues. Aren't I healthy? Aren't I doing well?"

You could probably conclude that if you only look at the revenue side. But what if you look at the expenditure side and see they far exceed revenues? Would you then not conclude that the business is running toward trouble? I would think so. That is exactly what happens on this issue of international trade on the floor of the Senate. They talk about exports and ignore imports.

I heard a description of how many additional automobiles we send to Mexico. What a wonderful opportunity, we are told, to send automobiles to Mexico under the United States-Mexican free-trade agreement. They say, "Did you know that we have gotten more cars into Mexico?" Yet the number of cars coming from Mexico into this country dwarfed that export number by so much you can hardly describe it. We now import more cars from Mexico into the United States of America than this country exports to all the rest of the world.

Let me say that again because it is important. We now, after NAFTA, import more automobiles manufactured in Mexico than we export to the entire rest of the world. How can anyone brag about NAFTA producing an accelerated opportunity for us to send cars to Mexico when, in fact, that quantity is totally dwarfed by the number of new automobiles now manufactured in Mexico that used to be manufactured in this country, and are shipped from there to here?

Despite the attempts of some to portray it as such, the question is not whether we are involved in international trade. It is how we are involved in international trade. Will this country continue to countenance a system in which we accept less than fair treatment from our trading partners?

Another person on the Senate floor within the last hour said the following: "If we are not involved through fast track in trade negotiations, there will be trade agreements going on around the world and we won't be a part of them."

I would like one person in the U.S. Senate to describe to me a substitute for the American economy, the American marketplace. Is there another place on Earth? Spin the globe, look at all of them. Look at every country, every city. Is there another place on the globe that has the power and the potential of this marketplace? The answer clearly is no.

Do you really believe that if we defeat fast track that those countries that desire to access the American marketplace are going to say, "Well, all right, if we can't access the American marketplace, we choose Kenya."

"OK, if we can't access the American marketplace, now we're going to set our sights on Nairobi."

"We are going to set up an office in Kinshasa; that is our future."

Does anybody really believe that? There is no substitute for the American marketplace. Why is it that we are the country that must be dangled on the end of a string? Why is it that those of us who stand up and say it is time for us to demand and require fair trade with respect to China, fair trade with respect to Japan, and, yes, with Mexico and Canada and others—why is it that we are subject to being called protectionists? Is it because the interests of the international economic empires now are to construct a trade regime in which you have no economic nationalism? Is it because if you exert some sort of economic nationalism, you are a protectionist?

They construct a trade regime in which they proscribe for our country a circumstance where they want to produce elsewhere and sell here. Why? Profits. Is that wrong? No, it is not wrong from their standpoint, but is it always in our country's interest to say what is in the corporate interest is in the American interest? Not necessarily.

There are circumstances where we should say that it is not fair competition for those businesses that stayed here in America. They didn't move anywhere. They stayed here. And they produce here. It is not fair for them to have to compete in circumstances where they cannot get their product into a foreign country because that market is closed to us, but the foreign country can get its product into our market to compete with that business that stayed here. By the way, that producer in the foreign country can produce that garage door opener, that bicycle, or those shoes, paying 12 cents an hour, and put them on the store shelves of America and drive the American businesses out of business.

One of the Senators earlier said, "Well, if that is the way it is, that is tough luck. Let them hang on the walls of Wal-Mart. That is what America is all about. Let them hang the cheaper product there, and it's good for the consumer to be able to access a cheaper product."

I ask, how is that consumer going to pay for that cheaper product without good jobs? And where are the good jobs in this country going to be unless this country demands on behalf of its business and its employees, its workers, that when we trade, our agreement to trade with other countries and our desire to trade with other countries be constructed on a set of rules that are fair. We need a set of rules that says, no, not that you are to mirror exactly what we do in all of these areas, but a set of rules that would say to those countries, "There's an obligation that you have in your trade relationship with our country. And that obligation is to have fairness and access to marketplaces. If our market is open to you, your market must be open to us."

If we don't have the nerve and the will to do that, what on Earth will our future be?

If I read these articles—one printed recently by one of the major newspapers by a fellow who is describing the trade deficit. He said, "Trade deficit. What does that matter? I have talked to economists. It doesn't matter. Let me explain what a trade deficit is." He said, "That's like somebody saying to you, 'I will trade you $10,000 worth of pears for your $5,000 worth of apples.'"

That uninteresting and irrelevant example in this article, describing why the trade deficit is just fine, I guess, represents a view in this town that as long as you are trading more, it does not matter. Its a view that as long as you are exporting more, it doesn't matter if your imports increase fiftyfold, and that somehow we are better off as result.

At the end of the day, you are better off when this country has retained a strong manufacturing base and has required, through the exertion of some nerve and some will to say to its trading partners, "You have a responsibility to the United States of America. And that responsibility is to treat us fairly in international trade. And this country will not sit around and will no longer take any closed markets to our products when our markets are open to your products."

Mr. SARBANES. Will the Senator yield?

Mr. DORGAN. I will be happy to.

Mr. SARBANES. The Senator from North Dakota is making an extremely important point. The assumption is trade, by definition, is good; but the focus is all on exports and not on the balance of trade.

This is what has happened to our trade balance since 1975. You can see this incredible deterioration that has taken place. We are running negative trade deficits year in and year out. And the consequence of doing this, I say to my distinguished colleague, is this is what has happened to the American net foreign investment position.

The United States, in 1980, was a creditor nation to the tune of about $400 billion. In other words, we had claims on others. We were a creditor nation. And now that has deteriorated so that the United States now, when we add in what the trade imbalance will be this year, will be about a $1 trillion debtor nation. We have gone from being the world's largest creditor nation to being the world's largest debtor nation. And then everyone comes along and says, "Well, no one wants to focus on this issue. No one wants to pay any attention to it."

I mean, the Senator from North Dakota has been absolutely right. He said, "Look, there are two sides to this thing. There are your exports and there are your imports." Yes, we are getting additional exports, but we are getting far more imports.

As we get these imports, and we get this deterioration in our trade balance—look at that. Since World War II, we have been running a positive trade balance, modest but positive, year in and year out. And this is the deterioration that has taken place in it over the last 20 years.

And, of course, each year we run these large trade deficits —$100 billion, $150 billion, $120 billion trade deficits year after year after year. It is offset somewhat by the service, but not enough. I mean, the net is reflected in this chart, which is not quite as bad as the previous level but still shows us year after year showing these deficits.

The consequence of that—these amount to about $1.5 trillion over that period of time. We have been running a trade balance deficit since 1975 of $1.5 trillion. And the consequence of doing that is that our net asset position is absolutely deteriorating.

Look at this chart. This is what has happened. This is the U.S. net foreign investment position. In 1980, before we got this tremendous decline, we were a creditor nation, the world's largest creditor nation; in other words, others owed us. And now we are the world's largest debtor nation. And by the end of this year, it will be to the tune of $1 trillion—$1 trillion.

Now, you cannot go on doing this indefinitely. You can do it for a period of time, but you cannot do it indefinitely. In any event, the whole time you are doing it, we are taking on an increase in volume of foreign indebtedness through these large and persistent trade deficits—the losses sustained every year by buying more goods from others than they are buying from us.

And we are undercutting the Nation's capacity for mass consumption by declining wages and loss of high-income employment. As the Senator from North Dakota said, they said, "Well, your consumers can buy cheaper products." But then the question is, "Well, suppose they're not working? Suppose they've been thrown out of a job by these importations?" They can't buy anything. They can't buy anything.

Mr. DORGAN. If the Senator from Maryland would just yield. I guess I have the floor. I am yielding to the Senator from Maryland.

Let me understand what you are saying. I held up the Washington Post and I cited the discussion on the floor of the Senate. The Senator from Maryland now comes to us and says, "You know, we've got these huge deficits," and all these other folks say, "Gee, we're moving in the right direction. What we need to do is more of what we've been doing." Did the Senator graduate in the bottom of his high school class? Is he a protectionist? Is that all this means? Or does the Senator from Maryland understand what the rest of these folks don't, that deficits in the long term have to be repaid?

Mr. SARBANES. That is right. We are not driving the right trade bargains. Something is wrong with a trade policy that gives you this deterioration in your net foreign investment position. Something is wrong with a trade policy that takes the United States, in less than 20 years, from being the largest creditor nation in the world, in other words, people owe us, and in 20 years makes the United States the largest debtor nation in the world. Something is wrong.

The Senator is absolutely right to focus on it. Everyone says, "Well, we succeeded in selling $3 billion worth of airplanes to China on this visit that they had." Our trade imbalance with China is over $40 billion and increasing all the time. It is increasing all the time. It may soon surpass the trade deficit with Japan. The consequence is that we are selling to them far less—far, far, far less—than they are selling to us.

Mr. DORGAN. On the question of Chinese airplanes—which is an interesting departure point—the Chinese are going to need 2,000 airplanes. They bought a few from us, but the fact is they have been buying from Europe as well, even as their trade surplus with us mushrooms way, way up.

What they have been saying to this country—I know some of the corporate folks won't like me to say this because they are all nervous about this—but the Chinese say, "Yes, we'd like to consider buying some of your airplanes, but you must manufacture them in China."

Mr. SARBANES. That is right.

Mr. DORGAN. This is a country that has a huge surplus with us. Instead of buying what they need that we produce here in this country with American jobs, they have been saying, "Well, we'd like you to consider manufacturing that in China."

That is not the way trade works.

Mr. SARBANES. "Consider" is not the right word. They do not say, "We would like you to consider." The Washington Post ran an article just the other week, and here is the heading of the article: "China Plays Rough. Invest and Transfer Technology or No Market Access." And that article then described how China forces U.S. companies to transfer jobs and technology as a price for getting export sales. So, in effect, what they say is, "We won't take any of your exports if you don't give us the investment and the technology so we can then produce them ourselves."

So what are our people doing? In order to get these short-run exports, they give away the capacity to maintain a long-run position. And the Chinese, in effect, extract that capacity out of them. So, yes, they make a short-run purchase, but at the same time they are getting the investment and technology so they do not have to make long-run—not only will they not make long-run purchases, but, mark my word, they will be exporting these products themselves elsewhere in the world.

Not only will they, in effect, close our people out from getting into the Chinese market; they will become their competitors in other markets on the basis of the investment and the technology that our people transferred to China in order to get these short-term sales.

That is exactly what is going to happen. And the consequence of that is our trade position will continue to deteriorate, and we will go on to become an even bigger debtor nation.

Mr. HOLLINGS. Will the Senator yield?

Mr. SARBANES. Certainly.

Mr. HOLLINGS. I really appreciate the distinguished Senator bringing the issue into sharp, sharp focus. It so happens that I had been looking at the Investor's Business Daily. Just reading a sentence:

> The surge in imports prompted economists to revise down their first-quarter growth statistics.

And, again, just here in Business Week, dated November 3, on page 32:

> Because of the widening in the August trade deficit for goods and services to $10.4 billion, from $10 billion in July, trade is likely to have subtracted a full percentage point from overall demand growth.

The distinguished Senator has chaired the Joint Economic Committee for years and understands this. That is why we are losing our own growth. We are trying to invest, trying to bring about economic growth, but not looking at the import side, as the distinguished Senator has so clearly brought to the attention of all the colleagues here, that we actually should be growing much faster, and saving, excepting these cancerous deficits in the balance of trade.

I really appreciate the Senator from Maryland, and I apologize for interrupting, but I hope he will continue.

Mr. SARBANES. The Senator is absolutely on point.

Just let me read you two quotes from two very able authors. One is Benjamin Friedman, who is a professor of economics at Harvard, and his book called "Day of Reckoning."

I again want to go back and emphasize the fact that we have gone from being the world's largest creditor nation to now being the world's largest debtor nation. This is the deterioration that has taken place in the U.S. net foreign investment position.

This is what Professor Friedman says about that:

> World power and influence have historically accrued to creditor countries. It is not coincidental that America emerged as a world power simultaneously with our transition from a debtor nation, dependent on foreign capital for our initial industrialization, to a creditor nation supplying investment capital to the rest of the world. But we are now a debtor again, and our future role in world affairs is in question. People simply do not regard their workers, their tenants and their debtors in the same light as their employers, their landlords and their creditors. Over time, the respect and even deference that America has earned as world banker will gradually shift to the new creditor countries that are able to supply resources where we cannot, and America's influence over nations and events will ebb.

That is the big issue that is behind all of this. That is the issue we really ought to be debating. The whole direction in which—everyone comes out here and says—you know, I listened to the President yesterday. He said, "We've got trade." I will not quarrel with that. "I'm trying to negotiate good trade agreements with other countries." But look what is happening to us. We have had this incredible deterioration in our trade balance and this represents $1.5 trillion dollars of deficits over the last 20 years. This is what has happened to our net foreign investment position.

This is a devastating chart when you think about what it has done to the United States. William Wolman, chief economist at Business Week, had this to say, and it ties right in with the Senator's comments about economic growth, "The Implication of Debtor State for U.S. Economic Growth."

> The transformation of the United States from a major international creditor to an international debtor has major implications for future United States economic growth. It is no accident that back in the 1950's and 1960s when the United States was a creditor nation interest rates were lower here than they were abroad and the dollar was a strong currency. But since the United States has become a debtor nation U.S. interest rates are higher than those in the other industrial countries, and the dollar, despite its revival in 1996, has become a weak currency. The effect is, of course, to squeeze the average American standard of living both because Americans are forced to pay high real interest rates for what they borrow and because a weak dollar means that America must produce and export more goods to earn foreign currencies than it had to when the dollar was a stronger currency. Debtor status has the same effect on a country as on citizens of that country. What is in effect the disposable income of the United States is under downward pressure, just as surely as the disposable income of its highly indebted citizens.

You can't get people to focus on this. Trade has two sides to it: What you export and what you import. If you import more than you export, you will be running trade deficits. If you are running trade deficits, that means people abroad are accumulating claims against us that we have to pay off over time. So we have now gone from being a creditor country to being the world's largest debtor country. We continue to be a world power but how long can you sustain that position? It is not as though we have stopped the hemorrhaging.

If we run a $125 billion trade deficit, our net position will deteriorate another $125 billion. This line will continue to go down as long as we are running a negative trade debt. Suppose we cut it in half, suppose we reduce it from $120 billion to $60 billion, which would be a terrific accomplishment. Say you do that in a year's time, you reduce it from $120 billion to $60 billion, the net position deteriorates another $60 billion, another $60 billion. The next year you cut it to $30 billion, it deteriorates another $30 billion. We are getting ourselves deeper and deeper into the hole. We can't get anyone to focus on this.

The distinguished Senator from North Dakota I think has brought our attention back to an exceedingly important point, and I thank him very much for yielding to me to make these points.

Mr. DORGAN. I appreciate very much the comments of the Senator from Maryland. As always, he is on point. I chided him a bit about his position in his high school class, but I suspect he was right at the top.

I yield 15 minutes to the Senator from South Carolina.

Mr. HOLLINGS. I thank our distinguished colleague for continuing along with the very thought that the Senator from Maryland provokes here which is so important to this particular debate, the fact that we should realize the arithmetic of import jobs as well as export jobs. The cumulative sum total, that 1975, 22 years, is right at $1.90 trillion.

Now, they like to use 20,000 jobs created for every $1 billion in exports. The Department of Commerce changed that to 14,000 some 2 years ago and that has been their figure. Using the same figure—because I want to refer specifically here to the special study the Presidential Commission on the United States Pacific Trade and Investment Policy recently released its final report and it stated "from 1979 to 1994, twice as many high-paying jobs in the United States economy were lost to imports as were gained from exports."

Now, using the arithmetic of $1 billion equals 20,000 jobs, that would be some 38 million jobs that were lost over that time period, or using the lower figure of 14,000, it would be some 27 million lost jobs.

Yes, we can talk that the economy is up and going but you get right to the point of understanding why we have 2.8 percent unemployment in Greenville County but 14 percent unemployment in Williamsburg County, and the people back home understand this trade problem better than many on the floor of the national Congress. They continue to see 6,375 jobs leave. Levi Strauss fired one-third of their employees, 11 plants in 5 States making jeans. Where have they gone? They are going offshore. They have been transferring them offshore, and after they let them go, they have to announce, as they do under the plants closing notice—they never announce it during the middle of the debate on the House side, but the lawyers had to comply with the plant closing notice. That is what is happening. We are getting Honda, I am getting BMW in South Carolina, I have Hoffmann-La Roche. I appreciate it and I am working hard, but I am looking at the basic jobs here paying $7 an hour. As I was pointing out with the Oneida plant they are closing in Andrews, and they have some 487 workers, the average age is 47 years old. Washington tells them, "Retrain, retrain, retrain." Well, tomorrow morning, say we have 487 skilled computer operators. Are you going to hire the 47-year-old skilled computer operator or the 21-year-old? You are not taking on the health costs and the retirement costs for the 47-year-old, so this little rural town is high and dry.

They understand at home that we are losing out. We are making great gains, but all this downsizing and everything else like that has stagnated wages in our economy. In that sense, we are going out of business. We have been giving away the store. We have Senators running around here, "If we are going to continue to lead"—we are not leading, my dear Senator. We are not leading in this thing.

I wish they would have adopted ADAM SMITH and free markets but they have adopted Friedrich List, that the strength of a nation is measured not by what it can consume but by what it can produce. We have to have the economic strength if we are to be a world leader. That is what we are losing. That is what is at stake. That is what is in the conversation here.

These colleagues that come and say the President can't get at the table—come on. He has been at the table in 200 agreements.

Mr. SARBANES. Will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. SARBANES. The Senator is absolutely right. When you talk about trade you have to talk about trade balance. Now, we ran a trade balance from the end of World War II until 1975. We were exporting a little more than we were importing. The imports that were coming in were causing dislocation in our economy, no question about it. But at the same time we were gaining a plus from the exports. In fact, there were a little more exports than there were imports.

What has happened, as the Senator from South Carolina points out, we are now importing far, far, far more than we are exporting. In fact, as he points out with respect to trade goods it has been an almost $2 trillion deficit since 1975. Everyone comes along and says, "Look, we have a little more exports." Look at how many more imports we have. All of those imports are costing people jobs. So the displacement of jobs taking place by the increase in imports far, far, far exceeds the additional jobs gained from the expansion of exports.

That is what people have to understand and they are not understanding it. To the extent we run these trade deficits then we end up losing our position as a creditor nation.

This is a devastating chart, showing the United States in a creditor position in 1980, and look what has happened to us. We have come down just like this, and by the end of the year we will be at $1 trillion deficit debtor status. Debtor status, $1 trillion, the United States. In 1980, less than 20 years ago, we were in a creditor status to the tune of $400 billion. So there has been an almost $1.5 trillion deterioration in our international position in less than 20 years. It is the very thing the Senator from South Carolina is talking about.

Mr. HOLLINGS. And that is not leading. That is not leadership. You and I as Senators are concerned with the economic strength of the United States, with the work force and otherwise. We want to get back where we are leading.

The people should understand global competition, "You ignorant Senators, you protectionists." They better understand when China orders $3 billion they order one-half for themselves and from countries like Japan that make the electronics. That Boeing 777, they make the tail section—they don't give you the order unless you put the manufacturing facility in country. I know, I had a GE turbine plant when I was Governor. Brazil told them they would not order those turbines unless, they put the plants down in Brazil. So the GE plant at Gadsden, SC, has closed down and gone to Brazil. We are speaking from actual experience.

It is not any fanciful conjuncture here about leading and not being at the table. Yesterday, Senator, right in the Committee of Commerce, we passed the shipbuilding agreement, the OECD shipbuilding agreement that has been negotiated with some 13 countries in Europe and in the Pacific, and we did that without fast track. We had an international telecommunications treaty earlier this year, with 123 countries, without fast track.

What we are trying to do is get them to have a chance to stop, look, listen, debate the things like we did with the most important arms treaty, SALT I, and the intermediate missile treaty. All of those were without fast track but they act as if our poor President is not allowed to come to the table. He is at the table. We want him at the table. But we just want to have a chance to look and see before we vote.

Mr. SARBANES. Will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. SARBANES. The American market is still the most lucrative market in the world. They want access into the American market.

I cannot accept for a moment in these bilateral dealings, countries won't negotiate a trade agreement with the President which could then be submitted to the Congress for the Congress to consider, to amend if it deemed it advisable, and to vote on. We have done that consistently, as the Senator pointed out, including the telecommunications agreement, a very complicated measure. We do it in arms control agreements. They are open to amendment and are a far more serious matter than a trade agreement.

I want to say one other thing to the Senator because he talked about the Chinese getting the investment and the plants in their own country, and he uses the example that occurred in Brazil. The Chinese don't make any bones about it. They don't like to conceal it. The Washington Post had an article last week, and here is the heading to the article, "China Plays Rough: Invest and Transfer Technology or No Market Access." Invest and transfer technology or no market access.

The article went on to describe how China forces United States companies to transfer jobs and technology as a price for getting exports sales. They say, "We will take the exports but you have to give us the investment and the technology," and that means in the future they won't take other exports because they won't need them. They will have the investment and the technology to produce the goods themselves, and I predict not only will they do it for themselves they will then be producing and selling them internationally, and they will go from being an importer of American high-technology products to being an exporter themselves of high-technology products from the investment technology that we are compelled to give to them.

Mr. HOLLINGS. You go right to the point.

In Shanghai, General Motors agreed not only to build a plant there in order to produce and sell cars in the People's Republic of China, but more particularly, to design the most modern computer equipment that is going to Shanghai, as we speak, to design the automobiles. They have taken it out of Detroit and are putting it into downtown Shanghai so all our brain power and our wonderful technology is being exported like gangbusters, and they talk about us leading and the President can't get at the table.

Come on, they have to get with the program here and understand that as Senators and Congressmen we have a responsibility with respect to this economy, and the work force that is the highest, most productive in the entire world. You can go over to the Bureau of Labor Statistics, economic section of the United Nations, and No. 1 for the last 20 years has been the United States, not Japan. Japan is down there at No. 6 or 7 now. So our workers have been the most productive. Who hasn't produced, Senator, is you and I up here. That is what I am trying to get over to our fellow Senators so they will understand the problem we are confronting.

Mr. DORGAN. I wonder if the Senator will yield for a moment.

Mr. HOLLINGS. Yes.

Mr. DORGAN. There is this blame America strategy that has been around for years that, if you can't compete, whatever the situations are, tough luck. That means in a free-trade circumstance, jobs might go elsewhere, but consumers benefit by cheaper imports.

The interesting thing about this is, most of our large trading partners—especially, for example, Japan and China—are engaged in managed trade, not free trade. We, on the other hand, have always been a leader in what is called free trade.

I described yesterday watching two people dance at a wedding dance when I was a kid. He was dancing a waltz and she was dancing a two-step. It didn't work out well. They were dancing different dances. In international trade, what is happening to us is, we are confronting Japan, for example, with whom we have an abiding yearly massive trade deficit of $40 to $60 billion every year, as far as you can see back and as far as you can see forward. We have that kind of trade deficit. Why? Because Japan has a managed trade strategy, and that is the method by which they trade with us.

We, apparently, are perfectly content to say, "Well, if that is the way it is, there is nothing we can do about that." But there is something we can do about that. We can provide a little real leadership, with a little nerve and will, and say to Japan that part of the price for this trade agreement and for their ability to access the American marketplace, a marketplace that has no substitute anywhere on this Earth, is to open their markets completely to American goods and not to do it tomorrow, or next month, or next year, or even the next biennium—do it now.

But this country doesn't have the nerve or the will to do that. In fact, it was left to some little maritime commission, finally, to raise this issue on a $5 million fine and say, "That is fine. If you want to play that game and you won't pay your fines, then you can't dock your ship in this country." One little commission—an unelected commission—was the only body I know of that finally had the will and nerve to say that is not the way we do business here. Fair is fair. In trade, we demand and require fair trade and fair access.

So, the comments that both the Senator from Maryland and the Senator from South Carolina have made are right on point. The thing that baffles me is that those of us who desire to force open foreign markets, to reinforce open markets, and do more than just chant about free trade, but really seek to force open foreign markets and unlock the opportunities in this country for our producers and our workers, we are the ones that are called protectionists. What on Earth are they talking about?

Mr. HOLLINGS. Will the Senator yield?

Mr. DORGAN. I am happy to yield.

Mr. HOLLINGS. I will never forget the second inauguration of Ronald Wilson Reagan. It was in the rotunda, and you and I were there, Senator. President Reagan said, "I solemnly swear that I will faithfully execute the office of the President of the United States and will, to the best of my ability, preserve, protect, and defend the Constitution of the United States."

We have the armies who protect us from enemies from without, and the FBI protects us from enemies within. We have Social Security to protect us from the ravages of old age. We have Medicare to protect us from ill health. We have clean air and clean water to protect our environment. We have safe working places and safe machinery.

Our fundamental duties here are to protect. Be invited, if you please, to the Council of Foreign Relations, run for President of the trilateral commission. They asked, "Are you a protectionist, Senator?" I had to say, "Yes, the truth of it is, I believe that is my fundamental responsibility here." They say, "If you are a protectionist, you are not enlightened, you can't see the world and understand competition." When you are losing your shirt, as the Senator from Maryland said—through 22 years of negative trade balances—all they want to talk about is the exports and not the negative side of the equation.

I cited on yesterday our experience with President Kennedy and the extreme action that he took when 10 percent of domestic consumption of textiles, clothing, was represented in imports, and he thought it was a crisis, and he put in his seven-point practice. Now two-thirds of the clothing within the sight of my debate here this afternoon is imported, 83 percent of the shoes, 53 percent of the ferroalloys, 59 percent of the cooking and kitchenware, 64 percent of the mineral processing machinery, 61.4 percent of the machine tools for metal forming, and 44.1 percent of nonmetal working machine tools—you can go right on down the list. There is the majority of automatic data processing machines, diodes, electrical capacitors and resistors. That is at 70 percent right now. I remember having the capacitor plant of GE, and I have lost it now. It has gone overseas. You have 100 percent of tape recorders, tape players, VCR's, and CD players. You can go right on down. I remember that we could not engage in Desert Storm, the gulf war, unless we got the displays from Japan. That is why I had to put the "buy America first" provision for ball bearings in the defense bill. We are fighting a rear guard action so that we would be able to defend the country, much less be economically strong.

The NAFTA tent is being pitched on the front lawn of the White House, and the corporate jets are descending on National Airport offloading the Nation's top-paid CEO's to lobby for the administration's effort to renew fast-track trade authority. Of course it is no longer referred to as fast track. Instead the administration has offered a clumsy euphemism—normal trade authority—to obscure the fact that the sole purpose of fast-track is to stifle debate by subverting the Congress' constitutional obligation to regulate foreign commerce. Yet there is nothing normal about a $100 billion plus trade deficit, nothing normal about Congress abandoning its constitutional responsibilities, nothing normal about stagnant wages and an erosion of our manufacturing base.

The administration argues that they need fast-track authority because no one will negotiate with the United States unless they have fast track. A more likely scenario is that the administration would prefer that Congress not review a legacy of poor trade deals; eroding manufacturing strength and a trade policy that puts the interests of the multinational corporation before working-class Americans. While the administration embraces the Fortune 500's agenda, it has turned a cold shoulder to those who have been left behind by globalization, the working men and women of this country.

The end of the cold war has created a seismic shift in the global economy. The American worker has now been thrown into bare knuckle competition against the new entrants to the global economy: countries whose productive and motivated work force will accept much less than our workers. As globalization has increased world trade, the American worker has faced an all out assault on their wages, benefits, and overall standard of living.

Instead of engaging in a debate on the impact of this changed world, our trade policy remains a prisoner to a cold war mentality, treating trade as a stepchild to foreign policy, continuing to serve up unilateral concession after unilateral concession in the hope that our trading partners will be converted by the persuasiveness of our elegant economic models and focusing exclusively on export statistics, failing to consider the impact of imports or even the nature of the exports themselves.

Rather than facing this new era of fierce economic competition with the hard edge realism that places the national interest in our own hands, we will be relying on multilateral institutions like the WTO to protect our national interest. Now we will be asked to embark upon a course which is bound to produce asymmetrical market openings and in which the people, through their elected representatives, will be shut out.

The sad truth, however, is that it is impossible to have an honest debate about trade policy, the trade deficit, or the erosion of our manufacturing sector. Instead of focusing on the present and future, pictures of Smoot and Hawley will be dusted off and put on display. The proponents of fast track will unleash a barrage of hyperbolic rhetoric declaring an end to civilization as we know it if we fail to pass fast track.

NAFTA

If the proponents of fast track insist on engaging in a debate about the past, then let us examine how the rhetoric and the agreement has stood the test of time. During the NAFTA debate we were told that a failure to pass NAFTA would have a devastating consequences for the United States and Mexico. If NAFTA failed, Mexico's economy would collapse, drugs would flood across the border, immigration would increase, and dangerous leftists, who were denied the presidency thanks to massive electoral fraud, would replace Carlos Salinas, a man virtually canonized both by United States officials and by a synchophatic press blind to the endemic corruption that permeated his regime.

Three years later what has NAFTA wrought? The Mexican economy collapsed, wages fell by 40 percent, two million Mexicans sank further into poverty, and America's trade surplus with Mexico disappeared, replaced by a $15 billion annual deficit. United States factories accelerated a move to Mexico, not to supply a Mexican consumer market, which even the American Chamber of Commerce in Mexico concedes does not exist, but to ship products into the United States. Of our $54 billion in exports to Mexico in 1996, more than 50 percent were components sent to the mequiladora region alone. Those exports will never see the Mexican consumer market. Rather, the overwhelming majority, over 98 percent according to the Mexico Department of Commerce—[SECOFI] will return to the United States as finished products. Moreover, according to Cornell professor Kate Bromfenbremmer, United States employers continue to use the possibility of movement to Mexico as leverage to limit wage gains.

Meanwhile, the Asians and Europeans, the ones that were supposed to be the losers as a result of NAFTA, have maintained trade surpluses with Mexico. They poured money into building new factories in Mexico taking advantage of Mexico's cheap labor force and duty-free access to the United States market.

As for the political situation in Mexico, since NAFTA was passed Mexico has suffered a peasant rebellion, a wave of assassinations and kidnappings, and an explosion in drug trafficking and money laundering. Carlos Salinas, the American Enterprise Institute's Man of the Year, is living in exile while the popular leftist opposition leader Cuauhtemoc Cardenas is elected mayor of Mexico City and an anti-NAFTA opposition coalition took control of Mexico's Congress. Just Friday, Salinas' brother confessed to widespread corruption in the New York Times.

OTHER AGREEMENTS

It is not just the NAFTA claims that fail to stand the test of time, overstating the benefits of trade agreements is a time-honored tradition. When we ratified the Tokyo round of the GATT it was hailed as a significant achievement that would open markets and create millions of new jobs in manufacturing. In the end, the only market that opened was ours, and the results were disastrous. From the end of the Tokyo round to the Uruguay round we lost two million manufacturing jobs and posted over $1.5 trillion worth of trade deficits.

A generation later the Uruguay round has delivered the same disastrous results as the Tokyo round. Since passage of the WTO, we have recorded two of the largest trade deficits in our history. Last year alone, the United trade deficit in goods was $191 billion. In 1995 our deficit was $173 billion. If this trend continues this year, the 1997 trade deficit could exceed $200 billion.

Moreover, our trade deficits with the so-called big emerging markets [BEMs]—markets that this administration has targeted for future growth—are appalling. The big emerging markets include: Argentina, Mexico, Brazil, Poland, Turkey, China, South Korea, Taiwan, Hong Kong, Phillippines, Vietnam, Brunei, Malaysia, Thailand, Singapore, Indonesia, India, and South Africa. Since the completion of the Uruguay round, the trade deficits with these countries have exploded. In 1993, the United trade deficit with these countries was $43 billion. After being the subject of focus by the Clinton administration, the trade deficits with these countries had widened to $77 billion in 1996. Moreover, with the recent Asian currency devaluation these deficits are poised to explode.

The countries themselves recognize the value of devalued currency. On October 17, Taiwan devalued its currency not because it was under attack, not because the country's fiscal policies were unsound, but merely to remain competitive with the other Asian tigers as an exporter.

Multinational companies also recognize this. Cheap currency, along with cheap labor, encourage U.S.-based multinationals to locate new factories abroad. The results are devastating for the American worker. The New York Times recently published a chart showing that the majority of GM's new component factories are outside the United States. Many of these facilities are located in Mexico. These factories won't supply the Mexican consumer market. Rather they will employ cheaper labor for imports into the United States.

At the same time that GM opened these new plants across the globe, its U.S. employment declined by over 25 percent. This decline did not occur during a devastating recession. Rather it occurred during a period of sustained growth. GM is not alone. In 1985, General Electric employed 243,000 Americans, by 1995 it employed only 150,000 and according to executive vice president Frank Doyle, "We did a lot of violence to the expectations of the American work force." Another leading U.S. company, IBM, now employs more people outside the United States than here in America and has shrunk to half its former size. Yet these are the companies that are lobbying for fast track. The same companies are asking for fast track are the ones that are cutting jobs. In fact our largest exporters have not created a net new job in the 1990's.

While our trade deficits continue their unabated rise, domestic wages stagnate, and job security vanishes, the administration and its corporate allies continue to tout export-led growth as if it were a wonder drug that will cure our economic ills. Unfortunately, the only wonder about export-led growth is how a handful of our largest companies account for 80 percent of our total exports. These are the same companies who have spent most of the 1990's downsizing their work forces and moving production off shore. This offshore shift is reflected in trade balance deficits as far as the eye can see. Is it any wonder that these companies are paying up to $100,000 a piece to push fast track. This small investment will enable them to save millions by taking advantage of an abundant supply of cheap labor. The real fast track is how quickly manufacturing jobs can be moved abroad.

So in this era of free trade, what kind of jobs are we creating? Are they the high-technology, high-wage jobs of the future? Not according to the Department of Labor. In cataloging the occupations with the greatest growth in the future, Labor believes that the following occupations offer the best opportunity for growth: cashiers; janitors and cleaners; retail salespeople; waiters and waitresses; registered nurses; general managers and top executives; systems analysts; home health aids; guards; and nursing aids.

Only one high technology job on the list and no occupations related to exports. Moreover, a recent study suggested that our best paying jobs are the ones that are subject to the most competition from imports. That makes perfect sense. Manufacturing jobs pay better than service industry jobs. Is there any doubt that our trade policy should be designed to expand these opportunities?

II. LABOR AND ENVIRONMENT STANDARDS

During this limited fast-track debate, we have heard time and time again that it is inappropriate for the United States to dictate changes in other country's domestic laws. This argument is heard most frequently when labor and environment standards are suggested as appropriate topics for trade negotiations. In fact, Ambassador Barshefsky has stated, "it is not realistic to suggest that countries will rewrite their domestic labor and environmental laws for the privilege of buying more of our goods." Yet apparently these countries, including the United States, have no trouble changing their domestic copyright and patent laws for just that purpose.

Moreover, the recent IMF bailout of Indonesia, like many IMF rescue packages, contained a number of provisions affecting domestic rules that have an economic impact, including banking laws, domestic corruption rules, and government spending decisions. In an example closer to home, the United States, in the United States-Japan framework negotiations, agreed to reduce its budget deficit, as part of that overarching trade agreement. In fact, that's what fast track is all about, changing domestic laws as a result of trade agreements.

In addition, U.S.T.R. recently concluded negotiations designed to harmonize drug and medical device standards and the administration is seeking authorization to begin the process of harmonizing transportation and automotive environmental standards. If it is acceptable to harmonize vehicle standards, what is wrong with harmonizing labor rules and industrial environmental standards?

The question then is not whether domestic laws can be changed as a result of trade negotiations, it is whether labor and environmental standards have an impact on trade, competitiveness, and the overall economic standing of the United States. To that question the answer is undoubtably yes. Permitting products made under substandard working conditions to enter the United States, gives those products an unfair advantage. The result is pressure to U.S. wage rates, with tacit approval of substandard labor rules abroad.

These imported products come from countries with no minimum wage, social security, environmental rules, worker compensation, or unemployment insurance and they pressure U.S. wage rates which continue to decline. Median U.S. family income is 2.7 percent below 1989 levels. Moreover, when adjusted for inflation, the incomes for the bottom 60 percent of households have fallen over the past 7 years. In addition, last year, during what is generally considered to be a good economic year, the median earnings of full-time male workers fell. Can there be any doubt as to why the OECD declared that the United States had the widest pay disparity in the industrialized world between the highest and lowest paid employees?

Failure to address this issue, offers tacit approval for unsafe conditions around the world. In his recent book, "One World Ready or Not," Bill Greider discussed devastating industrial accidents around the world resulting from a failure to enforce basic workplace standards. Perhaps the most chilling example involved a fire in Thailand at the Kader industrial toy factory that officially killed 188 and injured 469. The actual toll was undoubtedly higher. This death toll far surpassed the Triangle Shirtwaist Co. fire of 1911. The United States' unwillingness to address this issue, by requiring that products entering the country be produced in a safe and humane manner, must ultimately bear some of the responsibility for this tragedy.

We must begin addressing these issues. Without labor reform abroad, we are destined to merely create export platforms designed to provide the United States with cheap products produced in a fashion that has not been acceptable to the United States for nearly a century. The end result will be to first reduce U.S. wages and then, in time, our labor and environmental protections.

However, history offers us a simple solution. Like Henry Ford earlier this century, the United States can seek to raise wage rates and provide workers with the opportunity to purchase the products they manufacture. Moving others higher is an infinitely better choice than the United States moving lower.

III. QUALITY OF PREVIOUS FAST-TRACK AGREEMENTS

The administration claims that fast-track authority is normal trade negotiating authority. However in the 221 years since the drafting of the Declaration of Independence, only five trade agreements have been approved through the use of fast-track authority: first, the Tokyo round 1979 trade agreement; second, the United States-Israel free trade agreement; third, the Canada-United States Free-Trade Agreement; fourth, the North American free trade agreement; and fifth, the Uruguay round trade agreement in 1994. It is now appropriate to review what has happened in the aftermath of each of these agreements to determine whether U.S.T.R. was successful in their negotiations. Unfortunately, I believe the answer to this question is that these negotiations have resulted in poor agreements and in poor results for the United States. After each of these agreements, the United States' trade deficit with each of the targeted countries degraded, in many instances significantly. Moreover, after the two multilateral trade agreements, the overall U.S. merchandise trade deficit has increased.

The 1979 Tokyo round agreement was designed to eliminate worldwide nontariff trade barriers with a specific emphasis on the Japanese. In 1978, before the agreement was reached, the United States-Japan trade deficit was $11.7 billion. The U.S. merchandise trade deficit with all of our trading partners was $5.8 billion. By 1996, the United States-Japan deficit had reached $47 billion and was $191 billion, before technical adjustments, with the rest of the world. This sad story is continued in each of the subsequent fast track agreements. Prior to the United States-Israel trade agreement in 1985, the United States maintained a surplus of several hundred million dollars with Israel. That surplus began to degrade immediately following the agreement and by 1996, the United States had a $400 million deficit with Israel. The same pattern has become apparent in our free-trade agreements with Mexico and Canada. With Canada a $10 billion deficit became a $21 billion deficit by 1996. The Mexican situation is equally poor. A $3 billion deficit with Mexico became an approximately $17 billion deficit by 1996. Last, following the Uruguay round, the American trade deficit has moved from $166 billion in 1994 to $191 billion in 1996 and with the Asian currency crisis could easily top $200 billion in 1997. Now we are being asked to approve fast-track free trade negotiations with Chile. How long will the 1996 U.S. trade surplus of $1.8 billion last?

CONGRESSIONAL AUTHORITY

Clearly our trade policy has failed to yield tangible results, but as Jack Kennedy once said, "Our task is not to set the blame for the past, it is to set the course for the future." It is time we articulated a trade policy that promotes the interest of working Americans. The first step is to give the people a voice in trade policy by taking back Congress' constitutional authority to regulate foreign commerce.

If we can be trusted to ratify arms control treaties and the chemical weapons convention, what is it about trade agreements that make them so significant that the Constitution must be suspended and debate and amendments limited?

We have been told time and again that agreements would unravel if Congress was allowed into the process. Yet, when an administration needs to garner votes to secure passage of a trade agreement, the bazaar is opened and the agreements are amended.

It is of course untrue to say that fast track precludes any amendments. Trade agreements cannot be amended on the Senate floor. Instead, amendments to agreements are cut during the process of putting together implementing legislation. This is a procedure in which the Finance Committee takes on the aura of the College of Cardinals. Behind closed doors deals are cut, three puffs of white smoke appears and a trade agreement secures enough votes for final passage. This is a wonderful process if you happen to benefit from it, like the sugar industry or the citrus farmers who secured last minute changes to the NAFTA. It is not, however, what our Founding Fathers envisioned.

Instead of trying to stifle debate we should be encouraging it, debating who the winners and losers are as a result of our trade policy, both at home and abroad. Debating what we gain and what we lose, the proponents of fast track want to frame this debate as a test of American leadership. In one sense it is about leadership. Real leadership would be to break with the failed policies of the past while standing up for the principles that are the foundation of our democracy. Real leadership would be to show confidence that the agreements that are negotiated are able to stand up to full and vigorous debate, rather than being negotiated removed from review.

Real leadership would be to stand up for the children who toil in the sweatshops of the world turning out products bearing the logos of our great consumer products companies. Real leadership would be to acknowledge that the world has changed, that Asia has embarked on a different model of development and that we are not going to convert them into clones of America. Most of all, real leadership would be to stand up to predatory trade practices that are laying waste to our manufacturing sector, not just with rhetoric, but with deeds.

The hope and promise of America is that an ever-rising tide will lift all boats. Those that are pushing for fast track have been tossing Americans overboard to gain ballast in the global economy. We in the Congress see it every week when we go into the communities that have been ravaged by the global economy. I see in my own backyard; the shattered dreams of the workers at Oneita Mills and United Technologies. They deserve a voice, which is the birthright of all Americans, and fast track takes that voice away.

I ask unanimous consent that an article and a chart on this subject be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TRADE ON WRONG TRACK

(By Pat Choate)

The question is not whether we will live with more globalization, for we surely will, but to what purpose, under what rules, and determined by whom.

As to purpose, trade is not a religion, as actions of the Clinton administration seem to suggest.

Rather, trade is a tool of macroeconomics, no greater or lesser than fiscal, monetary or exchange-rate policy.

Simply put, we trade for the benefit it brings—more and better jobs and a higher living standard.

Yet current U.S. trade policies are generating precisely the opposite result.

Indeed, even as trade is becoming a growing portion of our gross domestic product (GDP), it also is a growing drag on GDP growth by 1.6%.

In short, our current trade policies are harming the nation, including its consumers and workers.

The goal of trade negotiation is to set rules by which global commerce operates.

But this administration and the Republican congressional majority are openly advocating little more than 19th century laisez-faire capitalism.

No trade-related protection for the environment or worker rights.

No guaranteed workplace health and safety standards.

No prohibitions against child labor.

Such rules do nothing but create a race to the bottom between developed and underdeveloped countries.

Finally, and perhaps most importantly, the fast-track battle now before Congress raises the question of who will decide the rules of globalization—the president and his corporate trade advisers or the American people through their elected congressional representatives.

Contrary to administration assertions, President Clinton already has the authority to negotiate additional trade deals.

Other nations will negotiate.

Over the past four years, for instance, the United States concluded 200 trade deals without fast-track.

What the president really is seeking is a truncated legislative procedure by which Congress virtually preapproves any trade agreement that he makes.

Correctly, the administration emphasizes the importance of trade to the nation.

For this very reason, Congress should consider proposed trade agreements under its normal constitutional congressional procedures.

This alone guarantees a full and open consideration of whether these deals truly are in our national interest.

1966 Data

Industry/commodity group	*Ratio imports to domestic consumption (in percent)*
Metals:	
Ferroalloys	52.8
Machine tools for cutting metal and parts,	44.3
Steel Mill products	16.7
Industrial fasteners	29.5
Iron construction castings	46.2
Cooking and kitchen ware	59.5
Cutlery other than tableware	31.8
Table flatware	63.6
Certain builders' hardware	19.5
Metal and ceramic sanitary ware	18.2
Machinery:	
Electrical transformers, static converters, and inductors	38.6
Pumps for liquids	29.6
Commercial machinery	19.7
Electrical household appliances	18.2
Centrifuges, filtering, and purifying equipment	51.2
Wrapping, packing, and can-sealing equipment	26.7
Scales and weighing machinery	29.8
Mineral processing machinery	64.2
Farm and garden machinery and equipment	21.7
Industrial food-processing and related machinery	23.0
Pulp, paper, and paperboard machinery	34.4
Printing, typesetting, and bookbinding machinery	54.8
Metal rolling mills	61.4
Machine tools for metal forming	61.4
Non-metal working machine tools	44.1
Taps, cocks, valves, and similar devices	27.6

1966 Data—Continued

Industry/commodity group	*Ratio imports to domestic consumption (in percent)*
Gear boxes, and other speed changers, torque converters	30.5
Boilers, turbines, and related machinery	48.0
Electric motors and generators	21.1
Portable electric hand tools	27.4
Nonelectrically powered hand tools	34.1
Electric lights, light bulbs and flashlights	31.0
Electric and gas welding equipment	18.4
Insulated electrical wire and cable	30.9
Electronic products sector:	
Automatic data processing machines	59.3
Office machines	48.0
Telephones	26.2
Television receivers and video monitors	53.4
Television apparatus (including cameras, and camcorders)	74.7
Television picture tubes	33.8
Diodes, transistors, and integrated circuits	60.6
Electrical capacitors and resistors	68.1
Semiconductor manufacturing equipment and robotics	21.9
Photographic cameras and equipment	84.0
Watches	95.9
Clocks and timing devices	54.9
Radio transmission and reception equipment	47.9
Tape recorders, tape players, VCR's, CD players	100.0
Microphones, loudspeakers, and audio amplifiers	67.6
Unrecorded magnetic tapes, discs and other media	48.2
Textiles:	
Men's and boys' suits and sport coats	39.4
Men's and boys' coats and jackets	56.3
Men's and boys; trousers	37.7
Women's and girls' trousers	47.9
Shirts and blouses	54.8
Sweaters	71.1
Women's and girls' suits, skirts, and coats	55.9
Women's and girls' dresses	26.9
Robes, nightwear, and underwear	51.0
Body-supporting garments	37.0
Neckwear, handkerchiefs and scarves	55.5
Gloves	68.5
Headwear	50.5
Leather apparel and accessories	70.2
Rubber, plastic, and coated fabric material	86.4
Footwear and footwear parts	83.1
Transportation equipment:	
Aircraft engines and gas turbines	47.5
Aircraft, spacecraft, and related equipment	30.5
Internal combustion engine, other than for aircraft	19.9
Forklift trucks and industrial vehicles	21.5
Construction and mining equipment	28.6
Ball and roller bearings	24.9
Batteries	26.4
Ignition and starting electrical equipment	22.3
Rail locomotive and rolling stock	22.8
Carrier motor vehicle parts	19.5
Automobiles, trucks, buses	39.0
Motorcycles, mopeds, and parts	51.8
Bicycles and certain parts	54.5
Miscellaneous manufactors:	
Luggage and handbags	76.9
Leather goods	37.4
Musical instruments and instruments	57.7
Toys and models	72.3
Dolls	95.8
Sporting Goods	32.0
Brooms and brushes	26.5

* 1996 data from ITC publ. 3051.

Mr. HOLLINGS. I yield now to our distinguished colleague from Maryland the remaining time that I have.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. SARBANES. Mr. President, I want to get into the RECORD the figures that underlie this chart on the deterioration in the U.S. net foreign investment position.

In 1976, the United States had a $180 billion positive net position. We were a creditor nation, to the extent of $180 billion. That rose until, in 1980, it hit its peak at just under $400 billion. That is net. That is in our favor, $400 billion. Since 1980, that has begun to deteriorate, as we can see. It crossed into the minus figures in 1986, at minus $13 billion. In 1986, 11 years ago, we were at $13 billion minus. Since then, it has come down and we were at $870 billion in 1996, and it is estimated that the 1997 figures will go to $1 trillion in debt, in a debtor position.

This is incredible that, in just over 10 years, we have gone from balance in our net foreign investment position to a $1 trillion debtor position. I mean, we have been adding it at the rate of $100 billion, $120 billion, and $150 billion a year because of what happened to our trade balance, which the able Senator from South Carolina pointed out. So we have now come down to the point where we are $1 trillion in a debtor position—the world's largest debtor country.

Now, these are the issues we ought to be addressing. Fast track doesn't begin to address that issue. All fast track is trying to do is get the Congress to give up its right to review these agreements. Everyone says, well, we ought to do that. Look at how we have been doing on the trade front. Well, how have we been doing on the trade front? Look at this deterioration over the last 20 years. By coincidence—perhaps not so much by coincidence—ever since we started doing fast track, we started getting deterioration in the trade balance, year after year. I think these trade agreements need to be brought back to the Senate to give us a chance to review them. If they had to come back here and be reviewed, not on a "take all or nothing" basis, which, of course, is a loaded deck because as soon as that happens, then the argument they make to you is not economic; it is political.

If the President negotiates a trade agreement, let's say, with Chile, and then he brings it to the Congress on fast track, all or nothing, then we start asking economic questions about the trade agreement. We say, well, you know, this balance here doesn't seem to work. You don't open up their market the way you should and so forth. The next thing they say to you is, oh, well, we have to approve it; otherwise, the political relationship will go to pieces. That is what we were told on the Mexico agreement. We had debate on the floor of the Senate, and piercing remarks were made about the economics of that Mexican agreement and how it would not work and how disadvantageous it was. Well, then the argument shifted in order to try to push it through. The administration didn't talk anymore about the economics of it; they started talking about the politics of it. They said: Well, Mexico is our next-door neighbor. If we don't approve this trade agreement, we will have a crisis in our relationship.

In effect, that was probably true. But that's the argument that then is used, not the economic argument. So I think these agreements ought to be brought to the Senate. We ought to have a chance to amend them, if we choose to do so, not give away or derogate our authority in that important regard. Frankly, I think if the agreements have to come to the Senate in that form, they are going to negotiate tougher agreements.

If the administration knows that those agreements are going to be submitted to the Congress and subject not only to the up-or-down vote of the Congress, but also subject to amendment, they are going to have to negotiate a much tighter agreement that will withstand scrutiny. And I think it will achieve a better balance, a better balance between our opportunity to go into the other countries' markets and their opportunity to come into our market because, clearly, what has been happening for the last 20 years is that our market has been opened up far more than other nations have reciprocated.

Mr. HOLLINGS. Mr. President, right to the point, with respect to how you make your agreements and the charge now that this is not a referendum on NAFTA and Mexico, at the time NAFTA came up with respect to Mexico—I had voted for the free-trade agreement, the North American Free Trade Agreement with Canada, because we had similar economies: individual rights, appeal processes, open markets, those kinds of things, and a revered judiciary.

I will never forget that my colleague from New York, the distinguished senior Senator, Senator MOYNIHAN, said, "How can you have free trade when you don't even have free elections?" Well, we look to the European experience. The Europeans found out that the free-trade approach did not work. They taxed themselves $5 billion to build up the entities of a free market in Greece and Portugal before they admitted Greece and Portugal into the Common Market, and they did just exactly that.

Instead, we were told, no, Mexico was a prototype, said the Secretary of the Treasury and the Vice President of the United States. We went pell-mell headlong, and everything they contended has gone awry the other way. They said that Mexican wages would be up. They have gone from $1 an hour down to 70 cents an hour. The American Chamber of Commerce in Mexico City says that 60 million Mexicans are living in poverty, and 25 Mexicans make as much as 25 million Mexicans. They said that we would have a plus balance of trade. Instead we went from the plus balance to a negative balance. They said immigration would be better. It is worse now. They said drugs would be better. It has gotten worse. Just look at the morning Washington Post.

You could go right on down. Everything they said happened the other way. As a result, we never have really built up the entities of a free market like, for example, we have in Chile. I said 4 years ago I would be glad to vote for a free-trade agreement with Chile. They have a revered judiciary, they do have free-market rights. They have labor rights, they have rights of appeal. So there it is. When they say NAFTA referendum, yes, it is. There is no education in the second kick of a mule, Mr. President.

We understand when they gave us that fast track on it that we were getting in trouble. But they wouldn't listen. Now is the time to stop, look, and listen, and deliberate and consider the agreement itself and not fall for this parliamentary booby trap of the White House just opening up the bazaar and selling off line-item vetoes over on the House side as fast as they can trying to change that CBI vote they got on last evening over in the House of Representatives. So the bazaar is open. They are trying to buy off the votes. They are amending while we are talking about having hopefully the right to amend.

I yield the floor.

Mr. GORTON. Mr. President, more than almost any other debate in this Senate this year, this one seems to me to pit hope versus fear, to pit the lessons of history against the blindness to those lessons. One Senator, who will remain nameless, this morning made the statement that free-trade arrangements arising out of fast-track proposals like this would harm not only the people of the United States, but the people of the other nations entering into such a free-trade proposition.

Mr. President, that exhibits a blindness to what history has shown us for more than half a century. Without exception, each liberalization of trade policies on the part of the United States that had been met by a liberalization on the part of our trading partners has benefited the people of both countries. We are in an extended and significant period of economic gains today, as we speak here, in the aftermath of a series of policies carried out by administrations, both Republican and Democratic, to free trade across the entire world. The North American Free-Trade Agreement and the most recent General Agreement on Tariffs and Trade all reflect the increasing dependence of all of the nations of the world on trade and the fact that all can prosper from a greater degree of free trade.

Now, Mr. President, I think it's possible to find examples in history, perhaps to find a few examples of the present day, of nations that have tried to create a sense of self-sufficiency with little, if any, foreign trade of any commodity whatsoever. When one searches out such examples, however, Mr. President, one finds, in every case, that those countries are poverty-stricken and show no particular movement out of that poverty-stricken nature. It is only when these nations free their economy and tend to free their trade policies that they begin to prosper.

It's also possible, I suppose, to imagine a United States which, in every single commodity consumed in the country, was a more efficient producer than any of its trading partners and, therefore, would have no need for imports at all. But, of course, that doesn't happen in the real world. One's very success would create fields in which we continue that domination and other fields in which countries begin to catch up with us.

Trade is a two-way street. Trade is a benefit not just to those who work in the trade field, but to consumers who are permitted a greater choice of higher quality goods at lower prices than would be the case if trade were restricted. That, of course, does inevitably result in losers in our economy because, as we export more, as we produce more for export, we also, as a prosperous American society, have more money to spend and often choose to purchase imported goods in some areas.

There are many occasions on which it can be argued that there isn't a huge increase in employment resulting in freer and greater trade. But it is extremely difficult to argue the proposition that export-oriented industries, generally speaking, in the fields in which American production is most efficient and effective, whether industrial or agricultural, pays its employees far more than do those unskilled trades that are affected by foreign competition, and which jobs are more likely to be lost because someone else can do a better job than we do.

So even if total employment is a zero-sum game, which it is not, the wages and salaries of those involved in trade-oriented occupations will be much higher than those occupied in fields that are artificially protected from foreign competition.

Now, does that mean, Mr. President, that under any and all circumstances we should be indifferent to the antitrade activities of some of our trading partners? Certainly not. As this body knows, I have been highly critical of some of the trade policies of this administration with respect to China, with respect to Japan, and sometimes with respect to the European Community, when those policies have imposed artificial restrictions on American producers. I wish that this administration took a much stronger stance last week with respect to Chinese restrictions on our goods, given the huge nature of our bilateral trade deficit. But the fact that we can criticize the administration for not having more eloquently and more decisively supported American interests is not an argument against granting our administration the opportunity to negotiate free-trade agreements. It is, if anything, an argument for it because, without exception, Mr. President, the nations, particularly in Latin America, with whom we are likely to negotiate free-trade agreements, have greater tariffs and greater restrictions against our goods than we do against theirs at the present time. So it is clear that a reciprocal lowering of those barriers at both ends will benefit a wide range of exporting industries in the United States.

Now, should we provide the President, at the same time, with more tools to defend American interests? We certainly should. For example, I support the efforts of my colleagues, Senator GRASSLEY and Senator DASCHLE, in proposing to amend this legislation with the text of S. 219, the Agricultural Products Market Access Act of 1997. That bill would set up a system for agricultural trade identical to that used to identify violations of intellectual property rights, the special 301 procedure. The bill would require the Office of the U.S. Trade Representative, annually, to designate as priority countries those trading partners having the most egregious trade barriers to American agricultural products. The USTR would then have the power to investigate those countries to determine whether countervailing measures are merited.

My State, Mr. President, is a great producer of agricultural products for export, just as it is of intellectual properties and of aircraft. We believe in the prosperity that comes from free trade. We want that free trade to be truly free in both directions, and no power that we could grant the President is more likely to lead to that free trade in both directions than the fast-track legislation that is before us now. That legislation, Mr. President, should be passed.

Mr. SARBANES. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator from Maryland has 41 minutes and 50 seconds. The Senator from Delaware as 77 minutes.

Mr. SARBANES. Mr. President, in view of that, I think the other side should now use some of its time since we are down now to 40 minutes and they have almost double as much.

How much is on the other side?

The PRESIDING OFFICER. Seventy-seven minutes.

Mr. SARBANES. They have about twice as much time as we have.

The PRESIDING OFFICER. If neither side yields time, the time will be charged equally to both sides.

Mr. SARBANES. Mr. President, I ask unanimous consent that we go into a quorum call and the time to be charged to the other side.

The PRESIDING OFFICER. Is there objection?

Ms. COLLINS. I object.

Mr. ROTH. I object.

Mr. SARBANES. I am glad to see the chairman of committee. We are down to 40 minutes and there are almost 80 minutes on the other side. And as we approach the conclusion of the debate I think it would be reasonable at this point for the other side to use some of its time.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER (Ms. COLLINS). The Senator from North Dakota is recognized.

Mr. DORGAN. Madam President, my understanding is that the other side may not use all of its time and would then perhaps want to yield whatever they don't use and have a vote earlier than 5. I understand that the unanimous-consent request that was entered into calls for a vote no later than 5 o'clock. So presumably, if all of our time is used and they yield back whatever time they don't use on that side, they would expect to have a vote earlier than 5 o'clock.

Mr. ROTH. That is correct.

Mr. DORGAN. Madam President, we have about four Members on our side that still desire to speak on this matter. We have alerted their offices. We expect some of them to be here momentarily and expect to use the remaining time. I think that is the purpose of the Senator from Maryland asking to reserve the 40 minutes. I certainly have no objection.

Mr. SARBANES. All I am trying to protect again is the situation in which all time is used up on this side and then there are 80 minutes left on the other side.

Mr. ROTH. I say to the distinguished Senator from Maryland that at this time we only have one request. So we probably are going to yield back time. We are waiting to see if anybody else wants to speak.

Mr. DORGAN. The Senator from Maryland is simply asking if we could preserve 40 some minutes that we have. Will the Presiding Officer indicate to us the time available?

The PRESIDING OFFICER. The amount of time remaining is 38 minutes and 48 seconds.

Mr. DORGAN. We will not seek to delay the vote. If the Senator's expectation is to try to get to a vote before 5 we would not seek to delay that but we would like very much to have a couple of minutes to try to make sure we get the speakers here so we have the 38 minutes available for the remaining speakers. If it turns out we don't need that, we would be happy to yield that back as well. We have now requests for speakers that are available to use the time.

Mr. ROTH. Why don't we just go ahead and call for a quorum, and take it from both sides equally? We are now checking to see if we need to preserve time.

Mr. SARBANES. The problem about that solution is it will then use up part of the 40 minutes that we have left which the Senator has calculated is needed in order to complete the remainder of his speakers that we have.

Mr. ROTH. How much time do you need for that?

Mr. SARBANES. Forty minutes.

Mr. DORGAN. We desire to use all of the 40 minutes. As I understand the Senator from Delaware, he is now checking to preserve that. It would not be our intention to delay the vote to the extent he is going to yield time. We certainly understand the vote can be held earlier. We are now making certain that those who asked to speak come to the floor to have the opportunity to do so. If that gets substantially delayed, we would understand the Senator's desire to proceed. I do not want to lose, at least to the extent we can prevent it, the 40 minutes that is available.

Mr. SARBANES. If the Senator will yield, our people are not here because we had calculated that the time would go back to your side. And the fact there is so much of an unbalance, I think demonstrates that.

Mr. ROTH. I have a request from the distinguished Senator from Pennsylvania. I will yield him 5 minutes of my time. I yield 5 minutes to the junior Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SANTORUM. Thank you, Madam President. Hopefully this will provide an opportunity for the chairman to get some of the Members to the floor, and break up this discussion which is using all of your time.

Let me first rise, having sat in the chair for the last hour. I listened to much of the debate. As someone who has been listening and who voted against NAFTA, someone who had some of the same concerns that the Senator from South Carolina voiced about the structure of the Government, judicial system, and other things, and as a result I felt very comfortable voting against NAFTA. But in the House I voted for fast track because I believe that it is important for us to continue to expand our trade horizons. We are not debating the trade agreement. We have seen lots of things about the trade deficit, balance of trade, and all of these other things. But that is not really at issue here because we are not debating a trade agreement. We are debating really a process—not an agreement.

And the process is for the ability of the President to be able to sit down and negotiate a deal that is going to open up markets around the world, hopefully in South America. The Senator from South Carolina said he was ready to vote for an expansion of NAFTA to Chile possibly. We may have that opportunity. I don't think we get to that opportunity, which I think is an important one for this country, unless we have fast-track authority for this President. I would like to see the same frankly for Argentina and Brazil. I think it would be a tremendous opportunity for this country to expand our markets in the hemisphere to countries that are capable of competing on a fair basis with this country. Those are great opportunities for American workers as well as for better economic and diplomatic relationships between the countries in North and South America.

So, I see this not only as economic but also as a cultural and diplomatic opportunity for us. But it does not happen unless we put the process in place for the President to negotiate these agreements.

I know the Senator said there are lots of other agreements that have been negotiated. That is true. But these are major negotiations. These are negotiations that without a structure such as fast track I don't believe you are going to get an honest negotiation with one side sitting across from the other and saying, "Let's put together our best agreement. Let's work on give and take. You give. I give. We work on all of the details on how we structure a formalization of free trade between to two countries." And say, "Oh, by the way, after I have given up some and you have given up some, and we have been able to negotiate as best we can to a final agreement, I am going to take it back to the Congress, and they can change it and put it all back in our favor."

I don't know of too many countries that are going to be willing to do that, who are going to be willing to sit down in the first place and say, "We are going to negotiate with you in good faith, and, by the way, your good faith means nothing because you cannot stand behind your word because the Congress can come, amend, and change what we negotiated in a final agreement."

That is what makes this debate somewhat vexing in my mind because we are talking about all of these horrible inequities that have resulted as a result of our trade policy. The people who are arguing against fast track want to continue our trade policy. This policy they say is so bad, they want to keep it in place by not allowing the President to negotiate better agreements with other countries or in the world bodies to be able to open up trade to create a better trade opportunity for us around the world.

So I don't understand, and frankly, I am a little disturbed that we keep hearing the rhetoric of bad trade and horrible agreements at the same time not wanting to change those to make them better for this country. I think fast track is the opportunity to do that.

Mr. SARBANES. Will the Senator yield?

Mr. SANTORUM. Certainly. I am happy to yield.

Mr. SARBANES. In 1975 we first provided fast track. On this chart, this is 1975. Look at what happened with the trade balance.

Mr. SANTORUM. I am accepting the Senator's arguments as true—that in fact what you are signifying happened is true. By staying there and not changing things does the Senator think things would get better? To me that is the sin of when you believe that you tried the same thing, and you are going to get a different result by trying the same thing. Then you start to wonder what the thinking is.

Mr. SARBANES. I say to the Senator, if he is supporting fast track, he is the one who wants to try the same thing because this was all under fast track.

Mr. SANTORUM. I voted against NAFTA. So I think I have some legitimacy here. I am not debating that some of the agreements we have entered into in this country—you can't say only the ones entered into under fast track. We have entered into a lot of other agreements that have had an impact. But I am not debating that there are agreements that have not been beneficial to the balance of trade to this country. What I am debating is that by not changing any of those agreements somehow things are going to get better. That is really the argument here—unless we make change in those agreements things will not get better. We cannot make those changes unless we have fast track.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. MOYNIHAN. Madam President, will the distinguished chairman yield to me 3 minutes?

Mr. ROTH. I yield the distinguished Senator 3 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. Madam President, I simply would wish to say that I have listened with great respect to the Senator from Maryland as regards the time sequenced in which the fast-track legislation went into effect and the foreign trade deficit began to grow.

I say two things.

The first is that the essentials of the fast-track negotiations have been in place since 1934. Nothing that discontinuous occurred in 1974. What simply was required was at that time the trade negotiations turned from tariffs on things—machines, iron ore, oil, whatever—to the question of the more complex but growing area of services, intellectual property, and matters like that. That is what impels us to give the President negotiating authority beyond the simple reduction of tariffs.

The reciprocal trade agreements that began back in 1934 said the President may cut these tariffs up to 50 percent, and proclaim it after he has reached it to his satisfaction and agreement. The increase in the trade deficit corresponds precisely to the onset of enormous budgetary deficits by the Federal Government. It is elemental bookkeeping of economics—that unless you have a very high savings rate, which we do not have, you will finance a Federal deficit by borrowing from abroad, and that borrowing will take the form of imports. In economics this is a fixed equation. One side equals the other. And at just that moment, as the Senator from Maryland pointed out, deficits begin to grow, we have the second oil shock followed by the huge deficits of the 1980's. They are an equivalence which comes almost at a level of bookkeeping. They have to happen.

Now, we have on point where our deficits are disappearing and we should have every reason in the world to think that trade deficit will disappear as well—it need not do—if our savings remain at the low level they are. But if they return to a normal level, which we hope they will, now that the deficit is not using them up, or now that more resources are available, that deficit will shrink dramatically, or we will have to write all the textbooks over again.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. MOYNIHAN. I thank the Chair.

Mr. SARBANES. Will the Senator yield? Will the Senator yield me 2 minutes?

The PRESIDING OFFICER. Who yields time?

Mr. SARBANES. Will the Senator yield for a question?

The PRESIDING OFFICER. Who yields time?

Mr. ROTH. I yield 2 minutes.

Mr. MOYNIHAN. Of course.

The PRESIDING OFFICER. The Senator from Maryland is recognized for 2 minutes.

Mr. SARBANES. Madam President, in light of the comments, I ask unanimous consent to have printed in the RECORD a press release from the Economic Strategy Institute entitled "New ESI Study Finds Causes and Costs of Trade Deficit More Complex Than Traditional Economic Rhetoric."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NEW ESI STUDY FINDS CAUSES AND COSTS OF TRADE DEFICIT MORE COMPLEX THAN TRADITIONAL ECONOMIC RHETORIC

WASHINGTON, DC.—For years mainstream economists and economic journalists explained away public concern over the U.S. trade deficit by arguing the true cause of the deficit was the huge U.S. federal budget deficit and, more recently, low U.S. savings. However, a new study released today by the Economic Strategy Institute refutes these traditional explanations and argues they are no longer adequate to explain what is, in reality, a significantly more complex problem negatively affecting a wide variety of economic statistics, including aggregate demand, gross domestic product, the budget deficit, business financed research and development, wage rates, and exchange rates.

Titled The Trade Deficit: Where Does It Come From and What Does It Do?, the study examines the recent trends in the U.S. federal budget deficit and the U.S. savings rate over the past decade and uses an economic model to examine the costs of these deficits to the U.S. economy.

In contrast to a decade ago, private savings now exceed private investment, the U.S. economy continues to grow at a slower pace than the global economy, and net inflows of foreign private investment are smaller. From 1986 to 1996, the United States achieved a $92 billion improvement in the sum of its private savings balance and government deficits; yet, the trade deficit and the broader current account balance only improved by $29 billion and $5 billion, respectively. In 1997, the combined federal and state deficit continues to fall, yet the trade deficit will again exceed $100 billion, while the current account deficit will be about $150 billion.

	Private savings less investment (billions of $)	Federal and State deficits [1] (billions of $)	U.S. growth (percent)	Global growth (percent)	Net foreign private investment [2] (billions of $)	Net exports (billions of $)	Current account (billions of $)
1986	−12.4	−152.6	2.9	3.4	89.5	−140.0	−153.2

	Private savings less investment (billions of $)	Federal and State deficits[1] (billions of $)	U.S. growth (percent)	Global growth (percent)	Net foreign private investment[2] (billions of $)	Net exports (billions of $)	Current account (billions of $)
1996	9.0	−82.0	2.4	3.8	66.8	−111.0	−148.2

[1] These figures include both government current spending and receipts, and governmental capital spending and borrowing for roads, schools, equipment, etc. The federal current spending deficit and the combined federal/state current balances are the figures cited in daily news accounts and political discussions of taxes, spending and deficits. The federal/state current deficit fell from $82.6 billion to $5.1 billion from 1986 to 1996, and should be in surplus in 1997.

The capital spending deficit represents the addition of new capital assets (roads, buildings, etc.) and new liabilities (bonds) on the government's balance sheet, and it is not an item on the government's current income and expenditure statement; however, it is part of the nation's combined public and private capital financing needs and is an element in the national savings balance. Notably, the government capital deficit increased only $12.1 billion from 1986 to 1996, and the marked improvement in federal and state finances was attributable to genuine progress in federal/state current spending deficit.

[2] See Footnote 1.

Authored by Dr. Peter Morici, director of the Center for International Business at the University of Maryland and an adjunct senior fellow at the Economic Strategy Institute, the study examines the old chestnut that the current account is simply the other side of an immutable accounting identity—the difference between domestic savings and investment—and finds that is becoming increasingly clear that trade and current account deficits are strongly influenced by forces quite separate from U.S. fiscal policies and domestic savings and investment behavior.

Morici argues that most economists overlook the fact the accounting identity can and does work in reverse. Increased foreign demand for U.S. securities, instigated by events independent of U.S. government policies and business conditions, can powerfully influence the U.S. current account deficit and domestic economy.

For example, in the 1990s, the Japanese, the Chinese, and other governments have dramatically increased their purchases of U.S. government securities, propping up the value of the dollar against other currencies. This has helped to sustain both their trade surpluses and U.S. trade deficits, even as the United States has put its fiscal house in order. In most cases, he argues, these purchases are not market-driven decisions made in response to higher U.S. interest rates. Rather they often reflect policy decisions to block exchange rate adjustments, and reduce internal pressures on national governments to revise protectionist trade polices and the reliance on export-driven growth.

"Other things being equal, one would expect U.S. government budget balances and trade and current accounts to be correlated," Morici argues. "This is not the case, however, which reflects the strong influence of other, offsetting factors. Significantly, these statistics do not imply that government deficits have little consequence for U.S. external balances. Rather, they illustrate that simple accounting identities do not justify blind assertions of causality."

To analyze how U.S. fiscal policies, the actions of foreign governments, or abrupt shifts in private investor sentiment may affect trade current account deficits and the domestic economy, Morici constructed a model of 1996 macroeconomics activity and potential GDP for the study and analyzed the trade and current account deficits may instigate in markets for domestic goods and services, capital, and foreign exchange. He found trade deficits impose costs on the U.S. economy in several ways:

In the near term, trade deficits may reduce aggregate demand, and lower real GDP by redirecting labor and capital away from export and import-competing activities, where these resources are generally more productive.

Eliminating the trade deficit, through a combination of reduced government deficits and foreign government purchases of U.S. securities, would increase real GDP by $44 billion or about 0.6 percent.

Eliminating the trade deficit would increase business-financed R&D by an estimated 3 percent. Production function studies indicate that the R&D-capital elasticity of output-per-hour in the private business sector is about 0.19. This implies that persistent trades deficits have lowered the growth of labor productivity and potential real GDP in the United States by about 0.5 to 0.6 percentage points per year. Trade deficits appear to be responsible for a significant share of the slow down in the growth of U.S. productivity and GDP in recent years.

In addition to these dead-weight losses, persistent trade deficits impose other, distributional consequences. The same forces that give rise to trade deficits also raise the exchange rate for the dollar by about 7 percent. This lowers the prices received for exports and import-competing products, and lowers the wages and profits earned by workers and firms in these industries. In turn, prices, wages, and profits are higher elsewhere in the domestic economy.

Given an estimate of the share of the economy whose wages and other factor prices are substantially influenced by the prices of traded goods and services, the amount of income redistributed may be estimated. In 1996, exports plus imports were about 24 percent of GDP. By these estimates, 1.6 percent of GDP is being transferred through reduced wages and payments to other factors. If a much more conservative estimate of the share of factor markets affected by trade is applied, this estimate of income transferred become 0.6 percent of GDP, which is still a formidable figure.

"These estimates," Morici argues," go a long way toward explaining the fierce resistance to continued globalization encountered from workers and firms whose present and prospective incomes have been adversely affected by this process."

Mr. SARBANES. It says:

> For years mainstream economists and economic journalists explained away public concern over the U.S. trade deficit by arguing the true cause of the deficit was the huge U.S. Federal budget deficit and, more recently, low U.S. savings.

Exactly the argument the Senator from New York has just made.

> However, a new study released today by the Economic Strategy Institute refutes these traditional explanations and argues they are no longer adequate to explain what is, in reality, a significantly more complex problem negatively affecting a wide variety of economic statistics, including aggregate demand, gross domestic product, the budget deficit, business-financed research and development, wage rates, and exchange rates.

And then it goes on in effect to say that this traditional analysis is really simplistic; it doesn't really answer the situation. It is almost dismissive of any trade deficit problem. In fact, if you look at the movements here, there is not a direct correlation between the various factors the Senator talked about. I mean you have a decline in the goods trade balance here at the time the trade deficit is still going up.

Mr. MOYNIHAN. We held tightly.

Mr. SARBANES. I am sorry. You have an improvement in the trade deficit when the deficit was going up. Then here the deficit has been coming down, the domestic deficit, yet the trade deficit has been worsening.

Mr. MOYNIHAN. May I simply say to my friend that I admit the complexity of this matter.

Mr. SARBANES. Absolutely.

Mr. MOYNIHAN. I do no more than argue what economists now believe, that they may have to change their mind. I don't in any way contest. But I am just saying tomorrow when we have more time I wish to discuss this at greater length.

Mr. SARBANES. Does the Senator see any problem with running trade deficits?

Mr. MOYNIHAN. There is no alternative when you have a huge budget deficit, sir.

Mr. SARBANES. What do you do when you don't have a budget deficit and you are still running large trade deficits?

Mr. MOYNIHAN. Then you better rewrite your textbooks.

Mr. SARBANES. That's what I think needs to be done.

Mr. MOYNIHAN. That has not happened yet.

Mr. SARBANES. That is why I wanted to submit that study for the RECORD.

Mr. MOYNIHAN. That hasn't happened yet.

Mr. SARBANES. The real world may be ahead of the textbook writers.

Mr. MOYNIHAN. That's been known to happen.

Mr. SARBANES. Yes, it has.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. I ask unanimous consent that the vote occur on or in relation to the motion to proceed to S. 1269 at 4:20 today, with Senator DORGAN or his designee in control of 40 minutes, and Senator ROTH or his designee in control of the remaining time, with the 5 minutes prior to the vote in control of Senator ROTH and the 5 minutes prior to Senator ROTH's time in control of Senator DORGAN.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ROTH. I now yield 10 minutes to Senator CHAFEE.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. Madam President, thank you. I thank the chairman for yielding me this time.

Madam President, some have argued that fast-track procedures are either unnecessary or that they are a threat to Congress' constitutional authority, or both.

The answer to that is fast track is none of the above. It is both necessary and constitutional. First of all, fast track is absolutely critical if the United States is to continue to expand global market opportunities for American manufacturers and service providers and their workers. Without fast track, no President can assure our trading partners that the terms of a hard-won agreement will not be rewritten by Congress. That is the problem.

Now, sometimes it is worthwhile to look at history. In 1934, Congress approved the Reciprocal Trade Agreements Act, which gave the President authority to lower tariffs with our trading partners. That worked fine for several decades. This was when we still had an emerging global trading system which primarily relied on tariffs. Between 1934 and 1945 the United States concluded 29 bilateral agreements for tariff reductions. When the GATT system came into being in 1948, the system still worked. Tariff reductions were the main focus of five successful negotiating rounds between 1947 and 1962.

But here comes the modern system. By the 1960's, the world trading system had become much more sophisticated and so had trade barriers. In 1962, the Kennedy round began, and for the first time the negotiations addressed not just tariffs but nontariff problems such as antidumping measures. When the negotiations concluded on the Kennedy round in 1967, the Johnson administration brought the agreement back home, but Congress promptly passed legislation nullifying part of the Kennedy round agreement, effectively amending the deal that had been so carefully worked out with the GATT nations.

The result. What happened? The Kennedy round went into effect without our participation. The message which that sent to our trading partners was obvious. Hard-fought trade deals with the United States will not stick. And the corollary lesson to the United States was equally clear. Before the United States will be allowed back at the negotiating table, it must restore its credibility by demonstrating its ability to stick to a deal.

Therefore, when the Tokyo round began, President Ford appealed to a Democratic Congress for a solution. The dilemma was noted that our negotiators cannot expect to accomplish the negotiating goals if there is no reasonable assurances that the negotiated agreements would be voted up or down on their merits. So a set of procedures was developed, the so-called fast track. As has been noted here many times, that fast-track authority has been extended to every President, Democrat or Republican. It has been authorized or reauthorized or extended four times, and it is the means by which every major trade agreement since the 1970's has been implemented.

In mid-1994, fast-track lapsed, and since then our trading partners, quite rightly, have questioned our ability to stick by a deal, and they have been reluctant to deal with us. Some have cited the fact that the administration has concluded all but a handful of 222 trade agreements without fast track. "You don't need fast track. Why, we had 222 agreements without it."

That is misleading. There are 200 plus agreements listed by the administration as accomplishments, but look at the list. Most of the agreements tend to be small, product-specific arrangements like an agreement on ultra-high-temperature milk or the List of Principles for Medical Devices. They are certainly important, but they hardly qualify as major stimuli to our national economy.

In contrast, the handful of agreements that require fast track are the critical, comprehensive, multisector agreements that address both tariff and nontariff barriers.

Now, let's get to this constitutional argument that has been tossed around. Fast track represents, it is said, a surrender of Congress' constitutional duty under article I of our Constitution, which says that "The Congress shall have Power . . . To regulate Commerce with foreign Nations. . . ."

Under fast track, Congress' role in trade negotiations has not been diminished or disregarded. Clearly it would be impossible for 435 Representatives or 100 Senators, all of whom believe they are qualified to be President—indeed, I believe there has been a terrible overlooking that they are not chosen as President—each of these individuals could not carry out at the same time our trade negotiations. Now, what fast track does is it allows the President to carry out the negotiations but imposes strict requirements for ongoing consultations to ensure that Congress' voice is heard.

Madam President, it has been my privilege to have served on the Finance Committee for 19 years now. When we have a fast-track measure come up, there is constant consultation with that committee and other Senators on the negotiations that are taking place that subsequently fast track will be asked for. So the Israel, Canada, Mexico, and Uruguay Round Agreements were guided by thousands, literally thousands, of briefings and discussions between the negotiators and Members of Congress or their staffs. Congress will continue to be consulted. So, indeed, we do write the legislation to implement these agreements, and Congress' authority is not being constitutionally revoked or the Constitution is not being overridden.

Madam President, the fast-track partnership has guaranteed Congress' continued fulfillment of its constitutional role in international negotiations.

Now, is every Member of Congress going to be satisfied? No, apparently not, as we have heard this afternoon and yesterday. But will the partnership produce agreements that have taken into account a broad variety of U.S. interests and views? That is absolutely true.

I would just briefly like to touch on what happens if we do not approve fast track. That is the argument in the Chamber here. Do not have it. I know that it is always prefaced by the opponents saying, "I'm not against free trade," and then they proceed to inveigh against fast track.

The United States is the world's largest trading nation, the largest exporter and the largest importer. We are the giant of the world trade area. We enjoy prosperity today in large part because of our trading activities.

This is what Dr. Alan Greenspan said a week ago, on October 29:

> The quite marked expansion in trade has really had a pronounced positive impact on rising living standards. Since 1992, exports have been responsible for one-third of our economic growth. Trade now represents a solid 30 percent of our GDP, and our exports continue to rise. This export activity supports some 11.5 million well-paying jobs across the Nation.

They certainly do in my State where we are very, very grateful for our trade and where we believe the opportunities for trade should increase. Our exports from small Rhode Island hit $1 billion last year, with projections for this year estimated at $1.2 billion. State officials in my State count on exports as a key element in our economic growth and are aiming to reach $2 billion in exports by the year 2000, which is only what, 3½ years from now.

If we want to continue this prosperity, we must continue to advance trade liberalization worldwide. In order to do this, we must have fast track.

Now, there is urgency to this. We are seeing the southern nations of this hemisphere—Brazil, Argentina, Paraguay, Uruguay—mount an aggressive effort to develop a free-trade region throughout the Western Hemisphere. Chile, which is more than a little tired of waiting for us, has completed separate trade agreements with Canada and Mexico as well as Colombia, Venezuela, Ecuador, and they are reaching out to Central America and Asia likewise. Mexico has concluded agreements with Colombia, Venezuela, and Costa Rica, and are talking to the other nations including the Caribbean nations.

The European and Asian nations are getting in on this. Both the European Union and the Southeastern Asian nations are courting the South American countries. Chinese and Japanese officials are eyeing the major Latin American nations.

The United States is in real danger of falling behind all of this. That has ramifications for American workers and their families.

One example that hits close to home for Rhode Islanders is Quaker Fabric Co., a Fall River, MA, textile firm employing 1,800 workers—many of them Rhode Islanders. Quaker recently lost a $1.8 million annual contract in Chile to a Mexican competitor whose product is exempt from Chile's 11-percent tariff thanks to the Chile-Mexico trade pact. And Quaker was told by an Argentine buyer that he was switching to a Brazilian fabric supplier whose product, while of lesser quality, is not subject to a 25-percent tariff. Quaker's president tells me that if Quaker could just gain equal footing in the region with its Latin competitors, the company could boost export sales and add 200 more jobs.

It is examples like these that have spurred the National Governors' Association and the U.S. Conference of Mayors—whose members are keenly interested in economic growth—to strongly endorse fast track reauthorization.

Opponents of fast track would have one believe that there are other options than fast track. That is not true. If we want to play in the trade game, if we want to make agreements with trading partners, if we want to continue to engage in the world of trade, we must have fast track. If not, we cannot enter into significant agreements with our partners, and others will quickly move in to fill the vacuum—and reap the jobs—we have left behind.

In sum, fast track is in the best interests of the United States. It is a necessary prerequisite for negotiations; it is constitutional; and it is critical for economic and job growth in our nation. I urge my colleagues to support the pending legislation.

Mr. DORGAN. Madam President, I yield 10 minutes to Senator REED.

Mr. REED. I thank the Senator for yielding.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Madam President, I am here today to comment once again on not only the fast-track agreement but also the overall context of U.S. trading. The discussion between the Senator from Maryland and the Senator from New York pointed out the complexity of looking at the trade deficit. But there are some things that are quite clear despite the complexity.

In 1980, we had a surplus of roughly $2.3 billion. By 1996—we have now a deficit of $165 billion. That is the time in which fast track has been operative. That is the time in which fast track has been the centerpiece of our legislative efforts, our international efforts to increase trade in the world.

This deficit right now is a result of many things. It is a result of, in some respects, our fast-track policy. But it is a result also of our inability, I think, to deal with some of the more basic issues in international trade, dealing with some countries that utilize access to our market but at the same time deny us access to their market. It is a phenomenon also caused by the proliferation of multinational corporations that move their operations, in many cases, out of the United States because of our environmental laws, because of our labor laws, because of many stringent requirements that raise and maintain the quality of life and the standard of living here in the United States. And they have gone to other countries. In fact, some of our policies have encouraged their departure.

One of the striking differences between this fast-track bill today, 1997, and the fast-track bill that was adopted in 1988, is that we have neglected to include within the principal negotiating objectives attention to the rights of workers of our potential trading partners. We have also neglected to include currency coordination, which is an important aspect of ensuring that a free-trade system operates appropriately and correctly. We have also narrowed significantly the scope of concerns which we can address with respect to the environment.

Regardless of our budget situation, we will have contributed to the further deterioration, if this bill passes, of our trade position, because we have included increased incentives to deploy capital from the United States from other parts of the world to developing countries, which effectively will mean that they will be our competitors.

I know, when the Senator from Maryland and the Senator from New York were talking, they were talking about the overall trade balance, making the distinction between our trade balance and our Federal deficit. But I think if you just aggregate that trade balance, you will see clearly that in terms of manufactured goods we are consistently losing. And that is the most prescient, tangible point with respect to the arguments that, because of some of these trading rules, literally our good manufacturing jobs are going overseas.

Mr. SARBANES. Will the Senator yield on that point?

Mr. REED. I will be happy to yield.

Mr. SARBANES. Since 1974, our trade deficit on merchandise goods is $1.8 trillion. In just over 20 years, $1.8 trillion. Up until 1975 we had been running modest surpluses every year in our merchandise trade deficit. So there has been a dramatic deterioration.

Mr. REED. The Senator is quite correct—reclaiming my time. It illustrates his point, that there may be, in fact, countervailing foreign investments in this country to make up for our budget deficits, but that does not explain the phenomenon of losing consistently and persistently the battle for the sale of manufactured goods from our suppliers to other countries around the world.

Mr. SARBANES. If the Senator will yield further? To the extent there are such investments, those then become claims which foreigners hold against us. So what has happened is we have gone from being a creditor nation in 1980, where we were a creditor nation to the tune of $400 billion, to today where we are a debtor nation to the tune of $1 trillion. So, because they sell more to us than we sell to them, they build up claims against us and we become a debtor. Now we are the biggest debtor nation in the world.

Mr. REED. Again, the Senator is absolutely correct. Frankly, to move to an analogy which is a little more colloquial but perhaps just as compelling, if we were managing a professional baseball team and we lost every year for 10 or 15 years, I don't think we would be managing that baseball team.

That is essentially, if you charge us as managers of our international trade policy, we have lost every year for the last several decades. The trade policy has to be changed. Frankly, I don't believe anyone here is advocating that we could not use a good fast-track procedure. The argument is this is not a good fast-track procedure; that we are neglecting several of the most critical items when it comes to realistic competition between countries in the world today for international trade. We are totally neglecting the differential between our wage structure, particularly our manufacturing wage structure, and the wage structures overseas. We are neglecting it by simply saying that is not important to us, we don't care if workers in Third World countries are making 2 or 3 cents an hour or 20 cents an hour, when our workers are making $6 or $7 an hour or more. We don't care about that.

We should care about that because, frankly, that is one of the reasons why we have a huge trade deficit, particularly in manufactured goods. Because there are incentives now, huge incentives, to deploy capital from the United States into these countries so that they can set up manufacturing plants. And we have seen it consistently. We have seen it even deliberately, blatantly, in the sense of finding places where the labor laws are so lax that there are incentives for companies to move in.

In Malaysia it was an explicit condition of the movement of many American manufacturers into that country that Malaysia would not have, or enforce, strong labor laws. They would not give their workers the right to benefit from these new industries coming in and developing and selling successfully in the world economy.

Is that wrong? It's wrong for those workers, which is a concern. But what is more of a concern for me, it is wrong for our workers because how can we expect to be competing against workers with new, modern technology based on new capital investments, workers who are as well skilled as ours may be, in a world in which they are paid a fraction of what is the minimum wage here in the United States?

Then you can also look at the issue of environmental quality, which is so important. It is not important in just a touchy-feely sense; we want to make sure there are forests and the streams are filled with fish, et cetera. It is really a very practical sense.

When a group of multinational countries now can go into Mexico, set up new manufacturing plants and literally take all their effluent and just pour it into the local sewer—something they could never do in their home country, not in the United States, not in Europe—that is an advantage for them to go there. We have to recognize that. We can't be naive and sloganize here on the floor and say it's just free trade, and free trade. Free trade makes sense if there are the conditions for free trade: That there are, in fact, complementary monetary and fiscal policies in each country; that there is, in fact, respect for workers' rights and workers' ability to organize.

One of the assumptions underlying free trade is that when workers are displaced by imports in one sector of the economy, they move to a more efficient job in another sector of the economy. And we know that is not the case. It doesn't happen. Maybe it will happen in 50 or 100 years. But in the lives of Americans today, and their children's lives, that doesn't happen. We see dislocation. And we see dislocation that can be avoided, at least minimized, if we adopt strategies in this fast-track legislation that will direct the President to deal with these issues, to deal with them aggressively and to come back to us with an agreement that does talk about how we are going to raise the standard of living, through trade, of individuals in our trading partners' countries; of how we are going to deal with environmental issues in those countries; how are we going to make sure that currency valuations changes, manipulations, don't undercut all that we think we have gained at the bargaining table.

The classic example of course is Mexico. We went in and reduced significantly, we thought, the tariffs that the Mexicans would charge us, the tariffs that we would charge them, thinking that now our goods would move back and forth freely. All of that was wiped out by a 40-percent reduction in the value of the peso; the purchasing power of Mexican citizens who might want our goods. And to not be concerned about that, to not elevate that issue of currency coordination to a major negotiating objective is absurd. It is particularly absurd within the last 2 weeks when all we have read about is the currency attacks in the Far East and Thailand, in all of these countries, leading to a shock wave on Wall Street.

The PRESIDING OFFICER. The Senator's 10 minutes have expired.

Mr. REED. I request an additional 3 minutes.

Mr. DORGAN. I yield an additional 3 minutes to the Senator.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Let me just, in the remaining 3 minutes, say that individuals, colleagues who come to the floor and just talk slogans about free trade have not, I think, understood what is going on. Why does Japan run a $47 billion a year surplus with the United States? Because they exclude our goods. Why does China run a multibillion-dollar surplus with the United States? Because they exclude our goods; and because they manipulate their currency to reduce the wages, effectively, of their workers; because they are insensitive to environmental quality; because they claim, for cultural reasons, historical reasons, they don't have to abide by intellectual property rules or anything else.

Those are the real issues that we face concerning our ability to compete in the world economy. What does this legislation do about those things? Ignores workers' rights; ignores environmental quality; and to a great degree it ignores currency coordination as major negotiating objectives. In effect what we said is: Listen, we are going to give the President fast-track power to do everything except what is most important to be done. And that is our objection. No one is here on the floor saying that we can withdraw from the world trade economy or we should withdraw from the world trade economy. What we are saying is let's negotiate agreements that will benefit all the citizens of this country; that will benefit working men and women throughout this country; that will ensure that they have a fair opportunity to work and earn wages that are decent. And that is not going to happen under this agreement.

What we have to do, I believe—and I hope we can—is ensure that the negotiating objectives are changed; that we do provide the President with the directions, with the incentives, with the authority to go out there and talk seriously about all these issues. Frankly, there was some discussion before that our trading partners won't take us seriously. What they won't take seriously is any President of the United States talking about workers' rights, about environmental quality, and about a strong stable currency coordination in the world, if we pass this fast-track agreement. Because we basically told them we are not interested. What we are interested in here is promoting capital deployment from the United States into areas of the world that don't treat workers properly, that don't care about the environment, and may or may not manipulate their currency to maintain the advantage they have against the United States.

This is not an agreement that we should support. If we want fast track, let's get it right, let's do it right. This is not the right way to go.

The PRESIDING OFFICER. The Senator's additional time has expired.

Mr. DORGAN. Madam President, I yield 10 minutes to the Senator from California, Senator BOXER.

The PRESIDING OFFICER. The Senator from California is recognized for 10 minutes.

Mrs. BOXER. Madam President, I compliment my colleague, Senator REED, for his very astute remarks. I thank the Senator from North Dakota for putting together what I think is a very excellent presentation. He has been carrying it through and I am proud to stand with him and the others who feel that we should not grant fast-track authority in this particular case.

Madam President, as a student of economics, I learned that if you listen to an economics debate you will find that people generally fall into categories.

When it comes to trade, I believe there are three categories. First, it is the free-trade-or-nothing category where you can't tell them anything about the evils that could come. They don't want to see the statistics about what happens to the downward pressure on wages. They don't want you to tell them even that there is any degradation to the environment. I call it the see-no-evil category. They don't want to know.

Then there is another category which is the no-trade-no-matter-what category. I think those are the ones who don't want to hear any of the benefits that can come from trade. Maybe they are a little long run they say, or maybe we need to work more closely to make sure that the problems are resolved, but they don't want to hear that. That is the hear-no-evil category.

Then there is this third category that I think a lot of my colleagues are in, and I certainly put myself in that category. And that third category is the fair-trade category, not the free-trade-at-any-cost category, not the no-trade-no-matter-what category, but the fair-trade category.

I want you to know, Madam President, I have voted for fast-track authority several times. When it came to Canada, when it came to Israel, when it came to the GATT, I was there, because I felt when our administration, whoever it is, Republican or Democratic President, negotiates with countries who have similar standards of living, similar environmental laws, I don't fear downward pressure on wages, I don't fear downward standards for the environment, I don't fear downward standards on food safety, because when we are dealing with countries who care about what we pay, who have the same values in terms of worker rights and environmental rights, I feel comfortable giving fast-track authority to the President.

I have to say that in this case, I feel very uncomfortable about giving this authority. I have been trying to find out what is the minimum wage or the wage paid for a manufacturing job in Indonesia, in Malaysia which are countries that, as members of APEC, may very well will be part of this authority. I have not been able to find out the minimum wage or the average wage for manufacturing jobs is in those countries. I am told that a statistical abstract put out by the Department of Labor does not contain the average hourly wage for manufacturing jobs in those countries. I am also told that the Department of Labor's statistical abstract does not contain the hourly manufacturing wage for Chile either. Rather, someone at CRS extrapolated from other available information to come up with an approximate hourly wage in Chile of $2.32. This compares to an approximate average hourly salary of $17.74 in the United States for manufacturing jobs.

So here we have colleagues willing to hand over authority to make agreements with countries that we don't even know what they pay their workers, let alone what their environmental laws are.

It seems to me there has to be a better way. I was listening to Senator BYRD's speech, and when he said, "Why are we here?" I think that is a reasonable question, because if you read article I, section 8 of the Constitution, it grants Congress the sole power to regulate trade and commerce with foreign nations and to make all laws which are necessary to carry out that power.

Once in a while, we cede away our power. As I said, there have been times when I felt it was OK to do that. But in this case, when you don't even know who it is you are dealing with, what they pay their people, what their environmental laws are, it makes very little sense, and I think it puts our workers and our environment at great risk. The benefits of trade, under these circumstances, will certainly not outweigh the disadvantages.

I represent the largest State in the Union, along with Senator FEINSTEIN. I have watched the NAFTA. It was a close call for me on the NAFTA. I wound up saying no, because I believed the same problems existed then: the downward pressure on wages; the lack of environmental laws.

I have to say that as you look at the different analyses as to whether NAFTA has worked—did it do better or not—as we have already heard today, we went from a trade surplus of about $5.4 billion with Mexico in 1992 to a trade deficit of more than $17 billion in 1996.

Increased trade. Who benefited? Ask the California wine industry, I say to my friends. I represent the proudest wine industry maybe in the world. Those wines that are made in California are world renowned. Yet United States wine exports to Mexico have dropped by approximate one-third. United States wines face a 20 percent tariff in Mexico.

However, coincident with NAFTA, Mexico gave Chilean wines a tariff reduction from 20 percent to 8 percent and guaranteed duty-free status within a year. But U.S. wines were subject to a 10 year phase-out of the 20 percent tariff. Ambassador Kantor, who I believe really wanted to make something good happen, promised to negotiate, within 120 days of NAFTA coming into force, a reduction of Mexican tariffs on United States wines—it did not happen. In fact, Mexican tariffs on United States wine and brandy are still at their pre-NAFTA levels, as a result of an unrelated dispute regarding corn brooms.

So as my kids used to say when they were younger, it is time to take a time out. Take a deep breath, see where we are on the agreements we have already signed that haven't lived up to their promises.

Sometimes when my colleagues—and I just heard one of them on the floor—talk about fast track, they get this energy. It is almost an out-of-control enthusiasm. I think sometimes when you go on a fast track, you go too fast. What is the rush? Why not allow this Congress to do our work? I didn't come here to exert downward pressure on workers' wages. I came here to make life better for the people of California. I didn't come here to see our environmental laws degraded, yet we have already seen examples of trade policy pressuring the United States to lower its environmental protections. Look at what recently happened with our dolphin protection laws. A trade deal with Mexico prevailed over our law and resulted in our law being weakened. In 1999, the definition of our beloved "dolphin safe" label could change because of trade pressures—not because we love dolphins any less. They just take a back seat.

We saw shipments of poisoned berries come into our country. If we had enough inspectors there would probably be a better chance that these situations would not occur. Time out, folks, before we see that kind of situation expand. Sure, there will be more trade. But is that the kind of trade we want, where we have to recall berries because we don't have enough inspectors?

I invite my colleagues to go down to the San Diego border. The border infrastructure is inadequate for the amount of trade. The new trade with Mexico as a result of NAFTA has placed severe stress on our southern border transportation infrastructure. According to the California State World Trade Commission, the result has been bottlenecks and traffic jams at border crossings, safety hazards, and declining environmental quality in the areas around the ports of entry. Why don't we do first things first? Why don't we bring these agreements to the Senate, to the House, let us debate and, to my colleague who says, "Well, every Senator wants to be President so it would be impossible because we are all so," I assume he meant "egotists that we would write it our way," I say I know a few Senators who don't want to be President. As a matter of fact, most of them don't. Most of them want to be Senators.

I have seen this U.S. Senate work on chemical weapons treaties, all kinds of treaties that were difficult, and do you know what, Madam President? We did the job. That is what we are sent here to do, not to throw the ball over to the Executive and say, "It's yours, we don't care about wages, we don't care about the environment, we're just for trade at any cost." I hope that we don't take that course.

If you want to look at the jobs lost through NAFTA, the Department of Labor certified that there were 116,418 workers who notified them in April 1997 that they would lose their jobs as a result of NAFTA. There are estimates that go as high as 400,000 job losses. That is just job losses. What about the downward pressure? What about those who leave manufacturing jobs and have to go to service-sector jobs which pay less? That is the kind of disparity we see.

I ask unanimous consent for 3 additional minutes.

Mr. DORGAN. I yield the Senator 3 additional minutes.

Mrs. BOXER. I thank my colleague for the additional time.

So when we look at the issue of trade, there are some who say the most important thing is the efficient flow of capital. Capital will flow to the low-wage countries, and that is the only thing we should be concerned about.

But it seems to me in the United States of America, going into the next century, we have to value not only the flow of capital, which I believe ultimately will flow to the most efficient place, but we have to value the workers, we have to value the environment and we have to value our quality of life.

I ask unanimous consent that these documents from environmental organizations be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[News Release From National Wildlife Federation, Oct. 8, 1997]

ENVIRONMENTALISTS UNIFIED ON FAST TRACK: CHANGE IT OR REJECT IT

WASHINGTON, DC.—Today, the National Wildlife Federation, National Audubon Society and Defenders of Wildlife called on Congress to reject fast-track trade bills currently under consideration until they guarantee that meaningful environmental safeguards become part of future international trade agreements.

Despite rhetoric to the contrary, neither of the fast-track bills offered by the Senate Finance or House Ways and Means Committees satisfies the objectives for green trade negotiations recommended by the groups. One key problem with these bills is that they establish new and stringent restrictions on the President's ability to negotiate environmental safeguards in future trade agreements. "Instead of merely including the word 'environment' in the fast-track proposals as a way of appeasing our concerns, we urge Congress and the Administration to begin addressing strong environmental standards among our trading partners," said Barbara Bramble, Senior Director for International Affairs at the National Wildlife Federation.

The environmental groups assert that neither bill offers a comprehensive agenda for the environment in trade negotiations. They both fail to insist that negotiators create a level playing field to ensure that trading partners compete fairly by enforcing environmental laws. They provide no specific objectives for improving the transparency of the World Trade Organization (WTO). And they fail to ensure that environmental agencies like the Environmental Protection Agency (EPA) are active participants in trade policy negotiations. "We must find a stronger voice for the environment during trade negotiations, which are now dominated purely by commercial interests," said Dan Beard, Vice-President for the National Audubon Society.

Also extremely troubling is the fact that none of the bills explicitly exclude the so-called Multilateral Agreement on Investment (MAI) from fast-track consideration. The MAI would make it much easier for multinational corporations to freely move capital and production facilities without responsibility for environmental performance, and would create new litigation hooks for corporations to sue national governments over environmental standards. Already under NAFTA, the U.S.-based Ethyl Corporation has filed a $251 million lawsuit against Canada because the Parliament banned the import and interprovincial transport of a toxic gasoline additive. "We must ensure that international trade pressures such as the MAI and NAFTA do not accelerate the 'race to the bottom' for investments in poorer areas of the globe," said William Snape, Legal Director for Defenders of Wildlife.

Strong economies and clean environments are two sides of the same coin, assert the three conservation groups. "Our vital national interests are best served when trade negotiators bring home agreements that simultaneously strengthen our economy and protect our environment" said John Audley, Trade and Environment Program Coordinator for National Wildlife Federation. "The fast-track bills offered by Congress fail this test and we must accordingly reject them."

The National Wildlife Federation is the nation's largest conservation group, with over 4 million members and supporters across the United States. The National Audubon Society, with approximately 600,000 members nationwide, is dedicated to protecting birds, wildlife and their habitat. Defenders of Wildlife has over 200,000 members and supporters, and seeks to protect all native plants and animals in their natural habitats.

LEAGUE OF CONSERVATION VOTERS,
Washington, DC, November 4, 1997.

U.S. House of Representatives,
Washington, DC.

Re: H.R. 2621, the Reciprocal Trade Agreement Authorities Act of 1997—Oppose Anti-Environmental Fast Track Trade Negotiating Authority

DEAR REPRESENTATIVE: The League of Conservation Voters is the bipartisan, political arm of the national environmental movement. Each year, LCV publishes the National Environmental Scorecard, which details the voting records of Members of Congress on environmental legislation. The Scorecard is distributed to LCV members, concerned voters nationwide and the press.

This week, the House is likely to vote on H.R. 2621, the Reciprocal Trade Agreement Authorities Act of 1997. The bill establishes new and stringent restrictions on the President's ability to negotiate environmental safeguards in future trade agreements. This legislation does not satisfy the objectives for green trade negotiations recommended by national environmental organizations. In particular, H.R. 2621:

fails to require that trade rules do not undermine legitimate environmental, health, and safety standards;

fails to insist that our trading partners enforce strong environmental laws in order to establish a high, level playing field as a basis for international economic competition;

fails to mandate increased opportunities for public participation in World Trade Organization deliberations and dispute resolution that might affect environmental, health, and safety safeguards;

fails to ensure that US government agencies with responsibilities for environmental protection, resource conservation, and public health and safety are active participants in trade negotiations which could effect policy matters under their authority;

does not explicitly exclude the Multilateral Agreement on Investment (MAI) from fast-track consideration, an agreement that would allow investors to sue for compensation before international tribunals if pollution laws are alleged to reduce their property values;

fails to provide for environmental assessments of trade agreements early enough in negotiations to influence the outcome of those negotiations and

does not provide Congress sufficient leverage to ensure that trade agreements serve the broad public interest.

LCV's Political Advisory Committee will consider including votes on H.R. 2621, The Reciprocal Trade Agreement Authorities Act of 1997, in computing LCV's 1997 Scorecard. Thank you for consideration of this issue. If you need more information, please call Betsy Loyless in my office at 202/785/8683.

Sincerely,

DEB CALLAHAN,
President.

Mrs. BOXER. Madam President, you will find a huge number opposing this fast-track legislation. The National Wildlife Federation basically says that they are against it for one reason. They have no assurances that the Environmental Protection Agency of America will be active participants in the trade negotiations. There are many other organizations which I don't have the time to name at this point.

We have to make a choice. We have to decide, if we value our workers as much as we value the free flow of capital, we have to ask ourselves, do we value clean air and clean water as much as we value the free flow of capital?

We have to say, do we value our safe food supply as much as we value the free flow of capital? And do we feel that it is important to have an adequate infrastructure in place of inspectors at the border to make sure the food supply is safe, to make sure that our products are being treated fairly? And should we even care about a positive trade balance? Sure, you open up the doors, but what has happened to us, as my colleagues brilliantly pointed out, is the balance of trade has flipped, and where we used to be predominant and we sent more exports than we took in imports, we see a reverse. We now have negative numbers.

So I believe, again, in summing up, that we do have three choices: Free trade at any cost; see no evil; don't tell me about the problems; no trade at any cost; don't tell me about the good parts of trade; and the middle course that my colleagues are taking, which is fair trade. Yes, trade is crucial, it is important. We are part of one world, but we in the U.S. Senate who care about values and American jobs and an American environment, who care about clean and safe food, who want food safety laws in place, also want to have an opportunity to alter or amend trade agreements as we deem appropriate and necessary.

Thank you very much.

The PRESIDING OFFICER (Mr. ALLARD). The Senator's additional time has expired.

Mr. HAGEL addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. HAGEL. Mr. President, thank you. I yield myself 4½ minutes.

The PRESIDING OFFICER. The Senator is recognized for 4½ minutes.

Mr. HAGEL. Mr. President, today the United States is unilaterally disarmed in the intense global competition for new markets. For the first time since 1974, the President lacks fast-track authority to negotiate agreements that would help open up new markets and reduce international barriers to U.S. exports.

This failure means slower economic growth, lost markets overseas, and fewer opportunities for high-paying jobs. Fast-track authority allows the President to submit to Congress a clean vote on trade agreements negotiated with other countries.

Under our Constitution, the Congress alone has the power to "lay and collect . . . Duties" and "To regulate Commerce with foreign Nations. . ."

The Constitution, however, uniquely empowers the President to send and receive ambassadors and negotiate with foreign powers. Over 20 years ago, the fast-track mechanism was created to accommodate this divided authority. Renewal of fast-track authority will enable our Nation to continue pressing for world economic systems based on free markets, free trade and free people.

As a nation, the continued growth of our economy depends on trade. In the past 50 years, trade share of the world's gross domestic product grew from 7 percent to 21 percent. Today, trade makes up 24 percent of the U.S. economy.

This decade, export growth has created 23 percent of all new U.S. jobs, and those export-related jobs pay 13 percent more than the national average.

Clearly, our economy will suffer without the ability to continue to negotiate timely new agreements to further open foreign markets to U.S. goods, commodities and services.

Those opposed to renewing the President's fast-track authority argue that the lack of such authority does nothing to hinder the President's ability to negotiate new trade agreements. Unfortunately, this is not the case.

No nation will enter into a major new trade negotiation with the United States if the product of those negotiations can be picked apart in the U.S. Congress. With any agreement that can later be unilaterally changed or amended by the Congress, we run the risk of having no agreement at all.

As long as the President lacks the ability to present such agreements to the Congress for our clean approval or disapproval—and bad agreements deserve to be defeated—our Nation will be endangering its ability to compete in today's competitive global economy.

Our Nation should be working aggressively to reach new agreements that will expand free trade and open up the emerging economies of Asia, Latin America, Eastern Europe to American exports. We should be building on the major achievements of the last global trade talks. These talks, the Uruguay round of the General Agreement on Tariffs and Trade, for the first time, established rules for services and agriculture goods, two areas where the United States leads the world in global competitiveness.

Instead, the United States is losing opportunities for economic growth and job creation. It is time to do what is right for American workers, farmers, ranchers, and businesses. It is time to restore fast-track negotiating authority for the President.

I hope that my colleagues take a good look at this and do support fast-track authority for the President.

Mr. President, I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Could the Chair inform me of the circumstances with time remaining?

The PRESIDING OFFICER. The Senator from North Dakota controls the time from now until 4:15; and then at 4:15, the Senator from Delaware will control the last 5 minutes.

Mr. DORGAN. Mr. President, let me then use the remainder of my time and begin by quoting from a letter written by Mr. Kevin Kearns, the president of the United States Business and Industrial Council. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

UNITED STATES BUSINESS AND
INDUSTRIAL COUNCIL,
Washington, DC, November 5, 1997.

Hon. BYRON L. DORGAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR DORGAN: I understand that Members of Congress will be lobbied intensively over the next several days by Chief Executive Officers of major multinational corporations belonging to The Business Roundtable as part of their campaign to pass the fast track trade bill.

I am writing to emphasize to you and to other Members of Congress that these companies do not speak for the entire American business community. Far from it. In fact, they represent only the tiny handful of giant multinational firms that have monopolized the benefits of current trade policy, and that now seek to further extend their advantages at the expense of smaller American companies and their employees. Over the last two decades these large multinational companies have done much more to send good jobs and valuable technologies overseas than to create them here at home.

In fact--and I find this quite ironic—many of these large multinationals no longer consider themselves American corporations. Their CEOs make this point openly and proudly. One therefore wonders what business they have lobbying the U.S. Congress at all, since they are apparently not American corporate citizens but citizens of the world. Perhaps they should be up in New York lobbying the United Nations rather than in Washington lobbying the U.S. Congress. In fact, the first question Members of Congress should ask them during their lobbying visits is, "Do you represent an American company?"

I can assure you that the 1,500 members of the U.S. Business and Industrial Council are American-owned and managed companies. They typify the vast majority of American businesses that have been impacted negatively by U.S. trade policy. Since they are run day in and day out by their owners, many are not large enough to, nor are they interested in, moving the bulk of their manufacturing overseas. They are interested, however, in preserving the American manufacturing base and in creating additional wealth for themselves, their employees, and their communities here in the United States.

Some have been victimized by predatory foreign trade practices such as dumping and subsidization—and by the U.S. Government's neglect of their problems. Still others find themselves under pressure to cut wages and benefits in response to the slave-labor wage rates or adversarial practices of foreign competitors. Many that are engaged in international trade have been pressured by foreign governments to source abroad or to transfer key technologies as the price of doing business in that foreign country.

But most important, they have been hurt—as have most of our citizens—by years of poorly run trade policies that have given us massive, growing trade deficits year after year. These deficits, in turn, cut the U.S. economic growth rate significantly—by as much as 2 percentage points in recent years.

The Census Bureau's latest figures show dramatically just how few American companies have profited from recent trade agreements. At last count, only 6 percent of the nation's 690,000 manufacturers exported at all, and the percentages are much lower for service companies. Large companies—with 500 or more workers—accounted for fully 71 percent of export value, even though these firms comprised only 4 percent of total exporters. And fully 11 percent of U.S. exports were generated by just four individual companies.

Yet despite this domination of trade flows by the big multinationals, these firms have not created a single net new American job in some 25 years. Another way of looking at job creation is this: all the net new employment in the U.S. economy in recent years has been created by companies with fewer than 100 employees—the overwhelming majority of which do not export at all. Although fast track proponents tout the job-creating benefits of international trade, those jobs on a net basis are not being created in the United States.

USBIC's members and their counterparts don't have plush Washington offices. They do not maintain large public relations staffs. They can't hire expensive lobbyists, and they're too busy running their companies to jet in and out of the nation's capital themselves, like the corporate elite. All these owner-operators do is try to turn a profit, support their families, create jobs, and help sustain the local communities they have been a part of for generations. In opposing fast track, they are acting first not as business interests but as citizens dismayed at the nationwide cost of 25 years of falling living standards and rapidly growing income inequality. They are well aware that these latter two facts of modern American life cannot promote a stable business environment or a stable country over the longer run.

These businessmen understand that the nation urgently needs a new trade and international economic strategy that lifts incomes, strengthens families and communities, allows entrepreneurs to make a profit here at home, and ensures America's future prosperity. They strongly oppose fast track renewal, and hope that members of Congress will distinguish the special interests of the multinational corporations from this overriding national interest.

Please feel free to have Members or their staffs contact us directly for the small and mid-size business point of view on fast track. We will be pleased to try to answer any questions promptly and forthrightly.

Sincerely,

KEVIN L. KEARNS,
President.

Mr. DORGAN. Mr. President, let me quote from this letter. I will not read it all, but, Mr. Kearns, who heads an organization called the United States Business and Industrial Council says:

> I can assure you that the 1,500 members of the U.S. Business and Industrial Council are American-owned and managed companies.

> They typify the vast majority of American businesses that have been impacted negatively by U.S. trade policy. Since they are run day in and day out by their owners, many are not large enough to, nor are they interested in, moving the bulk of their manufacturing overseas. They are interested, however, in preserving the American manufacturing base and in creating additional wealth for themselves, their employees, and their communities here in the United States.
>
> Some have been victimized by predatory foreign trade practices such as dumping and subsidization—and by the U.S. Government's neglect of these problems. Still others find themselves under pressure to cut wages and benefits in response to the slave-labor wage rates or adversarial practices of foreign competitors. Many that are engaged in international trade have been pressured by foreign governments to source abroad or to transfer key technologies as the price of doing business in that foreign country.

And then he goes on in his letter. Let me read the conclusion:

> USBIC's [the Business and Industrial Council] members and their counterparts don't have plush Washington offices.

He is pointing out the large number of CEOs who have flown into Washington to lobby on behalf of fast track. He said:

> [Our businesses] don't have plush Washington offices. They do not maintain large public relations staffs. They can't hire expensive lobbyists, and they're too busy running their companies to jet in and out of the nation's capital themselves, like the corporate elite. All these owner-operators do is try to turn a profit, support their families, create jobs, and help sustain [their] local communities they have been a part of for generations. In opposing fast track, they are acting first not as business interests but as citizens dismayed at the nationwide cost of 25 years of falling living standards and rapidly growing income inequality. They are well aware that these latter two facts of modern American life cannot promote a stable business environment or a stable country over the longer run.

Mr. President, this has been a rather interesting discussion. I listened to much of the debate with great interest. As I mentioned, there have been a number of, I think, good presentations today. I do say that there are differences of opinion that are very substantial.

There are some who think that the current trade strategy is just fine, and that it works very smartly. They think it is a wonderful thing for our country, and we just need to do more of it. That is the group that says, "Let us pass fast track. If we don't, somehow America is headed for trouble. But things are going fine. We like the way things are. Our trade policy works. Let's continue it."

Others of us think that swollen and bloated trade deficits, that reach record levels year after year, are heading this country toward trouble.

General Custer, incidentally, lived for 2 years near Bismarck, ND, before he left for what is now Montana to meet Sitting Bull and Chief Crazy Horse. And because I am from North Dakota, we know a great deal about the history of that campaign.

We know by reading the book, "Son of Morning Star," for example, that General Custer sent his scouts ahead to try to figure out what was ahead of him. And the scouts really reported, "Gee, things look pretty good. Things are going pretty well here. Things look pretty good around the next hill or the next bend."

Of course, we now know from historical accounts things really did not go very well for General Custer and the 7th Cavalry. I find today an interesting group of colleagues who might well qualify for that scouting assignment. "Things are going pretty good. The road up ahead looks pretty bright. If we just keep doing what we're doing, our country is going to be just fine."

I have observed, during other discussions, especially in fiscal policy, people came to the floor of the Senate and said, "Let's run things like you would run a business." I would ask my colleagues this: After hours and hours of debate about trade, is there anyone here who would stand up and tell me, if you ran a business the way this country runs its trade policy that you would be doing fine? Wouldn't everybody in this Chamber understand and agree that if you ran a business the way this country is running its trade policy, you would be broke?

How many CEO's would go to their boardrooms and say, "Listen, I would like to have a talk with you. I want to talk about our receipts. I want to talk about all the sales we have and all the money that is coming in." And the board says, "Well, that's fine, Mr. CEO or Mrs. CEO, but could you tell us a little about your expenditures?"

The CEO knows the expenditures far exceed the receipts, but the CEO says, "No, no, we're not going to talk about expenditures. Are you crazy? We're going to talk about receipts. We're going to talk about how well I'm doing."

That is the message we have been hearing out here on the floor of the Senate for hours. "Gee, look how well we're doing. Look at these exports. Look at these exports, sales." They are ignoring, of course, the massive quantity of imports coming in, displacing American manufacturing capacity in this country, and putting us in a swollen and mushrooming trade deficit situation, that if judged as a business would render us unable to continue. And yet we have people say, "Gee, this is going just fine. This is just the right road for us."

It is not the right road for us. The right road isn't protectionism. The right road isn't to put walls around our country. The right road isn't to retreat from the global economy.

But the right road is to insist in this country that we have some courage to stand up and tell, yes, the Japanese and the Chinese and the Mexicans and the Canadians, and so many others, that we expect and demand more of you. We expect fair trade.

Is there someone in this Chamber who wants to stand up and tell us they are opposed to fair trade? Does that person exist? Is there someone willing to do that? Who here is opposed to fair trade? Maybe I need to ask it when more Members are present in the Chamber. But is there someone who will say, "No. Me, I'm opposed to fair trade." I don't think so. I don't think there is one person in this Chamber who will volunteer to say, on behalf of their constituents, they oppose fair trade.

Why then do they insist that those of us who believe that we ought to expect fair trade in our trade relationships, why do they insist that somehow we don't act in the best interests of this country and in the best interests of this country's future economy? I do not understand that.

With respect to whether it would be Japan or China, or many other trading partners, who are worthy partners and good trading partners of ours, it would seem to me to be in this country's best interests to say to those countries, which expect a balance in trade that is a fair balance, "You cannot run $50 billion, $60 billion a year, every year, in trade deficits with us."

Now, they will continue to do it as long as we allow them. You can only expect that someplace in these other countries those folks are sitting around saying, "We don't understand why they let us keep doing this, but it's a wonderful thing. It strengthens us and weakens them." They would say that I presume. Because when they have big surpluses with us, we become a cash cow for their hard currency needs and it weakens our country.

They must surely be puzzled why no one in this country has the nerve and the will to say, "Stop it. We won't allow that. We won't allow these huge trade imbalances. We expect and demand, not only reciprocal trading opportunities with you, open markets from you, but we demand some reasonable balance of trade."

Now, we were told just a few minutes ago that the reason we had a trade deficit is because we had a budget deficit. Simple, except that does not work. Our budget deficit is going way down, and our trade deficit is going way up. I know that is what they used to teach in economics. I used to teach economics. As I said this morning, I overcame that experience.

But as the budget deficit has been going way down; the trade deficit is going way up. So how does it work then with those who have been claiming now for years that we simply have a trade deficit as a matter of calculation because we have had a fiscal policy deficit?

Stephen Goldfeld once said that, "An economist is someone who sees something working in practice and then asks whether it can work in theory."

Can we fail to observe here that the budget deficits are going down, way down. They are down 5 years in a row, but the trade deficit is going up? Can we fail to notice that or fail to explain it? Or do we simply cling to the same tired economic doctrine about trade that has been proven wrong?

When I was a young boy, I had a neighbor who was a retired person. His name was Herman. And Herman used to order everything through the mail that he could get that promised him one thing or another. Now Herman had rheumatism. And I went over to Herman's one day, and he was sitting there with a box that was plugged into the wall with a cord. It was a wooden box with some wires leading to two metal handles. And he explained that he had purchased this from a catalog because it was supposed to cure his rheumatism. He was sitting in his chair there holding on to these handles. He held on to them for 6 or 8 months, I guess. It did nothing to help him with his rheumatism, but that was a box he bought because that he thought it would deal with his rheumatism.

We have a lot of folks around here sitting with those metal handles because someone claimed that this trade strategy we have works. All the evidence suggests it does not.

One of these days, one way or another, we ought to take a look at the evidence and decide when something doesn't work you ought to change it.

The first law of holes is that when you are in a hole, you might want to stop the digging. When you see trade deficit after trade deficit, year after year, that reaches record levels—and this year the merchandise trade deficit will be very close to $200 billion—it is fair for us to ask on the floor of the Senate, does this trade policy work? Is this trade policy in the best interests of this country? Or can we, with more nerve, will, and courage, stand up for the economic interests of this country and demand and expect more of our trading partners, more in the manner of policies that will benefit and strengthen this country?

Mr. President, I have consumed my time. The Senator from Delaware and the Senator from New York have both been courteous during this discussion. And we have had the opportunity to have a lengthy and, I think, good debate. And more will follow. We will have a vote on the motion to proceed, at which point, if that prevails, we will be on the bill itself. And those of us who care a great deal about this will be, at that point, allowed to continue.

Mr. President, I yield the floor.

Mr. ROTH. Mr. President, at the outset of this debate I set out my reasons for supporting fast-track authority. Having heard the debate and the point made by my esteemed colleagues, I want to distill what, I believe today, our vote is about.

First, I submit that the question before this body is whether we will shape our own economic future or leave our fate in the hands of others. We must decide whether we will allow the President to take a seat at the negotiating table or force him to stand outside the room while others write the rules for the international economy.

A vote for fast track is a vote for a brighter American future. Toward that end, this bill arms the President with the authority to open foreign markets and allow our firms to do what they do better than anywhere else on Earth: That is, compete.

Second, the making of trade policy must be a full partnership between Congress and the President. The bill before this House ensures that Congress is, in fact, a full partner in the process. Indeed, it is difficult to concede of any other measure where we subject the President's action to such scrutiny and constraints. The bill requires the President to notify us in advance of his intent to make use of this authority. He must then consult prior to and throughout the negotiations up to and including comprehensive consultations immediately before initialing an agreement. If the agreement is signed, we then proceed to develop the implementing legislation in consultation with the President.

After all that, Congress still exercises a veto over the President's action by voting on the agreement and implementing bill. Those conditions are necessary to ensure the President fulfills the objectives set by Congress. They are also needed to ensure that Congress and the President do, in fact, speak with one voice on trade matters.

I firmly believe that bill strengthens the role of Congress and the trade agreements process to an unprecedented extent and lets our trading partners know that the President is answerable to Congress for any agreement he may reach.

Third, laying the foundation for our economic future will require a partnership here in Congress, as well. We will not make progress toward our common goal of providing for America's economic future without strong bipartisan support for our trade policy.

I was extremely heartened by the vote yesterday and expect to see the same bipartisan support for the motion under consideration and for the bill itself. At the same time, the debate identified important issues that must be fully examined in order to sustain that bipartisan future.

As chairman of the Finance Committee, I intend to ensure that the committee addresses those issues of critical importance to the well-being of every American. I look forward to working with my colleagues toward this end. Nonetheless, I believe we must take the first step now to exert the leadership on trade that only the United States can provide. The President must have fast-track negotiating authority. I urge my colleagues strongly to support the motion to proceed.

Mr. MOYNIHAN. Mr. President, I rise simply to affirm in the strongest terms that the chairman of the Senate Finance Committee has been faithful to his duties. He has kept a committee united, minus one vote, in an otherwise unanimous decision. He has been meticulous in his concern that American workers will have their interests pursued here, the environment will be looked after, but ladening these matters on trade negotiations will only ensure they will fail and not bring the benefits we desire.

I want to congratulate him. We cannot do any better than we did yesterday, but let's hope we do as well.

Mr. ROTH. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion to proceed to S. 1269, the Reciprocal Trade Agreements Act of 1997.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Alaska [Mr. STEVENS] is necessary absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 68, nays 31, as follows:

[Rollcall Vote No. 294 Leg.]

YEAS—68

Abraham
Akaka
Allard
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Breaux
Brownback
Bryan
Bumpers
Chafee
Cleland
Coats
Cochran
Collins
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Domenici
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Hatch
Hutchinson
Hutchison
Inouye
Jeffords
Johnson
Kempthorne
Kerrey
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Moynihan
Murkowski
Murray
Nickles
Robb
Roberts
Rockefeller
Roth
Santorum
Smith (OR)
Thomas
Thompson
Warner
Wyden

NAYS—31

Boxer
Burns
Byrd
Campbell
Conrad
Dorgan
Durbin
Enzi
Faircloth
Feingold
Feinstein
Ford
Harkin
Helms
Hollings
Inhofe
Kennedy
Levin
Mikulski
Moseley-Braun
Reed
Reid
Sarbanes
Sessions

Shelby
Smith (NH)
Snowe
Specter
Thurmond
Torricelli
Wellstone

NOT VOTING—1

Stevens

The motion was agreed to.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. ROTH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. NICKLES. Mr. President, first, I wish to compliment Senator ROTH and Senator MOYNIHAN for their leadership on this very important issue on fast track.

I will announce—I think it has been disclosed to both sides—that will be the last rollcall vote today.

MORNING BUSINESS

Mr. NICKLES. Mr. President, I ask unanimous consent that there now be a period of morning business until the hour of 6 p.m. with Senators permitted to speak for up to 10 minutes each, with Senator GORTON permitted to speak for 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR WAYNE ALLARD: RECIPIENT OF THE GOLDEN GAVEL AWARD

Mr. NICKLES. Mr. President, it is a longstanding tradition in the Senate to recognize and honor those Senators who serve as Presiding Officers of the Senate for 100 hours in a single session of Congress. Today, we add to the list of Golden Gavel recipients Senator ALLARD of Colorado, whose presiding hours total 100 hours today.

November 5 is a very significant date for Senator ALLARD and his family, as on November 5, 1996, 1 year ago today, Senator ALLARD was elected to the U.S. Senate. Therefore, it is an appropriate date to recognize his contributions as a Presiding Officer of the Senate.

With respect to presiding, Senator ALLARD has been extremely generous with his time and has often rearranged his schedule at a moment's notice—and, I might add, with the assistance of his very courteous staff—to assist in presiding when difficulties arise. As a Presiding Officer, his dedication and dependability are to be commended. It is a great pleasure to announce Senator WAYNE ALLARD of Colorado as recipient of the Senate's Golden Gavel Award.

My compliments to my friend, my colleague, and the Presiding Officer.

The PRESIDING OFFICER. Thank you.

(Applause, Senators rising.)

ORDER OF PROCEDURE

Mr. NICKLES. Mr. President, for the information of all Senators, we will now have a period of morning business until the hour of 6 p.m. with Senators to be allowed to speak for up to 10 minutes each.

Mr. DORGAN. Will the Senator yield for a question?

Mr. NICKLES. Yes.

Mr. DORGAN. Mr. President, I wonder if the Senator from Oklahoma could inform us of the unanimous-consent request that affects business on the floor of the Senate tomorrow. My understanding is the pending unanimous consent request deals with the DOD authorization bill. The reason I ask the question is I am interested in learning when we will come back to the regular order, which will be the fast-track consideration of the fast-track proposal.

Mr. NICKLES. To respond to my colleague, the Senate has already agreed to a unanimous-consent request that would call for the DOD authorization bill to be voted on tomorrow at some time, at 2 p.m. I think the order calls for 4 hours of debate. We will go on it at 10, and vote at 2.

That is on the DOD conference report.

Beyond that, I am not prepared to tell my colleague what—I know the House is planning on voting on the fast-track authorization on Friday. There is some discussion that since that is a House bill and we are working on the Senate bill, we might entertain taking up the House bill when it passes so we wouldn't be working on two different bills.

Mr. DORGAN. If the Senator will yield further, my understanding is the motion to proceed prevailed by the most recent vote, and the result is now the regular order of the Senate would be the fast-track legislation. The Senator asked unanimous consent to go to morning business. I didn't object to that. We also have a unanimous consent for tomorrow's proceedings dealing with DOD authorization. At that point, does the Senator expect to go back to the legislation pending, or can the Senator inform us whether he will be propounding additional unanimous-consent requests with respect to Senate business?

Mr. NICKLES. To respond to my friend and colleague, I think the next order, after we pass the DOD authorization bill, would be to take up the District of Columbia appropriations conference report, or appropriations bill. In addition to that, we may well be taking up Amtrak reform legislation, which has also been working its way through, not exactly on a fast track, but it has been working its way through, and hopefully we can get it done as well.

Mr. DORGAN. When does the Senator expect us to get back to the fast-track legislation?

Mr. NICKLES. That remains to be seen. That is really Senator LOTT's call. It may well be Thursday. It may well be Friday. It may well be after the House would take it up.

Mr. DORGAN. Further inquiry. I will appreciate the Senator's response.

As I understand it, conference reports are privileged matters.

Mr. NICKLES. That is correct.

Mr. DORGAN. They can be brought to the floor of the Senate at any time. Amtrak and other intervening legislation will require unanimous consent, is that correct?

Mr. NICKLES. I would have to ask the Presiding Officer on Amtrak. My colleague is correct on the conference reports on appropriations bills. Yes, they could.

We have four appropriations bills that we are trying to get through. It happens to be that we are at a deadline by November 7, so our highest priority is try to complete the various authorization bills.

Mr. DORGAN. If I might just inquire further, the reason I ask the question is that because we are on the legislation dealing with fast track, there are a number of Senators who will be wanting to offer amendments. It will not be a pleasant experience to learn that we move to other things and then come back to fast track with some understanding there is no time for amendments. I am just inquiring to try to determine what the expectation of the leadership is with respect to the fast-track legislation.

Mr. KERRY. Mr. President, would the acting leader yield for a minute?

Mr. NICKLES. First, let me respond to my colleague, Senator DORGAN. I hear what the Senator is saying. I know that the Senator has some amendments he wishes to offer on fast track. I know that we wish to pass fast track. We also wish to pass Amtrak reform and we also wish to pass all the appropriations bills, and we only have a couple of days. So we are going to try to accommodate everybody's requests. But the highest priority I believe will be to pass the appropriations conference reports as soon as possible. I believe the D.C. bill will be the first one up. That is not a conference report. It is a bill. But I think we have an agreement on D.C., so we will get that one accomplished. Hopefully then we will have three other conference reports we will be able to do in the next day or two, and we will have, I am sure, some additional time for my colleague to spend on fast track as well.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER (Mr. FAIRCLOTH). The Chair recognizes the distinguished Senator from Massachusetts.

Mr. KERRY. Mr. President, if I might share with my friend from North Dakota information with respect to at least Amtrak. We have an agreement now reached with respect to Amtrak. The language is now in print, and I believe it is being hotlined on both sides.

So with respect to the Amtrak effort in terms of any interruption, we would anticipate that going through here in a minimal amount of time. I am not sure how much the chairman of the committee, Senator McCAIN, wants, but I would not imagine it will take more than half an hour or so. And so I do not think that will interrupt the course of business with respect to fast track in any significant way.

Mr. DORGAN. If the Senator will yield, an agreement on Amtrak would be welcome news I think to all Members of the Senate, and it would not be my intention to try to obstruct that. I am simply trying to determine when we might get back to fast track so that we might entertain amendments.

NOMINATION OF BILL LANN LEE TO BE ASSISTANT ATTORNEY GENERAL FOR CIVIL RIGHTS

Mr. THURMOND. Mr. President, I rise today to express my opposition to the nomination of Bill Lann Lee to be Assistant Attorney General for Civil Rights. I have reached this conclusion only after much thought and careful consideration. But I am certain that this is the right course. I commend Senator HATCH for his leadership and the excellent statement he delivered on the floor yesterday in this regard.

When the possibility that Mr. Lee would be nominated for this position was first brought to my attention, I was impressed by what I heard. Mr. Lee was born to a hard-working, determined family of Chinese immigrants. His success at Yale and Columbia University Law School reflects that he inherited a commitment to succeed. I was also assured then, and continue to believe, that he is a man of character, honesty, and intellect. I relayed that impression to the White House.

After Mr. Lee was nominated, I met with him and made clear that I had an open mind regarding his nomination. I told him that his positions on the issues would be critical, and that the committee was eager to hear his answers to questions.

Before the hearing, some expressed alarm at many of the cases and positions that Mr. Lee had taken during his leadership in activist civil rights organizations. They were concerned about whether he would use his job and army of attorneys in the Justice Department to advance the same agenda he had pursued for the Legal Defense Fund. I understood this. But, at the same time, I have known since my days as a small town lawyer that a good attorney is a strong advocate for his client, regardless of whether he agrees with everything the client wants.

Mr. Lee had an obligation to convince us at the hearing that he could transfer from the role of creative advocate for activist civil rights organizations to neutral and objective enforcer of the Nation's civil rights laws. This he failed to do. He would not give any cases or positions that he had brought on behalf of the Legal Defense Fund that he would not bring as head of the Civil Rights Division. He would not cite any difference between himself and the last civil rights chief, Deval Patrick, who was an unwavering proponent of the civil rights agenda of the left. Unfortunately, it became clear during the hearing that Mr. Lee's advocacy is guided by a dedicated personal commitment to the positions he has advanced over the years.

Mr. Lee started by proclaiming that proposition 209 is unconstitutional. In proposition 209, the people of California voted to end all government preferences and set-asides on the basis of race, sex, or national origin. Then, with the active support of Mr. Lee and his organization, a Federal judge blocked the will of the people, saying the referendum was unconstitutional. The claim was that proposition 209 violated the 14th amendment, when in reality it mirrored the 14th amendment. Far from violating the Constitution, proposition 209 essentially states what the Constitution requires. The Ninth Circuit recognized this simple fact on appeal. Regardless, Mr. Lee is steadfast in his view that it was unconstitutional for the people of California to bring preferences to an end.

Another disturbing but related issue involves judicial taxation. I firmly believe that Federal judges do not have the Constitutional power to raises taxes or order legislative authorities to raise taxes. It is a simple issue of separation of powers. Taxes are a matter for the legislative branch, the branch that is responsive to the people. The organization for which Mr. Lee works was instrumental in the decision of a Federal judge in Missouri to order that taxes be raised. Mr. Lee would not disavow this approach. Although he stated that if confirmed he would not ask a Federal judge to order a legislative authority to raise taxes in the school desegregation context, he refused to rule out such a request in other civil rights contexts. He fails to recognize that fundamental principles of separation of powers prohibit judicial taxation.

Mr. Lee's views on proposition 209 and judicial taxation represent support for a dangerous tactic of legal activists. They use the unelected, unaccountable Federal judiciary to accomplish what they cannot achieve through the democratic process. When they lost at the ballot box on proposition 209, they got a lone Federal judge to block the will of the people. When they wanted to implement their lavish desegregation experiment in Missouri, they got a lone Federal judge to raise taxes. They have pursued their solutions in utter disregard of the people.

Today, Mr. Lee and his allies are failing to find support even in the courts. The Federal judiciary, led by the Supreme Court, is fashioning a civil rights jurisprudence based on the merit of the individual rather than preferential treatment for groups. Mr. Lee has fought against and continues to be uneasy with this constructive, solidifying law. It is clear that he would use his position and arsenal of attorneys to dilute or circumvent this progress toward ending preferential treatment.

An excellent example of the failed approach of the past is forced busing of school children. At the hearing, Mr. Lee continued to express support for the use of forced busing in some circumstances, even in the 1990's. He would not back away from his unbelievable assertion in a Supreme Court brief that "the term 'forced busing' is a misnomer."

Mr. President, many of us in the Senate are concerned about judicial activism on the bench, and we have every reason to be. We must keep in mind that a judicial activist decision starts with a proposal by a legal activist. We cannot and should not stop private organizations from advocating legal activism if they wish. However, we have a duty to reject legal activism as the guiding principle for our Nation's top civil rights law enforcement officer.

I must strongly oppose this nomination.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the distinguished Senator from Kentucky.

Mr. McCONNELL. Mr. President, I rise today to express my deep dissatisfaction with the misguided views of President Clinton's nominee for Assistant Attorney General for Civil Rights.

As many of my colleagues have made clear, Mr. Lee is a fine man, with accomplished legal credentials. His story of hard work and success is truly inspiring. But, Mr. President, the position of Assistant Attorney General for Civil Rights should not be filled based on an inspiring story, but rather, on a nominee's commitment to the bedrock principle that every American should be seen as equal in the eyes of the law.

The nomination of Bill Lann Lee is in serious peril, and for good reason. Mr. Lee has a long, well-documented, and disturbing allegiance to the policy of government-mandated racial preferences. In spite of the Constitution and recent court decisions, Mr. Lee continues to assert that government jobs and contracts should be handed out based on the immutable traits of race and gender.

Mr. Lee's views, however, go one giant leap beyond simply allowing racial preferences. Mr. lee has argued that the Constitution, in fact, requires racial preferences. Let me restate that. Bill Lann Lee has filed papers in Federal court asserting that the very Constitution which prohibits discrimination based on race and gender, in fact, requires the government to engage in discrimination based on race and gender.

As absurd as this theory sounds that is what Bill Lann Lee argued in court briefs this year as he fought the will of the California voters in proposition 209. Thankfully, the Ninth Circuit Court of Appeals unanimously rejected the Lee theory. In simple, straightforward language, the court explained, "the 14th Amendment, lest we lose sight of the forest for the trees, does not require what it barely permits."

And, as expected, the Supreme Court this week refused to validate the Lee theory and allowed the ninth circuit ruling to stand.

THE CONSTITUTION DOES NOT REQUIRE DISCRIMINATION

Throughout Mr. Lee's lifetime of advocacy, he has consistently overlooked one profound point, that is: Every time the government hands out a job or a contract to one person based on race or gender, it discriminates against another person based on race or gender.

Mr. Michael Cornelius recently spoke poignantly to this point before the Constitution Subcommittee in the House of Representatives. He explained that his firm was denied a Government contract under ISTEA, even though his bid was $3 million lower than the nearest competitor. Mr. Cornelius' bid was rejected because the Government felt that the bid did not use enough minority or women-owned subcontractors.

If you think that's bad, think about this: The Cornelius bid proposed to subcontract 26.5 percent of the work to firms owned by minorities and women. Yet, 26.5 percent was not enough in the world of so-called goals and timetables that Mr. Lee thinks the Constitution requires. Mr. Lee's goals and timetables are more appropriately called quotas and set-asides.

You see, the Government took the contract away from Mr. Cornelius and awarded it to a bidder that proposed to contract 29 percent of the work to minority firms, and who charged the Government $3 million more than Mr. Cornelius.

And, unfortunately, it doesn't end there. When the Government denied the job to Mr. Cornelius, it also denied the job to all of Mr. Cornelius' employees—over 80 percent of whom are minorities.

So the Government, in its infinite wisdom, not only committed discrimination, but it paid $3 million in the process.

I have filed an amendment to ISTEA that would remove this pernicious practice of awarding jobs and contracts based on skin color. Racial preferences are discriminatory, unfair, and unconstitutional. This principle is being reaffirmed courtroom by courtroom, State by State all across this country.

But what does Mr. Lee think? Does he think the Constitution bars these kind of racial preferences? Absolutely not. So, I think it's fair to say that Mr. Lee's message to Mr. Cornelius is: "Sorry about the discrimination against you, your family, and your employees. But, the Constitution requires it."

JOINING THE CLINTON CORPS OF SOCIAL ENGINEERS

The Clinton administration is all too eager to add Mr. Lee to its army corps of social engineers. Civil rights lawyers like Norma Cantu and Judith Winston undoubtedly relish the opportunity to add a lawyer with the misguided views of Bill Lann Lee to their brigade.

Cantu and Winston, have helped lead the administration's battle against the courts and the Constitution. These lawyers, like Lee, have become skilled at establishing racial preferences behind the scenes through the jungle of Federal regulations and by way of the quiet camouflage of consent decrees.

Cantu and Winston, recently launched a politically motivated investigation of the University of California graduate schools. As you may remember, Mr. President, in 1995, the regents of the University of California voted to end heavy-handed racial preference policies in student admissions, opting instead to base admissions solely on merit. These policies had for years resulted in a two-tiered admissions system, by which students of preferred racial and ethnic backgrounds were admitted with inferior qualifications than those of other racial and ethnic backgrounds.

The regents recognized that this system embodied unconscionable discrimination which hurt not only those better-qualified applicants that were denied admission, including many Asian-American applicants who suffered severely under the preference policy, but it also hurt minority students who faced stigmatization as racial preference admittees.

Now, as a result of the regents' decision, the University of California will no longer punish or reward applicants based on their race, but will rely on widely accepted, long-standing admissions criteria that focus on individual achievements, such as grades, test scores, and life accomplishments.

Most Americans would applaud the regents for their prudent decision. But not Cantu and Winston. They are using their civil rights positions at the Department of Education to launch a Federal taxpayer-funded investigation to determine whether schools are discriminating by refusing to discriminate.

The Los Angeles Times reported that Winston has asserted that:

> The University of California may have violated federal civil rights law by dropping its affirmative action rules and relying on test scores and grades as a basis for selecting new students.

This baseless investigation turns the principle of nondiscrimination on its head by threatening schools that use race-blind admissions policies and objective measures of merit. This investigation has provoked criticism even from those who typically defend race preferences. For example, University of Texas Law School professor Samuel Issacharoff, recently stated that "[Ms. Winston] is voicing a theory that does not have support in the courts." Professor Issacharoff went on to explain that he was "not aware of any legal support for the idea that would say the Harvard Law School, for example, cannot accept only the cream of the crop if doing so would have an impact on a minority group."

And in an editorial, the Sacramento Bee, a newspaper I might add that supports race preferences, referred to the administration's legal theory as "an Orwellian misreading of the law." "Equally important," the Bee concluded, "the investigation is an abuse of federal power, designed to punish California and its citizens for [its] decision on affirmative action. * * *"

So where did this investigation originate? Who could muster the contorted legal arguments to justify these threats and these expenditures of taxpayer dollars?

Were these complaints filed by a student who alleged discrimination? A student organization? A family in California? No. I'll tell you who filed the complaint that launched this Federal investigation: Bill Lann Lee, as head of the Western Office of the NAACP Legal Defense and Education Fund.

And, it does not end there. The Labor Department has also joined the pile-on to punish California for its decision to push for a colorblind society. DOL is investigating the charge that U.C. graduate schools are committing employment discrimination against the minorities who are not accepted into U.C. graduate schools, and thus, not able to apply for campus jobs.

And where did this complaint originate? Again, it wasn't a student. It was Bill Lann Lee and his legal defense fund filing another complaint launching yet another federally funded investigation of race-neutral policies based on yet another legal theory that is outside the boundaries of both the Commission and the courts.

And, what is the administration's threatened sanction against the University of California for its race-neutral approach? The termination of hundreds of thousands of dollars in Federal funds.

And what does this pattern and practice tell us that Mr. Lee will do with an army of lawyers at the Justice Department? He will bring down the power of the Federal Government upon State and local governments that refuse to mandate racial preferences. This, Mr. President, is simply unacceptable.

Mr. Lee's views are neither moderate nor mainstream. And, his views are not isolated incidents. They are not glib, off-handed statements made during his youth. They are not dusty law review articles written by a starry-eyed graduate student. And, they are not creative theories espoused in the ivory tower of academia.

Mr. Lee's well-documented views are the voice of a man who exhibits an alarming allegiance to racial preferences and a disturbing disregard for the Constitution. This voice—this man—should not be entrusted with the noble task of upholding the equal protection clause of the U.S. Constitution.

Several days ago, I placed a hold on Mr. Lee's nomination, and today, I respectfully announce my formal opposition to his nomination. We must end the divisive practice of awarding Government jobs and contracts and opportunities based on the immutable trait of skin color and ethnicity. Respect for our Constitution, our courts, and—most importantly—our individual citizens, demands no less.

Mr. THURMOND. Mr. President, I wish to commend the able Senator from Kentucky for the excellent treatise he just made.

Mr. AKAKA addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. AKAKA. I thank the Chair.

(The remarks of Mr. AKAKA pertaining to the introduction of S. 1376 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. AKAKA. I yield the floor.

Mr. SESSIONS addressed the Chair.

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator from Alabama.

NOMINATION OF BILL LANN LEE

Mr. SESSIONS. Mr. President, the position of Assistant Attorney General for Civil Rights is important to our Nation. The most important reason is what it signals about the direction the President plans to take on key civil rights issues of the day.

In my opinion, this Nation is moving in the right direction on civil rights. We have gone through a turbulent period where legal segregation has now been ended, and we are now ending a period during which the courts have used racial preferences and remedies to cure certain aspects of past discrimination.

While this procedure can be defended perhaps in the short run, particularly when it is directly attached to a specific prior discriminatory act, such a policy cannot be a part of a permanent legal and political system.

Our Supreme Court, which has led the drive to eliminate legal discrimination on a variety of fronts, is wisely taking a long-term view of the impact of racial preferences in America. After thoughtfully considering our future, the Supreme Court, in the Adarand case and in rejecting just this week the idea that California's civil rights initiative is unconstitutional and in other cases has clearly stated that this Nation must not establish a governmental system which attempts to allocate goods, services and wealth of this Nation on the basis of one's race, on the basis of the color of their skin. The result will be contrary to the equal protection clause of the great 14th amendment to our Constitution, and contrary to our goal of a unified America in which people are judged on the contents of their character and not on the color of their skin.

Mr. President, with regard to the nomination of Bill Lann Lee of California to be Assistant Attorney General for Civil Rights, I want to say with confidence that he is a skilled and able attorney, an honest man, a man who appears to have integrity and the kind of characteristics that make for a good attorney.

His entire career has been spent in skilled advocacy in the civil rights arena. He is a Columbia Law School graduate who could have practiced on Wall Street but chose public interest law instead, and he should be commended for that. Sadly, however, I must join the chairman of the Judiciary Committee, Senator Orrin HATCH, and the former chairman of that committee, Senator THURMOND, who is here tonight and just made an excellent series of comments on this issue, to announce my opposition to Mr. Lee. Simply put, Bill Lee, like President Clinton, is outside the mainstream of American civil rights law, the very laws he would be charged with enforcing.

While the American people and the Federal judiciary have steadily moved toward a color-blind ideal, Bill Lee has clung to a policy of racial preferences and spoils. Bill Lann Lee strongly advocates racial and gender preferences which are, in effect, virtually quotas in virtually every area of our society, including college admissions, congressional voting districts and employment.

I believe a nation that draws voting districts on the basis of race, that uses race as a factor in college admissions and hiring and promotion decisions is, in fact, destined to have unnecessary racial strife and hostility and it does not bind us together as a nation.

In my opinion, it would be unwise for the Senate to confirm Mr. Lee as Assistant Attorney General for Civil Rights. The Assistant Attorney General for Civil Rights is one of the most important law enforcement positions in the Federal Government. If confirmed, Mr. Lee would have a powerful arsenal of more than 250 lawyers at his disposal.

After our hearings that I participated in and participated in his questioning, and after review of his record, I have concluded that Mr. Lee will continue to push for lawsuits, consent decrees and other legal actions that are outside the mainstream of current American legal thought. He sets the civil rights policy for the United States, and since his views are not in accord with the people, the Congress and the courts, he should not be confirmed in that position.

Let me give you several examples. Last fall, the people of California, after full debate, passed proposition 209, California's civil rights initiative, which simply prohibits the State from discriminating against or granting preferences to anyone on the basis of race or gender.

The very day after—he opposed that referendum—he lost that issue at the ballot box, Mr. Lee and his organization, the legal defense fund, filed suit arguing that proposition 209 was unconstitutional. This is a curious, even bizarre argument, because proposition 209 mirrors the language of the Civil Rights Act of 1964, one of the great civil rights acts that changed race relations in America. It also mirrors the 14th amendment.

Even the ninth circuit, the most liberal circuit in America, unanimously rejected Mr. Lee's position. Moreover, on request for a rehearing, the full ninth circuit voted to deny a rehearing en banc. But even the most liberal circuit—it is considered the most liberal circuit in the country—rejected Mr. Lee's argument that proposition 209, passed by the people of California to eliminate racial preferences, was unconstitutional. This is what the court said:

> As a matter of conventional equal protection analysis —

That is the 14th amendment, the equal protection clause they are referring to——

> As a matter of conventional equal protection analysis, there is simply no doubt that Proposition 209 is constitutional . . . After all, the goal of the Fourteenth Amendment to which this Nation continues to aspire, is a political system in which race no longer matters. The Fourteenth Amendment, lest we lose sight of the forest for the trees, does not require what it barely permits.

That means that the 14th amendment certainly does not require quotas and preferences and it certainly, if anything, will only permit them if they meet the strict test of scrutiny.

A lawsuit against proposition 209 is another example of those who, when they lose their issue at the ballot box, have taken to the habit of going to Federal courts to ask the courts to overrule the will of the people through the elected representatives or through the initiative process.

At his confirmation hearing, Lee again stated his odd argument that proposition 209 is unconstitutional. As Senator HATCH said, this is not an itty-bitty issue whether or not proposition 209 is constitutional.

This initiative was a good initiative, carefully drawn, fully considered by the people of California. And Mr. Lee continues to assert to this day that it is violative of the Constitution of the United States. This is not fair to California, and we should not subject this Nation to those kinds of views.

Not surprising, just this week the Supreme Court of the United States rejected his position on proposition 209 when it denied certiorari. It refused to review the ruling of the California court, the ninth circuit court, and held the ninth circuit opinion intact.

It is important to note, I think, for the Members of this body, that this is the position of President Clinton. He adheres to the same view about proposition 209 being unconstitutional. And his Justice Department joined the ACLU and Bill Lee's legal defense fund and filed an appeal arguing that 209 was unconstitutional. In effect, the President of the United States is asking the unelected judiciary to overrule the well-debated and well-considered initiative of the people of California.

So I think it is important for this body, as we consider this nomination, to consider what kind of message we are sending when we either confirm or reject Mr. Lee.

I think we need to send a message that this body stands with the people and the courts and not this strained view of proposition 209.

There are a couple of other examples that I think point out the position of Mr. Lee on racial preferences that indicate that he would not be a fit nominee for this position.

In recent years, the Supreme Court, in the Croson decision and the Adarand decision clearly held that racial preferences are unconstitutional. The Supreme Court now subjects all Government racial preferences to what is called strict judicial scrutiny. As you know, it is very difficult, Mr. President, for a government program to withstand strict scrutiny.

At his confirmation hearing however, Mr. Lee badly mischaracterized the spirit of these cases. He stated that the Croson and Adarand decisions stand for the proposition that "affirmative action programs are appropriate if they are conducted in a limited and measured way."

This is not the position that the Supreme Court stated in Adarand. It greatly undermines that important decision. And it would be unwise for this body to confirm a nominee who would not faithfully follow the Adarand decision.

As Senator HATCH, who chaired the committee, said so eloquently yesterday on the Senate floor, Bill Lee's description of Adarand purposely misses the mark of the Court's fundamental holding that such programs are presumptively unconstitutional.

Moreover, Bill Lann Lee testified in his confirmation hearings that he was opposed personally to the holding in Adarand. I asked him what his personal view was. He said he personally opposed that ruling. Senator John ASHCROFT asked Mr. Lee whether the set-aside program at issue in Adarand is unconstitutional, where a set-aside was given to a contractor simply because of their race or sex.

In response, Mr. Lee noted that the Supreme Court in Adarand had remanded the case to the district court, which promptly, by the way, ruled the program unconstitutional. And in so doing, the district court stated:

> I find it difficult to envisage a race-based classification that is narrowly tailored.

But despite the district court's strong holding, Lee, like the Clinton Department of Justice, continues to state and continues to believe that "this program is sufficiently narrowly tailored to satisfy the strict scrutiny test."

Mr. Lee simply refuses to accept the fact that strict scrutiny is an exceedingly difficult and high standard for a government agent to meet before it can establish racial preferences, that is, before it can give preferences to somebody for no other reason than their race.

Under Mr. Lee's interpretation, all of the approximately 160 Federal racial preference programs that now exist would continue to be constitutional, although most scholars would say that under the Adarand decision, many of them, if not most of them, would fail to meet constitutional muster.

So, Mr. Lee's interpretation of Croson and Adarand would make these seminal decisions virtually irrelevant. Almost any program could survive his definition of the strict scrutiny standard.

Mr. President, America needs an Assistant Attorney General for Civil Rights who will honestly, soberly, and accurately read and apply the law—even when he disagrees with it.

Unfortunately, as his confirmation hearing and followup answers indicate, he has been unable to shed his role as an activist, a partisan civil rights litigator. If confirmed, Lee would support the constitutionality of racial preferences and use his team of some 250 lawyers to further an agenda that is not in keeping with the current state of American law.

Let me talk about another example that is important for us to consider.

Forced busing. Mr. Lee sued extensively over the years on issues involving busing. And once, for example, in Brown versus Califano, in 1980, a Supreme Court case, Lee challenged the constitutionality of a congressionally passed statute, passed by this Senate and the House, that prohibited the Department of Health, Education, and Welfare from requiring States to bus children for racial purposes.

Of course, under the statute, States could adopt forced busing if they wanted, and the Federal courts could still order busing. The statute merely prohibited the Department of HEW from forcing States to bus children on its own motion.

In his brief challenging that law, Mr. Lee stated that the congressional amendments "demonstrate discriminatory intent to interfere with desegregation."

Of course, that is an unfounded and unfair charge to make. Many people—I know Senator BYRD, on the other side of the aisle, had led the fight for that statute. He was not trying to undue and return to segregation. He simply was concerned, as millions of Americans have been, that the experiment with busing was not working. And he did not want the Department of Education, on its own, requiring it, and since, as years have gone by, it has been well-recognized that the experiment with busing has not achieved the goals that were intended, and is, in essence, for all practical purposes, a failure.

Parents of all races oppose mandatory busing, and the law in Brown versus Califano reflected this. Again, the Federal courts rejected Lee's argument and upheld the statute. But that is just another example of where Mr. Lee has sued to implement a political agenda that he lost during the democratic process. That is, he lost it in the hearts and minds of the people and through their elected representatives. And he, therefore, sought to have the courts overturn that.

In another forced busing case, Mr. Lee wrote the following in his brief. This is what he wrote:

> The term "forced busing" is a misnomer. School districts do not force children to ride a bus, but only to arrive on time at their assigned schools.

I think many people feel that that is the kind of comment that shows arrogance and insensitivity to those who are concerned about children who have no way to go to school but by bus, to be told, "Well, you don't have to ride a bus. You just have to show up at a certain school on time."

In conclusion, Mr. President, America is at a crossroads in the civil rights debate. The American people believe overwhelmingly that government services and benefits should be administered in a color-blind fashion. As a nation we have made tremendous progress toward racial harmony, and though our work to eradicate racism is not finished and much bias and prejudice still exists in our land that we should not tolerate and should seek to eliminate, we should be proud of the great progress that has been made in the past 30 years.

Mr. President, it gives me no pleasure to announce this vote against Mr. Lee. He is an admirable person, a fine lawyer. Please make no mistake, my opposition to him is in no way an attack on his integrity and character. However, his positions, particularly his tendency to file lawsuits to promote his agenda and his misreading of Supreme Court precedents, simply make him the wrong person at the wrong time to be the Assistant Attorney General for Civil Rights.

I yield the floor.

Mr. THURMOND. Will the Senator yield?

Mr. SESSIONS. I do.

Mr. THURMOND. I wish to commend the able Senator from Alabama for the excellent remarks he has made on this subject.

Mr. SESSIONS. I thank the Senator from South Carolina for his leadership as chairman of the Judiciary Committee and his comments earlier this afternoon.

I yield the floor.

REACTION TO LEACH/MCKINNEY LOGGING PROPOSAL

Mr. GORTON. Mr. President, legislation was recently introduced in the House of Representatives that would ban all commercial logging on Federal lands. This legislation would be devastating not only for the Pacific Northwest, which is highly dependent on its forest products industries, but disastrous for the entire Nation as well.

I'm appalled. Let me state that the bill introduced by Representatives McKinney, Leach, McDermott, and others has absolutely no chance of passage. None. Yet, it's another confirmation of the radical nature of our opponents in this debate about managing our national resources. After years of talking about compromise and balance, it's clear by the introduction of this bill that their view is that one of our greatest renewable natural resources shouldn't be used for any constructive economic purpose. The sponsors of this bill are clearly indifferent to human costs and economic disruption this radical policy would impose on our Nation's economy, and particularly on our timber dependent communities.

Support for this bill—which I repeat, has no chance of passage—comes from the Sierra Club and other environmental organizations that earlier this year endorsed a policy of zero cut of timber on public lands. More recently, during debate on the Interior appropriations bill, many of these same groups supported an amendment substantially reducing the budget for Forest Service roads. Had these groups succeeded, the Federal Timber Sale Program, which already has been reduced by two-thirds over the past decade, would have been reduced by another 50 percent. This was clearly a tactic employed by radical environmental groups with the ultimate goal of eliminating all Federal timber harvests.

Proponents of a zero cut policy on Federal lands lead an effort to further erode the economic backbone of rural Americans. It is an effort by mostly urban environmentalists—armchair environmentalists—who have forgotten, or who never knew, what it takes to produce fiber and shelter, and are indifferent to the communities and jobs that produce these commodities.

Published reports about this legislation fail to mention that Federal timber sales are already in severe decline, primarily from the limitations placed on the Forest Service by the Clinton administration's environmental considerations and species protection efforts. In 1987, the Federal Timber Sale Program provided nearly 12 billion board feet of timber. Now, 10 years later, less than 4 billion board feet were sold. This translates to double-digit unemployment in Washington State's timber dependent communities. I cannot imagine how terrible it would be for these already depressed communities if timber harvests were banned on public lands.

For the record, I would like to note that 23 of Washington's 39 counties have been designated as "distressed" counties under State guidelines, meaning that their unemployment rates have been 20 percent above the State average for 3 years and median household incomes less than 75 percent of the State median. This is, to a great extent, the direct result of economic devastation in our timber dependent communities.

These are counties with towns like Port Angeles. A pulp mill closure in February resulted in about $17 million in direct payroll losses and hundreds of jobs. As I speak today, representatives from the Port Angeles community are hosting a summit for similarly distressed communities that are finding it hard to survive in an era of declining timber sales.

These areas of the State do not share the wealth of the booming Seattle economy. In 1996, 75 percent of the timber sold by the U.S. Forest Service was to small businesses. These small operations are predominately headquartered in rural areas; in places such as Forks, WA, where jobs and the community's stability are dependent upon the timber industry. These are communities struggling under existing environmental restrictions and species protection efforts. The recent House proposal would serve as a death blow to these struggling communities.

Proponents of the zero-cut scheme also erroneously claim it will benefit the Federal Treasury. Nothing could be further from the truth. Despite the fact that annual timber sale revenues dropped by over $462 million due to logging restrictions, the Forest Service Federal Timber Sale Program generates annual net revenues of $59 million to the U.S. Treasury.

In addition, due to declining timber harvests, imports of softwood lumber between 1992 and 1995 increased by 4 billion board feet. As a result, the average price of an 1,800 square foot new home has gone up $2,000. The environmentalists don't like to talk about the inflationary results of their anti-timber campaigns—where is their righteous indignation when working Americans and families find it increasingly difficult to put a roof over their heads?

What is most disappointing in this debate is that news articles and extreme environmental organizations fail to mention the greatest loser if such a proposal was ever enacted: our public education system. Some 25 percent of the revenue from Federal timber sales goes directly to counties to be used for roads and schools. These counties rely on these Federal revenues. In addition to providing essential local services as schools and roads, these counties also provide direct and indirect services to national forests, national parks, wilderness areas, fish and wildlife refuges, and reclamation areas. Without some timber harvests in these financially-strapped counties, the public education of our children will suffer.

The argument that the only good harvest is no harvest at all overlooks the fact that up to 10,000 acres of Federal timber lands fall victim to forest fires every year. This does not even take into account the insect and disease outbreaks which ravage thousands of acres of public lands.

In 1994, devastating wildfires ravaged forests in Washington State. The fires were fueled by the excessive buildup on the forest floor. The forest floor was composed of dead, dying, insect infested, and diseased timber which had built up due to a lack of active management on Federal forest lands, including thinning and removal of insect-infested trees.

The health of our forests will deteriorate under the status quo, as dead and dying trees are left untouched.

Thinning, on the other hand will create a desired condition in which more trees will survive because of less competition for a limited amount of available moisture. By reducing natural fuel loads through thinning, removal of underbrush, and dead and dying trees, we will be creating a win-win situation in which our forests will be healthier and our mills will be stronger.

I think it is also important to note that as I heap scorn on the proposed legislation in the House and its supporters, we are beginning to see a rejection of this extreme approach by dedicated environmentalists who live in timber-dependent communities. Unlike their counterparts in Washington DC, and other urban areas who are busy turning out fundraising letters, these true conservationists send their children to the local schools, see the devastating impact of these radical policies on the local economy, and fear for their lives, livelihood, and homes due to the severe wildfire threat.

As a member of the Senate Energy and Natural Resources Committee, it was encouraging to see the progress that is being made at the local level in northeastern California. There, local environmentalists, timber workers, and public officials have crafted a reasonable land management plan that resores balance to our forests known as the Quincy Library Group approach.

Unlike this approach—a balanced, responsible approach to forest health and forest management—the zero-cut proposal introduced last week in the House does nothing more than carry out the agenda of extreme national environmental organizations. I urge moderate, responsible environmental organizations to join me in soundly defeating the proposal in the House and here, if and when the bill is ever brought before either chamber.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Oklahoma is recognized.

Mr. NICKLES. I thank the Chair.

(The remarks of Mr. NICKLES pertaining to the submission of S. 1381 are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.")

Mr. NICKLES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO REAR ADM. (SELECT) JAY M. COHEN, U.S. NAVY DEPUTY CHIEF OF LEGISLATIVE AFFAIRS

Mr. LOTT. Mr. President, I wish to take this opportunity to recognize and say farewell to an outstanding naval officer and good friend, Rear Adm. (select) Jay M. Cohen. For the past 4½ years, Rear Admiral (select) Cohen has served with distinction as the Navy's Deputy Chief of Legislative Affairs, and it is my privilege to recognize his many accomplishments and to commend him for the superb service he has provided this legislative body, the Navy, and the Nation.

A native of New York City, Rear Admiral (select) Cohen was commissioned as an ensign upon graduation from the U.S. Naval Academy in 1968. Since then, Rear Admiral (select) Cohen has spent the majority of his career patrolling the ocean depths as a Navy submariner. Following submarine training, he began his submarine service aboard U.S.S. *Diodon* (SS 349) in San Diego. Nuclear power trained, he has served in the engineering departments of U.S.S. *Nathaniel Greene* (SSBN 636) and U.S.S. *Nathan Hall* (SSBN 623), and as the executive officer aboard U.S.S. *George Washington Carver* (SSBN 656). In 1985, Rear Admiral (select) Cohen took command of U.S.S. *Hyman G. Rickover* (SSN 709) and skippered the ship on three deployments.

When not underwater, Rear Admiral (select) Cohen has likewise served with distinction on the staff of Commander in Chief, U.S. Atlantic Fleet, as senior member of the Nuclear Propulsion Examining Board and on the staff of the Director of Naval Intelligence. He also commanded U.S.S. *L.Y. Spear* (AS 36), a submarine tender in Norfolk, VA. Following this command tour, he reported, in April 1993, to the Secretary of the Navy's staff as the Deputy Chief of Legislative Affairs. Among Rear Admiral(select) Cohen's many awards and decorations are five Legions of Merit and three Meritorious Service Medals. He is both submarine and surface warfare qualified.

During his tenure as the Deputy Chief of Legislative Affairs, Rear Admiral (select) Cohen provided the Senate with timely support and accurate information on Navy plans and programs. His close work with the Congress and steadfast devotion to the Navy mission helped ensure that the U.S. Navy remained the best-trained, best-equipped, and best-prepared naval force in the world. Faced with countless challenges and a multitude of complex and sensitive issues, Rear Admiral (select) Cohen's unflappable leadership, integrity, and limitless energy had a profound and positive impact on the U.S. Naval Service.

As a testament to his extremely valuable contributions to the national security of this country, the Navy recently selected him to flag rank and I am pleased to say that the Senate recently confirmed his nomination. The Chief of Naval Operations will pin on his star Friday, November 7, in the Pentagon. With this well-deserved promotion, Admiral Cohen will continue his outstanding service to the Navy and the Nation as he moves on to positions of even greater responsibility. On behalf of my colleagues on both sides of the aisle, I wish Rear Adm. (select) Jay Cohen fair winds and following seas. I know we will see and hear from him again.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, November 4, 1997, the Federal debt stood at $5,432,371,961,282.81 (Five trillion, four hundred thirty-two billion, three hundred seventy-one million, nine hundred sixty-one thousand, two hundred eighty-two dollars and eighty-one cents).

One year ago, November 4, 1996, the Federal debt stood at $5,248,378,000,000 (Five trillion, two hundred forty-eight billion, three hundred seventy-eight million).

Five years ago, November 4, 1992, the Federal debt stood at $4,070,185,000,000 (Four trillion, seventy billion, one hundred eighty-five million).

Ten years ago, November 4, 1987, the Federal debt stood at $2,392,996,000,000 (Two trillion, three hundred ninety-two billion, nine hundred ninety-six million).

Fifteen years ago, November 4, 1982, the Federal debt stood at $1,145,846,000,000 (One trillion, one hundred forty-five billion, eight hundred forty-six million) which reflects a debt increase of more than $4 trillion—$4,286,525,961,282.81 (Four trillion, two hundred eighty-six billion, five hundred twenty-five million, nine hundred sixty-one thousand, two hundred eighty-two dollars and eighty-one cents) during the past 15 years.

U.S. FOREIGN OIL CONSUMPTION FOR WEEK ENDING OCTOBER 31

Mr. HELMS. Mr. President, the American Petroleum Institute reports that for the week ending October 31, the United States imported 7,986,000 barrels of oil each day, 948,000 barrels more than the 7,038,000 imported each day during the same week a year ago.

Americans relied on foreign oil for 55.6 percent of their needs last week, and there are no signs that the upward spiral will abate. Before the Persian Gulf war, the United States obtained approximately 45 percent of its oil supply from foreign countries. During the Arab oil embargo in the 1970's, foreign oil accounted for only 35 percent of America's oil supply.

Anybody else interested in restoring domestic production of oil? By U.S. producers using American workers?

Politicians had better ponder the economic calamity sure to occur in America if and when foreign producers shut off our supply—or double the already enormous cost of imported oil flowing into the United States—now 7,986,000 barrels a day.

FIRST LADY'S VISIT TO IRELAND AND NORTHERN IRELAND

Mr. KENNEDY. Mr. President, last week the First Lady visited Dublin and Belfast. When the President and the First Lady visited those cities 2 years ago, they received a warm welcome from the people of Ireland and Northern Ireland, and Mrs. Clinton was warmly received on her return visit last week.

During her visit, she emphasized the President's commitment to peace in Northern Ireland. All friends of Ireland in the United States are grateful for the continuing interest and involvement of the President and the First Lady in this issue, which is of such great importance to so many Americans.

In Dublin on October 30, Mrs. Clinton spoke warmly of her previous visit in 1995 and the continuing strong commitment of the United States to the peace process.

At the University of Ulster in Belfast on October 31, Mrs. Clinton delivered a lecture named in honor and in memory of Joyce McCartan, a courageous woman of peace whom the First Lady had met during her visit 2 years ago, and who had inspired many other women in Northern Ireland to take up the cause of reconciliation.

I believe my colleagues will be interested in Mrs. Clinton's eloquent remarks about the positive role of women in Northern Ireland and around the world in the search for peace and hope and opportunity. I ask unanimous consent that the First Lady's remarks in Dublin and Belfast be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF THE FIRST LADY

DUBLIN CASTLE; DUBLIN, IRELAND

October 30, 1997

Thank you very much, it is such a great pleasure for me to be back and I must tell you that although my visit is far too brief, my husband is very jealous. He is green with jealousy, and as I left this morning, he said "tell everyone"—as though I would have a chance to tell the entire populace—how much he wishes he could be here as well.

It has been as, we have heard, nearly two years since we were here, and I don't think we will ever have a better time anywhere than we did here. The warmth of the greeting and the outpouring at College Green are images that we think about and talk about in our house all the time. It is wonderful to be back here in this Castle, and I am especially pleased that since our visit, Ireland hosted here, the European Union leaders, to such success.

Much has happened in the Northern Ireland peace process since my husband was here. An IRA cease-fire broke down but was restored, and in this precious peace almost all the key parties of the conflict are sitting down to discuss substantive issues. There is a new government in Ireland, led by the Taoiseach, and this government has built on the determination of its predecessor to keep the political momentum moving toward a negotiated settlement.

But I've been especially pleased to see, since my visit, how Ireland has continued to prosper. It has been wonderful to read, as I have, of the important progress that has been made, not only in the peace process but in the move toward prosperity, on this island. I was very moved to have a visit just a few days ago in the White House from Mary Robinson, and I know that the polls have closed and you are about to elect her successor. She has moved from being your President to being in the forefront of human rights, another example of Irish leadership.

Dublin as you know has an important critical role in producing a settlement. As my husband said two years ago on College Green, America will be with you as you walk the road of peace. We know from our own experience that making peace among people of different cultures is the work of a lifetime. My husband and I, and all who stand with you, are under no illusions that reaching an agreement will be easy. There are centuries of feelings behind each side's arguments, and events of the past 27 years have left wounds that are still raw.

I would like to highlight two themes on this short visit here and then tomorrow in Belfast—compromise and reconciliation. When the people want peace, it is the obligation of political leaders to find the common ground where it can thrive. It involves postponing or even giving up cherished ideals in the belief that others will do the same to end conflict and build a better future. All sides must compromise and seek this common ground in the weeks and months ahead.

I want, on behalf of the President, to pay tribute to both sides of the border and the community divide, who have worked so hard in recent years to bring about reconciliation in the wake of this bitter conflict, and I want to mention women in particular. Women have paid a heavy price for the social turmoil generated by the troubles, and it therefore comes as no surprise that women are leading the efforts towards a lasting peace. Tomorrow, in Belfast, I will honor one such woman, Joyce McCartan, whom I was privileged to meet on my visit. The National Women's Council of Ireland has launched a project in collaboration with partners in Northern Ireland called "Making Women Seen and Heard." It features workshops designed to empower women who are politically and socially marginalized. These workshops held on both sides of the border are a tangible example of what can be done to foster communication and reconciliation.

The United States will continue to do its part to support the peace process. My husband remains personally committed to this effort and to those who take risks to make peace happen. We are also fortunate to have Ambassador Jean Kennedy Smith, who has contributed so much to the relationship between our countries, to Ireland, and to the peace process. Be assured that the United States is your partner for the long haul.

I want to thank you also for the warm hospitality extended to my daughter during her private visit in June. She was able to come with a friend and just a few other keepers, and enjoy the people and the beauty of your country, and I am grateful to you for that. I also must tell you that my husband has been practicing his golf, looking at his calendar searching for a date that will enable him to return here with a seven-iron in hand. I hope that that is not too far off in the distance, and that he will have the opportunity that I have now to greet you personally, to thank you for your friendship and your support, and to wish you Godspeed in the many important efforts that you are undertaking today.

Thank you very much.

REMARKS OF THE FIRST LADY AT JOYCE MCCARTAN MEMORIAL LECTURE

UNIVERSITY OF ULSTER; BELFAST, NORTHERN IRELAND

October 31, 1997

Thank you, Thank you very much, Chancellor. I am delighted to be here at this university. I want to thank the university for this invitation, Robert Hanna, Professor Sir Trevor Smith, Pro Vice Chancellor, and Provost Ann Tate. And I'm especially pleased that I could be joined today by the United States Ambassador to the Court of St. James Philip Lader, U.S. Counsel General Kathleen Stevens, and Senator George Mitchell, who is here in the room with us.

I want to welcome all of you because I feel so very welcome here, but particularly, a special welcome to the family, friends and associates of Joyce McCartan who have joined us today.

It is a great personal pleasure and honor for me to be back in Northern Ireland and to reunited with some of the courageous women and men I first met when I came here two years ago with my husband. The sights and sounds and emotions of that visit, the lighting of the Christmas Tree outside City Hall, our walk from Guild Hall Square to Shipquay Street, Protestants and Catholics working side by side at the Mackey Metal Plant—all of that and so much more hold special places in my husband's heart and in my own.

And I will always treasure my visit to Ye Olde Lamplighter on Lower Ormeau Road, for it was there that I shared a cup of tea with Joyce McCartan and her colleagues. It is, therefore, a signal honor to give this, first of a series of lectures dedicated in her memory, and in recognition of the important role women have played, are playing and will play in building peace.

I am very delighted that the university, with the support of corporate sponsorship from Cable Tel, will honor Joyce McCartan's work even further by establishing bursaries to assist women who are studying conflict resolution and community reconciliation.

This is a hopeful moment, as it was two years ago. But it is even more promising now. For the first time in more than 25 years, leaders of Northern Ireland's Catholic and Protestants communities are meeting, and the world is watching to see whether they will be able to end a generation of senseless killing and forge a lasting peace.

When the people want peace, it is the obligation of political leaders to find the common ground where it can thrive. That requires compromise and reconciliation. That involves postponing or even giving up one's cherished ideals in the belief that others will do the same to end the conflict and build a better future.

All sides must compromise and seek this common ground in the weeks and months ahead. The United States will continue to do its part to support the peace process, and my husband remains personally committed to this effort and to those who take risks for peace.

Joyce McCartan was one of those risk-takers. I want to pay tribute to her and to the men and women on both sides of the border and the community divide who have worked so hard in recent years to bring about reconciliation in the wake of this bitter conflict. We would never have arrived at this hopeful moment without the countless acts of courage and faith of people like the women we honor today.

I have many memories of my visit, and I even have a souvenir. I have the teapot. (Laughter and applause.) As you can see, it is a rather ordinary, stainless steel teapot, one easily found in many Belfast kitchens. But as I told Joyce during our conversation, this teapot was so much better at keeping the tea hot than the ones I had back in the White House. So she gave it to me as a present.

I use this teapot every day in my private kitchen on the second floor of the White House. And whenever I look at it, I am reminded of Joyce's ability to warm hearts, to keep alive hope for a better world and a better time, despite tragedy after heart-breaking tragedy.

As we sipped our tea together, the women told me how they had worked over the years, how both Catholic and Protestant, they had realized so much more united than divided them. While they may have attended different churches on Sunday, seven days a week they all said a silent prayer for the safe return of a child from school or a husband from an errand in town. Seven days a week their families struggled with the same deep-rooted causes of the violence—the terrors of sectarianism, the burdens of poverty, the shackles of limited education, the despair of unemployment.

And while they may have held different views of the past, they had learned that together they could build a better present and hope for an even brighter future, by promoting understanding, saving lives, preserving families, nurturing hope, and defying history. Because, in the end, for them and for so many other women across Northern Ireland, love of family ran deeper than calls to hatred.

I had never met Joyce before we gathered together, but I had seen her compassion, courage and commitment in many other eyes—her yearning for a more peaceful and democratic would resonates through the ages and stretches across the globe. Mothers, wives, daughters, ordinary citizens—their insistent voices for peace raised sometimes in a roar, but more often in a whispered prayer—have inspired women and entire societies around the world to build more open, just, democratic and peaceful communities. This chorus of courageous voices can be heard today from Belfast to Bosnia, wherever women are working to end the violence and begin the healing.

Although I have been privileged to travel widely and meet many of the world's leaders, I often find that it is in small groups, sitting around a kitchen table, sipping tea with women like Joyce, sharing concerns and talking about our families, where I've learned the most valuable lessons. And one of those lessons is that an extraordinary power is unleashed when women reach out to their neighbors and find common ground—when they began to lift themselves up, and by doing so, lift up their families, their neighbors, and their communities.

I know that Joyce liked to call herself a family feminist because saving families was at the root of all her efforts. This is a brilliant term, and one that I have quoted throughout the globe, because it captures the very important idea that when women are empowered to make the most of their own potential, then their families will thrive, and when families thrive, communities and nations thrive as well. Women who are acting to protect and strengthen their families are playing a central role in the building and sustaining of peace and democracy around the world.

Now, often when we talk about democracy, or when classes and lectures are held about it, we talk about our highest ideals—freedom of religion, freedom of association, freedom of speech and of the press, freedom to participate fully in the civic and political life of one's country. But democracy is also about ensuring equal access to quality education, health care, jobs and credit. Democracy is about respecting human dignity and allowing people the opportunity to take responsibility for composing their own lives that will allow them to live up to their God-given promise.

What we've learned over the years is that these lofty ideals can be made real only through the everyday efforts of ordinary citizens. Yes, we need laws and a system of justice to uphold them, but democracy is nurtured and sustained in the hearts of people, in the principles they honor, in the way they live their daily lives and how they treat their fellow citizens, in the lessons they teach their children before they tuck them into bed at night.

One of the great observers of American democracy, Alexis de Tocqueville, wrote about what it was that he though made American democracy work. He talked about the way men and women felt they could participate in making their own lives better, how they formed associations, how they worked for some common good. And he referred to the habits of the heart that are necessary for any democracy to flourish. It is these habits of the heart that must be nurtured, and that countless, unheralded women around the world are quietly doing so every day.

I have tried in my travels to shine a spotlight on their achievements because I stand in awe of women like Joyce McCartan—women who through their own personal tragedies find the strength to go on, but more than that, to reach out and try to prevent the conditions from occurring that causes them such heartbreak. Women, like so many of you here who have endured the loss of loved ones—fathers, brothers, husbands, sons and others—to the Troubles, but have refused to give in to bitterness or to dwell in the past.

You have been working through community organizations, such as the Northern Ireland Women's Coalition to break the cycle of hatred and save other people's fathers, brothers, husbands and sons. Your efforts to share grief across sectarian lines have blossomed into dynamic alliances to end poverty and the causes of violence. And you have helped to lay a solid foundation for permanent peace.

I want you to know that you should never feel alone in your efforts. You are part of a powerful movement of family feminists, working to strengthen democracy across the globe. Your partners are everywhere. They're the women in South Africa who lost loved ones and were victimized by apartheid. But they have been willing to participate in the work of the Truth and Reconciliation Commission, and to find in their hearts the capacity for forgiveness of those who did violence to them—because what does freedom mean if people remain imprisoned by their own bitterness?

They are women who are starting small community banks in poor rural villages or inner city neighborhoods from Chile to Chicago—because what does freedom mean if people don't have the opportunity and the income to help them gain independence and self-sufficiency?

They are women in countries like Pakistan who have agitated against domestic violence—because what does freedom mean if a woman is afraid to sleep in her own home or protect her children because of a violent husband?

They are women in Zimbabwe and Bolivia who are running rural health clinics and are working in the inner cities to immunize children and provide services—because what does freedom mean if families are denied access to basic health care, and women are denied the right to plan their own families?

They are the women in Romania and Estonia who are leading voter education projects—because what does freedom mean if people do not know how to exercise their right to choose their own leaders?

They are women from the Philippines to Paraguay who are campaigning for the rights of girls to receive the same education as their brothers—because what does freedom mean if women do not gain the skills and knowledge to make the most of their God-given gifts?

Women are not only critical to advancing peace and freedom, they are redefining the very notion of what we mean by a democratic society. Democracy cannot flourish if women are not full partners in the social, economic, political and civic lives of their communities and nations. Societies will only address the issues closest to the hearts of women when women themselves claim their rights as citizens.

That message has come to life in my own country. Suddenly, the debates about politics and our future are not only about defense or diplomacy. They are also about how to balance work and family, about improving public schools, about keeping health insurance after leaving a job or sending a child off to college for an education.

These issues have become central to our political life because thousands of American women have become organized and demanded changes, and insisted that our democracy respond to their concerns. They've helped all Americans understand that strengthening families and cherishing children are not just women's issues, but issues of vital importance to everyone concerned about our common future.

Now, there were some observers who were perplexed that during the last presidential campaign, these kitchen table issues had become so important. They, in fact, derided the phenomenon as the feminization of politics. I prefer to think of it as the humanization of politics—because how we raise our children, care for our sick, train our workers will determine the strength and prosperity of all our people in the days to come. And how we learn to live together across religious, ethnic and racial lines will determine the peace and security of our children's lives.

That's why I believe encouraging more women's voices to be heard is important for the overall effort that many of you are making to assure that your children, your grandchildren, these young people in this audience will be able to live out their lives in a peaceful, secure Northern Ireland. It is important that these women's issues that affect our deepest concerns as human beings are part of the political debate.

Most women, like Joyce McCartan, don't become involved in politics because they have any grand philosophy about how they intend to strengthen democracy. Instead, they see how politics—especially politics practiced by those who are engendering conflict between people—are hurting their families. They get fed up with the posturing; they get fed up with the speech making. When jobs are scarce and hope is in very short supply, they take matters into their own hands. They decide, as Joyce memorably said, "You can't fry flags in a pan." And they get to work on setting things right.

I am told that years ago, Joyce borrowed a couple of cows from a farmer and led a group of women to City Hall to protest the removal of free school milk for children. Another time, she attended a city council meeting and refused to leave until they discussed an increase in the bus fare. And while she had to be carried out of that meeting, she eventually forced the council to hear her grievance and convinced them to introduce a lower fare for children. It is the stuff of life. It is those issues we talk about around our kitchen tables that help to develop those habits of the heart that sustain democracy.

I thought often about the Troubles here as I have thought about Joyce McCartan and the women I met as I have fixed myself a pot of tea. I don't know whether a Catholic or a Protestant made this teapot. I don't know whether a Catholic or a Protestant sold this teapot. I only know that this teapot serves me very well. And this teapot stands for all those conversations around those thousands of kitchen tables where mothers and fathers look at one another with despair because they cannot imagine that the future will be any better for their children. But this teapot also is on the kitchen table where mothers and fathers look at one another and say, we have to do better. We cannot permit this to go on. We have to take a stand for our children.

There is no room for illusion in the difficulty that confronts the peace process. The President and all of us who support you in this effort know how difficult it will be to overcome the past when the wounds still seem so raw. But the children deserve all the work, all the prayers, all the strength, courage and commitment that can be brought to bear.

There will be more bumps on the road. There will be those who would rather smash the teapot than to fill it with piping hot tea to sit down to have a conversation. And the women and the men who believe, as Joyce McCartan believed with all her heart, that there is a better way, who saw as she sat around so many kitchen tables talking across the division that everyone was concerned about the same issues deep down, that we all worried about our lives, our relationships, our jobs, our education, our children, our health—she understood that if we could just get enough people around some great kitchen table, where they'd have to sit down and look at one another honestly, share their fears, their hopes, their dreams, that we could make progress.

Well, now, finally, we have men and women around a table. I hope they have lots of tea. I hope that they are not only talking about all of the difficult political issues, but in quiet asides, sharing some of what is in their heart with one another. And as they do so, I hope the faces of so many women and men who have given all they could give over the years to bring this moment to pass, will be seen in the mind's eye.

Joyce McCartan deserves as her real legacy that the peace process move forward. She and all the brave women who, for more than 20 years, marched, begged, prayed, cried, shouted that they wanted peace deserve to be heard.

It is no longer in Joyce's hands. The burden has been passed to others. And I hope and I pray that those to whom it has been entrusted will pick up that burden and carry it forward. Joyce's work is done. But to honor her memory, we should all press forward with her work—to build peace here and around the world.

Thank you very much.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 12:37 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendments of the Senate to the bill (H.R. 672) to make technical amendments to certain provisions of title 17, United States Code.

The message also announced that the House has passed the following bills, without amendment:

S. 587. An act to require the Secretary of the Interior to exchange certain lands located in Hinsdale County, Colorado.

S. 588. An act to provide for the expansion of the Eagles Nest Wilderness within the Arapaho National Forest and the White River National Forest, Colorado, to include land known as the Slate Creek Addition.

S. 589. An act to provide for a boundary adjustment and land conveyance involving the Raggeds Wilderness, White River National Forest, Colorado, to correct the effects of earlier erroneous land surveys.

S. 591. An act to transfer the Dillon Ranger District in the Arapaho National Forest to the White River National Forest in the State of Colorado.

S. 931. An act to designate the Marjory Stoneman Douglas Wilderness and the Ernest F. Coe Visitor Center.

The message further announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 404. An act to amend the Federal Property and Administrative Services Act of 1949 to authorize the transfer to State and local governments of certain surplus property needed for use for a law enforcement or fire and rescue purpose.

H.R. 434. An act to provide for the conveyance of small parcels of land in the Carson National Forest and the Santa Fe National Forest, New Mexico, to the village of El Rito and the town of Jemez Springs, New Mexico.

H.R. 1493. An act to require the Attorney General to establish a program in local prisons to identify, prior to arraignment, criminal aliens and aliens who are unlawfully present in the United States, and for other purposes.

H.R. 1604. An act to provide for the division, use, and distribution of judgment funds of the Ottawa and Chippewa Indians of Michigan pursuant to dockets numbered 18-E, 58, 364, and 18-R before the Indian Claims Commission.

H.R. 1702. An act to encourage the development of a commercial space industry in the United States, and for other purposes.

H.R. 1836. An act to amend chapter 89 of title 5, United States Code, to improve administration of sanctions against unfit health care providers under the Federal Employees Health Benefits Program, and for other purposes.

H.R. 1839. An act to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles.

H.R. 1856. An act to amend the Fish and Wildlife Act of 1956 to direct the Secretary of the Interior to conduct a volunteer pilot project at one national wildlife refuge in each United States Fish and Wildlife Service region, and for other purposes.

H.R. 2265. An act to amend the provisions of titles 17 and 18, United States Code, to provide greater copyright protection by amending criminal copyright infringement provisions, and for other purposes.

H.R. 2275. An act to require that the Office of Personnel Management submit proposed legislation under which group universal life insurance and group variable universal life insurance would be available under chapter 87 of title 5, United States Code, and for other purposes.

H.R. 2731. An act for the relief of Roy Desmond Moser.

H.R. 2732. An act for the relief of John Andre Chalot.

H.J.Res. 91. Joint resolution granting the consent of Congress to the Apalachicola-Chattahoochee-Flint River Basin Compact.

H.J.Res. 92. Joint resolution granting the consent of Congress to the Alabama-Coosa-Tallapoosa River Basin Compact.

ENROLLED BILLS SIGNED

At 4:22 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 587. An act to require the Secretary of the Interior to exchange certain lands located in Hinsdale County, Colorado.

S. 588. An act to provide for the expansion of the Eagles Nest Wilderness within the Arapaho National Forest and the White River National Forest, Colorado, to include land known as the Slate Creek Addition.

S. 589. An act to provide for a boundary adjustment and land conveyance involving the Raggeds Wilderness, White River National Forest, Colorado, to correct the effects of earlier erroneous land surveys.

S. 591. An act to transfer the Dillon Ranger District in the Arapaho National Forest to the White River National Forest in the State of Colorado.

S. 931. An act to designate the Marjory Stoneman Douglas Wilderness and the Ernest F. Coe Visitor Center.

S. 79. An act to provide for the conveyance of certain land in the Six Rivers National Forest in the State of California for the benefit of the Hoopa Valley Tribe.

S. 672. An act to make technical amendments to certain provisions of title 17, United States Code.

H.R. 708. An act to require the Secretary of the Interior to conduct a study concerning grazing use and open space within and adjacent to Grand Teton National Park, Wyoming, and to extend temporarily certain grazing privileges.

H.R. 2464. An act to amend the Immigration and Nationality Act to exempt internationally adopted children 10 years of age or younger from the immunization requirement in section 212(b)(1)(A)(ii) of such Act.

The enrolled bills were signed subsequently by the President pro tempore [Mr. THURMOND].

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 1493. An act to require the Attorney General to establish a program in local prisons to identify, prior to arraignment, criminal aliens and aliens who are unlawfully present in the United States, and for other purposes; to the Committee on the Judiciary.

H.R. 1702. An act to encourage the development of a commercial space industry in the United States, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 1836. An act to amend chapter 89 of title 5, United States Code, to improve administration of sanctions against unfit health care providers under the Federal Employees Health Benefits Program, and for other purposes; to the Committee on Governmental Affairs.

H.R. 1856. An act to amend the Fish and Wildlife Act of 1956 to direct the Secretary of the Interior to conduct a volunteer pilot project at one national wildlife refuge in each United States Fish and Wildlife Service region, and for other purposes; to the Committee on Environmental and Public Works.

H.R. 2265. An act to amend the provisions of titles 17 and 18, United States Code, to provide greater copyright protection by amending criminal copyright infringement provisions, and for other purposes; to the Committee on the Judiciary.

H.R. 2675. An act to require that the Office of Personnel Management submit proposed legislation under which group universal life insurance and group variable universal life insurance would be available under chapter 87 of title 5, United States Code, and for other purposes; to the Committee on Governmental Affairs.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on November 5, 1997, he had presented to the President of the United States, the following enrolled bills:

S. 587. An act to require the Secretary of the Interior to exchange certain lands located in Hinsdale County, CO.

S. 588. An act to provide for the expansion of the Eagles Nest Wilderness within the Arapaho National Forest and the White River National Forest, CO, to include land known as the Slate Creek Addition.

S. 589. An act to provide for a boundary adjustment and land conveyance involving the Raggeds Wilderness, White River National Forest, CO, to correct the effects of earlier erroneous land surveys.

S. 591. An act to transfer the Dillon Ranger District in the Arapaho National Forest to the White River National Forest in the State of Colorado.

S. 931. An act to designate the Marjory Stoneman Douglas Wilderness and the Ernest F. Coe Visitor Center.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3277. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 96-04; to the Committee on Appropriations.

EC-3278. A communication from the Under Secretary of Defense, transmitting, pursuant to law, the report of a violation of the Antideficiency Act, case number 95-18; to the Committee on Appropriations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CAMPBELL, from the Committee on Indian Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 1079. A bill to permit the leasing of mineral rights, in any case in which the Indian owners of an allotment that is located within the boundaries of the Fort Berthold Indian Reservation and held trust by the United States have executed leases to more than 50 percent of the mineral estate of that allotment (Rept. No. 105-139).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. CAMPBELL, from the Committee on Indian Affairs:

Kevin Gover, of New Mexico, to be an Assistant Secretary of the Interior.

(The above nomination was reported with the recommendation that he be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. THOMPSON, from the Committee on Governmental Affairs:

Susanne T. Marshall, of Virginia, to be a Member of the Merit Systems Protection Board for the term of seven years expiring March 1, 2004.

Anita M. Josey, of the District of Columbia, to be Associate Judge of the Superior Court of the District of Columbia for the term of fifteen years.

Ernesta Ballard, of Alaska, to be a Governor of the United States Postal Service for a term expiring December 8, 2005.

Dale Cabaniss, of Virginia, to be a Member of the Federal Labor Relations Authority for a term expiring July 29, 2002.

John M. Campbell, of the District of Columbia, to be Associate Judge of the Superior Court of the District of Columbia for the term of fifteen years.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources:

Curt Hebert, Jr., of Mississippi, to be a Member of the Federal Energy Regulatory Commission for the remainder of the term expiring June 30, 1999.

Linda Key Breathitt, of Kentucky, to be a Member of the Federal Energy Regulatory Commission for a term expiring June 30, 2002.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Ms. MIKULSKI (for herself, Ms. SNOWE, Mr. LOTT, Mr. SARBANES, Mr. COCHRAN, Mr. GLENN, Mr. D'AMATO, Mr. HOLLINGS, Mr. HUTCHINSON, Ms. MOSELEY-BRAUN, Mr. INOUYE, Mr. FORD, and Ms. COLLINS):

S. 1370. A bill to amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies, subject to a reduction of 50 percent if the recipient dies during the first 15 days of such month, and for other purposes; to the Committee on Finance.

By Mr. KOHL (for himself and Mr. DEWINE):

S. 1371. A bill to establish felony violations for the failure to pay legal child support obligations, and for other purposes; to the Committee on the Judiciary.

By Mrs. BOXER (for herself and Mrs. FEINSTEIN):

S. 1372. A bill to provide for the protection of farmland at the Point Reyes National Seashore, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MURKOWSKI:

S. 1373. A bill to establish the Commonwealth of Guam, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MCCAIN:

S. 1374. A bill to clarify that unmarried adult children of Vietnamese re-education camp internees are eligible for refugee status under the Orderly Departure Program; to the Committee on Foreign Relations.

By Mr. KOHL (for himself, Mr. FEINGOLD, Mr. BUMPERS, Mr. JOHNSON, Mr. BINGAMAN, and Mr. JEFFORDS):

S. 1375. A bill to promote energy conservation investments in Federal facilities, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 1376. A bill to increase the Federal medical assistance percentage for Hawaii to 59.8 percent; to the Committee on Finance.

By Mr. HATCH (for himself, Mr. LEAHY, and Mr. DASCHLE):

S. 1377. A bill to amend the Act incorporating the American Legion to make a technical correction; considered and passed.

By Mr. WARNER:

S. 1378. A bill to extend the authorization of use of official mail in the location and recovery of missing children, and for other purposes; considered and passed.

By Mr. DEWINE (for himself, Mr. MOYNIHAN, Mr. HATCH, Mr. D'AMATO, Mr. DODD, Mr. KOHL, Mr. COVERDELL, Mr. KENNEDY, Mr. INOUYE, Mr. LIEBERMAN, Ms. SNOWE, Mr. HUTCHINSON, Mr. THURMOND, Mr. MCCAIN, Mr. SHELBY, Mr. CAMPBELL, and Mr. WYDEN):

S. 1379. A bill to amend section 552 of title 5, United States Code, and the National Security Act of 1947 to require disclosure under the Freedom of Information Act regarding certain persons, disclose Nazi war criminal records without impairing any investigation or prosecution conducted by the Department of Justice or certain intelligence matters, and for other purposes; to the Committee on the Judiciary.

By Mr. COATS (for himself, Mr. LIEBERMAN, Mr. D'AMATO, and Mr. KERREY):

S. 1380. A bill to amend the Elementary and Secondary Education Act of 1965 regarding charter schools; to the Committee on Labor and Human Resources.

By Mr. NICKLES:

S. 1381. A bill to direct the Secretary of the Army to convey lands acquired for the Candy Lake project, Osage County, Oklahoma; to the Committee on Environment and Public Works.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. WARNER (for himself and Mr. FORD):

S. Res. 143. A resolution to authorize the printing of a revised edition of the Senate Election Law Guidebook; considered and agreed to.

S. Con. Res. 61. A concurrent resolution authorizing printing of a revised edition of the publication entitled "Our Flag"; considered and agreed to.

S. Con. Res. 62. A concurrent resolution authorizing printing of the brochure entitled "How Our Laws Are Made"; considered and agreed to.

S. Con. Res. 63. A concurrent resolution authorizing printing of the pamphlet entitled "The Constitution of the United States of America"; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. MIKULSKI (for herself, Ms. SNOWE, Mr. LOTT, Mr. SARBANES, Mr. COCHRAN, Mr. GLENN, Mr. D'AMATO, Mr. HOLLINGS, Mr. HUTCHINSON, Ms. MOSELEY-BRAUN, Mr. INOUYE, Mr. FORD, and Ms. COLLINS):

S. 1370. A bill to amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies, subject to a reduction of 50 percent if the recipient dies, during the first 15 days of such month, and for other purposes; to the Committee on Finance.

THE SOCIAL SECURITY FAMILY PROTECTION ACT

Ms. MIKULSKI. Mr. President, today, I rise to talk about an issue that is very important to me, very important to my constituents in Maryland and very important to the people of the United States of America.

For the second Congress in a row, I am joining in a bipartisan effort with my friend and colleague, Senator OLYMPIA SNOWE, to end an unfair policy of the Social Security System.

Senator SNOWE and I are introducing the Social Security Family Protection Act. This bill addresses retirement security and family security. We want the middle class of this Nation to know that we are going to give help to those who practice self-help.

What is it I am talking about? We have found that Social Security does not pay benefits for the last month of life. If a Social Security retiree dies on the 18th of the month or even on the 30th of the month, the surviving spouse or family members must send back the Social Security check for that month.

I think that is a harsh and heartless rule. That individual worked for Social Security benefits, earned those benefits, and paid into the Social Security trust fund. The system should allow the surviving spouse or the estate of the family to use that Social Security check for the last month of life.

This legislation has an urgency, Mr. President. When a loved one dies, there are expenses that the family must take care of. People have called my office in tears. Very often it is a son or a daughter that is grieving the death of a parent. They are clearing up the paperwork for their mom or dad, and there is the Social Security check. And they say, "Senator, the check says for the month of May. Mom died on May 28. Why do we have to send the Social Security check back? We have bills to pay. We have utility coverage that we need to wrap up, mom's rent, or her mortgage, or health expenses. Why is Social Security telling me, 'Send the check back or we're going to come and get you'?"

With all the problems in our country today, we ought to be going after drug dealers and tax dodgers, not honest people who have paid into Social Security, and not the surviving spouse or the family who have been left with the bills for the last month of their loved one's life. They are absolutely right when they call me and say that Social Security was supposed to be there for them.

I've listened to my constituents and to the stories of their lives. What they say is this: "Senator MIKULSKI, we don't want anything for free. But our family does want what our parents worked for. We do want what we feel we deserve and what has been paid for in the trust fund in our loved one's name. Please make sure that our family gets the Social Security check for the last month of our life."

That is what our bill is going to do. That is why Senator SNOWE and I are introducing the Family Social Security Protection Act. When we talk about retirement security, the most important part of that is income security. And the safety net for most Americans is Social Security.

We know that as Senators we have to make sure that Social Security remains solvent, and we are working to do that. We also don't want to create an undue administrative burden at the Social Security Administration—a burden that might affect today's retirees. But it is absolutely crucial that we provide a Social Security check for the last month of life.

How do we propose to do that? We have a very simple, straightforward way of dealing with this problem. Our legislation says that if you die before the 15th of the month, you will get a check for half the month. If you die after the 15th of the month, your surviving spouse or the family estate would get a check for the full month.

We think this bill is fundamentally fair. Senator SNOWE and I are old-fashioned in our belief in family values. We believe you honor your father and your mother. We believe that it is not only a good religious and moral principle, but it is good public policy as well.

The way to honor your father and mother is to have a strong Social Security System and to make sure the system is fair in every way. That means fair for the retiree and fair for the spouse and family. That is why we support making sure that the surviving spouse or family can keep the Social Security check for the last month of life.

Mr. President, we urge our colleagues to join us in this effort and support the Social Security Family Protection Act.

Ms. SNOWE. Mr. President, I am pleased to join my colleague and friend, the Senator from Maryland, Senator MIKULSKI, in introducing legislation to correct an inequity that exists in our Social Security system.

Currently, when a Social Security beneficiary dies, his or her last monthly benefit check must be returned to the Social Security Administration. This provision often causes problems for the surviving family members because they are unable to financially subsidize the expenses accrued by the late beneficiary in their last month of life. The bill we are introducing today is based on legislation I have introduced during the last four Congresses. My original legislation prorated the Social Security benefit based on the date of death. If the beneficiary died before the 15th, the surviving spouse received 50 percent of the benefit, if the beneficiary died after the 15th, the surviving spouse received the entire check. The bill Senator MIKULSKI and I are introducing today expands on this bill by making other family members eligible to receive the check if there is not a surviving spouse.

Current law makes an inappropriate assumption that a beneficiary has not incurred expenses during his or her last month of life. I know that my colleagues have heard, as have Senator MIKULSKI and I, from constituents who have lost a husband or wife, father or mother, toward the end of the month, received the Social Security check and spent all or part of it to pay the bills, only to receive a notice from Social Security that the check must be returned. For many of these people, that check was the only income they had and they are left struggling to find the money to pay back the Social Security Administration and pay the rest of the expense their family member incurred in their last month.

I would like to read a part of a letter I received from a constituent about the experience of his family when his brother-in-law died. This letter, along with Senator MIKULSKI's own experience when she lost a loved one, serves to highlight why this bill is necessary.

> On February 29, 1996, at 9:20 p.m. he passed away. . . . he was alive for 99.99617% of the month missing a full month by 0.0038314%. With this evidence in hand, the SSA then decided that his check for the month of Feburary had to be returned to them. Unfortunately, his debts for the month didn't disappear just because he failed to live the extra 0.0038315% of the month. . . . it would be nice to see some kind of pro-rating system put into place for the rest of the people who are going to encounter this ghoulish practice.

I know that my colleagues have all received letters like this. For many of these people, that Social Security check is the only financial resource available to deal with the costs incurred during their loved one's last day of life. Without it, they are left struggling to find the money to pay back the Social Security Administration.

I believe that this legislation provides a fair solution to an unfair situation and I hope my colleagues will join un in supporting this bill.

By Mrs. BOXER (for herself and Mrs. FEINSTEIN):

S. 1372. A bill to provide for the protection of farmland at the Point Reyes National Seashore, and for other purposes; to the Committee on Energy and Natural Resources.

THE POINT REYES NATIONAL SEASHORE FARMLAND PROTECTION ACT OF 1997

Mrs. BOXER. As with many of our national parks, monuments, and other protected treasures, the character and beauty of the Point Reyes National Seashore are threatened—not by development or environmental degradation within the national seashore—but by proposed development outside the boundary line over which the Park Service has no control.

The Point Reyes National Seashore Farmland Protection Act of 1997, which I am introducing today, is an innovative proposal which will ensure that the ecological integrity of the Point Reyes National Seashore is protected for future generations, while also preserving the property rights and historic agricultural use of the farmland in the area.

The legislation establishes a Farmland Protection Area adjacent to the Point Reyes National Seashore within which willing farmers and ranchers will have the opportunity to sell conservation easements for their land. The Farmland Protection Area includes 38,000 acres of the eastern shore of Tomales Bay visible from within Point Reyes. Property owners within that area will be available, but not required, to sell conservation easements to their land.

Conservation easements are legal agreements between a land-owner and a land trust, non-profit, conservation organization. The conservation easements restrict development on the land which is incompatible with the agricultural uses of the land. The easements would not expand public access, pesticide regulations, or hunting rights. Furthermore, the easements will remain with the land in perpetuity providing security for ranchers as well as continued protection for the national seashore.

The easements will allow existing agricultural activities to continue and will preserve the pastoral nature of the land adjacent to Point Reyes National Seashore and the Golden Gate National Recreation Areas by guaranteeing no new development.

This bill will not allow the Secretary to acquire land without the consent of the owner.

I believe this legislation will become a model for land conservation across the Nation as Governments lack the funds to purchase fee title to protect valuable properties from development. This approach may be used to address similar problems at other parks, wildlife refuges, and marine sanctuaries by preserving compatible land use areas that protect view sheds and prevent environmental damage.

This legislation will allow the National Park Service, working with the Marin Agricultural Land Trust [MALT], the Sonoma Land Trust [SLT], and the Sonoma County Agricultural Preservation and Open Space District [SCAPOSD] to protect this beautiful area at a fraction of the cost of acquiring title to the properties within the new boundaries. In addition, those properties would be maintained on Marin County's tax rolls.

Without this legislation, almost 40,000 acres of scenic ranch land will be vulnerable to development. This bill has the strong support of the local farmers and ranchers within the area to be protected, local environmental groups including the Marin Conservation League, effected local governments and the local chamber of commerce.

I commend Congresswoman LYNN WOOLSEY for her hard work and dedication to the House companion legislation. She has been working closely with interested parties in an effort to find this innovative approach to conservation which benefits ranchers, environmentalists, the county, and the Park Service alike.

Last week, the House Resources Committee National Parks and Public Lands Subcommittee held a hearing on this legislation. In that hearing, concerns were raised over the Department of Interior's involvement in the conservation easements and the creation of a boundary around private agricultural lands.

While I understand that the National Park Service is not usually involved in agricultural conservation easements I believe it is the most suitable agency in this case. The United States Department of Agriculture [USDA] does have a program whereby ranchers can sell conservation easements. These farmlands may not be critical agricultural lands at a national level, but they are critical to the Nation's investment in the Point Reyes National Seashore. A simple increase in funding for USDA's Farmland Protection Program would not ensure any new funding for the Farmland Protection Area.

That also leads to the need for a boundary. While I believe it would be beneficial to authorize conservation easements for the entire agricultural area, we must first concentrate on the most critical lands. The boundary will ensure that the funding is used on these critical lands—lands closest to the national park which the Federal Government has the most interest in protecting.

Currently, there are 18 operating ranches within the existing Point Reyes National Seashore. It is my understanding that these ranchers are pleased with their relationship with the National Park Service. All the landowners who wanted to continue ranching when the Point Reyes National Seashore was formed are still operating ranches. In fact, every single rancher has signed a statement affirming their satisfaction with the continuing cooperation and support they receive from the National Park Service as they continue their ranching operations.

This legislation creates a completely voluntary program. Landowners who wish to sell their land to developers, continue to have that right. While I don't encourage such actions, this legislation does nothing to impede it. We have an opportunity here to take an important step toward protecting farmers and enhancing a national park. It is not often that we have such an occasion where often competing interests can co-exist. This legislation provides that opening. I encourage my colleagues to support this legislation and

I am hopeful that we can pass it quickly.

I ask unanimous consent that the full text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1372

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Point Reyes National Seashore Farmland Protection Act of 1997".

SEC. 2. PURPOSES.

The purposes of this Act are—

(1) to protect the pastoral nature of the land adjacent to the Point Reyes National Seashore from development that would be incompatible with the character, integrity, and visitor experience of the park;

(2) to create a model public/private partnership among the Federal, State, and local governments, and as organizations and citizens that will preserve and enhance the agricultural land along Tomales and Bodega Bay Watersheds;

(3) to protect the substantial Federal investment in Point Reyes National Seashore by protecting land and water resources and maintaining the relatively undeveloped nature of the land surrounding Tomales and Bodega Bays; and

(4) to preserve productive uses of land and waters in Marin and Sonoma counties adjacent to Point Reyes National Seashore, primarily by maintaining the land in private ownership restricted by conservation easements.

SEC. 3. ADDITION OF FARMLAND PROTECTION AREA TO POINT REYES NATIONAL SEASHORE AND ACQUISITION OF DEVELOPMENT RIGHTS.

(a) ADDITION.—Section 2 of Public Law 87-657 (16 U.S.C. 459c-1) is amended by adding at the end the following:

"(c) FARMLAND PROTECTION AREA.—

"(1) IN GENERAL.—The Point Reyes National Seashore shall include the Farmland Protection Area depicted on the map numbered 612/60,163 and dated July 1995, which shall be on file and available for public inspection in the Offices of the National Park Service of the Department of the Interior in Washington, District of Columbia.

"(2) OBJECTIVE.—Within the Farmland Protection Area depicted on the map described in paragraph (1), the primary objective shall be to maintain agricultural land in private ownership protected from nonagricultural development by conservation easements.".

(b) FARMLAND ACQUISITION AND MANAGEMENT.—Section 3 of Public Law 97-657 (16 U.S.C. 459c-2) is amended by adding at the end the following:

"(d) FARMLAND ACQUISITION AND MANAGEMENT.—

"(1) IN GENERAL.—Notwithstanding subsections (a) through (c), the Secretary, to encourage continued agricultural use, may acquire land or interests in land from the owners of the land within the Farmland Protection Area depicted on the map described in section 2(c).

"(2) METHOD OF ACQUISITION.—

"(A) IN GENERAL.—Except as provided in paragraph (4), land and interests in land may be acquired under this subsection only by donation, purchase with donated or appropriated funds, or exchange.

"(B) LAND ACQUIRED BY EXCHANGE.—Land acquired under this subsection by exchange may be exchanged for land outside the State of California, notwithstanding section 206(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(b)).

"(3) REQUIREMENTS.—

"(A) PRIORITY.—The Secretary shall give priority to—

"(i) acquiring interests in land through the purchase of development rights and conservation easements;

"(ii) acquiring land and interests in land from nonprofit corporations operating primarily for conservation purposes; and

"(iii) acquiring land and interests in land by donation or exchange.

"(B) CONSERVATION EASEMENTS.—The Secretary shall not acquire any conservation easement on land within the Farmland Protection Area from a nonprofit organization that was acquired by the nonprofit organizations before January 1, 1997.

"(C) COOPERATIVE AGREEMENTS.—For the purpose of managing, in the most cost-effective manner, interests in land acquired under this subsection, and for the purpose of maintaining continuity with land that has an easement on the date of enactment of this subsection, the Secretary shall enter into cooperative agreements with public agencies or nonprofit organizations having substantial experience holding, monitoring, and managing conservation easements on agricultural land in the region, such as the Marin Agricultural Land Trust, the Sonoma County Agricultural Preservation and Open Space District, and the Sonoma Land Trust.

"(4) REGULATION.—

"(A) IN GENERAL.—Within the boundaries of the Farmland Protection Area depicted on the map described in section 2(c)—

"(i) absent an acquisition of privately owned land or an interest in land by the United States, nothing in this Act authorizes any Federal agency or official to regulate the use or enjoyment of privately owned land, including land that, on the date of enactment of this subsection, is subject to an easement held by the Marin Agricultural Land Trust, the Sonoma County Agricultural Preservation and Open Space District, or the Sonoma Land Trust; and

"(ii) such privately owned land shall continue under the jurisdiction of the State and political subdivisions within which the land is located.

"(B) PERMITS AND LEASES.—

"(i) IN GENERAL.—The Secretary may permit, or lease, land acquired in fee under this subsection.

"(ii) CONSISTENCY.—Any such permit or lease shall be consistent with the purposes of the Point Reyes National Seashore Farmland Protection Act of 1997.

"(iii) USE OF REVENUES.—Notwithstanding any other provision of law, revenues derived from any such permit or lease—

"(I) may be retained by the Secretary; and

"(II) shall be available, without further appropriation, for expenditure to further the goals and objectives of agricultural preservation within the boundaries of the area depicted on the map described to in section 2(c).

"(C) LAND OF STATE AND LOCAL GOVERNMENTS.—Land or an interest in land, within the area depicted on the map described in section 2(c) that is owned by the State of California or a political subdivision of the State of California, may be acquired only by donation or exchange.

"(5) OWNER'S RESERVATION OF RIGHT.—Section 5 shall not apply with respect to land and or an interest in land acquired under this subsection.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 9 of Public Law 87-657 (16 U.S.C. 459c-7) is amended—

(1) by inserting "(a) IN GENERAL.—" before "There are authorized"; and

(2) by adding at the end the following:

"(b) LAND ACQUISITION.—

"(1) IN GENERAL.—In addition to the sums authorized to be appropriated by this section before the enactment of the Point Reyes National Seashore Farmland Protection Act of 1997, there is authorized to be appropriated $30,000,000 to be used on a matching basis to acquire land and interests in land under section 3(d).

"(2) FEDERAL SHARE.—The Federal share of the costs for acquiring land and interests in land under section 3(d) shall be 50 percent of the total costs of the acquisition.

"(3) NON-FEDERAL SHARE.—

"(A) FORM.—The non-Federal share of the acquisition costs may be paid in the form of property, moneys, services, or in-kind contributions, fairly valued.

"(B) LAND OF STATE AND LOCAL GOVERNMENTS.—For the purpose of determining the non-Federal share of the costs, any land or interests in land that is within the boundaries of the area depicted on the map described in section 2(c), that, on the date of enactment of this subsection, is held under a conservation easement by the Marin Agricultural Land Trust, the Sonoma County Agricultural Preservation and Open Space District, the Sonoma Land Trust, or any other land protection agency or by the State of California or any political subdivision of the State, shall be considered to be a matching contribution from non-Federal sources in an amount that is equal to the fair market value of the land or interests in land, as determined by the Secretary.".

By Mr. MURKOWSKI:

S. 1373. A bill to establish the Commonwealth of Guam, and for other purposes; to the Committee on Energy and Natural Resources.

THE GUAM COMMONWEALTH ACT

Mr. MURKOWSKI. Mr. President, I send to the desk, for appropriate reference, legislation to establish the Commonwealth of Guam. This measure is identical to H.R. 100 which was introduced by Congressman UNDERWOOD. I am introducing this measure at the request of Congressman UNDERWOOD and Governor Gutierrez of Guam.

The quest for self-government and recognition of the authority to determine the laws and programs that facilitate or impede our social, political, and economic growth are an integral part of the territorial history of this Nation. Even before the Constitution had been ratified, the Northwest Ordinance set the pattern for the territory subject to the new Federal Government. The ordinance set a policy that the territory would be settled as soon as possible and admitted into the Union with the other States. That policy, of full self-government and limited governance from the Federal Establishment, marked territorial policy until the beginning of this century.

While this century has seen the admission of States such as Arizona and New Mexico, as well as the more recent admission of Alaska and Hawaii, the progress of full self-government has been slower for most of the areas acquired as a result of the Spanish-American War or since that time. In 1898, a century ago, the United States acquired the Philippines, Guam, and Puerto Rico. In 1900 and 1904 treaties of cession confirmed the extension of sovereignty over American Samoa. In 1916 we acquired the Virgin Islands. In 1976 the covenant that provided the basis for the acquisition of the Northern Mariana Islands was enacted following a plebiscite in the islands.

These areas, with the exception of the Philippines, have not followed the path taken by the other territories of the United States. The Philippines achieved commonwealth and independence, although World War II delayed full implementation. Shortly after World War II, Puerto Rico was permitted to replace the local government provisions of federal organic legislation with a locally drafted Constitution and to elect its Governor. Not until the 1970's were Guam, the Virgin Islands, and American Samoa afforded the opportunity to popularly elect their own Governor. Also, during that period, Guam and the Virgin Islands were provided the opportunity to develop a constitution to govern local matters.

The Commonwealth of the Northern Mariana Islands and American Samoa are in a slightly different situation. American Samoa has a locally developed constitution promulgated by secretarial order and the Northern Marianas operate under the local constitution authorized under the covenant.

The process of local self-government and improvements in Federal-territorial relations has not stopped for any of these areas. This Congress has already seen as much attention as has occurred over the past decade. The Senate has passed legislation that provides the Virgin Islands with the same flexibility to issue short-and long-term bonds as the States enjoy. The Senate has also passed legislation that would reform the way surplus Federal lands are disposed of in Guam, providing the Government of Guam with an effective voice in decisions with respect to future land use management. We have also considered modifications requested by the executives in Guam and the Virgin Islands to the powers of the Governor and Lieutenant Governor. Both the Senate and the House have pending legislation to provide a referendum in Puerto Rico on future political status. In that context we are considering status in the larger constitutional context of statehood or independence as well as possible refinements to the present relationship. We also have pending in the Senate legislation forwarded by the administration that would revise Federal-territorial relations with the Northern Marianas in the areas of minimum wage, immigration, and trade.

The legislation that I am introducing today is a very broad approach to Federal relations with Guam. The provisions address several different issues ranging from problems over resource allocation and use to operations of government to social and cultural issues. In the past decade since the voters in Guam approved the present draft, some of the provisions, such as judicial reform or disposal of excess Federal lands, have been addressed individually. Others may no longer be relevant due to other changes. The central issue, however, is as current and relevant as it was in 1982 when the voters in Guam decided to seek commonwealth as a means to obtain greater self-government.

The central issue is the proper role and authority of Federal versus local government. Where should decisions be made, be they right or wrong, and who should bear the burden of providing for the future? Should the Federal or local government have the authority to safeguard and manage local resources and provide for the health, safety, education, and welfare of the local residents? Should noncontiguous areas bear the burden of regulations crafted to meet the needs of the contiguous United States and for the administrative convenience of bureaucrats in Washington? I use the word noncontiguous because the concerns that led Guam to seek the provisions of this legislation are equally applicable to areas in Alaska or Hawaii. Status, in the constitutional sense, is not the problem or the answer, but rather the allocation of power and authority under the Constitution between Federal and local government.

An example of this would be the application of provisions of the Clean Air Act to Guam. Notwithstanding the fact that Guam is a relatively small island located in the western Pacific in the middle of the trade winds, it had to comply with the same emission requirements as did places like Los Angeles or Washington. My colleagues should remember that what made Guam so valuable to the Spanish was that the galleons leaving Acapulco were blown by the trade winds to Guam, where they reprovisioned prior to heading to Manila. The powerplants in Guam were required to install expensive scrubbers even though the nearest point of land was the Philippines. Eventually we managed to obtain a waiver for Guam, but it was only after years of effort by our committee, with the help I would note of my colleagues on the Environment and Public Works Committee, to convince EPA that granting a waiver for Guam was not a precedent for exempting the State of Nebraska. Alaska and Hawaii have not been as successful, I would note. Another example is the visa waiver that we finally managed to obtain for Guam for tourists.

These are not unique problems. Administrative convenience seems to always outweigh the realities of life in the noncontiguous areas, nor are our provisions uniform. In some instances, the difference in treatment aggravates the local unhappiness with Washington. Guam is the southernmost of the Mariana Islands. The Northern Mariana Islands, which can be seen from Guam, are not subject to the Jones Act, but Guam is. The Virgin Islands has an exception, but Guam does not. While I would never argue for uniformity as an inflexible principle, I do think that Washington can be considerably more creative than it has been, and certainly can be more understanding of the uniqueness of the noncontiguous areas.

Insensitivity is also a reason underlying some of the provisions of the legislation. The most recent example is the actions of the Fish and Wildlife Service in carrying out its land grab in Guam. Rather than devoting resources to the eradication of the brown tree snake, the Fish and Wildlife Service rushed to use the depredation caused by the snake as a reason for creating a refuge and overlay covering almost one-third of Guam. Well known habitat such as runways were covered. The reason for the rush to create the refuge is understandable since several of the native species are already extinct and the rest are scurrying for what little remains of their existence from the snake. If the Fish and Wildlife Service had not moved quickly, they would have had to defend creating the only refuge for non-existent species. I suppose they could have used it as a precedent for creating a refuge for dinosaurs in Utah and locking up whatever lands the President and Secretary Babbitt missed last year. In that context, I would suggest that at the next meeting of the Western Governors, the Governors of Guam and Utah swap stories of Federal land grabs.

I am in full sympathy with the objectives of this legislation. The Governor of Guam may feel that he is alone, but we in Alaska know full well what dealing with Washington entails. We also must deal with insensitive bureaucrats, acquisitive Secretaries, irrelevant stateside standards, and a wealth of officious and fussy Federal agencies who seem to have as their sole mission making life as difficult, expensive, and complex as possible. Guam at least has a central road system and the possibility of developing the southern end of the island—an option that Federal managers are committed to denying Alaska. I fully understand the frustrations that led the U.S. citizens in Guam to develop this legislation. Unfortunately, I must say that the problem is not the plenary authority of Congress under the Territorial Clause.

As I stated, this legislation is a companion measure to one introduced by Congressman UNDERWOOD and I am introducing it at his request and at the request of the Governor of Guam. I ask unanimous consent that a copy of the letter be included in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MURKOWSKI. Mr. President, I do not necessarily support every provision in this legislation as drafted, but I do support the underlying objective of redressing the balance of power and authority between Washington and Agana. As a result of my trip to Guam last year, I introduced legislation to deal with the disposal of surplus Federal property and prevent any future land grabs such as the one engaged in by the Fish and Wildlife Service. That legislation was not everything that either the Governor or I would have preferred, but I think that the end result of the Senate action, if finally enacted, will be a significant improvement in Federal-territorial relations. I intend to take the same constructive approach to the provisions of this legislation.

I appreciate that questions have been raised over some of the provisions from constitutional as well as policy grounds, but that should not be an excuse to avoid addressing the underlying concerns that led to the drafting and approval of those provisions by the voters in Guam. As I said before, we have a lot of experience with foolish and petty restrictions from Federal agencies. As a percentage, far more of Alaska is subject to Federal land domination and our communities suffer the consequences of an inability to obtain transportation and utility corridors across the Federal lands. I have sympathy and sensitivity to local cultural concerns as well because we also see Federal agencies trying to frustrate the benefits and protections afforded our Native Alaskans. Guam is concerned over the loss of the economic potential of its marine resources and Alaska holds the single most promising petroleum area on the continent.

I hope to meet shortly with the Governor and with members of the Guam Legislature to discuss the provisions of this legislation. I fully expect that the next few years will be particularly active for our Committee as we consider not only how to improve and strengthen local self-government in and revise Federal relations with Guam, but also deal with concerns that have arisen with some of the expectations and implementation of provisions of the Northern Marianas Covenant, political status in Puerto Rico, and renegotiation and extension of certain provisions of the Compacts of Free Association with the Republic of the Marshall Islands and the Federated States of Micronesia. Much has happened in the north Pacific since World War II and it is our responsibility to be as sensitive and responsible as possible to the needs and aspirations of the local governments who are either within or in free association with the United States. I encourage my colleagues to take the time to become more familiar with these areas and to take their particular needs and problems into consideration when crafting legislation. It is far easier to address the situation of the noncontiguous areas at the outset of legislative efforts, than it is to come in later when we have entrenched bureaucrats who see their power threatened if we act responsibly.

EXHIBIT 1

CARL T.C. GUTIERREZ,
GOVERNOR OF GUAM.

ROBERT A. UNDERWOOD,
MEMBER OF CONGRESS,
October 29, 1997.

Senator FRANK MURKOWSKI,
Chairman, Committee on Energy and Natural Resources, Washington, DC.

DEAR CHAIRMAN MURKOWSKI: Today we had our first hearing on H.R. 100, the Guam Commonwealth Act, before the House Committee on Resources. As we work with the Members of the House Committee to perfect their version, we believe it is time to move forward and proceed to the next step in the process.

Therefore, we respectfully request your support for the introduction of companion legislation to this bill in the Senate and consideration of a hearing at the earliest possible convenience of the committee.

We pledge to work closely with you and your staff and assist you in any way we can.

Sincerely,

CARL T.C. GUTIERREZ,
Governor of Guam.
ROBERT A. UNDERWOOD,
Member of Congress.

By Mr. MCCAIN:

S. 1374. A bill to clarify that unmarried adult children of Vietnamese reeducation camp internees are eligible for refugee status under the Orderly Departure Program; to the Committee on Foreign Relations.

THE ORDERLY DEPARTURE PROGRAM CLARIFICATION ACT OF 1997

Mr. MCCAIN. Mr. President, I rise to introduce legislation that is basically a technical correction to language that I had included in the fiscal year 1997 Omnibus Consolidated Appropriations Act. That language, and the legislation I offer today, are designed to make humanitarian exceptions for the unmarried adult children of former reeducation camp detainees seeking to emigrate to the United States under the Orderly Departure Program [ODP]. Despite what I considered to have been pretty unambiguous legislation in both word and intent, the Immigration and Naturalization Service and Department of State interpreted my amendment to the 1997 bill so as to exclude the very people to whom the provision was targeted.

An amendment identical to the bill I am introducing today was included, without objection, to the State Department authorization bill for fiscal year 1998. Because that bill is hung-up over an unrelated issue, and because the State Department ceased accepting new applications for the ODP at the end of September, it was imperative that another avenue be sought for attaining passage of this important legislation. I wish to reiterate that this is an uncontroversial bill, supported earlier this year by the Senate, and which enjoys the backing of the Department of State.

Prior to April 1995, the adult unmarried children of former Vietnamese reeducation camp prisoners were granted derivative refugee status and were permitted to accompany their parents to the United States under a subprogram of the Orderly Departure Program.

This policy changed in April 1995. My amendment to fiscal year 1997 foreign operations appropriations bill, which comprises part of the Omnibus Appropriations Act, was intended to restore the status quo ante regarding the adult unmarried children of former prisoners. My comments in the CONGRESSIONAL RECORD from July 25, 1996, clearly spelled this out.

Unfortunately, certain categories of children who, prior to April 1995, had received derivative refugee status and whom Congress intended to be covered by last year's amendment, are now considered ineligible to benefit from that legislation.

First, prior to April 1995 the widows of prisoners who died in re-education camps were permitted to be resettled in the United States under this subprogram of the ODP, and their unmarried adult children were allowed to accompany them. These children are now considered ineligible to benefit from last year's legislation.

To ask these widows to come to the United States without their children is equal to denying them entry under the program. Many of these women are elderly and in poor health, and the presence of their children is essential to providing the semblance of a family unit with the care that includes.

The second problem stemming from INS and the State Department's interpretation of the 1997 language involves the roughly 20 percent of former Vietnamese re-education camp prisoners resettled in the United States who were processed as immigrants, at the convenience of the United States Government.

Their unmarried adult children, prior to April 1995, were still given derivative refugee status; however, the position of INS and State is that these children are now ineligible because the language in the fiscal year 1997 bill included the phrase "processed as refugees for resettlement in the United States."

That phrase was intended to identify the children of former prisoners being brought to the United States under the subprogram of the ODP and eligible to be processed as a refugee—which all clearly were—as distinct from the children of former prisoners who were not being processed for resettlement in the United States.

The fact that a former prisoner, eligible to be processed as a refugee under the ODP subprogram, was processed as an immigrant had no effect prior to April 1995, and their children were granted refugee status. The intention of last year's legislation was to restore the status quo ante, including for the unmarried adult children of former prisoners eligible for and included in this subprogram but resettled as migrants.

Mr. President, I urge support for this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1374

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ELIGIBILITY FOR REFUGEE STATUS.

Section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1997 (Public Law 104-208; 110 Stat. 3009-171) is amended—

(1) in subsection (a)—

(A) by striking "For purposes" and inserting "Notwithstanding any other provision of law, for purposes"; and

(B) by striking "fiscal year 1997" and inserting "fiscal years 1997 and 1998"; and

(2) by amending subsection (b) to read as follows:

"(b) ALIENS COVERED.—

"(1) IN GENERAL.—An alien described in this subsection is an alien who—

"(A) is the son or daughter of a qualified national;

"(B) is 21 years of age or older; and

"(C) was unmarried as of the date of acceptance of the alien's parent for resettlement under the Orderly Departure Program.

"(2) QUALIFIED NATIONAL.—For purposes of paragraph (1), the term 'qualified national' means a national of Vietnam who—

"(A)(i) was formerly interned in a reeducational camp in Vietnam by the Government of the Socialist Republic of Vietnam; or

"(ii) is the widow or widower of an individual described in clause (i); and

"(B)(i) qualified for refugee processing under the reeducation camp internees subprogram of the Orderly Departure Program; and

"(ii) on or after April 1, 1995, is accepted—

"(I) for resettlement as a refugee; or

"(II) for admission as an immigrant under the Orderly Departure Program.".

By Mr. KOHL (for himself, Mr. FEINGOLD, Mr. BUMPERS, Mr. JOHNSON, Mr. BINGAMAN, and Mr. JEFFORDS):

S. 1375. A bill to promote energy conservation investments in Federal facilities, and for other purposes; to the Committee on Energy and Natural Resources.

THE FEDERAL ENERGY BANK ACT OF 1997

Mr. KOHL.

Mr. President, I rise today to introduce legislation entitled "the Federal Energy Bank Act." The purpose of this legislation is to provide a stable long-term source of funding for energy efficiency projects throughout the Federal Government. If we are to start the Nation on the road toward increased energy conservation we must begin with the Federal Government. This bill will help provide the necessary investments to make this first step toward long-term energy conservation possible.

I have long believed that our Nation must implement a sensible national energy policy which emphasizes greater energy conservation and efficiency, as well as the development of renewable resources. This bill is just one step of many that need to be taken to reduce our energy consumption problems. The events in the Middle East, coupled with the environmental problems associated with the use of fossil fuels, have only increased the need for improved energy conservation. Simply put, we cannot continue to rely on imported oil to meet such a large part of our Nation's energy needs. This dependence places our economic security at great risk. At present, petroleum imports account for fully one-half of our trade deficit. In addition, the use of oil and other fossil fuels contributes to global climate change, air pollution, and acid rain.

Mr. President our attempts to remedy this situation are nothing new. In fact, the laws requiring significant energy use reductions are already in place. The Energy Policy Act of 1992 mandated that Federal agencies use cost-effective measures, with less than a 10-year payback, to reduce energy consumption in their facilities by 20 percent by the year 2000 compared to 1985 levels. President Clinton, with Executive Order 12902, extended the mandate by requiring Federal agencies to reduce energy consumption by 30 percent by the year 2005 compared to 1985 energy uses. If accomplished, this would save the American taxpayer millions in annual energy costs and in turn put us on the road to future energy savings. This would also improve our environment, our balance of trade, and our national security.

But the road toward energy efficiency or even self-sufficiency is not an easy one and requires capital investment. The administration and Congress must back their policies with real dollars for investment in energy efficiency projects. According to the recent Federal energy efficiency and water conservation study, drafted by the Department of Energy, an investment of $5.7 billion is required through 1996 to 2005 to meet National Energy Policy and Conservation Act and Executive Order goals. The best estimate of the total funding available has resulted in a shortfall of $2 billion. Without significant funding the goals as set forth by the President will not be met. Laws and mandates alone will not solve our energy problems. It requires long-term capital investment.

Mr. President, my business background has taught me that most large paybacks come from positive long-term investments. Unfortunately, the Federal Government does not traditionally take this approach. More often than not, it seeks short-term savings and cuts which do not address the problem of energy consumption or encourage future energy conservation.

Mr. President, my bill will help address this funding shortfall. The bill creates a bank to fund the purchase of energy efficiency projects by Federal agencies and in the long run will reduce the overall amount of money spent on energy consumption by the Federal Government. For each of the fiscal years 1999, 2000, 2001, each Federal agency will contribute an amount equal to 5 percent of its previous year's utility costs into a fund or bank managed by the Secretary of the Treasury.

The Secretary of Energy will authorize loans from the bank to any Federal agency for use toward investment in energy efficiency projects. The agency will then repay the loan, making the bank self-supporting after a few years. The Secretary of Energy will also establish selection criteria for each energy efficiency project, determining the project is cost-effective and produces a payback in 3 years or less. Agencies will be required to report the progress of each project with a cost of more than $1 million to the Secretary 1 year after installation. The Secretary will then report to Congress each year on all the operations of the bank.

Mr. President, this bill will provide the real dollars required to make the Executive Order goals a reality. The Congressional Budget Office has projected a 5-year savings for the bill at $3 million. Our energy savings will be even greater over the long term.

Mr. President, in closing I would like to thank Johnson Controls, the largest public company in Wisconsin, for their continued leadership and input on this bill. As a maker of energy conservation systems, Johnson has provided me with the real world insights that have helped me draft a bill that attempts to address our energy conservation needs.

Mr. President, I ask unanimous consent the full text of the bill be printed in full in the RECORD. I urge my colleagues to support this bill and will push for its early enactment.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1375

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Energy Bank Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) Findings.—Congress finds that—

(1) energy conservation is a cornerstone of national energy security policy;

(2) the Federal Government is the largest consumer of energy in the economy of the United States;

(3) many opportunities exist for significant energy cost savings within the Federal Government; and

(4) to achieve the energy savings required by Executive Order, the Federal Government must make significant investments in energy savings systems and products, including energy management control systems.

(b) Purpose.—The purpose of this Act is to promote energy conservation investments in Federal facilities.

SEC. 3. DEFINITIONS.

In this Act:

(1) Agency.—The term "agency" means—

(A) an Executive agency (as defined in section 105 of title 5, United States Code, except that the term also includes the United States Postal Service);

(B) Congress and any other entity in the legislative branch; and

(C) a court and any other entity in the judicial branch.

(2) Bank.—The term "Bank" means the Federal Energy Bank established by section 4.

(3) Energy efficiency project.—The term "energy efficiency project" means a project that assists an agency in meeting or exceeding the energy efficiency goals stated in—

(A) part 3 of title V of the National Energy Conservation Policy Act (42 U.S.C. 8251 et seq.);

(B) subtitle F of title I of the Energy Policy Act of 1992; and

(C) applicable Executive orders, including Executive Order Nos. 12759 and 12902.

(4) Secretary.—The term "Secretary" means the Secretary of Energy.

(5) Total utility payments.—The term "total utility payments" means payments made to supply electricity, natural gas, and any other form of energy to provide the heating, ventilation, and air conditioning, lighting, and other energy needs of an agency facility.

SEC. 4. ESTABLISHMENT OF BANK.

(a) In General.—There is established in the Treasury of the United States a trust fund to be known as the "Federal Energy Bank", consisting of—

(1) such amounts as are appropriated to the Bank under section 8;

(2) such amounts as are transferred to the Bank under subsection (b);

(3) such amounts as are repaid to the Bank under section 5(b)(4); and

(4) any interest earned on investment of amounts in the Bank under subsection (c).

(b) Transfers to Bank.—

(1) In general.—At the beginning of each of fiscal years 1999, 2000, and 2001, each agency shall transfer to the Secretary of the Treasury, for deposit in the Bank, an amount equal to 5 percent of the total utility payments paid by the agency in the preceding fiscal year.

(2) Utilities paid for as part of rental payments.—The Secretary shall by regulation establish a formula by which the appropriate portion of a rental payment that covers the cost of utilities shall be considered to be a utility payment for the purposes of paragraph (1).

(c) Investment of Funds.—The Secretary of the Treasury shall invest such portion of funds in the Bank as is not, in the Secretary's judgment, required to meet current withdrawals. Investments may be made only in interest-bearing obligations of the United States.

SEC. 5. LOANS FROM THE BANK.

(a) In General.—The Secretary of the Treasury shall transfer from the Bank to the Secretary such amounts as are appropriated to carry out the loan program under subsection (b).

(b) Loan Program.—

(1) In general.—In accordance with section 6, the Secretary shall establish a program to loan amounts from the Bank to any agency that submits an application satisfactory to the Secretary in order to finance an energy efficiency project.

(2) Performance contracting funding.—To the extent practicable, an agency shall not submit a project for which performance contracting funding is available.

(3) Purposes of loan.—

(A) In general.—A loan under this section may be made to pay the costs of—

(i) an energy efficiency project; or

(ii) development and administration of a performance contract.

(B) Limitation.—An agency may use not more than 15 percent of the amount of a loan under subparagraph (A)(i) to pay the costs of administration and proposal development (including data collection and energy surveys).

(4) Repayments.—

(A) In general.—An agency shall repay to the Bank the principal amount of the energy efficiency project loan plus interest at a rate determined by the President, in consultation with the Secretary and the Secretary of the Treasury.

(B) Waiver.—The Secretary may waive the requirement of subparagraph (A) if the Secretary determines that payment of interest by an agency is not required to sustain the needs of the Bank in making energy efficiency project loans.

(5) Agency energy budgets.—Until a loan is repaid, an agency budget submitted to Congress for a fiscal year shall not be reduced by the value of energy savings accrued as a result of the energy conservation measure implemented with funds from the Bank.

(6) Availability of funds.—An agency shall not rescind or reprogram funds made available by this Act. Funds loaned to an agency shall be retained by the agency until expended, without regard to fiscal year limitation.

SEC. 6. SELECTION CRITERIA.

(a) In General.—The Secretary shall establish criteria for the selection of energy efficiency projects to be awarded loans in accordance with subsection (b).

(b) Selection Criteria.—The Secretary may make loans only for energy efficiency projects that—

(1) are technically feasible;

(2) are determined to be cost-effective using life cycle cost methods established by the Secretary by regulation;

(3) include a measurement and management component to—

(A) commission energy savings for new Federal facilities; and

(B) monitor and improve energy efficiency management at existing Federal facilities; and

(4) have a project payback period of 3 years or less.

SEC. 7. REPORTS AND AUDITS.

(a) Reports to the Secretary.—Not later than 1 year after the installation of an energy efficiency project that has a total cost of more than $1,000,000, and each year thereafter, an agency shall submit to the Secretary a report that—

(1) states whether the project meets or fails to meet the energy savings projections for the project; and

(2) for each project that fails to meet the savings projections, states the reasons for the failure and describes proposed remedies.

(b) Audits.—The Secretary may audit any energy efficiency project financed with funding from the Bank to assess the project's performance.

(c) Reports to Congress.—At the end of each fiscal year, the Secretary shall submit to Congress a report on the operations of the Bank, including a statement of the total receipts into the Bank, and the total expenditures from the Bank to each agency.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

Mr. FEINGOLD. Mr. President, I am delighted to join with my colleague, the senior Senator from Wisconsin [Mr. Kohl] as an original co-sponsor of the Federal Energy Bank Act.

The idea of the Federal Government leading by example in the area of energy efficiency has made sense to me for a long time, so much so, in fact, that in campaigning for the Senate in 1992, I included energy efficiency in my campaign platform. I proposed an 82-point plan to reduce the deficit, a series of specific spending reductions and revenue changes which, if enacted in sum total, would have eliminated the deficit.

Among those items, as I was a candidate for office after the passage of the 1992 Energy Policy Act and after the United States' signing of the Framework Convention on Climate Change in Rio de Janeiro, Brazil, was one to encourage the Federal Government to implement a comprehensive energy savings program for the Federal Government through energy efficiency investments.

After all, I believe that if Wisconsin consumers and business have been converted to the wisdom of compact fluorescent light bulbs, efficient heating and cooling systems, weatherization, and energy saving computers, among the wide range of potential efficiency improvements, that the Federal Government promoting those actions should also make the same investments to the taxpayers' benefit.

Section 152 of the Energy Policy Act mandated that Federal agencies use all cost-effective measures that could be implemented with less than a 10-year payback to reduce energy consumption in their facilities by 20 percent by the year 2000 compared to 1985 consumption levels.

On March 8, 1994, President Clinton signed Executive Order 12902. This order was an even more aggressive mandate to improve energy efficiency in Federal buildings nationwide by requiring agencies to use cost-effective measures to reduce energy use by fiscal year 2005 by 30 percent compared with the agency's 1985 energy use.

After taking office, I have learned that among the most significant constraints to implementing more energy efficient practices in the Federal Government is the lack of sufficient funds to invest in energy efficient equipment.

Section 162 of the Energy Policy Act of 1992 directed the Secretary of Energy to conduct a detailed study of options for financing energy and water conservation measures in Federal facilities as required under the act and by subsequent Executive orders. On June 3, 1997, the Secretary of Energy, Mr. Penã released that study. It documents a need for a $5.7 billion financial investment between 1996 and 2005 to meet the Energy Policy Act and Executive order goals, a value which could vary from a low of $4.4 billion to a high of $7.1 billion given variability in both energy and water investment requirements.

The best estimate, according to the same study of the total Federal funding available to spend on energy and water efficiency improvements from various sources, including direct agency appropriations, energy savings performance contracts, and utility demand-side management programs, and appropriations to the Federal energy efficiency fund, to the Federal Government to meet those needs over the same time period is $3.7 billion. Thus, under DOE's best estimate, at the Federal level we face a potential shortfall of funds necessary to achieve our Federal energy and water conservation objectives of $2 billion.

In order to address this shortfall, I am pleased joining as a cosponsor of this legislation to create a Federal energy revolving fund or "energy bank."

Some in this body may be concerned that the existence of the current Federal energy efficiency fund alleviates the need for additional Federal conservation investment. The problem with the current fund, which operates as a grant program for agencies to make efficiency improvements, is that it does not contribute to the replenishment of capital resources because it does not have to be paid back and is therefore dependent upon appropriations.

Under the legislation, I join in cosponsoring with my colleague from Wisconsin today, Federal agencies will be required, in fiscal years 1998–2000, to deposit an amount equal to 5 percent of their total utility payments in the proceeding fiscal year to capitalize the fund. After 2000, the Secretary of Energy will determine an amount necessary to ensure that the fund meets its obligations.

Agencies will then be able to get a loan from the fund to finance efficiency projects, which they will be responsible for repaying with interest. The projects must use off-the-shelf technologies and must be cost effective.

The best part of this approach is that the technologies are required to have a 3-year pay back period, and, therefore, this legislation achieves some modest savings for the taxpayer. CBO scores this measure as saving $3 million over 5 years.

In addition to savings for the taxpayer, I am also pleased to assist the Federal Government in advancing what I believe to be an important part of our overall strategy to combat greenhouse gas emissions. As many in the body are aware, President Clinton announced his plan for meeting the challenge of global climate change on October 22, 1997, in preparation for negotiating meetings in Bonn, Germany on a new protocol to the Climate Convention. Among the items the President cited was the need to do more in the area of federal energy management. Aggressive energy management can reduce carbon emissions from the activities of the Federal Government, which, the President indicated, has the Nation's largest energy bill at almost $8 billion per year. The President specifically stated that there is a need to improve federal procurement of energy efficient technologies, and this measure is a positive, proactive measure to ensure that federal agencies specifically set aside funds to achieve this goal. The senior Senator from Wisconsin [Mr. KOHL] and I look forward to working with the administration to advance this legislation as a piece of the country's overall greenhouse gas reductions strategy.

In conclusion, I look forward to working with my senior Senator on this issue. I believe that this is a unique opportunity for Senate colleagues to support legislation that is both fiscally responsible and environmentally sound.

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 1376. A bill to increase the Federal medical assistance percentage for Hawaii to 59.8 percent; to the Committee on Finance.

THE HAWAII FEDERAL MEDICAL ASSISTANCE PERCENTAGE ADJUSTMENT ACT OF 1997

Mr. AKAKA. Mr. President, I rise today to introduce legislation to adjust the Federal medical assistance percentage [FMAP] rate for Hawaii to reflect more fairly the State's ability to bear its share of Medicaid payments. I am pleased that my colleague, the senior Senator from Hawaii, Senator INOUYE, has joined me as a sponsor of this measure.

The Federal share of Medicaid payments varies depending on each State's ability to pay—wealthier States bear a larger share of the cost of the program, and thus have lower FMAP rates. Per capita income is used as the measure of State wealth. Because per capita income in Hawaii is quite high, the State's FMAP rate is at the lowest level—50 percent. Hawaii is one of only a dozen States whose FMAP rate is at the 50 percent level. My bill would increase Hawaii's FMAP rate from 50 percent to 59.8 percent.

Because of our geographic location and other factors, the cost of living in Hawaii greatly exceeds the cost of living in the mainland States. Per capita income is a poor measure of a State's relative ability to bear the cost of Medicaid services. An excellent analysis of this issue is included in the 21st edition of "The Federal Budget and the States", a joint study conducted by the Taubman Center for State and local Government at Harvard University's John F. Kennedy School of Government and the office of U.S. Senator DANIEL PATRICK MOYNIHAN. According to the study, if per capita income is measured in real terms, Hawaii ranks 47th at $19,755 compared to the national average of $24,231. This sheds a totally different light on the State's financial status.

The cost of living in Honolulu is 83 percent higher than the average of the metropolitan areas tracked by the U.S. Census Bureau, based on 1995 data. Recent studies have shown that for the State as a whole, the cost of living is more than one-third higher than the rest of the U.S. In fact, Hawaii's Cost of Living Index ranks it as the highest in the country. Some government programs take the high cost of living in Hawaii into account and funding is adjusted accordingly. These include Medicare prospective payment rates, food stamp allocations, school lunch programs, housing insurance limits, and military living expenses.

These examples reflect the recognition that the higher cost of living in noncontiguous States should be taken into account in fashioning government program policies. It is time for similar recognition of this factor in gauging Hawaii's ability to support its health care programs. During consideration of the Balanced Budget Act this past summer, the Senate included a provision increasing Alaska's FMAP rate to 59.8 percent for the next 3 years. Setting a higher match rate as was done for Alaska would still leave Hawaii with a lower FMAP rate than a majority of the States, but would better recognize Hawaii's ability to pay its fair share of the costs of the Medicaid program.

Despite the high cost of living, the Harvard-Moynihan study finds that Hawaii also has one of the highest poverty rates in the Nation. The State's 16.9 percent poverty rate is ranked eighth in the country, compared to the national average of 14.7 percent. These higher cost levels are reflected in State government expenditures and State taxation. Thus, on a per capita basis State revenue and expenditures are far higher in Hawaii, as well as Alaska, than in the 48 mainland States. The higher expenditure levels are necessary to assure an adequate level of public services which are more costly to provide in these States.

Of the top 10 States with the highest poverty rates in the country, the Harvard-Moynihan study finds that only 3 others have an FMAP rate between 50-60 percent. The other six States have FMAP rates of 65 percent and higher. Even more astonishing is that of the top 10 States with the lowest real per capita income, only Hawaii has a 50-percent FMAP rate.

To bring equity to this situation, Hawaii has sought an increase in its FMAP rate over the past several years. Just as we did for Alaska this past summer, Hawaii should be included in this long-warranted change, as the same factors justifying an increase for Alaska apply to Hawaii. Recognition of this point was made by House and Senate conferees to the Balanced Budget Act. The conferees, on page 879 of the conference report, note that poverty guidelines for Alaska and Hawaii are different than those for the rest of the Nation, yet there is no variation from the national calculation in the FMAP. The conferees correctly noted that comparable adjustments are generally made for Alaska and Hawaii.

The case for an FMAP increase is especially compelling in Hawaii, which has a proud history of providing essential health services in an innovative and cost-effective manner. That commitment is not easy to fulfill. Unlike most States, for example, Hawaii's Aid to Families with Dependent Children/Temporary Assistance for Needy Families [AFDC/TANF] caseloads have been increasing dramatically. In Hawaii, our caseload has risen by 21 percent since 1994 compared to a national decline of 23 percent during this same period. Since TANF block grants are based on historical spending levels, the increased demand has placed extreme pressure on State resources.

Hawaii has sought to maintain a social safety net while striving for more efficient delivery of government services. The most striking example is the QUEST Medical Assistance Program, which operates under a Federal waiver. QUEST has brought managed care and broader coverage to the State's otherwise uninsured populations. At the same time, Hawaii is the only State whose employers guarantee health care coverage to every full-time employee, a further example of Hawaii's commitment to a strong social support system.

There is a particularly strong need for a more suitable FMAP rate for Hawaii now. The State has not participated in the economic growth that has benefitted most of the rest of the Nation. Hawaii's unemployment rate is above the national average and State tax revenues have fallen short of projected estimates. The need to fund 50 percent of the cost of the Medicaid program puts an increasing strain on the State's resources.

For all of these reasons, the FMAP rates for Hawaii should be adjusted to reflect more equitably the State's ability to support the Medicaid program. This will assure that the special problem of the noncontiguous States is dealt with in a principled manner. I believe it is also important to point out that based on Hawaii's current Medicaid spending level of approximately $700 million, each percentage point increase in our FMAP rate would provide approximately $7 million annually in additional Federal funds. Thus, the cost of enhancing the State's FMAP rate would be relatively modest.

I urge my colleagues in the Senate to support an upward adjustment in Hawaii's Federal medical assistance percentage.

Mr. President, in closing, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1376

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCREASED FMAP FOR HAWAII.

(a) INCREASED FMAP.—The first sentence of section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)), as amended by section 4725 of the Balanced Budget Act of 1997 (Public Law 105-33; 111 Stat. 418), is amended—

(1) by striking "and (3)" and inserting ", (3)"; and

(2) by inserting before the period at the end the following: ", and (4) for purposes of this title and title XXI, the Federal medical assistance percentage for Hawaii shall be 59.8 percent".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to—

(1) items and services furnished on or after October 1, 1997, under—

(A) a State plan or under a waiver of such plan under title XIX; and

(B) a State child health plan under title XXI of such Act;

(2) payments made on a capitation or other risk-basis for coverage occurring under plans under such titles on or after such date; and

(3) payments attributable to DSH allotments for Hawaii determined under section 1923(f) of such Act (42 U.S.C. 1396r-4(f)) for fiscal years beginning with fiscal year 1998.

By Mr. DEWINE (for himself, Mr. MOYNIHAN, Mr. HATCH, Mr. D'AMATO, Mr. DODD, Mr. KOHL, Mr. COVERDELL, Mr. KENNEDY, Mr. INOUYE, Mr. LIEBERMAN, Ms. SNOWE, Mr. HUTCHINSON, Mr. THURMOND, Mr. MCCAIN, Mr. SHELBY, Mr. CAMPBELL, and Mr. WYDEN):

S. 1379. A bill to amend section 552 of title 5, United States Code, and the National Security Act of 1947 to require disclosure under the Freedom of Information Act regarding certain persons, disclose Nazi war criminal records without impairing any investigation or prosecution conducted by the Department of Justice or certain intelligence matters, and for other purposes; to the Committee on the Judiciary.

THE NAZI WAR CRIMES DISCLOSURE ACT

Mr. DEWINE. Mr. President, I am pleased to be part of a bipartisan group of Senators, led by my friend from New York, Senator MOYNIHAN, to introduce the Nazi War Crimes Disclosure Act. Passage of this legislation will lift the last remaining veils of secrecy on one of the darkest periods in human history.

The Nazi War Crimes Disclosure Act represents what I hope will be the culmination of work begun in the last Congress to release U.S. Government-held records of Nazi war criminals, the Nazi Holocaust, and the trafficking of Nazi-held assets.

Just 2 years ago, we celebrated the 50th anniversary of the end of the Second World War, and with it, the Nazis' death grip on an entire continent. Since that time, searingly detailed accounts of the Nazi Holocaust have come to our attention.

We have learned so much. Yet, if the last few years are any indication, we still have so much more to learn.

After the fall of Communist rule, Russia and several former Soviet-bloc nations opened volumes of secret files on Nazi war crimes. Argentina has cooperated in the public release of its files. British Government records are being declassified and made available for public scrutiny. And over the past year, Swiss banks and the Swiss Government have been under intense international pressure to make a full accounting of unclaimed funds belonging to Holocaust victims, as well as Nazi assets that may have once belonged to Holocaust victims.

Mr. President, here at home, our own Government has been gradually making records available about what it knew of Nazi-related activities and atrocities. Earlier this year, a Government-conducted study revealed new information about what the U.S. Government knew regarding the transfer and flow of funds held by Nazi officials. This report found that the U.S. Government was aware that the Nazi mint took gold stolen from European central banks and melted it together with gold obtained in horrible fashion—from tooth-fillings, wedding bands and other items seized from death camp victims. Last Sunday's New York Times detailed newly released Government documents that described how the Federal Reserve Bank of New York had melted down and recast hundreds of Nazi-held gold bars. According to the released records, the U.S. Government knew that a good portion of this gold had been looted from the Netherlands and Belgium. It is not known if any of these bars contained gold from Holocaust victims, or to what extent the U.S. Government knew it.

Mr. President, earlier today, at a press conference to announce the introduction of this legislation, I had on display several aerial U.S. intelligence photographs taken in 1944. The pictures were of Auschwitz, with prisoners being led to the gas chambers. These pictures were discovered by photo analysts from the Central Intelligence Agency in 1978. They confirm what we had heard from the Polish underground that a death camp did in fact exist at Auschwitz. They also demonstrated that our Government had photographs of these camps as these atrocities were occurring.

These pictures tell a grisly story. How many more exist? With our legislation, we intend to answer that question.

So, the fact is, the dark tragedy of the Nazi Holocaust, which ended more than 60 years ago, has been unfolding long after these tragic events occurred and is still unfolding with each new release of information.

Both Congress and the President have taken action to promote the release of Government-held records during this tragic era. On April 17, 1995, the President issued an Executive order calling for the release of national security data and information older than 25 years. Last year, thanks to the tireless efforts of my friend from New York, Senator MOYNIHAN and Representative CAROLYN MALONEY and several others, Congress passed a sense-of-the-Congress resolution, which stated that any U.S. Government agencies should make public any records in its possession about individuals who are alleged to have committed Nazi war crimes. The President agreed, noting that learning the remaining secrets about the Holocaust are in the clear public interest.

The Nazi War Crimes Disclosure Act is designed to put the concerns expressed by the last Congress into strong action. What our bill would do is amend the Freedom of Information Act to establish a presumption that Nazi war criminal records are to be made available to the public. This means that all materials would be required to be released in their entirety unless a Federal agency head concludes that the release of all or part of these records would compromise privacy or national security interests. The agency head must notify Congress of any determination to not release records.

To facilitate this process, the bill would establish the Nazi War Criminal Records Interagency Working Group. This working group would to the greatest extent possible locate, identify, inventory, declassify, and make available for the public all Nazi war records held by the United States.

This pro-active search is necessary because a full Government search and inventory has never been completed. For example, some documents that surfaced this spring were found in holdings related to Southeast Asia.

Our bill would be targeted toward two classes of Nazi-related materials: First, war crimes information regarding Nazi persecutions; and second, any information related to transactions involving assets of Holocaust and other Nazi victims.

In summary, what we are trying to do with this bill is strike a clear balance between our Government's legitimate privacy and national security interests and the people's desire to know the truth about Nazi atrocities. These records, once released, will be held in a repository at the National Archives.

This bill is a bipartisan effort to ensure the Federal Government has done all it can to ensure Holocaust victims and their families can obtain the answers they need.

Again, this bill is the culmination of years of tireless work by a number of leaders. First, I want to pay special tribute to the Senators from New York—both have worked tirelessly on Holocaust related legislation for years. Senator MOYNIHAN has been a leader in the drive to declassify U.S. Government records and a well-respected historian. He championed the release of the so-called VENONA cables that confirmed that the Soviet Union had an active spy network that had penetrated our Government. I am pleased to be working with Senator MOYNIHAN on a similar endeavor—the cataloging and declassification of as many World War II documents on the Holocaust as possible.

Senator D'AMATO has worked to make public scores of Swiss bank records and lost accounts of Holocaust victims. His efforts inspired us to redraft our legislation to ensure the Federal Government releases records related to the trafficking of Nazi-held assets.

This bill has the support of the chairmen of the Judiciary and Intelligence Committees—respectively, my friend from Utah, Senator HATCH, and my friend from Alabama, Senator SHELBY.

Mr. President, I also would be remiss if I did not mention my friend from Wisconsin, Senator KOHL, who serves with me on the Antitrust Subcommittee on the Judiciary Committee. He has brought insight on this issue that none of us has.

Together, with this kind of bipartisan support, I am hopeful we can move this legislation quickly through Congress and to the President early next year. As a member of the Intelligence Committee, I intend to make this a priority issue—so that people from my State and across our Nation can have access to the most complete inventory of U.S. Government records on the Holocaust. The clock is running, and time is running out for so many victims of the Holocaust. They, and history itself, deserve to know as much as possible about this tragic chapter in the story of humanity.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1379

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Nazi War Crimes Disclosure Act".

SEC. 2. REQUIREMENT OF DISCLOSURE UNDER FREEDOM OF INFORMATION REGARDING PERSONS WHO COMMITTED NAZI WAR CRIMES.

(a) IN GENERAL.—Section 552 of title 5, United States Code, is amended—

(1) in subsection (a)(4)(B) in the second sentence, by inserting "or subsection (h)" after "subsection (b)"; and

(2) by inserting after subsection (g) the following:

"(h)(1) For the purposes of this subsection, the term 'Nazi war criminal records' means records or portions of records that—

"(A) pertain to any person as to whom the United States Government, in its sole discretion, has determined there exists reasonable grounds to believe that such person, during the period beginning on March 23, 1933, and ending on May 8, 1945, under the direction of, or in association with—

"(i) the Nazi government of Germany;

"(ii) any government in any area occupied by the military forces of the Nazi government of Germany;

"(iii) any government established with the assistance or cooperation of the Nazi government of Germany; or

"(iv) any government which was an ally of the Nazi government of Germany,

ordered, incited, assisted, or otherwise participated in the persecution of any person because of race, religion, national origin, or political opinion; or

"(B) pertain to any transaction as to which the United States Government, in its sole discretion, has determined there exists reasonable grounds to believe—

"(i) involved assets taken from persecuted persons during the period beginning on March 23, 1933, and ending on May 8, 1945, by, under the direction of, on behalf of, or under authority granted by the Nazi government of Germany or any nation then allied with that government; and

"(ii) such transaction was completed without the assent of the owners of those assets or their heirs or assigns or other legitimate representatives.

"(2)(A) Notwithstanding subsection (b), this subsection shall apply to Nazi war criminal records.

"(B) Subject to subparagraphs (C), (D), and (E), Nazi war criminal records that are responsive to a request for records made in accordance with subsection (a) shall be released in their entirety.

"(C) An agency head may exempt from release under subparagraph (B) specific information, the release of which should be expected to—

"(i) constitute a clearly unwarranted invasion of personal privacy;

"(ii) reveal the identity of a confidential human source, or reveal information about the application of an intelligence source or method, or reveal the identity of a human intelligence source when the unauthorized disclosure of that source would clearly and demonstrably damage the national security interests of the United States;

"(iii) reveal information that would assist in the development or use of weapons of mass destruction;

"(iv) reveal information that would impair United States cryptologic systems or activities;

"(v) reveal information that would impair the application of state-of-the-art technology within a United States weapon system;

"(vi) reveal actual United States military war plans that remain in effect;

"(vii) reveal information that would seriously and demonstrably impair relations between the United States and a foreign government, or seriously and demonstrably undermine ongoing diplomatic activities of the United States;

"(viii) reveal information that would clearly and demonstrably impair the current ability of United States Government officials to protect the President, Vice President, and other officials for whom protection services, in the interest of national security, are authorized;

"(ix) reveal information that would seriously and demonstrably impair current national security emergency preparedness plans; or

"(x) violate a statute, treaty, or international agreement.

"(D) In applying exemptions (ii) through (x) of subparagraph (C), there shall be a presumption that the public interest in the release of Nazi war criminal records outweighs the damage to national security that might reasonably be expected to result from disclosure. The agency head, as an exercise of discretion, may rebut this presumption with respect to a Nazi war criminal record, or portion thereof, based on an exemption listed in subparagraph (C). The exercise of this discretion shall be promptly reported to the committees of Congress with appropriate jurisdiction.

"(E) This subsection shall not apply to records—

"(i) related to or supporting any active or inactive investigation, inquiry, or prosecution by the Office of Special Investigations of the Department of Justice; or

"(ii) in the possession, custody or control of that office.".

(b) INAPPLICABILITY OF NATIONAL SECURITY ACT OF 1947 EXEMPTION.—Section 701 of the National Security Act of 1947 (50 U.S.C. 431) is amended—

(1) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (d) the following:

"(e) Subsection (a) shall not apply to any operational file, or any portion of any operational file, that constitutes a Nazi war criminal record under section 552(h) of title 5, United States Code.".

SEC. 3. INTERAGENCY INVENTORY OF NAZI WAR CRIMINAL RECORDS.

(a) DEFINITIONS.—In this section the term—

(1) "agency" has the meaning given such term under section 551 of title 5, United States Code;

(2) "Interagency Group" means the Nazi War Criminal Records Interagency Working Group established under subsection (b);

(3) "Nazi war criminal records" has the meaning given such term under section 552(h)(1) of title 5, United States Code (as added by section 2(a)(2) of this Act); and

(4) "record" means a Nazi war criminal record.

(b) ESTABLISHMENT OF INTERAGENCY GROUP.—

(1) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the President shall establish the Nazi War Criminal Records Interagency Working Group.

(2) MEMBERSHIP.—The President shall appoint to the Interagency Group the heads of agencies who the President determines will most completely and effectively carry out the functions of the Interagency Group within the time limitations provided in this section. The head of an agency appointed by the President may designate an appropriate officer to serve on the Interagency Group in lieu of the head of such agency.

(3) INITIAL MEETING.—Not later than 90 days after the date of enactment of this Act, the Interagency Group shall hold an initial meeting and begin the functions required under this section.

(c) FUNCTIONS.—Not later than 1 year after the date of enactment of this Act, the Interagency Group shall, to the greatest extent possible consistent with section 552(h)(2) of title 5, United States Code (as added by section 2(a)(2) of this Act)—

(1) locate, identify, inventory, recommend for declassification, and make available to the public at the National Archives and Records Administration, all Nazi war criminal records of the United States;

(2) coordinate with agencies and take such actions as necessary to expedite the release of such records to the public; and

(3) submit a report to Congress describing all such records, the disposition of such records, and the activities of the Interagency Group and agencies under this section.

SEC. 4. EXPEDITED PROCESSING OF REQUESTS FOR NAZI WAR CRIMINAL RECORDS.

(a) DEFINITIONS.—In this section, the term—

(1) "Nazi war criminal record" has the meaning given the term under section 552(h)(1) of title 5, United States Code (as added by section 2(a)(2) of this Act); and

(2) "requester" means any person who was persecuted in the manner described under section 552(h)(1)(A) of title 5, United States Code (as added by section 2(a)(2) of this Act), who requests a Nazi war criminal record.

(b) EXPEDITED PROCESSING.—For purposes of expedited processing under section 552(a)(6)(E) of title 5, United States Code, any requester of a Nazi war criminal record shall be deemed to have a compelling need for such record.

SEC. 5. EFFECTIVE DATE.

The amendments made by this Act shall apply to requests under section 552 of title 5, United States Code (known as Freedom of Information Act requests) received by an agency after the expiration of the 90-day period beginning on the date of enactment of this Act.

Mr. MOYNIHAN. Mr. President, today we introduce a revised War Crimes Disclosure Act which Senators D'AMATO, DODD and I originally sponsored in the 104th Congress as a companion to a measure introduced by Representative MALONEY.

The measure is a simple one. It requires the disclosure of information under the Freedom of Information Act regarding individuals who participated in Nazi war crimes. This bill, which Senator DEWINE has carefully crafted, builds on our original measure by expanding its scope to include information regarding stolen assets of the victims of Nazi war crimes, and by requiring a Governmentwide search of records to ensure the release of as many relevant documents as possible. A similar search for information regarding Nazi assets was recently conducted under the direction of Stuart Eizenstat, with significant results.

Ideally, documents regarding Nazi war crimes would be made available to the public without further legislation and without having to go through the slow process involved in getting information through the Freedom of Information Act [FOIA]. Unfortunately, this is not the case. Researchers seeking information on Nazi war criminals are denied access to relevant materials in the possession of the United States Government, even when the disclosure of these documents no longer poses a threat to national security—if indeed such disclosure ever did.

Perhaps the most important provision contained in the legislation is the balancing test. This requires that "there shall be a presumption that the public interest in the release of Nazi war criminal records outweighs the damage to national security that might reasonably be expected to result from disclosure." The provision is in keeping with the report of the Commission on Protecting and Reducing Government Secrecy which recommended that such a balancing test be applied in all classification decisions.

The Commission on Protecting and Reducing Government Secrecy was the second statutory examination of Government secrecy. I was honored to Chair the Commission; Representative COMBEST served as vice-chairman. Also serving on the Commission were John Deutch, Martin Faga, John Podesta, and Samuel Huntington. We presented our report to the President in March, and the congressional members of the Commission introduced legislation to implement the recommendations of the Commission in May.

We have welcomed the many editorials and feature articles supporting our efforts as, in the words of the Sacramento Bee, a "sensible, much-needed proposal for reforming runaway classification of secrets by the federal government." And Albany's Times Union assessment that our bill represents a "bipartisan effort * * * to make more government documents accessible to the public and, in the process, make government more accountable."

Our's is a report that, I believe, sets out a new framework for how to think about Government secrecy. Beginning with the concept that secrecy should be understood as a form of Government regulation. In the words of the German sociologist Max Weber, writing some eight decades ago:

> Every bureaucracy seeks to increase the superiority of the professionally informed by keeping their knowledge and intentions secret. Bureaucratic administration always

> tends to be an administration of "secret sessions"; in so far as it can, it hides its knowledge and action from criticism.
>
> The pure interest of the bureaucracy in power, however, is efficacious far beyond those areas where purely functional interests make for secrecy. The concept of the "official secret" is the specific invention of bureaucracy, and nothing is so fanatically defended by the bureaucracy as this attitude, which cannot be substantially defended beyond these specifically qualified areas.

What we traditionally think of in this country as regulation concerns how citizens are to behave. Whereas public regulation involves what the citizen may do, secrecy concerns what that citizen may know. And the citizen does not know what may not be known. As our Commission stated: "Americans are familiar with the tendency to overregulate in other areas. What is different with secrecy is that the public cannot know the extent or the content of the regulation."

Thus, secrecy in the ultimate mode of regulation; the citizen does not even know that he or she is being regulated. It is a parallel regulatory regime with a far greater potential for damage if it malfunctions. In our democracy, where the free exchange of ideas is so essential, it can be suffocating.

We must develop what might be termed a competing "culture of openness" fully consistent with our interests in protecting national security, but in which power and authority are no longer derived primarily from one's ability to withhold information from others in Government and the public at large.

The Nazi War Crimes Disclosure Act is in keeping with the work of the Commission on Protecting and Reducing Government Secrecy. With the passing of time it becomes ever more important to document Nazi war crimes, lest the enormity of those crimes be lost to history. The greater access which this legislation provides will add clarity to this important effort. I applaud those researchers who continue to pursue this important work.

I would like to thank Representative MALONEY for her original work on this subject in the House of Representatives and I would also thank Senator DEWINE for joining me in this effort here in the Senate.

Mr. KOHL. Mr. President, I am pleased to be an original cosponsor of the Nazi War Crimes Disclosure Act. I want to thank Senator DEWINE and commend him for taking the lead on this important issue.

This bill demonstrates America's commitment to the same historical honesty that we are demanding of Switzerland and other countries only now facing their role in the atrocities of World War II. It is not enough for us to talk about disclosure by others. We need to practice it too. If there are secrets relating to the presence of Nazi war criminals in the United States, or if there is information that will be helpful in identifying assets of Holocaust victims, or even evidence of other governments collaborating with the Nazis, let's open these files and reveal these secrets before an entire generation of survivors is gone.

This bill creates a presumption in favor of the public interest in learning all there is to learn about Nazi war crimes and requires a proactive searching of Government files for relevant documents. We have an obligation to find this information and to disseminate it. Although the Holocaust happened more than 50 years ago, we are now seeing countries and individuals caught up in the maelstrom of World War II grappling with this difficult past. Much of the debate on these issues has been triggered by recently released information from Government and other archives.

For survivors, there is no legislation that can erase the suffering they endured at the hands of the Nazis. As we go about our day-to-day business, it is easy to forget the horrific details of what happened in Europe: the gruesome torture and deaths, the systematic extermination of people. However, for those of us who were directly touched by the Holocaust, history is very real. I grew up in the shadow of this tragedy. When I was a child, my family worried daily about family members left behind in Europe during the war. We constantly discussed what was or wasn't happening, and when the truth finally emerged, and all Americans realized the extent of the tragedy, it touched us even more.

It is only natural for American survivors and their families to expect the American Government to be as forthcoming as possible. Although many survivors have gone on to live productive lives here in the United States, and around the world, they can never forget. Nor should we.

Many emerging democracies are now facing their pasts—through truth commissions and the like. It is tempting to want to look forward and to forget events of long ago. But for these fragile democracies, reckoning with the past is the key to ensuring a secure future. We too must recognize that the openness prescribed by this legislation only makes our democracy stronger.

This legislation maintains protections for individuals from the unwarranted invasion of their personal privacy, and it continues to provide exceptions for the most urgent national security and foreign policy interests. The difference between this bill and existing FOIA protections is that this bill firmly sets into law the public's right to know about Nazi war crimes and the disposition of Nazi assets, and if there is information that agencies insist on keeping secret, the relevant congressional committees must be informed. This will give us the opportunity to determine whether information dating so far back should remain classified. Finally, the bill provides that if an agency head exercises his or her authority to block the release of information, the decision is subject to judicial review.

It is difficult to imagine what knowledge would be subject to these protections so many years after the fact. Yes, there may be information which makes us feel uncomfortable. There is already information about the extent to which the U.S. Government knew about what was going on during the war in the Nazi death camps. We must not be afraid of what we may learn. The only ones who need fear are the perpetrators of these vicious acts who have escaped scrutiny until now, for there are still Nazi war criminals at large in this country and abroad. Armed with new information, much like the information which may be available in our own files, courts around the world are compelling them to answer for their despicable acts.

This legislation is targeted to information solely related to Nazi war crimes and to transactions involving Nazi victims, yet it sets an important precedent in codifying a more narrow set of privacy and national security exceptions for the release of Government information through the Freedom of Information Act. These exceptions are based on Executive Order 12958 which set the criteria for the release of information more than 25 years old. Unfortunately, we still have a long way to go in ensuring that this more open standard is uniformly applied to the release of Government information.

I am pleased that Senator MOYNIHAN is one of the lead sponsors of this bill because he has been such an eloquent spokesman against excessive secrecy. His work with the Commission on Protecting and Reducing Government Secrecy is truly commendable and I am pleased that this legislation is consistent with the findings of the Commission. Beyond shedding light on a difficult chapter in the history of humanity, this legislation can help foster a greater openness in the handling of Government information.

If we succeed, we will have left a legacy of which we can all be proud.

By Mr. COATS (for himself, Mr. LIEBERMAN, Mr. D'AMATO, and Mr. KERREY):

S. 1380. A bill to amend the Elementary and Secondary Education Act of 1965 regarding charter schools; to the Committee on Labor and Human Resources.

THE CHARTER SCHOOL EXPANSION ACT OF 1997

Mr. COATS. Mr. President, I am so pleased to join my good friend, Senator LIEBERMAN, in introducing another bill which has as its primary aim the expansion of educational opportunities for children. Senator LIEBERMAN has been a leader in promoting educational alternatives, and his efforts in the charter school movement have contributed to the tremendous growth in the number of charter schools since 1994. I commend him for his work in this area and am honored to join him in introducing the Charter School Expansion Act of 1997.

This bill builds on the great success of the original charter school legislation which Senator LIEBERMAN introduced in 1994. The Federal Charter School Grant Program provided seed money to charter school operators to help them cover the startup costs of beginning a charter school. In the last 3 years, the number of charter schools in operation around the country has tripled, with more than 700 charter schools now in 23 States.

The purpose of this bill is to further encourage the growth of high-quality charter schools around the country.

This bill provides incentives to encourage States to increase the number of charter schools in their State. The bill also tightens the eligibility definitions to better direct funds to those States who are committed to developing strong charter schools.

To ensure that charter schools have enough funding to continue once their doors are opened, this bill provides that charter schools get their fair share of Federal programs for which they are eligible, such as title 1 and IDEA.

This bill also increases the financing options available to charter schools and allows them to utilize funds from the title VI block grant program for startup costs.

And finally, the Secretary of Education and each State education agency is directed to inform every school district about the charter school option so that this educational alternative will be an option for any parent who is interested.

WHAT ARE CHARTER SCHOOLS?

Charter schools are independent public schools that have been freed from onerous bureaucratic and regulatory burdens and able to design and deliver educational programs tailored to meet the needs of their students and their communities.

The individualized education available to students through charter schools makes this a very desirable educational alternative. Charter schools give families an opportunity to choose the educational settings that best meet their child's needs. For many low-income families in particular, charter schools provide their first opportunity to select the educational setting which is best for their child.

These innovative charter schools are having tremendous academic success serving the same population of students who are struggling in more traditional public school settings. Several recent studies have highlighted the success of charter schools around the country in serving at-risk students. A study conducted by the Hudson Institute found dramatic improvement for minority and low income students who had been failing in their previous school. These students are flourishing in the smaller, challenging environments found in charter schools.

With results like these, it is no wonder that some of the strongest support for charter legislation comes from low-income families. Low-income families not only have real educational choices, but are actually needed in the charter school environment for everything from volunteering, to coaching, for fundraising, and even teaching. This direct involvement of families is helping to build small communities centered around the school.

Charter schools can be started by anyone interested in providing a quality education: Parents, teachers, school administrators, community groups, businesses, and colleges can all apply for a charter. And, importantly, if these schools fail to deliver a high-quality education, they will be closed—either through a district or State's accountability measures or due to lack of customers. Accountability is literally built in to the charter school process—a school's charter must be complied with and unhappy parents and students can leave if they are not satisfied.

In addition to the positive impact on the charter's students and their families, the overall charter movement is serving as a catalyst for change in the public schools. A foundational principle of the charter concept is that fair competition can stimulate improvement. And improvement in public schools has been spurred around the country due to the rapid growth of charter schools.

Recently, several studies have been released highlighting some of the success of charter schools around the country. In May, the Department of Education released its first formal report on its study of charter schools. Key first-year findings include:

The two most common reasons for starting public charter schools are flexibility from bureaucratic laws and regulations and the chance to realize an educational vision.

In most States, charter schools have a racial composition similar to statewide averages or have a higher proportion of minority students.

Charter schools enroll roughly the same proportion of low income students, on average, as other public schools.

Over the last 2 years, the Hudson Institute has undertaken its own study of charter schools, entitled "Charter Schools in Action." Their research team traveled to 14 States, visited 60 schools, and surveyed thousands of parents, teachers, and students.

Some of this study's key findings include:

Three-fifths of charter school students report that their charter school teachers are better than their previous school's teacher.

Over two-thirds of parents say their charter school is better than their child's previous schools with respect to class size, school size, and individual attention.

Over 90 percent of teachers are satisfied with their charter school's educational philosophy, size, fellow teachers, and students.

Among students who said they were failing at their previous school, more than half are now doing excellent or good work. These gains were dramatic for minority and low-income youngsters, and were confirmed by their parents.

The example of these schools point to important ways to improve and reinvent public education as a whole. The implications from the success of charter schools indicate that successful public schools should be consumer-oriented, diverse, results-oriented, and professional places that also function as mediating institutions in their communities.

The tremendous success of charter schools in the last 6 years gives me great hope for the success of overall education reform. The more than 700 charter schools in this country that have sprung up in such a short period of time provide solid evidence that parents are interested in improving their children's educational opportunities and they will do whatever it takes.

With the introduction of this bill, the Charter School Expansion Act, Senator LIEBERMAN and I hope to send a signal to parents all across this country that they are not alone in their struggle to improve education for their children. We hope to ease their struggle by enabling new charter schools to be developed. More charter schools will result in greater accountability, broader flexibility for classroom innovation, and ultimately more choice in public education. I urge my colleagues to support this bill and to increase educational opportunities for all children.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1380

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Charter School Expansion Act of 1997".

SEC. 2. INNOVATIVE CHARTER SCHOOLS.

Title VI of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7301 et seq.) is amended—

(1) in section 6201(a) (20 U.S.C. 7331(a))—

(A) in paragraph (1)(C), by striking "and" after the semicolon;

(B) by redesignating paragraph (2) as paragraph (3); and

(C) by inserting after paragraph (1) the following:

"(2) support for planning, designing, and initial implementation of charter schools as described in part C of title X; and"; and

(2) in section 6301(b) (20 U.S.C. 7351(b))—

(A) in paragraph (7), by striking "and" after the semicolon;

(B) by redesignating paragraph (8) as paragraph (9); and

(C) by inserting after paragraph (7) the following:

"(8) planning, designing, and initial implementation of charter schools as described in part C of title X; and".

SEC. 3. CHARTER SCHOOLS.

(a) PURPOSE.—Section 10301(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8061(b)) is amended—

(1) in paragraph (1), by striking "and" after the semicolon;

(2) in paragraph (2), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(3) expanding the number of high-quality charter schools available to students across the Nation.".

(b) CRITERIA FOR PRIORITY TREATMENT.—Section 10302 of such Act of 1965 (20 U.S.C. 8062) is amended by adding at the end the following:

"(e) PRIORITY TREATMENT.—

"(1) IN GENERAL.—

"(A) FISCAL YEARS 1998, 1999, AND 2000.—In awarding grants under this part for any of the fiscal years 1998, 1999, and 2000 from funds appropriated under section 10311 that are in excess of $51,000,000 for the fiscal year, the Secretary shall give priority to States to the extent that the States meet 1 or more of the criteria described in paragraph (2).

"(B) SUCCEEDING FISCAL YEARS.—In awarding grants under this part for fiscal year 2001 or any succeeding fiscal year from any funds appropriated under section 10311, the Secretary shall give priority to States to the extent that the States meet 1 or more of the criteria described in paragraph (2).

"(2) PRIORITY CRITERIA.—The criteria referred to in paragraph (1) are as follows:

"(A) The State has demonstrated significant progress in increasing the number of charter schools in the period prior to the period for which a State educational agency or eligible applicant applies for a grant under this part.

"(B) The State law regarding charter schools—

"(i) provides for at least 1 authorized public chartering agency that is not a local educational agency for each individual or entity seeking to operate a charter school pursuant to such State law; or

"(ii) in the case of a State in which local educational agencies are the only authorized public chartering agencies, allows for an appeals process for the denial of an application for a charter school.

"(C) The State law regarding charter schools provides for the automatic waiver of most State and local education laws and regulations, except those laws and regulations related to health, safety, and civil rights.

"(D) The State law regarding charter schools provides for periodic review and evaluation by the authorized public chartering agency of each charter school to determine whether the charter school is meeting or exceeding the academic performance requirements and goals for charter schools as set forth under State law or the school's charter.

"(f) AMOUNT CRITERIA.—In determining the amount of a grant to be awarded under this part to a State educational agency, the Secretary shall take into consideration the number of charter schools that will be created under this part in the State.".

(c) APPLICATIONS.—Section 10303(b) of such Act (20 U.S.C. 8063(b)) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following:

"(2) describe how the State educational agency—

"(A) will inform each charter school in the State regarding—

"(i) Federal funds that the charter school is eligible to receive; and

"(ii) Federal programs in which the charter school may participate;

"(B) will ensure that each charter school in the State receives the charter school's commensurate share of Federal education funds that are allocated by formula; and

"(C) will disseminate best or promising practices of charter schools to each local educational agency in the State; and".

(d) NATIONAL ACTIVITIES.—Section 10305 of such Act (20 U.S.C. 8065) is amended to read as follows:

"SEC. 10305. NATIONAL ACTIVITIES.

"The Secretary shall reserve for each fiscal year the lesser of 5 percent of the amount appropriated to carry out this part for the fiscal year or $5,000,000, to carry out the following activities:

"(1) To provide charter schools, either directly or through State educational agencies, with—

"(A) information regarding—

"(i) Federal funds that charter schools are eligible to receive; and

"(ii) other Federal programs in which charter schools may participate; and

"(B) assistance in applying for Federal education funds that are allocated by formula, including assistance with filing deadlines and submission of applications.

"(2) To provide for the completion of the 4-year national study (which began in 1995) of charter schools.

"(3) To provide—

"(A) information to applicants for assistance under this part;

"(B) assistance to applicants for assistance under this part with the preparation of applications under section 10303;

"(C) assistance in the planning and startup of charter schools;

"(D) training and technical assistance to existing charter schools;

"(E) information to applicants and charter schools regarding gaining access to private capital to support charter schools; and

"(F) for the dissemination of best or promising practices in charter schools to other public schools.".

(e) COMMENSURATE TREATMENT; RECORDS TRANSFER; PAPERWORK REDUCTION.—Part C of title X of such Act (20 U.S.C. 8061 et seq.) is amended—

(1) by redesignating sections 10306 and 10307 as sections 10310 and 10311, respectively; and

(2) by inserting after section 10305 the following:

"SEC. 10306. FEDERAL FORMULA ALLOCATION DURING FIRST YEAR AND FOR SUCCESSIVE ENROLLMENT EXPANSIONS.

"For purposes of the allocation to schools by the States or their agencies of funds under part A of title I, and any other Federal funds which the Secretary allocates to States on a formula basis, the Secretary and each State educational agency shall take such measures not later than 6 months after the date of enactment of the Charter School Expansion Act of 1997 as are necessary to ensure that every charter school receives the Federal funding for which the charter school is eligible not later than 5 months after the charter school first opens, notwithstanding the fact that the identity and characteristics of the students enrolling in that charter school are not fully and completely determined until that charter school actually opens. The measures similarly shall ensure that every charter school expanding its enrollment in any subsequent year of operation receives the Federal funding for which the charter school is eligible not later than 5 months after such expansion.

"SEC. 10307. SOLICITATION OF INPUT FROM CHARTER SCHOOL OPERATORS.

"To the extent practicable, the Secretary shall ensure that administrators, teachers, and other individuals directly involved in the operation of charter schools are consulted in the development of any rules or regulations required to implement this part, as well as in the development of any rules or regulations relevant to charter schools that are required to implement part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.), the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), or any other program administered by the Secretary that provides education funds to charter schools or regulates the activities of charter schools.

"SEC. 10308. RECORDS TRANSFER.

"State educational agencies and local educational agencies, to the extent practicable, shall ensure that a student's records and, if applicable, a student's individualized education program as defined in section 602(11) of the Individuals with Disabilities Education Act (20 U.S.C. 1401(11)), are transferred to a charter school upon the transfer of the student to the charter school, in accordance with applicable State law.

"SEC. 10309. PAPERWORK REDUCTION.

"To the extent practicable, the Secretary and each authorized public chartering agency shall ensure that implementation of this part results in a minimum of paperwork for any eligible applicant or charter school.".

(f) PART C DEFINITIONS.—Section 10310(1) of such Act (as redesignated by subsection (e)(1)) (20 U.S.C. 8066(1)) is amended—

(1) in subparagraph (A), by striking "an enabling statute" and inserting "a specific State statute authorizing the granting of charters to schools";

(2) in subparagraph (H), by inserting "is a school to which parents choose to send their children, and that" before "admits";

(3) in subparagraph (J), by striking "and" after the semicolon;

(4) in subparagraph (K), by striking the period and inserting "; and"; and

(5) by adding at the end the following:

"(L) has a written performance contract with the authorized public chartering agency in the State.".

(g) AUTHORIZATION OF APPROPRIATIONS.—Section 10311 of such Act (as redesignated by subsection (e)(1)) (20 U.S.C. 8067) is amended by striking "$15,000,000 for fiscal year 1995" and inserting "$100,000,000 for fiscal year 1998".

(h) TITLE XIV DEFINITIONS.—Section 14101 of such Act (20 U.S.C. 8801) is amended—

(1) in paragraph (14), by inserting ", including a public elementary charter school," after "residential school"; and

(2) in paragraph (25), by inserting ", including a public secondary charter school," after "residential school".

(i) CONFORMING AMENDMENT.—The matter preceding paragraph (1) of section 10304(e) of such Act (20 U.S.C. 8064(e)) is amended by striking "10306(1)" and inserting "10310(1)".

Mr. LIEBERMAN. Mr. President, I rise today to join my good friend and partner Senator COATS in introducing legislation that would speed the progress of what is arguably the most promising engine of education reform in America today, the charter school movement.

Before discussing the legislation itself, I think it's important to talk first about the context in which it is being introduced and the ongoing debates here in Congress over how best to improve our public schools and expand educational opportunities for all students. In listening to much of the back and forth recently, particularly about efforts to promote a limited school choice program, it seems that too often these battles are being waged, in the words of the great John Gardner, between uncritical lovers and unloving critics, those who would defend the status quo in public education at all costs and those who would attack it at the drop of a hat, with neither side doing much listening.

Making matters worse, the uncritical lovers have helped reduce this challenging, vitally important discussion to a simplistic either-or equation. Either you are for public education, which means you subscribe to a certain orthodoxy and dare not depart from it, or you are against it. Either you subscribe to a small set of educationally correct methods of reform or you are subverting public education as we know it.

In my view, this shortsightedness is shortchanging our children. Given how many students are being served poorly by the status quo, particularly those living in urban areas who are trapped in deadening and in some cases deadly public schools, and given the crucial role that education will play in determining whether the American dream can be made real for those kids in the information age, we have an obligation to leave no policy stone unturned or untested and judge ideas by the simple, unalloyed standard of what works. We must be open to trying any plan or program that offers the hope of better education for our children.

That is why Senator COATS and I have been advocating for some time that we experiment with private school choice, sponsoring a series of bills to set up pilot programs in our cities to see if giving low-income students the chance to attend a private or faith-based school will enhance their learning and force those failing public schools to improve.

And that is why today we want to take this opportunity to express our support for the growing public charter school movement and to outline our plans to help make these innovative, independent programs the norm rather than a novelty in this country.

I have been a long-time advocate of the charter approach, which grants educators freedom from top-heavy bureaucracies and their redtape in exchange for a commitment to meet high academic standards. After visiting, this week, with a group of passionate charter school operators and teachers at a national conference here in town, I am all the more convinced that charter schools represent what may be the future of public education. These folks are driving a grassroots revolution that is seeking to reinvent the public school and take it back to the future, reconnecting public education to some of our oldest, most basic values—ingenuity, responsibility, accountability—and refocusing its mission on doing what's best for the child instead of what's best for the system.

The results speak for themselves. Over the past 3 years, the number of public charter schools have more than tripled, with more than 700 of them operating in 23 different States and the District of Columbia, and parents in turn have given these programs overwhelmingly high marks for their responsiveness to them as consumers. Broad-based studies done by the Hudson Institute and the Education Department show that charters are effectively serving diverse populations, particularly many of the disadvantaged and at-risk children that traditional public schools have struggled to educate. And while it's too soon to determine what impact charter schools are having on overall academic performance, the early returns in places like Massachusetts suggest that charters are succeeding where it matters most, in the classroom.

Perhaps most heartening of all, a recent survey done by the National School Board Association found that the charter movement is already having a ripple effect that is being felt in many local school districts. The NSBA report cites evidence that traditional schools are working harder to please local families so they won't abandon them to competing charter schools, and that central administrators often see charters as a powerful tool to develop new ideas and programs without fearing regulatory roadblocks.

The most remarkable aspect of this movement may be that it has managed to bring together educators, parents, community activists, business leaders, and politicians from across the political spectrum on common ground in support of a common goal to better educate our children through more choice, more flexibility, and more accountability in our public schools. In these grassroots may lie the roots of a consensus for renewing the promise of public education.

We want to build on this agreement and the successes of charter schools and do what we can at the Federal level to encourage the growth of this movement. So today we will be introducing bipartisan legislation that will strengthen the Federal investment in charter schools and help remove some of the hurdles preventing charters from flourishing in every State.

Our bill, the Charter School Expansion Act, would revamp the Federal Charter School Grant Program to make it more focused on helping States and local groups create new schools and meet the President's goal of creating 3,000 charters by the year 2000. We want to increase funding for grants to new schools, which help charter operators meet the high costs of starting a school from scratch, and better target that aid to the States that are serious about expanding their charter program. Our hope is that these changes will give States that have been slow to embrace the charter movement an incentive to get on board.

In the near term, we feel this bill can be a starting point for overcoming our partisan and ideological differences and reaching a consensus on how to improve our schools and safeguard the hopes of our children. This proposal has already generated bipartisan interest both here in the Senate and the House, the administration has expressed its support, and we are optimistic it will be passed next year overwhelmingly.

In closing, I would like to thank Senator KERRY and Senator D'AMATO for joining Senator COATS and myself as original cosponsors of this bill. I would urge the rest of our colleagues, if they have not yet already done so, to take a close look at some of the truly innovative charter school programs being run in your home States and around the country. And I would ask you to join us in supporting this legislation to build on all the great work that's being done at the State and local level and help us chart a new course in education reform in America.

By Mr. NICKLES:

S. 1381. A bill to direct the Secretary of the Army to convey lands acquired for the Candy Lake project, Osage County, OK; to the Committee on Environment and Public Works.

THE CANDY LAKE LAND CONVEYANCE ACT OF 1997

Mr. NICKLES. Mr. President, today, I am introducing the Candy Lake Land Conveyance Act of 1997. The purpose of this legislation is to direct the Secretary of the Army to convey lands acquired for the Candy Lake project in Osage County, OK, back to the original landowners.

Briefly, the U.S. Army Corps of Engineers acquired 3,657.45 acres of land in Osage County from 21 landowners for the purpose of constructing Candy Lake. The project was not constructed, and in December 1996, the Corps of Engineers declared the Candy Lake property excess to the needs of the Federal Government.

My legislation will give each of the 21 landowners the option to purchase their original property from the Federal Government at fair market value. If a landowner, or their descendant, opts not to purchase their former property, that land will be disposed of in accordance with the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.).

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1381

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION. 1. DEFINITIONS.

In this Act:

(1) FAIR MARKET VALUE.—The term "fair market value" means the amount for which a willing buyer would purchase and a willing seller would sell a parcel of land, as determined by a qualified, independent land appraiser.

(2) PREVIOUS OWNER OF LAND.—The term "previous owner of land" means a person (including a corporation) that conveyed, or a descendant of an individual who conveyed, land to the Army Corps of Engineers for use in the Candy Lake project in Osage County, Oklahoma.

(3) SECRETARY.—The term "Secretary" means the Secretary of the Army.

SEC. 2. LAND CONVEYANCES.

(a) IN GENERAL.—The Secretary, acting through the Real Estate Division of the Tulsa District, Army Corps of Engineers, shall convey, in accordance with this section, all right, title, and interest of the United States in and to the land acquired by the United States for the Candy Lake project in Osage County, Oklahoma.

(b) PREVIOUS OWNERS OF LAND.—

(1) IN GENERAL.—The Secretary shall give a previous owner of land first option to purchase the land described in subsection (a) that was owned by the previous owner of land or by the individual from whom the previous owner of land is descended.

(2) APPLICATION.—

(A) IN GENERAL.—A previous owner of land that desires to purchase the land described in subsection (a) that was owned by the previous owner of land, or by the individual from whom the previous owner of land is descended, shall file an application to purchase the land with the Secretary not later than 180 days after the official date of notice to the previous owner of land under section 3.

(B) FIRST TO FILE HAS FIRST OPTION.—If more than 1 application is filed for a parcel of land described in subsection (a), first options to purchase the parcel of land shall be allotted in the order in which applications for the parcel of land were filed.

(3) IDENTIFICATION OF PREVIOUS OWNERS OF LAND.—As soon as practicable after the date of enactment of this Act, the Secretary shall, to the extent practicable, identify each previous owner of land.

(4) CONSIDERATION.—Consideration for land conveyed under this subsection shall be the fair market value of the land.

(c) DISPOSAL.—Any land described in subsection (a) for which an application has not been filed under subsection (b)(2) within the applicable time period shall be disposed of in accordance with the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.).

(d) EXTINGUISHMENT OF EASEMENTS.—All flowage easements acquired by the United States for use in the Candy Lake project in Osage County, Oklahoma, are extinguished.

SEC. 3. NOTICE.

(a) IN GENERAL.—The Secretary shall notify—

(1) each person identified as a previous owner of land under section 2(b)(3), not later than 30 days after identification, by United States mail; and

(2) the general public, not later than 30 days after the date of enactment of this Act, by publication in the Federal Register.

(b) CONTENTS OF NOTICE.—Notice under this section shall include—

(1) a copy of this Act;

(2) information sufficient to separately identify each parcel of land subject to this Act; and

(3) specification of the fair market value of each parcel of land subject to this Act.

(c) OFFICIAL DATE OF NOTICE.—The official date of notice under this section shall be the later of—

(1) the date on which actual notice is mailed; or

(2) the date of publication of the notice in the Federal Register.

ADDITIONAL COSPONSORS

S. 61

At the request of Mr. LOTT, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 61, a bill to amend title 46, United States Code, to extend eligibility for veterans' burial benefits, funeral benefits, and related benefits for veterans of certain service in the United States merchant marine during World War II.

S. 191

At the request of Mr. HELMS, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 191, a bill to throttle criminal use of guns.

S. 791

At the request of Mr. DASCHLE, the names of the Senator from Montana [Mr. BAUCUS] and the Senator from Iowa [Mr. HARKIN] were added as cosponsors of S. 791, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain amounts received by a cooperative telephone company.

S. 887

At the request of Ms. MOSELEY-BRAUN, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 887, a bill to establish in the National Service the National Underground Railroad Network to Freedom program, and for other purposes.

S. 1084

At the request of Mr. INHOFE, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 1084, a bill to establish a research and monitoring program for the national ambient air quality standards for ozone and particulate matter and to reinstate the original standards under the Clean Air Act, and for other purposes.

S. 1124

At the request of Mr. KERRY, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 1124, a bill to amend title VII of the Civil Rights Act of 1964 to establish provisions with respect to religious accommodation in employment, and for other purposes.

S. 1153

At the request of Mr. BAUCUS, the name of the Senator from Alabama [Mr. SESSIONS] was added as a cosponsor of S. 1153, a bill to promote food safety through continuation of the Food Animal Residue Avoidance Database program operated by the Secretary of Agriculture.

S. 1297

At the request of Mr. COVERDELL, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 1297, a bill to redesignate Washington National Airport as "Ronald Reagan Washington National Airport".

S. 1311

At the request of Mr. LOTT, the names of the Senator from Nebraska [Mr. KERREY] and the Senator from Maine [Ms. SNOWE] were added as cosponsors of S. 1311, a bill to impose certain sanctions on foreign persons who transfer items contributing to Iran's efforts to acquire, develop, or produce ballistic missiles.

S. 1334

At the request of Mr. BOND, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 1334, a bill to amend title 10, United States Code, to establish a demonstration project to evaluate the feasibility of using the Federal Employees Health Benefits program to ensure the availablity of adequate health care for Medicare- eligible beneficiaries under the military health care system.

S. 1335

At the request of Ms. SNOWE, the name of the Senator from California [Mrs. BOXER] was added as a cosponsor of S. 1335, a bill to amend title 5, United States Code, to ensure that coverage of bone mass measurements is provided under the health benefits program for Federal employees.

S. 1354

At the request of Mr. MCCAIN, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 1354, a bill to amend the Communications Act of 1934 to provide for the designation of common carriers not subject to the jurisdiction of a State commission as eligible telecommunications carriers.

S. 1360

At the request of Mr. ABRAHAM, the name of the Senator from Washington

[Mr. GORTON] was added as a cosponsor of S. 1360, a bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to clarify and improve the requirements for the development of an automated entry-exit control system, to enhance land border control and enforcement, and for other purposes.

SENATE CONCURRENT RESOLUTION 30

At the request of Mr. HELMS, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of Senate Concurrent Resolution 30, a concurrent resolution expressing the sense of the Congress that the Republic of China should be admitted to multilateral economic institutions, including the International Monetary Fund and the International Bank for Reconstruction and Development.

SENATE RESOLUTION 96

At the request of Mr. CRAIG, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of Senate Resolution 96, a resolution proclaiming the week of March 15 through March 21, 1998, as "National Safe Place Week."

SENATE CONCURRENT RESOLUTION 61—AUTHORIZING A PRINTING

Mr. WARNER (for himself and Mr. FORD) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 61

Resolved by the Senate (the House of Representatives concurring), That (a) a revised edition of the publication entitled "Our Flag", revised under the direction of the Joint Committee on Printing, shall be reprinted as a Senate document.

(b) There shall be printed—

(1)(A) 250,000 copies of the publication for the use of the House of Representatives, distributed in equal numbers to each Member;

(B) 51,500 copies of the publication for the use of the Senate, distributed in equal numbers to each Member;

(C) 2,000 copies of the publication for the use of the Joint Committee on Printing; and

(D) 1,400 copies of the publication for distribution to the depository libraries; or

(2) if the total printing and production costs of copies in paragraph (1) exceed $150,000, such number of copies of the publication as does not exceed total printing and production costs of $150,000, with distribution to be allocated in the same proportion as in paragraph (1).

SENATE CONCURRENT RESOLUTION 62—AUTHORIZING A PRINTING

Mr. WARNER (for himself and Mr. FORD) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 62

Resolved by the Senate (the House of Representatives concurring), That (a) a revised edition of the brochure entitled "How Our Laws Are Made", under the direction of the Parliamentarian of the House of Representatives in consultation with the Parliamentarian of the Senate, shall be printed as a Senate document, with suitable paper cover in the style selected by the chairman of the Joint Committee on Printing.

(b) There shall be printed—

(1)(A) 250,000 copies of the brochure for the use of the House of Representatives, distributed in equal numbers to each Member;

(B) 100,000 copies of the brochure for the use of the Senate, distributed in equal numbers to each Member;

(C) 2,000 copies of the brochure for the use of the Joint Committee on Printing; and

(D) 1,400 copies of the brochure for distribution to the depository libraries; or

(2) if the total printing and production costs of copies in paragraph (1) exceed $180,000, such number of copies of the brochure as does not exceed total printing and production costs of $180,000, with distribution to be allocated in the same proportion as in paragraph (1).

SENATE CONCURRENT RESOLUTION 63—AUTHORIZING A PRINTING

Mr. WARNER (for himself and Mr. FORD) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 63

Resolved by the Senate (the House of Representatives concurring), That (a) a revised edition of the pamphlet entitled "The Constitution of the United States of America", prepared under the direction of the Joint Committee on Printing, shall be printed as a Senate document, with appropriate illustration.

(b) There shall be printed—

(1)(A) 440,000 copies of the pamphlet for the use of the House of Representatives, distributed in equal numbers to each Member;

(B) 100,000 copies of the pamphlet for the use of the Senate, distributed in equal numbers to each Member;

(C) 2,000 copies of the pamphlet for the use of the Joint Committee on Printing; and

(D) 1,400 copies of the pamphlet for distribution to the depository libraries; or

(2) if the total printing and production costs of copies in paragraph (1) exceed $120,000, such number of copies of the pamphlet as does not exceed total printing and production costs of $120,000, with distribution to be allocated in the same proportion as in paragraph (1).

SENATE RESOLUTION 143—TO AUTHORIZE A PRINTING

Mr. WARNER (for himself and Mr. FORD) submitted the following resolution; which was considered and agreed to:

S. RES. 143

Resolved, That the Committee on Rules and Administration is directed to prepare a revised edition of the Senate Election Law Guidebook, Senate Document 104-12, and that such document shall be printed as a Senate document.

SEC. 2. There shall be printed 600 additional copies of the document specified in section 1 of this resolution for the use of the Committee on Rules and Administration.

AMENDMENTS SUBMITTED

THE RECIPROCAL TRADE AGREEMENT ACT OF 1997

GRAHAM AMENDMENT NO. 1571

(Order to lie on table.)

Mr. GRAHAM submitted an amendment intended to be proposed by him to the bill (S. 1269) to establish objectives for negotiating and procedures for implementing certain trade agreements; as follows:

On page 41, between lines 16 and 17, insert the following new section and redesignate the remaining sections and cross references thereto accordingly:

SEC. 6. ADDITIONAL IMPLEMENTATION AND ENFORCEMENT REQUIREMENTS.

At the time the President submits the final text of the agreement pursuant to section 5(a)(1)(C), the President shall also submit a plan for implementing and enforcing the agreement. The implementation and enforcement plan shall include the following:

(1) BORDER PERSONNEL REQUIREMENTS.—A description of additional personnel required at border entry points, including a list of additional customs and agricultural inspectors.

(2) AGENCY STAFFING REQUIREMENTS.—A description of additional personnel required by Federal agencies responsible for monitoring and implementing the trade agreement, including personnel required by the Office of the United States Trade Representative, the Department of Commerce, the Department of Agriculture, and the Department of the Treasury.

(3) CUSTOMS INFRASTRUCTURE REQUIREMENTS.—A description of the additional equipment and facilities needed by the United States Customs Service.

(4) IMPACT ON STATE AND LOCAL GOVERNMENTS.—A description of the impact the trade agreement will have on State and local governments as a result of increases in trade.

(5) COST ANALYSIS.—An analysis of the costs associated with each of the items listed in paragraphs (1) through (4).

BYRD AMENDMENTS NOS. 1572–1573

(Ordered to lie on the table.)

Mr. BYRD submitted two amendments intended to be proposed by him to the bill, S. 1269, supra; as follows:

AMENDMENT NO. 1572

Beginning on page 27, strike out line 1 and all that follows through page 31, line 3, and insert in lieu thereof the following:

(B) subsections (a) and (b) shall apply with respect to agreements entered into on or after October 1, 2001, and before October 1, 2005, if (and only if)—

(i) the President requests, under paragraph (2), an extension of the authority provided in such subsections; and

(ii) a law extending that authority is enacted before October 1, 2001.

(2) REPORT TO CONGRESS BY THE PRESIDENT.—If the President is of the opinion that the authority under subsections (a) and (b) should be extended, the President shall submit to Congress, not later than July 1, 2001, a written report that contains a request for such extension, together with—

(A) a description of all trade agreements that have been negotiated under subsections

(a) and (b) and, where applicable, the anticipated schedule for submitting such agreements to Congress for approval;

(B) a description of the progress that has been made in negotiations to achieve the purposes, policies, and objectives set out in section 2 (a) and (b) of this Act, and a statement that such progress justifies the continuation of negotiations; and

(C) a statement of the reasons why the extension is needed to complete the negotiations.

(3) REPORT TO CONGRESS BY THE ADVISORY COMMITTEE.—The President shall promptly inform the Advisory Committee for Trade Policy and Negotiations established under section 135 of the Trade Act of 1974 (19 U.S.C. 2155) of the President's decision to submit a report to Congress under paragraph (2). The Advisory Committee shall submit to Congress as soon as practicable, but not later than August 1, 2001, a written report that contains—

(A) its views regarding the progress that has been made in negotiations to achieve the purposes, policies, and objectives of this Act; and

(B) a statement of its views, and the reasons therefor, regarding whether the extension requested under paragraph (2) should be approved or disapproved.

(4) REPORTS MAY BE CLASSIFIED.—The reports submitted to Congress under paragraphs (2) and (3), or any portion of the reports, may be classified to the extent the President determines appropriate.

AMENDMENT NO. 1573

At the end of the bill, add the following:

SEC. 11. ESTABLISHMENT OF ADVISORY COUNCIL.

(a) ESTABLISHMENT.—There is established a council to be known as the WTO Advisory Council (hereafter in this section referred to as the "Council").

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Council shall be composed of 10 members of whom—

(A) 1 shall be appointed by the Speaker of the House of Representatives,

(B) 1 each shall be appointed by the Majority and Minority leaders of the House of Representatives,

(C) 1 each shall be appointed by the Majority and Minority Leaders of the Senate, and

(D) 5 shall be appointed by the President of the United States from the membership of the President's Advisory Committee for Trade and Policy Negotiations.

Members appointed pursuant to the paragraph (1)(D) shall serve for the term specified in paragraph (3)(A) or until their membership on the President's Advisory Committee for Trade and Policy Negotiations expires, whichever occurs first.

(2) PERSONS FROM WHOM APPOINTMENTS MADE.—Appointments under paragraph (1) shall be made from the following categories:

(A) Attorneys in the practice of international law.

(B) Academic experts in the field of international trade and economy.

(C) Representatives of United States labor interests.

(D) Representatives of United States industrial interests.

At least one of the Presidential appointments under paragraph (1)(D) shall be a Representative of United States labor interests and at least one shall be a representative of United States industrial interests.

(3) TERMS.—

(A) IN GENERAL.—The members described in paragraph (1) shall each be appointed for a term of 2 years, and may be reappointed for any number of terms.

(B) INITIAL APPOINTMENTS.—The initial appointments of the members of the Council under paragraph (1) shall be made no later than 90 days after the date of the enactment of this Act.

(4) VACANCIES.—

(A) IN GENERAL.—Any vacancy on the Council shall not affect its powers, but shall be filled in the same manner as the original appointment and shall be subject to the same conditions as the original appointment.

(B) UNEXPIRED TERM.—An individual chosen to fill a vacancy shall be appointed for the unexpired term of the member replaced.

(5) INITIAL MEETING.—No later than 30 days after the date on which all members described in paragraph (1) have been appointed, the Council shall hold its first meeting.

(6) MEETINGS.—The Council shall meet at the call of the Chairperson.

(7) QUORUM.—A majority of the members described in paragraph (1) shall constitute a quorum, but a lesser number of members may hold hearings.

(8) CHAIR AND VICE-CHAIR.—The Chairperson and Vice Chairperson shall be appointed by the members of the Council from among its members.

(c) DUTIES.—The Council shall review each report of WTO dispute settlement panels and Appellate Body, that is adopted by the Dispute Settlement Body and in which the United States is a party to the dispute, to determine the short term and long term effect of any actions that are taken in response to such reports, on the United States economy and on particular industries. Within 120 days after all actions have been taken by the parties, the Council shall provide an assessment of, and recommendations regarding, each report to the Speaker of the House of Representatives, the Majority and Minority Leaders of the Senate and the House of Representatives, the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives, and the President. An assessment may contain minority views. The Council may, in making its assessment, take into account the history of previous, relevant reports of dispute settlement panels and the Appellate Body. In the event the case load of assessments strains the resources of the Council, priority shall be given to reports which are adverse to the United States.

(d) REVIEW BY ADVISORY COMMITTEES.—For each report that is reviewed, the Chairman of the Council shall ensure that the relevant industry sector advisory committees and industry policy advisory committees, established pursuant to section 135 of the Trade Act of 1974, provide their analysis and assessment in a manner timely for the assessment by the Council. Subsections (e), (f), and (g) of section 135 of the Trade Act of 1974 (19 U.S.C. 2155) shall apply to the operation of the advisory committees under this section.

(e) PERSONNEL MATTERS.—

(1) EXPENSE REIMBURSEMENT.—There are hereby authorized to be appropriated such sums as may be necessary to defray or reimburse any expenses incurred by the members of the Council in carrying out their official duties.

(2) MEETING ROOMS.—The Council may meet in Senate offices and meeting rooms.

HOLLINGS AMENDMENTS NOS. 1574–1587

(Ordered to lie on the table.)

Mr. HOLLINGS submitted 14 amendments intended to be proposed by him to the bill, S. 1269, supra; as follows:

AMENDMENT NO. 1574

On page 25, strike lines 17 through 25 and insert the following:

(3) FOREIGN TRADE AGREEMENT WITH CHILE.—The provisions of section 151 of the Trade Act of 1974 (in this Act referred to as "trade agreement approval procedures contained within this Act") apply only to an implementing bill submitted with respect to a trade agreement entered into with Chile, but do not apply to any portion of that agreement that affects the duty on imports of wine the product of Chile. For the purpose of applying section 151(b)(1) to that agreement, the implementing bill may contain only—

AMENDMENT NO. 1575

On page 42, between lines 14 and 15, insert the following:

(c) TRADE AGREEMENT APPROVAL PROCEDURES NOT TO APPLY.—The trade agreement approval procedures contained within this Act do not apply to any trade agreement that includes any change in the application of subtitle B of title VII of the Trade Act of 1930 (19 U.S.C. 1673 et seq.).

AMENDMENT NO. 1576

On page 42, between lines 14 and 15, insert the following:

(c) MULTILATERAL AGREEMENT ON FOREIGN INVESTMENT.—The trade agreement approval procedures do not apply to the international agreement commonly known as the Multilateral Agreement on Foreign Investment.

AMENDMENT NO. 1577

On page 42, between lines 14 and 15, insert the following:

(c) TRADE AGREEMENT APPROVAL PROCEDURES NOT TO APPLY.—The trade agreement approval procedures contained within this Act do not apply to any trade agreement that has any affect or impact on the safety of food sold for consumption in the United States.

AMENDMENT NO. 1578

On page 42, between lines 14 and 15, insert the following:

"SEC. 7. TARIFF SNAPBACK.

"Whenever the United States dollar value of the currency of a country the products of which may be imported into the United States at a reduced rate of duty under an agreement authorized by this Act between the United States and that country falls by 10 percent from the value of the currency on the date of the agreement (as reported by the Dow Jones Markets as of 4 p.m. in New York City), any duty imposed on imports of products of that country is increased to the level at which it was imposed before reduction under the agreement for products entered or".

AMENDMENT NO. 1579

On page 42, between lines 14 and 15, insert the following:

(c) TRADE AGREEMENT APPROVAL PROCEDURES NOT TO APPLY.—The trade agreement approval procedures do not apply to any trade agreement that includes any change in the application of subtitle A of title VII of the Trade Act of 1930 (19 U.S.C. 1671 et seq.).

AMENDMENT NO. 1580

On page 42, between lines 14 and 15, insert the following:

(c) TRADE AGREEMENT APPROVAL PROCEDURES NOT TO APPLY.—The trade agreement approval procedures contained within this

Act do not apply to any trade agreement covering a product which has an import penetration in the United States of more than 10 percent, as determined annually by the International Trade Commission in its most recent determination published before the submission of the trade agreement to the Congress.

Amendment No. 1581

On page 42, between lines 14 and 15, insert the following:

SEC. 7. DISPUTE RESOLUTION PROCEDURES MUST BE PUBLIC.

The trade agreement approval procedures contained within this Act do not apply to any trade agreement unless the dispute resolution procedures applicable to any dispute arising under the agreement are open to the public.

Amendment No. 1582

On page 32, beginning on line 10, strike through line 20 and insert the following:

(1) Consultation.—Before entering into any trade agreement under section 3 (a) or (b), the President shall consult each committee of the House and the Senate, and each joint committee of the Congress, which has jurisdiction over legislation involving subject matters that would be affected by the trade agreement.

Amendment No. 1583

On page 37, line 16, beginning with "if" strike through line 16 on page 39 and insert the following: "unless the Congress by fast-track approval resolution approves the application of the trade authorities procedures to that bill.

(2) Fast-track approval resolution.—For purposes of this section, the term "fast-track approval resolution" means a concurrent resolution of either House of Congress, the sole matter after the resolving clause of which is as follows: "That the Congress approves the application of section 151 of the Trade Act of 1974 to the implementing bill submitted to the Congress under section 3(b)(3) of the Reciprocal Trade Agreements Act of 1997 on ________.", with the blank being filled with the date on which the implementing bill was received by the Congress.

Amendment No. 1584

On page 31, beginning with line 20 strike line 2 on page 32 and insert the following:

(2) before and after submission of the notice described in paragraph (1), consult regarding the negotiations with—

(A) the committees of the Senate and the House of Representatives with jurisdiction over legislation involving subject matters that would be affected by a trade agreement; and

(B) the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives.

Amendment No. 1585

On page 37, beginning with line 12, strike through line 23 and insert the following:

(1) Disapproval of the negotiation.—The trade agreement authorities procedures shall not apply to any implementing bill that contains a provision approving any trade agreement that is entered into under section 3(b) with any foreign country if—

(A) any committee of the Senate and the House of Representatives with jurisdiction over legislation involving subject matters that would be affected by a trade agreement; or

(B) the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives,

disapproves of the negotiation of the agreement before the close of the 90-calendar day period that begins on the date notice is provided under section 4(a)(1) with respect to the negotiation of the agreement.

Amendment No. 1586

On page 42, between lines 14 and 15, insert the following:

SEC. 7. FIXED-RATE CURRENCY AGREEMENT.

The President should negotiate a fixed-rate currency agreement between the United States and other Nations.

Amendment No. 1587

On page 42, between lines 14 and 15, insert the following:

SEC. 7. TRADE AGREEMENT MUST PROVIDE FORCED LABOR SANCTIONS.

The trade agreement approval procedures contained within this Act do not apply to any trade agreement unless the agreement provides for sanctions against countries the products of which that are covered by the agreement are produced by forced labor.

BYRD AMENDMENT NO. 1588

(Ordered to lie on the table.)

Mr. BYRD submitted an amendment intended to be proposed by him to the bill, S. 1269, supra; as follows:

Beginning on page 33, strike out line 9 and all that follows through page 34, line 24, and insert in lieu thereof the following:

"agreement approval procedures;

"(D) any other agreement the President has entered into or intends to enter into with the country or countries in question; and

"(E) the economic costs and benefits of the agreement to the United States in order to ensure that the purposes of section 2(a)(4) are met.

"(c) Advisory Committee Reports.—The report required under section 135(e)(1) of the Trade Act of 1974 regarding any trade agreement entered into under section 3(b) of this Act shall be provided to the President, Congress, and the United States Trade Representative not later than 30 calendar days after the date on which the President notifies Congress under section 5(a)(1)(A) of the President's intention to enter into the agreement.

"(d) Consultation Before Agreement Initialed.—In the course of negotiations conducted under this Act, the United States Trade Representative shall consult closely and on a timely basis (including immediately before initialing an agreement) with, and keep fully apprised of the negotiations, the congressional advisers for trade policy and negotiations appointed under section 161 of the Trade Act of 1974 (19 U.S.C. 2211), the Committee on Finance of the Senate, and the Committee on Ways and Means of the House of Representatives.

"SEC. 5. IMPLEMENTATION OF TRADE AGREEMENTS.

"(a) In General.—

"(1) Notification and submission.—Any agreement entered into under section 3(b) shall enter into force with respect to the United States if (and only if)—

"(A) the President, at least 90 calendar days before the day on which the President enters into the trade agreement, notifies the House of Representatives and the Senate of the President's intention to enter into the agreement, and promptly thereafter publishes notice of such intention in the Federal Register;

"(B) within 60 calendar days after entering into the agreement, the President submits to Congress a description of those changes to existing laws that the President considers would be required in order to bring the United States into compliance with the agreement, and an analysis of the economic costs and benefits of the agreement to the United States;".

THE OTTAWA AND CHIPPEWA INDIANS JUDGMENT FUNDS ACT OF 1997

INOUYE AMENDMENTS NOS. 1589-1590

(Ordered to lie on the table.)

Mr. INOUYE submitted two amendments intended to be proposed by him to the bill (H.R. 1604) to provide for the division, use, and distribution of judgment funds of the Ottawa and Chippewa Indians of Michigan pursuant to dockets numbered 18–E, 58, 364, and 18–R before the Indian Claims Commission; as follows:

Amendment No. 1589

In section 11, strike the section heading and all that follows through "The eligibility" and insert the following:

"SEC. 11. TREATMENT OF FUNDS IN RELATION TO OTHER LAWS.

"(a) Applicability of Public Law 93–134.—All funds distributed under this Act or any plan approved in accordance with this Act, including interest and investment income that accrues on those funds before or while those funds are held in trust, shall be subject to section 7 of Public Law 93–134 (87 Stat. 468).

"(b) Treatment of Funds With Respect to Certain Federal Assistance.—The eligibility".

Amendment No. 1590

In section 11, strike the section heading and all that follows through "The eligibility" and insert the following:

"SEC. 11. TREATMENT OF FUNDS IN RELATION TO OTHER LAWS.

"(a) Applicability of Public Law 93–134.—All funds distributed under this Act or any plan approved in accordance with this Act, including interest and investment income that accrues on those funds before or while those funds are held in trust, shall be subject to section 7 of Public Law 93–134 (87 Stat. 468).

"(b) Treatment of Funds With Respect to Certain Federal Assistance.—The eligibility".

THE RECIPROCAL TRADE AGREEMENT ACT OF 1997

REED AMENDMENTS NOS. 1591-1592

(Ordered to lie on the table.)

Mr. REED submitted two amendments intended to be proposed by him to the bill, S. 1269, supra; as follows:

Amendment No. 1591

On page 41, between lines 16 and 17, insert the following new section and redesignate the remaining sections and cross references thereto accordingly:

SEC. 6. ACTIONABLE UNFAIR TRADE PRACTICES.

(a) IN GENERAL.—Every applicable trade agreement shall provide that it shall be an actionable unfair trade practice for purposes of section 301 of the Trade Act of 1974 for any party to the agreement or the industries of any party to gain a competitive advantage in international trade, commerce, or finance by systematically denying or practically nullifying internationally recognized worker rights or internationally recognized environmental standards.

(b) DEFINITIONS.—In this section:

(1) APPLICABLE TRADE AGREEMENT.—the term "applicable trade agreement" means a trade agreement approved pursuant to the trade agreement approval procedures provided for in this Act.

(2) INTERNATIONALLY RECOGNIZED WORKER RIGHTS.—The term "internationally recognized worker rights" has the meaning given that term in section 502(a)(4) of the Trade Act of 1974.

(3) INTERNATIONALLY RECOGNIZED ENVIRONMENTAL STANDARDS.—The term "internationally recognized environmental standards" includes—

(A) mitigation of global climate change;

(b) reduction in the consumption and production of ozone-depleting substances;

(C) reduction in ship pollution of the oceans from such sources as oil, noxious bulk liquids, hazardous freight, sewage, and garbage;

(D) a ban on international ocean dumping of high-level radioactive waste, chemical warfare agents, and hazardous substances;

(E) government control of the transboundary movement of hazardous waste materials and their disposal for the purpose of reducing global pollution on account of such materials;

(F) preservation of endangered species;

(G) conservation of biological diversity;

(H) promotion of biodiversity; and

(I) preparation of oil-spill contingency plans.

(4) ACTIONABLE UNFAIR TRADE PRACTICE.—The term "actionable unfair trade practice" means, under the laws of the United States, an act, policy, or practice that, under section 301 of the Trade Act of 1974, is unjustifiable and burdens or restricts United States commerce.

AMENDMENT NO. 1592

On page 15, between lines 23 and 24 insert the following:

(C) In pursuing the negotiating objective described in subparagraph (A), the United States shall seek to prohibit practices that require a transfer of United States developed technology to foreign governments as a condition of trade.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. ROTH. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet at 9:30 a.m. on global warming.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. ROTH. Mr. President, the Finance Committee requests unanimous consent to conduct a hearing on Wednesday, November 5, 1997 beginning at 2 p.m. in room 215 Dirksen.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. ROTH. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, November 5, 1997, at 10 a.m. to hold a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. ROTH. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Wednesday, November 5, at 10 a.m. on a markup on the following agenda nomination only.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. ROTH. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, November 5, 1997 at 2 p.m. in room 226 of the Senate Dirksen Office Building to hold a hearing on the nomination of Seth Waxman to be Solicitor General.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. ROTH. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Wednesday, November 5, 1997, beginning at 9:30 a.m. until business is completed, to conduct a business meeting to vote on matters pending before the committee including the use of laptop computers on the Senate floor; release of documents to Harry Connick, District Attorney of New Orleans; and, reimbursement of expenses in connection with the contested Senate election in Louisiana.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FINANCIAL INSTITUTIONS AND REGULATORY RELIEF

Mr. ROTH. Mr. President, I ask unanimous consent that the Subcommittee on Financial Institutions and Regulatory Relief of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, November 5, 1997, to conduct a hearing on S. 1315 and the presence of foreign governments and companies, particularly China, in our securities and banking sectors.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON IMMIGRATION

Mr. ROTH. Mr. President, I ask unanimous consent that the Subcommittee on Immigration, of the Senate Judiciary Committee, be authorized to meet during the session of the Senate on Wednesday, November 5, 1997 at 10 a.m. to hold a hearing in room 562, Senate Dirksen Building, on: The Impact of Section 110 of the 1996 Immigration Act of the Land Borders of the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TECHNOLOGY, TERRORISM, AND GOVERNMENT

Mr. ROTH. Mr. President, I ask unanimous consent that the Subcommittee on Technology, Terrorism, and Government, of the Senate Judiciary Committee, be authorized to meet during the session of the Senate on Wednesday, November 5, 1997 at 3 p.m. to hold a hearing in room 192, Senate Dirksen Building, on: The Nation at Risk; Report of the President's Commission on Critical Infrastructure Protection.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Mr. ROTH. Mr. President. I ask unanimous consent that the Subcommittee on Transportation and Infrastructure be granted permission to conduct a hearing Wednesday, November 5, 10 a.m., hearing room (SD-406), to examine the General Services Administration proposal to construct or otherwise acquire a facility to house the headquarters of the Department of Transportation.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON YOUTH VIOLENCE

Mr. ROTH. Mr. President, I ask unanimous consent that the Subcommittee on Youth Violence, of the Senate Judiciary Committee, be authorized to meet during the session of the Senate on Wednesday, November 5, 1997 at 10 a.m. to hold a hearing in room 226, Senate Dirksen building, on: Examining the Federal Effort to Prevent Juvenile Crime.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

100TH ANNIVERSARY OF THE THOMAS JEFFERSON BUILDING

• Mr. STEVENS. Mr. President, today marks the 100th anniversary of the Thomas Jefferson Building, the crown jewel of the buildings occupied by the Library of Congress. As vice chairman of the Joint Committee on the Library, it is my privilege to mark this important day.

The Library of Congress occupies a unique place in American history, and in the vast flow of information that crosses the globe and drives America's economic well-being. The Library is Congress' legislative library, our major research arm, and a national library as well as cultural institution. Congress has nurtured this Library from its creation in Philadelphia, through the legislature's move to the new capital city of Washington, through the 1814 British invasion of Washington that burned the Capitol and the Library of Congress, and through our purchase of Thomas Jefferson's own extensive library to recommence the Library of Congress as a universal collection of knowledge.

By the 1870's, the Library of Congress collections had grown to more than 300,000 volumes and had already outgrown the space in the Capitol that it had occupied since its move to Washington. It was the foresight of Ainsworth Rand Spofford, the sixth Librarian of Congress, that helped transform the Library of Congress into an institution of national stature, and eventually lead to the building of the Thomas Jefferson building we celebrate today.

Spofford recognized the importance of copyright deposit as a means to ensure the continued development of the Library's collections. After the 1870 revision of the copyright law, two copies of every book, pamphlet, map, print, photograph, and piece of music registered for copyright was to be deposited with the Library of Congress. The copyright law today continues to fuel the Library's special collections, including film, television, digital materials, and computer software.

The growth of the collections through copyright deposit created the need for a new building for the Library of Congress. The building, later named for Thomas Jefferson, was authorized in 1886 and completed in 1897, on time and under budget and was immediately hailed as a national monument—an imposing structure of the Italian Renaissance style. Every Member of Congress has had the opportunity to visit the magnificently restored Jefferson Building and admire the extraordinary beauty and grandeur of the Great Hall, the Main Reading Room, and the Members' Room.

It is not a simple matter to authorize a new Federal building, let alone a building to be constructed immediately adjacent to the Capitol. Librarian of Congress Spofford had two staunch allies: Senator Daniel W. Voorhees of Indiana and Senator Justin S. Morrill of Vermont. Today, Senator Morrill's efforts will be recognized. A plaque honoring his commitment to the Library and construction of the Jefferson Building will be unveiled by our current Librarian of Congress, James Billington, and the Vermont congressional delegation. The Morrill plaque will flank that recognizing Senator Voorhees so that each Senator might be honored by all who enter the Great Hall for their dedication to and vision for Congress' Library.

This evening, on behalf of the Joint Committee on the Library, I will join the joint committee chairman, Representative BILL THOMAS, Librarian James Billington, and Architect of the Capitol Alan Hantman to light for the very first time the restored Torch of Learning that crowns the Thomas Jefferson Building. The Main Reading Room is the heart of the Thomas Jefferson Building. It is covered by a beautiful dome, the exterior of which is covered by a great blazing torch and flame, marking the center and apex of the Jefferson Building. This torch and flame are symbolic of the learning and knowledge in the Library of Congress. From now on, the glowing Torch of Learning will light the skyline over the Capitol, a worthy companion to the lighted dome of the Capitol.

I thank, on behalf of my colleagues on the joint committee, the Office of the Architect of the Capitol which has overseen the restoration of the Jefferson Building we celebrate today. As the Library of Congress moves toward its Bicentennial in the year 2000, Congress will continue to reap the benefits of the Library's incomparable collections. In particular, our constituents will benefit from Librarian James Billington's efforts to extend the Library's unique special collections and service nationwide through the Internet.

One hundred years ago, the Congress supported the vision of Ainsworth Rand Spofford and provided the means for the collections to grow and to be housed in a building described as the most beautiful in America. As the Library of Congress approaches the 21st century, it needs and deserves the continued support of Congress as our nation's strategic information reserve.

I ask that a summary of the Library's operations, to date this year, be printed in the RECORD.

The material follows:

LIBRARIAN OF CONGRESS,
Washington, DC, October 24, 1997.

Hon. TED STEVENS,
Chairman, Committee on Appropriations,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: It will be some months before the Library's Annual Report for FY97 is completed and delivered to you. I wanted to take the beginning of a new fiscal year as an occasion to provide you with a summary of the Library's operations. I believe that it is important for you, as a Member of Congress charged with oversight of the Library, to understand the Library's management goals and our progress toward them.

MANAGEMENT

General Donald Scott has just marked his first anniversary as Deputy Librarian, the Library's Chief Operating Officer. Don's capable handling of the Library's day-to-day operations has enabled me to focus on policy concerns, planning for the Library's Bicentennial (see below), and completing the necessary private-sector fundraising to meet our goal of $45 million for the National Digital Library (NDL).

To date, we have $30 million in gifts and pledges. The NDL site continues to be one of the most recognized content sites on the Internet. THOMAS, the American Memory collections, and the Learning Page are used by millions of citizens, legislators, teachers, parents, and students each month.

The National Science Foundation will shortly announce a second round of Digital Library research grants. The Library of Congress's NDL and the National Library of Medicine have been invited to participate as user test-bed sites for possible cutting-edge research applications. A recent example may help suggest to you the importance of this invitation from NSF. Compression software, originally developed at the Los Alamos Lab and only recently made available for non-defense applications, was given as a gift to the Library. for the first time, the Library was able to digitize items from our enormous map collections for the NDL. This compression software made it possible to display and search maps for the first time. We hope that other research breakthroughs will help the Library offer even more diverse collections through the NDL.

Under the leadership of Chief of Staff, Jo Ann Jenkins, the Library has updated its strategic plan through 2004. We have also established a Directorate for Planning, Management and Evaluation (PMED), headed by Thomas Bryant.

Finally, the Library's second external audit of its financial operations received a clean option from KPMG. This is an outstanding achievement, in only the second audit cycle, for any government agency.

SECURITY

In February 1997, the Library hired Kenneth Lopez as its Director of Security. Working under Ken with a team of security professionals, curators, and senior librarians, we have completed the Library's Security Plan, and I have forwarded it to the Library's oversight committees for their review. The Library's external audit process calls for an annual' review of the Library's care and control of its "heritage assets"—the 112 million items in the Library's collections. The audit will, therefore, provide an annual update on the Library's overall security of its collections.

BICENTENNIAL

As you well know, the Library will celebrate its bicentenary—along with the bicentenary of the Congress' move to Washington—in the year 2000. On October 6th, the Library announced its theme, goals, and overall plans and launched a website for its Bicentennial (http:/www.loc.gov/bicentennial). A copy of our announcement is enclosed with this letter.

Prior to our public announcement, I wrote to Members of Congress to invite their participation and that of their constituents—particularly libraries—in our plans. I am pleased that we have received over 100 responses to date.

On October 7, the Madison Council, the Library's private-sector advisory fundraising group, hosted a gala to launch the Bicentennial and to raise funds for its implementation. The evening, a celebration of Creative America, highlighted the Library's enormously rich music and manuscript collections and raised $800,000 to support Bicentennial programs, bringing the total commitment to date from the Madison Council to $1.5 million. Thanks are due to John Kluge, chair of the Madison Council, and to the gala co-chairs, Buffy Cafritz of Washington, D.C., and Alyne Massey of Nashville, Tennessee.

LEGISLATIVE UPDATE

We are deeply grateful that the Library's FY98 budget was very generously supported by the Congress. In particular, funding for our top priority, an Integrated Library System (ILS), and for the cost of our mandatory pay raises will make an enormous difference in the Library's ability to continue to secure its collection and provide the highest quality service to the Congress and to the nation.

The American Folklife Center requires reauthorization. Consistent with the Board's wishes, and with my wholehearted support, we have transmitted the formal request for permanent authorization for the Center to the Library's oversight committees.

Particularly as the Library approaches its own Bicentenary, it is essential that this important collection and its curators have assurance of their place in the Library. The collection itself dates from the 1890's The Center was created during the Bicentenary of the American Revolution in 1976 as a powerful tool to ensure the place of folklore and local history and customs in our national consciousness. The rich ethnic and regional materials in the Center's Archive comprise the nation's largest and most varied folklore collection—filled with the type of material that is providing of special value for local schools and libraries throughout America on the National Digital Library.

The Library is beginning the new fiscal year with strategic goals, sound financial management, significant new staffing, and enormous external and internal enthusiasm and interest in our Bicentenary. I trust that I can count on your continued interest and support. Please feel free to follow up on any topic I have raised. We would be pleased to come brief you further at any time.

Sincerely,

JAMES H. BILLINGTON,
The Librarian of Congress.

Enclosure.

LIBRARY OF CONGRESS—BICENTENNIAL 1800–2000

LIBRARIES, CREATIVITY, LIBERTY

In a press conference on October 6, 1997, the Librarian of Congress James H. Billington presented preliminary plans for the commemoration of the Library's Bicentennial in the year 2000. "From its earliest days, the Library of Congress has supported the work of libraries everywhere in the spirit of James Madison, who eloquently said that he could not imagine anything more essential for our new republic than 'liberty and learning, each leaning on each other for their mutual and surest support' . . . 'knowledge will forever govern ignorance and a people who mean to be their own governors must arm themselves with the power that knowledge gives.' We believe that the link between learning and liberty is one of our most basic civic truths. It is our responsibility as the largest library to ensure that the tools of learning are universally accessible."

GOAL OF THE BICENTENNIAL COMMEMORATION

The goal of the Bicentennial commemoration is "To inspire creativity in the century ahead by stimulating greater use of libraries and other avenues of learning everywhere."

The Bicentennial goal will be achieved through a variety of national, state, and local projects, developed in collaboration with the offices of the Members of Congress, the Library's staff, and special advisory committees.

BICENTENNIAL LOGO AND THEME

The logo for the Bicentennial commemoration features the interior dome of the Library's famous Main Reading Room and the theme "Libraries, Creativity, Liberty." The unseen painting within the circle in the dome's "eye" is the image of a woman representing "Human Understanding." In the painting, "Human Understanding" is lifting her veil and looking upward toward the future. This logo and theme symbolize what the Bicentennial Commemoration is about: stimulating creativity and ensuring a free society through greater use of libraries everywhere. The Library of Congress looks forward in the months ahead to developing ways for other libraries to share in the use of this logo.

BICENTENNIAL PLANS

Libraries of all kinds and sizes are invited to participate in the Bicentennial Commemoration of the Library of Congress, which will celebrate the creative use of knowledge as a function of democracy. At the October 6 press conference, John Y. Cole, the Library's Bicentennial project director and director of the Center for the Book, said "Libraries are important educational institutions and a natural link between learning and liberty; this is their celebration too." Core Bicentennial endeavors include "Gifts to the Nation," "Frontiers of Knowledge," "Local Legacies" and "Favorite Poems."

Gifts to the Nation

The "Gifts to the Nation" program is a reciprocal endeavor. It will include activities such as significant acquisitions for the Library's collections; the Library's commissioning of creative works of music, drama, art and literature; and the Library's effort, through its National Digital Library Program, of making available electronically millions of items from its American historical collections by the end of the year 2000. The idea of Bicentennial "Gifts to the Nation" continues the Library's proud tradition of helping local libraries through donating surplus books and by providing cataloging information, services which save libraries millions of dollars each year.

Frontiers of Knowledge

Drawing on the remarkable comprehensiveness and diversity of the Library's collections, the "Frontiers of Knowledge" program will present a series of lectures and symposia exploring ideas that shape our lives, especially as we look to the next century. At the June 1999 conference, "The Frontiers for the Mind in the 21st Century," distinguished scholars will summarize significant developments in approximately 20 fields in the past century and look ahead to challenges in the year 2000 and beyond. Interaction between the scholars and young people, the latter representing every Congressional District in the nation, will be an important focus of the conference. Fields of inquiry will include: demography, immunology/epidemiology, economics, political philosophy/law, semiotics, neuroscience, molecular evolution and historical genetics, cosmology, earth and ocean science, ecology, biochemistry, physics/computer science, religion/theology, history as narrative, humanities, literature, ethnomusicology, philosophy, and cultural psychology.

Local Legacies

"Local Legacies" will build upon local projects now underway nationally in partnership with Library of Congress offices such as the *American Folklife Center* and the *Center for the Book* to highlight the richness of America's heritage at the end of the century and the millennium. These include *Montana Heritage, Rivers of America, Literary Maps of America,* and *Building a Nation of Readers.* The *Montana Heritage* project, funded by the Liz Claiborne and Art Ortenberg Foundation, fosters projects in local schools teaching students how to research and document local cultural heritage. The *Rivers of America* project examines and celebrates the historical, literary, and environmental heritage of America's rivers. It encourages high school students, such as those taking part in the *Montana Heritage* project, to focus their field research on a local river, particularly the history of the community in relation to that river. Documentary reports and histories for the collections of local institutions are one product. The *Literary Map* project encourages learning about local geography and literature—simultaneously. Literary maps depict a state or region's literary heritage, usually through colorful, well-illustrated maps that show where authors live or were born or where novels or well-known books were written. Since 1992, more than 20 such maps have been created and added to the collections of the Library of Congress. To remind Americans of the importance of reading to individuals and to the nation, the Center for the Book of the Library of Congress has chosen *Building a Nation of Readers* for the Library of Congress's national reading promotion campaign for the years 1997–2000. The Library also wants to identify local historical collections that should be linked with the National Digital Library.

Favorite Poems

Poet Laureate Robert Pinsky will take the lead in the "favorite poem" project, which will feature approximately 100 Americans from all walks of life choosing and reading aloud a favorite poem. The resulting audio and video archives, in Mr. Pinsky's words, will be "a record, at the end of the century, of what we choose, and what we do with our voices and faces, when asked to say aloud a poem that we love."

Commemorative Coin and Stamp

Legislation has been introduced for a Bicentennial commemorative coin. The Library of Congress is also exploring a Bicentennial commemorative stamp series, based on its unparalleled collections, to be issued in the year 2000.

Bicentennial Publications

Between the fall of 1997 and the year 2000, the Library of Congress will produce several major publications as part of fulfilling its Bicentennial goal of stimulating creativity and wisdom through greater understanding of the Library and its remarkable collections. Highlights of the Bicentennial publishing program include:

1997

Eyes of the Nation: A Visual History of the United States

A pictorial and narrative history published by Alfred A. Knopf, *Eyes of the Nation* contains more than 500 full-color and duotone illustrations from the Library's collections. The book marks the centennial of four of the Library's major collection divisions: *Prints and Photographs, Manuscript, Music* and *Geography and Map*. An *Eyes of the Nation* CD-ROM is also available.

The Library of Congress: The Art and Architecture of the Thomas Jefferson Building

Published by W. W. Norton, *The Art and Architecture of the Thomas Jefferson Building* features essays and 280 illustrations, 185 of them in color, depicting the architecture and decorative elements in this magnificent building. The book commemorates the centennial of the building's opening.

1998

The Jefferson Building: A Guide for Visitors

This publication will provide visitors a compact, but fully illustrated book.

1999

The Library of Congress: A Bicentennial History

Published by Yale University Press, the volume will be a well-illustrated popular history and interpretation of the Library's 200 years of service to Congress and the nation.

Encyclopedia of the Library of Congress

The illustrated, one-volume reference work will contain 12 topical essays and approximately 150 brief entries about the Library and its activities.

2000

The Library of Congress in American Life, 1800–2000

The Library of Congress in American Life will be a four-volume documentary set, featuring the Library's chronology, biographies of the Librarians of Congress, documents and resources for the study of the Library, and current scholarly research about the Library and its role in American life.

VIRTUAL TOUR OF THE THOMAS JEFFERSON BUILDING

A *Virtual Tour of the Thomas Jefferson Building*, with photographs and moving panoramas of the splendid public spaces and other rooms of this historic building, is currently being prepared for the Library's World Wide Web site.

OTHER BICENTENNIAL PROJECTS UNDER DEVELOPMENT

Among other Bicentennial projects in the early planning stages are major exhibitions, *Jefferson Knowledge, and Democratic* and *America at Play*, and national television programming.

Jefferson, Knowledge, and Democracy Exhibition

This major exhibition is being planned for April–October 2000 and will use Jefferson's personal books that he sold to the Congress in 1815, his personal papers, his architectural drawings, his personal artifacts (such as his original "reading machine," a revolving reading stand which he designed) to examine his ideas. A secondary theme will be how these ideas—in architecture, the arts, law, science, politics, music, geography, agriculture, and other subjects-have influenced America and the world.

Jefferson's idea on the relationship between knowledge and democracy are as vital today as when he first enunciated them. This is clearly evident in the intense debate on those ideas among contemporary Jeffersonian scholars, which will be explored in the exhibition. Jefferson's coupling of knowledge and freedom also are at the root of the current impassioned demand for an information "superhighway" whereby knowledge can be speedily and universally disseminated.

The exhibition will be the centerpiece for a series of events and multi-media projects that will help make Jefferson's ideas (and the Jefferson-Library of Congress connection) understandable to a wide audience. Interpretive brochures, a catalog, educational materials, a summer institute for teachers, a concert of music in Jefferson's time, films, and various videos will enhance the exhibition.

America at Play Exhibition

America at Play is the second exhibition to celebrate the Library's 200th anniversary; through it visitors can see and enjoy how Americans have amused themselves over the past two centuries. Drawing on the Library of Congress's extensive and unique collections, the exhibitions will take its cue from prints, photographs, maps, travel literature, recorded audio and visual materials, manuscripts, and books to cover topics such as the exploration of the west and the rise of tourism; the development of recreational areas in the country; the growth of spectator and recreational sports; the importance of recorded music and film classics; and the golden age of television.

To link these separate elements, the exhibition will select from its unparalleled collection of political cartoons and drawings and the writings of American humorists. These visual commentaries will further illustrate and put into context the "amusements" covered. The exhibition, on display from the Fall of 2000, will be accompanied by a catalog, and educational and outreach programs, including a series of musical comedy and film presentation and live performances.

PROPOSED BICENTENNIAL PROJECTS

A variety of Bicentennial projects have been proposed, including local newspaper surveys to identify the most influential book and film of the century, an international conference on comparative constitutional law, a Library-related photography contest with an exhibition of winning photographs traveling around the country, a conference about national libraries at the Library of Congress, and the joint celebration of National Library Week and the Library's Bicentennial in April of 2000.

SUPPORT FOR THE BICENTENNIAL

The Bicentennial projects will be privately funded, with substantial support from the *James Madison Council*. The Madison Council was established in 1990 to help the Library share its unique resources with the nation and the world.

LOOK FOR UPDATES TO THE BICENTENIAL PROGRAM

The Library of Congress Bicentennial home page will be changed as the program develops. Check in at this address—*http://www.loc.gov/bicentennial/*—for the latest information on Bicentennial activities and events.•

WORKPLACE RELIGIOUS FREEDOM ACT

• Ms. MIKULSKI. Mr. President, I rise today to support a bill introduced by my colleagues, Senators KERRY and COATS, to protect workplace religious freedom.

I have long championed the rights of individuals to freedom of religious observance and practice. I believe individual Christians, Jews, Muslims, and others should be able to honor their religious beliefs without fear of losing their jobs.

For example, employees should be able to observe Good Friday, the Jewish Sabbath or wear clothing required by one's religion. I've met with many constituents who have expressed their concern to me that they have been discriminated against because of their religious practices.

My State of Maryland already has many employers who are sensitive to the needs of religious accommodation. However, there is room for improvement. One Arab-American woman from my State told me she cannot wear her traditional Muslim garb at her place of employment. I know there are other stories like this which cut across all faiths.

If an employee's religious practice does not cause an undue hardship on an employer, an employee should be given the freedom to observe or practice a religious custom.

I am dismayed that many individuals are discriminated against in our society, because of their religious beliefs. Our country was founded on the premise that everyone has a right to religious freedom. We need to preserve this doctrine.

Unfortunately, the courts have interpreted title VII of the Civil Rights Act of 1964 very narrowly when it comes to religious practices. This bill would restore the basic tenet of religious freedom to thousands of individuals who have met with discrimination at the workplace.

I urge my colleagues to support S. 1164, the Workplace Religious Freedom Restoration Act. I believe religious accommodation is a cherished right that we must protect.•

SITUATION IN IRAQ

• Mr. McCAIN. Mr. President, the United States is once again facing a decision about whether and how to respond to Iraqi intransigence over the issue of its continued development and concealment of weapons of mass destruction and their associated delivery systems. It is imperative that we not back down, as has already been the case to an alarming degree.

All countries act out of their own economic self-interest. The United States is no exception. We should not, however, acquiesce in such conduct in the case of Iraq. Russia, which seeks compensation for weapons it sold to Baghdad during the Soviet era as well as the hard currency and access to oil that Iraq represents, and France, which similarly pursues contracts for the development of Iraqi oil, have led the way in arguing for a relaxation of the economic sanctions levied against Iraq as a result of its 1990 invasion of Kuwait. Countries like Egypt and Kenya have demonstrated growing sympathy for Iraq's economic situation.

The reason why the United States should stand firm and not continue to adopt essentially meaningless positions on the question of sanctions is quite simple: Iraq has to a remarkable degree always held its destiny in its own hands. Little was asked of it other than to come clean on the extent of its efforts to develop weapon systems capable of threatening stability in the world's most volatile region. And, yet, it has consistently, for more than 6 years now, refused to do that, repeatedly challenging the international community and miscalculating the ramifications of its actions.

With regard to its efforts at developing chemical, biological, and nuclear weapons and the missiles to deliver them, a particularly illuminating episode occurred back in August 1995. It was then that Saddam Hussein's sons-in-law, one of whom had been in charge of overseeing the development of those weapons, defected to Jordan. Anticipating the intelligence coup for the United Nations that was to come, the Iraqis decided to preempt the damage the defectors could cause by revealing a wealth of documents—over half-a-million pages—detailing their biological weapons program. Mr. President, 150 steel trunks and boxes stuffed with documentation that was to have been turned over in the aftermath of the Persian Gulf war, yet would likely have remained hidden indefinitely had the defections not occurred, suddenly and miraculously appeared.

Iraq's refusal to abide by the rules of civilized society and to test the will of the international community has been manifested in other ways also. In October 1994, it moved thousands of troops toward the Kuwaiti border, precipitating a costly but essential deployment of United States military forces to the region to deter a repeat of the 1990 invasion. Whether Iraq intended to invade Kuwait at that time is highly unlikely; whether a failure to respond on the part of the United States would have emboldened Saddam is beyond dispute.

Two years later, Iraq launched a large-scale concerted ground campaign against Kurdish enclaves in the country's north. Saddam was able to exploit longstanding, violent divisions within the Kurdish population to reestablish a measure of control over territory denied it since the Gulf war. In so doing, it sent a resounding message to the Kurdish population, including that part to which it allied itself during its military incursion, that it was willing and capable of asserting itself within its borders. Particularly disturbing, if totally in character for Saddam, his intelligence service utilized the opportunity to hunt down and execute Kurdish factions hostile to his brutal rule, including hundreds of individuals who had cast their lot with the United States.

The Clinton administration's response to that incursion into territory supposedly under U.N. protection was to launch a small number of embarrassingly ineffectual cruise missile launches in an entirely different region and to expand the no-fly zone in the south. If our intent was to prevent a horizontal escalation of the conflict, we succeeded. The fact that there was not apparent intent on the part of Saddam at that time to conduct military operations in the south was purely academic.

The most recent incident started out considerably more ambiguous, but is no less damaging to the U.N.'s ability to enforce its provisions over the protracted periods of time necessary to get results. Iraq clearly violated the no-fly zone, but only after Iranian attacks against bases of the People's Mojahedin of Iran situation on the Iraqi side of the border. There is a noticeable dearth of sympathetic parties here, but the bottom line is that the no-fly zone was violated, and the administration was correct to respond. Iraq's apparent retaliatory measures, in effect, the refusal to permit United States citizens to participate in the U.N. inspection teams enforcing Security Council resolutions, has been appropriately rejected by members of the Council.

The problem lies in the political environment Council members France and Russia continue to create that encourages Saddam to believe he can act with impunity. It is absolutely imperative that the administration communicate to these countries, as well as to others sympathetic to the plight of the Iraqi people, that the sanctions must remain in place until Iraq finally does what it has resisted doing for 6 years: abide by the conditions of the cease fire. Saddam himself holds his country's welfare in his hands. All that is asked of him is to place that welfare above his drive to threaten his neighbors with chemical, biological, and nuclear weapons. The fact that he has been unwilling to accept that very basic condition illustrates the need to maintain the sanctions in perpetuity if necessary. The international community was willing to isolate South Africa for an indefinite period of time until fundamental changes were implemented. It is entirely reasonable, and essential for the future of our friends and allies in the Middle East as well as for our own economic well-being, that the international community demonstrate the same steadfastness in the case of Iraq that it did with South Africa. Morally and practically, it is the only option available to us.•

PROMOTION OF JOHN H. OLDFIELD, JR.

• Mr. COVERDELL. Mr. President, I rise today to commend the promotion of John H. Oldfield to Brigadier General of the Georgia Air National Guard and applaud his lifelong service to the State of Georgia and to the U.S. military.

Mr. President, Mr. Oldfield, who was born and still resides with his wife and one son in Savannah, GA, has received numerous distinguished military awards and decorations over his career in the Armed Services. These accomplishments, as well as his lifelong dedication to the well being of the State of Georgia, have led to his recent promotion, which was unanimously approved by the U.S. Senate on October 30, 1997.

Mr. President, I would like to take this opportunity to congratulate Brigadier General Oldfield and wish him continued success in his new position.•

FAREWELL TO JOHN STURDIVANT

• Mr. STEVENS. Mr. President, yesteday, the Federal employee community said a final goodby to John Sturdivant, the president of the American Federation of Government Employees. John lost his battle with leukemia on October 28.

John Sturdivant lead the American Federation of Government Employees—AFGE—since 1988. In fact, in August he won reelection to another term. To say that he will be missed is an understatement.

Although we did not always agree over the years, there was never any question of John's ultimate goal—protection of the interests of Federal employees.

John Sturdivant was a strong leader and forceful defender of the rights of Federal employees. He recognized the need for public servants. Federal employees provide a necessary and valuable service to our country. They should not be misunderstood or mistreated or maligned. John was himself a good public servant and worked hard to be a strong advocate.•

IN SUPPORT OF ENLARGING NATO TO INCLUDE THE NEW INVITEES AND THE BALTIC COUNTRIES

• Mr. DURBIN. Mr. President, I rise today in support of enlarging the NATO alliance to include the current invitees of Poland, Hungary, and the Czech Republic during this round, and the Baltic countries of Lithuania, Latvia, and Estonia during the next round. For the past few weeks, various Senate committees have been reviewing the costs of bringing Poland, Hungary, and the Czech Republic into NATO. The administration estimates the entire cost for this first round of NATO enlargement at $27-$35 billion in the 13-year period from 1997 to 2009. Opponents suggest that the actual costs might actually be much higher, although we will really not have a clear picture until after new estimates are made early next year based on a commonly agreed-upon set of military requirements that NATO ministers will decide on in December. In any case, two things are clear. First, most of these costs would have to be paid anyway—even if NATO did not enlarge. Second, the U.S. share of the total costs will be relatively small.

As part of the present effort to enlarge NATO, Poland, Hungary, and the Czech Republic must restructure and modernize their armed forces. However, they would need to do this in any case and the costs of doing so would probably be much higher without enlargement, since they would have to rely entirely on their own resources to protect themselves. Additionally, current European NATO members must reconfigure their forces so they are more flexible and more easily deployed; but these changes result from the requirements of NATO's New Strategic Concept agreed on by all alliance members in 1991, and not from enlargement as such. These enlargement costs will be paid for by our allies and not by us. From our perspective, these enlargement costs should really be seen as benefits—improvements to NATO's security paid for by our allies, not by us.

The only extra costs of the current round of NATO enlargement are the so-called direct costs of enlargement, which include such things as upgrading communications, air defenses, and infrastructure for rapid reinforcement. These costs would be borne jointly by all NATO members with the United States paying roughly one-quarter of the cost. This means that for every dollar we put toward these direct costs, our allies, old an new, would put in three. You can't get better value for your money than that. Thus, the range of costs the United States would have to pay for the present round of enlargement over the next 13 years would be somewhere between $2 billion—if you believe the administration's figures—and $7 billion—if you believe the recent report by the CATO Institute. Given the millions of lives lost in World War I and II, and the billions of dollars spent during these conflicts, the cold war and now in Bosnia, NATO enlargement is the cheapest single investment we can make.

Aside from the costs, we get real benefits from NATO enlargement. As Secretary Albright and other administration officials have repeatedly and convincingly pointed out, NATO enlargement will deter future threats, prevent the development of a dangerous power vacuum in the heart of Europe, make border and ethnic conflicts far less likely and solidify democratic institutions and free markets in Europe. Just as importantly, the United States will be gaining strong new allies in Poland, Hungary, and the Czech Republic, who between them will add 300,000 troops to the alliance. The costs of enlargement will fall heaviest on them, but these countries know the price of freedom. Each country has been invaded more than once this century and each suffered under Communist domination for over 40 years. They understand that their own security is indivisible from that of the rest of Europe and have already expressed their commitment to be producers of security, and not merely consumers, by cooperating with NATO forces to implement the Dayton accords in Bosnia.

If we refuse to enlarge NATO, we would have told these countries that despite their epic and inspiring struggle to liberate themselves from communism, the West had once again turned its back on them. Even worse, we would leave Central Europe without an effective security system, creating a heightened sense of insecurity in these countries, forcing them to devote more resources to military expenditures, and lowering their potential for economic growth. Under these circumstances, a backlash against Western values might very well develop, yielding a vicious cycle of authoritarianism, militarism, economic stagnation, and greater conflict between neighbors—a pattern this region has seen in the past. This would inevitably bring more problems for the United States in Europe.

Some have asked what's the hurry over NATO enlargement. Surely, the end of the cold war gives us plenty of time to contemplate so momentous a decision. However, if we don't enlarge now when it's relatively easy and inexpensive, how can we be sure that we'll be ready to respond to a crisis in time? We were slow to respond to World War I, World War II, and Yugoslavia out of the fear of the costs. If we wait until a crisis develops, our capacity to deal with it early on will be less, the costs will be higher and our reluctance will be greater. Let's make the decision to enlarge now.

I would remind my colleagues that as the debate over this issue draws near, we must also look beyond the present round of enlargement. In particular, we must pay especially close attention to Lithuania, Latvia, and Estonia.

Given their geography and history, the Baltic countries are a weather vane indicating which way the winds from Russia will blow. Any ambiguity in our commitment to the Baltic countries can only encourage those forces in Russia which have not reconciled themselves to the transformation of the Soviet Union. We must make it clear that Russia is welcome to cooperate with the undivided, free, prosperous, and secure Europe that is being built. However, it can only do so if it is prepared to recognize one of the cardinal principles of the new Europe, articulated by Secretary of State Albright during her visit to Lithuania last July: that all States, large and small, must have the right to choose their own alliances and associations.

By their actions, the Baltic States have clearly made their choice known. They have applied for membership in NATO and the European Union, they participate in NATO's Partnership for Peace program and they are contributing directly to NATO's security by cooperating on a regional airspace initiative. By providing troops for NATO-led operations in Bosnia and by participating in the Vilnius Conference on good neighborly relations hosted by Lithuania in September, they have shown their willingness to be producers, not just consumers, of security. Having been invaded by both Stalin and Hitler and having suffered 50 years of Communist occupation, the people of the Baltic countries, no less than the people of Poland, Hungary, and the Czech Republic, know the price of freedom and are willing to pay for it.

If we are serious about our commitment to create a Europe that is whole and free, than the Baltic countries must be included. For that reason, the United States must make it absolutely clear at the earliest possible moment that it supports NATO membership for Lithuania, Latvia, and Estonia.•

THE 50TH ANNIVERSARY OF MADONNA UNIVERSITY

• Mr. ABRAHAM. Mr. President, today I rise to pay tribute to Madonna University on the occasion of its 50th anniversary. As a school which emphasizes academic, social, and spiritual development, Madonna has established a tremendous presence in southeast Michigan, enhancing the quality of life for its students through an excellent array of campus activities and academic programs.

Having converted to a 4-year liberal arts college in 1947, Madonna rapidly continued its expansion of academic services. It was recognized by the Michigan Board of Education in 1954, and just a short time later added nursing, gerontology, religious studies, criminal justice, and radiologic technology to its list of 4-year programs. Thereafter other programs have been added, though there are too many to mention by name. In 1975, Madonna College opened special services to students with hearing and other disabilities. In 1991, changed its name to Madonna University, and 1 year later the school reached an enrollment high of over 4,400 students.

Of the university's many accomplishments, the one which Madonna achieves year after year is a rapport among students of being a school big enough to offer a vast selection of educational opportunities, but small enough to offer them in a personal manner. When most universities are looking to cut costs through larger class sizes, I'm pleased to say Madonna University is one place where the professors still know their students by name.

Mr. President, on behalf of the U.S. Senate, I commemorate the outstanding tradition of excellence maintained by the faculty, staff, students, and alumni of Madonna University.•

RETIREMENT OF DR. HARRIETT G. JENKINS

• Mr. LEAHY. Mr. President, I submit for the RECORD a joint statement by myself and Senator JEFFORDS on the retirement of Dr. Harriett G. Jenkins.

The statement follows:

JOINT STATEMENT BY SENATOR PATRICK LEAHY AND SENATOR JAMES JEFFORDS ON THE RETIREMENT OF DR. HARRIETT G. JENKINS

On September 30, 1997, Dr. Harriett G. Jenkins officially retired after twenty-five years of service in the executive and legislative branches of our government. Her outstanding contributions in the field of education, at the National Aeronautics and Space Administration (NASA), the Office of Senate Fair Employment Practices, the Senate Committees on Agriculture, Labor, and Judiciary, and at the U.S. Equal Employment Opportunity Commission (EEOC) have won her the respect and admiration of everyone who has been privileged to work with her. Her impressive career in public service spanned 19 years as a public school educator in Berkeley, California, and carried through her most recent and superior performance as Special Assistant to Commissioner Reginald Jones of the EEOC. In appreciation of her outstanding service, we want to recognize her many achievements.

Dr. Jenkins was born in Fort Worth, Texas, and received a Bachelor of Arts Degree in Mathematics from Fisk University in Nashville, Tennessee. She earned a Master of Arts Degree in Education and a Doctorate of Education in Policy, Planning and Administration, both from the University of California at Berkeley. She completed the Advanced Management Program of the Harvard Business School; obtained a law degree from Georgetown University, Washington, D.C., and was awarded an Honorary Doctorate of Science Degree from Fisk University.

Dr. Jenkins began her career as a public school educator in Berkeley, California, and rose through the ranks to become vice-principal, principal, and Director of Elementary Education before reaching the post of Assistant Superintendent for Instruction in 1971. She assisted with the integration of the school system, fully involving parents and the community, and with the implementation of many exemplary educational programs. In 1973, Dr. Jenkins moved to Washington, D.C., accepting the position of consultant to the District of Columbia school system for the Response to Educational Needs Project.

In 1974, Dr. Jenkins joined the staff at NASA. She served for eighteen years as Assistant Administrator for Equal Opportunity Programs at NASA. She helped NASA integrate its workforce and ensure equal opportunity in personnel transactions. During this period, she helped initiate a significant increase in the number of female and minority employees, particularly in the non-traditional positions of engineers, scientists and astronauts. She also assisted with the expansion of educational programs and scientific research for minority universities.

In 1992, Harriett Jenkins was chosen by the Majority and Minority Leaders and appointed by the President pro tempore of the United States Senate to be the first Director of the newly established Office of Senate Fair Employment Practice. In 1996–1997, she served as counsel and professional staff member on the Senate Committees on Agriculture, Forestry and Nutrition, Labor and Human Resources, and Judiciary. In June, 1997, she was appointed as Special Assistant to Commissioner Reginald Jones of the U.S. Equal Employment Opportunity Commission until her retirement on September 30, 1997. In this position, she made critical contributions to the report of the EEOC task force on the "Best" Equal Employment Opportunity Policies, Programs and Practices in the Private Sector.

Dr. Jenkins has received numerous awards throughout her prestigious career. In 1977, Dr. Jenkins received NASA's highest award, the Distinguished Service Medal. Also during 1977, she chaired the Task Force on Equal Opportunity and Affirmative Action, one of nine task forces of the Personnel Management Project which led to the Civil Service Reform Act. For this work, she received the Civil Service Commissioner's Award for Distinguished Service. Dr. Jenkins received the President's Meritorious Executive Award in 1980; NASA's Outstanding Leadership Medal in 1981; and the President's Distinguished Executive Award in 1983.

In 1986, Dr. Jenkins was elected to the National Academy of Public Administration; and in 1987, she received the Black Engineer of the Year Award for Affirmative Action. In 1988, she received a second Distinguished Service Medal from NASA; in 1990, the Women in Aerospace Lifetime Achievement Award; in 1992, NASA's Equal Employment Opportunity Medal, and the President's Meritorious Executive Award; and in 1994, NASA's Equal Employment Opportunity Medal. In September, 1997, she was awarded a citation by the EEOC for her distinguished service to the Task Force on the "Best" Equal Employment Opportunity Policies, Programs and Practices in the Private Sector.

Integrity, intelligence, and commitment to doing the best job possible are characteristics that describe Dr. Jenkins. She has worked tirelessly to advance the goals of protecting the American worker from discrimination in the workplace and tear down the barriers preventing women and minorities from reaching full employment potential.

Dr. Jenkins is leaving government service, but her legacy of dedication to fairness and equality in the workplace will enrich and enlighten workers for generations to come. We personally want to thank Dr. Jenkins for her long career in government service as a friend and advisor and wish her the very best in her retirement years.●

FISCAL YEAR 1998 INTERIOR APPROPRIATIONS CONFERENCE REPORT

● Mr. McCAIN. Mr. President, on October 24, I submitted for the RECORD, a list of objectionable provisions in the fiscal year 1998 Interior appropriations bill. Among the projects mentioned were three items which should not have been listed. They are as follows: $1.5 million for the home energy rating system; $1 million for the weatherization assistance program; and $25,000 for State energy program grants.

Mr. President, these three line items do not violate the criteria I use for determining low-priority, unnecessary, or wasteful spending that was not reviewed in the appropriate merit-based prioritization process. Unfortunately, these three items were inadvertently included on the list. I regret this error, and withdraw my recommendation that these items be line-item vetoed.●

TIME TO RECONSIDER 'RACIST' RHETORIC

● Mr. ABRAHAM. I would like to bring to my colleagues' attention a recent article in Asian Week by Susan Au Allen, president of the United States Pan Asian American Chamber of Commerce, who points out Senator BROWNBACK's significant work on behalf of Asian Pacific American families. It was Senator BROWNBACK who stood up in the House of Representatives last year and opposed those who wanted to slash family immigration. If the elimination of the brothers and sisters and adult children categories had passed, tens of thousands of Asian Pacific families would have been unable to reunite with their loved ones. Ms. Allen writes, "When the chips were down last year, he came through to preserve freedom for our close family members to immigrate to the United States. And for that Asian Pacific American families across America are grateful to him."

I ask that the text of the article by Susan Au Allen be printed in the RECORD.

The article follows:

TIME TO RECONSIDER 'RACIST' RHETORIC

(By Susan Au Allen)

No pain, no gain. No money, no talk. No raise money, no get bonus. Are these offensive words? Several Asian Pacific American organizations think so. The Organization of Chinese Americans, the Congressional Asian Pacific American Caucus Institute, and the Asian Pacific American Legal Consortium have been complaining unfairly about a phrase that Sen. Brownback, R-Kan., uttered during a recent Senate Governmental Affairs Committee hearing on the Democratic Party's campaign finance scandal.

The argument is that the "So no raise money, no pay bonus" phrase is racist. I saw the videotape of the occasion and did not find it offensive.

Sen. Brownback was speaking to an educated white male, Richard Sullivan, former finance director of the Democratic National Committee. The senator neither mimicked nor changed the tone of his voice. He was drawing a conclusion to a series of questions he asked Sullivan, who was playing escape, evasion, and dissemble. The senator wanted Sullivan to tell the truth about the unusual compensation package that former DNC fundraiser John Huang negotiated with the Democratic Party—the same truth Sullivan told investigators in an earlier deposition.

The senator asked, "If he didn't produce, no more money. You said, "If things worked out," were your terms. Is that correct?

But the recalcitrant Sullivan did his best to duck the question and replied incoherently, "Yes. But, senator, if he—he never raised it, and it was more of a—if he had raised it, we—as I've stated, we had no reason to believe anything was improper or illegal. And if he had raised it in April or May I'm certain that it would have been met."

The truth is that when John Huang took a pay cut to become the Democratic National Committee's top fundraiser, he was paid a base salary of $60,000, plus a bonus based on the amount of money he would raise. To close the circle, Sen. Brownback concluded with a straight face, "So, no raise money, no get bonus." Even Sen. Daniel Inouye, D-Hawaii, said that Brownback "didn't mean to slight anybody by this remark."

Now, why would these Asian Pacific American organizations get so offended by that remark? Every time they make a public statement about the campaign finance scandal, the leaders of these groups mention the senator's utterance. Why? It's clear that a number of these groups are led by, for the lack of a better word, liberals. As friends of the Clinton-Gore administration, groups like the Organization of Chinese Americans, the Congressional Asian Pacific American Caucus Institute, and the Asian Pacific American Legal Consortium are playing partisan politics and, quite implausibly, becoming more outraged at a single misinterpreted comment by a Republican senator than by Democratic Party individuals, including the president, whose fundraising improprieties have cast aspersions on millions of law-abiding Asian Pacific Americans.

Their complaint against Sen. Brownback is out of place and, more importantly, shows a lack of serious interest in the truth. Otherwise, they would have found out that Sen. Brownback is a true friend of the Asian Pacific American community. In 1996, Congress was debating a contentious immigration bill which could cut legal immigration by one-third. The proposed bill would stop American citizens from petitioning for their parents, adult children, brothers, and sisters for immigration.

However, the senator introduced the famous Brownback amendment which preserved all these immigrant categories in the law. Not only did he cosponsor the amendment, he worked very hard to persuade two dozen Republicans to fight the cut in legal immigration. He told those who would listen that "It's wrong for us to turn the clock back to the 1920s when we shut the door to immigrants." Because of this, tens of thousands of Asian Pacific Americans are and will be able to petition for their parents, adult children, brothers, and sisters for immigration. Perhaps these Asian Pacific American organizations did not know about his work at the time because they only worked with the Democratic side of Congress.

Now all of them should know who their friends are and who their enemies are. As to the enemy? Well, who got them into this campaign finance scandal in the first place? Try President Clinton, Al Gore, and the Democratic National Committee. And who is a true friend to Asian Americans? Try Sen. Brownback. When the chips were down last year he came through to preserve freedom for our close family members to immigrate to the United States. And for that, Asian Pacific American families across America are grateful to him.●

CBO COST ESTIMATE—S. 318

● Mr. D'AMATO. Mr. President, the Committee on Banking, Housing, and Urban Affairs reported S. 318, the Homeowners Protection Act on Friday, October 31, 1997. The committee report, Senate Report No. 105–129, was filed the same day.

The Congressional Budget Office cost estimate required by Senate Rule XXVI, section 11(b) of the Standing Rules of the Senate and section 403 of the Congressional Budget Impoundment and Control Act, was not available at the time of filing and, therefore, was not included in the committee report. Instead, the committee indicated the Congressional Budget Office cost estimate would be published in the CONGRESSIONAL RECORD when it became available.

Mr. President, I ask that the full cost estimate and cover letter from the Congressional Budget Office regarding S. 318 be printed in the RECORD.

The material follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, November 4, 1997.

Hon. ALFONSE M. D'AMATO,
Chairman, Committee on Banking, Housing, and Urban Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 318, the Homeowners Protection Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Susanne S. Mehlman and Mary Maginniss (for federal costs), Marc Nicole (for the state and local impact), and Patrice Gordon (for the private-sector impact).

Sincerely,

JUNE E. O'NEILL, *Director.*

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

S. 318—Homeowners Protection Act

Summary: S. 318 would institute certain reforms in the private mortgage insurance industry. First, the bill would require mortgage lenders and loan servicers to notify borrowers of their right to cancel mortgage insurance and of the procedures to do so. For each loan made one year or more after enactment, the bill would provide for the automatic cancellation of mortgage insurance (including coverage provided by state and local governments) when the outstanding principal balance on the loan drops to 78 percent of the value of the home at the time the loan was issued, provided the borrower's payments are current. S. 318 would establish disclosure procedures for the providers of lender-paid mortgage insurance and would impose civil liability on any mortgage servicer who failed to comply with the requirements of this bill. S. 318 also would dissolve the Thrift Depositor Protection Oversight Board and transfer its remaining responsibilities to the Department of the Treasury. In addition, the bill would reduce from four to two the number of annual meetings the Affordable Housing Advisory Board must hold each year.

CBO estimates that enacting S. 318 would result in savings of about $250,000 a year in outlays from direct spending. Because the bill would affect direct spending, pay-as-you-go procedures would apply. We also estimate that enacting this bill would not result in any significant impact on federal spending subject to appropriation.

S. 318 would impose both private-sector and intergovernmental mandates as defined in the Unfunded Mandates Reform Act of 1995 (UMRA). CBO estimates, however, that the direct costs of complying with the mandates would not likely exceed the thresholds specified in UMRA ($100 million for private-sector mandates and $50 million for intergovernmental mandates, in 1996 dollars adjusted annually for inflation).

Estimated cost to the Federal Government

Direct spending

Current law requires the Thrift Depositor Protection Oversight Board to monitor the operations and spending of the Resolution Trust Corporation (RTC). The RTC was a temporary agency established to resolve thrift failures beginning in 1989. In late 1995 the RTC was dissolved and its remaining assets were transferred to the Federal Deposit Insurance Corporation. The Oversight Board now retains responsibility for only two functions. The first is to oversee operations of the Resolution Funding Corporation (REFCORP), which issued bonds totaling $30 billion from 1989 to 1991 as part of RTC's initial funding. Second, the Oversight Board retains a nonvoting membership, through the end of 1998, on the Affordable Housing Advisory Board. By terminating the Oversight Board, the bill would eliminate the annual costs for the one employee of the board who prepares periodic reports required of all distinct entities of the government and performs other routine functions. Based on information from the Treasury, CBO estimates that transferring the statutory responsibilities of the Oversight Board to the Treasury would result in savings of about $250,000 annually in direct spending. Because the Oversight Board has the authority to pay its expenses without appropriation action, these savings would be a reduction in direct spending.

This bill also would affect insured depository institutions, including banks, thrifts, and credit unions that hold qualifying mortgage portfolios. As a result, the federal banking regulators—the Federal Reserve, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the National Credit Union Administration, and the Office of Thrift Supervision—would have some responsibility to monitor and enforce the statute. Spending by these agencies is not subject to the annual appropriation process. However, CBO expects that the additional regulatory costs for these agencies would be small and offset by fees in most cases, resulting in no significant net cost to the federal government.

Spending subject to appropriation

Spending by the Treasury to carry out the routine functions of the Oversight Board would be subject to appropriation. CBO estimates that any additional spending would be minimal. In addition, reducing the number of times the Affordable Housing Advisory Board must meet annually is not expected to result in any significant savings. Also, CBO estimates that imposing civil liability on mortgage servicers who do not comply with the requirements under the bill would not result in any significant costs to the federal court system because the caseload is expected to be minimal and any cases reaching trial would most likely be tried in state courts.

Pay-as-you-go considerations: Section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. Legislation providing funding necessary to meet the government's existing deposit insurance commitment is excluded from these procedures. CBO believes that requiring insured depository institutions to terminate private mortgage insurance would not meet the exemption for full funding of deposit insurance and thus would have pay-as-you-go implications. Spending by the federal banking regulators to monitor and enforce the provisions of the bill is estimated to be small, however, and in most cases would be offset be fees charged to the depository institutions, resulting in no significant net cost to the federal government. Eliminating the Thrift Depositor Protection Oversight Board would reduce direct spending, but these savings would also be insignificant.

Intergovernmental and private-sector impact: S. 318 would impose both private-sector and intergovernmental mandates as defined in UMRA. The bill contains mandates on mortgage lenders, loan servicers, purchasers of mortgage loans, and private mortgage insurance (PMI) companies in the mortgage industry. Provisions in the bill would be enforced by private law suits. CBO estimates that the annual direct costs of complying with mandates identified in this bill are not likely to exceed the statutory thresholds for private-sector or intergovernmental mandates. Inasmuch as state and local governments finance mortgage loans and service and insure some of the loans extended, they would bear some of the costs of complying with these mandates. CBO estimates that at least 95 percent of all identified costs would fall on the private sector, less than 5 percent of the costs would be borne by state and local governments.

Private mortgage insurance protects lenders—or the ultimate purchaser of a mortgage loan, such as Fannie Mae or Freddie Mac—against financial loss if a borrower defaults on a mortgage loan. Industry data show that the lower the down payment, as a percentage of the property value, the greater is the risk that the loan will default. Mortgage insurance is generally used when a borrower makes a down payment of less than 20 percent of the value of the home—that is, when the mortgage has a loan-to-value (LTV) ratio greater than 80 percent. In 1996, the eight PMI companies backed nearly one million residential mortgage loans and a total of $127 billion in loans were covered by PMI.

Mandates

S. 318 would allow borrowers to request cancellation of a PMI policy after paying off 20 percent of the property's original value. To be eligible for policy cancellation at 20 percent equity, the bill would require that a borrower (1) make a written request for cancellation; (2) be current on mortgage payments; (3) certify that he or she holds no second mortgages on the property; and (4) demonstrate that the property's value has not depreciated below its value at closing. S. 318 would require that private mortgage insurance be canceled once a borrower has reached 22 percent equity unless the insurance covers a "high-risk" loan. Borrowers with loans deemed to be high risk according to guidelines to be developed by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation would not qualify for early cancellation. Such borrowers, however, would have their insurance terminated at the half-life of the loan. Upon termination of PMI insurance, the bill would require that servicers (and PMI companies) refund to the borrower any premiums already paid for the period beyond the termination date.

Beginning one year after enactment, S. 318 would require lenders and servicers to provide written disclosures about insurance cancellation rights to borrowers who are required by creditors to obtain private mortgage insurance as a condition for entering into a residential mortgage agreement. S. 318 would require that the lender notify the borrower in writing at or before closing of his cancellation rights under PMI and give the borrower an amortization schedule. The amortization schedule would be used to determine a termination date at which the borrower would no longer be required to pay insurance premiums. The bill also would require, before closing, mandatory disclosures to purchasers of lender-paid mortgage insurance indicating that lender-paid mortgage insurance may not be canceled. After the initial disclosure at loan origination, loan servicers would be required to notify borrowers with "borrower-paid" PMI (including existing loans with PMI) of their cancellation rights in an annual written statement.

Estimated Costs of Mandates

In the first year after enactment, the total costs of the mandates would consist of the costs to lenders and services of modifying systems to accommodate the transmittal and storage of additional data. Lenders and servicers would also have to modify software programs to provide the required additional disclosures to borrowers and to develop the procedures to trigger automatic termination of PMI insurance for eligible borrowers. In total, the initial "set-up" costs should be somewhat below $100 million dollars. After an initial set-up period of about one year, costs would likely drop. The bulk of costs in the second year would cover disclosure at or before settlement to roughly one million borrowers required to purchase PMI insurance and annual disclosure to about five million borrowers who already have borrower-paid PMI insurance.

CBO estimates that costs to the mortgage industry would gradually start to rise again in a few years as the cost to servicers of terminating PMI policies, and the loss of premium income to PMI companies start to accumulate. Most loans to which automatic termination would apply would not reach an LTV ratio of 78 percent to qualify for termination until well after the five-year period of analysis required by UMRA.

Estimated impact on State, local and tribal governments

Because state and local governments participate in mortgage financing, they would bear some of the compliance costs of S. 318. CBO estimates that the state and local share of such costs would total less than $5 million a year. All 50 states and some local governments finance mortgages (primarily with mortgage revenue bonds), 21 states service at least a portion of their own mortgage portfolio, and seven states insure mortgages. (The definition of private mortgage insurance used in this bill includes insurance provided by state governments. Only insurance provided by the federal government is excluded.) Based on data from the National Council of State Housing Agencies and Standard and Poors, CBO estimates that state and local governments are involved in less than 5 percent of mortgages that have private mortgage insurance. Their share of the costs would thus be relatively small.

S. 318 would also impose an additional mandate on state governments by preempting certain state laws pertaining to the termination or cancellation of private mortgage insurance or the disclosure of certain information addressed by the bill. Based on discussions with mortgage industry officials and a review of certain state mortgage insurance laws, CBO estimates that this mandate would impose no significant costs on state governments nor would it result in the loss of any revenue.

Previous CBO estimates: On April 7, 1997, CBO provided an estimate for H.R. 607, the Homeowners Insurance Protection Act, as ordered reported by the House Committee on Banking and Financial Services on March 20, 1997. While both H.R. 607 and S. 318 would require that borrowers be notified of their rights to cancel mortgage insurance, these bills differ in their requirements for automatic cancellation of mortgage insurance. H.R. 607 would require automatic cancellation of mortgage insurance when the mortgage has an LTV of 75 percent (or less) while S. 318 would require automatic cancellation of mortgage insurance when the mortgage has an LTV of 78 percent (or less).

On September 17, 1997, CBO provided an estimate for H.R. 2343, a bill to terminate the Thrift Depositor Protection Oversight Board, as ordered reported by the House Committee on Banking and Financial Services on September 9, 1997. S. 318 would also eliminate the Oversight Board and would transfer its remaining responsibilities to the Department of the Treasury.

Estimate prepared by: Federal Costs: Susanne S. Mehlman, for private mortgage insurance. Mary Maginniss, for federal deposit insurance. Impact on State, Local, and Tribal Governments: Marc Nicole. Impact on the Private Sector: Patrice Gordon.

Estimate approved by: Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.●

VETERANS' COMPENSATION COST-OF-LIVING ADJUSTMENT ACT OF 1997

Mr. NICKLES. Madam President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 245, H.R. 2367.

The PRESIDING OFFICER (Ms. COLLINS). The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2367) to amend title 38, United States Code, to provide a cost-of-living adjustment in the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. NICKLES. Madam President, I ask unanimous consent that the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 2367) was read a third time, and passed.

NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM ACT

Mr. NICKLES. Madam President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 236, Senate bill 714.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 714) to make permanent the Native American Veteran Housing Loan Pilot Program of the Department of Veterans' Affairs.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Veterans' Affairs, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. EXTENSION AND IMPROVEMENT OF NATIVE AMERICAN VETERAN HOUSING LOAN PROGRAM.

(a) EXTENSION.—Section 3761(c) of title 38, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "December 31, 2003".

(b) OUTREACH.—Section 3762(i) of such title is amended—

(1) by inserting "(1)" after "(i)";

(2) in paragraph (1), as so designated—

(A) by inserting ", in consultation with tribal organizations (including the National Congress of American Indians and the National American Indian Housing Council)," after "The Secretary shall"; and

(B) by striking out "tribal organizations and"; and

(3) by adding at the end the following:

"(2) Activities under the outreach program shall include the following:

"(A) Attending conferences and conventions conducted by the National Congress of American Indians in order to work with the National Congress in providing information and training to tribal organizations and Native American veterans regarding the availability of housing benefits under the pilot program and in assisting such organizations and veterans in participating in the pilot program.

"(B) Attending conferences and conventions conducted by the National American Indian Housing Council in order to work with the Housing Council in providing information and training to tribal organizations and tribal housing entities regarding the availability of such benefits.

"(C) Attending conferences and conventions conducted by the Department of Hawaiian Homelands in order to work with the Department of Hawaiian Homelands in providing information and training to tribal housing entities in Hawaii regarding the availability of such benefits.

"(D) Producing and disseminating information to tribal governments, tribal veterans service organizations, and tribal organizations regarding the availability of such benefits.

"(E) Assisting tribal organizations and Native American veterans in participating in the pilot program.".

(c) ANNUAL REPORTS.—Section 3762 of such title is further amended by adding at the end the following:

"(j) Not later than February 1 of each of 1998 through 2003, the Secretary shall transmit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report relating to—

"(1) the implementation of the pilot program under this subchapter during the fiscal year preceding the date of the report;

"(2) the Secretary's exercise during such fiscal year of the authority provided under subsection (c)(1)(B) to make loans exceeding the maximum loan amount;

"(3) the appraisals performed for the Secretary during such fiscal year under the authority of subsection (d)(2), including a description of—

"(A) the manner in which such appraisals were performed;

"(B) the qualifications of the appraisers who performed such appraisals; and

"(C) the actions taken by the Secretary with respect to such appraisals to protect the interests of veterans and the United States;

"(4) the outreach activities undertaken under subsection (i) during such fiscal year, including—

"(A) a description of such activities on a region-by-region basis; and

"(B) an assessment of the effectiveness of such activities in encouraging the participation of Native American veterans in the pilot program;

"(5) the pool of Native American veterans who are eligible for participation in the pilot program, including—

"(A) a description and analysis of the pool; and

"(B) a description and assessment of the impediments, if any, to full participation in the pilot program of the Native American veterans in the pool; and

"(6) the Secretary's recommendations, if any, for additional legislation regarding the pilot program.".

SEC. 2. EXTENSION OF AUTHORITIES RELATING TO HOMELESS VETERANS.

(a) DRUG AND ALCOHOL ABUSE AND DEPENDENCE.—Section 1720A(e) of title 38, United States Code, is amended by striking out "December 31, 1997" and inserting in lieu thereof "December 31, 1999".

(b) AGREEMENTS FOR HOUSING ASSISTANCE FOR HOMELESS VETERANS.—Section 3735(c) of such title is amended by striking out "December 31, 1997" and inserting in lieu thereof "December 31, 1999".

(c) AUTHORITY FOR COMMUNITY-BASED RESIDENTIAL CARE FOR HOMELESS CHRONICALLY MENTALLY ILL VETERANS AND OTHER VETERANS.—Section 115(d) of the Veterans' Benefits and Services Act of 1988 (38 U.S.C. 1712 note) is amended by striking out "December 31, 1998" and inserting in lieu thereof "December 31, 1999".

(d) DEMONSTRATION PROGRAM OF COMPENSATED WORK THERAPY.—Section 7(a) of Public Law 102–54 (38 U.S.C. 1718 note) is amended by striking out "December 31, 1997" and inserting in lieu thereof "December 31, 1999".

(e) SERVICES AND ASSISTANCE TO HOMELESS VETERANS.—The Homeless Veterans Comprehensive Service Programs Act of 1992 (38 U.S.C. 7721 note) is amended—

(1) in section 2(a), by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1999";

(2) in section 3(a)(2), by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1999"; and

(3) in section 12, by striking out "through 1997" and inserting in lieu thereof "through 1999".

(f) HOMELESS VETERANS' REINTEGRATION PROJECTS.—(1) Section 738(e)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11448(e)(1)) is amended by adding at the end the following:

"(G) $10,000,000 for fiscal year 1999.".

(2) Section 741 of such Act (42 U.S.C. 11450) is amended by striking out "December 31, 1997" and inserting in lieu thereof "December 31, 1999".

SEC. 3. EXTENSION AND EXPANSION OF ENHANCED-USE LEASE AUTHORITY.

(a) EXPANSION.—Section 8168(a) of title 38, United States Code, is amended by striking out "20" and inserting in lieu thereof "40".

(b) EXTENSION.—Section 8169 of such title is amended by striking out "December 31, 1997" and inserting in lieu thereof "December 31, 1999".

SEC. 4. EXTENSION OF CERTAIN OTHER AUTHORITIES OF THE SECRETARY OF VETERANS AFFAIRS.

(a) PILOT PROGRAM FOR NONINSTITUTIONAL ALTERNATIVES TO NURSING HOME CARE.—Section 1720C(a) of title 38, United States Code, is amended by striking out "December 31, 1997" and inserting in lieu thereof "December 31, 1999".

(b) HEALTH PROFESSIONAL SCHOLARSHIP PROGRAM.—Section 7618 of such title is amended by striking out "December 31, 1997" and inserting in lieu thereof "December 31, 1999".

Mr. NICKLES. Madam President, I ask unanimous consent that the committee amendment be agreed to, the bill be considered a third time, and passed, the motion to reconsider be laid upon the table, the title amendment be agreed to, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read:

A bill to extend and improve the Native American Veteran Housing Loan Pilot Program of the Department of Veterans Affairs, to extend certain authorities of the Secretary of Veterans Affairs relating to services for homeless veterans, to extend certain other authorities of the Secretary, and for other purposes.

AMENDING THE ACT TO INCORPORATE THE AMERICAN LEGION

Mr. NICKLES. Madam President, I ask unanimous consent the Senate now proceed to the consideration of S. 1377 introduced earlier today by Senators HATCH and LEAHY.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows.

A bill (S. 1377) to amend the act incorporating the American Legion to make a technical correction.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LEAHY. Mr. President, I rise today to comment on a bill which will amend the act of incorporation of the American Legion. I have introduced this bill with my colleague from Utah, Senator HATCH, the chairman of the Judiciary Committee.

Last year, Congress expanded the dates of the Vietnam war for purposes of veterans benefits by shifting the official start of the war from December 22, 1961, to February 28, 1961. The bill before the Senate makes a similar change in the Legion's charter. When we pass this into law the Legion will be able to extend membership to those men and women who served honorably on active duty in the U.S. Armed Forces during the early years of the Vietnam war. I am hopeful that we can pass it by unanimous consent today, and have it signed into law by the President before we adjourn for the year.

Mr. President, this modest change will mean a lot to the veterans from that period who wanted the opportunity to join the American Legion but never could. They have waited for more than 35 years to have the privilege of becoming Legionnaires. We should not make them wait one day longer.

I yield the floor.

Mr. NICKLES. Madam President, I ask unanimous consent that the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1377) was read the third time and passed, as follows:

S. 1377

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the Act entitled "An Act to Incorporate the American Legion", approved September 16, 1919 (41 Stat. 285; 36 U.S.C. 45) is amended by striking "December 22, 1961" and inserting "February 28, 1961".

AUTHORIZATING PRINTING OF SENATE DOCUMENTS AND USE OF OFFICIAL MAIL

Mr. NICKLES. I ask unanimous consent the Senate now proceed to the consideration en bloc of the following resolutions and bill which were submitted and introduced earlier today by Senator WARNER: Senate Resolution 143, Senate Concurrent Resolution 61, Senate Concurrent Resolution 62, Senate Concurrent Resolution 63, and S. 1378.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Madam President, I ask unanimous consent the resolutions be agreed to, the bill be considered read a third time and passed, the motions to reconsider be laid upon the table, and any statements relating to these items be printed in the RECORD with all the preceding occurring en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolutions (S. Res. 143, S. Con. Res. 61, S. Con. Res. 62, and S. Con. Res. 63) were agreed to, as follows:

S. RES. 143

Resolved, That the Committee on Rules and Administration is directed to prepare a revised edition of the Senate Election Law Guidebook, Senate Document 104-12, and that such document shall be printed as a Senate document.

SEC. 2. There shall be printed 600 additional copies of the document specified in section 1 of this resolution for the use of the Committee on Rules and Administration.

S. CON. RES. 61

Resolved by the Senate (the House of Representatives concurring), That (a) a revised edition of the publication entitled "Our Flag", revised under the direction of the Joint Committee on Printing, shall be reprinted as a Senate document.

(b) There shall be printed—

(1)(A) 250,000 copies of the publication for the use of the House of Representatives, distributed in equal numbers to each Member;

(B) 51,500 copies of the publication for the use of the Senate, distributed in equal numbers to each Member;

(C) 2,000 copies of the publication for the use of the Joint Committee on Printing; and

(D) 1,400 copies of the publication and distribution to the depository libraries; or

(2) if the total printing and production costs of copies in paragraph (1) exceed $150,000, such number of copies of the publication as does not exceed total printing and production costs of $150,000, with distribution to be allocated in the same proportion as in paragraph (1).

S. CON. RES. 62

Resolved by the Senate (the House of Representatives concurring), That (a) a revised edition of the brochure entitled "How Our Laws Are Made", under the direction of the Parliamentarian of the House of Representatives in consultation with the Parliamentarian of the Senate, shall be printed as a Senate document, with suitable paper cover in the style selected by the chairman of the Joint Committee on Printing.

(b) There shall be printed—

(1)(A) 250,000 copies of the brochure for the use of the House of Representatives, distributed in equal numbers to each Member;

(B) 100,000 copies of the brochure for the use of the Senate, distributed in equal numbers to each Member;

(C) 2,000 copies of the brochure for the use of the Joint Committee on Printing; and

(D) 1,400 copies of the brochure for distribution to the depository libraries; or

(2) if the total printing and production costs of copies in paragraph (1) exceed $180,000, such number of copies of the brochure as does not exceed total printing and production costs of $180,000, with distribution to be allocated in the same proportion as in paragraph (1).

S. CON. RES. 63

Resolved by the Senate (the House of Representatives concurring), That (a) a revised edition of the pamphlet entitled "The Constitution of the United States of America", prepared under the direction of the Joint Committee on Printing, shall be printed as a Senate document, with appropriate illustration.

(b) There shall be printed—

(1)(A) 440,000 copies of the pamphlet for the use of the House of Representatives, distributed in equal numbers to each Member;

(B) 100,000 copies of the pamphlet for the use of the Senate, distributed in equal numbers to each Member;

(C) 2,000 copies of the pamphlet for the use of the Joint Committee on Printing; and

(D) 1,400 copies of the pamphlet for distribution to the depository libraries; or

(2) if the total printing and production costs of copies in paragraph (1) exceed $120,000, such number of copies of the pamphlet as does not exceed total printing and production costs of $120,000, with distribution to be allocated in the same proportion as in paragraph (1).

The bill (S. 1378) was read the third time and passed, as follows:

S. 1378

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF AUTHORIZATION OF USE OF OFFICIAL MAIL IN THE LOCATION AND RECOVERY OF MISSING CHILDREN.

The Act entitled "An Act to amend title 3, United States Code, to authorize the use of penalty and franked mail in efforts relating to the location and recovery of missing children", approved August 9, 1985 (39 U.S.C. 3220 note; Public Law 99-87), is amended—

(1) in section 3(a) by striking "June 30, 1997" and inserting "June 30, 2002"; and

(2) in section 5 by striking "December 31, 1997" and inserting "December 31, 2002".

UNANIMOUS-CONSENT AGREEMENT—S. 1253

Mr. NICKLES. Madam President, I ask unanimous consent that if and when S. 1253 is reported by the Energy Committee, it be referred to the Agriculture Committee solely for the purpose of considering matters within its jurisdiction for not to exceed 40 days of Senate session. I further ask that if the Agriculture Committee has not reported the matter after that period, the bill be immediately discharged from committee and placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—NOMINATION OF RONALD LEE GILMAN

Mr. NICKLES. Madam President, as in executive session, I ask unanimous consent that at 9:30 on Thursday, November 6, the Senate proceed to executive session to consider the Executive Calendar No. 326, the nomination of Ronald Lee Gilman to be circuit court judge for the sixth circuit. I further ask consent that there be 10 minutes of debate equally divided in the usual form, and following that debate the Senate proceed to a vote on the confirmation of the nomination.

I finally ask consent that immediately following the vote, the motion to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. NICKLES. Madam President, I ask unanimous consent that the Senate go into executive session and proceed en bloc to the following nominations on the Executive Calendar: Nos. 271, 272, 279, 282, 288, 352, 372, 376 through 379, 382, 383, 440, 441, 442, and all nominations on the Secretary's desk in the Coast Guard.

I finally ask unanimous consent the nominations be confirmed, the motions to reconsider be laid upon the table, and any statements relating to the nominations appear at this point in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF STATE

Nancy Jo Powell, of Iowa, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Uganda.

Amelia Ellen Shippy, of Washington, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Malawi.

Barbara K. Bodine, of California, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Yemen.

Johnny Young, of Maryland, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Bahrain.

Robin Lynn Raphel, of Washington, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Tunisia.

DEPARTMENT OF DEFENSE

Jacques Gansler, of Virginia, to be Under Secretary of Defense for Acquisition and Technology.

EXECUTIVE OFFICE OF THE PRESIDENT

Duncan T. Moore, of New York, to be an Associate Director of the Office of Science and Technology Policy.

THE JUDICIARY

William P. Greene, Jr., of West Virginia, to be an Associate Judge of the United States Court of Veterans Appeals for the term of 15 years.

DEPARTMENT OF LABOR

Espiridion A. Borrego, of Texas, to be Assistant Secretary of Labor for Veterans' Employment and Training.

DEPARTMENT OF VETERANS AFFAIRS

Richard J. Griffin, of Illinois, to be Inspector General, Department of Veterans Affairs.

Joseph Thompson, of New York, to be Under Secretary for Benefits of the Department of Veterans Affairs.

FEDERAL EMERGENCY MANAGEMENT AGENCY

Jo Ann Jay Howard, of Texas, to be Federal Insurance Administrator, Federal Emergency Management Agency.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Richard F. Keevey, of Virginia, to be Chief Financial Officer, Department of Housing and Urban Development.

U.S. ADVISORY COMMISSION ON PUBLIC DIPLOMACY

Hank Brown, of Colorado, to be a Member of the United States Advisory Commission on Public Diplomacy for a term expiring April 6, 2000.

Penne Percy Korth, of Texas, to be a Member of the United States Advisory Commission on Public Diplomacy for a term expiring July 1, 2000.

DEPARTMENT OF THE TREASURY

Nancy Killefer, of Florida, to be an Assistant Secretary of the Treasury.

IN THE COAST GUARD

Coast Guard nominations beginning Thomas Flora, and ending Michael R. Olson, which nominations were received by the Senate and appeared in the Congressional Record of October 7, 1997.

Coast Guard nomination of Whitney L. Yelle, which was received by the Senate and appeared in the Congressional Record of October 29, 1997.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

ORDERS FOR THURSDAY, NOVEMBER 6, 1997

Mr. NICKLES. Madam President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:30 a.m. on Thursday, November 6. I further ask that on Thursday, immediately following the prayer, the routine requests through the morning hour be granted and the Senate immediately resume executive session to consider the nomination of Ronald Gilman of Tennessee to be a circuit judge, for 10 minutes, to be followed by a rollcall vote on the confirmation of Judge Gilman.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Following the 9:40 a.m. vote, the Senate will begin consideration of the conference report to accompany H.R. 1119, the Department of Defense Authorization Act, as under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. NICKLES. Tomorrow, at 9:40 a.m., the Senate will conduct a rollcall vote on the confirmation of Judge Gilman of Tennessee, to be followed by up to 4 hours of consideration of the conference report to accompany H.R. 1119, the Department of Defense Authorization Act. As under the order, a vote on the adoption of the conference report will occur at the expiration or yielding back of time. Therefore, Members can anticipate that vote at approximately 2 p.m. on Thursday. The Senate may also consider and complete action on any of the following: Amtrak reform, the D.C. appropriations bill, FDA reform conference report, the Intelligence authorization conference report, and any additional legislative or executive items that can be cleared for action.

Therefore, Members can anticipate rollcall votes throughout Thursday's session of the Senate, with the first vote occurring at 9:40 a.m.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. NICKLES. Madam President, if there is no further business to come before the Senate, I now ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:04 p.m, adjourned until Thursday, November 6, 1997, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate November 5, 1997:

FEDERAL ELECTION COMMISSION

DARRYL R. WOLD, OF CALIFORNIA, TO BE A MEMBER OF THE FEDERAL ELECTION COMMISSION FOR A TERM EXPIRING APRIL 30, 2001, VICE JOAN D. AIKENS, TERM EXPIRED.

EXECUTIVE OFFICE OF THE PRESIDENT

REBECCA M. BLANK, OF ILLINOIS, TO BE A MEMBER OF THE COUNCIL OF ECONOMIC ADVISERS, VICE ALICIA HAYDOCK MUNNELL, RESIGNED.

CONFIRMATIONS

EXECUTIVE NOMINATIONS CONFIRMED BY THE SENATE NOVEMBER 5, 1997:

DEPARTMENT OF STATE

NANCY JO POWELL, OF IOWA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF UGANDA.

AMELIA ELLEN SHIPPY, OF WASHINGTON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF MALAWI.

BARBARA K. BODINE, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF YEMEN.

JOHNNY YOUNG, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE STATE OF BAHRAIN.

ROBIN LYNN RAPHEL, OF WASHINGTON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF TUNISIA.

DEPARTMENT OF DEFENSE

JACQUES GANSLER, OF VIRGINIA, TO BE UNDER SECRETARY OF DEFENSE FOR ACQUISITION AND TECHNOLOGY.

EXECUTIVE OFFICE OF THE PRESIDENT

DUNCAN T. MOORE, OF NEW YORK, TO BE AN ASSOCIATE DIRECTOR OF THE OFFICE OF SCIENCE AND TECHNOLOGY POLICY.

THE JUDICIARY

WILLIAM P. GREENE, JR., OF WEST VIRGINIA, TO BE AN ASSOCIATE JUDGE OF THE UNITED STATES COURT OF VETERANS APPEALS FOR THE TERM OF FIFTEEN YEARS.

DEPARTMENT OF LABOR

ESPIRIDION A. BORREGO, OF TEXAS, TO BE ASSISTANT SECRETARY OF LABOR FOR VETERANS' EMPLOYMENT AND TRAINING.

DEPARTMENT OF VETERANS AFFAIRS

RICHARD J. GRIFFIN, OF ILLINOIS, TO BE INSPECTOR GENERAL, DEPARTMENT OF VETERANS AFFAIRS.

JOSEPH THOMPSON, OF NEW YORK, TO BE UNDER SECRETARY FOR BENEFITS OF THE DEPARTMENT OF VETERANS AFFAIRS.

FEDERAL EMERGENCY MANAGEMENT AGENCY

JO ANN JAY HOWARD, OF TEXAS, TO BE FEDERAL INSURANCE ADMINISTRATOR, FEDERAL EMERGENCY MANAGEMENT AGENCY.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

RICHARD F. KEEVEY, OF VIRGINIA, TO BE CHIEF FINANCIAL OFFICER, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

UNITED STATES ADVISORY COMMISSION ON PUBLIC DIPLOMACY

HANK BROWN, OF COLORADO, TO BE A MEMBER OF THE UNITED STATES ADVISORY COMMISSION ON PUBLIC DIPLOMACY FOR A TERM EXPIRING APRIL 6, 2000.

PENNE PERCY KORTH, OF TEXAS, TO BE A MEMBER OF THE UNITED STATES ADVISORY COMMISSION ON PUBLIC DIPLOMACY FOR A TERM EXPIRING JULY 1, 2000.

DEPARTMENT OF THE TREASURY

NANCY KILLEFER, OF FLORIDA, TO BE AN ASSISTANT SECRETARY OF THE TREASURY.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

JAMES S. GWIN, OF OHIO, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF OHIO.

IN THE COAST GUARD

COAST GUARD NOMINATIONS BEGINNING THOMAS FLORA, AND ENDING MICHAEL R. OLSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON OCTOBER 7, 1997.

COAST GUARD NOMINATION OF WHITNEY L. YELLE, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF OCTOBER 29, 1997.

HOUSE OF REPRESENTATIVES—*Wednesday, November 5, 1997*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. SUNUNU].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
November 5, 1997.

I hereby designate the Honorable JOHN E. SUNUNU to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We pray, gracious God that whatever our obligations or whatever our time in life, we will experience purposeful challenges that engage the spirit and keep our hearts and minds filled with enthusiasm. Help us to be aware that there are always ways that we can contribute to the benefit of people about us or to help lift the burdens of others with their daily concerns. May Your Spirit, O God, so touch our spirits that our minds are alert, our hearts are compassionate, and our hands eager to do the good works that honor You and serve people whatever their need. In Your name we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. ROGAN. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ROGAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, further proceedings on this question are postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Ohio [Mr. KUCINICH] come forward and lead the House in the Pledge of Allegiance.

Mr. KUCINICH led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundegran, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 79. An act to provide for the conveyance of certain land in the Six Rivers National Forest in the State of California for the benefit of the Hoopa Valley Tribe;

H.R. 708. An act to require the Secretary of the Interior to conduct a study concerning grazing use and open space within and adjacent to Grand Teton National Park, Wyoming, and to extend temporarily certain grazing privileges; and

H.R. 2464. An act to amend the Immigration and Nationality Act to exempt internationally adopted children 10 years of age or younger from the immunization requirement in section 212(a)(1)(A)(ii) of such Act.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 813. An act to amend chapter 91 of title 18, United States Code, to provide criminal penalties for theft and willful vandalism at national cemeteries;

S. 940. An act to provide for a study of the establishment of Midway Atoll as a national memorial to the Battle of Midway, and for other purposes;

S. 1231. An act to authorize appropriations for fiscal years 1998 and 1999 for the United States Fire Administration, and for other purposes; and

S. 1324. An act to deauthorize a portion of the project for navigation, Biloxi Harbor, Mississippi.

The message also announced, that pursuant to section 4355(a) of title 10, United States Code, the Chair, on behalf of the Vice President, appoints the following Senator to the Board of Visitors of the United States Military Academy:

The Senator from New Jersey [Mr. LAUTENBERG] from the Committee on Appropriations, vice the Senator from Wisconsin [Mr. KOHL].

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 15 one-minutes on each side.

CUTTING TAXES IS NOT SELFISH

(Mr. NEUMANN asked and was given permission to address the House for 1 minute.)

Mr. NEUMANN. Mr. Speaker, I rise this morning to look at the results of last night's elections and see that the people have spoken and they do not believe it is selfish for the working families of this great Nation to want to keep more of their own money in their own home and spend it on their families, rather than sending it to whatever the taxing organization might be, whether it be Washington or their local tax burden.

We understand that the President said that he believes it is selfish, selfish, for people to support tax cuts. Mr. President, it is not selfish for our hard-working families that are going to receive the $400 per child tax credit to want to keep that money in their home to use on their families rather than send it to Washington, DC.

It is not selfish for a hard-working family that is maybe now working three jobs to want to keep more of their own hard-earned money in their family so they only need to work two jobs instead of three to make ends meet, so they can keep more money there and spend more time with their families because they are now only working two jobs instead of three. That is not selfish. That is family values of this great Nation that we live in. That is the opportunity for parents to spend more time with their children.

DEFEAT OF "ISSUE 2" A LESSON FOR ALL

(Mr. KUCINICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KUCINICH. Mr. Speaker, yesterday one of the most important election issues in America was decided in the State of Ohio in favor of working families. Ohio "Issue 2" sought to reduce and eliminate many benefits accorded injured workers under the workers compensation system. When people are injured on the job, they have a right to fair compensation, but Issue 2 would have taken away that right.

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

A powerful coalition led by labor and other representatives of injured workers rose up to protect the moral, the economic, and the spiritual rights of people to be able to be fairly compensated when they are injured on the job.

The defeat of Issue 2 is a lesson for those who would seek to use the legislative process to deprive workers of their rights. It is also a lesson for those who would defy power which seems omnipotent, who believe that they could overcome the odds, assert their rights and triumph on behalf of working men and women.

COMMON SENSE NEEDED AT THE IRS

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, soon it will be cookies and tea at the IRS. They are holding an open house down at the IRS. It is their kinder and gentler version of the most feared bureaucracy in America.

After years of abusing Americans on repeated audits, after confiscating personal property and closing family businesses, after harassing local churches for returning contributions made freely by their parishoners, the IRS says, trust us. We did not do anything illegal. If we did, we will not do it again, but we do need to make some changes. It kind of sounds like campaign reform.

Mr. Speaker, there are a lot of good people working at the IRS put in very bad positions by their management. The best thing to do would be to eliminate the Tax Code and create a fairer and flatter tax. But in the meantime we should all vote for H.R. 2676, the IRS Restructuring and Reform Act, and get some common sense back at the IRS.

BRING SOME COMMON SENSE TO FOREIGN RELATIONS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, see if this makes sense. America gives billions of foreign aid to Russia; Russia then takes American cash and builds new weapons; Russia then offers to sell the old weapons to Iran. America trying to keep nuclear technology from Iran, and they buy the old weapons from Russia. Russia then asks America for more foreign aid. America trying to keep the Marx brothers out of Russia, and I do not mean Groucho, give Russia more foreign aid.

After all this, the State Department labels the National Council Resistance, the opposition party in Iran, fighting for democracy, trying to throw those bums out. They label them a terrorist group.

Unbelievable. How dumb can Uncle Sam be? Let us tell it like it is. Those Russian nuclear scientists are not hanging around Iran to watch belly dancers. What is next? Will the Pentagon lease Tehran?

Beam me up, Mr. Speaker. With a foreign policy like this, I do not know how we still have our sovereignty.

EARLY DETECTION SAVES LIVES

(Mr. SNOWBARGER asked and was given permission to address the House for 1 minute.)

Mr. SNOWBARGER. Mr. Speaker, I have come to the floor to focus our Nation's attention on a disease that afflicts one in every 8 women and affects everyone's lives. Each year, more than 46,000 women lose their lives in a fight against breast cancer and it is this fact I find most distressing, because in many cases, early detection could have prevented the losses of life.

According to the American Cancer Society, nearly 9 out of every 10 women who are diagnosed with breast cancer survive. A major component in achieving this success rate is educating women to regularly conduct breast self-examinations. Again, early detection of breast cancer can prevent the loss of life.

In Kansas City, women are benefiting from the works of Florein Leiberman, who founded the Breast Exam Self Testing Program, known as the BEST Program. BEST is sponsored by Menorah Medical Center and is supported by 35 physicians who volunteer their time and expertise to provide a free clinic visit to help educate women on proper breast self-examination techniques.

Since 1985, more than 3,500 women have benefited from this program. In addition, BEST is working with local junior and senior high schools to help educate young women on ways to work on this disease.

BRING H.R. 856, SELF DETERMINATION FOR PUERTO RICO, TO THE FLOOR

(Mr. ROMERO-BARCELÓ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROMERO-BARCELÓ. Mr. Speaker, I rise to the occasion in support of H.R. 856, a bill to provide a process leading to the full self-determination for Puerto Rico. This bill seeks to put an end to the disenfranchisement of 3.8 million U.S. citizens in Puerto Rico. This bill is essential to strengthening our Democratic process.

The U.S. citizens of Puerto Rico have been partners of the United States since 1898, almost one century, having fought hand-in-hand to defend American principles and Democratic ideals worldwide. After having faithfully fought side-by-side with our fellow citizens in every armed conflict since 1917, Puerto Ricans are denied the right to exercise self-determination and their right to vote. As the United States preaches to the world on human rights and democracy, it has forgotten 3.8 million of its own citizens.

How can we ask Castro to hold a plebiscite and open elections in Cuba when this Nation, an example and inspiration of democracy, keeps 3.8 million of its own citizens disenfranchised? Please support H.R. 856. It is our responsibility. We must bring H.R. 856 to the floor soon.

ELECTION RESULTS SAY IT ALL

(Mr. PAPPAS asked and was given permission to address the House for 1 minute.)

Mr. PAPPAS. Mr. Speaker, we frequently hear that liberal and conservative are nothing but labels, but Mr. Speaker, it is a question of vision contrasting between the liberal vision and the conservative vision for America.

Just a few days ago while campaigning in Alexandria, VA, President Clinton called the voters who support tax relief selfish. Well, Mr. Speaker, yesterday all throughout this country, in particular I would like to point out in the 13th district of New York, a district where VITO FOSSELLA was elected to replace Susan Molinari in the House of Representatives, a district that the Democrats said would be a bellwether test for what is to happen in 1998 in the House elections. Mr. FOSSELLA was overwhelmingly elected by over 60 percent and we are fortunate to have him join this House this morning.

Mr. Speaker, selfishness is not an effort to keep more of what Americans earn, it is the right thing to do.

SAY "NO" TO FAST TRACK

(Mr. DeFAZIO asked and was given permission to address the House for 1 minute.)

Mr. DeFAZIO. Mr. Speaker, the full court corporate press for fast track legislation is on. The USA NAFTA captains are back. Remember these folks, colleagues? These are the same corporate CEO's that came here and promised NAFTA would be a boon for American workers. We would run trade surpluses with Mexico. Our people would be in full employment.

Guess what? These same folks are back. Their salaries are up dramatically, their profits are up, but 43 percent of them have laid off American workers. They have moved the jobs to Mexico. Twenty percent of them are documented for threatening their workers with moving their jobs to Mexico unless they accept lower wages, but for us, is it not wonderful? Twenty percent of them are also in the top givers of soft money to politicians.

They are here now in the back rooms and trying to get into your offices. Say no to the corporate money. Say yes to the American workers. Say no to fast track, no, no, no.

AMERICA NEEDS A NEW IRS

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, we can control disease in America, but we cannot control the IRS. Here we go again, and as my mother used to say, same song, just a different verse. The IRS has found a new way to abuse the American taxpayer. This time they are reneging on an agreement with the restaurant industry.

After complaining for years that they are not able to tax the tips earned by hard-working restaurant employees, the IRS proposed a new voluntary taxation plan. Restaurants could, but were by no means obligated to, use this method of recording this income. To nobody's surprise, the IRS has now resorted to intimidation, threatening audits on any business that does not follow their extortionary demands.

This type of harassment must end. Fortunately, the IRS Restructuring and Reform Act of 1997 will prohibit this abuse of power. Yes, Mr. Speaker, today is a new day, and we need a new IRS. The time has come to restore the common sense and accountability of this country's tax collection agency.

□ 1015

CONGRATULATIONS, HOUSTON, FOR SUPPORTING AFFIRMATIVE ACTION

(Ms. JACKSON-LEE of Texas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Speaker, I am very proud this morning to announce that the citizens of Houston, TX, are decent people. Resoundingly, yesterday they defeated a clone of proposition 209 out of California, and they proclaimed their commitment to affirmative action and equal opportunity for all. They rejected a referendum to deny the city of Houston the opportunity to implement affirmative action.

With congratulations to local elected officials and all of us who worked very hard, but most of all congratulations to the citizens of Houston, who understood what affirmative action is. It does not take away from someone else and give to another unfairly, it simply opens the door of opportunity for someone equally qualified.

To the Canady legislation to be marked up in the Committee on the Judiciary, be forewarned, the people of America are saying that equal opportunity is what we believe in and what this country stands for. We will fight all the way to maintain the opportunity for all citizens. Thank you, Houston, for standing for what America truly believes in, and that is equal opportunity and access for all of us, through an effort to defeat discriminatory practices by the use of affirmative action.

PRESIDENT WRONG TO LABEL TAXPAYERS SELFISH

(Mr. ROGAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROGAN. Mr. Speaker, we Republicans believe that one of the greatest family values we can promote in Congress is to allow hard-working people to keep more of the money they have earned, and have the right to spend it on their families. How I wish the President would join us in that family value.

I was stunned to pick up the front page of the newspaper yesterday and to see the headline: "Clinton Labels Tax Cut Selfish." I read from the newspaper, lest anybody think I am exaggerating: "President Clinton yesterday called voters attracted to Republican tax cut promises selfish, saying they should be satisfied instead with a revived economy, and *happy* to pay for government services" (emphasis added).

Yesterday, in Virginia he scolded voters for backing the selfishly gratifying pledge to slash taxes. "This is going to be like one of those meals you order and you are hungry 30 minutes later," the President proclaimed.

Mr. President, I am gravely disappointed in these comments. For a leader who likes to remind us he "feels our pain," I wish you would recognize the pain caused by oppressively high taxes on working American families. You have a chance to join us in the fight to return more of their money from the IRS to their pocketbooks. I urge you to reconsider who is the truly selfish one in this debate.

VOUCHER PROPOSAL DEFEAT IS VICTORY FOR PUBLIC SCHOOLS

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, last night this body voted down the Gingrich voucher proposal. This was a great victory for America's public schools and a great victory, more important, for America's public school children. This Nation's commitment to public schools, to public education, is one of the cornerstones of our democratic society.

The notion, the notion that every child, regardless of race, gender, station in life, is entitled to public education, that is what we have been about in this great Nation.

Today our public schools do have a lot of problems. Vouchers is not the way to fix them. Vouchers simply provide an out for a lucky few, while draining precious resources that could be spent on replacing leaky roofs, buying new computers, or hiring new teachers. This is a way to take money from public education and put it to private education for the privileged and for the few.

Let me congratulate my colleagues who stood up on the floor last night. They stood up for public education, and they voted down the Gingrich voucher plan.

VOTES REFLECT SOLIDARITY WITH CHINESE IN STRUGGLE FOR DEMOCRACY

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, the U.S. Congress has a unique opportunity today to stand in solidarity with the long-suffering Chinese people in their struggle for freedom, for democracy, for respect for human rights.

There is a series of bills before us today ranging from enforcing a ban on slave labor products to condemning the abhorrent practice of forced abortion.

The House will vote on sanctions on Chinese missile exports to Iran, as well as my bill, which will place human rights monitors in our Embassy and consulates in China.

We will send a message to the people of Tibet and Taiwan that we want them to have self-determination.

The House will vote on adopting a voluntary set of principles which promote good corporate citizenship by United States companies doing business in China.

We pressure China to stop selling nuclear-related technology to countries such as Pakistan that are trying to develop nuclear weapons.

The House will increase funding for the National Endowment for Democracy to promote democracy in China, and we will express our disgust at the Chinese practice of harvesting and transplanting human organs from prisoners, and we will deny U.S. visas to those Chinese officials.

MAJOR ENVIRONMENTAL GROUPS UNIFIED IN OPPOSITION TO FAST TRACK

(Mr. PALLONE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PALLONE. Mr. Speaker, the major environmental organizations, some of which were strong supporters of NAFTA in 1993, have expressed their opposition to the current fast track proposals moving through the House and Senate. The National Wildlife Federation, the National Audubon Society, and Defenders of Wildlife have joined with the Sierra Club, Friends of the Earth, and dozens of other grassroots environmental organizations around the country who oppose this legislation.

The debate currently raging over fast track is not a question of whether the United States enters into a global economy, it is a question of how we participate in that economy, and whether we should sacrifice the rights of workers in this country and around the world in the name of free trade. It is a question of whether we should capitulate to multinational corporations which would bargain down the environmental protection standards of nations around the world in the name of competitiveness.

Mr. Speaker, the United States cannot afford to encourage a race to the bottom when it comes to preserving the global environmental or the rights of workers to a safe workplace and a fair wage. We should vote down this fast track legislation when it comes up at the end of this week.

SUPPORT THE REPUBLICAN EDUCATION REFORM AGENDA

(Mr. SHIMKUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHIMKUS. Mr. Speaker, as a former teacher in Edwardsville, IL, I often use my 1-minutes to praise teachers and students who have touched so many lives in central and southern Illinois. My past in education also makes me very aware of the need for reforms in our local schools.

That is why I rise today to urge parents, teachers, and students to embrace the bold education reform agenda that was proposed by my fellow Republicans. This education agenda includes six measures which provide every child in America with first-class learning opportunities in safe, secure schools where children can focus on learning and teachers can focus on teaching.

Sending more money to Washington bureaucrats is a policy of the past, and we must begin to give control of our schools back to the States, local schools, teachers, and our parents, where it belongs.

PROTECT AMERICA'S SOVEREIGNTY AND SLOW DOWN FAST TRACK

(Mr. BOYD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BOYD. Mr. Speaker, in the last few weeks I have grown increasingly concerned about the World Trade Organization's impact on our sovereignty. The WTO allows a panel of trade experts to rule that Federal and State laws are barriers to trade. If we do not take action to comply with the WTO's ruling, other nations then can level punitive tariffs against us.

While many have glossed this over, Congress has already changed one law to avoid these sanctions. The WTO has cases pending against several State and Federal laws. In Florida, we require foreign agricultural producers who ship crops into our State to pay for inspections when their produce enters our ports. These inspections protect locally grown crops from exposure to foreign-based infestations, which could devastate a multibillion-dollar agricultural industry.

While the State law does not violate any Federal statute, it is currently being challenged in the WTO. I would urge my colleagues to take a close look at the WTO before voting on fast track. Protect our sovereignty and slow down fast track.

IRS REFORM

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Speaker, it is no wonder that the vast majority of Americans feel that nobody in Washington is on their side. Consider the IRS, as some speakers have already. For too long and for too many times, this agency has acted in an arrogant, heavy-handed fashion, running roughshod over hard-working taxpayers.

Fortunately, I believe Congress has listened to the American people and is now on the verge of passing a bill that will provide taxpayers with some much needed protections against the abuses of the IRS. This bill makes it easier for taxpayers to recover legal fees when the IRS is wrong. It allows taxpayers to sue the IRS for up to $100,000 for negligent collection practices, and most important, it shifts the burden of proof in court cases from a taxpayer to the IRS.

Mr. Speaker, it is time for Congress to stick up for the American people by standing up to the IRS. I urge my colleagues to support this important IRS reform.

INCONSISTENCY IN AMERICA'S FOREIGN POLICY

(Mr. PAUL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PAUL. Mr. Speaker, the Congress has never earned high marks for consistency. We do spend many hours debating the minor differences in the management of many centralized programs that are generally unwarranted. But when it comes to foreign policy, I see both sides of the aisle are eagerly agreeing with the President that we must threaten force and use of force in Iraq.

Yet, Mr. Speaker, there is no indication that this is a proper position. We have been told by the Ambassador to the United Nations that the reason we must threaten force in this area is that it is a direct threat to the security of the United Nations. Here all along I thought I was here in the Congress to protect the security of the United States.

We are inconsistent because the majority of Americans want us out of Bosnia. Most Members of Congress argue and vote to get us out of Bosnia. There is no indication that we are going to get out of Bosnia. Yet, here we are, chanting away that we should use force and threaten force in Bosnia. We do not have that same policy with China.

THE PRESIDENT JOINS REPUBLICANS IN ESSENTIAL IRS REFORM

(Mr. ENGLISH of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ENGLISH of Pennsylvania. Mr. Speaker, in response to the last speaker, I would point out that Ralph Waldo Emerson once wrote that, "A foolish consistency is the hobgoblin of little minds, adored by little statesmen and philosophers and divines."

I think President Clinton must have meditated on Emerson when he recently flip-flopped on reforming the Internal Revenue Service. Although the Clinton administration originally opposed IRS restructuring, the President wisely sacrificed consistency and jumped on the bandwagon of the IRS reform bill developed by the Committee on Ways and Means.

Building on the recommendation of the bipartisan Kerry-Portman Commission, this reform legislation would overhaul IRS management by placing the agency under an independent oversight board. It would expand taxpayer protections by enacting 28 new taxpayer rights, including the right to sue for negligence, to collect legal fees, to be notified of the reasons for an audit.

For the first time, taxpayers in advanced IRS proceedings will be considered innocent until proven guilty. This IRS reform bill is essential.

WOULD MEMBERS GIVE FAST TRACK AUTHORITY TO A PRESIDENT THEY SAY CANNOT BE TRUSTED?

(Mr. TAYLOR of Mississippi asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TAYLOR of Mississippi. Mr. Speaker, my two previous colleagues stressed the importance of consistency in statesmanship. I am going to agree. For the past 6 years folks on this side of the aisle in particular have been saying that Bill Clinton could not be trusted, on a daily and almost hourly basis.

Well, if they really feel that way, I hope they will stick to their guns, because within the next week we will be called upon as Congressmen to give away our constitutionally mandated duty, given to us in article 1, section 8, clause 3 of the Constitution, to regulate commerce with foreign nations. Fast track will take that authority from Congress and give it to a President that they say cannot be trusted.

If Members really think he cannot be trusted, then do not give him our responsibilities. Under no circumstances should Congress be giving away our constitutionally-mandated duties. This is the highest law of the land. I would encourage all of us to live by it.

DO AMERICANS WANT MORE BUREAUCRACY OR MORE FREEDOM FOR EDUCATION AT THE LOCAL LEVEL?

(Mr. PETERSON of Pennsylvania asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PETERSON of Pennsylvania. Mr. Speaker, we have been having an ongoing educational debate here in Congress, in the 105th Congress. There are several issues that have come out that I want to share today.

Seven percent of the money for education comes from the Federal Government, yet 70 percent of the paperwork and red tape come from the Federal Government. We have discussed special education, vocational education, choice, charter schools, literacy.

The Democrats have worked for more money, more Federal control, more bureaucracy, which equals more taxes. The Republicans have fought for 90 percent to go to the classroom, which has normally been about 70 percent; for local control, allowing the community and parents to choose. Federal control means Federal bureaucracy and will not be in the best interests of our students.

Today I ask the American public, which do they want, more bureaucracy, or more freedom for education at the local level?

PRESIDENT CALLS VIRGINIANS SELFISH FOR SEEKING LOWER TAXES

(Mr. HAYWORTH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYWORTH. Mr. Speaker, I noted with interest and I must admit, Mr. Speaker, a trace of disbelief the headline in yesterday's Washington Times: Clinton Labels Tax Cut Selfish.

☐ 1030

Mr. Speaker, I would suggest to the President that it is not the American people who are selfish. Instead, it is a government that takes more and more and more of what people earn and then unfairly takes it away from them.

I would point out the experience of a 93-year-old American who suffered from Alzheimer's disease who sent a check to the Internal Revenue Service for $7,000. Even the IRS admitted that was a mistake. But when it came time to give that money back, the Internal Revenue Service said, no, the statute of limitations had run out. So the IRS was protected with its own selfishness.

Today, Mr. Speaker, in our bill to reform the Internal Revenue Service, we take away that statute of limitations. For that senior citizen's family, including an Arizona couple, we will try to make it right. No, it is not the people who are selfish; it is a brutal, repressive tax regime.

SELFISH TO VOTE TO SLOW THE SIZE AND GROWTH OF GOVERNMENT

(Mr. FOLEY asked and was given permission to address the House for 1 minute.)

Mr. FOLEY. Mr. Speaker, the President says it is selfish to vote to slow the size and wasteful growth of government.

Consider this: Have you looked at your phone bill lately with all the government fees? Have you looked at your cable bill and all of its government taxes and fees, your gas taxes when you fill up your car, your sales taxes on purchases, your property taxes on real estate, your State income taxes, your payroll taxes on earning, your excise taxes on beverages, your IRS taxes on income?

Only in Washington can one say the Lord giveth and the Government taketh away. When Washington takes it from you, it is called compassionate. When you want your money back from Washington because it is wasting it, you are called selfish.

Mr. Speaker, it is the American taxpayers' money, not ours, not Congress', not the White House's, the taxpayers'. It is not selfish to ask for fiscal discipline. It is not selfish to save for the future. It is not selfish to give more money to your children so that they can invest for their education. It is not selfish to ask government to restrain its wasteful spending patterns. It is time government recognizes that it is for the people, by the people, of the people, not for the President.

POLICY AGAINST CHINESE GOVERNMENT

(Mr. ADERHOLT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ADERHOLT. Mr. Speaker, I rise today to ask my colleagues a question. What exactly are we waiting for? What trade practice? What military threat? What human rights atrocity will finally move us to take a stand against the policies of the Chinese Government?

America fought a war to end slavery, yet we wink at the sale of human body parts. We stand in line at the Holocaust Museum, yet we also line up to make deals with a government that murders Christians and Buddhists. We had sanctions against South Africa, yet we extend MFN to China. Why?

No one has a stronger desire to see U.S. businesses flourish, but profit comes at a price. If it costs a little more to make a product in the United States, I will gladly pay the difference.

History will judge us harshly if we fail to take a stand. I urge Members to vote for the Cox package and to support H.R. 1865, the Freedom from Religious Persecution Act.

THE JOURNAL

The SPEAKER pro tempore (Mr. SUNUNU). Pursuant to clause 5 of rule I, the pending business is the question de novo of agreeing to the Speaker's approval of the Journal.

The question is on agreeing to the Speaker's approval of the Journal of the last day's proceedings.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ADERHOLT. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 353, nays 48, not voting 31, as follows:

[Roll No. 575]

YEAS—353

Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boucher
Boyd
Brady
Brown (FL)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Carson
Castle

Chabot
Chambliss
Chenoweth
Christensen
Clement
Coble
Collins
Combest
Condit
Conyers
Cook
Costello
Cox
Coyne
Cramer
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeGette
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Eshoo
Etheridge
Evans
Ewing
Farr
Fattah
Fawell
Foley
Forbes
Ford
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefner
Herger
Hill
Hilleary
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hunter
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (WI)
Jones
Kanjorski
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Livingston
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
Meehan
Metcalf
Mica
Millender-McDonald
Miller (FL)
Minge
Mink
Moakley
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Rangel
Redmond
Regula
Reyes
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Ryun
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schumer
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Sununu
Talent
Tanner
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velázquez
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Yates
Young (FL)

NAYS—48

Abercrombie
Becerra
Bonior
Borski
Brown (CA)
Brown (OH)
Clay
Clayton
Clyburn
DeFazio
DeLauro
English
Ensign
Everett
Fazio
Filner
Fox
Gephardt
Gibbons
Gutknecht
Hastings (FL)
Hefley
Hilliard
Hinchey
Hulshof
Johnson, E. B.
Kucinich
Lewis (GA)
Lipinski
LoBiondo
McDermott
McNulty
Menendez
Miller (CA)
Moran (KS)
Nussle
Oberstar
Pickett
Ramstad
Sabo
Schaffer, Bob
Stupak
Tauscher
Taylor (MS)
Thompson
Vento
Visclosky
Weller

NOT VOTING—31

Barr
Boswell
Coburn
Cooksey
Crane
Cubin
Davis (IL)
Delahunt
Dellums
Dixon
Engel
Flake
Foglietta
Gonzalez
Hutchinson
Hyde
Jefferson
Johnson, Sam
Kaptur
McIntyre
Meek
Mollohan
Riggs
Riley
Royce
Salmon
Schiff
Scott
Spence
Waters
Young (AK)

□ 1056

Mr. GIBBONS changed his vote from "yea" to "nay."

So the Journal was approved.

The result of the vote was announced as above recorded.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The Speaker laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, DC, November 5, 1997.

Hon. NEWT GINGRICH,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: I have the honor to transmit herewith a facsimile copy of a letter received from Mr. Peter S. Kosinski, Deputy Executive Director, State Board of Elections, State of New York, indicating that, according to the unofficial returns for the general election held November 4, 1997, the Honorable Vito Fossella was elected Representative in Congress for the Thirteenth Congressional District, State of New York.

With warm regards,

ROBIN H. CARLE.

STATE OF NEW YORK,
STATE BOARD OF ELECTIONS,
Albany, NY, November 5, 1997.

ROBIN H. CARLE,
Clerk, House of Representatives, The Capitol, Washington, DC.

DEAR MS. CARLE: Based on the unofficial returns, Vito Fossella was elected to the Office of Representative in Congress from the 13th Congressional District of New York at the General Election held on November 4, 1997.

Sincerely,

PETER S. KOSINSKI,
Deputy Executive Director.

SWEARING IN OF THE HONORABLE VITO FOSSELLA, OF NEW YORK, AS A MEMBER OF THE HOUSE OF REPRESENTATIVES

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. VITO FOSSELLA] be permitted to take the oath of office today. His certificate of election has not arrived, but there is no contest, and no question has been raised with regard to his election.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The Chair requests that the Member-elect from New York present himself in the well of the House escorted by the New York delegation.

Mr. FOSSELLA appeared at the bar of the House and took the oath of office, as follows:

Do you solemnly swear that you will support and defend the Constitution of the United States against all enemies, foreign and domestic; that you will bear true faith and allegiance to the same; that you take this obligation freely, without any mental reservation or purpose of evasion, and that you will well and faithfully discharge the duties of the office on which you are about to enter. So help you God?

The SPEAKER. Congratulations, you are a Member of the House.

WELCOMING THE HONORABLE VITO FOSSELLA TO THE HOUSE OF REPRESENTATIVES

(Mr. GILMAN asked and was given permission to address the House for 1 minute.)

Mr. GILMAN. Mr. Speaker, it is indeed an honor to be able to introduce the newest Member of our New York delegation, VITO FOSSELLA, who is joined today by his good lady, Mary Pat, who is here with him watching this beautiful occasion.

□ 1100

Mr. Speaker, it is a great honor for the Staten Island population to have such an accomplished legislator join us. VITO was formerly on the New York City Council for many years. He is now going to fill the shoes of the 13th Congressional District, who was so ably represented by Mrs. Paxon, Susan, whom we all know and did such an outstanding job in the days gone by.

VITO, we wish you the best of luck. God bless in all of your new endeavors.

WELCOMING THE HONORABLE VITO FOSSELLA TO THE HOUSE OF REPRESENTATIVES

(Mr. RANGEL asked and was given permission to address the House for 1 minute.)

Mr. RANGEL. Mr. Speaker, this was hardly the way I expected this to turn out. Having said that, the Members of the New York delegation take great pride in working together not only what we think is in the interests of our great State, but certainly of our wonderful country. We welcome you to the delegation, we welcome you to the Congress. We will be working with you for better appropriations, better support for our State, and a better America.

OPENING REMARKS OF THE HONORABLE VITO FOSSELLA

(Mr. FOSSELLA asked and was given permission to address the House for 1 minute.)

Mr. FOSSELLA. Mr. Speaker, this is truly perhaps the greatest honor that could be bestowed upon anyone. The fact that the great people of Brooklyn and Staten Island have given me the honor and the privilege and the opportunity to serve them in the U.S. House of Representatives is something that could not be eclipsed as a public servant.

On a personal note, let me thank from the bottom of my heart my lovely wife Mary Pat; my mother and father, Beth and Vito; and all my friends and family who made this journey down to Washington to share this special day with me. My son, the essence of our being, is not here with us, Dylan, but in absentia. We have our new child to be, my wife was expecting our second child yesterday, and she said that if I deliver, she will deliver. We are waiting.

In conclusion, not everyone voted for me yesterday, but to the people of Brooklyn and Staten Island and throughout this great, great country, the best in the history of the world, let me say that I will never break my covenant with them to represent every member of my congressional district and to fight for what I believe in, fight for this great country, fight for the rights and fight for freedom for all of us. Thank you very, very much. This is a tremendous honor.

INTERNAL REVENUE SERVICE RESTRUCTURING AND REFORM ACT OF 1997

Mr. DREIER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 303 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 303

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 2676) to amend the Internal Revenue Code of 1986 to restructure and reform the Internal Revenue Service, and for other purposes. The bill shall be considered as read for amendment. The amendment in the nature of a substitute recommended by the Committee on Ways and Means now printed in the bill, modified by the amendments printed in the report of the Committee on Rules accompanying this resolution, shall be considered as adopted. All points of order against the bill, as amended, are waived. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) two hours of debate on the bill, as amended, which shall be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means; and (2) one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. SUNUNU). The gentleman from California [Mr. DREIER] is recognized for 1 hour.

Mr. DREIER. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Texas [Mr. FROST], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, this rule makes in order H.R. 2676, the IRS Restructuring and Reform Act of 1997, under a closed rule providing for 2 hours of debate in the House equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means.

The rule provides that the amendment in the nature of a substitute recommended by the House Committee on Ways and Means, as modified by the noncontroversial amendments printed in the report to accompany this rule, be considered as adopted.

The first amendment simply clarifies the authorization for low-income taxpayer clinics and the salaries of members of the IRS Oversight Board to address Budget Act violations.

The second amendment clarifies that IRS management and employees may address any flexibility issues in a demonstration project.

The third amendment is a Rules Committee substitute making a number of clarifying and technical changes to section 422 relating to the Joint Committee on Taxation's preparation of a tax complexity analysis.

The fourth amendment adds the text of H.R. 2645, the Tax Technical Corrections Act of 1997, which makes bipartisan and noncontroversial corrections to reflect the intent of the Taxpayer Relief Act of 1997.

Mr. Speaker, I want to applaud the gentleman from Texas [Mr. ARCHER] and the original sponsors of this bipartisan IRS reform bill, the gentleman from Ohio [Mr. PORTMAN] and the gentleman from Maryland [Mr. CARDIN]. Thanks to their tremendous skill and determination in moving this historic bill forward, we are about to end once and for all some of the most egregious and abusive practices of the Internal Revenue Service.

I also want to commend the gentleman from Ohio [Mr. PORTMAN] for his efforts as cochairman of the bipartisan National Commission on Restructuring the Internal Revenue Service. The Commission conducted a yearlong audit of the IRS and found a troubled agency that wastes billions of dollars in resources and lacks a culture of customer service. The audit also revealed an agency that is fraught with management, governance and oversight problems and is unaccountable to Congress and the American people.

These problems were further illustrated during 3 days of Senate Finance Committee hearings in September, which revealed an out-of-control agency that intentionally engages in unnecessary and sometimes illegal tactics to harass middle-income taxpayers who have limited due process rights.

If enacted, H.R. 2676 will bring about the first comprehensive reform of the IRS in four decades. It will make the IRS more user-friendly, among other things, establishing an independent governing board and shifting the burden of proof from the taxpayer to the IRS in disputes that reach Tax Court.

These reforms will make the IRS more accountable to the American people. They will enhance the fairness of the tax collection process by giving the taxpayer the benefit of the doubt when he or she has cooperated with the IRS and has documented evidence of compliance.

These reforms will not solve the more intractable problems brought on by a complicated and inefficient Tax Code itself. The solutions to those problems require comprehensive reform of the Internal Revenue Code, which I hope very much the House will address next year. But the reforms contained in H.R. 2676 will go a long way toward protecting the rights of taxpayers, making the IRS more accountable, and restoring public confidence in the way the IRS enforces our tax laws.

Mr. Speaker, I urge my colleagues to support this very fair and balanced rule, and I urge strong support, bipartisan support, of this bill.

Mr. Speaker, I include the following extraneous material for the RECORD:

EXPLANATION OF RULES COMMITTEE SUBSTITUTE TO SECTION 422 OF H.R. 2676

As reported by the House Committee on Ways and Means, Section 422 of H.R. 2676 requires the Joint Committee on Taxation to provide a "Tax Complexity Analysis" for legislation reported by the House Committee on Ways and Means and the Senate Committee on Finance and all conference reports that would amend the Internal Revenue Code. The analysis would identify those provisions in a bill or conference report that the staff of the Joint Committee on Taxation determines would add significant complexity or simplification to the tax laws. If the report accompanying such legislation does not include a Tax Complexity Analysis, the legislation would be subject to a point of order in the House and Senate.

The Rules Committee substitute makes a number of clarifying and technical changes to Section 422.

For purposes of the requirement that the Joint Committee on Taxation provide a "Tax Complexity Analysis," the term "legislation" is further defined as "bills or joint resolutions" reported by the House Committee on Ways and Means, the Senate Committee on Finance or a committee of conference.

For purposes of compliance with Section 422, the Committee involved shall either include the Tax Complexity Analysis in the committee report or cause it to be printed in the Congressional Record prior to consideration of the legislation in the House and Senate.

References to "the staff" of the Joint Committee on Taxation are removed.

Tax Complexity Analysis is defined as "a report which is prepared by the Joint Committee on Taxation and which identifies the provisions of the legislation adding significant complexity or providing significant simplification (as determined by the Joint Committee on Taxation) and includes the basis for such determination."

Language containing the point of order in the House of Representatives with respect to legislation reported by the Committee on Ways and Means and by a committee of conference is stricken from Section 8024 of the Internal Revenue Code and inserted in the rules of the House of Representatives. Specifically:

Clause 2(l) of House rule XI is amended to require the report of the Committee on Ways and Means on any bill or joint resolution containing any provision amending the Internal Revenue Code of 1986 to contain a Tax Complexity Analysis unless the Committee causes to have such Analysis printed in the Congressional Record prior to the consideration of the bill or joint resolution; and

House rule XXVIII is amended to prohibit consideration of a conference report which contains any provision amending the Internal Revenue Code unless the accompanying joint statement of managers contains a Tax Complexity Analysis, unless such Analysis is printed in the Congressional Record prior to the consideration of the report.

COMMITTEE ON RULES,
HOUSE OF REPRESENTATIVES,
Washington, DC, October 28, 1997.

Hon. BILL ARCHER,
Chairman, Committee on Ways and Means, Longworth House Office Building, Washington, DC.

DEAR MR. CHAIRMAN: I am writing concerning H.R. 2676, The Internal Revenue Service Restructuring and Reform Act of 1997, which your committee ordered reported on October 22 by a vote of 33–4.

This legislation contains provisions in Title IV, Congressional Accountability for the Internal Revenue Service, which fall within the jurisdiction of the Committee on Rules.

The Committee on Rules does not intend to consider this bill as a matter of original jurisdiction. It is the intention of the Committee to address several concerns with the proposed language in Title IV during the Rules Committee's consideration of an appropriate rule for this legislation.

I reserve jurisdiction of the Committee on Rules over all bills relating to the rules, joint rules, and the order of business of the House. It would also be my intention to be represented on the conference committee on this bill. Thank you for your consideration.

Sincerely,

GERALD B. SOLOMON,
Chairman.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2676, the Internal Revenue Service Restructuring and Reform Act of 1997, and this rule which provides for its consideration. The rule is closed, but because this is vitally important legislation and is supported by both Democrats and Republicans, liberals, moderates and conservatives, I believe the House should proceed with the consideration of this legislation in order to speed it on its way to the President's desk.

Mr. Speaker, in my nearly 19 years in Congress, I have received many, many complaints from my constituents regarding their difficulties in resolving disputes with the Internal Revenue Service. The report of the Portman-Kerrey Commission, which detailed abuses and mismanagement within the agency coupled with recent congressional hearings which revealed very publicly a number of disturbing abuses perpetuated—perpetrated by the IRS against taxpayers have provided ample evidence that the many complaints we have all heard are based on real problems for real people.

Mr. Speaker, while the IRS must fulfill its mission of administering our tax laws and enforcing collection, the IRS cannot be permitted to abuse the rights of American taxpayers. H.R. 2676 will go a long way toward correcting abuses and ensuring that the agency is restructured in such a way that honest taxpayers need not fear undue harassment and reprisals from the IRS.

This legislation contains several provisions which will substantially strengthen taxpayers' rights in dealing with the IRS. This bill makes it more difficult for the IRS to hold a spouse responsible for mistakes made on taxpayer returns by the other spouse. It allows taxpayers to sue the Federal Government for up to $100,000 in civil damages caused by IRS employees who negligently disregard tax laws, and in those cases which come before the U.S. Tax Court, places the burden of proof on the IRS rather than on the taxpayer.

□ 1115

These are but a small part of this bill but important reforms that will help all honest and law-abiding taxpayers.

Mr. Speaker, the bill also establishes an oversight board for the IRS which will bring private sector expertise to the management and administration of the agency. The board will not have any responsibility for or authority over the development and formulation of Federal tax policy but would, instead, work to ensure that the agency works for the benefit of taxpayers and the country as a whole.

I am disappointed, however, that the Committee on Rules did not provide for the consideration of an amendment that I, along with my colleague from Pennsylvania, Mr. GEKAS, sought to have made part of H.R. 2676.

Our amendment seeks to correct a provision in current law which requires that local governments file W–2 forms for poll workers in spite of the fact that these workers are, for the most part, retired persons who earn only a hundred dollars or so for their work on election day. This requirement places a heavy financial and administrative burden on localities. I would hope that in the not too distant future the Congress will fix what is an onerous burden for local government.

Mr. Speaker, as a cosponsor of H.R. 2676, I am delighted that the Congress is taking action on this matter prior to our adjournment for the year. I encourage my colleagues to support the rule in order to move quickly to the consideration of this landmark legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Sanibel, FL [Mr. GOSS], my very good friend and the distinguished chairman of the Subcommittee on Budget and Legislative Process and the Permanent Select Committee on Intelligence.

Mr. GOSS. Mr. Speaker, I thank my distinguished friend from the greater metropolitan downtown area of Claremont, CA, the vice chairman of the Committee on Rules and leader of many good causes in this House, for yielding me this time, and I rise in support of his rule. It is a closed rule, but it is a good rule; it is time tested for debating tax-related bills under the jurisdiction of the Committee on Ways and Means.

For years, millions of Americans have known what we are today finally acknowledging here on the floor of the House, that the IRS is inefficient, it is unaccountable, and it is often downright abusive for the very people who pay the salaries, the American taxpayer. Even the most routine audit can strike fear in the hearts of Americans, and even more disturbing is the belief by many Americans that the IRS targets based on partisan political motive.

The facts serve to underscore their anxiety. In 1993, the IRS gave the wrong answer to taxpayer questions millions of times. Last year, only one in five calls to the IRS customer hotline apparently got through, and even then we were not sure the answer was right.

Today we are taking the first concrete steps to clean up this agency. Congressional hearings have demonstrated clearly and poignantly the need for structural reform at the IRS, and we are acting. Built on the recommendations of the bipartisan commission chaired by the gentleman from Ohio [Mr. PORTMAN] and the gentleman from Maryland [Mr. CARDIN], H.R. 2676 will create mechanisms to ensure that the IRS serves Americans with the respect and dignity that we all deserve.

For starters, the bill creates an independent oversight board composed of private citizens. The board will place a needed check on the excesses of the agency as well as restore accountability for the American taxpayer. By changing the burden of proof in tax court proceedings, H.R. 2676 will make sure that law-abiding taxpayers are guaranteed the same basic rights offered in other judicial proceedings. They are still innocent until proven guilty, which is our way.

After weeks of stops and starts, hesitation, rhetoric, the Clinton administration has finally decided to join our effort in these first steps. They recognize this is a good effort. I welcome the President's conversion, and I urge my colleagues to support this fair rule and this important bipartisan bill.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Speaker, I want to thank my friend from Texas [Mr. FROST] for yielding me this time.

I want to compliment the Committee on Rules for bringing out this rule, and I hope that it will receive strong support by both sides of the aisle.

During the consideration of the underlying bill by the Committee on Ways and Means, there was only one amendment that was not approved by the committee that was offered. I want to thank the Committee on Rules for dealing with that amendment by the gentleman from California [Mr. STARK] in the self-executing rule that adopts the amendment. So we have really taken care of all the concerns of Members that have offered changes.

The reason why this rule and the underlying bill will receive strong bipartisan support is that it was developed by the National Commission on Restructuring the IRS, and it was adopted in a bipartisan manner in that commission.

I particularly want to compliment our colleague, the gentleman from Ohio [Mr. PORTMAN], for the work that he did in leading that commission and keeping us focused on dealing with the problems of the IRS so that we could bring the bill to the floor in a way that it could receive strong support by all Members of this House.

I also want to compliment the gentleman from Texas [Mr. ARCHER], the chairman of the Committee on Ways and Means, and the gentleman from New York [Mr. RANGEL], the ranking member. The Committee on Ways and Means took a good bill and made it better, and we worked in a bipartisan way to do that.

By adopting this rule, this House has the opportunity to pass today a bill that will deal with the problems at the IRS before the next tax season. I hope that what we are doing here in this House, the other body will follow suit so that we can pass meaningful reform of the IRS now to help our taxpayers before April of next year.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Morris, IL [Mr. WELLER], my very good friend, a member of the Committee on Ways and Means.

Mr. WELLER. Mr. Speaker, let me begin as I rise in support of this rule and this bill to commend the chairman of the Committee on Ways and Means, the gentleman from Texas [Mr. ARCHER], and the ranking member, the gentleman from New York [Mr. RANGEL], for management of this bill, but particularly I want to commend the gentleman from Ohio [Mr. PORTMAN] and the gentleman from Maryland [Mr. CARDIN] for their leadership on managing this bill as well because this legislation is such an important victory for middle class taxpayers.

There is no agency in more need of reform than the Internal Revenue Service, and that is why we all stand here today in support of very important legislation, legislation that is really a long time coming, but legislation that is a big victory for the middle class.

There are two very, very important changes, fundamental changes, that are included in this legislation I would like to note, and probably the most important one is the one which shifts the burden of proof off the backs of the taxpayer and on to the IRS. There is no greater complaint that I hear back home in Illinois than, when someone is audited by the IRS, they are treated as guilty until proven innocent, whereas if someone is in a criminal court, they are innocent until proven guilty. This legislation gives the taxpayers, those who play by the rules, work hard, and pay their taxes on time, the same protections with the IRS that one enjoys in the courtroom. That is a big victory for the middle class.

And during this process, we also learned about some of the impact of what the IRS has done in the past and how they treat human beings. One of the issues that we also address in this is a particularly important issue to those that we call the unlucky and innocent spouse.

We discovered in many cases that someone who is a deadbeat parent is also a deadbeat taxpayer. In a case where you have a deadbeat dad who is not paying his child support and not paying his taxes, who do my colleagues think the IRS went after? That poor, unlucky, innocent working mom with the kids whose husband is not paying the child support. And the IRS showed up wanting to collect his taxes from her. This legislation puts in place more protections to protect the unlucky, innocent spouse.

These are two important victories, shifting the burden of proof so that someone is innocent until proven guilty with the IRS, and also another important victory is protecting the unlucky and innocent spouse.

My colleagues, this legislation deserves bipartisan support, and it is a big victory.

Mr. FROST. Mr. Speaker, I yield 4 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, today is a day that I am very glad to see come, and in a way I am also sad. For 10 years I have worked to shift the burden of proof in the civil tax case, and I guess I am glad because today we finally get a chance to see that on the House floor.

What I am sad about, to be quite honest, is I have offered this bill for 10 years and could never get a hearing from my Democrat colleagues. I believe today's legislation will probably continue to keep a majority in this House for Republicans. And I know Democrats are saying, why does Mr. TRAFICANT say that? I think the Democrat Party is going to have to deal with the substantive issues and problems of our country if we want to take the House back.

I want to thank the Republican Party for including the Traficant provision. I want to thank the gentleman from Texas [Mr. ARCHER] and the gentleman from Ohio [Mr. PORTMAN], and I want to thank the gentleman from New York [Mr. RANGEL] and the gentleman from Maryland [Mr. CARDIN]. In all fairness, they were not in that position to make those decisions years ago, and maybe we would have had more success had we had it.

But I think there are some other people that have to be thanked. My strategy was to get the American people to support that legislation. The White House never wanted it. Quite frankly, no one wanted it. And now 98 percent of the American people support the burden of proof shift in a civil tax case, the No. 1 supported bill in the Congress. I want to thank Rush Limbaugh, I want to thank Michael Reagan, I want to thank Mary Matalin, I want to thank Blanquita Cullum, I want to thank Jane Wallace and Bay Buchanan and Pat Buchanan. I want to thank Ron Verb and Ron Novak. I want to thank Jeff and Flash Talk Show out of Cleveland and the great work they did in the Midwest. I want to thank Jack Anderson, George Will, the gentleman from New York [Mr. SOLOMON], Joseph Sobran. I want to thank everyone in America who helped to bring this day about. And I want to again commend the Republican Party; they have done the right thing.

Now just let me say this, that I do not know how much time I have left, but years ago a family in North Carolina by the name of Counsel had a problem, and Alex Counsel actually took his life, and when he did so, he left a message in the form of a suicide note to his wife. He said, Kay, I have taken my life in order to provide money for you and our family to fight the IRS, which is out of control and has taken liens against our property illegally. I have made the only decision I can, Kay. Take the insurance money and save our good name.

My colleagues, what has happened to us? How did we allow the greatest tenet of America's freedom, innocent until proven guilty, the accuser carries the burden, to be shifted like this in a court of law? I mean, what has happened to us?

Then you have IRS agents testifying behind screens with voice scramblers because they, too, are afraid of the IRS.

Now I see some of the Democrat staffers laughing. Man, we have laughed on this one for sure.

It is the right thing to do. I support this rule, I support this bill, and I want to compliment Chairman BILL ARCHER, because without the gentleman from Texas [Mr. ARCHER] standing up to both the White House and the other body, my provision still is not free and clear, and I predict the other body will challenge it, and I predict the White House will come out against it, and now the IRS is putting the spin: It is not really going to do that much.

Well, just years ago they said it was going to bust the bank and it was going to make tax protesters and tax cheats win out. I think the IRS has given us a lot of lies over the years, and I believe this bill will help to straighten that out.

So I am sad to see that it is not the Democrat Party that has brought the bill, but I commend the Republicans.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume.

Let me first say that I want to congratulate my friend from Ohio. I remember very well when he took me to the well and had me sign a discharge petition to release this burden of proof legislation, and it has taken a long time getting to this point. I remember he told me that I might be in trouble for signing that discharge petition when he stood over me as I did it, but I still followed his directive.

Mr. Speaker, I yield such time as he may consume to the gentleman from Glens Falls, NY [Mr. SOLOMON], my friend and the chairman of the Committee on Rules.

□ 1130

Mr. SOLOMON. I thank the gentleman from Claremont, CA [Mr. DREIER], the vice chairman of the Committee on Rules, for giving me the time to request unanimous consent to revise and extend my remarks and to praise the gentleman from Texas [Mr. ARCHER]; the gentleman from Ohio [Mr. PORTMAN]; the gentleman from California [Mr. DREIER]; and especially the gentleman from Ohio [Mr. TRAFICANT]. Without him, this legislation never would have reached this floor, and I commend him for it.

Mr. Speaker, I thank the gentleman from California for yielding me the time.

Mr. Speaker, a Washington Post magazine spoof in December of 1991 on the role of the IRS succinctly characterizes many Americans view of the IRS today. It read, "In a sweeping post-coup reform move, Gorbachev abolished the Communist Party and fired thousands of entrenched hard-line Kremlin bureaucrats, all of whom were immediately hired by the Internal Revenue Service."

Now we know that IRS employees are not former Kremlin agents but the characterization of IRS agents as part of an American Gestapo contingent strikes a nerve among the American people.

Many taxpayers are forced to live in fear that making a minor error in the myriad tax forms and requirements they are faced with each year will result in a demanding visit by an IRS agent or even a severe punishment. Today the IRS is a bureaucracy out of control because of the lack of proper checks and balances, which are pillars of the American system of government.

In recognition of this out of control bureaucracy and the growing cries for fundamental reform by the American people, the National Commission on Restructuring the IRS, chaired by Representative PORTMAN and Senator KERREY of Nebraska was established. Its yearlong mission was to make recommendations for modernizing and improving its efficiency and taxpayer services. On June 25, 1997, the Commission issued a comprehensive report making recommendations relating to the executive branch governance and management of the IRS, congressional oversight of the IRS, personnel flexibility, customer service and compliance, technology modernization, electronic filing, tax law simplification, taxpayer rights, and financial accountability.

These extensive recommendations provided the foundation for the legislation this House will be considering today.

H.R. 2676, the IRS Restructuring and Reform Act, introduced by Representatives ARCHER, PORTMAN, and CARDIN, builds on the commission's recommendations to form a comprehensive IRS reform package.

For example, the bill establishes the Internal Revenue Service Oversight Board, within the Treasury Department, whose general responsibilities are to oversee the Internal Revenue Service in its administration, management, conduct, direction and supervision of the execution and application of our country's internal revenue laws.

The bill also makes it unlawful for the President, Vice President, their employees and all Cabinet heads to request that any officer or employee of the IRS conduct or terminate an audit or begin or terminate an investigation with respect to any particular taxpayers.

Perhaps even more important, this reform package shifts the burden of proof in any court tax proceeding from the taxpayer to the Secretary of the Treasury. This bill will greatly increase the accountability and efficiency of the IRS and will help to restore the confidence and faith of the American people in its government.

Mr. Speaker, I would also be remiss if I did not commend our colleagues Chairman BILL ARCHER and Representative ROB PORTMAN of the Ways and Means Committee for their steadfast and thorough efforts in producing this legislation.

The bipartisan work of the commission combined with the bipartisan efforts of the Ways and Means Committee have produced meaningful reform that will be to the benefit of every American taxpayer.

Mr. Speaker, the Constitution grants this Congress the authority to raise the revenue necessary to run the Federal Government. While I would contend that this Congress has a long way to go toward reforming our overall tax system, this first reform effort in four decades of the agency charged with collecting that revenue, is a giant leap in responsibility fulfilling this constitutional duty.

For these reasons, I urge all of my colleagues to support this fair rule and to support this historic legislation.

Mr. DREIER. Mr. Speaker, I yield 2 minutes to the gentleman from Omaha, NE [Mr. CHRISTENSEN], the future Governor.

Mr. CHRISTENSEN. Mr. Speaker, I thank my friend for yielding me this time.

Mr. Speaker, this is a great day. It is a great day for all of us, but it is a great day for the gentleman from Ohio [Mr. TRAFICANT]. There has not been anybody who has been in the well fighting for this day longer, more arduously, than he. It is hard to believe why some staffers over there on the Democrat side are scowling at the gentleman and have their arms crossed. They just do not get it. They do not understand what the IRS has done to the taxpayer.

The gentleman's provision on taking the burden of proof off the taxpayer is going to turn what has been a lopsided situation for a number of years and turn it back in favor of the taxpayer.

In America, we have always known the principle that one is presumed innocent until proven guilty. But in the IRS, as long as I have known about it and as long as I have heard the gentleman from Ohio [Mr. TRAFICANT] talking about it, one is guilty, and one has to prove one's innocence. His provision is going to change that.

So I thank the gentleman from Ohio for his fight, and I thank him for everything that he is doing. Nebraskans thank the gentleman, and western Nebraskans thank the gentleman. As I have talked to them a number of times, they wanted the gentleman from Ohio [Mr. TRAFICANT] to come out to Nebraska and talk about IRS reform and talk about changing the way things are done in Washington.

Mr. Speaker, the Department of Treasury could have fixed this, but they never got it done, they never attempted it. But the gentleman from Ohio [Mr. PORTMAN] and the gentleman from Nebraska [Mr. KERREY], on the Senate side, put this legislation together with the help of my chairman, the gentleman from Texas [Mr. ARCHER].

This provision also as an authority called the oversight board that is going to be having some real citizens that are nongovernmental citizens putting their expertise to work. I believe that this board will provide some commonsense oversight that is much needed in this area.

The IRS has got to do a better job of providing fair tax treatment that it has been commissioned to do. This bill is a small step in the right direction until we pull out the IRS by its roots, as my chairman has hoped to do for a very long time, and move to either a sales tax or a flat tax approach. This is an intermediary step; it is a step in the right direction. I thank the gentleman from New York for assisting us with this. He has been a great support and we thank him for his help.

Mr. Speaker. I rise in strong support today for H.R. 2676, the Internal Revenue Service Restructuring and Reform Act of 1997.

Some say the three most frightening letters of the alphabet are IRS—and for good reason.

The IRS is one of the most bureaucratic, outdated, and inefficient government agencies and it touches every hard-working, tax-paying American.

The IRS Restructuring and Reform Act would help fix what ails the IRS.

In America, people are presumed innocent until proven guilty. In the IRS, it is the other way around—the taxpayer bears the burden of proving himself or herself innocent.

This bill shifts the burden of proof in court proceedings from the taxpayer to the IRS.

This bill also creates an Independent Oversight Board that includes non-governmental experts who can bring new thinking and a more tax-payer oriented culture to the IRS.

If the Department of Treasury could have fixed the IRS, they would have done so already.

This oversight board will have real power and authority—it won't just be another governmental advisory board.

Those of us committed to easing the burden on taxpayers will continue to work to replace the income tax with a more simple and fair Tax Code.

But as long as we have an income tax, the IRS must do a better job of providing fair treatment and efficient customer service to the Nation's taxpayers. This bill is a step in that direction.

I urge my fellow colleagues to cast their vote for a more fair and efficient IRS for America's taxpayers. Thank you Mr. Speaker, I yield back the balance of my time.

Mr. FROST. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. GREEN].

Mr. GREEN. Mr. Speaker, I would like to thank my colleague from Texas and a member of the Committee on Rules for allowing me to speak in support of not only the rule today, but also the IRS reform bill.

As a cosponsor of the bill of the gentleman from Ohio [Mr. TRAFICANT] earlier, I support one of the issues particularly that is in this bill, where the reform would allow for the burden of proof to be placed on the IRS instead of on the taxpayer, but I also want to compliment both the Democratic Members and the Republican Members and my colleague the gentleman from Houston, Texas [Mr. ARCHER], on the bill. I know from the Republican side, we hear this is a small step, but let me tell my colleagues, this is a much bigger step than it may be considered, because in my two terms here before, we did not get to this point, even during the last session of Congress, to get to the point where we can really talk about an IRS reform bill.

Mr. Speaker, it is a bipartisan bill. I am glad the President decided to support it, but there are a number of Democrats who supported the issue long before the Committee on Ways and Means brought it up. If one is mistreated by a government agency, whether it be the IRS or HUD or anyone else, or EPA, it is not a Democratic or Republican problem, it is a problem that we all need to address, and that is why I think it is important that this bill is a bipartisan bill today. Again, I congratulate the people who put it together on the Committee on Ways and Means.

I support the change that puts the burden of proof on the IRS, in tax disputes that come before the IRS tax court. People's lives have been turned into a living hell by a system that assumed they were guilty as charged and before they actually knew what they were guilty of. Again, I think we understand that that burden of proof is so important because if a person accused of a criminal crime in our country is innocent until proven guilty, we need to do that at least in the tax courts of our land.

I am also pleased that the President will continue to appoint the IRS Commissioner and to remove the Commissioner at will. As we increase the power and the influence of the Independent Advisory Board, it is important to make sure the final authority rests with an elected office; and whether on the Republican side one agrees with this President or not, it is important that an elected official have that authority, because the buck stops there.

Taxpayers also receive other rights in the bill, such as innocent spouses will no longer be held responsible by mistakes made by the other spouse on tax returns. That is why I encourage my colleagues to vote for the bill and the rule.

Mr. Speaker, I rise in support of the IRS reform bill.

Mr. Speaker, I believe the bill we have before us will bring much-needed reform to the Internal Revenue Service and Relief to those Americans who are audited to be treated fairly.

As a long-time sponsor of the bill by Mr. TRAFICANT, I support the change that will place the burden of proof on the IRS in most tax disputes that will come before the IRS Tax Court. As the recent congressional hearings demonstrated, people's lives have turned into a living hell by a system that assumed they were guilty as charged.

I am also pleased the President will retain the ability to appoint the IRS Commissioner and to remove the Commissioner at will. As we increase the power and influence of the independent advisory board, it is important to place the final authority over the performance of the Commissioner with the President. The buck stops there.

Taxpayers will also receive other rights on this bill: innocent spouses will no longer be held responsible for mistakes made by the other spouse on a tax return. And taxpayers will be able to sue the Government for civil damages caused by IRS employees who negligently disregard laws.

I urge support for this bill.

Mr. FROST. Mr. Speaker, if the gentleman has no other speakers, then we urge adoption of the rule and adoption of the bill, and yield back the balance of our time.

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume to say that this is our great opportunity to finally deal with this issue of the burden of proof, which has been a long time in coming. The leadership of the gentleman from Texas [Mr. ARCHER] and the gentleman from Ohio [Mr. PORTMAN] and others have made this day possible, and I am very happy that we have seen our colleagues on the other side of the aisle come, not quite kicking and screaming, but they have now come enthusiastically in support of what I think is very good public policy.

With that, I urge support of the previous question, support of the rule and support of the bill that will come from my friends on the Committee on Ways and Means.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

□ 1145

Mr. BUNNING. Mr. Speaker, pursuant to House Resolution 303, I call up the bill (H.R. 2676) to amend the Internal Revenue Code of 1986 to restructure and reform the Internal Revenue Service, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. SUNUNU). Pursuant to House Resolution 303, the amendment in the nature of a substitute printed in the bill, modified by the amendments printed in House Report 105-380, is adopted.

The text of the committee amendment in the nature of a substitute, as modified by the amendments printed in House Report 105-380, is as follows:

H.R. 2676

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Internal Revenue Service Restructuring and Reform Act of 1997".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—

Sec. 1. Short title; amendment of 1986 Code; table of contents.

TITLE I—EXECUTIVE BRANCH GOVERNANCE AND SENIOR MANAGEMENT OF THE INTERNAL REVENUE SERVICE

Subtitle A—Executive Branch Governance and Senior Management

Sec. 101. Internal Revenue Service Oversight Board.
Sec. 102. Commissioner of Internal Revenue; other officials.
Sec. 103. Other personnel.
Sec. 104. Prohibition on executive branch influence over taxpayer audits and other investigations.

Subtitle B—Personnel Flexibilities

Sec. 111. Personnel flexibilities.

TITLE II—ELECTRONIC FILING

Sec. 201. Electronic filing of tax and information returns.
Sec. 202. Due date for certain information returns filed electronically.
Sec. 203. Paperless electronic filing.
Sec. 204. Return-free tax system.
Sec. 205. Access to account information.

TITLE III—TAXPAYER PROTECTION AND RIGHTS

Sec. 300. Short title.

Subtitle A—Burden of Proof

Sec. 301. Burden of proof.

Subtitle B—Proceedings by Taxpayers

Sec. 311. Expansion of authority to award costs and certain fees.
Sec. 312. Civil damages for negligence in collection actions.
Sec. 313. Increase in size of cases permitted on small case calendar.

Subtitle C—Relief for Innocent Spouses and for Taxpayers Unable To Manage Their Financial Affairs Due to Disabilities

Sec. 321. Spouse relieved in whole or in part of liability in certain cases.
Sec. 322. Suspension of statute of limitations on filing refund claims during periods of disability.

Subtitle D—Provisions Relating to Interest

Sec. 331. Elimination of interest rate differential on overlapping periods of interest on income tax overpayments and underpayments.
Sec. 332. Increase in overpayment rate payable to taxpayers other than corporations.

Subtitle E—Protections for Taxpayers Subject to Audit or Collection Activities

Sec. 341. Privilege of confidentiality extended to taxpayer's dealings with non-attorneys authorized to practice before Internal Revenue Service.
Sec. 342. Expansion of authority to issue taxpayer assistance orders.
Sec. 343. Limitation on financial status audit techniques.
Sec. 344. Limitation on authority to require production of computer source code.
Sec. 345. Procedures relating to extensions of statute of limitations by agreement.
Sec. 346. Offers-in-compromise.
Sec. 347. Notice of deficiency to specify deadlines for filing Tax Court petition.
Sec. 348. Refund or credit of overpayments before final determination.
Sec. 349. Threat of audit prohibited to coerce Tip Reporting Alternative Commitment Agreements.

Subtitle F—Disclosures to Taxpayers

Sec. 351. Explanation of joint and several liability.
Sec. 352. Explanation of taxpayers' rights in interviews with the Internal Revenue Service.
Sec. 353. Disclosure of criteria for examination selection.
Sec. 354. Explanations of appeals and collection process.

Subtitle G—Low Income Taxpayer Clinics

Sec. 361. Low income taxpayer clinics.

Subtitle H—Other Matters

Sec. 371. Actions for refund with respect to certain estates which have elected the installment method of payment.
Sec. 372. Cataloging complaints.
Sec. 373. Archive of records of Internal Revenue Service.
Sec. 374. Payment of taxes.
Sec. 375. Clarification of authority of Secretary relating to the making of elections.
Sec. 376. Limitation on penalty on individual's failure to pay for months during period of installment agreement.

Subtitle I—Studies

Sec. 381. Penalty administration.
Sec. 382. Confidentiality of tax return information.

TITLE IV—CONGRESSIONAL ACCOUNTABILITY FOR THE INTERNAL REVENUE SERVICE

Subtitle A—Oversight

Sec. 401. Expansion of duties of the Joint Committee on Taxation.
Sec. 402. Coordinated oversight reports.

Subtitle B—Budget

Sec. 411. Funding for century date change.
Sec. 412. Financial Management Advisory Group.

Subtitle C—Tax Law Complexity

Sec. 421. Role of the Internal Revenue Service.
Sec. 422. Tax complexity analysis.

TITLE V—CLARIFICATION OF DEDUCTION FOR DEFERRED COMPENSATION

Sec. 501. Clarification of deduction for deferred compensation.

TITLE I—EXECUTIVE BRANCH GOVERNANCE AND SENIOR MANAGEMENT OF THE INTERNAL REVENUE SERVICE

Subtitle A—Executive Branch Governance and Senior Management

SEC. 101. INTERNAL REVENUE SERVICE OVERSIGHT BOARD.

(a) IN GENERAL.—Section 7802 (relating to the Commissioner of Internal Revenue) is amended to read as follows:

"SEC. 7802. INTERNAL REVENUE SERVICE OVERSIGHT BOARD.

"(a) ESTABLISHMENT.—There is established within the Department of the Treasury the Internal Revenue Service Oversight Board (hereafter in this subchapter referred to as the 'Oversight Board').

"(b) MEMBERSHIP.—

"(1) COMPOSITION.—The Oversight Board shall be composed of 11 members, as follows:

"(A) 8 members shall be individuals who are not Federal officers or employees and who are appointed by the President, by and with the advice and consent of the Senate.

"(B) 1 member shall be the Secretary of the Treasury or, if the Secretary so designates, the Deputy Secretary of the Treasury.

"(C) 1 member shall be the Commissioner of Internal Revenue.

"(D) 1 member shall be an individual who is a representative of an organization that represents a substantial number of Internal Revenue Service employees and who is appointed by the President, by and with the advice and consent of the Senate.

"(2) QUALIFICATIONS AND TERMS.—

"(A) QUALIFICATIONS.—Members of the Oversight Board described in paragraph (1)(A) shall be appointed solely on the basis of their professional experience and expertise in 1 or more of the following areas:

"(i) Management of large service organizations.

"(ii) Customer service.

"(iii) Federal tax laws, including tax administration and compliance.

"(iv) Information technology.

"(v) Organization development.

"(vi) The needs and concerns of taxpayers.

In the aggregate, the members of the Oversight Board described in paragraph (1)(A) should collectively bring to bear expertise in all of the areas described in the preceding sentence.

"(B) TERMS.—Each member who is described in paragraph (1)(A) or (D) shall be appointed for a term of 5 years, except that of the members first appointed under paragraph (1)(A)—

"(i) 1 member shall be appointed for a term of 1 year,

"(ii) 1 member shall be appointed for a term of 2 years,

"(iii) 2 members shall be appointed for a term of 3 years, and

"(iv) 2 members shall be appointed for a term of 4 years.

Such terms shall begin on the date of appointment.

"(C) REAPPOINTMENT.—An individual who is described in paragraph (1)(A) may be appointed to no more than two 5-year terms on the Oversight Board.

"(D) VACANCY.—Any vacancy on the Oversight Board shall be filled in the same manner as the original appointment. Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed for the remainder of that term.

"(E) SPECIAL GOVERNMENT EMPLOYEES.—During the entire period that an individual appointed under paragraph (1)(A) is a member of the Oversight Board, such individual shall be treated as—

"(i) serving as a special government employee (as defined in section 202 of title 18, United States Code) and as described in section 207(c)(2) of such title 18, and

"(ii) serving as an officer or employee referred to in section 101(f) of the Ethics in Government Act of 1978 for purposes of title I of such Act.

"(3) QUORUM.—6 members of the Oversight Board shall constitute a quorum. A majority of members present and voting shall be required for the Oversight Board to take action.

"(4) REMOVAL.—

"(A) IN GENERAL.—Any member of the Oversight Board may be removed at the will of the President.

"(B) SECRETARY AND COMMISSIONER.—An individual described in subparagraph (B) or (C) of paragraph (1) shall be removed upon termination of employment.

"(C) REPRESENTATIVE OF INTERNAL REVENUE SERVICE EMPLOYEES.—The member described in paragraph (1)(D) shall be removed upon termination of employment, membership, or other affiliation with the organization described in such paragraph.

"(5) CLAIMS.—

"(A) IN GENERAL.—Members of the Oversight Board who are described in paragraph (1)(A) or (D) shall have no personal liability under Federal law with respect to any claim arising out of or resulting from an act or omission by such member within the scope of service as a member. The preceding sentence shall not be construed to limit personal liability for criminal acts or omissions, willful or malicious conduct, acts or omissions for private gain, or any other act or omission outside the scope of the service of such member on the Oversight Board.

"(B) EFFECT ON OTHER LAW.—This paragraph shall not be construed—

"(i) to affect any other immunities and protections that may be available to such member under applicable law with respect to such transactions,

"(ii) to affect any other right or remedy against the United States under applicable law, or

"(iii) to limit or alter in any way the immunities that are available under applicable law for Federal officers and employees.

"(c) GENERAL RESPONSIBILITIES.—

"(1) IN GENERAL.—The Oversight Board shall oversee the Internal Revenue Service in its administration, management, conduct, direction, and supervision of the execution and application of the internal revenue laws or related statutes and tax conventions to which the United States is a party.

"(2) EXCEPTIONS.—The Oversight Board shall have no responsibilities or authority with respect to—

"(A) the development and formulation of Federal tax policy relating to existing or proposed internal revenue laws, related statutes, and tax conventions,

"(B) law enforcement activities of the Internal Revenue Service, including compliance activities such as criminal investigations, examinations, and collection activities, or

"(C) specific procurement activities of the Internal Revenue Service.

"(3) RESTRICTION ON DISCLOSURE OF RETURN INFORMATION TO OVERSIGHT BOARD MEMBERS.—No return, return information, or taxpayer return information (as defined in section 6103(b)) may be disclosed to any member of the Oversight Board described in subsection (b)(1)(A) or (D). Any request for information not permitted to be disclosed under the preceding sentence, and any contact relating to a specific taxpayer, made by a member of the Oversight Board so described to an officer or employee of the Internal Revenue Service shall be reported by such officer or employee to the Secretary and the Joint Committee on Taxation.

"(d) SPECIFIC RESPONSIBILITIES.—The Oversight Board shall have the following specific responsibilities:

"(1) STRATEGIC PLANS.—To review and approve strategic plans of the Internal Revenue Service, including the establishment of—

"(A) mission and objectives, and standards of performance relative to either, and

"(B) annual and long-range strategic plans.

"(2) OPERATIONAL PLANS.—To review the operational functions of the Internal Revenue Service, including—

"(A) plans for modernization of the tax system,

"(B) plans for outsourcing or managed competition, and

"(C) plans for training and education.

"(3) MANAGEMENT.—To—

"(A) recommend to the President candidates for appointment as the Commissioner of Internal Revenue and recommend to the President the removal of the Commissioner,

"(B) review the Commissioner's selection, evaluation, and compensation of senior managers, and

"(C) review and approve the Commissioner's plans for any major reorganization of the Internal Revenue Service.

"(4) BUDGET.—To—

"(A) review and approve the budget request of the Internal Revenue Service prepared by the Commissioner,

"(B) submit such budget request to the Secretary of the Treasury, and

"(C) ensure that the budget request supports the annual and long-range strategic plans.

The Secretary shall submit the budget request referred to in paragraph (4)(B) for any fiscal year to the President who shall submit such request, without revision, to Congress together with the President's annual budget request for the Internal Revenue Service for such fiscal year.

"(e) BOARD PERSONNEL MATTERS.—

"(1) COMPENSATION OF MEMBERS.—

"(A) IN GENERAL.—Each member of the Oversight Board who is described in subsection (b)(1)(A) shall be compensated at a rate not to exceed $30,000 per year. All other members of the Oversight Board shall serve without compensation for such service.

"(B) CHAIRPERSON.—In lieu of the amount specified in subparagraph (A), the Chairperson of the Oversight Board shall be compensated at a rate not to exceed $50,000.

"(2) TRAVEL EXPENSES.—The members of the Oversight Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business for purposes of attending meetings of the Oversight Board.

"(3) STAFF.—At the request of the Chairperson of the Oversight Board, the Commissioner shall detail to the Oversight Board such personnel as may be necessary to enable the Oversight Board to perform its duties. Such detail shall be without interruption or loss of civil service status or privilege.

"(4) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Oversight Board may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

"(f) ADMINISTRATIVE MATTERS.—

"(1) CHAIR.—The members of the Oversight Board shall elect for a 2-year term a chairperson from among the members appointed under subsection (b)(1)(A).

"(2) COMMITTEES.—The Oversight Board may establish such committees as the Oversight Board determines appropriate.

"(3) MEETINGS.—The Oversight Board shall meet at least once each month and at such other times as the Oversight Board determines appropriate.

"(4) REPORTS.—The Oversight Board shall each year report to the President and the Congress with respect to the conduct of its responsibilities under this title.".

(b) CONFORMING AMENDMENTS.—

(1) Section 4946(c) (relating to definitions and special rules for chapter 42) is amended—

(A) by striking "or" at the end of paragraph (5),

(B) by striking the period at the end of paragraph (6) and inserting ", or", and

(C) by adding at the end the following new paragraph:

"(7) a member of the Internal Revenue Service Oversight Board.".

(2) The table of sections for subchapter A of chapter 80 is amended by striking the item relating to section 7802 and inserting the following new item:

"Sec. 7802. Internal Revenue Service Oversight Board."

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(2) NOMINATIONS TO INTERNAL REVENUE SERVICE OVERSIGHT BOARD.—The President shall submit nominations under section 7802 of the Internal Revenue Code of 1986, as added by this section, to the Senate not later than 6 months after the date of the enactment of this Act.

SEC. 102. COMMISSIONER OF INTERNAL REVENUE; OTHER OFFICIALS.

(a) IN GENERAL.—Section 7803 (relating to other personnel) is amended to read as follows:

"SEC. 7803. COMMISSIONER OF INTERNAL REVENUE; OTHER OFFICIALS.

"(a) COMMISSIONER OF INTERNAL REVENUE.—

"(1) APPOINTMENT.—

"(A) IN GENERAL.—There shall be in the Department of the Treasury a Commissioner of Internal Revenue who shall be appointed by the President, by and with the advice and consent of the Senate, to a 5-year term. The appointment shall be made without regard to political affiliation or activity.

"(B) VACANCY.—Any individual appointed to fill a vacancy in the position of Commissioner occurring before the expiration of the term for which such individual's predecessor was appointed shall be appointed only for the remainder of that term.

"(C) REMOVAL.—The Commissioner may be removed at the will of the President.

"(2) DUTIES.—The Commissioner shall have such duties and powers as the Secretary may prescribe, including the power to—

"(A) administer, manage, conduct, direct, and supervise the execution and application of the internal revenue laws or related statutes and tax conventions to which the United States is a party; and

"(B) recommend to the President a candidate for appointment as Chief Counsel for the Internal Revenue Service when a vacancy occurs, and recommend to the President the removal of such Chief Counsel.

If the Secretary determines not to delegate a power specified in subparagraph (A) or (B), such determination may not take effect until 30 days after the Secretary notifies the Committees on Ways and Means, Government Reform and Oversight, and Appropriations of the House of Representatives, the Committees on Finance, Government Operations, and Appropriations of the Senate, and the Joint Committee on Taxation.

"(3) CONSULTATION WITH BOARD.—The Commissioner shall consult with the Oversight Board on all matters set forth in paragraphs (2) and (3) (other than paragraph (3)(A)) of section 7802(d).

"(b) ASSISTANT COMMISSIONER FOR EMPLOYEE PLANS AND EXEMPT ORGANIZATIONS.—There is established within the Internal Revenue Service an office to be known as the 'Office of Employee Plans and Exempt Organizations' to be under the supervision and direction of an Assistant Commissioner of Internal Revenue. As head of the Office, the Assistant Commissioner shall be responsible for carrying out such functions as the Secretary may prescribe with respect to organizations exempt from tax under section 501(a) and with respect to plans to which part I of subchapter D of chapter 1 applies (and with respect to organizations designed to be exempt under such section and plans designed to be plans to which such part applies) and other

nonqualified deferred compensation arrangements. The Assistant Commissioner shall report annually to the Commissioner with respect to the Assistant Commissioner's responsibilities under this section.

"(c) Office of Taxpayer Advocate.—

"(1) In general.—

"(A) Establishment.—There is established in the Internal Revenue Service an office to be known as the 'Office of the Taxpayer Advocate'. Such office shall be under the supervision and direction of an official to be known as the 'Taxpayer Advocate' who shall be appointed with the approval of the Oversight Board by the Commissioner of Internal Revenue and shall report directly to the Commissioner. The Taxpayer Advocate shall be entitled to compensation at the same rate as the highest level official reporting directly to the Commissioner of Internal Revenue.

"(B) Restriction on subsequent employment.—An individual who is an officer or employee of the Internal Revenue Service may be appointed as Taxpayer Advocate only if such individual agrees not to accept any employment with the Internal Revenue Service for at least 5 years after ceasing to be the Taxpayer Advocate.

"(2) Functions of office.—

"(A) In general.—It shall be the function of the Office of Taxpayer Advocate to—

"(i) assist taxpayers in resolving problems with the Internal Revenue Service,

"(ii) identify areas in which taxpayers have problems in dealings with the Internal Revenue Service,

"(iii) to the extent possible, propose changes in the administrative practices of the Internal Revenue Service to mitigate problems identified under clause (ii), and

"(iv) identify potential legislative changes which may be appropriate to mitigate such problems.

"(B) Annual reports.—

"(i) Objectives.—Not later than June 30 of each calendar year, the Taxpayer Advocate shall report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the objectives of the Taxpayer Advocate for the fiscal year beginning in such calendar year. Any such report shall contain full and substantive analysis, in addition to statistical information.

"(ii) Activities.—Not later than December 31 of each calendar year, the Taxpayer Advocate shall report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the activities of the Taxpayer Advocate during the fiscal year ending during such calendar year. Any such report shall contain full and substantive analysis, in addition to statistical information, and shall—

"(I) identify the initiatives the Taxpayer Advocate has taken on improving taxpayer services and Internal Revenue Service responsiveness,

"(II) contain recommendations received from individuals with the authority to issue Taxpayer Assistance Orders under section 7811,

"(III) contain a summary of at least 20 of the most serious problems encountered by taxpayers, including a description of the nature of such problems,

"(IV) contain an inventory of the items described in subclauses (I), (II), and (III) for which action has been taken and the result of such action,

"(V) contain an inventory of the items described in subclauses (I), (II), and (III) for which action remains to be completed and the period during which each item has remained on such inventory,

"(VI) contain an inventory of the items described in subclauses (I), (II), and (III) for which no action has been taken, the period during which each item has remained on such inventory, the reasons for the inaction, and identify any Internal Revenue Service official who is responsible for such inaction,

"(VII) identify any Taxpayer Assistance Order which was not honored by the Internal Revenue Service in a timely manner, as specified under section 7811(b),

"(VIII) contain recommendations for such administrative and legislative action as may be appropriate to resolve problems encountered by taxpayers,

"(IX) identify areas of the tax law that impose significant compliance burdens on taxpayers or the Internal Revenue Service, including specific recommendations for remedying these problems,

"(X) in conjunction with the National Director of Appeals, identify the 10 most litigated issues for each category of taxpayers, including recommendations for mitigating such disputes, and

"(XI) include such other information as the Taxpayer Advocate may deem advisable.

"(iii) Report to be submitted directly.—Each report required under this subparagraph shall be provided directly to the committees described in clauses (i) and (ii) without any prior review or comment from the Oversight Board, the Secretary of the Treasury, any other officer or employee of the Department of the Treasury, or the Office of Management and Budget.

"(C) Other responsibilities.—The Taxpayer Advocate shall—

"(i) monitor the coverage and geographic allocation of problem resolution officers, and

"(ii) develop guidance to be distributed to all Internal Revenue Service officers and employees outlining the criteria for referral of taxpayer inquiries to problem resolution officers.

"(3) Responsibilities of commissioner.—The Commissioner shall establish procedures requiring a formal response to all recommendations submitted to the Commissioner by the Taxpayer Advocate within 3 months after submission to the Commissioner.".

(b) Conforming Amendments.—

(1) The table of sections for subchapter A of chapter 80 is amended by striking the item relating to section 7803 and inserting the following new item:

"Sec. 7803. Commissioner of Internal Revenue; other officials."

(2) Subsection (b) of section 5109 of title 5, United States Code, is amended by striking "7802(b)" and inserting "7803(b)".

(c) Effective Date.—

(1) In general.—The amendments made by this section shall take effect on the date of the enactment of this Act.

(2) Current officers.—

(A) In the case of an individual serving as Commissioner of Internal Revenue on the date of the enactment of this Act who was appointed to such position before such date, the 5-year term required by section 7803(a)(1) of the Internal Revenue Code of 1986, as added by this section, shall begin as of the date of such appointment.

(B) Section 7803(c)(1)(B) of such Code, as added by this section, shall not apply to the individual serving as Taxpayer Advocate on the date of the enactment of this Act.

SEC. 103. OTHER PERSONNEL.

(a) In General.—Section 7804 (relating to the effect of reorganization plans) is amended to read as follows:

"SEC. 7804. OTHER PERSONNEL.

"(a) Appointment and Supervision.—Unless otherwise prescribed by the Secretary, the Commissioner of Internal Revenue is authorized to employ such number of persons as the Commissioner deems proper for the administration and enforcement of the internal revenue laws, and the Commissioner shall issue all necessary directions, instructions, orders, and rules applicable to such persons.

"(b) Posts of Duty of Employees in Field Service or Traveling.—Unless otherwise prescribed by the Secretary—

"(1) Designation of post of duty.—The Commissioner shall determine and designate the posts of duty of all such persons engaged in field work or traveling on official business outside of the District of Columbia.

"(2) Detail of personnel from field service.—The Commissioner may order any such person engaged in field work to duty in the District of Columbia, for such periods as the Commissioner may prescribe, and to any designated post of duty outside the District of Columbia upon the completion of such duty.

"(c) Delinquent Internal Revenue Officers and Employees.—If any officer or employee of the Treasury Department acting in connection with the internal revenue laws fails to account for and pay over any amount of money or property collected or received by him in connection with the internal revenue laws, the Secretary shall issue notice and demand to such officer or employee for payment of the amount which he failed to account for and pay over, and, upon failure to pay the amount demanded within the time specified in such notice, the amount so demanded shall be deemed imposed upon such officer or employee and assessed upon the date of such notice and demand, and the provisions of chapter 64 and all other provisions of law relating to the collection of assessed taxes shall be applicable in respect of such amount.".

(b) Conforming Amendments.—

(1) Subsection (b) of section 6344 is amended by striking "section 7803(d)" and inserting "section 7804(c)".

(2) The table of sections for subchapter A of chapter 80 is amended by striking the item relating to section 7804 and inserting the following new item:

"Sec. 7804. Other personnel."

(c) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 104. PROHIBITION ON EXECUTIVE BRANCH INFLUENCE OVER TAXPAYER AUDITS AND OTHER INVESTIGATIONS.

(a) In General.—Part I of subchapter A of chapter 75 (relating to crimes, other offenses, and forfeitures) is amended by adding after section 7216 the following new section:

"SEC. 7217. PROHIBITION ON EXECUTIVE BRANCH INFLUENCE OVER TAXPAYER AUDITS AND OTHER INVESTIGATIONS.

"(a) Prohibition.—It shall be unlawful for any applicable person to request any officer or employee of the Internal Revenue Service to conduct or terminate an audit or other investigation of any particular taxpayer with respect to the tax liability of such taxpayer.

"(b) Reporting Requirement.—Any officer or employee of the Internal Revenue Service receiving any request prohibited by subsection (a) shall report the receipt of such request to the Chief Inspector of the Internal Revenue Service.

"(c) Exceptions.—Subsection (a) shall not apply to—

"(1) any request made to an applicable person by the taxpayer or a representative of the taxpayer and forwarded by such applicable person to the Internal Revenue Service,

"(2) any request by an applicable person for disclosure of return or return information under section 6103 if such request is made in accordance with the requirements of such section, or

"(3) any request by the Secretary of the Treasury as a consequence of the implementation of a change in tax policy.

“(d) PENALTY.—Any person who willfully violates subsection (a) or fails to report under subsection (b) shall be punished upon conviction by a fine in any amount not exceeding $5,000, or imprisonment of not more than 5 years, or both, together with the costs of prosecution.

“(e) APPLICABLE PERSON.—For purposes of this section, the term ‘applicable person’ means—

“(1) the President, the Vice President, any employee of the executive office of the President, and any employee of the executive office of the Vice President, and

“(2) any individual (other than the Attorney General of the United States) serving in a position specified in section 5312 of title 5, United States Code.”

(b) CLERICAL AMENDMENT.—The table of sections for part I of subchapter A of chapter 75 is amended by adding after the item relating to section 7216 the following new item:

“Sec. 7217. Prohibition on executive branch influence over taxpayer audits and other investigations.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to requests made after the date of the enactment of this Act.

Subtitle B—Personnel Flexibilities

SEC. 111. PERSONNEL FLEXIBILITIES.

(a) IN GENERAL.—Part III of title 5, United States Code, is amended by adding at the end the following new subpart:

“Subpart I—Miscellaneous

“CHAPTER 93—PERSONNEL FLEXIBILITIES RELATING TO THE INTERNAL REVENUE SERVICE

“Sec.
“9301. General requirements.
“9302. Flexibilities relating to performance management.
“9303. Staffing flexibilities.
“9304. Flexibilities relating to demonstration projects.

“§ 9301. General requirements

“(a) CONFORMANCE WITH MERIT SYSTEM PRINCIPLES, ETC.—Any flexibilities under this chapter shall be exercised in a manner consistent with—

“(1) chapter 23, relating to merit system principles and prohibited personnel practices; and

“(2) provisions of this title (outside of this subpart) relating to preference eligibles.

“(b) REQUIREMENT RELATING TO UNITS REPRESENTED BY LABOR ORGANIZATIONS.—

“(1) WRITTEN AGREEMENT REQUIRED.—Employees within a unit with respect to which a labor organization is accorded exclusive recognition under chapter 71 shall not be subject to the exercise of any flexibility under section 9302, 9303, or 9304, unless there is a written agreement between the Internal Revenue Service and the organization permitting such exercise.

“(2) DEFINITION OF A WRITTEN AGREEMENT.—In order to satisfy paragraph (1), a written agreement—

“(A) need not be a collective bargaining agreement within the meaning of section 7103(8); and

“(B) may not be an agreement imposed by the Federal Service Impasses Panel under section 7119.

“(3) INCLUDIBLE MATTERS.—The written agreement may address any flexibilities under section 9302, 9303, or 9304, including any matter proposed to be included in a demonstration project under section 9304.

“§ 9302. Flexibilities relating to performance management

“(a) IN GENERAL.—The Commissioner of Internal Revenue shall, within a year after the date of the enactment of this chapter, establish a performance management system which—

“(1) subject to section 9301(b), shall cover all employees of the Internal Revenue Service other than—

“(A) the members of the Internal Revenue Service Oversight Board;

“(B) the Commissioner of Internal Revenue; and

“(C) the Chief Counsel for the Internal Revenue Service;

“(2) shall maintain individual accountability by—

“(A) establishing standards of performance which—

“(i) shall permit the accurate evaluation of each employee's performance on the basis of the individual and organizational performance requirements applicable with respect to the evaluation period involved, taking into account individual contributions toward the attainment of any goals or objectives under paragraph (3);

“(ii) shall be communicated to an employee before the start of any period with respect to which the performance of such employee is to be evaluated using such standards; and

“(iii) shall include at least 2 standards of performance, the lowest of which shall denote the retention standard and shall be equivalent to fully successful performance;

“(B) providing for periodic performance evaluations to determine whether employees are meeting all applicable retention standards; and

“(C) using the results of such employee's performance evaluation as a basis for adjustments in pay and other appropriate personnel actions; and

“(3) shall provide for (A) establishing goals or objectives for individual, group, or organizational performance (or any combination thereof), consistent with Internal Revenue Service performance planning procedures, including those established under the Government Performance and Results Act of 1993, the Information Technology Management Reform Act of 1996, Revenue Procedure 64–22 (as in effect on July 30, 1997), and taxpayer service surveys, (B) communicating such goals or objectives to employees, and (C) using such goals or objectives to make performance distinctions among employees or groups of employees.

For purposes of this title, performance of an employee during any period in which such employee is subject to standards of performance under paragraph (2) shall be considered to be ‘unacceptable’ if the performance of such employee during such period fails to meet any retention standard.

“(b) AWARDS.—

“(1) FOR SUPERIOR ACCOMPLISHMENTS.—In the case of a proposed award based on the efforts of an employee or former employee of the Internal Revenue Service, any approval required under the provisions of section 4502(b) shall be considered to have been granted if the Office of Personnel Management does not disapprove the proposed award within 60 days after receiving the appropriate certification described in such provisions.

“(2) FOR EMPLOYEES WHO REPORT DIRECTLY TO THE COMMISSIONER.—

“(A) IN GENERAL.—In the case of an employee of the Internal Revenue Service who reports directly to the Commissioner of Internal Revenue, a cash award in an amount up to 50 percent of such employee's annual rate of basic pay may be made if the Commissioner finds such an award to be warranted based on such employee's performance.

“(B) NATURE OF AN AWARD.—A cash award under this paragraph shall not be considered to be part of basic pay.

“(C) TAX ENFORCEMENT RESULTS.—A cash award under this paragraph may not be based solely on tax enforcement results.

“(D) ELIGIBLE EMPLOYEES.—Whether or not an employee is an employee who reports directly to the Commissioner of Internal Revenue shall, for purposes of this paragraph, be determined under regulations which the Commissioner shall prescribe, except that in no event shall more than 8 employees be eligible for a cash award under this paragraph in any calendar year.

“(E) LIMITATION ON COMPENSATION.—For purposes of applying section 5307 to an employee in connection with any calendar year to which an award made under this paragraph to such employee is attributable, subsection (a)(1) of such section shall be applied by substituting ‘to equal or exceed the annual rate of compensation for the Vice President for such calendar year’ for ‘to exceed the annual rate of basic pay payable for level I of the Executive Schedule, as of the end of such calendar year’.

“(F) APPROVAL REQUIRED.—An award under this paragraph may not be made unless—

“(i) the Commissioner of Internal Revenue certifies to the Office of Personnel Management that such award is warranted; and

“(ii) the Office approves, or does not disapprove, the proposed award within 60 days after the date on which it is so certified.

“(3) BASED ON SAVINGS.—

“(A) IN GENERAL.—The Commissioner of Internal Revenue may authorize the payment of cash awards to employees based on documented financial savings achieved by a group or organization which such employees comprise, if such payments are made pursuant to a plan which—

“(i) specifies minimum levels of service and quality to be maintained while achieving such financial savings; and

“(ii) is in conformance with criteria prescribed by the Office of Personnel Management.

“(B) FUNDING.—A cash award under this paragraph may be paid from the fund or appropriation available to the activity primarily benefiting or the various activities benefiting.

“(C) TAX ENFORCEMENT RESULTS.—A cash award under this paragraph may not be based solely on tax enforcement results.

“(c) OTHER PROVISIONS.—

“(1) NOTICE PROVISIONS.—In applying sections 4303(b)(1)(A) and 7513(b)(1) to employees of the Internal Revenue Service, ‘15 days’ shall be substituted for ‘30 days’.

“(2) APPEALS.—Notwithstanding the second sentence of section 5335(c), an employee of the Internal Revenue Service shall not have a right to appeal the denial of a periodic step increase under section 5335 to the Merit Systems Protection Board.

“§ 9303. Staffing flexibilities

“(a) ELIGIBILITY TO COMPETE FOR A PERMANENT APPOINTMENT IN THE COMPETITIVE SERVICE.—

“(1) ELIGIBILITY OF QUALIFIED VETERANS.—

“(A) IN GENERAL.—No veteran described in subparagraph (B) shall be denied the opportunity to compete for an announced vacant competitive service position within the Internal Revenue Service by reason of—

“(i) not having acquired competitive status; or

“(ii) not being an employee of that agency.

“(B) DESCRIPTION.—An individual shall, for purposes of a position for which such individual is applying, be considered a veteran described in this subparagraph if such individual—

“(i) is either a preference eligible, or an individual (other than a preference eligible) who has been separated from the armed forces under honorable conditions after at least 3 years of active service; and

“(ii) meets the minimum qualification requirements for the position sought.

“(2) ELIGIBILITY OF CERTAIN TEMPORARY EMPLOYEES.—

“(A) IN GENERAL.—No temporary employee described in subparagraph (B) shall be denied the opportunity to compete for an announced vacant competitive service position within the Internal Revenue Service by reason of not having acquired competitive status.

"(B) DESCRIPTION.—An individual shall, for purposes of a position for which such individual is applying, be considered a temporary employee described in this subparagraph if—

"(i) such individual is then currently serving as a temporary employee in the Internal Revenue Service;

"(ii) such individual has completed at least 2 years of current continuous service in the competitive service under 1 or more term appointments, each of which was made under competitive procedures prescribed for permanent appointments;

"(iii) such individual's performance under each term appointment referred to in clause (ii) met all applicable retention standards; and

"(iv) such individual meets the minimum qualification requirements for the position sought.

"(b) RATING SYSTEMS.—

"(1) IN GENERAL.—Notwithstanding subchapter I of chapter 33, the Commissioner of Internal Revenue may establish category rating systems for evaluating job applicants for positions in the competitive service, under which qualified candidates are divided into 2 or more quality categories on the basis of relative degrees of merit, rather than assigned individual numerical ratings. Each applicant who meets the minimum qualification requirements for the position to be filled shall be assigned to an appropriate category based on an evaluation of the applicant's knowledge, skills, and abilities relative to those needed for successful performance in the job to be filled.

"(2) TREATMENT OF PREFERENCE ELIGIBLES.—Within each quality category established under paragraph (1), preference eligibles shall be listed ahead of individuals who are not preference eligibles. For other than scientific and professional positions at or higher than GS–9 (or equivalent), preference eligibles who have a compensable service-connected disability of 10 percent or more, and who meet the minimum qualification standards, shall be listed in the highest quality category.

"(3) SELECTION PROCESS.—An appointing authority may select any applicant from the highest quality category or, if fewer than 3 candidates have been assigned to the highest quality category, from a merged category consisting of the highest and second highest quality categories. Notwithstanding the preceding sentence, the appointing authority may not pass over a preference eligible in the same or a higher category from which selection is made, unless the requirements of section 3317(b) or 3318(b), as applicable, are satisfied, except that in no event may certification of a preference eligible under this subsection be discontinued by the Internal Revenue Service under section 3317(b) before the end of the 6-month period beginning on the date of such employee's first certification.

"(c) INVOLUNTARY REASSIGNMENTS AND REMOVALS OF CAREER APPOINTEES IN THE SENIOR EXECUTIVE SERVICE.—Neither section 3395(e)(1) nor section 3592(b)(1) shall apply with respect to the Internal Revenue Service.

"(d) PROBATIONARY PERIODS.—Notwithstanding any other provision of law or regulation, the Commissioner of Internal Revenue may establish a period of probation under section 3321 of up to 3 years for any position if, as determined by the Commissioner, a shorter period would be insufficient for the incumbent to demonstrate complete proficiency in such position.

"(e) PROVISIONS THAT REMAIN APPLICABLE.—No provision of this section exempts the Internal Revenue Service from—

"(1) any employment priorities established under direction of the President for the placement of surplus or displaced employees; or

"(2) its obligations under any court order or decree relating to the employment practices of the Internal Revenue Service.

"§9304. Flexibilities relating to demonstration projects

"(a) AUTHORITY TO CONDUCT.—The Commissioner of Internal Revenue may, in accordance with this section, conduct 1 or more demonstration projects to improve personnel management; provide increased individual accountability; eliminate obstacles to the removal of or imposing any disciplinary action with respect to poor performers, subject to the requirements of due process; expedite appeals from adverse actions or performance-based actions; and promote pay based on performance.

"(b) GENERAL REQUIREMENTS.—Except as provided in subsection (c), each demonstration project under this section shall comply with the provisions of section 4703.

"(c) SPECIAL RULES.—For purposes of any demonstration project under this section—

"(1) AUTHORITY OF COMMISSIONER.—The Commissioner of Internal Revenue shall exercise the authority provided to the Office of Personnel Management under section 4703.

"(2) PROVISIONS NOT APPLICABLE.—The following provisions of section 4703 shall not apply:

"(A) Paragraphs (3) through (6) of subsection (b).

"(B) Paragraphs (1), (2)(B)(ii), and (4) of subsection (c).

"(C) Subsections (d) through (g).

"(d) NOTIFICATION REQUIRED TO BE GIVEN.—

"(1) TO EMPLOYEES.—The Commissioner of Internal Revenue shall notify employees likely to be affected by a project proposed under this section at least 90 days in advance of the date such project is to take effect.

"(2) TO CONGRESS AND OPM.—The Commissioner of Internal Revenue shall, with respect to each demonstration project under this section, provide each House of Congress and the Office of Personnel Management with a report, at least 30 days in advance of the date such project is to take effect, setting forth the final version of the plan for such project. Such report shall, with respect to the project to which it relates, include the information specified in section 4703(b)(1).

"(e) LIMITATIONS.—No demonstration project under this section may—

"(1) provide for a waiver of any regulation prescribed under any provision of law referred to in paragraph (2)(B)(i) or (3) of section 4703(c);

"(2) provide for a waiver of subchapter V of chapter 63 or subpart G of part III (or any regulations prescribed under such subchapter or subpart);

"(3) provide for a waiver of any law or regulation relating to preference eligibles as defined in section 2108 or subchapter II or III of chapter 73 (or any regulations prescribed thereunder);

"(4) permit collective bargaining over pay or benefits, or require collective bargaining over any matter which would not be required under section 7106; or

"(5) include a system for measuring performance that provides for only 1 level of performance at or above the level of fully successful or better.

"(f) PERMISSIBLE PROJECTS.—Notwithstanding any other provision of law, a demonstration project under this section—

"(1) may establish alternative means of resolving any dispute within the jurisdiction of the Equal Employment Opportunity Commission, the Merit Systems Protection Board, the Federal Labor Relations Authority, or the Federal Service Impasses Panel; and

"(2) may permit the Internal Revenue Service to adopt any alternative dispute resolution procedure that a private entity may lawfully adopt.

"(g) CONSULTATION AND COORDINATION.—The Commissioner of Internal Revenue shall consult with the Director of the Office of Personnel Management in the development and implementation of each demonstration project under this section and shall submit such reports to the Director as the Director may require. The Director or the Commissioner of Internal Revenue may terminate a demonstration project under this section if either of them determines that the project creates a substantial hardship on, or is not in the best interests of, the public, the Federal Government, employees, or qualified applicants for employment with the Internal Revenue Service.

"(h) TERMINATION.—Each demonstration project under this section shall terminate before the end of the 5-year period beginning on the date on which the project takes effect, except that any such project may continue beyond the end of such period, for not to exceed 2 years, if the Commissioner of Internal Revenue, with the concurrence of the Director, determines such extension is necessary to validate the results of the project. Not later than 6 months before the end of the 5-year period and any extension under the preceding sentence, the Commissioner of Internal Revenue shall, with respect to the demonstration project involved, submit a legislative proposal to the Congress if the Commissioner determines that such project should be made permanent, in whole or in part."

(b) CLERICAL AMENDMENT.—The analysis for part III of title 5, United States Code, is amended by adding at the end the following:

"Subpart I—Miscellaneous

"93. Personnel Flexibilities Relating to the Internal Revenue Service .... 9301".

(c) EFFECTIVE DATE.—This section shall take effect on the date of enactment of this Act.

TITLE II—ELECTRONIC FILING

SEC. 201. ELECTRONIC FILING OF TAX AND INFORMATION RETURNS.

(a) IN GENERAL.—It is the policy of the Congress that paperless filing should be the preferred and most convenient means of filing tax and information returns, and that by the year 2007, no more than 20 percent of all such returns should be filed on paper.

(b) STRATEGIC PLAN.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary of the Treasury or the Secretary's delegate (hereafter in this section referred to as the "Secretary") shall establish a plan to eliminate barriers, provide incentives, and use competitive market forces to increase electronic filing gradually over the next 10 years while maintaining processing times for paper returns at 40 days. To the extent practicable, such plan shall provide that all returns prepared electronically for taxable years beginning after 2001 shall be filed electronically.

(2) ELECTRONIC COMMERCE ADVISORY GROUP.—To ensure that the Secretary receives input from the private sector in the development and implementation of the plan required by paragraph (1), the Secretary shall convene an electronic commerce advisory group to include representatives from the small business community and from the tax practitioner, preparer, and computerized tax processor communities and other representatives from the electronic filing industry.

(c) PROMOTION OF ELECTRONIC FILING AND INCENTIVES.—Section 6011 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) PROMOTION OF ELECTRONIC FILING.—

"(1) IN GENERAL.—The Secretary is authorized to promote the benefits of and encourage the use of electronic tax administration programs, as they become available, through the use of mass communications and other means.

"(2) INCENTIVES.—The Secretary may implement procedures to provide for the payment of *appropriate incentives for electronically filed returns."*

(d) Annual Reports.—Not later than June 30 of each calendar year after 1997, the Chairperson of the Internal Revenue Service Oversight Board, the Secretary, and the Chairperson of the electronic commerce advisory group established under subsection (b)(2) shall report to the Committees on Ways and Means, Appropriations, and Government Reform and Oversight of the House of Representatives, the Committees on Finance, Appropriations, and Government Affairs of the Senate, and the Joint Committee on Taxation, on—

(1) the progress of the Internal Revenue Service in meeting the goal of receiving electronically 80 percent of tax and information returns by 2007;

(2) the status of the plan required by subsection (b); and

(3) the legislative changes necessary to assist the Internal Revenue Service in meeting such goal.

SEC. 202. DUE DATE FOR CERTAIN INFORMATION RETURNS FILED ELECTRONICALLY.

(a) In General.—Section 6071 (relating to time for filing returns and other documents) is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b) Electronically Filed Information Returns.—Returns made under subparts B and C of part III of this subchapter which are filed electronically shall be filed on or before March 31 of the year following the calendar year to which such returns relate."

(b) Effective Date.—The amendment made by this section shall apply to returns required to be filed after December 31, 1999.

SEC. 203. PAPERLESS ELECTRONIC FILING.

(a) In General.—Section 6061 (relating to signing of returns and other documents) is amended—

(1) by striking "Except as otherwise provided by" and inserting the following:

"(a) General Rule.—Except as otherwise provided by subsection (b) and", and

(2) by adding at the end the following new subsection:

"(b) Electronic Signatures.—

"(1) In general.—The Secretary shall develop procedures for the acceptance of signatures in digital or other electronic form. Until such time as such procedures are in place, the Secretary may waive the requirement of a signature for all returns or classes of returns, or may provide for alternative methods of subscribing all returns, declarations, statements, or other documents required or permitted to be made or written under internal revenue laws and regulations.

"(2) Treatment of alternative methods.—Notwithstanding any other provision of law, any return, declaration, statement or other document filed without signature under the authority of this subsection or verified, signed or subscribed under any method adopted under paragraph (1) shall be treated for all purposes (both civil and criminal, including penalties for perjury) in the same manner as though signed and subscribed. Any such return, declaration, statement or other document shall be presumed to have been actually submitted and subscribed by the person on whose behalf it was submitted.

"(3) Published guidance.—The Secretary shall publish guidance as appropriate to define and implement any waiver of the signature requirements."

(b) Acknowledgment of Electronic Filing.—Section 7502(c) is amended to read as follows:

"(c) Registered and Certified Mailing; Electronic Filing.—

"(1) Registered mail.—For purposes of this section, if any return, claim, statement, or other document, or payment, is sent by United States registered mail—

"(A) such registration shall be prima facie evidence that the return, claim, statement, or other document was delivered to the agency, officer, or office to which addressed, and

"(B) the date of registration shall be deemed the postmark date.

"(2) Certified mail; electronic filing.—The Secretary is authorized to provide by regulations the extent to which the provisions of paragraph (1) with respect to prima facie evidence of delivery and the postmark date shall apply to certified mail and electronic filing.".

(c) Establishment of Procedures for Other Information.—In the case of taxable periods beginning after December 31, 1998, the Secretary of the Treasury or the Secretary's delegate shall, to the extent practicable, establish procedures to accept, in electronic form, any other information, statements, elections, or schedules, from taxpayers filing returns electronically, so that such taxpayers will not be required to file any paper.

(d) Procedures for Communications Between IRS and Preparer of Electronically Filed Returns.—The Secretary shall establish procedures for taxpayers to authorize, on electronically filed returns, the preparer of such returns to communicate with the Internal Revenue Service on matters included on such returns.

(e) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 204. RETURN-FREE TAX SYSTEM.

(a) In General.—The Secretary of the Treasury or the Secretary's delegate shall develop procedures for the implementation of a return-free tax system under which appropriate individuals would be permitted to comply with the Internal Revenue Code of 1986 without making the return required under section 6012 of such Code for taxable years beginning after 2007.

(b) Report.—Not later than June 30 of each calendar year after 1999, such Secretary shall report to the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, and the Joint Committee on Taxation on—

(1) what additional resources the Internal Revenue Service would need to implement such a system,

(2) the changes to the Internal Revenue Code of 1986 that could enhance the use of such a system,

(3) the procedures developed pursuant to subsection (a), and

(4) the number and classes of taxpayers that would be permitted to use the procedures developed pursuant to subsection (a).

SEC. 205. ACCESS TO ACCOUNT INFORMATION.

Not later than December 31, 2006, the Secretary of the Treasury or the Secretary's delegate shall develop procedures under which a taxpayer filing returns electronically would be able to review the taxpayer's account electronically, but only if all necessary safeguards to ensure the privacy of such account information are in place.

TITLE III—TAXPAYER PROTECTION AND RIGHTS

SEC. 300. SHORT TITLE.

This title may be cited as the "Taxpayer Bill of Rights 3".

Subtitle A—Burden of Proof

SEC. 301. BURDEN OF PROOF.

(a) In General.—Chapter 76 (relating to judicial proceedings) is amended by adding at the end the following new subchapter:

"Subchapter E—Burden of Proof

"Sec. 7491. Burden of proof.

"SEC. 7491. BURDEN OF PROOF.

"(a) General Rule.—The Secretary shall have the burden of proof in any court proceeding with respect to any factual issue relevant to ascertaining the income tax liability of a taxpayer.

"(b) Limitations.—Subsection (a) shall only apply with respect to an issue if—

"(1) the taxpayer asserts a reasonable dispute with respect to such issue,

"(2) the taxpayer has fully cooperated with the Secretary with respect to such issue, including providing, within a reasonable period of time, access to and inspection of all witnesses, information, and documents within the control of the taxpayer, as reasonably requested by the Secretary, and

"(3) in the case of a partnership, corporation, or trust, the taxpayer is described in section 7430(c)(4)(A)(ii).

"(c) Substantiation.—Nothing in this section shall be construed to override any requirement of this title to substantiate any item."

(b) Conforming Amendments.—

(1) Section 6201 is amended by striking subsection (d) and redesignating subsection (e) as subsection (d).

(2) The table of subchapters for chapter 76 is amended by adding at the end the following new item:

"Subchapter E. Burden of proof."

(c) Effective Date.—The amendments made by this section shall apply to court proceedings arising in connection with examinations commencing after the date of the enactment of this Act.

Subtitle B—Proceedings by Taxpayers

SEC. 311. EXPANSION OF AUTHORITY TO AWARD COSTS AND CERTAIN FEES.

(a) Award of Higher Attorney's Fees Based on Complexity of Issues.—Clause (iii) of section 7430(c)(1)(B) (relating to the award of costs and certain fees) is amended by inserting "the difficulty of the issues presented in the case, or the local availability of tax expertise," before "justifies a higher rate".

(b) Award of Administrative Costs Incurred After 30-Day Letter.—Paragraph (2) of section 7430(c) is amended by striking the last sentence and inserting the following:

"Such term shall only include costs incurred on or after whichever of the following is the earliest: (i) the date of the receipt by the taxpayer of the notice of the decision of the Internal Revenue Service Office of Appeals, (ii) the date of the notice of deficiency, or (iii) the date on which the 1st letter of proposed deficiency which allows the taxpayer an opportunity for administrative review in the Internal Revenue Service Office of Appeals is sent.".

(c) Award of Fees for Certain Additional Services.—Paragraph (3) of section 7430(c) is amended to read as follows:

"(3) Attorney's fees.—

"(A) In general.—For purposes of paragraphs (1) and (2), fees for the services of an individual (whether or not an attorney) who is authorized to practice before the Tax Court or before the Internal Revenue Service shall be treated as fees for the services of an attorney.

"(B) Pro bono services.—In any case in which the court could have awarded attorney's fees under subsection (a) but for the fact that an individual is representing the prevailing party for no fee or for a fee which (taking into account all the facts and circumstances) is no more than a nominal fee, the court may also award a judgment or settlement for such amounts as the court determines to be appropriate (based on hours worked and costs expended) for services of such individual but only if such award is paid to such individual or such individual's employer."

(d) Determination of Whether Position of United States Is Substantially Justified.—Subparagraph (B) of section 7430(c)(4) is amended by redesignating clause (iii) as clause (iv)

and by inserting after clause (ii) the following new clause:

"(iii) EFFECT OF LOSING ON SUBSTANTIALLY SIMILAR ISSUES.—In determining for purposes of clause (i) whether the position of the United States was substantially justified, the court shall take into account whether the United States has lost in courts of appeal for other circuits on substantially similar issues."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to costs incurred (and, in the case of the amendment made by subsection (c), services performed) more than 180 days after the date of the enactment of this Act.

SEC. 312. CIVIL DAMAGES FOR NEGLIGENCE IN COLLECTION ACTIONS.

(a) IN GENERAL.—Section 7433 (relating to civil damages for certain unauthorized collection actions) is amended—

(1) in subsection (a), by inserting ", or by reason of negligence," after "recklessly or intentionally", and

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by inserting "($100,000, in the case of negligence)" after "$1,000,000", and

(B) in paragraph (1), by inserting "or negligent" after "reckless or intentional".

(b) REQUIREMENT THAT ADMINISTRATIVE REMEDIES BE EXHAUSTED.—Paragraph (1) of section 7433(d) is amended to read as follows:

"(1) REQUIREMENT THAT ADMINISTRATIVE REMEDIES BE EXHAUSTED.—A judgment for damages shall not be awarded under subsection (b) unless the court determines that the plaintiff has exhausted the administrative remedies available to such plaintiff within the Internal Revenue Service."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to actions of officers or employees of the Internal Revenue Service after the date of the enactment of this Act.

SEC. 313. INCREASE IN SIZE OF CASES PERMITTED ON SMALL CASE CALENDAR.

(a) IN GENERAL.—Subsection (a) of section 7463 (relating to disputes involving $10,000 or less) is amended by striking "$10,000" each place it appears and inserting "$25,000".

(b) CONFORMING AMENDMENTS.—

*(1) The section heading for section 7463 is amended by striking "**$10,000**" and inserting "**$25,000**".*

(2) The item relating to section 7463 in the table of sections for part II of subchapter C of chapter 76 is amended by striking "$10,000" and inserting "$25,000".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to proceedings commencing after the date of the enactment of this Act.

Subtitle C—Relief for Innocent Spouses and for Taxpayers Unable To Manage Their Financial Affairs Due to Disabilities

SEC. 321. SPOUSE RELIEVED IN WHOLE OR IN PART OF LIABILITY IN CERTAIN CASES.

(a) IN GENERAL.—Subpart B of part II of subchapter A of chapter 61 is amended by inserting after section 6014 the following new section:

"SEC. 6015. INNOCENT SPOUSE RELIEF; PETITION TO TAX COURT.

"(a) SPOUSE RELIEVED OF LIABILITY IN CERTAIN CASES.—

"(1) IN GENERAL.—Under procedures prescribed by the Secretary, if—

"(A) a joint return has been made under section 6013 for a taxable year,

"(B) on such return there is an understatement of tax attributable to erroneous items of 1 spouse,

"(C) the other spouse establishes that in signing the return he or she did not know, and had no reason to know, that there was such understatement,

"(D) taking into account all the facts and circumstances, it is inequitable to hold the other spouse liable for the deficiency in tax for such taxable year attributable to such understatement, and

"(E) the other spouse claims (in such form as the Secretary may prescribe) the benefits of this subsection not later than the date which is 2 years after the date of the assessment of such deficiency,

then the other spouse shall be relieved of liability for tax (including interest, penalties, and other amounts) for such taxable year to the extent such liability is attributable to such understatement.

"(2) APPORTIONMENT OF RELIEF.—If a spouse who, but for paragraph (1)(C), would be relieved of liability under paragraph (1), establishes that in signing the return such spouse did not know, and had no reason to know, the extent of such understatement, then such spouse shall be relieved of liability for tax (including interest, penalties, and other amounts) for such taxable year to the extent that such liability is attributable to the portion of such understatement of which such spouse did not know and had no reason to know.

"(3) UNDERSTATEMENT.—For purposes of this subsection, the term 'understatement' has the meaning given to such term by section 6662(d)(2)(A).

"(4) SPECIAL RULE FOR COMMUNITY PROPERTY INCOME.—For purposes of this subsection, the determination of the spouse to whom items of gross income (other than gross income from property) are attributable shall be made without regard to community property laws.

"(b) PETITION FOR REVIEW BY TAX COURT.—In the case of an individual who has filed a claim under subsection (a) within the period specified in subsection (a)(1)(E)—

"(1) IN GENERAL.—Such individual may petition the Tax Court (and the Tax Court shall have jurisdiction) to determine such claim if such petition is filed during the 90-day period beginning on the earlier of—

"(A) the date which is 6 months after the date such claim is filed with the Secretary, or

"(B) the date on which the Secretary mails by certified or registered mail a notice to such individual denying such claim.

Such 90-day period shall be determined by not counting Saturday, Sunday, or a legal holiday in the District of Columbia as the last day of such period.

"(2) RESTRICTIONS APPLICABLE TO COLLECTION OF ASSESSMENT.—

"(A) IN GENERAL.—Except as otherwise provided in section 6851 or 6861, no levy or proceeding in court for collection of any assessment to which such claim relates shall be made, begun, or prosecuted, until the expiration of the 90-day period described in paragraph (1), nor, if a petition has been filed with the Tax Court, until the decision of the Tax Court has become final. Rules similar to the rules of section 7485 shall apply with respect to the collection of such assessment.

"(B) AUTHORITY TO ENJOIN COLLECTION ACTIONS.—Notwithstanding the provisions of section 7421(a), the beginning of such proceeding or levy during the time the prohibition under subparagraph (A) is in force may be enjoined by a proceeding in the proper court, including the Tax Court. The Tax Court shall have no jurisdiction under this paragraph to enjoin any action or proceeding unless a timely petition for a determination of such claim has been filed and then only in respect of the amount of the assessment to which such claim relates.

"(C) JEOPARDY COLLECTION.—If the Secretary makes a finding that the collection of the tax is in jeopardy, nothing in this subsection shall prevent the immediate collection of such tax.

"(c) SUSPENSION OF RUNNING OF PERIOD OF LIMITATIONS.—The running of the period of limitations in section 6502 on the collection of the assessment to which the petition under subsection (b) relates shall be suspended for the period during which the Secretary is prohibited by subsection (b) from collecting by levy or a proceeding in court and for 60 days thereafter.

"(d) APPLICABLE RULES.—

"(1) ALLOWANCE OF APPLICATION.—Except as provided in paragraph (2), notwithstanding any other law or rule of law (other than section 6512(b), 7121, or 7122), credit or refund shall be allowed or made to the extent attributable to the application of this section.

"(2) RES JUDICATA.—In the case of any claim under subsection (a), the determination of the Tax Court in any prior proceeding for the same taxable periods in which the decision has become final, shall be conclusive except with respect to the qualification of the spouse for relief which was not an issue in such proceeding. The preceding sentence shall not apply if the Tax Court determines that the spouse participated meaningfully in such prior proceeding.

"(3) LIMITATION ON TAX COURT JURISDICTION.—If a suit for refund is begun by either spouse pursuant to section 6532, the Tax Court shall lose jurisdiction of the spouse's action under this section to whatever extent jurisdiction is acquired by the district court or the United States Court of Federal Claims over the taxable years that are the subject of the suit for refund."

(b) SEPARATE FORM FOR APPLYING FOR SPOUSAL RELIEF.—Not later than 180 days after the date of the enactment of this Act, the Secretary of the Treasury shall develop a separate form with instructions for use by taxpayers in applying for relief under section 6015(a) of the Internal Revenue Code of 1986, as added by this section.

(c) CONFORMING AMENDMENTS.—

(1) Section 6013 is amended by striking subsection (e).

(2) Subparagraph (A) of section 6230(c)(5) is amended by striking "section 6013(e)" and inserting "section 6015".

(d) CLERICAL AMENDMENT.—The table of sections for subpart B of part II of subchapter A of chapter 61 is amended by inserting after the item relating to section 6014 the following new item:

"Sec. 6015. Innocent spouse relief; petition to Tax Court."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to understatements for taxable years beginning after the date of the enactment of this Act.

SEC. 322. SUSPENSION OF STATUTE OF LIMITATIONS ON FILING REFUND CLAIMS DURING PERIODS OF DISABILITY.

(a) IN GENERAL.—Section 6511 (relating to limitations on credit or refund) is amended by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection:

"(h) RUNNING OF PERIODS OF LIMITATION SUSPENDED WHILE TAXPAYER IS UNABLE TO MANAGE FINANCIAL AFFAIRS DUE TO DISABILITY.—

"(1) IN GENERAL.—In the case of an individual, the running of the periods specified in subsections (a), (b), and (c) shall be suspended during any period of such individual's life that such individual is financially disabled.

"(2) FINANCIALLY DISABLED.—

"(A) IN GENERAL.—For purposes of paragraph (1), an individual is financially disabled if such individual is unable to manage his financial affairs by reason of his medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. An individual shall not be considered to have such an impairment

unless proof of the existence thereof is furnished in such form and manner as the Secretary may require.

"(B) EXCEPTION WHERE INDIVIDUAL HAS GUARDIAN, ETC.—An individual shall not be treated as financially disabled during any period that such individual's spouse or any other person is authorized to act on behalf of such individual in financial matters."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to periods of disability before, on, or after the date of the enactment of this Act but shall not apply to any claim for credit or refund which (without regard to such amendment) is barred by the operation of any law or rule of law (including res judicata) as of January 1, 1998.

Subtitle D—Provisions Relating to Interest

SEC. 331. ELIMINATION OF INTEREST RATE DIFFERENTIAL ON OVERLAPPING PERIODS OF INTEREST ON INCOME TAX OVERPAYMENTS AND UNDERPAYMENTS.

(a) IN GENERAL.—Section 6621 (relating to determination of rate of interest) is amended by adding at the end the following new subsection:

"(d) ELIMINATION OF INTEREST ON OVERLAPPING PERIODS OF INCOME TAX OVERPAYMENTS AND UNDERPAYMENTS.—To the extent that, for any period, interest is payable under subchapter A and allowable under subchapter B on equivalent underpayments and overpayments by the same taxpayer of tax imposed by chapters 1 and 2, the net rate of interest under this section on such amounts shall be zero for such period."

(b) CONFORMING AMENDMENT.—Subsection (f) of section 6601 (relating to satisfaction by credits) is amended by adding at the end the following new sentence: "The preceding sentence shall not apply to the extent that section 6621(d) applies."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to interest for calendar quarters beginning after the date of the enactment of this Act.

SEC. 332. INCREASE IN OVERPAYMENT RATE PAYABLE TO TAXPAYERS OTHER THAN CORPORATIONS.

(a) IN GENERAL.—Subparagraph (B) of section 6621(a)(1) (defining overpayment rate) is amended to read as follows:

"(B) 3 percentage points (2 percentage points in the case of a corporation)."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to interest for calendar quarters beginning after the date of the enactment of this Act.

Subtitle E—Protections for Taxpayers Subject to Audit or Collection Activities

SEC. 341. PRIVILEGE OF CONFIDENTIALITY EXTENDED TO TAXPAYER'S DEALINGS WITH NON-ATTORNEYS AUTHORIZED TO PRACTICE BEFORE INTERNAL REVENUE SERVICE.

Section 7602 (relating to examination of books and witnesses) is amended by adding at the end the following new subsection:

"(d) PRIVILEGE OF CONFIDENTIALITY EXTENDED TO TAXPAYER'S DEALINGS WITH NON-ATTORNEYS AUTHORIZED TO PRACTICE BEFORE INTERNAL REVENUE SERVICE.—

"(1) IN GENERAL.—In any noncriminal proceeding before the Internal Revenue Service, the taxpayer shall be entitled to the same common law protections of confidentiality with respect to tax advice furnished by any qualified individual (in a manner consistent with State law for such individual's profession) as the taxpayer would have if such individual were an attorney.

"(2) QUALIFIED INDIVIDUAL.—For purposes of paragraph (1), the term 'qualified individual' means any individual (other than an attorney) who is authorized to practice before the Internal Revenue Service."

SEC. 342. EXPANSION OF AUTHORITY TO ISSUE TAXPAYER ASSISTANCE ORDERS.

Section 7811(a) (relating to taxpayer assistance orders) is amended—

(1) by striking "Upon application" and inserting the following:

"(1) IN GENERAL.—Upon application",

(2) by moving the text 2 ems to the right, and

(3) by adding at the end the following new paragraphs:

"(2) ISSUANCE OF TAXPAYER ASSISTANCE ORDERS.—For purposes of determining whether to issue a taxpayer assistance order, the Taxpayer Advocate shall consider the following factors, among others:

"(A) Whether there is an immediate threat of adverse action.

"(B) Whether there has been an unreasonable delay in resolving taxpayer account problems.

"(C) Whether the taxpayer will have to pay significant costs (including fees for professional representation) if relief is not granted.

"(D) Whether the taxpayer will suffer irreparable injury, or a long-term adverse impact, if relief is not granted.

"(3) STANDARD WHERE ADMINISTRATIVE GUIDANCE NOT FOLLOWED.—In cases where any Internal Revenue Service employee is not following applicable published administrative guidance (including the Internal Revenue Manual), the Taxpayer Advocate shall construe the factors taken into account in determining whether to issue a taxpayer assistance order in the manner most favorable to the taxpayer."

SEC. 343. LIMITATION ON FINANCIAL STATUS AUDIT TECHNIQUES.

Section 7602 is amended by adding at the end the following new subsection:

"(e) LIMITATION ON EXAMINATION ON UNREPORTED INCOME.—The Secretary shall not use financial status or economic reality examination techniques to determine the existence of unreported income of any taxpayer unless the Secretary has a reasonable indication that there is a likelihood of such unreported income."

SEC. 344. LIMITATION ON AUTHORITY TO REQUIRE PRODUCTION OF COMPUTER SOURCE CODE.

(a) IN GENERAL.—Section 7602 is amended by adding at the end the following new subsection:

"(f) LIMITATION ON AUTHORITY TO REQUIRE PRODUCTION OF COMPUTER SOURCE CODE.—

"(1) IN GENERAL.—No summons may be issued under this title, and the Secretary may not begin any action under section 7604 to enforce any summons, to produce or examine any tax-related computer source code.

"(2) EXCEPTION WHERE INFORMATION NOT OTHERWISE AVAILABLE TO VERIFY CORRECTNESS OF ITEM ON RETURN.—Paragraph (1) shall not apply to any portion of a tax-related computer source code if—

"(A) the Secretary is unable to otherwise reasonably ascertain the correctness of any item on a return from—

"(i) the taxpayer's books, papers, records, or other data, or

"(ii) the computer software program and the associated data which, when executed, produces the output to prepare the return for the period involved, and

"(B) the Secretary identifies with reasonable specificity such portion as to be used to verify the correctness of such item.

The Secretary shall be treated as meeting the requirements of subparagraphs (A) and (B) after the 90th day after the Secretary makes a formal request to the taxpayer and the owner or developer of the computer software program for the material described in subparagraph (A)(ii) if such material is not provided before the close of such 90th day.

"(3) OTHER EXCEPTIONS.—Paragraph (1) shall not apply to—

"(A) any inquiry into any offense connected with the administration or enforcement of the internal revenue laws, and

"(B) any tax-related computer source code developed by (or primarily for the benefit of) the taxpayer or a related person (within the meaning of section 267 or 707(b)) for internal use by the taxpayer or such person and not for commercial distribution.

"(4) TAX-RELATED COMPUTER SOURCE CODE.—For purposes of this subsection, the term 'tax-related computer source code' means—

"(A) the computer source code for any computer software program for accounting, tax return preparation or compliance, or tax planning, or

"(B) design and development materials related to such a software program (including program notes and memoranda).

"(5) RIGHT TO CONTEST SUMMONS.—The determination of whether the requirements of subparagraphs (A) and (B) of paragraph (2) are met or whether any exception under paragraph (3) applies may be contested in any proceeding under section 7604.

"(6) PROTECTION OF TRADE SECRETS AND OTHER CONFIDENTIAL INFORMATION.—In any court proceeding to enforce a summons for any portion of a tax-related computer source code, the court may issue any order necessary to prevent the disclosure of trade secrets or other confidential information with respect to such source code, including providing that any information be placed under seal to be opened only as directed by the court."

(b) APPLICATION OF SPECIAL PROCEDURES FOR THIRD-PARTY SUMMONSES.—Paragraph (3) of section 7609(a) (defining third-party recordkeeper) is amended by striking "and" at the end of subparagraph (H), by striking a period at the end of subparagraph (I) and inserting ", and", and by adding at the end the following:

"(J) any owner or developer of a tax-related computer source code (as defined in section 7602(f)(4)).

Subparagraph (J) shall apply only with respect to a summons requiring the production of the source code referred to in subparagraph (J) or the program and data described in section 7602(f)(2)(A)(ii) to which such source code relates."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to summonses issued more than 90 days after the date of the enactment of this Act.

SEC. 345. PROCEDURES RELATING TO EXTENSIONS OF STATUTE OF LIMITATIONS BY AGREEMENT.

(a) IN GENERAL.—Paragraph (4) of section 6501(c) (relating to the period for limitations on assessment and collection) is amended—

(1) by striking "Where" and inserting the following:

"(A) IN GENERAL.—Where",

(2) by moving the text 2 ems to the right, and

(3) by adding at the end the following new subparagraph:

"(B) NOTICE TO TAXPAYER OF RIGHT TO REFUSE OR LIMIT EXTENSION.—The Secretary shall notify the taxpayer of the taxpayer's right to refuse to extend the period of limitations, or to limit such extension to particular issues, on each occasion when the taxpayer is requested to provide such consent."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to requests to extend the period of limitations made after the date of the enactment of this Act.

SEC. 346. OFFERS-IN-COMPROMISE.

(a) ALLOWANCES FOR BASIC LIVING EXPENSES.—Section 7122 (relating to offers-in-compromise) is amended by adding at the end the following new subsection:

"(c) ALLOWANCES FOR BASIC LIVING EXPENSES.—The Secretary shall develop and publish schedules of national and local allowances designed to provide that taxpayers entering into a compromise have an adequate means to provide for basic living expenses.''

(b) PREPARATION OF STATEMENT RELATING TO OFFERS-IN-COMPROMISE.—The Secretary of the Treasury shall prepare a statement which sets forth in simple, nontechnical terms the rights of a taxpayer and the obligations of the Internal Revenue Service relating to offers-in-compromise. Such statement shall—

(1) advise taxpayers who have entered into a compromise agreement of the advantages of promptly notifying the Internal Revenue Service of any change of address or marital status, and

(2) provide notice to taxpayers that in the case of a compromise agreement terminated due to the actions of 1 spouse or former spouse, the Internal Revenue Service will, upon application, reinstate such agreement with the spouse or former spouse who remains in compliance with such agreement.

SEC. 347. NOTICE OF DEFICIENCY TO SPECIFY DEADLINES FOR FILING TAX COURT PETITION.

(a) IN GENERAL.—The Secretary of the Treasury or the Secretary's delegate shall include on each notice of deficiency under section 6212 of the Internal Revenue Code of 1986 the date determined by such Secretary (or delegate) as the last day on which the taxpayer may file a petition with the Tax Court.

(b) LATER FILING DEADLINES SPECIFIED ON NOTICE OF DEFICIENCY TO BE BINDING.—Subsection (a) of section 6213 (relating to restrictions applicable to deficiencies; petition to Tax Court) is amended by adding at the end the following new sentence: ''Any petition filed with the Tax Court on or before the last date specified for filing such petition by the Secretary in the notice of deficiency shall be treated as timely filed.''

(c) EFFECTIVE DATE.—Subsection (a) and the amendment made by subsection (b) shall apply to notices mailed after December 31, 1998.

SEC. 348. REFUND OR CREDIT OF OVERPAYMENTS BEFORE FINAL DETERMINATION.

(a) TAX COURT PROCEEDINGS.—Subsection (a) of section 6213 is amended—

(1) by striking '', including the Tax Court.'' and inserting '', including the Tax Court, and a refund may be ordered by such court of any amount collected within the period during which the Secretary is prohibited from collecting by levy or through a proceeding in court under the provisions of this subsection.'', and

(2) by striking ''to enjoin any action or proceeding'' and inserting ''to enjoin any action or proceeding or order any refund''.

(b) OTHER PROCEEDINGS.—Subsection (a) of section 6512 is amended by striking the period at the end of paragraph (4) and inserting '', and'', and by inserting after paragraph (4) the following new paragraphs:

''(5) As to any amount collected within the period during which the Secretary is prohibited from making the assessment or from collecting by levy or through a proceeding in court under the provisions of section 6213(a), and

''(6) As to overpayments the Secretary is authorized to refund or credit pending appeal as provided in subsection (b).''

(c) REFUND OR CREDIT PENDING APPEAL.—Paragraph (1) of section 6512(b) is amended by adding at the end the following new sentence: ''If a notice of appeal in respect of the decision of the Tax Court is filed under section 7483, the Secretary is authorized to refund or credit the overpayment determined by the Tax Court to the extent the overpayment is not contested on appeal.''

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 349. THREAT OF AUDIT PROHIBITED TO COERCE TIP REPORTING ALTERNATIVE COMMITMENT AGREEMENTS.

The Secretary of the Treasury or the Secretary's delegate shall instruct employees of the Internal Revenue Service that they may not threaten to audit any taxpayer in an attempt to coerce the taxpayer into entering into a Tip Reporting Alternative Commitment Agreement.

Subtitle F—Disclosures to Taxpayers

SEC. 351. EXPLANATION OF JOINT AND SEVERAL LIABILITY.

The Secretary of the Treasury or the Secretary's delegate shall, as soon as practicable, but not later than 180 days after the date of the enactment of this Act, establish procedures to clearly alert married taxpayers of their joint and several liabilities on all appropriate publications and instructions.

SEC. 352. EXPLANATION OF TAXPAYERS' RIGHTS IN INTERVIEWS WITH THE INTERNAL REVENUE SERVICE.

The Secretary of the Treasury or the Secretary's delegate shall, as soon as practicable, but not later than 180 days after the date of the enactment of this Act, revise the statement required by section 6227 of the Omnibus Taxpayer Bill of Rights (Internal Revenue Service Publication No. 1) to more clearly inform taxpayers of their rights—

(1) to be represented at interviews with the Internal Revenue Service by any person authorized to practice before the Internal Revenue Service, and

(2) to suspend an interview pursuant to section 7521(b)(2) of the Internal Revenue Code of 1986.

SEC. 353. DISCLOSURE OF CRITERIA FOR EXAMINATION SELECTION.

(a) IN GENERAL.—The Secretary of the Treasury or the Secretary's delegate shall, as soon as practicable, but not later than 180 days after the date of the enactment of this Act, incorporate into the statement required by section 6227 of the Omnibus Taxpayer Bill of Rights (Internal Revenue Service Publication No. 1) a statement which sets forth in simple and nontechnical terms the criteria and procedures for selecting taxpayers for examination. Such statement shall not include any information the disclosure of which would be detrimental to law enforcement, but shall specify the general procedures used by the Internal Revenue Service, including whether taxpayers are selected for examination on the basis of information available in the media or on the basis of information provided to the Internal Revenue Service by informants.

(b) TRANSMISSION TO COMMITTEES OF CONGRESS.—The Secretary shall transmit drafts of the statement required under subsection (a) (or proposed revisions to any such statement) to the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, and the Joint Committee on Taxation on the same day.

SEC. 354. EXPLANATIONS OF APPEALS AND COLLECTION PROCESS.

The Secretary of the Treasury or the Secretary's delegate shall, as soon as practicable but not later than 180 days after the date of the enactment of this Act, include with any 1st letter of proposed deficiency which allows the taxpayer an opportunity for administrative review in the Internal Revenue Service Office of Appeals an explanation of the appeals process and the collection process with respect to such proposed deficiency.

Subtitle G—Low Income Taxpayer Clinics

SEC. 361. LOW INCOME TAXPAYER CLINICS.

(a) IN GENERAL.—Chapter 77 (relating to miscellaneous provisions) is amended by adding at the end the following new section:

"SEC. 7525. LOW INCOME TAXPAYER CLINICS.

''(a) IN GENERAL.—The Secretary may, subject to the availability of appropriated funds, make grants to provide matching funds for the development, expansion, or continuation of qualified low income taxpayer clinics.

''(b) DEFINITIONS.—For purposes of this section—

''(1) QUALIFIED LOW INCOME TAXPAYER CLINIC.—

''(A) IN GENERAL.—The term 'qualified low income taxpayer clinic' means a clinic that—

''(i) does not charge more than a nominal fee for its services (except for reimbursement of actual costs incurred), and

''(ii)(I) represents low income taxpayers in controversies with the Internal Revenue Service, or

''(II) operates programs to inform individuals for whom English is a second language about their rights and responsibilities under this title.

''(B) REPRESENTATION OF LOW INCOME TAXPAYERS.—A clinic meets the requirements of subparagraph (A)(ii)(I) if—

''(i) at least 90 percent of the taxpayers represented by the clinic have incomes which do not exceed 250 percent of the poverty level, as determined in accordance with criteria established by the Director of the Office of Management and Budget, and

''(ii) the amount in controversy for any taxable year generally does not exceed the amount specified in section 7463.

''(2) CLINIC.—The term 'clinic' includes—

''(A) a clinical program at an accredited law school in which students represent low income taxpayers in controversies arising under this title, and

''(B) an organization described in section 501(c) and exempt from tax under section 501(a) which satisfies the requirements of paragraph (1) through representation of taxpayers or referral of taxpayers to qualified representatives.

''(3) QUALIFIED REPRESENTATIVE.—The term 'qualified representative' means any individual (whether or not an attorney) who is authorized to practice before the Internal Revenue Service or the applicable court.

''(c) SPECIAL RULES AND LIMITATIONS.—

''(1) AGGREGATE LIMITATION.—Unless otherwise provided by specific appropriation, the Secretary shall not allocate more than $3,000,000 per year (exclusive of costs of administering the program) to grants under this section.

''(2) LIMITATION ON ANNUAL GRANTS TO A CLINIC.—The aggregate amount of grants which may be made under this section to a clinic for a year shall not exceed $100,000.

''(3) MULTI-YEAR GRANTS.—Upon application of a qualified low income taxpayer clinic, the Secretary is authorized to award a multi-year grant not to exceed 3 years.

''(4) CRITERIA FOR AWARDS.—In determining whether to make a grant under this section, the Secretary shall consider—

''(A) the numbers of taxpayers who will be served by the clinic, including the number of taxpayers in the geographical area for whom English is a second language,

''(B) the existence of other low income taxpayer clinics serving the same population,

''(C) the quality of the program offered by the low income taxpayer clinic, including the qualifications of its administrators and qualified representatives, and its record, if any, in providing service to low income taxpayers, and

''(D) alternative funding sources available to the clinic, including amounts received from other grants and contributions, and the endowment and resources of the institution sponsoring the clinic.

''(5) REQUIREMENT OF MATCHING FUNDS.—A low income taxpayer clinic must provide matching funds on a dollar for dollar basis for all grants provided under this section. Matching funds may include—

''(A) the salary (including fringe benefits) of individuals performing services for the clinic, and

“(B) the cost of equipment used in the clinic. Indirect expenses, including general overhead of the institution sponsoring the clinic, shall not be counted as matching funds.”

(b) Clerical Amendment.—The table of sections for chapter 77 is amended by adding at the end the following new section:

“Sec. 7525. Low income taxpayer clinics.”

(c) Effective Date.—The amendments made by this section shall take effect on the date of the enactment of this Act.

Subtitle H—Other Matters

SEC. 371. ACTIONS FOR REFUND WITH RESPECT TO CERTAIN ESTATES WHICH HAVE ELECTED THE INSTALLMENT METHOD OF PAYMENT.

(a) In General.—Section 7422 is amended by redesignating subsection (j) as subsection (k) and by inserting after subsection (i) the following new subsection:

“(j) Special Rule for Actions With Respect to Estates for Which an Election Under Section 6166 Is Made.—

“(1) In general.—The district courts of the United States and the United States Court of Federal Claims shall have jurisdiction over any action brought by the representative of an estate to which this subsection applies to determine the correct amount of the estate tax liability of such estate (or for any refund with respect thereto) even if the full amount of such liability has not been paid.

“(2) Estates to which subsection applies.—This subsection shall apply to any estate if, as of the date the action is filed—

“(A) an election under section 6166 is in effect with respect to such estate,

“(B) no portion of the installments payable under such section have been accelerated, and

“(C) all installments the due date for which is on or before the date the action is filed have been paid.

“(3) Prohibition on collection of disallowed liability.—If the court redetermines under paragraph (1) the estate tax liability of an estate, no part of such liability which is disallowed by a decision of such court which has become final may be collected by the Secretary, and amounts paid in excess of the installments determined by the court as currently due and payable shall be refunded.”

(b) Extension of Time To File Refund Suit.—Section 7479 (relating to declaratory judgments relating to eligibility of estate with respect to installment payments under section 6166) is amended by adding at the end the following new subsection:

“(c) Extension of Time To File Refund Suit.—The 2-year period in section 6532(a)(1) for filing suit for refund after disallowance of a claim shall be suspended during the 90-day period after the mailing of the notice referred to in subsection (b)(3) and, if a pleading has been filed with the Tax Court under this section, until the decision of the Tax Court has become final.”

(c) Effective Date.—The amendments made by this section shall apply to any claim for refund filed after the date of the enactment of this Act.

SEC. 372. CATALOGING COMPLAINTS.

In collecting data for the report required under section 1211 of Taxpayer Bill of Rights 2 (Public Law 104–168), the Secretary of the Treasury or the Secretary's delegate shall maintain records of taxpayer complaints of misconduct by Internal Revenue Service employees on an individual employee basis.

SEC. 373. ARCHIVE OF RECORDS OF INTERNAL REVENUE SERVICE.

(a) In General.—Subsection (l) of section 6103 (relating to confidentiality and disclosure of returns and return information) is amended by adding at the end the following new paragraph:

“(17) Disclosure to National Archives and Records Administration.—The Secretary shall, upon written request from the Archivist of the United States, disclose or authorize the disclosure of returns and return information to officers and employees of the National Archives and Records Administration for purposes of, and only to the extent necessary in, the appraisal of records for destruction or retention. No such officer or employee shall, except to the extent authorized by subsections (f), (i)(7), or (p), disclose any return or return information disclosed under the preceding sentence to any person other than to the Secretary, or to another officer or employee of the National Archives and Records Administration whose official duties require such disclosure for purposes of such appraisal.”

(b) Conforming Amendments.—Section 6103(p) is amended—

(1) in paragraph (3)(A), by striking “or (16)” and inserting “(16), or (17)”,

(2) in paragraph (4), by striking “or (14)” and inserting “, (14), or (17)” in the matter preceding subparagraph (A), and

(3) in paragraph (4)(F)(ii), by striking “or (15)” and inserting “, (15), or (17)”.

(c) Effective Date.—The amendments made by this section shall apply to requests made by the Archivist of the United States after the date of the enactment of this Act.

SEC. 374. PAYMENT OF TAXES.

The Secretary of the Treasury or the Secretary's delegate shall establish such rules, regulations, and procedures as are necessary to allow payment of taxes by check or money order made payable to the United States Treasury.

SEC. 375. CLARIFICATION OF AUTHORITY OF SECRETARY RELATING TO THE MAKING OF ELECTIONS.

Subsection (d) of section 7805 is amended by striking “by regulations or forms”.

SEC. 376. LIMITATION ON PENALTY ON INDIVIDUAL'S FAILURE TO PAY FOR MONTHS DURING PERIOD OF INSTALLMENT AGREEMENT.

(a) In General.—Section 6651 (relating to failure to file tax return or to pay tax) is amended by adding at the end the following new subsection:

“(h) Limitation on Penalty on Individual's Failure To Pay for Months During Period of Installment Agreement.—No addition to the tax shall be imposed under paragraph (2) or (3) of subsection (a) with respect to the tax liability of an individual for any month during which an installment agreement under section 6159 is in effect for the payment of such tax to the extent that imposing an addition to the tax under such paragraph for such month would result in the aggregate number of percentage points of such addition to the tax exceeding 9.5.”

(b) Effective Date.—The amendment made by this section shall apply for purposes of determining additions to the tax for months beginning after the date of the enactment of this Act.

Subtitle I—Studies

SEC. 381. PENALTY ADMINISTRATION.

The Joint Committee on Taxation shall conduct a study—

(1) reviewing the administration and implementation by the Internal Revenue Service of the penalty reform provisions of the Omnibus Budget Reconciliation Act of 1989, and

(2) making any legislative and administrative recommendations it deems appropriate to simplify penalty administration and reduce taxpayer burden.

Such study shall be submitted to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate not later than 9 months after the date of enactment of this Act.

SEC. 382. CONFIDENTIALITY OF TAX RETURN INFORMATION.

The Joint Committee on Taxation shall conduct a study of the scope and use of provisions regarding taxpayer confidentiality, and shall report the findings of such study, together with such recommendations as it deems appropriate, to the Congress not later than one year after the date of the enactment of this Act. Such study shall examine the present protections for taxpayer privacy, the need for third parties to use tax return information, and the ability to achieve greater levels of voluntary compliance by allowing the public to know who is legally required to file tax returns, but does not file tax returns.

TITLE IV—CONGRESSIONAL ACCOUNTABILITY FOR THE INTERNAL REVENUE SERVICE

Subtitle A—Oversight

SEC. 401. EXPANSION OF DUTIES OF THE JOINT COMMITTEE ON TAXATION.

(a) In General.—Section 8021 (relating to the powers of the Joint Committee on Taxation) is amended by adding at the end the following new subsections:

“(e) Investigations.—The Joint Committee shall review all requests (other than requests by the chairman or ranking member of a Committee or Subcommittee) for investigations of the Internal Revenue Service by the General Accounting Office, and approve such requests when appropriate, with a view towards eliminating overlapping investigations, ensuring that the General Accounting Office has the capacity to handle the investigation, and ensuring that investigations focus on areas of primary importance to tax administration.

“(f) Relating to Joint Hearings.—

“(1) In general.—The Chief of Staff, and such other staff as are appointed pursuant to section 8004, shall provide such assistance as is required for joint hearings described in paragraph (2).

“(2) Joint hearings.—On or before April 1 of each calendar year after 1997, there shall be a joint hearing of two members of the majority and one member of the minority from each of the Committees on Finance, Appropriations, and Government Affairs of the Senate, and the Committees on Ways and Means, Appropriations, and Government Reform and Oversight of the House of Representatives, to review the strategic plans and budget for the Internal Revenue Service. After the conclusion of the annual filing season, there shall be a second annual joint hearing to review the other matters outlined in section 8022(3)(C).”

(b) Effective Dates.—

(1) Subsection (e) of section 8021 of the Internal Revenue Code of 1986, as added by subsection (a) of this section, shall apply to requests made after the date of enactment of this Act.

(2) Subsection (f) of section 8021 of the Internal Revenue Code of 1986, as added by subsection (a) of this section, shall take effect on the date of the enactment of this Act.

SEC. 402. COORDINATED OVERSIGHT REPORTS.

(a) In General.—Paragraph (3) of section 8022 (relating to the duties of the Joint Committee on Taxation) is amended to read as follows:

“(3) Reports.—

“(A) To report, from time to time, to the Committee on Finance and the Committee on Ways and Means, and, in its discretion, to the Senate or House of Representatives, or both, the results of its investigations, together with such recommendations as it may deem advisable.

“(B) To report, annually, to the Committee on Finance and the Committee on Ways and Means on the overall state of the Federal tax system, together with recommendations with respect to

possible simplification proposals and other matters relating to the administration of the Federal tax system as it may deem advisable.

"(C) To report, annually, to the Committees on Finance, Appropriations, and Government Affairs of the Senate, and to the Committees on Ways and Means, Appropriations, and Government Reform and Oversight of the House of Representatives, with respect to—

"(i) strategic and business plans for the Internal Revenue Service;

"(ii) progress of the Internal Revenue Service in meeting its objectives;

"(iii) the budget for the Internal Revenue Service and whether it supports its objectives;

"(iv) progress of the Internal Revenue Service in improving taxpayer service and compliance;

"(v) progress of the Internal Revenue Service on technology modernization; and

"(vi) the annual filing season."

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

Subtitle B—Budget

SEC. 411. FUNDING FOR CENTURY DATE CHANGE.

It is the sense of Congress that the Internal Revenue Service efforts to resolve the century date change computing problems should be funded fully to provide for certain resolution of such problems.

SEC. 412. FINANCIAL MANAGEMENT ADVISORY GROUP.

The Commissioner shall convene a financial management advisory group consisting of individuals with expertise in governmental accounting and auditing from both the private sector and the Government to advise the Commissioner on financial management issues, including—

(1) the continued partnership between the Internal Revenue Service and the General Accounting Office;

(2) the financial accounting aspects of the Internal Revenue Service's system modernization;

(3) the necessity and utility of year-round auditing; and

(4) the Commissioner's plans for improving its financial management system.

Subtitle C—Tax Law Complexity

SEC. 421. ROLE OF THE INTERNAL REVENUE SERVICE.

It is the sense of Congress that the Internal Revenue Service should provide the Congress with an independent view of tax administration, and that during the legislative process, the tax writing committees of the Congress should hear from front-line technical experts at the Internal Revenue Service with respect to the administrability of pending amendments to the Internal Revenue Code of 1986.

SEC. 422. TAX COMPLEXITY ANALYSIS.

(a) REQUIRING ANALYSIS TO ACCOMPANY CERTAIN LEGISLATION.—

(1) IN GENERAL.—Chapter 92 (relating to powers and duties of the Joint Committee on Taxation) is amended by adding at the end the following new section:

"SEC. 8024. TAX COMPLEXITY ANALYSIS.

"(a) IN GENERAL.—If—

"(1) a bill or joint resolution is reported by the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives, or any committee of conference, and

"(2) such legislation includes any provision amending the Internal Revenue Code of 1986,

the report for such legislation shall contain a Tax Complexity Analysis unless the committee involved causes to have the Tax Complexity Analysis printed in the Congressional Record prior to the consideration of the legislation in the House of Representatives or the Senate (as the case may be).

"(b) LEGISLATION SUBJECT TO POINT OF ORDER.—It shall not be in order in the Senate to consider any bill or joint resolution described in subsection (a) required to be accompanied by a Tax Complexity Analysis that does not contain a Tax Complexity Analysis.

"(c) RESPONSIBILITIES OF THE COMMISSIONER.—The Commissioner shall provide the Joint Committee on Taxation with such information as is necessary to prepare Tax Complexity Analyses.

"(d) TAX COMPLEXITY ANALYSIS DEFINED.—For purposes of this section, the term 'Tax Complexity Analysis' means, with respect to a bill or joint resolution, a report which is prepared by the Joint Committee on Taxation and which identifies the provisions of the legislation adding significant complexity or providing significant simplification (as determined by the Joint Committee) and includes the basis for such determination."

(2) CLERICAL AMENDMENT.—The table of sections for chapter 92 is amended by adding at the end the following new item:

"Sec. 8024. Tax complexity analysis."

(b) LEGISLATION SUBJECT TO POINT OF ORDER IN HOUSE OF REPRESENTATIVES.—

(1) LEGISLATION REPORTED BY COMMITTEE ON WAYS AND MEANS.—Clause 2(l) of rule XI of the Rules of the House of Representatives is amended by adding at the end the following new subparagraph:

"(8) The report of the Committee on Ways and Means on any bill or joint resolution containing any provision amending the Internal Revenue Code of 1986 shall include a Tax Complexity Analysis prepared by the Joint Committee on Taxation in accordance with section 8024 of the Internal Revenue Code of 1986 unless the Committee on Ways and Means causes to have such Analysis printed in the Congressional Record prior to the consideration of the bill or joint resolution.".

(2) CONFERENCE REPORTS.—Rule XXVIII of the Rules of the House of Representatives is amended by adding at the end the following new clause:

"7. It shall not be in order to consider the report of a committee of conference which contains any provision amending the Internal Revenue Code of 1986 unless—

"(a) the accompanying joint explanatory statement contains a Tax Complexity Analysis prepared by the Joint Committee on Taxation in accordance with section 8024 of the Internal Revenue Code of 1986, or

"(b) such Analysis is printed in the Congressional Record prior to the consideration of the report.".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to legislation considered on or after January 1, 1998.

TITLE V—CLARIFICATION OF DEDUCTION FOR DEFERRED COMPENSATION

SEC. 501. CLARIFICATION OF DEDUCTION FOR DEFERRED COMPENSATION.

(a) IN GENERAL.—Subsection (a) of section 404 is amended by adding at the end the following new paragraph:

"(11) DETERMINATIONS RELATING TO DEFERRED COMPENSATION.—

"(A) IN GENERAL.—For purposes of determining under this section—

"(i) whether compensation of an employee is deferred compensation, and

"(ii) when deferred compensation is paid,

no amount shall be treated as received by the employee, or paid, until it is actually received by the employee.

"(B) EXCEPTION.—Subparagraph (A) shall not apply to severance pay."

(b) SICK LEAVE PAY TREATED LIKE VACATION PAY.—Paragraph (5) of section 404(a) is amended by inserting "or sick leave pay" after "vacation pay".

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after October 8, 1997.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer required by this section to change its method of accounting for its first taxable year ending after October 8, 1997—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account in such first taxable year.

TITLE VI—TAX TECHNICAL CORRECTIONS ACT OF 1997

SEC. 601. SHORT TITLE.

This title may be cited as the "Tax Technical Corrections Act of 1997".

SEC. 602. DEFINITIONS.

For purposes of this title—

(1) 1986 CODE.—The term "1986 Code" means the Internal Revenue Code of 1986.

(2) 1997 ACT.—The term "1997 Act" means the Taxpayer Relief Act of 1997.

SEC. 603. AMENDMENTS RELATED TO TITLE I OF 1997 ACT.

(a) AMENDMENTS RELATED TO SECTION 101(a) OF 1997 ACT.—

(1) Subsection (d) of section 24 of the 1986 Code is amended—

(A) by striking paragraphs (3) and (4),

(B) by redesignating paragraph (5) as paragraph (3), and

(C) by striking paragraphs (1) and (2) and inserting the following new paragraphs:

"(1) IN GENERAL.—In the case of a taxpayer with 3 or more qualifying children for any taxable year, the aggregate credits allowed under subpart C shall be increased by the lesser of—

"(A) the credit which would be allowed under this section without regard to this subsection and the limitation under section 26(a), or

"(B) the amount by which the aggregate amount of credits allowed by this subpart (without regard to this subsection) would increase if the limitation imposed by section 26(a) were increased by the excess (if any) of—

"(i) the taxpayer's social security taxes for the taxable year, over

"(ii) the credit allowed under section 32 (determined without regard to subsection (n)) for the taxable year.

The amount of the credit allowed under this subsection shall not be treated as a credit allowed under this subpart and shall reduce the amount of credit otherwise allowable under subsection (a) without regard to section 26(a).

"(2) REDUCTION OF CREDIT TO TAXPAYER SUBJECT TO ALTERNATIVE MINIMUM TAX.—The credit determined under this subsection for the taxable year shall be reduced by the excess (if any) of—

"(A) the amount of tax imposed by section 55 (relating to alternative minimum tax) with respect to such taxpayer for such taxable year, over

"(B) the amount of the reduction under section 32(h) with respect to such taxpayer for such taxable year."

(2) Paragraph (3) of section 24(d) of the 1986 Code (as redesignated by paragraph (1)) is amended by striking "paragraph (3)" and inserting "paragraph (1)".

(b) AMENDMENTS RELATED TO SECTION 101(b) OF 1997 ACT.—

(1) The subsection (m) of section 32 of the 1986 Code added by section 101(b) of the 1997 Act is amended to read as follows:

"(n) SUPPLEMENTAL CHILD CREDIT.—

"(1) IN GENERAL.—In the case of a taxpayer with respect to whom a credit is allowed under section 24 for the taxable year, the credit otherwise allowable under this section shall be increased by the lesser of—

"(A) the credit which would be allowed under section 24 without regard to this subsection and the limitation under section 26(a), or

"(B) the amount by which the aggregate amount of credits allowed by subpart A (without regard to this subsection) would be reduced if the limitation imposed by section 26(a) were reduced by the excess (if any) of—

"(i) the credit allowed by this section (without regard to this subsection) for the taxable year, over

"(ii) the taxpayer's social security taxes (as defined in section 24(d)) for the taxable year.

The credit determined under this subsection shall be allowed without regard to any other provision of this section, including subsection (d).

"(2) COORDINATION WITH OTHER CREDITS.—

"(A) IN GENERAL.—The amount of the credit under this subsection shall reduce the amount of the credit otherwise allowable under section 24, but the amount of the credit under this subsection (and such reduction) shall not otherwise be taken into account in determining the amount of any other credit allowable under this part.

"(B) TREATMENT OF CREDIT UNDER SECTION 24(d).—For purposes of this subsection, the credit determined under section 24(d) shall be treated as not allowed under section 24."

SEC. 604. AMENDMENTS RELATED TO TITLE II OF 1997 ACT.

(a) AMENDMENTS RELATED TO SECTION 201 OF 1997 ACT.—

(1) The item relating to section 25A in the table of sections for subpart A of part IV of subchapter A of chapter 1 of the 1986 Code is amended to read as follows:

"Sec. 25A. Hope and Lifetime Learning credits."

(2) Subsection (a) of section 6050S of the 1986 Code is amended to read as follows:

"(a) IN GENERAL.—Any person—

"(1) which is an eligible educational institution—

"(A) which receives payments for qualified tuition and related expenses with respect to any individual for any calendar year, or

"(B) which makes reimbursements or refunds (or similar amounts) to any individual of qualified tuition and related expenses,

"(2) which is engaged in a trade or business of making payments to any individual under an insurance arrangement as reimbursements or refunds (or similar amounts) of qualified tuition and related expenses, or

"(3) except as provided in regulations, any person which is engaged in a trade or business and, in the course of which, receives from any individual interest aggregating $600 or more for any calendar year on 1 or more qualified education loans,

shall make the return described in subsection (b) with respect to the individual at such time as the Secretary may by regulations prescribe."

(3) Subparagraph (A) of section 201(c)(2) of the 1997 Act is amended to read as follows:

"(A) Subparagraph (B) of section 6724(d)(1) (relating to definitions) is amended by redesignating clauses (x) through (xv) as clauses (xi) through (xvi), respectively, and by inserting after clause (ix) the following new clause:

"'(x) section 6050S (relating to returns relating to payments for qualified tuition and related expenses),'".

(b) AMENDMENTS RELATED TO SECTION 211 OF 1997 ACT.—

(1) Paragraph (3) of section 135(c) of the 1986 Code is amended to read as follows:

"(3) ELIGIBLE EDUCATIONAL INSTITUTION.—The term 'eligible educational institution' has the meaning given such term by section 529(e)(5).".

(2) Subparagraph (A) of section 529(c)(3) of the 1986 Code is amended by striking "section 72(b)" and inserting "section 72".

(c) AMENDMENTS RELATED TO SECTION 213 OF 1997 ACT.—

(1)(A) Section 530(b)(1)(E) of the 1986 Code (defining education individual retirement account) is amended to read as follows:

"(E) Any balance to the credit of the designated beneficiary on the date on which the beneficiary attains age 30 shall be distributed within 30 days after such date to the beneficiary or, if the beneficiary dies before attaining age 30, shall be distributed within 30 days after the date of death to the estate of such beneficiary."

(B) Subsection (d) of section 530 of the 1986 Code is amended by adding at the end the following new paragraph:

"(8) DEEMED DISTRIBUTION ON REQUIRED DISTRIBUTION DATE.—In any case in which a distribution is required under subsection (b)(1)(E), any balance to the credit of a designated beneficiary as of the close of the 30-day period referred to in such subsection for making such distribution shall be deemed distributed at the close of such period."

(2)(A) Paragraph (1) of section 530(d) of the 1986 Code is amended by striking "section 72(b)" and inserting "section 72".

(B) Subsection (e) of section 72 of the 1986 Code is amended by inserting after paragraph (8) the following new paragraph:

"(9) EXTENSION OF PARAGRAPH (2)(B) TO QUALIFIED STATE TUITION PROGRAMS AND EDUCATIONAL INDIVIDUAL RETIREMENT ACCOUNTS.—Notwithstanding any other provision of this subsection, paragraph (2)(B) shall apply to amounts received under a qualified State tuition program (as defined in section 529(b)) or under an education individual retirement account (as defined in section 530(b)). The rule of paragraph (8)(B) shall apply for purposes of this paragraph."

(3) So much of section 530(d)(4)(C) of the 1986 Code as precedes clause (ii) thereof is amended to read as follows:

"(C) CONTRIBUTIONS RETURNED BEFORE DUE DATE OF RETURN.—Subparagraph (A) shall not apply to the distribution of any contribution made during a taxable year on behalf of the designated beneficiary if—

"(i) such distribution is made on or before the day prescribed by law (including extensions of time) for filing the beneficiary's return of tax for the taxable year or, if the beneficiary is not required to file such a return, the 15th day of the 4th month of the taxable year following the taxable year, and".

(4) Subparagraph (C) of section 135(c)(2) of the 1986 Code is amended—

(A) by inserting "AND EDUCATION INDIVIDUAL RETIREMENT ACCOUNTS" in the heading after "PROGRAM", and

(B) by striking "section 529(c)(3)(A)" and inserting "section 72".

(5) Subparagraph (A) of section 4973(e)(1) of the 1986 Code is amended by inserting before the comma "(or, if less, the sum of the maximum amounts permitted to be contributed under section 530(c) by the contributors to such accounts for such year)".

(d) AMENDMENT RELATED TO SECTION 224 OF 1997 ACT.—Section 170(e)(6)(F) of the 1986 Code (relating to termination) is amended by striking "1999" and inserting "2000".

(e) AMENDMENTS RELATED TO SECTION 225 OF 1997 ACT.—

(1) The last sentence of section 108(f)(2) of the 1986 Code is amended to read as follows: "The term 'student loan' includes any loan made by an educational organization described in section 170(b)(1)(A)(ii) or by an organization exempt from tax under section 501(a) to refinance a loan to an individual to assist the individual in attending any such educational organization but only if the refinancing loan is pursuant to a program of the refinancing organization which is designed as described in subparagraph (D)(ii)."

(2) Section 108(f)(3) of the 1986 Code is amended by striking "(or by an organization described in paragraph (2)(E) from funds provided by an organization described in paragraph (2)(D))".

(f) AMENDMENTS RELATED TO SECTION 226 OF 1997 ACT.—

(1) Section 226(a) of the 1997 Act is amended by striking "section 1397E" and inserting "section 1397D".

(2) Section 1397E(d)(4)(B) of the 1986 Code is amended by striking "local education agency as defined" and inserting "local educational agency as defined".

SEC. 605. AMENDMENTS RELATED TO TITLE III OF 1997 ACT.

(a) AMENDMENTS RELATED TO SECTION 301 OF 1997 ACT.—Section 219(g) of the 1986 Code is amended—

(1) by inserting "or the individual's spouse" after "individual" in paragraph (1), and

(2) by striking paragraph (7) and inserting:

"(7) SPECIAL RULE FOR SPOUSES WHO ARE NOT ACTIVE PARTICIPANTS.—If this subsection applies to an individual for any taxable year solely because their spouse is an active participant, then, in applying this subsection to the individual (but not their spouse)—

"(A) the applicable dollar amount under paragraph (3)(B)(i) shall be $150,000, and

"(B) the amount applicable under paragraph (2)(A)(ii) shall be $10,000."

(b) AMENDMENTS RELATED TO SECTION 302 OF 1997 ACT.—

(1) Section 408A(c)(3)(A) of the 1986 Code is amended by striking "shall be reduced" and inserting "shall not exceed an amount equal to the amount determined under paragraph (2)(A) for such taxable year, reduced".

(2) Section 408A(c)(3) of the 1986 Code (relating to limits based on modified adjusted gross income) is amended—

(A) by inserting "or a married individual filing a separate return" after "joint return" in subparagraph (A)(ii), and

(B) by striking "and the deduction under section 219 shall be taken into account" in subparagraph (C)(i).

(3) Section 408A(d)(2) of the 1986 Code (defining qualified distribution) is amended by striking subparagraph (B) and inserting the following:

"(B) DISTRIBUTIONS WITHIN NONEXCLUSION PERIOD.—A payment or distribution from a Roth IRA shall not be treated as a qualified distribution under subparagraph (A) if such payment or distribution is made before the exclusion date for the Roth IRA.

"(C) EXCLUSION DATE.—For purposes of this section, the exclusion date for any Roth IRA is the first day of the taxable year immediately following the 5-taxable year period beginning with—

"(i) the first taxable year for which a contribution to any Roth IRA maintained for the benefit of the individual was made, or

"(ii) in the case of a Roth IRA to which 1 or more qualified rollover contributions were made—

"(I) from an individual retirement plan other than a Roth IRA, or

"(II) from another Roth IRA to the extent such contributions are properly allocable to contributions described in subclause (I),

the most recent taxable year for which any such qualified rollover contribution was made."

(4) Section 408A(d)(3) of the 1986 Code (relating to rollovers from IRAs other than Roth

IRAs) is amended by adding at the end the following:

"(F) SPECIAL RULE FOR APPLYING SECTION 72.—

"(i) IN GENERAL.—If—

"(I) any distribution from a Roth IRA is made before the exclusion date, and

"(II) any portion of such distribution is properly allocable to a qualified rollover contribution described in paragraph (2)(C)(ii).

then section 72(t) shall be applied as if such portion were includible in gross income.

"(ii) LIMITATION.—Clause (i) shall apply only to the extent of the amount includible in gross income under subparagraph (A)(i) by reason of the qualified rollover contribution.

"(G) SPECIAL RULES FOR CONTRIBUTIONS TO WHICH 4-YEAR AVERAGING APPLIES.—In the case of a qualified rollover contribution to a Roth IRA of a distribution to which subparagraph (A)(iii) applied, the following rules shall apply:

"(i) DEATH OF DISTRIBUTEE.—

"(I) IN GENERAL.—If the individual required to include amounts in gross income under such subparagraph dies before all of such amounts are included, all remaining amounts shall be included in gross income for the taxable year which includes the date of death.

"(II) SPECIAL RULE FOR SURVIVING SPOUSE.—If the spouse of the individual described in subclause (I) acquires the Roth IRA to which such qualified rollover contribution is properly allocable, the spouse may elect to include the remaining amounts described in subclause (I) in the spouse's gross income in the taxable years of the spouse ending with or within the taxable years of such individual in which such amounts would otherwise have been includible.

"(ii) ADDITIONAL TAX FOR EARLY DISTRIBUTION.—

"(I) IN GENERAL.—If any distribution from a Roth IRA is made before the exclusion date, and any portion of such distribution is properly allocable to such qualified rollover contribution, the distributee's tax under this chapter for the taxable year in which the amount is received shall be increased by 10 percent of the amount of such portion not in excess of the amount includible in gross income under subparagraph (A)(i) by reason of such qualified rollover contribution.

"(II) TREATMENT OF TAX.—For purposes of this title, any tax imposed by subclause (I) shall be treated as a tax imposed by section 72(t) and shall be in addition to any other tax imposed by such section."

(5)(A) Section 408A(d)(4) of the 1986 Code is amended to read as follows:

"(4) AGGREGATION AND ORDERING RULES.—

"(A) AGGREGATION RULES.—Section 408(d)(2) shall be applied separately with respect to—

"(i) Roth IRAs and other individual retirement plans,

"(ii) Roth IRAs described in paragraph (2)(C)(ii) and Roth IRAs not so described, and

"(iii) Roth IRAs described in paragraph (2)(C)(ii) with different exclusion dates.

"(B) ORDERING RULES.—For purposes of applying section 72 to any distribution from a Roth IRA which is not a qualified distribution, such distribution shall be treated as made—

"(i) from contributions to the extent that the amount of such distribution, when added to all previous distributions from the Roth IRA, does not exceed the aggregate contributions to the Roth IRA, and

"(ii) from such contributions in the following order:

"(I) Qualified rollover contributions to the extent includible in gross income in the manner described in paragraph (3)(A)(iii).

"(II) Qualified rollover contributions not described in subclause (I) to the extent includible in gross income under paragraph (3)(A).

"(III) Contributions not described in subclause (I) or (II).

Such rules shall also apply in determining the character of qualified rollover contributions from one Roth IRA to another Roth IRA."

(B) Section 408A(d)(1) of the 1986 Code is amended to read as follows:

"(1) EXCLUSION.—Any qualified distribution from a Roth IRA shall not be includible in gross income."

(6)(A) Section 408A(d) of the 1986 Code (relating to distribution rules) is amended by adding at the end the following:

"(6) TAXPAYER MAY MAKE ADJUSTMENTS BEFORE DUE DATE.—

"(A) IN GENERAL.—Except as provided by the Secretary, if, on or before the due date for any taxable year, a taxpayer transfers in a trustee-to-trustee transfer any contribution to an individual retirement plan made during such taxable year from such plan to any other individual retirement plan, then, for purposes of this chapter, such contribution shall be treated as having been made to the transferee plan (and not the transferor plan).

"(B) SPECIAL RULES.—

"(i) TRANSFER OF EARNINGS.—Subparagraph (A) shall not apply to the transfer of any contribution unless such transfer is accompanied by any net income allocable to such contribution.

"(ii) NO DEDUCTION.—Subparagraph (A) shall apply to the transfer of any contribution only to the extent no deduction was allowed with respect to the contribution to the transferor plan.

"(C) DUE DATE.—For purposes of this paragraph, the due date for any taxable year is the last date for filing the return of tax for such taxable year (including extensions)."

(B) Section 408A(d)(3) of the 1986 Code, as amended by this subsection, is amended by striking subparagraph (D) and by redesignating subparagraphs (E), (F), and (G) as subparagraphs (D), (E), and (F), respectively.

(7) Section 302(b) of the 1997 Act is amended by striking "Section 4973(b)" and inserting "Section 4973".

(8) Section 408A of the 1986 Code is amended by adding at the end the following new subsection:

"(f) INDIVIDUAL RETIREMENT PLAN.—For purposes of this section, except as provided by the Secretary, the term 'individual retirement plan' shall not include a simplified employee pension or a simple retirement account."

(c) AMENDMENTS RELATED TO SECTION 303 OF 1997 ACT.—

(1) Section 72(t)(8)(E) of the 1986 Code is amended—

(A) by striking "120 days" and inserting "120th day", and

(B) by striking "60 days" and inserting "60th day".

(2)(A) Section 402(c) of the 1986 Code is amended by adding at the end the following:

"(11) DENIAL OF ROLLOVER TREATMENT FOR TRANSFERS OF HARDSHIP DISTRIBUTIONS TO INDIVIDUAL RETIREMENT PLANS.—This subsection shall not apply to the transfer of any hardship distribution described in section 401(k)(2)(B)(i)(IV) from a qualified cash or deferred arrangement to an eligible retirement plan described in clause (i) or (ii) of paragraph (8)(B)."

(B) The amendment made by this paragraph shall apply to distributions made after December 31, 1997.

(d) AMENDMENTS RELATED TO SECTION 311 OF 1997 ACT.—

(1) Subsection (h) of section 1 of the 1986 Code (relating to maximum capital gains rate) is amended to read as follows:

"(h) MAXIMUM CAPITAL GAINS RATE.—

"(1) IN GENERAL.—If a taxpayer has a net capital gain for any taxable year, the tax imposed by this section for such taxable year shall not exceed the sum of—

"(A) a tax computed at the rates and in the same manner as if this subsection had not been enacted on the greater of—

"(i) taxable income reduced by the net capital gain, or

"(ii) the lesser of—

"(I) the amount of taxable income taxed at a rate below 28 percent, or

"(II) taxable income reduced by the adjusted net capital gain,

"(B) 10 percent of so much of the adjusted net capital gain (or, if less, taxable income) as does not exceed the excess (if any) of—

"(i) the amount of taxable income which would (without regard to this paragraph) be taxed at a rate below 28 percent, over

"(ii) the taxable income reduced by the adjusted net capital gain,

"(C) 20 percent of the adjusted net capital gain (or, if less, taxable income) in excess of the amount on which a tax is determined under subparagraph (B),

"(D) 25 percent of the excess (if any) of—

"(i) the unrecaptured section 1250 gain (or, if less, the net capital gain), over

"(ii) the excess (if any) of—

"(I) the sum of the amount on which tax is determined under subparagraph (A) plus the net capital gain, over

"(II) taxable income, and

"(E) 28 percent of the amount of taxable income in excess of the sum of the amounts on which tax is determined under the preceding subparagraphs of this paragraph.

"(2) REDUCED CAPITAL GAIN RATES FOR QUALIFIED 5-YEAR GAIN.—

"(A) REDUCTION IN 10-PERCENT RATE.—In the case of any taxable year beginning after December 31, 2000, the rate under paragraph (1)(B) shall be 8 percent with respect to so much of the amount to which the 10-percent rate would otherwise apply as does not exceed qualified 5-year gain, and 10 percent with respect to the remainder of such amount.

"(B) REDUCTION IN 20-PERCENT RATE.—The rate under paragraph (1)(C) shall be 18 percent with respect to so much of the amount to which the 20-percent rate would otherwise apply as does not exceed the lesser of—

"(i) the excess of qualified 5-year gain over the amount of such gain taken into account under subparagraph (A) of this paragraph, or

"(ii) the amount of qualified 5-year gain (determined by taking into account only property the holding period for which begins after December 31, 2000),

and 20 percent with respect to the remainder of such amount. For purposes of determining under the preceding sentence whether the holding period of property begins after December 31, 2000, the holding period of property acquired pursuant to the exercise of an option (or other right or obligation to acquire property) shall include the period such option (or other right or obligation) was held.

"(3) NET CAPITAL GAIN TAKEN INTO ACCOUNT AS INVESTMENT INCOME.—For purposes of this subsection, the net capital gain for any taxable year shall be reduced (but not below zero) by the amount which the taxpayer takes into account as investment income under section 163(d)(4)(B)(iii).

"(4) ADJUSTED NET CAPITAL GAIN.—For purposes of this subsection, the term 'adjusted net capital gain' means net capital gain reduced (but not below zero) by the sum of—

"(A) unrecaptured section 1250 gain, and

"(B) 28 percent rate gain.

"(5) 28 PERCENT RATE GAIN.—For purposes of this subsection—

"(A) IN GENERAL.—The term '28 percent rate gain' means the excess (if any) of—

"(i) the sum of—

"(I) the aggregate long-term capital gain from property held for more than 1 year but not more than 18 months,

"(II) collectibles gain, and

"(III) section 1202 gain, over

"(ii) the sum of—

"(I) the aggregate long-term capital loss (not described in subclause (IV)) from property referred to in clause (i)(I),

"(II) collectibles loss,

"(III) the net short-term capital loss, and

"(IV) the amount of long-term capital loss carried under section 1212(b)(1)(B) to the taxable year.

"(B) SPECIAL RULES.—

"(i) SHORT SALES AND OPTIONS.—Rules similar to the rules of subsections (b) and (d) of section 1233 shall apply to substantially identical property, and section 1092(f) with respect to stock, held for more than 1 year but not more than 18 months.

"(ii) SECTION 1256 CONTRACTS.—Amounts treated as long-term capital gain or loss under section 1256(a)(3) shall be treated as attributable to property held for more than 18 months.

"(6) COLLECTIBLES GAIN AND LOSS.—For purposes of this subsection—

"(A) IN GENERAL.—The terms 'collectibles gain' and 'collectibles loss' mean gain or loss (respectively) from the sale or exchange of a collectible (as defined in section 408(m) without regard to paragraph (3) thereof) which is a capital asset held for more than 18 months but only to the extent such gain is taken into account in computing gross income and such loss is taken into account in computing taxable income.

"(B) PARTNERSHIPS, ETC.—For purposes of subparagraph (A), any gain from the sale of an interest in a partnership, S corporation, or trust which is attributable to unrealized appreciation in the value of collectibles shall be treated as gain from the sale or exchange of a collectible. Rules similar to the rules of section 751 shall apply for purposes of the preceding sentence.

"(7) UNRECAPTURED SECTION 1250 GAIN.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'unrecaptured section 1250 gain' means the excess (if any) of—

"(i) the amount of long-term capital gain (not otherwise treated as ordinary income) which would be treated as ordinary income if—

"(I) section 1250(b)(1) included all depreciation and the applicable percentage under section 1250(a) were 100 percent, and

"(II) only gain from property held for more than 18 months were taken into account, over

"(ii) the excess (if any) of—

"(I) the amount described in paragraph (5)(A)(ii), over

"(II) the amount described in paragraph (5)(A)(i).

"(B) LIMITATION WITH RESPECT TO SECTION 1231 PROPERTY.—The amount described in subparagraph (A)(i) from sales, exchanges, and conversions described in section 1231(a)(3)(A) for any taxable year shall not exceed the net section 1231 gain (as defined in section 1231(c)(3)) for such year.

"(8) SECTION 1202 GAIN.—For purposes of this subsection, the term 'section 1202 gain' means an amount equal to the gain excluded from gross income under section 1202(a).

"(9) QUALIFIED 5-YEAR GAIN.—For purposes of this subsection, the term 'qualified 5-year gain' means the amount of long-term capital gain which would be computed for the taxable year if only gains from the sale or exchange of property held by the taxpayer for more than 5 years were taken into account. The determination under the preceding sentence shall be made without regard to collectibles gain, gain described in paragraph (7)(A)(i), and section 1202 gain.

"(10) COORDINATION WITH RECAPTURE OF NET ORDINARY LOSSES UNDER SECTION 1231.—If any amount is treated as ordinary income under section 1231(c), such amount shall be allocated among the separate categories of net section 1231 gain (as defined in section 1231(c)(3)) in such manner as the Secretary may by forms or regulations prescribe.

"(11) REGULATIONS.—The Secretary may prescribe such regulations as are appropriate (including regulations requiring reporting) to apply this subsection in the case of sales and exchanges by pass-thru entities and of interests in such entities.

"(12) PASS-THRU ENTITY DEFINED.—For purposes of this subsection, the term 'pass-thru entity' means—

"(A) a regulated investment company,

"(B) a real estate investment trust,

"(C) an S corporation,

"(D) a partnership,

"(E) an estate or trust,

"(F) a common trust fund,

"(G) a foreign investment company which is described in section 1246(b)(1) and for which an election is in effect under section 1247, and

"(H) a qualified electing fund (as defined in section 1295).

"(13) SPECIAL RULES FOR PERIODS DURING 1997.—

"(A) DETERMINATION OF 28 PERCENT RATE GAIN.—In applying paragraph (5)—

"(i) the amount determined under subclause (I) of paragraph (5)(A)(i) shall include long-term capital gain (not otherwise described in paragraph (5)(A)(i)) which is properly taken into account for the portion of the taxable year before May 7, 1997,

"(ii) the amounts determined under subclause (I) of paragraph (5)(A)(ii) shall include long-term capital loss (not otherwise described in paragraph (5)(A)(ii)) which is properly taken into account for the portion of the taxable year before May 7, 1997, and

"(iii) clauses (i)(I) and (ii)(I) of paragraph (5)(A) shall be applied by not taking into account any gain and loss on property held for more than 1 year but not more than 18 months which is properly taken into account for the portion of the taxable year after May 6, 1997, and before July 29, 1997.

"(B) OTHER SPECIAL RULES.—

"(i) DETERMINATION OF UNRECAPTURED SECTION 1250 GAIN NOT TO INCLUDE PRE-MAY 7, 1997 GAIN.—The amount determined under paragraph (7)(A)(i) shall not include gain properly taken into account for the portion of the taxable year before May 7, 1997.

"(ii) OTHER TRANSITIONAL RULES FOR 18-MONTH HOLDING PERIOD.—Paragraphs (6)(A) and (7)(A)(i)(II) shall be applied by substituting '1 year' for '18 months' with respect to gain properly taken into account for the portion of the taxable year after May 6, 1997, and before July 29, 1997.

"(C) SPECIAL RULES FOR PASS-THRU ENTITIES.—In applying this paragraph with respect to any pass-thru entity, the determination of when gains and loss are properly taken into account shall be made at the entity level."

(2) IN GENERAL.—Paragraph (3) of section 55(b) of the 1986 Code is amended to read as follows:

"(3) MAXIMUM RATE OF TAX ON NET CAPITAL GAIN OF NONCORPORATE TAXPAYERS.—The amount determined under the first sentence of paragraph (1)(A)(i) shall not exceed the sum of—

"(A) the amount determined under such first sentence computed at the rates and in the same manner as if this paragraph had not been enacted on the taxable excess reduced by the lesser of—

"(i) the net capital gain, or

"(ii) the sum of—

"(I) the adjusted net capital gain, plus

"(II) the unrecaptured section 1250 gain, plus

"(B) 10 percent of so much of the adjusted net capital gain (or, if less, taxable excess) as does not exceed the amount on which a tax is determined under section 1(h)(1)(B), plus

"(C) 20 percent of the adjusted net capital gain (or, if less, taxable excess) in excess of the amount on which tax is determined under subparagraph (B), plus

"(D) 25 percent of the amount of taxable excess in excess of the sum of the amounts on which tax is determined under the preceding subparagraphs of this paragraph.

In the case of taxable years beginning after December 31, 2000, rules similar to the rules of section 1(h)(2) shall apply for purposes of subparagraphs (B) and (C). Terms used in this paragraph which are also used in section 1(h) shall have the respective meanings given such terms by section 1(h) but computed with the adjustments under this part.".

(3) Section 57(a)(7) of the 1986 Code is amended by adding at the end the following new sentence: "In the case of stock the holding period of which begins after December 31, 2000 (determined with the application of the last sentence of section 1(h)(2)(B)), the preceding sentence shall be applied by substituting '28 percent' for '42 percent'.".

(4) Paragraphs (11) and (12) of section 1223, and section 1235(a), of the 1986 Code are each amended by striking "1 year" each place it appears and inserting "18 months".

(e) AMENDMENTS RELATED TO SECTION 312 OF 1997 ACT.—

(1) Section 121(c)(1) of the 1986 Code is amended to read as follows:

"(1) IN GENERAL.—In the case of a sale or exchange to which this subsection applies, the ownership and use requirements of subsection (a), and subsection (b)(3), shall not apply; but the dollar limitation under paragraph (1) or (2) of subsection (b), whichever is applicable, shall be equal to—

"(A) the amount which bears the same ratio to such limitation (determined without regard to this paragraph) as

"(B)(i) the shorter of—

"(I) the aggregate periods, during the 5-year period ending on the date of such sale or exchange, such property has been owned and used by the taxpayer as the taxpayer's principal residence, or

"(II) the period after the date of the most recent prior sale or exchange by the taxpayer to which subsection (a) applied and before the date of such sale or exchange, bears to

"(ii) 2 years.".

(2) Section 312(d)(2) of the 1997 Act (relating to sales before date of enactment) is amended by inserting "on or" before "before" each place it appears in the text and heading.

(f) AMENDMENT RELATED TO SECTION 313 OF 1997 ACT.—Section 1045 of the 1986 Code is amended by adding at the end the following new subsection:

"(c) LIMITATION ON APPLICATION TO PARTNERSHIPS AND S CORPORATIONS.—Subsection (a) shall apply to a partnership or S corporation for a taxable year only if at all times during such taxable year all of the partners in the partnership, or all of the shareholders of the S corporation, are natural persons or estates."

SEC. 606. AMENDMENTS RELATED TO TITLE V OF 1997 ACT.

(a) AMENDMENTS RELATED TO SECTION 501 OF 1997 ACT.—

(1) Subsection (c) of section 2631 of the 1986 Code is amended by striking "an individual who dies" and inserting "a generation-skipping transfer".

(2) Subsection (f) of section 501 of the 1997 Act is amended by inserting "(other than the amendment made by subsection (d))" after "this section".

(b) AMENDMENTS RELATED TO SECTION 502 OF 1997 ACT.—

(1) Subsection (a) of section 2033A of the 1986 Code is amended to read as follows:

"(a) EXCLUSION.—

"(1) IN GENERAL.—In the case of an estate of a decedent to which this section applies, the value of the gross estate shall not include the lesser of—

"(A) the adjusted value of the qualified family-owned business interests of the decedent otherwise includible in the estate, or

"(B) the exclusion limitation with respect to such estate.

"(2) EXCLUSION LIMITATION.—

"(A) IN GENERAL.—The exclusion limitation with respect to any estate is the amount of reduction in the tentative tax base with respect to such estate which would be required in order to reduce the tax imposed by section 2001(b) (determined without regard to this section) by an amount equal to the maximum credit equivalent benefit.

"(B) MAXIMUM CREDIT EQUIVALENT BENEFIT.—For purposes of subparagraph (A), the term 'maximum credit equivalent benefit' means the excess of—

"(i) the amount by which the tentative tax imposed by section 2001(b) (determined without regard to this section) would be reduced if the tentative tax base were reduced by $675,000, over

"(ii) the amount by which the applicable credit amount under section 2010(c) with respect to such estate exceeds such applicable credit amount in effect for 1998.

"(C) TENTATIVE TAX BASE.—For purposes of this paragraph, the term 'tentative tax base' means the amount with respect to which the tax imposed by section 2001(b) would be computed without regard to this section."

(2) Section 2033A(b)(3) of the 1986 Code is amended to read as follows:

"(3) INCLUDIBLE GIFTS OF INTERESTS.—The amount of the gifts of qualified family-owned business interests determined under this paragraph is the sum of—

"(A) the amount of such gifts from the decedent to members of the decedent's family taken into account under section 2001(b)(1)(B), plus

"(B) the amount of such gifts otherwise excluded under section 2503(b),

to the extent such interests are continuously held by members of such family (other than the decedent's spouse) between the date of the gift and the date of the decedent's death."

(c) AMENDMENTS RELATED TO SECTION 503 OF THE 1997 ACT.—

(1) Clause (iii) of section 6166(b)(7)(A) of the 1986 Code is amended to read as follows:

"(iii) for purposes of applying section 6601(j), the 2-percent portion (as defined in such section) shall be treated as being zero."

(2) Clause (iii) of section 6166(b)(8)(A) of the 1986 Code is amended to read as follows:

"(iii) 2-PERCENT INTEREST RATE NOT TO APPLY.—For purposes of applying section 6601(j), the 2-percent portion (as defined in such section) shall be treated as being zero."

(d) AMENDMENT RELATED TO SECTION 505 OF THE 1997 ACT.—Paragraphs (1) and (2) of section 7479(a) of the 1986 Code are each amended by striking "an estate," and inserting "an estate (or with respect to any property included therein),".

(e) AMENDMENTS RELATED TO SECTION 506 OF THE 1997 ACT.—

(1) Subsection (c) of section 2504 of the 1986 Code is amended by striking "was assessed or paid" and inserting "was finally determined for purposes of this chapter".

(2) Paragraph (1) of section 506(e) of the 1997 Act is amended by striking "and (c)" and inserting ", (c), and (d)".

SEC. 607. AMENDMENTS RELATED TO TITLE VII OF 1997 ACT.

(a) AMENDMENT RELATED TO SECTION 1400 OF 1986 CODE.—Section 1400(b)(2)(B) of the 1986 Code is amended by inserting "as determined on the basis of the 1990 census" after "percent".

(b) AMENDMENTS RELATED TO SECTION 1400B OF 1986 CODE.—

(1) Section 1400B(d)(2) of the 1986 Code is amended by inserting "as determined on the basis of the 1990 census" after "percent".

(2) Section 1400B(b) of the 1986 Code is amended by redesignating paragraphs (6) and (7) as paragraphs (5) and (6), respectively.

(c) AMENDMENTS RELATED TO SECTION 1400C OF 1986 CODE.—

(1) Paragraph (1) of section 1400C(c) of the 1986 Code is amended to read as follows:

"(1) IN GENERAL.—The term 'first-time homebuyer' means any individual if such individual (and if married, such individual's spouse) had no present ownership interest in a principal residence in the District of Columbia during the 1-year period ending on the date of the purchase of the principal residence to which this section applies."

(2) Subparagraph (B) of section 1400C(e)(2) of the 1986 Code is amended by inserting before the period "on the date the taxpayer first occupies such residence".

(3) Paragraph (3) of section 1400C(e) of the 1986 Code is amended by striking all that follows "principal residence" and inserting "on the date such residence is purchased."

(4) Subsection (i) of section 1400C of the 1986 Code is amended to read as follows:

"(i) APPLICATION OF SECTION.—This section shall apply to property purchased after August 4, 1997, and before January 1, 2001."

(5) Subsection (c) of section 23 of the 1986 Code is amended by inserting "and section 1400C" after "other than this section".

(6) Subparagraph (C) of section 25(e)(1) of the 1986 Code is amended by striking "section 23" and inserting "sections 23 and 1400C".

SEC. 608. AMENDMENTS RELATED TO TITLE IX OF 1997 ACT.

(a) AMENDMENT RELATED TO SECTION 901 OF 1997 ACT.—Section 9503(c)(7) of the 1986 Code is amended—

(1) by striking "resulting from the amendments made by" and inserting "(and transfers to the Mass Transit Account) resulting from the amendments made by subsections (a) and (b) of section 901 of", and

(2) by inserting before the period "and deposits in the Highway Trust Fund (and transfers to the Mass Transit Account) shall be treated as made when they would have been required to be made without regard to section 901(e) of the Taxpayer Relief Act of 1997".

(b) AMENDMENT RELATED TO SECTION 907 OF 1997 ACT.—Paragraph (2) of section 9503(e) of the 1986 Code is amended by striking the last sentence and inserting the following new sentence: "For purposes of the preceding sentence, the term 'mass transit portion' means, for any fuel with respect to which tax was imposed under section 4041 or 4081 and otherwise deposited into the Highway Trust Fund, the amount determined at the rate of—

"(A) except as otherwise provided in this sentence, 2.86 cents per gallon,

"(B) 1.77 cents per gallon in the case of any partially exempt methanol or ethanol fuel (as defined in section 4041(m)) none of the alcohol in which consists of ethanol,

"(C) 1.86 cents per gallon in the case of liquefied natural gas,

"(D) 2.13 cents per gallon in the case of liquefied petroleum gas, and

"(E) 9.71 cents per MCF (determined at standard temperature and pressure) in the case of compressed natural gas."

(c) AMENDMENT RELATED TO SECTION 976 OF 1997 ACT.—Section 6103(d)(5) of the 1986 Code is amended by striking "section 967 of the Taxpayer Relief Act of 1997." and inserting "section 976 of the Taxpayer Relief Act of 1997. Subsections (a)(2) and (p)(4) and sections 7213 and 7213A shall not apply with respect to disclosures or inspections made pursuant to this paragraph."

SEC. 609. AMENDMENTS RELATED TO TITLE X OF 1997 ACT.

(a) AMENDMENTS RELATED TO SECTION 1001 OF 1997 ACT.—

(1) Paragraph (2) of section 1259(b) of the 1986 Code is amended—

(A) by striking "debt" each place it appears in clauses (i) and (ii) of subparagraph (A) and inserting "position",

(B) by striking "and" at the end of subparagraph (A), and

(C) by redesignating subparagraph (B) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

"(B) any hedge with respect to a position described in subparagraph (A), and".

(2) Section 1259(d)(1) of the 1986 Code is amended by inserting "(including cash)" after "property".

(3) Subparagraph (D) of section 475(f)(1) of the 1986 Code is amended by adding at the end the following new sentence: "Subsection (d)(3) shall not apply under the preceding sentence for purposes of applying sections 1402 and 7704."

(4) Subparagraph (C) of section 1001(d)(3) of the 1997 Act is amended by striking "within the 30-day period beginning on" and inserting "before the close of the 30th day after".

(b) AMENDMENTS RELATED TO SECTION 1012 OF 1997 Act.—

(1) Paragraph (1) of section 1012(d) of the 1997 Act is amended by striking "1997, pursuant" and inserting "1997; except that the amendment made by subsection (a) shall apply to such distributions only if pursuant".

(2) Subparagraph (A) of section 355(e)(3) of the 1986 Code is amended—

(A) by striking "shall not be treated as described in" and inserting "shall not be taken into account in applying", and

(B) by striking clause (iv) and inserting the following new clause:

"(iv) The acquisition of stock in the distributing corporation or any controlled corporation to the extent that the percentage of stock owned directly or indirectly in such corporation by each person owning stock in such corporation immediately before the acquisition does not decrease."

(c) AMENDMENTS RELATED TO SECTION 1014 OF 1997 ACT.—

(1) Paragraph (1) of section 351(g) of the 1986 Code is amended by adding "and" at the end of subparagraph (A) and by striking subparagraphs (B) and (C) and inserting the following new subparagraph:

"(B) if (and only if) the transferor receives stock other than nonqualified preferred stock—

"(i) subsection (b) shall apply to such transferor, and

"(ii) such nonqualified preferred stock shall be treated as other property for purposes of applying subsection (b)."

(2) Clause (ii) of section 354(a)(2)(C) of 1986 Code is amended by adding at the end the following new subclause:

"(III) EXTENSION OF STATUTE .OF LIMITATIONS.—The statutory period for the assessment of any deficiency attributable to a corporation failing to be a family-owned corporation shall not expire before the expiration of 3 years after the date the Secretary is notified by the corporation (in such manner as the Secretary may prescribe) of such failure, and such deficiency may be assessed before the expiration of such 3-year period notwithstanding the provisions of any other law or rule of law which would otherwise prevent such assessment."

(d) AMENDMENT RELATED TO SECTION 1024 OF 1997 ACT.—Section 6331(h)(1) of the 1986 Code is amended by striking "The effect of a levy" and inserting "If the Secretary approves a levy under this subsection, the effect of such levy".

(e) AMENDMENTS RELATED TO SECTION 1031 OF 1997 ACT.—

(1) Subsection (l) of section 4041 of the 1986 Code is amended by striking "subsection (e) or (f)" and inserting "subsection (f) or (g)".

(2) Subsection (b) of section 9502 of the 1986 Code is amended by moving the sentence added at the end of paragraph (1) to the end of such subsection.

(3) Subsection (c) of section 6421 of the 1986 Code is amended—

(A) by striking "(2)(A)" and inserting "(2)", and

(B) by adding at the end the following sentence: "Subsection (a) shall not apply to gasoline to which this subsection applies."

(f) AMENDMENTS RELATED TO SECTION 1032 OF 1997 ACT.—

(1) Section 1032(a) of the 1997 Act is amended by striking "Subsection (a) of section 4083" and inserting "Paragraph (1) of section 4083(a)".

(2) Section 1032(e)(12)(A) of the 1997 Act shall be applied as if "gasoline, diesel fuel," were the material proposed to be stricken.

(3) Paragraph (1) of section 4101(e) of the 1986 Code is amended by striking "dyed diesel fuel and kerosene" and inserting "such fuel in a dyed form".

(g) AMENDMENT RELATED TO SECTION 1055 OF 1997 ACT.—Section 6611(g)(1) of the 1986 Code is amended by striking "(e), and (h)" and inserting "and (e)".

(h) AMENDMENT RELATED TO SECTION 1083 OF 1997 ACT.—Section 1083(a)(2) of the 1997 Act is amended—

(1) by striking "21" and inserting "20", and

(2) by striking "22" and inserting "21".

(i) AMENDMENT RELATED TO SECTION 1084 OF 1997 ACT.—

(1) Paragraph (3) of section 264(a) of the 1986 Code is amended by striking "subsection (c)" and inserting "subsection (d)".

(2) Paragraph (4) of section 264(a) of the 1986 Code is amended by striking "subsection (d)" and inserting "subsection (e)".

(3) Paragraph (4) of section 264(f) of the 1986 Code is amended by adding at the end the following new subparagraph:

"(E) MASTER CONTRACTS.—If coverage for each insured under a master contract is treated as a separate contract for purposes of sections 817(h), 7702, and 7702A, coverage for each such insured shall be treated as a separate contract for purposes of subparagraph (A). For purposes of the preceding sentence, the term 'master contract' shall not include any group life insurance contract (as defined in section 848(e)(2))."

(4)(A) Clause (iv) of section 264(f)(5)(A) of the 1986 Code is amended by striking the second sentence.

(B) Subparagraph (B) of section 6724(d)(1) of the 1986 Code is amended by striking "or" at the end of clause (xv), by striking the period at the end of clause (xvi) and inserting ", or", and by adding at the end the following new clause:

"(xvii) section 264(f)(5)(A)(iv) (relating to reporting with respect to certain life insurance and annuity contracts)."

(C) Paragraph (2) of section 6724(d) of the 1986 Code is amended by striking "or" at the end of subparagraph (Y), by striking the period at the end of subparagraph (Z) and inserting "or", and by adding at the end the following new subparagraph:

"(AA) section 264(f)(5)(A)(iv) (relating to reporting with respect to certain life insurance and annuity contracts)."

(j) AMENDMENT RELATED TO SECTION 1085 OF 1997 ACT.—Paragraph (5) of section 32(c) of the 1986 Code is amended—

(1) by inserting before the period at the end of subparagraph (A) "and increased by the amounts described in subparagraph (C)",

(2) by adding "or" at the end of clause (iii) of subparagraph (B), and

(3) by striking all that follows subclause (II) of subparagraph (B)(iv) and inserting the following:

"(III) other trades or businesses.

For purposes of clause (iv), there shall not be taken into account items which are attributable to a trade or business which consists of the performance of services by the taxpayer as an employee.

"(C) CERTAIN AMOUNTS INCLUDED.—An amount is described in this subparagraph if it is—

"(i) interest received or accrued during the taxable year which is exempt from tax imposed by this chapter, or

"(ii) amounts received as a pension or annuity, and any distributions or payments received from an individual retirement plan, by the taxpayer during the taxable year to the extent not included in gross income.

Clause (ii) shall not include any amount which is not includible in gross income by reason of section 402(c), 403(a)(4), 403(b), 408(d) (3), (4), or (5), or 457(e)(10)."

(k) AMENDMENT RELATED TO SECTION 1088 OF 1997 ACT.—Section 1088(b)(2)(C) of the 1997 Act is amended by inserting "more than 1 year" before "after".

(l) AMENDMENT RELATED TO SECTION 1089 OF 1997 ACT.—Paragraphs (1)(C) and (2)(C) of section 664(d) of the 1986 Code are each amended by adding ", and" at the end.

SEC. 610. AMENDMENTS RELATED TO TITLE XI OF 1997 ACT.

(a) AMENDMENT RELATED TO SECTION 1103 OF 1997 ACT.—The paragraph (3) of section 59(a) added by section 1103 of the 1997 Act is redesignated as paragraph (4).

(b) AMENDMENT RELATED TO SECTION 1121 OF 1997 ACT.—Section 1298(a)(2)(B) of the 1986 Code is amended by adding at the end the following new sentence: "Section 1297(e) shall not apply in determining whether a corporation is a passive foreign investment company for purposes of this subparagraph."

(c) AMENDMENT RELATED TO SECTION 1122 OF 1997 ACT.—Section 672(f)(3)(B) of the 1986 Code is amended by striking "section 1296" and inserting "section 1297".

(d) AMENDMENT RELATED TO SECTION 1123 OF 1997 ACT.—The subsection (e) of section 1297 of the 1986 Code added by section 1123 of the 1997 Act is redesignated as subsection (f).

(e) AMENDMENT RELATED TO SECTION 1144 OF 1997 ACT.—Paragraphs (1) and (2) of section 1144(c) of the 1997 Act are each amended by striking "6038B(b)" and inserting "6038B(c) (as redesignated by subsection (b))".

SEC. 611. AMENDMENTS RELATED TO TITLE XII OF 1997 ACT.

(a) AMENDMENT RELATED TO SECTION 1204 OF 1997 ACT.—The last sentence of section 162(a) of the 1986 Code is amended by striking "investigate" and all that follows and inserting "investigate or prosecute, or provide support services for the investigation or prosecution of, a Federal crime."

(b) AMENDMENTS RELATED TO SECTION 1205 OF 1997 ACT.—

(1) Section 6311(e)(1) of the 1986 Code is amended by striking "section 6103(k)(8)" and inserting "section 6103(k)(9)".

(2) Paragraph (8) of section 6103(k) of the 1986 Code (as added by section 1205(c)(1) of the 1997 Act) is redesignated as paragraph (9).

(3) The heading for section 7431(g) of the 1986 Code is amended by striking "(8)" and inserting "(9)".

(4) Section 1205(c)(3) of the 1997 Act shall be applied as if it read as follows:

"(3) Section 6103(p)(3)(A), as amended by section 1026(b)(1)(A), is amended by striking "or (8)" and inserting "(8), or (9)".

(5) Section 1213(b) of the 1997 Act is amended by striking "section 6724(d)(1)(A)" and inserting "section 6724(d)(1)".

(c) AMENDMENT RELATED TO SECTION 1226 OF 1997 ACT.—Section 1226 of the 1997 Act is amended by striking "ending on or" and inserting "beginning".

(d) AMENDMENT RELATED TO SECTION 1285 OF 1997 ACT.—Section 7430(b) of the 1986 Code is amended by redesignating paragraph (5) as paragraph (4).

SEC. 612. AMENDMENTS RELATED TO TITLE XIII OF 1997 ACT.

(a) Section 646 of the 1986 Code is redesignated as section 645.

(b) The item relating to section 646 in the table of sections for subpart A of part I of subchapter J of chapter 1 of the 1986 Code is amended by striking "Sec. 646" and inserting "Sec. 645".

(c) Paragraph (1) of section 2652(b) of the 1986 Code is amended by striking "section 646" and inserting "section 645".

(d) Paragraph (3) of section 1(g) of the 1986 Code is amended by striking subparagraph (C) and by redesignating subparagraph (D) as subparagraph (C).

(e) Section 641 of the 1986 Code is amended by striking subsection (c) and by redesignating subsection (d) as subsection (c).

(f) Paragraph (4) of section 1361(e) of the 1986 Code is amended by striking "section 641(d)" and inserting "section 641(c)".

(g) Subparagraph (A) of section 6103(e)(1) of the 1986 Code is amended by striking clause (ii) and by redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively.

SEC. 613. AMENDMENTS RELATED TO TITLE XIV OF 1997 ACT.

(a) AMENDMENT RELATED TO SECTION 1434 OF 1997 ACT.—Paragraph (2) of section 4052(f) of the 1986 Code is amended by striking "this section" and inserting "such section".

(b) AMENDMENT RELATED TO SECTION 1436 OF 1997 ACT.—Paragraph (2) of section 4091(a) of the 1986 Code is amended by inserting "or on which tax has been credited or refunded" after "such paragraph".

SEC. 614. AMENDMENTS RELATED TO TITLE XV OF 1997 ACT.

(a) AMENDMENT RELATED TO SECTION 1501 OF 1997 ACT.—The paragraph (8) of section 408(p) of the 1986 Code added by section 1501(b) of the 1997 Act is redesignated as paragraph (9).

(b) AMENDMENT RELATED TO SECTION 1505 OF 1997 ACT.—Section 1505(d)(2) of the 1997 Act is amended by striking "(b)(12)" and inserting "(b)(12)(A)(i)".

(c) AMENDMENT RELATED TO SECTION 1531 OF 1997 ACT.—Subsection (f) of section 9811 of the 1986 Code (as added by section 1531 of the 1997 Act) is redesignated as subsection (e).

SEC. 615. AMENDMENTS RELATED TO TITLE XVI.

(a) AMENDMENTS RELATED TO SECTION 1601(d) OF 1997 ACT.—

(1) AMENDMENTS RELATED TO SECTION 1601(d)(1)—

(A) Section 408(p)(2)(D)(i) of the 1986 Code is amended by striking "or (B)" in the last sentence.

(B) Section 408(p) of the 1986 Code is amended by adding at the end the following:

"(10) SPECIAL RULES FOR ACQUISITIONS, DISPOSITIONS, AND SIMILAR TRANSACTIONS.—

"(A) IN GENERAL.—An employer which fails to meet any applicable requirement by reason of an acquisition, disposition, or similar transaction shall not be treated as failing to meet such requirement during the transition period if—

"(i) the employer satisfies requirements similar to the requirements of section 410(b)(6)(C)(i)(II), and

"(ii) the qualified salary reduction arrangement maintained by the employer would satisfy the requirements of this subsection after the *transaction if the employer which maintained the arrangement before the transaction had remained a separate employer.*

"(B) APPLICABLE REQUIREMENT.—For purposes of this paragraph, the term 'applicable requirement' means—

"(i) the requirement under paragraph (2)(A)(i) that an employer be an eligible employer,

"(ii) the requirement under paragraph (2)(D) that an arrangement be the only plan of an employer, and

"(iii) the participation requirements under paragraph (4).

"(C) TRANSITION PERIOD.—For purposes of this paragraph, the term 'transition period' means the period beginning on the date of any transaction described in subparagraph (A) and ending on the last day of the second calendar year following the calendar year in which such transaction occurs."

(C) Section 408(p)(2) of the 1986 Code is amended—

(i) by striking "the preceding sentence shall apply only in accordance with rules similar to the rules of section 410(b)(6)(C)(i)" in the last sentence of subparagraph (C)(i)(II) and inserting "the preceding sentence shall not apply", and

(ii) by striking clause (iii) of subparagraph (D).

(2) AMENDMENT TO SECTION 1601(d)(4).—Section 1601(d)(4)(A) of the 1997 Act is amended—

(A) by striking "Section 403(b)(11)" and inserting "Paragraphs (7)(A)(ii) and (11) of section 403(b)", and

(B) by striking "403(b)(1)" in clause (ii) and inserting "403(b)(10)".

(b) AMENDMENT RELATED TO SECTION 1601(f)(4) OF 1997 ACT.—Subsection (d) of section 6427 of the 1986 Code is amended—

(1) by striking "HELICOPTERS" in the heading and inserting "OTHER AIRCRAFT USES", and

(2) by inserting "or a fixed-wing aircraft" after "helicopter".

SEC. 616. AMENDMENT RELATED TO OMNIBUS BUDGET RECONCILIATION ACT OF 1993.

(a) IN GENERAL.—Section 196(c) of the 1986 Code is amended by striking "and" at the end of paragraph (6), by striking the period at the end of paragraph (7), and insert ", and", and by adding at the end the following new paragraph:

"(8) the employer social security credit determined under section 45B(a)."

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the amendments made by section 13443 of the Revenue Reconciliation Act of 1993.

SEC. 617. AMENDMENT RELATED TO TAX REFORM ACT OF 1984.

(a) IN GENERAL.—Paragraph (3) of section 136(c) of the Tax Reform Act of 1984 is amended by adding at the end the following flush sentence:

"The treatment under the preceding sentence shall apply to each period after June 30, 1983, during which such members are stapled entities, whether or not such members are stapled entities for all periods after June 30, 1983."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the Tax Reform Act of 1984 as of the date of the enactment of such Act.

SEC. 618. AMENDMENT RELATED TO TAX REFORM ACT OF 1986.

(a) IN GENERAL.—Section 6401(b)(1) of the 1986 Code is amended by striking "and D" and inserting "D, and G".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the amendments made by section 701(b) of the Tax Reform Act of 1986.

SEC. 619. MISCELLANEOUS CLERICAL AND DEADWOOD CHANGES.

(a)(1) Section 6421 of the 1986 Code is amended by redesignating subsections (j) and (k) as subsections (i) and (j), respectively.

(2) Subsection (b) of section 34 of the 1986 Code is amended by striking "section 6421(j)" and inserting "section 6421(i)".

(3) Subsections (a) and (b) of section 6421 of the 1986 Code are each amended by striking "subsection (j)" and inserting "subsection (i)".

(b) Sections 4092(b) and 6427(q)(2) of the 1986 Code are each amended by striking "section 4041(c)(4)" and inserting "section 4041(c)(2)".

(c) Sections 4221(c) and 4222(d) of the 1986 Code are each amended by striking "4053(a)(6)" and inserting "4053(6)".

(d) Paragraph (5) of section 6416(b) of the 1986 Code is amended by striking "section 4216(e)(1)" each place it appears and inserting "section 4216(d)(1)".

(e) Paragraph (3) of section 6427(f) of the 1986 Code is amended by striking ", (e),".

(f)(1) Section 6427 of the 1986 Code, as amended by paragraph (2), is amended by redesignating subsections (n), (p), (q), and (r) as subsections (m), (n), (o), and (p), respectively.

(2) Paragraphs (1) and (2)(A) of section 6427(i) of the 1986 Code are each amended by striking "(q)" and inserting "(o)".

(g) Subsection (e) of section 9502 of the 1986 Code is amended to read as follows:

"(e) CERTAIN TAXES ON ALCOHOL MIXTURES TO REMAIN IN GENERAL FUND.—For purposes of this section, the amounts which would (but for this subsection) be required to be appropriated under subparagraphs (A), (C), and (D) of subsection (b)(1) shall be reduced by—

"(1) 0.6 cent per gallon in the case of taxes imposed on any mixture at least 10 percent of which is alcohol (as defined in section 4081(c)(3)) if any portion of such alcohol is ethanol, and

"(2) 0.67 cent per gallon in the case of fuel used in producing a mixture described in paragraph (1)."

(h)(1) Clause (i) of section 9503(c)(2)(A) of the 1986 Code is amended by adding "and" at the end of subclause (II), by striking subclause (III), and by redesignating subclause (IV) as subclause (III).

(2) Clause (ii) of such section is amended by striking "gasoline, special fuels, and lubricating oil" each place it appears and inserting "fuel".

(i) The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 620. EFFECTIVE DATE.

Except as otherwise provided in this title, the amendments made by this title shall take effect as if included in the provisions of the Taxpayer Relief Act of 1997 to which they relate.

The SPEAKER pro tempore. The gentleman from Kentucky [Mr. BUNNING] and the gentleman from New York [Mr. RANGEL] each will control 1 hour.

The Chair recognizes the gentleman from Kentucky [Mr. BUNNING].

GENERAL LEAVE

Mr. BUNNING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 2676.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. BUNNING. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I rise in support of the IRS reform bill. It is no secret the IRS is out of control. When agents testified before Congress in hoods out of fear of reprisal, and when honest taxpayers are hounded into bankruptcy, it is time for the Congress to step in and say, enough is enough.

The bill before us today puts some commonsense boundaries around the IRS. By setting up an oversight board of private sector experts, we force this service to move forward into the 21st century. Considering how the IRS has wasted billions on modernizing its computers, and that the year 2000 computer disaster creeps closer every day, the oversight board is incredibly important.

By forcing the IRS, and not the taxpayer, to carry the burden of proof in disputes, we protect legal, law-abiding citizens and end harassing and frivolous claims by maverick agents. By strengthening the confidentiality rules, we make it easier for taxpayers to get professional advice about their returns without having to worry about being tripped up by legal tricks.

Mr. Speaker, I think many people have forgotten that the "S" in IRS stands for "service," government servicing the taxpayers, not the other way around. By passing this bill today, we remind the IRS of its proper role, and about just who is in charge in America: The taxpayer.

Mr. Speaker, I urge support of the bill, and I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2676. I rise in strong support because of the bipartisan nature of the solution of a very serious problem that our Nation faces with the Internal Revenue Service. I do not think anyone can deny that we are basically dealing with a group of dedicated people that do a very difficult job, but a very complex Tax Code that we have given to them. Yet, out of all of this, for whatever reasons, we were able to see vividly during the Senate hearings how certain people in that Service, probably because of lack of direction and governance, were abusing American taxpayers.

Prior to this time there is no question that people in the tax-writing committee, which has the responsibility for oversight, was moving towards reform. But it was the restructuring commission that the gentleman from California [Mr. MATSUI] and the gentleman from Maryland [Mr. CARDIN] and the gentleman from Ohio [Mr. PORTMAN] sat on that actually wrestled with it, took testimony, and came up with ways in which we could enjoy the expertise of the private sector and bring some balance, not only in terms of technology, but in terms of better protecting the taxpayer.

Mr. Speaker, the gentleman from California [Mr. MATSUI] was replaced by Congressman Cohen, and they were able to work together with the administration and come up with a bill. There are some that have said that the administration came to this reform position screaming and scratching and crying, but the truth of the matter is there were many objections in the bill, and these corrections were made by Republicans and Democrats. We come forth with a bill that is not only workable, but desired today.

Let me say on this House floor, which I have said about the chairman, the gentleman from Texas [Mr. ARCHER] before, that Chairman ARCHER had the opportunity to bring that same type of a show to the House of Representatives, to bring a response to an emotional situation, which indeed Members of Congress and the whole country saw.

Instead of doing that, he allowed Members working on this bill to work their will in a bipartisan way and made contributions to perfect the bill, and worked to bring together Democrats and Republicans, not with a workable bill, but with a desired bill. I think it is not only a credit to him, but a credit to the full committee, that we send notice to the Internal Revenue Service that we expect better performance, we expect to provide the oversight, but we do not expect to do it at the expense of the individual workers who are dedicated.

So I support this, and I particularly want to pay tribute to the gentleman from Maryland [Mr. CARDIN] and the gentleman from Ohio [Mr. PORTMAN], who worked with the administration and the leadership in the House, as well as the Committee on Ways and Means, to bring a bill to the floor that hardly has controversy.

Mr. Speaker, I reserve the balance of my time.

Mr. ARCHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill we vote on today will give David, the taxpayer, a bigger slingshot to use against the IRS Goliath. But as proud as I am of this bill, it is just the beginning. Reforming the IRS is a very important first step, but the real culprit behind the scenes is the complexities of the current Internal Revenue Code.

What America needs is a new tax system, one that is fairer, simpler, less intrusive, less costly, and one that creates more economic growth for the American people, because that is what determines the size of the paychecks that families receive in this country. That is the American dream.

Actually, I should say, not just less intrusive. We should have a Tax Code that gets the IRS completely and totally out of the lives of every individual American. I believe we must rip the income tax out by its roots and throw it away, so it can never grow back.

As helpful as this legislation will be to taxpayers struggling with the IRS, I personally will not be satisfied until the tax system itself is repealed. But until that great day comes, this bill will be a valuable helping hand to millions of taxpayers who need and deserve a stronger slingshot.

This bill does three things to protect taxpayers in their dealings with the IRS: No. 1, in America, criminals are innocent until proven guilty, but taxpayers do not receive the same benefit of the doubt. This legislation shifts the burden of proof in court proceedings from the taxpayer to the IRS. No longer will taxpayers have to prove beyond the burden of credible evidence that they are innocent. As a result, taxpayers will benefit from more favorable settlements, even before they ever get to court.

The gentleman from Ohio [Mr. TRAFICANT], like Paul Revere riding in the night, he was the one to first sound the alarm about the burden of proof. Now change is coming, and the gentleman from Ohio [Mr. TRAFICANT] deserves our thanks.

No. 2, we create 28 new taxpayer rights, including the right to sue the IRS for damages caused by negligence of the IRS employees in the collection process. We make it easier for a taxpayer to recover legal fees and costs when the IRS is wrong. We pay 4 million taxpayers higher refunds when the IRS holds up their check, plus we protect thousands of innocent spouses, often divorced women, so they are less likely to be punished by the IRS for mistakes made on their joint returns by their former spouses.

We, for the first time, make the IRS responsible for any rules that they give in writing to taxpayers. Taxpayers now will be able to rely on anything in writing that they receive from the IRS.

We remove any suspicion that politics will be allowed to enter audit decisions, because we make it a felony for any Cabinet-level official, including the President and the Vice President, to direct the IRS to audit or terminate an audit for any particular taxpayer.

No. 3, if the Department of the Treasury could have fixed the IRS, they would have done so a long time ago. So our bill creates an independent oversight board that includes nongovernmental experts who can bring new thinking and a more taxpayer-oriented culture to the IRS. Like a breath of fresh air, this board will have real power and authority to change the direction of the IRS. No more will we be told, you appropriated $4 billion for a new computer system, but it does not work. That is intolerable.

Mr. Speaker, the protections provided in this bill go a long way to helping solve peoples' worst problems with the IRS, but as long as our Nation taxes its citizens on the basis of income, it will be impossible to completely fix the IRS. This bill is a strong helping hand, and it is long overdue, but the mission will not be complete until the taxpayers are protected and the IRS becomes nonexistent in the individual lives of all Americans. I look forward to that day.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield 5 minutes to the gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Speaker, I rise in strong support of H.R. 2676, the Internal Revenue Service Restructuring Act of 1997. This bipartisan legislation to reform the IRS builds on work of the National Commission on Restructuring the IRS, which was chaired by our colleague, the gentleman from Ohio, Mr. ROB PORTMAN, and Senator KERREY.

I particularly want to congratulate the gentleman from Ohio, Mr. ROB PORTMAN, for the leadership he has shown throughout this period in keeping us focused on our objective to bring about a bill that could not only pass, but be signed into law. He did a great job, and I congratulate him on that effort. I am very proud to have joined the gentleman from Ohio in cosponsoring H.R. 2292, which has a strong bipartisan support in this House.

Chairman Archer and the Committee on Ways and Means took a very good bill and made it better. With the strong support in this House and from the President, this bill should be quickly enacted.

I also want to acknowledge the work the gentleman from New York [Mr. RANGEL] and the gentleman from Pennsylvania [Mr. COYNE] did on our side of the aisle, keeping us focused on getting a bill that could enjoy bipartisan support.

I thank the gentlewoman from Connecticut [Mrs. JOHNSON], the chairman of the Oversight Committee, for the role that she played. I appreciate the role Mr. Kies in the staff did in keeping us focused on getting our job done. There is a lot of credit that should be shared in this legislation.

The legislation before us marks the first fundamental reform in the IRS in nearly a half a century. The problems of the IRS are familiar: billions of dollars squandered on a bungled computer modernization effort, telephones unanswered, taxpayers too often treated with disrespect or suspicion.

These problems have not emerged recently. They are not the legacy of one administration, but of decades. These are not the problems of individual employees. In fact, the employees of the IRS have come forward to help us understand the problem, and they have helped us craft a solution today.

This administration, and particularly Secretary Rubin, have been more attentive to the problems of the IRS and more dedicated to seeking solutions than any in recent years. Secretary

Rubin has made important changes in the management of the IRS, and those efforts have begun to show results. But much more remains to be done.

Congressional action is needed in order to ensure that the reforms of the IRS do not depend on any particular individual or administration. The solution proposed in this bill is the creation of an oversight board that will bring private sector expertise in the areas where the IRS needs it the most. The creation of this board, with a real role in the planning and oversight of the strategic plans for major reorganizations in the budget of the IRS, is the most important element in bringing reform to this troubled agency. The board is a permanent entity that will provide continuing oversight for the IRS.

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IRS reform requires not just a new management structure involving a partnership between the board, the Secretary, and the Commissioner, it will also require improved performance by those of us in Congress. Over the long run, we cannot build an IRS that serves the American people unless we write a Tax Code that the IRS can explain and the people can understand.

This bill takes the first step toward tax reform. The bill does not reform our Tax Code but reforms the way we collect revenues. Reform of the practices of the IRS will make it easier for us to concentrate on the underlying problems in the Tax Code itself.

Our tax system is based on voluntary compliance. More than 80 percent of Americans pay their taxes without dispute. An IRS that can answer taxpayer phone calls and provide accurate, reliable information will help us increase voluntary compliance. For the overwhelming majority of Americans who abide by the law and pay their taxes, the IRS should stand for information, respect, and service. Abuse of collection practices must become a thing of the past. At the same time, the IRS must become a more efficient agency in enforcing laws against those who seek to escape their legal obligations.

Mr. Speaker, the IRS is charged with the vital task of collecting revenues needed to fund the basic and essential operations of Government. When the IRS is mismanaged in the way that it creates fear and anxiety among taxpayers, the result is to undermine the confidence of the American people in their Government. The purpose of this legislation is to reform the IRS so that we can begin to restore that badly damaged confidence.

Today, this body will act in time for the next tax season. The legislation has the support of the administration. I hope the other body will follow the leadership of this House and enact meaningful IRS reform in order to help the taxpayers of this Nation.

Mr. Speaker, I rise in strong support of H.R. 2676, the Internal Revenue Service Restructuring Act of 1997. This bipartisan legislation to reform the Internal Revenue Service builds on the recommendations of the National Commission on Restructuring the IRS, which was chaired by our colleague, Representative PORTMAN and Senator KERREY.

I am very proud to have joined Representative PORTMAN in cosponsoring H.R. 2292, which has had strong bipartisan support in this House. Chairman ARCHER and the Ways and Means Committee took that very good bill and made it better. With strong support in this House and from the President, this bill should move quickly to enactment.

The legislation before us marks the first fundamental reform of the IRS in nearly half a century. It will bring a new structure to the IRS, a structure that is designed to change the way the IRS treats its customers, the American taxpayers.

The problems at the IRS are familiar—billions of dollars squandered on a bungled computer modernization effort, telephones unanswered, taxpayers too often treated with disrespect or suspicion. These problems have not emerged recently—they are not the legacy of one administration, but of decades. These are not the problems of individual employees. In fact, the employees of the IRS have come forward to help us understand the problem, and they have helped us craft the solution today.

This administration, and particularly Secretary Rubin, has been more attentive to the problems of the IRS and more dedicated in seeking solutions than any in recent years. Secretary Rubin has made important changes in the management of the IRS, and those efforts have begun to show results.

But much more remains to be done. Congressional action is needed in order to ensure that reform at the IRS does not depend on any particular individual or administration.

The solution proposed in this bill is the creation of an oversight board that will bring private sector expertise in the areas where the IRS needs it most. The creation of this board, with a real role in the planning and oversight of the strategic plans, major reorganizations, and the budgets of the IRS, is a most important element in bringing reform to this troubled agency. The board is a permanent entity that will provide continuing oversight of the IRS.

IRS reform requires not just a new management structure, involving a partnership between the board, the Secretary, and the Commissioner. It will also require improved performance by those of us in Congress.

Legislative oversight of the IRS is too unfocused, with too many masters and not enough coordination among committees. The bill attempts to bring some order and structure to the current system. Over the long run, we can't build an IRS that serves the American people unless we write a Tax Code that the IRS can explain and the people can understand.

This bill takes the first step toward tax reform. The bill does not reform our Tax Code, but it reforms the way we collect revenues. Reform of the practices of the IRS will make it easier for us to concentrate on the underlying problems in the Tax Code itself.

A big part of the problem with the IRS is the agency's inability to provide taxpayers with accurate information regarding their tax status. This simply has to stop, and this bill will help.

Our tax system is based on voluntary compliance. More than 80 percent of Americans pay their taxes without dispute. An IRS that can answer taxpayer's phone calls, and provide accurate, reliable information, will help increase voluntary compliance.

For the overwhelming majority of Americans, who abide by the law and pay their taxes, the IRS should stand for "Information, Respect, and Service." Abusive collection practices must become a thing of the past. At the same time, the IRS must become a more effective agency at enforcing the law against those who seek to escape their legal obligations.

In addition to the governance and oversight provisions, the bill contains a new set of provisions to be added to the Taxpayer Bill of Rights. The provisions address many problems that taxpayers have encountered in dealing with the IRS, and their enactment will help solve those problems.

I would add, however, that the broader objective of this bill must be to change the culture of the IRS to make it a taxpayer-friendly organization so that future Taxpayer Bills of Rights will not be necessary.

Mr. Speaker, the Internal Revenue Service is charged with the vital task of collecting the revenue needed to fund the basic and essential operations of Government. When the IRS is mismanaged in ways that create fear and anxiety among taxpayers, the result is to undermine the confidence of the American people in their Government. The purpose of this legislation is to reform the IRS so that we can begin to restore that badly damaged confidence.

Mr. ARCHER. Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio [Ms. PRYCE].

Ms. PRYCE of Ohio. Mr. Speaker, I thank the chairman for yielding me this time.

I rise in strong support of this bill. I congratulate the chairman, and I congratulate also my colleague, the gentleman from Ohio [Mr. PORTMAN], for all the hard work and dedication that he has brought to this issue and, with him, the gentleman from Ohio [Mr. TRAFICANT] who has long championed this cause and kept our feet to the fire.

It should not be difficult to convince any of my colleagues in this body that the IRS needs to be reformed. Each and every one of us provides case work to our constituents, and we have all heard the numerous, tragic horror stories about how the IRS has unfairly treated honest, hard-working taxpayers. I could go on and on and enumerate those stories, but I do not have to; we have all heard the same ones.

Mr. Speaker, no one here is claiming that H.R. 2676 is a panacea for our ailing tax system. It does not abolish the IRS or scrap the Tax Code, as many of our constituents would like. But until we do that, and we will do that, this bill takes a step toward installing a modicum of fairness into a system for those who are simply forced to comply with the Tax Code's painful provisions.

Mr. ARCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. CAMP].

Mr. CAMP. Mr. Speaker, I rise in strong support of H.R. 2676, the Internal Revenue Service Restructuring and Reform Act of 1997. Our bill boils down to one simple fact—the taxpayer should be treated like a customer, not a criminal. Shouldn't a customer be able to expect an answer from a telephone hotline? Well, the General Accounting Office found that in 1996, only 21 percent of calls to the IRS were even answered. One-half of the 22 percent error rate on paper 1040 forms is due to IRS employee error—IRS employees inputting the wrong numbers and data. If the IRS were a private company, it would have gone bankrupt years ago. H.R. 2676 is an important first step in reforming our tax system. It focuses on three things: first, we shift the burden of proof to the IRS. In the United States, you're considered innocent until proven guilty. But not with the IRS—the taxpayer bears the burden of proving himself innocent. Our bill changes that.

Second, we give taxpayers the right to sue the IRS for damages caused by negligence, and other important rights like protections for an innocent spouse whose ex-husband or ex-wife engaged in tax abuse. Finally, we bring new thinking and a more customer-oriented culture to the IRS, with a private board to give direction and leadership to the IRS.

The bill we are debating today is the first step. The bigger problem is a tax code gone wild, full of complexity and ambiguity. That tax code, with over 17,000 pages of IRS laws and regulations, leads to many of the problems the IRS faces today. With 480 tax forms and 280 forms to explain the forms, its no wonder the taxpayer is often confused. Businesses spend on average each year 3.6 billion manhours filling out and complying with tax forms. American individuals spend 1.8 billion hours filling out tax forms. That is simply unacceptable. I look forward to continuing our work of reforming our tax system.

Mr. ARCHER. Mr. Speaker, I yield 1 minute to the gentlewoman from Texas [Ms. GRANGER].

Ms. GRANGER. Mr. Speaker, I rise today in strong support of the IRS Restructuring and Reform Act of 1997. This simple proposal will help make the IRS more efficient in its operations and more accountable to its boss, the people.

Recent hearings in the Senate have only confirmed what millions of Americans have always known, the IRS is outdated, out of touch, and out of control. Today we can bring to a vote two simple changes to the way the IRS does business. These are not radical changes. They are reasonable steps toward accountability and fairness.

First, this bill will put an oversight board of citizens in charge of reviewing the IRS. In our system of checks and balances, this is a much needed and long overdue check on the IRS.

Second, this bill will bring the IRS into the American way of dealing with the American people. We all know that our criminal justice system tries to ensure fairness by represuming that the accused are innocent until proven guilty, so why is it the IRS files charges against you or your company, you are considered guilty until proven innocent? In other words, a common criminal is presumed innocent until proven guilty when he has his day in court but the rest of us are guilty until proven innocent in Tax Court. Today we can change this, Mr. Speaker. Let us give the taxpayers the benefit of the doubt and the tax collectors the burden of proof.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. ENGLISH], a respected member of the Committee on Ways and Means.

Mr. ENGLISH of Pennsylvania. Mr. Speaker, I thank the chairman for yielding me the time.

It is stunning, but the IRS is the only place in the American system of law where a citizen is guilty until proven innocent. Traditionally, the taxpayer, when notified by the IRS that his tax payments failed, in their view, to satisfy his tax obligation, carried the burden of proof in demonstrating that his tax payment is accurate. The presumption is for the IRS and against the taxpayer. In my view, this is just plain wrong.

This legislation addresses that issue. This legislation, which is based on the recommendations of the Committee on Ways and Means, Subcommittee on Oversight, creates 28 new taxpayer rights essential to restoring to the individuals a sense of fairness in their dealings with the IRS. In my view, the most important of these is a shift in the burden of proof from the taxpayer to the IRS in any court proceedings where factual information is disputed.

Let me be clear about this. The taxpayer is still required to cooperate. The taxpayer is still required to provide the information which is in the taxpayer's control. But those taxpayers who do cooperate and who provide all the necessary information see a shift back in an appropriate way in the burden of proof. From my standpoint, this will dramatically restore fairness in this situation.

Also, H.R. 2676 creates an independent citizen board to hold the IRS accountable for change. The IRS sees a variety of new taxpayer rights, including a right to sue the IRS for negligence, a right to know when you are being audited and why, and expanded rights for citizen spouses.

This legislation is so important to move us forward to change the system, to change the IRS in a way that I think is very fundamental. I support this legislation. I am excited about it. I appreciate the chance, Mr. Speaker, to rise in support of it.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. GREEN].

Mr. GREEN. Mr. Speaker, I thank my ranking member of the Committee on Ways and Means, not only for the time this morning but also for the effort on this piece of legislation. I know it is a very bipartisan piece of legislation because about 2 weeks ago the President agreed to sign onto it. Even before that, there were a lot of Democrats who were interested in the issue, particularly shifting of the burden of proof, cosponsors of a bill by a Democratic Member, our colleague, the gentleman from Ohio [Mr. TRAFICANT].

The bill is a good effort because, one, it transfers the burden of proof to the IRS and again makes it fair for the taxpayer that they would know, going into the Tax Court, that the IRS has to show that someone is actually violating the law on taxes.

Also, I think it is important because the President will continue the appointment of the commissioner. Even though we have an advisory board with some authority, we need to have an elected official. With the President being the one that does it with authority over the IRS, we do not need to delegate that to an appointed board because so often in any level of government, whether it be Federal, State, or even local government, the elected official needs to have the final version, the buck stops at the office of the President. And I think this is good because it leaves that authority in appointing the IRS commissioner with the White House and with the person, whoever the President may be. That is important.

I think because of the hearings in the Senate last week or over the last 2 weeks, again, it is not something new. I know the gentleman from Texas [Mr. ARCHER] knows it, a long time member of the Committee on Ways and Means, knows that this issue will, if we address it today, 2 years from now we may have to do it again. That is the way Government works. We try and correct problems now, and we will fix them again if we have to, whether it be next year or the year after.

That is why Congress is in session, to correct problems for the people that we represent. That is why I think this bill is a good bill. I hope we can pass it both through the House and Senate and get it signed by the President.

Mr. PORTMAN. Mr. Speaker, I yield 1 minute to the gentleman from South Dakota [Mr. THUNE].

Mr. THUNE. Mr. Speaker, I want to thank the chairman of the full committee and the gentleman from Ohio [Mr. PORTMAN] for the hard work that they have done on this important issue.

When this first started being debated, a lot of the liberal cynics out there said that it is just one of those things that the Republican leadership is doing to drum up support among their base. Then they started hearing the stories, and as more and more of the stories unfolded, people started believing we have a problem in this country with respect to the IRS.

This is a first bold, dramatic step, I think, in what I hope will be a long journey that will end up with reforming the Tax Code, which is at the crux of what our problem is in this country. But this proposal today makes important reforms that, for the first time in 45 years, we are doing something to reform the IRS and giving citizens, the people who have to pay the taxes, more input into this process.

I think it is an important, as I said, first step which allows for more input at the grass roots level for the people who have to abide by the tax laws that we make in this country. I hope it will be the first step in what will be a long journey toward reforming the Tax Code in this country. I am delighted to see the bipartisan support for this. I think that we will pass it with a huge vote and hopefully get on with the business of reforming the Tax Code.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Rhode Island [Mr. WEYGAND].

Mr. WEYGAND. Mr. Speaker, I want to thank our ranking member, the gentleman from New York [Mr. RANGEL], and the gentleman from Ohio [Mr. PORTMAN], and the chairman of the Committee on Ways and Means for bringing this before us.

As a Democrat and as a former small business owner, I can tell my colleagues, the people that are out there for this kind of reform are begging for this reform. This is a wonderful, very prospective, very proactive kind of legislation that will help many people.

I remember many of my colleagues in the small business community talking about the problems they had with the IRS. These are people that are solid citizens, people that are paying their taxes and that, when an IRS agent walks into their office, all of a sudden they become guilty without ever having a chance to prove their innocence. They have to go out there and actually reverse what we have considered for many years the basics of the United States justice system, and that is, you are innocent until proven guilty.

One small business owner came to me and said, an agent came into my office one day unannounced, requested of me to write out a check for $2,000, wanted a copy of the form that I filed with the IRS. And I grabbed all my papers, I put them all together, and I felt awkward in front of all my employees, he said, I had to go down to the IRS office.

When I got down there, I showed them a copy of the form that I had filed on time, I showed them a copy of the check that I had paid with their stamp on the back side, yet they went through that entire record. I felt like a criminal when I was simply just trying to do business the proper way and pay my taxes on time.

This bill will change that. This will make sure that the honest citizen, the citizen that is out there, is going to have a fair chance. It will not give up any of the rights that they presently have under the present jurist system, and it will give them the kind of reform that we need, not because we are Democrats or Republicans but because we are honest people that believe in paying our taxes, but we also believe we should have a fair shake.

I applaud the ranking member. I applaud the chairman. This is long overdue. This is something we all should support. I encourage the support of all my colleagues.

Mr. PORTMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. COLLINS], a colleague of mine on the Committee on Ways and Means.

□ 1215

Mr. COLLINS. Mr. Speaker, I thank my colleague the gentleman from Ohio [Mr. PORTMAN] for yielding me this time and for his hard work in this area of restructuring the IRS.

Since being in Congress for the last 5 years, I have had a lot of inquiries from constituencies about problems they have had and told me about experiences they have had with IRS. Just recently, I held a townhall meeting in Columbus, GA, where we invited in some of the constituency to talk about some of their personal experiences and also to have some input and ideas as to how they felt like the IRS could better handle their situation.

It was a very enlightening townhall meeting, one of the best we ever held. But it was also one that did not come to bash the IRS, it just came with ideas and experiences and some suggestions. We even had an accountant in that talked about the IRS, and not in a bad way, but in a way that he felt would be constructive as we put together this bill to restructure the IRS.

Also, he mentioned the complexity of tax codes and how the complexity of the tax codes also is causing a lot of problems, not only for our constituency, but also for the Service itself that has to administer the collection of funds that we use to operate this Government.

We are taking this from the top down, looking at the management of the IRS and how the management is structured. Hopefully, that will have a change in attitude all the way through the Service, all the way down to those who answer the telephone, oftentimes after going through long steps of different types of answering services to get to a real live person to talk to.

But we have hopes that that attitude will change and that our constituency will be better handled and better served through our representatives at the IRS. Also, as mentioned by several people who were not at the meeting but have spoken to me personally about the IRS and about the employee and the attitude and structure comes the suggestion that we also need to look at how we hire, the hiring practices at the IRS, as well as other areas of the Government, and that we hire people who are competent, who are dedicated to serving the individuals in the constituency and not just hiring people to fill slots.

I fully support restructuring the IRS.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. COYNE], who served on the IRS restructuring committee. He has made such a great contribution to getting this bill to the floor.

Mr. COYNE. Mr. Speaker, I rise today in support of this legislation, which will make important reforms in the operation and management of the Internal Revenue Service.

There is broad consensus on the need for significant changes in the IRS operation and management. The vast majority of the provisions of the McCrery-Portman-Cardin bill are noncontroversial. There has been disagreement, however, about one provision in an earlier version of this bill, and that is whether an oversight board composed primarily of private sector appointees should be given substantial control over the agency and the IRS Commissioner, himself or herself.

Negotiations between the administration and Congress over the past few months produced a compromise in which the President retained the authority to appoint and fire the IRS Commissioner and in which the oversight board and the administration would each submit an IRS budget to Congress.

As a result of these changes, H.R. 2676 was reported out of the Committee on Ways and Means with broad bipartisan support. I want to commend Secretary Rubin and the members of the Committee on Ways and Means for all of their hard work on legislation over the past few months.

I believe that this bill, if enacted, taxpayers will experience a fairer, more efficient and more responsive IRS in the coming years. I urge support for H.R. 2676.

Mr. Speaker, I rise today in support of this legislation, which will make important reforms in the operation and management of the Internal Revenue Service.

When I was appointed to the National Commission on Restructuring the IRS, I was well aware of the problems at this agency. As a member of the House and Ways and Means Committee, I had sat through many hearings on IRS reform over the years. There was, in fact, a very broad consensus among Ways and Means Committee members and members of the IRS Restructuring Commission on the need for significant changes in IRS operations and management.

We all agreed on the need for greater flexibility linked with greater accountability, as well as greater reliance on outside sources of expertise and technological know-how. The vast majority of the Commission's recommendations reflected this broad consensus.

There was disagreement among Commission members, however, about one recommendation in particular—whether an oversight board composed primarily of private sector appointees should be given substantial control over the agency and the IRS Commissioner. The majority of Commission members supported creating a board of directors that would have the authority to hire and fire the IRS Commissioner, and which would approve the agency's budget and strategic plans. A number of Commission members, myself included, thought that such a change would have the unintended effect of actually reducing the accountability of the IRS. We also believed that investing the authority over the IRS budget and strategic planning in a board dominated by private sector individuals could raise serious questions about conflicts of interest between board members public responsibilities and their private sector employers' interests.

As the legislation introduced by Senator KERREY and Representative PORTMAN, which reflected the Commission's recommendations, was considered by the Ways and Means Committee, public discussion of this bill focused on this one controversial provision in the bill—the issue of what authority the oversight board should have. The vast majority of the provisions in the Kerrey-Portman bill were noncontroversial.

Negotiations between the administration and Congress on the powers of the oversight board continued almost until the Ways and Means Committee markup of this bill began, but these negotiations eventually produced a compromise in which the President retained the authority to appoint and fire the IRS Commissioner, and in which the oversight board and the administration would each submit an IRS budget to Congress. As a result of these changes, H.R. 2676 was reported out of the Ways and Means Committee with broad bipartisan support.

I believe that enactment of this legislation will improve IRS operations and management significantly. The bill contains a number of important provisions, including language expanding congressional oversight and measures intended to promote electronic filing of tax returns over the next 10 years. The bill also includes a taxpayers' bill of rights section which contains a number of provisions to prevent or discourage abusive behavior by IRS employees, to clarify and codify the protections available to taxpayers in proceedings with the IRS, and to provide relief for innocent spouses of tax cheats.

In closing I want to make one additional point. In the course of debate over this legislation, many Members have succumbed to the temptation to bash the IRS. I think that such attacks are unfair, inappropriate, and irresponsible. Clearly, there have been problems at this agency, but it is important to point out that the IRS Restructuring Commission found no evidence suggesting that those abusive practices were widespread—or even very common.

The IRS is responsible for enforcing the compliance of more than 100 million taxpayers with a complex Tax Code. The agency processes over 200 million forms a year and administers gross receipts of roughly $1½ trillion. The congressional hearings on IRS abuses produced 2,000 claims of IRS excesses nationwide. While no abuse is acceptable, I think that we need to look at these cases in the context of the agency's overall performance, which is impressive. Our income tax system relies on voluntary compliance. Our compliance rate is over 80 percent. We have the lowest effective tax rate of any of the major industrialized nations. I think that those facts should be considered as well.

Finally, to the extent that the IRS went too far in certain cases in seeking to maximize revenue, we should not place all of the blame on the IRS. Congress has, in no small way, pressured the IRS to maximize revenues—and Congress has insisted that IRS adopt the types of performance measures that apparently drove IRS field offices to excess in certain circumstances. In the end, Congress must tell the IRS how it should balance the often competing concerns of productivity and fairness.

I want to commend Secretary Rubin and Representatives PORTMAN, JOHNSON, and RANGEL for all of their hard work on this legislation over the last few months. I believe that if this bill is enacted, taxpayers will experience a fairer, more efficient, and more responsive IRS in the coming years.

I urge my colleagues to support H.R. 2676.

Mr. PORTMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. MCCRERY], a member of the Committee on Ways and Means.

Mr. MCCRERY. Mr. Speaker, I rise today to do two things. No. 1, praise the IRS Reform Act that we will pass today; and No. 2, tell my colleagues and the country that, while this is certainly a good bill, it will offer only slight relief from the burden that the real culprit, our Tax Code, places on our people and their work.

First the praise. This is indeed an excellent piece of legislation constructed by two of the most able members of the Committee on Ways and Means, the gentleman from Ohio [Mr. PORTMAN] and the gentleman from Maryland [Mr. CARDIN], and the gentleman from Texas [Mr. ARCHER], our excellent chairman.

This legislation will make the IRS more accountable by creating an independent oversight board. It would also establish several important taxpayer rights, such as the ability to sue for legal fees when the IRS is wrong and shift the burden of proof in tax court from the taxpayer to the IRS. Finally, this legislation includes measures to ease the transition to electronic filing of taxes, thus relieving some of the burden on small businesses.

Mr. Speaker, the admonition is that this is not enough. As long as we have the complex Tax Code that we have, no amount of IRS reform will be sufficient to relieve the costly burden of compliance. Let me share with my colleagues a few numbers.

Thirty-six. That is the number of times the paperwork received each year by the IRS would circle the Earth. Five and a half million. That is the number of words in our Tax Code and the regulations. It is nearly seven times longer than the Bible. Five billion, 400 million. The number of hours Americans spent complying with Federal tax forms. One hundred fifty-seven billion. That is the number of dollars spent by the private sector to comply with income tax laws.

Mr. Speaker, I am glad we are going to pass this badly needed IRS reform bill. It is a great piece of legislation. But, Mr. Speaker, we ought not to leave here today thinking that we have done all that needs to be done to relieve our citizens of the crushing burden our current tax system places on them. That burden will not be lifted until we throw the Tax Code in the trash can and start all over, until we create a fairer, simpler tax system for everyone.

Mr. RANGEL. Mr. Speaker, I yield myself 30 seconds to respond to the previous speaker.

I want to agree with him that this Tax Code that we have is very complicated, and I think that not only taxpayers, but people on both sides of the aisle would like to do something with it. But he should be reminded that, for the last 3 years, his party really has been in charge of the Tax Code. So I hope he is proud of what they have produced during these 3 years. And every Democrat would like to join with him in trying to reform it.

Mr. Speaker, I yield to the gentleman from Tennessee [Mr. TANNER].

Mr. TANNER. Mr. Speaker, I want to thank the gentleman from Texas [Mr. ARCHER] and the gentleman from New York [Mr. RANGEL] and the gentleman from Ohio [Mr. PORTMAN] and the gentleman from Maryland [Mr. CARDIN] and others who worked so long, and I want to thank the gentlewoman from Washington [Ms. DUNN] in a few minutes.

But let me just say at the outset that the tax man has been and will continue to be an easy target since Biblical times. The fact is that the function of the IRS is necessary. Its sole purpose is to collect taxes. No one likes to pay taxes, so their anger is projected upon those who do the collecting.

We have to have taxes to fund the vital and necessary functions of the Government, defense, interstate highways, food inspection, public health, FAA, and other missions that only the Government can and must do for all of us. We cannot change the function or the nature of the work the IRS performs, but we can change the approach.

The IRS has not been reformed in over 40 years. Currently, it seems to many of us, that the emphasis of the IRS is on collection at all costs by any means necessary. As a result, the IRS is antiquated, less responsive, more aggressive with a persona akin to private-sector collection agencies. The IRS needs a makeover to reshape their image, and they need fresh, new, innovative ideas and new vision. We seek to do that today.

We need to transform the IRS from a collection agency to a taxpayer customer-oriented agency which values individual taxpayers and citizens and treats them with respect and dignity and not just as a number.

To accomplish this, many of us believe we need to look to the private sector for vision and direction. This bill accomplishes that objective. Also, included in the measures are an expanded taxpayers bill of rights, which the gentlewoman from Washington [Ms. DUNN] and I introduced to end fishing expeditions, curb IRS summons authority to provide greater protection for taxpayer information, and to require the IRS to demonstrate just cause to pursue an audit.

Mr. Speaker, I urge support for H.R. 2676.

Mr. PORTMAN. Mr. Speaker, I yield 30 seconds to my friend, the gentleman from Louisiana [Mr. MCCRERY].

Mr. MCCRERY. Mr. Speaker, I just want to use 30 seconds to respond to my friend the gentleman from New York [Mr. RANGEL], who pointed out that Republicans have been in control for the last 3 years.

That is true. Democrats were in control for 40 years prior to that, and most of the complexity was built under their tenure. However, I do hope that the gentleman from New York [Mr. RANGEL] will join with me and others who agree that the Tax Code is too complex and promote overall tax reform for this country. It is in all of our interests to do that.

Mr. RANGEL. Mr. Speaker, I yield myself 30 seconds.

We are trying desperately hard to keep partisanship out of this. But if it is going to take my colleagues 37 more years to simplify the tax system, then I do not think the taxpayers are going to get much relief.

It just seems to me that it should not take 3 years to get what we would want done and it would be more like 3 months. So let us say next year we are going to do it, we are going to come up with something and in a bipartisan way work together with the way the gentleman from Ohio [Mr. PORTMAN] has found so easy to work with we Democrats on this bill.

Mr. Speaker, I yield 1½ minutes to the gentleman from North Carolina [Mr. ETHERIDGE].

Mr. ETHERIDGE. Mr. Speaker, I thank my friend the gentleman from New York [Mr. RANGEL] for yielding me the time.

I rise today in support of this bill to reform the IRS service. I want to thank my friend the gentleman from New York [Mr. RANGEL], the gentleman from Maryland [Mr. CARDIN] and the gentleman from Texas [Mr. ARCHER] for their leadership in this important issue.

When the people of the Second District of North Carolina sent me to this body, they wanted an advocate, someone who would stand up for them in the people's House. And I am pleased to support this piece of legislation on behalf of the people of my district. Working families in North Carolina and across this country face enough challenges in their lives without the added burden of the things we have heard about in recent months of certain members of the IRS who are out of control. If a criminal has a right to be presumed innocent before the courts, so should the American taxpayers.

The Congress has taken a strong bipartisan step forward in working for American families and can do it by enacting the first comprehensive reform of the IRS since 1952. The IRS reform bill, H.R. 2676, is based on an aggressive 3-point plan, which shifts the burden of proof from the taxpayer to the IRS, creates 28 new taxpayer rights, and overhauls the management of the agency through the creation of an independent board.

Mr. Speaker, I would urge Members on both sides of the aisle to move forward for the hard-working families of America.

Mr. PORTMAN. Mr. Speaker, I yield 2 minutes to the gentlewoman from Washington [Ms. DUNN], who added some valuable provisions in the taxpayer rights section of this legislation.

Ms. DUNN. Mr. Speaker, I must say we are delighted that in only 3 years of holding the majority, we have been able to put together a bipartisan piece of legislation that shows real listening to our constituents and results in upgrading and making much more positive the IRS.

Throughout my tenure in Congress, I have heard from thousands of constituents who have talked to me about numerous problems they have had with our system of taxation and particularly with the IRS. The theme has been the intrusive and sometimes abusive interference of the Internal Revenue System when taxpayers were only trying to be honest.

One of my constituents, Mr. Speaker, was told by the IRS that his wife was dead even though he produced his wife and her doctor before a local IRS agent. Another constituent, a local businessman, was forced to undergo a costly, long-lasting audit by the IRS because of a supposed discrepancy of 65 cents, only to find out that the IRS was wrong.

This agency operates too often, Mr. Speaker, under the belief that taxpayers are trying to cheat the Government. The bill that we propose today is the first step in providing citizens greater tax fairness, protections from the abuse of the IRS. Our bill includes provisions proposed by the gentleman from Tennessee [Mr. TANNER] and myself for an increased confidentiality protection for taxpayers and for the tax advice that they receive from their advisers. Currently, the IRS can subpoena even the thought process of a taxpayer unless that taxpayer is represented by an attorney.

Our bill also reins in the lifestyle audits that can currently be initiated by something as simple as a new car in the driveway unless there is reasonable indication of unreported income. So no more fishing expeditions.

Mr. Speaker, while the language in the bill is not as broad as we proposed, and in our particular proposals the gentleman from Tennessee [Mr. TANNER] and I will continue through this bill into the next year to ensure that every taxpayer is afforded confidentiality protections currently enjoyed by only those who can afford attorneys and those who through this new legislation can afford an accountant.

We intend to make it clear to the IRS and the courts that Congress does intend for them to be limited to the scope of their information gathering ability. I encourage support of this bill.

□ 1230

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. STRICKLAND].

Mr. STRICKLAND. Mr. Speaker, I was walking down the sidewalk in a small town in my district recently, and an older woman in a wheelchair called to me. I went over and sat down and talked with her for a while. During the course of that conversation, she said to me, "Congressman, I wish you would just chew up the IRS and spit it out." I asked that sweet, gentle, older woman why she felt as strongly as she did, and she said, "I believe the IRS contributed to my husband's death because they hounded him," and she said, "It didn't bother me as much as him because I'm a tough old bird."

I walked away thinking that it is sad that any American would ever feel that way about an agency of our Government. And so I came to the floor today mostly to say thank you to my Ohio colleague [Mr. PORTMAN] for all the work he has done on this. I know many have worked on this legislation. This may be the most significant piece of legislation directly affecting the lives of American citizens that this Congress deals with.

Mr. PORTMAN. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. HERGER], a member of the Committee on Ways and Means.

Mr. HERGER. Mr. Speaker, today I rise in strong support of H.R. 2676, the IRS Restructuring and Reform Act. In town hall meetings throughout my northern California congressional district and wherever I go, I hear from taxpayers who are fed up with IRS abuses and who are demanding Congress to take steps to reform this agency. Today we move forward with strong bipartisan legislation that will not only reform the way the IRS does business, but will also restructure the agency to help assure that taxpayers are better protected from IRS abuses in the future.

This legislation makes a number of important changes. First, it shifts the burden of proof from the taxpayer to the IRS in disputed tax cases that reach U.S. Tax Court. No longer will taxpayers be considered guilty until they are able to prove themselves innocent.

Second, this bill expands taxpayer rights by providing citizens 28 new legal protections against the IRS. When taken together, these 28 new taxpayer rights will shift the IRS's primary focus from heavy enforcement to customer service.

Finally, this bill will establish a more accountable IRS oversight structure. This new board, which will bring to the IRS outside expertise, will assist in fundamentally changing the culture and management of the IRS.

The gentleman from Texas [Mr. ARCHER], the gentleman from Ohio [Mr. PORTMAN] and the gentleman from Maryland [Mr. CARDIN] are to be commended for their efforts on IRS reform. I would urge my colleagues to support this common-sense yet long overdue legislation.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. KLECZKA], a member of the Committee on Ways and Means.

Mr. KLECZKA. Mr. Speaker, I thank the gentleman from New York for yielding me this time to speak on the IRS Restructuring and Reform Act of 1997. As a member of the Committee on Ways and Means, I was pleased that we were able to formulate a bipartisan bill that will benefit all American taxpayers.

I must say that I have had several conversations with the gentleman from Maryland [Mr. CARDIN] and also the gentleman from Ohio [Mr. PORTMAN] on the bill, and I was quite surprised that we were able to work together to come to this day.

One of the most difficult hurdles in formulating the legislation was determining the structure and responsibilities of the oversight board. I had strong reservations and concerns about the IRS Restructuring Committee's recommendation that the board made up of private individuals have the power to hire and to fire the IRS commissioner. Fortunately, a workable compromise was made that gives the oversight board significant input into the workings of the IRS, but keeps the appointment of the Commissioner in the hands of the President.

This bill also contains some important provisions protecting the rights of taxpayers. For example, innocent spouses will now have an easier time of attaining this protective status. In addition, attorney/client confidentiality privileges are being extended to protect taxpayers who choose to confide with their certified tax preparer, their certified public accountant. Finally the burden of proof for taxpayers who cooperate in IRS proceedings will now fall to the IRS should the case go to court.

These are some of the changes that should make dealing with the IRS much easier. Today we are moving forward with the legislation that sends a strong message to all our constituents. We have heard your frustrations with the IRS, and we are taking actions to right these wrongs.

Mr. PORTMAN. Mr. Speaker, I enjoyed working with the gentleman. We did have a lot of good, constructive conversations, and the gentleman helped to make it a better bill.

Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. PAUL].

Mr. PAUL. Mr. Speaker, I rise in support of this legislation. It is a step in the right direction. Get rid of the Code, get rid of the IRS, and get rid of the income tax.

Mr. Speaker, I rise in tepid support of H.R. 2676, the Internal Revenue Service Restructuring and Reform Act of 1997. As most recently evidenced by Senate hearings, taxpayers across the country are clamoring for real reform. Yet, instead of delivering genuine reform, the Congress delivers an Oversight Board made up, in part, of experts from the fields of management, customer service, Federal tax laws, and information technology—in other words, more guards to oversee the watchdogs.

I can support this bill because it partially shifts the burden of proving guilt from the taxpayer to the Government. Innocent until proven guilty is a tenet that permeates any free society but has somehow been ignored with respect to the Internal Revenue Service's imposition of criminal penalties. Additionally, this bill makes political audits by executive branch officials felonies punishable by fine and/or imprisonment.

While these small steps are laudable, in light of the massive nature of the problem, the complexity of the Tax Code, and the oppressive nature of the excessive taxation under which we are currently so heavenly burdened, this bill is but token reform. The current taxation problem is rooted in the excessive spending by Government resulting from a bad case of congressional activism under which the legislative body has repeatedly overstepped it's article I, section 8, constitutional powers.

No one likes to pay taxes—almost. The large majority of people in any society enjoy the benefits that come to them through Government programs, yet, essentially no one likes to have their taxes increased, believing they are always on the short end of receiving benefits in return. And this of course is true. The most people never get back what is taken from them in the form of taxes.

Oliver Wendell Holmes, however, was different. He claimed he likes to pay taxes saying: "I like to pay taxes. With them I buy civilization." In a more famous quote, Holmes said: "Taxes are what we pay for civilized society." A more accurate statement might be that taxes, especially if collected with the tactics of the IRS, are what permits Governments to act in a most uncivilized manner.

Teddy Roosevelt, during the Progressive era, 1902, appointed Oliver Wendell Holmes, Chief Justice of the Supreme Court, a time during which the ground work was laid for the modern welfare state later promoted by Teddy's cousin FDR. And it was not too many years after the appointment of Oliver Wendell Holmes to the Supreme Court that these progressive ideas led to the establishment of the income tax, the IRS, and an equally threatening organization, the Federal Reserve.

Frank Chadorow had a much better understanding of what the income tax meant. "Income taxation is in principle the worst of all forms of taxation because it begins by asserting the prior right of the state to all wealth." This principle can be applied to almost all taxes. A tax on inheritance could be considered even worse since we accumulate property and capital often with after taxed money. Since all taxes are essentially a tax on productive effort, whether it be corporate tax or even a sales tax, this principle is certainly accurate when the revenues are used for redistributive purposes.

I see nothing wrong with the slogan "taxation is theft," when the revenues are used to transfer wealth or privilege from one group or person to another. In spite of all the talk in recent months regarding the method of taxation and the abuse by the IRS these basic principles are not being discussed. There has been too much emphasis placed on the taxing process rather than the philosophical principles that not only endorse but encourage an abusive tax system.

The recent Senate hearings on IRS procedures however were very beneficial in that they were reported by the major media and confirmed what most Americans suspected. Probably the most outrageous confirmation was that IRS agents did confess to a deliberate policy directed toward the weak and the poor to intimidate and make examples of them. Agents testified that the wealthy and the sophisticated were generally left alone because they were more capable of defending their rights. This is an outrage that should not be forgotten and should be used as a strong motivation to eventually do something about our tax system.

The fact the some citizens have even committed suicide over the pressure of facing the tax collectors is something that should not ever happen in the civilized society that Holmes claimed we were paying for. Thousands of Americans are quite willing to pay the penalties and excess tax without challenging the Government even when they know they are right because the emotional and financial penalty of fighting the IRS is too great.

For the last four decades it has become known to most Americans that both Republican and Democratic administrations have been willing to use the IRS, and for that matter other regulatory agencies, to punish their political enemies. It seems that the current administration has refined this technique to near perfection. It has been quite willing to attack, through the Tax Code, those foundations and groups that oppose Clinton's policies while ignoring the friendly ones.

If we indeed lived in a truly civilized society individuals would be willing to come forth and reveal the Government's atrocities against its own people instead of choosing to hide their identity. The fact that IRS agents are hidden behind screens makes one think that they believe they belong to an organization such as the Mafia and if discovered they themselves would become a victim. It reminds me of the horrible pictures that we see of our FBI, BATF, and DEA agents making questionable raids on private citizens with stocking caps over their heads. In a civilized and free society, Government agents would act as our servants and not convey an appearance of a criminal element. But, nearly two decades ago Milton Friedman asked "When you sit across the table from a representative of the IRS who is auditing your tax return, which one of you is the master and which the servant?"

In light of recent revelations the administration was quick to defend the IRS and explain the need for a strong collection agency. What else could we expect? However, even the administration senses that the public is on the verge of revolt and quickly added that certain reforms would be necessary. Reforms suggested by the administration included an advisory board, of course without clout, as well as making sure the IRS offices were kept open for longer periods of time including Saturdays. The advisory board would be used to advocate suspensions of seizure of property when appropriate. Sure. When an agency of Government is acting outside the law, i.e., the Constitution, while continuously making numerous errors, then expanding their hours seems to me to only compound our problem, not reduce them. Though I'm sure some Americans will see this as a positive for the administration, hardly will this do anything to help the problem.

Even the Republican proposal to have a private board with more clout doesn't address the real problem. And another Taxpayer's Bill of Rights won't help either. If a private board is being appointed, what would keep the establishment from appointing friendly people to the board? I can't see where this would be any different from the IRS being supervised by political hacks from the Treasury Department. This whole notion that better service can be given to the taxpayer is a bit preposterous. The fact that we call this the Internal Revenue Service is an obvious misnomer. How can an agency of Government that sets out to confiscate our wealth provide a service to us? It is just as preposterous to refer to victims as customers. Taxpayers are no more customers of an organization providing a service than the man in the moon. This type of wording is nothing more than the newspeak of which Orwell wrote. So far the reforms advocated by the administration and the Congress will do nothing to solve our long-term problems.

Other more serious reforms have been suggested, such as eliminating the current Tax Code and replacing it with a flat tax or a national sales tax. Both of these proposals come up far short of dealing with the real problem. Supporters of both proposals never touch the problem of the Social Security, Medicare, flat tax of 17 percent which not only is here to stay but will surely rise. Since these programs are sacred no one can suggest that something should be done about them. But in reality, as I have mentioned before, the Social Security and Medicare tax is an income tax that is used for general revenues as the trust funds are nonexistent.

When one adds the tax that the employer and the employees pays, which is the real labor cost, each individual is paying 17 percent of their income up to $65,000, which is a truly regressive income tax. If a flat tax of 17 percent is added we are immediately at 34 percent and rising. With a flat tax this high and with removal of tax exemptions for everything, and especially our donations as well as our interest on our houses, we are actually setting the stage for a much higher tax rate which will make no one happy. Sure, there might be a little less difficulty figuring out the code, a cost in and of itself, but if one can save some money by having a complex code this could actually be better than a simple code where we are forced to divvy up more to the welfare state. Besides, the flat tax that is proposed has exemptions for low income so immediately it is a flat tax after a certain amount thus it is in reality a graduated tax. Businesses would still have to deduct the expense of doing business prior to reporting their profits.

A national sales tax has also been bantered around as an alternative to the income tax. Where it too has some advantages, reducing the effects of the complicated Tax Code and making filling out our tax returns easier, it also has many short-comings. First, nobody knows precisely what rate would be require to pay all the bills. Some have suggested 15 percent, others believe it will be over 30 percent, which I am inclined to believe. The reason it's impossible to calculate is that at a certain level of taxation there will be a motivation to avoid the sales tax by expanding the underground economy.

The argument is made that the sale tax is a good way to collect revenue because those who are ducking taxes like the drug dealers and other criminals will be forced to pay the sales tax when they buy luxury items. There is nothing automatic about that assumption. Besides, IRS agents, who may be called something else, will be required to monitor every small business and every small profession to make sure that the revenues are collected and deposited in the Treasury. I can imagine that many small businesses and entrepreneurs working at home will have every bit as many records to fill out as they do now with their tax return. Obviously, reforming the tax collecting system to make productive Americans happy is much more difficult than meets the eye. Many Americans and Washington politicians are overly optimistic about changing the method of collection as the solution to the problems we face with our over exuberant revenuers.

Changing the collecting system, if the goal is to pay the bills and avoid a deficit, does nothing to solve the real problem of disenchantment with Government and the disgust with high taxes as well as with the prodding Federal bureaucrats who invade every aspect of our lives.

What is really upsetting most productive Americans is the fact that they have to work until July 3, before they get to keep any of their earnings for themselves. It's ironic that July 4th is our first day of independence from all taxation. This does not even take into consideration the inflation tax, i.e., the loss of value of our purchasing power, as our Government continues to diminish the value of the dollar.

The inflation tax is something that is much more difficult to understand and yet is the tax of last resort of all authoritarian governments. We are now at the point where the American people are starting to rebel against any increase in taxation. In spite of the fact that we cannot pay our bills we were actually able, for political reasons, to make a token cut in some taxes last summer. This still did not prevent our Government, acting through the Federal Reserve, from creating new credit when necessary thus diminishing the value of the money already held. On this tax, however, because it's difficult to see and the victims harder to find, the measurement is elusive. For this reason I am predicting that when push comes to shove with the budget it will be the ultimate tax used on the American people in an effort to continue to finance the welfare/warfare state. The real tragedy of this is that perceptions of the value of the dollar make it almost impossible to predict who the victims are going to be and when the value of the dollar will suddenly change. For instance it was quite clear when the recent devaluation hit the Mexican Peso it occurred suddenly and sharply and the victims were the middle-class and the poor throughout the country. But it was not gradual, steady and logical because the inflation tax frequently comes in sudden bursts.

The attention that token reforms are getting today, whether it be reforming the current system and devising a friendlier IRS or talking about a flat tax or a sales tax, actually is more of a distraction than a constructive debate. I am not saying this is intentionally done or of no value but I think that is the result of the current discussion.

The reason for this is that fundamentally and foremost it's not a tax problem we face. The basic problem confronting us as a country is a spending problem. Concentrating only on taxes, which is okay to a degree, avoids the subject of the size of government and the reason why the Government spends so much of the Nation's output. If we concentrate only on taxes and we avoid the subject of the role of Government and why the Government wants more of our money, we cannot and will not solve the problem. The goal ought to be to shrink the size of government and lower taxes. As bad as the income tax is on principle, an income tax of 3 percent on all money earned would not cause a tax revolt and most Americans would voluntarily pay their taxes. Even a national sales tax of 5 percent would not prompt a hue and cry over the tax system. The problem, of course, is that the Government is spending way too much money and there is no serious effort to cut back.

Recent budgetary efforts in Washington indicates that there's not much chance that the current Congress is going to do anything about cutting back. The welfare state is alive and well. Even the National Endowment for the Arts could not be cut, Clinton's health program is being implemented by the Republican Congress, public housing money is increasing, and just recently, in our Education Committee, a Republican proposal supported by Democrats to increase national educational expenditure for the purpose of promoting charter schools was easily passed, although it authorized a new $100 million program.

As long as this attitude prevails on the spending side, Saturday morning hours for the IRS and keeping telephone lines open 24 hours or having a review panel or instituting a sales tax or a flat tax will do nothing other than delay the serious discussion about reducing the role of government in our lives, in our economy and in the world at large.

Supply side economics pushed by many during the 1980's argued strenuously for lower tax rates with which I agreed. But the goal of the supply siders was merely to stimulate the economy so that higher revenues would flow to Washington—a bad motivation. It is possible that with a lower tax rate the economy would pick up but if the result was higher tax revenues, these revenues should be used to further cut taxes not increase expenditures. At the same time the supply siders were pushing the lower tax rates for the purpose of increasing revenues, they were advocating higher and higher budgets for the IRS to enhance the ability of the tax collectors. The Reagan administration was quite receptive to this principle believing that if a $1 billion in additional funds was given to the IRS it promised to produce $17 billion more in revenues through the process of harassment, intimidation and audit. Even this year the Treasury bill appropriation, which contained the pay raise for the Members of Congress, had an increase in the IRS budget of 9 percent giving them an increase of more than a half billion dollars to do exactly what they have been doing for decades. So, in the middle of the hearings on the Hill revealing the outrageous tactics of the IRS, and at the same time the politicians were propagandizing for tax reform, the large majority of Democrats and Republicans were voting for a huge increase in the IRS budget to continue the very process they were publicly condemning.

Today the atmosphere in Washington can be described as deceptively optimistic. Many of those who were preaching cutbacks and austerity a few years ago are claiming great victories with the accomplishment of a balanced budget. This budget is not balanced regardless of what the politicians are saying. Last year's national debt went up nearly $200 billion when the funds taken from the trust funds are considered. Members are actually sitting around figuring out how to spend the excess they expect over the next several years. What they don't understand is that their projections of our future spending habits, the tax revenues, interest rates, and the state of the economy are unknown to them and quite frankly are going to be a lot different than their optimistic projections.

All taxes are extracted from the productive effort of the people. Whether the tax comes through an income tax, a sales tax, an inheritance tax, a school tax, property tax, or whatever, this is the method whereby the state confiscates the productive effort from the people. Governments produce nothing. All governments can do is use force to redistribute wealth and pay off their political cronies. The name of the game is power. Power is achieved by the politicians through the control of people's income through a taxing system as well as manipulating the value of money. As Chief Justice John Marshall said: "The power to tax is the power to destroy." It is not just a coincidence that those who introduced us to the welfare state, the Progressives of the early 20th century, believed both in the power to tax as well as the power to inflate.

In our relatively free society where productive efforts still exist and a profit motive remains, big government programs can be tolerated and funded for long periods of time. But as time goes on the productive ability of corporations and individuals is diminished as are all our freedoms for personal freedom cannot long exist without economic freedom. Today, we are living under conditions which encourage the export of capital and the exporting of jobs while encouraging the immigration of individuals who will do quite well living off our welfare state. In spite of the euphoria now being expressed in Washington, at the height of our so-called recovery, the conditions are set for soon recognizing that productive efforts are being impeded by our tax and regulatory system and there has been absolutely no serious intent to change our spending habits. The welfare/warfare state is moving briskly along and is being encouraged by the deceptive pronouncements that our budget is balanced and all we need to do is change the method by which we collect revenues.

We do not have a technical problem or an IRS code problem. We have a problem in defining the proper role for government. As long as the majority of the American people still believe it's in their best interests to have a government that redistributes wealth and polices the world, this crisis will continue to build. A proper sized government would require minimal taxes and would be designed for the protection of liberty and equal justice for all. We have come a long way from those intentions of the Founders of this country, but we'll soon face a crisis of confidence and be forced once again to decide for ourselves just what kind of government we want and how much government will tolerate. Let's hope and pray that those of us who believe in limited government and maximum individual freedom will use the events of the coming years to promote the cause of liberty and not just tinker with the Tax Code. When that day comes the big tax debates will probably be: should we have a 5-percent import tax or a 10-percent import tax and we will not be dealing with a Federal income tax nor a Federal sales tax at all. Moreover, we will not be concerning ourselves with triffling reforms of a revenue agency which harasses our people and eats out our substance. Let us hasten that day.

Mr. PORTMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. HAYWORTH], a member of the Committee on Ways and Means.

Mr. HAYWORTH. I thank the gentleman from Ohio for yielding me this time.

Mr. Speaker, I have heard from many of my constituents, but this morning I heard from an Arizonan who made an indelible impression and really brought a face to this debate, Mr. Speaker. His name is Bob Brockamp. Bob's grandfather, Stan McGill, at age 93 several years ago made a mistake in writing a check to the Internal Revenue Service. He meant to write a check, Mr. Speaker, for $700. He added an extra zero. $7,000. Other merchants and other entities with whom Mr. McGill had dealt understood that he was having problems. Indeed, he was in the stages of Alzheimer's disease, and they would say, "Obviously there's been a mistake in his remittance, we're sending back a significant portion of that money." Just about every business he dealt with caught that mistake, but the IRS, when it received a check for $7,000, kept the money.

Mr. McGill passed away. Bob's mom received basically a threat from the Internal Revenue Service. Even though her late father had paid $7,000 more than he owed, the Internal Revenue Service said to Mrs. Brockamp that his estate owed $1,000, and she should pay it if she wanted to keep her home and personal property.

The Brockamps tried to fight this in court. They took it all the way to the Supreme Court. The Supreme Court ruled 9 to 0, "Gee, Brockamps, you might be right on this morally, but you're incorrect legally because the statute of limitations has run out."

Mr. Speaker, one of the many great things we do in today's legislation is to change, the statute of limitations, indeed to remove the statute of limitations or suspend that statute for those taxpayers who are mentally and/or physically disabled and unable to understand what they were doing. Sadly, it will not help Stan McGill, but it will help thousands of senior Americans across the country. Support this legislation. Let us make a move positively for America.

Mr. RANGEL. Mr. Speaker, we would not be talking about burden of proof if it were not for the tenacity of the gentleman from Ohio [Mr. TRAFICANT]. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio.

Mr. PORTMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. TRAFICANT].

The SPEAKER pro tempore (Mr. PEASE). The gentleman from Ohio [Mr. TRAFICANT] is recognized for 5 minutes.

Mr. TRAFICANT. Mr. Speaker, I want to commend the Republican Party, the gentleman from Texas [Mr. ARCHER], the gentleman from Georgia [Mr. GINGRICH], the gentleman from Ohio [Mr. PORTMAN], and also along with the gentleman from New York [Mr. RANGEL] and the gentleman from Maryland [Mr. CARDIN] for this great bill. This is a great day. I want to also commend the Republican Party for beginning the dialog to change the Tax Code.

By the way, I would like to see us reduce income taxes in half and couple it with a small sales tax, require a two-thirds vote to increase it, and exemptions for poor people.

But let me say this today. In America, an American citizen accused shall be considered innocent until proven guilty, and the accuser shall carry the burden of proof in that matter. Where, ladies and gentlemen, in God's name have the bureaucrats been able to seduce Congress over the years to change that provision? If it is good enough for mass murderers, it should be good enough for Mom and Dad, our taxpayers.

I come to the floor here today because I know the White House has not signed off on this last provision. The Secretary of the Treasury questions its revenue impact, and the other body still has some reservations. I want the gentleman from New York [Mr. RANGEL] to imagine if we could travel back in time with all this technology, that Members of Congress decided to go to Philadelphia and look into the Founders. Mr. Madison leans over to Mr. Jefferson, he says, "Great stuff here, isn't it, Tom?" And Jefferson says, "Great day. Aptly named the Bill of Rights, Mr. Madison. Do you agree, Ben?"

Ben Franklin says, "Hey, don't let it be written that Ben Franklin's not for this." Freedom of religion, freedom of speech, trial by a jury of our peers, no search warrant without seizure. A great day. "Do you agree, Mr. Hancock?"

"I think it's great, but I think we should run it by George. Mr. Washington?"

"Fellows, this is great, but what is it going to cost? What are the revenue impacts? We better hire some accountants and score it."

Unbelievable. We know George Washington never said that. The House of Representatives must insist today to put the Bill of Rights back in the Tax Code of the United States of America because if it was up to the IRS, they would score the Bill of Rights, and, by God, we would not have it.

Those IRS workers are not demons. We have created a monster. Most of them are good people. But in America the people govern. It is time to take our Government back. Today's vote is the most important vote we will cast in that whole process.

I thank the gentleman from Ohio [Mr. PORTMAN] for working hard to include my provision in this bill. I want to thank the gentleman from Georgia [Mr. LINDER], the gentleman from Georgia [Mr. COLLINS], the gentlewoman from Washington [Ms. DUNN], all of you.

Let me say this before I close out. I am not on a first-name basis with anybody at the White House, but I will make a house call over this provision that I have worked for for 10 years. Some 98 percent of the American people understood it and supported it.

I am glad to see there is no partisanship here today. The gentleman from New York [Mr. RANGEL], one of the most qualified Democrats we have ever had on Ways and Means, was not in the position to take a stand on the Traficant provision. But I am going to compliment the Republican Party here today for swallowing hard and including my provision. I know it was not easy. I know there are still some words in there that I am not totally crazy about, and they know that as well. But we can ratchet down the beginning, and I am hoping that next year after a track record of the burden of proof language change, you will consider two things from JIM TRAFICANT: Cleaning up that language on burden of proof which can be improved; and, second of all, dealing more specifically with the seizure practices of the IRS and look at the Traficant provision that says before they can seize your property, they must have judicial consent, you must have a notice of a hearing, and you shall be present and allowed to be represented at such hearing.

But let me tell you what. No one is going to be totally satisfied with anything. I am satisfied today. I am satisfied today that the Republican Party included a Democrat provision that, by God, I could not get heard on my own side of the aisle. I compliment you, I thank you, and let me say this. Keep the burden-of-proof provision in that final bill.

Mr. PORTMAN. Mr. Speaker, I once again want to commend the gentleman for his persistence and for his patience and for his strong support now of the legislation, a 10-year crusade.

Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. RAMSTAD], a member of the Committee on Ways and Means.

Mr. RAMSTAD. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, as a cosponsor of this important legislation to provide a sweeping overhaul of the IRS, I appreciated the opportunity to work in a bipartisan, pragmatic and collaborative way with the gentleman from Ohio [Mr. PORTMAN], the gentleman from New York [Mr. RANGEL], the gentleman from Maryland [Mr. CARDIN], the gentleman from Texas [Mr. ARCHER] and other members of the Committee on Ways and Means.

□ 1245

We promised, Mr. Speaker, tax relief for the American people, and we delivered. We also promised a major overhaul of the IRS, and today we must deliver again.

Mr. Speaker, this first comprehensive reform of the Internal Revenue Service in over 45 years is long overdue. I have heard from countless constituents about IRS abuses like most of my colleagues have about unfair and selective audits, arbitrary rulings, communications couched in gobbledygook and legalese. Mr. Speaker, these kinds of abuses of the American taxpayers must stop now. We must never forget we work for the taxpayers of the United States of America, and this legislation will make a big difference to the taxpayers of this country.

It is high time we change the IRS from an adversarial organization to a consumer-friendly, service-oriented organization. Let us pass this important bipartisan IRS reform bill today. Let us pass these 28 new rights for taxpayers. Let us overhaul the management of the IRS and hold the IRS accountable. Let us shift the burden of proof, as the gentleman from Ohio [Mr. TRAFICANT] has so eloquently called for for 10 years. Let us shift the burden of proof in tax cases from the taxpayer to the Government. Mr. Speaker, the taxpayers of America deserve nothing less.

Mr. RANGEL. Mr. Speaker, I yield 2 ½ minutes to the gentlewoman from Florida [Mrs. THURMAN].

Mrs. THURMAN. Mr. Speaker, I thank the ranking member, the gentleman from New York [Mr. RANGEL], for yielding this time to me. I want to express my strong support for this legislation.

The oversight committee conducted a series of hearings on the problems facing the IRS and the American taxpayers who must deal with the IRS. The committee took seriously the negative experiences of taxpayers before drafting this bill.

The goal of this bill is that IRS operate efficiently while treating all Americans with the respect they deserve. This bill will ensure that incidents of harassment and intimidation against law-abiding taxpayers become a thing of the past.

Some of the provisions of H.R. 2676 codify reforms already implemented by the administration. Others come from the bipartisan National Commission on Restructuring the IRS. All of these are necessary. The taxpayer bill of rights language will protect innocent spouses from having to pay tax penalties for the action of their spouses. The bill also provides civil damages to the taxpayer when IRS employees negligently disregard the law. The bill shifts the burden of proof onto the IRS in Tax Court cases when the taxpayer has cooperated fully with reasonable requests for information. This is long overdue. These are real and not just cosmetic reforms. The IRS needs to do a better job of educating the people of the availability of taxpayer services.

As Members of Congress, we all try to help our constituents who have tax problems. In Florida, we have used an excellent taxpayer advocate in the IRS Jacksonville office. She has been able to resolve many longstanding tax problems of the people of Florida's Fifth

District. I encourage taxpayers to contact their advocates. They might be able to quickly resolve some of their tax problems, and it is time to move forward.

I also want to remind my colleagues and the taxpayers that on Saturday, November 15, the IRS will hold the first of its monthly problem-solving days in each of its 33 district offices. This day will give taxpayers and practitioners the opportunity to resolve problem tax cases.

The IRS is encouraging, and I think this is important, is encouraging taxpayers to contact the IRS as soon as possible to schedule an appointment in the nearest district office. I hope that taxpayers with outstanding problems will take advantage of this.

Mr. Speaker, H.R. 2676 represents an important step in returning government to the people it represents. I urge the support of this bipartisan bill.

Mr. PORTMAN. Mr. Speaker, I yield 3 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON], the chair of the Subcommittee on Oversight of the Committee on Ways and Means, who played a very important role in electronic filing, taxpayer rights, and many other provisions of this legislation.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in strong support of this legislation, and I want to commend my colleague, the gentleman from Ohio [Mr. PORTMAN], for his leadership of what was a yearlong process of analyzing the serious problems plaguing the IRS and taking responsibility for developing solutions to those problems as the House chair of the Reform Commission. I commend him as well for his careful stewardship of the commission's report, educating Members on its substance, being open to rethinking some of its difficult issues, and, as a member of my subcommittee, working with us to strengthen and enlarge the taxpayers' rights.

Today we will adopt the most dramatic reform of the IRS since 1952. The three-point plan will overhaul the tax-writing process to help simplify the Code and protect taxpayers. It will create an independent oversight board to bring private sector expertise to the table to modernize the IRS's technology and create a customer service culture that can provide timely and accurate answers to questions and assist taxpayers with problems.

Third, it will create 28 new taxpayer rights, including the right to sue the IRS for damages resulting from the IRS's negligence, shifting the burden of proof to the IRS in the Tax Court, and for the first time taxpayers will be able to report abusive agent behavior to the IRS without fear of retaliation. Letters threatening an audit if someone does not participate in some voluntary program will end, and for the first time taxpayers will be given an explanation of the reasons for an audit and their rights in that process.

This should end politically inspired activities, it should end costly multiyear audits, even in cases where the person audited has been found to be owed money by the Government, and for the first time 30,000 innocent spouses will be saved $30 million in taxes because they will not have to pay taxes owed by their former spouses, not by them. Too often the deadbeat dad not paying child support or taxes gets off while the innocent spouse is dunned by the IRS because she is available and she is responsible.

The 28 taxpayer protections will protect taxpayers forcefully and fairly, and I am proud of the work of my subcommittee in shaping these recommendations and in strengthening the taxpayers' protections.

I urge support of this bill as it represents a giant step forward, but I urge the committee to move forward with tax simplification which is the route of reform.

Mr. RANGEL. Mr. Speaker, I yield 4½ minutes to the gentleman from Maryland [Mr. HOYER] to express his views. Whenever anyone talks about improving how we collect taxes, his name, whether it was a Republican or Democratic President, was always there. He has worked very hard in not only trying to improve the present system but trying to improve the present piece of legislation.

Mr. PORTMAN. Mr. Speaker, I yield 1 minute to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I thank the gentleman from New York for his comments.

As a preface, I have served on the Subcommittee on Treasury, Postal Service, and General Government since January 1983. It is the responsibility of that subcommittee to oversee the Internal Revenue Service's budget and its management practices.

In the last three terms of Congress under Democratic and Republican leadership, our subcommittee has raised very substantial questions, and we have worked with the distinguished gentlewoman from Connecticut on those issues and the distinguished staff of her subcommittee who has done such an outstanding job.

I want to say to the gentleman from Ohio [Mr. PORTMAN] and to Senator KERREY, as they know, that I think their efforts have produced a good work product. I think the commission raised many appropriate questions and recommended some very solid solutions. Having said that, I want to preface my remarks by saying that I ask no colleague to follow me in either adopting my premises or my vote, not one, because I understand the power of the rhetoric that precedes this bill to reform the IRS.

There have been a lot of columns written on this issue. Jim Glassman, not an apologist for Democratic policies, says do not reform the IRS, and he says Republicans talk grandly about simplification but this year passed legislation adding 285 new sections and 824 amendments to the tax law.

Mortimer Caplin, a distinguished former IRS commissioner, said this:

> The proposed overall design by the Restructuring Commission and its statutory offspring is deeply flawed. It would obscure the core focus of the IRS, blur the lines of authority, and hamstring efficiency.

The good news, my colleagues, is that under Secretary Rubin and Deputy Secretary Summers, for the first time since I have been on the Appropriations Committee, there has been a focus on management issues in addition to tax policy issues. As a result, very substantial things are happening at the IRS.

We are starting to get a handle on tax systems modernization, which was a disaster under the Reagan administration, under the Bush administration, and under the early Clinton administration, because the IRS clearly did not get a handle on its information systems technology. The good news is, we are now doing just that. We have an outstanding person that was recruited specifically to take on this task.

The Senate just a few days ago confirmed Mr. Charles Rossotti as the new Commissioner of the IRS. He is the former president of the American Management Systems, Inc., a firm of 7,000 people in northern Virginia. He has been doing exactly what IRS needs to do, in the private sector: Handling information and providing quick, user-friendly responses in an efficient manner. This administration has moved to make sure that the IRS makes many of the changes proposed by the restructuring commission.

Now, having said that, the administration, myself, and others raised very substantial questions about the bill that was originally introduced.

I might say tangentially, there has been no speaker raising any questions prior to me about the problems with this legislation. However, numerous responsible, thoughtful, conservative observers have said that this is not the way to go.

On its surface the legislation which we consider today is about IRS reform. The proponents claim that it will be the answer to all of our concerns about an agency which has admittedly failed to manage its operations well.

However, too many of my colleagues believe that the simple creation of a private sector oversight board will lead to a more user-friendly and responsive IRS.

I would argue that the net effect of H.R. 2676 will be nothing more than phony tax populism as described by Gloria Borger of U.S. News.

And while there are many provisions in this bill which I support, I think the empowerment of a private sector board, with far-ranging powers, will do little more than add just another layer of bureaucracy.

The taxpayer bill of rights title is necessary to provide much needed relief to innocent spouses and those who, because they are ill, are not able to file for a tax refund in a timely manner.

There are also provisions in the bill which I support that are designed to increase electronic filing.

However, the bill creates an unnecessary and more complicated organizational structure at the IRS, which I believe will have the overall effect of less accountability.

While there is no doubt a role for private sector advice and expertise, what the IRS needs is more accountability, not less.

H.R. 2676 would place management in the hands of people who, however well-meaning, are loyal and accountable to the firms and businesses that employ them.

And while IRS bashing may be both fun and easy, I would suggest that if we are truly attempting to make the IRS more user friendly, we ought to take a closer look at the tax writers, not the tax collectors.

As the national commission on restructuring the IRS concluded, Congress' attempt to micro-manage the IRS and its frequent changes of the Tax Code, have undermined the ability of the IRS to manage efficiently in the long or short term.

No matter how many managerial changes we make, it will not make the IRS more user friendly. We ought to focus on improving education and services for taxpayers, better training for IRS employees, modernizing computers, and simplifying the overall Tax Code.

Let's not hamstring the Commissioner's ability to enact real IRS reform by fooling ourselves into believing that adding another layer of bureaucracy in the chain of command is going to solve IRS' problems.

Let's build upon the progress started by Secretary Rubin and ensure that we enter the 21st century with an IRS that is customer-friendly, technologically-advanced, and governed "by the people, for the people."

Let us not delegate authority of the IRS to private interests who could easily undermine public confidence in the Agency and dramatically decrease voluntary tax compliance.

Are we all against the outrageous actions of the IRS? Absolutely. Should we take every action possible to eliminate the abuse of citizens that has occurred by IRS personnel or any other person in government? Absolutely.

□ 1300

But let me point out to my colleagues, that as Charles Krauthammer wrote so compellingly just a few days ago, "The IRS does not write the rules it must enforce. Congress and the President do, and the rules are now an insane 9,451 pages long. The Tax Code is so extraordinarily complicated that no taxpayer can ever be sure he has fully complied with the law."

That is the difficulty the IRS has in implementing the Code, and your commission said so. Your commission said one of the problems IRS has is that the Congress has not given them stable and steady funding levels. Your commission also said that there was not a systemic problem, and I appreciated those honest remarks.

I would hope, Mr. Speaker, that as we vote on this legislation, and clearly it will pass with over 400 votes so that we can all go home and say we are for IRS reform. My colleagues recognize that if one is not for IRS reform on appropriation bills and on tax bills, it will not happen. We will not be able to hide behind this vote.

I will look forward to the conference committee. In my opinion, the chairman of the Committee on Finance wants to go in exactly the wrong direction, as reported today in the papers, exactly the wrong direction, and that is what I fear. I would hope that we would look carefully at the product of the conference committee and ensure ourselves that we are in fact doing the right thing for the taxpayers of America.

Mr. PORTMAN. Mr. Speaker, I yield myself just 30 seconds to respond briefly, and then I would like to yield to the gentleman from Missouri. But with regard to the gentleman's comments, again I appreciate the supportive words he said. I would ask him again to read the legislation, because he has misstated what the oversight board's responsibilities are. They do not come up with the budget for the IRS, the Congress still does that of course ultimately, but in fact the Treasury Department will send its own budget. We do get an informational budget which I think is going to be very important, particularly to the appropriators.

Second, he talks about an additional layer of bureaucracy. What we are doing here is we are providing oversight that does not currently exist. We are filling a void; it is not an additional layer of bureaucracy.

Mr. Speaker, I yield 2½ minutes to the gentleman from Missouri [Mr. HULSHOF], a member of the Committee on Ways and Means, who has improved this legislation.

Mr. HULSHOF. Mr. Speaker, I accept the invitation of the preceding speaker to go beyond the rhetoric and talk about the outrages.

Mr. Speaker, let not my words today be an indictment against the hard-working men and women that are our tax collectors that are trying to do the best job they can. But as a Member of the House Committee on Ways and Means, particularly the Subcommittee on Oversight, we have the responsibility of looking at the inner workings of the Internal Revenue Service, and here are some of the examples we have seen already this calendar year. Earlier this year, we learned that over 100 IRS agents conducted unauthorized inspections of individual taxpayer records.

Example No. 2: The IRS delayed its notification to business owners of a new requirement to electronically file payroll taxes, and then the agency threatened these same business owners with severe sanctions for noncompliance.

Example No. 3: The error and fraud rate in one program alone, the earned income credit, is nearly 21 percent. Five billion dollars were erroneously paid out of tax money last year alone.

If these examples of mismanagement are not troubling enough, they pale in comparison to a recent Associated Press story that hit the newspapers in Missouri, and that is that the IRS is now targeting the victims of the great flood of 1993 with audits of these individual taxpayers who cannot document their losses because receipts were washed away in the flood.

Now, Mr. Speaker, the next time that the rivers in this country run high, Americans should not have to look after their family heirlooms, their prized possessions, their loved ones, and their tax records. Clearly, the time has come to institute bold management reforms.

I agree with the preceding speaker, the gentleman from Maryland [Mr. HOYER]. We also have to begin to talk about fundamental reform of the tax system. We have to talk about a fundamental discourse about how to change and simplify the Tax Code. But this legislation will begin to implement that taxpayer service. Shifting the focus from audit quotas and collection goals to taxpayer service, to enhance taxpayer rights, allow individuals to collect attorney's fees when the IRS is wrong.

It is time to return the word "service" to the Internal Revenue Service. This restructuring bill does that, and I urge its support.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Speaker, I thank the gentleman for yielding me this time.

I would also like to thank the gentleman from Ohio [Mr. PORTMAN] for bringing this to the floor, and above all, I would like to thank the gentleman from Ohio [Mr. TRAFICANT]. It is said that Moses, after first freeing his people from the Pharaoh, and then wandering for 40 years in the desert, never got to see the promised land. That is sort of how the gentleman from Ohio [Mr. TRAFICANT] must feel after his 10 years of trying to get this done.

Mr. Speaker, I agree with the gentleman from Ohio. Had the Democratic leadership done its job and allowed this to come to the floor when the Democrats controlled the House and allowed the gentleman from Georgia [Mr. DEAL] to bring his welfare reform bill to the floor when the Democrats still controlled this House, we would probably still be in the majority.

But having said that, let me compliment all of the people that worked to make this possible, because it is right under American law that a person is innocent until proven guilty, and therefore, it should only be that a taxpayer is innocent of breaking the law until the tax court proves him guilty.

Second, I think it is very important that those people, and I have had a very close friend contact me and say that he thinks the only reason he was audited was because he helped me in one of my campaigns. That is wrong. If that is what really happened, it is wrong, and the people who did that should be punished. This bill would provide a $5,000 fine and up to 5 years in jail to any executive branch employee who is convicted of using undue influence over an IRS audit.

Third, I hope that this is just the beginning of true tax reform in this country. I say to my colleagues today, or actually this Friday is the day that the apprentice welders at the shipyards back home get their first paycheck, they will pay more in income taxes than all of the cruise ships who do more than $9 billion worth of business in American ports will pay collectively. They use our ports, they use our firemen, our police, our Corps of Engineers to dredge the channel, our Coast Guard to rescue them when they have trouble at sea. They pay nothing in corporate income taxes.

So it is simply not fair to allow that to happen. We need to follow up this great first step with the closing of the loopholes that allow the big guys to get off scot-free.

Mr. PORTER. Mr. Speaker, I yield 1½ minutes to the gentleman from Florida [Mr. MILLER].

Mr. MILLER of Florida. Mr. Speaker, I thank the gentleman for yielding me this time.

This is a good time to be talking about this issue as the President has come out supporting this issue. It is kind of surprising that the President is sporting this issue, but on Monday of this week he talks about how selfish the taxpayers are to want to cut taxes. So at least he will say let us reform the legislation, even though he does not like the idea of cutting taxes.

While I support this bill, I have concern that the bill does little to mitigate the impact of the bureaucratic unions on the restructuring efforts. In 1996, Congress made serious attempts to downsize and reform the IRS. These efforts, however, were hampered by the union that represents the IRS employees. As pointed out in a Washington Post article, the union was more concerned with keeping their dues than helping Congress and their union members make the IRS operate better.

I am also disturbed about the abuse of official time that has taken place at the IRS. Official time is, "authorized paid time off for Federal employees to engage in union activities." In layman's terms, that is union work at taxpayers' expense.

Although there may be some legitimate functions for using official time, the amount is skyrocketing at the IRS. Last year alone, the employees logged in over 718,000 hours; 718,000 hours paid by the taxpayers for official time to do union work. This is a 55-percent increase since 1993.

I realize the Chairman's limitations in addressing these issues, but want to bring them to their attention and appreciate the interest in addressing this issue in the future. I applaud this bill and believe it is a big win for the rights of hard-working taxpayers.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. GEPHARDT], the Democratic leader. It should be noted that he was the first to reach out to the gentleman from Ohio [Mr. PORTMAN] and the Republican leadership to make certain that this did not become a partisan issue.

Mr. GEPHARDT. Mr. Speaker, I would like to commend the gentleman from Ohio [Mr. PORTMAN], who worked so hard to bring this legislation together and brought together the bipartisan bill. I would like to commend the gentleman from New York [Mr. RANGEL], and the gentleman from Maryland [Mr. CARDIN], who worked so hard on our side, with the gentleman from Ohio, [Mr. PORTMAN] and others to do this, and this truly is a bipartisan bill.

I strongly support this bill to reform the Internal Revenue Service. In my view, we are taking an important step to increase the accountability of the IRS and to shift the balance of power back toward the taxpayer. But it is important to remember that this bill is not the end game in our battle to make the tax system fairer.

Let us make sure that this bipartisan step taken today will not fall prey to partisan fodder for next year's campaign. House Republicans, I hope, will pressure their Senate leaders to pass this bill. Let us get it in place before the tax season so that people can benefit immediately.

Over the last several weeks we saw the abuses which took place at the IRS, abuses which caused Americans to become even more outraged by our system of taxation. There have been countless numbers of stories about abuses of the enforcement power of the IRS. However, one incident which took place in my hometown of St. Louis, I think sums up what is wrong and what this bill begins to address.

In 1993, Missouri suffered from record flooding which destroyed thousands of homes and belongings. There was a designation of a Federal disaster, and we made special arrangements for individuals to deduct their losses suffered from the flood. Amazingly, 3 years after the natural disaster took place, there was a manmade disaster which revisited the flood's victims.

The IRS challenged over 200 households about the value of the loss they claimed. Taxpayers were asked to prove the market value of lost assets when they had their records wiped out by the flood itself. A woman who lost her mobile home was forced to pay $10,000 in back taxes from this incident.

Now, this is not a case of IRS agents who have run amok, this is a case where common sense, good common sense and fairness was not applied. People who were allegedly victims of a disaster were victimized once again by their own Government. This bill will help eliminate horror stories like this from being repeated.

This is just the beginning to a critical process of radically overwhelming our entire tax system. We also need to restore some sanity to the process of filing and preparing taxes. We need to take the major step of abolishing the Tax Code itself and then writing and rewriting a Tax Code that allows people to make decisions based on their families' best interest, a Tax Code that eliminates gimmicks and loopholes that only benefit the wealthiest taxpayers.

One thing is for certain. Democrats are going to fight for the working men and women of this country to get a system that works for them. The American people have had enough of a tax system that is secretive, adversarial, and unfair. Let us start making change happen. Let us make it fair today for working people, and let us start today and let us get our friends in the other body to follow the lead of this bipartisan group to make historic change in our Tax Code.

Mr. PORTER. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. FOX].

Mr. FOX of Pennsylvania. Mr. Speaker, I thank the gentleman for yielding me this time.

Many individuals have experienced enforcement powers of the IRS at their worst. Reports by GAO uncovered tales told by many taxpayers of unfair, unruly, and sometimes illegal treatment by IRS employees toward taxpayers demanding additional taxes and even seizing property for payment of taxes that could not effectively be challenged without substantial investment of time and money on the part of the taxpayer.

Thankfully, beginning in 1996, the gentleman from Ohio Mr. PORTMAN, and the gentleman from Nebraska, Senator BOB KERREY, were appointed to cochair a bipartisan commission to study and make recommendations to Congress about suitable reforms. H.R. 2676 is a result of that commission.

I can say to my colleagues, this bill will prohibit specific Government officials from requesting that the IRS conduct or suspend an audit, stop fishing expeditions by the IRS, require probable cause for IRS investigations, direct the Treasury to study the implementation of a paper-free tax system, extend confidentiality privileges, provide statutory rules governing innocent spouse relief, change the burden of proof to the IRS and not the taxpayer, and finally, an oversight board. All of this makes this bill one worthy of passage in a bipartisan fashion.

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Mr. RANGEL. Mr. Speaker, I yield 3½ minutes to the gentleman from Massachusetts [Mr. NEAL], a member of the Committee on Ways and Means.

Mr. NEAL of Massachusetts. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, while I rise in support of the Internal Revenue Service Restructuring and Reform Act of 1997, I also want to temper my support with a couple of warnings. While this legislation would restructure the Internal Revenue Service to provide better oversight, greater continuity of leadership, improved access to expert advice from the private sector, and additional management flexibility, I also think that there are potential difficulties on the horizon.

There has long been an agreement on the need for fundamental reform of the IRS, and I certainly commend the work of the National Commission on Restructuring the IRS. I support a majority of the recommendations made by the National Commission, and I am certainly pleased that further improvements have been made to the additional legislation introduced by the gentleman from Ohio [Mr. PORTMAN] and the gentleman from Maryland [Mr. CARDIN]. They have worked diligently to modify their original bills to reflect the concerns of many of us on the Committee on Ways and Means concerning governance.

I believe that the Constitution requires that the IRS Commissioner be appointed, hired, and, if necessary, fired by the President. The legislation today before us keeps the President ultimately responsible for the actions of the IRS and the decisions of its Commissioner. The Department of Treasury would still have a role in the oversight and management of the IRS. A key component of the bill is taxpayer rights. These provisions will provide new protections and assistance to millions of taxpayers. I support the overall goals of this legislation.

Let me relate two concerns. First, I am concerned about the authority given to a newly created oversight board. This oversight board has the authority to review and approve strategic plans of the IRS, and review and approve the Commissioner's plans for major reorganization. Under this bill, eight private sector individuals would have this authority.

The bill is not clear on what happens to our tax administration system under these new board authorities if a consensus is not reached among the board members, or if the IRS Commissioner and Treasury Secretary disagree with the views of private sector individuals.

Second, I am concerned about the provision in the shift of burden of proof. This bill provides for the burden of proof to be raised to the Secretary of the Treasury in any court proceeding with respect to factual issues if the taxpayer asserts a reasonable dispute with respect to the taxpayer's income liability.

The shift in the burden of proof could result in unintended consequences. It could result in the IRS conducting more intrusive examinations, and the IRS issuing more subpoenas and more summonses to third parties in search of evidence. This provision could induce taxpayers simply not to keep records.

Our tax system is voluntary, and we have an overall compliance rate of 85 percent, the envy of much of the industrialized world. The individual nonbusiness compliance rate is 97.5 percent. The individual business compliance rate is 70 percent, and the shift of burden of proof could indeed, if we are not careful, make it worse.

Mr. Speaker, the IRS conducts more than 2 million audits each year, but only about 30,000 cases reach court annually. This provision could have more far-reaching consequences. It could help aggressive taxpayers avoid taxation. We should make it easier for taxpayers to deal with the IRS, but I do not think we should make it easier for taxpayers to evade taxes. This provision needs to be improved, because those who voluntarily comply with our tax system simply deserve more.

Mr. PORTMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Nevada [Mr. ENSIGN], a very valued member of the Committee on Ways and Means.

Mr. RANGEL. Mr. Speaker, I yield 30 seconds to the gentleman from Nevada [Mr. ENSIGN].

The SPEAKER pro tempore. The gentleman from Nevada [Mr. ENSIGN] is recognized for 3½ minutes.

Mr. ENSIGN. Mr. Speaker, this bill that we have before us today is brought forth in a bipartisan fashion. I would like to recognize my colleagues on the Committee on Ways and Means, the gentleman from Ohio [Mr. PORTMAN] and the gentleman from Maryland [Mr. CARDIN]. They have done outstanding work. This is a very good bill, and I think we are hearing a lot of reasons why this is a good bill today. But the American people have been way ahead of the Congress for many, many years. They have recognized how intrusive the IRS has been.

In my city of Las Vegas, the IRS is viewed almost like the KGB or Gestapo was once viewed in other countries. This is not necessarily the fault of individual IRS employees. This is the fault of the U.S. Congress and the Presidents of past, who have passed an incredibly complex Tax Code.

Former Representative Sam Gibbons said, in a retreat that we had a couple of years ago, that there was no single Member of Congress more responsible than he himself was for messing up our Tax Code. That was because every single time that they tried to reform the Tax Code, because of all the special interest groups that we have up here, it gets more complex. And the more complex it is, the more incentive there is for the IRS to do some of the shenanigans that they do.

I said before that the American people are way ahead of the Congress. The American people are demanding not tax reform, but tax replacement. Every place I go around my district, people are saying, we have to lower the tax rates. As we are replacing the Tax Code, we have to address this issue. That issue is the issue of fairness. We have to define exactly what fair is.

During hearings in front of the Committee on Ways and Means a couple of years ago, I asked Jack Kemp, the gentleman from Texas [Mr. DICK ARMEY] and the gentleman from Missouri, [Mr. DICK GEPHARDT] what their definition was. Jack Kemp and the gentleman from Texas [Mr. DICK ARMEY], said, when everybody is treated the same. The definition of the gentleman from Missouri [Mr. DICK GEPHARDT] was, based on your ability to pay.

That means if somebody works twice as hard, you have a farmer over here who works twice as many hours a week, happens to make twice as much money because they work twice as hard, they should be penalized by paying a higher tax rate than the farmer over here who does not work quite as hard.

Mr. Speaker, we need to have a fair Tax Code in America that does not penalize people who work harder, who make the sacrifices necessary to be successful. In America we have been about rewarding success in the past. Let us get back to where success is treated in a manner that we want more people to try to achieve it, like we do in school. We do not penalize people for getting A's in school. We should not penalize people for wanting to be entrepreneurs, for wanting to create jobs in America, for wanting to be successful themselves.

This is the fundamental issue that we have to get to, not only today, by reforming the way the IRS works, but truly to get to overall tax replacement with a fair, simple, lower tax rate and tax system.

Mr. RANGEL. Mr. Speaker, will the gentleman yield?

Mr. ENSIGN. I yield to the gentleman from New York.

Mr. RANGEL. Mr. Speaker, I would ask one question, which is, basically, how long would the gentleman say, as a new member of the committee, it would take to draft this legislation to bring it to the committee and to pass this new tax that the gentleman wants? How long would it take to do it?

Mr. ENSIGN. Mr. Speaker, as we have seen going through the committee, the administration is against replacing the income tax as we know it, based on their testimony from the Committee on Ways and Means.

Mr. RANGEL. Mr. Speaker, I would like to reword my question. Forget the administration. The gentleman is in the majority. He has the majority of the votes. How long would it take for him to get a bill passed?

Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut [Mrs. KENNELLY], a member of the committee.

Mrs. KENNELLY of Connecticut. Mr. Speaker, I rise in support of this IRS reform. Let there be no doubt that IRS abuses will not be tolerated. Many of the unfortunate situations that were brought forth by the Senate hearings are already improper or illegal under the law, and obviously should not be tolerated.

There also, unfortunately, was something we found out that happened, that there was some kind of pervasive atmosphere in some of the offices that tied advancement to collection. As a result, throughout the offices, if you did not collect, you did not get advanced. This moved on to the point that common courtesy and common sense were forgotten. This also cannot be tolerated. I think these hearings have brought this forth.

Having said that, I do also want to mention that there are many, many, many thousands of people working for the IRS that were carrying out their duties in a courteous and commonsense manner. We should recognize that. However, the bureaucracy absolutely should know that their day is over.

I would also like to point out that in all of the debate of this issue, one fact has been obscured, that the enhanced taxpayers' bill of rights has always enjoyed broad support in a bipartisan manner. In fact, the very first taxpayer bill of rights was enacted some years ago, and I believe this should be an ongoing process.

Finally, I believe the legislation is significantly improved over the earlier versions, and all members of the Committee on Ways and Means worked on this. But I believe it can require further improvement, particularly in the area of burden of proof and conflict of interest.

For instance, in committee the gentleman from California [Mr. STARK] offered an amendment to preclude IRS board members from representing clients before the IRS. Unfortunately, this amendment did not pass. I think as Members look at this, as other Members in the body look at this, this could be remedied, because this obviously will cause conflict down the line.

I support this, and am glad this bill has been improved. It certainly was needed, and I hope everybody listened and learned from the lessons of the Senate hearings.

Mr. PORTMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to say that this is an historic moment. We are considering landmark legislation today. It is the first time in 45 years that we have attempted as a Congress to enact fundamental reforms at the IRS.

I want to start by thanking the gentleman from Texas, Mr. BILL ARCHER, chairman of the Committee on Ways and Means, not just on behalf of me, but really on behalf of the millions of Americans who will be positively affected by this legislation, the taxpayers. For the past year and a half he has consistently supported this reform effort; first, the bipartisan National Commission on Restructuring the IRS that I cochaired, and then the legislation that came out of that Commission.

It was the gentleman from Texas, Mr. BILL ARCHER who made this the Committee on Ways and Means' top priority for the fall. It was he who moved it expeditiously for the floor. We would not be here having this debate today if it were not for his support.

I also want to thank my cosponsor, the gentleman from Maryland, Mr. BEN CARDIN. He worked with me on this legislation long before it was fashionable on his side of the aisle. He looked at the legislation carefully, independently. He judged the bill on its merits, rather than listening to, frankly, the critics in the administration and others. He actually took the time to study it himself. He stood up for what he believed in. As a result, he improved the final product.

I want to commend the gentleman from New York, Mr. CHARLIE RANGEL, senior Democrat on the Committee on Ways and Means, who I think today as I have heard him talk has just joined the Scrap the Code Tour. But the gentleman from New York, Mr. CHARLIE RANGEL, played a very important role as a bridge between the Congress and the Clinton administration.

This is a very comprehensive and ambitious package of reforms. Members have heard a lot of people talk about it. As such, it is the product of a lot of hard work by a lot of good people: Members and staff of the IRS Subcommittee on Oversight, chaired by the gentlewoman from Connecticut, Mrs. NANCY JOHNSON, who did a tremendous job on taxpayer rights, electronic filing and other committee issues; the full Committee on Ways and Means staff, many of whom are here today; the Joint Tax Committee staff, Ken Kies and others; the Government Reform and Oversight Committee had jurisdiction over this, and they helped us on this.

Regarding the Committee on Appropriations, the gentleman from Maryland, Mr. STENY HOYER, talked earlier about the appropriators. The gentleman from Arizona, Mr. JIM KOLBE, and the gentleman from Maryland, Mr. STENY HOYER, had a lot of input into this process, as did their staffs; and finally, the Committee on the Budget and the Committee on Rules. Both of those committees also had jurisdiction over parts of this comprehensive legislation.

Also, I give thanks to the many outside groups who spent a lot of time working on this legislation and gave us valuable input. Then, when we had a good package together, they went out and sold it to their members, the people at the grass roots. The National Taxpayers Union, Americans for Tax Reform, the NFIB, the Chamber, Citizens Against Government Waste, and yes, the tax preparer community again gave us valuable input and helped us to put that together. They work closely with the taxpayers and the IRS every day. They know this will help. That is why they are supporting it.

Special thanks to people who were there from the beginning, to each member of the National Commission on Restructuring the IRS, including my cochair, of course, Senator BOB KERREY of Nebraska; but also our colleague Senator CHUCK GRASSLEY of Iowa, and the gentleman from Pennsylvania, Mr. BILL COYNE; the Commission staff; and finally, to my own personal staff, who have gone well beyond the call of duty.

The Commission conducted a yearlong audit of the IRS and made specific legislative recommendations for change. It was successful, I think, for two reasons. First, we kept politics out of it. In fact, we brought expertise in. The people who were represented on the Commission brought the kind of expertise to bear that we needed to solve the real problems at the IRS.

Commission members not only included a former IRS Commissioner, the heads of the New York and California State tax systems, but also a small businessman, a representative of the people who work at the IRS, technology experts, taxpayer advocates.

And the Commission did its homework. We conducted 15 days of hearings in and out of Washington, interviewed all the senior level IRS managers, and for the first time ever actually conducted interviews with 300 on-line IRS employees to find out from them what the problems were. Finally, we listened carefully to the concerns and stories of the taxpayers who foot the bill.

After our year-long audit, we ended up with more than 50 specific reform recommendations for the most comprehensive overhaul of the agency since 1952. The IRS Restructuring and Reform Act before us today takes these recommendations and, I think, improves on them. Others have given a good overview of the bill. Let me just touch on a view of the points.

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First, while this effort focuses on making the tax collection system work much better, not the Internal Revenue Code itself, the commission found, as many of my colleagues have discussed today, that we also need to simplify our Tax Code. We take the first step in doing that in this legislation.

We do so by putting in place new legislative incentives for tax simplification as compared to every other incentive around here which is for more complexity. We also force the IRS to be at the table to tell us what a great-sounding new tax legislative proposal is going to result in, in terms of new tax schedules, time for the taxpayer to fill them out, and work for the IRS.

The bill also targets Congress by consolidating and streamlining congressional oversight. There are now seven committees that give the IRS advice. We streamline it, and we force these committees to come together and to send a clear and consistent and single message to the Internal Revenue Service from Capitol Hill.

The overall thrust of this bill is to make service to the taxpayer, not heavy handed enforcement, but service to the taxpayer the top priority of the IRS. It does so in a number of ways. Importantly, it dramatically increases IRS accountability for getting the job done by establishing a more effective IRS oversight body.

You have heard other Members talk about the oversight board today. The important thing is that it brings expertise to the IRS that is absolutely needed and is not there now. Second, it provides continuity, stability of leadership, so that over time we actually have changes that are going to work for the taxpayers so we are not up here 3 or 4 or 5 years from now discussing the same problems.

With this input from nongovernmental experts to hold the IRS responsible for answering the phones, getting the computers to work, ensuring that IRS employees are trained, and, yes, treating taxpayers more courteously, with more respect, we will have a new IRS.

Much of the media attention has focused on the oversight board, what is often overlooked, is that we actually give the IRS commissioner more power, more tools to be able to manage the agency, to get the job done day-to-day.

We give the commissioner a 5-year term so the commissioner's responsibilities go beyond any single administration. We also give the commissioner the ability to bring in his or her own team of senior managers. Charles Rossotti was just confirmed by the Senate this week. I think he will be a good IRS commissioner. He brings management experience and information technology experience that is badly needed. We need to give him these tools because without them, frankly, he is going to have a very difficult job doing what he wants to do, which is to turn the IRS around and make it a taxpayer service organization.

Taxpayer rights. If Members saw the Senate Committee on Finance hearings, they know that we do need new rights in legislation for taxpayers. The bill provides us 28 specific new taxpayer rights, like allowing taxpayers to recover damages when the IRS does something wrongful, like the burden of proof shift we have heard about from the gentleman from Ohio [Mr. TRAFICANT] and others, like protecting innocent spouses from IRS harassment. All of these are extremely important. They compliment the other provisions of the bill.

Very importantly, this legislation also creates a new system within the IRS to evaluate employees. Again, it has been overlooked by many, but this is one of the most fundamental changes in terms of changing the culture at the IRS. The new system would evaluate employees and managers not on the amount of money, taxes, they collect, but on the degree to which they are providing good service to the taxpayer.

It also puts in place unprecedented personnel flexibility to allow IRS managers to promote folks who are doing a good job within the agency and, yes, to fire the bad apples at the agency. This is called reinventing government. We are not just talking about it today, we are actually passing legislation to do so. Again, along with the other reforms, this is what is going to change the culture at the IRS.

There are many other key provisions in this legislation: Establishing new financial accountability to force the IRS to balance its own books; knocking down barriers to electronic filing, which is a win-win for the taxpayer and the IRS; and, finally, making the taxpayer advocate truly independent so that that taxpayer advocate is indeed an independent advocate for the taxpayer.

Taken as a whole, these legislative changes, this whole package, will create a new IRS that treats the taxpayer with respect, gives the taxpayer the service they deserve. We have to remember, this troubled agency touches more Americans than any other Federal entity. Today, all of us as taxpayers are the real winners.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

I would like to take some time to again congratulate the gentleman that just spoke, not just because of the expertise that he brought in perfecting a bill, but his ability to reach across the aisle to make it very easy for the members of the committee to at least take a look at what he is talking about.

I notice a provision that is very close to the gentleman, and that is the tax complexity analysis that he spoke about in the well. I would like to yield to the gentleman to respond. If this was an existing law, how would this apply to the bill that was reported out of our committee?

Mr. PORTMAN. Mr. Speaker, will the gentleman yield?

Mr. RANGEL. I yield to the gentleman from Ohio.

Mr. PORTMAN. Mr. Speaker, I think if this had been in place, we would have had a better tax bill enacted this summer by the U.S. Congress. I think we would have known more about what the complexities are, not just for the taxpayer but for the tax collection agency.

Mr. RANGEL. Well, I do not want to get involved in how the bill came to the floor, but the gentleman is asking the people that are responsible for doing what we tell them to do. We are the ones that made their job difficult, and the gentleman and I agree on that, and so does the chairman. We have beat up on them because they did it poorly, but it was our complex legislation that they had to administer.

The gentleman and I are now seeking to improve the Code after, as the mumblers would say on the floor, after 37 years of Democratic fiascoes. We have had a similar extension of 3 years of Republican fiascoes. Now we are saying, let us clean it up. I share with the gentleman that unless we attempt to do this in a bipartisan way, it will be America that loses.

I just want to compliment the gentleman for the direction that he is going. I hope when we say we have to work together to scrap the Code, as the gentleman likes to say, or to pull up the IRS by the roots, that we are talking about pulling up this Tax Code by the roots and replacing it with something that is fair and equitable. We cannot agree unless we see what the gentleman is talking about. For 3 years, I have not seen it. But I look forward to working with the gentleman, hoping that the other side, while they are talking about scrapping, pulling up, and getting rid of, would give us something to work with.

Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. LEVIN], a distinguished member of the Committee on Ways and Means.

Mr. LEVIN. Mr. Speaker, I thank the gentleman for yielding me the time.

I rise in support of this bill. It is a positive step in the direction of restoring and increasing confidence in a system that relies on taxpayer compliance to be successful. It addresses the responsibility that both the Congress and the administration must play in improving the accountability and customer service of an agency, as said here, that touches the lives of nearly all Americans.

The bill contains a number of provisions which will reform the IRS. It will improve the use of technology at the IRS by enhancing the electronic filing of tax returns and other documents. It is unacceptable in this day and age that the IRS does not have the most up-to-date computer technology.

It will expand taxpayer relief for the innocent spouse and provide tax refund relief to taxpayers during periods of disability. It will also expand relief to taxpayers through taxpayer assistance orders, grants for low-income clinics, and penalty relief for those who have installment agreements with the IRS. The revised bill also retains the accountability of the administration over the IRS by retaining the President's authority to hire and fire the IRS commissioner.

This bill is an important step in addressing critical management and oversight issues at the IRS, but it is not a panacea. There remain some issues in this legislation that we need to continue to work on. I have met with IRS officials in Michigan to discuss problems, and I intend to continue to do so.

We do need to look at the Tax Code itself and debate differences of opinion about how to improve it. In doing so, the aim must be to benefit the citizens that we represent, not to jockey for position at the next election.

Mr. PORTMAN. Mr. Speaker, I yield 5 minutes to the gentleman from Florida [Mr. SHAW], chairman of a subcommittee of the Committee on Ways and Means and former CPA and recovering lawyer, who added a great deal to this legislation.

Mr. SHAW. Mr. Speaker, I thank the gentlemen for yielding me this time.

I would like to congratulate the gentleman and the gentleman from Maryland [Mr. CARDIN], the gentleman from Texas [Mr. ARCHER], and the gentleman from New York [Mr. RANGEL] for getting together and bringing such a wonderful bill that is long past due to the floor of this Congress.

I think perhaps the most shivering words that anybody can hear is the knock on the door or the phone call or the letter that starts out, I am from the IRS, because of the complexity of the Tax Code and the problems involved in filing one's own return.

Not too many years ago, I think it was just 2 years ago, an accounting problem was given to the top accounting firms in the United States and asked them to take this example and, from this, to devise an income tax return and to figure the tax liability from that set of circumstances that were given. Out of the many tax preparers that participated in this experiment, not one of them came up with the same tax liability. It was not even close. It was thousands and thousands of dollars apart. It just shows the tremendous complexities of the Tax Code and the problems that they have.

During the debate on the floor, I know it has been going back and forth as to the complexities that were put into the Tax Code and whether the Democrats or Republicans did it. I do not think that makes any difference. It is this Congress that is bringing about the correction and is bringing it about in a bipartisan way, as a beginning, I would say, as a beginning.

Under the new rules that we have imposed upon ourselves, when we give somebody a tax break, we have got to work in revenue somewhere else in the Code. What has this developed over the years? It has developed a patchwork quilt. It has provided for us a real mess that is going to take a lot of effort, a lot of bipartisan effort, to straighten out.

The only way to do it is to try to get together and to at least get some bipartisan support. It is not going to be complete. There will be a lot of controversy when it finally goes. But this Code has to be ripped up by the roots.

Now, this is going to balance the playing field as far as the Internal Revenue Service for the taxpayers. This is tremendously important. The Internal Revenue Service should be more of a service rather than a policeman in watching over the taxpayers.

But in doing this, it is just basic fairness. We do not want to give the police in this country a criminal code that is so complicated that they do not know how to administer it or to enforce it, but yet we have done this with the IRS. To make it worse, we have provided that the taxpayer has no privacy or right of confidentiality with their CPA.

In this regard, I think it is most important that when somebody is talking to their tax preparer, when they are going over all their books and records, that they know that their tax preparer is not going to be called in and questioned because he has no particular rights of confidentiality. This particular bill will correct this situation and let the taxpayer have confidence, the same confidence that he has in dealing with his lawyer, and that is only fair.

I think one of the other big things in this bill that other Members have talked about today but is tremendously important, it puts the burden of proof on the IRS instead of the taxpayer.

I remember in studying the Tax Code as a student in college and at law school that it always was confusing to me how we could have this sense of justice where a taxpayer has to prove his innocence as far as the amount of taxes that are owed in order to prove his case and the IRS really does not have to prove anything. This is bringing about fairness, and for the first time the burden of proof will be on the IRS.

This is a tremendous bill. This is a first step. I want to say, it is only a first step in ripping out the entire Code to reform the Code and perhaps even give us the opportunity, the historic opportunity, to take, eliminate the income tax as we know it today and, in its place, put another type of revenue collection for the Federal Government that will be fairer, easier to administer, and much easier and fairer in being able to enforce by the Federal Government.

Again, my compliments for all of those who put this bill in place. It certainly is, I think, a very, very good day in the history of the U.S. House of Representatives.

☐ 1345

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me associate myself with the remarks of the gentleman from Florida [Mr. SHAW] that we have in a bipartisan way moved forward in trying to correct the abuses and better the collection of taxes. I do not see anything in this bill that deals with the simplification, even though there is hope that this bipartisan spirit will continue.

I have been invited to join this Scrap the Code trip, and I accept. Let us scrap it. But I think they ought to, anyone that is going to join with them in this effort, to at least talk about what they are going to replace it with. There are just as many different views on their side as there is on our side. But I do not think it is fair to the American people, as political as it may sound, to promise them that they are getting rid of this complex Tax Code, which none of us are proud of, and not tell them what they are replacing it with.

Mr. PORTMAN. Mr. Speaker, will the gentleman yield?

Mr. RANGEL. I yield to the gentleman from Ohio.

Mr. PORTMAN. Mr. Speaker, the gentleman from New York [Mr. RANGEL] just said that there is nothing in this legislation with regard to simplification. As the gentleman from New York [Mr. RANGEL] is aware, there is for the first time ever in this legislation the requirement that my colleague or I or anybody else who has a new tax idea has to subject it to this simplification analysis. And if we do not do that, my colleague or I or any other Member can raise a point of order on the floor of the House.

This is not the flat tax. It is not the sales tax. It is not scrapping the code and starting over. But it is a first small, baby step in the right direction, because every incentive now, as my colleague knows, goes the other way, and he talked about it earlier.

Mr. RANGEL. When this reaches the President's desk, let us, my colleague and I, talk about that provision.

Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. PRICE].

Mr. PRICE of North Carolina. Mr. Speaker, like other Members, I have helped many, many constituents resolve disputes with the Internal Revenue Service.

In one case earlier this year, a Raleigh man trying to make good on his back taxes was not told that he had the option of setting up a payment plan. Instead, the IRS placed a lien on his bank account. In another case, a woman who had set up a payment plan and made every payment on time received notice that her plan had been canceled and her entire balance was due within 2 weeks.

Fortunately, I was able to help these constituents. But not every taxpayer is able to come to their Member of Congress. We need to fix the system for everybody. We need to restructure the IRS. We need to do away with tax collection quotas. We need to revise rigid rules. And we need to set customer service oriented collection policies that are geared toward assisting taxpayers in complying with the law rather than punishing them.

H.R. 2676 is based on the recommendations of the bipartisan National Commission on Restructuring the IRS. It will strengthen taxpayer rights and modernize the administration of the IRS. The new IRS Oversight Board, made up of a majority of private sector professionals, will have the authority to eliminate collection quotas and measure performance by the quality of service that agents provide.

Mr. Speaker, passage of H.R. 2676 will restructure the IRS and pave the way for further reform and simplification of the Tax Code. I urge my colleagues to vote for this long overdue legislation.

Mr. PORTMAN. Mr. Speaker, I yield 1 minute to the gentleman from Montana [Mr. HILL].

Mr. HILL. Mr. Speaker, I rise in strong support of the Portman-McCrery reform of the IRS.

Mr. Speaker, nothing evokes greater fear in the heart of taxpayers, in the hearts of small business owners than does a notice from the IRS. Men and women who obey the law, follow the rules, and respect their responsibilities to collect and report and pay taxes have great fear of the IRS.

Why is it that law-abiding people fear this organization? Well, the reason is, what we saw in the Senate hearings just a few days ago, reported abuses by the employees in the IRS and abuses in terms of how the IRS is oriented toward dealing with the public. We do not need hearings in the House of Representatives to know that the IRS is frequently causing great conflict for taxpayers.

H.R. 2676 is a good start because it focuses on serving the public and serving taxpayers rather than enforcement. It changes performance standards so people are rated on the basis of how well they serve the public rather than how strictly they enforce the law. It creates an oversight board of citizens. It creates a taxpayers' advocate. It creates accountability, Mr. Speaker. And that is why I support the measure.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman from New York [Mr. RANGEL] for yielding me the time, and I thank the committee for its leadership.

The discussion that we have had on the floor today emphasizes that we have come now full circle to recognize that concerns by citizens about the IRS are well-founded. Although we pay tribute to those hard-working Internal Revenue Service employees that work day after day doing their job, it is important that we now in a bipartisan manner reform the IRS. I think that is important.

This is not a Republican piece of legislation. It is not a Democratic piece of legislation. In fact, I would like to see more things being done. But I am here to generally speak to the fact that we are, at least, doing something. And I will continue to review H.R. 2676, along with its many amendments, to determine its adaptability to the concerns that I have.

First of all, I held a hearing with constituents in my district in Houston where they testified to many examples of problems with the IRS. The story of a doctor who was obviously not leaving town, and who attempted to resolve his problems with the IRS; when an IRS agent came into his office to physically remove him from his medical practice while he was attending to his patients and then to further close down his doors. What about the law enforcement officer, wounded and injured and in his hospital bed, only to find out that his house had been foreclosed on and other tragic situations happening while he was recuperating from a job injury. These are the kinds of grievances that we face all the time.

I am delighted that we are looking at opportunities, for example, to move the burden of proof so that taxpayers in IRS court cases are considered innocent until being proven guilty. I am interested, of course, in the oversight board. I think that has great possibilities. And certainly I am concerned about the fairness of IRS audits. The common law privilege of attorney-client privilege for those authorized to practice before the IRS will now be afforded, as it should be to persons—tax advisors—representing taxpayers before the IRS. It will also end the use and abuse of summons by the IRS in looking for documents. A spouse who may be innocent for the mistakes of another spouse in preparing a tax return will also now be afforded tax relief.

Let me conclude, Mr. Speaker, by explaining parts of IRS reform legislation, the Taxpayers Justice Act of 1997, that I intend to offer in the legislation. It provides for a true taxpayer's citizen's advocate located in IRS regions throughout the Nation, serving as a watchdog over the IRS. Additional provisions relating to eliminating discrimination in the workplace and solving unfair tax burdens put on the divorced spouse.

Mr. Speaker, I include the following for the RECORD:

Mr. Speaker, I rise today in support of reforming the Internal Revenue Service to make it more efficient, accountable, modern and taxpayer friendly. This is the call from the constituents of the 18th Congressional District in Texas that I heard when I recently held a town hall forum on IRS abuses of taxpayers.

The stories of coercion, corruption and scare tactics of IRS agents that I heard were more than enough for me to prepare for introduction of my own IRS reform bill. Entitled the "Taxpayer Justice Act of 1997" it has many of the provisions that are being offered today in this comprehensive reform bill.

My bill called for civil and criminal penalties if there is a finding of abuse of taxpayer's rights. Therefore, I can endorse the opening up of the Government for civil liability for taxpayer abuse. This bill would extend the liability of the government for IRS abuse caused by those who may negligently diregard our tax laws. This is a safeguard that I know taxpayers are demanding and one that I strongly support.

The establishment of an independent oversight board by the President is another provision in my bill as well. There is no doubt that such oversight of the administrative functions of the IRS is necessary after the disclosure of the atrocities that I heard and the stories that came forward from the citizens in Houston. There were, in fact, cases of possible suicide over the tactics that were used and it is time to end such abuses. The oversight board will have the responsibility to review and advise the Secretary of the Treasury about customer service measures that will make sense. Such oversight is necessary if we are to make the IRS more efficient.

Shifting the burden of proof to the IRS is another practical measure that makes good sense and one that is in my bill as well. In every other proceeding where the government is moving against a citizen in a court of law, the government bears the burden of proving the facts. It is high time that the IRS come in line with this time-honored tradition of the government bearing the burden of proving any factual issue it is asserting in a court of law.

This burden of proof will be enforced after the taxpayer has fully cooperated with the IRS with respect to the factual issue. A taxpayer would be required to provide access to the information, witnesses and documents within the control of the taxpayer. This makes the proceeding more in line with every other court proceeding and makes it fair.

This bill would also correct meaningful measures that will insure taxpayer fairness in IRS audits and collection activities. The common law privilege of attorney-client privilege for those tax advisors authorized to practice before the IRS will now be afforded as it should be. It would also end the use and abuse of summons by the IRS in looking for documents. Under this bill the IRS would be required to make reasonable inquiries and could not issue a summons until it has used other reasonable methods to ascertain where the information it is seeking may be.

The bill also provides for making more information available to the taxpayers. It requires the IRS to print and make available to taxpayers explanations that make sense and clarify a variety of complicated matters. Married taxpayers will be alerted to liabilities that they would be jointly liable for even though only one spouse earned the income.

A spouse who may be innocent for the mistakes of another spouse in preparing a tax return will also now be afforded relief from tax liability, interest and penalties. Now a spouse who has nothing to do with the preparation of the return is fully liable for the mistakes. This is wrong and would be corrected by this bill.

Again, Mr. Speaker, it is high time that we have the IRS reform that the American people have been calling for. I support this bill and urge my colleagues to vote for it.

Mr. PORTMAN. Mr. Speaker, I ask the gentleman from New York [Mr. RANGEL] if he has any additional speakers?

Mr. RANGEL. Mr. Speaker, I have no speakers at this time.

CALL OF THE HOUSE

Mr. PORTMAN. Mr. Speaker, I ask unanimous consent for a call of the House.

The SPEAKER pro tempore. Without objection, a call of the House is ordered.

There was no objection. The call was taken by electronic device, and the following Members responded to their names:

[Roll No. 576]

ANSWERED "PRESENT"—407

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Foley
Forbes
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (NY)
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHale
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Torres
Towns
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (FL)

□ 1413

The SPEAKER pro tempore (Mr. PEASE). On this rollcall, 407 Members have recorded their presence by electronic device, a quorum.

Under the rule, further proceedings under the call are dispensed with.

INTERNAL REVENUE SERVICE RESTRUCTURING AND REFORM ACT OF 1997

The SPEAKER pro tempore. In the debate on H.R. 2676, the gentleman from New York [Mr. RANGEL] has 7½ minutes remaining and the gentleman from Ohio [Mr. PORTMAN] has 6¼ minutes remaining.

The Chair recognizes the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

□ 1415

I rise in support of H.R. 2676. First, I would like to thank the chairman of the Committee on Ways and Means for creating an atmosphere which allowed the gentleman from Maryland [Mr. CARDIN] and the gentleman from Ohio [Mr. PORTMAN] to take the best that came out of the commission, not only to work with it in a bipartisan way, but to bring it to Members who did not serve on the commission so that they would be able to work and improve upon it.

The administration has had strong objections over the original document. This could have been played up politically that the President was trying to protect the status quo, but the Secretary of Treasury was not only involved in the meetings but encouraged to know that no Republican and no Democrat was locked in concrete except to the extent that the IRS needed improvement and it had to be done and it was going to be done now.

The Democratic Leader, the gentleman from Missouri [Mr. GEPHARDT], publicly said that they were not there, that the Democrats were not there, except to join with our Republican friends to get a bipartisan solution to a serious problem.

So, Mr. Speaker, we are here today for the first time in a long time knowing that we have taken one gigantic step forward to give some small comfort to the taxpayer that at least we, in the Congress, are providing the oversight to try to make the collection easier.

But, Mr. Speaker, we all agree that this is only a first step. We cannot give a very complicated, complex Tax Code to anybody and expect them not to have problems in its execution. If anyone abuses their rights as a public servant with the taxpayer, that person should be pulled up at the roots and got rid of. There should be no excuse for any public servant treating taxpayers in a disrespectful way. But there should be no excuse for us to talking about pulling up the IRS by the roots unless we are prepared to say we are going to pull up the Tax Code by the roots.

And I would want to say this, that if we can get this Portman-Cardin spirit of cooperation going, let us try to do it in talking about this bus trip that is going to pull up the Code by the roots, and I ask whether or not there is an extra seat on that bus that I can join in. The only thing I would want to know is, where is the bus going, what is the itinerary, how much is it going to cost, and, most importantly, when is it going to end? This bus that has been pulling up the Tax Code by the roots has been in a bus depot for 3 years.

If we are going to do anything to correct the system, and God knows we agree it has to be simplified, let us try to do this too in a bipartisan way, the same way we have been so successful in recognizing a problem and trying to bring a resolution.

Finally, Mr. Speaker, I would want to say that I would encourage the administration to take a lesson from the books of the House of Representatives and not only just support this, but to encourage the other body not to politicize this issue.

We are moving swiftly, we are moving swiftly toward the end of our legislative business for this year. It would do us no good to compliment each other for this bipartisan effort if the other body is not on board. We all know that next year something chemically is going to take over us as we all seek reelection. I would suggest that it is more important to get this important piece of legislation passed than to give other people an opportunity to make political hay out of it.

I conclude by thanking the leadership on both sides of the aisle, again, the gentleman from Ohio [Mr. PORTMAN], the gentleman from Maryland [Mr. CARDIN], and those Members who worked so hard, not to get their names in the newspaper or to have TV interviews, but to do what was best for the country and what was best for the Internal Revenue Service, but most importantly, what was in the best interests of American taxpayers.

Mr. Speaker, I yield back the balance of my time.

Mr. PORTMAN. Mr. Speaker, I yield the balance of my time to the gentleman from Texas [Mr. ARCHER], the chairman of the Committee on Ways and Means, and, as I said earlier this afternoon, we would not be here on the floor this afternoon debating this critical issue if not for the gentleman from Texas, [Mr. ARCHER].

Mr. ARCHER. Mr. Speaker, I thank the gentleman from Ohio for yielding this time to me. But before I close, there is one person here who deserves very special recognition, and that is Bob Brockamp of Prescott, AZ, who is the personification of an IRS victim. He and his family have suffered an injustice that no one should endure.

In 1994, 93-year-old grandfather Stanley McGill mistakenly sent a $7,000 check to the IRS. Unfortunately, by the time Bob and his family caught the error and tried to get their money back, the 3-year statute of limitations on refunds had expired, and even though the IRS admitted that Bob's grandfather owed only $700, not $7,000, they would not refund the balance of the money.

Mr. McGill was senile and had made the same mistake before by adding extra zeros to checks mistakenly and overpaying his bills by thousands of dollars. But in these instances where his local hospital and pharmacy were overpaid, they sent the money back. The IRS would not.

Bob's family fought the IRS for 8 years all the way to the U.S. Supreme Court. A 3-year statute of limitations prevented the IRS from returning the money that was not theirs in the first place said the Court. And while it is too late to help Bob and his family, the bill that we vote on today allows the IRS finally to waive the statute of limitations on refunds for the sick and the disabled, ensuring that no other American will have to go through what the Brockamp family went through.

Mr. Speaker, the U.S. Congress owes Bob and his family an apology. The last thing an ailing senior citizen and their family should have to do is worry about the IRS. Thanks to the good fight that Bob and his family waged to obtain justice, thousands of taxpayers in the future will worry no more.

And, Mr. Speaker, I am delighted the President has finally seen the light and decided to support this bill. The gentleman from Ohio [Mr. PORTMAN], the gentlewoman from Connecticut [Mrs. JOHNSON], and the gentleman from Maryland [Mr. CARDIN] worked long and hard to put it together, and, as we have heard today, they deserve much praise.

But, Mr. Speaker, in the end our task is not to thank each other for what we do today. Our thanks should go to the American people, the people who sent us here. Today's vote is a victory for all Americans who believe Washington should not change its ways to greater and greater power but should change its ways so the American people will not have to change theirs.

Congress no longer solves problems by raising taxes, as was true for too many Congresses. We now solve problems by restoring hope, power, and opportunity to the people who pay the taxes.

Mr. Speaker, I am proud to add that fixing the IRS continues a remarkably productive record for this Congress. We cut taxes and passed legislation to balance the budget, we saved Medicare from bankruptcy, and we fixed the failed welfare state. We cut the cost of the Congress of the United States by $200 million a year, and now we are fixing the IRS. We reduced the deficit from $203 billion in November of 1994 to $30 billion today. More than 5 million new jobs have been created, interest rates have dropped from 8 percent to 6 percent, and the stock market has virtually doubled.

But mark my words, we are just warming up. I believe we must completely and totally get the IRS out of the lives of every single American. We must look the IRS in the eye and say it is not their money, it is the people's money. The politicians and the IRS must stop reaching into the people's wallets, taking from them what the people have earned and what they need for themselves.

So, Mr. Speaker, the bill we will vote on today represents more than fixing the IRS. The bill is about our values, our principles, our convictions. It is about right and wrong; it is about putting taxpayers first.

As the first chairman of the Committee on Ways and Means in memory who continues to do his own tax return, and, I must say, in longhand, not by computer, I can say today to the American people, with this vote we heard them, we understand them, we know what they are going through, we are on their side. They are the producers, they make things happen, we should follow in Washington, and that is what this bill is all about. So instead of thanking each other, we should say thanks to the American people who have made this the greatest country on the face of the Earth.

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, today the House considered legislation to reform and restructure the Internal Revenue Service. The House voted overwhelmingly to approve this reform legislation and I also voted for the bill. I did have concerns over a proposed shift of the burden of proof but I feel that the provision was changed enough to ensure that the Government's hands would not be tied when going after tax evaders and those who commit tax fraud.

The congressional hearings on the IRS not only opened the public's eyes to intimidation and harassment by a small number of IRS agents and supervisors, the hearings have also motivated Congress to offer a large number of bills that seek to change the way that the IRS does business.

I admit that the IRS has a few employees who abuse their power, forgetting that they are servants to the public, not masters of it. I can also personally attest to the fact that there are problems in the manner in which the IRS conducts audits and undertakes collection. However, Mr. President, I am afraid that the anti-IRS rhetoric being employed by some in Congress has unfairly attacked and tainted the majority of hardworking and honest IRS employees and is negatively affecting their morale and productivity.

Mr. Speaker, I am honored to have a large number of hardworking and honest IRS employees in my district at the IRS Mid-States Regional Office.

Mr. Speaker, those employees are not afraid of a new debate on the role of the IRS. They are not frightened by calls for reform and making their fellow workers more accountable to the taxpayers. What they are concerned about is that they are being unfairly singled out and negatively portrayed as unfit, uncaring, and unprofessional employees of the Government.

As Congress continues to consider more IRS reform initiatives, which now number between 10 and 11, we must be careful and responsible with both our words and actions. We must be sensitive to how our words affect those who are truly committed to public service.

I have heard from some of my constituents who work for the IRS and I am truly concerned about the morale of these dedicated and good employees as a result of the extremely negative rhetoric which well-intentioned lawmakers have used to describe the operation of the agency.

Mr. Speaker, we must remember that most IRS employees want to work with—and have worked with—lawmakers to bridge the gap between the IRS and the taxpayer.

Mr. Speaker, today I rose in favor of sensible, well-thought out reform of the Internal Revenue Service but I ask that we truly focus on reform, not rhetoric.

At the same time, I stand to support those great employees at the IRS midstates regional office in Dallas. They believe in public service, customer service, and accountability to taxpayers. They are patriotic and deserving of our respect and thanks, not our rhetoric and disdain.

Mr. KILDEE. Mr. Speaker, I rise today to express my strong support for H.R. 2676, the Internal Revenue Service Restructuring and Reform Act. I believe everyone would agree that commonsense reform of the IRS has been long overdue.

Mr. Speaker, over the years, I have had many constituents call my Michigan offices to complain about problems with the IRS. In fact, each year, I work with our local IRS office to put together a tax assistance night where IRS employeers actually work directly with taxpayers to address their questions.

This bipartisan legislation will set up a new citizen oversight board and make the IRS more accountable to average Americans. Most importantly, this bill will ensure that the sacred principle of innocent until proven guilty is extended to every hard-working, honest American.

This bill is the critical first step to ensuring that our tax system remains both fair and equitable to all working individuals and families. That is why I urge my colleagues to support H.R. 2676.

Mr. CRANE. Mr. Speaker, I rise in support of H.R. 2676, the Internal Revenue Service Restructuring and Reform Act.

First, I would like to compliment my Ways and Means colleague, Mr. PORTMAN, who served as a cochairman of the IRS restructuring commission, for his work on this issue. I also want to thank our chairman, BILL ARCHER, for the prompt committee action on the IRS commission recommendations.

My office regularly assists my constituents who have had problems dealing with the IRS and I am quite familiar with the frustrations of taxpayers dealing with this agency. Of course, opposition to paying taxes and a mistrust of government is ingrained in Americans. Before our war of independence, colonists showed their disapproval of a British tax with the Boston tea party. After the Revolution, Americans took on our newly formed government with the whiskey rebellion. While we have not witnessed similar events in recent history, the IRS is easily the most hated agency of the Federal Government. But the hatred of the IRS is not just the hatred of taxes, but a genuine fear of the seemingly unchecked power the IRS wields over taxpayers.

Congressional hearings this year have demonstrated that the IRS is an agency out of control. Rather than serving taxpayers, IRS bureaucrats too often make Americans feel like slaves to the government. We know that IRS managers established audit goals for their employees to advance in the agency. In other words, IRS employees performance was evaluated by the amount of money extracted from taxpayers, not by dealing with the merits of each individual taxpayer's return. IRS employees came before Congress only under the condition of anonymity because they feared retribution by their colleagues. Taxpayers from all over the United States told stories of intimidation and clear abuses of power exercised by IRS agents. It is clear that many IRS employees were living up to their ignominious reputation.

To the credit of IRS employees, they do have a difficult job. The Internal Revenue Code is thousands of pages of ambiguous laws and regulations which can be interpreted, and often is, any number of ways. This is one of the reasons I have argued for so many years that Congress must scrap the current tax code and replace it with a flat tax that applies the same tax rate to all Americans simply and fairly.

Although this bill does not replace the Tax Code, I believe the reforms proposed in the bill, including the establishment of the oversight board will go a long way in addressing some of the problems at the IRS. Now, citizen board members will sit in judgment of the IRS for a change. I am also encouraged that this bill will, in many circumstances, shift the burden of proof from the taxpayer to the IRS. While thieves, murderers, and rapists are innocent until proven guilty in America, taxpayers are assumed guilty by the IRS until they prove themselves innocent. I know my Democrat friend JIM TRAFICANT has worked tirelessly on this issue and has made the point that it took a Republican Congress to actually get this provision put into law. I have proudly supported him in his efforts over the years and thank him for his work.

I also want to mention some of the other reforms in this bill. Specifically, the bill will allow taxpayers to get reimbursed for attorney's fees when they prevail against the IRS. Another provision will extend the privilege of confidentiality to conversations with tax accountants who provide the same tax advice that tax attorneys provide. The bill will also protect innocent spouses from tax liability on joint returns when they are unaware of misstatements or misreporting made by the other spouse.

Mr. Speaker, clearly the American people are eager to have these reforms. I am glad to see that President Clinton finally got that message and has agreed to support this bill. I urge all my colleagues to support H.R. 2676 and I hope that we can soon see it enacted into law.

Mr. DAVIS of Florida. Mr. Speaker, today I rise in support of H.R. 2676, the Internal Revenue Service Restructuring and Reform Act, an important first step in restoring the American taxpayer's faith both in the tax system and in the ability of their government to be efficient and responsive to their needs. This legislation,, stemming largely from the Kerry-Portman Commission's recommendations, represents true bipartisan cooperation to address the growing concerns of citizens and their elected representatives over the management and activities of the IRS.

H.R. 2676 makes substantial improvements to both the oversight and the management of the IRS, incorporating increased input from the private sector while protecting the overall integrity of the agency. In addition, this bill contains provisions designed to strengthen the rights of the American taxpayer when confronted by the IRS, including a long overdue shift of the burden of proof within the U.S. Tax Court from the taxpayer to the agency. Certainly, our tax laws, like the rest of our judicial system, should be based on the presumption that a citizen is innocent until proven guilty.

While I support these much needed changes to improve the responsiveness and efficiency of the IRS, we must not forget that many of the problems this legislation seeks to remedy have their roots in the Internal Revenue Code itself, which continues to grow in complexity with each new tax law passed by Congress. Even the important tax cut passed earlier this session as part of the balanced budget agreement added hundreds of additional pages to the Internal Revenue Code. I believe our next step must be to thoroughly re-evaluate the overall Tax Code and begin a meaningful dialog on alternatives to the current system.

Mr. Speaker, I urge all of my colleagues to support the legislation before us today which will ensure that, within the current tax structure, the American taxpayer will receive fairer and more efficient treatment by the Internal Revenue Service and I look forward to working with my colleagues on both sides of the aisle in exploring options for streamlining the Tax Code.

Ms. HOOLEY of Oregon. Mr. Speaker, it's time to overhaul the Internal Revenue Service—the most inefficient and the least user-friendly Government agency in America.

If any Member of this Congress still has doubts about legislation to overhaul our Nation's tax collecting agency, they should consider two cases of IRS abuse that I have been confronted with in the last few months. The first involves a woman whose bank account was frozen because her ex-husband died owing a tax debt that he had accumulated after the couple's divorce. The second involves a single mother who is working her way through college. The IRS lost the rebate check she was owed. The check was deposited in someone else's bank account, and 8 months later she still hasn't gotten her money—let alone the interest she would have earned on the refund.

These women are representative of the myriad of miscalculations and errors which have plagued the IRS in recent years. My district is not alone in facing an out of control IRS, naturally, and the difficulties that have cost these two women money, time, and peace of mind are repeated daily with alarming regularity around the country.

Reform of this beleaguered agency can no longer be postponed, and I believe that the IRS Restructuring and Reform Act accomplishes this task in a fair, efficient and bipartisan manner. Once this bill becomes law, I am confident that taxpayers will soon be blessed with a fairer, more user-friendly Internal Revenue Service.

Mr. PACKARD. Mr. Speaker, common sense tells me that the IRS is far too large and intrusive. Consider that the IRS has more than 136,000 employees, while the INS has only 6,500 border patrol agents—about 20 times more people to take our money than to protect our borders. That is simply outrageous.

Today, the House will consider the IRS Restructuring and Reform Act. This legislation will enact 28 new protections that enhance taxpayer rights when citizens become involved in IRS dispute and will effectively shift the burden of proof from the taxpayer to the IRS in court proceedings. By leveling the playing field between honest citizens and an out of control Government agency, the American taxpayers come up the big winners.

Mr. Speaker, all people want is a fair system. In America, that should never be too much to ask for. Nobody should be made to feel like a criminal for trying to do the right thing. The IRS has terrorized everyone from retirees, homemakers, single-parent families, and even a Little League girls softball team. We need to put an end to that.

Republicans hope this is the first step toward a comprehensive overhaul of the current Tax-Code and elimination of the IRS altogether. We are now clearly on our way to eliminating the IRS and its code altogether. More and more inside-the-beltway critics, including the President, are simply getting out of the way as Republicans move this agenda forward. Those who have defended the IRS in the past realize this is a battle they just can't win. I encourage all of my colleagues to support the IRS Restructuring and Reform Act.

Mr. BENTSEN. Mr. Speaker, I rise today in support of H.R. 2676, legislation to reform the Internal Revenue Service and better protect the rights of taxpayers. I am proud to be a cosponsor of this legislation. The need for this legislation could not be more clear after the recent Senate Finance Committee hearings that exposed IRS practices that are abusive to taxpayers and simply unacceptable for a Government agency. These hearings rightly angered most Americans, including myself. They added to the finding of the National Commission on Restructuring the IRS that found the agency to be woefully mismanaged and plagued by computerization problems and poor customer service.

These hearings and the commission's findings make it imperative that Congress act quickly to reform the IRS to improve its management, make it more customer-friendly, and better protect the rights of taxpayers.

This legislation shifts the burden of proof from taxpayers to the IRS in disputes in civil tax court proceedings. Last year, approximately 30,000 cases went to tax court. Under the legislation, taxpayers would still be required to back up claims with documentation, but the court would no longer presume that the IRS is correct when the facts are in dispute.

It also creates an independent 11-member board to oversee IRS management and develop strategy for the agency. The board would be made up of eight members from the private sector, the Treasury Secretary, the IRS commissioner, and a representative of the IRS employees union.

It expands the existing Taxpayer Bill of rights by creating 28 new taxpayer protections. these rights will allow taxpayers to sue the IRS for up to $100,000 in damages if IRS agents are negligent when trying to collect taxes; makes it easier for an innocent spouse to escape liability for taxes owed by the other spouse or an ex-spouse; make more cases eligible for resolution in a tax version of small-claims court; provide funding for clinics to help low-income taxpayers; and extend the attorney-client confidentiality privilege to accountants and others authorized to practice before the IRS.

These protections build on the existing Taxpayer Bill of Rights, which Congress enacted in 1996 with my support. The 1996 law created an Office of Taxpayer Advocate at the IRS to investigate taxpayer complaints about IRS enforcement actions. That law also raised the penalties for IRS employees who recklessly and intentionally disregard the Internal Revenue Code when dealing with taxpayers.

The legislation also places new limits on penalties to taxpayers for repayment of back taxes. It reduces the maximum penalty for 25 percent of the unpaid amount, plus interest, to 9.5 percent for taxpayers who reach a payment agreement with the IRS. Another change would equalize interest penalties for underpayment and overpayment of taxes. Currently, the IRS charges taxpayers a higher interest rate as a penalty for underpayment than the IRS itself pays when it owes taxpayers for overpayments. This is unfair and should be changed. Together, these changes will save taxpayers more than $1.2 billion over 5 years.

The IRS has the critical job of enforcing our tax laws and raising revenue, but there is no reason why it cannot treat taxpayers more like customers and less like potential criminals. Government employees, including those at the IRS, are providing an honorable service to the public, but they must always remember it is the public for whom they work. That is what we do with this legislation Congress is about to approve.

Mr. GALLEGLY. Mr. Speaker, I would like to express my strong support for restructuring the Internal Revenue Service.

We have heard time and again the horror stories taxpayers have experienced at the hands of this ruthless agency. H.R. 2676 levels the playing field between taxpayers and the IRS and reins in its ominous power. The Portman-Archer reform bill protects the taxpayers and restores their rights.

Holding the IRS accountable to the taxpayers is a complete reversal from how the system currently operates. This legislation prohibits IRS employees and IRS units from being evaluated based on enforcement results, but rather requires evaluations be based on the quality of taxpayer service they provide. Moreover, H.R. 2676 creates an independent board to oversee the IRS, taking control from political appointees at the Treasury Department and giving the board real power and authority to hold the IRS accountable for a change.

The reforms also include the unprecedented shift of the burden of proof from the taxpayer to the IRS, and, it enhances taxpayer rights with 28 new protections when citizens become involved in disputes with the IRS.

Mr. Speaker, fixing the IRS is no simple task, but this legislation is the first step in protecting taxpayers and the complete overhaul of our tax system. It's time the IRS was accountable to the American public, not the other way around.

Mr. FRELINGHUYSEN. Mr. Speaker, I rise today in support of H.R. 2676, the Internal Revenue Service Restructuring and Reform Act of 1997. It is time to make the Internal Revenue Service as accountable to the taxpayer as the taxpayer is to the IRS.

Millions of Americans are still talking about the recent IRS hearings on Capitol Hill, where the abusive activities of the Internal Revenue Service were revealed. These activities included collection quotas and "financial status" audits, utter lack of service, and the personal and economic devastation of innocent and decent taxpaying citizens.

The American people heard from IRS agents testifying behind privacy screens with their voices altered telling about which innocent taxpayers they selected for audits, namely, those who didn't have the resources to fight back. We also heard how just getting a question answered could become a tiresome process for a taxpayer. And furthermore, that only 21 percent of the calls the IRS receives are even answered, and, of those, too many are answered incorrectly. In 1993 alone, the IRS gave 8½ million wrong answers to taxpayers trying to comply with Byzantine tax regulations.

Mr. Speaker, we all recognize that there are thousands of hardworking employees at the IRS that do their job well. But while it is understandable that extracting $1.5 trillion from American taxpayers by enforcing a tax code thousands of pages long is no easy task, the bottom line is that the IRS' mistreatment of taxpayers must be stopped.

Mr. Speaker, the solution to curbing IRS abuses has two parts.

First, the IRS must be reformed. H.R. 2676 is the first comprehensive reform legislation of the Internal Revenue Service since 1952. This bill will restructure the IRS by forming a nine-member oversight board, made up of private citizens, with real authority to hold the IRS accountable for change.

New taxpayer rights would be enacted, including the right to sue for negligence, collect legal fees and be notified of the reasons for an audit. The Taxpayer Advocate's Office also would be strengthened, and, most significant, the burden of proof in tax disputes would be shifted from the taxpayer to the IRS. Taxpayer service would become a top priority of the IRS and the practice of evaluating employees and IRS offices on collection results would be prohibited.

Second, now is the time to begin a national debate on reforming the current tax system by making it fairer and simpler. Put bluntly, we need a system that the American people can comprehend. Several competing plans have already been proposed. They include plans for a flat income tax, a retail consumption tax or a value-added tax. This most important debate must be taken directly to the American people to get their ideas and suggestions for change.

Mr. Speaker, for 60 years Washington patched together a tax code so complex that it threatens the basic fairness of the system. Through the many loopholes built into the code, individuals pay vastly different amounts in taxes, and, in some cases, pay no taxes at all. For this very reason, the American people have become cynical about our tax system. Genuine tax reform and simplification, and comprehensive reform of the IRS, is the only way to restore faith in a system that has for too long been unworthy of our trust.

Mr. CALVERT. Mr. speaker, I rise today in support of HR 2676, legislation to restructure and reform the Internal Revenue Service. I believe this is the most important issue currently being debated in households and businesses throughout the country. This is an enormous task for Congress, but one I believe we are ready, willing and able to tackle.

Ever since this issue became a national debate, I have heard from many constituents about their experiences with the IRS. To no one's surprise, the stories were filled with fear and anguish and anger. I did not hear one positive story. This has only reinforced my belief that the IRS is an agency that abuses its power and takes advantage of honest citizens. We have allowed our current system to become monstrous, unmanageable, and in some cases corrupt, and it is up to us to end the IRS as we know it and scrap the current tax code.

The legislation before us today is straightforward and non-partisan. This is not the debate about choosing between a flat tax or a national sales tax. It is not about whether we are Republicans or Democrats. This about representing our constituents and responding to their requests for help. It is unconscionable that criminals in this country are innocent until proven guilty, but taxpayers are not. HR 2676 will change this practice and finally hold the IRS accountable to taxpayers and force the IRS to bear the burden of proof when conducting an audit.

I am committed to improving the tax code and reforming the IRS. HR 2676 is much needed legislation that will benefit every American and I will be voting in favor of this much needed reform. I urge my colleagues on both sides of the aisle to do the same.

Mr. PORTER. Mr. Speaker, I am pleased that the House is considering legislation to reform the Internal Revenue Service. It is clear that abuse of taxpayers has occurred at the IRS and I believe that Congress should legislate changes to ensure this abuse does not continue. However, I also believe it is important that Congress take some responsibility for the adversarial attitude that exists at the IRS toward taxpayers. Two decades ago there was a very real concern in Congress that a growing number of individuals were negligent in paying their taxes. Based on this concern, Congress encouraged the IRS to step up its efforts to see that taxpayers were complying with the law. While Congress did not direct the IRS to harass or intimidate taxpayers, there was a certain degree of pressure placed on the agency to produce results. Unfortunately, this resulted in a culture at the IRS which tolerates abuse of authority. I believe that this bill will effectively correct this behavior and send a clear message that Congress does not condone or tolerate unfair treatment of taxpayers. I encourage my colleagues to join together and support H.R. 2676.

Mr. FAZIO of California. Mr. Speaker, I am proud to be a strong supporter of this legislation that will bring the first comprehensive reform of the IRS since 1952. This bill brings badly needed accountability, continuity, and expertise to this troubled agency.

I have heard from several of my friends and neighbors that have told me horror stories of mishandled cases and IRS agents that have acted inappropriately. There were also the inexcusable examples of abuse that were exposed in both the Senate and House hearings. All of these stories act to echo the call for reform.

This bipartisan legislation gives a comprehensive solution to the problems at the IRS by shifting the burden of proof in Tax court hearings from the taxpayer to the IRS and includes several provisions that will strengthen taxpayers' rights in dealing with the IRS. The bill also creates a new system of oversight that will help bring about lasting change throughout the organization.

The shifting of the burden of proof to the IRS will allow the taxpayer to be innocent until proven guilty in disputes that come before the U.S. Tax Court if the taxpayer has cooperated by providing the IRS access to all relevant information and documents. By changing the burden of proof this provision acts as a cost saving measure that will encourage the IRS to settle more cases before proceeding with a costly trial.

Other provisions of this bill that work to strengthen taxpayers rights include: provisions which protect an innocent spouse from being held liable for the tax liability that are caused by mistakes made by the other spouse on tax returns; allow taxpayers to sue the government for up to $100,000 in civil damages caused by negligent IRS employees who have violated the law; prohibit politically motivated audits; provide for grants to low income taxpayer clinics to help needy Americans in their disputes with the IRS; and encourages electronic filing of tax returns.

This bill reflects true compromise and I am proud to support it.

Mr. ADAM SMITH of Washington. Mr. Speaker, I rise today in support of H.R. 2676, the Internal Revenue Service Restructuring and Reform Act. As a proud cosponsor of this bill, I also want to thank the Commission chaired by Congressman PORTMAN and Senator KERREY, along with Chairman ARCHER and the Ranking Member of the Ways and Means Committee, Mr. RANGEL, for bringing us to where we are today.

I was disheartened to find that more than 150 people have contacted my office this year looking for help with the IRS. Most of those individuals are honest, hard-working people who don't mind paying their fair share of taxes, they just want the IRS to be more helpful. Sometimes the IRS has made mistakes and admitted wrongdoing, yet the agency won't correct them and adjust the taxpayer's bill. Other times, the taxpayer simply has questions and can't get a straight answer from the IRS.

Mr. Speaker, one of my primary goals in Congress is to help restore people's faith and trust in their government. Without public confidence in our democracy, it is impossible to lead this nation into the next century. This bill to reform the IRS to make it more accountable and customer-friendly is one important step Congress must take in order to regain some of the public's trust in government.

This bill will make the IRS more accountable by creating an outside oversight board with real power to perform consistent, ongoing oversight of IRS management and practices. It will make it easier for a taxpayer to comply with tax laws because when they request information or ask questions, they will be able to get answers. Furthermore, Congress will finally be forced to provide the oversight it has been so delinquent in doing.

Mr. Speaker, I urge all of my colleagues to support H.R. 2676. It is a good bill, and a very important step toward restoring the public's trust in our government.

Mr. STARK. Mr. Speaker, I rise in opposition to H.R. 2676 which is before the House today.

Though it is true that certain provisions in the bill are good—the Taxpayers Bill of Rights and the electronic filing of tax returns—there is not enough good in this bill to warrant support for it today. Some provisions are repetitions of current law or can be accomplished without change in law.

However, there are some serious flaws included the bill which prevent it from achieving the underlying goal of modernizing the IRS and improving taxpayer service.

OVERSIGHT BOARD

The creation of the IRS board is most troublesome. The Government should seek the expertise of private sector individuals in advisory capacity; however, private sector individuals should not make key decisions on critical aspects of IRS management, operations, and taxpayers service. The IRS must be directly accountable to the administration with strict oversight by the Congress. The board adds a layer which reduces accountability, not enhances it.

This board is not only unwise but likely to be ineffective. A private sector board meeting once a month and without ability to hire staff of its own will not ensure a better managed IRS, or a more accountable IRS.

There is a peril to privatization without clear rules on conflict of interest and ethics but that is what we have before the House for consideration today. I challenge my colleagues to explain how the union representative is supposed to navigate the conflict of interest laws; how can one person vote on key management decisions while continuing to represent workers on a daily basis?

During committee consideration, I offered an amendment to impose clear prohibitions on private sector board members so that they could not represent a client against the IRS and so the one year post-employment restrictions would apply to board members. The committee rejected this clear amendment in a roll call vote of 14 to 23.

The language on ethics and conflicts of interest that miraculously appears in the bill today is unclear and vague in its requirements for private sector board members. As a criminal provision, it is grossly inadequate.

BURDEN OF PROOF

The shift in the burden of proof is an idea that sounds taxpayer friendly but will result in a far more intrusive IRS.

Former Republican Commissioner Fred Goldberg stated before Ways and Means that "of necessity, the IRS would be forced to resort to far more aggressive techniques in auditing taxpayers and developing cases."

This change is a bad idea which will result more record keeping requirements, more revenue agents, more audits, more tax litigation.

INFLUENCING IRS AUDITS

Lastly, it is intriguing that the bill imposes criminal sanctions on the President, Vice President, and Cabinet officials for requesting that the IRS conduct or terminate an audit of a specific taxpayer.

My Republican colleagues stated that they knew of no such abuse by the executive branch but they failed to apply the same criminal laws to Members of Congress. Did my Republican colleagues want to reserve the right to ask for audits—or pull the plug on audits—with impunity?

Mr. Speaker, the flaws in this bill are too serious to merit its enactment into law. I urge my colleagues to vote no on H.R. 2676.

Mrs. FOWLER. Mr. Speaker, I rise today in support of reforming the IRS. We are often cautioned around here against throwing babies out with bathwater. In the case of the IRS, we are fast approaching the point of throwing out the water, the tub and everything else.

A complicated Tax Code, coupled with an out-of-control bureaucracy bent on punitive enforcement instead of efficient collection has created a situation that this Congress must address. Today's legislation is a starting point. It is going to take time to overhaul the Tax Code. In the meantime, I think we all agree that the abuses at the IRS must stop today. This bill does just that. It levels the playing field between the taxpayer and the tax collector, it makes customer service a priority not an anomaly, and it puts in place some common sense management reforms at the agency itself.

This is a good first step, Mr. Speaker, in our mission to create a fairer tax system for all Americans. I urge my colleagues to support the bill.

Mr. CHABOT. Mr. Speaker, I rise in strong support of the Internal Revenue Service Restructuring and Reform Act.

I want to single out for special recognition, my colleague from Ohio, Mr. PORTMAN, for the tremendous work he has done over the last several months on this critical issue. We in Cincinnati greatly appreciate his tireless efforts on behalf of all American taxpayers.

The legislation before us this afternoon is taxpayer-friendly. It makes a number of important reforms in the areas of IRS daily operations, congressional oversight, and I think most importantly, taxpayers' rights. The legislation recognizes the time-honored American understanding that one is innocent until proven guilty by shifting the responsibility of proving one's case in tax liability disputes from the individual taxpayer to the Internal Revenue Service. This, I believe most taxpayers would agree, is a reform long overdue.

Mr. Speaker, today's legislation is a great step in the right direction. We are bringing the IRS under control. Next we must bring taxes under control. While we have taken the first steps and have legislated tax relief for working American families, that relief will not come soon enough nor will the tax cuts be large enough. The President and his free-spending allies in the Congress have seen to that. But, notwithstanding the objections of our liberal friends, we must move forward with those efforts. The American people are taxed too much. And they will not be satisfied until we take even larger steps to relieve them of some of that burden. The fruits of labor belong to the working people, not to the government. And we will be failing in our duties to those hard-working taxpayers unless we step up our efforts to provide them with substantial tax relief.

I urge support of the legislation and I encourage my colleagues to supplement this important tax reform measure with tax reduction legislation in the very near future.

Mr. BALLENGER. Mr. Speaker, I rise today to express my full support for H.R. 2676, the IRS Restructuring and Reform Act. In addition, I wish to praise Chairman BILL ARCHER and our colleagues on the Ways and Means Committee for bringing to light endless injustices against the American taxpayers. H.R. 2676 implements the recommendations of the year-long National Commission on Restructuring the IRS and provides taxpayers new protections and rights to address many of the abuses spotlighted in congressional hearings. Our colleagues ROB PORTMAN and BEN CARDIN also deserve recognition for their sponsorship of this commission and their tireless advocacy of its recommendations.

I believe it is important to remind our constituents that it was the Republican-led Congress which made possible this major reform initiative and the implementing legislation we have before us today. H.R. 2676 proposes the first major reform of the IRS since 1952. For three years, Republican committee heads with responsibility for the budget and oversight of this federal agency have worked to advance this reform agenda. After weeks of congressional hearings and outrage expressed by the American people, the media finally began reporting on the dark side of this Federal agency. And, after weeks of resistance to the major recommendations of the National Commission on Restructuring the IRS, and following the endorsement of reform efforts by the leader of the House Democrats, President Clinton—and the defenders of the status quo in his administration—decided they had to join this bandwagon for reform. The good news in this debate is that a presidential veto of these important reforms appears less likely.

Let me repeat, this legislative priority never would have been identified or pursued had it not been for the landslide 1994 congressional elections which swept Republicans into control of the legislative branch of our Federal Government. I am proud that we have made protection of the American taxpayers and tax relief the hallmarks of our leadership. As I have stated before, congressional Republicans need time to review the legislative mistakes of the past 40 years of Democrat control of the Congress. We have been working quietly to build the case for major reforms of the Federal Government, and today we are seeing the fruit of our efforts.

The recent congressional oversight hearings on IRS management problems gave the victims of IRS harassment human faces and gained the national spotlight for this important issue. These hearings also generated a great deal of interest among my constituents in the 10th Congressional District of North Carolina. In addition to a stream of calls and letters urging my support in general for a package of IRS management reforms, the owner of a small business came by one of my district offices with a letter she wanted me to pass along to Chairman ARCHER.

With painstaking detail, my constituent outlined what she and her family—and employees—earlier faced at the hands of overzealous IRS agents. The agents harassed her 77-year-old parents who are in poor health and, on one occasion, delayed her mother's departure for a doctor's appointment. The agents even followed her mother to a store once and prevented her from exiting her car while they hurled questions at her. The taxpayer's daughter suffered problems at school, resulting in medical problems for both of them. After her employees were contacted by phone and in person by agents at their homes, many were scared and considered looking for other work. I agree with my constituent that these agents appeared to be on a mission to destroy her. Although the issue was business taxes, these Federal employees seemed willing to destroy her personal reputation in order to collect the taxes. Regrettably, she could identify with the financial and emotional stresses which the witnesses had shared earlier with the congressional panel and the viewing public.

I am certain my colleagues all can attest to similar battles which consumed their constituents' lives and resources, and in some cases threatened their health. While some IRS districts have been charged with especially egregious collection actions, it seems that the taxman has spread the pain fairly evenly to constituents in every congressional district.

The situation of another constituent illustrates what I believe to be the single biggest problem with agency procedures used to settle outstanding tax liability. Taxpayers who owe back taxes to the IRS, have reached a payment agreement and comply with the terms of the agreement, are still subjected to ongoing penalties. Penalties in this instance have more than doubled the original outstanding tax burden. This is ridiculous! When an agreement is negotiated with the IRS and signed, further penalties should be eliminated. By ending these penalties, I also believe taxpayers would have greater incentive to enter into payment agreements. I agree with my constituents that the IRS should first and foremost provide "customer service," be guided by common sense regulations, and treat all taxpayers with simple human decency.

I believe the solution to the problems with our tax system begins with the enactment of H.R. 2676, the IRS Restructuring and Reform Act. The IRS Restructuring and Reform Act would:

First, create an 11-member IRS Oversight Board, with 8 members who are not Federal officers or employees. This board will have real authority to oversee the IRS and will bring private sector expertise to the agency.

Second, encourage the use of electronic (or paperless) filing which should dramatically reduce the high error rate of IRS employees who input incorrect numbers from paper 1040 forms.

Third, create a Taxpayer Bill of Rights 3, which will provide 28 new protections for taxpayers that will enhance their rights when they become involved in disputes with the IRS. These protections:

Shift the burden of proof from taxpayers to the IRS in court proceedings when a taxpayer has fully cooperated during administrative proceedings; allow recovery of up to $100,000 for negligent IRS collection actions; allow taxpayers to recover attorneys' fees when they prevail against the IRS; give taxpayers easier access to the tax court's equivalent of a "small claims court;" expand the ability of "innocent spouses"—often divorced women—to be relieved from liability for additional taxes which the IRS determines are owed on a joint return filed during the couple's marriage; and require that taxpayers are given a reason for any audit.

Fourth, expand the oversight role by Congress of the agency.

As a taxpayer myself, I feel these changes in IRS management and procedures are long overdue. I welcome the opportunity to speak to this issue on behalf of my constituents. I urge my colleagues to join with me today in voting for the IRS Restructuring and Reform Act of 1997.

Mr. PORTMAN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. PEASE). Pursuant to House Resolution 303, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. PORTMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 426, nays 4, not voting 4, as follows:

[Roll No. 577]

YEAS—426

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Flake
Foglietta
Foley
Forbes
Ford
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Yates
Young (AK)
Young (FL)

NAYS—4

Hoyer
Matsui
McDermott
Stark

NOT VOTING—4

Cubin
Gonzalez
Riley
Schiff

□ 1447

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 2676, INTERNAL REVENUE SERVICE RESTRUCTURING AND REFORM ACT OF 1997

Mr. PORTMAN. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 2676, the Clerk of the House be authorized to correct section numbers, punctuation, and cross-references, and to make such other technical and conforming changes as may be necessary to reflect the actions of this House in amending H.R. 2676.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from Ohio?

There was no objection.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mr. BECERRA. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of the State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C. on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C. and

Whereas Mr. Dornan's unproven allegations and the actions of the Committee on House Oversight have resulted in an unprecedented attack against Latino voters and created a chilling effect with a message to Latinos that their votes are suspect; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is not pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgments concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, after nearly a year and the expenditure of over $500,000, the continued probe of the Sanchez election represents a direct attack on Latino voters and an attempt to silence the voice of new citizens; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end: Now, therefore, be it

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Under rule IX, a resolution offered from the floor by a Member other than the majority leader or the minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within 2 legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentleman from California [Mr. BECERRA] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. VELÁZQUEZ. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of this House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of the State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C. and

Whereas Mr. Dornan's unproven allegations and the actions of the Committee on House Oversight have resulted in an unprecedented attack against Latino voters and created a chilling effect with a message to Latinos that their votes do not count;

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is not perusing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California;

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgments concerning those votes; and

Whereas the Committee on House Oversight has after nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, after nearly a year and the expenditure of over $500,000, of taxpayer's money, the continued probe of the Sanchez's election unfairly targets Latino voters and discourages their full participation in the democratic process;

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end: Now, therefore, be it

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's previous ruling under rule IX will be entered in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from New York will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mr. MENENDEZ. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of the State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit, including his charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that those accused of voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by the Congress to verify the citizenship of voters; and

Whereas the privacy rights of United States citizens have been violated by the Committee's improper use of those INS records;

Whereas the INS itself has questioned the validity and accuracy of the Committee's use of INS documents; and has continued to question the validity and accuracy of the Committee's use of INS documents; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas some Members of the House Oversight Committee are now seeking a duplicate and dilatory review of materials already in the Committee's possession by the Secretary of State of California; and which review can not produce a different result than that which the Committee could produce, upon using the same documents; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and have all the information they need regarding who voted in the 46th District and all the information they need to make a judgment concerning those votes; and

Whereas the Committee on House Oversight has after nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is now, in place of producing such credible evidence, pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has after nearly one year not shown or provided credible evidence sufficient to demonstrate that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, it is the contestant's proof of burden to do so;

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end: Now, therefore, be it

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

☐ 1500

The SPEAKER pro tempore (Mr. PEASE). Without objection, the Chair's previous ruling under rule IX will be entered in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentleman from New Jersey [Mr. MENENDEZ] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mr. MARTINEZ. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

1(b). Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C. and

Whereas Mr. Dornan's unproven allegations and the actions of the Committee on House Oversight have resulted in an unprecedented attack against Latino voters and created a chilling effect with a message to Latinos that their votes do not count;

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the I.N.S. has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on the manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight subpoenaed the records seized by the district attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the committee's possession by the secretary of state of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgements concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, the privacy rights of thousands have been trampled with the sharing of I.N.S. files with second and third parties, half of which were Latino surnames;

Whereas the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's previous ruling under rule IX will be entered in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentleman from California [Mr. MARTINEZ] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mr. ORTIZ. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of the State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C. on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C. and

Whereas Mr. Dornan's unproven allegations and the actions of the Committee on House Oversight have resulted in an unprecedented attack against Latino voters and created a chilling effect with a message to Latinos that their votes do not count; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident adress; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California;

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgments concerning those votes; and

Whereas the Committee on House Oversight has after nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, after nearly a year and the expenditure of over $500,000, the continued probe of the Sanchez election represents a direct attack on Latino voters and an attempt to silence the voice of new citizens; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, that unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's previous ruling under rule IX will be entered in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentleman from Texas [Mr. ORTIZ] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mr. SERRANO. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of the State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas a Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C., on April 19, 1997, in Orange County, California, and October 24, 1997 in Washington, D.C.; and

Whereas Mr. Dornan's unproven allegations and the actions of the Committee on House Oversight have resulted in an unprecedented attack against Latino voters and created a chilling effect with a message to Latinos that their votes do not count; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident adress; of underage voting; of double voting; and of unusually large numbers of individuals voting from the same address. It was found that those voting from the same address included a Marine barracks and the domicile of nuns, that business addresses were legal residences for the individuals voting, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals, and that those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by the Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request, and, at the Committee's request, has been manually checking its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the Committee on House Oversight is not pursuing a duplicative and dilatory review of materials already in the Committee's possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and have all the information necessary regarding who voted in the 46 District and all the information necessary to make judgements concerning those votes; and

Whereas the Committee on House Oversight has, after nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never-ending and unsubstantiated areas of review; and

Whereas, Mr. Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez' election to the Congress; and

Whereas, the continued probe of the Sanchez election represents a direct attack on Latino voters and an attempt to silence the voice of new citizens; and those who seek to organize them; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end: now therefore be it:

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

□ 1515

The SPEAKER pro tempore (Mr. PEASE). Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentleman from New York [Mr. SERRANO] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mr. GUTIERREZ. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of the State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C. on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C. and

Whereas Mr. Dornan's unproven allegations and the actions of the Committee on House Oversight have resulted in an unprecedented attack against Latino voters and created a chilling effect with a message to latinos that their votes do not count; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is not pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California;

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgments concerning those votes; and

Whereas the Committee on House Oversight has after nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, after nearly a year and the expenditure of over $500,000, where Latinos voters have been the target, due process requires that this inquisition of the voters of California's 46th Congressional District end; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentleman from Illinois [Mr. GUTIERREZ] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mr. UNDERWOOD. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C. on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C. and

Whereas Mr. Dornan's unproven allegations and the actions of the Committee on House Oversight have resulted in an unprecedented attack against Latino voters and created a chilling effect with a message to Latinos that their votes are suspect;

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is not pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgments concerning those votes; and

Whereas the Committee on House Oversight has after nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, nearly a year and the expenditure of over $500,000, where voters with spanish surnames voters have been the primary target, due process requires that this inquisition of the voters of California's 46th Congressional District end;

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end: now, therefore, be it

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the majority leader or the minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within 2 legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentleman from Guam [Mr. UNDERWOOD] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mr. REYES. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46 District of California by the Secretary of the State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C. on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C. and

Whereas Mr. Dornan's unproven allegations and the actions of the Committee on House Oversight have resulted in an unprecedented attack against Latino voters and created a chilling effect with a message to Latinos that their votes are suspect;

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by the Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46 District and all the information it needs to make judgments concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is presuming never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, the privacy rights of thousands have been trampled with the sharing of INS files with second and third parties, half of which were Latino surnames and one-third Asian surnames;

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end: Now, therefore, be it

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's prior statement will appear in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the majority leader or the minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within 2 legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentleman from Texas [Mr. REYES] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mr. TORRES. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of the State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C. on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C. and

Whereas Mr. Dornan's unproven allegations and the actions of the Committee on House Oversight have resulted in an unprecedented attack against Latino voters and created a chilling effect with a message to Latinos that their votes are suspect;

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is not pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California;

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgments concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, the privacy rights of thousands have been trampled with the sharing of INS files with second and third parties, half of which were Latino surnames;

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end: Now, therefore, be it

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

□ 1530

The SPEAKER pro tempore (Mr. CALVERT). Without objection, the Chair's previous ruling under rule IX will be entered in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentleman from California [Mr. TORRES] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Ms. ROYBAL-ALLARD. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of the State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C. on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas Mr. Dornan's unproven allegations and the actions of the Committee on House Oversight have resulted in an unprecedented attack against Latino voters and created a chilling effect with a message to Latinos that their votes are suspect; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of an unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by the Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is not pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California;

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgments concerning those votes; and

Whereas the Committee on House Oversight has after nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is presuming never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, the continued probe of the Sanchez election unfairly targets Latino voters and discourages their full participation in the democratic process; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end: Now, therefore, be it

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's previous ruling under rule IX will be entered in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentlewoman from California [Ms. ROYBAL-ALLARD] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mr. HINOJOSA. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46 District of California by the Secretary of the State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C. on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas Mr. Dornan's unproven allegations and the actions of the Committee on House Oversight have resulted in an unprecedented attack against Latino voters and created a chilling effect with a message to Latinos that their votes do not count; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by the Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the. Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgments concerning those votes; and

Whereas the Committee on House Oversight has after nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez' election to the Congress; and

Whereas, the continued probe of the Sanchez election unfairly targets Latino voters and discourages their full participation in the democratic process; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end: Now, therefore, be it

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's previous ruling under rule IX will be entered in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentleman from Texas [Mr. HINOJOSA] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mr. ROMERO-BARCELO. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of the State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C. on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas Mr. Dornan's unproven allegations and the actions of the Committee on House Oversight have resulted in an unprecedented attack against Hispanic voters and created a chilling effect with a message to Hispanics that their votes de not count;

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is not persuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgements concerning those votes; and

Whereas the Committee on House Oversight has after nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, after nearly a year and the expenditure of over $500,000, the inquisition of voters of California's 46th Congressional District has resulted in the intimidation of Hispanic voters;

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end Now therefore, be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

☐ 1545

The SPEAKER pro tempore (Mr. PEASE). Without objection, the Chair's previous ruling under rule IX will be entered in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the majority leader or the minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within 2 legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentleman from Puerto Rico [Mr. ROMERO-BARCELÓ] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

ANNOUNCEMENT OF INTENTION TO OFFER RESOLUTION RAISING QUESTION OF PRIVILEGES OF THE HOUSE

Mr. RODRIGUEZ. Mr. Speaker, pursuant to clause 2 of rule IX, I hereby give notice of my intention to offer a resolution which raises a question of the privileges of the House.

The form of the resolution is as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C. on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas Mr. Dornan's unproven allegations and the actions of the Committee on House Oversight have resulted in an unprecedented attack against Latino voters and created a chilling effect with a message to Latinos that their votes are suspect; and

Whereas the allegations made by Mr. Robert Dornan have been largely found to be without merit: charges of improper voting from a business, rather than a resident address; underage voting; double voting; and charges of unusually large number of individuals voting from the same address. It was found that voting from the same address included a Marines barracks and the domicile of nuns, that business addresses were legal residences for the individuals, including the zoo keeper of the Santa Ana zoo, that duplicate voting was by different individuals and those accused of underage voting were of age; and

Whereas the Committee on House Oversight has issued unprecedented subpoenas to the Immigration and Naturalization Service to compare their records with Orange County voter registration records, the first time in any election in the history of the United States that the INS has been asked by Congress to verify the citizenship of voters; and

Whereas the INS has complied with the Committee's request and, at the Committee's request, has been doing a manual check of its paper files and providing worksheets containing supplemental information on that manual check to the Committee on House Oversight for over five months; and

Whereas the Committee on House Oversight, subpoenaed the records seized by the District Attorney of Orange County on February 13, 1997 and has received and reviewed all records pertaining to registration efforts of that group; and

Whereas the House Oversight Committee is now pursuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgments concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, after nearly a year and the expenditure of over $500,000, the continued probe of the Sanchez election unfairly targets Latino voters and discourages their full participation in the democratic process; and

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it:

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. Without objection, the Chair's previous ruling under rule IX will be entered in the RECORD at this point.

There was no objection.

The text of the Chair's prior statement is as follows:

Under rule IX, a resolution offered from the floor by a Member other than the Majority Leader or the Minority Leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within two legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentleman from Texas [Mr. RODRIGUEZ] will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

PARLIAMENTARY INQUIRY

Mr. SOLOMON. Mr. Speaker, may I propound a parliamentary inquiry?

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. SOLOMON. Mr. Speaker, I have sat here for over an hour now waiting to bring before this body nine very, very important measures dealing with our relationship with the Communist People's Republic of China, and during that hour we have been delayed, we have listened to a number of notices of questions of privilege. One of them was by our good friend, and she is a good friend, the gentlewoman from California [Ms. ROYBAL-ALLARD], and as I listened to her make notice, I came across the October 31, 1997, page H9814, CONGRESSIONAL RECORD, which is entitled "An Announcement of Intention to Offer Resolution Raising Question of Privileges of the House," and it seems to me that the gentlewoman from California repeated exactly what she had noticed on October 31.

My question to the Chair is, it would seem, whether intentional or unintentional, that that would be deleterious in rising to make notice on the same question while one was pending. What is the parliamentary situation there?

The SPEAKER pro tempore. The Chair will examine the announced resolution to determine whether it is identical to another one considered by the House on the same day.

ANNOUNCEMENT OF COMMITTEE ON RULES MEETING

(Mr. SOLOMON asked and was given permission to address the House for 1 minute.)

Mr. SOLOMON. Mr. Speaker, I have asked for this time for the purposes of making an announcement about a Committee on Rules meeting.

Mr. Speaker, we have just witnessed another, I believe, 14 or 15, I did not count the number, questions of privileges being noticed on the floor dealing with the Sanchez/Dornan situation. This brings to, just a guesstimate, to about 45 that now are pending. We have delayed the actions of the House by 1 hour, more than 1 hour just now. If we were to entertain those 45-plus notices over the next couple of days, that would take up probably 24 legislative hours of this body.

This body has been working diligently to try to complete the work of the House so that we can adjourn for this year. As everyone knows, there are three appropriation bills that are contentious. One of those deals with the Census issue which we are told now is about to be worked out. Another dealt with an abortion issue on the Foreign Operations appropriation bill. We are told that the gentleman from New Jersey [Mr. SMITH] has just about completed a compromise on that, and we are told that the gentleman from Pennsylvania [Mr. GOODLING], in negotiations with the House, has just about completed a compromise on the testing.

So that the only issues really to come before this body between now and the time that we would adjourn would be those three appropriation bills, the fast track bill, whether my colleagues are for or against it, I happen to be opposed to it, and some other measures such as these nine United States-China relation bills that are terribly important on the floor, now that it is going to take about 14 or 15 hours.

My point is, we have been delayed now so that we will not be able to complete the day's work on these China bills even if we stay until midnight, which we are, incidentally. We are going to stay at least until midnight. But even then, we will have to carry over five or six of these China bills until, tomorrow, and then that just delays any chance that we might have had, I think, of adjourning for the year this Saturday, and even perhaps this Sunday.

But that part is irrelevant. The part that concerns me is that in all of the notices that have been brought before the House, I believe, and I say this sincerely, with no animosity, and I will not yield until I am finished, but I will be glad to at some point, I just believe, I sincerely believe, that they are deleterious in nature, and I have discussed this with the Speaker of the House and asked him if he would not declare them deleterious, keeping in mind that if one or two wanted to be offered each day, certainly knowing the sincerity by some Members of the other side of the aisle that we ought to, as my colleagues know, go along with that. But the Speaker is hesitant to do that because he wants to keep comity in the House.

But, nevertheless, it is the responsibility of the Committee on Rules to see to it that we complete our work on this session, and that is why I have scheduled a Committee on Rules meeting, and I would make notice to the members of the Committee on Rules that we will be considering in the Committee on Rules a two-thirds waiver for remaining appropriation bills from now until Sunday, which means that if the appropriation bills were complete, we could bring them up in the same day.

This is, and when I finish I will yield, this is typical of nomenclature that we do each year. We would also include in that rule permission for suspension days to be brought up with notice to the minority any day between now and Sunday so that we could take care of those significant issues that were not controversial and perhaps deal with them between now and Sunday.

But, also, I am just going to reluctantly recommend to the leadership that we limit in some way the notices that Members can bring on questions of privilege. Perhaps, and I have not decided how we will do this, but perhaps giving that right to the minority leader and the majority leader so that we can have negotiations that try to work out some comity and complete the work of the House. It is terribly important for the American people.

Mr. Speaker, I yield to the gentleman from San Diego, CA [Mr. HUNTER].

Mr. HUNTER. Mr. Speaker, let me just say that I support what he is trying to do for the simple reason that I have heard the notices read over and over again protesting the fact that we do not have a result yet in the election contest, and I just say to my friends that the notices are written in such a way that they are totally one-sided, there is no time for debate, and I sit there looking at the newspaper headlines in California saying that the secretary of state has found that 60 percent of the registrations by one group of people who were registered and voted manipulated—it says that 60 percent of these registrations were illegal.

And yet the idea, if my colleagues listen to the text of the privileged resolutions, which, in essence, are arguments themselves, they talk about Marine barracks being questioned and nuns being questioned. And of course those may be in the huge universe of tens of thousands of people, but the fact that one group alone was found to have had 60 percent of their registrations being fraudulent, and the idea that this House should not investigate that, and that there is no chance for a debate on these privileged motions, they are simply read over and over again in rote.

□ 1600

They were obviously written in such a way as to make the argument in the resolution itself.

Ms. DELAURO. Mr. Speaker, will the gentleman yield?

Mr. HUNTER. I am not going to yield until I am able to finish my sentence.

That, I think, offers no value to this deliberative body, because there is absolutely no time given on the other side, and it gives the impression to the people out in the countryside that there is not a group that had 60 percent fraudulent registrations, which in fact has been the finding of the secretary of state, which would justify any deliberative body in the world at least the idea that we should go forward and at least have a further investigation until we find all the information.

Mr. SOLOMON. Mr. Speaker, reclaiming my time, first of all, I have to yield to the gentleman from Texas who asked me to yield in the first place, and then, if the gentlewoman would let him speak for her, because we have to get on with the regular order.

Ms. DELAURO. Well, I would like to correct the RECORD in a couple of ways, if I can.

Mr. SOLOMON. Well, Mr. Speaker, I will first yield to the gentleman from Texas.

Would the gentleman from Texas rather I yield to the gentlewoman from Connecticut?

Mr. HINOJOSA. Mr. Speaker, that is fine.

Mr. SOLOMON. I just did not want to slight the gentleman from Texas.

Ms. DELAURO. Mr. Speaker, I thank my colleague for yielding. There are two points here. One has to do with our colleague, the gentlewoman from California [Ms. ROYBAL-ALLARD] who, in fact, has introduced two privileged motions, two different dates. Both are different, if the gentleman will check and take a look at the record.

Mr. SOLOMON. Mr. Speaker, would the gentlewoman explain to us how they are different?

Ms. DELAURO. Let me just finish.

Second, there is nothing, nothing, nothing we would like better on this side of the aisle on this issue than to have the opportunity for debate. Every time one of these, after the notice and the vote comes due, we would love to have a debate. In fact, what happens is that a Member gets up and calls for the motion to be tabled, so in fact, we cannot have a debate.

Mr. SOLOMON. Mr. Speaker, reclaiming my time, we have already had that debate.

Ms. DELAURO. Allow us the opportunity to have the debate on this.

Mr. SOLOMON. Mr. Speaker, regular order. Reclaiming my time, the Gephardt debate amendment, or questions of privileges, has been debated on the floor. I now yield back.

REQUEST FOR PERMISSION TO SPEAK OUT OF ORDER

Mr. HEFNER. Mr. Speaker, I ask unanimous consent to be recognized out of order for 5 minutes.

Mr. SOLOMON. Mr. Speaker, we have to continue with regular order.

Ms. DELAURO. Mr. Speaker, the gentleman from New York spoke out of order for 5 minutes, or longer than that.

Mr. SOLOMON. Mr. Speaker, I object.

The SPEAKER pro tempore (Mr. CALVERT). Objection is heard.

PROVIDING FOR CONSIDERATION OF NINE MEASURES RELATING TO THE POLICY OF THE UNITED STATES WITH RESPECT TO THE PEOPLE'S REPUBLIC OF CHINA

Mr. SOLOMON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 302 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 302

Resolved, That upon the adoption of this resolution it shall be in order to consider in the House the bill (H.R. 2358) to provide for improved monitoring of human rights violations in the People's Republic of China. The bill shall be considered as read for amendment. The amendments recommended by the Committee on International Relations now printed in the bill and the amendments printed in part 1–A of the report of the Committee on Rules accompanying this resolution shall be considered as adopted. All points of order against the bill, as amended, are waived. The previous question shall be considered as ordered on the bill, as amended, and any further amendment thereto to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, which shall be equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations or their designees; (2) the further amendment specified in part 1–B of the report of the Committee on Rules, if offered by Representative Gilman or his designee, which shall be in order without intervention of any point of order, shall be considered as read, and shall be separately debatable for thirty minutes equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

Sec. 2. After disposition of or postponement of further proceedings on H.R. 2232, it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 2195) to provide for certain measures to increase monitoring of products of the People's Republic of China that are made with forced labor. The bill shall be considered as read for amendment. The amendment in the nature of a substitute recommended by the Committee on Ways and Means now printed in the bill shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, which shall be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means or their designees; and (2) one motion to recommit with or without instructions.

Sec. 3. After disposition of or postponement of further proceedings on H.R. 2195, it shall be in order to consider in the House the resolution (H. Res. 188) urging the executive branch to take action regarding the acquisition by Iran of C–802 cruise missiles. The resolution shall be considered as read for amendment. The amendments printed in part 2 of the report of the Committee on Rules shall be considered as adopted. The previous question shall be considered as ordered on the resolution and the preamble, as amended, to final adoption without intervening motion except: (1) one hour of debate on the resolution, as amended, which shall be equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations or their designees; and (2) one motion to recommit with or without instructions.

SEC. 4. After disposition of or postponement of further proceedings on H. Res. 188, it shall be in order to consider in the House the bill (H.R. 967) to prohibit the use of United States funds to provide for the participation of certain Chinese officials in international conferences, programs, and activities and to provide that certain Chinese officials shall be ineligible to receive visas and excluded from admission to the United States. The bill shall be considered as read for amendment. The amendments recommended by the Committee on International Relations now printed in the bill shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, which shall be equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations or their designees; and (2) one motion to recommit with or without instructions.

SEC. 5. After disposition of or postponement of further proceedings on H.R. 967, it shall be in order to consider in the House the bill (H.R. 2570) to condemn those officials of the Chinese Communist Party, the Government of the People's Republic of China, and other persons who are involved in the enforcement of forced abortions by preventing such persons from entering or remaining in the United States. The bill shall be considered as read for amendment. The amendment printed in part 3 of the report of the Committee on Rules shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) one hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary or their designees; and (2) one motion to recommit with or without instructions.

SEC. 6. After disposition of or postponement of further proceedings on H.R. 2570, it shall be in order to consider in the House the bill (H.R. 2386) to implement the provisions of the Taiwan Relations Act concerning the stability and security of Taiwan and United States cooperation with Taiwan on the development and acquisition of defensive military articles. The bill shall be considered as read for amendment. The amendment in the nature of a substitute recommended by the Committee on International Relations now printed in the bill, modified by the amendments printed in part 4 of the report of the Committee on Rules, shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, which shall be equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations or their designees; and (2) one motion to recommit with or without instructions.

SEC. 7. After disposition of or postponement of further proceedings on H.R. 2386, it shall be in order to consider in the House the bill (H.R. 2605) to require the United States to oppose the making of concessional loans by international financial institutions to any entity in the People's Republic of China. The bill shall be considered as read for amendment. The amendments printed in part 5 of the report of the Committee on Rules shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, which shall be equally divided and controlled by the chairman and ranking minority member of the committee on Banking and Financial Services or their designees; and (2) one motion to recommit with or without instructions.

SEC. 8. After disposition of or postponement of further proceedings on H.R. 2605, it shall be in order to consider in the House the bill (H.R. 2647) to ensure that commercial activities of the People's Liberation Army of China or any Communist Chinese military company in the United States are monitored and are subject to the authorities under the International Emergency Economic Powers Act. The bill shall be considered as read for amendment. The previous question shall be considered as ordered on the bill to final passage without intervening motion except: (1) one hour of debate equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations or their designees; and (2) one motion to recommit.

SEC. 9. After disposition of or postponement of further proceedings on H.R. 2647, it shall be in order to consider in the House the bill (H.R. 2232) to provide for increased international broadcasting activities in China. The bill shall be considered as read for amendment. The amendment in the nature of a substitute recommended by the Committee on International Relations now printed in the bill shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, which shall be equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations or their designees; and (2) one motion to recommit with or without instructions.

SEC. 10. During consideration of any measures pursuant to this resolution, the list of questions on which the Chair may postpone proceedings under clause 5(b)(1) of rule I shall be considered to include (as though in one of the subdivisions (A) through (E)) both the question of adopting an amendment and the question of adopting a motion to recommit.

The SPEAKER pro tempore. The gentleman from New York [Mr. SOLOMON] is recognized for 1 hour.

AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Speaker, I offer a technical amendment to the resolution. After clearing a technical printing error with the gentleman from Ohio [Mr. HALL], a member of the Committee on Rules, I ask unanimous consent that the amendment to House Resolution 302 placed at the desk be considered as adopted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I thank the Chairman of the Committee on Rules for yielding to me.

I am pleased to rise in support of House Resolution 302 providing for consideration of nine measures relating to the policy of the United States with respect to the People's Republic of China.

Mr. Speaker, I am pleased to rise in support of the rule (H. Res. 302) providing for consideration of nine measures relating to the policy of the United States with respect to the People's Republic of China.

Today the House addresses major aspects of the United States-China relationship in bringing these measures to the floor.

Many ask: Why are we taking up these measures? The answer is simple. We are taking up these measures because we made a promise to the American people when the House unanimously adopted House Resolution 461 in June 1996.

That resolution, which was introduced by Mr. SOLOMON and Mr. COX, called for hearings and legislation by the cognizant House committees on issues of concern to the American people regarding the People's Republic of China. We're keeping our promise.

This legislative package is an effort to separate such issues as human rights, proliferation, and the advancement of democracy from our annual debate about China's trade status—the MFN issue.

The American people are deeply concerned about our relationship with China—all of our colleagues receive letters, phone calls, and other communications about it. We are responding to our constituents.

The Chinese are watching our actions closely. This is an opportune time to be open and to be frank with the new Chinese leadership that the American people and Congress are concerned about a number of important issues in our bilateral relationship.

Many of us in the Congress, and many of the American people, believe that the administration is soft-peddling issues which we as Americans feel strongly about—such as human rights, democratization, trade, Tibet, Taiwan, and our national security.

This legislation expresses the strong sentiment of the Congress and the American people on these issues and urges the administration to take appropriate action.

Seven of the nine bills fall within the sole or shared jurisdiction of the Committee on International Relations. I am pleased with the work of the Rules Committee on these measures. Accordingly, I urge support for the rule so that we can proceed with consideration of these bills.

Mr. SOLOMON. Mr. Speaker, for the purposes of debate only, I yield half of our time, 30 minutes, to the gentleman from Ohio [Mr. HALL], pending which I yield myself such time as I might consume. During consideration of the resolution, all time yielded is for the purposes of debate only.

Mr. Speaker, the Committee on Rules has granted one rule which provides for the consideration of nine bills relating to United States-China policy. Each of the nine bills will be considered separately. Each bill will receive one hour of debate equally divided between the chairman and ranking member of the committee of jurisdiction or their designees. In addition, the rule provides that one motion to recommit, with or without instructions, will be in order on each of the nine bills.

With that, I will proceed to describe briefly the procedure for each of those 9 bills.

The first bill the rules makes in order is H.R. 2358, the Political Freedom in China Act, under a modified, closed amendment process. In addition, the rule makes in order and waives points of order against the Gilman-Markey amendment specified in the Committee on Rules, report to be separately debatable for 30 minutes.

The rule then provides for the consideration of H.R. 2195, the Slave Labor Products Act, under a closed amendment process. House Resolution 188, the fighting missile proliferation resolution, is to be considered under a modified, closed amendment process as well.

The rule then provides for the consideration of H.R. 967, the Free the Clergy Act, under a closed amendment process. The rule provides for the consideration of H.R. 2570, the Forced Abortion Condemnation Act.

Next, the rule provides for consideration of H.R. 2386, the Taiwan Missile Defense Act. The rule provides for the consideration of H.R. 2605, the China Subsidization Act. Next, the rule provides for the consideration of H.R. 2647, the Denial of Normal Commercial Status to the Chinese People Liberation Army. The rule then provides for the consideration of H.R. 2232, the Radio Free Asia Act.

Finally, the rule provides that the Speaker may postpone proceedings on the question of adopting an amendment and the question of adopting a motion to recommit.

□ 1615

Mr. Speaker, this is a fair, balanced rule. It makes in order four amendments by Democratic Members, two amendments by Republican Members, and six amendments which are bipartisan in nature.

Mr. Speaker, on the substance of the bill, let me just say that the day has finally arrived on this floor. Today we will consider a series of bills on China that I have just outlined that, together, represent a comprehensive approach to dealing with the myriad of problems presented by the criminal behavior of the Communist dictatorship in Beijing.

Year after year we in this Congress go through the routine process of attempting to deny but then granting most-favored-nation trading status to this regime, despite its endless list of crimes against humanity, crimes against innocent human beings. Then we forget about it for a year while China continues its human rights abuses, its grossly unfair trading practices, its huge military buildup, its sale of weapons and technology to rogue regimes like Iran, its religious persecutions of innocent, helpless human beings, and even worse, Mr. Speaker, selling ready-to-assemble factories to Middle East countries that produce chemical and biological weapons, including deadly nerve gas and other deadly germ warfare that could be used on American soldiers when they are called upon to defend another country, like Kuwait against Iraq. Members should read the newspaper and watch television and see what is happening with this man Hussein in Iraq.

The nine bipartisan bills we offer here today, and I emphasize "bipartisan," will help us break this vicious cycle. Each of them deals with a different aspect of our relationship with China, or addresses a particular transgression committed by this Communist dictatorship.

Mr. Speaker, I must at this point heap praise on the man I think most responsible for putting this package together and getting it to this floor this far, our Republican policy committee chairman, the gentleman from California, Mr. CHRIS COX. The gentleman from California [Mr. COX] and his staff have done diligent work, outstanding work over these past several months, as a matter of fact, several years, in overseeing this effort, and our hats certainly go off to him, and certainly I know it is appreciated by the oppressed people of China.

I would also like to thank the relevant committees which have reported out or discharged this legislation, including the Committee on Ways and Means, the Committee on Banking and Financial Services, the Committee on the Judiciary, the Committee on National Security, and especially the committee which did the lions' share of work, the Committee on International Relations, under the able leadership of my good friend, the gentleman from New York, Mr. BEN GILMAN.

Finally, Mr. Speaker, I would like to thank the minority leader, the gentleman from Missouri [Mr. GEPHARDT], the gentlewoman from California [Ms. NANCY PELOSI], the gentleman from Ohio [Mr. TONY HALL], and so many other Democrat Members on the other side of the aisle who have been unswerving in their support of a free China, and who also helped make this package a legislative reality.

Mr. Speaker, passage of these bills by this House is absolutely essential here today. Even if one were a supporter of MFN, one must admit that China's behavior is absolutely unacceptable, and this Congress cannot just stand idly by and do nothing about it, especially after the President of the United States fell all over himself last week rolling out the red carpet for this Chinese dictator, and offering him a bag of goodies in return for a couple of empty promises. We will be back here next year and 2 years from now, and I will recall those empty promises to Members, and Members will tell me that they were not fulfilled.

Let us look at the facts. On trade matters, hardly a day goes by when the economic and trade picture with China does not get worse. China's refusal to grant fair and open access to American goods has resulted in our trade deficit with that country skyrocketing to $38 billion last year, and toward $50 billion this year.

Do Members know how many American people were put out of work because of that? The people that make this shirt I am wearing here no longer have jobs. This has cost thousands of American jobs, and this Congress refuses to do anything about it, up until today.

While this package will not affect most-favored-nation trading status with China, the bill of the gentlewoman from Florida [Mrs. FOWLER] does attempt to address the problem of the Chinese People's Liberation Army's huge commercial empire by requiring the executive branch to compile a list of People's Liberation Army companies, and authorizing the President to restrict trade with them under the International Emergency Economic Powers Act. Considering the crimes committed by the Chinese People's Liberation Army, as well as its clearly unfair trading practices. This is clearly the least we can do.

On the matter of human rights, hardly a day goes by without reading of yet another act of aggression, another act of duplicity, or another affront to humanity committed by these butchers of Beijing.

Consider this: The same people who conducted the massacre in Tiananmen Square and the inhumane oppression of Tibet, and if Members do not think they are being oppressed, go there and see firsthand what is happening to those poor people, they have been busily eradicating the last remnants of the democracy movement in China. It is gone, Mr. Speaker.

As we all know, according to this year's State Department human rights report, in 1996, China stepped up efforts to cut off expressions of protest, and had effectively silenced all opposition by intimidation, exile, or imprisonment. That is our State Department's report, Mr. Speaker. Read it.

I emphasize the words "stepped up," Mr. Speaker. Human rights in China are getting worse, not better. This package attempts to deal with this fact through a variety of means. H.R. 2358 that was introduced by the gentlewoman from Florida [Ms. ROS-LEHTINEN] provides for $2 million for additional diplomats dedicated to monitoring human rights to be posted throughout all of China, so we can see and we can have reports coming back to us.

Another bill introduced by the gentleman from New Jersey [Mr. SMITH] provides additional moneys for customs inspectors to monitor and enforce existing prohibitions on slave labor, of which Communist China is the world's premier user. And some of the people around here sing their praises. They still use slave labor, starving people to produce goods to sell in this country, like this shirt I am wearing, and 80 percent cheaper than we can make it in our country. And we sit here and do nothing about it?

The Free the Clergy Act, H.R. 967, of the gentleman from New York [Mr. BEN GILMAN] denies visas to Chinese officials that are engaged in China's rampant religious persecution, and prohibits funding of travel to the United States for officials of Communist China's sham official churches. Do Members not know that that will send a message?

In a similar vein, the gentlewoman from Florida [Mrs. TILLIE FOWLER] would deny visas to those officials involved in China's odious practice of forced abortions. They are bad enough, abortions in themselves, but forced abortions?

And the gentleman from California [Mr. ED ROYCE] will increase funding for Radio Free Asia with the intent of achieving 24-hours-a-day broadcasting in China in multiple languages and in dialects, so that the people behind that Chinese iron curtain can see what is going on and can hear that there are people out there, that there is a beacon of hope for them.

In the field of national security, what we see is a relentless Chinese military buildup, ever more frequent exports of technology and weapons of mass destruction, and an increasingly belligerent Chinese foreign policy that even threatens to use those missiles on Los Angeles.

Where are all the Members from California? They ought to be terribly, terribly upset about that. Here is one back here.

While every other major country has reduced its military spending, Communist China has increased its military spending by double digits for a number of years now, and has already increased their military spending by 50 percent in just the last several years, while we in America and every other democracy in the world is cutting back. Why are they doing that? What have they got on their minds? What are they buying with all of that money? Soviet-made Sunburn missiles from Russia, that is what, and Soviet and Russian-made SU-27 Flankers, Kilo submarines, and a host of other equipment and technology that will allow China to, among other things, continue to intimidate the democratic society of Taiwan.

Meanwhile, China's irresponsible proliferation activities continue to go unabated, despite last week's paper promises. The fact is that China continues to export ballistic missile and nuclear technology to Pakistan, and missile, nuclear and chemical weapons technology to the avowed enemy of America.

Who says we are their enemy? Iran says we are their enemy. Yet China gives them the same nuclear technology that now we are telling them we are going to give to China. It is outrageous, Mr. Speaker.

This package also deals with these national security problems in several different ways. One bill calls for enforcement of the Gore-McCain Act, this is the law of the land, in light of China's C–802 missile shipments to Iran. That 1992 act calls for sanctions against countries which arm Iran, but the President and the Vice President have been ignoring the law, declining even to issue a waiver. Why? I wonder why.

H.R. 2386, introduced by the gentleman from California [Mr. DUNCAN HUNTER], requires a report on the missile defense needs of Taiwan, and calls for sales of missile defense technology to Taiwan as soon as possible, so they can meet this threat.

Finally, Mr. Speaker, I myself introduced an attempt to shut down the taxpayer-funded money flow to this rogue regime, which makes what we are doing here today necessary by requiring the United States to oppose all so-called soft money loans to China.

Here is this country. We are going to have people come on the floor today and they are going to praise this China's Government and say how successful they are, and look at their great economy. And we still give them money in foreign aid? We give our taxpayers' money to them?

Mr. Speaker, this world is upside down. It is high time for substantive and creative responses to the aforementioned affronts against humanity committed by this despotic dictatorship in China. That is what these nine bills are all about, and I would urge every Member to come over here, participate in this 10 hours of debate on the issues that I have just brought before Members. We need to do that not only for the people that are suffering under communism in China today, but we need to do it for the protection of the American people in the future.

Mr. Speaker, I reserve the balance of my time.

AMENDMENT OFFERED BY MR. SOLOMON

The SPEAKER pro tempore (Mr. CALVERT). Without objection, the Clerk will report the amendment to the resolution that was previously agreed to.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. SOLOMON:

The first sentence of section 2 is amended by striking "H.R. 2232" and inserting in lieu thereof "H.R. 2358".

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this resolution, House Resolution 302, is a compound rule that will allow consideration under a very closed amendment process. It allows nine separate bills or resolutions responding to human rights abuses in China.

As my colleague, the gentleman from New York, has described, this rule provides 1 hour of general debate for each bill, equally divided and controlled by the chairman and the ranking minority member of the committee of original jurisdiction.

The rule permits only one floor amendment to be offered to one of the nine bills. No other floor amendments can be offered to that bill or any of the other nine bills in the China package. The rule self-executes 11 other amendments to some of the bills.

Mr. Speaker, I do share with my colleague, the gentleman from New York [Mr. SOLOMON), an abomination of the human rights abuses in China. During my service in Congress, as others have done, I have devoted myself to improving human rights conditions in many of the forgotten places around the world. Therefore, I do appreciate the work of the gentleman, as well as the Committee on International Relations chairman, the gentleman from New York [Mr. GILMAN), and the ranking member, the gentleman from Indiana [Mr. HAMILTON] for their continued focus on China's human rights abuses. China's brutal suppression of religious and political freedoms are well known. China has cracked down on political dissent, imprisoned and tortured people for their religious beliefs, and supported the proliferation of weapons of mass destruction.

China continues forced abortions for many women who do not follow the one-child-per-family policy, and the House of Representatives and the United States cannot remain silent on these human rights abuses.

The United States must do more than just talk about human rights abuses. We must take action that leads to improving the lives of the Chinese people. The bills before us today contain a number of creative approaches. They are the result of a great deal of effort by many House committees. It is an act of leadership and courage for us to consider them.

□ 1630

Unfortunately, I do not agree with the actions of the Committee on Rules in moving the China package forward under this process. I agree that there is a sense of urgency, and in fact I wish that the House had moved with stronger force to stop many human rights abuses that I and others have pointed out over the past two decades.

However, I believe that the speed of the process denies the opportunity for House Members to participate in the shaping of this legislation, and it increases the risk that the final product will not represent our best effort. For these reasons, I reluctantly oppose the rule.

Last night during consideration by the Committee on Rules, the distinguished ranking minority member of the Committee on International Relations, the gentleman from Indiana [Mr. HAMILTON], testified he had serious substantial concerns about this package of legislation. He also had serious concerns about the process. He pointed out that some of the bills had no hearings and there has been inadequate consultation with the administration and the intelligence community. The result, he warned, is likely to produce a flawed product that will not have the intent we seek and will not reflect well on Congress.

The Committee on Rules did self-execute amendments that will improve the package. I am thankful to the committee for making these changes and for including Democratic amendments.

However, this is the least preferable way to make the changes. It puts the Committee on Rules in the role of the decisionmaker, circumventing the normal committee process, and denies the opportunity for all House Members to vote on the self-executing amendments. With one exception, House Members are denied the opportunity to offer their own amendments on the floor.

Mr. Speaker, I believe that speed and efficiency are necessary when important issues such as human rights come up. But under this rule, we are sacrificing too much of the rights of House Members and risking making too many mistakes to consider the China legislative package.

I would urge my colleagues to reject this rule and a very flawed process.

Mr. Speaker, I reserve the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes and 30 seconds to the gentleman from Claremont, CA [Mr. DREIER], the vice chairman of the Committee on Rules. He is an outstanding supporter of human rights throughout this world. I wish I had more time than 3 minutes to yield to him. There will be ample other time during the 10 hours of general debate.

Mr. DREIER. Mr. Speaker, I thank my friend for yielding me this time.

I rise in strong support of this rule and to say that I am in agreement with many of the points that my friend from New York made. Probably the most important one to me is the fact that it is true over the years we constantly focus on the debate on whether or not we should renew most-favored-nation trading status with the People's Republic of China and then, while we have talked about many things, we unfortunately do not get on that road toward pursuing many of the very justifiable concerns that we have, and that is what this is all about today.

Before we had the vote on renewal of MFN earlier this year, the Speaker asked my colleague from Illinois [Mr. PORTER] and me to put together a package which includes, in fact, an overwhelming majority of the items included in this legislation. We worked with the gentleman from New York [Mr. SOLOMON] and the gentleman from California [Mr. COX] and many other Members who got involved in this process, and in a bipartisan way we introduced H.R. 2095 with 40 cosponsors. And it is bipartisan; we have 14 Democrats who joined as cosponsors of that measure.

I am not going to stand here and be one of those that the gentleman from New York [Mr. SOLOMON]) mentioned, who is going to praise the Chinese Government or, in fact, say that they are all very rich. I am a very strong critic of the actions of the Government of the People's Republic of China and those concerns which all of us share. I am not going to say that they are a rich country because they are not a rich country.

But I will say that if we look at the 5,000-year history of the People's Republic of China, clearly, market reforms have been the most powerful force for change, and our commercial relations with the People's Republic of China have been integral toward pursuing those reforms which have addressed many of the concerns that exist among the 1.3 billion people.

As I say, there are very deep and disturbing problems which do need to be addressed, and we are today taking a proactive position in trying to look at those.

I think that we need to shift the policy of debate simply on the issue of trade toward those ways that we can promote our American values, the Western values of human freedom, democracy, the rule of law, and respect for international norms. That is why I believe that when we look at the items included in H.R. 2095, we do many of those things that need to be addressed.

One of them I think is very important, and that is to increase funding for the National Endowment for Democracy. We have been key toward encouraging village elections throughout China. While some are critics of village elections, I think that anything we can do to encourage democratization, even if it is coming from the ground up where we now have, unlike during the Mao years, non-Communist candidates and we have in fact secret ballots, things that did not exist when village elections were taking place decades ago, those are positive. The International Republican Institute is on the front line toward helping literally hundreds of millions of people to participate there.

There are many other items that we have included in this measure, funding for Radio Free Asia and the Voice of America, and I believe that we have a very good package by and large. There are some things in this measure which concern me, but I do believe that those things that encourage greater political pluralism are things that we can support as a country.

With that, I urge my colleagues to support the rule.

Mr. HALL of Ohio. Mr. Speaker, I yield 9 minutes to the gentleman from Indiana [Mr. HAMILTON], the ranking minority member of the Committee on International Relations.

Mr. HAMILTON. Mr. Speaker, I thank the gentleman from Ohio for yielding me this time.

I rise today to urge defeat of the rule. I do so with some reluctance, but I am concerned that we are about to embark on a debate that is not going to reflect well on the House of Representatives. We will set back U.S.-China relations and do harm to important American interests.

Some of the bills that we will consider are acceptable; some are not. On balance, I think bringing these bills forward now will do more harm than good in the U.S.-China relationship. A China debate by the Congress is entirely appropriate, if it is properly done. I have got substantive and procedural concerns about this package. I am concerned about the cumulative impact of this collection of bills.

The administration opposes almost all of these bills. I do not assume that the administration is right in all cases and the House wrong, but I am troubled that no process was followed to try to work out the differences on the bills.

Let me just say a word about the relationship with China. It is a terribly complex relationship. It is one of the most difficult foreign policy relationships in the world to manage, even in the best of times. The relationship often makes us uncomfortable. China as a country has many faults and does many things we do not like. The two countries have vastly different perspectives on a whole host of problems, as was obvious to all of us who heard President Jiang Zemin for even a few minutes last week.

But China is too big and too important to ignore. Notwithstanding our differences, we do have many common interests with China. The relationship has deteriorated very badly since 1989. We have just concluded an important summit meeting between the President of the United States and the President of China. I think that summit served real purposes and it put the U.S.-China dialogue back on track. We have got very tough problems ahead of us.

China has a long way to go before its behavior is acceptable to the international community. But looking over the last 25 years, China has evolved from a country ostracized by much of the world to a more acceptable and accepted member of the global community, although it is not there yet, by any measure.

I believe that China is making progress toward a market economy and a deeper integration into the world and has taken some steps toward a more open and accountable society. Even on the most difficult aspect of our relationship, human rights, personal freedom has expanded in recent years as a result of economic growth, and there has been some easing of governmental authority over everyday life.

I acknowledge that China has a very long way to go, and I agree with many of the protests against certain aspects of China policy. No one of us can guarantee the future. Direct conflict with China cannot be ruled out. We are at a moment of decision with China. Either China will decide to live by the rules that bind the rest of the international community or it will go off on its own, a threat to its neighbors and to vital U.S. interests. We are not going to control that decision, but we can influence it. It is in this context that the House takes up this package of legislation.

Cumulatively, these measures will be perceived as anti-China bills. What concerns me most about the package of bills and some of the rhetoric that will accompany them is that the House will be perceived as demonizing China and China may very well respond in kind.

I do not believe it serves American interests today to paint China, with all of its faults and with all of the concerns we have about its conduct, as a second evil empire. That is not the prescription for a productive relationship. While I support some of the measures before us today, as a whole I do not think these bills have been well considered.

We have not had a single hearing on several of the bills. Consultation with the administration has been limited and in some cases nonexistent. Administration positions and preferences have been ignored without even an effort to take the views of the executive branch into account. Members have been denied an opportunity to offer serious and substantive amendments. A flawed process is likely to produce a flawed result. In terms of substance, the deficiencies of this package are apparent.

Some of the bills, such as the one on cruise missiles to Iran, make very close judgments concerning the violation of existing laws without adequate intelligence briefings or consultations. Some of the measures before us are overly broad or vague. I might mention the two bills that deny U.S. visas to large numbers of unspecified Chinese. Some of the bills fail to take into account probable Chinese reactions and how these could affect American interests.

It would, for example, not serve U.S. interests if China were to bar admission into China for Billy Graham or other American religious leaders in retaliation for our denying visas to their religious officials. Some of the bills, such as the Taiwan ballistic missile development bill, could be counterproductive and produce a result very different from what we intend. Some of the bills, including H.R. 2570 on forced abortion and H.R. 967 on religious persecution, certainly worthy in their purpose, would create administrative nightmares for those responsible for their execution. In short, these are far-reaching bills with major substantive problems.

One question I ask is, what is the hurry? The Senate is not scheduled to take up these bills this year. We are about to adjourn. We have time to take a more deliberative approach and to produce a better product. I, of course, endorse the right and the responsibility of the Congress to express its views on important foreign policy issues, but our institutional right should be carefully and deliberately exercised.

On these delicate matters of foreign policy toward China, we should consult closely and work cooperatively with the President. It simply does not help American foreign policy for the Congress to charge off in one direction and the President in another. That is precisely what we are doing as we consider these bills.

A process should be followed that is unhurried and deliberate. We need to make every effort to debate China policy at a time and in a manner that does not frustrate the President's ability to conduct U.S. foreign policy. I do not think we have met those responsibilities.

My concern is that we are about to rush into actions that will not reflect favorably on the House of Representatives and could damage the Nation's interests. For these reasons, Mr. Speaker, I ask my colleagues to vote no on this rule.

Mr. SOLOMON. Mr. Speaker, could the Chair advise us how much time remains on both sides?

□ 1645

The SPEAKER pro tempore (Mr. CALVERT). The gentleman from New York [Mr. SOLOMON] has 11½ minutes remaining. The gentleman from Ohio [Mr. HALL] has 17½ minutes remaining.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska [Mr. BEREUTER], the very distinguished member of the Committee on Foreign Affairs. He came with me to this body 19 years ago and he is a very respected Member in Lincoln, NE.

Mr. BEREUTER. Mr. Speaker, I thank the gentleman from New York [Mr. SOLOMON] for yielding me the time.

As chairman of the Subcommittee on Asia and the Pacific and as someone who has carefully followed events in the People's Republic of China for some time, this Member rises to address the legislative initiative orchestrated by the gentleman from New York [Mr. SOLOMON], distinguished chairman of the Committee on Rules, and the gentleman from California [Mr. COX].

The legislative package that is before this body today contains a great many provisions that this gentleman fully supports. Some of the amendments made in order seem very appropriate. Others will be examined in debate. And some, perhaps, should be offered but cannot be offered. But I do believe a structured rule was essential.

The initiative on Radio Free Asia has been authored by the distinguished gentleman from California [Mr. ROYCE], an initiative also proposed by the gentleman from New Jersey [Mr. SMITH] and this Member and recommended by our distinguished Speaker. It is a common sense proposal that would facilitate the flow of unfiltered information to tens of millions of Chinese.

Similarly, an initiative supporting ballistic missile defense for Taiwanese is unfortunately now merited, as is the proposal for additional State Department personnel to monitor human rights conditions. These are all worthwhile initiatives.

However, Mr. Speaker, there is the high prospect for a frenetic overtone to this unfolding debate. The underlying psychology of some of my colleagues seems to be to regain the initiative vis-a-vis the PRC. Mr. Speaker, the United States never lost the initiative.

The United States is the preeminent military, economic, and political power in the world today. Yes, it is true that China, together with much of the rest of Asia, has experienced major growth—but that is not a threat to us. This Member is a realist—we should not be creating enemies where none need exist.

Mr. Speaker, this Member fully shares the hope, desire, and commitment that human rights and democracy will flourish within the PRC. By focusing on the details of very specific human rights abuses that one finds in today's headlines, it is easy to ignore the dramatic, undeniable progress that has occurred, and continues to occur. The China of today simply is not the China with which President Richard Nixon forged an opening in 1972. Rather, today's China is vibrant and rapidly changing. It is dynamic. In terms of personal prosperity, in terms of individual choice, in terms of access to outside sources of information and freedom of movement within the country, the Chinese undeniably enjoy increased freedom. Public dissent, however, is severely limited.

Moreover, just last year modest legal reforms were advanced in the area of criminal procedures which make it more likely that individuals will be considered innocent until proven guilty, will have the right to a lawyer at the time of detention, and will be able to challenge the arbitrary powers of the police. Although these reforms have far too many conditions or limitations that permit the government to suppress political dissent, they nonetheless represent progress toward rule of law in China.

All the village level, it would seem that a remarkable transformation has taken place without anyone noticing. Village elections, once the sole domain of local communist party functionaries, have in many but far from all cases, suddenly become contested events—with noncommunists elected to some posts. This Member is not pretending that very serious, deeply rooted problems do not continue; they do. But the critics of the PRC should stop pretending that conditions for the average individual in China has not dramatically improved; of course, that varies greatly from region to region in China.

Mr. Speaker, this Member is absolutely convinced that democracy and broader respect for human rights inevitably will come to China. There is no way the Chinese leaders in Beijing can prevent the flow of information and ideas into their country. We can have at least some effect here, either positive or negatively.

Simply put, Mr. Speaker, as President Clinton said, time is on our side. The objective that everyone will profess so loudly on this floor today will come in time if we do not blow it. Making China our adversary will not advance political nor religious rights, nor will it advance the security of Taiwan.

This Member would, therefore, simply urge, in the course of today's debate, that a measure of past-to-present analysis and a long-term perspective on what is actually in America's national interest should be applied to the debate about to unfold on the various resolutions in the China legislative package the rule makes in order today.

Mr. HALL of Ohio. Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Ms. HARMAN].

Ms. HARMAN. Mr. Speaker, I rise in strong support of this rule and commend the gentleman from New York [Mr. SOLOMON], chairman of the Committee on Rules, for his care and fairness in drafting it.

As a mother of four, I know that perfection is not an option, and I certainly agree with many speakers that this rule is not perfect. Nevertheless, I feel that it is timely and that it brings many important subjects to our attention. I would say to our colleagues who disagree with some of these resolutions and proposed amendments, vote against them. I may vote against some, too. But do not vote against this rule.

Let me make a couple of other points. Last week, as has been noted, the President of China was here. I thought his visit was very productive. I support the economic relationship with China and have voted twice against discontinuing most-favored-nation status for China. That does not mean, however, that I think that issues concerning human rights and proliferation are unimportant. I think they are very important. And this is our opportunity to address those, too, and to address those in a timely way before we adjourn.

On one subject, I would like to make a further point; and that is the language in this rule that automatically reports the text of House Concurrent Resolution 121 into House Resolution 188. Resolution 188 is offered by the gentleman from New York [Mr. GILMAN], and it concerns proliferation of missile technology from China to Iran. The addition to the other language is the full text of an amendment I have offered that has been reported unanimously by the Committee on House International Relations and has also been introduced in the other body, with many cosponsors, to direct the administration to impose sanctions on Russian firms that are engaging in missile proliferation to Iran. That is as urgent a threat as the Chinese proliferation. Combining the two makes the point more effectively. I look forward to a time later today when both will be passed.

In conclusion, Mr. Speaker, I urge strong support of this rule and commend those involved for a very fair and complete process.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. DIAZ-BALART], one of the true defenders of human rights in this body. He is a member of our Committee on Rules.

Mr. DIAZ-BALART. Mr. Speaker, these nine bills that I strongly support bringing to the floor through this rule make a necessary statement, Mr. Speaker, a statement that I think, unfortunately, has not been made by the President of the United States. I certainly have not heard the President of the United States make it. And that is very clear, very simple, we want China to be free.

Yes, we recognize that China cannot be ignored, but we want freedom for the Chinese people. The reality of the matter, Mr. Speaker, is the international community generally is today engaged in a policy of massive capital and technology transfers to China in the context of what I would refer to as the ugly face capitalism, the utilization of a system that permits extraordinary profits for major investors because of the lack, the total lack, of labor rights existing in that country.

Now, with that ugly face of capitalism and the increase of the gross domestic product that is occurring in China may come, and it always does with GDP, comes military power. I am convinced that unless the Chinese people are able to throw off the yoke of their oppressors, our children, Mr. Speaker, and their children will have to face very dangerous consequences, perhaps horrible consequences, the massive capital and technology transfer that China is benefiting from today.

So I believe that it is important that we make the statement and that we take the substantive steps that we will be taking with these bills. It is, obviously, very difficult for the people of China to free themselves when international capitalism is pouring billions of dollars into the coffers of the communist oppressors, billions that they use to maintain their oppressive apparatus. We can and I believe we must, and I believe the Congress is in fact saying with these bills, we do not accept the status quo, we want freedom for China.

Mr. HALL of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Speaker, I thank the gentleman from Ohio [Mr. HALL] for yielding me the time.

Mr. Speaker, I would like to point out that this whole debate reminds me of a chapter of a book called "365 Days," where a doctor, Dr. Glasser, who treated patients during the Vietnam war, makes mention of the fact that our medics during the Vietnam conflict, when soldiers were so severely wounded that there was nothing that could be done for them, would often give them a sweettart and tell the dying soldier that it was for the pain; and somehow the soldiers, wanting to think they would get better, would actually feel better.

That is about what these bills do. It is like giving a dying soldier a sweettart. It does not save him. But maybe it is a psychological thing for the American people that somehow we will feel better about the fact that one of the world's most brutal dictatorial regimes has a $40 billion trade surplus with our country and that they use that money to arm our votes.

I would hope that people would vote against this rule. Because I would like to offer an amendment to where, if we are really going to address the trade problems and the wrongs in the People's Republic of China, why do we not do something very simple, why do we not instruct our trade agencies and the people responsible for tariffs to, on a quarterly basis, look and see what the Chinese charge us for access to their markets and then adjust our tariffs to meet theirs. It is called fairness.

That bill is already drafted. I would like the opportunity to offer it as an amendment. The gentleman from New York [Mr. SOLOMON] is the chairman of the Committee on Rules. I would like an open rule so that one of these bills could be amended to do just that.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Mississippi. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, let me say to the gentleman from Mississippi [Mr. TAYLOR] that we have a protocol that we have followed that we cleared with the Democratic minority that we would only consider those bills that have been reported from the committees.

The gentleman from Missouri [Mr. GEPHARDT], as a matter of fact, has a bill dealing with the WTO that I am his major cosponsor of. We could not make that in order, Mr. GEPHARDT understands that, because the Committee on Ways and Means would not report it unfortunately.

I would like to cosponsor the gentleman's legislation if he introduces it, and I will do everything I can to help him move it.

Mr. TAYLOR of Mississippi. Mr. Speaker, I think the gentleman from New York [Mr. SOLOMON] has just made my point. I think we ought to have an open rule. I do not think a handful of people in the Republican leadership or a handful of people in the Democratic leadership or just those people who are fortunate enough to serve on the Committee on Ways and Means should make this decision. I think everyone in this House should make the decision where we seek some basic level of fairness between what we charge the Chinese, which is almost nothing, to have access to our markets, which indeed in many instances are made by slave labor, and they are charging us anywhere from 30 to 40 percent for our goods and they have a 40-percent trade surplus with our country, which means they are the winner.

All I want is fairness and opportunity for Members of this body to decide whether or not we can have that level of fairness. For that reason, and especially since the gentleman from New York [Mr. SOLOMON], chairman of the distinguished Committee on Rules, would like the opportunity to vote for that bill, I would encourage every Member of this body to vote against the rule so that it would be open for debate so we have an opportunity to vote on just that.

Mr. HALL of Ohio. Mr. Speaker, I yield back the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. COX], who is most responsible for bringing all of this legislation to the floor. He is the chairman of our policy committee for the Republican Party.

Mr. COX of California. Mr. Speaker, I thank the chairman, the gentleman from New York [Mr. SOLOMON] for yielding me the time.

The recent visit of President Jiang Zemin has focused the attention of the American people on our relations with the People's Republic of China in a very constructive way. To the extent that the summit was meant to promote cordial relations between our two states and friendly dialog, it was a success. For President Jiang was warmly received, he was provided a 21-gun salute, a State dinner, a breakfast here on Capitol Hill with our congressional leadership, and he even had a chance to address the American people on the "McNeil-Lehrer News Hour."

Because we respect his position as the head of the Communist Party and as the President of the People's Republic of China, and because we recognize the importance of cordial relations with the world's most populous nation, we received him properly and openly. But there is more to our relationship than summitry and warm expressions of goodwill. We also must do the hard work of hammering out our distinctions on security issues, on the proliferation of technology for weapons of mass destruction, and on human rights, all of which are of fundamental importance, not just to the peoples of our countries, but to the people of the whole world.

For many years, United States policy toward the People's Republic of China has been mired in debate over MFN status, most favored nation trade status for the People's Republic of China. This is a stalemate that has frustrated all sides of the debate and hindered the development of a coherent China policy that addresses the diverse aspects of our relationship, many of which have little, if anything, to do with trade.

The attempt to refract every element of our policy toward the People's Republic of China through this single annual debate on trade policy has failed to do justice to what the gentleman from Indiana [Mr. HAMILTON] rightly observes as a complex relationship. Because the choice presented in the MFN debate was binary, it was like a light switch on and off, we could not calibrate our responses to the nuance and change in the relationship. Even worse, the threat of MFN denial lost credibility with China's Government, providing the United States with little leverage on either trade or nontrade issues.

To move beyond this stalemate, the House adopted House Resolution 461 a year and a half ago, in June 1996. This resolution passed the House with bipartisan support. Let me quantify what I mean by "bipartisan support." The vote was 411–7. It is stated, the debate over Communist China's most favored nation trade status cannot bear the weight of the entire relationship between the United States and the People's Republic of China. Instead, the bill enumerated in detail a series of concerns about the activities of the Communist Chinese military, about China's human rights record and about their economic and trade policy, and it charged the standing House committees of jurisdiction with holding hearings and reporting out appropriate legislation tailored to these separate concerns.

Six of our standing committees have now fulfilled that charge and sent to the floor nine separate pieces of legislation that contain discrete and measured responses to each of the serious issues in our bilateral relationship with the People's Republic of China.

☐ 1700

Together these bills comprise a very positive policy for freedom that does not involve MFN but that does provide needed clarity to these important issues.

This effort remains thoroughly bipartisan. I want to recognize the hard work and the positive contributions of the Democrats as well as Republicans who have put this package together. It is the reason that I am addressing Members from the minority side of the aisle. I wanted to walk across to tangibly illustrate just how much we have worked together with the gentleman from Missouri [Mr. GEPHARDT], the minority leader; with the gentlewoman from California [Ms. PELOSI] and the gentleman from California [Mr. LANTOS], as well as the authors of the legislation that we will be considering: The gentleman from Illinois [Mr. PORTER], the gentleman from California [Mr. DREIER], the gentleman from New York [Mr. GILMAN], the gentleman from Nebraska [Mr. BEREUTER], the gentleman from New York [Mr. SOLOMON], the gentleman from South Carolina [Mr. SPENCE], the gentlewoman from Florida [Mrs. FOWLER], the gentlewoman from Florida [Ms. ROS-LEHTINEN], the gentleman from California [Mr. HUNTER], the gentleman from New Jersey [Mr. SMITH], and the gentleman from California [Mr. ROYCE] as well as scores of our colleagues.

Our policy for freedom supports a growing, positive relationship with a free China and it recognizes that the people of China are not the same as the regime in China.

Mr. Speaker, I would like to conclude with a brief story from Chinese history, and a thought:

When the Ming Dynasty replaced the Mongols in the 14th century, China embarked on its own Age of Exploration, an era that antedated, and rivaled in every respect, the exploration and the discovery that was going on in Europe at the time. Chinese fleets scoured the Indian Ocean. They visited Indonesia, Ceylon, even the Red Sea and Africa, where they brought back giraffes to surprise and amaze people back home.

But this is where Chinese exploration ended. Who knows? With a little more wind, they might have rounded the Cape of Good Hope before the Portuguese. They might have reached Europe. They might even have discovered America.

Today, the irrepressible dreams of human freedom live on in China's diverse and tolerant peoples. But China's explorers and discoverers are kept down by the worst of the 20th century's legacies, the last vestiges of totalitarianism, which also live on still in Communist China.

It is my hope that as we close the 20th century, America, whose unique mission in the world is to promote freedom, can provide the Chinese people with a little wind at their back so that this time they will round the corner, this time they really will be free, and so that our friendship will truly be strong and the world will be a much safer place.

Mr. Speaker, I thank the gentleman from New York [Mr. SOLOMON] for bringing this package together with the cooperation of both majority and minority Members and for the splendid debate that I know that we will have in the next 10 hours.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. GOSS].

Mr. GOSS. Mr. Speaker, I rise in support of this rule.

I thank the distinguished chairman of the Rules Committee, Mr. SOLOMON, for yielding time and I rise in strong support of this fair rule to expedite the consideration of these nine important initiatives.

Mr. Speaker, we are nearing the end of the session and we are taking steps to ensure full debate on these important topics without bogging the House down in days and days of speechmaking. This rule strikes a responsible balance. In my view it is well past time that Congress send a clear message challenging the human rights conduct, weapons proliferation, and hostile intelligence activity of the People's Republic of China. As chairman of the Permanent Select Committee on Intelligence, I have been closely following these and other issues to be discussed today. We have examined the activities of Chinese intelligence and military officers in the United States and we have studied the evidence of proliferation by China of weapons of mass destruction. We have also closely examined the brutal conduct of the Chinese Government toward many of its own citizens. The record is clear and tremendously unsettling—it is not one of freedom, but one of repression. China, whether we like it or not, is one of the single greatest national security concerns facing us today.

Today we are finally taking concrete action, some basic steps to demonstrate our real concern about the intentions and activities of the Chinese regime. Through these nine bills we will encourage enforcement of the 1992 Iran-Iraq Nonproliferation Act. We will monitor the access of and deny United States subsidies and United States visas to Chinese intelligence officers and others who work against America and its interests. We will promote human rights in China and punish those who persecute, who perform abortions, and who exploit forced labor. In short, we will define a congressional agenda toward China, one of freedom and tolerance.

Mr. Speaker, I applaud the efforts of all Members who have helped bring these important bills to the floor. I especially commend my friend from California, Mr. COX, for his steady leadership in this crucial national security area. I intend to maintain a clear and high priority focus on China in my capacity as chairman of HPSCI.

Mr. SOLOMON. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. CALVERT). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HALL of Ohio. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 237, nays 184, not voting 12, as follows:

[Roll No. 578]

YEAS—237

Abercrombie
Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
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McCarthy (NY)
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McCrery
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McInnis
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McKeon
Metcalf
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Miller (FL)
Moran (KS)
Moran (VA)
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Royce
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Sanford
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Schaefer, Dan
Schaffer, Bob
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Sessions
Shadegg
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Shuster
Skeen
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Smith (OR)
Smith (TX)
Smith, Linda
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Solomon
Souder
Spence
Stabenow
Stearns
Stump
Sununu
Talent
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Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
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Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
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Wolf
Young (AK)
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Barrett (WI)
Becerra
Bentsen
Berman
Berry
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Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (OH)
Cardin
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Hall (OH)
Hamilton
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kleczka
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Kucinich
LaFalce
Lampson
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Lewis (GA)
Lipinski
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Miller (CA)
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Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
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Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—12

Brown (FL)
Conyers
Cubin
Flake
Foglietta
Gonzalez
McKinney
Morella
Petri
Riley
Schiff
Schumer

☐ 1729

The Clerk announced the following pair:

On this vote:

Mr. Riley for, with Ms. McKinney against.

Messrs. JACKSON of Illinois, CUMMINGS, REYES, and ADAM

SMITH of Washington changed their vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1730

PERMISSION TO CONSIDER MEMBER AS FIRST SPONSOR OF H.R. 2009

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that I may hereafter be considered as the first sponsor of H.R. 2009, a bill initially introduced by former Representative Capps of California, for the purposes of adding cosponsors and requesting reprintings pursuant to clause 4 of rule XXII.

The SPEAKER pro tempore (Mr. CALVERT). Is there objection to the request of the gentleman from New York?

There was no objection.

POLITICAL FREEDOM IN CHINA ACT OF 1997

Ms. ROS-LEHTINEN. Mr. Speaker, pursuant to House Resolution 302, and as the designee of the chairman of the Committee on International Relations, I call up the bill (H.R. 2358) to provide for improved monitoring of human rights violations in the People's Republic of China, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The bill is considered read for amendment.

The text of H.R. 2358 is as follows:

H.R. 2358

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Political Freedom in China Act of 1997".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The Congress concurs in the following conclusions of the United States Department on human rights in the People's Republic of China in 1996:

(A) The People's Republic of China is "an authoritarian state" in which "citizens lack the freedom to peacefully express opposition to the party-led political system and the right to change their national leaders or form of government".

(B) The Government of the People's Republic of China has "continued to commit widespread and well documented human rights abuses, in violation of internationally accepted norms, stemming from the authorities' intolerance of dissent, fear of unrest, and the absence or inadequacy of laws protecting basic freedoms".

(C) "[a]buses include torture and mistreatment of prisoners, forced confessions, and arbitrary and incommunicado detention".

(D) "[p]rison conditions remained harsh [and] [t]he Government continued severe restrictions on freedom of speech, the press, assembly, association, religion, privacy, and worker rights".

(E) "[a]lthough the Government denies that it holds political prisoners, the number of persons detained or serving sentences for 'counterrevolutionary crimes' or 'crimes against the state' and for peaceful political or religious activities are believed to number in the thousands".

(F) "[n]on-approved religious groups, including Protestant and Catholic groups . . . experienced intensified repression".

(G) "[s]erious human rights abuses persist in minority areas, including Tibet, Zinjiang, and Inner Mongolia[, and] [c]ontrols on religion and other fundamental freedoms in these areas have also intensified".

(H) "[o]verall in 1996, the authorities stepped up efforts to cut off expressions of protest or criticism. All public dissent against the party and government was effectively silenced by intimidation, exile, the imposition of prison terms, administrative detention, or house arrest. No residents were known to be active at year's end.".

(2) In addition to the State Department, credible independent human rights organizations have documented an increase in repression in China during 1996, and effective destruction of the dissident movement through the arrest and sentencing of the few remaining pro-democracy and human rights activists not already in prison or exile.

(3) Among those were Wang Dan, a student leader of the 1989 pro-democracy protests, sentenced on October 30, 1996, to 11 years in prison on charges of conspiring to subvert the Government; Li Hai, sentenced to 9 years in prison on December 18, 1996, for gathering information on the victims of the 1989 crackdown, which according to the court's verdict constituted "state secrets"; and Liu Nianchun, an independent labor organizer, sentenced to 3 years of "re-education through labor" on July 4, 1996, due to his activities in connection with a petition campaign calling for human rights reforms.

(4) Many political prisoners are suffering from poor conditions and ill-treatment leading to serious medical and health problems, including—

(A) Wei Jingsheng, sentenced to 14 years in prison on December 13, 1996, for conspiring to subvert the government and for "communication with hostile foreign organizations and individuals, amassing funds in preparation for overthrowing the government and publishing anti-government articles abroad," is currently held in Jile No. 1 Prison (formerly the Nanpu New Life Salt Farm) in Hebei province, where he reportedly suffers from severe high blood pressure and a heart condition, worsened by poor conditions of confinement;

(B) Gao Yu, a journalist sentenced to 6 years in prison on November 1994 and honored by UNESCO in May 1997, has a heart condition; and

(C) Chen Longde, a leading human rights advocate now serving a 3-year reeducation through labor sentence imposed without trial in August 1995, has reportedly been subject to repeated beatings and electric shocks at a labor camp for refusing to confess his guilt.

(5) In 1997, only 1 official in the United States Embassy in Beijing is assigned to human monitoring human rights in the People's Republic of China, and no officials are assigned to monitor human rights in United States consulates in the People's Republic of China.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS FOR ADDITIONAL PERSONNEL AT DIPLOMATIC POSTS TO MONITOR HUMAN RIGHTS IN THE PEOPLE'S REPUBLIC OF CHINA.

There are authorized to be appropriated to support personnel to monitor political repression in the People's Republic of China in the United States Embassy in Beijing, as well as the American consulates in Guangzhou, Shanghai, Shenyang, Chengud, and Hong Kong, $2,200,000 for fiscal years 1998 and $2,200,000 for fiscal year 1999.

The SPEAKER pro tempore. Pursuant to House Resolution 302, the amendments printed in the bill and the amendments printed in part 1–A of House Report 105–336 are adopted.

The text of H.R. 2358, as amended pursuant to House Resolution 302, is as follows:

H.R. 2358

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Political Freedom in China Act of 1997".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The Congress concurs in the following conclusions of the United States State Department on human rights in the People's Republic of China in 1996:

(A) The People's Republic of China is "an authoritarian state" in which "citizens lack the freedom to peacefully express opposition to the party-led political system and the right to change their national leaders or form of government".

(B) The Government of the People's Republic of China has "continued to commit widespread and well documented human rights abuses, in violation of internationally accepted norms, stemming from the authorities' intolerance of dissent, fear of unrest, and the absence or inadequacy of laws protecting basic freedoms".

(C) "[a]buses include torture and mistreatment of prisoners, forced confessions, and arbitrary and incommunicado detention".

(D) "[p]rison conditions remained harsh [and] [t]he Government continued severe restrictions on freedom of speech, the press, assembly, association, religion, privacy, and worker rights".

(E) "[a]lthough the Government denies that it holds political prisoners, the number of persons detained or serving sentences for 'counterrevolutionary crimes' or 'crimes against the state', or for peaceful political or religious activities are believed to number in the thousands".

(F) [n]onapproved religious groups, including Protestant and Catholic groups . . . experienced intensified repression".

(G) "[s]erious human rights abuses persist in minority areas, including Tibet, Xinjiang, and Inner Mongolia[, and] [c]ontrols on religion and on other fundamental freedoms in these areas have also intensified".

(H) "[o]verall in 1996, the authorities stepped up efforts to cut off expressions of protest or criticism. All public dissent against the party and government was effectively silenced by intimidation, exile, the imposition of prison terms, administrative detention, or house arrest. No dissidents were known to be active at year's end.".

(2) In addition to the State Department, credible independent human rights organizations have documented an increase in repression in China during 1995, and effective destruction of the dissident movement through the arrest and sentencing of the few remaining pro-democracy and human rights activists not already in prison or exile.

(3) Among those were Wang Dan, a student leader of the 1989 pro-democracy protests,

sentenced on October 30, 1996, to 11 years in prison on charges of conspiring to subvert the Government; Li Hai, sentenced to 9 years in prison on December 18, 1996, for gathering information on the victims of the 1989 crackdown, which according to the court's verdict constituted "state secrets"; Liu Nianchun, an independent labor organizer, sentenced to 3 years of "re-education through labor" on July 4, 1996, due to his activities in connection with a petition campaign calling for human rights reforms, and Ngodrup Phuntsog, a Tibetan national, who was arrested in Tibet in 1987 immediately after he returned from a 2-year trip to India, where the Tibetan government in exile is located, and following a secret trial was convicted by the Government of the People's Republic of China of espionage on behalf of the 'Ministry of Security of the Dalai clique'.

(4) Many political prisoners are suffering from poor conditions and ill-treatment leading to serious medical and health problems, including—

(A) Wei Jingsheng, sentenced to 14 years in prison on December 13, 1996, for conspiring to subvert the government and for "communication with hostile foreign organizations and individuals, amassing funds in preparation for over-throwing the government and publishing anti-government articles abroad," is currently held in Jile No. 1 Prison (formerly the Nanpu New Life Salt Farm) in Hebei province, where he reportedly suffers from severe high blood pressure and a heart condition, worsened by poor conditions of confinement;

(B) Gao Yu, a journalist sentenced to 6 years in prison on November 1994 and honored by UNESCO in May 1997, has a heart condition; and

(C) Chen Longde, a leading human rights advocate now serving a 3-year reeducation through labor sentence imposed without trial in August 1995, has reportedly been subject to repeated beatings and electric shocks at a labor camp for refusing to confess his guilt.

(5) The People's Republic of China, as a member of the United Nations, is expected to abide by the provisions of the Universal Declaration of Human Rights.

(6) The People's Republic of China is a party to numerous international human rights conventions, including the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment.

SEC. 3. CONDUCT OF FOREIGN RELATIONS.

(a) RELEASE OF PRISONERS.—The Secretary of State, in all official meetings with the Government of the People's Republic of China, should request the immediate and unconditional release of Ngodrup Phuntsog and other prisoners of conscience in Tibet, as well as in the People's Republic of China.

(b) ACCESS TO PRISONS.—The Secretary of State should seek access for international humanitarian organizations to Drapchi prison and other prisons in Tibet, as well as in the People's Republic of China, to ensure that prisoners are not being mistreated and are receiving necessary medical treatment

(c) DIALOGUE ON FUTURE OF TIBET.—The Secretary of State, in all official meetings with the Government of the People's Republic of China, should call on that country to begin serious discussions with the Dalai Lama or his representatives, without preconditions, on the future of Tibet.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS FOR ADDITIONAL PERSONNEL AT DIPLOMATIC POSTS TO MONITOR HUMAN RIGHTS IN THE PEOPLE'S REPUBLIC OF CHINA.

There are authorized to be appropriated to support personnel to monitor political repression in the People's Republic of China in the United States Embassies in Beijing and Kathmandu, as well as the American consulates in Guangzhou, Shanghai, Shenyang, Chengdu, and Hong Kong, $2,200,000 for fiscal year 1998 and $2,200,000 for fiscal year 1999.

SEC. 5. DEMOCRACY BUILDING IN CHINA.

(a) AUTHORIZATION OF APPROPRIATIONS FOR NED.—In addition to such sums as are otherwise authorized to be appropriated for the "National Endowment for Democracy" for fiscal years 1998 and 1999, there are authorized to be appropriated for the "National Endowment for Democracy" $5,000,000 for fiscal year 1998 and $5,000,000 for fiscal year 1999, which shall be available to promote democracy, civil society, and the development of the rule of law in China.

(b) EAST ASIA-PACIFIC REGIONAL DEMOCRACY FUND.—The Secretary of State shall use funds available in the East Asia-Pacific Regional Democracy Fund to provide grants to nongovernmental organizations to promote democracy, civil society, and the development of the rule of law in China.

SEC. 6. HUMAN RIGHTS IN CHINA.

(a) REPORTS.—Not later than March 30, 1998, and each subsequent year thereafter, the Secretary of State shall submit to the International Relations Committee of the House of Representatives and the Foreign Relations Committee of the Senate an annual report on human rights in China, including religious persecution, the development of democratic institutions, and the rule of law. Reports shall provide information on each region of China.

(b) PRISONER INFORMATION REGISTRY.—The Secretary of State shall establish a Prisoner Information Registry for China which shall provide information on all political prisoners, prisoners of conscience, and prisoners of faith in China. Such information shall include the charges, judicial processes, administrative actions, use of forced labor, incidences of torture, length of imprisonment, physical and health conditions, and other matters related to the incarceration of such prisoners in China. The Secretary of State is authorized to make funds available to nongovernmental organizations presently engaged in monitoring activities regarding Chinese political prisoners to assist in the creation and maintenance of the registry.

SEC. 7. SENSE OF CONGRESS CONCERNING ESTABLISHMENT OF A COMMISSION ON SECURITY AND COOPERATION IN ASIA.

It is the sense of the Congress that Congress, the President, and the Secretary of State should work with the governments of other countries to establish a Commission on Security and Cooperation in Asia which would be modeled after the Commission on Security and Cooperation in Europe.

SEC. 8. SENSE OF CONGRESS REGARDING DEMOCRACY IN HONG KONG.

It is the sense of the Congress that the people of Hong Kong should continue to have the right and ability to freely elect their legislative representatives, and that the procedure for the conduct of the elections of the first legislature of the Hong Kong Special Administrative Region should be determined by the people of Hong Kong through an election law convention, a referendum, or both.

SEC. 9. SENSE OF THE CONGRESS RELATING TO ORGAN HARVESTING AND TRANSPLANTING IN THE PEOPLE'S REPUBLIC OF CHINA.

It is the sense of the Congress that—

(1) the Government of the People's Republic of China should stop the practice of harvesting and transplanting organs for profit from prisoners that it executes;

(2) the Government of the People's Republic of China should be strongly condemned for such organ harvesting and transplanting practice;

(3) the President should bar from entry into the United States any and all officials of the Government of the People's Republic of China known to be directly involved in such organ harvesting and transplanting practice;

(4) individuals determined to be participating in or otherwise facilitating the sale of such organs in the United States should be prosecuted to the fullest possible extent of the law; and

(5) the appropriate officials in the United States should interview individuals, including doctors, who may have knowledge of such organ harvesting and transplanting practice.

The SPEAKER pro tempore. After 1 hour of debate on the bill, as amended, it shall be in order to consider the further amendment specified in part 1–B of the report, if offered by the gentleman from New York [Mr. GILMAN], or his designee, which shall be considered read and debatable for 30 minutes, equally divided and controlled by the proponent and an opponent.

The gentlewoman from Florida [Ms. ROS-LEHTINEN] and the gentleman from New Jersey [Mr. MENENDEZ] each will control 30 minutes of debate on the bill.

The Chair recognizes the gentlewoman from Florida [Ms. ROS-LEHTINEN].

GENERAL LEAVE

Ms. ROS-LEHTINEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this measure.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Florida?

There was no objection.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill before us today, H.R. 2358, the Political Freedom in China Act, is an attempt to give the people of China a voice. It is a message of support to the human rights dissidents, to the political activists, to those who are persecuted each and every day because they have the courage to stand up for their beliefs and disagree with their government.

The message this bill sends is that the United States Congress values the right of the Chinese people to be free, to determine their fate, and to express their will. This bill says to the people of China, the United States Congress takes your plight seriously and we are willing to provide a tool, a more efficient and transparent mechanism to monitor human rights violations. This bill is that tool.

Among other provisions, this bill assigns additional diplomats to the United States embassy and consulates, whose sole responsibility will be to monitor human rights violations in

China. It would also station one American human rights monitor in Nepal.

It requires State Department officials to raise human rights concerns in every meeting with Chinese officials. It authorizes increased funding for the National Endowment for Democracy projects in China.

This bill requires the State Department to establish a prisoner information registry for China that will gather and provide information on all political prisoners held in Chinese gulags.

This legislation also supports the continuation of democratic reforms for the people of Hong Kong.

Last week, while China's Communist leader was greeted with pomp and circumstance, treated more like a movie star than the leader of a regime which turns its tanks and weapons against its very own people, thousands of innocent Chinese people were being detained without process, others disappeared, and others were executed.

As the Chinese President toured various cities in the United States, as he spoke at Harvard University, his regime continued to severely restrict the freedom of speech, freedom of the press, freedom of assembly, freedom of religion, privacy, and worker rights.

The grim reality of China's dictatorship is clearly outlined in the latest State Department Human Rights Report on China which states:

> The Chinese government continued to commit widespread and well-documented human rights abuses. Abuses include torture, mistreatment of prisoners, forced confessions, arbitrary and lengthy incommunicado detention.

More importantly, our State Department report underscored that the situation is getting worse.

> Overall in 1996, the report says, the authorities stepped up efforts to cut off expression of protests or criticism.

Our State Department report continues:

> All public dissent against the party and government was effectively silenced by intimidation, by exile, by the imposition of prison terms, by administrative detention, or by house arrest.

The gentleman from California [Mr. DREIER] and the gentleman from Illinois [Mr. PORTER] have incorporated their amendments in our bill, which provide funds to the National Endowment for Democracy to assist these human rights groups in China, and it calls for an annual State Department report to the Congress on the progress being made on this critical issue. Their amendment also calls on our State Department to take further steps to work with human rights groups in that country.

Let us not be fooled. A dictator is a dictator is a dictator. The dictator's thirst for power, for control, knows no bounds. As a result, a dictator does not loosen his hold on the people. A dictator tightens his grip with each challenge, regardless of the magnitude or source. The situation in China is a good example of this.

Just when one thinks that the atrocities cannot get any worse, recent news reports indicate that the Chinese regime is preselling the organs of prisoners destined for execution.

The gentlewoman from Washington [Mrs. SMITH] has incorporated her amendment in our bill, which highlights the fact that the regime is harvesting these organs for sale to the highest bidder. Perhaps the Chinese regime is looking at this as a new industry for its economy.

Furthermore, the regime in China is intensifying its campaign to systematically erase the culture, population and religion of Tibet. It has arrested thousands of Tibetan Buddhist priests and nuns and has destroyed between 4,000 to 5,000 monasteries.

The gentleman from Hawaii [Mr. ABERCROMBIE] has added his amendment to the bill, which helps bring human rights in China and Tibet to the forefront of any negotiations of our State Department that we may have with China by highlighting the plight of political prisoners and prisoners of conscience in that country.

Religious persecution, as noted by our colleague from Hawaii, extends to hundreds of Protestant pastors, of Catholic priests who, like Bishop Su who was again arrested on October 8, disappear in the gulag that is China's jails.

We must act, and we must act now. We cannot sit idly by, hoping that other approaches may take effect and lead to a change in China.

What about the gross violations that will take place in the meantime? Can we ignore those realities? Can we ignore our moral responsibility to the people of China?

The bill before us offers a concrete solution, a viable option to begin turning back the tide of abuse and torture by the Chinese regime.

I would especially like to thank the architect of this package of China bills, the gentleman from California [Mr. COX], whose commitment and dedication to this effort has helped bring about this package of China-related bills to the floor today, and of course to the gentleman from New York [Mr. GILMAN], our chairman, for his unwavering support and leadership on this issue.

I urge all of my colleagues to vote in favor of the bill before us, the Political Freedom in China Act.

Mr. Speaker, I reserve the balance of my time.

Mr. MENENDEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the legislation, H.R. 2358, a bill that if our colleagues support, which we believe they will, puts Congress in concurrence with many of the conclusions of the Department of State in its 1996 human rights report with respect to the People's Republic of China, including the fact that China is an authoritarian State, that the Government of China has continued to commit widespread and well-documented human rights abuses; that abuses include torture and mistreatment of prisoners for their confessions and arbitrary and incommunicado detention, that the number of persons detained are believed to be in the thousands, and that overall, in 1996, the authorities stepped up efforts to cut off expressions of protest or criticism.

But all dissent against the party and government was effectively silenced by intimidation, exile, the imposition of prison terms, administrative detention, or house arrest, and that as a result of those activities, no dissidents were known to be active at the end of 1996.

So for all of those and many other reasons, it is fitting and appropriate that we in fact provide the resources to create the opportunity to fully monitor Chinese political repression.

Mr. Speaker, I yield 4½ minutes to the distinguished gentleman from Hawaii [Mr. ABERCROMBIE].

Mr. ABERCROMBIE. Mr. Speaker, the gentlewoman from Florida [Ms. ROS-LEHTINEN]; the gentleman from New York [Mr. GILMAN]; the gentleman from New York [Mr. SOLOMON]; also the gentleman from California [Mr. MARTINEZ] and the gentleman from Indiana [Mr. HAMILTON], and the gentlewoman from California [Ms. PELOSI] have led the way on this bill, on these series of bills.

I rise in support of H.R. 2358. This bill relates to imprisonment, to abuse and human rights violations perpetrated on nonviolent political activists in the People's Republic of China. It goes without saying, Mr. Speaker, that U.S.-China relations are important, and that our government should pursue improved ties with China. It is equally important, however, that the pursuit of improved relations should not cause us to forget the victims of human rights abuses.

Our concern stems from widely recognized standards of international behavior and our core values as a Nation. It is in the context of those values and standards, standards which the People's Republic of China has herself formally subscribed, and I want to emphasize to the Members, we are not trying to impose anything on the People's Republic of China, other than what the People's Republic has already signed up for.

We as Members of Congress call the world's attention to ongoing human rights violations and prisoners of conscience in China and Tibet. One of the most effective means, Mr. Speaker, of directing attention to the plight of such prisoners is to focus on the circumstances of individual prisoners. By doing so, we transpose the issue from the realm of abstraction to real-life men and women whose bodies are subjected to torture and neglect, whose minds are cruelly punished with techniques deliberately designed to induce confusion, demoralization and despair.

Time and again, ex-prisoners of repressive regimes tell us that the single most important gift they can receive is the news they are not forgotten by the outside world, that others know of their suffering and that others are working for their release.

□ 1745

That is why the Congressional Human Rights Caucus and the Congressional Working Group on China and the emphasis in this bill is urging every Member of Congress to adopt a prisoner in China or Tibet, and to publicize his or her plight, and to demand his or her release.

All of us, Mr. Speaker, can adopt one of these prisoners, make that prisoner our own, so they will not be forgotten. They will understand that the flicker of light of freedom will come from the floor of this House today and will shine, and those people will know it. It will warm their hearts and give them hope for the future.

The self-executing rule for H.R. 2358 adds my amendment, which will include Mr. Ngodrup Phuntsog among the number of specifically named prisoners of conscience. Mr. Phuntsog is a Tibetan restaurateur whose crime was to provide tea and food to proindependence demonstrators. For this he was sentenced in 1989 on the spurious charge of espionage to 11 years in prison.

Mr. Speaker, Mr. Phuntsog was sentenced to 11 years in prison. Think of it. We are gathered together here today on this floor, with all the freedoms at our command, and this gentleman sits in prison for 11 years, and an additional 4 years deprivation of political rights.

It is feared that his treatment in Lhasa's Drapchi Prison is extremely harsh. We lack precise information on his health and treatment, but reports from our colleague, the gentleman from Virginia [Mr. FRANK WOLF] give cause for serious concern.

Recently the gentleman from Virginia [Mr. WOLF] visited Tibet unofficially. He found widespread repression, including credible reports of the maltreatment of political prisoners, and my amendment helps direct the spotlight of international attention to the cell where Ngodrup Phuntsog and others are being held under conditions we can only imagine.

My amendment complements the underlying bill by addressing the wider issue of human rights in China and Tibet. It calls for a policy which seeks the immediate and unconditional release of all prisoners of conscience in China and Tibet, access to international humanitarian organizations in prisons in China and Tibet, to ensure that the prisoners are not being maltreated or neglected, and the commencement of negotiations between the People's Republic of China and the Dalai Lama without preconditions on the future of Tibet.

I urge all my colleagues, Mr. Speaker, all my colleagues, to vote for the Nation's highest ideals, and to send, above all, a message of hope to prisoners of conscience in China and Tibet. Vote for H.R. 2358.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield 3 minutes to our colleague, the gentleman from New York [Mr. GILMAN], the esteemed chairman of the Committee on International Relations.

Mr. GILMAN. Mr. Speaker, I thank the gentlewoman for yielding me the time.

Mr. Speaker, I am pleased to rise in strong support of H.R. 2358, the Political Freedom in China Act of 1997. This bill authorizes $2 million for fiscal years 1998 and 1999 to be appropriated to the State Department to ensure that there are adequate personnel to monitor political repression in the People's Republic of China in the United States Embassy in Beijing, as well as the American consulates in Kathmandu, Guangzhou, Shanghai, Shenyang, Chengdu, and Hong Kong.

Testimony and reports from both private nongovernmental organizations and the administration clearly stated the importance of having more State Department personnel assigned solely to monitor human rights of the people living under the rule of Government of the People's Republic of China.

I want to commend the distinguished chairwoman of our committee's Subcommittee on International Economic Policy and Trade, the gentlewoman from Florida [Ms. ROS-LEHTINEN] for introducing this measure.

The China section of the State Department Country Reports on Human Rights Practices for 1996 states that overall in 1996, the authorities stepped up efforts to cut off expressions of protest or criticism. All public dissent against the party and Government were effectively silenced by intimidation, by exile, the imposition of prison terms, by administrative detention, or house arrest. No dissidents were known to be active at the year's end.

The repression of human rights and the people living under the rule of the Government of the People's Republic of China has reached levels not even experienced in the former Soviet Union. In illegally occupied Tibet, people are in prison for even listening to Radio Free Asia, to the Voice of America, and for possessing a photograph of His Holiness, the Dalai Lama.

Regrettably, current U.S. policy toward China is held hostage by mostly short-term, narrowly defined business interests. H.R. 2358 attempts to address this problem by bringing balance and logic back into our China policy, by addressing the important cornerstone of our American values, the protection and advancement of fundamental human rights of people around the world.

Once human rights and the rule of law are addressed, then long-term business interests can operate in a safe, conducive environment, one that benefits the worker, the student, and businesses. Accordingly, Mr. Speaker, I urge full support for this legislation.

Mr. HAMILTON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Maryland [Mr. CARDIN].

Mr. CARDIN. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of H.R. 2358. Too often our discussions of China's horrendous human rights conditions are limited to the issue of trade. Today we can discuss human rights independently, demonstrating its true significance to us in the United States.

Perhaps Columbia University Professor Andrew Nathan expressed it best when he stated, "Human rights in China are of national interest to the United States. Countries that respect the rights of their citizens are less likely to start wars, export drugs, harbor terrorists, or produce refugees. The greater the power of the country without human rights, the greater the danger to the United States."

Mr. Speaker, China's record on human rights is deplorable. It is outrageous. In regards to religious groups, unauthorized religious congregations are forced to register. Their members have been beaten and fined. There was recently a raid on the bishop leader of a Catholic diocese. That is outrageous. We cannot allow that to continue.

Freedom of speech is still under siege in China. The Minister of Civil Affairs imposed an indefinite and nationwide moratorium on new social bodies. The people of China are being stifled. From Tibet to forced abortions, the list goes on and on and on. We all know the circumstances within China.

Mr. Speaker, this bill will allow us to establish the monitoring of political repression within China. The bill is necessary, the bill is right, and I hope this body will approve this measure by an overwhelming number.

Mr. Speaker, I yield back the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield 2 minutes to our colleague, the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Speaker, I thank the gentlewoman for yielding me the time.

Mr. Speaker, we are at a defining moment. The Communist Chinese authorities and the oppressed people of China and other countries around the world are watching. They will note what we are doing here today.

During the cold war, America made some strategic alliances with sometimes dictatorial regimes. Perhaps the most blatant of these strategic alliances was that we established a positive relationship between the Communist government of China and the United States of America.

The cold war is over. If it ever made any sense for us to be locked arm in arm with an oppressive regime, it makes no sense today. The people, the free people of the world, the people who look to the United States of America, know we mean what we say.

President Clinton, during the last visit of this Communist dictator to our country just a few weeks ago, had some words to say. Unless we put muscle behind those words, it will have the opposite impact than what the American people think. It will actually demoralize those people who believe in freedom overseas, and it will create strength among the Communist dictators to hold power, if they think those words about human rights were nothing more than word confetti for the American people.

No, today the U.S. Congress is going to act. This piece of legislation is the first of many that will prove to the world that America still is the beacon of hope and justice for all the oppressed people of the world. When it comes down to the bottom line, the American people are serious when we talk about freedom and justice, and that those people around the world who believe in freedom and justice, they will be our friends. We are on their side, and not the side of the oppressor.

Mr. Speaker, there is a relationship between peace, prosperity, and liberty. Let us stand for liberty today, and we will have peace and we will have prosperity in the long run. If we do not, it will hurt America.

Mr. HAMILTON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Mr. Speaker, I thank the distinguished ranking member and my good friend, the gentleman from Indiana [Mr. HAMILTON], for yielding me the time.

Mr. Speaker, I rise in strong support of the President's policy of constructive engagement, I rise in strong support of MFN for China, and I rise in very strong support of continuing to have a pillar of our foreign policy be constructed on human rights.

I therefore endorse the amendment offered by the gentlewoman from Florida [Ms. ROS-LEHTINEN], which will authorize $2.2 million for each of the next 2 years to help monitor political repression in China, and show to Americans, to the Chinese, and the people around the world that we are indeed devoted and dedicated to human rights practices being greatly improved in China.

I do want to say that there are some concerns that I have with some parts of the underlying language in this bill. For instance, the amendment would extend the time for congressional consideration of the President's certifications from 30 days to 120 days of continuous session.

That 120 days of continuous session may, in fact, make it very difficult, according to the administration and the President's State Department, for us to then engage with the Chinese in these congressional considerations of the President's recommendations on nuclear nonproliferation and business arrangements in China.

But I do want to say my strong support for the gentlewoman's underlying amendments, her commitment to human rights, the United States' commitment to human rights.

We come to the exchange that the President had with Jiang Zemin right down the street at the White House, where a press reporter asked, how do you both see what happened in Tiananmen Square? Jiang Zemin said, in effect, that this threatened their national security and their actions were, therefore, legitimate.

President Clinton, standing right next to him, said he strongly disagreed with what took place in Tiananmen Square, that they had very different views on human rights, and that they should continue a constructive engagement, but we should continue to see big, big changes in human rights, in nuclear nonproliferation policy, in trade areas, in political repression; in us now allowing three people to be sent to China now, three of our religious leaders, to help try to open up China, and also, Bishop Su, a Catholic, was recently released from imprisonment in China; small steps, not enough. This amendment by the gentlewoman will certainly help. I strongly support it.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, let me just rise in strong support of this great legislation, and commend the gentlewoman from Florida, [Ms. ILEANA ROS-LEHTINEN], for sponsoring this bill, and for her steadfast support of freedom around this world, and especially in China.

Mr. Speaker, as I alluded to in my remarks on the rule, this bill is really the least we can do to fight inhumane repression in Communist China.

By increasing funding the number of State Department human rights monitors in and around China, we will be much more able to get a true picture of what is happening in that vast country.

And we already know some of that.

We know that hardly a day goes by without reading of yet another act of aggression, another act of duplicity, or another affront to humanity committed by the dictatorship in Beijing.

Consider human rights: The same people who conducted the massacre in Tiananman Square, and the inhumane oppression of Tibet, have been busily eradicating the last remnants of the democracy movement in China.

According to the U.S. State Department's annual human rights report, and I quote: "Overall in 1996, the authorities stepped up efforts to cut off expressions of protest or criticism. All public dissent against the party and government was effectively silenced by intimidation, exile, the imposition of prison terms, administrative detention, or house arrest."

I emphasize the words "stepped up," Mr. Speaker. Human rights in China are getting worse.

China has also ramped up its already severe suppression of religious activity.

That is why we need this bill, Mr. Speaker.

Mr. Speaker, I am glad that we were able in the Rules Committee to self execute some excellent amendments to this bill by members of both parties.

Mr. ABERCROMBIE and Mr. GILMAN are to be commended for bringing the subject of China's humiliating policies in Tibet to the fore with their amendments.

And LINDA SMITH'S amendment condemning China's practice of harvesting organs from prisoners sheds light on yet another example of the odious nature of this regime.

This bill deserves unanimous support.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield 4 minutes to our colleague, the gentlewoman from Washington [Mrs. LINDA SMITH], who is the author of the amendment in our bill against the harvesting and selling of organs of political prisoners in China.

Mrs. LINDA SMITH of Washington. Mr. Speaker, I rise today in support of this bill, called the Political Freedom in China Act of 1997, but I would especially like to commend its author. This is not a fun thing to talk about, but she has worked very hard to bring it to the floor today.

□ 1800

Mr. Speaker, included in the Political Freedom in China Act is a provision from several of us in the House. It is House Concurrent Resolution 180, which was originally introduced by the gentlewoman from California [Ms. PELOSI], the gentleman from New York [Mr. GILMAN], the gentleman from New York [Mr. SOLOMON], the gentleman from Illinois [Mr. HYDE], the gentleman from New Jersey [Mr. SMITH], the gentleman from Virginia [Mr. WOLF], and the gentleman from California [Mr. COX], chair of the Republican Policy Committee, as well as [Mr. WELDON], the gentleman from Kansas [Mr. TIAHRT], and the gentleman from Connecticut [Mr. GEJDENSON].

This language expresses the sense of Congress that the Chinese Government should be condemned for its practice of executing prisoners and selling their organs for transplant. It also says that any Chinese official directly involved in these executions and operations should be barred from entering the United States ever.

Finally, it calls upon U.S. officials to prosecute those who are illegally marketing and selling these organs in the

United States. Wealthy Americans are reported to be paying $30,000 and then travel to China, where they receive the kidney of an executed prisoner at a special hospital operated by the People's Liberation Army.

Mr. Speaker, while reports of prisoners being executed have gone on, these reports, for several years, it was not until just a month ago that there was a broadcast by "Primetime Live," an ABC program, that brought the issue into focus.

I am going to submit for the RECORD a copy of the transcript. This will show what we saw on the program, and I would like it to be a part of the CONGRESSIONAL RECORD.

It showed the People's Liberation Army preparing in hospitals for the prisoners. It showed the prisoners being executed as guards and soldiers repositioned the guns at the base of their neck to be assured that when they were executed there were no organs destroyed. Then it showed the interview of several people who had received or been a part of the operations or the sale of the organs in the United States. We have received a letter from the head of the FBI, Director Louis Freeh of the FBI, stating that he is fully committed to aggressively investigate this, and for this we commend him.

But this act fits very well together because it says that we are going to spend money on China. We are going to spend $2.2 million for the next 2 years so the State Department can look into these issues. Right now the Chinese Government denies it in spite of the facts. But this bill will carry people into China and require that light be shined on this atrocious practice.

Mr. HAMILTON. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. GEPHARDT], the distinguished minority leader.

Mr. GEPHARDT. Mr. Speaker, I rise today to speak about an issue of values, an issue where there is a clear distinction between right and wrong and where we can stand on the right side of history.

The United States serves as the beacon of liberty in our world. We are a nation founded on ideals, the idea that every person, from whatever racial or ethnic or religion or belief, is endowed by God with inalienable rights, the right of life, the right of liberty. We must never forget this.

Americans have shed blood on five continents in support of these ideas. Americans have expended extensive resources in support of these ideas. These are not ideas that Americans take lightly or ideas that we can just discard. These ideas are powerful enough to cause people to risk their lives and have caused people to give up their lives.

It has become fashionable to keep the Declaration of Independence folded up inside our suit pockets for use on certain occasions, Fourth of July parades, Bicentennial celebration, political campaigns. It is not something to keep folded up or hidden away. It is something to wear on our sleeves, to remember and to rededicate ourselves to. It is not for rhetorical flourishes and empty celebration but for inspiration for our actions and our deeds.

We must not be willing to keep the ideas in that sacred text folded up and in a drawer in order to not offend our important foreign visitor from the Republic of China.

The proper time to be talking about this subject would have been 2 weeks ago before President Jiang Zemin left our country. We should have spoken out on this floor prior to the President's visit, at a time when 1 billion people on the other side of the world were craning their necks to listen.

We had an opportunity to make it perfectly clear that while we put great importance on having a cordial and productive relationship with the people of China, we will never forget that our Nation's bedrock principles are not relative. The freedoms that Thomas Jefferson wrote of over 200 years ago are universal and timeless. They are absolute. If Albert Einstein were here today, a man who fled Nazi tyranny to America, I know that he would say that those laws of freedom are as absolute as any theory of physics.

We should not have to trade away our conscience with our commerce. We must pursue a policy of active engagement on a whole range of issues, not downplay our differences.

I think the President of China was very happy with his reception in this country. From his perspective, the trip was a total success. He was able to put on a tricornered hat in Williamsburg, the State where Jefferson formulated his vision of human rights, without facing any strong challenge to the undemocratic and brutal rule of the Chinese Communist government. He was able to put forth his preposterous theory about the relativity of human rights and call the issue of Tibet an internal matter.

Well, we should not be happy with the fact that he is happy over his trip to the United States, and neither should any American who believes that our bedrock ideals are absolute, eternal, and paramount to issues of commerce.

Human rights is at the core of our bedrock ideals. That is why I am speaking about this bill. Human rights is just one of many issues that we need to debate and deal with concerning our relationship with China. The list is long: Weapons proliferation, forced abortion, religious persecution, organ transplants, democracy in Hong Kong, Tibet, trade, and others. The bill is just one step down a very long road that we must take if we want to get to the point where the United States and China have truly normal relations.

I urge all of my colleagues to cast a proud vote for H.R. 2358, to authorize additional funding for human rights monitoring in China. Wei Jingsheng, one of the most prominent imprisoned Chinese dissidents, has had his writings from prison published in a book entitled "The Courage to Stand Alone." He has been in prison for the crime of advocating human rights and democracy in China, nothing more radical or outlandish than that. Listen to what he has to say about human rights.

He said: Human rights themselves have objective standards which cannot be subjected to legislation and cannot be changed by the will of the Government. He said: They are common objective standards which apply to all governments and all individuals, and no one is entitled to special standards.

Let us today hold the Chinese Government to the same standards we hold every country in the world to. Let us not make a special dispensation for this country because of the fact that we think there are 2 billion eyes to watch American movies or 1 billion mouths to drink American soft drinks.

When democracy comes to China, let the record show that America firmly and constantly stood and argued for the cause of human rights and freedom. When the day of reckoning comes, when freedom rings out throughout that great land, let people say, America stood for the cause of right; Americans did not let their economic self-interest blind them in our cause.

I urge Members to join with me in voting for this bill to honor the Jeffersonian legacy and all those who sacrificed their lives for it, to refute the belief of the Chinese Government that we are not serious about human rights, and to make sure that Wei and others do not stand alone, that every person in the United States stands beside them every day.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. SALMON].

Mr. SALMON. Mr. Speaker, I think the American people have been treated to a really special opportunity today because we have been able to see Members from virtually across the political spectrum in this place come together on such a crucial issue, to express care and concern about one of the most fundamental rights that we hold, and that is the ability to worship according to the dictates of your conscience and to speak out according to your beliefs. I am really pleased to be here today to support this piece of legislation.

The 21-gun salute is over. The state dinner is over. The press events at Independence Hall in Colonial Williamsburg are over. China wanted to achieve a new image in the West as a result of this summit, but Americans had a different plan in mind. Through their protests, they sent a different message to the Chinese leadership.

It reminds me of the message that President Reagan delivered to Mikhael Gorbachev in Geneva in 1958. Natan Sharansky tells the story in his wonderful book "Fear No Evil." He says Reagan told Gorbachev that the Soviet Union would not change its image in the world until he let Sharansky go.

So it is with China. The photos at the White House or at Harvard will not give China the respect and the superpower status that they seek. Rather, freeing Chinese political prisoners, freeing Wei Jingsheng and Wang Dan, freeing other Chinese who are in prison merely for voicing their opinions or worshiping their God, in sum, only by ending the laogai can the Chinese leadership achieve world respect, status, and, one day, admiration. Until then, we stand not with the Government of China but we stand with the people of China.

I yield to the gentleman from California (Mr. Dreier).

Mr. DREIER. Mr. Speaker, I would like to congratulate my friend, the gentleman from Arizona [Mr. SALMON], for his leadership of one of the most brilliant parts of this measure, taking the Helsinki concept, the CSCE concept on human rights, and applying that here. And working with my friend, the gentleman from Illinois [Mr. PORTER], and others, we have gone a long way in this measure.

The NED provisions which my friend from Florida mentioned are important, and getting the business community focused on business, and getting our Government to focus on this human rights issue is very, very helpful. I would like to congratulate my friend.

Mr. HAMILTON. Mr. Speaker, I yield 3 minutes and 30 seconds to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I want to congratulate all of the Members who came together to find our common ground to speak out for promoting human rights and freedom in China and Tibet. I particularly want to commend the gentlewoman from Florida [Ms. ROS-LEHTINEN] for her initiative in presenting this very important legislation that we have before us which would provide funding to increase the monitors to monitor human rights violations in China.

Mr. Speaker, those who oppose some of the efforts that we have been putting forth to promote human rights in China have said that our efforts will isolate China, that we want to isolate China. Nothing could be further from the truth.

I have the privilege of representing San Francisco. A large number of people in my district are Chinese Americans. They are just like the rest of Americans, they are not a monolith. They all do not agree on the tactics of using MFN, but they all agree that a freer China will make the world safer, and that is something that we all must work and strive for.

That is why I was so very disappointed last week when, in preparation for Jiang Zemin's visit, President Clinton, in his speech laying out his plan for U.S.-China relations, put forth six areas of profound interest between our two countries: the environment, trade, fighting narcotics, et cetera. But he did not include promoting a freer China or human rights in China or promoting democratic freedoms as one of those areas of profound interest.

I think the last week has demonstrated, with the protests, et cetera, that although that might not have been a priority in the President's speech, it is a priority for the American people. And the Ros-Lehtinen legislation today will help us promote human rights in China.

□ 1815

The administration, instead, chose to roll out the red carpet to the head of the regime that rolled out the tanks in Tiananmen Square. They gave a 21-gun salute to the leader of the military that proliferates weapons of mass destruction and brutally occupies Tibet. And they toasted at a dinner, they toasted the man who controls the torture of Wei Jingsheng and many other political prisoners of conscience and religious prisoners, as well.

When President Jiang was here, some of us had the opportunity to meet with him. And in that meeting, he denied that there was any political repression in China, that there was not any harvesting of organs for profit, it was just a rumor, when that is well documented, that there is religious freedom clearly blossoming in China. And I presented him something that I will refer to later, the religious freedom legislation, a letter from Ignatius Cardinal Kung asking him to free the Catholic bishops who have been sent to prison or to labor camps. He denied categorically that China had every proliferated weapons of mass destruction.

While President Jiang was in the state of denial and calling all of this just rumor, political prisoners were suffering in China. We must monitor that. While he was denying that this was taking place, prisoners of conscience were suffering in China. We want the message to go out to them that their suffering and their courage and their determination to promote a freer China is shared by Americans who promote Democratic values throughout the world. And this additional funding for monitoring will help to document, so that the American people will know and that we can say to the president when he denies it is happening, President Jiang, who denies it happens, we know and the prisoners know that we care about them.

I urge my colleagues to support this legislation.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield 4½ minutes to the gentleman from California [Mr. COX], who is the architect of the package of bills before us today and tomorrow stating the policy of the United States Congress regarding China's abuses.

Mr. COX of California. Mr. Speaker, I thank the gentlewoman from Florida [Ms. ROS-LEHTINEN], author of the bill, for yielding me time.

It has been a pleasure to work with my colleagues in the majority and minority parties on such an important measure that is not just a sense of the Congress resolution, that does not just express outrage, it is not just a cry of pain, but rather, that does something, something within our control. We can, and we will as a result of this legislation, keep track of what is going on in the People's Republic of China as never before.

As my colleague the gentlewoman from California [Ms. PELOSI] has just pointed out, when President Jiang visited with us and when we breakfasted here with him in the Capitol, he simply denied that there were human rights problems in the People's Republic of China. He told a nationwide TV audience, "China does not feel that it has done anything wrong in the field of human rights." And yet, we know from the Clinton administration's report, which has been cited several times on the floor during this debate, that exactly the opposite is true.

Not only has the human rights situation not been improving as a result of or in connection with or coincidence with our policy of engagement, it has been getting worse. Quoting, from the Clinton State Department's report, "The authorities stepped up efforts to cut off expressions of protest or criticism. All public dissent against the party," that is the Communist Party, the only party permitted in the People's Republic of China, "and the Government was effectively silenced."

We are discussing this legislation and the need for it immediately in the wake of President Jiang's visit. And it is fair to ask whether anything happened at the summit that militates now against this initiative or whether this initiative will jeopardize any of the summit's accomplishments. That requires us to pierce the fog of the summit's atmospherics and realistically assess its concrete results.

In this respect, the remarks of my colleagues who spoke immediately prior to me make it very, very clear that, yes, President Jiang, just as conventional wisdom holds, had a successful summit. He stuck to his agenda. He got his way. But the people of China, particularly the political prisoners of China, particularly those few whose human rights cases have been so visibly raised and so consistently raised by the United States that we expected perhaps in the glow of the summit they might win their release, got precisely nothing. For Wang Dan, for Wei Jingsheng, this was not a successful summit at all.

Wei Jingsheng, whom some have called the father of Chinese democracy, was once, just like solidarity leader Lech Walesa, an electrician. But this son of a Communist Party official has spent most of his adult life in Communist Chinese prisons and reeducation camps.

In 1978, Wei posted his essays on freedom, his writings on freedom, written in large characters, on a stretch of masonry that became known as Democracy Wall. And in return, the Communist government sentenced him to 14 years in some of Communist China's worst prisons. Just 6 months before his final year in confinement, he was briefly released on the eve of the International Olympic Committee's deciding whether to let Beijing host the year 2000 Olympics. When the People's Republic of China lost its Olympic bid, Wei was immediately arrested again.

For nearly 2 years after that, he was held in secret detention without any specific charges. And finally, in 1996, Wei Jingsheng was given a show trial on shamelessly straightforward charges of writing in behalf of democracy. The Communist authorities kept the trial closed to the public and the press and even denied him the legal counsel offered by two United States Attorneys General, one a Democrat, Nicholas Katzenbach and the other a Republican, Richard Thornburgh.

Today, Wei Jingsheng is 46-years-old. He suffers from heart disease and arthritis at this early age, he is my age, that caused him debilitating back pain. The last time his family saw him, he was unable to keep his head upright. As part of a campaign to break his spirit, the Communist authorities have cut off the heat to his solitary confinement cell in winter, kept him under lights to deny him sleep, and refused him medical attention.

This is the kind of abuse that we are after in this legislation. This is the reason that the Ros-Lehtinen bill is so important and the reason I am so proud to join with my colleagues, Republican and Democrat, in support of this legislation.

Mr. HASTINGS of Florida. Mr. Speaker, we continue to reserve our time in light of the fact that there may be additional speakers. Perhaps the gentlewoman from Florida [Ms. ROS-LEHTINEN] will continue to yield time.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield 1½ minutes to our colleague the gentleman from Florida [Mr. SCARBOROUGH].

Mr. SCARBOROUGH. Mr. Speaker, I thank the gentlewoman from Florida [Ms. ROS-LEHTINEN] for yielding me the time and also for addressing such an important issue as human rights in China.

I heard the gentleman from California [Mr. COX] talk about Wei being sent to jail and brutally tortured for writing on behalf of democracy. This past week, I had the thrill of meeting Harry Wu, one of the great figures, along with Wei, fighting for democracy in the latter half of the 20th century. He characterized today's so-called engagement policy as basically no different from the appeasement policy in Munich.

> We are feeding a communist giant. When you are talking about a communist giant, you have to know that this is a military giant. Forty-seven years ago we had a debate, who lost China? Pretty soon we will have another debate, who rebuilt communist China?

We have got to step forward with the moral courage and recognize once and for all that the greatest exports that will ever come from the United States of America are not military hardware or nuclear technology, but are the ideals of freedom, Jeffersonian democracy and the things that have made America great for over 200 years.

I hope today is a starting point where Republicans and Democrats, conservatives and liberals, can come together on this most vital issue of human rights in China and across the globe. We have a great opportunity.

A.M. Rosenthal, writing in the New York Times, said,

> After World War II, much of the Western left edged off from the fight for human rights in communist countries. Conservatives looked away almost everywhere else. The losers were the people in the cells.

I hope that both sides can understand that we need to fight for freedom regardless of whether we are conservatives or liberals.

Mr. HASTINGS of Florida. Mr. Speaker, I yield myself such time as I may consume.

As one who has visited China three times this year, I join my colleagues in allowing that this is an appropriate measure for us to undertake. Because, clearly, there are matters ongoing that are vitally in need of our continuous observation, our continuous analysis, our continuing observation from the standpoint of what is necessary for us as legislators to undertake, and also to be able to assist in allowing that the State Department, through its actions, are able to undertake those things that are necessary to analyze the human rights violations and report them to us so that we may take appropriate action.

In that sense, Mr. Speaker, I stand along with our colleagues who have offered this measure in strong support of saying in the great hopes that it will bring us to a point whereby we may be in a better position when we are speaking with reference to United States-China relations.

Mr. Speaker, I continue to reserve the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield 1½ minutes to our colleague, the gentleman from Pennsylvania [Mr. FOX].

Mr. FOX of Pennsylvania. Mr. Speaker, I rise in support of H.R. 2358, to provide for improved monitoring of human rights violations in the People's Republic of China. I compliment my colleague from Florida [Ms. ROS-LEHTINEN] for her leadership in this issue.

I especially support that amendment that calls on the People's Republic of China to stop harvesting and transplanting organs from prisoners. The organ harvesting program in China has meant millions of dollars to the Chinese military. The Chinese Government says organ harvesting involves criminals who voluntarily consent. The facts show otherwise. China's assertion that these are the facts makes a mockery of the international principles adopted after Nazi medical experiments were uncovered and outlawed.

No other country in the world at this time is known to use the organs of prisoners except for China and to take them in an involuntary fashion. They appear to have turned a chilling execution of thousands of people who did not even commit capital crimes into a multimillion dollar black market of a kind the world has never seen.

Accordingly, others have joined me in Congress to write to President Clinton and Secretary of State Albright noting that 4,000 people a year who are reportedly executed in China for committing minor crimes and they go from arrest to execution in order to harvest their organs for sale on the black market. This is not justice. This is murder for profit.

I hope my colleagues would join me in supporting the gentlewoman from Florida [Ms. ROS-LEHTINEN] in this forward-thinking legislation, which is the most important human rights issue that we will face in the 105th Congress. This is a bipartisan piece of legislation that should enjoy support of both sides of the aisle.

I would also ask my colleagues to join me in signing a letter to the Chinese Ambassador asking him to take swift action against this practice of harvesting organs from prisoners.

Mr. HASTINGS of Florida. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Mr. Speaker, I thank the gentleman from Florida [Mr. HASTINGS] for so kindly yielding me the time.

Let me thank the gentlewoman from Florida [Ms. ROS-LEHTINEN], the gentleman from New York [Mr. SOLOMON], the gentleman from California [Mr. DRIER], and so many of my colleagues, including the gentleman from Arizona [Mr. KOLBE], the gentleman from Arizona [Mr. SALMON], the gentleman from California [Mr. MATSUI], the gentleman from New Jersey [Mr. SMITH), and the gentleman from New York [Mr. GILMAN], all who have participated in creating some of the concepts that have been embodied in this legislation.

We began meeting earlier this year, convinced that the annual debate on MFN had ceased to provide any positive results in terms of China policy and desiring to fashion a package of tools that were better equipped to address specific problems that we saw in U.S. policy toward China and better geared toward promoting the values that we hoped to see take root in that country. These ideas have been mostly incorporated in this legislation and I think will go a long way toward getting a true engagement with China, not just a debate within the Congress, but a true engagement that has the potential of truly changing Chinese society.

It represents a great step forward in changing the nature of congressional discussion of U.S.-China policy. It makes efforts that mark a new and more mature debate on the important policy and the impact of our relations with China. I have been and continue to be an outspoken critic of those Chinese government policies and actions which constrain the people of China or threaten U.S. interests.

An abysmal human rights record, a belligerent attitude toward neighboring countries, a penchant for disregarding obligations under domestic and international law, a widespread and endemic system of corruption and cronyism, a willingness to arm rogue regimes with weapons of mass destruction, these are the characteristics of the Chinese regime that disturb and alarm the Congress and the American people.

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As I said before and set out with my colleagues to do with H.R. 2195, Congress must address these issues with ideas and options which look to the specific problem and seek an appropriate solution. Efforts to withdraw MFN trading status from China do not meet these goals. It is a blunt instrument that is not directly related to the problems we seek to address, and most significantly, with the Senate and the President opposed, MFN would never be withdrawn in any event, and MFN withdrawal is therefore what I consider to be a dead-end policy option which will never actually effect change in Chinese society.

The package of bills before Congress tonight has the potential to do so and I believe should be commended to every Member. I believe that the committee of jurisdiction, International Affairs, has done an excellent job in fashioning this package. I commend this effort and everyone who has been involved in it. I am proud to stand on the floor of the House today and send a strong message that Congress cares about American values and about promoting those values abroad.

By increasing funding for democracy activities, expanding monitoring of human rights abuses, intensifying efforts to broadcast information into China, denying visas to Chinese who flaunt international law or American values, expressing our support for the free and democratic government of Taiwan, promoting contact between agents of change in Chinese society and their American counterparts, and expecting United States businesses in China to be a force for positive change, we are directly addressing these problems with pro-active solutions. We are taking concrete steps to promote American values that have a proven track record of success—democratic self-governance, rule by laws created with the consent and active participation of the people, freedom and individual liberties.

Today, we will begin in a new debate on China. I am hopeful that it will yield positive results on all sides. I urge all of my colleagues to support H.R. 2358 and the rest of this legislative package.

While it is not perfect it is an important step and one that we must take if we hope to welcome the day that China becomes part of the community of peaceful, democratic, law-abiding nations. That is a day all Americans—and I suspect, most Chinese—look forward to.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. SMITH], who has been the leader on the Subcommittee on International Operations and Human Rights, talking about the many abuses of the Chinese regime, especially in relation to Chinese slave products.

Mr. SMITH of New Jersey. Mr. Speaker, I thank the gentlewoman for yielding me this time. I want to congratulate the distinguished gentlewoman for this legislation and her strong human rights leadership in this House.

H.R. 2358, Mr. Speaker, addresses the important question as to whether the cornerstone of our foreign policy should be the promotion of universally recognized human rights. Looking at the State Department budget, and my subcommittee oversees on the authorizing side the State Department budget, we see that the Bureau of Democracy, Human Rights and Labor has 52 employees and a budget of just over $6 million. By way of contrast, the Public Affairs Office is about twice as large, with 115 employees and a budget of over $10 million. Even the Protocol Office has 62 employees, 10 more employees than the whole Human Rights Bureau. Each of the six regional bureaus has an average of 1,500 employees. These are the bureaus the Human Rights Bureau sometimes has to contend with in ensuring that human rights is accorded its rightful priority against competing concerns, and they have a combined budget of about $1 billion, or about 160 times the budget of the Human Rights Bureau.

This gross disparity in resource allocation is not only a poignant symbol of the imbalance in our foreign policy priority, it is also an important practical consequence. It has practical consequences. For instance, Washington officials from the regional bureaus develop their expertise by taking frequent trips to the regions in which they specialize. Officials in the Human Rights Bureau, however, below the rank of Deputy Assistant Secretary almost never have the budgets for such trips.

It is an unfortunate fact of life that we usually get what we pay for, and it appears that the American taxpayers are paying for more State Department protocol and public relations and less for human rights. By adding $2.2 million in each of the next 2 fiscal years for monitoring human rights in the People's Republic of China, this bill will help to redress the terrible imbalance in the current State Department budget.

Let me also point out, and I appreciate the earlier comments of the distinguished gentleman from Missouri [Mr. GEPHARDT], the minority leader, when he quoted from Wei Jingsheng, that great human rights champion in the People's Republic of China, who today is languishing in a gulag in Laogai because of his strong beliefs. I met with Wei when he was let out to try to procure the Olympics 2000 for the Chinese dictatorship. They thought that symbolic gesture would garner that for them. He was only out for a couple of weeks, several weeks. I met with him, talked to him for about 3 hours. Two weeks later or so he met with Assistant Secretary of State for Human Rights and Democracy John Shattuck. The next day after meeting with the point person for the Clinton administration on human rights, Wei Jingsheng was grabbed off the streets and thrown into prison, and he is there now, unfortunately suffering. We know that he has been beaten. At one point he was beaten so bad he could not even raise his head, and his sister and others who care deeply for him fear for his life.

We need greater monitoring. We need more surveillance to know what is going on. One or two people designated in Beijing or Shanghai or elsewhere is not adequate to the test.

Let me also say I am very appreciative to the gentlewoman from Washington, Mrs. LINDA SMITH, for her language that she has added to this bill with regard to the organs that are used from executed prisoners. Let me just say we have had two hearings on that in my subcommittee. It is a horrific reality. We need to rein in on it, and we need, I think, do everything possible to shut down that gruesome process.

Mr. HAMILTON. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, this bill authorizes $2.2 million for each of the next 2 years to support U.S. Embassy and consulate personnel to monitor political repression in China. I think it is a constructive bill. This is one of the bills in this package of nine that I will support. I think it sends the Chinese a signal that we care very deeply about human rights, that human rights will be a major component in our relationship with China.

I will tell my colleagues that the administration has some reservations about this bill. They consider it duplicative and unnecessary, but I do think it is a constructive, positive bill. I commend the gentlewoman from Florida for sponsoring it and pushing it forward and for others who have spoken in support of it. I intend to vote for this bill. I urge my colleagues to do the same.

Mr. Speaker, I yield back the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Speaker, I thank the gentlewoman for yielding me this time and for her leadership and all my colleagues who have worked so hard to see that we not only export goods from this country, but that we export goodness and morality. De Tocqueville said America is great because America is good.

Somewhere in China, there are people just like the person that the gentleman from New Jersey [Mr. SMITH] just described who are in cramped prison quarters, some of whom have been tortured, some of whom are right now undergoing physical pain. The administration said we should engage with China to see to it that we move China from this repressive situation to one in which people are allowed to dissent without being incarcerated, without being hurt, without being subdued by the military force.

This is engagement. It is not right to ask a businessman who is about ready to close a business deal at the same time to bring up the problem that a dissident has in a particular prison. He is not going to do that. He needs to close a deal, he needs to get the check, he needs to get the money. It is important to have personnel who are assigned to this monitoring task solely, who can really focus and really specify. This is an excellent bill. I support it fully.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The gentlewoman from Florida [Ms. ROS-LEHTINEN] is recognized for 1 minute.

Ms. ROS-LEHTINEN. Mr. Speaker, this bill does more than send a message to the repressive Chinese regime. It puts respect for human rights at the forefront of our discussions with Chinese officials. It forces our own Government to recognize that these values that we hold so dear and which have helped in forging our democracy, which are free speech, freedom to worship, freedom of assembly, those values will be part, an important part, an essential part of our foreign policy.

We cannot continue to sweep these issues of the violations of human rights aside merely because they are uncomfortable for us to discuss with the Chinese. If we ignore these violations, the political dissidents, the opposition in China, will suffer even more oppression. Let us be their voice today. Let us celebrate democracy, human rights and freedom for the Chinese people by supporting this bill, and indeed the entire package of bills before us.

In summation, I ask that we do what is right; what is just; what we know we must do. I ask that you support H.R. 2358.

Others may choose to ignore the pleas and cries of anguish of the Chinese people, but the United States Congress must not.

The United States Congress must send a clear message to the Chinese regime and to the world that it will defend the rights of all people to be free of oppression, of subjugation, of persecution.

The U.S. Congress must stand firm in the face of dictators and declare its support for those who cannot speak for themselves. The United States Congress must stand up to China's Communist regime—not just with rhetoric, but with concrete actions.

We must tell the Chinese regime that the United States Congress will not sit on the sidelines any longer; that we are ready to take the necessary steps to help being an end to the atrocities and violations of human rights and basic liberties.

H.R. 2358 is the tool. It is the action supporting the message.

To summarize, H.R. 2358 assigns new diplomats to American embassies and consulates for the exclusive purpose of monitoring human rights in China.

H.R. 2358 denies entry into the United States to any Chinese official found to be involved in the trafficking of human organs from political prisoners in China.

The bill increases the number of legislative days to review the President's required certification that China is complying with the agreement for nuclear cooperation. It would also require a Congressional vote of approval for the certification.

H.R. 2358 requires State Department officials to raise human rights concerns in every meeting with Chinese officials.

Adds $10 million in funding for National Endowment for Democracy projects in China.

Calls on the State Department to issue an annual report on the human rights situation and to establish a Prisoner Information Registry for China.

It supports the continuation of democratic freedoms for the people of Hong Kong.

In essence, H.R. 2358 is a comprehensive bill which includes the contributions of several of my distinguished colleagues. I thank them for their commitment and dedication to the issue of human rights in China, and for their ongoing courage to stand up for what is right.

As you cast your vote, I want you to think of the people of China; think about the political prisoners and the persecuted.

I want you to think about the values that have made this country great—about the sense of humanity that has guided us through the history of the Republic. The United States has a responsibility as the post-cold war leader to set the example for others to follow.

We can set a positive example right now. I urge you to support H.R. 2358.

The SPEAKER pro tempore. All time for general debate has expired.

It is now in order to consider the further amendment specified in part 1-B of House Report 105-379.

AMENDMENT OFFERED BY MR. GILMAN

Mr. GILMAN. Mr. Speaker, I offer an amendment.

The SPEAKER pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. Gilman:

Convert the existing provisions of the bill to a TITLE I, and add at the end the following:

TITLE II—AGREEMENT ON NUCLEAR COOPERATION

(A) AMENDMENT TO JOINT RESOLUTION RELATING TO AGREEMENT FOR NUCLEAR COOPERATION.—The joint resolution entitled "Joint Resolution relating to the approval and implementation of the proposed agreement for nuclear cooperation between the United States and the People's Republic of China (Public Law 99-183; approved December 16, 1985) is amended—

(1) in subsection (b)—

(A) by inserting "and subject to section 2," after "or any international agreement,"; and

(B) in paragraph (1) by striking "thirty" and inserting "120"; and

(2) by adding at the end the following:

"SEC. 2. (a) ACTION BY CONGRESS TO DISAPPROVE CERTIFICATION.—No license may be issued for the export to the People's Republic of China of any nuclear material, facilities, or components subject to the Agreement, and no approval for the transfer or retransfer to the People's Republic of China of any nuclear material, facilities, or components subject to the Agreement shall be given if, during the 120-day period referred to in subsection (b)(1) of the first section, there is enacted a joint resolution described in subsection (b) of this section.

"(b) DESCRIPTION OF JOINT RESOLUTION.—A joint resolution is described in this subsection if it is a joint resolution which has a provision disapproving the President's certification under subsection (b)(1), or a provision or provisions modifying the manner in which the Agreement is implemented, or both.

"(c) PROCEDURES FOR CONSIDERATION OF JOINT RESOLUTIONS.—

"(1) REFERENCE TO COMMITTEES.—Joint resolutions—

"(A) may be introduced in either House of Congress by any member of such House; and

"(B) shall be referred, in the House of Representatives, to the Committee on International Relations and, in the Senate, to the Committee on Foreign Relations.

It shall be in order to amend such joint resolutions in the committees to which they are referred.

"(2) FLOOR CONSIDERATIONS.—(A) The provisions of section 152(d) and (e) of the Trade Act of 1974 (19 U.S.C. 2192(d) and (e)) (relating to the floor consideration of certain resolutions in the House and Senate) apply to joint resolutions described in subsection (b).

"(B) It is not in order for—

"(i) the House of Representatives to consider any joint resolution described in subsection (b) that has not been reported by the Committee on International Relations; and "(ii) the Senate to consider any joint resolution described in subsection (b) that has not been reported by the Committee on Foreign Relations.

"(c) CONSIDERATION OF SECOND RESOLUTION NOT IN ORDER.—It shall not be in order in either the House of Representatives or the Senate to consider a joint resolution described in subsection (b) (other than a joint resolution described in subsection (b) received from the other House), if that House has previously adopted such a joint resolution.

"(d) PROCEDURES RELATING TO CONFERENCE REPORTS IN THE SENATE.—

"(1) CONSIDERATION.—Consideration in the Senate of the conference report on any joint resolution described in subsection (b), including consideration of all amendments in disagreement (and all amendments thereto), and consideration of all debatable motions and appeals in connection therewith, shall be limited to 10 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees. Debate on any debatable motion or appeal related to the conference report shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the conference report.

"(2) DEBATE ON AMENDMENTS IN DISAGREEMENT.—In any case in which there are amendments in disagreement, time on each amendment shall be limited to 30 minutes, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or his designee. No amendment to any amendment in disagreement shall be received unless it is a germane amendment.

"(3) CONSIDERATION OF VETO MESSAGE.—Consideration in the Senate of any veto message with respect to a joint resolution described in subsection (b), including consideration of all debatable motions and appeals in connection therewith, shall be limited to 10 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.".

The SPEAKER pro tempore. Pursuant to House Resolution 302, the gentleman from New York [Mr. GILMAN] and the gentleman from Indiana [Mr. HAMILTON] each will control 15 minutes.

The Chair recognizes the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I yield 7½ minutes to the gentleman from Massachusetts [Mr. MARKEY] and ask unanimous consent that he may be permitted to yield that time to other Members.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, the President has announced his intention to submit to Congress the certification necessary to implement the 1985 United States-China Nuclear Cooperation Agreement, thereby enabling the People's Republic of China to obtain United States nuclear technology. No United States President, not President Reagan nor Bush, and until now not President Clinton, has made such a certification. Why? Because Communist China's nuclear, chemical, biological and missile proliferation makes it the Wal-Mart of international commerce. China's record is not only reprehensible, it mocks repeated assurances to our Nation that it would stop proliferating to countries such as Pakistan and Iran.

In that regard, I urge all Members to examine the compendium I am placing in the RECORD, a compendium dated November 4, 1997, detailing China's nuclear nonproliferation promises from 1981 through 1997. Yet despite promises and subsequent violations of those promises, the Clinton administration is willing to open the door to China for critical United States nuclear assets.

Moreover in the wake of last week's summit, we have heard nothing that gives us confidence that the Chinese are willing to provide ironclad, enforceable assurances that any promises with regard to the transfer of nuclear technology to Iran would be kept.

Permit me, Mr. Speaker, to describe the possible shortfalls in the agreement negotiated by the Clinton administration in order to begin nuclear commerce with China. The Chinese have pledged only to halt new nuclear cooperation with Iran, thereby allowing continued cooperation between China and Iran on at least two existing contracts. Moreover, a possible loophole in the Chinese pledge could permit the resurrection of a contract that has been suspended, but not canceled, to build a uranium enrichment facility in Iran since that contract would not fall into the category of any new nuclear cooperation.

The administration made no headway with the Chinese on conditioning nuclear cooperation with Pakistan or with any other country besides Iran, and the administration did not secure any agreement with China that would halt the transfer of nuclear-capable missiles to Iran or to other countries.

Mr. Speaker, because of these and other concerns, I have joined with the distinguished gentleman from Massachusetts [Mr. MARKEY] to introduce this amendment which achieves two important goals. It extends from 30 to 120 days the time for Congress to review the President's certification to China. It also establishes expedited procedures in the House and Senate for consideration of a resolution of disapproval of that certification or further modifications to the 1985 agreement should that prove necessary. Our legislation ensures that the Congress has adequate time to examine China's record of compliance with its nonproliferation commitments, particularly its pledge to provide no new nuclear assistance to Iran and to take appropriate legislative action if that is deemed necessary.

Mr. Speaker, we stand at a critical juncture with respect to our nonproliferation policy toward China. Implementing a nuclear cooperation agreement is not a step that should be taken lightly with any nation. With China, it is vital that we get it right the first time. Accordingly, I urge my colleagues to adopt this amendment and to adopt the underlying bill.

Mr. Speaker, the text of the compendium referred to in my remarks is as follows:

"The question of assurance does not exist. China and Iran currently do not have any nuclear cooperation . . . We do not sell nuclear weapons to any country or transfer related technology. This is our long-standing position, this policy is targeted at all countries." Foreign Ministry spokesman Shen Guofang, Los Angeles, 11/2/97, Reuters, 11/3/97.

"We don't have to take it on faith . . . We received clear-cut, specific assurances." Senior US official, AFP, 10/31/97 (referring to China's vow not to commence new nuclear cooperation with Iran.)

"China will . . . not help other countries develop nuclear weapons. At the same time, China also holds that *prevention of nuclear proliferation should not affect international cooperation on the peaceful use of nuclear energy*. The US administration is clear on this point and so is the international community." Foreign Ministry spokesman Tang Guoqiang, Beijing, 10/30/97, Ta Kung Pao, 10/31/97 (emphasis added).

"President Jiang and I agreed that the United States and China share a strong interest in stopping the spread of weapons of mass destruction and other sophisticated weaponry in unstable regions and rogue states; notably, Iran. I welcome the steps China has taken and the clear assurances it has given today to help prevent the proliferation of nuclear weapons and related technology." President Bill Clinton, press conference, Washington, D.C., 10/29/97.

"In May 1996, China committed *not to provide [unsafeguarded nuclear] assistance* to . . . Pakistan or *anywhere* else. We have monitored this pledge very carefully over the course of the last 16, 18 months, and the Chinese appear to be taking their pledge very seriously. We have no basis to conclude that they have acted inconsistently with this May 1996 commitment. Also, the Chinese have provided assurances with respect to nuclear cooperation with Iran. What *they have assured us is that they . . . are not going to engage in new nuclear cooperation with Iran*, and that they will complete a few existing projects, and these are projects which are not of proliferation concern. They [will] complete them within a relatively short period of time . . . the assurances we received are . . . sufficiently *specific and clear* to meet the requirements of our law and to advance our national security interests, and they are in the form of writing. They're written, confidential communications . . . I would call them *authoritative, written communications* . . . Today was when the final exchange took place . . . We will make [them] available to members of Congress in confidence, because these are confidential diplomatic communications, an opportunity to read and judge for themselves these written assurances that we've been given . . . [Q] assurances specifically—different countries, specifically, say, Iran, Pakistan? . . . [A] Yes, just Iran . . . they have safeguarded peaceful nuclear cooperation with both *Pakistan and India*, and they told that at this particular point, *they're not prepared to suspend those projects* . . . The President made very clear to him that this was an essential requirement; we needed to have this assurance on Iran, or there could be no certification . . . [Q] Who is the assurance addressed to? [A] We're not going to discuss the . . . specifics of the issue. [Q] Is it in a letter, though, that's addressed to someone in particular in the U.S. government? [A] It's an authoritative, written communication." Senior Administration Official, press briefing, The White House, 10/29/97, emphasis added.

"We have received assurances from the Chinese that they will not engage in any new nuclear cooperation with Iran, and that the existing cooperation—there are two projects in particular—will end. That is the assurance we have received. As to the form of that assurance, we will be discussing that with Congress . . . ". Sandy Berger, National Security Advisor, press conference, 10/29/97.

"The United States and China reiterate their commitment not to provide any assistance unsafeguarded nuclear facilities and nuclear explosion programs." Joint U.S.-China Statement, The White House, 10/29/97.

"China has taken new, concrete steps to prevent nuclear proliferation that threaten the interests of both countries. China has . . . Provided assurances addressing U.S. concerns about nuclear cooperation with Iran . . . ". White House Fact Sheet, "Accomplishments of US/China Summit." 10/29/97.

". . . I think we have reached a point where we're satisfied that we have the assurances that we need to have that China is not engaging, will not engage in assistance to states developing nuclear weapons, which would enable the President to go forward with the Peaceful Nuclear Energy Agreement of 1985." Senior White House official, press conference, Washington, D.C., 10/29/97.

"China adopts a cautious and responsible attitude toward nuclear exports. It has never transferred nuclear weapons or relevant technology to any other country. China's stand against nuclear weapons proliferation is consistent with clear-cut; that is, China has consistently opposed nuclear weapons proliferation. It does not advocate, encourage, or engage in nuclear weapons proliferation, nor has it helped other countries develop nuclear weapons. In the meantime, China takes the view that *the fight against nuclear weapons proliferation should not affect international cooperation on the peaceful use of nuclear energy*. The American side is well aware of the Chinese position on that." Foreign Ministry spokesman Tang Guoqiang, Beijing Central Peoples Radio, 10/28/97 (emphasis added).

"I wish to emphasize once again China has never transferred nuclear weapons or relevant technology to other countries, including Iran . . . China has never done it in the past, we do not do it now, nor will we do it in the future." Foreign Ministry spokesman Shen Guofang, Kyodo, 10/21/97.

". . . China adheres to the policy that it does not advocate, encourage or engage in proliferation of nuclear weapons nor assist other countries in developing nuclear weapons. For many years the Chinese Government has exercised strict and effective control over nuclear and nuclear-related export, including exchanges of personnel and information, and has abided by the following three principles: (1) serving peaceful purposes only; (2) accepting IAEA safeguards; (3) forbidding transfer to any third country without China's consent. With regard to any nuclear export, the recipient government is always requested to provide to the Chinese side an assurance in writing to acknowledge the above three principles and the export can proceed only after approval by relevant Chinese authorities . . . [regulations] strictly prohibit any exchange of nuclear weapons related technology and information with other countries . . . No [Chinese] agency or company is allowed to conduct cooperation or exchange of personnel and technological data with nuclear facilities not under IAEA safeguards . . . [these] regulations are applicable . . . also to all activities related to nuclear explosive devices . . . the Chinese side wishes to emphasize that *the prevention of nuclear proliferation should in no way affect or hinder the normal nuclear cooperation for peaceful uses among countries, let alone be used as an excuse for discrimination and even application of willful sanctions against developing countries*. The prevention of nuclear proliferation and peaceful uses of nuclear energy constitute the two sides of one coin . . . this is the consistent policy of China." Ambassador Li Changhe, Statement at Meeting of Zangger Committee, Vienna, 10/16/97 (emphasis added).

"China's position on nuclear proliferation is very clear . . . It does not advocate, encourage, or engage in nuclear proliferation, nor does it assist other countries in developing nuclear weapons. It always undertakes its international legal obligations of preventing nuclear proliferation . . . China has always been cautious and responsible in handling its nuclear exports and exports of materials and facilities that might lead to nuclear proliferation." Statement by Foreign Ministry spokesman Cui Tiankai, Beijing, Xinhua, 9/15/97.

"The state highly controls nuclear exports and strictly performs the international obligation on nonproliferation of nuclear weapons it has undertaken. The state does not advocate, encourage and engage in proliferation of nuclear weapons, and does not help other countries develop nuclear weapons. Nuclear exports are used only for peaceful purposes and are subjected to International Atomic Energy Agency's guarantee and supervision . . . The state prohibits assistance to nuclear facilities not subject to International Atomic Energy Agency's guarantee and supervision, and does not engage in nuclear exports or personnel and technological exchanges and cooperation with them." Regulations of the PRC on Control of Nuclear Exports, Xinhua, 9/11/97.

"Our country . . . has followed the policy of not advocating, not encouraging, and not engaging in the proliferation of nuclear weapons, and not helping other countries to develop nuclear weapons . . . all relevant agencies and units engaged in the activities of foreign economic trade must thoroughly implement our country's policy on nuclear exports; that is, not advocating, encouraging, or engaging in the proliferation of nuclear weapons and not helping other countries develop nuclear weapons; only using nuclear export items for peaceful purposes, accepting the International Atomic Energy Agency's safeguards and supervision, and not allowing the transfer of such items to third countries without our country's permission; and not giving assistance to the nuclear facilities of those countries that have not accepted the safeguards and supervision of the International Atomic Energy Agency . . . Nuclear material, nuclear installations and related technology, non-nuclear material used for reactors, and nuclear-related dual-use installations, material, and related technology . . . may not be supplied to or used by nuclear facilities that have not accepted the International Atomic Energy Agency's safeguards and supervision. No unit or corporation is allowed to cooperate with nuclear installations that have not accepted the system of safeguards and supervision of the International Atomic Energy Agency, nor are they allowed to engage in exchanges of professional scientific and technical personnel and technological information . . ." Chinese State Council Circular No. 17, Beijing, 5/27/97 (translated by CRS).

". . . we have absolutely binding assurances from the Chinese, which we consider a commitment on their part not to export ring magnets or any other technologies to unsafeguarded facilities . . . The negotiating record is made up primarily of conversations, which were detailed and recorded, between US and Chinese officials." Under Secretary of State Peter Tarnoff, congressional testimony, 5/16/96.

"Last week, we reached an understanding with China that it will no longer provide assistance to unsafeguarded programs . . . senior Chinese officials have explicitly confirmed our understanding the Chinese policy of not assisting unsafeguarded nuclear facilities would prevent future sales, future transfers of ring magnets." Secretary of State Warren Christopher, congressional testimony, 5/15/96.

"Being a signatory of the Nuclear Non-Proliferation Treaty, China strictly abides by its treaty commitments and has never engaged in any activities in violation of its commitments. China's position of opposing nuclear weapons proliferation is constant and unambiguous. China will, as usual, continue to honor its international commitments and play a positive role in maintaining regional and world peace and stability." Foreign Ministry spokesman Cui Tiankai, Zhonggwo Ximven She, 5/15/96.

"China strictly observes its obligations under the treaty and is against the proliferation of nuclear weapons. China pursues the policy of not endorsing, encouraging or engaging in the proliferation of nuclear weapons, or assisting other countries in developing such weapons. The nuclear cooperation between China and the countries concerned is exclusively for peaceful purposes. China will not provide assistance to unsafeguarded and unsupervised Chinese nuclear facilities." Foreign Ministry spokesman, Xinhua, 5/11/96.

"Shen Guofang is an official press officer of the Chinese government and he has said several times that China is not exporting nuclear arms material nor spreading nuclear arms. The Central Intelligence Agency of the United States, the CIA, has accorded to Shen made several mistakes. The claim that China is exporting so-called ring magnets to Pakistan is one of the CIA's mistakes, according to Shen." Interview with Chinese Shen Guofang, YLE Radio, Helsinki, 4/5/96.

"China has never transferred or sold any nuclear technology or equipment to Pakistan . . . We therefore hope the U.S. Government will not base its policy-making on hearsay." Foreign Ministry Deputy Secretary Shen Guofang, Hong Kong AFP, 3/26/96 (after the reported ring magnet sale to Pakistan).

"China, a responsible state, has never transferred equipment or technology for producing nuclear weapons to any other country. Nor, as a responsible state, will China do so in the future." Foreign Ministry spokesman, Xinhua, 2/15/96.

"China is a responsible country. We have not transferred, nor will we transfer to any country, equipment or technologies used in manufacturing nuclear weapons. As a signatory to the nuclear weapons non-proliferation treaty, China scrupulously abides by the treaty concerning international legal obligations toward the prevention of nuclear weapons proliferation, and it does not advocate, encourage or engage in nuclear proliferation. While engaging in cooperation with other countries for the peaceful use of nuclear energy, China strictly abides by China's three principles on nuclear exports and accepts the safeguards and supervision of the International Atomic Energy Agency." Foreign Ministry spokesman Shen Guofung, Xinhua, 2/15/96.

"Foreign Ministry spokesman Shen Guofang today denied reports that China has transferred nuclear technology to Pakistan. He said that China carries out normal international cooperation with Pakistan and some other countries on the peaceful use of nuclear energy. The legitimate rights and interests of all countries in the peaceful use of nuclear energy should also be respected. China has constantly adopted a prudent and responsible toward the export of nuclear energy. It is totally groundless to say that China has transferred nuclear technology to Pakistan." Foreign Ministry spokesman Shen Guofang, as reported in *Ta Kung Pao*, 2/9/96 (follows 2/8/96 *Washington Times* story about China's transfer of ring magnets to Pakistan's unsafeguarded uranium enrichment plant).

"China has constantly stood for . . . pursuing a policy of not supporting, encouraging or engaging in the proliferation of nuclear weapons and assisting any other country in the development of such weapons . . . Since 1992 when [China] became a party to the [nuclear Non-Proliferation] treaty, it has strictly fulfilled its obligations under the Treaty, including the obligation to cooperate fully with the IAEA in safeguard application. China follows three principles regarding nuclear exports: exports serving peaceful purposes only, accepting IAEA safeguards . . . Only specialized government-designated companies can handle nuclear exports and in each instance they must apply for approval from relevant governmental departments. All exports of nuclear materials and equipment will be subject to IAEA safeguard. China has never exported sensitive technologies such as those for uranium enrichment, reprocessing and heavy water production." Information Office of the State Council of the PRC White Paper: "China: Arms Control and Disarmament", *Beijing Review*, 11/27/95.

". . . there isn't any nuclear cooperation between China and Iran that is not under the safeguard of the International Atomic Energy Agency." Foreign Ministry spokesman Chen Jian, Xinhua, 9/26/95.

". . . China as a State Party and particularly as a developing country with considerable nuclear industrial capabilities, strictly abides by the relevant provisions of the NPT to ensure the exclusive use [of such capabilities] for peaceful purposes . . .". Ambassador Sha Zukang, NPT Extension Conference, at UN, 1/23/95.

"China does not engage in proliferation of weapons of mass destruction . . ." Foreign Minister Qian Qichen, AP newswire, 10/4/94.

"China is a signatory to the Nuclear Nonproliferation Treaty. We do not support or encourage nuclear proliferation, this has been a consistent position." Premier Li Peng, Beijing Central Television Program One, 3/22/94.

"[T]he Chinese government has consistently supported and participated in the international communities efforts for preventing the proliferation of nuclear weapons." Ambassador Hou Zhitong, address to the U.N. General Assembly, 10/21/92.

"[China] supports non-proliferation of nuclear weapons and other weapons of mass destruction." Foreign Minister Qian Qichen, at the U.N. Conference on Disarmament and Security Issues in the Asia-Pacific Region, 8/17/92.

"The reports carried by some Western newspapers and magazines alleging that China has provided Iran with materials, equipment, and technology that can be used to produce nuclear weapons are utterly groundless." Foreign Ministry spokesman, Xinhua, 11/4/91.

"China has always stood for nuclear nonproliferation, neither encouraging nor engaging in nuclear proliferation." Premier Li Peng, Xinhua, 8/10/91.

"The Chinese Government has made it clear that it adheres to a nuclear nonproliferation policy. This means that China does not support, encourage, or engage in nuclear proliferation. We said so and have done so, too." Premier Li Peng, interview with Iranian and Chinese journalists, *Renmin Ribao*, 7/10/91.

"China has struck no nuclear deals with Iran . . . This inference is preposterous." Chinese embassy official Chen Guoqing, rebutting a claim that China had sold nuclear technology to Iran, letter to *Washington Post*, 7/2/91.

"The report claiming that China provides medium-range missiles for Pakistan is absolutely groundless. China does not stand for, encourage, or engage itself in nuclear proliferation and does not aid other countries in developing nuclear weapons." Foreign ministry spokesman Wu Janmin, Zhongguo Ximwen She, 4/25/91.

"China's position is clear cut, that is, China won't practice nuclear proliferation. Meanwhile we are against the proliferation of nuclear weapons by any other country. . .". Premier Li Peng, Xinhua, 4/1/91.

". . . the Chinese Government has consistently supported and participated in the international community's efforts for preventing the proliferation of nuclear weapons." Ambassador Hou Zhitong, Xinhua, 10/24/90.

"China seeks a policy of not encouraging or engaging in nuclear proliferation and not helping any country develop the deadly weapons." Ambassador Hou Zhitong, Xinhua, 9/12/90.

"China has adopted a responsible attitude [on nuclear cooperation], requiring the recipient countries of its nuclear exports to accept IAEA safeguards and ensuring that its own nuclear import is for peaceful purposes." Foreign Minister Qian Qichen, Xinhua, 2/27/90.

"China does not advocate, or encourage, or engage in nuclear proliferation and would only cooperate with other countries in the peaceful application of nuclear energy." Foreign Minister Qian Qichen, Renmin Ribao, 9/15/89.

"China, though not a [NPT] signatory, has repeatedly stated that it abides by the principles of nuclear nonproliferation." Xinhua, 5/9/89.

"As everyone knows, China does not advocate nor encourage nuclear proliferation. China does not engage in developing or assisting other countries to develop nuclear weapons." Foreign Ministry spokesman, Beijing radio, 5/4/89.

"The cooperation between China and Pakistan in the sphere of nuclear energy [is] entirely for peaceful purposes. The relevant agreements signed between the two countries consist of specific provisions guaranteeing safety. The allegations that China has been assisting Pakistan in the field of nuclear weapons . . . are completely groundless . . .". Foreign Ministry spokesman Li Zhaoxing, Beijing Radio, 1/19/89.

"[Secretary of Defense Frank] Carlucci said Chinese leaders emphasized that they would never sell nuclear weapons to foreign nations. . .". Washington Post, 9/8/88.

"China does not advocate or encourage nuclear proliferation, nor does it help other countries develop nuclear weapons." Vice Foreign Minister Qian Qichen, Beijing Review, 3/30/87.

"The State Department and its allies insist that the negotiators made no such concessions. They argue that despite the text of the [US/China nuclear] agreement, they have obtained private assurances from the Chinese that Beijing will cooperate with unwritten American expectations. In particular, the chief American negotiator, Special Ambassador Richard T. Kennedy, has prepared a classified 'Summary of Discussions,' in which he asserts that the Chinese have provided further pledges to reform their nuclear export policies. Touting these unwritten, unofficial assurances, he claims that the China pact would not compromise our vigilance against the spread of nuclear weapons." The New Republic, 11/25/85, p. 9.

"Since that time [1983], we have received assurances from them [the Chinese government] and we have seen nothing, and there is no evidence, that indicates that they are not abiding by the assurances that they have provided us." Deputy Assistant Secretary of State James R. Lilley, congressional testimony, 11/13/85.

"The People's Republic of China has clearly indicated that it shares our concerns about any nuclear weapons proliferation. . .". Secretary of Energy John S. Herrington, congressional testimony, 10/9/85.

"The Chinese made it clear to us that when they say they will not assist other countries to develop nuclear weapons, this also applies to all nuclear explosives . . . We are satisfied that the [nonproliferation] policies they have adopted are consistent with our own basic views." Ambassador Richard Kennedy, Department of State, congressional testimony, 10/9/85.

"The Chinese have also made a number of high-level policy statements, and I would emphasize that these were high-level policy statements and not mere toasts tossed off in haste and casually. These clearly set forth their position that they are opposed to the spread of nuclear weapons and do not assist or encourage others to develop weapons." Assistant Secretary of State Paul Wolfowitz, congressional testimony, 10/9/85.

"Since negotiations began on the proposed agreement, China has made significant new statements on its nonproliferation policy . . . These statements show that China is opposed to the spread of nuclear explosives to additional countries." Ambassador Richard Kennedy, Department of State, congressional testimony, 9/12/85.

"The People's Republic of China has clearly indicated that it shares our concerns about any nuclear weapons proliferation . . ." Assistant Secretary of Energy George Bradley, congressional testimony, 9/12/85.

"The Chinese know that nuclear cooperation with us rests on their strict adherence to basic nonproliferation practices discussed and clarified at such great length." ACDA Assistant Director Norman A. Wulf, congressional testimony, 9/12/85.

"Our contacts with the Chinese . . . have demonstrated clearly that they appreciate the importance we attach to nonproliferation. We are satisfied that the policies they have adopted are consistent with our own basic views." Ambassador-At-Large Richard Kennedy, congressional testimony, 7/31/85.

"Over these past two years, the Chinese Government has taken a number of important nonproliferation steps. First, it made a pledge that it does 'not engage in nuclear proliferation' nor does it 'help other countries develop nuclear weapons'. The substance of this pledge has been reaffirmed several times by Chinese officials both abroad and within China. In fact, China's Sixth National People's Congress made this policy a directive to all agencies of that large and complex government. As such, it constitutes a historic and positive change in China's policies." ACDA Director Kenneth Adelman, congressional testimony, 7/31/85.

"Energy Department sources said a key part of the administration's presentation to Congress would be a classified summary of a meeting between Li Peng and special US ambassador and nuclear negotiator Richard T. Kennedy in Peking in June. Kennedy was said to have 'nailed down' Chinese assurances that they will work to halt the spread of atomic weapons and will abide by all US safeguard requirements. The sources said Kennedy wrote the summary and 'showed it to the Chinese, and they said it's consistent with the way they view their policies.' Sen. Alan Cranston (D-Calif.) said he was promised that written assurances of the Chinese position would be included in the nuclear agreement package." "US and China Sign Nuclear-Power Pact," Washington Post, 7/24/85.

"A long-dormant nuclear cocperation agreement with China apparently has been rejuvenated by new written assurances from China on its commitment to control the spread of nuclear weapons, accorting to Senate and administration officials." "US-China Nuclear Pact Near: New Assurances Said Received on Control of Weapons," Washington Past, 7/22/85.

"Discussions with China that have taken place since the initialling of the proposed [nuclear] Agreement have contributed significantly to a shared understanding with China on what it means not to assist other countries to acquire nuclear explosives, and in facilitating China's steps to put all these new policies into place. Thus, ACDA believes that the statements of policy by senior Chinese officials, as clarified by these discussions, represent a clear commitment not to assist a non-nuclear-weapon state in the acquisition of nuclear explosives." ACDA, "Nuclear Proliferation Assessment Statement," submitted to Congress on 7/24/85 with the US/China Agreement for Cooperation, 7/19/85.

"China is not a party to the NPT, but its stance on the question is clear-cut and above-board . . . it stands for nuclear disarmament and disapproves of nuclear proliferation . . . In recent years, the Chinese Government has more and more, time and again reiterated that China neither advocates nor encourages nuclear proliferation, and its cooperation with other countries in the nuclear field is only for peaceful purposes". Ambassador Hc Qian Jiadong, speech given at the Conference on Disarmament in Geneva, 6/27/85 (quoted by Amb. Richard Kennedy in congressional testimony, 7/31/85).

"I wish to reiterate that China has no intention, either at the present or in the future, to help non-nuclear countries develop nuclear weapons . . . China's nuclear cooperation with other countries, either at present or in the future, is confined to peaceful purposes alone." Vice Premier Li Peng, Xinhua, 1/18/85.

"We are critical of the discriminatory treaty on the nonproliferation of nuclear weapons, but we do not advocate or encourage nuclear proliferation. We do not engage in nuclear proliferation ourselves, nor do we help other countries develop nuclear weapons." Premier Zhao Ziyang, White House state dinner on 1/10/84, Xinhua, 1/11/84 (note: a US official later said that "These were solemn assurances with in fact the force of law," AP, 6/15/84).

"China does not encourage or support nuclear proliferation." Vice Premier Li Peng, Xinhua, 10/18/83.

"Like many other peace-loving countries, China does not advocate or encourage nuclear proliferation, and we are emphatically opposed to any production of nuclear weapons by racists and expansionists such as South Africa and Israel." Yu Peiwen, head of Chinese delegation to Conference on Disarmament in Geneva, Xinhua, 8/4/81.

Mr. Speaker, I reserve the balance of my time.

Mr. HAMILTON. Mr. Speaker, I yield myself such time as I may consume.

□ 1845

Mr. Speaker, I rise in opposition to this amendment. The Gilman-Markey amendment does two things, both of which I think retroactively move the goalposts in our nonproliferation negotiations with China.

The first thing it does, as the distinguished gentleman from New York said, is to extend the time for congressional consideration of the President's considerations from 30 to 120 days of continuous session. The second thing that it does is to provide for expedited procedures for consideration of a congressional joint resolution of disapproval.

Now what we have here is a statutory framework that we have had in existence for a number of years that sets out the procedure to be followed in these nonproliferation negotiations with China. As we come, so to speak, to the fourth quarter of the game, we are suddenly moving the goalposts, and I just do not think that is a good thing for us to do. The amendment retroactively moves the goalposts in our nonproliferation negotiations with China.

Now the second thing I think this amendment does is to delay the dialog with China. I think this amendment, even though it is couched in procedural terms, places at risk our ability to persuade the Chinese to move in our direction on a whole range of issues that separate our two countries. China is inevitably going to see this amendment as part of an attempt to delay or to defeat the President's certification regarding the United States-China nuclear agreement, and I do not think it is too difficult to guess how the Chinese will respond. Beijing will suspend its current nonproliferation dialog with us and thereby make further progress on these important issues virtually impossible.

The third point I would make is that I think current law, with the 30-day provision of continuous session, provides ample time to review the certification of the President. That review period will not expire under current law until February, and what that does is give us 4 months to review the certification.

So although on the surface this is a procedural amendment seeking more time and seeking an expedited procedure, I think in fact it will have deleterious impact on the substance of the matter. I do not think we should try to prejudge the nuclear agreement, we should judge it on its merits. There is a lot of inquiry that has to be made with respect to it. I think those inquiries can be made within the 4-month period, and I do not think it is wise for the United States to put into law a framework, announce that to the world, so to speak, put that before the Chinese over a period of many years, and then, as we come to the final part of the consideration with the President's certification, suddenly say, we are changing the rules of procedure. That is not the way a responsible power should act.

I urge that this amendment be defeated.

Mr. Speaker, I reserve the balance of my time.

Mr. MARKEY. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, I rise in favor of the Gilman-Markey amendment. We are all familiar with China's past proliferation record. Over the years, China has been the Wal-Mart of weapons of mass destruction for countries such as Iran and Pakistan. Over the years, China has perfected the game of promising the United States that it would stop its nuclear garage sales with a nudge and a wink to the Ayatollahs of the world. Last week, China scored the winning point in its game of nuclear "trick or treat." It got to take the treat and to play the trick. They got the treat of U.S. nuclear exports and the trick of assisting Iran and Pakistan to build the so-called Islamic bomb.

The President has announced that he will certify the 1985 nuclear cooperation agreement with China, claiming that China has been sufficiently moving forward and becoming a responsible member of the international nonproliferation community and is therefore deserving of access to American nuclear technology.

However, it was only this past June that the CIA had this to say about China: During the last half of 1996, China was the most significant supplier of weapons of mass destruction-related goods and technology to foreign countries. The Chinese provided a tremendous variety of assistance to both Iran and Pakistan's ballistic missile programs. Pakistan was very aggressive in seeking out equipment, material, and technology for its nuclear weapons program, with China as its principal supplier. China has repeatedly pledged to curb its habit of providing nuclear missile, chemical, and biological weapons to countries such as Iran and Pakistan, but China has repeatedly broken its pledges.

The nuclear cooperation agreement was negotiated in 1985, but it has not been implemented because no President has been able to meet the congressionally mandated conditions associated with its implementation which include Presidential certification that China has become a responsible member of the international nonproliferation community. I do not believe that this was the case in 1985, and I do not believe that it is now.

A 1985 AP story about the agreement pointed out that the Reagan administration had relied upon a verbal statement sealed by a champagne toast to conclude the agreement, and we all know how well China lived up to that solemn pledge. And now we find ourselves in what might be an identical situation. The administration says it got some verbal nonproliferation commitments from China and some written commitments that no one has yet seen.

What has been made public about China's nonproliferation commitment seems to have some problems. One, the agreement only prevents new nuclear cooperation with Iran's nuclear weapons programs and allows continued cooperation between China and Iran to take place in at least two nuclear contracts.

The agreement appears to have a loophole that could allow the resurrection of a currently suspended but not canceled contract to build a uranium enrichment facility in Iran since that contract would not fall into the category of new nuclear cooperation.

The agreement does not condition nuclear cooperation with Pakistan or any other country besides Iran.

The agreement does not contain provisions that would halt the transfer of nuclear-capable missiles to Iran or other countries.

Now perhaps once Congress gains access to all the information, we will decide that the promises that have been made are sufficient. On the other hand, after we hold hearings, review the documents, and have some time to observe China's behavior, we may come to the conclusion that the agreement contains empty or insufficient promises, and we may want to do something about it.

The gentleman from New York [Mr. GILMAN] and I have made this amendment to give Congress the additional time it is going to need in order to make this agreement, ultimately carefully fashioned to advance the goals which Congress has been trying to protect which this country has been advancing in the years ahead. I hope that all Members of the Congress can support us this evening in sending this very important message.

Mr. Speaker, I reserve the balance of my time.

Mr. HAMILTON. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. BERMAN].

Mr. BERMAN. Mr. Speaker, I rise both in support of the underlying bill which I think is a very sensible effort to augment our ability to ascertain the human rights situation in China by strengthening our on-the-ground operations there and the Gilman-Markey amendment which, to me, without prejudicing what our decision would be, enhances Congress' ability and the administration's ability to ensure that the representations and commitments made by the Chinese in the area of nuclear proliferation are being implemented and forced by expanding the time in which Congress has to review and decide whether to allow or disapprove of the agreement which has been certified.

China's past record of abiding by its international commitments not to aid the proliferation of weapons of mass destruction is not a good one. Congressional skepticism about Chinese promises is clearly warranted. There is time to consider the agreement, and the extension of that time and the expedited procedure which would allow a decision to be implemented without the threat of filibuster or delay in the other body is very critical in reducing the skepticism and reinforcing congressional support for the agreement should the record of implementation bring us to that conclusion.

So for that reason, I think both the Chinese and the administration should welcome this. This gives us a greater time to determine if, in fact, it is true that the representations made have been kept, the commitments made with respect to export controls and the implementation of a meaningful export control regime are being followed through.

By reducing our concern, it leads people to come to a fact-based conclusion by adding to the time we have to look at it. My fear is that if the existing law remains in place, we will be rushed into a decision, we will be forced to make decisions based on the past record rather than the present record, and so I think the gentleman from New York [Mr. GILMAN] and the gentleman from Massachusetts [Mr. MARKEY] have an excellent amendment here, and I urge the body to adopt it.

Mr. GILMAN. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. ROHRABACHER], a member of our committee.

Mr. ROHRABACHER. Mr. Speaker, I rise in strong support of the Gilman-Markey amendment.

I was in Cambodia not too long ago with a United States team of military personnel trying to clear out mines in Cambodia, and they told me that there was a new mine that they were having trouble teaching the Cambodians how to get rid of, how to defuse, because it was a smart mine, and eventually that mine exploded in the hands of someone trying to defuse it. It was designed to kill Americans or anyone else trying to defuse mines. When they opened it up, what did they find? They found a chip from Motorola, a Motorola chip that was designed specifically to make it impossible to defuse these mines without the loss of American military personnel.

We need control of our technology when it is going into the hands of vicious dictatorships like we find in the mainland in China. If we do not impose these restrictions on technology or just handle this issue with care, it is going to come back and haunt us. It is going to hurt our national security, and Americans will be dead if we do not take the proper care.

That is what the Gilman-Markey amendment is all about. That is why I support the Gilman-Markey amendment.

Mr. MARKEY. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. PALLONE].

Mr. PALLONE. Mr. Speaker, I rise in support of the Gilman-Markey amendment.

Mr. Speaker, last month I called on the administration not to certify that China has stopped its exportation of nuclear technology to unregulated countries, and I wrote to President Clinton urging that the administration halt preparations to recertify China and spoke out against it here in the House.

Mr. Speaker, granting certification to China now is the wrong thing to do, given China's record of exporting nuclear technology. The recent action by the Chinese premier to sign regulations limiting nuclear exports pales in comparison to Chinese actions of the past 12 years which argue for continued prudence and vigilance.

I am particularly concerned about Beijing's pattern of transferring ring magnets, an important component for building nuclear weapons for a Pakistani nuclear facility. I am concerned that the administration appears to be giving insufficient consideration to China's recent transfer of nuclear technology to unregulated nuclear facilities in Pakistan.

The administration will be granting certification despite CIA findings that the Chinese have sold 5,000 ring magnets to Pakistan for its uranium enrichment facilities, and ring magnets can be used in the building of nuclear weapons. The administration is apparently willing to ignore China's continued support of Pakistan's commitment to build a plutonium production reactor and a plutonium reprocessing plant. These facilities are essential for a nuclear weapons program, and despite the protests of United States lawmakers, China continues to assist Pakistan in building a sophisticated nuclear arsenal. Unfortunately, this arsenal is not subject to international inspection.

Furthermore, the administration continues to look the other way as China continues to export technology and ballistic missile components to Pakistan, a country that is not a member of the International Atomic Energy Agency and bans investigators from several of its nuclear facilities.

Mr. Speaker, clearly, there is a lot of skepticism and many unanswered questions about granting the certification. Let us pass this common sense, the Gilman-Markey neutral resolution, so that our decision is based on the complete review of the terms of the agreement and not just rush into rubberstamping an agreement that we may later come to regret.

□ 1900

Mr. HAMILTON. Mr. Speaker, I yield 4 minutes to the distinguished gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I thank the distinguished gentleman for yielding me this time, even though I am not in agreement with his position, but I appreciate his generosity.

Mr. Speaker, I rise in strong support of the Gilman-Markey amendment to the underlying bill of the gentlewoman from Florida [Ms. ROS-LEHTINEN]. I support that bill, as well as this amendment.

This is probably the most important issue that we will debate on this whole China issue in the House. I certainly care about promoting democratic freedoms in China, and I am very concerned about the $50 billion trade deficit that we will suffer this year with China. But even if those two issues were not a factor in our U.S.-China relationship, the issue of the proliferation of weapons of mass destruction is the most serious issue that we in the Congress have to deal with. It is about nothing short of the safety of the world.

I am afraid that the President's move to certify that China is in accord with the cooperative agreements on the nuclear accords is just a fiction, and I believe that it is very necessary for Congress to take a very close look at what the Chinese have promised and what the prospects are for their keeping their promises because indeed the law on proliferation and certification calls for performance before a country can receive certification, and President Clinton is intending to give certification on the basis of promises.

My colleagues have reviewed some of the promises made by China and promises not kept by China, and I would be happy to share the pages and pages and pages of unkept promises on the subject of proliferation, but I will just refer to one in particular.

On May 11, 1996, the Chinese pledged that "China will not provide assistance to unsafeguarded nuclear facilities." The end of that year, December 1996, the CIA's assessment on China's nonproliferation record stated, "During the last half of 1996, China was the most significant supplier of weapons of mass destruction and technology to foreign countries. The Chinese provided a tremendous variety of assistance to both Iran and Pakistan's ballistic missiles programs. Pakistan was very aggressive in seeking out equipment, material and technology for its nuclear weapons program, with China as its principal supplier."

That was 6 months after the pledge.

Then, this year, in talking about the certification, President Clinton said, after the CIA, in an unclassified report to Congress, revealed that, President Clinton said, "China has lived up to its pledge not to assist unsafeguarded nuclear facilities in third countries and is developing a system of export controls to prevent the transfer of sales of technology and weapons of mass destruction, but China still maintains some troubling weapons relationship."

That last sentence is fraught with meaning because it covers a very vast array of violations by China, but China still maintains some troubling weapons supply relationships. That means they are still proliferating weapons of mass destruction.

President Clinton said that only a short while after the Office of Naval Intelligence Report on Worldwide Maritime Challenges, March 1997, stated, and this is blown up for the review of my colleagues,

> Discoveries after the Gulf War clearly indicate that Iran maintained an aggressive weapons of mass destruction procurement program. A similar situation exists today in Iran, with a steady flow of materials and technologies from China to Iran. This exchange is one of the most active weapons of mass destruction programs in the Third World and is taking place in a region of great strategic interest to the United States.

I just want to close by saying, when we asked President Jiang in the breakfast, the famous breakfast meeting, has China engaged in the proliferation of weapons of mass destruction; well, we know they have, but: please comment on China's proliferation, he deferred to his foreign minister who stood up and said China has never proliferated any nuclear technology, has never proliferated any nuclear technology; never.

So when we base our policy on promises by China, I think we have to look at the record. The Congress needs the additional time to review that. I urge my colleagues to support the Gilman-Markey amendment.

Mr. HAMILTON. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Oregon [Mr. DEFAZIO].

Mr. MARKEY. Mr. Speaker, I yield 1 minute to the gentleman from Oregon [Mr. DEFAZIO].

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The gentleman from Oregon [Mr. DEFAZIO] is recognized for 2 minutes.

Mr. DeFAZIO. Mr. Speaker, I thank my colleagues for yielding me this time.

I think the gentlewoman from California [Ms. PELOSI] was most eloquent on this issue. The bottom line here is that the President, under pressure from a failing U.S. nuclear industry, because there has not been a new nuclear plant constructed in the United States in more than a dozen year, and none are proposed, is being pressured to transfer critical nuclear technology to China, a country that has a long-term documented record of transferring technology for weapons of mass destruction to rogue states. China has broken all of its past promises in this area.

But now, now, things are different, things are very different. They have signed a new agreement. Here it is. Oh, we cannot see it. Well, neither can I. It is a secret agreement. Now, they broke the written agreements, they broke the verbal agreements, all done publicly, but now they have signed this, this secret agreement here, my colleagues can see, it is quite lengthy, saying that they will not do it again, under certain conditions unspecified to certain nations, which are specified.

Now, I do not think that Congress can review this lengthy document in only 30 days and determine whether or not China has complied with all of the conditions of the secret document which we cannot see. I think it will take us a little bit longer. So I am suggesting that our colleagues should support this amendment.

Mr. Speaker, 120 days is not too long to certify whether or not China is really complying with conditions that we would like to see for a country to whom we are going to transfer critical nuclear technology, because I tell my colleagues, if we transfer that technology and it is misused, it will seem like a lifetime to people who voted to allow the Chinese to have that technology to transfer to America's enemies around the world.

So support this amendment. It is reasonable that Congress should have 120 days before the United States takes this unprecedented step.

Mr. HAMILTON. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore. The gentleman from Indiana [Mr. HAMILTON] has 4 minutes, and the gentleman from New York [Mr. GILMAN] has 2 minutes.

Mr. HAMILTON. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California [Mr. COX].

I understand he wants an additional minute.

Mr. GILMAN. Mr. Speaker, I yield 2 additional minutes to the gentleman from California [Mr. COX].

Mr. HAMILTON. Mr. Speaker, I have the right to close?

The SPEAKER pro tempore. The gentleman from Indiana [Mr. HAMILTON] has the right to close.

The gentleman from California [Mr. COX] is recognized for 3 minutes.

Mr. COX of California. Mr. Speaker, I thank both gentlemen for yielding time.

The 1954 Atomic Energy Act is at bottom what we are discussing here and requires a joint resolution of Congress before any nuclear-related trade between an United States company or the United States Government and any other country, so Congress has to act. Senator GLENN amended this law in 1978 with the Nuclear Nonproliferation Act, and that law forbids nuclear-related exports to any country that, after March 10, 1978, assisted, encouraged or induced any non-nuclear Nation to engage in nuclear activities. That includes civilian nuclear activities.

On December 16, 1985, Congress passed a joint resolution prospectively approving a U.S.-People's Republic of China nuclear sale, provided that prior to the implementation of that agreement the President certifies that the People's Republic of China is a member in good standing of the community of nonproliferating nations.

As my colleagues have heard from all that has gone before, the People's Republic of China takes the view that we do not do it, we do not proliferate, and in any case, we will not do it anymore. They have, in fact, been proliferating, and they have been doing it all the way up to the present time.

Mr. Speaker, this is the report of the Director of Central Intelligence to Congress dated June 1997, and what it says, it has been quoted in this debate previously, is that China was the primary source of nuclear-related equipment and technology to Pakistan and a key supplier to Iran during the reporting period. Incidentally, Iran also obtained considerable chemical weapons-related assistance from China in the form of production equipment and technology. The Chinese Foreign Minister told us at our breakfast here just a few days ago with President Jiang Zemin and the Foreign Minister that China has never done these things. So we cannot accept their assurances, and yet that is all we have.

The Presidential certification required by law is based on a prospective promise, a piece of paper, even though we know that what they are telling us today that they have not done in the past is untrue. China has a huge credibility gap.

The assertion by China's foreign ministry that China would refuse to provide America with assurances on nuclear cooperation with Iran since China was not engaged in such cooperation which led up to the summit are an indication of what we are up against. This bill, this amendment to the bill, does nothing more than give Congress adequate time to discharge its responsibility, which we have had since 1954.

In the circumstances, since China's cooperation is going to be entirely prospective, it is utterly reasonable, and I urge the support of my colleagues for this very reasonable amendment.

Mr. HAMILTON. Mr. Speaker, I yield myself the balance of the time.

The SPEAKER pro tempore. The gentleman from Indiana [Mr. HAMILTON] is recognized for 3 minutes.

Mr. HAMILTON. Mr. Speaker, first of all, let me simply say that a number of my colleagues here have expressed their very deep concern about this certification that the President will make. I share that concern. They have expressed a lot of suspicions about Chinese conduct on proliferation over a period of years. I also share that concern. They are quite right, those who support this amendment, to be deeply concerned about it. They have pointed to instances where China has not kept its word, and I appreciate that.

But I also want to point out here that this Congress in 1985 adopted a framework by which we would consider certifications. We passed that law. We adopted the framework, and now, let it be clear that at the last minute, we are changing the rules of the game. We are doing exactly what we accused the Chinese of doing. We are changing the rules of the game.

I do not think that is the way a responsible power should act.

We passed a law, 30 days for certification for review. It did not have the expedited procedures in it that this amendment adopts.

I know I am whistling in the wind here because this amendment will be adopted overwhelmingly, but I simply want to point out to my colleagues that we passed a law, we provided the framework, now we are trying to change that framework at the very end of the game. The Chinese have a right to complain about that.

Mr. SOLOMON. Mr. Speaker, I rise in strong support of this amendment by Mr. GILMAN and Mr. MARKEY.

Mr. Speaker, I just have to say, last week we were treated to a farce. I am just aghast that this administration would, presumably with a straight face, send a certification over to this Congress that Communist China is a responsible partner in nuclear nonproliferation.

What is a paper promise against hard historical facts? And the facts are that China is one of the most irresponsible proliferators in the world.

Mr. Speaker, this responsible amendment doesn't kill any planned nuclear deal with China. It simply gives the people's Representatives a little more time to review the process. It would be irresponsible and dangerous to vote no and I urge an "aye" vote.

Mr. HAMILTON. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. GILMAN].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GILMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Without objection, the Chair will reduce to 5 minutes the time for any electronic vote on passage without intervening business or debate, other than engrossment or third reading.

There was no objection.

The vote was taken by electronic device, and there were— yeas 394, nays 29, not voting 10, as follows:

[Roll No. 579]

YEAS—394

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Doolittle
Doyle
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Filner
Foley
Forbes
Fossella
Ford
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (WI)
Johnson, E. B.
Johnson, Sam

Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kucinich
LaFalce
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Meehan
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Rivers
Rodriguez
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Sherman
Shimkus
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NAYS—29

Bereuter
Blunt
Brown (CA)
Crane
Dingell
Dooley
Dreier
English
Fazio
Foglietta
Gillmor
Hall (TX)
Hamilton
Hastings (FL)
Houghton
Johnson (CT)
Kennelly
Kolbe
LaHood
Manzullo
Meek
Moran (VA)
Payne
Roemer
Sawyer
Shays
Skaggs
Snyder
Stump

NOT VOTING—10

Bunning
Cubin
Flake
Gonzalez
McKinney
Riggs
Riley
Schiff
Schumer
Yates

□ 1936

Mr. KOLBE, Mrs. MEEK of Florida, Messrs. STUMP, HALL of Texas, and FOGLIETTA, Mrs. KENNELLY of Connecticut, and Messrs. SAWYER, SHAYS, and SKAGGS changed their vote from "yea" to "nay."

Mr. JONES and Mr. DAVIS of Florida changed their vote from "nay" to "yea."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. RIGGS. Mr. Speaker, on rollcall No. 579, I was unavoidably detained performing other congressional duties and unable to vote. Had I been present, I would have voted "yes."

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Pursuant to House Resolution 302, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Ms. ROS-LEHTINEN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 416, noes 5, not voting 12, as follows:

[Roll No. 580]

AYES—416

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Foglietta
Foley
Forbes
Ford
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kim
Kind (WI)
King (NY)
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker

Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOES—5

Brown (CA)
Dingell
Kanjorski
Paul
Pickett

NOT VOTING—12

Bunning
Cubin
Flake
Gonzalez
Kilpatrick
Kingston
McKinney
Riley
Schiff
Schumer
Thune
Yates

□ 1945

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. THUNE. Mr. Speaker, on rollcall No. 580, I was inadvertently detained. Had I been present, I would have voted "yes."

PROVIDING FOR CERTAIN MEASURES TO INCREASE MONITORING OF PRODUCTS OF PEOPLE'S REPUBLIC OF CHINA MADE WITH FORCED LABOR

Mr. CRANE. Mr. Speaker, pursuant to House Resolution 302, I call up the bill (H.R. 2195) to provide for certain measures to increase monitoring of products of the People's Republic of China that are made with forced labor, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. HASTINGS). The bill is considered read for amendment.

The text of H.R. 2195 is as follows:

H.R. 2195

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Laogai Slave Labor Products Act of 1997".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The People's Republic of China operates and maintains an extensive forced labor camp system—the Laogai.

(2) The Laogai is made up of more than 1,100 forced labor camps, with an estimated population of 6,000,000 to 8,000,000 prisoners.

(3) In one part of the Laogai system, known as laojiao, or reeducation-through-labor, Chinese citizens can be detained for up to 3 years without any judicial review or formal appearance in the judicial system.

(4) The Laogai is an integral sector of the export economy of the People's Republic of China and is engaged in the export to the United States of the goods made by forced labor.

(5) The Government of the People's Republic of China actively promotes the forced labor camps by employing a system of dual names for the camps to deceive the international community.

(6) The United States Customs Service has taken formal administrative action banning the importation of 27 different products found to have been made in the Laogai.

(7) Despite the fact that the People's Republic of China has entered into binding agreements with the United States (the 1992 Memorandum of Understanding on Prison Labor, and the 1994 Statement of Cooperation on the Implementation of the Memorandum of Understanding on Prison Labor) to allow inspections of its forced labor camps to determine the origins of suspected Laogai imports to the United States, the People's Republic of China has frustrated the implementation of these agreements.

(8) The State Department's Human Rights Country Reports in 1995 and 1996 each stated, "Repeated delays in arranging prison labor site visits called into question Chinese intentions regarding the implementation of" the two agreements referred to in paragraph (7).

(9) Concerning the ability of the United States Customs Service to identify Communist Chinese products that originate in the Laogai, Commissioner of Customs George J. Weise stated in testimony before the Senate Foreign Relations Committee on May 22, 1997: "We simply do not have the tools within our present arsenal at Customs to gain the timely and in-depth verification that we need.".

SEC. 3. AUTHORIZATION FOR ADDITIONAL CUSTOMS AND STATE DEPARTMENT PERSONNEL TO MONITOR EXPORTATION OF SLAVE LABOR PRODUCTS BY THE PEOPLE'S REPUBLIC OF CHINA.

There are authorized to be appropriated for monitoring by the United States Customs Service and the Department of State of the exportation by the People's Republic of China to the United States of products made with slave labor, the importation of which violates section 307 of the Tariff Act of 1930 or section 1761 of title 18, United States Code, $2,000,000 for fiscal year 1998 and $2,000,000 for fiscal year 1999.

SEC. 4. REPORTING REQUIREMENT ON EXPORTATION OF SLAVE LABOR PRODUCTS BY THE PEOPLE'S REPUBLIC OF CHINA.

(a) REPORT TO CONGRESS.—Not later than 1 year after the date of the enactment of this Act and annually thereafter, the Commissioner of Customs and the Secretary of State shall each prepare and transmit to the Congress reports on the manufacturing and exportation of products made with slave labor in the People's Republic of China.

(b) CONTENTS OF REPORT.—Each report under subsection (a) shall include information concerning the following:

(1) The extent of the use of slave labor in manufacturing products for exportation by the People's Republic of China, as well as the volume of exports of such slave labor products by that country.

(2) The progress of the United States Government in identifying products made with slave labor in the People's Republic of China that are destined for the United States market in violation of section 307 of the Tariff Act of 1930 or section 1761 of title 18, United States Code, and in stemming the importation of those products.

SEC. 5. RENEGOTIATION OF THE MEMORANDUM OF UNDERSTANDING ON PRISON LABOR WITH THE PEOPLE'S REPUBLIC OF CHINA.

It is the sense of the Congress that, since the People's Republic of China has substantially frustrated the purposes of the 1992 Memorandum of Understanding with the United States on Prison Labor, the President should immediately commence negotiations to replace the current Memorandum of Understanding on Prison Labor with one providing for effective monitoring of forced labor in the People's Republic of China, without restrictions on which prison labor camps international monitors may visit.

The SPEAKER pro tempore. Pursuant to House Resolution 302, the committee amendment in the nature of a substitute printed in the bill is adopted.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 2195

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress makes the following findings:

(1) The United States Customs Service has identified goods, wares, articles, and merchandise mined, produced, or manufactured under conditions of convict labor, forced labor, and indentured labor in several countries.

(2) The United States Customs Service has actively pursued attempts to import products made with forced labor, resulting in seizures, detention orders, fines, and criminal prosecutions.

(3) The United States Customs Service has taken 21 formal administrative actions in the form of detention orders against different products destined for the United States market, found to have been made with forced labor, including products from the People's Republic of China.

(4) The United States Customs Service does not currently have the tools to obtain the timely and in-depth verification necessary to identify and interdict products made with forced labor that are destined for the United States market.

SEC. 2. AUTHORIZATION FOR ADDITIONAL CUSTOMS PERSONNEL TO MONITOR THE IMPORTATION OF PRODUCTS MADE WITH FORCED LABOR.

There are authorized to be appropriated for monitoring by the United States Customs Service of the importation into the United States of products made with forced labor, the importation of which violates section 307 of the Tariff Act of 1930 or section 1761 of title 18, United States Code, $2,000,000 for fiscal year 1999.

SEC. 3. REPORTING REQUIREMENT ON FORCED LABOR PRODUCTS DESTINED FOR THE UNITED STATES MARKET.

(a) REPORT TO CONGRESS.—Not later than 1 year after the date of the enactment of this Act, the Commissioner of Customs shall prepare and transmit to the Congress a report on products made with forced labor that are destined for the United States market.

(b) CONTENTS OF REPORT.—The report under subsection (a) shall include information concerning the following:

(1) The extent of the use of forced labor in manufacturing products destined for the United States market.

(2) The volume of products made with forced labor, destined for the United States market, that is in violation of section 307 of the Tariff Act of 1930 or section 1761 of the title 18, United States Code, and is seized by the United States Customs Service.

(3) The progress of the United States Customs Service in identifying and interdicting products made with forced labor that are destined for the United States market.

SEC. 4. RENEGOTIATING MEMORANDA OF UNDERSTANDING ON FORCED LABOR.

It is the sense of the Congress that the President should determine whether any country with which the United States has a memorandum of understanding with respect to reciprocal trade which involves goods made with forced labor is frustrating implementation of the memorandum. Should an affirmative determination be made, the President should immediately commence negotiations to replace the current memorandum of understanding with one providing for effective procedures for the monitoring of forced labor, including improved procedures to request investigations of suspected prison labor facilities by international monitors.

SEC. 5. DEFINITION OF FORCED LABOR.

As used in this Act, the term "forced labor" means convict labor, forced labor, or indentured labor, as such terms are used in section 307 of the Tariff Act of 1930.

Amend the title so as to read: "A bill to provide for certain measures to increase monitoring of products that are made with forced labor.".

The SPEAKER pro tempore. Pursuant to House Resolution 302, the gentleman from Illinois [Mr. CRANE] and the gentleman from California [Mr. MATSUI] each will control 30 minutes.

The Chair recognizes the gentleman from Illinois [Mr. CRANE].

GENERAL LEAVE

Mr. CRANE. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks and to include extraneous material on H.R. 2195.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2195, a bill to authorize $2 million of appropriations for fiscal year 1999 for the U.S. Customs Service to increase the monitoring and interdiction of products made with forced labor.

The funds authorized by H.R. 2195 will allow the Customs Service to enforce two important provisions in the law regarding forced labor products. The Tariff Act of 1930 prohibits the importation of goods, wares, articles, and merchandise which are produced, mined, or manufactured with the use of forced, convict, or indentured labor. Title 18 provides criminal penalties for those who willfully violate these prohibitions.

It has been long-standing U.S. policy to prohibit the importation of merchandise made under conditions of forced labor. To show that there is no doubt about our resolve to enforce this prohibition, H.R. 2195, as amended, would reemphasize U.S. policy by authorizing additional resources for the U.S. Customs Service to identify and interdict products made with forced labor by providing a new mechanism for monitoring compliance with the law and by enhancing enforcement of international agreements.

Customs already has in place teams of special agents on our borders working actively to prohibit the importation of forced labor products. Customs also has 76 special agents and 26 embassies and consular offices abroad, including three attaches assigned to the U.S. Embassy in Beijing. The investigations conducted by these teams have led to criminal proceedings, more than 20 detention orders, and 6 findings of prohibited forced labor importations relating to chain hoists, tea, electric fans, machine presses, zinc-coated wire, artificial flowers, and malleable iron pipe.

H.R. 2195 will authorize additional resources for Customs to conduct these investigations and is consistent with our country's historically strong position on this issue. This approach is consistent with historical U.S. trade policy objectives. And on that basis, I urge my colleagues to support the bill, as amended.

Mr. Speaker, I reserve the balance of my time.

Mr. MATSUI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2195, as amended and reported by the Committee on Ways and Means by voice vote. I was a cosponsor of the amendment proposed by the gentleman from Texas [Mr. ARCHER] to authorize an additional appropriation of $2 million in fiscal year 1999 for the Customs Service to monitor importation of products made with forced, indentured, or convict labor.

The bill, as amended, also requires Customs to report to Congress within 1 year on products made with forced labor destined for the U.S. market and on the efforts by Customs to prevent their importation. Importation of products made by convict, forced, or indentured labor in any country is prohibited under trade law in effect since 1980. The issue is not whether the United States permits importation of products made with forced labor. Customs has actively pursued and taken actions against attempted importation of products made with forced labor, including products from China. However, identification, verification, and interdiction of products made with forced labor is not an easy task.

H.R. 2195, as amended, addresses concerns that Customs has insufficient resources to enforce the import prohibition adequately. The bill treats this problem in a balanced, generic way by applying the additional resources through enforcement of existing laws against imports made by forced labor wherever they may originate rather than targeting one country as in the bill as introduced.

Finally, this bill, as amended, expresses the sense of the Congress that the President should determine whether any country with which we have a memorandum of understanding regarding trade involving goods made with forced labor is frustrating the implementation of that memorandum of understanding. If that is the case, the President should negotiate a new MOU that provides effective monitoring procedures.

H.R. 2195, as amended, is very worthwhile, Mr. Speaker, and it addresses a very serious problem. I urge its passage.

Mr. Speaker, I reserve the balance of my time.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I am pleased to rise in support of this important measure introduced by our colleague the gentleman from New Jersey [Mr. SMITH], as modified and reported out of the Committee on Ways and Means.

For the past half century, the import of convict made goods has been banned under our laws, yet products made in China's vast network of slave labor camps, the infamous Laogai, continue to flow into our country. This measure authorizes $2 million in additional funds for Customs Service personnel to monitor the import of slave labor products from these camps and strengthen our monitoring procedures for international visits to these camps.

Laogai survivor, Harry Wu, has estimated that some 50 million Chinese men and women have passed through these camps, of whom some 15 million are thought to have perished. Today, between 6 to 8 million people are captive in 1,100 camps of the Laogai, forced to work under degrading and inhuman conditions.

Mr. Speaker, according to Mr. Wu, this slave labor system operates some 140 export enterprises selling to over 70 nations, including our own Nation. These camps produce a wide range of key commodities as well as a huge array of consumers goods, including toys, flowers, and yes, even Christmas lights.

Despite several binding agreements entered into with China in 1992 and 1994, international monitors have been denied access to these camps and their exports have been disguised using false names and invoices. In testimony before the Senate Foreign Relations Committee on May 22, 1997, Customs Commissioner George Weise stated that, "We simply do not have the tools within our present arsenal of Customs to gain the timely and in-depth verification that we need of these camps."

Accordingly, I urge my colleagues to support this measure and give the Customs Service the tools and resources it needs to police and monitor the imports of goods for this Chinese gulag and slave labor camps.

Mr. MATSUI. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. NEAL].

Mr. NEAL of Massachusetts. Mr. Speaker, I thank the gentleman from California [Mr. MATSUI] for yielding me the time.

Mr. Speaker, I rise in support of H.R. 2195, legislation to provide for the increased monitoring of products made with forced labor. The Committee on

Ways and Means has made several improvements to the bill. This legislation provides certain measures to increase the ability of the U.S. Customs Service to identify, monitor, and interdict products made with forced labor that are headed for the United States market. It authorizes $2 million of appropriations for fiscal year 1999 for Customs to monitor and interdict products made with forced labor.

This legislation also requires Customs to report within 1 year after the date of enactment on the extent of the use of forced labor in products destined for the U.S., the volume of products, and the progress made by Customs in identifying these products.

Also, this legislation includes a sense of Congress that the President should determine whether any country with whom the United States has a memorandum of understanding on forced labor is frustrating implementation of the memorandum of understanding. If the President determines that the memorandum of understanding is not being implemented, it is the sense of Congress that the President should renegotiate a new memorandum of understanding.

This legislation addresses all prison labor in China. The United States should not allow goods made by prison labor to be available in the United States market. This legislation also would provide Customs with the resources to detect and interdict prison goods. The United States should continue to be a leader on human rights issues. And by adopting this legislation, we are sending a strong message that products made by forced labor are not acceptable for sale in the United States.

I realize the original focus of this bill and other bills that we will be debating today remain on China. However, it is important to let all countries know that we will not tolerate prison labor. We should not just enforce this standard for China.

I urge support for this bill in order to eliminate products made by forced labor that are imported into the United States.

Mr. CRANE. Mr. Speaker, I yield 5 minutes to our distinguished colleague the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman from Illinois [Mr. CRANE] for yielding me the time.

Mr. Speaker, I want to start off by congratulating my good friend the gentleman from New Jersey [Mr. SMITH] for all of his efforts in the area of human rights. He is one of the finest Members we have in this body, and he really cares about his fellow man.

Mr. Speaker, Laogai, or "reform through labor," as it translates from Chinese, should not be a practice by nations that surprises this Congress. But it should be shocking. We have seen it throughout history, signs on the front of Nazi prison camps that, when translated read "labor makes you free." And now Chinese slogans in their camps read "labor makes a new life."

The same gulags that Stalin was so proud of inspired Chairman Mao to launch the oppression of generations of innocent Chinese citizens, through a system of what we know now to be 1,100 labor camps, slave labor camps. As the world at one time turned its back on the victims of the Holocaust, so have they looked away from the prisoners of conscience, political dissidents, and religious believers in China. They are subjected to routine brainwashing, torture, and are forced to work for nothing in factories by the communist elite.

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Look around at the rubber-soled shoes that we buy, the boots, the kitchenware, toys and sporting goods in this country. These are products Americans use every day, and they are produced in the Chinese gulags by slave laborers.

If it were not for a great man named Harry Wu, who knows how long this cruel injustice would have gone unexposed. Mr. Wu knows firsthand what it is like to be a prisoner in these gulags. He spent 19 years in the system and has devoted his life to exposing the slave labor camps.

In Mr. Wu's book Troublemaker, he gives us a glimpse of his life during the darkest days:

"I knew things were bad when they first transferred me to Camp 585, reserved for the most unhealthy inmates. The unmarked burying field of 586 was adjacent so they would not have to carry us far when we died. When prisoners at 585 grew too weak to go out to the fields and work, they would lie on the floor, a pail on one side for food, a pail on the other side for human waste. The cook would come by with a large pail of something resembling soup and would dole it out with a ladle, being careful not to spill a drop."

Mr. Speaker, as a member of the House Subcommittee on International Operations Human Rights, I believe that the United States should link trade and economic cooperation with human rights. The United States is the world's preeminent superpower, arguably the only Nation on Earth with both the economic might and the moral legitimacy to make the observance of human rights a pillar of its foreign policy. The unfortunate peoples of the world whose basic human rights are suppressed either by tyrants or failed economic experiments turn to the United States for hope and not cheap imports. From China to India, the people who suffer under such regimes understand that if America joins their struggle by sacrificing short-term economic gain for long-term justice and freedom, these regimes will die.

This administration chose again this year to grant China MFN trading status and would rather, quote, engage China, believing that human rights follows trade. Every year since 1980, when President Carter first extended MFN to China, his supporters have been saying the same thing.

Mr. Speaker, it has failed. A Clinton administration official has even confessed recently that, quote, frankly, on the human rights front, the situation has deteriorated. They are rounding up more dissidents and harassing them more.

Add to this the recent revelation by Harry Wu and the ABC newsmagazine PrimeTime Live on the harvest and sale of human organs from executed prisoners, forced abortions and persecution of religious believers, and we must ask ourselves how could anyone morally conduct business with a partner like that.

And if the morality does not strike you, what about China's sale of nuclear material to Iran or the purchase of American-made supercomputers which could design nuclear warheads for missiles capable of reaching the United States, or possible attempts to influence our 1996 Presidential election?

Some estimate our trade deficit with China to be about $60 billion on an annual basis. I would submit that is due to China's slave labor camps. It is difficult to compete against cheaper products produced by slaves of the Chinese dictatorship so that these goods we import from China become a threat to the free and fair trade of our own country.

This administration has chosen to stand up to China only on one issue in the past 3 years, intellectual property rights. When the Chinese were faced with trading sanctions over this issue, they backed down. If this type of muscle from the administration is justified for the music industry, then it is justified for persecuted Christians, political dissidents, murdered infants and nuclear proliferation.

The President's policy is not just one of engagement, it is a "see no evil" strategy. Mr. Speaker, it is time to put away the carrots and break out the sticks.

Mr. MATSUI. Mr. Speaker, I yield 6 minutes to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Speaker, earlier today I made an analogy between the measures that are going on tonight dealing with the People's Republic of China and a chapter of a book entitled 365 Days, written by Dr. Glasser, who was a surgeon in a burn ward dealing with Vietnam veterans. In one of those chapters he refers to the medics of Vietnam who, on their own, discovered that for those soldiers who were so horribly wounded that they were not going to live, and there was not anything that the medics could do for them, they started giving them SweeTarts. They told them it was for the pain. The amazing thing was that it seemed to lessen their pain. It did not save their lives, it did not make them any better, but it seemed to lessen their pain.

That is kind of what we are doing tonight. The world's greatest Nation is doing business with the world's greatest totalitarian regime. That totalitarian regime has a $40 billion trade surplus with our Nation. Our Nation, because we gave them most-favored-nation status, allows their goods, many of which are made with the slave labor described by the previous speakers, to come into our Nation either totally tariff-free or at a 2 percent tariff. One of the places they compete with is a glove factory in south Mississippi. That is not fair. In turn, when we try to sell products in their Nation, they either do not allow them in, or they charge anywhere from a 20 to 40 percent tariff on American goods. That is not fair.

All the things we are doing tonight are very much like those SweeTarts. They do not save the persons we are trying to save and in reality do not even make them feel better. It just makes them think that they feel better.

Mr. Speaker, I intend to support the bill of the gentleman from California [Mr. COX] because at least it does make us feel a little bit better, and I intend to offer at the proper time a motion to recommit to include portions of a bill that I have introduced, H.R. 2814, which would on a quarterly basis require our Secretary of the Treasury to review what the People's Republic of China is charging Americans who seek to do business in China as far as tariffs, and on a quarterly basis change that amount so that we charge them what they charge us.

If Members truly believe in free trade, like some members of both parties espouse, then there is only one way to get the Chinese attention, and that is to say we will do unto others as you do unto us, because the present situation of letting them have a $40 billion trade surplus with our Nation, unlimited access to our markets, unlimited access to our enemies, and let me remind the American people that the Silkworm missile that came within 100 yards of hitting one of our battleships in the Gulf War was made in China, the only way we are ever going to get their attention is to start hitting them in the pocketbook, where it will make a difference.

Mr. Speaker, I am not given a whole lot of time to talk about this. I am sorry to say that many of my colleagues for one reason or another are not on the floor. They are probably being moved to say, well, that is not germane to the bill, but guess what. One of the ways you get on the Committee on Ways and Means is you sign some sort of a blood oath to be a free trader. It means you do not believe in tariffs. It means that other people can abuse us as much as they want to.

This is the only opportunity the 435 Members of this House are going to have this year to address this horrible trade inequity and horrible unfairness. We all beat our brains out to get here. I do not think the people on the Committee on Ways and Means should have a monopoly on deciding trade issues. As long as we say to them that only those things that you think are right will come to this floor, then we will continue to be given limited opportunities to adjust the gross inequities in America's trade laws.

Members will have that chance tonight. I hope for once we will stand up for the world's greatest Nation, for the voice of democracy and against this voice of totalitarianism.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Mississippi. I yield to the gentleman from California.

Mr. HUNTER. Mr. Speaker, I thank the gentleman for yielding.

What I see in his bill is essentially what I offered, I think, with respect to Japan back in 1982, which is a two-way street bill, that we let the other side control the level of tariffs, and if they want to raise the wall, they raise it; if they want to lower it, they lower it. So they are motivated to be free traders or to be open traders with the United States and develop a two-way street with a Nation that enjoys a $30 billion trade surplus over the United States and that rather arrogantly insists on their 30 percent barriers while we pull our barriers down to zero. I support the gentleman's initiative.

Mr. TAYLOR of Mississippi. I want to thank the chairman of the Subcommittee on Military Procurement of the Committee on National Security, someone who is more aware than most of the threat that the Chinese pose to our Nation, of the threatening remarks they have made about their missiles being able to land in our country, and all we are asking is for some sense of fairness in America's trade laws.

Mr. CRANE. Mr. Speaker, I yield 5 minutes to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, H.R. 2195, which has now 27 cosponsors from both sides of the aisle, represents a modest but important first step toward enforcing already existing U.S. law regarding slave-made products. First it authorizes $2 million in fiscal year 1999 for additional monitoring by the United States Customs Service for products made with slave labor. Second, it requires the Commissioner of Customs to report to Congress on the manufacture and export of products made with slave labor. Finally, it expresses the sense of Congress that the President should determine whether China is frustrating implementation of the memorandum of understanding, and if the answer is affirmative, then he should begin negotiations for a new MOU with effective monitoring procedures.

I can say parenthetically, that cannot start a moment too soon, because I have been watching this as chairman of the Subcommittee on International Operations and Human Rights for a number of years, and we know that despite some action that has been taken, the MOU and its follow-on document was flawed.

Mr. Speaker, the bill is directed, as we know, primarily toward China. This is not because we are unfairly singling out China, but because China is far and away the biggest source of slave-made goods. In the words of George Weise, the Commissioner of the U.S. Customs Service, "China is currently by far the country most frequently associated with the export of prison labor-made goods to the United States."

As a matter of fact, in the first 60 years of the existence of section 307 of the Tariff Act of 1930 as amended, which provides U.S. Customs with its primary authority concerning the importation of convict or forced labor, the United States took action twice against products produced in a Soviet gulag and in a Mexican prison. Since September 1991, however, the U.S. Customs Service has banned nearly 2 dozen Chinese products. These just represent the tip of the iceberg. For the RECORD I will submit those couple of dozen at the appropriate time, Mr. Speaker.

Let me just also point out, Mr. Speaker, we have had a number of hearings in the Subcommittee on International Operations and Human Rights. As a matter of fact, back in 1995, April 3, we had the first hearing ever on survivors of the Laogai. We heard from Harry Wu, Catherine Ho; we heard from Tang Boiqiao, who was one of the protesters at Tiananmen Square, and they describe in absolutely riveting and nauseating detail what actually goes on day in and day out in the Laogai. It is horrific.

They talked about using cattle prods. As a matter of fact, the Tibetan monk who testified before our committee, Palden Gyatso, could not get through Rayburn security when he came in with a cattle prod, and then he told us what they do with the cattle prod. We had to go down and escort him through. He said, this is commonplace. His teeth are ruined. The genitals often get inflicted with this terrible and hideous device, and they do that on women and on men.

Catherine Ho talked about as a Catholic how she had been mistreated, and to read the words are to make you sick. That this goes on day in and day out, and they make products that do end up on our shelves.

There are those who may disagree, who think this is hyperbole. Look at the list, and the list will grow if we demand enhanced enforcement. This legislation is just a modest step in demanding some additional enforcement.

The gentleman from Virginia [Mr. WOLF] and I have been in gulags. We were in a Beijing prison camp where we saw jelly shoes and socks being made for export. Yes, the Chinese authorities shut down that one, but for every one that is shut down, there are another thousand plus that are operating and littering the countryside of China where these things are made.

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We saw 40 Tiananmen Square activists, men and women, these were men in this case, who put their lives on the line for democracy, who were slaving away for these products that were going to be sent overseas to the United States.

Let me also point out, Mr. Speaker, that the lack of vigorous enforcement of U.S. laws against slave-made goods does not merely support repression within China, it also hurts American manufacturers.

For example, at a May 22, 1997, hearing of my subcommittee, we received testimony from a man by the name of Peter Levy, an American manufacturer of office supplies. Mr. Levy, who was curious about how one of his competitors was able to sell certain products at such low prices, launched his own investigation. It led him to a prison compound in Nanjing, China, where his competitor's products were being assembled by prisoners at a Chinese gulag in Laogai, and I understand because of what Mr. Levy did, the United States Customs Service has now taken that case and is investigating that case for, hopefully, some prompt action.

This legislation is modest, I hope everyone can support it, and I thank the gentleman from California [Mr. MATSUI] and my good friend from Illinois [Mr. CRANE] for their support as well.

CHINESE CONVICT LABOR ISSUANCES AS OF MAY 31, 1996

DETENTION ORDERS

Date, products and producers:

1. 10-03-91—Wrenches—(Shanghai Laodong Machine Works).
2. 10-03-91—Steel Pipe—(Shanghai Laodong Steel Pipe Works).
3. 10-25-91—Hand Tools—(Shanghai Laodong Machine Works).
4. 10-29-91—Socks—(Beijing Qinghe Knitting Mill). Cancelled 12-13-93.
5. 11-06-91—Planing Machines—(Xiangyang Machine Tool Works).
6. 11-14-91—Diesel Engines—(Yunnan Jinma Diesel Engine General Works).
7. 12-02-91—Machine Presses—(Xuzhou Forging and Pressing Machinery Plant).
8. 01-07-92—Diesel Engines & Textile Machines—(Dezhou Shengjian Machine Works).
9. 02-25-92—Galvanized Pipes—(Shandong Laiyang Heavy Machine Works).
10. 02-25-92—Tea—(Guangdong Red Star Tea Farm). Cancelled 09-30-94.
11. 05-22-92—Grapes—(Beijing Qinghe Farm). Cancelled 01-07-94.
12. 05-22-92—Sheepskin & Leather—(Qinghai Hide & Garment Factory).
13. 06-24-92—Hand Tools—(amends #1 and #2).
14. 06-26-92—Cast Iron Items—(Wang Tsang Coal & Iron Works).
15. 06-26-92—Tea—(Miao Chi Tea Farm).
16. 07-15-92—Auto Parts—(Sichuan Yaan Auto Parts Works).
17. 07-15-92—Drilling Machines—(Sichuan Zi Gong Machine Works).
18. 07-17-92—Sulfuric (Sulphuric) Acid—(Dawei Chemical Factory).
19. 08-03-92—Electric Fans & Zinc-Coated Wire—(Sichuan Xinsheng Laodong Tool Works).
20. 08-14-92—Asbestos—(Sichuan Hsinkang Asbestos Mine).
21. 07-08-93—Hoists—(Hangzhou Wulin Machine Works).
22. 08-06-93—Hoists—(Wuyi Machine Works).
23. 09-01-93—Surgical Gloves, Condoms, Rain Coats, Rubber Boots—(Shenyang Xinsheng Rubber Factory).
24. 09-03-93—Rubber Vulcanizing Accelerators—(Shenyang Xinsheng Chemical Works).
25. 12-24-94—Artificial Flowers—(Guangdong No. 1 Laojiao Camp).
26. 04-27-95—Tea—(Nanhu Laogai Camp-Nanhu Tree Farm).
27. 10-06-95—Malleable Iron Products—(Tianjin Malleable Iron Plant).
28. 03-06-96—Iron Pipe Fitting—(Tianjin Tongbao Fitting Company).

HEARING TESTIMONY ON CHINESE PRISON SYSTEM

STATEMENT OF TANG BOIQIAO, FORMER STUDENT LEADER OF 1989 DEMOCRACY MOVEMENT

Mr. TANG. My name is Tang Boiqiao and I am a former student of Hunan Teachers' College. In July 1989, I was arrested by the Communists because of my organizing and participating in the Hunan student movement. I was held until July 1990 before finally being sentenced to 3 years' detention. My crime was called counterrevolutionary propagandizing and incitement.

In October of that year, I was transferred to the Hunan Province Longxi Prison for reform through labor. In January 1991, I was unexpectedly released from prison.

After my release, I was again arrested because of my continued involvement in the popular movements and human rights activities. Following the summer of 1991, I fled China. In April 1992, I entered the United States and sought political asylum.

My reason for coming here today is to share with you my experiences while in the Laogai.

I was first arrested in July 1969 in Guangdong Province, after which I was held in three different detention centers where I was forced to labor with my fellow prisoners. While at Guangdong No. 1 Detention Center, I made toys which had the words "Made in China" in English written on them. I was allowed to eat only twice a day.

Next, I was transferred to Changsha in Hunan and spent more than a year at the Changsha No. 1 Detention Center. During this time I suffered through the darkest and most hopeless existence. For more than 4 months straight, I was questioned about my case an average 10 hours a day in what the Communists call exhaustive tactics. This Laogai forced its prisoners to produce match boxes. There were no labor rewards but every month the cellmates, which had the highest production numbers, were given one cheap cigarette a day. The police or officials forced the prisoners to work day and night so that they could report increased production output and receive cash incentives. We would work for at least 12 hours per day. The longest day was one when we worked 23½ hours with a half-hour food break.

Because I would refuse to work, the public security police would often arrange for the other prisoners to abuse and beat me. One day I was beaten three different times by seven or eight young prisoners, two of which were convicted murderers. The first time, because I was unwilling to be forced to labor, they beat me until I bled from the eyes, ears, nose, and mouth. The second time, because I resisted when they tried to force me to kneel down, they used anything they could find in the cell to beat me, including a wooden stool, heavy wooden sticks and metal cups and bowls. The last time they beat me while I could not move and lay on the floor hunched over.

At this, the public security police were still not satisfied, so that evening they held a struggle session and ordered every prisoner in the Laogai to viciously beat me. That night I developed a fever of 104 degrees, which persisted for more than a week. I was unable to even sit upright.

While there were many methods used in torturing people at this Laogai, the most often used tools were the electric police baton and shackles. There were more than 10 kinds of shackles, including thumb shackles, so-called earth shackles, all kind of wrist shackles, chain shackles, chain-link shackles, door frame shackles, heavy shackles and others. The most simple method was to conduct a political study class where the prisoners needed to attend for long periods of time while shackled. I personally experienced electric shocks and many kinds of shackles.

The Laogai prisons used different types of abuse and control than those of the detention centers. After I was transferred to the prison, when I was first assigned to a prison brigade, we were shown the three unforgettable phrases that were written on the wall of the prison entrance. "Where are you? What are you? What are you to do here?"

Later in the daily political study classes, we needed to follow these questions with the responses, "This is a prison. I am a criminal. I am here to receive reform through labor." We also had to sing three songs at the beginning of every political study class. The songs were "Socialism is Good," "Without the Communist Party There Would be no New China" and "Emulate Lei Feng." Lei Feng was a 1950's Chinese Communist martyr.

The kind of billboard you see above the prison there has these three slogans that the prisoners see when they enter the prison, "Where are you? What are you? And what are you doing here?" And the other sign there says, has the slogans, "Labor production is the way, reform is the main goal."

The words "Socialism is good" begins "Socialism is good. Socialism is good. Everyone in a socialist society is improved." The lyrics of "Without the Communist Party, there would be no new China" are "Without the Communist Party, There Would be no New China, the Communist Party is united for the people. The Communist Party is united to save China."

The meaning of the last song is that we should all be like the Communist hero Lei Feng. That is, "Loyal to the revolution, loyal to the party, standing in the field erect and unwavering, Communist thinking emits knowledge." I realized that this was how they would force us to reform our thinking, so I refused to sing the three songs.

The police used many methods to try to intimidate and coerce me into cooperating, and in the end, I was sent to the prison of prisons, solitary confinement. Its length and height are barely enough to hold a man, and it has solid walls with only a tiny slit in the door. It very easily makes men think like animals in a cage.

These are only some of the stories of my time in the Laogai, yet all of the mistreatment and abuse I suffered in the Laogai is just a drop of water in a great river. When you think of all the abuses of the millions of Chinese citizens still condemned in the Laogai, my story is just the tip of the iceberg.

Thank you very much.

Mr. SMITH. I want to thank you for your very eloquent testimony and for bringing the horrors, however succinctly you described them, to the attention of this subcommittee. I know that many of the members will be reading this transcript and will be reading your description of what you went through personally and what others have gone through with a great deal of empathy and the sense of horror. And I think we lose that sometimes in Congress when we are so far removed from it and we make policy in somewhat of a vacuum and, again, to know what we are a part of and complicit in when we are dealing with the Chinese economic system and products manufactured in Laogai like what you made could be well finding our ways onto to our own shores, makes us—should make us act more responsibly and to bend over backwards not to be complicit in that kind of horror.

So I thank you.

What I thought we might do in the subcommittee is ask all of our witnesses to testify first and then to ask members of the subcommittee to pose questions at that time.

I would like to call to the witness chair Catherine Ho. Mrs. Ho is a Catholic who was accused of counterrevolutionary crimes. She spent 21 years in the Chinese Gulag system.

And I would ask you to proceed however you may wish. Your full statement will be made a part of the record.

STATEMENT OF CATHERINE HO, CATHOLIC NUN

Ms. HO. My name is Catherine Ho.

One of the goals of the Laogai camps is to break the human spirit through torture of the body. But even worse than the bodily abuses is the unceasing assault of the prisoner's thoughts and individual will. This is especially true of the suffering endured by the millions of women condemned to the Laogai.

I was born into a well-educated family in Shanghai. My good parents sent me to an excellent Catholic high school. There I became a Catholic. I studied very hard and should have had a bright future. Instead, I was arrested and imprisoned by the Communist government before I was even 18 years old. I was arrested on September 8, 1955, as was our bishop in Shanghai, Cardinal Kung. Kung is now in the United States receiving medical care.

Between 1953 and 1955, the church-run schools and hospitals in Shanghai were taken over by the Communists. The church's charitable institutions were simply closed. The foreign missionaries had already been expelled as imperialists. The Chinese priests and the bishops were all targets of the Communists and were either killed or arrested one after another.

Most of the Christians were forced to go through brainwashing. They faced losing their jobs or educational opportunities. And they also faced being sent to the Laogai camps or prisons to suffer because of their faith. Religious people were continuously persecuted by Communists.

We did not oppose the government. We only wanted to practice our religion but the Communists said it was a crime against China. The only reason I was put in jail was because I was an active Christian. I was a member of the Legion of Mary, which is a devout missionary organization. And I did missionary works. I refused to renounce our church and did not want to be a part of the Communist-controlled church.

Because of my faith, they put me in jail. They isolated me from the outside world. They tried to confuse me with all their propaganda. But I knew they told lies. I could not go against my conscience. I could not deny my faith. I could not give up my faith, which is such a precious gift that many Christians were willing to die for it.

At first they sentenced me to 7 years in the Laogai Prison in the labor camp as a counterrevolutionary. I was not allowed legal representation. I did not even have a trial. When they found out that I had still not changed my mind after my 7 years, they would not let me go. They kept me in the Laogai camp for 21 years.

The Chinese Communists cannot tolerate religion, especially the Christian religion. They have a hatred for everything which involves believing any god above or beyond human kind. To this day, they are still persecuting and imprisoning religious believers.

I would like to now give you some examples of the systematic abuse and the persecution of the Laogai camps. These Laogai camps are in no way like the prisons we know of in this country. No way. Words are not enough to convey the horrible day-to-day realities of the prisoners in the Laogai.

Physically we were always hungry, tired, and filthy. The women were forced to do heavy labor, like plowing the desert, raising cattle, or running a tea farm. The physical torture of our body was so extreme that many women's menstruation ceased in many of the women in the Laogai camp. This put great strain on both a women's body and her mind. There were never any medical treatments of this or other sicknesses.

Despite these exhaustive and grueling conditions, we were forced to produce high-level products. For example, I was in a Laogai camp tea farm for about 10 years. This is the Laogai tea farm.

The women prisoners were forced to plant the trees, take care of the plants, and then process the tea leaves into red or green tea. I spent another 4 years weaving silk and cloth in Laogai factory. On the surface, it was a textile factory in Hangzhou, but the workers were all women prisoners doing forced labor. In the factory, there were two constant pressures upon us. First was the physical fatigue. I was forced to work very hard for 14 hours a day. I had to fight exhaustion just to keep from falling into the machines. Second was the constant supervision. Since we were told that the products we made were for export to foreign countries, they watched our every move to be sure we made no mistakes. If there were mistakes or someone did not appear to be working hard, we were severely punished. They used ankle fetters, handcuffs, solitary confinement, and other means to punish us.

Today I often wonder if the tea I drink or the silk I wear comes from Laogai camps and is made by all those poor Laogai slaves still suffering in China.

Daily we were assaulted mentally. We were continually brainwashed. We were not allowed to say our prayers or to read bibles. I remember clearly my first day in the detention center. I kneeled down on the muddy ground, bowed my head, and begged for the Lord to give me the strength. The warden immediately scolded me, "Who told you to kneel down? Even at the door of death, you keep up your superstitions. This is a counterrevolutionary activity."

In the Laogai, we were not allowed to hear and read anything but the Communist propaganda. We had to spend 2 hours everyday reading Mao's book and reciting the prison regulations. I remember one 60-year-old sister who made a set of small rosary beads out of thread so it will not be discovered and confiscated by the guards.

The continuous brainwashing helped destroy all human love and was a denial of all basic human rights.

Spiritually, it was a constant struggle. We faced constant despair and always heard the discouraging and threatening comments of the authorities. A prisoner had to confess her crime everyday, which meant scolding oneself and accusing oneself of being guilty of the greatest of crimes against the people and the government.

Every prisoner was degraded. They minimized their own value of being human. They were separated from their families and society. They were tortured in a dark hell that had no foreseeable end. They fought the despair and hopelessness of thinking that they were to spend the rest of their lives as slaves in the Laogai.

One woman refused to work on Sundays. She would say prayers instead of singing revolutionary songs in front of Mao's portrait. One day she was dragged out to the field where we were working and beaten to death in front of all of us.

I said the Communists' aim is to torture the body and break the human spirit in every possible way and at every possible opportunity. When the warden told me my beloved sister had died, he simply said, "The People's Government acted humanely. It is all over now. You should not cry because that is against the rules. And it would have a bad effect on the feelings of the others about thought reform " They did not let us laugh. They even did not let us cry.

They succeeded to the point where to many it looked like there was no future, no hope. The prisoners in the Laogai camp were always in a deep depression. I myself prayed to God to let me die. I wanted to die more than I wanted to live because the circumstances were too horrible. Even if you did not want to continue living under this condition, they would not let you die. There was a constant suicide watch.

God sustained us nevertheless. My faith preserved me. God's grace helped me live through this nightmarish journey. Finally my prayers were answered. After my parents had written many, many letters to the Government from Hong Kong, my husband, my son and I were allowed to leave the Laogai in December 1978.

Today, I sit before you, which I had never dreamed 20 years ago. I sit before you to take this opportunity to tell you the truth, to tell you the facts as I have myself experienced. But I speak not for myself but for the thousands of brothers and sisters who are still living this terrible existence.

Thank you for listening to me tell my story. I hope that you may better understand the realities of the Laogai through my account of it. Thank you.

Mr. SMITH. Mrs. Ho, I want to thank you for your very moving testimony and just observe that there is a conference on women slated for Beijing in the fall of this year and the voice and the testimony, the witness that you have made today is something that needs to be heard at that conference.

Unfortunately, it is most likely going to be a conference that has more of a Western-oriented focus and issues of the abuse of women in the Laogai probably will not get mentioned at all. But I think it behooves us, and I know from my position as chairman of this subcommittee I will push hard to try to ensure that you and people who have the kinds of experiences that you have had at the hands of your jailers get an opportunity to make your voice known at that very important conference.

And I do want to thank you for your witness and certainly your courage under such extreme pressure and your witness for faith and the grace that surely had to have been within you to preserve you during that very difficult time. It is very, very inspiring indeed. So I thank you for that testimony.

I would like to—and again at the conclusion of our witnesses, I would ask my subcommittee colleagues and myself to—we will pose questions to our fine witnesses.

I would like to ask Father Cai if he would come to the witness table at this time.

Father Cai is a Catholic priest. He was accused of counterrevolutionary crimes and for that spent 35 years in the Chinese Laogai. A remarkable man who has persevered and who has had perseverance under such extreme situation, and who is here to give us an account of what went on.

And I would ask, Father, if you would proceed as you would like. Your full statement will be made a part of the record.

STATEMENT OF CAI ZHONGXIAN, CATHOLIC PRIEST

Mr. CAI. My testimony of my Laogai is that of a labor-camp life. My name is Cai Zhongxian. I am a Catholic priest of the Society of Jesus.

I was ordained in 1940. I was arrested and charged as a counterrevolutionary in 1953 because of my refusal to cooperate with the Communist authority and denounce the Roman Catholic Church.

I was unexpectedly released without explanation in 1956. It turned out that the Communist hoped that the leniency showed to me would convince me to collaborate with the Party to persuade other Catholics to become members of the officially sanctioned Patriotic Catholic Church. This Patriotic Catholic Church is nothing more than a Communist puppet organization. When I refused to cooperate, I was once again arrested. So I was detained twice for a total of 7 years at the Shanghai Detention Center without charge or trial until I was finally sentenced to a 15-year term in 1960.

I was then sent to a Laogai camp in Jiangxi Province, which served as a brick factory. A lot of people avoided dying of starvation mostly because they supplemented the rationed food by eating frogs, snakes, and rats.

In 1962, four other priests and I were confined in a 6 by 12 foot windowless room that was filled with an inch of standing water. Despite this ill treatment and the other inhumane conditions, I continued my services as a Catholic priest. I even successfully converted some of the guards who were charged to watch us.

At the completion of my sentence, I was 62 years old. But I was not fully released at that time. The Government forced me to accept forced job replacement in the Laogai labor camp because I was originally charged with the counterrevolutionary crime.

I knew that a forced-job replacement assignment means a life sentence laboring at the Laogai labor camp. I labored at the Nanchang No. 4 prison for 11 years as a forced-job replacement worker.

In 1981, at the age of 74, I was again arrested for my continued activity as a Catholic priest. I was sentenced to serve another 10-year term as a Laogai slave.

In 1988, I was released fully and unexpectedly. I was 81 years old at the time of my release. I served a total of 35 years in the labor camp. I cannot begin to tell you how many people, among them many of my friends and my disciples disappeared completely for every one that survived.

Thank you for inviting me here. I hope I have helped you gain an understanding of the Communist government's willingness to use the Laogai to destroy its citizens' human rights. There are still priests in the Laogai camp.

Thank you.

Mr. SMITH. Thank you, Father, very much for that moving testimony as well. I am 42 years old, and when I think that you have spent 35 of your years in the Laogai simply because of your faith in Christ, it is truly moving and I know every member of this subcommittee will take and remember your testimony.

The Chinese Communists obviously do not discriminate when they repress, and all people of faith who follow the lead of God as they believe it is leading, are equally repressed. And to give a unique perspective as it relates to the suffering of the people of Tibet, we are very pleased to welcome Palden Gyatso, a Tibetan monk, who spent, like Father, 32 years of his life in the Chinese Laogai, and will give the insights that he got from that and will recount and give witness to the suffering and cruelty that was imposed upon him.

Please proceed.

STATEMENT OF PALDEN GYATSO, TIBETAN MONK

Mr. GYATSO. My name is Palden Gyatso.

Mr. KELSANG. I am Kelsang, who will be the translator for him today.

Mr. GYATSO. I have longed for this moment most of the last 36 years and it is like a dream come true, and I would like to thank the chairman and the other members of the committee for giving me this opportunity to be here today. And consider it not only as an honor but also a responsibility to inform the U.S. Congress about the abuses that Tibetans are suffering today in Tibet.

I have been in prison for 24 years and for 8 years I was in a Chinese labor camp and during my days in prison, the Chinese never fed us enough and we were forced to rummage through the food that was meant for the pigs. And we were also driven to eat things like leather, bones, and grass, and it could be any bones, human as well as animal.

So since food was not enough, we were forced to eat leather that we wore, and we also had to resort to eating things like worms and, as I said, grasses.

And a lot of people died due to starvation, and I was around 30 years old then, and some of the other things that went on during my stay in prison, along with not getting enough food, we were also made to work in the fields. We were substituted for cows in plowing the field.

The reason why the Chinese put me in prison was because I had called for more freedom and I had demanded more rights, and the Chinese considered that to be engaging in revolutionary activities, and these instruments that you see before me today are some of the tools that were used to carry out the torture on me.

Now, this is a piece of the electric baton that was used and forced through my mouth and what happened was since this had electric shocks, it totally damaged my teeth.

And I also saw Chinese prison officials inserting this into a woman's vagina, and even today I know of women who have difficulty in going to the bathroom because of the damage that they suffered.

And I still bear today on my body some of the marks that were inflicted because of this torture. For instance, because of the self-tightening handcuff here, even today I have scars on both my hands and they do not function properly. And some of the other things that the Chinese did was keeping me suspended in the air, and then beating with rifle butts and piercing me with bayonets and pouring hot water over my body. And as a result, I have injury marks on my head and on my hands.

And I was even a witness to a couple of people who were sentenced to death. As soon as the Chinese announced that someone was to be sentenced to death, what they did was they would force that political person to engage in singing songs and dancing. The bullets that were used to kill someone, as well as the ropes that were used to hang someone, even the expenses involved for that would be deducted from the convicted person.

These practices that go on in Chinese prisons and labor camps in Tibet reflect the overall abuses going on today. And in this regard, I would sort of especially like to mention the trip by Ambassador Lilley in April 1991.

And I have kept this diary to this day, and this is a diary that I kept while I was in prison.

Mr. GYATSO. And I have a slide of the day and the month when then Ambassador Lilley visited Drapchi Prison in Lhasa. That is the site of the Utritu prison in Lhasa where I spent 9 years.

That is a shot of Sangyip prison where I spent 10 years.

That is a shot of Drapchi prison where I spent 7 years.

And that is a map of Lhasa and the ones in red, they show the detention facilities in Lhasa and they number about eight today. And the ones in yellow and orange are military and police complexes. And the ones in green are really what is left of the traditional Tibetan area in Lhasa today.

In April 1991, then ambassador James Lilley, along with two American officials, visited the Drapchi prison. And what Palden Gyatso and his other friends in prison did was they tried to present to Ambassador Lilley a petition detailing the Chinese abuses in prison. But what happened was ambassador Lilley—he was shaking his hands with one of the prisoners and on his other hand he had the petition, but then one of the Chinese guards just snatched away the petition and after Ambassador Lilley left, the petition was given to the warden of the prison, and because after he left, the Chinese officials called in the Army. They had to go through a really hard time.

And the other aspect of the visit was that every time when such a delegation does visit any Tibetan prisons, the Chinese put on a very different show. The prisons are cleaned up and more food is provided. Just to give the impression that the prisoners are healthy and that there is nothing wrong with them.

And two of the individuals connected with presenting the petition to Ambassador Lilley, Lobsang Tenzin and Tenpa Wangdak, were detained in solitary confinement because of the action.

The prisoners were then transferred to Nepal Tramo labor camp close to Lhasa. After that the army came in and then they started beating us up and started torturing us.

These are only a few instances of the various atrocities committed by the Chinese on the Tibetans, and whatever I have told you today is true and I am really glad that I have had a chance to come here today and inform you all about this. And please remember that there are still people inside Tibet today who are going through similar experiences that I have gone through.

Thank you very much.

Mr. SMITH. Mr. Gyatso, I thank you for your, again, very moving testimony and by actually visually displaying the implements used to repress people and to torture them. You bring an additional dimension to our understanding, feeble as it is, to what it must be like to live under the horrors of this terrible Gulag system.

And, you know, what we have been hearing so far, and I know my colleagues and I all feel this, and that is you are witness, and Father Cai, you as well, to unspeakable horrors. And to think that this Government, the U.S. Government, and many other Western governments, continue to trade and to do business with the dictatorship in Beijing as if none of this is going on, or as if it can be put in a compartment and all other trade and commerce and diplomatic niceties can occur with all of these unspeakable horrors going on baffles me and angers me, and I think it does you as well.

Again, I think on this committee and among Members on both sides of the aisle who care so deeply, our hope is to raise human rights to the level that it deserves. It ought to be central in our relationship with the Peoples Republic of China and any other country of the world, not a sub-issue. Regrettably it is a subissue at the current time.

I would like to ask Mr. Frank Wolf, Congressman Wolf, if he would like to join us. Mr. Wolf is a leader in human rights and has been very active, particularly on the issue of China and the use of Gulag labor and the importation of those products, and religious freedom as well.

I would like to call our final panel before going to questions to appear before the subcommittee. And the first to speak will be Mr. Liu, who is the son of a counterrevolutionary, a man who was first imprisoned at the age of 13. A man who, because of the affiliations of his father, who was in the prior government, was targeted for this mistreatment, and then spent a total of 25 years in the Chinese Laogai.

Mr. Liu, if you could present your testimony, and your full statement will be made a part of the record, and you may proceed as you care to.

STATEMENT OF LIU XINHU, JUVENILE PRISONER

Mr. LIU. My name is Liu Xinhu. My father was an official in the former government. The Communist Party, on the pretext that he would disrupt labor discipline, arrested him and sent him to a reeducation-through-labor prison camp in 1958. He was sent to the Baimaoling Farm to serve his sentence.

In 1958, I was 13 years old. Because I was the eldest son in the family of a counterrevolutionary, the Communist government found an excuse, which had no legal precedent, and sent me to live at the same Laogai prison farm as my father.

After being released from the Laogai sentence at the farm in 1966, I was ordered to continue forced labor at the farm as a forced-job placement worker.

In 1974, I was once again labeled a counterrevolutionary element because of my political attitudes. I was placed under even stricter controls. I was detained until my release in 1983. During the 25 years I spent in the Laogai, I suffered innumerable beatings and torments.

The Baimaoling farm is internally known as the Shanghai No. 2 Laogai general brigade. It is located in the southeast area of Anhui Province. Its scale is enormous and it holds an average 50,000 Laogai prisoners, Laojiao prisoners, and jiuye personnel. It produces tea, rice, valves and toys, as well as other goods.

Besides the farming that I did at the Laogai prison, I was also part of a so-called corpse brigade. At that time there was massive starvation in China and people were dying by the scores. And so they needed people to bury the bodies, and I was a part of that corpse brigade.

My father and I were detained in different sections of the farm and we were not permitted to see each other. The public security police only told me in 1993 that he had died and that I had to go and claim the corpse. Once at the crematorium, I saw his cold and pale body. I was given these clothes that he was wearing and I cried bitterly. I felt that my father was braver than I was because he dared to determine his own end to his difficult life and gain his freedom.

Mr. LIU. The first pair of clothes that you saw were the clothes that I took off my father's body in 1993.

These clothes are the clothes that I wore. And these are also clothes that I wore.

I now live in the United States and I have a family of my own. I deeply hope that my children and all other children, as well as future generations, do not have to suffer these kinds of tortures and difficulties.

Thank you all very much for your concern about the Chinese Laogai system.

Mr. SMITH. Thank you very much. Mr. Liu, for your testimony and, again, by showing us the prison garb. You remind us again that this is a reality that has to be dealt with. It is not something that is in the past. It is current. It is as current as today. And unfortunately our policies vis-a-vis the PRC act as if the rogue government that has the power in Beijing somehow should be treated with respect. And when you so disrespect your own citizenry to use torture and to impose so much pain and cruelty, it behooves this Congress I think to up the ante and be much more concerned about human rights than we are with profits.

So I thank you for your very strong statement.

Our last witness will be Harry Wu. Harry Wu is someone who many of us have come to know and greatly admire because of his tremendous courage. Not only did he spend 19 years in the Chinese Laogai, but he also has gone back risking his own life, possible imprisonment and death, to bring more information out to bear further witness to the continued repression by the Peoples Republic of China.

And, Harry, we are indebted to you for providing this information. Anyone anywhere in the world who cares about human rights has to look up to you as one of the great giants and leaders in the cause of human rights.

I would ask you to, if you would, present your testimony at this point.

STATEMENT OF HARRY WU

Mr. WU. Ladies, gentlemen, my name is Wu Hongda and English name is Harry Wu.

I was born in Shanghai in 1937. During my second year of college, in 1957, the students were encouraged by the Communist Party to express their opinions and concerns about the direction of the country. Although I initially kept quiet, in the end I offered a few criticisms, including my opinion that the Soviet invasion of Hungary in 1956 was in violation of international law, and I stated my feelings that the Communists were treating the common people as second-class citizens. Because of these comments, I was denounced as a capitalist counterrevolutionary rightist.

I was arrested and, without a trial, sentenced to life in the reeducation labor camp in 1960. I was told this was because of my poor political attitude. My life sentence was mostly a result of my family's political background because my father was a banker. While I was held in the Laogai, my mother died. I found out 15 years later she committed suicide by taking sleeping pills shortly after she was told of my arrest. I discovered this only after returning to Shanghai years later to collect her ashes.

In December 1969 I was released from my Laogai sentence. That did not mean I was freed from the camp and allowed to return to my home. Instead, I was forced to resettle permanently at the Laogai coal mine and serve as a forced-job placement personnel. In other words, I was not released at all and forced to continue as forced labor until my final release from the Laogai system in 1979.

I spent 19 years in the Laogai at 12 different forced labor camps. I was forced to do slave labor at agricultural farms, a chemical factory, a steel plant, and a coal mine. I was regularly denied food and during one period nearly starved to death. Torture permanently damaged my back. I had my arm broken during a beating. I was nearly killed in a coal mine accident.

I had to become a beast to survive day-to-day life in the Laogai. Today, all over the so-called new China there are millions still fighting to survive the Laogai.

Mr. Chairman, the subcommittee has heard today short descriptions of the experiences of six Laogai survivors. I would like to now present a brief overview of the origins, structures, and scope of the system.

With your permission, Mr. Chairman, I will submit a more detailed statement of this for the record.

Every totalitarian regime must have means to control and suppress opposition. The Nazis in Germany had their concentration camp systems throughout Europe, which housed millions of people whose religion, race, or political views made them targets of persecution. The vast Gulag in the former Soviet Union was first created to remove the White Russians from society soon after the revolution which brought the Communists to power. Throughout its history, the Gulag served as a destination, often final, for both penal criminals and those who opposed Stalin and other Soviet leaders.

The Chinese Laogai, in its origins, was quite similar to the Gulag. But Mao adapted the Soviet model to the Chinese context. The Laogai became a tool of the people's democratic dictatorship in fighting dissent within an ongoing class struggle.

The official function of the Laogai is to remove counter-revolutionaries and other criminal offenders from the population and to place them under state supervision. In the Laogai, prisoners undergo thought reform and reform through labor and are reshaped into new socialist persons. Arrests and sentences, even for common criminals, are based as much on class background and political standing as on criminal activity and only reinforce the true nature of the system: absolute political control.

The term "laogaidui" is used as shorthand by the Chinese people in much of the same way Gulag was used in the Soviet Union. It instills fear in the average person. The existence of the Laogai remains the central human rights issue in China and Tibet today.

As a system, its scope, numbers of the camps and prisoners, degree of cruelty, and a fundamental inhumanity long surpassed the Soviet Gulag.

Today I want to focus on the Laodong gaizao, laojiao, and jiuye components. One thing, all of them were mixed together into one idea to use the so-called thought reform and forced labor.

Official Communist Party documents from the 1950's say that the Laogai is, "The process of labor reform of criminals which essentially is an effective method of purging and eliminating all criminals and counterrevolutionaries."

In 1988, the Ministry of Justice published a criminal reform handbook which summed up the purpose of the Laogai as follows: "The primary task of our Laogai facility is punishing and reforming criminals. To define their functions concretely, they fulfill the tasks in the following three fields: punishing criminals and putting them under surveillance; reforming criminals; and, organizing criminals in labor and production, thus creating wealth for the society."

This is clear acknowledgement of the state-run slave labor of the Laogai system.

Laojiao, or reeducation-through-labor, plays a unique role within the Laogai system. It was created as a last resort, extreme alternative to the existing reform through labor policy. It was established in the 1950's after the Communists had nearly eliminated all of the remaining enemies of the revolution from the capitalist classes.

The Communist labeled this the highest level administering of discipline. To this day, the Chinese Government maintains that reeducation-through-labor is not part of the judiciary system. In fact, as in its early days, the Government intentionally used the reeducation-through-labor policy to imprison people in force labor camps, without even a trace, for periods of 2 to 3 years.

Evidence exists indicating that reeducation-through-labor is more widely used today than ever. And a large number of the students, intellectuals, workers, and religious believers and dissidents are currently locked in the reeducation camps for their criminal activities. These camps are fundamentally no different from the other forced labor camps in the system.

Thought reform and reform-through-labor are both the principal methods of the Laogai camp. There is a saying in the Laogai camps that goes, "There is an end to Laogai and laojiao, but jiuye is forever."

Before 1980, almost 90 percent of the Laogai prisoners and laojiao prisoners were never fully released from the system. They were simply transferred into a forced-job placement personnel or what we call jiuye. Personnel, within the camps.

The official explanation of the forced-job placement is, "To fully implement labor reform policies and ensure public safety." This practice continues today on a large scale, but not as much as prior to 1980. Part of the reason for forced-job placement is that the Communists realize they cannot trust Laogai prisoners or laojiao prisoners; the people who have suffered greatly and seen the true nature of the Communist system. Also these prisoners are necessary to maintain production in the camps considering the constant flow of the new prisoners. In other words, their experience in the operation of the Laogai is necessary to keep the system working.

All Laogai prisoners are forced to labor to compel reform and become new socialist persons. New arrivals are subject to immediate, daily, lengthy integration sessions and forced to admit their crimes. These sessions may last days, weeks, or months. In some cases, they last years.

The official Laogai policy is reform first, production second. The prisoners of the Laogai face constant brainwashing. The value system of the society as a whole has not place in the Laogai. The prisoner is stripped of his morals, his beliefs, his religions, his individual will, his sense of right or wrong. They are encouraged to stand together with the Government and denounce their crimes. They are completely retrained to follow the moral order of the Communist Party and its society.

If a prisoner resists, he or she is tortured. There is much evidence coming to light that thought reform is less and less successful. This apparently persuaded the Laogai officials to rely more and more on physical torture. This situation is understandable as it becomes clear that even the Communists no longer believe their own ideology.

But struggle meetings are still held. Mao Tse Tung's teachings are still used and those that show a poor political attitude are beaten.

Laogai prisoners reform progress is judged in part by their productive output. Prisoners have a work quota and punished if it is not met. Food is withheld. Beatings are given. Solitary confinement is common and already limited family visits and contacts are eliminated.

In adding this as summary, Mr. Chairman, I would like to address the number of the people who have gone through the Laogai system and how many are still there in China and Tibet today.

The Chinese Government 2 years ago stated that 10 million people had been sent to the camps since they came to power. And at this point, 2 million are still in some 685 camps. This is a ridiculous figure. Who can believe that in a country of 1.2 billion people, over the 45-year history, only 10 million people have been in prison.

One should never, of course, believe any number they give to the public. In fact, no one will probably ever know the true number of the people they executed and sent to the camps.

I am submitting for the record my detailed analysis.[1] I estimate that since 1949 more than 50 million people have been Laogai or laojiao prisoners. Remember, laojiao or reeducation-through-labor is not considered by the Communists to be imprisonment. Therefore, they do not count these people in either their 10 million figure or in the current two million figure.

Neither do they today count those in the province, county or village detention centers, military prisons or secret prisons.

We at the Laogai Research Foundation have documented nearly 1,100 camps, a list of which I am submitting for the record. Our list does not include detention centers or military or secret prisons, nor is it a complete list of labor camps. We are learning of others every month.

Mr. Chairman, if we consider reform through labor, reeducation-through-labor, and forced-job placement personnel prisoners alone, I believe the Chinese Government has between 8 to 10 million people in the Laogai today.

Mr. Chairman, thank you for offering us, survivors of the Laogai, from China and from Tibet, the opportunity to improve your understanding of the world's most extensive forced-labor camp system. A system which is a human rights abuse of momentous proportions.

This is the first hearing on the Laogai ever conducted by any democratic legislative body in the world. We are very grateful. Thank you.

Mr. MATSUI. Mr. Speaker, I yield 4 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I thank my friend from California [Mr. MATSUI] for yielding this time to me, and, Mr. Speaker, I rise in very strong support of H.R. 2195 and applaud its author, my friend, the gentleman from New Jersey [Mr. SMITH], for his work and his commitment to promoting human rights not only in China but around the world. He is sitting next to at this point in time the gentleman from Virginia [Mr. WOLF].

Mr. WOLF and I serve on the Subcommittee on Treasury, Postal Service, and General Government, and Mr. WOLF for over a decade has been a strong proponent of urging the Treasury Department to fully enforce existing law as it relates to slave labor.

So I want to congratulate both the gentleman from New Jersey [Mr. SMITH] and the gentleman from Virginia [Mr. WOLF], my colleagues on the Helsinki Commission, for their leadership over long periods of time. More generally, I would like to applaud the gentleman from California [Mr. COX] as well and the other Members who worked to provide vehicles other than the MFN debate for this body to address the range of policy issues which form our complex relationship with China.

I have opposed, Mr. Speaker, MFN for China because I believe we have been too tolerant for too long. Clearly, a strong, prosperous, and democratic China will not come about without U.S. engagement. But a policy of constructive engagement, Mr. Speaker, must not amount to a practice of reaping the economic benefits of trade and exchange with China while turning a blind eye to human rights abuses.

Eight years after China's brutal demonstration of military repression of basic freedoms of speech and association at Tiananmen Square, reports persist of widespread and egregious human rights abuses, including the Chinese Government's maintenance of slave labor camps with which this particular amendment specifically deals.

H.R. 2195 speaks to this area of human rights abuse by saying properly that if we are going to have free trade with China, then let us be sure that we are not directly or indirectly promoting the practice of slave labor by allowing its fruits to enter our markets.

Mr. Speaker, the promotion of democratic reforms which will afford the Chinese people the basic freedoms they now lack must not, let me repeat, must not, be a peripheral element of American foreign policy towards China. It was not with respect to our relations with the Soviet Union when it existed, and it must not be with respect to our relations with China.

The mantle, "leader of the free world," is not earned through mere lip service. If the United States is going to engage China in trade, it must also engage China directly on the matter of human rights. Political and religious persecution, enforcement of population control through coerced abortion and sterilization, and organ harvesting from death row prisoners are not modes of conduct which ought to be consistent with friendship with the United States of America.

We must adopt policies, Mr. Speaker, which put action behind our outrage. It is not enough to talk about the abuses, it is not enough to rhetorically oppose those abuses, we must act on our conviction and on our principles. H.R. 2195 is an appropriate and constructive step in this direction, and I urge my colleagues to support it.

Mr. CRANE. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. WOLF].

Mr. WOLF. Mr. Speaker, I rise in support of the bill. I want to thank the gentleman from California [Mr. COX] and the gentleman from New York [Mr. GILMAN] and the gentleman from New Jersey [Mr. SMITH) and the gentleman from Maryland [Mr. HOYER] and the others for this.

Before I begin, let me just say outright, I am worried that this administration and this Congress, on both sides of the aisle, are becoming an economic-driven party that cares very little with regard to some of these fundamental values. And I know there are good people on both sides, but I worry every time I hear about things, it is economic, economic, economic, economic, and very little about the passion and the compassion and what is going on with regard to that.

So this is a good bill, but will the administration enforce it? Will they do anything about it? I just do not know.

Now I want to say what the gentleman from New Jersey [Mr. SMITH] said. I happened to be with the gentleman from New Jersey [Mr. SMITH] in Beijing Prison No. 1. We have socks in my office that I picked up off the line and we had analyzed. They were for export to the United States. They had golfers on the sides of the socks. They do not play golf in China. Certainly they did not play golf in 1991.

Secondly, we have got to know that there are more gulags in China today than there were when Solzhenitsyn wrote the book that was a profound book, "Gulag Archipelago." There are more gulags in China today than there were during his time. Fifty million people have been through them; 6 to 8 million people are going through them today. And what items? Toys, artificial flowers, Christmas decorations, and the birth of Christ, the birth of Christ, Jesus at Christmastime, and more of the Christmas decorations are made with regard to slave labor.

In fact, as I will tell my colleagues, there are Members in this body and there are Members that are watching that have goods. Some of my colleagues are wearing goods; they do not know it; many of my colleagues have it at home, with regard to artificial flowers, with regard to cotton goods that are made in slave labor camps. Two million dollars; it is good.

I want to thank the gentleman from California [Mr. COX], the gentleman from New Jersey [Mr. SMITH), the gentleman from Illinois [Mr. CRANE], the gentleman from California [Mr. MATSUI].

I doubt, though, whether this administration, and let me just say the Bush administration was no better, the Bush administration was no better in enforcing these, and the Customs officials at the administration were no better, and this administration has been a disaster. In fact, it took them 2 years to go into Beijing Prison No. 1, and finally, when they went in, they had removed all the evidence. There are gulags, there are goods coming over.

This will be a good first step. I just hope and pray, after we pass it with an overwhelming vote, that it will go over to the Senate with such a majority vote, such a lead vote, that Mr. LOTT and others will pick it up and pass it whereby we can take the whole package and then do something whereby the people that are in the camps know that the United States Congress has spoken out and has done something constructive.

Mr. MATSUI. Mr. Speaker, I reserve the balance of my time.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to our colleague, the gentleman from Arkansas [Mr. HUTCHINSON].

Mr. HUTCHINSON. Mr. Speaker, I thank the gentleman for yielding this time to me. I want to express my appreciation for the work of the gentleman from New Jersey [Mr. SMITH], the author of this legislation. It is very, very important, and I rise in strong support of H.R. 2195.

I think an appropriate question could be asked, do the people of the United States care about what happens in the Chinese forced labor camps? And I can tell my colleagues that the commonsense people of Arkansas, where I live and work and who I represent, care about what happens to the 6 to 8 million people in the forced labor camps. I get asked about it in town meetings; they express their concern about it. And why do they do this? Because they know what is happening there and they have learned the lessons of history that if we do not care, evil triumphs.

And so we do not want to repeat the lessons of history, we want to do something where we have an opportunity, and we have that opportunity now. They do not want, because they know history, they do not want to give aid to the enemy by purchasing products that are made with slave labor. The problem is, we do not always know.

This legislation gives $2 million to the Customs Service to properly monitor what happens and try to determine where those slave labor camps are and the products that come from them, requires reports to Congress. Right now, the Customs Service do not have the resources. This gives them the resources they need to track what is made in those slave labor camps, from uranium to toys to Chinese tea.

Scripture tells us that we should not give speed to evil doers, and I think in our country we have inadvertently done that. We must put an end to that. This bill addresses that problem. We will send a strong signal to the Chinese Government that is very, very necessary right now, that trade is important, but it is not all important, and what happens in those forced labor camps is important, and we do not want to buy those products, and we want that to stop in that land.

Mr. MATSUI. Mr. Speaker, I reserve the balance of my time.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to our colleague, the gentleman from Texas [Mr. JOHNSON].

Mr. SAM JOHNSON of Texas. Mr. Speaker, it is high time to stop products produced by slave labor in China from entering the United States of America. For more than 50 years, we have banned products produced by slave labor in China, but they continue to flood our markets every day. I think it is appalling. We should not support products that are produced by a nation that endorses or uses slave labor.

My question is, where is the administration? The President promised he would no longer tolerate these practices from China, but these products still enter this country, and the administration refuses to enforce current law. President Clinton is unable or unwilling to stand up to the Chinese and say this will no longer be tolerated.

This bill goes a long way toward making up for the administration failings. It gives the Customs office the tools to hire more inspectors to track and stop these tainted goods from entering the United States. It also gives the American Embassy the equipment they need to monitor goods produced in these inhumane slave camps throughout China. I have to wonder, if the

President spent as much time and effort improving human rights in China as he has on State parties and fancy dinners for President Jiang, maybe China would change its ways.

Mr. President, the prisoners stuck in these slave camps depend on our actions speaking louder than our words. Let us vote for this bill.

Mr. MATSUI. Mr. Speaker, I reserve the balance of my time.

Mr. CRANE. Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentleman from Pennsylvania [Mr. FOX].

Mr. FOX of Pennsylvania. Mr. Speaker, I rise to support H.R. 2195.

As Americans, we must stand up in opposition to slave-made goods. As a member of the Human Rights Caucus, I want to commend the gentleman from New Jersey [Mr. SMITH], chairman of the subcommittee, and the House Committee on International Relations for introducing this forward-thinking legislation which calls for the U.S. Commissioner of Customs to report, after a period of inspection, the extent of the use of forced labor in China and manufactured products destined to the United States market, the volume of products made with forced labor destined to the United States market, the progress of the United States Customs Service in identifying and interdicting products made with forced labor.

Mr. Speaker, this is a bipartisan bill. It is a matter of fairness, it is a matter of human rights, and we here in the Congress and the House of Representatives tonight have an opportunity to vote for a bill that is going to make a positive change in China. After we receive the report from the Commissioner, the action can be taken to make sure that the appropriate changes will be made in China.

And I thank the gentleman from New Jersey [Mr. SMITH] for introducing this legislation and would like to add my name as a cosponsor to the bill.

Mr. MATSUI. Mr. Speaker, I reserve the balance of my time.

□ 2030

Mr. CRANE. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. COX].

Mr. COX of California. Mr. Speaker, slavery is an ugly institution, and its most hideous and virulent form is prison slave labor. Slavery was not officially abolished in imperial China until the end of the Manchu dynasty in 1908, and even then, the law permitted families in time of famine to indenture their children for over 20 years.

But even though slavery was not officially abolished in China until earlier in this century, it was the ignominious achievement of Chinese communism to reinstate it in the form of the notorious Laogai slave labor camps. The Laogai, or reform through labor, camps have been an integral part of Chinese totalitarianism since the inception of the People's Republic of China in 1949. They are designed for the dual purposes of political control and forced development modeled on Stalin's Soviet gulag.

An estimated 50 million Chinese men and women have passed through these camps, of whom 15 million have perished. Today, anywhere from 6 to 8 million people are captive in the 1,100 camps of the Laogai, held and forced to work under grossly inhumane conditions.

The People's Republic of China tells us that this does not go on at all, but today the United States does not impose punitive tariffs on these products, we ban them. Mr. Speaker, 27 specified products of the Laogai camps are already kept out by our Customs agents and yet the Customs authorities tell us they just do not have the resources to do the job and this bill gives them those resources.

The United States has two agreements with the People's Republic of China, binding agreements executed in 1992 and 1994, that not only bar trade on prison-made slave labor products, but also allow the United States to inspect those forced labor camps. But the Chinese Government, in 1996, allowed us access to just one of those.

This bill requires the President to renegotiate that MOU and rectify the situation.

I congratulate the author, and I urge support of the gentleman's bill on slave labor products.

Mr. CRANE. Mr. Speaker, I yield 3 minutes to our colleague, the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Speaker, I thank the gentleman from Illinois [Mr. CRANE], my good friend, for yielding.

Let me just say, and to pick up on what the gentleman from California [Mr. COX] just pointed out about the number of detention orders, the number exceeds 27 and is growing. But there is a real problem, and this is addressed in the bill, asking the President to look at it very carefully, to renegotiate the memorandum of understanding that we currently have in existence.

Most people would find it almost ridiculous that we have to give specific information first, and remember, this is a closed country. We do not have access to the Laogai, we do not have access to these prison camps, but we have to almost find some way to ascertain whether or not there is a violation going on with specific information. The Chinese then, under the MOU, investigated themselves and gave us their findings. So we have the alleged perpetrator investigating themselves and then they come back to us. Then, we have 60 days that we have to wait to actually make a site visit and very often it far exceeds 60 days.

Let me give one example that was cited very recently by our Commissioner of Customs, George Weise. He pointed out in his testimony on March 21, 1997, that on March 11, 1996, the Chinese Ministry of Justice notified the custom attache that she be allowed to visit the Changsha Laogai machinery factory. He points out in his testimony that the request to go to that factory began in 1992. Four years to finally have site access to a prison camp that is not unlike the one that is to my left that was found to be in violation of our code and thankfully, there is a detention order on the pipes coming out of that detention camp.

Mr. Speaker, we need to renegotiate that MOU. I have been over there, I have talked to the customs people. They cannot get access. They run into roadblocks, they run into bureaucratic snafus over and over again, and then somehow, the administration comes up, and my friend the gentleman from Virginia [Mr. WOLF] said the Bush administration was just like this.

My good friend from Virginia said a moment ago, we do not have access to these prison camps. The Bush administration were the ones who actually negotiated the MOU, and then they come up to our hearings and they say, look at this. We had this fine statement of principles, memorandum of understanding and that defies all kinds of good will as if the Chinese dictatorship is cooperating with us.

Nothing could be further from the truth. They are not. It is a sham. We try to make the sham work. That is why we get a few detention orders, but it is about time we enhanced our access, hopefully unfettered access. But I do not think that is going to happen any time soon. We need to tighten this MOU.

This resolution calls on the President to look into that, and hopefully he will realize it is bad business and certainly a violation of human rights to allow slave-made goods to come to our shores, especially when we are talking about religious prisoners and human rights activists who are being tortured and used in ways that none of us would see as civilized.

So I hope my colleagues support this legislation.

The SPEAKER pro tempore (Mr. QUINN). The Chair would inform the Members that the gentleman from Illinois [Mr. CRANE], has 5 minutes remaining, and the gentleman from California [Mr. MATSUI] has 16½ minutes remaining.

Mr. SOLOMON. Mr. Speaker, I rise in support of this excellent measure introduced by Mr. SMITH of New Jersey. It is badly needed. Our laws supposedly ban the importation of slave-made goods, yet we know that we continue to be flooded with goods from China's vast gulag, the Laogai. Obviously, our laws are not being enforced the way they should be. This bill will help give our customs inspectors the tools they need to keep out these ugly goods.

Mr. Speaker, the use of slave labor is only one of many disgusting practices of the Communist Chinese government, but it is certainly one of the worst.

Estimates of those languishing in China's gulag run well into the millions. It is for them that we are here on the floor today. It is their silenced voices that we can hear as we wade through the piles of Communist Chinese goods in our stores.

Short of a revolution in China, and one is surely coming, the only way we can battle slave labor in that country is to refrain from buying slave-made goods, which provides the financial lifeline to the wardens of that vast prison, the Communists.

This bill gets us in that direction and I urge an "aye" vote.

Mr. MATSUI. Mr. Speaker, I urge support of the bill, and I yield back the balance of my time.

Mr. CRANE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. All time has expired.

Pursuant to House Resolution 302, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. TAYLOR OF MISSISSIPPI

Mr. TAYLOR of Mississippi. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. TAYLOR of Mississippi. At this time I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. TAYLOR of Mississippi moves to recommit the bill, H.R. 2195, to the Committee on Ways and Means with instructions to report the bill back to the House forthwith with the following amendment: At the end of the bill insert the following:

SECTION 6. QUARTERLY ADJUSTMENT OF TARIFFS ON PRODUCTS OF THE PEOPLE'S REPUBLIC OF CHINA.

(a) QUARTERLY DETERMINATIONS BY SECRETARY OF THE TREASURY.—The Secretary of the Treasury shall determine, at the end of each calendar quarter—

(1) the dollar amount of tariffs paid to the People's Republic of China during that quarter by persons for exporting goods and services from the United States to the People's Republic of China; and

(2) the dollar amount of tariffs paid to the United States during that quarter by persons for importing goods and services from the People's Republic of China into the United States.

(b) ADJUSTMENT OF TARIFFS.—Notwithstanding any other provision of law, the Secretary of the Treasury shall adjust the tariffs on all products of the People's Republic of China so that an amount is collected on imports of products of the People's Republic of China, during the 3-month period beginning 30 days after the end of the calendar quarter for which a determination is made under subsection (a), equal to the amount by which the dollar amount computed under paragraph (1) of subjection (a) exceeds the dollar amount computed under paragraph (2) of subsection (a).

The SPEAKER pro tempore. For what purpose does the gentleman from Illinois [Mr. CRANE] rise?

Mr. CRANE. Mr. Speaker, I reserve all points of order against the motion to recommit with instructions.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Mississippi [Mr. TAYLOR] is recognized for 5 minutes in support of his motion.

Mr. TAYLOR of Mississippi. Mr. Speaker, I want to thank the gentleman from Illinois [Mr. CRANE] for reserving the point of order and not trying to cut off debate.

Mr. Speaker, the efforts of the gentleman from California [Mr. COX], though well-intentioned, are little more than giving a sweet talk to a dying man. It does not really change things. We spend a little bit more money to find out what we already know, that the People's Republic of China is using slave labor, making goods, and sending goods to the United States of America to be sold here and put Americans out of work. There is nothing new about that.

There is nothing new about the fact that they have a $40 billion trade surplus with our country. There is nothing new about the fact that it is a totalitarian communist regime that is doing this, and our money feeds their military. There is nothing new about the fact that they charge us 20 to 40 percent on our products that we try to sell there, while we only charge them, because of the Most-Favored-Nation Status agreement, about 2 percent on their products that they sell here.

What is new tonight is that we can have a chance to really address that, not just spend a couple more million dollars finding out what we already know, that they are making things with slave labor, but to tell the Chinese that we will expect some basic level of fairness from them in return for having access to our markets, and we will expect you, China, to treat its people better if they want to have access to our markets.

The people from the Committee on Ways and Means are going to object to this. The people from the Committee on Ways and Means by and large are free traders. They think that however horrible the Chinese Government is, however horrible they are and how many weapons they sell to our opponents they ought to have total access to our market, because doggone it, that is what free trade is all about.

I say to my colleagues, they are wrong, they are dead wrong. Not only are they wrong, but they block any effort by any average Member of this body to address that inequity. We cannot get a bill through that committee, and one never will. We have one chance this legislative session to address that. We have one chance this legislative session to say, we are going to treat the Chinese the way they treat us, and if they want to charge us 2 percent, as we charge them, we will do the same. But if they want to charge us 40 percent, if they want to continue to have a $40 billion a year trade surplus out of our money and use that money to sell weapons or give weapons to the enemy of America, then we are going to do something about it.

The Democratic leadership and the Republican leadership will come to the floor in the next couple of minutes and say, let us do not do this, let us do not act hasty. There is nothing hasty about this. This has been going on for decades.

What is different is that in the 2 years that each of us is given to serve this Nation in the elections that are held every other year, this is the one chance we are probably going to get to do something about it. They are going to say, do not vote against the ruling of the Chair because somehow the Chair is almighty, the Chair knows better.

Well, the Chair is wrong. The Chair will not give us a chance to vote on this. This is the one chance we are going to get. We are going to get one chance to decide if we are going to have a basic sense of fairness between how the Chinese and the Americans trade with each other, whether we are going to continue to allow goods that are made with slave labor to compete against the goods that are made in North Carolina and Mississippi and New York and California. We are going to continue to say whether or not we are going to turn a blind eye to the most totalitarian regime in the world that sells weapons to our opponents. But I say to my colleagues, it is OK, because the Committee on Ways and Means does not want to hear the idea that maybe there ought to be a basic fairness between what they charge us in tariffs and what we charge them.

This is our chance. We are going to have to work against your leadership, I am going to have to vote against mine, but we were not sent here to listen to the leadership, we were sent here to listen to the people of our congressional districts and the people of this Nation, and they want us to make things right. They want us to be fair with them. They want us to change things that are wrong. They want us to do what is right.

I am almost reminded of the song, The Impossible Dream. This is your chance to fight for what is right, without question or pause, because as your leadership is concerned, you are clearly walking into hell for a heavenly cause.

I am asking you to do what is right for America.

Mr. Speaker, I yield back the balance of my time.

□ 2045

POINT OF ORDER

The SPEAKER pro tempore [Mr. QUINN]. Does the gentleman from Illinois [Mr. CRANE] insist on his point of order?

Mr. CRANE. Mr. Speaker, I make a point of order against the motion to recommit with instructions.

The SPEAKER pro tempore. Does the gentleman wish to be heard on his point of order?

Mr. CRANE. I do, Mr. Speaker.

Mr. Speaker, the motion to recommit with instructions is not germane to the underlying bill. The fundamental purpose or common thread of the bill is very narrow, and only concerns the monitoring of products made with forced labor. The range of methods employed in the bill is similarly narrow.

The motion, however, deals with the reciprocal tariff treatments of the products of China. This is clearly not within the very narrow purpose of this bill. The issue of tariffs is also outside the range of methods employed in the bill. Therefore, the motion to recommit with instructions is not germane, and I urge the Chair to sustain the point of order.

The SPEAKER pro tempore. Does the gentleman from Mississippi [Mr. TAYLOR] wish to be heard on the point of order?

Mr. TAYLOR of Mississippi. Yes, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Mississippi is recognized.

Mr. TAYLOR of Mississippi. Mr. Speaker, as I mentioned before, the Committee on Ways and Means has an opportunity every year to consider this measure and measures just like it. They choose not to.

I am appealing to the House because I have heard on too many occasions from too many Members of this body that we are not given the chance to do what is right. At every town meeting we attend, when people ask, how do these unfair things continue to happen, do Members know what we have to say? We have to say, it is the committee system, the Speaker, the Committee on Ways and Means committee. They will not let us do that.

They do not understand that. They cannot find in the Constitution of the United States where it somehow makes some Members of Congress better than other Members of Congress; where just a few Members of Congress can decide whether or not 435 Members, who were each elected by over half a million American citizens, that they cannot even decide on basic questions of right and wrong when it comes to trade issues.

I am asking the Members of this body to step up to the plate. I am asking them to do tonight what they tell their constituents at their town meetings. That is, do what is right, regardless of what the Committee on Ways and Means wants, regardless of what the Speaker wants, regardless of what the Democratic leadership wants or the Republican leadership wants. For once, let us do what America wants. Tonight is the Members' chance.

I am asking for that opportunity. I hope Members will vote against tabling this motion. I hope we will bring it to the floor. I hope we will vote as a Nation to tell the people of China we are sick and tired of being their chumps.

The SPEAKER pro tempore. The Chair is prepared to rule at this time.

The gentleman from Illinois [Mr. CRANE] makes the point of order that the amendment proposed in the motion to recommit is not germane. The test of germaneness in this situation is the relationship of the amendment proposed in the motion to recommit to the provisions of the bill as a whole.

The bill as perfected authorizes funding for monitoring the importation into the United States of goods produced by forced labor. It also requires the reporting of certain information on that topic, and also expresses the sense of the Congress that the President should review reciprocal trade relationships on that topic.

The amendment proposed in the motion to recommit would amend the tariff schedules of the United States to achieve reciprocity between the aggregate amount of Chinese tariffs on the American products and the aggregate amount of American tariffs on Chinese products. The bill confines its attention to products of forced labor.

The amendment, although addressing only products of China, extends its attention to all products, not just those made by forced labor, and directly imposes tariff treatment, a matter not part of the bill.

The Chair therefore finds that the amendment is a "proposition on a subject different from that under consideration" within the meaning of clause 7 of rule XVI. That is, the amendment is not germane. The point of order is sustained. The motion to recommit is not in order.

PARLIAMENTARY INQUIRY

Mr. TAYLOR of Mississippi. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. TAYLOR of Mississippi. Mr. Speaker, what is the proper mechanism to question the ruling of the Chair and to make that available to the Members to make that decision?

The SPEAKER pro tempore. The gentleman may appeal the ruling of the Chair.

Mr. TAYLOR of Mississippi. Mr. Speaker, I appeal the ruling of the Chair.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. TAYLOR] appeals the ruling of the Chair.

The question is, shall the decision of the Chair stand as the judgment of the House?

MOTION TO TABLE OFFERED BY MR CRANE

Mr. CRANE. Mr. Speaker, I move to lay on the table the appeal of the ruling of the Chair.

The SPEAKER pro tempore. The question is on the motion to table offered by the gentleman from Illinois [Mr. CRANE].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. TAYLOR of Mississippi. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Without objection, the vote on final passage will be reduced to a five-minute vote.

There was no objection.

The vote was taken by electronic device, and there were—yeas 217, nays 202, not voting 14, as follows:

[Roll No. 581]

YEAS—217

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Barton
Bass
Bateman
Bereuter
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cunningham
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moakley
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Rogan
Rogers
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon

Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skaggs
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weller
White
Whitfield
Wicker
Wolf
Young (FL)

NAYS—202

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Bartlett
Becerra
Bentsen
Berman
Berry
Bilbray
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Goode
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Hunter
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Neumann
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rohrabacher
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Scott
Serrano
Sherman
Sisisky
Skelton
Slaughter
Smith (MI)
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Traficant
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn

NOT VOTING—14

Cubin
Davis (VA)
Flake
Foglietta
Ford
Gonzalez
McKinney
Riley
Schiff
Schumer
Stearns
Weldon (PA)
Yates
Young (AK)

□ 2110

Mr. BOSWELL, Ms. KILPATRICK, Mr. BILBRAY, and Mr. ROHRABACHER changed their vote from "yea" to "nay."

Mr. BACHUS changed his vote from "nay" to "yea."

So the motion lay on the table the appeal of the ruling of the Chair was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. KINGSTON). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SMITH of New Jersey. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 419, noes 2, answered "present" 1, not voting 11, as follows:

[Roll No. 582]

AYES—419

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Foley
Forbes
Ford
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (FL)

NOES—2

Brown (CA)
Pickett

ANSWERED "PRESENT"—1

Paul

NOT VOTING—11

Cubin
Flake
Foglietta
Gonzalez
Greenwood
McKinney
Riley
Schiff
Schumer
Yates
Young (AK)

□ 2127

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to provide for certain measures to increase monitoring of products that are made with forced labor."

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION AMENDING RULES OF THE HOUSE TO REPEAL EXCEPTION TO REQUIREMENT THAT PUBLIC COMMITTEE PROCEEDINGS BE OPEN TO ALL MEDIA

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 105–382) on the resolution (H. Res. 301) amending the Rules of the House of Representatives to repeal the exception to the requirement that public committee proceedings be open to all media, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING REQUIREMENT OF CLAUSE 4(b) OF RULE XI WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 105–383) on the resolution (H. Res. 305) waiving a requirement of clause 4(b) of rule XI with respect to consideration of certain resolutions reported from the Committee on Rules, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING REQUIREMENT OF CLAUSE 4(b) OF RULE XI WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 105–384) on the resolution (H. Res. 306) waiving a requirement of clause 4(b) of rule XI with respect to consideration of certain resolutions reported from the Committee on Rules, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PRIVILEGES OF THE HOUSE—DISMISSAL OF CONTEST IN 46TH DISTRICT OF CALIFORNIA UPON EXPIRATION OF NOVEMBER 7, 1997

Ms. FURSE. Mr. Speaker, I rise to a question of the privileges of the House, and I send to the desk a privileged resolution (H. Res. 307) pursuant to clause 2 of rule IX and ask for its immediate consideration.

The SPEAKER pro tempore [Mr. KINGSTON]. The Clerk will report the resolution.

The Clerk read as follows:

Whereas, Loretta Sanchez was issued a certificate of election as the duly elected Member of Congress from the 46th District of California by the Secretary of State of California and was seated by the U.S. House of Representatives on January 7, 1997; and

Whereas A Notice of Contest of Election was filed with the Clerk of the House by Mr. Robert Dornan on December 26, 1996; and

Whereas the Task Force on the Contested Election in the 46th District of California met on February 26, 1997 in Washington, D.C. on April 19, 1997 in Orange County, California and October 24, 1997 in Washington, D.C.; and

Whereas the House Oversight Committee is now persuing a duplicate and dilatory review of materials already in the Committees possession by the Secretary of State of California; and

Whereas the Task Force on the Contested Election in the 46th District of California and the Committee have been reviewing these materials and has all the information it needs regarding who voted in the 46th District and all the information it needs to make judgements concerning those votes; and

Whereas the Committee on House Oversight has after over nine months of review and investigation failed to present credible evidence to change the outcome of the election of Congresswoman Sanchez and is pursuing never ending and unsubstantiated areas of review; and

Whereas, Contestant Robert Dornan has not shown or provided credible evidence that the outcome of the election is other than Congresswoman Sanchez's election to the Congress; and

Whereas, as a member of Congress whose election in 1994 was won by far smaller a majority than that which Ms. Sanchez won the 46th District race in 1996.

Whereas, as an immigrant myself who proudly became a U.S. citizen in 1972, I believe that this Republican campaign of intimidation sends a message to new citizens that their voting privilege may be subverted. We should encourage new voters not chill their enthusiasm.

Whereas, the Committee on House Oversight should complete its review of this matter and bring this contest to an end and now therefore be it;

Resolved, That unless the Committee on House Oversight has sooner reported a recommendation for its final disposition, the contest in the 46th District of California is dismissed upon the expiration of November 7, 1997.

The SPEAKER pro tempore. The resolution presents a question of the privileges of the House.

Pursuant to the rule, the gentlewoman from Oregon [Ms. FURSE] will be recognized for 30 minutes and the gentleman from California [Mr. THOMAS] will be recognized for 30 minutes.

The Chair recognizes the gentlewoman from Oregon [Ms. FURSE].

Ms. FURSE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in 1996, Congresswoman LORETTA SANCHEZ was elected by the people of the 46th Congressional District of California. There was a recount. The California Secretary of State confirmed that Congresswoman SANCHEZ had won that election. Yet for over 10 months, the Republican leaders have used every tactic to deny Congresswoman SANCHEZ that victory.

Mr. Speaker, this is a Nation of immigrants. This is a Nation of people who came to the shores to participate. This is a Nation of immigrants eager to participate, eager to give their voice to this great democracy. Mr. Speaker, I understand this because I, too, was an immigrant. I came to this country in 1972. I was proud to become a citizen and proud to cast a vote in an election. Then in 1992, I became a Member of Congress. That is the way it is supposed to work, Mr. Speaker, in this great democracy.

It is a disgrace that new voters, new citizens are being questioned in this campaign against Congresswoman SANCHEZ. Let us not forget, this is a campaign not just against Congresswoman SANCHEZ, this is a campaign against new immigrants. This is a campaign against new citizens. It is a disgrace.

Mr. Speaker, I reserve the balance of my time.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is the second time we come together on the floor to provide an opportunity to respond to resolutions which, frankly, contain erroneous material, inflammatory material, material that simply ought not to be presented on the floor of the House, in this gentleman's judgment, in the way in which it is presented.

I am quite pleased to announce to Members some developments that have occurred since the last time we were on the floor. If Members recall, I reported to them that in the months that they have outlined it has taken us to attempt to get to the bottom of this, I indicated to them that not one Democrat staffer had signed a statement of confidentiality. They had chosen not to participate in a meaningful way in documents that we wanted to make sure did not get out so that the charge that they make falsely, that we were attempting to intimidate individuals, did not get, quote-unquote, leaked.

I am pleased to say that all of the key Democrat staffers, members of the Democratic staff, have now signed statements of confidentiality. That is a major step forward. I wish they had done it 9 to 10 months ago so we could share the information that we know. I will tell Members tonight, they are going to receive some of that information.

But I think for just a minute or two, we need to understand how we got here. There were phone calls to the Orange County Registrar of Voters. People said they knew that people who voted were not citizens. There was a follow-up examination by the election authorities. There was sufficient and credible evidence filed with the Orange County District Attorney for the Orange County District Attorney to subpoena records of groups who were supposed to be educating documented aliens in the process to become citizens, the very process that the gentlewoman from Oregon indicated occurred to her. Of course, we know what happened in her case. She did it in the right order. She became a citizen, and then she voted.

The record shows that there were people in the 46th Congressional District who voted before they became citizens. There were many people who did this on the advice of people who, frankly, chose to mislead these people when they had the solemn responsibility of providing them with the enormous and wonderful opportunity of becoming citizens.

I will make one promise to Members tonight, that if anyone is discovered to have not voted properly, in no way should their citizenship be put in jeopardy if after the fact they became a citizen. I believe that we should make sure that amnesty is provided to anyone who may have technically broken the law, and especially if they broke the law at the behest of others, because right now there is an ongoing criminal investigation in Orange County that will work its way through the grand jury and may, in fact, present us with evidence before we are finished with our task as to exactly what happened for those who engaged in a criminal conspiracy of voter fraud.

Based upon that evidence, a contested election contest was brought to us, and we have pursued, although argued unconstitutionally, affirmed by a district court, reaffirmed by an appellate court, that the process that we have been following is, in fact, according to the statute. It seems, therefore, somewhat incredible to me that one of the whereases is that we have requested the agency charged with monitoring documented aliens in this country, the Immigration and Naturalization Service, to assist us to determine if these individuals are, in fact, citizens. But, in fact, as Members may know from our previous discussion, the Department of Justice was unwilling to cooperate in the investigation. We were forced, on May 14, to subpoena the records. It was not until June 23 that the Immigration and Naturalization Service began responding to us.

Notwithstanding the whereas that says that the INS has complied with the committee's request, the gentlewoman from Oregon needs to know that that whereas is simply wrong. The INS has not complied completely. There are hundreds of records that are still out that have not been presented to the task force.

As we go through once again in terms of the whereases, the one that I hope we will put to rest tonight, and the gentleman from Michigan, the chairman of the task force, I believe, will provide more than adequate material to discredit once and for all, our goal, of course, would be to enlighten and to therefore not continue the process of repetition on the whereas that says that we failed to present credible evidence. Tonight Members will receive a substantial dose of credible evidence.

But more important than that, I find it difficult for someone who was a citizen, whether naturalized or native born, to think that the effort to make sure that we are accurate, double-check, triple-check if necessary that no citizen is accused unfairly and that the documents of the task force checked by the appropriate officials, Immigration and Naturalization Service on citizenship and the Secretary of State on a valid voter registration, would not be completely accurate before we would make any assumption, any determination, any statement about a final number of people who, in fact, voted invalidly in the California 46th. Because I will remind all of us, it is not if there were people who voted illegally, it is the question of how many, and that the pursuit of how many has been made a difficult one by virtue of agencies of this government unwilling to cooperate unless their records are subpoenaed.

And for a number of people to use such terms as "a Republican campaign of intimidation" when, unlike the former majority, we are trying to use California law to document, not something invented in the task force by a 2 to 1 vote, we are trying to determine with absolute accuracy who could and who could not have legally voted, and who did and who did not.

Frankly, I am perplexed by your unwillingness either as a native-born citizen or a naturalized citizen to not want to know. I think it is important that if, in fact, there is a significant amount of people who are not citizens who are actually voting, we need to know now. We do not need to shut this investigation down. We do not need to pull the wool over the eyes of voters who now will not know whether their vote was canceled out by someone who should not have voted. Frankly, our goal should be the one stated by the gentlewoman from Oregon: Become a citizen first, and vote second, not the other way around.

Mr. Speaker, I reserve the balance of my time.

Ms. FURSE. Mr. Speaker, I yield 8½ minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I thank the gentlewoman for yielding me this time, and I thank her for her time.

I ask those on both sides of the aisle to listen to what I have to say and recall that I said that I did not believe that this matter was being handled fairly. Let me read to Members a letter dated October 22, sent to the Clerk of the House, which to this very hour the minority has not yet received, but Members will find it interesting. That letter is on the stationery of Hart, King and Coldren, a professional law corporation. They represent Mr. Dornan. Mr. Dornan, under the Federal Contested Election Act, is the contestant in this case. We have lost sight of the fact that the act requires the contestant to carry the case, not the committee.

In any event, Mr. Speaker, this is a three-page letter in which it sets forth 14 items that have been forwarded to the committee. The minority has not yet received it. They are depositions that should have been forwarded to the committee months ago by the Dornan counsel. Custodian of records, Fidelity Federal, dated 3/24/97, 3/25/97, 3/27/97, 3/31, 4/14, 5/28. These are not newly acquired records by the Dornan case.

□ 2145

My colleagues, listen to this paragraph, listen to it well. This is from the contestant under the Federal Contested Election Act. By copy of this letter to the contestee's counsel, we are advising the contestee that we consider contestant's record to be complete so that she may file her brief within the time permitted by the act. Even Mr. Dornan believes this case, from an evidentiary standpoint, is now at an end. Even Mr. Dornan's counsel says this case is at an end from his perspective.

The chairman of the committee said in debate last week, or 2 weeks ago, last week I believe it was, and has reiterated today on the floor of the House, that if we would only sign a confidentiality agreement, we could get the material. He reiterated that just now.

My colleagues, no one on the majority side of the aisle, save only an affidavit of confidentiality with respect to a particular deposition, no one on the majority side signed a confidentiality agreement until October 27, 1997. Notwithstanding that, we were refused access to information because we had not signed a similar confidentiality agreement. That is the unfairness in this case.

And I ask my friend from California in particular, if he will listen, because I respect his judgment and his fairness, as I do others on this side of the aisle.

So Mr. Dornan has said, I am through, finished, it is time for Ms.

SANCHEZ to file a reply brief. Mr. Dornan has not filed, interestingly enough, his own brief required under the Federal Contested Election Act. My supposition is that he believes a brief is not required by him. My further supposition is because he believes that committee is now carrying the case.

I want to bring to the attention as well, because the chairman is very concerned about accurate information, that the chairman indicated that there have been many cases that have gone on longer than this. My colleagues, no case, and there have been 28 of them, in the history of the Federal Contested Election Act, has gone longer than this one if we do not resolve it before we adjourn in committee.

There have, in fact, been cases which have been carried over and disposed of on the floor. In fact, the Rose case was held for almost a year between the time under the 104th Congress when the committee disposed of the case and when the committee brought it to the floor for final disposition, which was, of course, at that point in time noncontroversial. No case in the history of the Federal Contested Election Act has gone longer than this one if we do not dispose of it by the date we adjourn this first session of this Congress.

My colleagues, this case, according to Mr. Dornan, is ready to close, and I suggest to my colleagues that Mr. Dornan has not filed a brief because he knows that he has not done what is required under the statute, showed that but for certain factors occurring, he would have been elected to Congress. That simply has not occurred, and having not occurred, the committee has not brought to this floor any request to take action to dispose of this case based upon Mr. Dornan's making that case.

Now, my colleagues, there is a question which the gentleman from California [Mr. THOMAS] raises. There is nobody on this floor who either sanctions or wants to hide the fact that voters may have voted without being citizens and may have voted illegally. That, in and of itself, is worthy of an investigation, but it is clearly a much broader investigation than the case that Mr. Dornan brought against the gentlewoman from California [Ms. SANCHEZ], the sitting Member of Congress from the 46th Congressional District.

So that, in fairness, I say it is time to end this case. Mr. Dornan, in his letter of October 22 through counsel, says he is through. But it is now Ms. SANCHEZ' chance to reply, but she has very little to reply to because Mr. Dornan has not made his case.

I would ask the Members of this House, as they reflect upon this case, think of themselves. Each and every one of us could be in the same situation. Each and every one of us could have the opposite party being in control of the House and a contestant coming forward and saying, I have certain suspicions, certain allegations that I will file, but in 12 months, essentially from November of 1996 until November of 1997, I have not been able to make my case.

Think, if my colleagues were in that situation, if they would not expect their 434 colleagues to say under those circumstances it is time to end this case, it is time to dismiss the contestant's action because he has not, as required by the statute, made his case.

If our oath means something, to defend the Constitution, it clearly means that we should defend the right of each district to elect a Member and to have that election sustained unless it is shown, pursuant to law, that but for certain things happening, the election would have turned out differently.

I would hope that all of us would come to a conclusion and urge the committee to end this matter, to move on, to say to the voters in the 46th District there will be an election shortly, Mr. Dornan says he is going to run, that election will be contested. I believe the committee should and will continue its investigation into any wrongdoing. Clearly, the district attorney is doing that; clearly, the secretary of state is doing that; they are the appropriate authorities.

Let us bring this case to close and bring it to a close now.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I might consume.

I would tell my friend from Maryland [Mr. HOYER] that we can make a comparison between the time when his party controlled the House and when our party controls the House now. The reality was, there was a gentleman who came to this body with a certificate of election. He was denied being seated. They counted the votes in his district under the rules created by the task force on a straight partisan vote, and he was denied his certificate of election. That is what happened under my colleague's majority.

Under our majority, the gentlewoman from California [Ms. SANCHEZ] had a certificate. She has been seated. She is a full Member of this body. She has a full staff. She has a full budget. She carries out her duties every day. Rick McIntyre would have loved to have an opportunity to be treated the same way.

And I will not yield. I will also say that I admire the gentleman's cleverness and his capability. He seems to think that it is important that members of the majority signed a confidentiality statement on October 27. We were working on our work product. We had full confidence we were not going to leak our own material. Leaking the names of people we were checking would have worked against our purposes of keeping things confidential. Once we agreed to a memorandum of understanding with the secretary of state when he said he was willing to sign it, our work product would no longer be protected by us alone. So as a gesture, we said, let us all sign a confidentiality statement.

And so the gentleman's remarkable observation that once the product went outside the committee's jurisdiction, we asked them to do no more than what we did, signing the confidentiality statement somehow became a remarkable point to the gentleman. I think it would be common business.

The gentleman also pointed out that this may be the longest contested election under the act. My colleagues might recall that the act was passed in 1969. Most of the cases were dismissed without ever looking at the question of fraud. This task force was presented with a criminal conspiracy case involving ongoing and clear evidence of fraud, and we are pursuing that based upon the election.

The gentleman says that the filing by Dornan's attorneys that they are through means that the whole case would be through. What happens in the courtroom when the case is presented and the jury then goes to deliberate and has every right to ask for additional information as they make the decision? The gentleman believes that we should have half a case and then stop it before the opinion is rendered.

Mr. Speaker, I yield 3 minutes to the gentlewoman from Ohio [Ms. PRYCE], who also happens to be a judge.

Ms. PRYCE of Ohio. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in opposition to the privileged resolution before us. Let me start by saying that there are few in this body who do not take pleasure in the company and comity of the gentlewoman from California [Ms. SANCHEZ]. It is not pleasant to dwell on the misfortunes of this case, but this issue speaks directly to the integrity of this institution which we should all strive, and strive hard, to protect.

There is a constitutional responsibility of this House to judge the qualifications of its Members, and that of course includes judging the outcome of contested elections. While this task is not a pleasant one, it is one that requires serious attention and thoughtful deliberation as our decisions set important precedents about the legitimacy and integrity of the Federal elections and the laws which govern them and each and every one of us here in this body.

We will hear plenty of impassioned debate today that will be driven by politics and influenced by personalities, but this is not about personal attacks, and it is not about personalities, it is about obeying the law and fulfilling our constitutional responsibilities.

Are my colleagues who have repeatedly asked us to put this matter unresolved behind us really advocating turning a blind eye to voter fraud? Are they really suggesting that non-U.S. citizens should be allowed to vote in elections and in the same breath demanding campaign finance reform in the interests of honest elections?

Mr. Speaker, I respectfully suggest to my colleagues that we should spend our energy enforcing the laws we have at hand. The law of our land, the law we are bound constitutionally to obey and enforce, that is what this debate is about. Inflammatory rhetoric that evokes images of racism and discrimination, that is transparent. It does a disservice to this institution and to the American ideal of free and fair elections.

In the interests of protecting our Nation's great democracy, I urge my colleagues to fulfill their responsibility to protect the sanctity of American elections by demanding a thorough and honest investigation of this and all contested elections. Nothing less will bring credit to this House.

Mr. Speaker, I urge defeat of the resolution.

☐ 2200

Ms. FURSE. Mr. Speaker, I yield 2½ minutes to the distinguished gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY of Connecticut. Mr. Speaker, I rise in support of the privileged resolution and urge the House to consider it favorably.

The investigation undertaken by the majority on the Committee on House Oversight has been long drawn out, and I think it is really long past due when it should be decided. It is exactly a year since LORETTA SANCHEZ won a tough, close election in California. It is now almost exactly 9 months since she was sworn in in this body, in this very Chamber, and it is a little more than a year before she will face the voters of the 46th District of California again.

Mr. Speaker, the women are coming before this body tonight with these privileged resolutions to say, justice delayed is justice denied, and justice has been denied, but let me talk about how it has been delayed.

LORETTA SANCHEZ was elected to the office that she took the oath and was sworn in in this very body, and all she wanted to do was to serve her constituents, to use the talents that attracted her constituents to vote for her, and yet, since she has been here, she has been constantly having to face motions, legal motions, legal bills, legal questions and all she wants to do is serve her constituents.

But, Mr. Speaker, under the Constitution of the United States of America, this House of Representatives has the sole authority to be the judge of its own elections, and there is no credible evidence before us at this point to suggest that Ms. SANCHEZ did not win her election to this House, and that the House was incorrect in swearing her in on that day that we all were sworn in. Yet, now we find out that the House Committee on Oversight wants to send volumes of information back to California to the very Secretary of State that certified that this woman should be the Representative.

Today, Mr. Speaker, we went to see the Speaker of the House, the gentleman from Georgia [Mr. GINGRICH], and we talked to him about what we were about, what the women of this Congress are about, that we just wanted to have this woman, who has been under this huge problem for a year now, that she should be sworn in, and the Speaker spoke to us about problems in the law, in the Federal law. The Speaker spoke to us about problems in the State law, the law of California. The Speaker spoke to us, as he always does, with brilliance, and he was erudite and he did all this good conversation, but what we said to him is, it takes a long time to pass a law in this House, a long time to pass a law in California. All we are asking for is justice for this woman. Please, Mr. Speaker, let her go about her duties; pass the legislation necessary.

Mr. THOMAS. Mr. Speaker, it is my pleasure to yield 9½ minutes to the gentleman from Michigan [Mr. EHLERS], chairman of the task force, to in part respond. Now that both sides have signed confidentiality statements, this information will probably be made available, and we would like to be the ones to make it available.

Mr. HOYER. Mr. Speaker, will the chairman yield? I am not sure I understand.

The SPEAKER pro tempore (Mr. KINGSTON). The gentleman from Michigan controls the time.

POINT OF ORDER

Mr. HOYER. Point of order, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HOYER. Mr. Speaker, I raise the point of order that under the rules of the committee, at the request of the committee, we have signed confidentiality agreements. I have not disclosed any information which I have received that was confidential information. The Chairman now says that confidential information is going to be disclosed because the agreements have been signed.

I am not sure I understand that, and whether from a parliamentary standpoint confidential information is appropriate to be disclosed on the floor of this House. We cannot have it both ways, Mr. Speaker.

The SPEAKER pro tempore. The Chair is not able to rule at this point if any information is available or not available as taken in executive session.

The gentleman from Michigan (Mr. EHLERS) is recognized for 9½ minutes.

Mr. EHLERS. Mr. Speaker, I do not plan to discuss confidential information which would be from the INS, such as names and issues such as that, but I do want to share with the body some numbers, numbers which the gentleman from Maryland is familiar with from the work of the task force since he has received most of this information. These are going to be very approximate numbers, but I felt it important to deal with that, and also to give a little bit of history of what the task force has done. I have given partial histories in past debates on this issue, and I will try to deal with some of the questions that have been raised since then.

First of all, it is important to recognize that the Committee on House Oversight and our task force did not choose which election to be involved in. That decision is made by the contestant who files the notice of contest, and that was Mr. Dornan in this case. Mr. Dornan, as has been observed, filed many charges as part of his notice of contest. We have investigated that. We found that many of them did not have a strong basis and were not factors in the election, and so we have put those aside.

The largest issue that did emerge, however, is a question of fraudulent votes by noncitizens, and that deserved greater study.

Now, the problem developed with that, which I will get to in just a moment, that midway in the investigation as Mr. Dornan and the California Secretary of State were pursuing that, suddenly their source of information in the INS was shut off, and that has created a good deal of the delay that we are discussing tonight. Furthermore, as everyone knows from previous discussions, a number of the subpoenas were not responded to.

Now, I have, just for graphic purposes, and I apologize for the poor quality of this, I am an X professor and I am used to working with materials at hand and not hiring people to prepare fancy displays suitable for this audience, but several numbers to remember. The margin of the election. 984 votes is a certified margin, but the recount actually was a 979-vote margin. The Secretary of State does not in California change the certificate to reflect the recount total, but the actual margin of election was 979.

The Registrar of Elections of Orange County, conducting her own investigation of the election, discovered 124 fraudulent absentee ballots using the standard measures under California law for determining which absentee ballots are fraudulent, and also under California law subtracting them from the total.

The California Secretary of State received information from Hermandad, the organization that has been mentioned before, through the Orange County district attorney, indicating 1,163 individuals, and I am sorry I did not write that number down, 1,163 individuals who had gone through citizenship classes at Hermandad.

That is not necessarily the complete list, because the Orange County District Attorney was not specifically looking for that information, but that is the information they received when they went in and seized the records. There are other records they did not seize. We would like to see those records; they have ignored subpoenas up to this point, and we simply do not have the information.

From those 1,163, with the aid of the Los Angeles district office of the INS, 305 have been identified as noncitizen voters in Orange County, so add the 124 and the 305, those are rock-hard certain voters who are noncitizens.

At that point the Director of the INS in Los Angeles was told by his superiors in Washington to no longer cooperate. That was in late March, early April. We then asked the INS for assistance so that they would furnish the materials to the California Secretary of State. We were refused. We then had to subpoena the INS records, which we did, and there was all together approximately 3 months delay as a result of their decision to cut off the assistance they had been providing.

As the committee tried to develop a list of potential noncitizen voters, the initial list was approximately in the neighborhood of 6,000. That included a list from the INS, a computer match of the Orange County voters versus the records of the INS of individuals where they matched the first name, last name, date of birth.

This also includes a list from the Orange County Registrar of Voters and other officials there of individuals who had refused to accept jury duty because they checked off they were noncitizens, but yet they had voted. This also included individuals who had voted, but there were border crossing cards on record for them in which it was clear that they had been born in another country, and their citizenship could not be verified with the INS.

So this is the gross number, greater than 6,000. Out of that, we culled down approximately 4,000 that looked very seriously as if they could be nonvoters—pardon me, noncitizens who had voted.

Now, much has been made in the resolutions that have been presented here over and over about this delay and no credible evidence. This is credible evidence. Why the delay? Because we have been going through very, very carefully, and what we have to verify is that indeed, the individuals in the INS records and the individuals in the Orange County records are, in fact, one and the same, and so that has allowed us to narrow down the list.

Something else we had to verify. Are the INS records accurate? When they indicate that someone is a citizen or a noncitizen, is there some verification for that? We have to depend on the INS, but we have had them go through and do a search of their records, and we keep searching and keep trying to find the most accurate record we can. The minority has also been helpful in this. They took another search approach, and the information that they came up with has been included.

So notice the number has been shrinking, greater than 6,000, then greater than 4,000, greater than 2,000, approximately 1,000 at this point. Actually, the number is larger, but I do not want to claim any larger number at this point, and we are still working on it, trying to finalize as closely as we can.

In addition, we recently asked the California Secretary of State for assistance, because we want independent verification of these numbers. Roll Call Newspaper erroneously said we were turning the issue over to the California Secretary of State. Not true. We are simply asking them to review what we have done and to verify that it is accurate.

I also want to make it clear that contrary to charges that have been made on the floor, and to which I take considerable offense, we have not targeted Hispanics or Latinos. We have never once asked for any records specifying that we want those with Hispanic or Latino names. We are not targeting women in this race. We are not including illegal immigrants, which we probably should do if we could get a handle on that, and the California Secretary of State is looking at that independently. But there is a whole group of individuals who are not included in this examination, that is the illegal immigrants, simply because the INS has no record of them. If they are illegal, they do not sign up with the INS.

The gentleman from Maryland [Mr. HOYER] has made a point that Mr. Dornan says he is finished. He has submitted his evidence. That is fine, but all of us know that when we go into a court of law, when we finish the case, it is not over. The jury has to deliberate, and we perform the function of the jury.

The point is simply we want to complete the analysis. We are not proceeding with malice, we are not proceeding in an effort to be unfair; we are trying our very, very best to look at these numbers which are very, very substantial numbers and verify as precisely as we can what the actual numbers are, and then we will discuss them with the committee; we will discuss them with the House of Representatives, and a decision will be made as to the final result of the election. That is our responsibility as Members of the task force. Nothing more, nothing less.

There are many other issues that have emerged from this. Others have registered concerns about targeting and this sort of thing. We do not look at those issues; we are simply looking at the votes that were cast in trying to identify which votes were fraudulent.

Now, let me add one more point. The difference between this case and what makes it different from previous cases that the House has frequently dealt with is that the fraud in this case is different. In most previous Congresses when the Congress has dealt with fraud, it has been deliberate fraud, organized fraud, large blocks of votes. That is not true in this case.

I think this is not deliberate fraud, except perhaps on the part of Hermandad, we have to determine that later, but certainly not on the part of the individuals voting. I think they were misled. We are dealing with individuals who honestly thought they were doing the right thing. Nevertheless, if the votes are fraudulent, that must be dealt with.

I thank the Speaker for the time to present this, and I ask the indulgence of the House as we continue to wrap this up, I hope as soon as possible, and as accurately as possible.

□ 2215

Ms. FURSE. Mr. Speaker, I yield 4 minutes to the gentleman from Connecticut [Mr. GEJDENSON], a Member of the committee.

Mr. GEJDENSON. Mr. Speaker, I can frankly only remember one other similar instance, when a Senator from Wisconsin held up a list of 120 suspects in the State Department, and somehow they 'were disloyal to the United States; never got any names, we never found any agents in the State Department, but boy, he had numbers out there and he was waving them around.

What they have done here today is they cannot tell us the names because they are secret. Let me tell Members, the chairman of this committee has an obsession with secrecy. He tried to make the public minutes of a meeting secret at one of our first meetings, and astounded, frankly, all of my staff.

We have come here today once again back exactly where we started. They have never before used the INS to check for election results. Why? One, we have never had an Hispanic woman we were looking at. So when we are dealing with other ethnic groups of this country, we do not think of going to the INS.

What did the INS tell the chairman of the committee and the Congress when it was first asked for these numbers? And, by the way, these are not all the numbers they have. They started off with half a million suspects in a district where 100,000 people voted. The INS said, you cannot use our files to verify voters. But even if we look at their numbers down to that final thousand, from that we cannot tell whether that final thousand voted for SANCHEZ or Dornan. The law says we have to prove it would change the outcome.

I cannot give Members the names, either, but let me tell the Members, there is a Mrs. Jones here. It is a Spanish surname, instead of Jones. There are 18 of them in the INS records. Mrs. Jones exists 18 times in the INS records. Yes, there is one Mrs. Jones in the voting list that did vote. Now, Mrs. Jones might have voted wrong once, but she could not vote wrong 18 times, because there are not 18 times Mrs. Jones' name is on that list.

Let me tell the Members something. This may be about a lot of things. It could be a vendetta. We keep hearing about the Indiana case. I am happy to argue the Indiana case in a separate venue. But let me tell the Members, if it is the Indiana case that is going to drive the majority, we will make Bosnia look like a picnic. They take one, we will take one; next year we will challenge everybody, and we will get the INS in everywhere.

Mr. Speaker, when we get sensitive to the attack on the basis that we keep raising the Hispanic issue, excuse me? The record of their party makes the statement very clearly.

Mr. Speaker, I will close with this. In 1980 the Republican Party went to New Jersey, and it dressed people up in police officers' uniforms, and they used ballot security police to intimidate new citizens and poor people from voting. In the 1990s in California, the Republican Party paid a $400,000 fine for the same kind of Gestapo tactics at the polls.

Now, once again, we have the gentlewoman from California [Ms. SANCHEZ]. We have a list of people here. We have numbers. That chart is about as graphic an example of the phony arguments on the other side as we can find. If they had a thousand names, they would bring them out here. What they are doing is dragging this lady through the mud. They are trying to break her financially. They are trying to break her spirit. But I have news for the Members, she is getting stronger.

The country is not going to put up with reviewing elections for longer than the term of office the individual is elected to. We are going a year after her election. She has won by more votes than the Speaker of this House won by when we were in control. Leave her alone. Let her do her job.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank the gentleman for his crosscheck with the INS. Apparently his request he believes to be more accurate than our request.

Where we found citizens, for example, Mrs. Jones was removed, where we found duplicates, they were removed; where we find a Jane A. Jones with a date of birth that matches, first name, last name, middle initial, date of birth, with the same address on the INS records as on the voted list, we are pushing it to that level and beyond for accuracy. Those are the numbers that the gentleman presented us.

It is my pleasure now to yield 4 minutes to the gentlewoman from Washington [Ms. DUNN], a State which has a procedure on their voting records, their Registrar of Records, which I wish the Nation would emulate.

Ms. DUNN. Mr. Speaker, I rise in opposition to the privileged resolution on the floor.

Mr. Speaker, I am lucky to be from a State that has so far experienced little or no voter fraud. Lord knows, if any fraud were to occur in any of our elections in Washington State, we would be very quick to staunch it and make sure we had a process in place never to allow it to happen again. That is, Mr. Speaker, why I have so many questions about the issue before us this evening.

Why would anyone want to end this election fraud investigation before the facts are in? Why have the Democrats resisted the establishment of precedents that will ensure that future contested elections will be investigated thoroughly and efficiently? Why have they challenged the constitutionality of the Federal Contested Elections Act? Why do they not want a process that allows the contestee and the contestant to get at the truth?

Why are they not eagerly supporting a process that allows State and local officials to verify the legitimacy of registrations? Mr. Speaker, why not find out exactly how many persons are illegally registered in the 46th District of California? Why would anyone want to leave a single illegal voter on the voting rolls of the State of California?

Mr. Speaker, during our last debate the gentleman from New Jersey [Mr. MENENDEZ] commented that this affects more than just the Federal election. He is exactly correct. That is what is so disturbing about the Democrats' position in this case. Fraudulent voters jeopardize the legitimacy of all the elections, up and down the ballot, all across California and many other States. We need to do something about that, and we need to start by completing this investigation.

Mr. Speaker, I want to recall the words of Democrat President Grover Cleveland, who, in his first inaugural address, stated "Your every voter as surely as your chief magistrate exercises a public trust." That is what this is about, public trust in our democratic process.

We have an honor system of voting in our Nation, and that honor has been desecrated by any person who casts an illegal ballot in this or any other election. This is why we must complete this investigation. We must, in order to restore the honor of our system, determine the extent of the corruption.

Ms. FURSE. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. MENENDEZ].

Mr. MENENDEZ. Mr. Speaker, the gentlewoman said she is lucky to be from a State that does not see voter fraud. I am unlucky to be from a State that has seen the Republican Party be part of voter suppression and intimidation that ended up in the Federal court decision that is still continuing in elections in New Jersey.

The gentlewoman from California [Ms. SANCHEZ] is unlucky to be from a State where the Republican Party paid $600,000 to settle two voter intimidation lawsuits stemming from actions in 1988 and 1989 in which the Orange County Republican Party placed security guards and signs at the voting polls designed to scare Latino voters from voting. That is the fact.

So when the gentleman before mentioned about transparency, transparency is that the history on the records, in the Federal court, has condemned their party for what they have done to my people. That is the reality of that transparency.

I just listened to the gentleman from Michigan [Mr. EHLERS], who I have a personal respect for, but I listened to what he had to say. His facts and his figures, we have gone from 500,000 questionable voters to 1,000, in his final number there. What an incredible amount.

And when we look at it, he keeps referring to Orange County voters. He fails to mention that there are six congressional districts in Orange County. The gentlewoman from California [Ms. SANCHEZ] is not the only congressional district in Orange County. They all fail to mention all of the Republic candidates that won, and they do not question their elections at the same time in which they allegedly received these votes.

The fact of the matter is that for those Members who get upset about our concerns that what they are doing is clearly based on the question and to a large degree on ethnicity, I cannot wait for the names to be revealed. I want to say how many Thomases, how many Ehlers, how many Smiths are on that list.

I can guarantee Members that when we see the list, when it finally shows the light of day, everything that we have said there will be very clear. That is why their party has been sanctioned, that is why the Federal courts have made them pay money, and that is why they are pursuing this case in the manner in which they have. They have gone from a half a million to a thousand, and they cannot even prove that will overturn the election.

Yes, they have seated her, but they have bled her every day that she has been here, and we as a community will not tolerate it.

Ms. FURSE. Mr. Speaker, I yield 2 minutes to the gentlewoman from Florida [Mrs. MEEK].

Mrs. MEEK of Florida. Mr. Speaker, I have been wondering, what triggered the Republican Party to initiate this broad-scale investigation, spending thousands of dollars? I thought, is it their conservative nature? If so, they have contradicted that with spending thousands of dollars for this cause in which they have no ending. This is an unending cause.

And I thought, are they trying to protect the sanctity of the Republican Party? I have no answer to that one.

Is it their dogged determination to bestow some honor to a verbose candidate who lost in a district that he had been winning in for quite a long time, with some nontraditional voters going against him?

It was time for him. It was his time. When my time comes, I am going to take it like a woman. If I lose, I am going to take it like a woman. I am not coming to Members asking them to investigate somebody because CARRIE MEEK lost. I am strong. I do not have to come to them. They would make me to be some kind of icon, with all these kinds of verbose statements about me, making me so grand, like I am some Oracle at Delphi. That does not happen here. What happens here is we work hard. If we win, the people, if they want us there, they will send us back.

Members can contest these little votes if they want to, but I will tell the Members what image they are sending to this country. The image and the message they are sending is Hispanic, woman, ethnicity. I do not care how Members do it, how they cloak it in their numbers, that is the image that they are sending throughout this country. Think about it: Hispanic, woman, someone who cannot take a beating. That is the message they are sending.

I say to the Members, they had better clean this act up, because every woman in this country is watching them. I did not come here because I am a Democrat, I came up here because I think the gentlewoman from California, Ms. LORETTA SANCHEZ, has been given a short shrift. She has been given a short shrift, I do not care what party she is, even if she is in Ross Perot's party.

I am saying, clean this stuff up. Stop worrying about it and let this woman take her seat.

□ 2230

Ms. FURSE. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Michigan [Ms. STABENOW].

Ms. STABENOW. Mr. Speaker, on January 7 of this year, I was honored to enter this body as an incoming Member with over 70 new Members on both sides of the aisle, including the gentlewoman from California [Ms. SANCHEZ]. A number of the incoming freshmen won by very small numbers of votes, many fewer votes than the number that LORETTA SANCHEZ won by. Yet after one year and almost a half a million dollars of taxpayers' money being spent on an investigation, we have nothing to show for it of any concrete evidence, just a lot of hyperbole at this point.

The question that I have for the other side of the aisle is that if, in fact, there are 1000 people who chose to vote who should not have voted in this election, they did not just vote for a Congresswoman or vote for the Congressman at that time. They voted for local officials. They voted for a State rep. They voted for a State Senator. They voted for local ballot initiatives.

Why is it that the only question, the only challenge, the only investigation is on the only Hispanic woman sitting here, Ms. SANCHEZ? What about those other seats? What about challenging those other kinds of races? We do not hear anything about that. We hear only about harassment of a woman who is serving her district well. It is time to stop it.

Ms. FURSE. Could the Chair inform us of the amount of time on each side?

The SPEAKER pro tempore (Mr. KINGSTON). The gentlewoman from Oregon [Ms. FURSE] has 6 minutes remaining, and the gentleman from California [Mr. THOMAS] has 3½ minutes remaining.

Ms. FURSE. Mr. Speaker, I yield 2 minutes to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Speaker, earlier today I asked unanimous consent to address the House out of order for two minutes, and it was objected to by the chairman of the Committee on Rules.

Let me just say this, sitting here with some interest, you have 1000 votes here that are on a chart, and you are assuming that LORETTA SANCHEZ got every one of those votes, no names, 1000 votes. From 500,000, you have come to 1000 votes. Is that not remarkable? And there is nothing on that list, according to what you insinuate, there is nothing on that but Hispanic voters that voted illegally.

Listen, what we are doing here tonight and what you are doing here tonight, Mr. Speaker, is wrong.

Let me just say this to you, I was here when the Indiana situation came about. It might have been wrong. During the last campaign Republicans campaigned all over this country and they said, the Democrats have been in charge for 40 years and we are not going to run this House like the Democrats did. The chairman of the Committee on Rules stood in this well when he was in the minority and said, when we get to be in charge, we will not have closed rules and we will not run this House like the Democrats.

What you are doing here is wrong. You cannot defend it. It is absolutely wrong and we should be ashamed of this charade that is taking place in this House. This gentlewoman won fair and square. Every Member of this House received a certificate from the Secretary of State congratulating us for being elected to the people's House, the United States Congress. They sent everybody a certificate. They sent the gentlewoman from California [Ms. SANCHEZ] a certificate.

Now you have sent back to California, to this same guy that gave this certificate to Ms. SANCHEZ, it says, you have to check on this some more because we cannot find anything here. Our witch-hunt is over.

It is time to stop this because it is not right.

Mr. THOMAS. Mr. Speaker, I yield myself 15 seconds to assist the gentleman in his math. The 1000 numbers were those that achieve a very high level check through the INS. The chairman failed to mention the 124 that the registrar has already discovered, the 305 that the LA INS and the Secretary of State have certified and the more than 1000 that were currently going through with the INS. Frankly, the number is far beyond the statement I have heard repeated over and over again of a number which simply is not creditable.

Mr. Speaker, I yield 30 seconds to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Speaker, let me just say to my friend who just spoke, 60 percent of the votes that were counted that were registered by one organization had been found to be fraudulent by the Secretary of State. We have not got all the votes. There is not a single Member in this House who, if that happened to them and one of the organizations registering and voting people had 60 percent of their voters found to be fraudulent, would say, let us drop the investigation. Let us leave it.

Mr. Dornan is having just as tough a time with this delay and the gentlewoman from California [Ms. SANCHEZ] is. We want to have it over, but we owe it to the people to finish the investigation.

Ms. FURSE. Mr. Speaker, I yield 10 seconds to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Speaker, to my friend from California, I would only say this, there were other elections, there were other people that were on the same ticket as Mr. Dornan and Ms. SANCHEZ. And you are not questioning the validity of those votes that went to those people. They are not being contested. The numbers are all being taken from Ms. SANCHEZ' total votes.

Ms. FURSE. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I tell the gentlewoman from Washington State, nobody wants this investigation to go away or to end. In fact, the gentlewoman from Washington may not know, there is a district attorney of Orange County investigating this case. That investigation is before the grand jury and ought to continue. The Secretary of State has a responsibility to ensure voter integrity on the rolls. He is continuing his investigation.

The judge from Ohio said this always happens. It never happens.

Mr. Dornan has said his case is over. He has rested in effect. The jury is never allowed to get additional evidence, never. What kind of law do you practice on that side where the jury can say, well, I know the two parties have rested but we are going to get additional evidence? It never happens, my friends, never. They can ask to review existing evidence; that is true. But they cannot go out and seek new evidence.

Mr. Dornan says this case is through. It is time for the parties to decide. The fact of the matter is, these figures put forth by the gentleman from Michigan [Mr. EHLERS], nobody knows. The gentleman from Michigan [Mr. EHLERS] put up some figures, 979, that is the most important figure. That is the majority by which LORETTA SANCHEZ was elected to this House.

He then gets down to other figures, 6000. That has less, I tell you, than 500 who possibly could be considered in the 46th district. I do not even know why that 6000 was on that board, because they are not involved in the 46th district, all of them, some are.

The fact of the matter is, however, as the gentleman from Connecticut pointed out, nobody knows or will know for whom those folks voted. We do know this: that over a third of those people are Republicans, about 15 percent are other independents, not affiliated. Only half are Democrats. It is time to end this case.

The SPEAKER pro tempore. The gentlewoman from Oregon [Ms. FURSE] has 1¾ minutes remaining, and the gentleman from California [Mr. THOMAS] has 2¾ minutes remaining.

The gentlewoman from Oregon [Ms. FURSE] has the right to close.

Mr. THOMAS. Mr. Speaker, I yield the balance of my time to the gentleman from Texas [Mr. ARMEY], majority leader, who happens to be part of the jury that constitutionally is the sole judge of its Members. When you have the constitutional power to judge, you have the right to get all the information.

The SPEAKER pro tempore. The gentleman from Texas [Mr. ARMEY] is recognized for 2¾ minutes.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding the time to me.

We have 22, I believe, filings of privileges of the House on this same subject. This, Mr. Speaker, is number one of those 22 that must be dealt with today under the rules of the House. Twenty-two today, I think some eight filed that would come due tomorrow, and another eight or so to do the other. I am sure that represents, on behalf of an awful lot of Members doing all that filing, a statement.

But I have to tell my colleagues, I weary of it. I weary of the shouting. I weary of the accusing. I weary of the finger pointing. I weary of the feigning of moral outrage. I weary of the sophomoric strategy. I think the rest of the House shares that weariness. We have work we are trying to get done, work that is important to the American people.

While we are doing that, we have an obligation given to us by the Constitution of the United States. We are conducting an investigation about the legality of the votes cast in a congressional race in order to determine the legality of the seating of a Member of this House as given to us as a responsibility of the Constitution. We are not going to do a minimal job on that. We are not going to do a half-hearted job on that.

We are not going to give it a wink and a nod and bow to the pressures that are supposed to have been brought to us by somebody having made the allegation that really in fact has nothing to do with this body, has nothing to do with the Constitution, has nothing to do with the question of whether or not American elections will be confined to participation by American citizens, but it has to do with you Republicans who are racists, you Republicans who are sexists, et cetera.

What shallow malarkey. Rise above it. Let us get back to work. This job will be done in accordance with the responsibilities given to us by the Constitution of the United States, and it will be done thoroughly, professionally and completely, until it is the truth of the matter that is found. And no intimidation, no allegation, no screaming, no hollering, no accusation, no pointing of fingers is going to stop this Congress from doing its duty. That is what the Constitution was written about, people who are willing to do their duty.

That is what will be done.

Ms. FURSE. Mr. Speaker, I yield the balance of my time to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, we, too, are weary on this side of the aisle. End this witch-hunt. End the malarkey on your side of the aisle, and let this investigation conclude and let LORETTA SANCHEZ continue her fine work as representing the 46th District of California.

□ 2245

Democrats are sending a simple message tonight with these resolutions: It is enough, the investigation of allegations by Citizen Dornan, with subpoena power unprecedented in the history of the House of Representatives. The majority of these allegations have proven to be without merit. Fraudulent voters, who have turned out to be nuns and Marines and even some of his own supporters. Enough of this waste of taxpayers' dollars. Eleven months, a half a million dollars, and we are still counting. Enough with the attempts by the Republican Party to intimidate Hispanic-American voters, an 8-year history in southern California of intimidating Latino voters at the polls.

No investigation like this has been targeted at Italian-Americans, Irish-Americans, or Jewish-Americans. There were other closer elections in 1996. They did not result in this kind of an investigation. It is interesting to note that the surnames of those Members are FOX and SMITH, and not SANCHEZ.

Today, Democrats are saying to the Republican leadership of this House, enough is enough. We can say it in Italian, and we can say it in Spanish and the word is the same, "basta," stop this intimidation. Stop this investigation of Hispanic-American voters in this country. Allow the democratic process to go forward.

The people of the 46th district elected the gentlewoman from California, Ms. LORETTA SANCHEZ. They said no to Bob Dornan. This House ought to have the courage to say no to Bob Dornan and end this investigation of the gentlewoman from California, Ms. LORETTA SANCHEZ.

MOTION TO TABLE OFFERED BY MR. THOMAS

Mr. THOMAS. Mr. Speaker, I have a motion at the desk.

The SPEAKER pro tempore (Mr. KINGSTON). The Clerk will report the motion.

The Clerk read as follows:

Mr. THOMAS moves to lay the resolution on the table.

The SPEAKER pro tempore (Mr. KINGSTON). The question is on the motion to table offered by the gentleman from California [Mr. THOMAS].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Ms. FURSE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 217, noes 194, answered "present" 1, not voting 21, as follows:

[Roll No. 583]

AYES—217

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Crane
Crapo
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey

Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Foley
Fossella
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (FL)

NOES—194

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Carson
Clay
Clayton
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Forbes
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Goode
Gordon
Green
Gutierrez
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Mollohan
Moran (VA)
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn

ANSWERED "PRESENT"—1

Sanchez

NOT VOTING—21

Bono
Clement
Cox
Cubin
Fawell
Flake
Foglietta
Fowler
Gonzalez
Hall (OH)
McKinney
Moakley
Murtha
Riley
Scarborough
Schiff
Skelton
Smith (OR)
Stark
Yates
Young (AK)

□ 2305

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REQUEST TO REDUCE TIME FOR ELECTRONIC VOTING ON RESOLUTIONS OFFERED AS QUESTION OF PRIVILEGES OF THE HOUSE ON TODAY

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that any remaining resolutions offered today as a question of the privileges of the House be considered as read and that the minimum time for electronic voting on any question arising with respect to consideration of such a resolution may be reduced to 2 minutes.

The SPEAKER pro tempore (Mr. KINGSTON). Is there objection to the request of the gentleman from Texas?

Mr. MENENDEZ. Mr. Speaker, reserving the right to object, is that my understanding that, therefore, there would be no debate on the individual privileged resolution that a Member who has submitted them in a timely fashion would have an opportunity to have a debate based on the unanimous-consent request?

The SPEAKER pro tempore. If a motion to table is offered before debate begins, that would be correct, and the resolution would not be debatable.

Mr. MENENDEZ. Mr. Speaker, continuing my reservation, my understanding of the unanimous-consent request is that they be voted and that there be a dispensation of the reading. The question is whether or not there would be an opportunity to debate what an individual Member has presented in their privileged resolution.

The SPEAKER pro tempore. It would depend on whether a motion to table were offered at the outset.

Mr. MENENDEZ. Mr. Speaker, further reserving my right to object, can the parliamentarian through the Speaker tell me whether privileged resolutions, whether individuals have been denied the right to speak on a privileged resolution that they have offered before the House in previous Congresses?

The SPEAKER pro tempore. The Chair cannot respond to place events in historical context.

Mr. MENENDEZ. Mr. Speaker, based upon the fact that it certainly seems like a gag rule, and as far as I know it is unprecedented to go ahead and stop a Member from pursuing a privileged resolution, I would have to object to the request.

The SPEAKER pro tempore. Objection is heard.

ADJOURNMENT

Mr. ARMEY. Mr. Speaker, I move that the House do now adjourn.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. MENENDEZ. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 216, noes 192, not voting 25, as follows:

[Roll No. 584]

AYES—216

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Conyers
Cook
Cooksey
Crane
Crapo
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Foley
Fossella
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones

Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Schaefer, Dan
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (FL)

NOES—192

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Carson
Clay
Clayton
Clyburn
Condit
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Forbes
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Goode
Gordon
Green
Gutierrez
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Mollohan
Moran (VA)
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanders
Sandlin
Sawyer
Schaffer, Bob
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Wexler
Weygand
Wise
Woolsey
Wynn

NOT VOTING—25

Bono
Clement
Cox
Cubin
Fawell
Flake
Foglietta
Fowler
Gonzalez
Hall (OH)
Lantos
McKinney
Moakley
Murtha
Norwood
Riley
Sanchez
Scarborough
Schiff
Smith (OR)
Stark
Stokes
Waxman
Yates
Young (AK)

□ 2325

So the motion to adjourn was agreed to.

The result of the vote was announced as above recorded.

Accordingly (at 11 o'clock and 26 minutes p.m.), the House adjourned until tomorrow, Thursday, November 6, 1997, at 10 a.m.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 940. An act to provide for a study of the establishment of Midway Atoll as a national memorial to the Battle of Midway, and for other purposes; to the Committee on Natural Resources.

S. 1324. An act to deauthorize a portion of the project for navigation, Biloxi Harbor, Mississippi; to the Committee on Transportation and Infrastructure.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 79. An act to provide for the conveyance of certain land in the Six Rivers National Forest in the State of California for the benefit of the Hoopa Valley Tribe.

H.R. 672. An act to make technical amendments to certain provisions of title 17, United States Code.

H.R. 708. An act to require the Secretary of the Interior to conduct a study concerning grazing use and open space within and adjacent to Grand Teton National Park, Wyoming, and to extend temporarily certain grazing privileges.

H.R. 2464. An act to amend the Immigration and Nationality Act to exempt internationally adopted children 10 years of age or younger from the immunization requirement in section 212(a)(1)(ii) of such Act.

SENATE ENROLLED BILL SIGNED

The Speaker announced his signature to enrolled bills of the Senate of the following titles:

S. 588. An act to provide for the expansion of the Eagles Nest Wilderness within the Arapaho National Forest and the White River National Forest, Colorado, to include land known as the Slate Creek Addition.

S. 589. An act to provide for the boundary adjustment and land conveyance involving the Raggeds Wilderness, White River National Forest, Colorado, to correct the effects of earlier erroneous land surveys.

S. 591.—An act to transfer the Dillon Ranger District in the Arapaho National Forest to the White River National Forest in the State of Colorado.

S. 931. An act to designate the Marjory Stoneman Douglas Wilderness and the Ernest F. Coe Visitor Center.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 79. An act to provide for the conveyance of certain land in the Six Rivers National Forest in the State of California for the benefit of the Hoopa Valley Tribe.

H.R. 672. An act to make technical amendments to title 17, United States Code.

H.R. 708. An act to require the Secretary of the Interior to conduct a study concerning grazing use and open space within and adjacent to Grand Teton National Park, Wyoming, and to extend temporarily certain grazing privileges.

H.R. 2464. An act to amend the Immigration and Nationality Act to exempt internationally adopted children 10 years of age or younger from the immunization requirements in section 212(a)(1)(A)(ii) of such Act.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

5751. A letter from the Acting Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Walnuts Grown in California; Decreased Assessment Rate [Docket No. FV97-984-1 IFR] received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5752. A letter from the Acting Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Almonds Grown in California; Interhandler transfers of Reserve Obligations [Docket No. FV97-981-2 FR] received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5753. A letter from the Acting Administrator, Agricultural Marketing Service, transmitting the Service's final rule—Oranges, Grapefruit, Tangerines, and Tangelos Grown in Florida; Limiting the Volume of Small Florida Red Seedless Grapefruit [Docket No. FV97-905-1 IFR] received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5754. A letter from the AMD—Performance Evaluation and Records Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (New Boston, Texas, and Idabel, Oklahoma) [MM Docket No. 97–9, RM–8929, RM–9067] received November 5, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5755. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Fees for Providing Production Certification-related Services Outside the United States (Federal Aviation Administration) [Docket No. 28967; Amdt. No. 187–10] (RIN: 2120–AG14) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5756. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pilatus Britten-Norman Ltd. Models BN–2, BN–2A, BN–2B, and BN–2T Series Airplanes (Federal Aviation Administration) [Docket No. 96–CE–17–AD; Amdt. 39–10173; AD 97–22–02] (RIN: 2120–AA64) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5757. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Change Time of Designation for Restricted Areas R–5104A/B, and R–5105; Melrose, NM [Airspace Docket No. 97–ASW–10] (RIN: 2120–AA66) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5758. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of VOR Federal Airway; CA (Federal Aviation Administration) [Airspace Docket No. 97–AWP–17] (RIN: 2120–AA66) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5759. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Revocation of Restricted Area R–4501G; Fort Leonard Wood, MO [Airspace Docket No. 97–ACE–6] (RIN: 2120–AA66) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5760. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments (Federal Aviation Administration) [Docket No. 29050; Amdt. No. 1831] (RIN: 2120–AA65) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5761. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments (Federal Aviation Administration) [Docket No. 29049; Amdt. No. 1830] (RIN: 2120–AA65) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5762. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments (Federal Aviation Administration) [Docket No. 29048; Amdt. No. 1829] (RIN: 2120–AA65) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5763. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment of Class E Airspace; Alamosa, CO (Federal Aviation Administration) [Airspace Docket No. 97–ANM–02] (RIN: 2120–AA66) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5764. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Delaware, OH (Federal Aviation Administration) [Airspace Docket No. 97–AGL–29] (RIN: 2120–AA66) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5765. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Rochester, IN (Federal Aviation Administration) [Airspace Docket No. 97–AGL–30] (RIN: 2120–AA66) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5766. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Removal of Class E Airspace; Minocqua-Woodruff, WI (Federal Aviation Administration) [Airspace Docket No. 97–AGL–32] (RIN: 2120–AA66) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5767. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Bloomington, IL (Federal Aviation Administration) [Airspace Docket No. 97–AGL–33] (RIN: 2120–AA66) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5768. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Norwalk, OH (Federal Aviation Administration) [Airspace Docket No. 97–AGL–28] (RIN: 2120–AA66) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5769. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Modification of Class E Airspace; Mason, MI (Federal Aviation Administration) [Airspace Docket No. 97–AGL–27] (RIN: 2120–AA66) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5770. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Wrightstown, NJ (Federal Aviation Administration) [Airspace Docket No. 97–AEA–32] (RIN: 2120–AA66) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5771. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Point Pleasant, WV (Federal Aviation Administration) [Airspace Docket No. 97–AEA–31] (RIN: 2120–AA66) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5772. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Summerville, WV (Federal Aviation Administration) [Airspace Docket No. 97–AEA–33] (RIN: 2120–AA66) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5773. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Indian Head, MD (Federal Aviation Administration) [Airspace Docket No. 97–AEA–34] (RIN: 2120–AA66) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5774. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Industrie Aeronautiche e Meccaniche Rinaldo Piaggio S.p.A. Model P–180 Airplanes (Federal Aviation Administration) [Docket No. 97–CE–25–AD; Amdt. 39–10183; AD 97–22–11] (RIN: 2120–AA64) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5775. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; SIAI Marchetti S.r.1. Models SF600 and SF600A Airplanes (Federal Aviation Administration) [Docket No. 97–CE–26–AD; Amdt. 39–10184; AD 97–22–12] (RIN: 2120–AA64) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5776. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dornier Luftfahrt GMBH Models 228–100, 228–101, 228–200, 228–201, 228–202, and 228–212 Airplanes (Federal Aviation Administration) [Docket No. 97–CE–23–AD; Amdt. 39–10181; AD 97–22–09] (RIN: 2120–AA64) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5777. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Partenavia Costruzioni Aeronauticas, S.p.A. Models AP68TP 300 "Spartacus" and AP68TP 600 "Viator" Airplanes (Federal Aviation Administration) [Docket No. 97–CE–24–AD; Amdt. 39–10182; AD 97–22–10] (RIN: 2120–AA64) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5778. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pilatus Aircraft LTD Models PC–6/B1–H2, PC–6/B2–H2, PC–6/B2–H4, and PC–12 Airplanes (Federal Aviation Administration) [Docket No. 97–CE–18–AD; Amdt. 39–10180; AD 97–22–08] (RIN: 2120–AA64) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5779. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Dornier Model 328–100 Series Airplanes Equipped with Burns Aerospace Corporation Passenger Seats (Federal Aviation Administration) [Docket No. 97–NM–84–AD; Amdt. 39–10178; AD 97–06–07 R1] (RIN: 2120–AA64) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5780. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A310 and A300–600 Series Airplanes Equipped with Pratt &

Whitney Turbofan Engines (Federal Aviation Administration) [Docket No. 96–NM–64–AD; Amdt. 39–10157; AD 97–21–04] (RIN: 2120–AA64) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5781. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 737 Series Airplanes (Federal Aviation Administration) [Docket No. 97–NM–229–AD; Amdt. 39–10179; AD 97–22–07] (RIN: 2120–AA64) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5782. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pilatus Britten-Norman Ltd. (formerly Britten-Norman) BN2A MK.111 Series Airplanes (Federal Aviation Administration) [Docket No. 86–CE–23–AD; Amdt. 39–10171; AD 86–07–02 R1] (RIN: 2120–AA64) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5783. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pilatus Britten-Norman Ltd. (formerly Britten-Norman) BN–2A, BN–2B, and BN–2T Series Airplanes (Federal Aviation Administration) [Docket No. 96–CE–25–AD; Amdt. 39–10170; AD 97–22–01] (RIN: 2120–AA64) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5784. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747 and 767 Series Airplanes Equipped with General Electric (GE) CF6–80C2 Engines (Federal Aviation Administration) [Docket No. 97–NM–243–AD; Amdt. 39–10175; AD 97–22–04] (RIN: 2120–AA64) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

5785. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—*Royal Caribbean Cruises, Ltd.* v. *United States*—received November 5, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5786. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—*Sun Microsystems, Inc.* v. *Commissioner*—received November 5, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5787. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—*Trans City Life Insurance Company* v. *Commissioner*—received November 5, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HYDE: Committee on the Judiciary. H.R. 2440. A bill to make technical amendments to section 10 of title 9, United States Code (Rept. 105–381). Referred to the Committee of the Whole House on the State of the Union.

Mr. SOLOMON: Committee on Rules. House Resolution 301. Resolution amending the Rules of the House of Representatives to repeal the exception to the requirement that public committee proceedings be open to all media (Rept. 105–382). Referred to the House Calendar.

Mr. SOLOMON: Committee on Rules. House Resolution 305. Resolution waiving a requirement of clause 4(b) of rule XI with respect to consideration of certain resolutions reported from the Committee on Rules, and for other purposes (Rept. 105–383). Referred to the House Calendar.

Mr. LINDER: Committee on Rules. House Resolution 306. Resolution waiving a requirement of clause 4(b) of rule XI with respect to consideration of certain resolutions reported from the Committee on Rules, and for other purposes (Rept. 105–384). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of Rule X and clause 4 of Rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. TAYLOR of Mississippi:

H.R. 2814. A bill to require the adjustment of tariffs on products imported into the United States from the People's Republic of China based on the amount by which tariffs on products exported from the United States to the People's Republic of China exceed tariffs on products of the People's Republic of China imported into the United States; to the Committee on Ways and Means.

By Mr. WELLER:

H.R. 2815. A bill to amend title 18, United States Code, to provide penalties for the use of interstate facilities to target children for sexually explicit messages or contacts; to the Committee on the Judiciary.

By Mr. CRANE:

H.R. 2817. A bill to amend the Internal Revenue Code of 1986 to more accurately codify the depreciable life of printed wiring board and printed wiring assembly equipment; to the Committee on Ways and Means.

By Mr. DEFAZIO (for himself, Ms. FURSE, Mr. MARKEY, Mr. STARK, Mr. FRANK of Massachusetts, Mrs. MALONEY of New York, Ms. HOOLEY of Oregon, and Mr. LUTHER):

H.R. 2818. A bill to repeal the pilot recreation fee program, and to establish a royalty on hardrock minerals, the proceeds of which are to be used for public recreational sites managed by the Department of the Interior or the United States Forest Service, and for other purposes; to the Committee on Resources.

By Mrs. JOHNSON of Connecticut (for herself and Mr. MATSUI):

H.R. 2819. A bill to amend the Internal Revenue Code of 1986 to permanently extend the research credit and to modify the alternative incremental credit; to the Committee on Ways and Means.

By Mr. JOHNSON of Wisconsin (for himself and Mr. EHRLICH):

H.R. 2820. A bill to exclude certain veterans disability benefits from consideration as adjusted income for purposes of determining the amount of rent paid by a family for a dwelling unit assisted under the United States Housing Act of 1937; to the Committee on Banking and Financial Services.

By Mrs. KENNELLY of Connecticut (for herself, Mr. CRANE, Ms. DANNER, Mrs. EMERSON, Mrs. THURMAN, Mrs. LOWEY, Mr. LIPINSKI, Mr. RAMSTAD, Mr. YATES, and Mr. WELLER):

H.R. 2821. A bill to amend the Internal Revenue Code of 1986 to waive the income inclusion on a distribution from an individual retirement account to the extent that the distribution is contributed for charitable purposes; to the Committee on Ways and Means.

By Mr. KNOLLENBERG (for himself and Mr. BARCIA of Michigan):

H.R. 2822. A bill to reaffirm and clarify the Federal relationship of the Swan Creek Black River Confederated Ojibwa Tribes as a distinct federally recognized Indian tribe, and for other purposes; to the Committee on Resources.

By Ms. NORTON (for herself, Mrs. MORELLA, Mr. HOYER, Mr. WYNN, and Mr. MORAN of Virginia):

H.R. 2823. A bill to direct the Administrator of the Environmental Protection Agency to carry out a pilot program for restoration of urban watersheds and community environments in the Anacostia River watershed, District of Columbia and Maryland, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. SALMON (for himself, Ms. RIVERS, Mrs. MYRICK, Mr. TAYLOR of North Carolina, Mr. BALLENGER, Mr. CHRISTENSEN, Mr. HAYWORTH, Mr. SCARBOROUGH, Mr. GRAHAM, and Mr. TAYLOR of Mississippi):

H.R. 2824. A bill to provide that annual pay adjustments for Members of Congress shall not be made in the year immediately following any fiscal year in which a budget deficit exists, and for other purposes; to the Committee on Government Reform and Oversight, and in addition to the Committee on House Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SANFORD:

H.R. 2825. A bill to establish procedures to ensure a balanced Federal budget by fiscal year 2002 and to create a Social Security reform reserve fund to revenues generated by economic growth; to the Committee on the Budget, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SCHUMER (for himself, Ms. CARSON, Ms. FURSE, Mr. PAUL, Ms. VELÁZQUEZ, Mr. FROST, Mr. JACKSON, Mr. HINCHEY, Mr. FILNER, Mr. TORRES, Mr. NADLER, Mr. GUTIERREZ, Ms. KILPATRICK, and Mr. CLYBURN):

H.R. 2826. A bill to amend the Internal Revenue Code of 1986 to provide a credit for the purchase of a principal residence within an empowerment zone or enterprise community by a first-time homebuyer; to the Committee on Ways and Means.

By Mr. SCHUMER:

H.R. 2827. A bill to amend the Internal Revenue Code of 1986 to require that a taxpayer may request a receipt for an income tax payment which itemizes the portion of the payment which is allocable to various Government spending categories; to the Committee on Ways and Means.

By Mr. TRAFICANT (for himself and Mr. NEY):

H.R. 2828. A bill to direct the Capitol Police Board to establish a pay scale and benefit package for members and civilian employees of the United States Capitol Police equivalent to the pay scale and benefit package applicable to members of the United States Secret Service Uniformed Division; to the Committee on House Oversight.

By Mr. VISCLOSKY (for himself, Mr. LoBiondo, Mr. Abercrombie, Mr. Barrett of Wisconsin, Mr. Berry, Mr. Blagojevich, Mr. Boehlert, Mr. Bonior, Mr. Brown of Ohio, Mr. Buyer, Mr. Castle, Mr. Cramer, Mr. Costello, Mr. Coyne, Ms. Carson, Mr. Davis of Virginia, Mr. Dicks, Mr. Deutsch, Mrs. Emerson, Ms. Eshoo, Mr. Etheridge, Mr. Evans, Mr. Faleomavaega, Mr. Fazio of California, Mr. Filner, Mr. Fox of Pennsylvania, Mr. Frank of Massachusetts, Mr. Frost, Ms. Furse, Mr. Gejdenson, Mr. Gilman, Mr. Gordon, Mr. Gutierrez, Ms. Harman, Mr. Hastings of Florida, Mr. Hinchey, Mr. Holden, Mr. Horn, Mr. Jackson, Mr. Johnson of Wisconsin, Mr. Kennedy of Rhode Island, Mr. Kildee, Ms. Kilpatrick, Mr. Kleczka, Mr. Klug, Mr. Lampson, Mr. Lantos, Mr. Lazio of New York, Mr. Lipinski, Ms. Lofgren, Mrs. Lowey, Mr. Manton, Mr. Martinez, Mr. Matsui, Mrs. McCarthy of New York, Mr. McIntyre, Ms. McKinney, Mr. McNulty, Mrs. Mink of Hawaii, Mr. Ney, Mr. Olver, Mr. Oxley, Mr. Pallone, Mr. Pappas, Mr. Ramstad, Mr. Reyes, Mr. Romero-Barcelo, Mr. Rothman, Ms. Sanchez, Mr. Saxton, Mr. Sherman, Mr. Skeen, Ms. Slaughter, Mr. Stokes, Mr. Strickland, Mr. Stupak, Mrs. Tauscher, Mrs. Thurman, Mr. Towns, Mr. Traficant, Mr. Vento, Mr. Weller, Mr. Whitfield, Ms. Woolsey, and Mr. Yates):

H.R. 2829. A bill to establish a matching grant program to help State and local jurisdictions purchase armor vests for use by law enforcement departments; to the Committee on the Judiciary.

By Mr. WISE:

H.R. 2830. A bill to direct the Administrator of the Federal Railroad Administration to carry out a pilot program to assess the benefits of establishing local and regional hazardous material emergency response teams in certain areas; to the Committee on Transportation and Infrastructure.

By Mr. BARR of Georgia (for himself, Mr. Stump, Mrs. Cubin, Mr. Graham, Mr. Smith of New Jersey, Mr. Sam Johnson, Mrs. Linda Smith of Washington, Mr. Tiahrt, Mr. Metcalf, Mr. Souder, Mr. Paul, Mrs. Chenoweth, Mr. Sessions, Mr. Bartlett of Maryland, Mr. Hunter, Mr. Doolittle, Mr. Mica, and Mr. Kingston):

H. Res. 304. A resolution directing the Committee on the Judiciary to undertake an inquiry into whether grounds exist to impeach William Jefferson Clinton, the President of the United States; to the Committee on Rules.

By Mr. HAYWORTH:

H. Res. 308. A resolution expressing the sense of the House of Representatives that candidates for election for Federal office, the individuals working on their campaigns, and persons involved with the financing of campaigns for election for Federal office should obey all of the applicable laws, rules, and regulations governing fundraising for such campaigns; to the Committee on House Oversight.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mrs. KELLY:

H.R. 2816. A bill for the relief of Frank Redendo; to the Committee on the Judiciary.

By Ms. VELÁZQUEZ:

H.R. 2831. A bill for the relief Jesus M. Collado-Munoz; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 27: Mr. Hulshof.

H.R. 122: Mr. Salmon.

H.R. 612: Mr. Kucinich.

H.R. 641: Mr. Spence.

H.R. 699: Mr. Cook and Mr. Talent.

H.R. 710: Mr. Manton.

H.R. 712: Mr. Manton.

H.R. 777: Mr. Inglis of South Carolina and Mr. Blunt.

H.R. 815: Mr. McIntyre.

H.R. 836: Mr. Baesler.

H.R. 866: Mr. Salmon.

H.R. 900: Mr. Klug and Mr. Weygand.

H.R. 939: Mr. Ramstad.

H.R. 950: Ms. Millender-McDonald and Mr. Wexler.

H.R. 971: Mr. Frelinghuysen.

H.R. 986: Mr. Fawell.

H.R. 993: Mr. Salmon.

H.R. 1025: Mr. Skelton.

H.R. 1049: Mr. Vento.

H.R. 1114: Mr. Klink, Mr. Collins, and Mr. Maloney of Connecticut.

H.R. 1154: Mr. Hefner.

H.R. 1165: Mr. McIntyre.

H.R. 1334: Mr. Bereuter, Mr. Taylor of Mississippi, and Mr. Hastings of Florida.

H.R. 1371: Mr. Watts of Oklahoma.

H.R. 1398: Mr. McIntyre.

H.R. 1401: Mrs. Thurman.

H.R. 1415: Mr. Rodriguez and Mr. Lantos.

H.R. 1425: Mr. Gejdenson.

H.R. 1475: Mr. Salmon.

H.R. 1500: Mr. Weygand.

H.R. 1513: Mr. Costello.

H.R. 1515: Mr. Redmond.

H.R. 1521: Mrs. Tauscher.

H.R. 1524: Mr. Ensign.

H.R. 1565: Mr. Davis of Virginia and Mr. Kucinich.

H.R. 1573: Mr. Ramstad.

H.R. 1614: Mr. Clement.

H.R. 1656: Mrs. Thurman.

H.R. 1679: Mr. Brown of California.

H.R. 1689: Mr. Kind of Wisconsin, Mr. Hilleary, and Mr. Hastings of Washington.

H.R. 1748: Mr. Wolf.

H.R. 1768: Mr. Salmon.

H.R. 1870: Ms. Kilpatrick, Mr. Lewis of Georgia, Mrs. Lowey, and Ms. Lofgren.

H.R. 1873: Mrs. Kennelly of Connecticut and Mr. Gejdenson.

H.R. 1874: Mrs. Kennelly of Connecticut and Mr. Gejdenson.

H.R. 1951: Mrs. Kennelly of Connecticut, Mr. Thompson, Mr. Fattah, Mr. Neal of Massachusetts, and Mr. Hinojosa.

H.R. 1995: Mr. Ramstad, Mr. McKeon, Mrs. Tauscher, Mr. Snyder, Ms. Sanchez, Mr. DeFazio, Mr. Tierney, Mr. Sherman and Mrs. Clayton.

H.R. 2023: Mr. Brown of Ohio and Mrs. Tauscher.

H.R. 2094: Mrs. Lowey and Mr. Rothman.

H.R. 2125: Mr. Pappas.

H.R. 2139: Mr. Dooley of California.

H.R. 2183: Mr. Solomon.

H.R. 2221: Mr. Peterson of Pennsylvania.

H.R. 2302: Mr. Torres and Ms. Velázquez.

H.R. 2313: Mr. Manton.

H.R. 2317: Mr. Kennedy of Rhode Island.

H.R. 2327: Mr. Sandlin and Mrs. Northup.

H.R. 2348: Mr. Bishop, Mr. Bonior, Mr. Dreier, Mr. Sherman, Mr. Lewis of California, Mr. Cox of California, and Mr. Rogan.

H.R. 2349: Mr. Cunningham, Mr. Bono, Ms. Sanchez, Mr. Gallegly, Mrs. Tauscher, and Mr. Horn.

H.R. 2370: Ms. Christian-Green and Mr. Romero-Barcelo.

H.R. 2380: Mr. McHale.

H.R. 2403: Mr. Andrews and Mr. Pappas.

H.R. 2453: Mrs. Thurman, Mr. Hobson, Mr. Greenwood, Mr. Barrett of Wisconsin, Ms. Furse, Mr. McGovern, and Mr. Allen.

H.R. 2456: Mr. Shuster and Mr. Ramstad.

H.R. 2488: Mr. Peterson of Minnesota.

H.R. 2499: Mr. Lampson, Mr. Clement, Mr. Upton, Mr. Pappas, and Mr. Ramstad.

H.R. 2503: Mr. Schumer.

H.R. 2515: Mr. Barrett of Nebraska.

H.R. 2524: Ms. Lofgren and Mr. Hefner.

H.R. 2570: Mr. Coburn.

H.R. 2599: Mr. Olver.

H.R. 2609: Mr. Spence, Mr. Watkins, Mr. Lucas of Oklahoma, Mr. Rohrabacher, and Mr. Hunter.

H.R. 2631: Mr. Watts of Oklahoma, Mr. Jones, and Mr. Adam Smith of Washington.

H.R. 2648: Ms. Rivers and Mr. DeLay.

H.R. 2661: Mrs. Myrick and Mr. Paxon.

H.R. 2664: Mr. Blumenauer.

H.R. 2671: Mr. Frost and Mr. Filner.

H.R. 2723: Mr. Peterson of Pennsylvania.

H.R. 2757: Mr. Sanders and Mr. Coyne.

H.R. 2760: Mr. Packard, Mr. Gallegly, Mr. Evans, and Mr. Taylor of Mississippi.

H.R. 2783: Mr. Goode.

H.R. 2807: Mr. Kennedy of Rhode Island.

H. Con. Res. 55: Mr. Rush.

H. Con. Res. 65: Mr. Neal of Massachusetts, Mr. Packard, Mr. Costello, and Mr. Ehrlich.

H. Con. Res. 80: Ms. Velázquez.

H. Con. Res. 126: Ms. Slaughter, Mr. Peterson of Minnesota, Mr. Lampson, and Ms. Danner.

H. Con. Res. 154: Mr. Frost and Mrs. Tauscher.

H. Con. Res. 158: Mr. Traficant.

H. Con. Res. 176: Mr. Bachus, Mr. Kingston, Mr. Poshard, and Mr. Neumann.

H. Res. 205: Mr. Olver.

H. Res. 211: Mr. Buyer, Mr. Holden, Mr. Kolbe, Mr. Nussle, and Mr. Ryun.

H. Res. 279: Mr. Snyder, Mrs. Tauscher, Mr. DeFazio, Mr. Maloney of Connecticut, Mr. Gilman, and Mr. Clay.

Whitney Turbofan Engines (Federal Aviation Administration) [Docket No. 96–NM–64–AD; Amdt. 39–10157; AD 97–21–04] (RIN: 2120–AA64) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

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5784. A letter from the General Counsel, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747 and 767 Series Airplanes Equipped with General Electric (GE) CF6–80C2 Engines (Federal Aviation Administration) [Docket No. 97–NM–243–AD; Amdt. 39–10175; AD 97–22–04] (RIN: 2120–AA64) received November 4, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

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PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of Rule X and clause 4 of Rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. TAYLOR of Mississippi:

H.R. 2814. A bill to require the adjustment of tariffs on products imported into the United States from the People's Republic of China based on the amount by which tariffs on products exported from the United States to the People's Republic of China exceed tariffs on products of the People's Republic of China imported into the United States; to the Committee on Ways and Means.

By Mr. WELLER:

H.R. 2815. A bill to amend title 18, United States Code, to provide penalties for the use of interstate facilities to target children for sexually explicit messages or contacts; to the Committee on the Judiciary.

By Mr. CRANE:

H.R. 2817. A bill to amend the Internal Revenue Code of 1986 to more accurately codify the depreciable life of printed wiring board and printed wiring assembly equipment; to the Committee on Ways and Means.

By Mr. DEFAZIO (for himself, Ms. FURSE, Mr. MARKEY, Mr. STARK, Mr. FRANK of Massachusetts, Mrs. MALONEY of New York, Ms. HOOLEY of Oregon, and Mr. LUTHER):

H.R. 2818. A bill to repeal the pilot recreation fee program, and to establish a royalty on hardrock minerals, the proceeds of which are to be used for public recreational sites managed by the Department of the Interior or the United States Forest Service, and for other purposes; to the Committee on Resources.

By Mrs. JOHNSON of Connecticut (for herself and Mr. MATSUI):

H.R. 2819. A bill to amend the Internal Revenue Code of 1986 to permanently extend the research credit and to modify the alternative incremental credit; to the Committee on Ways and Means.

By Mr. JOHNSON of Wisconsin (for himself and Mr. EHRLICH):

H.R. 2820. A bill to exclude certain veterans disability benefits from consideration as adjusted income for purposes of determining the amount of rent paid by a family for a dwelling unit assisted under the United States Housing Act of 1937; to the Committee on Banking and Financial Services.

By Mrs. KENNELLY of Connecticut (for herself, Mr. CRANE, Ms. DANNER, Mrs. EMERSON, Mrs. THURMAN, Mrs. LOWEY, Mr. LIPINSKI, Mr. RAMSTAD, Mr. YATES, and Mr. WELLER):

H.R. 2821. A bill to amend the Internal Revenue Code of 1986 to waive the income inclusion on a distribution from an individual retirement account to the extent that the distribution is contributed for charitable purposes; to the Committee on Ways and Means.

By Mr. KNOLLENBERG (for himself and Mr. BARCIA of Michigan):

H.R. 2822. A bill to reaffirm and clarify the Federal relationship of the Swan Creek Black River Confederated Ojibwa Tribes as a distinct federally recognized Indian tribe, and for other purposes; to the Committee on Resources.

By Ms. NORTON (for herself, Mrs. MORELLA, Mr. HOYER, Mr. WYNN, and Mr. MORAN of Virginia):

H.R. 2823. A bill to direct the Administrator of the Environmental Protection Agency to carry out a pilot program for restoration of urban watersheds and community environments in the Anacostia River watershed, District of Columbia and Maryland, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. SALMON (for himself, Ms. RIVERS, Mrs. MYRICK, Mr. TAYLOR of North Carolina, Mr. BALLENGER, Mr. CHRISTENSEN, Mr. HAYWORTH, Mr. SCARBOROUGH, Mr. GRAHAM, and Mr. TAYLOR of Mississippi):

H.R. 2824. A bill to provide that annual pay adjustments for Members of Congress shall not be made in the year immediately following any fiscal year in which a budget deficit exists, and for other purposes; to the Committee on Government Reform and Oversight, and in addition to the Committee on House Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SANFORD:

H.R. 2825. A bill to establish procedures to ensure a balanced Federal budget by fiscal year 2002 and to create a Social Security reform reserve fund to revenues generated by economic growth; to the Committee on the Budget, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SCHUMER (for himself, Ms. CARSON, Ms. FURSE, Mr. PAUL, Ms. VELÁZQUEZ, Mr. FROST, Mr. JACKSON, Mr. HINCHEY, Mr. FILNER, Mr. TORRES, Mr. NADLER, Mr. GUTIERREZ, Ms. KILPATRICK, and Mr. CLYBURN):

H.R. 2826. A bill to amend the Internal Revenue Code of 1986 to provide a credit for the purchase of a principal residence within an empowerment zone or enterprise community by a first-time homebuyer; to the Committee on Ways and Means.

By Mr. SCHUMER:

H.R. 2827. A bill to amend the Internal Revenue Code of 1986 to require that a taxpayer may request a receipt for an income tax payment which itemizes the portion of the payment which is allocable to various Government spending categories; to the Committee on Ways and Means.

By Mr. TRAFICANT (for himself and Mr. NEY):

H.R. 2828. A bill to direct the Capitol Police Board to establish a pay scale and benefit package for members and civilian employees of the United States Capitol Police equivalent to the pay scale and benefit package applicable to members of the United States Secret Service Uniformed Division; to the Committee on House Oversight.

By Mr. VISCLOSKY (for himself, Mr. LOBIONDO, Mr. ABERCROMBIE, Mr. BARRETT of Wisconsin, Mr. BERRY, Mr. BLAGOJEVICH, Mr. BOEHLERT, Mr. BONIOR, Mr. BROWN of Ohio, Mr. BUYER, Mr. CASTLE, Mr. CRAMER, Mr. COSTELLO, Mr. COYNE, Ms. CARSON, Mr. DAVIS of Virginia, Mr. DICKS, Mr. DEUTSCH, Mrs. EMERSON, Ms. ESHOO, Mr. ETHERIDGE, Mr. EVANS, Mr. FALEOMAVAEGA, Mr. FAZIO of California, Mr. FILNER, Mr. FOX of Pennsylvania, Mr. FRANK of Massachusetts, Mr. FROST, Ms. FURSE, Mr. GEJDENSON, Mr. GILMAN, Mr. GORDON, Mr. GUTIERREZ, Ms. HARMAN, Mr. HASTINGS of Florida, Mr. HINCHEY, Mr. HOLDEN, Mr. HORN, Mr. JACKSON, Mr. JOHNSON of Wisconsin, Mr. KENNEDY of Rhode Island, Mr. KILDEE, Ms. KILPATRICK, Mr. KLECZKA, Mr. KLUG, Mr. LAMPSON, Mr. LANTOS, Mr. LAZIO of New York, Mr. LIPINSKI, Ms. LOFGREN, Mrs. LOWEY, Mr. MANTON, Mr. MARTINEZ, Mr. MATSUI, Mrs. MCCARTHY of New York, Mr. MCINTYRE, Ms. MCKINNEY, Mr. MCNULTY, Mrs. MINK of Hawaii, Mr. NEY, Mr. OLVER, Mr. OXLEY, Mr. PALLONE, Mr. PAPPAS, Mr. RAMSTAD, Mr. REYES, Mr. ROMERO-BARCELO, Mr. ROTHman, Ms. SANCHEZ, Mr. SAXTON, Mr. SHERMAN, Mr. SKEEN, Ms. SLAUGHTER, Mr. STOKES, Mr. STRICKLAND, Mr. STUPAK, Mrs. TAUSCHER, Mrs. THURMAN, Mr. TOWNS, Mr. TRAFICANT, Mr. VENTO, Mr. WELLER, Mr. WHITFIELD, Ms. WOOLSEY, and Mr. YATES):

H.R. 2829. A bill to establish a matching grant program to help State and local jurisdictions purchase armor vests for use by law enforcement departments; to the Committee on the Judiciary.

By Mr. WISE:

H.R. 2830. A bill to direct the Administrator of the Federal Railroad Administration to carry out a pilot program to assess the benefits of establishing local and regional hazardous material emergency response teams in certain areas; to the Committee on Transportation and Infrastructure.

By Mr. BARR of Georgia (for himself, Mr. STUMP, Mrs. CUBIN, Mr. GRAHAM, Mr. SMITH of New Jersey, Mr. SAM JOHNSON, Mrs. LINDA SMITH of Washington, Mr. TIAHRT, Mr. METCALF, Mr. SOUDER, Mr. PAUL, Mrs. CHENOWETH, Mr. SESSIONS, Mr. BARTLETT of Maryland, Mr. HUNTER, Mr. DOOLITTLE, Mr. MICA, and Mr. KINGSTON):

H. Res. 304. A resolution directing the Committee on the Judiciary to undertake an inquiry into whether grounds exist to impeach William Jefferson Clinton, the President of the United States; to the Committee on Rules.

By Mr. HAYWORTH:

H. Res. 308. A resolution expressing the sense of the House of Representatives that candidates for election for Federal office, the individuals working on their campaigns, and persons involved with the financing of campaigns for election for Federal office should obey all of the applicable laws, rules, and regulations governing fundraising for such campaigns; to the Committee on House Oversight.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mrs. KELLY:

H.R. 2816. A bill for the relief of Frank Redendo; to the Committee on the Judiciary.

By Ms. VELÁZQUEZ:

H.R. 2831. A bill for the relief Jesus M. Collado-Munoz; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 27: Mr. HULSHOF.

H.R. 122: Mr. SALMON.

H.R. 612: Mr. KUCINICH.

H.R. 641: Mr. SPENCE.

H.R. 699: Mr. COOK and Mr. TALENT.

H.R. 710: Mr. MANTON.

H.R. 712: Mr. MANTON.

H.R. 777: Mr. INGLIS of South Carolina and Mr. BLUNT.

H.R. 815: Mr. MCINTYRE.

H.R. 836: Mr. BAESLER.

H.R. 866: Mr. SALMON.

H.R. 900: Mr. KLUG and Mr. WEYGAND.

H.R. 939: Mr. RAMSTAD.

H.R. 950: Ms. MILLENDER-MCDONALD and Mr. WEXLER.

H.R. 971: Mr. FRELINGHUYSEN.

H.R. 986: Mr. FAWELL.

H.R. 993: Mr. SALMON.

H.R. 1025: Mr. SKELTON.

H.R. 1049: Mr. VENTO.

H.R. 1114: Mr. KLINK, Mr. COLLINS, and Mr. MALONEY of Connecticut.

H.R. 1154: Mr. HEFNER.

H.R. 1165: Mr. MCINTYRE.

H.R. 1334: Mr. BEREUTER, Mr. TAYLOR of Mississippi, and Mr. HASTINGS of Florida.

H.R. 1371: Mr. WATTS of Oklahoma.

H.R. 1398: Mr. MCINTYRE.

H.R. 1401: Mrs. THURMAN.

H.R. 1415: Mr. RODRIGUEZ and Mr. LANTOS.

H.R. 1425: Mr. GEJDENSON.

H.R. 1475: Mr. SALMON.

H.R. 1500: Mr. WEYGAND.

H.R. 1513: Mr. COSTELLO.

H.R. 1515: Mr. REDMOND.

H.R. 1521: Mrs. TAUSCHER.

H.R. 1524: Mr. ENSIGN.

H.R. 1565: Mr. DAVIS of Virginia and Mr. KUCINICH.

H.R. 1573: Mr. RAMSTAD.

H.R. 1614: Mr. CLEMENT.

H.R. 1656: Mrs. THURMAN.

H.R. 1679: Mr. BROWN of California.

H.R. 1689: Mr. KIND of Wisconsin, Mr. HILLEARY, and Mr. HASTINGS of Washington.

H.R. 1748: Mr. WOLF.

H.R. 1768: Mr. SALMON.

H.R. 1870: Ms. KILPATRICK, Mr. LEWIS of Georgia, Mrs. LOWEY, and Ms. LOFGREN.

H.R. 1873: Mrs. KENNELLY of Connecticut and Mr. GEJDENSON.

H.R. 1874: Mrs. KENNELLY of Connecticut and Mr. GEJDENSON.

H.R. 1951: Mrs. KENNELLY of Connecticut, Mr. THOMPSON, Mr. FATTAH, Mr. NEAL of Massachusetts, and Mr. HINOJOSA.

H.R. 1995: Mr. RAMSTAD, Mr. MCKEON, Mrs. TAUSCHER, Mr. SNYDER, Ms. SANCHEZ, Mr. DEFAZIO, Mr. TIERNEY, Mr. SHERMAN and Mrs. CLAYTON.

H.R. 2023: Mr. BROWN of Ohio and Mrs. TAUSCHER.

H.R. 2094: Mrs. LOWEY and Mr. ROTHMAN.

H.R. 2125: Mr. PAPPAS.

H.R. 2139: Mr. DOOLEY of California.

H.R. 2183: Mr. SOLOMON.

H.R. 2221: Mr. PETERSON of Pennsylvania.

H.R. 2302: Mr. TORRES and Ms. VELÁZQUEZ.

H.R. 2313: Mr. MANTON.

H.R. 2317: Mr. KENNEDY of Rhode Island.

H.R. 2327: Mr. SANDLIN and Mrs. NORTHUP.

H.R. 2348: Mr. BISHOP, Mr. BONIOR, Mr. DREIER, Mr. SHERMAN, Mr. LEWIS of California, Mr. COX of California, and Mr. ROGAN.

H.R. 2349: Mr. CUNNINGHAM, Mr. BONO, Ms. SANCHEZ, Mr. GALLEGLY, Mrs. TAUSCHER, and Mr. HORN.

H.R. 2370: Ms. CHRISTIAN-GREEN and Mr. ROMERO-BARCELO.

H.R. 2380: Mr. MCHALE.

H.R. 2403: Mr. ANDREWS and Mr. PAPPAS.

H.R. 2453: Mrs. THURMAN, Mr. HOBSON, Mr. GREENWOOD, Mr. BARRETT of Wisconsin, Ms. FURSE, Mr. MCGOVERN, and Mr. ALLEN.

H.R. 2456: Mr. SHUSTER and Mr. RAMSTAD.

H.R. 2488: Mr. PETERSON of Minnesota.

H.R. 2499: Mr. LAMPSON, Mr. CLEMENT, Mr. UPTON, Mr. PAPPAS, and Mr. RAMSTAD.

H.R. 2503: Mr. SCHUMER.

H.R. 2515: Mr. BARRETT of Nebraska.

H.R. 2524: Ms. LOFGREN and Mr. HEFNER.

H.R. 2570: Mr. COBURN.

H.R. 2599: Mr. OLVER.

H.R. 2609: Mr. SPENCE, Mr. WATKINS, Mr. LUCAS of Oklahoma, Mr. ROHRABACHER, and Mr. HUNTER.

H.R. 2631: Mr. WATTS of Oklahoma, Mr. JONES, and Mr. ADAM SMITH of Washington.

H.R. 2648: Ms. RIVERS and Mr. DELAY.

H.R. 2661: Mrs. MYRICK and Mr. PAXON.

H.R. 2664: Mr. BLUMENAUER.

H.R. 2671: Mr. FROST and Mr. FILNER.

H.R. 2723: Mr. PETERSON of Pennsylvania.

H.R. 2757: Mr. SANDERS and Mr. COYNE.

H.R. 2760: Mr. PACKARD, Mr. GALLEGLY, Mr. EVANS, and Mr. TAYLOR of Mississippi.

H.R. 2783: Mr. GOODE.

H.R. 2807: Mr. KENNEDY of Rhode Island.

H. Con. Res. 55: Mr. RUSH.

H. Con. Res. 65: Mr. NEAL of Massachusetts, Mr. PACKARD, Mr. COSTELLO, and Mr. EHRLICH.

H. Con. Res. 80: Ms. VELÁZQUEZ.

H. Con. Res. 126: Ms. SLAUGHTER, Mr. PETERSON of Minnesota, Mr. LAMPSON, and Ms. DANNER.

H. Con. Res. 154: Mr. FROST and Mrs. TAUSCHER.

H. Con. Res. 158: Mr. TRAFICANT.

H. Con. Res. 176: Mr. BACHUS, Mr. Kingston, Mr. POSHARD, and Mr. NEUMANN.

H. Res. 205: Mr. OLVER.

H. Res. 211: Mr. BUYER, Mr. HOLDEN, Mr. KOLBE, Mr. NUSSLE, and Mr. RYUN.

H. Res. 279: Mr. SNYDER, Mrs. TAUSCHER, Mr. DEFAZIO, Mr. MALONEY of Connecticut, Mr. GILMAN, and Mr. CLAY.

SENATE—*Thursday, November 6, 1997*

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today's prayer will be offered by our guest Chaplain, Rev. Ron Schoenfeldt, McComb Church of the Nazarene, McComb, MS. He is a guest of our majority leader, Senator LOTT.

PRAYER

The guest Chaplain, Rev. Ron Schoenfeldt, McComb Church of the Nazarene, McComb, MS, offered the following prayer:

Let us unite our hearts in prayer.

O Heavenly Father, maker of Heaven and Earth and ruler over all nations, we acknowledge our dependence and reliance upon You. From the founding days of our beloved Nation You, O Lord, have been the author of liberty.

We have seen in the early days of the leadership of Congress their firm belief in the protection of Your divine providence and where they mutually pledged to each other their very lives, fortunes, and their sacred honor. We confess today it is easy to take for granted these men and women in their elected positions of the Senate.

Therefore, we ask You, O Lord, to help them to understand the times to know what to do. In this day and age when cynicism and disillusionment of life are running rampant, bless the Senate to provide hope and vision to this Nation which still remains the keystone in the arch of democracy.

May this session today realize the help and hand of our Father to shape the future so America can remain great and strong. May You bestow grace, wisdom, and courage today upon these Senators who proclaim the motto: "In God we trust." For this we ask in the name of Christ Jesus, our Lord. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator LOTT of Mississippi, is recognized.

Mr. LOTT. Thank you, Mr. President.

THE GUEST CHAPLAIN

Mr. LOTT. Mr. President, we are honored this morning to have had today's opening prayer delivered by Rev. Ron Schoenfeldt, senior pastor of the McComb Church of the Nazarene in McComb, MS. I am very pleased to have Reverend Schoenfeldt here today, because he is highly well-known and respected in McComb for outreach work, such as his monthly nursing home ministry and work with area athletic programs.

I know Reverend Schoenfeldt wanted to open the Senate with a prayer on his 40th birthday. We are honored to have him do so.

I thank the Chaplain for all the work he does and allowing us to have this guest.

I thank Reverend Schoenfeldt for taking the time to come here today to pray for this institution and our country. I also commend him for his fine work in the McComb Church of the Nazarene and wish him continued success and happiness. Thank you very much, Reverend Schoenfeldt.

SCHEDULE

Mr. LOTT. Mr. President, this morning, the Senate will debate the nomination of Ronald Lee Gilman, of Tennessee, to be a U.S. circuit judge for the sixth circuit. At the conclusion of debate, at approximately 9:40 a.m., the Senate will conduct a rollcall vote on the confirmation of the nomination. Following that vote, the Senate will debate the conference report to accompany H.R. 1119, the Department of Defense authorization bill, for up to 4 hours, as under the previous order. So we assume then that vote will occur on or about 2 o'clock. Also under the order, a vote on the adoption of the conference report will occur at the expiration of time. Again, we assume that will be around 2 o'clock.

Amtrak reform, D.C. appropriations bill, the FDA reform conference report, the intelligence authorization conference report and any other additional legislative or executive items that can be cleared will be taken up. I understand that we are just about ready to call up the D.C. appropriations bill. I think that there was an FDA conference report yesterday. Hopefully, they resolved their problems. After the DOD authorization bill, we then should be able to move to the intelligence conference report. We will also continue to try to move Executive Calendar nominations. I believe yesterday we moved about 20 nominations. We will have a vote this morning on Mr. Gilman to be a sixth circuit court judge. We should expect to have further votes during the day in addition to the two at 9:40 a.m. and approximately 2 o'clock. We will advise Members when a time is set for future votes. I yield the floor, Mr. President.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. BROWNBACK). Under the previous order, the leader time is reserved.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

PRIVILEGE OF THE FLOOR

Mr. CRAIG. Mr. President, aside from the business at hand, I ask unanimous consent that Janice Nielsen, a legislative fellow who works in my office, be granted the privilege of the floor for the duration of the debate and vote on the conference report to accompany H.R. 1119, the Department of Defense authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRAIG. I yield the floor.

EXECUTIVE SESSION

NOMINATION OF RONALD LEE GILMAN, OF TENNESSEE, TO BE U.S. CIRCUIT JUDGE FOR THE SIXTH CIRCUIT

The PRESIDING OFFICER. Under the previous order, the Senate will now go into executive session and proceed to the consideration of the nomination of Ronald Lee Gilman, of Tennessee, which the clerk will report.

The assistant legislative clerk read the nomination of Ronald Lee Gilman, of Tennessee, to be U.S. circuit judge for the sixth circuit.

The PRESIDING OFFICER. There will be 10 minutes debate on the nomination.

Mr. LEAHY. Mr. President, I understand that on the nomination, there is 5 minutes reserved to a side, is that correct?

The PRESIDING OFFICER. That is correct.

Mr. LEAHY. Mr. President, I don't see the distinguished chairman of the Judiciary Committee, so I will take the 5 minutes on this side.

Obviously, this is a case where, I assume, Ronald Gilman will be confirmed, and I congratulate him.

I am pleased that the majority leader has decided to take up the nomination of Ronald L. Gilman to be a judge for the Sixth Circuit Court of Appeals. Mr. Gilman currently works as a partner for Farris, Mathews, Gilman, Branan & Hellen, P.L.C. in Memphis, TN, an adjunct professor of trial advocacy for the University of Memphis Law School, an arbitrator and mediator for the American Arbitration Association in

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Nashville, TN, an arbitrator and mediator for the National Association of Securities Dealers in Chicago, IL, and as a dalkon shield referee for the Private Adjudication Center in Cary, NC. The ABA gave Mr. Gilman its highest evaluation—a unanimous well qualified rating.

In addition to his paid legal service, Mr. Gilman currently volunteers on behalf of the Memphis, TN and American Bar Associations, the Association of Attorney-Mediators and the Commercial Law Affiliates.

I congratulate Mr. Gilman and his family, and I look forward to his service on the Sixth Circuit of the U.S. Federal Court of Appeals.

I am also delighted that the Judiciary Committee plans to consider 15 judicial nominations at its executive business meeting today. I am hopeful that these nominations may be considered by the full Senate before we adjourn for the year.

Mr. President, we have seen this time and time again where judges are held up because people are concerned about them, we are told, and then we have a rollcall vote on them and virtually every Senator votes for them. I mention this because no matter how many times we are told that we have to look very carefully at these judges, that they have concerns about them, it is obvious the Senate is not concerned about them and the Senate votes for them.

The same thing has happened with Bill Lann Lee. It is a case where the whole Senate would vote for Bill Lann Lee, that he would be confirmed overwhelmingly as Assistant Attorney General for the Civil Rights Division, but a small ideological group has decided that while they could not defeat Bill Lann Lee on the floor, a minority of the minority would try to defeat him and vote to block him in committee.

It seems the Republican leadership is determined to sacrifice Bill Lann Lee to narrow ideological politics. If the Republican leadership were to allow the Senate to vote on this outstanding nominee, a majority of the Senate, Republicans and Democrats, would vote to confirm him. Unfortunately, the press accounts this morning are that conservative Republicans have decided to block him by a minority of the minority. They have vowed not to allow this nomination to be considered by the Senate before adjournment this year.

This is not democracy. This is not the Senate at its best. This is the Senate at its worst, twisting the rules. The reason the Republican leadership gives for trying to kill this nomination is that Bill Lann Lee agrees with the President. It is not so much about Bill Lee as Bill Clinton. The President won election, and he won reelection. For the Senate to refuse to proceed to this nomination because Mr. Lee honestly testified that he would adhere to policies of equal justice consistent with those of the President is wrong.

Mr. President, can we have order, please? I cannot hear myself.

The PRESIDING OFFICER. There will be order in the body. Any conversations will please be taken off the floor. The Senator may proceed.

Mr. LEAHY. I thank the Chair. The Republican leaders were prodded into this by the narrow ideological extreme right of their party and its allies. They have not brought forward their own bill on affirmative action. They want to talk about it, but they have not brought it forward because they know a majority of Republicans and Democrats would not vote for it.

The Proposition 209 case is over. The Supreme Court has ruled on that. The good people of Houston rejected efforts to abandon those previously discriminated against. So there is nothing left for the extreme right except one trophy, and that trophy is Bill Lann Lee.

What kind of an example does this set? What kind of signal does this send? Bill Lee's life story is an American success story. He is the son of immigrants who struggled against discrimination. His father fought with the American forces in World War II. He spent his professional career working to solve civil rights problems and diffuse conflict. His record of achievement is exemplary. He is a man of integrity and honor, as even those opposing him have to concede.

When he said to the Judiciary Committee that quotas are illegal and wrong and he would enforce the law, no one should have any doubt about his resolve to do what is right. He is a person with great problem-solving skills. Such matters are too important to be used for political purposes or as wedge issues to divide people. What is promising about this nomination is that Bill Lee is the person with the credentials, credibility and creativity to help move America and all Americans forward.

Any fairminded review of his 23-year career shows him to be well-suited to head the Civil Rights Division. It shows where he has been and where the law has been and how we have moved forward to refine remedial approaches to discrimination and its vestiges. One measure of this extraordinary individual are the testimonies of support provided by so many of his litigation opponents over the years, support based on his fairness and good sense, support from Democrats and Republicans alike.

Just this summer, the Senate moved forward to confirm another Assistant Attorney General, someone who had expressly declined to follow the language of the Telecommunications Act House-Senate conference report and raised concerns among a number of Senators. We were told that the standard to be employed in evaluating these nominees was not to hold a nominee hostage to policy differences with the administration but to vote for the nominee, if well-qualified, to permit the Justice Department to proceed with a confirmed division chief, and for us in Congress to move forward and work with the administration in the formulation and implementation of effective policies.

Unfortunately, with this nomination, that of the first Asian-American to head the Civil Rights Division, the rules are being changed and the standards are being moved. First, it appeared that the Republicans wished to raise their concerns with the nominee and point out their differences with administration policy, as is traditionally done. Then the focus was on Mr. Lee's possible involvement in Supreme Court consideration of the California proposition 209 case. When Mr. Lee came forward and recused himself from involvement in that case, the suggestion was made that the Department of Justice abstain from filing a brief in that case should certiorari be granted.

That suggestion was properly rejected. Indeed, I would think that the Supreme Court would be likely to request the views of the U.S. Government if they were not tendered in an amicus brief. Surely imposition of this suggested gag rule on the United States on issues of significance and concern in order to confirm a nominee who would not even be involved in formulating the U.S. position would have been ill-advised.

This week the Supreme Court denied review in the California proposition 209 case. If Bill Lee's recusal did not clear the way for his confirmation surely, one would have thought, this action by the Supreme Court removed the immediate obstacle that had been fastened on by the opposition. Instead, the grounds for opposition shifted. It now appears that in order to be confirmed to lead the Civil Rights Division, the nominee must not only commit to uphold the law but disavow the President who has nominated him to serve in this administration. Before we are done I expect that the nominee would be required to endorse S. 950, a bill that the Senate has not considered nor the Congress enacted.

I think it beneath Senators to suggest that this fine nominee ought be rejected because a previous, unqualified Republican nominee had been rejected by the committee. Tit for tat may be the rule in the alley, but should not govern the actions of the U.S. Senate. Nonetheless, there seems to be a lot of pay back motivating those opposing this fine man.

I regret that a narrow, ideological litmus test is being proposed that would require nominees to disavow remedies and approaches that the Supreme Court has held to be constitutional and necessary to enforce our commitment to equal opportunity. It is the administration's commitment to affirmative action and equal justice that would have to be sacrificed. I know that Bill Lee would not compromise his commitment to enforce the law and to seek equal justice for all Americans.

Moreover, if accepted by a partisan majority, that political litmus test will know no natural limit. It could infect the confirmation of the Associate Attorney General, the Solicitor General and all other nominations.

I regret that some have decided to oppose this good man. He would, in my view, enforce the law, use his problem-solving skills and proven ability to move the country forward and build on the progress that we have been able to make in remedying past discrimination over the last several years. It appears now that for this nomination to prevail in Committee it will take a profile in courage by a couple Republican members. I urge each member to consider his or her vote carefully and what it means for this nomination, for the country and for standards being created for future nominations.

There is a place to consider the important issues involved in the debate over race relations in the country and the constitutionality of affirmative action that the Supreme Court has held to be constitutional. That should not be the issue with respect to the vote on this nominee, however.

When Bill Lee appeared before the Committee with his family he testified candidly about his views, his work and his values. He articulated to us that he understands that as the Assistant Attorney General for the Civil Rights Division his client is the United States and all of its people. He told us poignantly about why he became a person who has dedicated his life to equal justice for all when he spoke of the treatment that his parents received as immigrants. Mr. Lee told us how in spite of his father's personal treatment and experiences, William Lee remained a fierce American patriot, volunteered to serve in the United States Army Air Corps in World War II and never lost his belief in America.

He inspired his son just as Bill Lee now inspires his own children and countless others across the land. They are the kind of everyday heroes to whom we sing praises.

Mr. Lee told us:

> "My father is my hero, but I confess that I found it difficult for many years to appreciate his unflinching patriotism in the face of daily indignities. In my youth, I did not understand how he could remain so deeply grateful to a country where he and my mother faced so much intolerance. But I began to appreciate that the vision he had of being an American was a vision so compelling that he could set aside the momentary ugliness. He knew that the basic American tenet of equality of opportunity is the bedrock of our society."

I know that Bill Lee will remain true to all that his father taught him and hope that the momentary ugliness of people opposing his nomination based on an ideological litmus test of people distorting his achievements and beliefs and of some succumbing to narrow partisanship will not be his reward for a career of good works. Such treatment drives good people from public service and distorts the role of the Senate.

I have often referred to the Senate as acting at its best when it serves as the conscience of the Nation. In this case, I am afraid that the Senate may show no conscience.

I call on the Senate's Republican leadership to end their targeting of Bill Lann Lee and to work with us to bring this nomination to the floor without obstruction so that the Senate may vote and we may confirm a fine person to lead the Civil Rights Division into the next century.

Why this exemplary Asian-American is singled out, a man who has shown far more qualities than most people and could easily be confirmed, I cannot understand. To allow somebody's career, to allow somebody who has lived the American dream, to allow somebody who has demonstrated what is best about this country, to allow the Senate to react to what is worst about this country in defeating him is absolutely wrong. It is a shame on the Senate. It is a shame on the country. It is a shame on all of us if we allow this to happen. The worst part of that shame, Mr. President, is that if the Senate were allowed to vote on Bill Lann Lee, he would be confirmed, because most Senators in both parties would not allow this shame to go on. Why an ideological ultraright would stop it I cannot understand.

Mr. President, I ask unanimous consent that recent editorials on this matter from the Los Angeles Times, the New York Times, and the Washington Post be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, Nov. 6, 1997]

POLITICS OF THE PARTISAN KILL—HATCH PLAYS THE EXECUTIONER IN THE BILL LEE CONFIRMATION PROCESS

Sen. Orrin G. Hatch's manipulation of Bill Lann Lee's confirmation process was a callous performance, nearly a political beheading for no apparent reason beyond the fact that Lee is President Clinton's choice as the nation's top civil rights official.

The Utah Republican himself acknowledged Tuesday that Lee, nominated to head the Justice Department's civil rights division, is "an able civil rights lawyer with a profoundly admirable passion to improve the lives of many Americans."

The GOP game seems to be to torpedo even the most outstanding appointments out of petulance that the Democrat in the White House has the nominating power. The Senate Judiciary Committee, headed by Hatch, has turned to stalling or harassment in the cases of many worthy nominees to the federal bench, for instance; this continues at a time when one in nine judgeships are vacant.

Lee, with 23 years of experience in civil rights law, is well respected and qualified to do the job, but Hatch painted the Los Angeles attorney as a poster boy for affirmative action. Ridiculous.

The senator says that much of Lee's work has been devoted to "constitutionally suspect, race-conscious public policies that ultimately distort and divide citizens by race."

Distorted view of the law? Lee has worked long and vigorously within the civil rights statutes to uphold the law. He opposed California's Proposition 209 but has said he would support the law of the land, including this week's controversial U.S. Supreme Court decision to let stand Proposition 209, California's ban on race and gender preferences in public hiring and university admissions.

Hatch's opposition could doom Lee's appointment unless two Republicans join the committee's eight Democrats in today's scheduled vote on Lee, who would be the first Asian American to manage the 250-lawyer division. Even if the Judiciary Committee does not recommend Lee, the full Senate should get the opportunity to vote on the nomination. Clinton administration officials, who belatedly mounted a full-court press for their nominee, believe that Lee could be confirmed by a floor vote.

Barring that, Clinton could courageously circumvent the Senate and put Lee in the job by making a "recess appointment" after Congress shuts down Friday for its annual Christmas break. Lee warrants Senate confirmation. He should not be made a political scapegoat.

[From the New York Times Nov. 6, 1997]

AFFIRMATIVE ACTION IN PLAY

The Supreme Court's most momentous decision of the current term may turn out to be its refusal this week to hear a challenge to the constitutionality of California's anti-affirmative-action initiative, Proposition 209. The Court's sidestep allows California to proceed unimpeded with its rollback of remedies that are, regrettably, still needed to address the nation's persistent problem of race and gender discrimination. It may also encourage other states to follow California.

Had it taken the case, this Court might well have agreed with the Ninth Circuit's decision upholding Proposition 209, which applies to affirmative action programs in public education, employment and contracting. But the opposing arguments are also weighty and deserved a timely and respectful airing by the justices.

In the absence of any guidance from the Supreme Court, the nation is now embarking on a far-reaching legal and social experiment that holds as much potential to exacerbate racial differences as to minimize them. Clearly, many fair-minded Americans are uncomfortable with race-based preferences. But they cannot feel sanguine that alternative steps, such as basing affirmative action on income instead of race, will be adequate to preserve black access to the elite public universities, and the career opportunities and higher pay that follow from it.

The only encouraging development on this contentious issue was seen in Houston, the nation's fourth-largest city, in Tuesday's elections when voters defeated a measure similar to Proposition 209 that would have prohibited affirmative action in Houston's contracting and hiring. The heavy minority turnout for the city's mayoral election was evidently a big factor in mobilizing opposition, as was a clearly worded measure that avoided inflammatory and misleading language. Houston's retiring Mayor, Bob Lanier, a wealthy white developer, did the nation a service by emphasizing the unfair result if affirmative action were eliminated. "Let's not turn back the clock to the days when guys who look like me got all the city's business," he urged voters.

It was hoped that the Supreme Court's refusal to take up Proposition 209 would at least persuade Senator Orrin Hatch to clear President Clinton's nomination of Bill Lann Lee as Assistant Attorney General for Civil Rights. Earlier Mr. Hatch, chairman of the Senate Judiciary Committee, broached the idea of trading Mr. Lee's confirmation for a promise from the Administration not to file a brief with the Court in support of the challenge. Once the 209 challenge was dead, however, Mr. Hatch announced he would vote against Mr. Lee anyway, based on his affirmative-action views.

Yet those views are also the President's, and no one, not even Senator Hatch, disputes that Mr. Lee is well qualified. Mr. Hatch seems to be abusing the confirmation process to bolster his standing with the right wing of his party. Sensible Republican senators need to join quickly with their Democratic colleagues to make sure that Mr. Lee's nomination survives this offensive kind of end-of-session maneuvering.

[From the Washington Post, Oct. 24, 1997]

THE LEE NOMINATION

In July, the president nominated Bill Lann Lee, western regional counsel for the NAACP Legal Defense and Educational Fund, to be assistant attorney general for civil rights. The post had then been vacant for half a year. On Wednesday, Mr. Lee had his confirmation hearing. The nomination now should be approved.

The choice of Mr. Lee has drawn some limited opposition, as civil rights nominations by either party almost always seem to do these days. In this case, however, even opponents, some of them, have acknowledged that, from a professional standpoint, Mr. Lee is qualified. The issue is not his professional competence. The objection is rather to the views of civil rights that he shares with the president, and which, in the view of the critics, should disqualify him.

Mr. Lee's views appear to us to be well inside the bounds of accepted jurisprudence. He is an advocate of affirmative action, as you would expect of someone who has spent his entire professional career—23 years—as a civil rights litigator. The president has likewise generally been a defender of such policies against strong political pressures to the contrary. But Mr. Lee himself observed that the assistant attorney general takes an oath to uphold the law as set forth by the courts, and so he would. The range of discretion in a job such as this is almost always less than the surrounding rhetoric suggests.

Mr. Lee over his career has brought a considerable number of lawsuits in behalf of groups claiming they were discriminated against, and has sought and won resolutions aimed at making the groups whole, somehow defined. It is that kind of group resolution of such disputes that some people object to, on grounds that the whole object of the exercise should be to avoid labeling and treating people as members of racial and other such groups. There is surely some reason for the discomfort this group categorizing generates. But the court's themselves continue to uphold such actions in limited circumstances. And Mr. Lee has won a reputation for resolving such cases sensibly. Los Angeles's Republican Mayor Richard Riordan is one who supports the nomination. "Mr. Lee first became known to me as opposing counsel in an important civil rights case concerning poor bus riders in Los Angeles," he has written. "The work of my opponents rarely evokes my praises, but the negotiations could not have concluded successfully without Mr. Lee's practical leadership and expertise . . . Mr. Lee has practiced mainstream civil rights law."

There are lots of legitimate issues to be argued about in connection with civil rights law. Mr. Lee's nomination is not the right vehicle for resolving them. Senators, including some who no doubt disagree with some of his views, complain with cause about the continuing vacancies in high places at the Justice Department. This is one they should fill before they go home.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DURBIN. Mr. President, I ask to be recognized.

The PRESIDING OFFICER. All time has expired as far as the amount of time allocated on this nomination. There are 5 minutes controlled by the majority. But the 5 minutes to the Senator's side has expired.

Mr. DURBIN. Is there time in morning business?

The PRESIDING OFFICER. We are on the nomination of Mr. Gilman of Tennessee.

Mr. DURBIN. Mr. President, I ask unanimous consent to speak for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DURBIN. Mr. President, I associate myself with the remarks of the Senator from Vermont. This is a sad day. I have only been a Member of this body for less than a year.

I cannot remember, though, any nominee who has come before the Senate Judiciary Committee who had a more compelling personal story about his life and his family. Bill Lann Lee is an extraordinary man, the son of Chinese immigrants. His parents came to this country penniless and started a hand laundry in New York.

His mother, who sat with him at the confirmation hearing, sat in the window of that hand laundry her entire life in front of a sewing machine. His father, working in that hand laundry, refused to teach Bill Lann Lee and his brother the skill of ironing clothes because he was determined they would not follow him in his footsteps in that laundry.

As Senator LEAHY has said, Bill Lee's father, who could have been deferred because of age from serving in World War II, volunteered, put his life on the line, and came back with the experience of being treated, as he said, "as an American." That is what Bill Lee told us.

Then Bill Lee, given a chance to attend Yale and Columbia Law School, graduated with high honors and, instead of going with a prestigious law firm and making a lot of money, he devoted his life to finding opportunity and education and employment for everyone in this country.

That this Senate—that the Senate Judiciary Committee, and a small group in that body, would turn down this opportunity for such a fine man to serve this country is truly disgraceful.

I believe that we owe it to Mr. Lee to give him a chance to serve, as he has already served this country in so many ways. To take out on Mr. Lee some feelings about President Clinton is totally unfair. I hope the Senate Judiciary Committee will give him this opportunity to serve.

Just last week or so, we all queued up to talk about human rights to the President of China. Now we have a chance to vote on human rights in putting a well-qualified person in the job as Assistant Attorney General for Civil Rights. We are going to determine whether those speeches that were given by Republicans and Democrats were only tourist fare for President Jiang.

Mr. THOMPSON. Mr. President, I am pleased that the Senate is taking up the nomination of Ronald L. Gilman of Memphis to be U.S. circuit judge for the U.S. Court of Appeals for the Sixth Circuit. I want to thank Chairman HATCH of the Judiciary Committee for taking up and reporting this nomination so promptly and the majority leader for scheduling a vote on it so soon after the nomination was reported to the Senate. The Sixth Circuit currently has two vacancies, so it is important to my State and the others in the circuit that this vacancy get filled quickly.

Ron Gilman is a native of Memphis, where he was raised. After attending the Massachusetts Institute of Technology and Harvard Law School, he returned to Memphis in 1967 and since then has spent his entire legal career at the leading Tennessee law firm of Ferris, Mathews, Gilman, Branan and Hellen. I might point out that the Mathews in that firm name is former Senator Harlan Mathews.

Mr. Gilman rapidly became established as a leader of the Memphis bar, serving as president of the Young Lawyers Division of the Memphis Bar Association and president of the Young Lawyers Conference of the Tennessee Bar Association. He subsequently served a term as president of both the Memphis and Tennessee Bar Associations.

Mr. Gilman is eminently qualified to serve as a judge. His legal career has been as distinguished as it has been multifaceted. He has practiced criminal law, civil litigation, particularly commercial litigation, general business law, and estate planning. Most recently, he has spent a good deal of his practice involved in alternative means of dispute resolution, often serving as an arbitrator and mediator. From a background such as his, I think we can safely expect that Mr. Gilman will bring to the bench the legal practitioner's bent for common sense and careful application of the law rather than an ideological approach to the law.

Mr. Gilman is not only one of Tennessee's most distinguished lawyers, but a leader in the Memphis community as well, having served leadership roles with the Boy Scouts, the Memphis Jewish Home, and Memphis Senior Citizens Services, among other groups. He is a recipient of the Sam A. Myar, Jr. Memorial Award for outstanding service to the legal profession and the Memphis community.

This nomination enjoys widespread and bipartisan support. Both Republican Representative ED BRYANT and Democratic Representative HAROLD FORD, Jr., support the nomination. The entire Tennessee legal community supports the nomination. I have heard not a single negative word about Mr. Gilman's nomination, and I urge my colleagues to vote in favor of this nomination.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I yield back the time on this side. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Ronald Lee Gilman, of Tennessee, to be U.S. circuit judge for the Sixth Circuit? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Maryland [Ms. MIKULSKI] is necessarily absent.

The PRESIDING OFFICER (Mr. INHOFE). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 98, nays 1, as follows:

[Rollcall Vote No. 295 Ex.]

YEAS—98

Abraham
Akaka
Allard
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bryan
Bumpers
Burns
Byrd
Campbell
Chafee
Cleland
Coats
Cochran
Collins
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Domenici
Dorgan
Durbin
Enzi
Feingold
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Rockefeller
Roth
Santorum
Sarbanes
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Torricelli
Warner
Wellstone
Wyden

NAYS—1

Faircloth

NOT VOTING—1

Mikulski

The nomination was confirmed.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEARS 1998—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of the conference report accompanying the bill (H.R. 1119) to authorize appropriations for fiscal year 1998 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

The report will be stated by the clerk.

The legislative clerk read as follows:

> The committee on conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1119), have agreed to recommend and do recommend to their respective Houses this report, signed by majority of the conferees.

The Senate proceeded to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of October 23, 1997.)

The PRESIDING OFFICER. Under the previous order, there will now be 4 hours for debate to be equally divided in the usual form.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, the conference report for the National Defense Authorization Act for Fiscal Year 1998 is before the Senate now. This is an important component of the national security legislation that the Congress must pass each year.

The Armed Services Committee worked hard this year to produce a bill that will authorize the appropriation of $268.2 billion for procurement, research and development, test and evaluation, operation and maintenance, working capital funds, military personnel, military construction and family housing within the Department of Defense, and for the weapons programs of the Department of Energy and the civil defense. This is an important piece of legislation.

Mr. President, there are some Senators who will suggest that the Senate should reject this bill in order to protect interests in their States. This is a very large bill with over 600 legislative provisions. The conference report is nearly a thousand pages. In order to reach agreement on a bill of this magnitude, a lot of compromise is required. The conference report includes many programs and policies essential to the Department of Defense and the Nation. However, not everyone got everything that they wanted. As the committee prepared for our markup, we received letters of request from 99 Senators. The committee tried to accommodate as many of these requests as possible, consistent with our national security needs. Mr. President, neither South Carolina nor Michigan got everything Senator LEVIN and I wanted for our States.

Defeating the Defense authorization bill because three or four Senators did not get everything they wanted would be the ultimate in partisanship over statesmanship. Let me explain what the Nation would lose if there is no Defense authorization bill this year.

I believe the single most controversial issue in the conference report is the policy with regard to depots. In the area of privatization, the bill includes an important compromise that provides for open competition for the work at the closing depots at Kelly and McClellan Air Force Bases. If the bill is not enacted, the opportunity to support full and open competition and to resolve a longstanding and very contentious issue will be lost. The bill would also change the current 60–40 public/private split in The Department of Defense depot maintenance to 50–50, giving The Department of Defense greater flexibility to achieve an optimal mix of public and private capabilities.

Mr. President, negotiating the compromise on the depot issue was a difficult and complex three-way negotiation. Senator LEVIN and I worked together in a totally bipartisan manner to ensure a fair resolution that provided for fair and open competition. We are in total agreement on the compromise. I want to commend Senator LEVIN, and members of his staff, for their tireless efforts and cooperation in achieving this compromise.

I know that some Senators believe that they should have gotten more, but there are equally as many Senators from States on the other side of the issue who believe they gave up a great deal more. I hope that we agree that open competition will be in the best interests of the public and private sector and the Nation. Secretary Cohen has indicated that he can support the depot compromise. I urge my colleagues to put parochial interests aside and work with us to implement this compromise successfully.

Mr. President, I could talk for hours about the important legislative provisions that the Department of Defense and our service men and women will be denied if we permit this conference report to be defeated. I will spare my colleagues that recitation, but I do want to highlight some of what we will lose.

Without the Defense authorization bill, the military pay raise will be less than our service members deserve. The bill includes a 2.8-percent pay raise for military personnel. If the bill is not enacted, the pay raise for military personnel will be limited to 2.3 percent. Federal civilians will receive at least a 2.8-percent pay increase while our military personnel on duty throughout the world will receive a pay raise 1 percent below the inflation rate. Denying military personnel what I would describe as a minimal pay raise is shameful.

The bill includes authority for significant increases in the special pay and bonus structure designed to respond to critical recruiting and retention problems highlighted by the Department of Defense. Specific groups that would be affected include military aviators, nuclear-qualified officers, dentists, military members on overseas tours, military members receiving family separation allowances and/or hazardous duty assignment pay, and military members serving in hardship duty locations. Reducing military pay raises while failing to increase these bonuses through defeat of the Defense authorization bill will punish those who expect us here in the Congress to look out for them. We will be repudiating the commitments we have made to improving the quality of life for military personnel and their families.

Mr. President, I assure my colleagues that, unless this bill is passed, we will see increases in career personnel leaving the military services. They will see our action as a breach of faith and I cannot blame them.

The bill provides authority for the Department of Defense to begin construction on the fiscal year 1998 military construction projects including quality of life and training-related facilities. If the bill is not enacted, construction cannot begin. Some may believe that since the military construction and family housing projects are funded in the Military Construction Appropriations Act, they do not need the authorization in the conference report. Let me assure my colleagues that is not correct. Both an authorization and an appropriation are required for military construction projects.

The conference report includes an exception to the cost limitation for one *Seawolf* submarine. Without this legislation, the Navy will have to stop work on the SSN–23 later this calendar year. This could lead to significant payments to the shipyard and people who work on the *Seawolf* Submarines and those who supply materials for the submarines will be laid off. Not only does the Nation need the capabilities of these advanced submarines, the employees and the communities in which these people live will be tragically affected. We cannot allow this to happen.

In the conference report, we re-authorized the acclaimed National Guard Youth Challenge Program. The bill would make permanent the authority for this important and popular community and youth-oriented program. If the bill is not enacted, the Department of Defense must terminate support for this popular program. Many disadvantaged youth in all our States will be denied the opportunities this worthwhile program provides.

The President, and most of us here in Congress, strongly profess our support for counterdrug activities. The bill includes provisions that would extend the 1-year authority to provide counterdrug assistance to Mexico and would create a new 5-year authority to provide riverine counterdrug assistance to Colombia and Peru.

The bill would establish two new assistants to the Chairman of the Joint Chiefs of Staff, representing the interests of the National Guard and the Reserves. This is important legislation designed to ensure that the Chairman of the Joint Chiefs of Staff has the benefit of the best advice with regard to all the reserve forces, in particular as it pertains to their unique capabilities and requirements.

Mr. President, I could go on for hours on the good things in this bill. Some may propose stripping out some of the provisions I have discussed today and introducing separate legislation in order to avoid denying our service members key benefits. This is a shortsighted and unacceptable notion. The conferees worked very hard for many weeks to craft a bill that includes those items they agree are essential to the national security. To fracture this process would be irresponsible. Those who may propose such legislation will be trying to take care of a few at the expense of many. This is not our way. I will strongly object to any such proposals.

Mr. President, suggestions to defeat the Defense authorization conference report because of the compromise on depot maintenance are irresponsible. This bill is important to the young men and women who serve in our military forces. The bill includes pay raises and increases to special incentive pay, including vital aviator bonuses. Provisions in this bill affect every aspect of our national defense including quality of life initiatives, modernization, and readiness. I remind all Senators that all military construction projects require an authorization as well as an appropriation and cannot be executed without this bill.

All members of the Armed Services Committee support this bill, both Democrat and Republican. The Military Coalition, a consortium of nationally prominent military and veterans organizations representing 5 million current and former members of the seven uniformed services, their families and survivors, strongly endorses enactment of this bill. I ask unanimous consent that a letter signed by the leaders of the 22 organizations be included in the RECORD at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. THURMOND. Mr. President, the House of Representatives has already passed this bill by a veto-proof majority of 286 to 123. The leaders of the Defense Department have indicated that they can make this compromise work and that they need this bill passed. It is hard for me to believe that any Senator would oppose the entire Defense authorization bill at a time when American troops are deployed in Bosnia and serious trouble appears to be brewing again in Iraq.

I strongly encourage all Senators to vote for this bill. We must send a strong signal to the White House to demonstrate to the President that this bill which is so important to our national security should be signed. We must show the young men and women in uniform serving our Nation around the world, men and women many of whom will spend yet another Thanksgiving and Christmas holiday season away from home in service to their Nation, that we are strongly behind them.

Mr. President, I might add that the conference report is the outcome of a great deal of hard work by Members and staff. I want to especially thank staff on both sides for all that they did to promote this bill. I am confident that without their good work we couldn't have brought to the floor such an outstanding bill. I want to commend Les Brownlee and David Lyles for the excellent work, and other members of the staff who cooperated with them.

Mr. President, I yield the floor.

EXHIBIT 1

THE MILITARY COALITION,
Alexandria, VA, October 30, 1997.

Hon. STROM THURMOND,
Chairman, Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Military Coalition, a consortium of nationally prominent military and veterans organizations, representing five million current and former members of the seven uniformed services plus their families and survivors, is writing to strongly endorse enactment of H.R. 1119, the National Defense Authorization Act for FY 1998.

Several of the provisions of the bill are vital to maintaining a high level of military readiness among the men and women of the

Army, Navy, Marine Corps, Air Force, Coast Guard, Public Health Service and National Oceanic and Atmospheric Administration. Others would offer significant improvements in health programs, compensation protections for deploying members, and survivor benefits programs, to name a few.

Now that the conferees have made their judgments concerning defense priorities and resource allocation, the Coalition believes strongly that this legislation should be enacted as quickly as possible. The uniformed servicemen and women, whose selfless dedication to this Nation frequently puts them in harm's way, need Congress' support, and that support can best be rendered at this time by passing H.R. 1119.

Sincerely,

THE MILITARY COALITION.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I am pleased to join with the chairman of the Senate Armed Services Committee in bringing the conference report on the DOD authorization act to the Senate floor this morning. It has been a long and difficult conference in which we had to address and finally resolve some very difficult issues.

First, I want to congratulate Chairman THURMOND on the successful conclusion of the conference and thank Senator THURMOND for the open and bipartisan spirit in which he conducted this conference on the Senate side. Without his leadership, this conference report wouldn't be here. He had to make some difficult decisions. He did that on a bipartisan basis, and I want to commend him for it.

I thank the chairman and the ranking member on the House side, Congressmen SPENCE and DELLUMS, for their cooperation.

We worked hard to reach a fair conclusion on the issues in the conference. I think we have succeeded. There are some provisions in the bill that I don't agree with. But, overall, I think we reached a good compromise on the major issues. And I hope the President will sign this bill.

Let me start with the action that we took to begin the implementation of the Quadrennial Defense Review. These are important steps. There hasn't been a lot of focus on them. But these are important actions which we took. The QDR, the Quadrennial Defense Review, was completed in May. The conference report begins to implement some of the recommendations of the QDR.

For example, the conference report would permit reductions in Active and Reserve and end strengths below the fiscal year 1997 level, as the Department of Defense continues to restructure and streamline both combat and support functions in an effort to free up funds for the services' modernization priorities.

Second, the conference report calls for annual reductions of 5 percent in headquarters staffing over the next 5 years in an effort to reduce the so-called tooth-to-tail ratio.

The conference report would provide funding for a number of the Army's Force XXI initiatives. The QDR set a goal of "digitizing" an entire Army Corps by 2004—and the funding in this bill will continue that process.

Finally, the conference report would make some positive changes in the area of privatization of depot maintenance work recommended by the QDR by permitting the privatization of up to 50 percent of such work, in lieu of the 40 percent cap currently imposed by law.

Mr. President, I think it is very unfortunate that Congress has not followed the QDR recommendation to give the Defense Department authority to conduct more base closure rounds. We lost that battle on the Senate floor this year, but this issue is just simply not going to go away. I think more and more people are going to realize that we are going to have to close some unnecessary bases if we are going to free up money for other important needs, including the modernization of our forces.

The bill also takes a number of important steps to improve the quality of life of our troops.

For example, the conference report includes a 2.8-percent pay raise for active duty military members. If the bill were not enacted, this pay raise would be limited to 2.3 percent because of the statutory link between military and civilian pay raises. However, Federal civilians will receive an average .5 percent in locality pay that is not available to active duty military, in addition to their 2.3-percent pay raise.

So the 2.8-percent pay raise for active duty military is fair, it is needed, and it is dependent upon the passage of this conference report.

The conference report also includes authority for significant increases in special pay and bonuses available to respond to critical recruiting and retention problems which have been highlighted by the Department of Defense. If the bill were not enacted, these authorities would not be available to the Department. Specific groups that would be affected include aviators, nuclear-qualified officers, dentists, military members on overseas tours, military members receiving family separation allowances and/or hazardous duty assignment pay, and military members serving in hardship duty locations. Those increases in those special pay and bonuses are critically necessary. They are dependent on the passage of this bill.

The conference report includes significant reforms of the existing structure for housing allowances and subsistence allowances for military members. These reforms would simplify the management of these allowances and better target the allowances to those individuals in geographic areas with the greatest need.

The conference report provides authority for the Department of Defense to begin construction on fiscal year 1998 military construction projects, which include a number of important quality-of-life and training-related facilities. As our chairman has said, if this bill is not enacted, construction of these projects cannot begin, and they are needed. And these are quality-of-life issues.

The conference report terminates the Reserve Mobilization Insurance Program. If the bill is not enacted, the Department of Defense will continue to lose $10 to $12 million per month as deployments and obligations continue.

Mr. President, I am particularly pleased that the conferees agreed to authorize the full budget request of $382 million for the Defense Department's Cooperative Threat Reduction Program, and $158 million for the related programs in the Department of Energy.

The House bill also contained some very restrictive provisions that would have made it difficult for these programs to continue in the coming year. I am pleased that those provisions were either dropped or modified by the conferees. Combating the threat of proliferation of weapons of mass destruction is one of the greatest national security challenges that we face. And the cooperative threat-reduction programs are on the front line of our efforts to meet this challenge.

Those programs are an investment in America's security. Those programs make it less likely that there will be a proliferation of weapons of mass destruction. Those programs are a very, very cost-effective way of reducing probably the greatest threat that America faces. I am glad that we were able to fully fund the budget request and, again, either eliminate or modify some needlessly restrictive provisions on the use of those funds.

There were three issues that we had to deal with in conference that the administration said, if we didn't resolve satisfactorily to them, would result in a veto of this bill.

First, Bosnia;

Second B–2's;

And, third, depots.

All three of these issues were raised by provisions in the House bill. And, after a lengthy battle, we have successfully addressed each one of them.

First, on the issue of Bosnia, I think we had a good outcome. The administration again said they would veto a bill that included a funds cutoff for United States military presence in Bosnia. We avoided that outcome with a provision similar to the one in the Department of Defense appropriations conference report that authorizes the President to override a funds cutoff if he certifies that the continued presence of American troops in Bosnia after June 30, 1998, is required to meet

United States national security interests.

But, equally important in my view is the sense-of-Congress language which I sponsored in the Senate that says clearly it is the sense of the Congress that,

First, United States ground combat forces should not participate in a follow-on force in Bosnia after June 1998;

Second, that a western European Union-led or a NATO-led force, without the participation of United States ground combat forces, may, indeed, be a suitable follow-on force; and that a western European Union-led force could be under the European Security and Defense Identity initiative;

Third, this language provides that the United States may decide to provide appropriate support to a follow-on force, including command and control, intelligence, logistics, and, if necessary, a Ready Reserve force in the region;

And, fourth, this language provides that the President should inform our NATO allies of this sense-of-Congress language and strongly urge them to prepare to provide for such a follow-on force.

The second veto issue was the B-2 bomber. On this issue, we believe that we avoided a veto threat by following the appropriations conference outcome. We authorized a total of $331 million either for procurement of additional B-2 aircraft or for maintenance and upgrade of the current B-2 fleet. We left it up to the President to decide which option to select.

I obviously hope and expect that the President will decide not to buy any more B-2's.

That clearly is the position of the Senate, and I hope he makes the decision quickly so that we can put this issue behind us and so the Air Force can begin to spend the money on what is needed, which is to fix some of the problems with the current B-2 fleet. The senior military civilian leaders of the Defense Department have said repeatedly that we don't need and cannot afford any more B-2's.

Now, on depot maintenance, which is the most difficult issue that we faced, it took the longest time to resolve in this conference, and that issue is how do we allocate depot maintenance work of the closing air logistics centers at Kelly and McClellan Air Force Bases. With a lot of jobs at stake, there are obviously strong feelings on both sides of this issue. And those feelings are understandable.

I think we all ought to realize that people who have an interest in their home States are going to fight strongly for those States and for what they perceive as fairness for their home States. That is why we are here—at least one of the reasons we are here—to represent strongly the interests of our own State. And so the kind of strength that we faced in the feelings on this issue was understandable and it is understandable.

The Depot Caucus representatives of the depots that remain open felt that the President had ignored the spirit of the base closure process by pursuing a policy of privatizing the work at Kelly and McClellan, and that was the so-called privatization or privatizing-in-place approach. The Senators from Texas and California fought equally strongly to ensure that the work could remain at the closed depots.

Now, I will state candidly that I disagreed with the assertion of the Depot Caucus that the Base Closure Commission prohibited privatization in place at Kelly and McClellan, and I have said this before, that in my judgment the 1995 Base Closure Commission left it up to the Department of Defense to decide how to redistribute the Kelly and McClellan work. The Commission's recommendation explicitly directed the Department of Defense to "Consolidate the workloads to other DOD depots or to private sector commercial activities as determined by the Defense Depot Maintenance Council." So there was an either/or in the Commission recommendation—either consolidate the work loads to other DOD depots or to private sector commercial activities.

I also disagreed with the legislation which was proposed by the Depot Caucus which was included in the House bill which would have prohibited the Department from privatizing in place until the three remaining Air Force depots were operating at 80 percent of capacity—in effect prohibiting the Air Force from keeping any of the work in California or Texas.

I voted against that proposal in our committee, and I voted against it in conference because I felt that it was one sided. Had that provision remained in this bill, I would not be supporting the conference report. But as the present Presiding Officer fully knows, that provision is not in this conference report. What we have instead is a provision that is aimed at providing a level playing field for competition between the closed depots and the depots that remain open.

Now, I have always believed that competition results in the best value to the Department of Defense and to the taxpayers, and I believe it is the right solution to the depot dispute.

The conference language includes seven specific criteria to help ensure that the Air Force does not tilt the playing field. These requirements were written by Members and staff who are neutral in the fight between the closed bases and the remaining air logistics centers. Now, I reiterate, Members who actually voted against the position of the Depot Caucus in conference took the lead in drafting this compromise, and our sole objective was to ensure a fair competition and each of these requirements was included for that purpose.

We had some objections from both sides of the issue in the Congress and from the administration about almost every proposal that was ever put on the table, but the bottom line is that we believe this compromise is fair. We believe the Department of Defense can make it work fairly. I support the compromise because I believe it will lead to the fair and open competition that is the best and perhaps the only answer to this dispute.

We have heard several arguments from opponents of this provision. First, one draft of the compromise bill language contained a sentence which stated that "appropriate consideration may be given to differences in cost or performance risk associated with the location of performance."

In the final version, the bill language was replaced with report language which stated:

> The Department would be expected to consider real differences among bidders in cost or capability to perform the work based on factors that would include the proposed location or locations of the workloads. The consideration of such differences does not constitute "preferential treatment."

Both the bill language in the earlier version and the report language in the final version gave the Department the flexibility to consider both cost and risk factors associated with the location of performance. Both are consistent with the Department of Defense's current practice, and I just simply cannot see any substantive difference between them.

Second, opponents of the fair competition compromise oppose a provision authorizing teaming agreements between the public depots and private contractors. In my view, such teaming arrangements simply give each offeror, each bidder, the opportunity to put together its best bid. The Deputy General Counsel of the Department of Defense, who also now happens to be the nominee to be the new Under Secretary of the Air Force, recently testified before the Armed Services Committee that he could not see anything anticompetitive about public/private teaming arrangements. If teaming agreements result in better bids and better value for the Department of Defense and the taxpayer, then it seems to me we should encourage these arrangements and not prohibit them.

Third, opponents of the compromise language have said that it would unfairly stack the deck against Texas and California by permitting the public depots to fudge their bids by hiding overhead costs. In fact, the fair competition provisions specifically require the Department to consider all direct and indirect costs that will result from the various offers. So, far from permitting the depots to hide costs, the provision requires the Department of Defense to consider all costs.

The statement of managers states that the Department should consider all savings including "any overhead savings, i.e., reduced administrative costs, more efficient utilization of facilities that would result from the consolidation of work loads for the remaining public facilities."

However, it is up to the Department of Defense to determine what overhead savings, if any, may result from a particular offer. Nothing in the conference report or the statement of managers permits or encourages any offeror to hide costs or authorizes the Department to consider any overhead savings that it has not determined to be valid.

SENIOR MILITARY COLLEGES

The last issue I want to mention is a provision in the House bill that the conferees agreed to over my objections involving the so-called senior military colleges. This provision would require the Army to guarantee graduates of the ROTC programs at the six senior military colleges—North Georgia College, the Citadel, Virginia Military Institute, Virginia Tech, Norwich University, and Texas A&M—automatic assignments to active duty if they request it, provided, however, they are physically and medically qualified, and are recommended by the professor of military science at their school.

The effect of this provision is that graduates from the senior military colleges will be assigned to active duty even if there are better qualified officers graduating from ROTC programs at other colleges and universities across the nation. I realize that this is not a major provision when compared to other issues in the conference. It is, however, a major issue in terms of principle, and I intend to make sure that everyone understands what this provision does.

This provision codifies in law a quota system to give preferential treatment to a small group of ROTC graduates without regard to where their performance and potential stacks up when compared to graduates from other ROTC programs. The Army's own figures show that, when all ROTC graduates—including the senior military colleges—were arranged in an order of merit, a number of graduates from the senior military colleges each year ranked below the cutoff line for active duty.

Since 1990, 268 graduates of senior military colleges have been assigned to active duty despite being below the cutoff point for ROTC graduates offered active duty assignment in the Army's order of merit list. This list ranks all ROTC graduates. The conference provision clearly will disadvantage those graduates of ROTC programs who are not offered the same exceptional consideration as is offered to the graduates of the senior military colleges.

Instead of guaranteeing equal treatment and open competition for assigning all ROTC graduates to active duty, the conference provision establishes in law a formal vehicle to maintain a quota system of preferential treatment for the graduates of six specific colleges and universities.

I will be trying to correct this unfairness in the future.

CONCLUSION

Mr. President, I would like to conclude by thanking the chairman of the Armed Services Committee, Senator THURMOND, for the open and bipartisan manner in which he conducted the conference on this bill. While we were not able to agree on every issue, Senator THURMOND and his staff have made every effort to include the minority at every stage of the deliberations.

I would also like to express my appreciation to the staff of the Armed Services Committee on both the majority and minority sides for the tremendous effort that they have put into this bill and this conference. I think all Members of the committee know that this bill would not have been possible without the outstanding work of Les Brownlee, David Lyles, and their dedicated supporting cast. I also want to extend my thanks to the staff of the House National Security Committee and the House and Senate Legislative Counsels for their help in preparing this large bill.

Mr. President, this is a good conference report that strengthens our national security. I urge my colleagues to join me in supporting it.

Mr. President, I will yield the floor at this time.

I yield my good friend from Connecticut such time as he may need.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. I thank the Chair and I thank my friend and colleague from Michigan.

Mr. President, I come to the floor to urge our colleagues to support this fiscal year 1998 national defense authorization bill. I am proud to be a member of the committee from which this bill has emerged, the Senate Armed Services Committee. I particularly wish to thank our chairman, Senator THURMOND, and our ranking Democrat, Senator LEVIN. These are two extraordinarily able, wise Members of the Senate who have worked together very well to produce this bill that meets our national security needs.

We all know that we are in a post-cold war period. Perhaps the needs of defense are less in the minds of the public, but these are not matters that should be decided by public opinion polls. These are matters of national security, at the very root of why governments are formed, and they call out for leadership by those who have been given the privilege of serving, leadership in the interest of national security by all of us across party lines, across both Chambers of Congress, across Pennsylvania Avenue between the Congress and the White House to do the best that we can to provide for our national defense today and, in some ways even more difficult, particularly at a time of relative security such as we are in today to make the investments that are necessary so that we will meet the multiple possible threats to our security in the decades ahead. This bill I think does about as well as we could do at this point, and I am therefore proud to be here to urge our colleagues to support it.

I want to state first that this is a bipartisan bill. There are a lot of things that happen around the Capitol that are much too partisan. Somehow we come here and we feel as if we have suddenly been placed on two teams on either side of the tug-of-war and you have to get on your side, and sometimes on all sides we lose a bit of sight of what the problem is and the urgency of working together in the national interest across party lines.

I am very proud that on the Armed Services Committee, of course, there are disagreements, sometimes they tend to split more partisan than at other times, but as this bill, the product of the better part of a year's labor of the Armed Services Committee of the Senate, shows we have gotten together. We have come halfway across the bridge on a whole host of issues and problems, matters of real concern, and the feeling is we have had our voices heard both in the committee, in the Chamber and in conference.

This bill really represents an act of bipartisanship. Because so much attention is focused on the partisanship around here, I think it is important to note that with some satisfaction and again thank the bipartisan leadership of the committee for having made that possible.

Second, Mr. President, this is a bill that is a compromise and that has compromises in it. As a conferee on the Senate side, I must admit that the conference negotiations over this bill were protracted, difficult. There was much give and take. But in the end, which is again the nature of this process at its best, we were able to overcome many obstacles, some of which seemed intractable at times, all of which arose from what initially appeared to be difficult to reconcile positions. And despite these obstacles, the end result I think is a good bill that achieves the goal of adequately providing for our national defense.

It is not a perfect solution, but we rarely achieve perfect solutions here. The question is will we be willing to bend a bit to get to a point where we have any solutions, and I think this bill does. It reflects compromise, the kinds of compromises that are honorable and make our political system unique and produce results. In the end, I would probably say that none of the conferees, House or Senate, were completely satisfied but none were completely disappointed neither, and the end result is a bill that moves us forward.

I do want to say in a more targeted way that the bill protects the Senate position on two controversial issues, Bosnia and the B–2.

Mr. President, the third basic point is that this bill has provisions that are essential to maintaining our military strength and particularly in providing adequately for our men and women in uniform, the finest fighting force in the world. But they will not continue to be so unless we provide for them.

Let me cite a few of the matters in the bill that are so critical. There was some discussion of what would normally be unthinkable, that we might not pass a DOD authorization bill this year. But that would have been done at great peril and loss.

This bill, for instance, provides authority for adequate funding for critical equipment procurement and R&D, research and development. I am privileged to serve as the ranking Democrat on the Subcommittee on Acquisition and Technology, chaired by my friend and colleague from Pennsylvania, Senator SANTORUM. There are some very important investments here that will provide dominance for the American military a decade or two from now. All of the glory that we achieved, the victory that we achieved in the gulf war, so much of it was made possible by research and development that began, not in 1990 or 1991 when we fought the war, but in the 1970's. This budget provides the same kind of first investments in future military dominance.

Second, the bill provides authority for the Department of Defense to begin construction of fiscal year 1998 military projects, construction projects which include quality of life, and training-related facilities which are so critical, both to the morale of our forces and their capacities.

Third, the bill provides lower end strength levels and increased flexibility for managing personnel strength. That is very important to the commanders.

Fourth, the bill includes significant reforms of the existing structure for housing allowances and subsistence allowances for members of the military.

Fifth, the bill includes authority for significant increases in the special pay and bonus structure, designed to respond to critical recruiting and retention problems, particularly in the Air Force.

Sixth, the bill includes a 2.8-percent pay raise for active duty military members—it is not a lot, but at least an increase—a pay raise of 2.3 percent for Federal civilians, and an additional 0.5 percent increase in locality pay.

It is a big bill. It is an important bill. It achieves some things that would not be achievable were this bill not passed.

Senator LEVIN was speaking when I came into the Chamber. He was speaking about the depot issue. Obviously, there has been a lot of concern about that over the last several weeks—months, in fact. Today, as we consider this bill, some are still suggesting that the depot provisions of the bill may invite a Presidential veto. I certainly hope not. I hope such a veto is not being seriously considered within the White House because it would be profoundly harmful to our national defense by delaying authorizations such as those I have just described, which are critical for maintaining our current military readiness as well as delaying investments in our future military strength by way of critical procurement and R&D programs.

The depot provisions of the bill provide, in my opinion, a level playing field among current Government depots and those which are being privatized. I understand the intense feelings in the various localities affected by this. But here again, across party lines, the best effort was made to achieve a compromise. These provisions on depots in the bill, I think, are fair and equitable to all sides involved in this extremely complex issue. No one set of interests prevailed. No one side achieved all their end goals. At the same time, no side walked away without retaining some of their core objectives here. In a very real sense, the depot provisions of this DOD authorization bill reflect the long and detailed, bipartisan effort of all of the conferees. I honestly believe that the conferees produced the very best possible legislation, not only generally but particularly on this issue which was so divisive and was thought to be possibly fatal to the chances of the overall bill, so important to our national defense, even passing.

So, I say, respectfully, that any move to veto this bill because of the depot provisions would be very unfair and unwise. A veto would freeze other provisions in the bill for an unacceptable length of time, and there is no guarantee that what would follow would be a solution any better for the parties involved intimately than the one already painstakingly worked out.

Last, a veto might act to dismantle current support for the bill and open up partisanship on a host of other issues, partisanship or parochialism, divisiveness, on a host of other issues which have already been resolved in the underlying bill through a lot of hard work.

Let me say, finally, that I know there are many in Congress, some in the country, who feel we are still spending too much for defense. As hard as we on the committee struggled to authorize, as closely as we worked with the appropriators, the fact is—and I think it is important to point this out to our colleagues and to the public—this represents the continuation of more than a decade of defense budgets that have been lower in real dollars than the previous year. I believe this is the 13th straight defense budget of the United States of America that has been lower, in real dollars, than the preceding year's.

First, I say that to say to those who say the military industrial complex, whatever, the hawkish people here, are not recognizing the change in the post-cold-war years and are still spending as much, that is just not true.

Second, just look at the newspapers. Look at the instability in the Middle East with Saddam Hussein again acting against America's interests, against the world's interests. Probably, as the news today suggests, people in the U.N., not the United States, are alleging that Saddam Hussein is taking the action he has to try to frustrate inspection for the reason that we would guess—to conceal behavior, development of systems in his country that are not only a breach of the agreement he made to end the gulf war but which could be disastrous for the security of American personnel in that region, for the security of our allies, for the overall balance of power in that region. Look at the acts of terrorism that continue throughout the world.

Even consider the efforts that the President made and has been making—they were highlighted last week because of the visit of the President of China, Jiang Zemin—an effort to try to find a course of peace, cooperation, integration; not to treat the Chinese as if they were our enemies inevitably—which is probably the best way to make them our enemies—but to try to build cooperative relations. That is the kind of effort that can only be made if we feel strong enough militarily to know that if our optimistic view does not work, we have the strength to protect our security interests and those of our allies—in this case in the Pacific region.

There is a lot of change going on within our military structure, a lot of adjustment to the changing threats that we face, the reduced resources available. The outgoing immediate past Chairman of the Joint Chiefs of Staff, General Shalikashvili, presided over the presentation of a visionary document, "Joint Vision 2010." Where should we be in the year 2010? How can we get our services to work better together? How can we take advantage of the enormous leaps forward in technology?

The Quadrennial Defense Review, completed earlier this year, which was authorized in the DOD authorization bill for this year, fiscal year 1997, created, in my opinion, the broadest involvement within the Pentagon of personnel post cold war, about what the shape of the future threat is and what we need to face it. The National Defense Panel, also an independent panel created in the DOD bill last year, is in the final stages of its work. It is a Team B that we created of retired military personnel, outside experts and independent thinkers to provoke us, to make sure that we are doing everything we can to produce the best defense at least cost, that we are taking advantage of new technologies, of new forms of management.

Mr. President, the military cannot be any more immune than the rest of the world to the changes occurring. I have told this story probably too many times. It goes back some months now. One day earlier this year, the lead story in the Wall Street Journal was how General Electric, which happens to be headquartered in my State, was going to be reporting record profits—billions. What was the focus of attention within that company, under a visionary, demanding president, Jack Welch? "How can we change to make sure that we continue to be as successful in the future as we are today?" Nobody who sits still is going to remain successful and strong. That is as true of our military as it is of any great institution in the private sector.

That process is beginning. The Armed Services Committee has played a leading role in encouraging it. We have to keep that moving, as this bill does. So, overall this bill is a good bill, and it is an important bill, and it is a necessary bill. So I urge my colleagues across party lines to vote for the bill with a strong show of support as we send it eventually to the President with the very urgent hope, and I think the strong case, that the President will sign this bill knowing that it truly serves the primary goal of our Government, which is the national security.

Mr. President, I again thank the chairman of the committee for his extraordinary leadership and the ranking Democrat, and I yield the floor.

Mr. THURMOND. Mr. President, I commend the able Senator from Connecticut on his excellent remarks on this subject.

Mr. President, I suggest the absence of a quorum and ask the time be equally charged to both sides.

The PRESIDING OFFICER (Mr. BURNS). Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BUMPERS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUMPERS. Mr. President, I am not here to necessarily engage the chairman and the ranking member of the Senate Armed Services Committee——

The PRESIDING OFFICER. Will the Senator suspend? Who yields time?

Mr. BUMPERS. Will the Senator from Michigan yield—this won't take long.

Mr. LEVIN. I will be happy to yield—how much time?

Mr. BUMPERS. Fifteen minutes. You may want more than 15 by the time I get through.

Mr. LEVIN. I yield the Senator from Arkansas 15 minutes. We don't know how time is going to be allocated, that is our problem.

Mr. BUMPERS. I will try to make this short.

Mr. LEVIN. I yield 15 minutes to my friend from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 15 minutes.

Mr. BUMPERS. Mr. President, from 1993 to 1997, the Navy retired seven *Los Angeles* class attack submarines—seven in that 4-year period. In that same period, we were in the process of building three *Seawolf* submarines at a cost of $13.2 billion. Not one of those submarines that we have decommissioned, all of which had a 30-year life expectancy, not one that we retired had less than 12 years left on its life expectancy, and several of them had 14 years left on their life expectancy.

In that same period of time, we retired two nuclear-powered guided-missile cruisers, the *Virginia* and the *Mississippi*. Both of those ships had 20 years left on their life expectancy. And just last month, the Navy decommissioned another *Virginia* class guided missile cruiser, the U.S.S. *Arkansas*. That ship is near and dear to my heart because my wife Betty christened it. The U.S.S. *Arkansas*, incidentally, had sailed for only 18 years, and had a life expectancy of 20 years left on it. CGN-41. That stands for cruiser, guided missile, nuclear.

In that same period of time, 1993 to 1997, we decommissioned five frigates, every one of which had anywhere from 14 to 16 years left on their 35-year life expectancy.

In that same period of time, we also decommissioned nine guided-missile frigates, every one of which, but one, had a 21-year life expectancy left.

Now, Mr. President, the Navy and the Pentagon has told the Defense Subcommittee on Appropriations on which I sit, as does the Presiding Officer, that tight budgets were requiring them to do more with less and that we are wearing out our ships and exhausting our crews because of the high operating tempo we are demanding of them.

I have had reason to reevaluate what those officials have told us. First, Congress added $720 million to the 1998 defense budget to increase from three to four the number of DDG–51 *Arleigh Burke* class destroyers we will buy this year. The *Arleigh Burke* destroyer is a very fine ship, and it carries the Aegis air defense system. But let me repeat that this extra ship cost $720 million.

Secondly, I learned, as I said, that the Navy would retire the U.S.S. *Arkansas* while it still has 20 years of useful life left. That ship is now being broken up for scrap.

You have to ask yourself, why are we retiring perfectly good multimission surface ships when the cost for a comparable new ship is staggering? So I decided to look into this early warship retirement, and here are some of the things I have learned.

Those ships that I mentioned that we retired between 1993 and 1997, the five regular frigates and nine guided-missile frigates and the two nuclear-powered guided-missile cruisers and the *Los Angeles* attack submarines, all of those ships, as I said, had 12 to 21 years left on their lives. During that same period of time, Congress appropriated about $18 billion to acquire two new submarines and 16 *Arleigh Burke* destroyers.

It seems to me that this is awfully penny-wise and pound-foolish to be retiring these ships and spending so much to replacing them with fewer ships. We could keep a lot more ships in service at a lot less cost if we canceled or delayed procurement of just one or two of the submarines or destroyers the Navy plans to buy over the next 4 years.

Listen to this. It costs $200 million to refuel a *Los Angeles* class submarine and about $30 million a year to operate it. So the Navy could refuel three *Los Angeles* attack submarines and operate them until the year 2014, 16 to 17 years from now, for the price of buying one New Attack Submarine.

In addition, it costs about $25 million a year to operate a guided-missile frigate. So, for the cost of the one *Arleigh Burke* destroyer that we added to the fiscal 1998 budget, the Navy could operate three *Perry* class frigates until the year 2007.

I know that the *Los Angeles* class submarine is not quite as good as a *Seawolf*, or New Attack Submarine. I know a guided-missile cruiser or frigate is not quite as capable as an *Arleigh Burke* destroyer, but those older classes were good enough for the cold war when they were expected to cope with a highly sophisticated air and sea threat from the Warsaw Pact.

Here are some comments by Admiral J. Paul Reason, the Commander in Chief of the Atlantic fleet. You don't have to listen to what I have to say, but listen to what the commander of the Atlantic fleet has to say, Admiral Reason. He says, according to the Norfolk Virginian-Pilot, that the fleet might be better served by cheaper ships in greater quantity: "I would rather have three hulls that have one-third the capability of an *Arleigh Burke*."

If from a pure military standpoint three cheaper ships are sometimes better than one expensive new one, why are we spending money mothballing or scrapping perfectly good ships with a 20-year life expectancy and then spending staggering sums to build new ones?

Mr. President, I am not going to pursue this. The question is very simple. I intend to get into it in depth next year when we have hearings before the Defense Appropriations Subcommittee with the Navy. But I will tell you—and I serve notice on them right now—I will tell you what I think is going on. I don't think that the reasons given us are legitimate. They make no sense to me. I am not, admittedly, a Navy man, but when you look at the dollars and cents and when you look at the threat and you look at the life expectancy on magnificent ships—I can vouch for the U.S.S. *Arkansas*, I have been on it more than once, and it hasn't been that long ago when it was the state of the art. And I don't buy this business that we have to pay any price to get the absolute added technological edge on every one of our systems.

This is a terribly expensive program the Navy is undertaking, doing away with perfectly good ships, with long lives left, to replace then with fewer hugely expensive ships. I agree with the admiral down in Norfolk when he says that sometimes he would rather have three cheaper ships that will do one-third of the job than have one ship to replace them.

So I think that what we are doing is retiring perfectly good ships in order to keep the shipyards of America working.

What does that mean? It means we have a lot of people in this body who have shipyards in their jurisdictions, and they want to keep those jobs busy. I understand that. If I had one in my State, I would be wanting those workers to stay busy, too.

But I tell you the enormous cost to the taxpayers of this, in my view, is nothing short of outrageous. I do not buy the rationale for it. Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND. Mr. President, I yield 5 minutes to the distinguished Senator from Nebraska, Senator HAGEL.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. HAGEL. I thank the chairman for his leadership and the leadership of the distinguished ranking minority member, Senator LEVIN.

Mr. President, it is rather appropriate that we debate this issue today. Next week is Veterans Day. It is the day, a unique day, when America honors the sacrifices and commitments made by our men and women who served in uniform.

I rise today to speak in support of the fiscal year 1998 defense authorization bill conference report. As we have debated this important bill over the past few months, I couldn't help but wonder whether we would be able to meet our national security challenges in the years ahead with the current state of our readiness of our current military forces.

Our national defense ensures the survival of our Nation and our interests around the world. Our national defense is not only the protector of the American people, it is the guarantor of our foreign policy. One of the most important national debates we need to have is over what kind of military will be required as the world moves into the next century. Are we making the necessary investments to meet that need and will America be strong enough to back up the international commitments being made today by our President?

I am very concerned, Mr. President, that we are not making the necessary investments that we will need to make to have the military capability to back up those commitments in 5 to 10 years. While the cold war is over, the world is still very dangerous. It is very uncertain. It requires a skilled, highly mobile military force structure. Rather than one global enemy that we can work to contain, we need to be able to respond to head off crises in hot spots around the world.

Look at our situation today. We have troops in Bosnia. We have a madman in the Middle East whom we already went to war with once, and again he rattles his saber and threatens the peace.

We are faced with the continuing menaces, the dilemma in North Korea. We face proliferation, not only of nuclear weapons, but of chemical and biological weapons around the world. What are the issues on the horizon?

Next year, this body will make a decision on expanding the security blanket of NATO eastward. Difficult decisions still must be made regarding Bosnia. The Caspian Sea has the world's second largest oil reserves, located in the center of a very turbulent area of the world. The Middle East continues to be in turmoil.

What will the future requirements be for the U.S. military? No one can predict with certainty what those requirements will be. But what has made our military the most powerful in the world and has kept the peace is the preparedness and the ability of the United States to respond to whatever crisis may develop worldwide.

In a turbulent, unpredictable world, we cannot now risk weakness. As President Ronald Reagan said so clearly—peace through strength. Our dedicated men and women in uniform are up to the task, as they have always been up to the task.

However, our military has suffered Draconian cuts over the past 10 years. In real dollars—in real dollars, Mr. President—the U.S. military, our national defense, has taken far deeper and more dramatic cuts than any other area of our Federal budget. Over the last 10 years our defense budget has been reduced in real numbers by 40 percent.

We are deferring—we are deferring—vitally important weapons procurement systems to meet our needs for the future. That is not leadership.

Today, I fear we could not repeat what we accomplished during the Desert Storm war because of our strength and our readiness, because that has been cut so drastically. Not a comforting thought, Mr. President, with the current situation in Iraq.

Our Armed Forces have been stretched to the breaking point. While the administration has continually proposed reduced spending in our defense budget, the President continues to deploy more and more overseas forces. At the same time we have been cutting our national defense resources, we have been directing more and larger overseas deployments. This, Mr. President, is very dangerous, with severe long-term consequences for peace and stability worldwide. We are witnessing an unhealthy stress in our military today.

Since 1989, the Army's missions around the world have increased by 300 percent—while funding for our primary land forces has decreased by 38 percent, and the number of soldiers has declined by 35 percent. In the Air Force we face a similar story. Recent press reports indicate that 107 Air Force pilots who were eligible for promotion this year from captain to major asked not to be considered, they decided to leave active service instead. The senior leadership in the Air Force say they have seen an alarming number of pilots leave the Air Force and are concerned that so many pilots are finding the demands of a military career on their families so stressful that they are choosing to quit. It is not just about money either. Most say they are not concerned about going in harm's way, but they are concerned about their unit's readiness to face the challenges ahead.

I am pleased to note that this bill does begin to reverse the downward trend in defense spending by increasing the administration's request by $2.6 billion. It is a good start on the road back to restoring our military forces to a complete ability to defend our vital interests around the world—but it is not enough.

I understand that some of my colleagues believe that this bill is now irrelevant. They say we have passed an appropriations bill already, why do we need an authorization bill? We need this bill to authorize a 2.8-percent pay increase for our men and women in uniform. Who among us wants to look a soldier in the eye, whom the President has just sent to Bosnia and say, "we sent you in harm's way, but you and your family don't merit a pay increase." How many of us in the Senate are aware, according to the administration's own data, that compensation for our men and women in uniform currently lags 12.9 percent behind the private sector. Without this meager pay increase, our soldiers would fall even further behind civilian wages, at a time when the administration asks them to do more with less on a daily basis.

The pay raise issue alone should be enough justification to support this bill. However, there is more. By the Defense Department's own estimates 23,000 service men and women are eligible for food stamps. There is no honor for a nation that asks its men and women in uniform to risk their lives to defend it, then asks them to feed their families with food stamps and live in rundown, dilapidated housing.

Another reason we need this bill enacted into law involves housing for our military personnel. Denying them appropriate and just compensation is clearly one issue. If we, as a nation can't pay our service members enough, surely we can at least provide them with decent, affordable housing. Here again we are failing our troops. As most of my colleagues are aware, military construction projects require both authorization and appropriation to be executed. If the fiscal year 1998 Defense authorization bill is not enacted this year, more than $4 billion in military construction projects cannot be executed during the coming year.

If we do not provide our men and women in uniform with at least a decent quality of life for them and for their families, how can we expect to recruit and retain the best and the brightest?

Signals from the White House indicate that the President is considering a veto of this bill. I ask him to reconsider. Chairman THURMOND and the members of his committee have worked tirelessly to reach an accommodation with both sides in the depot closure debate. This divisive issue has consumed enough of our efforts. It is time to move on. We are wasting time and draining precious resources away from our Nation's military readiness. Let's show some leadership and get on with our responsibility.

In summary, Mr. President, I close with this: National defense should not be a partisan issue. The security of our Nation is not a Democrat or Republican issue. It is an American issue. The debate over our national defense should not be driven by economic decisions. It should not be driven by jobs. We must be steely eyed, clear eyed, clear headed when we make these decisions for our national security.

Deferring tough decisions and lack of vision and shortsightedness in planning our national defense will have deadly consequences for the future of America and the world.

I strongly support this bill and strongly encourage my colleagues to support it as well.

Thank you, Mr. President.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. I commend the able Senator from Nebraska for the excellent remarks he made on this subject.

Mr. HAGEL. I thank the chairman.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. I now yield to Senator KEMPTHORNE, the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho is recognized.

Mr. KEMPTHORNE. Mr. President, thank you very much.

First, Mr. President, I commend the leadership that Senator THURMOND has provided as the chairman of the Armed Services Committee. With his steady hand on the wheel, we have brought forward a bill that I think all of us can be proud of.

I also want to commend the ranking member of the full committee, Senator LEVIN. I believe this is the first year that he has been the ranking member.

But that bipartisan spirit, that really has been the tradition of the Armed Services Committee, again is exemplified by these two Senators. I commend both of them for their leadership. You have served this Nation well and national security because of that partnership.

Mr. President, I have the great honor of serving as the chairman of the Military Personnel Subcommittee. I say "honor" because I feel that that is the committee that deals with the men and women who so proudly wear the uniforms of the U.S. Armed Services.

I cannot think of a more appropriate and patriotic partner than Senator CLELAND of Georgia as the ranking member of that subcommittee. Our men and women know that when Senator CLELAND is involved in any of these issues, their interests are looked out for. I thank him for his partnership but also for his friendship as well.

Mr. President, I rise in support of the fiscal year 1998 defense authorization conference report. I want to congratulate again all of the members of the committee who worked so diligently on this. The conference report now before the Senate authorizes an increase, for example, in a variety of areas.

So what I would like to do, Mr. President, is just have a colloquy with my ranking member of the Personnel Subcommittee, Senator CLELAND, and address a few of these issues that are included in the defense authorization bill. I add that these are issues that if, for some reason, we would lose the defense authorization bill, if it did not have sufficient votes or if upon passage it were vetoed, we would lose these items. So I think it is extremely important for us to underscore this.

I would like to start with an area that Senator CLELAND and I have held a hearing on, and that deals with the Aviation Officer Retention Bonus Program. This is something that is critical.

So I ask the ranking member to explain what important step we took with regard to the aviation officer retention bonus.

Mr. CLELAND. I thank the chairman very much.

Mr. President, I would also like to commend the distinguished Senator from South Carolina, Senator THURMOND, for being our leader on national defense issues, and the ranking member of the Armed Services Committee, Senator LEVIN. They have made a great team. In terms of great teams, I think one of the greatest captains of a team I have ever come across is Senator KEMPTHORNE, our distinguished Senator from Idaho. He and I have worked together on personnel matters and personnel issues.

Mr. President, it is my pleasure to support the defense authorization bill for several reasons.

One of the reasons is, as the Senator from Idaho has indicated, as my colleagues have read in the newspapers, the Air Force and Navy are experiencing real difficulties encouraging experienced pilots to stay in the service. Our Nation has invested, in some cases, up to some $6 million apiece to train these pilots, and the airlines are now benefiting from that. They are hiring scores of pilots away from the military services every month.

As part of our effort to retain these highly skilled pilots, the pending bill increases the pilot bonus from the current $12,000 to $25,000, which is paid out over a 5-year period of time. This is a modest increase. It comes from existing Air Force and Navy funds and was requested by the Chief of Staff of the Air Force and the Chief of Naval Operations.

Without the legislative authority to increase the aviation officer retention bonus, we will fail to give the services the tools they need to keep highly skilled pilots in the cockpit.

Mr. KEMPTHORNE. I appreciate the comments of the Senator from Georgia on that. Again, Mr. President, the fact of the matter is, there is a tremendous investment in having the finest pilots in the world, pilots that have been trained to defend this Nation. But many of them—too many of them—are now leaving the Armed Services and they are going into the private sector. We need to have this sort of a program so that we can retain the best pilots in the world in which we have made millions of dollars of investment.

The pending bill also authorizes a 2.8-percent pay increase for our men and women in uniform. Again, I ask my friend from Georgia to explain the importance of this particular increase.

Mr. CLELAND. I thank the Senator very much.

Mr. President, without the legislative authorization to increase military pay approved in this bill, the pay raise would be limited to 2.3 percent at the same time you have Federal workers who receive a pay raise of at least 2.8 percent. In other words, without the enactment of this bill, we will give civilians working for the Federal Government a larger pay increase, larger pay raise than we give to men and women who are out there risking their lives to defend the interests of this country.

Mr. President, I once ran a wonderful agency, the Veterans' Administration, and I think our employees, our civilian employees, do a wonderful job. But this Defense authorization bill will allow us to give the full 2.8-percent increase that certainly our military people richly deserve.

Mr. KEMPTHORNE. Again, I thank the Senator from Georgia. And referencing back to what the Senator from Nebraska, Senator HAGEL, has talked about, the deployment of our troops currently around the world, the deployment in Bosnia, the dilemma that we are currently facing with Iraq, the news that continues to come out of North Korea that because of the famine, we do not know what is going to happen in North Korea.

So we have our troops deployed around the world, ready to put their lives on the line. Here we have a situation that, again, if for some reason we lose this bill, we are not giving them the full pay increase that they are entitled to. The message that that sends to our men and women in uniform is not healthy.

Mr. President, the bill also authorizes reductions in end strength, or manpower, reductions consistent with the Quadrennial Defense Review, to allow the services to save funds for badly needed modernization.

I ask Senator CLELAND, Is it true that if this bill is not enacted into law, the services will be forced to increase current personnel levels to meet the floors established in last year's defense authorization bill?

Mr. CLELAND. The Senator is eminently correct. Without the bill, the services will be prohibited from actually reducing personnel, which is called for in the Quadrennial Defense Review, and the services will be forced to add personnel that they have actually determined, Mr. President, they can live without. We do have an era of tight resources, and I think it is unwise of us as a Congress to force the services to keep people they cannot afford.

Mr. KEMPTHORNE. Mr. President, I add that the Senate conferees fought very hard to retain this important issue in the conference report, which was requested—and I will underscore this—by the Secretary of Defense and the Joint Chiefs of Staff.

Mr. President, the bill also authorizes a congressional commission on military training in gender-related issues. I ask the ranking member to explain some of the history behind this important section of the bill.

Mr. CLELAND. The Senator is absolutely right. The bill, in light of the criminal behavior uncovered at Aberdeen Proving Grounds in Maryland, responds to strong sentiments in the Congress. Some of those strong sentiments would like to legislate the end of gender-integrated training. There are equally strong voices against that type of legislation. During our Personnel Subcommittee hearings on this particular issue, the point was raised that a commission created by the Department of Defense might raise credibility issues in some quarters.

Responding to such legitimate concerns, the Senate Armed Services Committee adopted the Kempthorne-Byrd amendment to create a congressional commission to report directly to the Congress on this very important issue.

Mr. President, here again the Senate conferees had to fight in conference to ensure that the commission remained objective.

Mr. KEMPTHORNE. I thank the Senator from Georgia and underscore what he has said. Again, here is a critically important issue that is facing the military and we want to get to the heart of it and find out what is the extent of the problem, and most importantly what is the extent of the solution.

I want to commend the Senator from West Virginia, Senator BYRD, for his leadership on this issue as well.

During our hearings this year the subcommittee heard testimony from actual recruiters about some of the difficult quality of life issues that they face. The bill authorizes important steps to address how recruiters and other military personnel who are not serving near a military hospital receive health care.

Again, I ask the distinguished Senator from Georgia to help explain these improvements to our colleagues.

Mr. CLELAND. This is one of the issues that I personally have a strong commitment to and that is improving the quality of care in our military facilities for our military active duty and retired personnel.

The conference report authorizes active duty personnel serving in remote locations to receive health care through the Tricare system at no expense to that military person or that military family. It will allow military personnel and their families to receive quality health care where they live. This provision has real implications for active duty personnel and their families. It represents another quality of life improvement contained in the defense authorization conference report.

Mr. KEMPTHORNE. Again, I thank the Senator from Georgia.

Senator CLELAND and I had a hearing on this aspect of recruitment. We are facing problems with recruitment. Here we are talking about the actual recruiters. We need to deal with this aspect so those recruiters have a quality of life they can truly sell to those new individuals as to why they should join the services.

The defense authorization bill also includes seven provisions addressing the Department of Defense and the Department of Veterans Affairs activities with regard to assisting those suffering from Persian Gulf illness. I note, too, Mr. President, that Senator CLELAND is a former head of the Department of Veterans Affairs.

The Senate Armed Services Committee held a hearing this spring in which General Schwarzkopf testified. At that particular hearing I asked General Schwarzkopf his thoughts as to what is the cause of Persian Gulf illness, and his point was he did not know what the cause of Persian Gulf illness was nor did he know the extent, but he made the very important point we have to deal with our veterans that have this.

The committee remains dedicated to ensuring that the Department of Defense, in conjunction with the Department of Veterans Affairs, continue an aggressive research effort to determine causes and treatment for this debilitating illness.

Mr. CLELAND. The Senator is eminently correct. The Persian Gulf illness question is one that continues to baffle those of us who try to deal and struggle with it, but it certainly baffles the members of the military family that served in the Persian Gulf. Those personnel deserve justice. They deserve treatment when they are ill and they certainly want us to get to the bottom of this question. This is one of the most serious issues facing active duty and retired military personnel, especially those who served in the Persian Gulf.

I want to say on behalf of our committee and our great leader, Senator KEMPTHORNE, that we take this challenge seriously, and this defense authorization bill will certainly help.

Mr. KEMPTHORNE. I thank the Senator from Georgia, and I agree totally with the comments about our dedication to this.

Mr. President, the bill also includes a very important provision to correct a mistake made over 50 years ago. Specifically, the bill authorizes retroactive payment of the stipends for Congressional Medal of Honor winners who only this year received the award for heroism during World War II. Specifically, the bill authorizes payment to Vernon J. Baker and the surviving families of Edward A. Carter and Charles L. Thomas.

Because of racism, seven Americans were denied the Medal of Honor they rightly earned over 50 years ago. Earlier this year in a very moving ceremony at the White House, President Clinton presented the Medal of Honor to Vernon Baker and the next of kin of the other recipients, except for one recipient who, because he died so young, had no surviving relative. The conference report helps right this wrong. It ought to be adopted by the Senate and signed by the President of the United States.

Mr. President, I am proud that Vernon Baker, a quiet and dignified man, is a resident of the peaceful community of St. Maries in my State of Idaho. Vernon Baker has never asked for the retroactive payment of the stipend for the Congressional Medal of Honor, nor has he ever sought my assistance. But believe me, his act of bravery in April 1945 makes him more than worthy and he deserves to have this wrong corrected. We are not suddenly providing him or the families of the other recipients with a windfall. Instead, we are simply making sure that they receive what should have been provided some 50 years ago.

There are other numerous important quality of life provisions in the pending conference report, including military construction projects which include family housing. You can recruit the soldier, but if you are going to retain him you have to take care of the family. That is what this addresses. It cannot be initiated without passage of this report.

I would like to thank my friend, Senator CLELAND, for helping to explain some of the important provisions in the pending conference report and also for the many hours of dedicated service he and the other members of this subcommittee put in to make sure that we are taking care of our men and women who wear the uniform of the greatest Nation in the world.

My final point, Mr. President, is simply that, again, if for some reason this bill does not become law, all of these quality of life issues that we have addressed are lost. That is a terrible message to send to the men and women who are defending the freedom of this Nation around the world on behalf of the United States.

I yield to my colleague, Senator CLELAND, for any additional comments he would like to make.

PRIVILEGE OF THE FLOOR

Mr. CLELAND. Mr. President, I ask unanimous consent that Regina Jackson be permitted privileges of the floor for the duration of the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLELAND. Let me say I appreciate Senator KEMPTHORNE's remarks regarding the Congressional Medal of Honor recipients who were belatedly recognized. Recognition on this issue is much appreciated for those who have gone above and beyond the call of duty in the services of this country.

Mr. President, in terms of going above and beyond the call of duty that is exactly what the distinguished chairman of this Personnel Subcommittee from the great State of Idaho, Senator KEMPTHORNE, has done in regard to bringing me on board as a freshman Senator in making me feel welcome, keeping me posted and informed, and including me in all of the legislative hearings and in all legislative debates and all legislative matters before our committee. It has made me feel very much welcome and very much a part of things. This was my first year on the committee and I couldn't have been more fortunate to have gotten a better chairman than Senator DIRK KEMPTHORNE. I understand he intends to return to the great State of Idaho after completing his term in the Senate. He will be missed as a dear friend, as a colleague, and as a great leader. He has 1 more year to serve and I look forward to working with him next year to make it a very productive year for us both.

I also extend my gratitude to the distinguished chairman and ranking member of the Senate Armed Services Committee. Senators THURMOND and LEVIN welcomed me as a brother and a colleague into the committee, following in the footsteps of Senator Russell and Nunn in this Senate seat. It has been fun to try to tackle the chores that we tackled this year. It wouldn't have been possible without the help that I received from both of them.

I also thank both the majority and minority staff of the committee under the leadership of Les Brownlee and David Lyles. They have all been of great assistance to me as I have served on the committee. I certainly appreciate the courtesies and hospitalities that their staffs have given me.

Mr. President, this is a very important bill for all of the reasons Senator KEMPTHORNE and I have discussed. It sets forth the priorities for our national defense in the next year. The very title of the bill suggests its importance—National Defense Authorization Act. It has taken 9 long months to get to where we are today, yet one issue remains controversial. In spite of numerous concessions made by the Depot Caucus, this bill faces the threat of a veto. I do not understand this. Much has been said on this topic so I will be brief.

There are at least two significant concessions. First, we agree to the Department of Defense request to continue free and open public-private competitions for the workloads at Kelly Air Force Base, TX, and McClellan in California, rather than directing the departments to transfer this workload to the main depot which we believe is the intent of BRAC. To those who do not believe this is a major concession, this would ratify the mechanism that overrides the BRAC recommendation.

I yield to the distinguished chairman of the Armed Services Committee, Senator THURMOND.

Mr. THURMOND. Mr. President, Senator KEMPTHORNE and Senator CLELAND are valuable members of the Armed Services Committee. Both of them are experts on military personnel and I wish to commend them for the important information they have given the Senate today on that subject.

Mr. LEVIN. Will the Senator yield?

Mr. THURMOND. I yield.

Mr. LEVIN. Mr. President, I want to join Senator THURMOND in thanking Senators KEMPTHORNE and CLELAND for their tremendous work on this subcommittee. I cannot think of any two colleagues that I would feel more comfortable with being chairman and ranking member of that subcommittee.

We will, indeed, miss Senator KEMPTHORNE after he leaves this body. He has been a great friend and a really wonderful participant in our debates and deliberations, just as we welcome Senator CLELAND as a new member who has made a wonderful new addition to our committee.

We thank them both for their work.

Mr. KEMPTHORNE. I thank the chairman and the ranking member for the very kind remarks.

Mr. BOND. Mr. President, I commend the chairman on his herculean effort to address the myriad of policy issues he has faced this year, but I am wary about the fast track we seem to be on to decrease our defense resourcing while simultaneously increasing our operational tempo. I am concerned that because of the dramatic cuts our total force has taken in the past few years, that we are hollowing our force. I am concerned that in spite of our downsizing efforts we are spreading our forces out more than any other time in our history.

Because of this fact, we must squeeze every ounce of bang for our bucks, and I believe that the Reserve components, the Guard in particular, does this very well. Guard units are posted all around the world in addition to performing their duties in their home States. Guard members come from all parts of the population, including former active duty members of the active force. They bring with them, a wealth of experience and training. They are also inextricably woven into the fabric of their local communities, a point which we have come to realize is all important, that our military be connected to our citizenry. Our Army, our military, is the finest in the world, bar none. It is composed of the finest young men and women, provided the finest training and the most well resourced in the world. Our history, our legacy demands the support of our citizens for the institution, and the Guard provides a critical link between our civilian community and the military which protects them. Don't eviscerate the Guard and sever that link. This bill makes a cut of 5,000 Guardsmen and women, troops who we have already voted to fund in the appropriations bill. These troops funding remained within the budget constraints and were apparently desired by the Pentagon and the President as he approved the appropriations bill. I believe that this is an ill-advised reduction in force.

Mr. President, I make the following points to explain my objections to the National Guard policy decisions reflected in this bill.

The Guard is unique of all the Reserve components; having both Army and Air Force components under a unified command, and the Guard performs State oriented missions under title 32 and Federal missions under title 10. The Guard has been the neglected stepchild of the National Command Authority for as many and more years than I have been in the Senate. No one can say that the Guard has received a fair share of the budget pie without direct input from the Congress. Each year we are required to inject hundreds of millions of dollars to keep the equipment accounts adequately funded as well as the training and operations funding accounts. I believe that a four-star position along with the elevation of the directors of the Army Guard and Air Guard would provide the Guard Bureau with much needed and appropriate upper echelon infrastructure and departmental and congressional vetting. I believe the Department of Defense has been disingenuous in its characterization of the National Guard's participation during the Quadrennial Defense Review. I believe that the current command structure of placing the Air Guard under authority of the Army is convoluted to say the least.

Mr. President, as a four-star, the chief of the Guard bureau will have the rank required and the subsequent authority to actually have a place at the table. Now the Guard Caucus would like to see that table be at the JCS level, because that is from where our uniformed personnel delivers recommendations to the National Command Authority. However, it is our main concern that the operational and force employment decisions have a Guard input. So, we are open to constructive and statutory alternatives. But whatever the result, the status quo is unacceptable. The provisions in this bill do nothing to alter seriously, the status quo. I predict that next year, in spite of this well intentioned but wholly inadequate compromise with rogue and obstinate members of the House, we will once again see resourcing problems in the Guard and Reserve accounts. We will continue to see them until we, here in the Congress, do something to recognize and reflect our increased reliance on our Reserve components because of the force structure changes we are forcing our military to make.

I disagree strongly with the measures in this bill dealing with National Guard policies but I will grudgingly accept them for I do believe that we do need an authorization bill and these are issues which may be addressed at a later date. And I guarantee you, that come next year, I will be here again arguing for policies which will recognize the relevancy of the Guard and which will position it appropriately within the Department of Defense hierarchy.

Mr. FORD. Mr. President, I would like to discuss with the distinguished chairman and ranking member of the Armed Services Committee a provision in the DOD authorization bill conference report. These provisions concern depot-level activities and are contained in subtitle D of title III. As the chairman and ranking member know, Louisville is the home to the former Naval Surface Warfare Center Detachment which was closed by the 1995 Defense Base Closure and Realignment Commission. However, in its recommendation, the Commission directed that the workload, equipment and facilities be transferred to the private sector if the private sector could accommodate the workload onsite. The Commission's recommendation has been followed and the former Navy depot was privatized in 1996. The current contract runs through the year 2000 if all the options are exercised. My understanding is that the competition requirements in section 359 of the conference bill would not apply to any workload already privatized at the former depot in Louisville under the current contract or under any recompetition once the current contract expires. Is my understanding correct?

Mr. THURMOND. Mr. President, the distinguished senior Senator from Kentucky is correct in his interpretation of section 359. First, under the exception contained in new section 2469a(c)(3), these competition requirements do not apply to any contract originally entered into before the date of enactment of the conference bill. Second, under new section 2469a(b), these requirements apply only to workloads that are currently proposed to be converted from performance by DOD personnel to performance by a private sector source for the first time, not to work that has already been converted to performance by a private sector source. For these reasons, the competition requirements in section 359 would not apply to workloads that have already been converted to private sector performance at Louisville or any other similarly situated facility.

Mr. LEVIN. Mr. President, I agree with the statement of the distinguished chairman of the Armed Services Committee that section 359 does not apply to any current or future solicitations or contracts for workloads that have already been privatized at a former military installation before the enactment of the Fiscal Year 1998 Defense Authorization Act. The conferees were aware of my colleague from Kentucky's concerns about the successful privatization that has already occurred at Louisville and section 359 represents a compromise that does not affect workload currently performed at Louisville under existing contracts or under any recompetition of those contracts. I would also note that the requirements of this provision would not apply to any other workloads that Louisville may choose to compete for, unless those workloads were performed at a military installation that was approved for closure or realignment under the 1995 BRAC round, and are proposed to be converted to private sector performance for the first time.

Mr. FORD. I thank the distinguished chairman and ranking member of the Armed Services Committee for their explanation of section 359 of the conference bill.

Mr. McCAIN. Mr. President, I rise in support of passage of the conference report on H.R. 1119, the National Defense Authorization Act for Fiscal Year 1998. Despite its many flaws, some of which I will expand upon momentarily, the report does represent a solid effort at advancing the defense budget process in accordance with the legislative branch of government's constitutional role in raising and supporting the Armed Forces of the United States. Important policy issues are addressed, needed reforms are implemented, and vital quality of life initiatives are authorized.

Procedurally, there is ample room for improvement in how the budgetary responsibilities of Congress are executed. The exclusion from negotiations of Members with important interests in specific issues should not be accepted. Conversely, when invitations to participate in negotiations on such issues are proffered, the Members in question should not then decline those offers. Through such cooperativeness we can hopefully avoid the kind of problems that have delayed final passage of this bill.

Lest anyone underestimate the importance of this bill, let me remind them that it is bad enough that $13 billion foreign aid appropriations bills are routinely passed without proper authorization. To permit $260 billion in defense spending to be enacted without appropriate authorization is simply dangerous. The authorizing and appropriations processes, as we all know, provide Congress with its own much needed internal system of checks and balances. As with the checks and balances that exist between branches of government, should our internal system break down, the results will be grave indeed, including drastically reduced accountability in how public funds are spent and an elimination of vital oversight of the structure, equipping and training of our Armed Forces.

That is not a situation that should be permitted to develop, and I intend to do everything in my power to prevent it from happening.

We maintain the system of authorizing and appropriating to help prevent an excessive consolidation of power in too few hands. I don't think I exaggerate when I suggest that such a consolidation would be seriously deleterious to the country's best interests.

On the content of the bill itself, when the fiscal year 1998 defense budget process commenced early this calender year, it was widely anticipated that certain issues would delay and possibly derail our ability to pass an authorization act. Chief among these is the so-called depot maintenance issue, inarguably the single most contentious issue with which the Senate Armed Services and House National Security Committees were involved. Those of us who have been around a while are more conversant than we would like to be in the intricacies surrounding this arcane issue involving a handful of congressional districts.

The conference report before us today includes a depot compromise that is much improved from previous depot language considered this year. For example, it changes the 60/40 workload definition to 50/50. It also removes the capacity factor requirement—that is 75 percent—which was synonymous to killing competition at Kelly and McClellan Air Logistics Centers. However, this remains an exceedingly deficient approach to the issue of depot-level maintenance, still grounded in protectionist sentiments devoid of serious regard for the principles of sound public policy.

A key criticism is that the process was not inclusive of all the parties that would be affected by changing DOD policy on depots. I feel strongly that developing compromise legislation with the depot caucus and the Kelly and McClellan supporters could have been achievable in the late stages of the process. Having said that, however, this may be the best compromise that could be expected.

I tried to reform depot policy in the past as chairman of the Senate Readiness Subcommittee on the Armed Services Committee and failed. So I commend Senator INHOFE and Chairman THURMOND for making at least some meaningful progress toward reforming the depot maintenance system. I continue to support fair and open competition between private and public depots, though. Current law, even with these modifications, precludes the full competition that would most benefit the American taxpayer and allow the Defense Department to allocate operations and maintenance dollars more optimally.

I am also disappointed that this compromise does not include language that was in the Senate bill that changed section 2466—definition of 60/40—by relating workload to a facilities-based definition rather than a personnel-based definition. This provision would have allowed industry to go into public depots and compete for work alongside public employees and any core capability work done privately in a depot counted against the public workload. This language, more than any other provision in the compromise encouraged public-private partnerships.

Another issue that was amicably resolved, but that should not have been brought up at all in light of the apparent resolution of the matter during preparation of the previous fiscal year's authorization act, involves personnel missing in action in Southeast Asia. Most of the onerous provisions, strenuously opposed by administrations of both parties as well as by theater and war-fighting commanders since its inception a decade ago, that establish burdensome bureaucratic requirements upon our troops in the field and that place unrealistic requirements upon the Defense Department personnel responsible for accounting for missing personnel, are included in the conference report.

Those provisions that are included are not particularly necessary and won't contribute to resolution of the problem of accounting for all missing personnel, but they are not as egregious as the provisions that were not included in the final bill. Those of us active on this issue for many years who believed the issue to have been resolved last year will not endure another protracted debate over provisions of extremely dubious merit when the process begins again next year. It was clearly stated by the conferees that this matter is considered closed. I expect that to be the case.

Not surprisingly, given the wealth of unnecessary and wasteful programs funded in the defense appropriations bill, the authorization act similarly includes numerous examples of items funded in the bill primarily, and, in some instances solely, for parochial reasons. I have already presented a list of such items from both the House and Senate authorization bills for publication in the CONGRESSIONAL RECORD. Consequently, I will not repeat them item by item today. Suffice to say that the unrequested $150 million for the B-2 bomber, the addition of a destroyer not requested by the Defense Department, the acquisition of additional C-130 airframes despite the surplus of such aircraft already in the fleet, the usual list of unrequested military construction projects, and a variety of location-specific earmarks for such highly questionable projects as those all-important Centers for Excellence, all combine to represent a business-as-usual approach to passing legislation that serves to further erode public confidence in elected officials while draining scarce financial resources from higher priority programs. To paraphrase Samuel Beckett, we've laughed at the idiocy so many times that the humor is gone and we are left with the unfortunate consequences of our actions.

Thankfully, negotiations on the authorization act succeeded in diluting the potentially damaging effects of language on Bosnia, but the appropriations bill has already addressed that action in a manner apparently acceptable to the White House. The administration's protestations notwithstanding, a satisfactory compromise was worked out on the export of computers with dual use applications to countries with suspect records in how such technology is exploited. Whether the Commerce Department wants to admit it or not, a legitimate national security concern involving the export of such computers does exist, and I believe the language included in the conference report adequately addresses the concerns of both the national security apparatus and the industry affected by it. I am surprised, therefore, that the Office of Management and Budget included this issue in its letter to Majority Leader LOTT as being particularly objectionable.

Provisions involving the expansion of the North Atlantic Treaty Organization serve little or no constructive purpose, particularly those pertaining to cost. The cost of expanding the alliance is certainly worth debating, but at the end of the day we ought not predicate a decision on whether to bring in new members on cost data that is so qualified as to be rendered meaningless. Expanding NATO will cost as much or as little as we want to spend. We're not bringing in impoverished Third World countries with facilities barely able to accommodate a Cessna. We're talking to countries that belonged, involuntarily, to the Warsaw Pact and which possess military infrastructures that only need to be improved upon and that have command, control and communications networks that must be made compatible with the rest of the alliance. That will certainly cost money, but it is hardly a deal breaker.

Thanks to the administration's decision to adopt a more reasonable approach toward missile defense issues, the conference report includes a more realistic funding profile for both theater and national missile defenses. The administration's admission that it was seriously underfunding even rudimentary national missile defenses has helped to move this issue forward in a constructive manner. Hopefully, this presages a trend toward a more mature and serious approach to missile defenses on the part of the White House.

I am pleased that the Cooperative Threat Reduction Program is funded at the Defense Department's request while restricting the use of funds to exclude spending on programs or areas not directly involved in dismantling Russian weapon systems that would otherwise threaten the United States.

In conclusion, Mr. President, the conference report to accompany H.R. 1119 is like its predecessors: flawed but acceptable. It deserves our support and I hope my colleagues will agree to vote for its passage.

CORE LOGISTICS CAPABILITIES

Mr. COATS. Mr. Chairman, Senator LEVIN, I would like to take a few moments to discuss one of the concerns that has been raised relating to the compromise language on depot maintenance. In particular, I would like to ask a few questions regarding the provisions relating to core logistics capabilities and workloads. The concern has been raised that this language could require the Department to change its current depot maintenance practices and bring in-house work that is now performed by contractors. What is the view of the chairman and ranking minority member on this issue?

Mr. THURMOND. It was not the intent of the depot maintenance provisions to require the Department to bring in-house any work that is now being performed by contractors, and those provisions should not be interpreted to have that effect.

Mr. LEVIN. I agree with the distinguished Chairman. The depot maintenance provisions in the bill are consistent with DOD's current policy and practice on core logistics capabilities and will not require the Secretary to bring in-house any work currently performed by private contractors. As under current law, the Secretary of Defense gets to decide what capabilities are core logistics capabilities, what workloads are necessary to maintain those capabilities, what is cost efficient, and how much workload is necessary to ensure cost efficiency.

Mr. COATS. I understand that the Senators from Texas and California believe that the requirement to "ensure"—rather than "promote"—cost efficiency in the depots might be interpreted in such a way as to require the Department to withdraw depot maintenance workloads from the private sector and perform the work in public depots in order to achieve efficiency because the only way they can operate efficiently is to fully utilize the physical capacity. Could you please explain your interpretation of the language? What do you believe it requires?

Mr. THURMOND. I would be happy to clarify what the conference agreement requires. First of all let me just say that this language does not require the Department of Defense to withdraw depot maintenance workloads from the private sector and perform the work in public depots in order to achieve efficiency. As the statement of managers indicates, it simply requires the Secretary to assign sufficient workload to these facilities to ensure that they are operated as cost efficiently as possible. The report clearly states:

> The provision does not require that maintenance for all weapon systems necessary for the execution of DOD strategic and contingency plans be performed at public facilities. Rather, it requires that the capability to perform maintenance and repair on these systems be retained in the public depot activities and that these activities be assigned sufficient workload to ensure that they are operated as cost efficiently as possible while preserving sufficient surge capacity to support the strategic and contingency plans of the U.S. Armed Forces.

Mr. LEVIN. I agree. This language requires that during peacetime the public depots perform certain types of depot maintenance workloads necessary to retain the capability to maintain mission essential weapon systems, and that sufficient amounts of work should be assigned to these depots in order to ensure that the personnel necessary to perform the maintenance are operating efficiently. This does not mean that the Department would be required to perform maintenance on all mission essential weapon systems within public depots; it simply requires that the Department retain a capability to maintain this equipment, should it become necessary.

Mr. COATS. Then nothing in this language would preclude the Department from retaining a surge capacity to be used in times of military emergency?

Mr. THURMOND. Absolutely not. The language specifically requires that the public depots retain a surge capacity and reconstitution capability necessary to support any strategic or contingency operations identified by the Joint Chiefs of Staff. The requirement for a surge capacity for military emergencies by definition requires less than full utilization of the physical capacity during peacetime.

Mr. COATS. Isn't that similar to the Department's current policy?

Mr. LEVIN. Yes. The provision in question is a clarification of existing law, which already requires DOD to "maintain a logistics capability (including personnel, equipment and facilities) to ensure a ready and controlled source of technical competence and resources" for contingency situations and prohibits the contracting out of any logistics activity identified by the Secretary as "necessary to maintain [that] logistics capability."

Mr. THURMOND. I agree. The Department of Defense maintains a peacetime work force at these depots that can be supplemented with additional personnel if they are necessary. Ensuring efficiency while retaining surge capacity and reconstitution capability is accomplished under current policy by having the right number of personnel to perform peacetime workloads and simply adding the necessary personnel, or workshifts, to provide a sufficient surge capacity to support any contingency or strategic operations. In fact, when we drafted this language, we asked the Department of Defense to review it and let us know if the Department had any concerns, or if this did not reflect the Department's current policy. We made a number of changes to address the Department's written comments.

Mr. COATS. And did these comments identify the use of the word "ensure" rather than "promote" as a concern?

Mr. THURMOND. Not initially. The Department provided the conferees with two rounds of written comments on the draft compromise language. In neither version did the Department suggest that "promote" be changed to "ensure." It was only on the day that the conference report was finalized that the Department indicated that the use of the word "ensure" might be interpreted in such a way as to require all logistics workloads to be performed at public depots. We informed the Department that the requirement to ensure efficiency does not mean that all logistics workloads must be performed at public depots, and added language to the statement of managers to reaffirm that point.

Mr. COATS. So the bottom line is that this compromise language does not require the Department to withdraw workloads from the private sector and move them to the public depots in order to ensure efficiency?

Mr. THURMOND. That is correct. The language does not require this.

Mr. LEVIN. I agree with the chairman.

Mr. COATS. If I could just ask one additional question, is there anything in this language that would preclude the Department from giving appropriate consideration to the differences in cost or performance risk particular to the location of the performance of the work?

Mr. THURMOND. There is nothing in this language that would preclude such consideration. In fact, the bill language specifically requires the consideration of all direct and indirect costs, and the report language specifically states "The Department would be expected to consider real differences among bidders in cost or capability to perform the work based on factors that would include the proposed location or locations of the workloads."

Mr. LEVIN. I agree with the chairman. Under this language we expect the Department to give appropriate consideration to costs and risks associated with the proposed location of the performance of the work.

Mr. COATS. I thank the chairman and ranking member for this clarification.

Mr. SESSIONS. Mr. President, I rise today so that this great body may momentarily reflect upon the importance of the bill we are about to vote on this afternoon. It is a bill whose beginnings extend back to early Spring, a bill that has been through many hurdles since then to include a major compromise impacting competition at depots around the country. I intend to vote yes for this bill and I encourage my fellow Senators to do the same.

There have literally been thousands of differences between the House and Senate versions of this bill. However, what is important for Members of this body to understand is that on both sides of the aisle, in both Houses of Congress, we have fundamental support for maintaining the strongest national defense possible for America. This is not an easy task. We share differences in solutions to defense that range from management styles, to leadership, to modernization and procurement, to the vexing uncertainty of the funding levels required to sustain our forces in the field.

The conference agreement was unanimously supported by the committee under the able leadership of Chairman THURMOND. On the major issues of Bosnia, the B-2, cooperative threat reduction and other issues, the bill is much closer to the Senate position than the House position. Equally important to me, the bill is consistent with the targets of the bipartisan budget agreement.

The depot issue was certainly the most controversial provision in this year's bill. There are strong feelings on both sides of the aisle. As the committee noted recently, "many jobs are at stake, and neither side wants to lose them." Certainly, I didn't want to lose any at our great depot in Anniston, AL. Nonetheless, I feel strongly that Chairman THURMOND's objective all along was to ensure fair competition and a level playing field. I feel he and the other members of the committee achieved just that. We have a fair compromise. We have an honest compromise. We have a product that the Department of Defense can work with. I think it's time to put our disagreements behind us and move forward in unity to support the men and women in uniform for whom this bill is designed.

I plan to vote for this bill and I trust my colleagues will join me in making this vote an overwhelming one.

Mr. BIDEN. Mr. President, I would like to congratulate Senator THURMOND and Senator LEVIN, the distinguished chairman and ranking minority member of the Armed Services Committee, for their work in conference to produce a defense authorization bill that will help keep America's military strong and well-prepared for today's multiple threats and challenges. The U.S. leadership role has never been more important than it is now as the world reshapes itself to face a new century.

In order to lead, America must have strong diplomatic and military tools. As ranking minority member of the Committee on Foreign Relations I have worked this year with the Chairman, Senator HELMS, to enhance our country's diplomatic readiness overseas.

Our Nation's defense force is the weight behind our diplomatic initiatives. It is the critical strength upon which we rely when other options, unfortunately, may fail. Good diplomacy is always built upon good defenses and this bill enhances our ability to deal with critical foreign policy and security issues.

I am pleased that the conferees agreed to fully fund the Nunn-Lugar Cooperative Threat Reduction program. This program assists Russia and other former Soviet states both to secure and control their nuclear materials and to improve their nuclear safety programs. This bill ensures that the Nunn-Lugar program will continue to protect our national security in a very cost-effective manner.

The bill also requires the President and the Secretary of Defense to increase their focus on counterterrorism efforts.

The importance of Asia and the Pacific is highlighted by an expression of congressional support for continuing a minimum troop presence to support our security agreements with countries in that region.

The bill contains another important provision that expresses the sense of the Congress that any moratorium on the use of antipersonnel landmines by U.S. Armed Forces should not be implemented in a manner that would endanger U.S. personnel or undermine their effectiveness. This is consistent with the provisions of S. 896, the Landmine Elimination Act of 1997, of which I am proud to be a cosponsor, as that act includes a Presidential waiver to protect American forces in Korea.

Like the defense appropriations bill, there are sections in this authorization bill dealing with our involvement in Bosnia. As I have said before, I think that it was a mistake to have set a deadline for a complete American troop withdrawal from Bosnia. Months ago, I called for a combined joint task force with European troops making up the overwhelming majority of the ground forces and Americans providing command and control, intelligence, and logistics assistance, air and naval support, and, if necessary, a ready reserve force in the region. So, I agree with the thrust of this bill's recommendation, but I also think a small, residual American ground force in Bosnia may be necessary to maintain America's leadership role in the operation.

I am happy to see the commendation for the NATO enlargement process and the sensible reporting requirements contained in this conference report.

In separate provisions, by authorizing pay raises and barracks construction, this bill takes important steps to enhance the quality of life for our brave men and women in uniform.

This bill also adds two positions to the Joint Chiefs of Staff to include National Guard and Reserve commanders. This change recognizes the unique and increasingly vital role played by our reservists and guard members in our nation's defense.

Last, the conferees maintained the U.S. ability to forcefully project power by continuing to fully fund the C-5 aircraft. The C-5 is the military's workhorse plane—carrying heavy weapons like tanks and helicopters all over the world. Its singular value has been shown in conflict after conflict, from Vietnam to Desert Storm. Delawareans are proud to host a significant portion of the Nation's C-5 fleet stationed at the Dover Air Force Base and glad to see that Dover's infrastructure will benefit from the military construction appropriations bill signed by the President and authorized by this bill.

I am pleased, therefore, to support the work of my colleagues on the Armed Services Committee and vote to strengthen America's leadership role around the world with a strong, well-equipped military.

Mr. McCAIN. Mr. President, I would like to engage in a brief colloquy with the senior Senator from South Carolina.

I understand that the conference report on the Department of Defense reauthorization bill includes a provision—section 1088—that reauthorizes the Aviation Insurance Program for 5 years. The Senate will soon act on a freestanding bill to reauthorize this important program. The freestanding bill (S. 1193) was approved recently by the Commerce Committee, which is the committee with jurisdiction over this program.

Mr. THURMOND. Because the Aviation Insurance Program is so vital to U.S. military missions overseas, we thought it prudent to try to reauthorize it in the defense bill, which is a must pass piece of legislation. The military depends on the airlift capacity that commercial carriers provide. Without an insurance program in place, carriers will be less likely to participate in the Civil Reserve Air Fleet, for one.

Mr. McCAIN. I agree with my colleague from South Carolina that it is essential that we reauthorize this program as soon as possible. Our goals are the same in that respect. Nevertheless, the Commerce Committee specifically acted to reauthorize the Aviation Insurance Program through 1998. The committee did so out of concern that the balance in the revolving fund is insufficient to pay a major claim or simultaneous claims. Timely payments for hull losses are a significant issue. Many of the carriers lease aircraft under agreements that stipulate that they have to repair or replace damaged aircraft within 30 days of the damage.

The bill would not grant the Federal Aviation Administration [FAA] borrowing authority to cover claims against the program, as we had originally planned. Rather, a short term extension of the program gives the committee and the administration additional time to craft an alternative to FAA borrowing authority. S. 1193 also makes other important modifications to the program.

I appreciate the efforts of the Armed Services Committee to ensure that the Aviation Insurance Program is in place. If, however, both of these bills are enacted into law, I want to clarify that the provisions of S. 1193 supersede the 5-year reauthorization bill. Is that agreeable to the distinguished chairman of the Armed Services Committee?

Mr. THURMOND. That sounds like a good accommodation to me. When and if S. 1193 or a similar House version is signed into law, its language reauthorizing the Aviation Insurance Program should be controlling. If for some reason that bill is not approved before Congress adjourns for the year, and the defense authorization bill is signed into law, the defense bill provisions will serve to reauthorize the program until action on S. 1193 or a similar House bill is taken.

Mr. McCAIN. I thank my good friend and colleague for his understanding.

Mr. CAMPBELL. Mr. President, today I intend to vote in favor of the Defense Department authorization conference report which contains critical funding for our Armed Forces. This legislation authorizes $268.2 billion in budget authority, the spending level recommended in the concurrent resolution on the budget.

I also am pleased that the Senate and House conferees agreed to include provisions from two bills I introduced earlier this year. Section 1082 of the DOD conference report authorizes the flying of the POW/MIA flag over military installations, memorials and post offices around the nation and at other appropriate places of significance on Armed Forces Day, Memorial Day, Flag Day, Independence Day, Veterans Day, and National POW/MIA Recognition Day. This provision reflects in large part the language of S.528 which I introduced on April 9, 1997.

The United States has fought in many wars, and thousands of Americans who served in those wars were captured by the enemy or listed missing in action. In 20th century wars alone, more than 147,000 Americans were captured and became prisoners of war; of that number more than 15,000 died while in captivity. When we add to this number those who are still missing in action, we realize that more can be done to honor their commitment to duty, honor, and country.

The display of the POW/MIA flag would be a forceful reminder that we care not only for them, but for their families who personally carry with them the burden of sacrifice. We want them to know that they do not stand alone, that we stand with them and beside them, as they remember the loyalty and devotion of those who served. This section provides that support.

The DOD conference report also contains important provisions to strengthen how the Defense Department tracks and accounts for our missing in action.

To address this issue, the DOD Conference Report includes the following provisions. These provisions are based on S. 755, which I introduced on May 15, 1997.

Civilian contract employees who accompany armed forces in the field are now covered under all DOD POW/MIA search and recovery policies.

The theater component commander is now involved in the initial assessment of a missing person's status, where as before, the initial handling of the situation originated with the Secretary of Defense in Washington, DC.

A new file must be opened and reviewed if any new information surfaces concerning the status, living or dead, of an MIA.

A status review board, when making a determination of death must now provide a description of the location of the body, if recovered, and if the body is not identifiable, a certification by a forensic pathologist. DOD may also have input by other specialists of appropriate medical sciences.

Personnel files will now be established for Korean conflict cases upon receipt of new information.

Families of MIAs will now have more open communication with counsel appointed to investigate the missing person.

Last summer, a United States forensics team returned what are believed to be the remains of four American Korean war soldiers who have been missing for nearly half a century. The following day, news reports then indicated that recently declassified Air Force documents show that the Department of Defense had knowledge of POW's in Korea after the Korean war. These events clearly reinforce the necessity for these provisions as thousands of POW and MIA's still remain unaccounted for. I believe that the provisions adopted by the Senate-House conference and included in the legislation we consider today will go a long way to help the families of our servicemen and women missing in action and will strengthen Defense Department policies for the future.

Mr. CLELAND. Mr. President, it has taken 9 long months to get to where we are today. Yet one issue remains controversial. In spite of numerous profound concessions made by the Depot Caucus, this bill faces the threat of a veto. I do not understand this. Much has been said on this topic, so I will be very brief.

There were at least two significant concessions.

First, we agreed to the Department of Defense request to continue free and open public-private competitions for the workloads at Kelly Air Force Base, TX, and McClellan Air Force Base, CA, rather than directing the Department to transfer this workload to the remaining depots, which we believe was the intent of the BRAC. I would urge those who do not believe this is a major concession to consider that this measure would essentially ratify a mechanism that overides a major BRAC recommendation.

Second, we agreed to the Department of Defense request to lower the 60–40 rule to 50–50. The administration requested 50–50. The Congress responded with 50–50, over the objection of many in the Depot Caucus.

What I find ironic is that on the two most significant priorities the administration had, we conceded to the administration position. Yet there is still talk of a veto here. I do not understand that, especially when I have to explain to people why we agreed to give up so much in return for so little.

I am not completely satisfied with the depot provision in the conference report, but it is a provision I can live with. The Department of Defense shares this view, and I would note that the provision has the unanimous support of the Senate Armed Services Committee.

The provision does not include everything that either side really wanted, but it is undoubtedly a fair and unbiased bill that places bidders on an equal footing.

When Robins Air Force Base won the contract to perform maintenance on the C–5, it had to go the extra mile to prove to the Air Force that it could do the job. It had to endure additional audits, above what is normally expected in such cases. Robins' bid was adjusted after it was submitted to account for factors which the private bidder was not subjected to. In spite of this unlevel playing field, Robins was able to win the award because of its outstanding record and the quality of its people.

I support fair competition, and I agree it can result in lower costs to the Federal Government. This bill provides for fair competition. I urge my colleagues to adopt it, and I urge the President to sign it into law.

Ms. SNOWE. Mr. President, the conference report for the National Defense Authorization Act for fiscal year 1998 is being considered by the Senate. This is an important component of the national security legislation that the Congress must pass each year. The national defense authorization conference report is a good, bipartisan bill. The conference between the Senate and the House conferees dealt with many substantial issues. There were tough negotiations on many issues, and this bill provides a balanced approach and fair compromise. There are three areas that I would like to talk about which are very significant. These are in regard to United States policy in Bosnia; the depot maintenance compromise; and some very substantial quality of life issues for our troops—the men and women in uniform who serve our Nation.

Mr. President, it is important to note that none of these significant national security issues will be addressed in any other forum unless the Senate passes this conference report and it is enacted into law.

For example, significant progress was made in this legislation with regard to United States policy in Bosnia. The bill states that it is the sense of Congress that United States ground combat forces should not participate in a follow-on force in Bosnia after June 1998. In addition, the bill contains a provision cutting off funds to support United States troops in Bosnia after June 30, 1998, unless the President certifies that their continued presence in Bosnia is required to meet our national security interests, and provided United States policy continues to preclude United States forces from being used to perform civil law enforcement functions.

This is a significant message to the administration and our NATO allies. This provides a workable solution to this complex policy issue, and is certainly more acceptable to the Senate and the administration than some of the alternatives proposed. I believe our language on Bosnia clearly puts the United States appropriately on record and yet preserves the constitutional authority and the necessary flexibility the administration needs to deal with the thorny issue of Bosnia.

Another significant issue is the area of depot maintenance, and the fair and open competition that was created by the compromise in this legislation. There are strong feelings on both sides of the depot issue—with many jobs at stake. The conferees' objective was to ensure fair competition and a level playing field. This conference report compromise achieves two things: Straightforward criteria for fair and open competition and, provides greater opportunity for DOD outsourcing.

Mr. President, one of the most significant areas in this legislation that will not be adequately addressed unless this bill is passed are very important provisions that support our military personnel in uniform who serve our nation so proudly—our troops who the President has so readily called upon in times of crisis throughout the world. Men and women who are now serving in dangerous and remote places like Bosnia, along the DMZ in Korea, and sailing in ships like the aircraft carrier U.S.S. *Nimitz* and its battle group who President Clinton has just recently ordered into the Persian Gulf to send a very clear message to Saddam Hussein. If we do not pass this bill we will be failing those we call on in times of crisis—the men and women in uniform.

Examples of some of these important provisions are adjustments to troop strength levels, military pay raises, specialty pay and bonuses, major reform to housing allowances that will eliminate Government waste, authorization for new family housing units, and finally an important step forward in establishing accountability in the fair and equal treatment of our troops—both men and women.

Compared to current law, this bill provides lower end strength levels and increased flexibility for the Pentagon and the individual services to manage military personnel strength. If the bill is not enacted, the military services will be held to the higher fiscal year 1997 end strength levels that were based on the 1993 Bottom Up Review. Levels that are higher than they need to be, levels that require the DOD to spend money that it does not have and does not need to spend. The lower personnel levels authorized are also consistent with the Department of Defense's Quadrennial Defense Review [QDR]. If we do not enact this bill we might as well throw the recommendations of that review right out the window.

Without these modified troop strength levels, the services will have to recruit and retain personnel that they will have to separate from the service 1 year later. Is this responsible government? This will be disruptive to our military, unfair to its people, and significantly detract from funding needed for modernization. This is just poor stewardship of our Nation's precious resources.

Without this Defense authorization bill, the military pay raise that we authorize in this bill will be less than our service members deserve. The bill includes a 2.8 percent pay raise for military personnel. If the bill is not enacted, the pay raise for military personnel will be limited to 2.3 percent.

Mr. President, the bill also includes authority for significant increases in the special pay and bonus structure designed to respond to critical recruiting and retention problems highlighted by the Department of Defense in our Personnel Subcommittee hearings. If the bill is not enacted, these authorities will not be available to the Department of Defense to address these problems. Specific groups that would be affected include military aviators, nuclear-qualified officers, dentists, military members on overseas tours, military members receiving family separation allowances and/or hazardous duty assignment pay, and military members serving in hardship duty locations.

Reducing military pay raises while failing to increase these bonuses through defeat of the Defense authorization bill will punish those who expect us here in the Congress to look out for them. We will be repudiating the commitments we have made to improving the quality of life for military personnel and their families.

The conference report also includes a major reform to housing and subsistence allowances. These are significant reforms to the existing structure for housing allowances and subsistence allowances for military members. The reforms are intended to simplify the management of these allowances and to better target the allowances to those individuals and geographic areas where the need is most acute. The reforms will save the Department of Defense money which can be used for other compensation and quality of life projects. If the bill is not enacted, the Department of Defense will be forced to continue to use the existing, outdated allowance structure with all its demonstrated inefficiencies, inequities, and higher costs.

I assure my colleagues if we do not support military personnel with pay and compensation levels that are fair and meet the needs of their families, we will see increases in career personnel leaving the military services. They will see our action as a breach of faith and they will be absolutely right in their assessment.

The bill also provides authority for the Department of Defense to begin construction on the fiscal year 1998 military construction projects which include quality of life and training-related facilities. If the bill is not enacted, construction cannot begin. Some may believe that since the military construction and family housing projects are funded in the Military Construction Appropriations Act, they do not need the authorization in the conference report. Let me assure my colleagues that is not correct. Both an authorization and an appropriation are required for military construction projects. Without this bill we will not build new family housing units. We will not build new barracks and dormitories for our single service members. We will delay construction on child care centers and dining facilities. If we deny these military construction projects, we will be guilty of failing to meet our commitment in support of our troops.

And finally, another issue of great importance, is creating an opportunity for fair and equal treatment for all our troops. This body has few greater responsibilities than maintaining the effectiveness and accountability of our Nation's Armed Forces. This is one of the reasons that reports of widespread sexual harassment in our Nation's military deeply concerns us all. With Department of Defense statistics showing that sexual harassment is prevalent throughout the Armed Forces—we must do more than pay lip service to the problem. We must act, and this bill does that.

Today, with a full understanding that the time has come for serious action that is responsible and constructive, a provision that I authored is included in this 1998 Defense authorization bill that places us on the road to solving the crisis of sexual harassment that plagues our military force. This legislation attacks the root of the problem—the lack of accountability when it comes to reporting and investigating incidents of sexual harassment.

The Department of Defense conducted a survey in 1988 and found that 64 percent of women reported that they had experienced one or more incidents of sexual harassment in the 12 months preceding the survey. The Defense Department conducted another study in 1995 and found that the figure had only improved to 55 percent. This is not progress, these statistics are shocking.

In its 1995 Defense Department survey, only 24 percent of the victims chose to report their sexual harassment experiences. Is this the kind of environment to which we should subject our volunteer force? These numbers tell me that women essentially stand a 50–50 chance of being harassed. This cannot and should not be tolerated. Add to that the fact that over three fourths of our military personnel do not feel they can report the harassment that occurs and you clearly have a very negative set of circumstances. How can you maintain good order and discipline in such an environment? This situation demands accountability. And it requires action to erase any perception that sexual harassment is tolerated in today's Armed Forces.

My provisions in this bill require the unit commander to report each and every sexual harassment incident to their next senior officer within 72 hours. Once reported, the unit commander appoints an investigating officer to investigate the complaint of sexual harassment. The unit commander has 14 days to report back to their commander with the results of the investigation. If the unit commander cannot complete the investigation within 14 days, that commander must report the interim results, every 14 days, until the investigation has been completed.

Today when an incident is reported to a unit commander, the commander is not required to report the incident until a preliminary investigation recommends disciplinary action. This gives the unit commander tremendous latitude as to how the case is handled. In most instances this is a not a problem. But look what we witnessed with the tragedy at Aberdeen. We saw a company commander who was a bad apple and there was no established system to alert his superiors that there was a problem.

Under the provisions of the national defense authorization bill each incident is immediately brought to the attention of a more senior officer. The most distinct advantage of this provision is that the decibel level of the problem rises by elevating the matter to the highest echelons of the services. Mr. President, this accountability is included in this legislation.

This provision also requires that the senior officers who receive these reports of sexual harassment forward all the complaints they receive and the results of the investigations of those complaints to their respective service Secretary by January 31 of each year, elevating the problem another notch within the military to the authors of the services' zero-tolerance policies where they can be scrutinized. The service Secretaries are then required to forward this information to the Secretary of Defense who in turn must report the information to Congress.

Mr. President, this is what is needed to put us on the road to help end sexual harassment in our military. We owe the men and women who serve our Nation an environment that includes accountability, good order, and discipline. But we also owe this to our Nation, which relies on our military to defend our great country and its interests.

The committee has been working on this bill for the past 10 months, it is an essential piece of legislation that must be passed by the Senate to ensure our national defense. We owe it not only to our people in uniform but to our Nation. I urge my colleagues to vote in favor of this conference report. Thank you, Mr President, and I yield the floor.

MILITARY UTILITY ASSETS

Mr. MURKOWSKI. Mr. President, as chairman of the Committee on Energy and Natural Resources, I would like to engage in a colloquy with Mr. THURMOND regarding section 2812 of the conference report, the section of the bill authorizing the sale of military utility assets.

Mr. THURMOND. What is the distinguished Senator from Alaska's concern regarding section 2812?

Mr. MURKOWSKI. I wish to draw the Senator's attention to the plain meaning of section 2812 so that there is no confusion in its application or implementation.

First, the plain meaning of the provision does not limit the Secretary of a military department's authority to convey electric utility assets present at a military base. There is no requirement that both electric generation and distribution facilities be present at a base in order for the Secretary of a military department to convey assets. Indeed, the plain language of section 2812 states that such Secretaries may "convey a utility system, or part of a utility system."

Second, section 2812 has no effect whatsoever on existing preference power allocations. If an entity that is not currently eligible for—or is not currently receiving—preference power buys an electric utility system at a base which is entitled to receive preference power, the base will continue to receive that preference power—subject of course to the terms of existing contracts, rights, or obligations. There is nothing whatsoever in the plain meaning of section 2812 to the contrary, nor is there any language in the provision supporting the idea that a base's preference power allocation will transfer to any asset purchaser that buys a military base utility system. Federal military bases, as customers of the Federal Government's utilities—the Power Marketing Administrations—will not be defeased of their rights to purchase preference power, regardless of the purchaser of military base assets.

Finally, I wish to reiterate that there is nothing in the plain language of section 2812 which in any way supports the notion that a particular purchaser (either a municipal, private, regional, district, or cooperative utility or other entity) should be given any particular preference with respect to the purchase of military base utility assets. Indeed, the section is intended to create a level playing field for all to compete for the purchase of the facilities. There is no language whatsoever in the section supporting the idea that preference power recipients should receive an advantage in competitive bidding for military base utility assets. Moreover, regardless of who purchases the utility system, the base will continue to receive Federal preference power pursuant to the terms and conditions of contracts.

Mr. THURMOND. I thank the Senator for those comments.

Mr. MURKOWSKI. I thank the chairman.

Mr. KEMPTHORNE. Mr. President, I rise to engage the distinguished Chairman of the Armed Services Committee and President pro tempore, Senator STROM THURMOND, in a colloquy. Mr. President, I know the chairman is very familiar with the important work conducted by the Department of Energy's Technology Development Program.

Mr. THURMOND. Yes, I know the DOE's Technology Development Program does very useful work developing new technologies to tackle many of the tough waste management and environmental restoration challenges across the DOE complex.

Mr. KEMPTHORNE. Mr. President, the chairman also knows the pending conference report authorizes $220 million for technology development work in fiscal year 1998. Within these authorized and appropriated funds, Assistant Secretary Alm has agreed to provide $22.5 million to the Idaho National Engineering and Environmental Laboratory [INEEL] to enhance application and deployment of innovative technologies across the DOE complex through specific validation, verification, and system engineering activities. This work will focus on simulation modeling, treatability studies and development of disposition processes for major DOE waste streams. The work will also help focus DOE's Environmental Management Program on accelerating clean up, developing alternative, improved technologies, and developing and tracking performance metrics for these efforts. This work is certainly within the authorized scope of work of the DOE's Technology Development Program, is it not?

Mr. THURMOND. Yes; this work is what we expect from the Department of Energy's Technology Development Program. I am also pleased to hear Assistant Secretary Alm is working with you and the INEEL to take full advantage of the enormous capabilities of that national lab. I urge the Senator from Idaho to keep me apprised of the progress of this important work.

Mr. KEMPTHORNE. I want to assure the chairman I will keep him informed about our progress in this area. I also want to thank my chairman for his hard work and leadership during the conference on the 1998 Defense authorization bill.

BRILLIANT ANTITANK MUNITION

Mr. SESSIONS. Mr. President, I would like to engage the Senator from Indiana in a brief colloquy to clarify a language provision of this legislation regarding the Brilliant Antitank, or BAT Munition in development for the U.S. Army. There have been some in DOD that have questioned whether the intent of Congress is to cancel the basic BAT procurement program for future years. I maintain this is not our intent. The BAT program is a key component of the Army's long-range fire support against threatening armored forces, but has experienced some developmental difficulties in recent months. It is clear to all of us that in fiscal year 1998, BAT is not ready for full-scale production and the committee's action eliminates the funds for production and applies them to much-needed further development. This is a move which is supported by the U.S. Army and in no way indicates a change in their requirements. Would the Senator say that my understanding is correct?

Mr. COATS. I would say to the Senator from Alabama that his understanding is correct.

Mr. SESSIONS. Mr. President, as I understand the proposed BAT language then, the committee is only eliminating basic BAT procurement for fiscal year 1998 and the committee intends for the basic BAT program, as well as the advanced sensor, to continue development through fiscal year 1998 at which time the committee will have an opportunity to evaluate the program's progress this time next year. Again, would the Senator conclude that my understanding is correct?

Mr. COATS. I would say to the Senator that yes, his understanding is correct. The conferees believe it is important that the Department of Defense understands that the intent of Congress was not to prohibit future procurement of basic BAT, but to eliminate 1998 production. Future congressional evaluation will determine whether the Army should enter into either full-scale production of the basic BAT submunition or limit production to the number required for testing and evaluation of the improved (P3I) BAT objective system.

Mr. CHAFEE. Mr. President, I want to thank both the distinguished chairman of the Subcommittee on Readiness, Senator INHOFE, and the distinguished chairman of the Committee on Armed Services and manager of the bill, Senator THURMOND, for their cooperation in including provisions to reauthorize the Sikes Act in H.R. 1119.

The Sikes Act was first enacted by Congress in 1960 to provide enhanced stewardship of fish and wildlife and other natural resources on military installations. The act seeks to capitalize on the enormous potential for natural resource conservation on military lands. The Department of Defense controls nearly 25 million acres of land and water at approximately 900 military installations in the United States, and the National Guard oversees an additional 1 million acres on 80 sites. These lands serve as home to approximately 100 endangered or threatened species and countless other fish and wildlife resources.

The amendment that I offered to the bill, along with Senators KEMPTHORNE, WARNER, and BAUCUS when it was pending before the Senate, would infuse new vigor into the implementation and effectiveness of the Sikes Act. Specifically, it would require the Secretary of each military department to develop a natural resource management plan for each of its military installations, unless there is an absence of significant natural resources on the base. The plan would be prepared by the Secretary in cooperation with the Fish and Wildlife Service and the appropriate State fish and wildlife agency. The plan must be consistent with the use of military lands to ensure the preparedness of the military, and cannot result in any net loss in the capability of the installation to support its mission. With those caveats, the plan must also provide for the management and conservation of natural resources. This language accommodates the interests of the State and Federal wildlife agencies as well as the needs of the military.

I would like to thank the conferees for accepting the Senate language extending the deadline for completing natural resource management plans from 2 to 3 years from the date of the initial report to Congress, which is required 1 year after the date of enactment. This change was negotiated between the Committees on Environment and Public Works and Armed Services, and approved by all interested parties, including the Departments of Defense and the Interior, and the International Association of State Fish and Wildlife Agencies. This change should enable the Department of Defense to complete the plans within its own internal timeframes, without unnecessarily missing any statutory deadlines.

As I mentioned when I offered this amendment back in July, jurisdiction of the Sikes Act, since its passage in 1960, has always rested with the Committee on Environment and Public Works. Bills to amend and reauthorize the act, including one that was introduced in the 103d Congress containing substantive revisions similar to the revisions in this amendment, have all been referred to that committee. The fact that reauthorization of the Sikes Act is being done through the DOD authorization bill represents the fortunate circumstance that after more than 1 year of debate, agreement happened to be reached by all parties at this particular time in this particular context. This circumstance does not alter the jurisdiction over the Sikes Act in the future. Nevertheless, the Committee on Environment and Public Works has always worked cooperatively on that portion of the Sikes Act pertaining to military installations in the past, and will continue to do so in the future.

In closing, Mr. President, I believe that this provision will significantly improve the Sikes Act, and I thank the conferees for all their hard work.

Mr. McCAIN. Mr. President, every high school civics student is taught the importance of the system of checks and balances among the three branches of government that underlays our representative government. That system, as we all know, is an essential element of democracy. Without it, the consolidation of excessive power in one branch of government poses a very real risk to the survival of true democracy and, consequently, the welfare of the republic.

I do not intend to sound melodramatic, but I believe strongly that the survival of the legislative branch's own system of internal checks and balances is similarly essential to the welfare of our country. The process of authorizing appropriations exists for a reason, and that reason has only increased over time. The balance of power within the branch of our Government that enjoys a constitutional prerogative over the raising and expenditure of revenues seriously needs to be respected and maintained.

Important policy directives that are an integral part of the authorizing process are not particularly well suited to the appropriations process. Authorization acts are intended to set the tone for the appropriations process that, ideally, would follow. When this system begins to degrade for whatever reason, the entire budget review process falters, and essential legislative provisions and oversight activities go unaddressed.

The two-step process of reviewing the President's budget request for defense—in both the authorization and appropriations committees—is especially crticial to our national security. The Senate Armed Services and House National Security Committees provide Congress its most important body of knowledge and experience in the vital realm of national security affairs. The defense authorization bill, which is the major legislative product of these committees, contains the recommendations of the Congress' defense experts on important policy matters as well as guidance on funding priorities. Many of the policy recommendations in this bill must be enacted before the dollars provided in the appropriations bill can be expended to implement them, such as the increases in pay and bonuses that are key to good morale in the force.

With all due respect to the Appropriations Committees, no single committee should be granted sole authority over the expenditure of $260 billion in defense funds. The manning, structure, equipping, and training of the most powerful and important armed forces in the world is too important to set aside the long-standing process of authorization and appropriations review.

Despite its flaws, and there are some, I urge my colleagues to vote for the Fiscal Year 1998 National Defense Authorization Act. To fail to pass this important legislation would be an abrogation of one of our most important responsibilities and would shift the balance of power within Congress from the many to the few, to the detriment of our future security.

Mr. SMITH of New Hampshire. Mr. President, I rise in strong support of the conference report on the fiscal year 1998 Defense authorization bill. I want to specifically commend the distinguished chairman of the Armed Services Committee, Senator THURMOND, for his outstanding leadership in formulating this legislation. I also want to thank the Senator from Michigan, Senator LEVIN, for his profound contributions to this legislation.

Mr. President, although this has been a long and difficult conference, the product of these labors is an excellent defense bill. This legislation will provide for necessary modernization of our Armed Forces, and significantly improve the quality of life for our service members and their families.

Importantly, this bill addresses in a very fair and appropriate manner, a variety of issues upon which the administration expressed strong concerns. Many of these issues had been represented as possibly triggering a veto. These include Bosnia, the B-2 bomber program, and the depot maintenance provisions.

But the conferees dealt in good faith on these issues, and have offered honest compromises that address the administration's concerns. In particular, the depot maintenance provisions have been modified to accommodate the strongly held concerns of the administration and the Senators from Texas and California.

The resulting language is, in my view, balanced, fair, and consistent with our national security interests.

However, in listening to yesterday's floor statements by the Senators from Texas and California, I could not help but think that they were looking at some other bill, because the characterizations made about the depot provisions in the conference report were grossly inaccurate.

Mr. President, let me make clear that I am an advocate for competition. Whether it be private sector competition among defense firms, or competition between public sector and private sector facilities, I believe that fair and honest competition makes sense for the American taxpayers and should be pursued wherever practical and consistent with our national security requirements.

The conference report includes a compromise on depot maintenance that would require the conduct of fair and open competitions at the Kelly and McClellan air logistics centers. The compromise would specifically define "depot maintenance" to include contractor logistics support and interim contractor support. It also requires that the Defense Department maintain the capability in public depots to perform maintenance work on certain mission essential weapons systems that the Secretary of Defense and Joint Chiefs deem necessary as part of our national military strategy.

Mr. President, the language is very clear and the intent is even more clear. The conferees support free and open competition for depot maintenance work. With all due respect to the Senators from Texas and California, who suggest otherwise, their assessment of this language is simply not accurate.

The truth is, many Senators, including my friend from Oklahoma, Senator INHOFE, have very strong concerns on this issue. I want to commend Senator INHOFE for his willingness to compromise so much on this issue. He has been very statesmanlike throughout these negotiations, and anyone who looks at this objectively will come to the conclusion that he has acted in good faith and has gone the extra mile to facilitate a resolution on this issue.

Mr. President, as a senior member of the Armed Services Committee, I was deeply troubled by some of the assertions made by the Senators from Texas and California during yesterday's debate. In particular, I was troubled by the statement by one member to the effect that "we do not even need a Defense authorization bill since we have already passed the Defense appropriations bill." With all due respect, this statement is flat out wrong.

The truth is, we need this bill to authorize pay raises and bonuses, military end strengths, and military construction and family housing. If there is no fiscal year 1998 Defense authorization:

Higher end strengths will remain in effect without funding to sustain them;

There will be no reform of basic allowances for subsistence and quarters;

All bonuses will continue at present levels, which prevents authorized increases to aviation and nuclear officer bonuses;

The Navy will lose the ability to have the CNO's choice for Chief of Chaplains;

Construction of 385 military construction and 45 family housing projects will not be initiated;

There will be no authority to continue the Challenge Program;

There will be no authority to expand the counternarcotics Riverine Program in Peru and Colombia;

There will be no authority to increase counternarcotics support to Mexico;

There will be no authority for the Department of Navy to reprogram funding for the advanced procurement and construction of components for the next nuclear aircraft carrier; and

There will be no authority to accelerate the NATO JSTARS Program.

Mr. President, as you can see, the authorization bill is urgently needed for a variety of compelling reasons. While I respect the views of my friends from Texas and California, I must honestly say that I do not believe they are being reasonable. The conferees conceded to approximately 80 percent of the requests made by advocates of Kelly and McClellan. The House Depot Caucus and the Senators from Oklahoma, Georgia, and Utah have negotiated in good faith. The result is a very reasonable compromise.

Mr. President, in an honest negotiation, no one gets everything. Both sides must give and take. In this case, it is very clear that the Oklahoma, Utah, and Georgia delegations have given a great deal. In fact, I would say they have gone above and beyond the call of duty to facilitate a fair resolution on this issue.

Accordingly, I would call upon my colleagues to reject any further attempts to stall this legislation or to prevent its enactment. The Armed Services Committee has worked diligently, in a bipartisan fashion, to formulate a very responsible and constructive defense bill. We owe it to our men and women in uniform, and particularly those deployed in harms way throughout the world, to pass this legislation promptly.

I urge my colleagues to support the fiscal year 1998 Defense authorization conference report.

DEPOT COMPROMISE

Mr. THURMOND. Mr. President, I would just like to take a few moments to address some of the issues that were raised yesterday regarding the compromise depot language included in the conference report on the National Defense Authorization Act for Fiscal Year 1998. I believe it is important to clarify the issue and ensure that all Members are fully aware of the contents of the compromise language, and the negotiation process that resulted in this language which provides for fair and open competitions.

First of all, I would like to put to rest one very important allegation—that the committee demonstrated bad faith on this issue—that there was some agreement that was subsequently changed in the dark of night. This allegation is simply not true. Given the unprecedented involvement that was afforded to the Department of Defense and the staff of the concerned delegations; given the efforts that were taken to ensure that all interested parties, including those who were not conferees, were kept fully informed on what was taking place; I reject any assertion that the committee treated any Member unfairly, or disregarded any agreement.

There was never an agreement on any package prior to October 22, 1997. Proposed agreements drafted by the committee and provided to everyone—depot caucus, Texas and California delegations, and the administration, were either rejected or there was no response. This includes the proposed agreement regarding depot-level activities that was provided for everyone's review and comments on October 17, 1997.

After talking with the interested parties, both in the administration and Congress, the committee put together the October 17 proposed agreement and submitted it for everyone to review and either accept, or provide input to us regarding those changes that would make this proposal acceptable. After reviewing the language, Senator BENNETT and other Members expressed concern regarding the language in the bill that stated:

> No offeror may be given any preferential consideration for, or in any way be limited to, performing the workload in-place or at any other single location. Appropriate consideration may be given to differences in cost or performance risk associated with the location of performance.

The concern of these Members was simply with the appearance of the language. After agreeing to give up their position that privatization-in-place must be prohibited, a position very important to these Members and their constituents, they believed that the Congress should at least insist on a clear statement that the administration could not give preferential treatment for privatization-in-place. Therefore, they asked that the second sentence be moved from the bill to report language.

Mr. President, just to be sure that everyone understands, this language does not state that the Department cannot consider cost or risk. In fact, the bill language still requires the Department to take into account:

> the total estimated direct and indirect costs that will be incurred by the Department of Defense and the total estimated direct and indirect savings (including overhead) that will be derived by the Department of Defense.

Furthermore: the report language, which Senator GRAMM himself declared has the effect of law, states:

> The Department would be expected to consider real differences among bidders in cost or capability to perform the work based on factors that would include the proposed location or locations of the workload. The consideration of such differences does not constitute preferential treatment.

Unfortunately, when the committee scheduled a meeting with the staff of the concerned delegations to discuss this and other proposed changes, the Department of Defense as well as the staff of the Texas delegation refused to participate.

Taking what input we received from those Members who were able to identify concerns, the committee made a couple of changes to the language that we believed were reasonable. This included moving the bill language discussed above to report language and some changes requested by the Department.

Mr. President, I agree with the Senator from Texas that if the sentence that was moved is technical, is inconsequential, there is no reason why it had to be dropped; other than for the sake of appearance. However, since Senator BENNETT and other Members wanted a clear statement that preferential treatment could not be given to a bid solely because the workload would be done in place, and since we could not even discuss this with the other Members because their staff refused to participate in meetings, the language was moved.

Mr. President, given the administration's past attempt to politicize this process by advocating privatization-in-place, Senator BENNETT's concerns appear to have merit. The Congress should be on record stating that the most competitive bidder should do this work wherever they can do it best. That is the only way the American taxpayer, and our military personnel, will receive the best deal.

Mr. President, I would now like to address the issue of the so-called anticompetitive language that was the point of discussion on the Senate floor earlier this week. The assertion that this language is anticompetitive could not be further from the truth. As many of you know, the original language that was rejected by the Senate contained an effective prohibition on such competitions. This provision is not included in this bill. In fact, this bill specifically authorizes such competitions and merely includes some of the criteria that must be considered in order to ensure that they are fair and open.

Furthermore, the Department would retain complete flexibility to consider any other criteria that the Department believes necessary to ensure that these competitions are fair. In fact, this provision is very similar to what Senator GRAMM advocated when he addressed the depot issue on the floor of the Senate earlier this year and asked for competitions with criteria.

One of the criteria that the Senator from Texas would like to have changed because he believes it to be anticompetitive, is the clause that would require the Department of Defense to allow public depots and private corporations to form teams to compete for the workloads at Kelly and McClellan. I am not sure why this clause, which opens the competition to more potential bidders, would be viewed as anticompetitive. I see no reason why we should preclude the best team, whether public, private, or public/private, from competing to perform this work and doing it if they have the best proposal. In fact, at a recent hearing before the Senate Armed Services Committee, Mr. F. Whitten Peters, the Principal Deputy General Counsel for the Department of Defense and nominee to be the next Undersecretary of the Air Force, stated that he also did not believe such language to be anticompetitive. If someone truly believes that allowing an organization to compete is anticompetitive, they should explain their position to the Congress and the American people.

Mr. President, the compromise language also amends the current 60/40 law so that the Department might outsource up to 50 percent of its depot maintenance workload. This will provide substantially more flexibility to the Army and the Navy, and some additional flexibility for the Air Force despite the fact that the compromise would also codify the definition of depot maintenance to include interim contractor support and contractor logistics support.

Furthermore, the depot compromise codifies the Department's own policy of maintaining, within organic Defense depots, the capability to meet readiness and sustainability requirements of the weapon systems that support the JCS contingency scenarios. This does not require that the Department perform depot maintenance on all mission essential weapon systems in public depots. It simply requires that the Department retain a capability to maintain this equipment should it become necessary.

The Senator from Texas has expressed some concern regarding the use of the word "ensure" rather than "promote" in this provision. He stated that this was a major concern for the Department of Defense because someone might interpret it in such a way that it would require the Department of Defense to perform all depot maintenance in public depots. All I can say is that it would take an extremely creative imagination to give that interpretation to this language. Both "promote" and "ensure" are subjective terms that will be interpreted by the Secretary of Defense. He is not going to interpret "ensure" in the manner feared by Senator GRAMM when it is clearly contrary to the intent of the Congress. In fact, when the committee asked the Department to provide in writing any concerns they had regarding this language, the Department did not express any concern regarding the word "ensure" or suggest changing the word "ensure" to "promote."

Mr. President, the Senators from Texas and California have asserted that the depot compromise contained in this bill "undercuts the ability of the Secretary of Defense to conduct price competition so that we can have bidding on this work." However, the compromise language specifically requires the consideration of all costs and savings, and would ensure price competition. Most of the Members involved in this issue have always insisted on price competitions as opposed to schemes which would allow more subjective judgment.

It is also asserted that this language skews the competitions in favor of public depots because it allows them to hide their overhead costs. There is no clause in the depot compromise that allows the public depots to hide overhead costs. The compromise specifically requires that all costs and savings must be taken into account when considering any bid.

Concern has been raised that this language would require the Department to procure expensive and unnecessary equipment in order to be able to maintain commercial systems that have been integrated into military equipment. This is false. in fact, the provision requiring the retention of a core capability specifically provides an exemption for commercial items.

Finally, concern has been raised because there was bill language which the Department did not like that was moved to report language. I believe that this must refer to the report language that simply notes that the Department of Defense has denied the General Accounting Office access to information that the General Accounting Office is entitled to obtain by law. I could understand why this would be objectionable if this were not true. Unfortunately, the Department is refusing to disclose information on the earlier C-5 workload competition so that we can be sure that it was fairly conducted. Perhaps the conferees would not have agreed to include such language if the Department would allow the General Accounting Office access to the information necessary to perform the review requested by the committee.

Mr. President, this bill contains a fair compromise that was drafted by the members of the Senate Armed Services Committee after consulting with all interested parties; including the administration and the concerned delegations. It is fair to assert that none of the parties involved are completely happy with this compromise language, however, that is what happens when you have to compromise. If we all insisted on getting everything our way, nothing would ever be accomplished by the Congress.

Mr. President, Senator LEVIN, the ranking member of our committee, and I worked together in a totally bipartisan manner to achieve this compromise and we both agree that this compromise enables the Department of Defense to conduct fair and open competitions for the workloads currently performed at Kelly and McClellan. During the drafting of this compromise language the Department of Defense, as well as the staff of the concerned delegations, were provided numerous opportunities to review this language and identify their concerns. We made significant changes to this language in order to alleviate many of the concerns they raised.

Mr. President, as I previously stated, this is a good compromise; a fair compromise. It allows all parties to compete for these workloads in a fair and open manner. I ask the other Members of the Senate to support this compromise, and this bill, by voting in favor of final passage.

Mr. FEINGOLD. Mr. President, I intend to oppose H.R. 1119, the Department of Defense authorization bill for fiscal year 1998, and would like to take a few moments to explain my disagreement with this authorization bill.

Mr. President, there are a multitude of reasons for opposing this legislation. First and foremost is the $268.2 billion in overall funding this bill provides for our Armed Forces, an amount that is not only substantially higher than the amount we authorized last year, but $2.6 billion more than the Pentagon itself has requested.

Additionally, this legislation continues the funding of a host of highly questionable and outright unaffordable programs. For example, the bill includes $331 million—$157 million more than the Pentagon requested—for the B-2 bomber, a program that scores of budgetary and military experts, not to mention numerous Members of Congress on both sides of the aisle, have concluded does not serve our national security interests and does not merit any additional funds.

The legislation includes $2.4 billion for 20 new F/A-18 E/F SuperHornet tactical fighters for the Navy. My colleagues may recall that the General Accounting Office and other experts have made repeated, convincing recommendations that we shelve this program in favor of the more affordable F/A-18 C/D, the Navy's current top-of-the-line tactical fighter capable of providing nearly all of the benefits of the E/F version but at a savings of billions of dollars to the taxpayer.

These are just two examples, Mr. President, of billions of dollars that are being needlessly spent in this bill for programs that have encountered enormous criticism and steadfast opposition from across the political spectrum. Despite these questions and opposition, the gravy train continues to chug along unabated from the Congress to the Pentagon.

For many years Congress has failed to sufficiently control the flow of deficit dollars to the Defense Department, clinging to a conviction that having a less expensive military structure will consequently leave us with a less effective military structure. That is an absurd correlation, Mr. President. There is no question that if we invest our defense dollars wisely we can have a leaner military without compromising either efficiency or effectiveness.

Since I arrived in the U.S. Senate almost five years ago, my driving objective has been to reduce the Federal deficit and achieve a balanced budget. We have had enormous success in that regard, passing hallmark legislation in 1993 that drove down the deficit to a point where we could pass further legislation in 1997 that will finally allow us to reach a balanced Federal budget in a few short years.

A large part of that success has been due to the willingness of both the Congress and the President to do more with less, to trim excessive spending wherever possible and maintain important services but with fewer resources. We have succeeded almost everywhere in government—education, health care, veterans' care, welfare benefits, environmental programs—everywhere except defense spending where we continue to build destroyers the Navy does not ask for and continue to build bombers the Air Force does not want.

Balancing the budget is about making difficult choices, Mr. President. Sure the Navy would like to have the F/A-18 E/F fighter, and if we were in a radically different budgetary position I might support giving them 200 of those airplanes instead of the 20 they are receiving in this legislation. But can we afford 20 of these new tactical fighters, when a more affordable and equally effective alternative aircraft is readily available? How that question is answered, Mr. President, is the difference between fiscal excess and fiscal responsibility.

We have to make smart choices Mr. President. A balanced Federal budget is in sight for the first time in three decades. But we are not going to be able to maintain a balanced budget, let alone start bringing down the Federal debt, so long as we continue to commit to programs and force structures that are so blatantly unaffordable.

In this context, I would like to discuss the role of the National Guard in our force structure and how the Guard will be affected by this conference report.

Mr. President, the National Guard is a source of immense pride in my State of Wisconsin. As I travel across the State, I often have the privilege of meeting the men and women who compose the Wisconsin Guard and have been impressed with the tremendous degree of professionalism and proficiency with which they complete a wide range of missions.

These are well-trained, dedicated, professional soldiers who earn rave reviews from the Governor's office down to the villages and municipalities who are often the principal beneficiaries of the Guard's assistance.

The mission list of the Wisconsin Guard is impressive: Just last spring, the 115th Fighter Wing based in Madison and comprised of Fighting Falcon F–16's, participated in Operation Northern Watch, enforcing the no-fly zone the United Nations imposed over northern Iraq. In addition, 181 Wisconsinites attached to the 128th Air Refueling Wing stationed at Mitchell Field in Milwaukee recently returned from Turkey where they too participated in Operation Northern Watch, providing air refueling support to the fighters enforcing the no-fly zone.

As much as some perceive the Guard as mere weekend warriors, we must remember that these individuals are performing missions both domestically and abroad that pose as great a risk to their lives as any active duty personnel.

But what makes the National Guard so unique is the traditional role they have played in our democratic system dating back to our Nation's infancy. In Wisconsin, we can trace the history of the Guard to 1837, when Governor Henry Dodge appointed a new commander of the Green Bay Rangers Volunteer Company, enlisting the men of that unit to serve the Territory of Wisconsin.

Today, over 10,000 men and women serve in the Wisconsin Guard, generating more than $125 million in annual Federal income. The Wisconsin Army National Guard has 96 units located in 67 communities throughout the State, while the Air Guard has four units in Madison, Milwaukee, and Volk Field.

The National Guard has traditionally served both a Federal and a State mission, providing ready, trained units to the active Army and Air Force in time of war or national emergency, and assisting State authorities in protecting life and property and preserving peace, order, and public safety.

Unfortunately, the legislation before us includes provisions that are troubling to those who support a meaningful role for the National Guard in our Nation's defense. These provisions were recently brought to my attention by Maj. Gen. James G. Blaney, adjutant general of the Wisconsin National Guard, who raised concerns not only about the impact these changes would have on the readiness of the Guard, but also about how such changes undermine the traditional and constitutional roles the Guard has always been intended to fill.

First, the legislation includes a reduction in the Army National Guard's end strength by 5,000 troop slots. This reduction reflects a compromise agreement that was reached with the active Army, which also agreed to reduce its end strength by 5,000 soldiers in the upcoming fiscal year. However, though this legislation includes the reduction for the National Guard, it does not include the reduction for the active army—a reduction that was also recommended by the Quadrennial Defense Review.

Second, the legislation before us establishes a new mobilization category that would allow the President, under the Presidential Selective Reserve Call-Up Authority, to mobilize up to 30,000 Individual Ready Reserve [IRR] troops before mobilizing the National Guard for contingency operations. Mr. President, the IRR is composed of inactive military members who are awaiting their final discharge. Although current law permits the President to call on these troops only after he has called on the Guard, the DOD Authorization Conference Report would elevate this new category of IRR forces to a higher position than that of the Guard.

That is a senseless exercise, Mr. President. The members of the National Guard are continually training for such deployments, and yet this legislation proposes to call up 30,000 inactive, nontraining troops before the Guard is mobilized.

It is little wonder that the National Guard perceives these changes as a direct assault on the traditional role of the Guard in our Armed Forces. But what is even more troubling is how contrary these proposed changes are to the constitutional role that the Guard and the State militias are designed to fulfill.

Article I, section 8 of the U.S. Constitution provides Congress with the power to "raise and support armies, but no appropriation of money to that use shall be for a longer term than two years".

I find that extraordinary, Mr. President. Why did the Founding Fathers prohibit Congress from appropriating funds for a standing army beyond 2 years? Not surprisingly, Americans of the late 18th century were highly suspicious of standing armies. They had witnessed firsthand the power and intrusiveness of such an army and how it could be used by a monarch or a central government to suppress the rights and sovereignties of the people.

The Framers of the Constitution wisely decided that if there was going to be a standing army in a free democracy, it would only be through the ongoing approval and purse strings of the representative branch of government.

Article I, section 8 continues, granting Congress the power:

> To provide for calling forth the Militia to execute the Laws of the Union, suppress Insurrections and repel Invasions [and] provide for organizing, arming, and disciplining, the Militia, and for governing such Part of them as may be employed in the Service of the United States, reserving to the States respectively, the Appointment of the Officers, and the Authority of training the Militia according to the discipline prescribed by Congress.

In short, Mr. President, the Framers not only held a standing army suspect, they recognized the importance of defining a role for a citizen militia to be maintained, led and trained not by the central government, but by the States. Interestingly, although the Constitution makes no mention of what capacity a standing army is designed to serve, it does specifically hold the militias responsible for executing our laws, suppressing insurrections, and repelling foreign invasions.

This leaves little doubt that the Founding Fathers were substantially more trusting of the State militias, and were far more willing to assign responsibilities for the defense of the Nation to these militias than they were any standing army.

Of course, Article I of the Constitution is not the only component of the Constitution that is relevant to today's National Guard. The second amendment to the Constitution provides:

> A well regulated Militia, being necessary to the security of a free State, the right of the people to keep and bear Arms, shall not be infringed.

Whatever advocates and opponents of gun control construe these words to mean in 1997, the aim of the first part of the second amendment is evident: Our Founders were making a penetrating statement that a strong militia was imperative to the security of a free State.

What the Framers of the Constitution recognized over 200 years ago with respect to the vital importance of the militias remains true today. That is certainly not to suggest that there is no purpose or merit in maintaining a standing army. On the contrary, we have learned in this century that a free and democratic society cannot sustain itself without self-protection, and Republicans and Democrats alike can agree that we should have—and do have—the strongest and best-trained active duty force structure in the world.

But to simultaneously and needlessly diminish the strength and role of the National Guard is, I believe, to tarnish many of the underpinnings of our great democracy.

Today's men and women of the National Guard represent what our Founders envisioned in terms of a citizen militia. Members of the Guard are sprinkled throughout our communities. They are teachers, firefighters, doctors, nurses, business owners, police officers, farmers, and yes, even Members of Congress.

And just like our active duty personnel, the men and women of the National Guard can be called upon on a moment's notice to be placed in harm's way. From the Civil War to the Persian Gulf, the State militias and the National Guard have consistently played a central role in protecting our Nation's security, both at home and abroad.

But the Guard does much more as well. They participate in youth programs, such as the highly successful, low-cost Badger Challenge program in Wisconsin where the Guard takes at-risk kids and helps them obtain their GED's while teaching them discipline and respect for themselves and others.

The Guard supports medical outreach programs. They are involved in counterdrug efforts, working with the Department of Justice and local law enforcement agencies through aerial observations, ground surveillance, and cargo inspections.

All of this is accomplished, Mr. President, in a highly cost-effective manner. A comparison of the costs of active duty personnel and Guard personnel demonstrates the sharp differences in costs. According to one study, on average, it costs $73,000 per year to train and equip an active duty soldier. The cost of training and equipping one National Guard soldier—$17,000, almost one-fifth the cost.

Projected on a larger scale, an estimate recently prepared for the National Defense Panel found that the Government could save roughly $1 billion per year for every active division whose responsibilities it shifts to the eight divisions of the National Guard. Another analysis finds that a Guard unit can cost anywhere from 25 to 80 percent less to maintain than an active duty unit.

In other words, Mr. President, with little sizable military threat to the United States today, we can shift many of the warfighting responsibilities—not to mention responsibilities for peacekeeping and humanitarian operations—from the active forces to the National Guard at a substantial savings to the taxpayer while losing little in skills, readiness, and training.

There are a host of missions today that the National Guard can fulfill and should fulfill, providing a less expensive but highly effective complement to our active forces.

As we reassess what our strategic blueprint for our future Armed Forces should look like, and as we begin the process of conducting a comprehensive review of our inventories and projected needs, it is my hope that there will be renewed focus on the advantages of a properly funded, well-maintained National Guard.

Such a focus presents us an opportunity not only to ensure that we have a highly efficient and cost-effective military, but that we are also adhering to some of the most fundamental constitutional principles established by our Founding Fathers.

Mr. DODD. Mr. President, I want to commend Senator THURMOND, Senator LEVIN, and the others on the Armed Services Committee for their efforts in bringing this conference report to the floor. This important conference report has not easily reached this point, and the fact that we are about to vote on it is a tribute to the bipartisanship and forbearance of the Committee members.

This conference report will be good for our fighting forces and good for the Nation. Most important perhaps is the well-deserved 2.8 percent pay raise for our military personnel. Moreover, this conference report will provide the badly needed pay bonuses to help encourage highly trained personnel to continue their military service beyond their initial commitments.

With passage of this conference report into law, this Nation will also fully fund the Cooperative Threat Reduction Program—the most cost-effective means of preventing nuclear proliferation. I can think of no better method to stop the spread of weapons of mass destruction than to assist Russia in dismantling its nuclear arsenal.

This conference report includes an amendment that I authored to assist those suffering from Persian Gulf war illnesses. Next year, I look forward to a combined Defense Department-Veterans Administration plan to provide health care to our sick veterans. Also, I expect to see a full report from the Defense Department on the effectiveness of research efforts to date. Finally, because there has not yet been a program to determine which treatments are most effective in caring for those suffering from Persian Gulf war illnesses, this amendment authorizes $4.5 million to begin a clinical trials program with that determination as its goal.

As for procurement, I give this conference report high marks. It supports the agreement between our Nation's two submarine builders to work together in building the New Attack Submarine; it provides appropriate relief from the Seawolf cost cap; it completes the funding authorization for the third and final Seawolf-class submarine; and it fully funds the New Attack Submarine Program. For those who think that this Nation is doing too much submarine building, let me urge them not to look at any 1 year in particular, but to look at the submarine program as a whole. The U.S. Navy, which had once built two, three, or four attack submarines a year to maintain a fleet of well over 100, now plans to build just four over the next 6 years. The United States has never built nuclear attack submarines at a lower rate.

This conference report also authorizes 30 H-60 helicopters. The Army, Navy, Air Force, Coast Guard, and National Guard all use these helicopters, not to mention several countries throughout the world. In natural disasters and military operations alike, H-60 helicopters are on the front line. One need only ask the Adjutant General of virtually any State in the Union to gain an appreciation of how vitally important these helicopters are. I hope that future defense bills will continue to provide this Nation's servicemembers with the capable H-60 helicopters that they need and want.

Let me conclude by mentioning that I do not know whether this conference report will be vetoed. I think, on balance, that the good in this report clearly outweighs the bad, and I would urge the President to quickly make it law rather than prolonging the battles that have plagued conference report for months.

Mr. THURMOND. Mr. President, I ask unanimous consent that the division of time on the pending conference report be as follows: Senator THURMOND in control of 20 minutes, Senator LEVIN in control of 20 minutes, Senators GRAMM and HUTCHISON in control of 45 minutes, Senators FEINSTEIN and BOXER in control of 45 minutes, and finally Senator STEVENS be recognized to speak up to 30 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I ask I be notified after 22 minutes because that is the time I will control. My senior colleague, Senator GRAMM, will have the other 23 minutes.

Mr. President, I want to say that I am one of the most prodefense people in this body and I think most of this bill is very good and very important. I am going to speak on the part of the bill that I think is very shortsighted and will, in fact, hurt our readiness in the future if it is not fixed. I will continue to urge the committee to work to fix it because I do believe that all of us want a stronger national defense and we want the taxpayer dollars to be spent wisely. In fact, passing this bill will waste billions of taxpayer dollars, and those aren't my figures. Those are the figures of the experts.

So why would we do that? Let me first say that the points that were made by Senator KEMPTHORNE and Senator CLELAND can be met. I agree with them. It is most important that the pay and compensation issues, the health care issues, the military construction issues be addressed. In fact, a clean bill has been introduced that would cover those items, that if this bill is vetoed by the President—which I hope it will be, so it can be corrected—we can take care of those very important compensation, health and military construction issues, and that bill has been introduced.

This can be worked out. It can be worked out for the good of everyone, for the good of the Department of Defense, for our men and women in the military and for the taxpayers of our country.

I want to read from the Base Closing Commission recommendation. The Base Closing Commission recommended the closing of both Kelly Air Force Base and McClellan Air Force Base, but it did reserve the right of the Department of Defense to make the decision about where the work would be done and how it would be done. It says that "the workload would be moved to other depots, or to private sector commercial activities, as determined by the Department of Defense."

Now, what we are doing in the bill, if it is passed today, is taking that flexibility away from the Department of Defense. What we are saying is, you cannot have a level playing field, you cannot have real competition for the most cost savings and for the readiness issues in the maintenance of our equipment. This is a crucial issue, and it is not an issue that is just for McClellan Air Force Base or Kelly Air Force Base or California or Texas. This is an issue about how we are going to conserve the dollars that we spend on defense so that they can be spent for our troops, for the quality of life, and for the readiness that we must have to face the security threats to this country.

The savings are absolutely—it has been proven—achievable, and it has been shown already by the most recent competition, the one that took place on the C–5, which saved $190 million on the cost of doing the maintenance of the C–5. This was won by a public depot against the private sector bidders that I had hoped would win. Nevertheless, I didn't win, but the taxpayers did, and the Department of Defense will save $190 million because we had the competition.

In fact, private-sector companies that outsource frequently achieve cost savings of 20 to 30 percent. That is proven. If the Department of Defense could achieve similar savings by outsourcing $15 billion in annual depot maintenance, that would free up $2 billion a year for other purposes—$2 billion a year. Just think of it. Our operations in Bosnia cost us $3 billion a year. Most of that could be achieved with savings from efficiencies gotten with competition in the depots. That was proven within the last 2 months in the C–5 competition that was won by Warner-Robins. It was only because there was competition that these efficiencies were made. Otherwise, it would have been business as usual. Everything would have been done the same way. In fact, we would have paid $190 million more to do this work.

One corporation, with much experience in commercial aircraft maintenance, has already looked at the engine maintenance work at Kelly. They have concluded that, by employing commercial-sector business practices, they can reduce the cost by over $1 billion over the life of the contract. They can reduce the amount of time necessary to repair engines by as much as 40 percent. So that is a readiness issue. And they can improve safety of flights through their process modifications. We all know that safety is of paramount importance when we are talking about our young men and women flying in the aircraft provided to them by the Department of Defense. So why wouldn't we bring this kind of expertise and savings into our military maintenance? I don't understand it.

Look at the people who have spoken on this issue. Adm. William Owens, the Vice Chairman of the Joint Chiefs, when he was going out of office, in testimony before the Senate Armed Services Committee said:

> The world's largest business is 65 to 70 percent fixed cost, 35 percent variable cost. The variable cost translates to the war-fighting capability. The money is in the fixed costs, and that is what we've got to work on. We must work on the fixed costs, like maintenance.

Dr. John White, Deputy Secretary of Defense, March 1996:

> Privatization provides substantial savings. Now as we go forward, we have a situation where we have to emphasize modernization.

General Shalikashvili, Chairman of the Joint Chiefs, 1996:

> I believe we must go on with privatization, with outsourcing. We need your support to make the hard choices and to change it to make these initiatives work. I particularly ask for your support where changes in law are required.

I don't think the general would want to have constraints on competition and privatization as we are seeing in the bill before us today.

William Cohen, the present Secretary of Defense, June 18, 1997:

> The San Antonio and Sacramento workload involve thousands of highly trained workers and large, expensive equipment and facilities. This work is critical to the continued operation of national assets. To transfer all of these workloads without a competitive evaluation and risk assessment would be unwise, from a business perspective, and would involve a significant risk of disruption in mission performance and degradation in military readiness.

Now, these are the people in charge of our military. They are talking about the importance of privatization, the option of privatization. They are saying, look, we are willing to live with fewer dollars and provide the security that we are supposed to provide to the people of America. But don't tie our hands. Let us have the option, let us have the ability to do this job with the options and flexibility we must have to put the dollars where we need them. And we are seeing the capability of saving $2 billion a year if we will allow full competition.

What is Congress doing in the bill that is before us today? It is tying the hands of the people who are asking for our help in order to do the job we are asking them to do in the most efficient way.

Mr. President, why would we do this? I can't understand it. We have heard quotes from the people on the military side. Now let me quote from a letter received today from the Industry Depot Coalition. These are the people who do the work. These are the people who have been in this business, who know what the cost savings can be, who provide the 20 to 30 percent cost savings when they do the work. They have written a letter to Senator THURMOND and Senator LEVIN. It says:

> The Industry Depot Coalition, comprised of eight national associations representing the breadth of the defense industry and thousands of American businesses, large and small, wishes to register, for the record, our concerns relative to the depot maintenance provisions that are contained in the FY98 national defense authorization bill. In so doing, we wish to raise with you a number of impacts we foresee resulting from the provisions, as well as our sincere hope that you will give serious consideration to making modifications in that language.

They state as a primary concern:

> The legislation requires that the Secretary of Defense assign sufficient workload to public depots to ensure cost efficiency. However, the arbitrary assignment of workloads will not ensure efficiency. Efficiency can only be ensured through competition, innovative management initiatives, and the adaptation of commercial practices, none of which is adequately addressed in this legislation.
>
> In addition, we are concerned that the legislation's requirement that DOD have in-house capability to repair all new systems within four years of initial operating capability could result in DOD having to create and maintain redundant facilities and capabilities, even when doing so is neither cost-effective nor, in the judgment of the Department, necessary for the national defense.

A second area of primary concern:

> The legislation places in statute competitive requirements that are at this time only to be applied to the proposed competition for

> the workloads at the Kelly and McClellan Air Logistic Centers. As believers in fair competition and equal treatment in all areas of competition, we simply cannot support a statutory requirement such as this one that places unique requirements on one category of bidders.

Mr. President, we have heard from the industry, we have heard from the Department, we have heard from the military chiefs—they need the flexibility. They need the ability to be able to do the work in the most efficient way, and that is what we are trying to provide them.

The bill before us today does not allow that competition. It does not allow a free and fair competition; it weights toward the public depots to such a great extent that even one of the greatest proponents of this language admits exactly what they want to do, and that is keep private bidders from bidding.

I will just quote from the Daily Oklahoman, where the junior Senator from Oklahoma says:

> With the language in the bill before us, I think it is highly unlikely any contractor would want to bid on it.

So they are trying to stifle competition, and I don't understand why the committee is letting them do this. I do not, in any way, challenge the motives of the committee. I know they want to do what is right. But I think they have not looked at the quote of the Senator from Oklahoma, who admits he is trying to put language in so that no one will bid. They are overlooking the Defense Industry Depot Coalition, who have done the work and know that they can do it more efficiently. They are overlooking the fact that, where private industry is doing maintenance, it has worked very well for the Department of Defense. One of the best examples of this was in Desert Storm, where we had much private maintenance that kept right up to the readiness requirements of the Department of Defense.

Mr. President, all the evidence is against what is in this bill today; yet, everyone who is arguing for this bill seems to say that this is just one little issue; it is just one little issue that can save $2 billion a year—$2 billion a year. We could start deploying theater missile defense. We could pay for most of our operation in Bosnia with these savings. Why won't the committee work with us to make sure that it is not just the one narrow interest of people who do not want competition who are winning? That is why the President has said he is going to veto this bill. He has told the Members of Congress he is going to veto this bill, and he is right because he knows that, as he himself is trying to lower the defense costs to our country, he has to have the flexibility to do his job. He can't afford to let $2 billion lay on the table in inefficient operations because a few people don't want competition. The President has said he is going to veto the bill because he knows that it is wrong to stifle competition and waste taxpayer dollars when we need to provide for the readiness of our country.

We are not talking about one State or one depot. We are talking about the readiness of our troops, and the quality of life for our troops. We are talking about doing a job with fewer dollars from our taxpayers but fulfilling our responsibility for the security of our country.

How could we pass a bill that we know is going to waste $2 billion a year, according to the Department of Defense statistics? How could we do it?

I urge the committee to work on this language and make it fair. I urge my colleagues to listen to the debate because, if you vote on the merits, we can fix this bill, and we can provide for competition. We are not asking for favors. We are not asking for anything more than a fair and level playing field. In fact, in my conversations with the Secretary of Defense and the Deputy Secretary of Defense, I said, "If you can answer one question for me, I will be for this bill because I like most of what is in it." Answer one question. "Can you have a fair and open competition with the bill language as it is before the Senate today?" And the answer was "no." The answer was no from the Deputy Secretary of Defense. That is the only question that matters.

So when you hear people glossing over this issue as if it is some small thing, as if it is some parochial, minor issue, $2 billion of taxpayer money, $2 billion of readiness, $2 billion of quality of life for our troops, and $2 billion toward systems that will protect the security of our country, it is not parochial.

I urge my colleagues to get engaged on this issue and do what is right. We still have time to pass a good armed services authorization bill that provides for health care, quality of life, pay raises, military construction, and free and fair competition for savings, for good jobs, for people who win on the merits—not through a fix. And the fix is in the bill.

Thank you, Mr. President.

I would like to ask that any balance of my time be given to Senator GRAMM.

The PRESIDING OFFICER (Mr. ROBERTS). Without objection, it is so ordered.

Who yields time?

Mrs. HUTCHISON. Mr. President, I ask unanimous consent to have printed in the RECORD the letter from the Industry Depot Coalition.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE INDUSTRY DEPOT COALITION:
AEROSPACE INDUSTRIES ASSN., AMERICAN ELECTRONICS ASSN., AMERICAN SHIPBUILDING ASSN., CONTRACT SERVICES ASSN., ELECTRONIC INDUSTRIES ASSN., NATIONAL DEFENSE INDUSTRIAL ASSN., PROFESSIONAL SERVICES COUNCIL, SHIPBUILDERS COUNCIL OF AMERICA,

November 5, 1997.

HON. STROM THURMOND,
HON. CARL LEVIN,
Committee on Armed Services,
U.S. Senate,
Washington, DC.

DEAR SENATOR THURMOND AND SENATOR LEVIN: The Industry Depot Coalition, comprised of eight national associations representing the breadth of the defense industry and literally thousands of American businesses large and small, wishes to register for the record our concerns relative to the depot maintenance provisions that are contained in the FY'98 National Defense Authorization. In so doing, we wish to raise with your a number of impacts we foresee resulting from the provisions, as well as our sincere hope that you will give serious consideration to making modifications to that language.

We certainly respect and appreciate the considerable and extensive efforts to which your and your staffs have gone in attempting to fashion compromise legislation that would ensure a "level playing field" for depot maintenance competitions. Unfortunately, from the perspective of private sector entities that might be inclined to participate in such competitions, we do not believe the legislation, as it now stands, achieves that goal. In addition, it would establish in statute a number of problematic precedents that we believe could lead to additional problems on future depot, and non-depot, competitions. Finally, at a time when we have been seeking real clarity and consistency in the conduct of public-private competitions, which, to date, have been marked by anything but, the ambiguities contained in the legislation threaten to only increase the degree of confusion and uncertainty in the process.

Our primary concerns are as follows:

(1) The legislation requires that the Secretary of Defense assign "sufficient workload" to public depots to ". . . ensure cost efficiency". However, the arbitrary assignment of workloads will not "ensure" efficiency; efficiency can only be ensured through competition, innovative management initiatives, and the adaptation of commercial practices, none of which is adequately addressed in the legislation. In addition, we are concerned that the legislation's requirement that DoD have in-house capability to repair all new systems within four years of Initial Operating Capability (IOC) could result in DoD having to create and maintain redundant facilities and capabilities, even when doing so is neither cost-effective nor, in the judgement of the department, necessary for the national defense.

(2) The legislation places in statute competitive requirements that are, at this time, only to be applied to the proposed competitions for the workloads at the Kelly and McClellan Air Logistics Centers. As believers in fair competition and equal treatment in all areas of competition, we simply cannot support a statutory requirement such as this one that places unique requirements on only one category of bidders. If the object is to ensure fair competition, the statute should reflect that philosophy clearly, unambiguously and uniformly.

(3) The provisions do not adequately address the vital issue of "best value" procurements versus cost-based awards. We have, with your strong support and leadership, worked hard in recent years to move the procurement process into an environment where the guiding principle for awards is the best overall value to the taxpayer, including the full range of non-cost factors, so as to ensure quality, performance and true efficiency. We believe affirmative steps should be taken to ensure that the "best value" to the taxpayer and the department becomes the dominant focus of all competitions.

(4) While the provisions do include a very important change in which the current "60/40" rule is replaced by a new "50/50" rule, continuing to base the rule on personnel, rather than on facilities, renders much of the positive language on partnerships and Centers for Technical Excellence, moot. From an objective business case analysis perspective, the continued focus on "who" does the work rather than where the work is done, will mitigate against the initiation of the kinds of partnerships that can genuinely assist DoD in meeting its mission requirements, more effectively and efficiently utilizing its current capacity and adapting innovative commercial practices to its operations.

As noted earlier, we recognize the appreciate the efforts you have made to move the House conferees this far and are mindful of the difficulties and challenges posed by this issue. Nonetheless, we urge you to reconsider the substance and ramifications of the provisions and hope that efforts will be made to make appropriate changes. We have a long history of working together effectively to not only ensure the national defense but also to reform, streamline and make fairer a procurement process that has not, historically, functioned as any of us believe it should. As proposed, this legislation could result in a step backward in that critical area.

We look forward to continuing to work with you to fashion a more level playing field for future competitions so as to provide the true best value for the government and the taxpayer. Should you have any questions or comments, please contact any of the associations listed above or the coalition chairman Stan Soloway at (202) 347-0600. In the meantime, our thanks for your time and consideration.

Sincerely,

THE INDUSTRY DEPOT COALITION.

Mr. THURMOND. Mr. President, I yield 5 minutes to the able Senator from Virginia, Senator WARNER.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, I thank the distinguished chairman of the committee. I wish to join other members of committee in indicating to our distinguished chairman and to the ranking member, Mr. LEVIN of Michigan, our commendation for their work over these many months on this bill.

Mr. President, in the limited time I have I wish to turn immediately to the subject of the welfare of the men and women of the Armed Forces.

This past few weeks we have seen a good deal of tension increase in various parts of the world. In fact, that tension prompted the President of the United States to convene a very important meeting. The Presiding Officer was in attendance, as was the chairman and ranking member of the committee, myself and others, at which time the President in consultation with the Congress, the leadership, reviewed the various problems facing the United States and our allies today—and the possibility that we may once again call on the men and women of the Armed Forces of the United States, together with our allies, to go into harm's way in an effort to stabilize these situations.

Mr. President, I say that we cannot as a Congress—as a Nation—say to these men and women, "You once again will respond to the Commander in Chief" and not pass this bill, which gives them a very modest and well-earned increase in their pay and allowances to compensate them for inflation—particularly in specialized areas of service: Aviation, submariners, and others where we have to have additional compensation in order to enable them to perform their services, and we retain sufficient numbers of aviators and submariners.

So, Mr. President, I deem this bill absolutely critical. I also wish to commend the chairman and ranking member and other Members who have individually, as have I, petitioned the President to give this bill the most serious consideration and hopefully to affix his signature so that it can become law.

Mr. President, to go into those areas, which as chairman of the Seapower Subcommittee, I have special responsibility, together with the distinguished senior Senator from Massachusetts, Mr. KENNEDY, who is my ranking member, and our subcommittee recommended to the full committee the following, and the full committee basically adopted it.

We authorized the Secretary of the Navy to enter into a contract for the procurement of four new attack submarines under the terms of a teaming arrangement that was submitted to Congress by the Secretary of the Navy between the two contractors involved in submarine construction. This arrangement will save taxpayers over $1 billion in the next 6 years, and ensure the continued viability of two nuclear capable submarine yards.

I thank my distinguished colleague from Virginia, Mr. ROBB, who worked with me on that, a member of our committee, as well as the distinguished colleague, Mr. LIEBERMAN, from Connecticut.

Further, our subcommittee authorized an increase of $720 million for the procurement of a fourth Arleigh Burke destroyer. By buying this ship early, we will save approximately $230 million on the marginal cost of this ship.

Those are savings that are passed on, of course, to the Department of Defense, but to the American taxpayer.

As relates to the aircraft carrier, the CVN–77, the next in the series of our carriers, we authorized $50 million to accelerate the advanced procurement and construction of components for CVN–77.

I particularly want to thank the distinguished chairman and ranking member of the Appropriations Committee, Mr. STEVENS, and Mr. INOUYE. They accommodated this Senator, personally allowing me to come into literally the closing few minutes of their conference with the House in order to ensure that this $50 million be included in the appropriations.

We authorized the Secretary of Defense to reprogram up to an additional $295 million in fiscal year 1998 for the advanced procurement of CVN–77. I am now working with the Chief of Naval Operations and the Secretary of the Navy to ensure that the Navy takes advantage of this important opportunity to get the "smart buy" proposal fully utilized within the Department of Defense, as well as the Department of the Navy. Acceleration of funding for this ship offers an opportunity for potential savings of $600 million for the American taxpayer.

I urge my colleagues to support this conference report. The House has already spoken resoundingly in favor—with 286 Members voting in favor of the conference report last week. We must follow their lead with a strong vote in favor of this conference report. Let us not allow a full year's worth of work to be squandered.

I also urge the President not to veto this important measure. This President has deployed our troops into "hot spots" in record numbers. Our troops have answered these many calls to duty and performed admirably. They stand ready today as new missions in Bosnia and Iraq are being discussed by policymakers in Washington.

Do not send a signal to those troops that you do not support their efforts. They should not have to worry about whether or not their raises and bonuses will be there in January. They should not have to question the commitment of politicians in Washington to provide the best equipment and quality of life possible for our troops and their families. I call on you, Mr. President, to show your support for our troops by signing this very important conference report.

Mr. President, I wish to commend the distinguished chairman and ranking member for their personal intervention with the President along with my own and others to see that this bill merits his signature in a prompt way.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. LEVIN. I am happy to yield to the senior Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent that I may proceed for

10 minutes without that time being charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I join with others in complimenting the distinguished chairman, Mr. THURMOND, and ranking member, Mr. LEVIN, as well as Mr. KEMPTHORNE, and Mr. CLELAND.

Of the many duties that a United States Senator or a Member of the House of Representatives is called upon to perform, one of the most important involves expressing our views on whether U.S. armed forces should be put in harm's way in defense of our country's national interests. We must weigh whether the issue at hand merits risking the lives of our soldiers, sailors, and aviators.

Members of our armed forces cannot individually decide whether they should place their lives at risk, for they are duty bound to follow the orders of their commanders, and ultimately, of the President. Every individual in our armed forces knows that he or she may be called upon to make the ultimate sacrifice for the nation. Every individual who takes the oath to join the Army, Navy, Air Force, or Marines, whether in the active forces, Reserves, or National Guard, does so knowing that they carry a special burden, and a unique responsibility, to defend our nation's interests, wherever and whenever they may be called upon to do so.

As Senators, we must help to ensure that our armed forces are ready to perform this role. This includes raising and considering difficult questions, which are included in the conference report before us, related to force readiness and the procurement of weapons systems. These decisions involve billions of dollars and involve the employment of thousands of military and contractor personnel. The decisions made here affect all military personnel and a large segment of our economy, and I, for one, do not take them lightly.

But of equal importance are questions concerning the morale of our troops. Weapons alone do not win wars. It is our troops on the ground, our sailors at sea, our aviators in the air, and all the personnel who support them behind the lines who must combine to triumph over our nation's enemies. And these forces can only fight together as a cohesive force if they are united by common goals, morale, and strategy.

The morale of our forces is of particular importance, for troops who suffer from weakened morale must defeat not only the external enemy, but also deal with the internal divisions and problems of their own ranks, even while they fight the enemy. Our armed forces require strong leadership to deal with such problems, while providing a victorious strategy on the battlefield.

Sadly, such leadership has been lacking in recent years, as is evidenced by the low morale particularly among the women in our armed forces. The women in our armed forces must endure a demoralizing and hostile environment while they attempt to carry out their duties. From the shocking behavior of Naval aviators at the "Tail Hook" conventions, to the alleged rape of recruits at Aberdeen, it has become clear that the women in our armed forces face sexual discrimination, harassment, assaults, and even rape, as they carry out their duties in defense of our nation.

The recent report by the Secretary of the Army exposes the seriousness of the problem. The report states that "sexual harassment exists throughout the Army, crossing gender, rank, and racial lines . . ." Almost one quarter of the women reported that they had been sexually harassed in the last twelve months, based upon a random statistical survey conducted by the Army. A shocking 74 percent reported that they have endured crude or offensive behavior, 47 percent reported that they received unwanted sexual attention, 18 percent suffered from sexual coercion, and 8 percent said they had been sexually assaulted. While these statistics are appalling, the footnotes only add to the outrage. "Unwanted sexual attention"—which almost half of the women reported—is defined as "unwanted touching or fondling and asking for dates even when rebuffed." And sexual coercion—which almost one quarter of the women endured—"includes classic *quid pro quo* instances of job benefits or losses conditioned on sexual cooperation."

The Army's report found that "this issue is one of which the Army has been long aware, and that to date, Army policies and processes implemented to combat and eradicate sexual harassment have had little, if any, impact. As one soldier noted, 'Women have been reporting sexual harassment for five years, and the Army's just now looking into it.' Many soldiers believe that their complaints and concerns have been ignored and that only recent media attention has forced Army leaders to focus on this issue."

I would note that this in fact understates the intentional neglect on the part of the Army. It is not just that Army leaders ignored complaints of sexual harassment for a number of years. More shockingly, it is that it took the media and national public attention focused on the rape of female recruits to finally force the Army to seriously address the treatment of women in the ranks.

There is an old adage that "the fish rots from the head down." The report states that "leaders set the values compass for the Army; it is from them that respect and dignity flow. Many leaders are currently seen as practicing a zero defects mentality, caring only about themselves and their careers. Soldiers do not uniformly have trust and confidence in their leaders. Unfair treatment, double standards, and a lack of discipline were raised to Panel representatives time and again . . ."

Within the Army, the policy has been to "talk the talk," but not "walk the walk". Even while the Army brass told the troops that the policy was one of "zero tolerance" for sexual discrimination, the officers and drill sergeants knew that this was rarely enforced in practice. The report notes that a policy of "zero tolerance" is enforced for racial discrimination, but not for sexual discrimination.

The question for the Army is what can be done to correct the problems identified in the report. I must commend the Secretary of the Army for issuing a candid and brutally honest summary of the problem. The report also identifies a number of policies that must be changed or enforced in order to ensure that women receive equal and fair treatment in the Army.

I must note, however, that the report is silent on the question of the desirability of gender integrated training. I offered an amendment during the Committee markup of this bill, which is included in this conference report, calling for the establishment of an independent outside review commission to examine the question of the appropriateness of gender integrated recruit training in the armed forces. My amendment also calls upon the Commission to review the rules of fraternization with the goal of recommending a single consistent standard for conduct among enlisted people, and between enlisted people and officers, which spans all the services. What is appropriate for a soldier in the Army should also be appropriate for a sailor or airman or marine.

On the question of training, the Army report notes that "a key to addressing human relations issues, including sexual harassment, is assigning enough female role models to set the example for all trainees. Twenty percent of Army accessions are women, but the training base is composed of only ten percent female drill sergeants." The report also states that "new recruits form and hold their most lasting impressions of the Army from the cadre they encounter during initial entry training."

These observations suggest that female recruits might benefit from gender segregated training, in which they would be guaranteed to receive training from women drill instructors and role models.

The report of the Secretary of the Army is a good first step, in terms of identifying the scope of the problem, and offering possible solutions. The commission that will be created as a consequence of the enactment into law of this conference report will add yet another dimension to our understanding of the problem and possible solutions.

"People are not in the Army, people are the Army," stated General Creighton W. Abrams, former Army Chief of Staff. "By people, I do not mean personnel . . . I mean living, breathing, serving, human beings. They have needs and interests and desires. They have spirit and will, and strength and abilities. They have weaknesses and faults; and they have means. They are at the heart of our preparedness . . . and this preparedness . . .—as a nation and as an Army—depends upon the spirit of our soldiers. It is the spirit that gives the Army . . . life. Without it we cannot succeed."

The report of the Secretary of the Army concludes that "if there is one overarching theme to this report, it is this: we must rededicate ourselves to the fundamental truths so eloquently stated by General Abrams . . . Personnel readiness relies on a positive human relations environment. It is the vital base upon which we build the Army, and the combat effectiveness of the Army's most important weapon system—the soldier."

Let us hope that the Army follows the recommendations included in this report, and for that matter, that its philosophy permeates the entire Pentagon and military establishment. We cannot relent in our examination of this problem; we must ensure that the leadership of our armed forces creates an environment of fairness for the women in the services. And we must not shirk from examining objectively every aspect of this issue, including some aspects that might be labeled "politically incorrect," such as gender segregated training and coherent across-the-board fraternization policies. I am glad that the conferees had the courage to establish the commission, and I look forward to the report.

I again compliment my chairman, Mr. THURMOND, and the ranking member, Mr. LEVIN.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. I wish to commend the able Senator from West Virginia not only for his work on this bill but for all he has done over the years for good Government in this Senate.

We are proud of you.

Mr. BYRD. Mr. President, I thank my distinguished chairman, Mr. THURMOND, for his kind words.

The PRESIDING OFFICER. Who yields time?

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, before I yield 4 minutes to my friend from New Mexico, let me also add my thanks to Senator BYRD for the tremendous contribution he makes to the committee. We all know the contribution he makes to the Senate, but he makes also an important contribution to the Armed Services Committee, which is not noted as often as it should be but I want to note right now.

I thank him for his support of the conference report.

Mr. BYRD. Mr. President, I thank Mr. LEVIN for his dedication to duty, for his high sense of purpose, and for the example he gives to all of us. I hope we can emulate that.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. BINGAMAN. Mr. President, I want to speak briefly in support of this year's national defense authorization bill which was reported out of conference committee.

The bill is the product of many months of dedicated work by Senator THURMOND, Senator LEVIN and many others here, and of course, the committee staff and personal staff of Senators as well. It reflects the collective interests of the Congress. It includes many provisions that were arrived at through many long weeks and even months of debating and negotiating.

I want to call particular attention to the provisions to fully fund the Cooperative Threat Reduction Program and the related Department of Energy programs to secure the nuclear materials and destroy chemical stockpiles and strategic weapons in the former Soviet Union. In my view, the money spent on these programs is among the most cost-effective ways that we expend taxpayer money to pursue our own national security and to promote international peace.

I am also pleased that there is significant funding in this bill authorized for a range of dual-use research and development programs. I believe that is important and allows the Department of Defense to leverage commercial investment in advanced technologies to meet our defense needs.

The bill also authorizes funding to meet the requirements of the defense programs in the Department of Energy, particularly the Stockpile Stewardship Program, which I believe is extremely important to the future of our country.

The bill also contains, and I am sure others have commented on this, a 2.8 percent pay raise for active duty military members. Without this bill, that increase would be limited to 2.3 percent. This may seem like a small amount, but I believe that for people in uniform it is an important difference and one that we should definitely adopt this bill to accomplish.

The bill also, of course, is essential if we are going to go forward with the construction programs for the fiscal year 1998 military construction projects, and that is another reason why the bill should be approved by this Senate and should be signed by the President.

Mr. President, this bill does not meet all the goals of individual Senators, but it does express the collective priorities of the Senate, and I urge that we move to adopt it and send it to the President for his signature. I hope the President will recognize the value of this legislation to the Nation and sign it into law.

Mr. President, I yield the floor. I know the Senator from California is waiting to speak.

The PRESIDING OFFICER. Whole yields time?

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. FEINSTEIN. Mr. President, I believe the Senators from California have 45 minutes reserved. I would like to exercise that time now and utilize as much of that as I may consume. I would appreciate being notified when 20 minutes have gone by so that my colleague and friend from California might utilize the remainder of the time.

The PRESIDING OFFICER. The Senator is correct and the Senator is recognized.

Mrs. FEINSTEIN. I thank the Chair.

Mr. President, I rise on this final day of debate on the conference report to the DOD bill, and I do so to express my strong opposition.

Now, I very much regret this. I have great fondness for the chairman of the Committee, the distinguished Senator from South Carolina, and great respect for the Senator from Michigan, Mr. LEVIN. The great bulk of the bill I wish to support. I understand that there are important things in the bill. However, from the perspectives of Texas and California, there is a basic unfairness in this bill that we cannot leave unaddressed, and I rise to address those points.

I want to say how privileged both my colleague from California and I have been to work with the senior and junior Senators from the great State of Texas in trying to remedy the unfairness in this bill. Unfortunately, I must indicate we have not been able to achieve an accommodation, and therefore we register our objections through our "no" votes.

I oppose the conference report because it contains language that will effectively stop, ban, prohibit any further public/private competitions of depot workloads at both McClellan and Kelly Air Logistics Centers. These competitions will lower the cost of weapons systems repair and will save the taxpayer money. It is hard for me to understand why they are not being permitted to go ahead.

It is unfortunate that this debate has to take place. We felt we had an agreement. The distinguished Senator from Michigan knows that he called me one night to indicate that at least 2½ points of the four points we had raised would be accommodated. We agreed to that. We backed off. Overnight, committee language was written which essentially undid the compromise, and we have been able to achieve no remedy since that time.

In the debate last week, this body heard that if this restrictive depot language remained in the bill, the President would probably veto the bill. A strongly worded letter was sent to the majority leader and other senior Members of Congress detailing the administration's concern dovetailing our concern. I will not read the letter, but I would like to talk about some of the points in it.

The depot language in this bill constrains DOD's ability to conduct competitions for depot-level repair work. This will result in decreasing the amount of potential savings the Department would reap from these competitions and could then redirect to fund other vital needs like readiness and weapons modernization.

Second, the administration is correct. The conference report absolutely "seeks to impose unique and inappropriate requirements on DOD's process for allocating the work now performed at the closing San Antonio and Sacramento Air Logistics Centers."

Contrary to what members of the Depot Caucus espouse, the option to privatize this depot work was explicitly made available in the 1995 BRAC closure report. The BRAC 95 Commission specifically recommended that the Department "consolidate the remaining workloads to other DOD depots or to private-sector commercial activities as determined by the Defense Depot Maintenance Council."

And, yes, the President did strongly support the Commission's decision which specifically reinforced the option of privatization. In his letter to the chairman of the BRAC 95 Commission, the President wrote, "I was pleased to learn that . . . you confirmed the Commission's recommendations permitting the Department of Defense to privatize the workloads of McClellan and Kelly facilities in place or elsewhere in their respective communities. . . . In my communications with Congress, I have made clear that the Commission's agreement that the Secretary enjoys full authority and discretion to transfer workload from these two installations to the private sector, in place, locally or otherwise, is an integral part of the overall BRAC 95 package it will be considering."

The President goes on to say without ambiguity,

> Moreover, should the Congress approve this package but then subsequently take action in other legislation to restrict privatization options at McClellan or Kelly, I will regard this as a breach of Public Law 101-510 (the base closure law) in the same manner as if the Congress were to attempt to reverse by legislation any other material direction of this or any other BRAC.

While I'm on the subject of the BRAC, let me clear the air on this point. Some have alleged that this public/private competition process which could result in this work being privatized at McClellan and Kelly is just a crooked attempt to keep these bases open. Let me say, without ambiguity, it is not. McClellan and Kelly will both be closed in 2001. BRAC 95 made that decision. And, the communities of Sacramento and San Antonio are struggling to deal with this decision and make the best of it today.

Nearly 3,000 jobs not associated with the ongoing competition at McClellan's Air Logistics Center will be moved to other Air Force depots because when McClellan's gates are locked in 2001, that is it. Those 2,300 jobs that are associated with the public/private competition may also be moved to other Air Force depots depending upon its outcome. That's it. If this depot language remains in the conference report, McClellan will undoubtedly lose these remaining 2,300 jobs. And that is what this is all about.

As far as the property and buildings at McClellan are concerned, they will be transferred under the base reuse process to recipients in the local community according to their base reuse plan.

Third, the Department is already conducting a fair and open public/private competition at McClellan and Kelly. The depot language in this conference report would change that. It would, without question, skew these competition in favor of the public depots. But, don't take my word for that, or the administration's, just listen to the supporters of the depot language.

One of the authors of the language, the junior Senator from Oklahoma, believes that this language shuts the door on private industry's ability to compete. Quoted in the Daily Oklahoman he said, "I think it's highly unlikely any (contractor) would want to bid on it."

How are my colleagues and I supposed to believe this is a fair competition? Not only is that the sentiment of the Depot Caucus, but in the letter we have heard quoted on the floor very effectively by the distinguished Senator from Texas, the Industry-Depot Coalition, the Aerospace Industries Association, the American Electronics Association, the American Shipbuilding Association, the Contract Services Association, Electronic Industries Association, National Defense Industry Association, Professional Services Council, and Shipbuilders—all agree that the impact of this is to kill private competition.

In a letter today sent to the distinguished Senator from South Carolina, the chairman of the committee, they point out that the legislation, "* * * places in statute competitive requirements that are at this time only to be applied to the proposed competitions for the workloads at Kelly and McClellan. As believers in fair competition and equal treatment in all areas of competition, we simply cannot support a statutory requirement such as this one, that places unique requirements on only one category of bidders. If the object is to ensure fair competition, the statute should reflect that philosophy clearly, unambiguously, and uniformly."

Mr. President, I have had calls from private contractors saying they can't compete and won't compete under this language. I have said to them, "Would you put this in writing? Will you go public?"

Do you know what they told me? "We are afraid to. There will be reprisals against our companies if we state this publicly."

Have we come to that?

Let me also say, the Sacramento Bee quoted an industry representative who said, "I can't conceive of a company that would bid for McClellan and Kelly under these circumstances." So, the Senators from Texas and the Senators from California are fighting for survival. We are fighting for the ability to do what is professed to be the will of this body, which is to see if private competition can be effective in handling some of this workload and that a fair bidding and contracting process exists to carry out that competition.

Secretary Cohen has supported us in this effort and for that I am very pleased.

It is amazing to me that the Depot Caucus has taken this position. Let me cite the Warner Robins Air Logistics Center in Georgia as an example. Members of the Depot Caucus have complained from the first day that the competition announced by the Air Force would be unfair and biased. They said public depots couldn't possibly win. But, Warner Robins won. How did this happen?

One of the reasons it happened is that public depots can hide their overhead in other accounts when they bid against private industry for this work. Members of private industry on numerous occasions have said this is exactly why they can't compete under this bill that is being passed today. Warner Robins, as I understand it—and I have never been contradicted in this—took advantage of this ability to hide overhead costs to help make its bid below that of their private competitors. In fact, the Air Force had to add penalties to Warner Robins' bid for the 500 employees and other overhead that had been shifted to other accounts.

When conference began, the President's advisers said that he would veto the DOD authorization bill if these depot provisions were included in the bill. This veto message has not changed. The Depot Causus' anticompetition provisions, included in this bill by the conferees, will serve to delay and restrict the public-private competitions for depot workload currently underway at both McClellan and Kelly Air Force Bases undermining any effort to do this work in the private sector in a more cost-effective way.

DOD's own policy calls for greater reliance on the private sector for appropriate depot maintenance workload. Outsourcing helps preserve private sector capabilities and enhances DOD's ability to capture new technologies that are constantly being developed in the private sector. By introducing greater competition into the mix, outsourcing lowers the cost of depot-level maintenance activities increasing funding levels for modernization and readiness needs.

Secretary Cohen stated earlier this year that these provisions:

> . . . could cost the Department significant sums in lost annual savings and start-up costs. The could severely impact military readiness. The San Antonio and Sacramento workloads involve thousands of highly trained workers and large, expensive equipment and facilities. . . . To transfer all of these workloads without a competitive evaluation and risk assessment would be unwise from a business perspective and would involve a significant risk of disruption in mission performance and degradation in military readiness.

DOD has stayed true and faithful to the Secretary's statement in also urging and recommending to the President that this bill be vetoed.

So, I urge my colleagues, please support the Senators from Texas and California in opposing this conference report until these depot provisions are removed from the bill. We need to let these competitions go forward in a truly fair and level way so that we can fund the modernization and the readiness accounts. DOD believes that the first competition will result in an expected savings of $190 million. That is what is at stake in this issue, as far as funding for readiness and preparedness of the military is concerned—$190 million.

Turning to another subject, I would also like to raise concerns with a provision in the conference report on revised export rules for computers. The conference report enacts new, and I believe damaging, restrictions on the sale of many types of computers. The proposal is unworkable and will result in undermining our security in the long run.

Computer technology advances rapidly. What was called a supercomputer only a few years ago, represents only routine computing power today. An overbroad restriction will not make the world a safer place, but will undermine U.S. interests by locking up U.S. exports, shifting sales to foreign manufacturers and denying the administration the necessary flexibility to respond to evolving technology and worldwide competition.

Export restrictions must be based on an objective review of a computer's computing power and the computing needs of the potential computer application. In a letter to conferees, National Security Adviser Sandy Berger wrote.

> The President's 1995 decision to streamline computer export controls addressed the outdated controls then in effect. Given the rapid pace of technological change, we must avoid substituting similarly inflexible controls mandated by Congress. It is vitally important to maintain our ability to adjust controls to keep pace with technological change while focusing our limited resources on exports of national security concern.

So the administration needs the authority to distinguish between sales that jeopardize national security and those that do not. That is what the administration is asking for. In stating this as a rationale, as well, they would recommend that this bill be vetoed if it goes out in its present form.

I believe that is a correct assessment. I think we only kick ourselves in the pants, to have this kind of a restriction in this bill. Other countries will simply buy elsewhere. Our companies will lose those sales and the President, as well as the Department of Commerce, will lose any flexibility they have in making some decisions that are really based on meaningful criteria. This bill fixes that criteria at a lower level on computers that are not, in fact, supercomputers today. That is the mistake that is inherent in the writing of this provision.

It is for these reasons that Senators GRAMM, HUTCHISON, BOXER, and I oppose this bill. There are those who have said, and I want to address it, these four Senators are resisting pay raises. They don't want increases in housing allowances. They don't want authorization of military construction projects.

That is baloney, and it is the reason that the four of us introduced a bill last week that goes ahead and authorizes the pay raises, the hazardous duty pay, the military construction projects, and military health care.

The PRESIDING OFFICER. The 20 minutes of the Senator has expired.

Mrs. FEINSTEIN. These are the reasons we oppose this bill. We ask our colleagues to oppose it as well. Regardless, the President is going to veto this bill and I am happy, at least, about that.

Mr. President, I know my colleague from California would like to utilize the remainder of this time and I reserve the remainder of my time and yield the floor.

The PRESIDING OFFICER. Who seeks time?

Mr. THURMOND. Mr. President, I suggest the absence of a quorum and ask the time be equally charged to each side.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mrs. BOXER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. THOMAS). Without objection, it is so ordered.

Mrs. BOXER. Mr. President, is it correct that the Senators from California have 24 minutes remaining?

The PRESIDING OFFICER. The Senator is correct.

Mrs. BOXER. Further might I ask, do the Senators from Texas have any time reserved?

The PRESIDING OFFICER. They have 20 minutes remaining.

Mrs. BOXER. Mr. President, although I discussed this bill last week, I think it is important as the Senate gets ready to vote on the conference report that my colleagues understand why the Senators from California and Texas oppose this conference report and why we believe it is a matter of extreme importance, not only to more than 2,000 California families, but also to taxpayers throughout the Nation and, indeed, to our national defense.

Mr. President, although I discussed this bill last week, I want to take a few minutes of the Senate's time to explain why the Senators from California and Texas oppose this conference report and why we believe it is a matter of extreme importance—not only to more than 2,000 California families, but also to taxpayers throughout the Nation, and indeed, to our national defense.

We oppose this bill because it contains provisions changing depot maintenance law that would harm our States and undermine the DOD's ability to perform maintenance work in the most cost-effective manner. These provisions were designed for one purpose: To destroy planned competitions at McClellan AFB in California and Kelly AFB in Texas and funnel workload to public depots in Oklahoma, Utah, and Georgia.

To fully understand this complex issue, I want to provide the Senate with some background and recent historical context.

McClellan Air Force Base in Sacramento and Kelly Air Force Base in San Antonio were scheduled for closure by the 1995 Base Realignment and Closure Commission. Rather than automatically relocate the duties performed at these bases to other Government depots, the Department of Defense chose to privatize some workload by conducting a public-private competition.

Such privatization efforts were clearly authorized by the base closure commission's final report. Opponents of competition argue that the DOD's privatization initiatives thwart the intent of the BRAC, but this is simply not true. The report of the commission itself instructs the DOD to, and I am quoting the report, "consolidate the remaining workloads to other DOD depots or to private sector commercial activities." It's right there: The DOD has the choice—either send the workload to other depots or to the private sector.

This interpretation of the BRAC Commission's action was supported by the ranking member of the Armed Services Committee, Senator LEVIN, during debate last week. Although Senator LEVIN and I disagree somewhat on this issue, he said last week:

> I will state candidly that I disagreed with the assertion of the depot caucus that the Base Closure Commission prohibited privatization in place at Kelly and McClellan. The 1995 Base Closure Commission left it up to the Department of Defense to decide how to distribute the Kelly and McClellan work.

I hope Senator LEVIN's statement will put to bed once and for all the false assertion that competition at McClellan contravenes the BRAC process.

The DOD will not award workload to Kelly and McClellan automatically. Instead it has insisted that private bidders compete with public depots on the basis of quality and cost. In fact, the Department's first public-private competition for work at Kelly AFB was won by a public depot. After this result, how can anyone seriously argue that the process is biased in favor the private sector.

The Depot Caucus—a coalition of legislators from States and congressional districts with public depots—have made no secret of their opposition to public-private competition at Kelly and McClellan. They believe that without competition, work currently performed at those bases will be directed to facilities in their States—regardless of cost or quality. That's not what is right for our Nation.

In the House, Depot Caucus members were able to insert a provision into the DOD authorization bill that would have blocked privatization outright. The Senate bill initially included a similar provision, but it was removed prior to floor consideration. Thus, depot maintenance became a highly contentious issue for the DOD conference committee.

The senators from Texas and California, as well as affected members of Congress, worked very hard to reach a compromise with the conferees on the DOD authorization bill. At first, we were pleased to learn the Depot Caucus abandoned its strategy of blocking competition outright, and instead submitted a proposal described as a compromise.

This suggested compromise was supposed to allow competition to proceed, but would also guarantee a level playing field for both public and private bidders. When I first heard this description, I responded enthusiastically. Unfortunately, when I studied the alternative proposal, it became clear that it was simply a backdoor attempt to block competition.

To explain the depot provision included in this bill, I have compared it to a footrace in which all the participants—both the private contractors and the public depots—are placed equally at the start line and told the first competitor across the finish line wins. Unfortunately, in this footrace, the private sector competitors are forced to run wearing 100-pound ankle weights. That's not a fair competition, Mr. President.

But don't take my word for it. Listen to our leading opponent, the Senator from Oklahoma [Mr. INHOFE]. Following the announcement of the conference agreement, the Senator told his home State paper, the Daily Oklahoman, "I think it's highly unlikely any contractor would want to bid" on work at Kelly and McClellan, because of all the new requirements imposed by the bill. That article, titled "Senators Agree to Provision Giving Tinker Bidding Edge," described in detail how the depot maintenance sections of this bill will give the Oklahoma Air Force depot an unfair bidding advantage.

Mr. President, the Senators from California and Texas don't want an unfair advantage. We only want a level playing field and a fair chance to compete. Unfortunately, this bill denies fairness to thousands of working families.

We remain willing to talk to the other side in an effort to reach a fair solution. During the conference, we were moving in the right direction and were close to an agreement. Frankly, we were very surprised when the bill was filed, closing the door to additional negotiations. We believed that a final was compromise in sight. However, once the conference report was filed, we had no choice but to use all of our procedural rights to block passage.

From the beginning, the Clinton administration has made clear that any provision that effectively stops competition will jeopardize passage of the DOD authorization bill. OMB Director Frank Raines reiterated that view in a letter sent to the majority leader on last week. In the letter, Director Raines advises congressional leaders that the President's senior advisors would recommend that the President veto this bill. I hope the President will take that advice and I hope Senators will vote to sustain that veto if it comes. This bill is bad for California, bad for taxpayers throughout the Nation, and bad for our national defense.

I want to mention another provision of this bill that I find objectionable—section 1211, which restricts the export of midrange computers.

On July 10, the Senate overwhelmingly approved the Grams-Boxer amendment, which required a GAO study on the national security impact of the export of computers in the 2,000 to 7,000 MTOPS range to tier 3 countries. Our amendment was offered as an alternative to a proposal to require U.S. companies seeking to export computers in this range to go through a cumbersome and lengthy review and licensing process. The Secretary of Defense, the National Security Adviser, and the Secretary of Commerce all opposed the original proposal.

Unfortunately, rather than accept the Grams-Boxer amendment, the conferees wrote a new provision imposing a number of procedural barriers to the export of midrange computers.

Specifically, the bill requires that prospective exporters wait 10 days before shipping, during which a variety of Government agencies could object to the sale. This requirement is overly bureaucratic, and in the opinion of national security experts, is simply not necessary.

The conference report allows the President to establish a new MTOPS threshold, but it requires a 6-month delay before the new threshold can take effect. I believe that the President deserves the flexibility to make the changes he deems appropriate. A 180-day notification to Congress makes it extremely unlikely that the high-performance computer control threshold will be increased fast enough to keep pace with this rapid technological changes that take place in this industry.

This provision will hurt the American computer industry for no good reason. The conferees should have listened to the NSC, the Defense Department, and the Commerce Department and left this issue alone.

Mr. President, I will vote against this conference report. We may have lost an important skirmish in the conference committee, but I believe the battle is not yet over. We will revisit these important issues in the near future. I remain willing to work with my colleagues to reach a compromise that will ensure fairness for the more than 2,000 California families who only want a fair chance to compete to keep their jobs.

Mr. President, what it comes down to is this. When the last Base Closure Commission issued its report and decided to close down Kelly Air Force Base and McClellan Air Force Base, it was determined by the administration that it would be very foolish if we didn't utilize these bases to allow private firms to come in and do the depot work at these bases. We called it privatization in place.

Specifically, in that BRAC, it was determined that privatization in place would be permitted at McClellan and Kelly, and that those private sector companies that came in would have an equal chance to bid on depot work. Let's face it, we know that around here. Everyone talks about, "Oh, yes, we want to be competitive"; "Oh, yes, let's bring in the private sector"; "Oh, yes, let's run the Government more like a business." All that is fine except when something really happens and you get a chance to do it, you have the people from the States who will lose the work suddenly saying, "This is a bad idea."

There is language in this bill that is meant to destroy the competition that McClellan Air Force Base in California would offer and that Kelly Air Force Base in Texas would offer. They would take that work that could go to the private sector at an efficient rate, saving the taxpayers money, and instead funnel it to the public depots, the Government-owned, fully subsidized depots in Oklahoma, Utah, and Georgia.

It is extraordinary to me that the very same people who were on this floor for those States arguing day in and day out for a little private sector competition around here are the ones who are undermining the chance to have privatization in place at Kelly and McClellan, thereby saving taxpayers millions of dollars and saving thousands and thousands of jobs.

I think it is important to note that it is the position of the California Senators and the Texas Senators that we don't expect the work to be automatically given to McClellan and Kelly just because they are privatizing. The DOD will not award work load to Kelly and McClellan automatically. Instead, the DOD has insisted that private bidders compete with public depots on the basis of quality and cost, and that is as it should be.

In fact, the first public-private competition for work at Kelly was won by a public depot. So I don't see how anyone could argue that the Senators from California and Texas are rigging the situation to assure work to our private companies at those bases.

But what you have is the Depot Caucus, a coalition of legislators from States and districts with public depots, trying to completely destroy the ability of McClellan and Kelly to compete. They know that without competition, the work currently performed at Kelly and McClellan will be directed to their facilities regardless of cost and quality. Mr. President, that is not right for this Nation.

What we had hoped in the conference was that we could reach some kind of agreement. Senator LEVIN worked very hard to try and reach some kind of agreement.

We were very disappointed. We thought we had a compromise that was going to work, but, frankly, it became clear to us, as we read the so-called compromise, that it would not guarantee fairness. It would not guarantee a level playing field.

If anyone has any doubt about it, they ought to look at what the Senator from Oklahoma said to his hometown press. He said in the Daily Oklahoman: "It is highly unlikely any contractor would want to bid" on the work at McClellan or Kelly. Even the headline of the paper said, "Senators Agree to Provision Giving Tinker Bidding Edge." Of course, Tinker is a publicly owned depot.

So what we have here is a Senator from one of the affected States saying on the one hand there is a fair compromise on this bill and then running home to his hometown press announcing with glee that, in fact, Kelly and McClellan would be out in the cold. That is really where it is at.

So we have our colleagues who are saying on the one hand, yes, they want to be fair; on the other hand they are saying to Kelly and McClellan, you are at that starting point and now you can run with all of the public depots, and whoever wins, wins. What they don't tell you is that they put the equivalent of a 100-pound ankle weight on the people at Kelly and McClellan giving them a huge disadvantage. In fact, they are not going to be able to compete for the work.

There are those who swear that under the current language in the bill, the Department of Defense will be able to award some work to McClellan and Kelly. We don't hear that from our private sector people. They are saying they probably would not be able to bid, which is exactly what the Senator from Oklahoma said when he ran home to his hometown press to tell the world that, in fact, the language in the bill was going to disadvantage the workers at Kelly and McClellan.

I think it is important not only to listen to what Senators say on this floor but to read what they tell their hometown press, if you really want to know the truth. I think the Senator from Oklahoma made a big mistake by going home and telling everyone he had rigged the deal, but he did it, and now the truth is out.

Mr. President, the Senators from California and Texas do not want an unfair advantage. We only want a level playing field and a fair chance to compete. Unfortunately, this bill denies fairness to the taxpayers, first and foremost, because that is what we are about—quality products at the best price. Competition will make that happen. No, we are denying them that.

We remain willing to talk to the other side in an effort to reach a fair solution because, frankly, this bill could well be vetoed. This bill, the way it is currently written, goes back on a promise that was made to thousands of working families in Texas and California.

I also want to discuss another part of this bill which is very objectionable, section 1211, which restricts the export of midrange computers. On July 10, the Senate overwhelmingly approved the Grams-Boxer amendment which required a GAO study on the national security impact of the export of computers in the 2,000 to 7,000 MTOPS range to tier 3 countries.

Our amendment was offered as an alternative to a proposal that would require U.S. companies seeking to export computers in this range to go through a cumbersome and lengthy review and licensing process. The Secretary of Defense, the National Security Adviser and the Secretary of Commerce all supported the efforts of Senator GRAMS and myself on this matter. Unfortunately, when it got to the conference committee, rather than accept the Grams-Boxer amendment, the conferees wrote a whole new provision, a nightmare of procedural barriers to the export of midrange computers.

Nobody wants to see computers be exported that are supercomputers, computers that in fact could give one country the ability to develop weapons of mass destruction.

But these computers are in the midrange. Why would we restrict the export of computers that are made all over the world? We are putting our companies through a nightmare of bureaucratic procedures in order to export. I am really sad that the bill took this tack because it is behind the times and it does not reflect technology.

We ought to wake up. This is almost the 21st century. The computers that are being stopped from export shortly will be the computers in every office in the country. So we are putting our computermakers through this for no reason at all.

So, Mr. President, I will vote against this conference report. We lost an important skirmish in the committee, but I believe the battle is far from over. We will revisit these important issues in the near future if this bill is vetoed, which it is my understanding it will be. I hope that we can get together, all of us, on both sides of this issue, and resolve it.

So I will vote against this bill because it is unfair. It is unfair to workers. It is unfair to taxpayers. And, finally, it has unnecessary controls on midrange computers that are so out of date, we are disadvantaging our computer companies for no good reason at all.

Again, in closing, let me say, Mr. President, I look forward to sitting down with my colleagues in a new spirit of true compromise. There are ways we can resolve these problems. The Senator from Texas, Senator HUTCHISON, has been most dogged in her oversight of this. Senator GRAMM of Texas, Senator FEINSTEIN, and I, we want to find a fair solution. We are ready, willing and able to do that. I hope before the week is out, we will find a way to resolve this short of having a battle over a veto.

Thank you very much, Mr. President. I yield whatever time I may still have to the Senator from Texas.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. How much time do we have left on our side?

The PRESIDING OFFICER. Twenty-five minutes from the original grant.

Mr. GRAMM. I yield myself 15 minutes and save the 10.

How much is left on the other side?

The PRESIDING OFFICER. About 9 minutes.

Mr. GRAMM. Nine minutes?

The PRESIDING OFFICER. Nine minutes.

Mr. GRAMM. Zero-nine?

The PRESIDING OFFICER. Zero-nine, the total of which is, 09 plus the 25, 34.

Mr. GRAMM. I want to thank you for the recognition.

Let me try to go back and explain to people who may have come into this debate in the middle what this is all about, why it is so important, why four of us have in essence held the Senate up for 7 days in considering this bill and why the issue is important to you whether or not your State will ever have a private contractor who competes for a contract or not.

Let me go back 3 or 4 years and try to set the whole thing in perspective.

First of all, as we are all painfully aware, we have cut defense spending since 1985 by about 35 percent. That has taken a very, very heavy toll on maintenance and procurement and modernization. We have not correspondingly reduced the overhead of the military. We have more nurses in Europe than we have combat infantry officers. We still have a bureaucracy that is leftover from the cold war. So this 35 percent cut that has been implemented since 1985 has had a profound impact on the military.

That is something that all sides of this dispute agree on.

Obviously, you would think that with defense being cut by 35 percent, with the modernization program being dramatically reduced, with operations and maintenance being bled by cuts, and with the President spending billions of dollars now on a deployment in Bosnia, that the one thing we would all agree on is that we want to spend the money that we do have efficiently. You would think that this real tight budget that we have would at least produce unanimity that we ought to try to spend the money as effectively as we can spend it.

In one of the most incredible paradoxes that I have observed, exactly the opposite is occurring. At the very time when we do not have enough money for defense, at the very time that we are not modernizing the weapons systems that need to be modernized, at the very time that we are not maintaining our equipment, at the very time that recruitment and retention in the military is being affected and we are not meeting our quality goals in recruitment in the services, at the very time that all of those things are happening, rather than pulling together to try to get the most we can out of the money that we are spending by having more competition, we have exactly the opposite occurring.

The opposite is occurring because there is a group of Members in the House that have an organization called the Depot Caucus. Basically, these are House Members who have a military depot in their district. A military depot is a Government facility that does defense work, principally maintenance.

What these Congressmen have done is concluded that with declining defense work, what they want to do is stop price competition and force the taxpayer to do defense maintenance work in their depots. That is what this whole issue is about. Now, it has been building for 3 years. For 3 years we have had this battle with the Depot Caucus in the House. For 3 years they have tried to get language in the defense bill that mandates that money be spent inefficiently by limiting competition.

Finally, this year, after a 3-year knock-down, drag-out fight, they have in the bill as it is now printed 12 pages of language that have one objective. That one objective is to guarantee, to the extent that they could guarantee it, that price competition will not be allowed in those areas where we have these defense depots and that defense maintenance work will go to these Government facilities. That is basically what this issue is about.

Now, under our current system where we are beginning competitive bidding, let me give you one example of what it produced.

We had competitive bidding for the maintenance of the C-5. That is the great big transport plane, for those who do not know what the C-5 is. It was put up for bids. Interestingly enough, a Government depot won the bid. But they bid $190 million less than the costs that we are currently performing the work for. How were they able to do it for $190 million less? They were able to do it for $190 million less because they had 500 workers hidden away in their overhead that they were able to put doing work on the C-5, and they were able to do the work with 700 employees rather than the 1,200 that are doing it now.

Who benefited from that? Well, I guess you could say these 500 people who were hidden away in the overhead, maybe they did not benefit. But every taxpayer in America benefited because we are doing the same work on the same critical weapons system, and we are doing it for $190 million less.

What the language of this bill would do, to the extent that they were capable of doing it, would be to stop that type of competition from occurring and mandate that that work be done in a Government depot, even though it might mean $190 million of additional cost to the taxpayer.

Now, what is it that we want? Then I will explain to you why we want it.

What we want is competition. What we want is to give the Defense Department the ability to compete this work, which they support. This is one of these rare instances where President Clinton and some Republicans are on the same side. The President wants to put this work out for competitive bidding, and he wants the contracts to go to the people who can do it for the smallest amount of money.

The language of this bill attempts to stop that from happening. Now, why are we specifically involved? Well, partly we are involved because I care about $190 million on one contract and potentially a couple of billion dollars a year—a couple of billion dollars a year—that will be squandered if we do not have effective competitive bidding.

Second, my State is a State that wants to have the opportunity to bid. So does California.

Now, let me digress for a minute and talk about base closings. We have had three Base Closing Commissions. I was an original cosponsor of the Base Closing Commission bill. I vigorously supported it. I have voted for the conclusions of every Base Closing Commission. And every one of them has closed a base in my State.

Did I like it? No. I hated it. Did I think you should close bases in other States where their Senators were not as supportive of defense as Senator HUTCHISON and I are? Yes. That would have been eminently fair and reasonable in my mind and would have probably been good for the country.

But the point is, I am committed to the process of closing bases. I could not very well say, when the commission decided to close them in my State, that I am for closing them in Massachusetts; I am just not for closing them in Texas. Well, when we committed to a technical process, I supported it.

Now, when the decision was made to close Kelly Air Force Base in Texas and McClellan Air Force base in California, we were in the midst of a Presidential campaign. So is anybody surprised that the most talented politician of our era, Bill Clinton, jumped right in the middle of it with both feet up to his eyeballs? I was not surprised. Nor is there any Member of the Senate that in similar circumstances would not have done exactly what Bill Clinton did and probably more.

What did Bill Clinton do? He came to Texas. He went to California. We are the two largest States in the Union. I do not need to explain to people how the electoral college works in electing Presidents. And he stood there, tears welling in his eyes, and talked about feeling our pain.

He did not go so far as to lay down in front of the bulldozers, and just as they were getting ready to grind him into dust, to have his faithful staff run in and pull him out, him shouting that he wanted to die rather than see it happen. He did not go quite that far, but he was very effective.

For our colleagues who say, "Well, the President played politics," he played it very effectively. And any one of us would have. But the point is, he did not do anything. The Base Closing Commission report said that one of the options that was available to the Air Force—they wrote it out in the Base Closing Commission report—was to put the work up for competitive bids. And if private contractors could come into the empty facility that would no longer be an Air Force base in Texas, would no longer be an Air Force base in California, if they could compete for the work and win it, they would get it.

The President, of course, wanting the electoral votes of Texas and California, thought this was just one great idea. And he talked about it. He was supportive of it. And he was effective at it. But the point is, the Base Closing Commission made the decision. And now the Pentagon is trying to carry it out. Now some of our colleagues say, well, because the President gave a political speech in Texas or California, somehow he tainted the whole process.

That, Mr. President, is not borne out by the facts. The Base Closing Commission report specifically set out the option of competitive bidding.

We have had our first competitive bid, saving $190 million. Interestingly enough, a depot, a Government facility, won the bid by taking 500 workers out of featherbedding and by putting them on the project, and everybody benefited $190 million.

Now, what our colleagues are trying to do is to come in and say that has to stop, that we cannot let contracts on any competitive basis until all these conditions are met with regard to using these Government facilities, and they have 12 pages of all of these conditions, which boil down to no competition.

In trying to reach a compromise, in working with the Pentagon and the White House, we came up with four simple changes that we said, if you will make these four simple changes, we will swallow hard and we will take this bad language. What were the changes? No. 1, was for commercial items. Those are items that are sold on the general economy; for example, maintaining the engine that is used on airliners. Obviously, airlines maintain their own engines. They are very efficient at it and can do it much cheaper than the Government can do it. So the Pentagon said don't force us to do routine maintenance on things in defense depots that are used by the private sector. Let us competitively bid it, and airlines will compete. We might save 40 or 50 percent on bids. That is the first thing they wanted. Those who are for this language say, no, we don't want American Airlines to maintain the same engines they maintain. We want the Government to do it.

The second thing we asked for was the change of one word. It is a very important word. It is complicated, but the principle is very simple. The principle is that our colleagues tried to write into the bill language to "ensure the full utilization" of all of these Government depots. The problem is, if you are forced to fully utilize them, then you can't have competitive bidding because there is not that much work. What the Defense Department wanted to do, they were willing to commit to promote the utilization of them, to try to utilize them, but they wanted to have the ability to engage in competitive bidding. So they asked that we substitute "promote" for "ensure." They asked when you are going to have public-private teaming on these bids, they at least have an opportunity to figure out how they could keep Government facilities from hiding costs to balance the bidding process.

Finally, they wanted the ability to take into account cost and performance risk in these competitive bids. The answer on all of these things was "no."

So what is the issue that is before the Senate? The issue that is before the Senate is, in a defense budget that is inadequate, in a defense budget that is bleeding modernization and maintenance, should we have 12 pages of language that attempts to preclude competitive bidding that could save billions of dollars for the taxpayer, could allow us to improve pay and benefits, that could help us recruit and retain the finest young men and women who have ever worn the uniform of the country, savings that could help us procure miracle weapons that could protect American lives in the future, and that could maintain the quality maintenance of our equipment and the training of our people? Or should we forgo those savings and simply guarantee Government depots a monopoly, for all practical purposes, on doing this work? That is the question.

The PRESIDING OFFICER. The Senator has used 18 minutes. There are 16 minutes remaining.

Mr. GRAMM. Those of us who oppose this bill say we want competition. That competition is critically important.

We have asked and the President has committed to veto this bill. He is going to veto this bill because it is anticompetitive, because it cheats the taxpayer, because it cheats the men and women who wear the uniform of this country by squandering money that could go to improve the operation and maintenance of their equipment, to modernize their equipment and to provide pay and benefits that would keep the best and the brightest in the service. So that is what this issue is about. It is about competition. This is a debate that has been building for 3 years. Every year we have had this cry that really boils down to this: Defense is being cut and so Government depots have a right to be monopolists on this defense work. Even if it costs more, even if billions of dollars could be saved, they have a right to it. What we have done in this bill, I am sad to say, is we have turned defense into welfare. At the very time when we need efficiency and economy, we are denying it in the name of protecting special interests. I think it is fundamentally wrong.

Now, I don't deny that competition would benefit my State because we have facilities that private contractors would like to use to bid. But the point is they can't get the work if they don't do it cheaper and if they don't do it better. What we want is competition. That is what we have fought for.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS. Mr. President, I yield 10 minutes of my time to the control of the two Senators from Utah.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, I would like to be notified when 5 minutes have expired.

I understand well the consternation of my good friends from Texas and California. My State of Utah has been there, too. We have suffered no less a proportionate loss of jobs and installations from the past Base Closing Commissions. The great difference here is we are a small State with just five electoral votes.

The conference measure gives California and Texas, vote-rich States, something that Utah and other States never had, a second chance at life through a Presidential circumvention of the very BRAC process that the President himself previously enthusiastically supported.

My friends from Texas and California had several months to work out a compromise. Under the threat of Presidential veto and Senate filibuster, the Armed Services Committee and the Senators and staff from such States as Alabama, Florida, Georgia, North Carolina, Oklahoma, and Utah, among others, the so-called depot States or depot caucus States, which included Texas and California on other issues, have accommodated our friends. We could not be more sympathetic to their losses, which, after all, involve real people and families. As I said earlier, we have all been there.

But we have given them just about everything they want, even though—I repeat, even though—what we give them we do in a zero-sum sense. That is because we are giving up something that our people won and earned from the BRAC process and must now share. Our generosity in this sense goes beyond mere fairness and magnanimity. It is closer to sacrifice.

Let me tick off some of the sacrifices.

We allow competition for work that was originally designated for our depots by BRAC.

We allow the Air Force's tier I depot, Hill Air Force Base, which has the highest military value, to bid for something rightfully owed to Hill, against McClellan Air Force Base, a tier III depot, or an installation with the lowest military value, according to Air Force assessments.

We allow these same tier III depots to bid to keep the work there despite the $400 to $700 million higher cost to the taxpayers that the GAO and the Air Force have identified.

Mr. President, that is sacrifice. But I say enough is enough. It is one thing for us to squawk and scream at each other on the floor of the Senate. We need to move ahead now and address this matter in the way it should be addressed.

Hill Air Force Base also hosts two Air Combat Command air tactical fighter wings, one of which is an Air Force Reserve unit. These units are rotating to fulfill this Nation's peacekeeping missions in the Middle East and in Bosnia.

What does that mean to us here today? Military persons are required to put the mission before all else: personal well-being and safety, family, and virtually everything else that matters. So important is this commitment that we have constructed a separate body of law called the Uniform Code of Military Justice, which allows military and civilian authorities to enforce and defend, where necessary, the obligation of self-sacrifice. Cowardice or desertion in the face of the enemy, for example, carries severe penalties.

Having imposed such heavy obligations on the courageous men and women of our Armed Forces, we now find ourselves delaying the availability of the equipment and means they need urgently to execute their missions.

So this bill needs to pass. We should not hold up the $93.8 billion for operations and maintenance, which is to say troop training and equipment maintenance. We don't want to deny a pay raise of 2.8 percent for these folks in the military who need it so badly at a time when highly trained air crews are leaving at alarming rates. We don't want to deny bonuses based on years of service and skills or delay the implementation of studies to correct deeply rooted gender discrimination and abuses.

Improvements of family housing, which is sometimes so awful I wince at some, we don't want to delay that.

The President's request for $2.1 billion to move ahead on the F–22 program, the airplane to replace the F-15C, the work horse of the Air Force fleet, we don't want to delay that.

I could go on and on. I believe my point is made. We in Utah made our sacrifices. We shouldn't have to make these sacrifices. The President should have lived up to BRAC to begin with.

Delaying this bill means increased risk for military persons putting their lives on the line:

We are holding up $93.8 billion for operations and maintenance, which is to say troop training and equipment maintenance.

We are denying them a pay raise of 2.8 percent.

At a time when highly trained air crews are leaving the services at alarming rates, we are denying bonuses based on years of service and skill levels.

We are delaying the implementation of studies to correct deeply rooted gender discrimination and abuses.

Improvements in family housing, which is sometimes so awful I wince in shame, are delayed.

The President's request for $2.1 billion to move ahead on the F–22 program, the airplane that will replace the F–15C, the work horse of the Air Force fleet, will also be delayed.

Mr. President, I can appreciate that my good friends from Texas and California want to protect the interests of their States. But, they want to change the rules of the game after they've lost in fair play.

To help us make the really tough decisions about base closures, we created the BRAC process. We—Congress—created this mechanism to decide what bases to close and which to keep open.

Congress itself selected several of the BRAC Commissioners; and, I heard no grievances about the criteria used by the Commission to make its recommendations. The process enjoyed the support of Congress and the administration. And, I believe that it has been managed by fair-minded men and women and staffed by nonpartisan, skilled analysts. It is probably about as objective a decisionmaking process as you are going to get.

During the BRAC 95 round, it was determined that Kelly and McClellan should be closed. I can understand why my colleagues from Texas and California are not happy about that—I was not happy when previous BRAC rounds put Tooele Army Depot and Defense Depot Ogden on the closure list.

But, so far, those of us who represent States that have lost bases because of BRAC have not tried to jury-rig a method for keeping Federal dollars coming to a base on the closure list.

The Clinton administration has inexcusably tampered with this process. In proposing privatization in place, the Clinton administration put electoral politics ahead of the integrity of the BRAC process, weakening the investment value of already shrinking defense dollars.

No one has greater cause for protest on this floor than my colleague from Utah and myself. Utah, along with Oklahoma and Georgia, have been made the real victims of the President's tampering with this process.

In the case of Utah, the administration's original proposal would have starved Hill Air Force Base of the work needed to maintain its own efficiency.

The Ogden Air Logistics Center at Hill AFB is rated by the Air Force as its No. 1 depot. It received a tier I rating, meaning it has the highest military value. By contrast, Kelly and McClellan were rated as tier III installations, those having the lowest military value.

The original changes to BRAC proposed by the President could have been made only by dismissing merit as a criteria. It is no different than telling a grade school student that, although he or she is the top academic performer in the class, the honors will go to a less proficient teacher's pet.

It is no wonder that the workers at these depots are offended by this message. The American Federation of Government Employees [AFGE] has vigorously opposed privatization in place —not just because private contractors would be allowed to take over work, but also because the quality of their work and the dedication of their members to America's defense has been given such short shrift.

Nevertheless, Mr. President, Utah has a proud legacy of strength in adversity. The great majority of Utahns are descended from pioneers who pulled handcarts halfway across America. Utahns' came together with ideas and resources and determination to overcome defense losses. We have long since absorbed the more than 5,000 jobs that previous BRAC's and DOD downsizing have cost us. Our losses are just about proportionate to those experienced by defense closures in Texas and California, considering the relatively smaller size of our workforce.

But, I would like to point out that Utahns were working without a net. A net that the Clinton administration has graciously—but without justification, in my opinion—provided to Texas and California in this latest BRAC round.

But, now let's talk about the compromise adopted by the Armed Services Committee in this legislation.

First of all, as my remarks would indicate, I am strongly opposed to this sleight of hand known as privatization in place. I simply do not see that Federal dollars to contractors to perform the same work done by Kelly and McClellan—and which should have been redistributed to Hill, Warner-Robins, and Tinker—is a savings. Instead of consolidating, all that is achieved with this policy is maintained excess capacity. GAO reported that this concept would actually cost $468 million per year.

Instead of five depots with excess capacity, we now have three depots and private contractors at Kelly and McClellan. This effectively locks in excess capacity at the three remaining depots and would sign their eventual death warrant.

Let's be clear about one thing: This conference report does not repudiate privatization in place. It does not consolidate workload. Score a big one for President Clinton and for my Texas and California colleagues.

But, though I would cheerfully chuck this whole concept, I can accept the compromise plan developed by the conferees. The provisions in the conference report at least allow fair competition for the maintenance work and will not stack the deck against Utah and the other similarly affected States.

In my view, Utahns can compete with anyone. Our work force, our technology, our efficient State and local governments, and our cooperative spirit have been staples of the Utah economy.

Some of the fruits of that spirit are the facts that:

Salt Lake City was selected—after one of the toughest competitions you can imagine—to host the Winter Olympic Games in the year 2002;

Business Week has called Utah the software valley of the world;

Utah has the highest educational level in the country, according to the U.S. Bureau of Labor Statistics;

We are ranked second in the Nation in job creation;

We are second in economic growth, which for 1997 is estimated at 6.9 percent. This is well above the 2.5 percent average economic growth rate for all States, according to the U.S. Labor Department;

Despite our small size and being an insular State, 17 percent of the adult population speak a foreign language, many fluently. Utah is the site of the Army's only linguist brigade, a reserve unit that in wartime will bring forward nearly 3,000 accomplished speakers of more than 20 languages. And, I might mention that the city of Provo, UT, beat out New York City and Los Angeles as the site selected by the Army to locate this unit.

These achievements do not entitle my State to anything. There should never be any guarantees—no free passes. But, this exemplary track record does mean Utah has earned the chance to compete fairly, without having to play by rules that do not apply to others.

The Air Force knows the value of Utah well. The BRAC Commissioners learned it quickly. And the workers from Kelly and McClellan understandably wanted to share it.

Utah's military value is unmatched. Our former colleague, Senator Jake Garn, fostered its development as a defense technology mecca. Former Governor Norm Bangerter added 20,000 aerospace jobs to the State during his tenure, which ended in 1992. Today, Congressman JIM HANSEN, a longtime member of the House National Security Committee, has led the effort to sustain the high quality of Utah's defense installations.

Mr. President, Utah has made a commitment to national defense. I am in no way questioning the motivation of others who have enjoined this debate; but, the level of investment and record of excellence exhibited by Hill, Warner-Robins, and Tinker, is a reason for making sure that the Federal Government conducts a fair competition.

This conference report sets the stage for an acceptable process of fair competition. I expect that the Clinton administration will judiciously carry it out, and I will, of course, be following the implementation of these competitions closely.

We have crafted a compromise that goes beyond mere equity and fairness. Utah, Oklahoma, and Georgia, after all, are directed to give up something they've earned—which is the right to perform the work BRAC stated they should have. That is an indisputable fact.

And, perhaps this is a good time to remind my colleagues who do not believe that they have a dog in this fight that, if the rules can be changed to put Utah, Georgia, and Oklahoma at a competitive disadvantage, they can be changed to put your State at a disadvantage as well. Tampering with the BRAC process is a slippery slope.

Back in July, I questioned Air Force Deputy Secretary Rudy DeLeon regarding several competition procedures. I ask unanimous consent to enter these questions and his responses for the RECORD, Mr. President.

I accept Mr. DeLeon's responses as commitments by the Air Force. I am pleased that these commitments have been incorporated in principle or in explicit language in the depot provisions of the bill.

The only exception regards the protest rights of the bidders. Under the President's original plan, public depot bidders, like Utah's Hill and Oklahoma's Tinker, would have been denied the normal rights of protest available to private bidders. Under the conference agreement, any public depot-private contractor team could pursue a protest through the inherent rights available to the private team member.

In closing, Mr. President, I want to say that I intend to audit, oversee, and examine the details of each competition in the most minute detail. I will insist not only on compliance with the letter of every appropriate competition statute and regulation, but also with the nonstatutory language and other administration commitments found elsewhere in the legislative history of this debate. The danger of compromise is that those who implement it have the ability to spin things their own way.

Members of both the House and Senate Armed Services Committee have invested significant blood and sweat on this issue. I appreciate the extraordinary effort by Senators THURMOND, WARNER, and LEVIN. I also want to acknowledge the assistance of Senator LOTT. Every now and then we needed a referee, and he was a fair one. At the end of the day, I believe we have come up with a compromise that is workable, and I have every expectation that the President will agree.

It has also been a pleasure working with my colleagues from Oklahoma and Georgia, and, of course, my partner from Utah, BOB BENNETT.

Last, but not least, I want to thank my colleague, the senior Utahn in the House, Congressman JIM HANSEN. JIM fought his guts out to make sure that Hill Air Force Base has a fair chance. And, I don't think this issue could have been as successfully resolved without his work in the other body.

Mr. President, I believe we have reached a satisfactory resolution of this thorny issue. I urge all Senators to support it.

Mr. President, I ask unanimous consent questions and answers in the Senate Armed Services Committee confirmation hearing be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

QUESTION FOR THE RECORD, SENATE ARMED SERVICES COMMITTEE CONFIRMATION HEARING—JULY 17, 1997

Question A1. Senator HATCH. Contract term. Why was a 5-year contract with three option years selected? Is this a customary period for such workload contracts? What are the criteria for determining whether 3 plus year extensions to contract performance will be granted?

Answer. Mr. DE LEON. The contract period of performance is a critical decision in the acquisition strategy process and is based on factors peculiar to the particular acquisition. The contract needs to run long enough to attract serious bidders and bids favorable to the government. A contract shorter than 5 years would likely fail to provide sufficient time for bidders to recover their initial investment expenses and realize cost savings. In other depot maintenance and contractor logistics support contracts the Air Force has used five year periods. Over the past 5 years the Air Force has found it cost effective and beneficial to write contracts for 10 or even 15 years, basic contract and options combined. For example, many contractor logistic support contracts, such as JPATS, C–12 and C-21, run 10 or 15 years. Additionally, the Arnold Engineering and Development Center contract is a 5 year basic with a 3 year option. With options, the government always has the flexibility to not exercise the option(s) in order to recompete the work if the incumbent is not performing satisfactorily.

The inclusion of options (three, one-year extensions to contract performance) under an innovative "award term" approach is being considered for the workloads at McClellan to provide additional incentives to the winner to deliver cost-effective, reliable products to the customers. In the case of award term, continuation of the contract is awarded for exceptional performance. This type of approach is designed to incentivize the winning competitor to lower costs and provide exceptional performance to the Air Force.

Question A2. Senator HATCH. Best Estimated Quantity (BEQ). The BEQ for the KC-135 aircraft is offered at 35–40 annually. What is the current rate of serviceable KC-135s entering depot level maintenance annually? If the current number is smaller, how does the Air Force plan to raise the number to the RFP BEQ?

Answer. Mr. DE LEON. The draft request for proposal (RFP) contains two separate pricing schedules for KC-135 maintenance. The first schedule is based on an annual BEQ of 15 aircraft, and an aggregate BEQ of 75 aircraft over the period of performance. The second potential schedule is based on an annual BEQ of 35 with an aggregate BEQ of 175 aircraft over the period of performance. The final RFP will contain only one of these pricing schedules. The determination of the schedule for the final RFP will be based on the best estimate quantity at that time.

Recent trends show 100 KC-135s inducted for programmed depot maintenance in FY96, 77 expected in FY97, and 83 projected for FY98. These include inductions to all sources (OC-ALC, SM-ALC, and contract). The Air Force is considering the higher quantity to allow for the cost savings derived from economies of scale.

The current total inductions of KC-135 aircraft are well above the contemplated BEQs.

Question A3. Senator HATCH. Twenty-five percent cost savings. It is my understanding that the Air Force anticipates a 25-percent cost savings during the first five years of the contract. How was that number calculated?

Answer. Mr. DE LEON. The Air Force believes the best opportunity for savings can be achieved through a fair public/private competition. Since the competitions are not yet completed, the Air Force cannot, at this time, be sure what the savings outcome will be; however, the Air Force anticipates that it will be significant.

Question A4. Senator HATCH. Excess capacity costs. GAO estimates that the Air Force cannot achieve cost savings from excess capacity that will remain under the current privatization-in-place concept. The audit agency reports that higher prices can only result. How do you respond to GAO on this matter?

Answer. Mr. DE LEON. The Air Force is not privatizing in place but rather, conducting public/private competitions. Under these competitions, the public and private bids will be evaluated to ensure that any potential consolidation savings and resulting recurring and one-time costs are carefully considered in the decision process. This includes considering capabilities, risks, costs and savings in evaluation of both the public and private bids. Along with public/private competitions, the Air Force will look at eliminating excess capacity using strategies such as transferring workload, partnering with industry, and reducing infrastructure.

Question A5. Senator HATCH. Transition costs. My interpretation of the section on transition costs in the December 1996 Public Private Competition documents [hereafter: "PPC"], and page 32, secs. a-b specifically, tells me that the public bidder must show adjustments for such personnel costs as severance pay, relocation, VERA/VSIP, etc. Yet, I believe these costs are covered by congressionally appropriated funds under BRAC. How does the private bidder account for these costs in its bid submission?

Answer. Mr. DE LEON. The intent of the language on transition costs in the December 1996 PPC documents was to have the public and private bidders provide a list of all of the transition costs included in their proposals. This would allow the cost proposal evaluation team to determine whether all appropriate transition costs were captured and, if not, make the necessary adjustment. For cost comparison purposes, the Air Force did not need to distinguish between BRAC and non-BRAC funded costs since they are both included.

Question A6. Senator HATCH. Depot facilitization and upgrade costs. What is the comparable state of the depot facilities at Ogden and Sacramento—more specifically: what improvements have been made to each depot, at what aggregate cost, over the past five years? In addition, please comment on the following related topics:

a. Do both public and private bidders account for personal and real property (equipment and facilities) over the contract term?

b. If the question at sub-sec. 6a is answered in the negative, how does the competition comply with policy (DOD 7000.14R) and cost accounting standards which seem to require identical treatment of depreciation by both classes of bidders?

Answer. Mr. DE LEON. Capital investments in facilities, equipment and other infrastructure have been made in planned modernization strategies by McClellan and Ogden to perform their designated mission workloads. New facilities are acquired and maintained through the MILCON, minor construction, and Real Property Maintenance (RPM) programs. Capital equipment is replaced, added, and upgraded through the Capital Purchase Program (CPP).

For FY90–96 (projected end of year), investments for these two bases include the following:

[In millions of dollars]

	McClellan	Ogden
MILCON	38.75	25.9
RPM	41.3	45.8
CPP	49.3	57.8

(a) In the case where equipment and facilities are purchased or acquired for the proposed workload and would not otherwise have been purchased or acquired, both public and private bidders will account for such assets over the contract period of performance.

(b) N/A

Question B1. Senator HATCH. Rights of protest. Do public and private bidders have identical rights of protest? If not why not?

Answer. Mr. DE LEON. No, public and private parties do not have identical rights, primarily as a result of statutory provisions of law relating to bid protests.

Question B2. Senator HATCH. Personal property rights. My interpretation of 32 CFR Part 91.7, para. (h)(5) (l) and (v), and 10 U.S.C. 2687 suggests that a successful public bidder may acquire personal property such as equipment, from Kelly or McClellan where such property is required for the operation of a unit, component weapon, or weapon system transferring to the successor public depot as a consequence or outcome of competition or realignment. These rights, I believe, also accrue to the successful public bidder where the property meets the needs of an authorized program and which would otherwise require the government to expend monies to acquire similar equipment if the transfer was not made.

Do you dispute this interpretation?

Answer. Mr. DE LEON. I agree that under 32 CFR Part 91.7 (now 175.7) if personal property at Kelly or McClellan is required for the operation of a depot function transferring from one of those bases to another public depot as a result of the public-private competition, then such property may be transferred to the successor public depot. August 1996 Air Force guidance explicitly provides that "if another DoD depot wins a depot maintenance competition, or limits of federal statutes require certain depot maintenance workloads remain under governmental control, then the associated personal property will be transferred as required." In addition, the regulation provides that personal property may be removed from the installation when "the property meets known requirements of an authorized program of another federal department or agency that would have to purchase similar items. . . ." These regulations are fully consistent with the statutory provisions in the GRAC Act, §2905(b)(3)(E), set out as a note to 10 U.S.C. §2687.

Question C. Senator HATCH. It is my understanding that the Source Selection Evaluation Board (SSEB) activity has been restricted to the compilation and submission of bids to the Source Selection Advisory Council (SSAC). The Source Selection Authority (SSA), however, will be situated within the Air Force secretariat. I appreciate the foresight demonstrated by the Air Force in restricting the Air Logistics Command acquisition authorities from award making. However, what assurances does Congress have that the SSA will not submit to political influences that could distort a truly merit-based award?

Answer. Mr. DE LEON. The policies and procedures that were developed and published in "AFMC Procedures for Depot Level Public/Private Competition" addressed the roles, relationships and responsibilities to ensure a level playing field and a merit-based award. This was further augmented by the Cost Comparability Handbook which provides standardized procedures and techniques to ensure cost comparability when competing depot maintenance workloads. The Source Selection Authority is a career civilian who over the past 28 years has been the source selection authority on many critical programs, including most recently the Space Based Infrared Radar System, Airborne Laser, Joint Directed Attack Munitions. The SSA chaired the source selection advisory council for the Joint Strike Fighter, the Evolved Expendable Launch Vehicle, and the Joint Air to Surface Stand-off Missile. The SSA has an impeccable record of integrity and objectivity.

Mr. BENNETT. I thank my colleague for his summary of the circumstance with relation to Hill Air Force Base. I want to take my 5 minutes and refer to the arguments made on the floor.

We have heard that the bill as currently constituted contains 32 pages of anticompetitive language. I challenge that, Mr. President. I believe it contains 32 pages of rules by which the competition will occur.

Do we refer to rules as anticompetitive when they establish the framework in which a competition will happen? I will take a sports analogy. Is it anticompetitive when there is a referee on the floor that prevents one player from fouling another in a basketball game? If I have a team filled with very rough players, I consider that anticompetitive. But if the purpose of the game is something other than to beat each other up, but to score baskets in the form of the rules of the game, the existence of the referee and, yes, the rule book which runs for more than 32 pages, in fact, enhances competition rather than cuts it down.

Mr. President, 32 pages of oversight language. I must report my own experience with this issue. We have only one set of numbers before us as a Congress as to what happens with privatization in place, and those are the numbers that come from the GAO. The GAO says if you proceed with privatization in place, it will cost the taxpayers over half a billion. That is not right, says the Air Force, nowhere near, we will save money with competition. I said, fine, give me the numbers. "We don't have any numbers. We just know we will save money." I had Sheila Widnall, the Secretary of the Air Force, in my office. I asked for numbers. She refused to give me any and just said, "We will save money. GAO is wrong." If GAO was wrong, give me specifics. No, the Air Force said, we won't give you specifics. Just trust us that they are wrong.

General Babbitt was put forward as the general who would command this activity. I held up his nomination until he came to my office. I said, "General, you are undoubtedly qualified for this. I will let you go forward. But there is something I want from you before I will let you go forward." He said, "What is that?" I said, "I want you to agree to give us the numbers. If indeed you can improve that privatization-in-place will save taxpayers dollars, you ought to be able to prove that with numbers rather than rhetoric. If you have those numbers I want you to be willing to share them with the Congress." He looked at me and said, "Why, of course, Senator, we will be happy to share those numbers." I said, "General, you are the first person in the Air Force ever to agree to do that."

That is all we are asking for, a little sunshine here, not quite so much rhetoric and not so much "trust me," a little sunshine, a little oversight, a little understanding. So in these 32 pages that have been attacked, there are requirements that the Air Force tell the Congress how much money they are spending, how much money, presumably, they are saving and how they are following the rules, and then have those numbers reviewed by the GAO.

Is this so anticompetitive, if you are saving the taxpayers millions or hundreds of millions of dollars, that you are willing to share the information? I don't think it is anticompetitive at all. I think, again, it is like the rule book in a basketball game that says: These are the rules and there will be a referee to enforce them. The rules are fairly voluminous, but the end result of the rules is that you have a game that works.

We have been told again and again, "no, we believe in competition." I believe in competition. But I believe in competition in the open. I believe in competition where the information is available, particularly to the policymakers in the Congress.

So, Mr. President, I hope that this bill passes. I hope the President signs it because I think we can pass it by a wide enough margin to send a veto-proof message to the White House, and I hope when it's over, we will then, by virtue of the language that has been added to the bill on the depot issue, as a Congress, be able to see what is done, be able to understand what is done and, if at that time they come back and say we would save the taxpayers this much money, and they get specific with numbers, I am perfectly willing to have them spend that money on privatization in place. But I am not, Mr. President, willing to accept a "trust me" attitude, given the history of the Air Force's unwillingness to talk to us on this issue up to this point.

I yield the floor.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, how much time remains of my 30 minutes?

The PRESIDING OFFICER. Fifteen minutes.

Mr. STEVENS. Mr. President, I want this record to reflect my disappointment with the levels authorized in this bill for the National Guard.

Since the end of the cold war, we have undertaken the most massive restructuring of our military forces since the end of World War II.

The cornerstone of these initiatives has been greater reliance on the National Guard and Reserves to meet both day-to-day and major crisis military requirements.

Sadly, the bill before the Senate retreats from, and does damage to, the expanded role for the Guard.

This year, tens of thousands of Guard and Reserve personnel have been deployed to Bosnia, Haiti, Southwest Asia, Central America, and Korea.

By the account of every regional commander in chief, they have performed these duties with a level of professionalism and excellence indistinguishable from the Active Force. They are simply that good.

Their performance in the field merits the total support of the House and Senate.

The Guard and Reserve comprise 38 percent of the total force. However, funding for these components in this bill equates to only 8 percent of the total funding for the Department of Defense.

The cost of forces in the Guard and Reserve is less per capita—significantly less than the active components.

But 38 percent of the force deserves more than 8 percent of the available funding. The Guard needs modern, new equipment. They need training—particularly flying hours and adequate maintenance money for tanks, trucks, and other vehicles.

They need ammunition and travel money. They need the funding to continue to be fully ready to deploy.

This bill does real damage to the force structure, readiness, and morale of our National Guard.

Fortunately, the Defense appropriations bill passed by the Senate last month does provide the increased funding for the Guard.

The Defense appropriations and military construction bills achieved a real bipartisan consensus in support of the National Guard.

We carefully reviewed the needs identified by the National Guard and Reserves.

We allocated funding to meet their most urgent personnel, readiness, and modernization priorities.

The National Guard and Reserves cannot be asked to take on more missions, more deployments, and more responsibility without the support of Congress. This bill fails that test.

The levels authorized in this bill would require a 5,000 personnel reduction in the Army National Guard.

This bill authorizes $108 million less in the vital Army Guard Operation and maintenance account that was appropriated by the Congress and signed by the President for 1998.

This bill reduces funding for the Air National Guard by almost $14 million.

I regret that on the levels provided for the National Guard there are these differences between the 1998 authorization and appropriations bills. I do not regret the actions we took in the appropriations bill, which provided greater support for the National Guard.

Even that was not enough. Our committee deserves to be criticized also for not having provided even more. But this bill means we can't spend the money we have already appropriated.

There are other differences between our two bills—especially in the procurement and research and development accounts.

Our committee worked hard to pass an appropriations bill early that incorporates the Department's and the Senate's priorities.

We attempted, as much as possible, to follow the authorization bill that passed the Senate. When the Defense authorization bill undercuts these accounts and programs, it causes great concern within the Department of Defense.

They will be asked by the Armed Services Committee not to spend the money as it was intended by the appropriations bill—and DOD cannot spend the money for items in this authorization bill for funds were not appropriated in the bills that were already passed.

The funding could have been allocated more effectively. This does not serve the institution well.

A further blow against the position taken by the Senate in support of the National Guard was the rejection of the increased rank and role for the next chief of the National Guard.

Forty-nine Senators cosponsored this effort on a total bipartisan basis.

Instead, this conference report creates two new advisory positions for the National Guard and Reserves.

The National Guard already has a chief and two very capable directors—it does not need additional advisers.

This legislation is, in fact, a step backward for the National Guard and Reserves, and they do not endorse or support this approach.

I want to assure the Senate, and our friends in the National Guard, that we will be back next year—this matter is not closed, as far as this Senator is concerned.

The men and women of the Armed Forces deserve, and should receive, the pay raise funded in the Defense appropriations bill that is authorized in this legislation. They must have that.

The military construction projects appropriated for 1998 will be stalled unless we pass the bill.

Incidentally, 38 of the projects in the military construction bill, line-itemed by the President, are in this bill. All 38 of them are authorized by this bill, and the House will soon send us a bill to ask the President to reconsider the line-item veto of each of those 38 projects.

So, I am not asking the Senate to defeat the bill. I do urge others to speak up and to commit to readdress these significant Guard and Reserve component issues next year.

It is with great regret, however, that I announce to the Senate I will not vote for this conference report. It will be the first conference report on a Defense authorization bill that I have not voted for in 29 years. I feel very strongly about this. That is why I want to make it a matter of record. I don't intend to support an authorization bill again until we do address the problem of the readiness account and the status of the National Guard in the defense structure.

Mr. FORD. Mr. President, let me begin by congratulating the Senate Armed Services Committee for completing their work on the National Defense Authorization Act conference report for fiscal year 1998. Nevertheless, I'm very disappointed that the conference committee was unable to agree on the amendment by Senator STEVENS, and 49 of his colleagues, to make the Director of the National Guard Bureau a four-star general and a member of the Joint Chiefs of Staff.

When I spoke before the Reserve Forces Policy Board back in September, I began my speech talking about Union general, "fighting Phil Sheridan." Sheridan didn't strike people as having the stature of a war hero. He was a bit on the short side. Yet at the head of the cavalry, he was an invaluable leader, helping General Grant win many key battles during the Civil War. His battlefield successes led Abraham Lincoln to joke that at the beginning of the war he thought a cavalry man had to be 6′4″. "But now," he said, "I've seen 5′4″ will do "just fine" in a pinch.

I tell that story because all too often the National Guard is being dismissed out of hand for being nothing more than "weekend warriors." But after seeing their work in international hot spots like Kuwait, Somalia, Bosnia, and Haiti, it's clear the Guard will do more than "just fine" in a pinch.

I think we all agree that as we enter the 21st century the common goal of the U.S. military should be to create and maintain a seamless total force that provides our military leaders with the necessary flexibility and strength to address whatever conflicts that might arise.

The QDR should have been the vehicle to achieve that goal. Unfortunately, it fell far short. And one analyst went so far as to describe it as "another banal defense of the status quo."

There are close to one-half million men and women in the National Guard, accounting for about 20 percent of this Nation's Armed Forces. Because of their dual Federal-State mission, National Guardsmen and women are on hand to serve in both the international arena and in our own backyards. Perhaps more than any other soldier, Guardsmen embody our forefathers' vision of the citizen-soldier. That's because the citizen-soldiers of the National Guard find their roots not only in the history of this country, but equally important, in the communities of this country.

The Army National Guard alone provides more than 55 percent of the ground combat forces, 45 percent of the combat support forces, and 25 percent of the Army's combat support units—all while using only 2 percent of the Department of Defense budget.

But if you look at the QDR process you would think the Guard has outlived its usefulness * * * that their cost-effectiveness, their flexibility, their readiness are all figments of this Senator's imagination.

Experts have called QDR a "cold war relic," and I agree with them, especially when it comes to the Army. Back in July, the Senate was forced to add $437 million to the Pentagon's budget request just to meet the minimum spending needs of the Army National Guard.

While both the Marine Corps and the Air Force have successfully integrated their reserve fighting units into their total combat force, the Army continues to fail to include its National Guard combat troops in national military strategy. To this day, none of the Guard's eight combat divisions is in the Nation's war plans, despite the fact that they have undergone the same training as their active duty counterparts.

This contentious relationship got even hotter, last spring when leaders of the National Guard expressed outrage at never being given the opportunity to present their case before the QDR and over the Army's failure to be up-front about how deeply they wanted to cut the Army Guard.

The outrage was well placed. The Washington times was right on target when they wrote back in June that "the Guard has a greater relevance today than during the cold war—exactly the kind of relevance the Founding Fathers envisioned when they elected to place the preponderance of the Nation's military strength in the State militias."

As a classic dual use system the Guard is not a relic of the past, rather the wave of the future. That same article said, "There is no inherent reason the Guard cannot perform adequately across the range of missions. The Marine Corps and Air Force have demonstrated what can be accomplished when reserves are treated as assets, not rivals * * *. In short, the Guard's proficiency is limited only by resources and creativity—by a standing Army that, for reasons of its own, prefers not to acknowledge it."

This is not a new battle. And the QDR is just another symptom of a dysfunctional relationship that must change.

That's why I believe that after assuring the Reserve forces needs are met in this year's budget. Our biggest priority was to make the Chief of the National Guard Bureau a four-star general and a member of the Joint Chiefs of Staff. I was proud to cosponsor Senator STEVENS amendment to the Defense authorization bill doing just that.

As Senator STEVENS said during debate on the amendment, this change "will help ensure that the National Guard's needs will be met during the formulation of the Department's budget and not solely by the interventions of Congress * * *. It has taken the intervention of Congress each year to get the Guard the money it needs to perform its job." The amendment would have gone a long way towards changing that status.

When you compare the National Guard with the U.S. Coast Guard, the inequity becomes even more clear. There are an average of 10,000 men and women deployed outside the continental United States by the National Guard every day. And working with an annual budget of $10 billion, the National Guard manages a tremendous amount of equipment and runs 3,360 facilities in 3,200 communities touching every State in the Nation.

The Coast Guard, which also has a dual mission, runs an efficient, tight ship. At the head of that ship is a four-star admiral. But what is startling to me is that the Coast Guard is a fraction of the size, with a fraction of the budget of the National Guard.

Look at the Marine Corps. Like the National Guard, they serve as a free standing force, maintained under a parent service. Again, with a budget and a troop strength smaller than the Guard, they are under the leadership of a four-star general, and have a seat on the Joint Chiefs. Those changes were made after the Marine Corps came before Congress arguing that to be heard they needed a general's rank, not a colonel's, when dealing with the other services.

The Pentagon must recognize that the Reserve components are the only contact the majority of Americans have with the military. When they see a neighbor, a child's teacher, or their family doctor on hand when natural disasters strike or representing the United States in the international arena, they have a direct link to the military.

That bond has remained strong for more than 200 years. And despite resistance from the Pentagon, I believe Congress has no intention of seeing that bond damaged through insufficient funds or a lack of resources.

But passage of Senator STEVENS amendment in the Senate was a sign that we're no longer willing to accept the status quo either. We believe it's a critical first step not only toward giving our citizen-soldiers a seat at the decisionmaking table, but toward creating a Total Force.

Unfortunately, Mr. President, the conference committee disagreed with the Senate position of making the National Guard Director a four-star general. Instead the conference "split the baby" by establishing what they thought was a new position for the Army Guard and Army Reserve—two new two-star general positions serving as advisors to the Chairman of the Joint Chiefs of Staff.

The problem with this decision is that the National Guard already has such a position within the Joint Chiefs of Staff. This new language won't solve the problem faced by the National Guard. I hope my colleagues on the Senate Armed Services Committee understand that the issue of a four-star position on the Joint Chiefs of Staff is not going to go away.

I'm also disturbed by the conference committee's decision to cut the National Guard by 5,000 spaces without any corresponding cuts in the Active Duty Army or the Army Reserve. This cut for the National Guard isn't right and it isn't consistent with what we've done on the Defense appropriations bill. That bill, which was just signed by the President, fully funded the Army National Guard.

General Sheridan might have been on the short side, but when the smoke cleared at the end of the battle, he sat very tall in his saddle. While detractors might refer disparagingly to our National Guard Forces as weekend warriors, I hope my colleagues will remember that at the end of the day, whether helping families return to their homes after a devastating flood or flying in supplies to war torn countries, they stand just as tall.

Mr. STEVENS. Mr. President, do I have any further time left?

The PRESIDING OFFICER. The Senator has about 14 minutes remaining.

Mr. STEVENS. I yield 5 minutes to Senator COVERDELL.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. COVERDELL. Mr. President, I thank my colleague from Alaska for yielding time. It is with great pleasure and relief, I must say, that I come to the floor to hail what I believe will be final passage of the 1998 Defense authorization conference report. As many of my colleagues know, this was not an easy process. This bill, of vital importance to our men and women in uniform, has sparked much controversy over the last several months.

My colleagues may remember my taking the floor, along with several of my colleagues, this summer to denounce what we felt was a politicization of the BRAC process by the President. At the time, I stated that we will not begin a new round of BRAC, as the administration has called for, until the previous round's recommendations have been carried out effectively. To my satisfaction, a new round of BRAC has been averted and we have taken a step in the right direction toward restoring BRAC integrity.

The approach we have taken on military depot work in this bill is a win for our Armed Forces and taxpayers. In this bill, we promote private-public competition, as my colleagues called for, while establishing more objective criteria in making contract awards.

I would like to commend my colleagues on both sides of this issue for working to develop a solution to the impasse we reached. Obviously, as a Senator with a remaining air logistic center, I have a vested stake in the issue. While not a member of the Armed Services Committee, I voiced my opinion strongly with my colleagues from California and Texas and have respected their position. It is unfortunate that we have not been able to reach an ultimate agreement on the issue, but we have come to our disagreement after much debate and consideration on both sides.

I point out to my colleagues, however, that it says a great deal about a piece of legislation when the chairman, ranking member, and majority and minority leaders all agree on the approach we have taken in this bill.

I would be remiss not to mention the tremendous contribution that our chairman, Senator THURMOND, has once again added to this process. He and his staff have worked tirelessly to develop this legislation and to work for a compromise on the depot issue. I also want to thank my colleagues from Utah and Oklahoma—particularly Senator INHOFE, who has worked equally as hard in trying to reach a compromise on the issue. They are all to be commended.

Finally, I understand that there is an important pay raise provision in this bill for our armed services members. This is of great importance because I think we have arrived at a good place, a solid plan. I encourage my colleagues to support it. Further, I call on the President to sign it as quickly as possible. We need to move on with this bill and what I feel is correcting a fundamental flaw in the system.

I yield back my time.

The PRESIDING OFFICER. Who seeks time?

Mr. STEVENS. Mr. President, I reserve the balance of my time.

Mr. THURMOND. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRAMM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Mr. President, I ask our colleagues who want to speak to come over and speak. It becomes a sort of curious game when people want to be heard, but they don't come over, and one side is forced to use up all of its time, or else see the time run off, when we would like to have a debate. I wish those who wanted to debate would come over.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senator from Michigan.

PRIVILEGE OF THE FLOOR

Mr. LEVIN. Mr. President, I ask unanimous consent that privilege of the floor be granted to the following staff member of the Committee on Foreign Relations: Mrs. Gina Abercrombie-Winstanley, a Pearson Fellow detailee from the Department of State, during the pendency of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LEVIN. Mr. President, one of the arguments that has been made is that if this conference report is enacted that the private industry will be reluctant to bid on the work of the closed depots. In fact, some elements of industry had announced that they intended to bid on the Kelly and McClellan work well before the compromise was even written. Most of the concerns raised by those groups relate either to features of the current law that they don't like, or to features of the compromise that the Department of Defense has accepted as fair and not sought to change.

We cannot just simply give the work to industry without any competition. We must have fair competition. That was the purpose of these provisions in the bill. Those of us who wrote these provisions have no depots at stake, and no issues at stake in our States. In fact, we voted against the provision of the Depot Caucus in the conference because we thought it was one-sided. I voted against a similar provision which was offered by Senators here during our deliberations in the Armed Services Committee. But those of us who have drafted the provision in this final bill have intended and attempted—and we think succeeded—in drafting a provision which will ensure fair and open competition. That is our goal. We don't want to tilt this one way or the other.

We couldn't get the parties to reach an agreement. We waited months for the parties to try to reach an agreement. We tried to negotiate an agreement that everybody would agree to. We couldn't get everybody to agree to any particular language. We never could reach an agreement.

Finally, those of us who had the responsibility of bringing a bill to the floor, and getting a defense bill passed because of all the critical provisions in here for our military people, decided we would draft the best possible provision that we could that would guarantee open and fair competition and would not tilt this one way or the other. We have that responsibility, and we think we carried it out fairly.

One significant part of this compromise is a simple sentence which is aimed at guaranteeing a level playing field for both sides. The sentence states:

> No offeror may be given any preferential consideration for, or in any way be limited to, performing the workload in-place or at any other single location.

That sentence means exactly what it says. No preferential consideration may be given to Kelly and McClellan, and no preferential consideration may be given to the depots that remain open. They have to compete on a level playing field.

That is what this compromise is all about. At one point the argument was made that by prohibiting the Air Force from giving preferential consideration to either side that we might somehow preclude them from considering real differences in cost or risk. I don't accept that argument. We consider legitimate differences in cost and risk in virtually every competition. That is fair consideration—not preferential consideration. It is not preferential treatment to consider differences in cost and risk any more than it is preferential treatment to award a contract to the low bidder.

My staff has confirmed this with top procurement officials at the Department of Defense. Although we did not believe the concern to be well-founded, the conferees decided to remove any question over the interpretation of this language by clarifying in the statement of managers that the consideration of differences in cost or risk associated with the location of performance is not preferential consideration, and the managers' language states that consideration of such differences in cost and risk is not only permitted but it is expected.

In short, we bent over backwards to address concerns about this proposed compromise. This is a fair compromise. It provides a level playing field without preference to either side. And I hope that the Senate will act to put this issue behind us.

We also heard the statement that the requirement for the Department of Defense to ensure that the depots are operated as cost effectively as possible will have the effect of precluding any work from going to the private sector. That statement is not accurate.

Nothing in the depot maintenance provisions requires that all the work go to the depots, as has also been stated. Under these provisions, the Secretary would retain broad discretion to determine which workloads should be retained in public depots and which should be subject to private-public competition.

First, the sentence in question is nothing more than a clarification of existing law which already requires the Department of Defense to:

> . . . maintain a logistics capability, including personnel, equipment, and facilities to ensure . . .

That word is in existing law.

> . . . a ready and controlled source of technical competence and resources for contingency situations.

And prohibits the contracting out of any logistics activity identified by the Secretary as necessary to maintain that logistics capability.

Second, this sentence applies only to workloads that the Secretary of Defense determines to be necessary to maintain core logistics capability. Under current law, the Secretary gets to decide what capabilities are core logistics capability. And the Secretary gets to decide what workloads are necessary to maintain those capabilities.

Third, the Secretary of Defense—not the Congress—gets to decide what is cost efficient and how much workload is necessary to ensure cost efficiency. The statement of managers expressly states that this provision does not require the performance of all core logistics workload in public depots.

This is what the statement of managers says:

> The provision does not require that maintenance for all weapons systems necessary for the execution of DOD's strategic and contingency plans be performed at public facilities.

In short, it is the Secretary—not the Congress nor the depot caucus. It is the Secretary who gets to decide what functions will be performed in-house under this provision.

On the basis of extensive consultation with the Department of Defense officials, starting last spring, we are convinced that the depot maintenance provisions in the bill are consistent with the Department's current policy and practice on core logistics capability, and will not require the Secretary to bring in-house any work currently performed by private contractors.

In fact, the Department of Defense has informed us that on the basis of the bill's change from 60–40 to 50–50 they expect to be able to contract out slightly more work than they can under current law.

The main argument that is being made here is that somehow or other this bill prevents real competition. I assure our colleagues that this bill not only intends to guarantee fair competition, but is the best effort that we know how to make—those of us that have no stake in the outcome of this debate—this is the best effort that we can make to objectively and fairly come up with provisions which will guarantee and ensure as fair and open a competition as possible.

Far from prohibiting public-private competition, these provisions mandate competition for depot maintenance work, and require that all qualified public and private sector offerors be permitted to compete.

The provisions establish seven simple conditions to ensure that this competition is carried out on a level playing field. Again, I emphasize these provisions were written by Members and staff who are neutral in the fight between the closed bases and the remaining Air Force depots. The sole objective here is to ensure fair competition. And each of the provisions was included for that purpose alone—a level playing field for competition by ensuring that appropriate factors are considered in a balanced manner. The bill expressly prohibits the Department from giving any preferential treatment to either the closed depots or the remaining ALCs.

Mr. LEVIN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Michigan has 6 minutes.

Mr. LEVIN. I reserve the remainder of that time.

Mr. COATS addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, I inquire of the chairman of the committee how much time he can yield.

Mr. THURMOND. Mr. President, I yield 8 minutes to Senator COATS.

Mr. COATS. Mr. President, I thank the chairman for yielding this time. I rise to urge my colleagues to support the vote coming up here on the Defense Authorization Act. I congratulate Senator THURMOND and Senator LEVIN for their leadership on this issue. We have continued a bipartisan effort in the Senate Armed Services Committee for addressing the key issues facing our national security policy.

It has been a contentious and difficult process this year, but one, nevertheless, that has gone ahead, and we are here today just a few moments away from voting on this and sending it to the President.

It is important to note that we have reached support in the Senate Armed Services Committee; all 18 members of the committee have signed the conference report and, most importantly, we have been able to address some of the most difficult issues in a way that I think, while not perfect and while not the solution to everybody's concerns, clearly moves us in the right direction.

Senator LEVIN and others have talked about the depot provisions. I appreciate how difficult it has been and the very strong views of Senators on both sides of the aisle on these provisions.

Earlier, I opposed the depot provisions which were originally recommended by the readiness panel because they explicitly precluded competition for the resolution of the Kelly and McClellan Air Logistics Centers issue. We went back to work —a number of people spent a great deal of time and effort trying to find a way in which we could develop a substantive set of provisions that would promote competition, and I said that if we could do that, I would support it.

Now, if I were drafting this legislation, I would have gone much further than we have been able to go. I think, clearly, if we can't move further faster on privatization efforts, we are going to continue to face shortfalls in modernization, shortfalls in research and development, and in other vital areas for the military.

This, I believe, is the best we are able to do at this particular time given the polarization on this issue between members on the Depot Caucus and those who were promoting greater competition. We have been able to move the percentages from 60–40 to 50–50. I know that 50–50 is not defined in the way all of us would like, but it is a step in the right direction. Hopefully, it will open the way for further discussion and determination of what core capacity we need to retain within the services and how we can also move toward privatizing maintenance in a way that saves the Department money.

It will also, hopefully, open the door to another round of BRAC closings. There should not be any disagreement that we still have too much infrastructure given the size of our force. It is aging infrastructure. It is costly infrastructure. Unless we can find ways to close that infrastructure, and modernize and streamline the way in which we provide for our national defense, we are going to continually face a shortfall of funds, particularly given the fact that we have a fixed top line, as stated in the budget agreement.

One of the provisions of the depot compromise involves an initiative that was suggested to us by the Business Executives for National Security Tail-to-Tooth Commission, the so-called BENS Commission. It's private partnerships within the public sector. This commission is made up of people from both parties, former Members of the Senate and Cabinet, leaders of industry and retired members of the Joint Chiefs. And their insights, I believe, ought to be given significant attention.

Let me just quote from one of the sections of the bill which incorporated one of their suggestions. Section 359 of the depot provisions is titled, "Requirement for Use of Competitive Procedures in Contracting for Performance of Depot-Level Maintenance and Repair Workloads Formerly Performed at Closed or Realigned Military Installations."

And this provision states, and I quote:

> Any offeror, whether public or private, may offer to perform the workload at any location or locations selected by the offeror and to team with any other public or private entity to perform that workload at one or more locations.

This provision enables the Department of Defense to leverage the core competencies of our public-sector depots with those of private industry in building the most effective and the most efficient team for maintaining our military's equipment, and it does so in a way that keeps competitive pressures on both the private and the public sector that will ensure that the Pentagon and the U.S. taxpayer continue to get the best value for their defense dollar.

The Pentagon has indicated that this is a workable approach to resolving the highly charged issues surrounding Kelly and McClellan Air Logistics Centers. I know there is not agreement on that point, but my analysis of this is that it moves us significantly in the right direction. And given the dynamics of the political considerations that we are facing, it is the best we can do this year. We are not going to get a bill without this. I trust the administration will think long and hard before they consider a veto over this provision. I do not believe we are going to be able to go back and adjust it one way or the other in any significant measure without creating a loss of support on one side or the other, depending on which way we go.

So I urge the administration to understand the process that we have been through, where we started and where we now are and take this as a significant incremental step in the necessary effort to move toward privatization.

Mr. President, I would also like to briefly talk about some things that we have done in my role as chairman of the Airland Subcommittee. First, the national Defense authorization supports the Army's Force XXI initiatives which significantly enhances the situational awareness and combat effectiveness of our land forces through information technology. Yet, we need to do much more to get the spectrum of digitization efforts, which were so strongly endorsed by the Pentagon's Quadrennial Defense Review, adequately funded. But at least this is a fair start.

And for the record, I wish to correct a statement reported in press this morning that the first flight of the second Comanche armed reconnaissance helicopter would be delayed because of a 2.75 percent tax levied on acquisition programs in the fiscal year 1998 Defense authorization bill, which we are voting on today. I want to emphasize that this Defense Authorization fully funds the Comanche program at the level requested in the President's Budget, and that it does not include a tax. The tax reported in this article was levied in appropriation, not authorization, legislation.

We have been able to incorporate in this bill a significant enhancement in the military's tactical and operational mobility through increases in tactical trucks, the establishment of multiyear procurement for the family of medium tactical vehicles, and increases in V–22 procurement. We have also added increases for tactical air and missile defense capabilities.

Specifically, however, I want to talk about the F–22. I spoke at length about my concerns with F–22 cost overruns and technology risks during our deliberations over Defense appropriations. This national Defense authorization provides the same F–22 funding levels, but goes the very important further step to put key oversight provisions in place that will help Congress and the Administration keep this program on track.

First, this Defense Authorization includes the Senate's total cost cap provisions which limit the level of engineering and manufacturing development to approximately $18.7 billion and production to $43.3 billion.

Second, the Defense authorization requires an annual review of the F–22 program by the General Accounting Office. This report will address whether the F–22 EMD program is meeting established goals in performance, cost, and schedule; and whether the F–22 program is consistent with the cost caps we have established. The Comptroller General also must certify to

Congress that he has had access to sufficient information to make informed judgments on the matters covered by the reports. This series of annual reviews will provide us a visibility into the F–22 program which we have not had to date. And it will also provide a means of independent assessment on the spending and technical performance of the program so that this body can effectively continue its long history of oversight on the key F–22 program.

In conclusion, this national Defense authorization makes great strides in supporting the defense strategy of shape, respond, and prepare now. It provides significant increases in our readiness accounts by adding over $750 million to address shortfalls in flying hours, real property maintenance, and ammunition procurement.

It also takes better care of our military servicemembers and their quality of life through a 2.8 percent pay raise and a reformed approach to quarters allowances.

And it accelerates investment to address shortfalls in key mission capabilities such as adding over $700 million for theater and missile defense programs.

Finally, this national Defense authorization provides a reasonable compromise to the depot issue through a fair and open competition which serves the best interests of the military and the American taxpayer.

In short, this bill provides the policy and fiscal provisions representative of the prudent oversight from our Senate authorization process. It provides a framework for setting a course which ensures U.S. military dominance into the 21st century.

This National Defense Authorization has my full support, and I urge my colleagues to support us when the vote comes forward in just a few moments.

Mr. President, I yield the floor.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. I commend the able Senator from Indiana for his remarks, which are very helpful, and also commend the Senator for the great work he has done on the Armed Services Committee for many years. We are very proud of the Senator, and we are going to miss him when he leaves the Senate next year. We hope the Senator will reconsider and come back with us.

Mr. COATS. I thank the chairman for his kind remarks.

Mr. THURMOND. Mr. President, I yield the remaining time we have to Senator ROBERTS.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. ROBERTS. Mr. President, might I inquire as to the amount of time that is remaining?

The PRESIDING OFFICER. The Senator has 4 minutes 50 seconds.

Mr. ROBERTS. I thank the Chair.

Mr. President, I rise today in support of the Defense authorization bill. I wish to thank and pay tribute to the distinguished Senator from Michigan, Mr. LEVIN, and obviously to our chairman, the distinguished Senator from South Carolina, for his long record of support and leadership for our men and women in uniform is almost unequaled in the history of the Senate.

Some of my colleagues are opposing passage of this important bill for reasons I know they are committed to, and they certainly feel they are taking action in the best interests of their constituents. But I feel strongly we must as a body demonstrate unity and support for our military by passing this bill.

Yesterday, we were briefed on the serious events in the Mideast, in particular in Iraq. The day before, several Members of Congress met with the President to discuss the U.S. military commitment of lasting peace in Bosnia. Early next year this body will debate the enlargement of NATO and the implication of extending the military security of NATO. We all watched with great interest the developments on the Korean peninsula. That is a very dangerous place.

We are at peace, but we all understand this is a fragile peace. Congress is charged with the responsibility to raise and support armies, and in this troubled time we cannot forget that is our responsibility.

We have all heard of the morale problems and the difficulty in retaining key leaders in the military. We all understand the long and frequent deployments we ask our men and women to make are taking a terrible toll on their families. We all understand we rely on these dedicated and patriotic Americans to be the instruments of our national policy. We should not hold this bill hostage because of internal differences between Members of this Congress. I feel it would be a terrible signal to send to the men and women of the military that we are so egocentric and so parochial that we are unable to provide a bill to provide a pay raise or quality housing.

Let me highlight some of the important aspects of the bill I feel strongly about.

Active duty pay raise. The bill includes a 2.8 percent pay raise for active duty military members. If the bill is not enacted, the pay raise for active military will be limited to 2.3 percent because of the statutory link between pay raises for the military and pay raises for Federal civilians.

Active duty end strength. The bill, compared to current law, provides lower end-strength levels and increased flexibility for the managing of military personnel strengths. If this bill is not enacted, the military services will be held to the higher fiscal year 1997 end-strength levels that were based on the Bottom Up Review.

Special pay and bonuses. The bill includes authority for significant increases in the special pay and bonus structure designed to respond to critical recruiting and retention problems highlighted by DOD.

If the bill is not enacted, these authorities will not be available to DOD to address these problems. Specific groups that would be affected include—listen to this—aviators, nuclear-qualified officers, dentists, military members on overseas tours, military members receiving family separation allowances and/or hazardous duty assignment pay, and also the military members serving on hardship-duty locations.

Reform of housing and substance allowances. This bill includes significant reforms of the existing structure for housing allowances and subsistence allowances for military members. These reforms are intended to simplify the management of these allowances and to better target the allowances to those individuals and geographic areas where the need is most acute. If the bill is not enacted, the Department of Defense will continue to use the existing allowance structure with all of its demonstrated inefficiencies and also inequities.

Military construction projects? The bill provides authority for the Department of Defense to begin construction on the fiscal year 1998 military construction projects. If the bill is not enacted, that construction cannot begin.

Mr. President, my fellow colleagues, there are many other examples of why this bill must be supported now. Despite the differences we have in our ranks, I think this is a fair and credible bill, the best bill possible. The Members of both Houses worked hard to reach compromise. It was a very difficult task, but when the work was done the Members of both committees—the House side and Senate side—were satisfied with the results. The system worked the way it was designed. Now the Senate should act on the bill. I urge the Senate to pass on the bill.

One thing about a Presidential veto. Tuesday night we were with the President, 40, 50 Members. Senator THURMOND rose to his feet and said that our policy in Bosnia cannot be separated from this bill. It is inseparable. And that if we pass this bill, it will be commensurate with our goals in Bosnia and with our vital national security interests. And he pleaded with the President, eloquently, with fervent passion. He said: Mr. President, do not veto this bill. And I will tell everybody here, the President has not made his mind up. He looked at the Senator and said he would consider his remarks.

The Department of Defense will agree with this bill. I do not think the President will veto it. We need to pass the bill. We need to do what is right, and our first obligation as Members of this Congress is to do everything we can for our national defense.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I commend Senator ROBERTS for his excellent remarks on this subject. He is a new member of the Armed Services Committee, and he has done a magnificent job. As chairman, I want to let him know that we appreciate all he has done for defense since he has been on that committee.

Mr. ROBERTS. I thank the Chairman.

Mr. THURMOND. Mr. President, how much time do we have left?

The PRESIDING OFFICER. The Senator from Michigan has 6 minutes, the Senator from Alaska has 8 minutes, the Senator from Texas has 8 minutes.

Mr. LEVIN. Mr. President, I ask unanimous consent that I be allowed at this point to assign 3 of my 6 minutes to Senator THURMOND so we can finish up with 3 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I suggest the absence of a quorum and that it be charged equally to each side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. I ask unanimous consent the remaining time not be charged to Senator LEVIN or to me.

Mr. GRAMM. Reserving the right to object, Mr. President, I don't want to object but I am here ready to debate. I am waiting for people who want to defend this bill to come to the floor to speak. What we are doing is we are running off time that I have to debate because people don't want to come over here and debate. If I knew they weren't coming, I could close out, make about 2 or 3 minutes of statements, and we could vote. Our colleagues are ready to vote.

Let me ask unanimous consent that we might conclude this debate, that we might have 3 minutes for each person holding time to conclude, and that we might then have a vote.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. INHOFE. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. INHOFE. I was not here when the senior Senator from Texas made his unanimous-consent request. I ask if that would in any way vitiate the time that was given, remaining for the Senator from Alaska, Senator STEVENS?

The PRESIDING OFFICER. It reduces it from 8 minutes to 3 minutes.

Mr. GRAMM. Mr. President, I ask unanimous consent, now that the Senator is here, if he wants to be heard—what I was trying to do was go on and vote if nobody wanted to debate. But if the Senator wants to speak, let me ask unanimous consent that we return to the status quo ante, before my unanimous-consent request, so that the Senator can speak if he chooses to.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. INHOFE. Mr. President, it is my understanding that the time remaining for Senator STEVENS has been given to me, which is approximately 7 minutes.

The PRESIDING OFFICER. The Senator has 8 minutes remaining.

Mr. INHOFE. Mr. President, it is unfortunate, since we have a bill that is the most significant bill that we will be dealing with during the course of this year, that it has gotten bogged down into a debate and discussion about depot maintenance. This is very unfortunate. However that has been the case.

Let me just devote a little bit of time to that, because, having listened to the arguments as put forth by the two eloquent Senators from California and the Senators from Texas, I didn't hear any new arguments. But I do think that we need to, once and for all, respond to these arguments. I was hoping to be speaking last because I know what will happen, since I am obviously not speaking last. But let me just go ahead and bring up four arguments that I heard. I think these four are pretty much the total argument of those who want to stop competition in ALC's.

First of all, I heard the quote saying, "We are telling the DOD that you can't have real competition." This bill does allow competition. This allows competition and takes into consideration all direct and indirect costs.

They said that "The bill was crafted by Members seeking special protection, whose sole purpose is to block private competition." I suggest that everyone in this Chamber knows, and certainly everyone on the Senate Armed Services Committee knows, that when we had our language in there that did clearly carry out the intent and the letter of the BRAC recommendations, we felt we were going to lose the bill because the two Senators from both Texas and California wanted an opportunity to privatize in place. Then we agreed to have open competition.

I was not even in on that. The ones who agreed to that language—that was drafted by members of the committee who were totally neutral on this subject. They didn't have a dog in this fight. But they got together and came up with the agreement that this is the way to do it. Let's take all costs into consideration. We did that. I think the eloquent remarks of Senator LEVIN pointed this out.

They were the ones who put this together so that, yes, even though this is not what the BRAC committee wanted, still it did open up an avenue for privatization-in-place if they took into consideration all the costs. And then they voted and it was 18-to-nothing, all Democrats and all Republicans voted for it.

Closely related to that, I have been quoted as to a statement that I made in Oklahoma. Let me say that is an accurate statement. That is true. I wasn't misquoted. And I was stating it as a businessman. I spent 33 years in the real world and I know, as Senator BENNETT has pointed out several times, that you can't operate and leave three out of five ALC's at 50 percent capacity and have any kind of competitive operation.

So I said very definitely that, in my opinion, those individuals who were interested in competing in McClellan in California and in Kelly in Texas, wanted to compete on a basis where they had a tremendous advantage which is paid for by the taxpayers.

So they did two things. They put two considerations in. First of all, if they want to bid and privatize in place and bid at Kelly or McClellan, they had to pay for a fair value for the facility they are using. In other words, you can't take a $200 million facility and give it to a private contractor for a dollar a year and say now that's fair competition. That is not fair competition.

The second thing we did was say, according to the GAO—and this has been pointed out already by several Members here—that if you leave three air logistics centers operating at 50 percent capacity, the cost annually to the taxpayers is $468 million. So that has to be considered.

Those are the two major changes that were made. I agree I think they did a good job coming up with these. Even though that would still violate the intent of the BRAC system, that at least made that fair.

There is one last thing I will say and then I will put this to rest. I am not going to say anything more about this. I am going to read this one more time, because I think it is really significant.

I came to the U.S. House of Representatives, before I was elected to this body, in 1986. That was a year that a Congressman—I might add, and say to the senior Senator from Texas, he also is a Ph.D. He got his from Oklahoma, you got yours from Texas—he came out with an idea how we can close the excess capacity, the infrastructure, and do it without political interference. So he came up with the idea of the BRAC committee. The

BRAC committee was supposed to be free from political interference.

I hope every Member who is watching on their tube right now, anyone who is going to come down here and vote on this, will listen to this. This is what Representative DICK ARMEY, the author of the BRAC process, said on June 23, 1997:

> We had three rounds of base closing, and we are all very proud of the process because politics never intruded into the process. That ended in round four. And all of my colleagues knew at the time, and we know now, that the special conditions for McClellan and Kelly, California and my own State of Texas, where you might think I have a parochial interest, were in a political invention.
>
> We talk about this being privatization. No, it is not. It is a new concept. It is privatization in place, created specifically for these two bases in an election year for no purpose other than politics.

With that, Mr. President, I think we beat up that issue. We have argued and debated this hours and hours on the floor. I know Senators from Texas and California would like to have an opportunity to have more jobs in their States, but that is exactly what the BRAC process was put in place to prevent.

In the remaining time, let me just make a couple of comments. I am the chairman of the Readiness Subcommittee, and I can tell you right now, during this process it was very civil, in our Senate Armed Services Committee, but we didn't agree on everything.

Quite frankly, I agreed with the Senator from Alaska as far as the National Guard was concerned. I did not agree with Senator LEVIN, the ranking minority member, as far as the B-2 was concerned, but we voted on it. I lost and they won. So we went through this very arduous process and successfully came up with a bill.

In the meantime, I have been spending my time as chairman of the Readiness Subcommittee all over America and all over the world going to our various installations. I can tell you right now, we have a very serious problem in defending America. We can't do it.

As pointed out by the Senator from Connecticut, for 13 consecutive years, we have reduced every year our defense budget at a time when most people realize, finally, that we have a greater threat facing America than we have had since World War II. Yet, we are at one-half the force strength that we were in 1991. I am talking about the number of Army divisions, the number of Air Force wings, the number of ships floating out there.

So it is a very critical thing, and it is exacerbated by the fact that we have troops in places like Bosnia. It is very, very expensive. The President said it wouldn't be over $2 billion. It is now looking at closer to $6.5 billion to $8 billion. Where does that come from? It comes from the defense budget.

While this is not a perfect product—can I have 1 more minute from the Senator from South Carolina?

The PRESIDING OFFICER. Does the Senator from South Carolina yield?

Mr. THURMOND. We don't have any more time.

Mr. GRAMM. I ask unanimous consent that the Senator have 1 additional minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. I thank the senior Senator from Texas.

Mr. President, I will only conclude we do have a very serious problem in talking to the troops out there about tempo. We have these guys operating at about 60 percent higher capacity than they are supposed to be operating. Sure, they can handle it for a while, but the divorce rate is up, the retention rate is down, and we have a serious problem in our underfunding of our military.

I would like to have done a better job than we did in this bill, but this was the best we could do in the spirit of compromise on a bipartisan basis. I strongly support the passage of our Defense authorization bill. Thank you.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I commend the able Senator from Oklahoma for his excellent remarks. He is a member of the Armed Services Committee and does a fine job. I want to take this opportunity to thank him for the great service he is rendering on the Armed Services Committee.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, we are coming to the end of the debate. I will conclude by making just a couple of points.

I first thank the distinguished chairman of the Armed Services Committee, Senator THURMOND. I am always unhappy when I am not on his side. I don't think I need to tell the Senator from South Carolina about the high esteem in which I hold him.

Let me also say to my dear colleague from Oklahoma that there is nothing personal about this battle. It really comes down to principles and where you stand on those key issues. I don't question that everyone involved in this debate is trying to do the best and that their intentions are good.

Let me conclude with the following points. First of all, a great deal has been made about what the President and what the White House and what the Defense Department have said. So let me let the President and the White House speak for themselves. I sent a letter to the desk and asked that it be printed in the RECORD 9 days ago after this conference report had been written. I just want to read three paragraphs from the letter. I think anybody who listens to these three paragraphs can be in no doubt as to what the position of the White House and the President is on this bill. I am reading from a letter from the Executive Office of the President dated October 28:

> This bill includes provisions whose intent is to protect public depots by limiting private industries' ability to compete for the depot maintenance of military systems and components. If enacted, these provisions, which run counter to the ongoing efforts by Congress and the administration to use competition to improve DOD business practices, would severely limit the Department's flexibility to increase efficiency and save taxpayer dollars. We need to encourage more competition from private industry, not less. Billions of dollars in potential savings are at issue. These resources should be used to maintain the U.S. fighting edge not to preserve excess infrastructure. If the numerous problems cited above cannot be overcome, the impact on the Department's costs and on our Nation's military capacity would be profound. The President's senior advisers would recommend that he veto the bill.

That is not me talking, that is the Executive Office of the President. I think that defines the issue and where they stand.

Our colleague from Utah talked about a GAO study. We have heard this GAO study discussed over and over and over again in this debate. It is a typical problem of where a study is directed to look at one thing, and then we all talk about it as if it concluded another. Let me read you one sentence from the GAO study and then put this issue, hopefully, to rest forever. The GAO study says:

> The Air Force's planning has not progressed far enough to support a precise comparison of the cost of privatizing depot workloads in place with a cost of transferring the work to other underutilized depots.

So what the GAO study concludes is something with which I completely agree. That is if the choice is between maintaining five depots or three, it is better to maintain three. That is what the GAO study is about. Nobody disputes what it is about. But what it is not about is any conclusion that funds can be saved by consolidating into a depot as compared to having price competition.

So the GAO study is relevant for a point that we all agree on, which is why we are closing two depots. But it is completely irrelevant to the issue of whether we should have price competition.

I hope and believe the President will veto this bill. Then the question is, what do we do about it? Let me conclude on a positive note by making a suggestion as to how we can simply solve the problem.

We all say we are for competition. It reminds me of one of Abraham Lincoln's speeches where he talked about how the Confederates and the Union supporters all prayed to the same God; they both felt they were in the right;

they both felt God was on their side, but one of them had to be wrong.

We all say we are for competition, but, obviously, we have great differences as to what that is. Let me remind my colleagues that I offered to try to break this logjam with a definition of competition that would have given a 10-percent premium for depot work. In other words, I offered that if depots could do it for only 10 percent more than the private sector, that we would let them do it. But if the private sector could go do it and save more than 10 percent, that they would do it. So let me remind my colleagues that I have not been unwilling to try to find a solution. But let me propose one that is very simple.

We now have five major accounting firms in America. We used to have six, but two of them consolidated. If the President vetoes this bill and if that veto stands, either we don't vote on it in February when we come back or we sustain it. I propose that we ask each of the five major accounting firms who, in language the people understand, don't have a dog in this fight, to each appoint one of their major partners and let them form a commission. Let them define what a level playing surface is in competition between Government depots and the private sector. Let them look at all costs from retirement to capital. Let the five accounting firms come up with what they believe is a free and fair competition, and then let's agree that whatever they decide is a free and fair competition, whatever they say is a level playing surface, then let's agree to accept it. I, for one, agree to accept it. Whatever the five major accounting firms in the Nation conclude is a fair way to have price competition, I am for it.

My proposal is, if the bill is vetoed, we change it very simply by taking out this anticompetitive language, set up a simple commission made up of the representatives of the five major private accounting firms in America, and let them tell us how to have a fair competition. We will give them 6 months to do it. Whatever they conclude becomes the practice of the Defense Department, and we have this competition.

That is a simple way to solve this problem, and we have been fighting over this issue for 3 long years. I submit that I hope this will happen. The President has said that he will veto the bill; that the bill, as it is now written, despite the best intentions of many, will cost the taxpayers billions of dollars that will not go to weapons, that will not go to maintenance, that will not go to pay and benefits, but instead will go to preserve the status quo and to prevent competition.

We need competition. We all agree we don't have enough money. We can get more use of our money through competition. I urge my colleagues, if you are concerned about these things, to join us in voting "no." I urge the President to deliver on the veto so that we can end this debate and have price competition. I yield the floor.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, first, let us be clear about the letter that was printed in the RECORD. That letter is not a statement of the President. That was what the senior advisers said they would do if certain problems cannot be solved. We think those problems have been solved in this bill. They can be solved in the implementation of this bill.

One of the arguments, just to give you an example, that the opponents of this bill made, is that the provision authorizing teaming agreements between public depots and private contractors is anticompetitive. We asked the Defense Department when they were up in front of us as to whether or not they were anticompetitive. And here I am going to read the specific question of Senator KEMPTHORNE:

> Do you believe that allowing public depots and private enterprise to team together to bid on these workloads is anticompetitive? And, if so, would you explain why.

We have heard this morning, and we heard before that the teaming provision is one of the so-called anticompetitive provisions in this bill. What does the Defense Department have to say about that? Their current Deputy General Counsel, Mr. Peters, who was before the Armed Services Committee the other day, when asked that question by Senator KEMPTHORNE said the following:

> Senator Kempthorne, I do not believe and I do not believe the Department feels that that provision is anticompetitive. We certainly do not feel it is anticompetitive.

This bill has been stymied for months over one provision. We need a defense authorization bill for many, many reasons. There are provisions in here that are critically important to the well-being of the men and women in the military. When the parties who have a direct interest in this dispute could not resolve this dispute in a way satisfactory to all of them, Senator THURMOND and I decided that we would get our staffs working and do the very best we could to have a fair and open competition provision.

That is what we have accomplished. There is not one senior defense official who is on record as saying that this provision does not provide for a fair and open competition. It is not the Defense Department that has gone on record as saying that this is not a workable provision to create a fair and open competition. Not one senior official in the Defense Department has so stated on the record.

May I say, I have had a number of off-the-record conversations with members of the Defense Department which lead me to conclude that this is a very workable provision, indeed.

Mr. President, the President has not said he will veto this bill. I don't believe he has decided what to do. I hope that when he weighs the pros and cons in this bill that he will sign this bill. It is important to the uniformed military. It is important to the security of this Nation.

I want to close by thanking my good friend, Chairman THURMOND, and his staff. He and our staffs have worked together, very, very well together, throughout the consideration of this bill.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, as we close this debate, I take this opportunity to commend Senator LEVIN for the magnificent work he has done on this bill. He is a man of integrity, ability and dedication. It is a great asset to have him on the Senate Armed Services Committee.

Mr. President, there are a few obvious reasons for Americans to focus on the defense of the United States. While there is no longer a superpower threatening to dominate us, threats still abound. Events in Iraq this week demonstrate that America must be prepared to protect her interests at a moment's notice. Other nations that might pose threats includes Iran, North Korea, and Libya.

Mr. President, this bill is important to the young men and women who serve in our military forces. This bill includes pay raises and increases to special incentive pay, including vital aviator bonuses. Provisions in this bill affect every aspect of our national defense, including quality-of-life initiatives, modernization, and readiness. I remind all Senators that all military construction projects require an authorization as well as an appropriation and cannot be executed without this bill.

Mr. President, I want to remind the Senate that all 18 members of the Armed Services Committee support this bill—10 Republicans and 8 Democrats—every one of them support this bill. The House has already passed this by a veto-proof majority of 286 to 123. The leaders of the Defense Department have indicated that they can make this compromise work and that they need this bill passed. It is hard for me to believe that any Senator would oppose and delay the entire Defense authorization bill at a time when American troops are deployed in Bosnia and serious trouble appears to be brewing again in Iraq.

I strongly encourage all Senators to vote for this bill. We must send a strong signal to the White House to demonstrate to the President that this bill, which is so important to our national security, should be signed. We must show the young men and women in uniform serving our Nation around the world that their services are appreciated and that we are backing them up.

Mr. President, I am a strong supporter of the Guard and Reserves. The National Guard of South Carolina is a magnificent guard, and we appreciate what they have done. And in the whole Nation, the National Guard is so valuable. I happen to have served in the Reserves myself for over 36 years. I appreciate the reservists and commend all of them for voluntarily serving their country. They have to carry on their civilian duties, but they do this extra work.

I want to say, too, to the Members of this Senate, that this bill took not days, not weeks, but months. We have spent months on this bill. We have done the best we could. We have a lot of able members on the Armed Services Committee. All of them have worked hard on this bill. It is a compromise bill. I did not have my way on everything. Senator LEVIN did not have his way on everything. No one did. This is a compromise bill.

National security was the driving force of this bill. We could not satisfy every Senator. We did the best we could to accommodate all we could. But national security was our driving force when we considered this bill. Again, I ask all Senators to support this bill for the good of the country and to support this bill for the good of our troops and to support this bill, too, for the public good.

I thank the Chair.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the conference report. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 90, nays 10, as follows:

[Rollcall Vote No. 296 Leg.]

YEAS—90

Abraham
Akaka
Allard
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Breaux
Brownback
Bryan
Burns
Byrd
Campbell
Chafee
Cleland
Coats
Cochran
Collins
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Domenici
Dorgan
Durbin
Enzi
Faircloth
Ford
Frist
Glenn
Gorton
Graham
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Inhofe
Inouye
Jeffords
Johnson
Kempthorne
Kennedy
Kerrey
Kerry
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Rockefeller
Roth
Santorum
Sarbanes
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Thomas
Thompson
Thurmond
Torricelli
Warner
Wyden

NAYS—10

Boxer
Bumpers
Feingold
Feinstein
Gramm
Grams
Hutchison
Kohl
Stevens
Wellstone

The conference report was agreed to.

Mr. THURMOND. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from New Mexico [Mr. DOMENICI], is recognized.

PROVIDING FOR CORRECTIONS TO BE MADE IN THE ENROLLMENT OF H.R. 1119

Mr. DOMENICI. Mr. President, I send a concurrent resolution to the desk which, under a previous order, is agreed to.

The PRESIDING OFFICER. Under the previous order, the concurrent resolution is agreed to.

The concurrent resolution (S. Con. Res. 64) was agreed to, as follows:

S. CON. RES. 64

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of H.R. 1119 an Act to authorize appropriations for fiscal year 1998 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, the Clerk of the House of Representatives shall make the following corrections:

In section 3165—

(1) in subsection (b)(1), strike out "under the jurisdiction" and all that follows through "Los Alamos National Laboratory" and insert in lieu thereof "under the administrative jurisdiction of the Secretary at or in the vicinity of Los Alamos National Laboratory"; and

(2) in subsection (e), strike out ", the Secretary of the Interior" and all that follows through the end and insert in lieu thereof "but not later than 90 days after the submittal of the report under subsection (d)(1)(C), the County and the Pueblo shall submit to the Secretary an agreement between the County and the Pueblo which allocates between the County and the Pueblo and parcels identified for conveyance or transfer under subsection (b).".

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. LOTT. Mr. President, just for the information of all Senators, first, we are working now to see if we can get an agreement to move the DC appropriations bill, and we hope we are in the final stages of working out an agreement on Amtrak.

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1998—CONFERENCE REPORT

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate turn to the conference report to accompany the intelligence authorization bill, and the conference report be considered read, and under the following time restraints: Twenty minutes equally divided between the chairman and ranking minority member; 10 minutes under the control of Senator TORRICELLI.

I further ask that following the conclusion or yielding back of time, the conference report be agreed to, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. Mr. President, reserving the right to object, and I shall not object, I would like to inquire of the majority leader his intention with respect to the pending business, which prior to this unanimous-consent request was the fast-track legislation. I understand that the conference report is privileged and you are seeking a unanimous-consent request with respect to a time agreement. I shall not object to that. But I want to inquire about the intentions of the majority leader with respect to the fast-track legislation—when we might expect to get to amendments on that.

Mr. LOTT. Mr. President, if I could respond, we have some business we need to go through here with regard to some nominations, also another piece of legislation, the PUHCA legislation, some statements that will be made.

As I mentioned, we are trying to work out something to where we can move to the D.C. bill and Amtrak. It is our intent to return to fast track, so that there will be time for further debate and, I presume, amendments, as we go on into the afternoon and into the night and tomorrow. We are trying to get some of these other bills agreed to and moved today. We will try to do it before we get back into the debate.

We, of course, ask for your cooperation as we try to get consent to move some of these bills.

Mr. DORGAN. Mr. President, further reserving the right to object, the majority certainly will have my cooperation. I share his interest in moving these——

The PRESIDING OFFICER. If the Senator will withhold. The Senate is not in order.

The Senator from North Dakota.

Mr. DORGAN. The majority leader certainly will have my cooperation. I share his interest in making progress on a number of the items he has just mentioned.

I am concerned, however, that we not get into a corner of the legislative time period and discover that some say there is not time to offer amendments on the fast-track legislation. A number of us have amendments that would require some debate, and we want very much to be assured by the majority leader that we will not be precluded from offering those amendments. So as we proceed, I want to have some assurance that that will be the case.

Mr. LOTT. Mr. President, before I respond, can I inquire, are these germane amendments the Senator is entertaining to the fast track?

Mr. DORGAN. Some are germane, some are nongermane. They all relate to fast track and to trade. We are not under a cloture motion, so all the amendments would be in order.

Mr. LOTT. Let me just say that there are Members on both sides of the aisle that have amendments. I know they want an opportunity to offer them. We will return to that bill. There will be an opportunity to offer amendments. But I can't say exactly what time it will be at this point. It very well could be tonight. We will need to work with the Democratic leader and talk about the time and how we are going to handle that.

Mr. DORGAN. Mr. President, I shall not object to the request made by the majority leader. I will seek further inquiry upon request later in the day because we do want to find time for those amendments.

The PRESIDING OFFICER. Is there objection to the majority leader's request?

Without objection, it is so ordered.

The clerk will state the conference report.

The legislative clerk read as follows:

> The committee on conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 858) to authorize appropriations for fiscal year 1998 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of September 16, 1997.)

UNANIMOUS-CONSENT REQUEST—NOMINATION OF JOSEPH DIAL

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the nomination of Joseph Dial, of Texas, to be a Commissioner of the Commodity Futures Trading Commission.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Mr. President, on behalf of Senators on our side, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LOTT. Mr. President, just a note. As we try to clear nominations on the Executive Calendar, there will be a necessity to bring up some of them for a unanimous-consent request or a vote. There will be objections sometimes on both sides of the aisle, but it is so we can make it clear that we are not just delaying some of these. This nomination affects another nomination, and it would be very hard for us to get those cleared, if there are objections. We will continue to move the nominations. We have several that we think we can clear tonight—most of the ambassador positions, and others—and I am working with Senator DASCHLE on that.

UNANIMOUS-CONSENT REQUEST—S. 621

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now turn to S. 621, the so-called PUHCA reform bill.

Mr. DASCHLE. Mr. President, on behalf of the Senators on this side of the aisle, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LOTT. Mr. President, in light of the objection of our colleagues on the Democratic side of the aisle, the Senate will not be able to consider this very important public utility holding company bill prior to the end of the 1st session of the 105th Congress. I regret the objection. We will certainly try again next year to move it when we will call it up, and, if we have to have cloture votes, we will do so. We will certainly consider it when we get into the 2d session of the 105th Congress.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I ask unanimous consent for 2 minutes as in morning business.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Reserving the right to object. I only reserve the right to object so that we can accommodate Senator KERREY, who also seeks recognition for purposes unrelated to the Intelligence Committee bill. If there is no objection to that, I have no objection to the unanimous-consent request of the Senator from Missouri. The request is this: I ask unanimous consent that Senator KERREY be recognized following Senator BOND.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Missouri is recognized.

INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT

Mr. BOND. Mr. President, I thank the Members on the other side. We all know that, because of matters which we won't continue to debate here, our ISTEA or highway reauthorization measure has not gone forward. We will not be able to resolve the many difficult questions over funding allocations and funding formulas this year.

Several days ago, I said that I was working with the EPW, the chairman, Chairman CHAFEE, Chairman WARNER, Ranking Member BAUCUS, and the members of the committee to permit our highway departments in our States to continue obligating funds, continue transit and safety operations and DOT operations for the next 6 months.

Mr. President, just a brief report. We are now working on a formula which would say to each State that, for the next 6 months, you may obligate up to half of what you had in the past fiscal year for contracts for the coming summer construction season. There will be no changes and no impact on the formula, but there will be complete flexibility. So if you have unpaid, unspent obligations in one category, you can spend them wherever you need to. We are working with the House. I appreciate the cooperation of all Members, because I believe we all understand that we cannot leave highways and transportation without the ability to go forward in the summer construction season.

I thank the leadership of the Senate. We are working with the House to have a proposal that I believe should be acceptable. It does not involve any funding allocation changes or reestablish any formulas, but it does permit the work to go forward. It is vitally important. I appreciate the time of this body. I invite any comments personally that Senators may have about this vitally important measure.

The PRESIDING OFFICER. Under the previous agreement, the Senator from Nebraska is recognized.

Mr. KERREY. Mr. President, I appreciate very much the bipartisan work to come up with a 6-month extension of the highway bill. It is terribly important for all of our States and terribly important that we have some certainty out there. I appreciate the fact that all of us have kept our voices down for the moment.

UNANIMOUS-CONSENT REQUEST—H.R. 2676

Mr. KERREY. Mr. President, I ask unanimous consent that the Senate proceed immediately to H.R. 2676, the IRS Restructuring Act of 1997, just received from the House, that the bill be read a third time, and passed, and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Is there objection?

Mr. ROTH. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. KERREY. Mr. President, I yield to the distinguished Senator from Delaware.

Mr. ROTH. Mr. President, I say to my distinguished friend from Nebraska that, as he knows, we are beginning to hold hearings on the important problems of reconstructing the IRS. I think that the House legislation is good legislation. It's a good beginning, but, frankly, it does not address all the problems that were uncovered in the hearings held by the Finance Committee a few weeks ago.

We will proceed very expeditiously with the hearings on this matter. We will seek to respond to all of the problems that were raised in our hearings. We think it is important to strengthen the authority, that there is nothing more important to reorganizing and reforming the IRS than providing for independent oversight.

So, while I think it is a good beginning in that action that was taken by the House, much remains to be done to reform the IRS in a manner that it will provide true service to the American taxpayers.

Mr. KERREY. Mr. President, as long as we are in session, I will come to the floor, and I hope those on the other side of the aisle will look at this bill. The Senate did confirm Charles Rossotti to be the new Commissioner of the IRS. There is a lot in this bill. If you look at it, you would say, my gosh, I'm surprised that we don't already do this. It gives the Commissioner the authority to hire, fire, move people around, and to provide marketplace incentives. It has a public oversight board, as well as increased oversight on our side. It has significant changes in here that give the public more information on the basis of audits.

I appreciate very much the fine work that Chairman ROTH has done in the 3 days of hearings. We took a look at some additional things. But this Commissioner is going to be expected to manage a 110,000-person agency through a very difficult filing season this year, next year, and the year after.

This bill addresses many, if not most, of the problems that have been identified by your citizens at home. I hope that during the next couple of days—this bill began as bipartisan. Congressman PORTMAN, Representative from Ohio, and I; chief sponsors on this side in the Senate, Senator GRASSLEY, and I—I hope my Republican colleagues will take a look at this bill. There is a lot more that can be done. There is no question about that. But there is also no question that when we give Mr. Rossotti this authority you are going to get a dramatic improvement in the efficiency of the operation of the IRS. Hundreds of collection notices are going to go out every day; over 1 million additional notices for audits; and other contacts the IRS is going to make per month with taxpayers. For every day we wait you are going to have to answer citizens at home. "Why didn't you give the Commissioner the authority? Why didn't you provide the kind of authority needed to be able to manage the agency on behalf of taxpayers?"

I believe delay will cost taxpayers. They are not going to be happy about this delay.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I want to make a couple of comments. One pertains to the IRS proposal. I think Senator KERREY's assessment of the House-passed language is correct. It is good language. But I certainly agree with the chairman of the Finance Committee. We had outstanding hearings conducted in a very fair, bipartisan way that said we should do more. I think Chairman ROTH said we want to do more, demand to do more, and I think we can do better. The House passed a very good bill. We passed a better bill.

I tell my colleagues. We want to continue to work together in a bipartisan fashion to pass really good IRS restructuring reform in this Congress. I hope and expect we will.

INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT

Mr. NICKLES. Mr. President, I also want to make a comment concerning Senator BOND, and the outstanding work he has done in the Environment and Public Works Committee to pass the highway bill. We need to pass one this year. The Senator from Missouri has been working with Senator BAUCUS and others in a bipartisan fashion, and I believe it has unanimous support in the Environment and Public Works Committee to pass a reauthorization bill, or at least passing an extension for 6 months to allow the States to continue contracting.

They came up with a way that said, "Well, we are not going to have one side win on the formula issue, or another side." I think it is a good compromise until we pass a 6-year bill, which we tried to do.

I might mention that we had four cloture votes on whether or not we would take up the highway bill, and it was basically filibustered because people wanted to add campaign reform and unrelated issues. That is unfortunate. That is history. Now we have to move on. We only have a few days to do it.

I compliment my colleague from Missouri, and others who have worked with him, and I urge our House colleagues to work together with us to make sure we get this passed. Let's pass this before we leave. I think it is vitally important to the highway programs in every single State in the Nation.

DOD AUTHORIZATION

Mr. NICKLES. Finally, Mr. President, let me conclude on the DOD authorization bill. We just had a resounding vote of 90 to 10 on the Department of Defense authorization bill on which Senator THURMOND has worked, and many other colleagues have been working on for a long time—a year. They put in a lot of work. They have a good bill. It is a bill the President should sign. I urge the President to sign it.

On the depot issue, which has been very contentious amongst a few States, I think we came up with a fair compromise. I think we came up with a compromise that allows States to compete, and to compete fairly.

So I compliment all Senators involved. I urge the President to sign the Department of Defense authorization bill to allow our military people to receive the cost-of-living adjustment, and to allow authorization to go forward on many very important military projects all across our country.

Mr. DORGAN. Mr. President, will the Senator yield?

Mr. NICKLES. I am happy to yield.

INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT

Mr. DORGAN. Mr. President, I simply wanted to stand and say that the Senator from Oklahoma, and especially the Senator from Missouri, who spoke earlier, have made important recommendations.

Yesterday, I believe I read in the Congress Daily the recommendations of the Senator from Missouri on the extension of the highway bill. I think the approach he suggests makes a great deal of good sense. And I hope most Members of Congress will understand in this late hour and rally around an approach that gets this done—allows the contracts to be let, and doesn't provide an interruption in the highway activities in our country. This is very important to this country.

So I commend the Senator from Missouri, the Senator from Montana, and so many others who are working on these issues, and hope all Members of the Senate feel, as we do, that this is something that must get done in the final days of this session.

Mr. BOND. Mr. President, I thank my colleague from North Dakota and my colleague from Oklahoma for their kind comments. Unfortunately, at this time in the session, we probably need to get the concurrence of all of the Members, and not just most of them. It is something I hope that will not be prejudicial to any State.

I thank these Senators, and particularly the leadership of the Environment and Public Works Committee, and the leadership of the Senate for moving forward on a project that must be accomplished before we leave.

I thank the Chair.

INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1998—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

The PRESIDING OFFICER. Under the previous order, the Senate will now turn to the conference report on intelligence, with 20 minutes equally divided under the control of the Senator from Alabama and the Senator from Nebraska, with the Senator from New Jersey to be recognized for 10 minutes.

Mr. SHELBY. Mr. President, I rise in my capacity as chairman of the Select Committee on Intelligence to support passage of the conference report on S. 858, the Intelligence Authorization Act for Fiscal Year 1998. This important legislation authorizes funds for intelligence programs and related activities of the Central Intelligence Agency, the National Security Agency, and other Government entities.

This conference report also represents the culmination of a lengthy and detailed review by the Intelligence Committee of the plans, policies, and programs contained in the President's budget submission for fiscal year 1998. In this regard, I wish to commend the vice chairman of the committee, Senator KERREY from Nebraska, for his assistance in crafting this important legislation. Senator KERREY played a pivotal role in shaping this legislation, and I am pleased we were able to work together, in a bipartisan manner, to bring this legislation to the floor. It's a good bill; my colleagues should support it; and the President should sign it into law.

Let me also take this opportunity to commend Chairman GOSS, my counterpart on the House Permanent Select Committee on Intelligence, along with Mr. DICKS, the ranking minority member. We have developed what I consider to be a very positive and productive working relationship, which manifested itself in the smooth functioning and cordial atmosphere in which our conference deliberations took place.

Although Senate and House conferees completed action on this legislation 7 weeks ago, a joint decision was made not to file the conference report at that time. This was due to the fact that the conference committee on the Fiscal 1998 National Defense Authorization Act had yet to resolve all open issues. Given that funding for all intelligence programs and activities is, consistent with past practice, included in the intelligence authorization bill, we agreed to withhold bringing our bill to a vote until conference action on the Defense authorization bill was completed and the Defense authorization bill was voted on by the Senate.

The conferees on S. 858 took several important steps to improve this country's ability to collect, analyze, and produce intelligence about America's adversaries. We authorized funds above the President's request because we believe there are areas where additional resources are needed in this post-cold-war period of uncertainty. While the mission of our intelligence gathering organizations has not changed, the areas on which they must focus have become diverse and more challenging.

I am, therefore, particularly pleased that the conferees agreed with the Senate that additional resources should be added for advanced research and technology development and in five areas that I call the "five C's": counternarcotics, counterterrorism, counterproliferation, counterintelligence, and covert action.

The conferees did not agree, however, to include Senate section 306, "Encouragement of Disclosure of Certain Information to Congress," in the final conference report. The 20 conferees from the Senate—the 19 members of the Senate Select Committee on Intelligence and Senator STROM THURMOND, the distinguished chairman of the Senate Armed Services Committee—voted unanimously in favor of the provision that would require the President to notify Federal employees and contractors with classified contracts that they are not violating any law, Executive order, regulation, or policy if they disclose information, including classified information, evidencing wrongdoing to the committees of Congress with primary oversight of the Federal department or agency involved. A majority of the House conferees voted against the measure, but they agreed that the issue should be explored in more detail and they committed to producing legislation soon. Both committees will schedule hearings on the subject early next year. The conferees did include a declaration, in lieu of section 306, expressing the sense of Congress that Members of Congress have equal standing with the executive branch to receive classified information to carry out their constitutionally mandated oversight functions.

I am disappointed that we were unable to convince a majority of our House colleagues to support Senate section 306. Given the importance of congressional oversight of intelligence activities, the committee will devote significant attention to this important issue in the near future and I look forward to producing legislation that both Houses can agree on. I also hope that the President will work with the committees in drafting such legislation.

I urge the President to reconsider his threat to veto a provision that would allow individuals within his own administration to come forward to the appropriate committees of Congress with evidence of wrongdoing, rather than leaking it to the press, as seems to be the case today.

Again, Mr. President, I strongly urge my colleagues to support this important piece of legislation.

Mr. KERREY. Mr. President, I rise in my capacity as vice chairman of the Intelligence Committee to urge passage of the intelligence authorization conference report. The House and Senate both produced good bills this year, they fit together quite well, and the conference committee under Chairman SHELBY's leadership worked out a compromise which I recommend to my colleagues. The outcome of the conference favors new technology, focuses on today's and tomorrow's hardest targets, and increases the usefulness of U.S. intelligence to its Government customers and to the public.

The legislation coming out of conference is not perfect, because it drops a provision which the Senate had strongly favored, the provision guaranteeing the right of public employees to share classified information about wrongdoing directly with the appropriate congressional committee. I will return in a moment to the failure to include this provision, and I will have more to say in the future about the necessity of such a provision.

Last month, while the conferees were meeting, the CIA was publicly celebrating the 50th anniversary of its creation. I salute its employees and I join President Clinton in praising their generous patriotism, their willingness to take risks for America, and their great professional skill. Their successes during the cold war, be they in space and airborne reconnaissance, human intelligence, covert operations, or intelligence analysis, were key to our eventual victory. In the years since the cold war the people of the CIA have continued to make a huge difference in warning our military, helping our leaders make the right policy choices, and keeping the American people safe.

It shouldn't be surprising that the CIA is a misunderstood organization, because it is mostly a secret organization. Its employees are secretive about their duties, their budget is secret, their operations are secret. Further, while the CIA's failures, both real and apparent, will probably find their way into the press, the successes will not—and should not. Add the general disinclination these days to think deeply about foreign threats and you see the problem. But it is in the national interest to confront this problem, and to demonstrate to the public the necessity and the necessary uniqueness of the CIA.

The necessity should be clear. Most countries need an organization, a dedicated service, to collect and analyze information so policymakers can make good decisions and military forces can be warned and prepared. Such a service might also be called upon occasionally to act in a clandestine or covert manner, in a way that the Nation's leaders could plausibly deny. A great nation with global responsibilities requires a highly capable global service. Because the information collection is secret—no reason to use an intelligence service to collect what is publicly available—and because the resulting analysis may also have to be kept secret to protect the secret sources, much of this intelligence service's activity should be secret. The necessity for secrecy seems self-evident, but in a period like present, when the threats to our national life seem remote, it bears repeating. It also bears watching.

Secrecy, while necessary in intelligence, conflicts with the openness required of government operations in a democracy. The oversight roles performed by an attentive public and alert media, oversight roles which would quickly find wrongdoing in a Government agriculture program, are usually unavailable to probe secret intelligence operations. Congress has to take up the slack.

For the first 28 years of CIA's existence, Congress's oversight of secret intelligence was benign, distant, and superficial. For the most part, Congress trusted the CIA and the other agencies to do the right thing. But when we ask Government agencies to operate in secret, to take the most serious risks, to conduct operations which the Government will publicly deny, vigorous congressional oversight is required. In creating the Intelligence Committees of the two Houses in the mid-1970's, Congress devised a method for legislative oversight of secret operations which works well and which has excited the curiosity and imitation of many other countries. It is a system which works hard to insure U.S. intelligence activities are conducted in accordance with U.S. law and American values. It protects the right of Americans not to be spied on by their own Government, it protects the taxpayer's dollars spent on intelligence, and it protects the employees of intelligence agencies from having to carry out an operation which has not been approved by the people's representatives. Despite the nostalgic complaints from those who never served under the current oversight system, congressional oversight has made U.S. intelligence much stronger.

Congressional oversight depends on information. That elementary fact is enshrined in the Lloyd-LaFollette Act of 1912, which makes explicit the right of employees of the executive branch to directly provide information to Congress, and in the more recent Whistleblower Protection Act. Particularly in the murky and potentially lethal world of intelligence, it seems self-evident that an employee who knew of serious wrongdoing might not want to clear with her boss or with her agency's inspector general or even with the Justice Department the fact that she was going to the Intelligence Committee or the Armed Services Committee or another appropriate committee with information about the wrongdoing.

The administration sees it differently. They state the President's control of national security information is vested in him by the Constitution, specifically by his powers in foreign affairs and as commander in chief, and that the provision in the Senate intelligence bill authorizing employees to bring classified reports directly to Congress violates the Constitution. The administration is also concerned that to weaken the President's control of secret information is to increase the chance of security leaks—even though Congress has a much better record than the executive branch in keeping classified information secure. Since a President has the sole authority to classify any information he wants, it is possible that some future administration could classify a report on sexual harassment or bribery or any topic. Congress will be a supplicant for information identifying wrongdoing, not an authorizer and overseer of Government activity.

I must stress that the Clinton administration has given no hint it would ever behave in such a fashion; in fact, the intelligence committees get more information from this administration than from any other in our history. In addition to its many classified notifications to the oversight committees, this administration is declassifying data from earlier eras and also recently announced the dollar amount of the total intelligence budget for the last fiscal year. But ours is a government of laws, not individuals, and we must be prepared for more contentious relations between the branches, and less principled administrations, than we have now.

The Senate provision was, very simply, about Congress' right to Government information and the right of citizens to inform Congress. I am disappointed this provision was removed in conference, but I will join Chairman SHELBY in introducing this provision as separate legislation and I am confident we will prevail. The American system of Government depends on it.

I said congressional oversight has made U.S. intelligence better. It has also made Congress more informed about the intelligence agencies, just as any oversight committee comes to know its agencies well. From my vantage point, these agencies are national treasures, but they have a potentially fatal defect: they are not effectively portraying to the American people the crucial necessity of their work. I know, and my colleagues know, how relevant the intelligence community's work is to America. But the American people, by and large, do not know. The task for the intelligence community is to inform them, to make sure the American people know the role of intelligence in protecting their freedom and their safety.

A second task is for the intelligence agencies to treat the American people as their customers. In other words, the agencies must put priority and resources on their declassification efforts, they must respond faster to freedom of information requests, and they must use and disseminate open source information the public can use to understand their world better and make better decisions. The days when intelligence was exclusively a secret activity for an elite inside the beltway are over, and if intelligence is to retain its claim on the public's resources and rebuild the public's full respect, they ought to be over.

Over the past half-century, our leaders and our military used the best intelligence to keep us free and to help us prevail in the global struggle with communism. The CIA and its sister agencies went to the ends of the earth, the depths of space, and the inner reaches of the human personality, to find that intelligence. We all owe them a great debt. But this is a new, and far more open, world. The intelligence authorization bill provides the resources and the direction for success in that new world. But the enthusiastic support of the American people is not something Congress can authorize—if we could, we would authorize some for ourselves. Only the agencies themselves can accept this challenge, and earn the respectful, even admiring and grateful support of the great majority of its 260 million customers. In my view, Director Tenet and his colleagues are up to the challenge. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KERREY. Mr. President, I ask unanimous consent that when Senator TORRICELLI of New Jersey is finished all time be yielded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Jersey is recognized.

Mr. TORRICELLI. Mr. President, under the original provisions of the Senate authorization bill for intelligence, Senator SHELBY and Senator KERREY contained in the authorization a provision reasserting the right of the Congress to know the truth about activities of the intelligence agencies.

The provision directed the President to tell all Federal employees that they can inform the Congress without fear of reprisal and prosecution of activities in which the intelligence agencies were involved. It was put into a provision. Indeed, the purpose of the provision was whether or not intelligence agencies were involved in improper or illegal activities.

The provision pointed out that Members of Congress have a clear right to know such information, and, indeed, constitutionally, since they are charged with oversight responsibility, cannot meet their constitutional duties without Federal employees knowing that they not only have the right and the responsibility but, indeed, are free to provide this information without retribution.

Tragically, under the direction of some of the President's senior advisers, it was suggested that the President might veto the entire bill unless this provision were removed.

I rise today to compliment Senator SHELBY, Senator KERREY, and the Intelligence Committee, and, indeed, this entire Senate for insisting upon this provision; and, at the same time to say with regret that it has been removed from the legislation.

It is hard to exaggerate the potential impact of the removal of this provision. The secret agency of the Government is overseen by only two congressional committees—both select committees, which meet understandably in secrecy. Those committees are charged with overseeing all of the intelligence agencies of this Government. But they rely upon the fact that the leadership of the intelligence community will come to the committee with truthful testimony and report on its activities. There is no one to rely upon but the leadership of the intelligence community itself. All other committees of the Congress know about the whistle-blower statutes. Federal employees will come forward if there are illegal activities in this Government, or improper activities.

The intelligence committee has no such assurance with regard to intelligence agencies of this Government. The Congress recognized this fact. Senator SHELBY and Senator KERREY recognized this fact. They acted appropriately.

It is with great regret that in voting for this conference report today I must report and note that the provision—that simple protection to allow this Congress to meet its responsibility—is no longer contained in the bill.

I do, however, note and compliment the Intelligence Committee for they have rejected unanimously the executive branch position as unconstitutional and have inserted language in the conference report making clear that the executive branch cannot unilaterally withdraw congressional prerogatives. So, while the original language is no longer contained in the bill, it is also made clear that the Congress is insisting upon its prerogatives.

I hope, Mr. President, that President Clinton will rethink his position, and next year and in future years will return to the question of authorization of the intelligence community. We once again will be in a position to place into legislation clear and effective protections that this Congress will be assured that every employee of the Federal Government will know that they have a right and a responsibility to come to this Congress whenever they believe improper or illegal activities are taking place and that they can do so without fear of retribution.

Mr. President, I support the conference report. But I do regret that the administration has insisted upon the removal of this very worthwhile provision.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. SHELBY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. INHOFE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. GORTON). Without objection, it is so ordered.

RECIPROCAL TRADE AGREEMENTS ACT OF 1997

Mr. INHOFE. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration S. 1269, for the purpose of laying down two first-degree amendments only.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (S. 1269) to establish objectives for negotiating and procedures for implementing certain trade agreements.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

AMENDMENT NO. 1594

(Purpose: To establish an emergency commission to end the trade deficit)

Mr. DORGAN. Mr. President, the Senator from North Dakota calls up amendment No. 1594, which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from North Dakota [Mr. DORGAN] for himself, Mr. BYRD and Mr. SARBANES, proposes an amendment numbered 1594.

Mr. DORGAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. DORGAN. Mr. President, let me take just 1 minute to describe the amendment. I offer the amendment on behalf of myself, Senator BYRD from West Virginia, and Senator SARBANES from Maryland. I hope that this amendment will be agreed to at some point. It is an amendment that deals with the trade deficit. It would establish an emergency commission to end the trade deficit, a commission that would be comprised of 21 members to study and analyze and evaluate the trade deficit and, over 16 months, make recommendations to the Congress on how to grapple with this vexing trade deficit.

Mr. President, we have had 21 years of consecutive trade deficits, each of the last 3 years the highest trade deficits in the history of this country. Our trade strategy isn't working. We need to change it. The question is how do we change it so that we end these crippling trade deficits. We propose a commission to make recommendations to Congress. I hope it will be successful.

Mr. President, with that I intend to come back to the floor and speak at greater length, but at this point I yield the floor.

Mr. INHOFE. Mr. President, I ask unanimous consent the Dorgan amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1602

(Purpose: To establish a research and monitoring program for the national ambient air quality standards for ozone and particulate matter and to reinstate the original standards under the Clean Air Act)

Mr. INHOFE. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Oklahoma [Mr. INHOFE] proposes an amendment numbered 1602.

Mr. INHOFE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

TITLE —OZONE AND PARTICULATE MATTER RESEARCH

SEC. 01. SHORT TITLE.

This title may be cited as the "Ozone and Particulate Matter Research Act of 1997".

SEC. 02. FINDINGS.

Congress finds that—

(1) implementation of the national ambient air quality standards published in the Federal Register on July 18, 1997 (62 Fed. Reg. 38856), would damage the international competitiveness of the United States manufacturing industry and effectively subsidize imports, penalize exports, and add to an already large United States trade deficit;

(2) Public Law 101-549 (commonly known as the "Clean Air Act Amendments of 1990") (104 Stat. 2399) established a number of measures and programs that address ozone and particulate matter pollution and the precursors to ozone and particulate matter pollution;

(3) as of the date of enactment of this Act, most of the measures and programs are continuing or have yet to be implemented;

(4) the United States has made significant progress in reducing atmospheric levels of ozone and particulate matter since the enactment of Public Law 101-549 and will continue to make significant progress in reducing atmospheric levels of ozone and particulate matter through continued implementation of that Act during the 5-year period beginning on the date of enactment of this Act;

(5)(A) the national ambient air quality standards for ozone that were in effect on July 15, 1997, are explicitly incorporated into part D of title I of the Clean Air Act (42 U.S.C. 7501 et seq.); and

(B) the changes to those standards published in the Federal Register on July 18, 1997 (62 Fed. Reg. 38856), could nullify many of the ozone provisions in Public Law 101-549 and lead to disruptions and delays in the reduction of ozone and the precursors to ozone;

(6) the Administrator of the Environmental Protection Agency and the Clean Air Scientific Advisory Committee have recommended that additional research be conducted to determine any adverse health effects of fine particles (including research on the biological mechanism for adverse health effects, toxicity and dose response levels, and the specification of the size and type of particle that might have adverse health effects); and

(7) available atmospheric data regarding fine particle levels in the United States are inadequate to provide an understanding of any adverse health effects of fine particles or a basis for designating areas under title I of the Clean Air Act (42 U.S.C. 7401 et seq.).

SEC. 03. PARTICULATE MATTER RESEARCH PROGRAM.

(a) INDEPENDENT PANEL.—

(1) IN GENERAL.—The Administrator of the Environmental Protection Agency (referred to in this title as the "Administrator") shall request the National Academy of Sciences to convene an independent panel of scientists with expertise in the health effects of air pollution to establish priorities for research on the health effects of particulate matter.

(2) REPORT.—Not later than February 1, 1998, the Administrator shall report to Congress on the recommendations of the independent panel.

(b) RESEARCH PRIORITIES.—At a minimum, the independent panel shall consider—

(1) the sizes and physical-chemical characteristics of the constituents of particulate matter;

(2) the health effects of individual exposure to concentrations of fine particulate matter at ambient levels versus indoor levels;

(3) the identification and evaluation of biological mechanisms for fine particulate matter as related to shortening of lives, acute mortality, and morbidity;

(4) controlled inhalation exposure as a determinant of dose-response relationships; and

(5) long-term health effect evaluations that examine individual exposure to fine particulate matter, other particulate indicators, and other copollutants and airborne allergens.

(c) INTERAGENCY COMMITTEE.—

(1) ESTABLISHMENT.—Not later than 60 days after the date of enactment of this Act, the President shall establish a committee to be known as the "Particulate Matter Interagency Committee" (referred to in this title as the "Interagency Committee").

(2) PURPOSES.—The Interagency Committee shall—

(A) not later than 180 days after the date of enactment of this Act, develop recommendations for a program to coordinate the activities of Federal agencies engaged in research on human health effects of particulate matter that ensures that the research advances the prioritized agenda of the independent panel; and

(B) monitor, review, and periodically evaluate the program.

(3) COMPOSITION OF INTERAGENCY COMMITTEE.—

(A) MEMBERSHIP.—The Interagency Committee shall be composed of 8 members, of whom—

(i) 1 shall be appointed by the Administrator;

(ii) 1 shall be appointed by the Secretary of Agriculture;

(iii) 1 shall be appointed by the Secretary of Defense;

(iv) 1 shall be appointed by the Secretary of Energy;

(v) 1 shall be appointed by the Secretary of Health and Human Services;

(vi) 1 shall be appointed by the Director of the National Institute of Environmental Health Sciences;

(vii) 1 shall be appointed by the Director of the National Institute of Standards and Technology; and

(viii) 1 shall be appointed by the Director of the Office of Science and Technology Policy.

(B) CHAIRPERSON.—From among the members appointed under clauses (ii) through (viii) of subparagraph (A), the Interagency Committee shall elect a chairperson who shall be responsible for ensuring that the duties of the Interagency Committee are carried out.

(C) STAFF.—Members of the Interagency Committee shall provide appropriate staff to carry out the duties of the Interagency Committee.

(d) REPORT TO INTERAGENCY COMMITTEE.—

(1) IN GENERAL.—The Administrator shall request the National Academy of Sciences to periodically submit to the Interagency Committee, the Clean Air Science Advisory Committee, and Congress a report that evaluates the prioritized research activities under the program described in subsection (c)(2)(A).

(2) EXPENSES.—The Administrator shall be responsible for expenses incurred by the National Academy of Sciences in carrying out paragraph (1).

SEC. 04. SCIENCE REVIEW.

Not earlier than 4 years after the date of enactment of this Act, the Administrator shall—

(1) complete a thorough review of the air quality criteria published under section 108 of the Clean Air Act (42 U.S.C. 7408) for ozone and fine particulate matter and a thorough review of the standards in effect under that Act for ozone and particulate matter; and

(2) determine, in accordance with sections 108 and 109 of that Act (42 U.S.C. 7408, 7409), whether to—

(A) retain the criteria and standards in effect under that Act for ozone and particulate matter;

(B) make revisions in the criteria and standards; or

(C) promulgate new criteria and standards.

SEC. 05. PARTICULATE MONITORING PROGRAM.

(a) IN GENERAL.—The Administrator may require State implementation plans to require ambient air quality monitoring for fine particulate matter pursuant to section 110(a)(2)(B) of the Clean Air Act (42 U.S.C. 7410(a)(2)(B)).

(b) GRANTS.—The Administrator shall make grants to States to carry out monitoring required under subsection (a).

SEC. 06. REINSTATEMENT OF STANDARDS.

(a) IN GENERAL.—The national ambient air quality standards for ozone and particulate matter under section 109 of the Clean Air Act (42 U.S.C. 7409), as in effect on July 15, 1997, are reinstated, and any national ambient air quality standard for ozone or particulate matter that may be promulgated after July 15, 1997, but before completion of the science review under section 4 shall be of no effect.

(b) REVISION OF STANDARDS.—The national ambient air quality standards for ozone and particulate matter reinstated under subsection (a) shall not be revised until completion of the scientific review under section 04.

SEC. 07. ALLERGEN RESEARCH.

The National Institutes of Health shall carry out a research program to study the health effects of allergens on asthmatics, especially asthmatics in urban inner city areas.

SEC. 08. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for each of fiscal years 1998 through 2002—

(1) $75,000,000 to carry out sections 01 through 06; and

(2) $25,000,000 to carry out section 07.

Mr. INHOFE. Mr. President, I will make the same request that the Senator from North Dakota did. I will be wanting to come back and take up this amendment. I ask at this time it be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. INHOFE. Mr. President, I ask unanimous consent that there be a period of morning business until 5 p.m., with Senators permitted to speak for up to 15 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I ask unanimous consent that I may be permitted to speak for not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR DASCHLE'S 50TH BIRTHDAY

Mr. BYRD. Mr. President, South Dakota is a quiet state. Its cities are neither heralded in poetry like Carl Sandberg's "big shouldered" Chicago nor celebrated in song like New York and San Francisco. It is, nonetheless, a state of stunningly varied beauty, showcased in the wildflower-sprinkled long grass prairie. It still boasts free-ranging herds of bison; and in the wind- and water-carved Badlands that glow with sunset colors under the azure skies. It can be a lonely state, with long ribbons of tarmac linking small towns for years haunted by the brooding presence of nuclear-tipped intercontinental range missiles and blanketed by driving snowstorms in winter. Strong-willed and resilient personalities are required to flourish in South Dakota, and she is blessed with such citizens. One of those strong-willed, resilient South Dakotans ably serves both the State of South Dakota and the United States Senate, where he will soon celebrate both the fourth anniversary of his election as Democratic Leader and the 50th anniversary of his birth in Aberdeen, South Dakota.

Ah, Mr. President—oh, just to be 50 again. I would be calling back almost 30 years in that event.

I am sure that everyone here would agree that Senator TOM DASCHLE is strong-willed and resilient. Indeed, Senator DASCHLE's virtues are common to those who claim the Mount Rushmore State as their home. Like the many ranchers and farmers who live in South Dakota, Senator DASCHLE is a patient, hard-working man who knows that one must toil today so that one may reap the fruits of one's labors tomorrow. And, as befits a man who hails from one of the country's most sparsely populated states, in which a majority of the inhabitants are rurally located, Senator DASCHLE is quiet, self-contained, independent and plain-spoken. Despite his quiet reserve, however, Senator DASCHLE is a warm and friendly man; these qualities well suit the resident of a state whose name derives from the Sioux word for "friends" or "allies."

I hope that Senator DASCHLE will permit me to indulge in a flight of fantasy by pointing out that he shares many of the geographic and meteorological characteristics of his state. Like a South Dakota blizzard, he is capable of driving the Senate with authority, but like the tall grass prairie, he is also capable of bending with the winds of change, adapting and modifying issues in order to reach a common consensus. Like the famed Black Hills of South Dakota, Senator DASCHLE possesses an implacable reserve; and, as befits the representative of a state which stands geographically at the center of our Union, he has claimed for himself the ideological middle-ground of this body and this country. As I list these many and varied characteristics, it occurs to me that here is truly a fitting embodiment of the state whose changeable climate and diverse geography have resulted in the appellation "the Land of Infinite Variety."

From the many and varied characteristics that I have enumerated, I wish to pluck one that best captures the essence of Senator DASCHLE. I refer to his quietness. Quietness is an underrated and sadly uncommon trait, in this chamber and in this Nation. Underrated, perhaps, because it is often mistaken for timidity or lack of conviction; we Americans at times place too much faith in the hearty optimism and aggressive self-confidence of the extrovert. But the true optimist, the truly confident person, has no need for bluster or vituperation. Thus the Bible instructs us in Thessalonians 4:11, "Study to be quiet, and to do your own business." And Shakespeare, whose poetry and prose remain a bounteous font of wisdom, also said "truth hath a quiet breast." Indeed, truth does have a quiet breast, and the heart that beats within that breast is no more steady, dependable, diligent, or uncomplaining than is the senior Senator from South Dakota.

For many persons, turning 50—as my friend from South Dakota will do on December 9th—marks an important milestone along the road of life, prompting thoughts about where one is heading and what one has accomplished. I know that Senator DASCHLE will not have to concern himself on the latter score, for his accomplishments are both numerous and widely acknowledged. A champion of veterans, a dedicated friend to farmers, an ally of Indians, and a powerful advocate of providing affordable health care to all Americans, Senator DASCHLE has proved time and time again his willingness to fight for those who are unable to fight for themselves. His courage and persistence in these endeavors may, perhaps, be traced to his service in the U.S. Air Force, which provides further evidence—as if more were needed!—of Senator DASCHLE's dedication to his country.

Clearly, Senator DASCHLE has no reason to concern himself on his upcoming birthday with fears that he has achieved too little. But what of that other concern I alluded to a few minutes ago, the sudden realization common to many fledgling quinquagenarians that they are leaving the comfortable environs of middle age and entering a new, unfamiliar, untested territory? I do not know whether Senator DASCHLE is experiencing such intimations of mortality—if he were, he would doubtless be loath to admit it—but I feel that on this account I may set his mind to rest. Allow me to offer a little of the perspective on aging that is the prerogative of those, like myself, who are more advanced in years.

For when I entered my 50th year, the Senate was a far different place than it is today. Senators were then paid $30,000 a year. Senators Mike Mansfield of Montana and Everett Dirksen of Illinois presided masterfully over their respective parties in the Senate. It was a turbulent time nationally, and that turbulence was mirrored in the Senate. Senator Eugene McCarthy stormed out of one particularly contentious meeting of the Senate Foreign Relations Committee, angered over the President's Vietnam policy. That same year, spectators dropped a flood of anti-Vietnam War literature from the galleries to protest a conflict that had already killed over 10,000 American soldiers; the Senate responded by, for the first time, banning demonstrations within the Capitol, and I joined in that protest against demonstrations in the galleries, as I think Senators who know me would understand that I would.

On a more positive note, that year also saw several important milestones in the history of the Senate. Maine's Margaret Chase Smith became the first woman elected to a leadership position in the Senate when she won a unanimous vote to be Chairman of the Republican Conference. That same year, the first black Senator in years, Edward W. Brooke of Massachusetts, was sworn in. Senator Brooke was not only the first black Senator since Reconstruction; he was also the first from a northern state and the first to be popularly elected to the Senate.

I hope, in suggesting how the Senate has changed since my 50th year, that I have both reminded Senator DASCHLE of his youth and suggested the breadth of change that he will inevitably see in this chamber over the next few decades. For if South Dakotans in their wisdom deem it, Senator DASCHLE may continue to toil in this chamber for many years to come, and I look forward to working with him as he builds upon his achievements. So today, before the Senate adjourns this session, allow me to look ahead to the ninth of December and wish my friend TOM DASCHLE a very happy 50th birthday.

To TOM personally, may I say:

The hours are like a string of pearls,
The days like diamonds rare,
The moments are the threads of gold,
That bind them for our wear,
So may the years that come to you
Such wealth and good contain
That every moment, hour and day
Be like a golden chain.

Mr. President, I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The senior Senator from South Dakota.

Mr. DASCHLE. Mr. President, I am very honored, very grateful and, I must say, humbled by the generous remarks of the very distinguished Senator from West Virginia, my friend, Senator BYRD. I can't think of a more pleasant way to ease my way into the half-century realization than to listen to the eloquence of this masterful speaker and legislator. I cannot think of a better gift to be given than the respect shown to me by Senator BYRD in the way that he has just expressed.

It has now been my good fortune to serve in the Senate for 10 years. As I continue to serve, my respect for him, the education I receive from him, the opportunities that I have in serving with him continue to excite me and provide what I consider to be some of the greatest experiences that I share in the Senate.

Someone once said that life has no blessing like that of a good friend. If that is indeed true, then I have been richly blessed by my friends on both sides of the aisle in the U.S. Senate, but among them, there is no friendship for which I have greater pride and for which I treasure more than the friendship that I have been blessed to receive from the distinguished Senator from West Virginia.

So, I thank him for his kind words, for his eloquence, for the respect that he has shown me and also for being such an extraordinary instructor, not only to me, but to all the Members of the Senate as he continues to serve in such a magnificent way as the senior Senator from the State of West Virginia.

I yield the floor.

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Thank you, Mr. President.

NATIONAL TESTING

Mr. ASHCROFT. Mr. President, I rise to speak of the need to preserve and protect the intense vital involvement of parents in decisionmaking in local schools all across America. If America is to succeed in the next generation, we have to have the capacity to have the kind of schools that meet the needs of our students. We will have to have the ability to experiment from one school district to another. We will have to have State and local governments that can tailor the programs which they have to meet the demands of their unique settings.

Sometimes when we think about achievement, sometimes when we think about success, we think it might be necessary to try and impose the so-called "wisdom of Washington" upon the Nation generally. But, I think that temptation ought to quickly fly from us if we would think of what would have happened, for instance, if we decided there needed to be a single uniform type of computer and we had imposed it from Washington saying there would just be one way of doing things. Maybe we would have chosen Apple computers and their way of doing things instead of IBM and their way of doing things. Or maybe we would have chosen a single software company and said that is the only way it could be handled, and we wouldn't have the flourishing and the flowering and the kind of intense opportunity and plurality for the generation of marvelous alternatives that have made America the far and away overwhelming leader in terms of the technology.

I think whenever we feel that temptation to draw to Washington, DC, the decisionmaking and the prerogative of developing for the Nation a single uniform policy which would take the diversity and the creativity out of the system and would cheat America of the vital creativity and opportunity that is expressed when people at the local level are involved, whenever we have that temptation, we should think about how bad it would be in so many areas had we had that kind of policy.

America's ability to flourish as a success reflects the diversity of this country and the ability of different groups of individuals to approach things differently and to do so successfully. Not only does it provide for us an energy which carries us to excellence, it also means that we don't ever have all of our eggs in a single basket. We have the capacity to meet a variety of challenges. We have innovative and creative thinking. We have the capacity to look at things from different points of view.

One of the things that the President sought to bring to the United States—and I think his intention was good—was he wanted to improve education, by bringing to us national testing, testing of students on an individual basis all across America with a uniform test promulgated by bureaucrats in Washington, a single test which would, unfortunately, chart the direction of education all across the country.

When you make a test, you decide that you are testing for something. So if you are going to make up a test that is going to be imposed on the country, you are going to be testing for something and you have to define what you are testing for.

So the development of a test, although it might not seem to be at first blush, is really the development of a curriculum. If you decide what you are going to test for, you have to decide what you are going to teach. Once you decide what you are going to teach, you have established a national curriculum.

Oddly enough, even deciding what you are going to teach probably isn't all that is controlled with the development of a test.

The development of a test probably decides how you are going to teach it, because if you teach English, for instance, with phonics, teach people how letters sound together, and combinations and the like, that is one way of teaching the English language and would be tested differently than teaching the English language with the so-called whole language approach where you just have the recognition of words by rote or memorization.

So when you have something like a national test proposed, you have to understand that you are talking about uniformity, that you are going to impose a single system all across the country, going to make everybody pretty much the same, you are going to deprive the system of the creativity and the vitality and diversity of what a lot of different folks can do when they are working simultaneously on a problem.

Second, you are not only going to have uniformity, but you are going to determine from Washington, DC—if you have a uniform test, you are going to have a uniform curriculum. What to teach and how to teach it then becomes a uniform decision by bureaucrats. Because in order to test accurately, you have to know exactly what you are teaching and, of course, what you are teaching for will depend on how you are teaching.

It troubles me to think that we might take these most fundamental decisions in education and pry them from the prerogative of parents and move them to the educators or bureaucrats of Washington, DC.

As a matter of fact, the bureaucrats, educational bureaucrats, in Washington, DC, do not have a very good record. The bureaucrats in Washington, DC, run a couple school systems. We know that.

As a matter of fact, they run the Department of Defense Dependent School System. A year or two ago they tried to put the so-called whole math into that system. The results were devastating. The median percentile computation scores on the Comprehensive Test of Basic Skills taken by more than 37,000 Department of Defense dependent school students, 1 year after the Defense Department introduced whole math, dropped 14 percent for third graders—this is the median percentile score—dropped 20 percent for fourth graders, 20 percent for fifth graders, 17 percent for sixth graders, and 17 percent for seventh graders. One year's implementation of a fad, of the new whole math, devastated the performance of those students.

I am not sure we want to yield the control of our public schools to the Federal Government so we can have that kind of devastating impact. I sure do not.

Maybe, if you think the Federal Government does things particularly well, you should look at another school system which the Federal Government runs. It is called the District of Columbia School System, where, I think, we have the highest per capita expenditure on students anywhere in the world, and we have some of the lowest achievement levels.

What I am trying to say is, we do not need to forfeit to the Federal bureaucracy in Washington, DC, the decisionmaking in education of what to teach and how to teach it, and we need far less to take parents out of the equation.

Some people might not understand the value of parents in education, but there has been a lot of work in the educational research area about the value of parents in education. A 1980 report in "Psychology in the Schools" shows that family involvement improved Chicago elementary schoolchildren's performance in reading comprehension dramatically.

One year after initiating a Chicago citywide program aimed at helping parents create academic support conditions in the home, students in grades one through six "intensively exposed to the program" improved .5 to .6 grade equivalents in reading comprehension on the Iowa Test of Basic Skills over students less intensively involved in the program—a 50- to 60-percent better level of improvement when the parents are deeply involved.

If we are going to take parents out of the equation of what to teach and how to teach and we are going to tell them, do not bother to try to get active in your schools, because if things are not working there, you would have to change the whole country in order to change what happens at your schools, and besides, all the decisions are going to be made at sort of a quasi-national school board in Washington, DC, I do not think we are going to get effective parental involvement. That is why I believe that locally controlled schools are the fundamental thing that we ought to pursue. It is not only true for Chicago schoolchildren, it has been proven over and over again in other cities across the Nation in a variety of studies.

It is important that we have parental involvement. It is important that we have local determination. It is important that we not yield to Washington, DC, the capacity to impose uniform curricula and a uniform teaching methodology all across the country. It would stifle creativity. It would impair achievement in a very, very significant way.

The Republican agenda for education has not been to centralize education in Washington, DC. Our agenda, as expressed in this legislative session, has been to give local schools block grants. It has been to send them the power to do what they know they need to do.

I heard Congressman GOODLING from the House talk about the President's plan to improve education with just one more test. We already have between three and nine standardized tests every year for every student in the country, according to USA Today.

Congressman GOODLING put it this way: "If you are trying to fatten cattle, they don't get fat by weighing them one more time." If you are trying to educate students, they don't get smart just by being tested one more time. Students not only have the regular tests of their instructional regime, they also have these three to nine other tests which are taking instructional time. And they are telling us pretty clearly where we are educationally. We know where there is much to achieve, but weighing the cattle one more time, testing the students one more time, will not make them fatter or smarter.

The truth of the matter is, the solution is to do things like the Republicans have sought to do here, which is to get more capacity into the hands of schools so that it can be devoted to students and teachers, not to the bureaucracy in Washington—a clear contrast.

The bureaucracy in Washington grows under President Clinton's ability to dictate, through the backdoor of testing, a curriculum and a teaching style in uniformity across America. Under the Republican proposals, instead of having a growing bureaucracy, you take the resource which would otherwise be sapped by the bureaucracy in Washington, and you target it on the schools, you give block grants to local schools.

Another Republican initiative, the A-plus accounts, gives parents choices. Instead of taking parents out of the equation by saying we are going to have a national school board that no parent could afford to come and talk to and that would impose a uniform regime all across America, the Republican plan is to empower parents, to give parents choice. Let parents invest resources so that they can send their children to the schools that the parents choose and invest those resources absent the kind of onerous tax burdens that parents normally would have on their investments.

The President's agenda is more programs, more bureaucracies, more of Washington-knows-best. The Republican agenda is a commitment to local schools, local control, local education, the creativity, the pluralism, yes, the diversity and the energy that comes when we have local schools all across America.

There is an effort being made in this year's appropriations measure to harmonize the kind of demands that are being made by the administration and the items that were passed in the Senate with items that were passed in the House. I think it is fundamentally important that we protect local schools. If we are not willing to stand up to protect the local schools, the prerogative of parents to operate in those schools, to be effective there, to get involved meaningfully in the development of curriculum and the development of teaching methodology, I think we will have failed in our duty.

I intend to do whatever I can, as we close this session—and I mean "whatever I can"—to make sure we arrive at a conclusion which makes it possible for parents to continue to have that kind of beneficial impact.

At the end of this year the President and his bureaucrats seem to be winning. America's children are losing. The block grants, which would have cut the Washington bureaucracy by sending more funds directly to local school districts, were all but abandoned, and I commend the occupant of the Chair for having that idea, which is one of the best ideas that has been offered to help education in this Congress in decades.

Scholarships for needy children in the District of Columbia were filibustered to death. Instead of giving parents the power to help their children in education, we lost on that ground. And the President has indicated that, if we succeed on that ground, he will veto it.

On Tuesday, the Senate voted to kill A-plus accounts to help parents pay for the costs of their children's education. At least the vote was to not allow that to go forward. We could not get cloture. So those who sought to reinforce the position of the President there deprived America of another opportunity for parents to be beneficially involved.

We have lost on the block grants. We lost on the A-plus accounts. We lost on the scholarships for DC students that would empower parents.

A final ballot remains over national testing. It is a cause from which I do not intend to waiver.

I do not think Senators should pack their bags for the recess just yet. There are rights to defend. There are students whose interests are in the balance. I do not think we should sacrifice the next generation's education for a few extra days of rest at the end of this year. I certainly do not intend to do so myself.

National tests would lead to a national curriculum. I think we can all understand that. The President keeps saying that the national testing system he is proposing would be voluntary. He said these will all be voluntary. Do not worry. No school district would be required to be involved in these tests.

That is what he said in Washington, DC. That is what he said in his State of the Union Message. That is what he said recently. Perhaps he thought we were not listening carefully when he was speaking in Lansing, MI, on March 10 of this year, 1997. He put it this way:

> I want to create a climate in which no one can say no, in which it's voluntary but you are ashamed if you don't give your kids the chance to do [these tests].

Here is a President who says this is to be voluntary, but he says he wants to make it so no one can say no. When the President has the ability to control funding, and when he has the opportunity to give grants and otherwise to make favorable or unfavorable decisions about what happens in schools, I doubt seriously whether there will be a real opportunity for these to be voluntary.

William Safire recently warned of the dangers of allowing the administration's testing proposal. And I quote William Safire in his editorial from the New York Times op-ed page entitled "Flunk that Test." He put it this way:

> We're only talking about math and English, say the national standard-bearers, and shucks, it's only voluntary.

I continue to quote Safire.

> Don't believe that; if the nose of the camel gets under the tent, the hump of a national

> curriculum, slavish teaching to homogenizing tests, and a black market in answers would surely follow.

You know, the evils of a national test have long been understood, not just by Republicans, but by Democrats as well, because they have understood that national testing ultimately dictates national curricula.

Perhaps one of the most eloquent in that respect was Joseph Califano. Joseph Califano was the Secretary of Health, Education and Welfare in the Carter administration. When Joseph Califano was asked about national tests, he warned the American people. He put it this way:

> Any set of test questions that the federal government prescribed should surely be suspect as a first step toward a national curriculum. . . . In its most extreme form, [Joseph Califano went on to warn] national control of curriculum is a form of national control of ideas.

We could have a long debate about the potential evils of national control of ideas, but it is pretty clear to me that none of us believes that Washington, DC, should control ideas. I think all of us understand that if Washington, DC, controls things, it generally does not do them well. As a matter of fact, what this country has controlled from Washington, DC, has not been exemplary. It has been an example of what to avoid rather than what to embrace.

When you are talking with individuals about the so-called tests which they would impose, you have to wonder whether Washington's imposition of tests would be something like Washington's attempted imposition of the standards for history, which they tried to develop at the end of the last decade and early in the 1990's.

The National Endowment for the Humanities sought to develop a set of history standards telling us what we should know and what we should teach. What was interesting to me is that the standards tended to be far more politically correct than they were historically correct.

When you are thinking about mathematics, I do not think we should think about that which is politically correct or historically correct. We should think about things that are arithmetically correct.

But here is what happened to the national history standards. The national history standards were more interested in those who were politically correct.

The standards slighted or ignored many central figures in U.S. history, particularly white males. To name a few, Robert E. Lee was left out, Thomas Edison and the Wright brothers were left out, Paul Revere was left out, so we could have many, many references to the Ku Klux Klan, so we could have references to heroes from other continents.

The truth of the matter is the U.S. Senate understood what was happening there and voted against those standards. I believe that these standards were rejected unanimously in the Senate. George Will attacked the failed history standards as "cranky anti-Americanism." It didn't surprise the American public. The American public has witnessed the Federal Government go awry, time after time after time on issue after issue after issue.

The proponents of the proposed national tests have indicated that their interest is in the whole math curriculum. As a matter of fact, when we found out what they were talking about with the whole math curriculum we discovered they were talking about a rejection of computation. Computation is 3 times 6 is 18; 3 times 18 is 54; 4 times 18 is 72. They reject that. One whole math proponent was quoted in the Wall Street Journal as having said we can't ask students to say 6 times 7 is 42, put down the 2, carry the 4. They said that is discriminatory. Most students can't do that, they are too dumb. That is ridiculous. Our students are smarter than that. They are not that dumb.

As a matter of fact, the only thing that will dumb down American education is if we have low expectations. I have studies that show when you have low expectations you get low performance. Here you have people designing the tests who want to run away from the ability of American students to compute. They want to supply everyone with a calculator so no one has to know the multiplication table and no one has to do things in his or her head. I think such dumbing down of America's educational performance would be inappropriate.

Most importantly, it is fundamental that we maintain in this great land the ability of moms and dads to be at the focal point of educational policy and development and not bureaucrats in Washington, DC. It is fundamentally important that we maintain local control of education rather than Washington control.

As we are working our way to see whether or not we can have an appropriations bill that maintains this balance, I want to say to the U.S. Senate that we have an obligation to stay here and work until we do protect the rights and opportunities of the next generation for a decent education by making sure that their parents are in charge, that local school boards and States are in charge, and that we don't forfeit the prerogatives of education policy to bureaucrats in Washington, DC, who would impose a kind of mindless "dumbed down" national curriculum which would fail to have the diversity and creativity and energy —especially the energy—that comes from local involvement that we need.

I intend to do whatever I can and everything that is possible to make sure that we protect that prerogative. I hope Members of this body and Members of the House will join me in doing so. As we are seeking in these moments to reach an agreement with the White House in this respect, I hope it will be their understanding that a plan to have a uniform stifling environment promulgated from Washington is not a plan for a prosperous America but is a plan which would pull the educational rug out from under the feet of our children and would destroy our capacity to compete in the next generation.

I yield the floor.

Mr. JEFFORDS. I ask unanimous consent I may proceed for 10 minutes as in morning business

The PRESIDING OFFICER (Mr. SMITH of Oregon). Without objection, it is so ordered.

FIRST STEP ON AN UPHILL ROAD

Mr. JEFFORDS. Mr. President, I rise again today to speak about the state of the District of Columbia public schools, an issue that is extremely important to me. And I am happy to say, that for the first time in the months that I've been bringing this issue to the attention of my colleagues, that there is some good news to report.

Behind me there are two articles from yesterdays papers declaring the news that the advocacy group Parents United has settled its 5-year old lawsuit against the District over school repairs. I want to commend Parents United, Judge Kaye Christian, Gen. Julius Becton, and the many staff who were finally able to come to an agreement. The settlement outlines how repairs for these schools can take place as quickly as possible, with the least interruption of the school year as possible.

On paper, that is a good first step. But in concrete terms, the only thing this deal has done is to stop unnecessary school closings, which are clearly having a detrimental effect on morale and achievement. What about the money and the orderly process for seeing that these repairs get accomplished? Look at Dr. Brimmer here and see what it boils down to: Congress. It boils down to us.

Yes there is included in this settlement a commitment on the part of the control board to allocate money that the city borrows for school repairs, but let me remind my colleagues that unless the city has a sustainable dedicated revenue stream to be used for bonding credit, who knows how much the city will be able to borrow? In years past the city was considered essentially bankrupt, allowing for zero borrowing. How will the school system be able to execute repairs on schedule with an orderly process when they can't project a consistent budget?

Let's look at the money that is needed to get the schools fixed. Based on a GSA report, and the D.C.P.S. 2010 long range facilities master plan—we need a total of $2 billion to get the D.C. schools repaired to code and modernized. The D.C.P.S. plan is a solid one, and it is broken into three phases: stabilization, functionality, and modernization. The total cost is estimated at $200 million a year over 10 years. Will Congress appropriate that kind of money? I think not—and history shows us so.

Look at the money that D.C.P.S. had available—through congressional appropriation and city borrowing—for school infrastructure improvement over the last few years: In 1996—$14.9 million; in 1995—$21.1 million; in 1994—$9.5 million; and in 1993—$8.8 million.

As you can see, Mr. President, this yearly allocation falls far short of $200 million. In fact, the average amount of money the District was able to spend on school repairs, over the last 10 years was $13.4 million. If we keep driveling money to the schools at that rate it will take the school system 150 years to meet their 10 year plan. How many children will have to suffer if we wait 150 years?

There is a way for Congress to act responsibly. We must give the schools a dedicated revenue stream to bond with so that the $2 billion goal can be met. But at present Congress has its hands tied by its own actions. In 1974 when Congress created home rule we denied Washington the authority to be able to do what every other major city in an interestate area can do—and that is tax it non-resident workers. This is not some new fangled idea.It is what every other city in America can do to make sure its infrastructure and services are viable. I will speak about how Washington can accomplish this and a larger goal in a minute.

But let's return to what happens when the schools don't have the money for repairs. The school year can't start on time. The upside of the severe disruption to the school year that has taken place is this September and October is that the focus of attention to the plight of our Nation's capital school system has never been greater. We have a lot of issues to deal with as national leaders, and bringing the focus to one school system is no easy task. But this is the school system of our Capital City—the school system that should be the flagship for education in our country, not the sinking vessel it has become. And as the leadership that created the control board, and created the emergency school board of trustees, and appropriates the city's funds each year we are responsible for turning this ship around.

Now, let's look for a second at the academic ramifications of a school system in decay. Again, a piece of good news: the District of Columbia Public School system has a new chief academic officer, Arlene Ackerman, and I had the chance to meet with her last week and enjoyed that opportunity very much. Ms. Ackerman has done what any good manager would and prescribed an evaluation to see where the students in her charge are in terms of national standards. I have taken this information, which was released in the Washington Post last Thursday and let's see how that headline reads: "Tests Indicate Many Students in D.C. Won't be Promoted. . . .".

Now, I know this is appalling, but let me take you quickly through some of the actual test results in reading and math. These statistics are based on the Stanford 9 Achievement Test that was administered last Spring.

As Arlene Ackerman said in her remarks when releasing these sorry statistics, "The lives of our children are at stake." And let me state, for everyone listening, these children, the children of the Nation's Capital, are our children. Every Member of this body has a responsibility for their well being. And as you can see from these statistics, we are not living up to that responsibility.

Is there a connection between Congress' annual appropriation process, the D.C.P.S. infrastructure emergency and these unfortunate academic test scores? You bet there is. As we saw earlier, every year that Congress appropriates far far less than the schools need for infrastructure is like giving a dying man a drop or two of water. Eventually the systems just wear out. In the process, you get low morale, low academic achievement and outraged parents and students.

Look again at this article. That $487 million is only part of the $200 million a year I mentioned earlier. How are we going to get there? The city needs to have a dedicated revenue stream so that they can bond for infrastructure improvement. Where will that dedicated revenue stream come from?

A nonresident income tax that benefits the tax-payer, the Washington Metropolitan Region and the District schools is the answer. With my proposal, the economy in our "Golden Crescent"—the area stretching from the District to Annapolis and as far west as Winchester, VA—gets an enormous boost. This bill creates an education and training partnership that would make it possible to fill the estimated 50,000 available jobs in the D.C. metropolitan area that rely on information technology skills. Filling these jobs would boost our regional economy by $3.5 billion annually. More jobs = a stronger tax base = more consumer spending = more home buying, and so forth.

Leaders in the private sector know the direct correlation between those appalling test scores I just showed you and their bottom line. They know the cost in decreased productivity when jobs go begging for lack of skilled employees. They know how much it costs to start recruiting from all over the country and, some cases all over the world.

The private sector I am speaking of resides in northern Virginia and southern Maryland. The payback to the counties in these States, if we fill these jobs and inject our local economy with that $3.5 billion a year will be manifold. Far greater than the outlay the nonresident income tax demands. And in the process we will be able, as a country, to feel pride in every aspect of our Nation's Capital.

I know the pride I feel each time I fly back to Washington, especially at night, and see the beautiful monuments, all lit up. They symbolize this great country and the founding fathers who upheld the integrity and mission this country is built on. But I say to my colleagues, these monuments are made of stone. The living testament to the American system of government is it's children. Flesh and blood and the inheritors of all that our Founding Fathers dreamed of. If we as U.S. Senators cannot make the future a great one for the children of America's capital, then our pride in this city and its monuments is fraudulent. We must find a solution, and I challenge my colleagues to review my proposal or show me a better one.

Mr. President, I yield the floor.

Mr. INHOFE addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, I understand that the pending business will be amendment No. 1602 to S. 1269.

RECIPROCAL TRADE AGREEMENTS ACT OF 1997

The PRESIDING OFFICER. The clerk will report the bill.

The assistant legislative clerk read as follows:

A bill (S. 1269) to establish objectives for negotiating and procedures for implementing certain trade agreements.

The Senate continued with the consideration of the bill.

AMENDMENT NO. 1602

The PRESIDING OFFICER. Amendment 1602 is the pending question.

Is there further debate?

The question is on agreeing to the amendment.

The amendment (No. 1602) was agreed to.

Mr. INHOFE. I move to reconsider the vote and to lay that motion on the table.

The motion to table was agreed to.

Mr. INHOFE. Mr. President, the amendment that we just agreed to is an amendment that addresses the very competitiveness issue that is facing us right now. It is an amendment to the fast-track legislation. What it does, is to delay the implementation of severe changes in the ambient air standards, until such time as the science justifies it. It does impose a 4-year moratorium. I think it is very significant that this be made a part of this legislation.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that we be in a period of morning business until the hour of 5:45.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE GEORGE BUSH LIBRARY

Mr. GRAMM. Mr. President, this afternoon, at this hour, we are dedicating the George Bush Library and the George Bush School of Government at Texas A&M University, which is in my hometown, and a school that I taught at for 12 years. It is a place that is very close to my heart.

We, today, live in a world that is very different than the world we lived in 10 years ago. The Berlin wall has come down, Eastern Europe has been liberated, the Soviet Union has been transformed, and we have seen more people achieve their freedom than in any victory in any war in the history of mankind.

There are two people on this planet who have had more to do with that than any other people who have lived, and those two people are Ronald Reagan and George Bush.

Today, we honor George Bush with his library. We are proud of his achievements. But it is more than just his achievements, we are proud of George Bush. George Bush is a great man. George Bush is the kind of man you would want your son to grow up to be.

He is in many ways an old-fashioned man—as some would say, maybe fashion that is out of style today. But I don't think so. George Bush is the kind of man who tries and tries—tried as President and in everything in his life to try to figure out what was right—and he tried to figure out then how to do it.

George Bush is a man that has a keen sense of duty. And whether he was a young naval officer risking his life for his country, or serving as President, when George Bush was on watch for America, he was dedicated to the task.

We are honoring him today in College Station. We are dedicating his school and his library. Senator HUTCHISON and I are unable to be there because we are here doing the work of the people and doing our duty.

We wanted to take this opportunity to congratulate President Bush and his family—to congratulate him on his great library; on what it will mean to Texas A&M and our State, and what it means to us.

I just simply wanted to say, Mr. President, to George Bush and to his family that we are all proud of you. We are proud of your Texas, and we love you.

I yield whatever time she might use to Senator HUTCHISON.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I want to add my remarks to those of my senior colleague.

We are so proud in Texas that President Bush is opening his library today. We are proud that he chose to do it in Texas because he had other home States that he could have chosen, but that he came to Texas where he had his roots, his business, and raised his family. It means a lot to us.

Also, I think what it is going to add to the intellectual commitment to Texas A&M, the foreign policy commitment to Texas A&M, and to all Americans is going to be great. It is going to be a great contribution for foreign policy debates; for leaders to come together. I think it is going to provide a diversity of views and opinions that will certainly enlighten all of us.

So, we are proud that the opening of the library is today. I know that through the years we will all be very thankful that President Bush has chosen to have a school and a place for people to discuss very important domestic and foreign policy issues. I know that he will provide a fine quality of opportunity for all of us to learn from.

So I appreciate it.

I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TEAMING WITH WILDLIFE

Mr. MURKOWSKI. Mr. President, I would like to chat very briefly in morning business concerning a matter that has come before the Senate from time to time that is of great interest to those of us in the Western States. That is the national issue of what is termed "Teaming With Wildlife."

The Teaming With Wildlife initiative has grown, and those of us in the West recognize that we are very fortunate in having probably the best area on Earth to fish, hunt, and explore the great outdoors. I know the occupant of the Chair from the State of Oregon, and myself from the State of Alaska, are great boosters of that great outdoors with unsurpassed natural beauty and wildlife, particularly the Western States. I am not suggesting other States don't have the same. But perhaps ours is a little larger and the magnitude is a little greater. But we have extraordinary natural beauty, wildlife, and I particularly look forward every time I am back home in Alaska to enjoy the outdoors.

As chairman of the committee with jurisdiction overseeing our public lands in the Energy and Natural Resources Committee, I am well aware that this bounty we enjoy doesn't come free. It takes huge sums of money to acquire and maintain our legacy of public lands which we enjoy. That is why I support providing additional funds to the States for all outdoor recreation programs, including fish and wildlife conservation.

This brings me to the goals associated with the Teaming With Wildlife proposal, which I support along with many Alaskans, and I know many of my colleagues in this body. But I would like to point out some of the concerns because in the enthusiasm for Teaming With Wildlife some of these things are overlooked. So let me share a few of them with you.

Mr. President, the proposal advanced by the International Association of Fish and Wildlife Agencies would impose a new tax on the American people where that connection between the products being taxed and the use of the tax revenue in some cases is tenuous, to say the least.

Mr. President, for decades hunters and anglers have worked very well in contributing to the management, conservation, and restoration of wildlife habitat and fisheries resources through an excise tax imposed at the manufacturing level. These targeted taxes have been a resounding success for one reason. That reason, Mr. President, is there is a direct link between the items taxed and the use of the tax revenue.

The Pittman-Robertson Act, for example, imposes an excise tax on sporting arms, on handguns, on ammunition and archery equipment. The Wallop-Breaux fund does basically the same thing with fishing equipment and motorboat fuel. Money raised from this generates revenue that goes directly back in enhancing fishing and motoring in our various lakes and waterways. So States use the resulting tax revenue for the purchase and restoration of public wildlife habitat, and wildlife management research. Hunters like myself don't mind at all paying the extra tax on rifles and shells because we know that the revenue will be spent on increasing and improving habitat where we can hunt and recreate.

Yet, the direct link—this is the key, Mr. President—between the items taxed and the use of the resulting tax revenue is broader in the Teaming With Wildlife proposal. That legislative proposal would result in a tax being imposed on virtually everything from backpacks to tents, from hiking boots to sports utility vehicles, from film to binoculars. The revenue would be used by States for a worthwhile purpose, which I support, of wildlife research planning, fishing and wildlife-associated recreation, and research projects.

But the facts are that while many of the items being taxed would be used in the great outdoors to benefit the expanded use of the outdoors, many of these products would not. We looked at a 1995 survey by the Sports Market Research Group that indicates that 69 percent of all backpacks sold—you might think they are going for camping—are used by schoolchildren while 27 percent of all sleeping bags sold are for indoor use. Is that a fair tax to those consumers?

Some suggest a new tax is not needed when an existing program could meet many of the needs for outdoor recreation resources throughout the Nation. Over 30 years ago, we created in Congress the Land and Water Conservation Fund, the LWCF, for the sole purpose of meeting America's needs for outdoor recreation, including the acquisition of property for fish and wildlife conservation purposes. Money in the fund would come from offshore oil and gas royalties—OCS activities off the shores of our various coastal States.

Up to 60 percent of the $900 million annually available is to be passed on to the States. Unfortunately, the States have not received any money from the Land and Water Conservation Fund for the past 4 years. And many in this body have even forgotten the benefits of the program. What we have done with that money is use it to reach our budget objectives, solely ignoring the purpose of the program. I think we should do more to encourage the States to support offshore oil and gas development in a responsible manner using our science and technology. As evidence is the tremendous development occurring in the Gulf of Mexico off Louisiana, Texas, and other areas. Perhaps we could by guaranteeing States some portion of the revenue from OCS activities. That would instill a sense of belonging and a sense of interest that those States currently don't have.

Further, a portion of the Federal mineral receipts perhaps could be set aside in a dedicated permanent fund and the income generated from the fund could be passed on to the States in the form of matching grants for outdoor recreation. In many State parks in the West, including my State of Alaska, land was purchased with money from the land and water conservation Fund. And much of what Teaming with Wildlife seeks to accomplish should be done with funds generated from such areas. I think offshore oil and gas development would gain us a broader support necessary to pass legislation such as Teaming with Wildlife, and I think we must explore fully using existing funding resources to help meet these laudable goals because I fear that we are going to have a hard time differentiating just what portion is a legitimate tax on this broad area, as I have indicated before that we have identified, including sleeping bags, film, binoculars, hiking boots, and so forth.

I encourage those who are interested to help us as we address responsibly how to fund equitably for this purpose of Teaming with Wildlife that, indeed, addresses those who are active in utilizing the great outdoors and purchase legitimate items that can be legitimately attached without getting into the situation where we are in dispute over the portion and the formula and the use.

So as chairman of the Senate Energy and Natural Resources Committee, I am committed to help bringing the States together to meet the growing demand for fish and wildlife habitat, for outdoor recreation resources, and I certainly encourage all Alaskans to join me in providing input on what we think is a fair and workable method to raise funds for the great outdoors and not overlooking the intention of the land and water conservation fund which has been, I think it is fair to say, observed by the budgeteers as a place to pick up significant funding to meet some of our budget obligations.

So I thank my colleagues for their indulgence and encourage everyone to work in a positive manner to meet the challenges associated with Teaming with Wildlife for a fair and equitable funding mechanism.

I thank the Chair and yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NUCLEAR WASTE STORAGE

Mr. MURKOWSKI. Mr. President, seeing no other Senators on the floor, I wish to address my views on the passage of the nuclear waste legislation by the U.S. House of Representatives, which occurred last week.

Mr. President, last week Congress took a very important step toward ending our Nation's 15-year struggle with how to solve our high-level nuclear waste problem. Last week, the House passed H.R. 1270 by an overwhelming, bipartisan 307-to-120 vote. The House bill is a companion to S. 104, the nuclear waste bill passed by the Senate by a 65-to-34 vote last spring.

Like the Senate bill, the House bill would take nuclear waste from 80 sites in 40 States, from the backyards of our constituents all across this land, and move it to one safe, central storage site. The Federal Government has a contractual commitment to take this nuclear waste for safe and central storage by next January.

Will that happen? The answer is clearly "no," even though over $13 billion has been collected from America's ratepayers to pay for the permanent storage of that waste, and even though a Federal court order has reaffirmed the Government's legal obligation to take nuclear waste in January 1998. The same court is now considering what remedy the Government must provide for its failure to meet this obligation. This is the Government's failure, but it is the American taxpayer that is going to bear the burden. The American public paid that $13 billion into the nuclear waste fund and now will have to pay a second time. Estimates of potential damages for the failure of the Department of Energy to meet its obligations range from $40 billion to as high as $80 billion. That is $1,300 per American family.

How important is the nuclear power industry in this country? It contributes around 22 percent of the total power generation in this country. It provides electricity with no emissions, so air quality is not a problem. The problem is what do you do with the waste? You cannot throw it up in the air. It has to come down somewhere. The reality is that no one wants it. The French reprocess their spent fuel and recover the plutonium, put it back in the reactors and burn it. The Japanese are moving in that direction, as well.

We are hopelessly tied to a dilemma: no one wants nuclear waste and we don't have any place to put it. Some of the plants are reaching their maximum capacity. Without the licensing of proper storage and without the Federal Government meeting its obligations to take this waste, we stand to lose a significant portion of our Nation's nuclear generating capacity.

How are we going to make up for this lost generation? Are we going to put more coal fired plants on-line? How does the Clinton administration reconcile this position with their professed concern about emissions? If we lose a portion of our nuclear power generating capability, it is going to have to be replaced with something, and the Clinton administration has not provided us with any answers. Nor has it adequately addressed its contractual responsibility to take this waste.

Mr. President, without the legislation passed by the both the House and the Senate, there is no plan for action except more lawsuits, more employment for the lawyers. As we move to conference, opponents of the bill will continue to sing the same old, tired refrain. They call it "Mobile Chernobyl," emasculating NEPA, running roughshod over our environmental laws. These scare tactics are a coverup, an excuse for no action. That is what we have had so far, no action in 15 years.

They will say the fuel is safely stored where it is. It is stored in temporary facilities next to the reactors that were designed for just that, temporary storage. But if it is safely stored where it is, then why isn't it safe to store it in Nevada at the Nevada test site, near where we have spent over $6 billion to develop a site that is facing, in the near future, licensing and suitability decisions? In fact, there is no question in my mind it must be safer to have one central, monitored site than to have nuclear waste at 80 sites scattered around the country at facilities that have been designed for temporary storage.

Then, of course, they argue that somehow it is unsafe to move nuclear fuel to one central site. But we have shown how we have been safely moving fuel around this country and abroad for many, many years. The French, the Japanese, and the Swedes move it by vessel, they move it by rail, they move it by truck.

They say the transportation casks cannot stand a 30-mile-per-hour crash or survive a diesel fuel fire. These are more emotional arguments that have no foundation. We have shown that the casks have been tested by locomotives going 90 miles an hour crashed into brick walls. They have been submerged in water, bathed in fire. The casks are designed to withstand any type of imaginable impact associated with transportation. We have shown that, while we have had a few minor accidents, there has never been a release of radiation. We have shown how our national laboratories have certified that the transportation casks can survive any real-world crash. They say the radiation protection standard is unsafe. We have shown how our standard is more protective than the current EPA guidance that allows five times as much, and we will allow EPA to tighten the standards further if need be.

The doomsayers say the Nuclear Waste Technical Review Board says there is no compelling or technical or safety reason to move fuel to a central location. We have shown that a more complete reading of the technical review report and testimony indicates that there is a need for an interim storage and that there is a need for it at Yucca Mountain, if, indeed, Yucca is determined to be suitable for a permanent repository.

They say, "We can delay the decision." We have shown that delay is what got us into this mess in the first place; inactivity. Any time now, the courts will tell us what damages we will face when the Government is in breach of its contract. With each delay, the damages are going to mount. With each delay, the liability of the taxpayer will mount. With each delay, there will be pressure to yield a further delay. That is the way this place works. When we have a problem, we simply delay. The call for delay is a siren song and, ultimately, a trap.

We stand at a crossroads. The job of solving this problem is ours. The time for solving the problem is now. We have made much progress at Yucca Mountain. The 5-mile exploratory tunnel is complete. We can build on this progress. Both the Senate and House bill contain site characterization activities for the permanent repository. But we cannot put all our eggs in the Yucca basket. We need a temporary storage facility now or we are going to be storing spent fuel all across the Nation for decades to come. We can choose whether this Nation needs 80 interim storage sites or just one. Where is that? The arid, remote, Nevada test site where we exploded scores of nuclear bombs during the cold war. It is a safe, remote location. It is monitored, and it is appropriate for an interim site.

If Yucca Mountain is licensed, it will be an easy task to move the spent fuel a short distance to the repository. If Yucca is not licensed and is found to be unsuitable, we will need a centralized interim site anyway, so we will be way ahead of the game. Regardless of what happens at Yucca, this is a responsible step that we should take.

Mr. President, the time is now. This legislation passed the House and the Senate. It is the answer. I urge my colleagues over the recess to reflect on the merits of our obligation to take this waste, to recognize the dependence we have on the nuclear industry, and move to take a responsible position to uphold the contract that has been made by the Government to take this waste in conformance with the terms of the agreement and the $13 billion paid by the ratepayers.

For those who are still in doubt as to the merits of this legislation, I encourage them to recognize that it is irresponsible to object to what has happened in both the House and the Senate without providing an alternative. The development of this legislation has required a great deal of time and effort and a great deal of examination of alternatives. So I hope the critics come up with a workable alternative, as opposed to just criticism of the plan that is currently pending in the Congress of the United States, to meet our obligations to address the high-level nuclear waste issue.

I thank the Chair and yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TED KENNEDY'S 35TH YEAR IN THE SENATE

Mr. DASCHLE. Mr. President, 35 years ago today, the people of Massachusetts made the very wise decision to send EDWARD M. KENNEDY to Congress. For 35 years, TED KENNEDY has fought for their interests—and for the interests of all working people.

It is said that some people seek public office to be someone; others seek it in order to do something. TED KENNEDY is a pre-eminent example of the latter. For 35 years, he has fought unwaveringly to improve the living standards of working families and to make sure that, in America, if you're sick, you can see a doctor—no matter how much money you have, or how little.

He has used his great, booming voice to speak for those who have no voice, and he has never wavered in his principles. TED KENNEDY does not change his politics with the season. He is a man of principle.

At the same time, he is a pragmatist who wants, more than anything, to get things done.

I will never forget how he looked after the balanced budget agreement was signed and the new children's health care program was created. He came into my office. His Irish eyes were smiling. To everyone he passed he said, "Isn't it wonderful?" He looked so much like a proud new father—I half-expected him to start handing out cigars.

When he spoke about that victory, he didn't talk about how many votes his plan had gotten. He talked about how many children it would help.

In 35 years, he has never forgotten the reason he is here. It's not about strategy, or abstract policy. It's about people.

The struggle to create the children's health plan also illustrates another of the basic truths about TED KENNEDY. There are those who view my friend as an inflexible liberal. While he would claim the liberal label with pride, TED KENNEDY is one of the most flexible people in this Chamber.

Ask his friend, ORRIN HATCH. People call them the Odd Couple. I'll let my colleagues decide for themselves who is Felix Unger, and who is Oscar Madison.

TED KENNEDY takes his work seriously, but he doesn't take himself too seriously. His staff Christmas parties and his costumes are legendary on the Hill. But not many people off the Hill know that one year he came as Milli—or was it Vanilli?—and last year he and Vicki appeared as 2 of the 101 dalmations.

Sometimes when I am on this floor, I look up to the gallery to see the people who have come here to see this great institution at work. I can always tell when TED KENNEDY has walked on to the floor by the reactions of the people in the gallery. Invariably, people will sit up. Someone will lean over and whisper to the person next to them, "Look, TED KENNEDY."

He is, undoubtedly, the best known and most recognized Member of this body. Yet, he remains a modest man. He is a worker among workers.

No one in our caucus works harder. He's often the first one to work in the morning, and the last person to leave at night.

No job is too small for TED KENNEDY.

At the same time, no challenge is too big.

He comes from a family that understands the American dream. And he is determined to keep that dream alive for a new generation of Americans.

Senator KENNEDY's family also understands heartbreak. Carved into the desk in which he sits are the names of his two brothers who sat there before him, John and Robert. Two brothers who were taken from him, and us, because of their commitment to public service.

Many people—perhaps most people—who had suffered such loss might withdraw from public service, in fear or anger. They might conclude, rightly, that their family had given enough.

But not TED KENNEDY.

He has stayed here and he worked.

To some of us, he is an inspiration. To others, he is, frankly, an irritation. But he is the same sort of irritation that the speck of sand is to the oyster. Because of him, we have produced pearls.

We passed the Kennedy-Kassebaum Health Care Portability Act and the Children's Health Care Act.

We raised the minimum wage.

As long as he is here, I know that TED KENNEDY will continue to fight for better health care for all Americans, for educational opportunity, and economic justice.

If history is any guide, he will move this body, and this Nation, forward on all those fronts.

I am proud to call him my colleague and my friend.

I congratulate him today on 35 years of service in the Senate to his State and to his country.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FAST-TRACK LEGISLATION

Mr. LEAHY. Mr. President, I agree with President Clinton's goal of creating economic growth through more export opportunities, but I must vote against this legislation to renew fast-track authority because it fails to protect our workers and our environment.

I understand that exports are a key ingredient of Vermont's economic growth. As a small State, we must rely on selling our products beyond the Green Mountains. Exports give Vermonters the opportunity to create good jobs right here in Vermont through rising trade. For instance, Cabot Creamery recently made headlines by selling its Vermont-made cheddar cheese in London, England.

Vermonters are reaping the benefits of more open markets around the world, where we can sell our high quality goods. Since 1992, Vermont exports are up 29 percent, with 70,000 Vermonters now working in export-related jobs. On a per capita basis, Vermont is the largest exporter of goods among the 50 States. We just need to look at the Vermont expansion of Husky, a Canadian company with European plants, to understand the importance of trade in the world economy.

I will continue to work with Vermonters to encourage exporting of our goods and services as a path for prosperity for ourselves, our children, and our grandchildren.

But trade is about more than economic statistics, it is a moral issue as well. Just as the fight to ban landmines worldwide is the right thing to do, free trade must also be fair. Fair trade expands exporting opportunities. But just as importantly, fair trade safeguards our standard of living by supporting our absolute right to a clean environment and sound labor practices.

In earlier times workers' rights and environmental concerns were mostly separated from trade considerations, but that has begun to change. In today's global economy, the interaction between trade and the rights of workers and environmental protections cannot be ignored. One of the reasons I voted for the North American Free Trade Agreement [NAFTA] was because it contained side agreements on labor and environmental issues—the first trade agreement to ever link these issues together.

But, unfortunately, this fast-track authority bill moves away from the critical link between trade and labor and the environment that we fought so hard to forge in NAFTA. Under the terms of this bill, even the modest labor and environmental side agreements under NAFTA would be excluded from fast-track consideration. That is unacceptable.

Like the NAFTA debate, the rhetoric on both sides of this debate is overblown. I do not believe the lack of fast-track authority will cripple future trade negotiations. Since fast-track authority lapsed in 1994, the administration has successfully negotiated hundreds of trade pacts with countries around the world. As the world's only superpower with a market of more than 250 million consumers, the United States will continue to command the economic power to open markets and expand export opportunities with or without the President having fast-track authority.

I do not believe the Congress should lightly hand over its right to amend, even in the consideration of trade agreements. In no other area of legislation does Congress give up its constitutional right to offer amendments. If the Congress has no more recourse on these issues than to vote trade agreements up or down, the key question to ask is: Does this bill give the President the authority to negotiate trade agreements that protect the rights of all our citizens? It does not.

I had hoped that when fast-track legislation reached the Senate floor it would have allowed for expanding export opportunities while protecting our workers and our environment. This bill fails to deliver those necessary protections. As a result, I will vote against it.

CONGRATULATIONS TO JERRY B. HEDRICK

Mr. ASHCROFT. Mr. President, I rise today to pay tribute to Jerry Hedrick as he retires from 22 years of service to Hoechst Marion Roussel, the largest pharmaceutical company in the State of Missouri. Jerry is known for his expertise in the fields of health care and public policy, and has been a mentor to many persons involved in those fields.

Jerry began his career in 1975 with the pharmaceutical industry as a consultant when he joined Marion Laboratories, a predecessor company to Marion Merrell Dow Inc. and Hoechst Marion Roussel. Through Jerry's outstanding talents and dedication he has distinguished himself in the pharmaceutical industry as the vice president of government affairs for Hoechst Marion Roussel since August 1995.

Upon graduation from college, Jerry worked as a teacher, and he continues to work with young people through his volunteering with the Heart of America Council of the Boy Scouts of America and the Dream Factory, an organization dedicated to granting the wishes of very ill children. I commend Jerry for the outstanding service he provides to his community. As our Nation looks increasingly to individuals to become more active in the work of the community, Jerry's commitment provides an example for others to follow.

Jerry also generously gives his time to the Greater Kansas City Chamber of Commerce, the Midwest Bioethics Center where he is one of the founding trustees, the Advisory Council at Emporia State University, and the American Quarter Horse Association as the Kansas State director.

I have had the opportunity to work with Jerry on several occasions and have always considered him to be a person of knowledge and insight. His dedication to the advancement of health care in America is truly admirable.

I urge the Senate to join me in bidding Jerry Hedrick a fond farewell, and wishing him, his wife, Bev, and his daughter, Ginger, the very best as they move on to face new challenges, opportunities, and rewards.

THE "SAVER" BILL

Mr. BREAUX. Mr. President, as an original cosponsor along with Senator GRASSLEY, I am pleased to strongly support the SAVER bill, Savings Are Vital to Everyone's Retirement Act of 1997. This measure is a bi-partisan effort on the part of my colleague, Senator GRASSLEY, and I to help ensure that all Americans are adequately prepared for retirement. As the ranking member of the Special Committee on Aging, I have learned that there is a critical need to educate Americans on the need to save for their retirement. Mr. President, only one-half of all American workers have pensions. A mere one-third of Americans have ever tried to calculate how much money they need for retirement. And less than one-fifth of the workforce is confident that they have saved enough to live comfortably after they retire. Having become aware of this, Senator GRASSLEY and I have introduced a piece of legislation that takes the first step in educating the public about the need to plan ahead.

Mr. President, as my colleague has just told you, our legislation will create an education project to raise public awareness about personal savings. It directs the U.S. Department of Labor to maintain an ongoing program of education and outreach to the public. The program includes public service announcements, public meetings and the distribution of educational materials. It sets up an Internet site dedicated to promoting individual retirement savings. Americans will be able to log on to the site and complete a worksheet to calculate how much they need to save to adequately supplement their projected Social Security benefits when they retire.

The SAVER bill also directs the Department of Labor to provide information to small businesses on how they can set up pension programs for their employees. The proposed information includes a plain English description of the common types of retirement savings arrangements available to individuals and employers; a way to calculate estimated retirement savings; and an explanation of how to establish different savings arrangements for workers.

Finally, SAVER calls for a national summit on retirement savings to bring the urgency of our Nation's extremely low saving rate to the top of the public agenda. The event would serve as a catalyst for future policy discussion on how to best increase personal retirement savings as well as accessibility and participation in pension plans. The summit will represent the kind of public-private cooperation that is so crucial to preserving successful retirement programs for future generations of Americans. The Department of Labor will work closely with the American Savings Education Council [ASEC] to bring together delegates from all over the country to develop a broad-based public education program on retirement savings. As Senator GRASSLEY correctly pointed out, ASEC is an organization uniquely equipped to assist us in our efforts. Their input in both the logistical and conceptual organization of this event will help us create a top-notch program. At the summit, participants will identify barriers that prevent many Americans from setting aside enough money for their retirement and barriers that discourage employers—especially small business—from helping their employees accumulate more savings for their retirement.

Mr. President, as we move forward with reforming Social Security and Medicare, we must also provide more Americans with the incentives they need to better prepare for their retirement. Our SAVER bill not only gives Americans the tools they need to determine how much personal savings they need to supplement their Social Security benefits, it also raises awareness of the responsibility individuals have for planning for their future.

Mr. President, I believe that the SAVER bill is the first step that this Congress must take in assisting all Americans in their quest for a comfortable, happy retirement. I urge my colleagues to join us in supporting this measure.

ONGOING TRADE CASES AND FAST TRACK

Ms. COLLINS. Mr. President, I rise to engage in a colloquy with the senior Senator from Texas. I would like to clarify a statement regarding salmon imports that the Senator made during yesterday's debate on the motion to proceed to the fast track negotiating authority. Would the Senator agree that his comments yesterday were not intended to suggest any connection between the fast track legislation that is before the Senate and any pending trade cases regarding salmon imports from Chile?

Mr. GRAMM. Mr. President, I am pleased to respond to the inquiry from my colleague from Maine. I would fully agree that there is nothing in the fast track legislation that would affect any ongoing trade cases involving salmon, or indeed any other product. My comments were intended to underscore the impact of trade on consumers and in no way should be interpreted as affecting any of the formal processes involved with reviewing the pending salmon cases or suggesting that the fast track legislation would affect any pending salmon trade cases.

Ms. COLLINS. Would the Senator also agree that the passage of fast track authority would in no way countenance the continuation of any practices by the Chilean salmon industry that are in violation of United States trade laws?

Mr. GRAMM. Mr. President, that is also correct. This is a procedural bill regarding negotiations. It does not change any of our existing laws regarding unfair trade practices.

Ms. COLLINS. I thank the Senator for this clarification.

Mr. GRAMM. I am happy to do so and appreciate the inquiry.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, November 5, 1997, the Federal debt stood at $5,433,411,941,085.78 (Five trillion, four hundred thirty-three billion, four hundred eleven million, nine hundred forty-one thousand, eighty-five dollars and seventy-eight cents).

One year ago, November 5, 1996, the Federal debt stood at $5,247,476,000,000 (Five trillion, two hundred forty-seven billion, four hundred seventy-six million).

Five years ago, November 5, 1992, the Federal debt stood at $4,071,603,000,000 (Four trillion, seventy-one billion, six hundred three million).

Ten years ago, November 5, 1987, the Federal debt stood at $2,394,640,000,000 (Two trillion, three hundred ninety-four billion, six hundred forty million).

Fifteen years ago, November 5, 1982, the Federal debt stood at $1,137,627,000,000 (One trillion, one hundred thirty-seven billion, six hundred twenty-seven million) which reflects a debt increase of more than $4 trillion—$4,295,784,941,085.78 (Four trillion, two hundred ninety-five billion, seven hundred eighty-four million, nine hundred forty-one thousand, eighty-five dollars and seventy-eight cents) during the past 15 years.

GLOBAL LEGAL INFORMATION NETWORK

Mr. THOMAS. Mr. President, I come to the floor today to briefly discuss a program presently being developed by the Library of Congress.

The law librarian of Congress, Dr. Rubens Medina, briefed me this morning on the efforts the law library has undertaken in recent years to put together an international legal database containing the texts of laws of some 35 foreign countries. The data base comprises abstracts of legal material, the full authentic texts of laws and regulations, and a legal thesaurus. It is structured so that the full range of legal material including constitutions, laws and regulations, judicial decisions, parliamentary debates, and legal miscellanea can be added over time as participating countries are able to contribute the material. The material is available over the Internet in its entirety to officials of those countries who agree to participate in making their laws available on the system; in addition, a summary in both English and the language of the country of origin will be available to the general public.

This network, called the Global Legal Information Network or GLIN, will enable Members of Congress and their staffs and the Library staff—as well as our counterparts in participating countries—to access the most current and authentic versions of other countries' laws, something that is increasingly important in this day and age when we deal so frequently with international trade and security issues. Congress should acknowledge and salute this effort by its Library, and be proud that it was created in and enhanced by the legislative branch and that the library is taking the international leadership role on the project.

As additional recognition of the viability and importance of this project, and one that interests me as the chairman of the Subcommittee on East Asian and Pacific Affairs, Dr. Medina informed me that the Secretary of State will be proposing at the forthcoming ministerial meeting of the 18 APEC nations in Vancouver, BC, next month that each APEC country seriously consider joining GLIN and suggesting that an informational meeting on GLIN be held early in 1998.

Mr. President, I am pleased to be involved in some way in this monumental project, one in which the joint efforts of the executive and legislative branches can capitalize on technological achievements to advance international cooperation.

Mr. LEAHY. Mr. President, a Vermonter who is on active duty in the U.S. Army contacted me recently to let me know of his support for a ban on antipersonnel landmines. He wrote from personal experience, and his comments mirrored those I have received from so many other servicemen and women who have seen first-hand the danger these weapons pose to our own troops.

Here is what he wrote:

> In the many training exercises in which I have participated, landmines were relatively ineffective in disrupting enemy attacks. Landmines often caused fratricide casualties among one's own troops. The locations of the training landmines were almost never properly recorded. The modern battlefield is simply too fluid and complex to accurately keep track of all the landmines that are emplaced. Under actual combat conditions, these landmines will represent a certain threat to the lives of U.S. personnel.

Mr. President, compare that to a recent U.S. Army report which concluded that landmines contributed to the high rate of fratricide during recent exercises at Fort Irwin, CA. Air-dropped landmines, the so-called smart mines that the Pentagon claims pose no danger to U.S. troops or civilians, were the biggest single cause of friendly-fire deaths during mock battles. Of the 82 soldiers that were "killed" by friendly fire, 45 of them were victims of their own landmines. In one incident, an Army unit drove into its own mines dropped by aircraft, resulting in what would have been 23 deaths in a real war.

Now compare that to our experience in Vietnam, where over 64,000 Americans were killed or injured by landmines. The vast majority of those casualties resulted from U.S. mines, or mines containing U.S. components. In other words, we made the mines and took them over there, and they ended up killing our own people. I wonder how many times history has to repeat itself before we get the message.

A veteran of the Persian Gulf war described the same danger of fratricide. He said:

> I spoke to numerous military officers who agreed * * * that they would never employ scatterables (the air-dropped mines) in their area of operations, even if those scatterables were designed to self-destruct after a short period of time. Why? They were simply not prepared to risk the lives of their soldiers on the promise that the technology would work as designed. The fact is that U.S. ground warfare doctrine is 'maneuver' warfare doctrine—highly mobile, able to take advantage of the terrain, exploit the weakness of the enemy on the battlefield. A commander who uses anti-personnel mines—except in the most exigent, Alamo-like situation—is deliberately reducing his or her battlefield advantage of speed and flexibility.

Mr. President, despite this, the Pentagon insists that landmines protect our troops. It is the same old story. Years ago, they said we could not do without biological weapons. They said the same about chemical weapons, which they called the most effective weapon history has ever known. They said if we gave up Okinawa that we would irreparably undermine our security in the Pacific. They fought the nuclear test ban. And now they say that landmines, which have consistently plagued our own forces in battle, protect American lives.

I respect our military leaders and I support a defense second to none. But I am losing patience with the Pentagon's arguments. They simply fly in the face of the evidence. Their latest arguments about the need for antipersonnel mines to defend antitank mines wither under close scrutiny. Unfortunately, too many people, including some in the White House, accept the Pentagon's arguments as gospel, and don't ask the hard questions.

From my off-the-record conversations with Pentagon officials it is obvious to me that the real problem is that they do not want to give up a weapon, regardless of how marginal its utility or how dangerous it is to our own troops, because they are loath to encourage so-called arms control activists from trying to ban other weapons that endanger civilians. I understand their fear, because unlike a century ago when the overwhelming majority of war casualties were soldiers, being a soldier in a war today is far safer than being a civilian. The overwhelming majority of war casualties today are civilians.

That is hardly a reason to stay outside of a treaty that offers the best hope for ridding the world of a weapon that is both inhumane and militarily unnecessary. When the Pentagon argues that our "smart" mines do not cause the humanitarian problem, I ask them to consider that as long as we stay outside the treaty we are part of the humanitarian problem because there will never be an international ban without the United States. And I ask them to consider the evidence. Given the danger our own mines pose to our troops, we should stop using them for that reason alone.

SOUTH DAKOTA COMMUNITY FOUNDATION'S 10TH ANNIVERSARY

Mr. DASCHLE. Mr. President, I want to pay tribute to a key institution in my State, the South Dakota Community Foundation [SDCF], which celebrates its 10th anniversary on November 11, 1997. This statewide community foundation is a model of how private funds are raised within communities to support projects that enable those communities to enter the 21st century in a competitive position—people helping themselves.

As with many success stories, the SDCF was launched by a group of people with the vision of raising and investing funds with the goal of creating an environment in which South Dakota communities can revitalize themselves. This vision was embraced by the critical early stage investors providing seed funding, yielding, as we do in our farmland, a rich harvest 10 years later.

I must take my hat off to the vision and drive of then-South Dakota State senator and now SDCF executive director, Bernie Christenson, and the active support by our late Governor, George Mickelson. I regret George is not alive to see the legacy of his actions in 1987, but his spirit lives with us through this foundation and in every one of the communities it helps.

That seed funding for the SDCF came from the 3M Foundation, McKnight Foundation and the South Dakota Legislature. I congratulate the leaders of those 3 institutions. The success of the SDCF is also a testament to former South Dakota native, former 3M CEO, and McKnight Foundation founder, William McKnight. We can all learn from William McKnight about the value of giving back to the community and institutions that helped shape our lives. The State of South Dakota and the 3M Foundation each contributed $2 million, and the McKnight Foundation committed up to $3 million in a challenge grant. Less than 13 months later, Bernie and George had raised $3 million to meet that first challenge; the foundation was off and running with a $10 million fund.

Ten years after its creation, the South Dakota Community Foundation has reached the $20 million mark and administers these funds through a wide range of unrestricted, designated and donor-advised funds. This has been accomplished over the years through the leadership, commitment, and hard work of Bernie Christenson, an administrative assistant, and countless board members, including the current board president, Paul Christen.

I am pleased that the Northwest Area Foundation has joined its neighboring twin cities-based foundations, 3M and McKnight, in providing funds to the South Dakota Community Foundation. In a letter sent last year to northwest area president, Karl Stauber, I strongly urged support for the SDCF plan to challenge communities to join SDCF in raising capital to endow small community loan funds that would be used to help existing businesses expand and to assist entrepreneurs in starting new businesses, with the goal of long-term community revitalization. Bernie and my staff coordinated a short tour of South Dakota communities and projects for Karl late last year. It is important for foundations as well as federal agencies to get out from behind the desk and see close up the commitment and innovation flourishing in our communities. Just before closing down the foundation grantmaking for a year of strategic planning, Northwest Area Foundation committed its support to this project and 10 communities have now stepped up to the challenge and matched the foundation funds with their own.

I am reminded of a letter President Franklin D. Roosevelt sent to South Dakota Governor Harlan Bushfield in 1939 on the occasion of South Dakota's 50th anniversary of its entry into the Union.

President Roosevelt said, "The 50 years that have elapsed since South Dakota became a State have witnessed the end of one period of pioneering and the ushering in of another."

Mr. President, nearly 60 years after Franklin Roosevelt wrote that letter, we in the Northern Great Plains are in a transition toward yet another era, confronted now by tremendous global economic forces and declining Federal support for key economic development activities and institutions.

These public/private partnerships exemplified by the South Dakota Community Foundation—lean but effective in its management, guided by local development officials, and supported by individual, corporate, and foundation investors—are critical institutions in helping the Northern Great Plains make this transition.

I pledge to lend my active support and encouragement to the South Dakota Community Foundation so we can return to Brookings, SD in another 10 years and celebrate continued community vitality.

LADIES AUXILIARY TO THE VETERANS OF FOREIGN WARS POST 2966

Mr. DASCHLE. Mr. President, it is a distinct honor for me to congratulate the ladies auxiliary to the Veterans of Foreign Wars Post 2966 in Scotland, SD. On Saturday, members of the ladies auxiliary will be celebrating their 50th anniversary. This year marks five decades of outstanding service and support by the auxiliary to the Veterans of Foreign Wars and to the Scotland community.

The ladies auxiliary to the Veterans of Foreign Wars Post 2966 received its charter on January 3, 1947. A group of 16 women were among the organization's charter members. I ask that their names be included in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

(See exhibit 1.)

Mr. DASCHLE. As my colleagues know, the stated mission of the ladies auxiliary to any Veterans of Foreign Wars post is to promote patriotism and to maintain and extend freedom and equal rights to all Americans. For the past 50 years, the members of the ladies auxiliary in Scotland have been fulfilling that mission, and they have distinguished themselves with outstanding service to veterans and the community.

Some of the most important work these women have done over the years includes service and support to our veterans. Members of the ladies auxiliary pride themselves on doing a great deal of volunteer work in veterans hospitals and in nursing homes, as well as fundraising for cancer research.

I would also like to point out that members of the ladies auxiliary of the Veterans of Foreign Wars Post 2966 reach out to young people and other nonveterans in the Scotland community. For instance, they conduct educational youth programs to promote patriotism. They also serve as much-needed role models to young people and provide examples to us all about what it means to serve one's country.

Mr. President, the members of the ladies auxiliary to the Veterans of Foreign Wars Post 2966 deserve to be commended for their 50 years of patriotism and service. As we prepare to celebrate Veterans Day next week, I know I speak on behalf of all South Dakotans when I extend my sincere thanks and appreciation to them for their continued commitment and dedication to veterans and to the Scotland community.

EXHIBIT 1

Joyce Hosterman, Blanche Nelson, Gladys Keating, Lytha Barth, Angie Pillar, Iona Retzer, Emma Brown, Vi Kostlan, Bernice (Farmer) Cvrk, Emma Collinge, Elna (Nelles) Gemar, Leondina Orth, Ruth Hirsch, Della Wold, Martha Baker, Mae Brown.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 3:13 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2195. An act to provide for certain measures to increase monitoring of products that are made with forced labor.

H.R. 2676. An act to amend the Internal Revenue Code of 1986 to restructure and reform the Internal Revenue Service, and for other purposes.

ENROLLED BILLS SIGNED

At 6:06 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

H.R. 1119. An act to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

H.R. 2160. An act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1998, and for other purposes.

The enrolled bills were signed subsequently by the President pro tempore [Mr. THURMOND].

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 2195. An act to provide for certain measures to increase monitoring of products that are made with forced labor; to the Committee on Finance.

H.R. 2676. An act to amend the Internal Revenue Code of 1986 to restructure and reform the Internal Revenue Service, and for other purposes; to the Committee on Finance.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3279. A communication from the Acting Assistant Secretary of Defense (Command, Control, Communications, and Intelligence), transmitting, pursuant to law, a report relative to the White House Communications Agency; to the Committee on Armed Services.

EC-3280. A communication from the Assistant Secretary of the Navy (Installation and Environment), transmitting, pursuant to law, a report relative to outsourcing; to the Committee on Armed Services.

EC-3281. A communication from the Acting Assistant Secretary of Defense (Health Affairs) and the Assistant Secretary of Defense (Reserve Affairs), transmitting jointly, pursuant to law, a report relative to medical and dental care; to the Committee on Armed Services.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCAIN, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 1193. A bill to amend chapter 443 of title 49, United States Code, to extend the authorization of the aviation insurance program, and for other purposes (Rept. No. 105–140).

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

H.R. 282. A bill to designate the United States Post Office building located at 153 East 110th Street, New York, New York, as the "Oscar Garcia Rivera Post Office Building".

By Mr. THOMPSON, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute and an amendment to the title:

H.R. 497. A bill to repeal the Federal charter of Group Hospitalization and Medical Services, Inc., and for other purposes.

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

H.R. 681. A bill to designate the United States Post Office building located at 313 East Broadway in Glendale, California, as the "Carlos J. Moorhead Post Office Building".

H.R. 1316. A bill to amend chapter 87 of title 5, United States Code, with respect to the order of precedence to be applied in the payment of life insurance benefits.

H.R. 2129. A bill to designate the United States Post Office located at 150 North 3rd Street in Steubenville, Ohio, as the "Douglas Applegate Post Office".

H.R. 2564. A bill to designate the United States Post Office located at 450 North Centre Street in Pottsville, Pennsylvania, as the "Peter J. McCloskey Postal Facility".

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

H.R. 2610. A bill to amend the National Narcotics Leadership Act of 1988 to extend the authorization for the Office of National Drug Control Policy until September 30, 1999, to expand the responsibilities and powers of the Director of the Office of National Drug Control Policy, and for other purposes.

By Mr. HATCH, from the Committee on the Judiciary, without amendment and with a preamble:

S. Res. 93. A resolution designating the week beginning November 23, 1997, and the week beginning on November 22, 1998, as "National Family Week", and for other purposes.

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 191. A bill to throttle criminal use of guns.

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

S. 336. A bill to convert certain excepted service positions in the United States Fire Administration to competitive service positions, and for other purposes.

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

S. 508. A bill to provide for the relief of Mai Hoa "Jasmin" Salehi.

S. 857. A bill for the relief of Roma Salobrit.

By Mr. HATCH, from the Committee on the Judiciary, with amendments:

S. 1304. A bill for the relief of Belinda McGregor.

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

S. 1336. A bill for the relief of Roy Desmond Moser.

S. 1337. A bill for the relief of John Andre Chalot.

S. 1371. A bill to establish felony violations for the failure to pay legal child support obligations, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HELMS, from the Committee on Foreign Relations:

Betty Eileen King, of Maryland, to be Representative of the United States of America on the Economic and Social Council of the United Nations, with the rank of Ambassador.

(The above nomination was reported with the recommendation that she be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. HATCH, from the Committee on the Judiciary:

Seth Waxman, of the District of Columbia, to be Solicitor General of the United States.

Stanley Marcus, of Florida, to be United States Circuit Judge for the Eleventh Circuit.

Ann L. Aiken, of Oregon, to be United States District Judge for the District of Oregon.

Rodney W. Sippel, of Missouri, to be United States District Judge for the Eastern and Western Districts of Missouri.

Jerome B. Friedman, of Virginia, to be United States District Judge for the Eastern District of Virginia.

Charles R. Breyer, of California, to be United States District Judge for the Northern District of California.

Frank C. Damrell, Jr., of California, to be United States District Judge for the Eastern District of California.

Martin J. Jenkins, of California, to be United States District Judge for the Northern District of California.

A. Richard Caputo, of Pennsylvania, to be United States District Judge for the Middle District of Pennsylvania.

G. Patrick Murphy, of Illinois, to be United States District Judge for the Southern District of Illinois.

Michael P. McCuskey, of Illinois, to be United States District Judge for the Central District of Illinois.

Frederica A. Massiah-Jackson, of Pennsylvania, to be United States District Judge for the Eastern District of Pennsylvania.

Bruce C. Kauffman, of Pennsylvania, to be United States District Judge for the Eastern District of Pennsylvania.

Lynn S. Adelman, of Wisconsin, to be United States District Judge for the Eastern District of Wisconsin.

Norman K. Moon, of Virginia, to be United States District Judge for the Western District of Virginia.

James William Blagg, of Texas, to be United States District Judge for the Western District of Texas for the term of four years.

G. Douglas Jones, of Alabama, to be United States District Judge for the Northern District of Alabama for the term of four years.

(The above nominations were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ABRAHAM:

S. 1382. A bill to reform the naturalization process, to clarify the procedures for investigating the criminal background of individuals submitting applications in connection with certain benefits under the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. McCAIN (for himself and Mr. HOLLINGS):

S. 1383. A bill to provide a 6-month extension of safety programs under ISTEA; to the Committee on Commerce, Science, and Transportation.

By Mr. DASCHLE:

S. 1384. A bill to amend title 5, United States Code, to make the Federal Employees

Health Benefits Program available to the general public, and for other purposes; to the Committee on Governmental Affairs.

By Mr. WELLSTONE:

S. 1385. A bill to amend title 38, United States Code, to expand the list of diseases presumed to be service connected with respect to radiation-exposed veterans; to the Committee on Veterans Affairs.

By Mr. LEVIN:

S. 1386. A bill to facilitate the remediation of contaminated sediments in the waters of the United States; to the Committee on Environment and Public Works.

By Mr. KYL (for himself and Mrs. HUTCHISON):

S. 1387. A bill to authorize additional appropriations for the Department of Defense for ballistic missile defenses and other measures to counter the emerging threat posed to the United States and its allies in the Middle East and Persian Gulf region by the development and deployment of ballistic missiles by Iran; to the Committee on Armed Services.

By Mr. ROBERTS (for himself and Mr. BROWNBACK):

S. 1388. A bill to provide relief from unfair interest and penalties on refunds retroactively ordered by the Federal Energy Regulatory Commission; to the Committee on Energy and Natural Resources.

By Ms. SNOWE (for herself and Mr. BURNS):

S. 1389. A bill to amend title 39, United States Code, to allow postal patrons to contribute to funding for prostate cancer research through the voluntary purchase of certain specially issued United States postage stamps; to the Committee on Governmental Affairs.

By Mr. D'AMATO:

S. 1390. A bill to provide redress for inadequate restitution of assets seized by the United States Government during World War II which belonged to victims of the Holocaust, and for other purposes; to the Committee on Foreign Relations.

By Mr. DODD (for himself, Mr. WARNER, Mr. BENNETT, Mr. GRAMS, Mr. JEFFORDS, Mr. BINGAMAN, and Mr. LEAHY):

S. 1391. A bill to authorize the President to permit the sale and export of food, medicines, and medical equipment to Cuba; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BROWNBACK:

S. 1392. A bill to provide for offsetting tax cuts whenever there is an elimination of a discretionary spending program; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, as modified by the order of April 11, 1986, with instructions that if one Committee reports, the other Committee have thirty days to report or be discharged.

By Mr. DORGAN (for himself, Mr. DASCHLE, Mr. JOHNSON, and Mr. CONRAD):

S. 1393. A bill to amend the Internal Revenue Code of 1986 to provide for the permanent extension of the incentives for alcohol used as a fuel; to the Committee on Finance.

By Mr. BROWNBACK:

S. 1394. A bill to establish procedures to ensure a balanced Federal budget by fiscal year 2002 and to create a tax cut reserve fund to protect revenues generated by economic growth; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, as modified by the order of April 11, 1986, with instructions that if one Committee reports, the other Committee have thirty days to report or be discharged.

By Mr. SARBANES:

S. 1395. A bill to amend the Higher Education Act of 1965 to provide for the establishment of the Thurgood Marshall Legal Educational Opportunity Program; to the Committee on Labor and Human Resources.

By Mr. JOHNSON:

S. 1396. A bill to amend the Child Nutrition Act of 1966 to expand the School Breakfast Program in elementary schools; to the Committee on Agriculture, Nutrition, and Forestry.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DURBIN (for himself and Ms. MOSELEY-BRAUN):

S. Res. 144. A resolution to express support for an interpretive site near Wood River, Illinois, as the point of departure of the Lewis and Clark Expedition; to the Committee on Energy and Natural Resources.

By Mr. CAMPBELL (for himself, Mr. INOUYE, Mr. ABRAHAM, Mr. ALLARD, Mr. BAUCUS, Mr. BENNETT, Mr. BINGAMAN, Mrs. BOXER, Mr. BREAUX, Mr. BROWNBACK, Mr. BRYAN, Mr. CHAFEE, Mr. COCHRAN, Ms. COLLINS, Mr. CONRAD, Mr. D'AMATO, Mr. DASCHLE, Mr. DODD, Mr. DOMENICI, Mr. DORGAN, Mr. DURBIN, Mr. ENZI, Mr. FAIRCLOTH, Mr. FEINGOLD, Mrs. FEINSTEIN, Mr. FORD, Mr. FRIST, Mr. GORTON, Mr. GRAHAM, Mr. HATCH, Mr. INHOFE, Mr. JEFFORDS, Mr. JOHNSON, Mr. KENNEDY, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. LEVIN, Mr. LIEBERMAN, Mr. LOTT, Mr. MCCAIN, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, Mrs. MURRAY, Mr. REID, Mr. ROCKEFELLER, Mr. SMITH of Oregon, Mr. THOMAS, Mr. THURMOND, Mr. WARNER, Mr. WELLSTONE, and Mr. WYDEN):

S. Res. 145. A resolution designating the month of November 1997 as "National American Indian Heritage Month"; to the Committee on the Judiciary.

By Mr. DOMENICI:

S. Con. Res. 64. A concurrent resolution providing for corrections to be made in the enrollment of H.R. 1119; considered and agreed to.

By Ms. SNOWE (for herself and Ms. MIKULSKI):

S. Con. Res. 65. A concurrent resolution calling for a United States effort to end restriction on the freedoms and human rights of the enclaved people in the occupied area of Cyprus; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ABRAHAM:

S. 1382. A bill to reform the naturalization process, to clarify the procedures for investigating the criminal background of individuals submitting applications in connection with certain benefits under the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

THE NATURALIZATION REFORM ACT OF 1997

Mr. ABRAHAM. Mr. President, today I am pleased to introduce the Naturalization Reform Act of 1997. This bill addresses some of the serious failings in the Immigration and Naturalization Service's conduct of the naturalization process that have come to light during the past 2 years. This legislation does not attempt a comprehensive reform of the naturalization process, a topic that likely should be a subject of serious consideration but regarding which much additional work is needed. Rather, it includes a few targeted measures designed to address critical issues that have emerged, particularly concerning the granting of citizenship to criminal aliens and the INS' conduct of criminal background checks. Given that these issues have been the subject of extensive oversight in both Houses of Congress, it is important that we work together on this. In that vein, I have developed this legislation with my counterpart on the House side, Representative LAMAR SMITH, the chairman of the House Immigration Subcommittee. Today, he is introducing identical legislation in the House.

Let me state at the outset that citizenship is the most precious gift and honor that our Nation can bestow. I have spoken many times before—both in the Immigration Subcommittee and elsewhere—about my own grandparents' experience of immigrating to America. Their citizenship papers give me a particular pride, and I know what citizenship papers mean to my own family and for millions of others across America. The vast majority of citizenship applicants are law-abiding legal immigrants who have every right and desire to become full-fledged American citizens.

Nonetheless, serious concerns about the naturalization process have been raised this session, particularly concerning the Immigration and Naturalization Service's provision of citizenship papers to some undeserving criminal aliens. Some initial reports did overestimate the number of aliens who were improperly naturalized in 1995 and 1996 despite being statutorily ineligible for naturalization based on criminal convictions. Regardless of the number, however, it is still a concern to me that any obviously ineligible criminal aliens were naturalized. Moreover, it remains of grave concern that the INS was naturalizing large numbers of applicants without having completed their criminal background checks, which have been central to the way the INS conducts its inquiry into an applicant's good moral character. Even if an applicant did not have a conviction making that applicant statutorily ineligible, one would think that the good moral character determination might very well have turned out differently if the INS had had information concerning an applicant's arrests or other criminal background information. The mere fact that the INS was moving forward in this manner in itself raises concerns about how the INS is carrying out its statutory responsibilities.

Many of these problems are not new, and it is disappointing that they have gone unresolved for so long. Reports from the Justice Department and from the General Accounting Office over the past 10 years have repeatedly found significant faults with the fingerprint check process, which the INS uses to conduct its criminal background checks. For instance, a 1988 Department of Justice audit found that, in 47 percent of naturalization files reviewed at random, there was no record that a fingerprint check had been requested or no record of when fingerprints were mailed to the FBI. In a 1989 report, the Department of Justice audit staff discovered an almost complete absence of evidence that background checks and fingerprint checks were conducted in naturalization cases. A 1994 report of the inspector general's office found that the INS did not verify that fingerprints submitted with an application actually belonged to the applicant; that report also documented that the Service failed to ensure that fingerprint checks were completed by the FBI. A 1994 GAO report disclosed similar findings.

Despite such observations and disclosures, the INS continued to permit applicants to submit their own fingerprints without verifying whether the prints belonged to the applicant, and fingerprint cards submitted to the FBI often contained incomplete or inaccurate information. The INS also continued to permit naturalizations to go forward after 60 days following the submission of fingerprints to the FBI, regardless of whether a definitive response had been received from the FBI on the fingerprint check.

In 1996, weaknesses in the criminal history validation process received renewed attention in the midst of the President's Citizenship USA program, a roughly 1-year effort to speed the pace of naturalizations significantly. Those weaknesses were exacerbated as pressure grew to increase naturalizations. As a result of various severe problems that came to light, a number of investigations, audits, and reviews into the naturalization process are now taking place.

The Department of Justice's Justice Management Division, in conjunction with KPMG Peat Marwick and with some participation from the General Accounting Office, has been conducting an ongoing review of the roughly 1.4 million cases of aliens naturalized under Citizenship USA. Preliminary results indicate that INS failed to complete criminal background checks on some 180,000 immigrants who were naturalized between August 1995 and September 1996, and that more than 71,500 applicants who did undergo background checks had criminal records and were naturalized anyway. It is true that a much smaller number had convictions for offenses for which there is a statutory bar to naturalization. As I have noted, however, it remains of great concern that such a large number were processed improperly, regardless of what the particular results were.

In response to weaknesses identified by those reviews, on November 29 of last year, the INS finally announced major changes to its criminal background verification procedures in an effort to respond to some of the serious and ongoing problems in that area. The Service did so through a policy memo announcing new "Naturalization Quality Procedures." That memo went out—or was supposed to go out—from the Commissioner to all INS regional, district, and local offices. That specific and detailed memo, which was to be effective immediately, provided that no naturalizations were to go forward without a response on the fingerprint check from the FBI and unless the new policies and procedures were in place.

Unfortunately, we learned this year that the administration's policy failed to go into effect as mandated by the Commissioner. On April 17, KPMG Peat Marwick issued a report based on its review of the INS' management and implementation of the new criminal record verification guidelines. Building on the work of others in Congress, including my predecessor as subcommittee chairman, I chaired a hearing earlier this year that examined the criminal record verification process for citizenship applicants and that particularly focused on the findings of Peat Marwick's review of the implementation of that policy. Peat Marwick rated only 1 INS office of the 23 it reviewed as "compliant" with the new procedures. Of the 22 others, 15 were found "noncompliant," and 7 "marginally compliant." One district office and two Citizenship USA sites could not produce the particular policy memo they were supposed to be implementing. Numerous offices were sending fingerprint cards to the wrong FBI address, fingerprint cards were completed incorrectly, and worksheets that were required to be dated and initialed showed no evidence of key tasks being completed. These results are simply astonishing in the wake of the attention that the flaws in the previous system received both in the Congress and in the press. Such troubling deficiencies in even the most basic implementation of the new policy have emerged that immediate action must be taken to ensure that no citizenship application is processed without the required fingerprint checks and that the INS properly considers and evaluates any criminal record that is revealed. Those deficiencies also suggest we need to take a long-term look at the entire naturalization process and indeed at the structure of the INS.

The legislation I am introducing today is limited to targeted measures aimed at addressing in the short term some critical problems in the naturalization process, particularly with regard to criminal background checks. The bill would revise the INS' processing of criminal background checks in a number of ways. It provides that, in conducting criminal background checks on any applicant for naturalization or for a number of other significant immigration benefits, the INS may not accept for processing or transmit to the FBI any fingerprint card or any other means used to transmit fingerprints unless the applicant's fingerprints have been taken by an office of the INS or by a law enforcement agency. Such offices or agencies would be permitted to collect a fee from the applicant for the service of taking and transmitting the fingerprints.

The bill further provides that if an applicant is physically unable to provide legible fingerprints, for example, because the applicant may be elderly or disabled, the requirement that the INS submit fingerprints to the FBI shall not apply and the FBI shall instead conduct a record check based on the applicant's name and other identifying information.

Under the legislation, no naturalization application, or application for the other important immigration benefits specified in the legislation, like the adjustment of status to lawful permanent residence, could be approved until the INS receives from the FBI a definitive response concerning whether the applicant has a criminal record and receives the content of any criminal history that the applicant may have.

Interviews would also now be statutorily required before applicants may be naturalized or may adjust their status to lawful permanent residence. In the case of any applicant for naturalization, the interview must cover any criminal background of the applicant, other than minor traffic violations, and must review any misrepresentations made on the naturalization application.

In order to provide for an orderly transition, and to insure that the naturalization backlog does not increase, the bill provides for an effective date of October 1, 1998.

The bill also addresses the good moral character requirement for naturalization. Under current law, an applicant for naturalization must demonstrate good moral character for the 5 years preceding the application for naturalization. The INS has given good moral character the most narrow definition possible under the statute, and has restricted its good moral character inquiry to whether an applicant has been convicted of a criminal offense that statutorily bars a finding of good moral character. In my view, the 5 year period is too short. Our legislation extends that period to 10 years. I also hope that the INS will, through regulation, examine many more factors than it currently does in assessing good moral character.

This legislation also begins to approach the question of citizenship testing. Hearings beginning to look into this issue have been held in the House and were held last Congress by my predecessor. While we need to know more before we can definitively decide how to approach citizenship testing, we can take some measures to address fraud problems. With respect to nongovernmental outside testing entities that are authorized by INS to do citizenship testing, the bill safeguards the integrity of the testing process in a number of ways. It requires the INS to conduct regular inspections of testing sites, prevents outside testing entities from delegating their testing authority to any other companies, and allows the Attorney General to require retests when the testing process is impaired by cheating, fraud, or negligence. The bill requires GAO to do a comprehensive study and report to Congress on the overall integrity of the outside testing process so that we can decide if other reforms are necessary.

The bill also includes a provision specifying that any alien approved for naturalization would not be able to receive his or her naturalization certificate until the alien turns in the alien's green card or submits an affidavit describing how the green card was lost, stolen, or destroyed. To further discourage the misuse, sale, or fraudulent transfer of green cards, the legislation requires any alien whose green card is lost, stolen or destroyed to report it to the INS promptly or pay a $50 fine for failing to do so.

To address the INS' continued management difficulties in the naturalization area, the legislation puts into place quality assurance procedures and will improve oversight for the naturalization process. In particular, the legislation requires the Attorney General to establish a process, which is to include internal or other audit procedures, to review the ongoing compliance by each office of the Service that is involved in the naturalization process with all naturalization processes and procedures. Then, within 30 days after the end of each of the next 4 fiscal years, the Attorney General is to submit a report to the Senate and House Judiciary Committees concerning the INS' compliance with naturalization processes and procedures during the preceding years.

Again, this legislation is designed to address some immediate problems requiring our attention. I look forward to continuing to work with my colleagues on the Senate Immigration Subcommittee, and with our colleagues in the House and others, on this legislation and on addressing the longer term problems the INS is facing in the naturalization area.

I ask unanimous consent that the entire text of the bill be placed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1382

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Naturalization Reform Act of 1997”.

SEC. 2. BAR TO NATURALIZATION FOR ALIENS DEPORTABLE FOR CRIMES.

(a) IN GENERAL.—Section 316(a) of the Immigration and Nationality Act (8 U.S.C. 1427(a)) is amended—

(1) in paragraph (2), by striking “and” at the end;

(2) in paragraph (3), by striking “States.” and inserting “States, and”; and

(3) by adding at the end the following: “(4) on the date of the application, is not deportable under paragraph (1) (other than subparagraph (A)), (2), (3), or (6) of section 237(a), subparagraph (A), (B), or (D) of paragraph (4) of such section, or paragraph (1)(A) of such section (but only to the extent that such paragraph relates to inadmissibility under paragraph (2), (6), (8), or (9) of section 212(a), subparagraph (A), (B), or (E) of section 212(a)(3), or subparagraph (A), (C), (D), or (E) of section 212(a)(10)).”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1998, and shall apply to applications for naturalization submitted on or after such date.

SEC. 3. EXTENSION TO 10 YEARS OF GOOD MORAL CHARACTER PERIOD FOR NATURALIZATION.

(a) IN GENERAL.—Section 316(a)(3) of the Immigration and Nationality Act (8 U.S.C. 1427(a)(3)) is amended by striking “during all the periods referred to in this subsection” and inserting “during the ten years immediately preceding the date of filing of the application”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1998, and shall apply to applications for naturalization submitted on or after such date.

SEC. 4. INVESTIGATION OF CRIMINAL BACKGROUND OF CERTAIN ALIENS AND PERSONS SPONSORING ALIENS FOR ENTRY.

(a) IN GENERAL.—Title I of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.) is amended by adding at the end the following:

“INVESTIGATION OF CRIMINAL BACKGROUND OF AN ALIEN APPLYING FOR CERTAIN BENEFITS AND CERTAIN PETITIONERS FOR CLASSIFICATION OF AN ALIEN

“SEC. 106. (a) IN GENERAL.—With respect to a person described in a subparagraph of subsection (c)(1) who is petitioning, or applying to, the Attorney General to grant the benefit or take the action described in such subparagraph (and with respect to an individual described in subparagraph (E) of such subsection whose residence is the home of such a person), the Attorney General may not grant the benefit or take the action, unless, during the pendency of the person's petition or application, the following has been completed:

“(1) An employee of the Service, or a Federal, State, or local criminal law enforcement agency, after verifying the person's identity, has prepared a complete and legible set of fingerprints of the person.

“(2) The Commissioner has requested the Director of the Federal Bureau of Investigation to conduct a criminal history background check on the person for the appropriate purpose described in subsection (c)(2), and the Commissioner has submitted the fingerprints to the Director, along with any supplementary information required by the Director to complete the check.

“(3) The Director of the Federal Bureau of Investigation, using the fingerprints and information provided by the Commissioner, has conducted the check, and has provided the Commissioner with a response describing the person's criminal history, as reflected in records maintained by the Federal Bureau of Investigation.

“(4) The Commissioner has conducted an investigation of the person's criminal history, including all criminal offenses listed in the Director's response, all criminal offenses listed in informational databases maintained by the Service, and all other criminal offenses of which the Commissioner has knowledge, for the appropriate purpose described in subsection (c)(2).

“(5) In a case where the investigation under paragraph (4) of an applicant for naturalization reveals criminal history that bears upon the applicant's eligibility for naturalization, and the employee designated under section 335 to conduct the examination under such section has determined that the application should be granted, such determination has been reviewed by at least one Service officer whose duties include performing such reviews.

“(b) EXCEPTION.—Notwithstanding subsection (a), when the Attorney General certifies to the Director of the Federal Bureau of Investigation that a person described in subsection (c)(1) is physically unable to provide legible fingerprints—

“(1) the requirement that the Commissioner submit fingerprints to the Director shall not apply; and

“(2) the Director shall conduct a criminal history background check based on the person's name and any other method of positive identification other than fingerprints used by the Federal Bureau of Investigation for criminal history background checks.

“(c) PERSONS SUBJECT TO, AND PURPOSES FOR, BACKGROUND CHECKS.—

“(1) PERSONS AND PETITIONS DESCRIBED.—The persons (and applications and petitions) described in this paragraph are as follows:

“(A) An alien 14 through 79 years of age applying for adjustment of status to that of an alien lawfully admitted for permanent residence.

“(B) An alien 14 through 75 years of age applying for naturalization as a citizen of the United States.

“(C) An alien 14 years of age or older applying for asylum, or treatment as a spouse or child accompanying an asylee.

“(D) An alien 14 years of age or older applying for temporary protected status under section 244.

“(E) A person who has filed a petition to accord a child defined in section 101(b)(1)(F) classification as an immediate relative under section 201(b)(2)(A)(i), and any additional individual, over the age of 18, whose principal or only residence is the home of such person.

“(F) A person who has submitted a guarantee of legal custody and financial responsibility under paragraphs (2)(B) and (4) of section 204(f) in connection with a petition to accord an alien, who is the subject of the guarantee, classification under section 201(b), 203(a)(1), or 203(a)(3).

"(2) PURPOSES FOR CHECKS DESCRIBED.—

"(A) ALIENS APPLYING FOR BENEFITS.—With respect to the aliens, and the applications, described in subparagraphs (A) through (D) of paragraph (1), the requirements of subsection (a) shall be applied (subject to subsection (b)) for the purpose of determining whether the alien has a criminal history that bears upon the alien's eligibility for the benefit for which the alien applied.

"(B) ORPHAN PETITIONS.—With respect to a person described in paragraph (1)(E), the requirements of subsection (a) shall be applied (subject to subsection (b)) for the purpose of determining whether the person has a criminal history that bears upon whether proper care will be furnished the child described in such paragraph.

"(C) AMERASIAN PETITIONS.—With respect to a person described in paragraph (1)(F), the requirements of subsection (a) shall be applied (subject to subsection (b)) for the purpose of determining whether the person is of good moral character.

"(d) FEE.—The Attorney General may charge a person described in subsection (c)(1) a fee to cover the actual cost of the criminal background check process under this section.

"(e) CONSTRUCTION.—This section shall not be construed to affect or impair the ability of the Attorney General to require a criminal history background check as a condition for obtaining any benefit under this Act (including a classification under section 204) that is not described in subsection (c)(1).".

(b) CLERICAL AMENDMENT.—The table of contents of the Immigration and Nationality Act is amended by inserting after the item relating to section 105 the following:

"Sec. 106. Investigation of criminal background of an alien applying for certain benefits and certain petitioners for classification of an alien.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1998, and shall apply to applications for a benefit under the Immigration and Nationality Act (including petitions to accord a classification under section 204 of such Act) submitted on or after such date.

SEC. 5. INTERVIEW FOR ADJUSTMENT OF STATUS.

(a) IN GENERAL.—The Immigration and Nationality Act is amended by inserting after section 245A the following:

"INTERVIEW FOR ADJUSTMENT OF STATUS TO THAT OF PERSON ADMITTED FOR PERMANENT RESIDENCE

"SEC. 245B. Before the status of an alien may be adjusted by the Attorney General to that of an alien lawfully admitted for permanent residence, the alien shall appear before an employee of the Service, who shall conduct a personal interview of the alien for the purpose of verifying that the alien is eligible for such adjustment.".

(b) CLERICAL AMENDMENT.—The table of contents of the Immigration and Nationality Act is amended by inserting after the item relating to section 245A the following:

"Sec. 245B. Interview for adjustment of status to that of person admitted for permanent residence.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1998, and shall apply to applications for adjustment of status submitted on or after such date.

SEC. 6. INTERVIEW FOR NATURALIZATION.

(a) IN GENERAL.—Section 332 of the Immigration and Nationality Act (8 U.S.C. 1443) is amended by adding at the end the following:

"(i) The examination under subsection (a) shall include a personal interview of the applicant, conducted by an employee of the Service who—

"(1) shall require the applicant to demonstrate the ability to speak and understand words in ordinary usage in the English language, in accordance with section 312(a)(1), unless the applicant is exempt from the requirements of such section pursuant to section 312(b);

"(2) shall require the applicant to describe any criminal law violations, other than minor traffic violations, for which the applicant has ever been arrested, charged, convicted, fined, or imprisoned, or which the applicant has committed but for which the applicant has not been arrested, charged, convicted, fined, or imprisoned; and

"(3) shall verify each statement or representation made by the applicant in the written application for naturalization, and in any documents submitted in support of the application, and shall examine the applicant to determine whether the applicant has willfully made any false statements or misrepresentations, or committed any fraud, for the purpose of obtaining United States citizenship.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1998, and shall apply to applications for naturalization submitted on or after such date.

SEC. 7. CITIZENSHIP TESTING BY OUTSIDE TESTING ENTITIES.

(a) IN GENERAL.—

(1) TESTING BY PERSONS OTHER THAN ATTORNEY GENERAL.—Section 312 of the Immigration and Nationality Act (8 U.S.C. 1423) is amended by adding at the end the following:

"(c)(1) An applicant for naturalization may satisfy the reading and writing requirements of subsection (a)(1), and the knowledge and understanding requirements of subsection (a)(2), by passing a test approved by the Attorney General and administered by a person, other than the Attorney General, who, not later than the date of the enactment of the Naturalization Reform Act of 1997, is authorized by the Attorney General to administer such a test.

"(2) The Attorney General shall revoke the authorization granted to a person to administer tests referred to in paragraph (1), unless—

"(A) the person has not subcontracted, franchised, or otherwise delegated the person's testing authority to any other person; and

"(B) at any time after the person has been authorized by the Attorney General to administer such tests and has administered them for at least 6 months during the period beginning on the date of the enactment of the Naturalization Reform Act of 1997, the person and the Attorney General are able to demonstrate that—

"(i) in not less than 5 of the 6 preceding months, the Attorney General has conducted unannounced inspections of at least 10 percent of the testing sites operated by the person in each such month;

"(ii) during each such site inspection, the Attorney General has checked the integrity and security of the testing process and has memorialized the findings from the inspection in a written report and, after the inspection, has provided copies of the report to the person; and

"(iii) after reviewing each such inspection report, the Attorney General—

"(I) has determined and certified that the person continues to maintain the overall integrity and security of the person's testing program, and has remedied any serious flaws discovered by the inspections; and

"(II) has provided a copy of the certification to the person.

"(3) The Attorney General shall require an applicant for naturalization who has passed a test administered under this subsection to retake and repass such a test in circumstances where the Attorney General has reasonable grounds to believe that the administration of the test was impaired by fraud, misrepresentation, or other misconduct or negligence that jeopardizes the reliability of the test results.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on October 1, 1998, and shall apply to applications for naturalization submitted on or after such date.

(b) STUDY ON INTEGRITY OF TESTING PROCESS.—

(1) REPORT.—Not later than the date that is 6 months after the date of the enactment of this Act, the Comptroller General of the United States shall prepare and transmit to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate the report described in paragraph (2).

(2) CONTENTS.—The report referred to in paragraph (1) shall describe the results of a comprehensive study conducted by the Comptroller General of the United States to determine the extent to which tests administered by persons other than the Attorney General, by which an applicant for naturalization may satisfy the reading and writing requirements of subsection (a)(1), and the knowledge and understanding requirements of subsection (a)(2), of section 312 of the Immigration and Nationality Act, are impaired by fraud, misrepresentation, or other misconduct or negligence that jeopardizes the reliability of the test results.

SEC. 8. REQUIREMENTS WITH RESPECT TO RESIDENT ALIEN CARDS.

(a) CIVIL PENALTY FOR FAILURE TO REPORT LOSS, THEFT, OR DESTRUCTION OF RESIDENT ALIEN CARD.—

(1) IN GENERAL.—The Immigration and Nationality Act is amended by inserting after section 274D the following:

"CIVIL PENALTY FOR FAILURE TO REPORT LOSS, THEFT, OR DESTRUCTION OF RESIDENT ALIEN CARD

"SEC. 274E. Any alien who has been issued by the Attorney General an alien registration receipt card indicating the alien's status as an alien lawfully admitted for permanent residence, and who fails to report to the Attorney General the loss, theft, or destruction of the card by the date that is 7 days after the date the alien discovers such loss, theft, or destruction, shall pay a civil penalty to the Commissioner of $50 per violation.".

(2) CLERICAL AMENDMENT.—The table of contents of the Immigration and Nationality Act is amended by inserting after the item relating to section 274D the following new item:

"Sec. 274E. Civil penalty for failure to report loss, theft, or destruction of resident alien card.".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on October 1, 1998, and shall apply to alien registration receipt cards that are lost, stolen, or destroyed on or after such date.

(b) SURRENDER OF RESIDENT ALIEN CARD UPON NATURALIZATION.—

(1) In general.—Section 338 of the Immigration and Nationality Act (8 U.S.C. 1449) is amended—

(A) by inserting "(a)" before "A person"; and

(B) by adding at the end the following:

"(b)(1) Notwithstanding subsection (a), the Attorney General may not deliver a certificate of naturalization to any person to whom the Attorney General previously had issued an alien registration receipt card indicating the person's status as an alien lawfully admitted for permanent residence, unless—

"(A) the person has surrendered the card to the Attorney General; or

"(B) the person has submitted an affidavit to the Attorney General stating that the card was lost, stolen, or destroyed, and describing any facts known to the alien with respect to the circumstances of such loss, theft, or destruction, and a period of not less than 30 days has elapsed since such submission, during which period the Attorney General may conduct an investigation of such loss, theft, or destruction.

"(2) The Attorney General may charge a person described in paragraph (1)(B) a fee to cover the cost of an investigation described in such paragraph.".

(2) Effective date.—The amendments made by this subsection shall take effect on October 1, 1998, and shall apply to certificates of naturalization delivered on or after such date.

SEC. 9. REVOCATION OF NATURALIZATION.

(a) Clarification of Materiality Requirement.—Section 340(a) of the Immigration and Nationality Act (8 U.S.C. 1451(a)) is amended—

(1) by striking "(a)" and inserting "(a)(1)"; and

(2) by adding at the end the following:

"(2) For purposes of this section, a fact with respect to a naturalized person may not be considered immaterial solely because the fact, had it been known to the Attorney General before the person was naturalized, would not, by itself, have required the Attorney General to deny the person's application for naturalization.".

(b) Rebuttable Presumption of Willfulness.—Section 340 of the Immigration and Nationality Act (8 U.S.C. 1451) is amended—

(1) by redesignating subsections (d) through (h) as subsections (e) though (i), respectively; and

(2) by inserting after subsection (c) the following:

"(d) In any proceeding under this section in which the United States proves that an order admitting a person to citizenship was procured by the person's concealment or misrepresentation of a material fact, such proof shall be considered prima facie evidence that the person acted willfully with respect to the concealment or misrepresentation, and, in the absence of countervailing evidence, such proof shall be sufficient to authorize the revocation and setting aside of the order and the cancellation of the certificate of naturalization.".

(c) Limitation on Administrative Revocations.—Section 340 of the Immigration and Nationality Act (8 U.S.C. 1451), as amended by subsection (b), is further amended—

(1) in subsection (i), by striking "Nothing" and inserting "Subject to subsection (j), nothing"; and

(2) by inserting after subsection (i) the following:

"(j) The Attorney General shall commence any proceeding administratively to correct, reopen, alter, modify, or vacate an order naturalizing a person not later than 5 years after the effective date of the order.".

(d) Effective Date.—The amendments made by this section shall take effect on October 1, 1998, and shall apply to any order naturalizing a person with an effective date that is on or after October 1, 1998.

SEC. 10. QUALITY ASSURANCE AND IMPROVED OVERSIGHT FOR NATURALIZATION.

(a) In General.—Not later than 60 days after the date of the enactment of this Act, the Attorney General shall establish a process (including internal audit procedures, other audit procedures, or both) to review the ongoing compliance with all laws, policies, and procedures affecting naturalization by each office of the Immigration and Naturalization Service that has duties with respect to naturalization.

(b) Reports.—Not later than 30 days after the termination of each of fiscal years 1998, 1999, 2000, and 2001, the Attorney General shall submit a report to the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives concerning the compliance by the Commissioner of Immigration and Naturalization and the Immigration and Naturalization Service with all laws, policies, and procedures affecting naturalization during such terminated fiscal year.

(c) Effective Date.—This section shall take effect on the date of the enactment of this Act, and shall cease to be effective upon the submission, under subsection (b), of the report with respect to fiscal year 2001.

By Mr. McCAIN (for himself and Mr. HOLLINGS):

S. 1383. A bill to provide a 6-month extension of safety programs under ISTEA; to the Committee on Commerce, Science, and Transportation.

ISTEA LEGISLATION

Mr. McCAIN. Mr. President, it is clear that a multiyear reauthorization of ISTEA will not be possible during this session. Due to the expiration of ISTEA authorizations, I am very concerned that vital safety programs under the jurisdiction of the Committee on Commerce, Science, and Transportation are at risk. Senator HOLLINGS and I are introducing legislation that would provide funds to continue the operation of those important safety programs.

According to the Department of Transportation [DOT], the highway safety grant programs do not have any unobligated balances available, from prior authorizations, to draw on if ISTEA is not extended to bridge the gap between now and when a long-term reauthorization bill is passed. The programs at risk include the State and Community Safety Grant Program under section 402, the section 410 grant program to encourage counter measures to impaired driving, and the National Driver Register [NDR].

The contract to run the National Driver Register is presently running on funds obligated in fiscal year 1997 but that contract and the funding expires in March. When that contract expires the program will have to be shut down and the staff dismissed.

DOT indicates most States only have funding to operate safety programs for the next 2 or 3 months. I understand that some States have already started shutting down some of their highway safety programs.

Funds are also needed to pay the salaries of the more than 3,000 State motor carrier enforcement personnel. With the expiration of ISTEA, there is no Federal funding currently available to pay the salaries of these individuals whose expenses are exclusively financed through the Motor Carrier Safety Assistance Program [MCSAP]. The Department of Transportation testified this week that the elimination of vital MCSAP funding could impede the ability of States to perform commercial vehicle and driver inspections. A short-term extension of MCSAP funding will help ensure that unsafe vehicles and drivers are prevented from traveling on our Nation's highways.

I know that no one in this body wants to see a situation where highway safety is degraded in any way. I look forward to working with my colleagues to address these important issues of highway safety to ensure that we meet our obligations.

By Mr. DASCHLE:

S. 1384. A bill to amend title 5, United States Code, to make the Federal Employees Health Benefits Program available to the general public, and for other purposes; to the Committee on Governmental Affairs.

THE ACCESSIBLE HEALTH COVERAGE ACT

Mr. DASCHLE. Mr. President, when comprehensive health reform failed in 1994, we were left with the legacy of a major unmet challenge—providing secure health care coverage to millions of uninsured Americans. Despite the inability of Congress to enact comprehensive health reform, many of my colleagues and I continue to work to achieve that goal, albeit incrementally. The Kennedy-Kassebaum bill was part of that effort, as were the provisions of the recent budget agreement that made $24 billion available to States to cover uninsured children.

As part of this ongoing effort, last week I introduced legislation that would restore rights and protections to early retirees who are abruptly dropped from their employer's health plan. Today I am introducing legislation to help individuals who do not have employer-sponsored coverage and who, because of a previous or current health condition, are unable to obtain private non-group health insurance.

While today many people without employer-sponsored insurance can purchase health coverage in the individual insurance market, those with health problems—conditions as common as asthma or migraine headaches and as controllable as hypertension or allergies—may not be able to find an insurer willing to cover them at any price. As many as 4 million Americans fall into this abyss, known by the insurance industry as the "medically uninsurable."

Many Americans felt that we had solved that problem when we enacted the Kennedy-Kassebaum bill. I have received phone calls and letters from men and women in South Dakota and around the country who thought that enactment of the Kennedy/Kassebaum legislation meant they could not be denied private health insurance. Unfortunately, that is not the case. While the Kennedy/Kassebaum bill makes it easier for some groups to maintain their coverage if they switch jobs or become unemployed, it does not improve health insurance affordability or access to coverage for individuals who have not been part of the employer-sponsored insurance system. Kennedy-Kassebaum does not require insurers to cover self-employed individuals unless they were previously enrolled under a group health plan. Moreover, insurance companies still can deny coverage to workers whose employers do not provide employee health benefits. The reality is that if you do not have employer-sponsored insurance and have, or have had, any of a number of health problems, you're probably out of luck.

Too many insurance companies continue to cherry-pick the healthiest of us and leave unprotected those most in need of insurance. This is not only regrettable for those left without coverage, it is shortsighted. Uninsured individuals often end up needing expensive emergency room care and extended inpatient convalescence because they were unable to afford the early, relatively inexpensive care necessary to prevent these serious problems. The unnecessary costs associated with the treatment of preventable diseases are passed on to the insured population through higher hospital charges and insurance premiums. The uninsured suffer needless health problems, while the insured pay more for everyone's health care. Ironically, insurers then point to these higher premiums when they try to justify their exclusionary underwriting practices, compounding the problem.

This is the unfortunate legacy of our inability to enact comprehensive reform and it is why we need to continue to pursue every means available to provide reasonably priced health insurance to all Americans, even if we have to do it one step at a time.

The legislation I am introducing today would allow individuals who have been denied coverage for medical reasons to purchase private coverage through the Federal Employees Health Benefits Plan. While FEHBP insurers could charge high-risk individuals up to 150 percent of the premium paid by federal employees—to account for differences in the risk of insuring the two populations—these previously uninsured individuals would have access to insurance and in every other respect would be treated the same as Federal employees.

The bill is structured to prevent any cost shifting to Federal employees. The two populations would be accounted for separately, while eligible non-Federal individuals would be able to enroll in the program without jumping through elaborate administrative hoops.

To allay the concerns of those who may fear the creation of a new entitlement, despite the fact that we're talking about private coverage paid for by private citizens, the FEHBP buy-in will sunset after 10 years. I'm confident that what we'll learn from this demonstration is that private insurers can cover high-risk individuals without disrupting the private insurance market.

One thing is certain. The status quo isn't working. When health insurance is reserved for only the healthy, the system is not working efficiently for any of us.

We must stop perpetuating a system that relegates certain individuals to permanently uninsured status if they are unlucky enough to become sick at a time when coverage was not in their name or was beyond their financial reach.

This bill empowers a disenfranchised group of individuals to purchase private health insurance. They are willing to pay a fair price for it—all they need is an insurer who will offer it. Through FEHBP this legislation provides that opportunity.

This legislation is not a comprehensive solution to our health insurance challenges. Filling this gap won't bring health care costs under long-term control; it won't eliminate the billions of dollars lost to waste, fraud and abuse; and it won't create a system that uniformly reflects consumers' values regarding disease prevention, high quality care, privacy and access to treatment. Ultimately, we still need a critical and comprehensive reevaluation and reform of the two-tiered, patchwork health care financing and delivery system we've erected over the years. However, this bill represents one long overdue step, and I hope Congress will enact it in the near future.

There is no excuse for sitting on our heels while the health insurance system excludes the very people who need coverage most. If filling gaps is the only way we can move forward at this time to help early retirees and individuals with health problems gain access to coverage, then let's get on with it and begin to fill in those gaps.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1384

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Accessible Health Coverage Act".

SEC. 2. PROVISIONS TO MAKE FEHBP AVAILABLE TO THE GENERAL PUBLIC.

(a) IN GENERAL.—Chapter 89 of title 5, United States Code, is amended by adding at the end the following:

"§ 8915. Individual access to coverage

"(a) IN GENERAL.—A contract may not be made or a plan approved unless the carrier agrees to offer to eligible individuals, throughout each term for which the contract or approval remains effective, the same benefits (subject to the same maximums, limitations, exclusions, and other similar terms or conditions) as would be offered under such contract or plan to employees and annuitants and their family members.

"(b) ELIGIBLE INDIVIDUALS.—An individual shall be eligible to enroll under a plan or contract under this chapter if such individual—

"(1) is not eligible to be enrolled in a group health plan (as such term is defined in section 2791(a) of the Public Health Service Act (42 U.S.C. 300gg-91(a));

"(2) provides the Office with documentation that such individual has been denied individual health insurance coverage (as such term is defined in section 2791(b)(5) of the Public Health Service Act (42 U.S.C. 300gg-91(b)(5));

"(3) during the 6-month period prior to the date on which such individual attempts to enroll under such plan or contract, was not eligible for coverage through a State high-risk health insurance pool or coverage through a health insurer of last resort;

"(4) is not eligible for medical assistance under title XIX of the Social Security Act (42 U.S.C. 1396 et. seq.); and

"(5) meets such other requirements as the Office, by regulation, may impose.

"(c) ENROLLMENT.—The Office shall provide for the implementation of procedures to provide for an annual open enrollment period during which individuals may enroll with a plan or contract for coverage under this section.

"(d) PREMIUMS.—

"(1) IN GENERAL.—Premiums for coverage under this section shall be established in conformance with such requirements as the Office shall by regulation prescribe, including provisions to ensure conformance with generally accepted standards and practices associated with community rating.

"(2) LIMITATION.—With respect to coverage under a health plan or contract under this section, the Office, in establishing premiums under paragraph (1), shall ensure that the monthly premium for coverage under this section does not exceed 200 percent of the monthly premium otherwise applicable for the coverage of employees and annuitants and their family members under such health plan or contract under this chapter.

"(e) ADJUSTMENT IN AGENCY CONTRIBUTIONS.—

"(1) ANNUAL REPORTING.—Each carrier shall maintain separate records with respect to individuals covered under this section and employees and annuitants (and their family members) otherwise covered under this chapter, and shall annually report to the Office the amount which the carrier paid (including claims and administrative costs) with respect to coverage provided to individuals under this section.

"(2) DETERMINATION BY OFFICE.—If, based on the reports received under paragraph (1), the Office determines that the average cost of providing coverage to individuals under this section exceeds 200 percent of the premiums paid by such individuals for such coverage, the Office shall increase the biweekly

Government contribution for coverage otherwise provided under this chapter by an amount equal to such excess amount.

"(f) Contributions and Benefits.—

"(1) In general.—In no event shall the enactment of this section result in—

"(A) any increase in the level of individual contributions by employees or annuitants as required under section 8906 or under any other provision of this chapter, including copayments or deductibles;

"(B) the payment by the Government of any premiums associated with coverage under this section except for the increase described in subsection (e)(2);

"(C) any decrease in the types of benefits offered under this chapter; or

"(D) any other change that would adversely affect the coverage afforded under this chapter to employees and annuitants and their family members.

"(2) Limitation.—Coverage under this section shall be provided on an individual, not a family basis.

"(g) Individuals Eligible for Medicare.—Benefits under this section shall, with respect to an individual who is entitled to benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395 et. seq.), be offered (for use in coordination with those Social Security benefits) to the same extent and in the same manner as if coverage were under the preceding provisions of this chapter, rather than under this section.

"(h) Exclusion of Certain Carriers.—

"(1) In general.—A carrier may file an application with the Office setting forth reasons why such carrier, or a plan provided by such carrier, should be excluded from the requirements of this section.

"(2) Consideration of factors.—In reviewing an application under paragraph (1), the Office may consider such factors as—

"(A) any bona fide enrollment restrictions which would make the application of this section inappropriate, including those common to plans which are limited to individuals having a past or current employment relationship with a particular agency or other authority of the Government;

"(B) whether compliance with this section would jeopardize the financial solvency of the plan or carrier, or otherwise compromise its ability to offer health benefits under the preceding provisions of this chapter; and

"(C) the anticipated duration of the requested exclusion, and what efforts the plan or carrier proposes to take in order to be able to comply with this section.

"(i) Application of Section.—Except as the Office may by regulation prescribe, any reference to this chapter (or any requirement of this chapter), made in any provision of law, shall not be considered to include this section (or any requirement of this section).

"(j) Termination.—This section shall terminate on the date that is 10 years after the date of enactment of this section.".

(b) Conforming Amendment.—The table of sections for chapter 89 of title 5, United States Code, is amended by adding at the end the following:

"8915. Individual access to coverage.".

By Mr. WELLSTONE:

S. 1385. A bill to amend title 38, United States Code, to expand the list of diseases presumed to be service connected with respect to radiation-exposed veterans; to the Committee on Veterans Affairs.

THE JUSTICE FOR ATOMIC VETERANS ACT OF 1997

Mr. WELLSTONE. Mr. President, today, I am introducing a bill that will help atomic veterans—veterans who were exposed to ionizing radiation while serving on active duty. Atomic veterans are not only America's most neglected veterans, but they have been deceived and treated shabbily for more than 50 years by the Government they served so selflessly and unquestioningly.

Mr. President, it is hardly accidental that I chose to entitle this bill the "Justice for Atomic Veterans Act of 1997." Atomic veterans have been seeking justice almost since the first atomic bomb was dropped on Hiroshima. The U.S. Government has a long overdue debt to them and I urge my colleagues to join me in ensuring that this debt is paid at long last.

With the full cooperation of my distinguished colleagues Senators BOND and MIKULSKI, the Senate in July passed an amendment to the VA-HUD appropriations bill which serves as the basis for this bill. That amendment, which was in the legislation that the President signed recently, provided for CBO to estimate the cost of legislation that would add 10 radiogenic diseases to the list of presumptively service-connected diseases for which atomic veterans may be compensated by the VA. The amendment also requires the Senate Veterans' Affairs Committee to hold hearings on expanding the list of radiogenic diseases that are presumptively service-connected within 60 days of enactment. To facilitate consideration by the Veterans' Affairs Committee and to secure the support of my colleagues, I'm introducing this bill.

Mr. President, before I get into the substance of my bill, I want to discuss why I decided to introduce it. First and foremost, I must stress that much of what I know about atomic veterans I've learned from members and families of the Forgotten 216th. The Forgotten 216th refers to the 216th Chemical Service Company of the U.S. Army, which participated in Operation Tumbler Snapper—a series of eight atmospheric nuclear weapons tests in the Nevada desert in 1952. About half of the members of the 216th were Minnesotans. Almost 4 years ago, they contacted me after then-Secretary of Energy O'Leary announced that the U.S. Government had conducted radiation experiments on its own citizens. I will never forget my first meeting with members of the Forgotten 216th. It was quite an emotional experience for them as well as for me. For the first time in public, they revealed what went on during the Nevada tests they participated in over 40 years ago, as well as the tragedies and trauma they, their families, and former buddies had experienced since then.

Since that first dramatic meeting, I've met often with the brave and patriotic members of the Forgotten 216th and their families. They have been and are my mentors. I'm very proud of these extraordinary Minnesotans who have fought hard against great odds for just treatment for atomic veterans and their families.

Because I believe that their experiences and problems typify that of atomic veterans nationwide, I want to tell my colleagues more about the Forgotten 216th. After you hear their story, I'm confident you'll agree with me that it is imperative that all of us work to ensure the Forgotten 216th and other veterans like them are never forgotten again.

Mr. President, when they took part in Operation Tumbler Snapper 45 years ago, they believed their Government's assurances that it would keep them out of harm's way, but they have come to believe they were used a guina pigs without concern for their safety.

Many members of the 216th were sent to measure fallout at or near ground zero immediately after a nuclear blast, exposing them to so much radiation that their Geiger counters went off the scale while they inhaled and ingested radioactive particles. They were given minimal or no protection, sometimes even lacking film badges to measure radiation exposure and provided with no information on the perils they faced. Furthermore, they were sworn to secrecy about their participation in nuclear tests, sometimes denied access to their own service medical records, and provided no medical followup to ensure they'd suffered no ill effects as a result of their exposure to radiation.

Tragically, many members of the 216th have already died, often of cancer. Moreover, many of their children and even grandchildren have been born with serious and rare disorders, even after they'd had healthy children prior to exposure to radiation. Their claims for VA compensation were denied, often because they were alleged to have been exposed to radiation doses too low to cause disabling illnesses. Since they'd inhaled radioactive dust near Ground Zero shortly after nuclear blasts, they were and are justifiably skeptical about claims that their exposures were insufficient to cause radiogenic diseases. Can anyone really be surprised that these men now refer to themselves as the forgotten 216th?

Mr. President, I would not like to turn to the substance of my bill. I want to stress at the outset that this legislation is directly responsive to one of the recommendations of the Final Report of the President's Advisory Committee on Human Radiation Experiments issued in October 1995. The Report urged the Congress to address five concerns of atomic veterans and their families "promptly." My bill directly addresses two of these concerns, which the report described as follows:

> The listing of diseases for which relief is automatically provided—the presumptive diseases provided for in the 1988 law—is incomplete and inadequate.

> The standard of proof for those without presumptive disease is impossible to meet and, given the questionable condition of the exposure records retained by the government, inappropriate.

The VA maintains two lists of radiogenic diseases, a presumptive list established under Public Law 101–321 as amended by Public Law 102–578 and now consisting of 15 radiogenic diseases, and a nonpresumptive list established under Public Law 98–542 which includes 10 diseases not on the presumptive list. My bill would add these 10 diseases to the presumptive list, making all diseases currently recognized by the VA as radiogenic presumptively service-connected. The radiogenic diseases that would be added to the presumptive list are: lung cancer; bone cancer; skin cancer; colon cancer; posterior subcapsular cataracts; nonmalignant thyroid nodular disease; ovarian cancer; parathyroid adenoma; tumors of the brain and central nervous system; and rectal cancer.

Why the need for these changes? To being with veterans must jump through hoops to demonstrate they are eligible for compensation for nonpresumptive diseases and, after they have done so the chances that the VA will approve their claims are minimal.

Mr. President, to illustrate what I mean, permit me to cite some VA statistics. As of April 1, 1996, out of the hundreds of thousands of atomic veterans there are, there have been a total of 18,515 radiation claim cases, with service-connection granted in 1,886 cases. According to VA statistics current as of December 1, 1995, only 463 involve the granting of presumptive service-connection. If we were to exclude the 463 veterans who were granted presumptive service-connection, atomic veterans had an incredibly low claims approval rate of less than 8 percent. It needs to be stressed, moreover, that of this low percentage, an indeterminate number may have had their claims granted for diseases unrelated to radiation exposure.

Why so few claims approvals? One key reason is that VA regulations are overly stringent for service-connection for nonpresumptive radiogenic diseases. Dose requirements pose a particularly difficult, if not insuperable, hurdle. While it is almost impossible to come up with accurate dose reconstructions because decades have elapsed since the nuclear detonations and adequate records don't exist, veterans are frequently denied compensation because their radiation exposure levels are deemed to be too low.

In this connection, let me cite the findings of the President's Advisory Committee on Human Radiation Experiments: "the Government did not create or maintain adequate records regarding the exposure of all participants in [nuclear weapons tests and] the identity and test locales of all participants." This finding obviously calls into question the capability of the Government to come up with accurate dose reconstructions on which approval of claims for VA compensation for atomic veterans frequently depend.

Mr. President, is there any reason that atomic veterans should be penalized for the U.S. Government's failure to maintain records that are fundamental in determining the merit of their VA claims? Of course, their isn't. If the Government can not even be counted on to come up with the "identity and test locales of all participants," what can it be counted on to do? Certainly not on giving atomic veterans a fair shake. Certainly not anything resembling the "benefit of the doubt" that the VA is required to accord them.

For these and other reasons it is vital that the Senate pass legislation to ensure that these patriotic and long-suffering veterans receive the justice that has been denied them for so many years. Justice is what my bill is all about. It will ensure that atomic veterans no longer have to depend on a benefit of the doubt they rarely receive. How can they receive the benefit of the doubt when the Government records on which the whole edifice of VA claims adjudication rests are flawed or nonexistent? When dose reconstruction on which their claims depend is unreliable? When the health effects of exposure to purportedly low-level radiation are unknown or still the subject of scientific controversy 52 years after the first nuclear blast at Alamogordo, NM?

By now it should be obvious to all of my colleagues that the current system of adjudicating atomic veterans' claims makes little sense and is discriminatory. Like many of you I believe that "if it ain't broke don't fix it." Well this system is obviously broke and we need to fix it now. Both the fairest and quickest way of doing so is by adding the 10 radiogenic diseases now only on the nonpresumptive list to the presumptive list as my bill proposes.

Mr. President, since January 1994, I have had many meetings with the men of the Forgotten 216th and atomic veterans from around the country. I want to assure you that they remain patriotic Americans who are proud to have served this country. I have no doubt whatever they would gladly answer the call of duty again if their country was to call on them. A half century of neglect by the Government that put them in harm's way without even telling them so, has in no way dimmed their love of country. These are remarkable Americans and at long last they need to be treated like the remarkable Americans they are. Even though they have waited for over 50 years, they still retain the hope that they will receive the compensation and recognition they deserve.

The fight of atomic veterans for justice has been long, hard, and frustrating, but these patriotic, dedicated, and deserving veterans have persevered. I urge my colleagues from both sides of the aisle to join that struggle by supporting the Justice for Atomic Veterans Act. Let me assure each of you it's a struggle worth waging and a struggle we can win.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1385

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Justice for Atomic Veterans Act of 1997".

SEC. 2. EXPANSION OF LIST OF DISEASES PRESUMED TO BE SERVICE CONNECTED FOR RADIATION-EXPOSED VETERANS.

Section 1112(c)(2) of title 38, United States Code, is amended by adding at the end the following:

"(P) Lung cancer.

"(Q) Bone cancer.

"(R) Skin cancer.

"(S) Colon cancer.

"(T) Posterior subcapsular cataracts.

"(U) Non-malignant thyroid nodular disease.

"(V) Ovarian cancer.

"(W) Parathyroid adenoma.

"(X) Tumors of the brain and central nervous system.

"(Y) Rectal cancer.".

By Mr. LEVIN:

S. 1386. A bill to facilitate the remediation of contaminated sediments in the waters of the United States; to the Committee on Environment and Public Works.

HAZARDOUS SUBSTANCE SUPERFUND LEGISLATION

Mr. LEVIN. Mr. President, 5 years ago Congress directed EPA, in consultation with NOAA and the Army Corps, to conduct a comprehensive survey of data regarding aquatic sediment quality in the United States. Sometime within the next few weeks, this long overdue report will be submitted to Congress. Because of the widespread contamination that EPA, working with the Army Corps and NOAA, has found, this report should sound an alarm for all of us. While we have made great progress on preventing pollution from many sources, we have severely neglected the problem of contaminated sediments. This contamination is a legacy of decades of hoping that pollution would flow down the drain or off the land and out of sight never to bother us again. But, now we know where a significant portion of it is and it's not going anywhere soon until we do something about it.

The report, "The Incidence and Severity of Sediment Contamination in Surface Waters of the United States," identifies approximately 96 areas of probable concern [APC's]. In these watershed areas, sampling indicates there is a significant possibility of adverse aquatic wildlife or human health effects due to contaminated sediments. These APC's can be found throughout the country including Boston Harbor, the Detroit River, Green Bay, along the Mississippi, Puget Sound, San Francisco Bay, Seal Beach, Mobile Bay to the Middle Savannah, to name a few. This concentration of sites is surprising when one considers that of the 2,111 watersheds recognized by the U.S. Geological Survey, there is no sediment quality information on about 90 percent of them or about 1,900 watersheds.

Mr. President, this report has to be used with caution because it is only a first step. There is obviously insufficient information to make sweeping claims about the extent of contamination in sediments across the country, though EPA plans to develop the report into a national sediment inventory, a continually updated centralized assemblage of sediment quality measurements and state-of-the-art assessment techniques. However, "based on the evaluation [in the report], sediment contamination exists at levels indicating a probability of adverse effects in all regions and states of the country." We must be cautious too about leaping directly from evidence of contamination to evidence of adverse effects due to that contamination. Unfortunately, Federal Government agencies have been slow to agree upon and provide sediment quality guidelines to inform States and the public about contamination that could cause adverse human health effects. This sluggishness has prevented development of the true picture of the potential risks contaminated sediments pose.

In the Great Lakes, we have been concentrating our efforts on contaminated sediments for some time. We realized some time ago that our industrial legacy would need attention. That is why I authored the Great Lakes Critical Programs Act of 1990, which formalized the process of developing remedial action plans [RAP's] in areas of concern [AOC] in the Great Lakes, where beneficial uses are impaired. These AOC's are not too dissimilar to the APC's described in the sediment report, because contaminated sediments are a significant component of the environmental and public health risk associated with AOC's. Unfortunately, despite all of the efforts by local and State governments to prepare RAP's, very little Federal money has gone into their development and even less into implementing them to clean up the waste and prevent further contamination. That needs to change.

The Federal Government has to commit more of its resources to helping States and local governments clean up the industrial legacy that lurks beneath the water's surface in harbors and rivers across the Nation. To date, Federal agencies have been too reluctant to carefully examine the risks that these contaminated sediments pose for fear of the costs of cleanup and because the technologies necessary have not been adequately developed. But, as we have learned in the Great Lakes, these contaminated sediments are the source of much of the continuing pollution of our surface waters, as they recirculate pollutants into the water bodies that are then taken up by fish, birds, humans, and other living organisms. So, if our goal is to have fishable and swimmable waters again, we need to use every tool that we can to begin addressing the cleanup.

I am introducing legislation today to authorize the use of Superfund money to expedite remediation of contaminated sediment sites across the Nation. Many of the most persistent, bioaccumulative toxics found in contaminated sediments are derived from the same chemical feedstocks taxed to fill the Hazardous Substance Superfund, so it is most appropriate that those moneys be used to clean up sediments.

The bill allows the EPA Administrator to use the Superfund to remediate contaminated sediments, but limits the amount to no more than $300 million annually. In expending funds, EPA is to give priority consideration to sediment sites which do or could adversely affect human health or the environment. Further, there is a preference given for sites in watersheds where the local governments are actively engaged in trying to prevent further contamination of the sediment and are willing to contribute 25 percent or more of the costs of remediation.

Under the bill, EPA would have to do a better job of integrating its Water and Superfund programs' approach to contaminated sediments. Specifically, the hazardous ranking system used in Superfund to estimate the potential risks associated with a conventional terrestrial site will be revisited to determine if it adequately assesses risks associated with aquatic contaminated sediments. And, EPA would be required to promulgate final numerical sediment quality criteria for the 10 toxic, persistent, or bioaccumulative substances most likely to adversely affect human health and the environment by 2001.

In addition, EPA would have to identify the 20 contaminated sediment sites that are most likely to adversely affect human health and the environment and have not been the subject of Federal or State response actions. And, to address the lack of data on contaminated sediments at Superfund sites, EPA would have to report on their occurrence and associated risk.

Mr. President, I consider this to be a fairly modest bill. It does not set aside a specific percentage of the Superfund that must be spent on contaminated sediment cleanup, through I think that might also be helpful. And, it does not place great demands on Federal agencies, States or local governments. What it does do, however, is seek to bring resources and attention to bear on a very pressing problem. This problem has been clearly illustrated in EPA's report and it is a tenacious one that will not get any smaller. Unfortunately, our current system lets contaminated sediments fall between the regulatory and environmental policy cracks in the pier. And, there it will stay on our harbor and river bottoms, polluting fish, water, and vegetation until we act.

I urge my colleagues from all parts of the country to consider cosponsoring this legislation, but particularly want to encourage the attention of Senators from coastal areas or from States with environmentally sensitive and industrialized watersheds. I believe that the approach taken in this bill is a necessary first step toward cleaning up contaminated sediments and I will be working to incorporate this into whatever Superfund reauthorization bill comes before the Senate.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1386

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REMEDIATION OF CONTAMINATED SEDIMENTS.

(a) IN GENERAL.—Title I of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) is amended by adding at the end the following:

"SEC. 127. REMEDIATION OF CONTAMINATED SEDIMENTS.

"(a) SEDIMENT QUALITY CRITERIA.—

"(1) ESTABLISHMENT.—Not later than January 1, 2001, after consultation with the States and Indian tribes, the Administrator shall establish final numerical sediment quality criteria for the 10 toxic, persistent, or bioaccumulative substances that the Administrator determines are most likely to adversely affect human health and the environment.

"(2) REVIEW.—Every 3 years after the date on which criteria are established under paragraph (1)—

"(A) the Administrator shall review the list of substances compiled under paragraph (1);

"(B) after consultation with the States and Indian tribes, add or remove substances from the list based on the risks of adverse effects to human health and the environment (including the risks of adverse developmental, reproductive, and transgenerational effects); and

"(C) not later than 3 years after the date on which a substance is added to the list under subparagraph (B), establish final numerical sediment quality criteria for the substance.

"(b) Revision of Hazard Ranking System.—

"(1) In general.—Not later than 30 months after the date of enactment of this section, the Administrator shall revise the hazard ranking system referred to in section 105(a)(8)(A) to ensure that the hazard ranking system more accurately assesses the risks to human health and the environment from aquatic sites with contaminated sediments (as that term is applied for the purposes of section 118(c)(7) of the Federal Water Pollution Control Act (33 U.S.C. 1268(c)(7))).

"(2) Scope of assessment.—To ensure more accurate assessments of health and environmental risks at aquatic sites with contaminated sediments, the assessment referred to in paragraph (1) shall not—

"(A) include consideration of the costs of carrying out response actions; or

"(B) require identification of the source of a release.

"(3) Transition provision.—The hazard ranking system in effect on the date of enactment of this section shall continue in effect until the effective date of the revised hazard ranking system required by this subsection.

"(c) Expenditure of Funds for Response Actions.—

"(1) In general.—Notwithstanding any other provision of law, for each fiscal year, the Administrator may expend up to $300,000,000 of funds appropriated out of the Hazardous Substance Superfund established under section 9507 of the Internal Revenue Code of 1986 for the purposes of carrying out response actions and other corrective actions at facilities containing contaminated sediments (as that term is applied for the purposes of section 118(c)(7) of the Federal Water Pollution Control Act (33 U.S.C. 1268(c)(7))).

"(2) Priorities.—In expending funds under paragraph (1), the Administrator shall give priority to facilities, a release from which has adversely affected or could adversely affect human health or the environment, in the following order:

"(A) A facility in a watershed with respect to which—

"(i) a program has been or is being implemented that has significantly reduced or is significantly reducing or preventing the deposition into sediment of a persistent and bioaccumulative toxic substance from the watershed; and

"(ii) a State or local government having jurisdiction over a portion of the watershed contributes 25 percent or more of the response costs.

"(B) A facility in a watershed with respect to which only subparagraph (A)(i) applies.

"(C) A facility in a watershed with respect to which only subparagraph (A)(ii) applies.

"(D) A facility in a watershed with respect to which subparagraph (A) does not apply.

"(d) Hazard Ranking System Scoring Package.—

"(1) Identification of facilities.—From the comprehensive national survey of data regarding aquatic sediment quality conducted under section 503(a) of the Water Resources Development Act of 1992 (33 U.S.C. 1271(a)), the Administrator shall identify the 20 facilities containing contaminated sediments (as that term is applied for the purposes of section 118(c)(7) of the Federal Water Pollution Control Act (33 U.S.C. 1268(c)(7))) that are most likely to adversely affect human health and the environment and that have not been the subject of any Federal or State response action or other corrective action.

"(2) Scoring package.—After identifying the facilities under paragraph (1), the Administrator, not later than 3 years after the date of enactment of this section, shall—

"(A) prepare a comprehensive scoring package under the hazard ranking system referred to in section 105(a)(8)(A) for each facility, unless a State or remedial action planning committee objects to the conduct of the assessment necessary for the scoring in an area or watershed under the jurisdiction of the State or committee; and

"(B) report to Congress the results of each scoring package prepared under subparagraph (A).".

(b) Criteria for Determining Priorities Among Releases.—Section 105(a)(8)(A) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9605(a)(8)(A)) is amended by inserting before the semicolon at the end the following: ", except that criteria and priorities under this paragraph shall not be based on the extent to which the President is able to identify 1 or more potentially responsible parties or 1 or more specific sources of a release".

(c) Inclusion in Report on Monitoring of Aquatic Sediment Quality.—Section 503(b)(2) of the Water Resources Development Act of 1992 (33 U.S.C. 1271(b)(2)) is amended by adding at the end the following: "Each report shall include information on all facilities containing contaminated sediments that are listed on the National Priorities List under section 105(a)(8)(B) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9605(a)(8)(B)).".

(d) Report on Hazard Ranking System.—

(1) In general.—Not later than 1 year after the date of enactment of this Act, the Administrator shall submit to Congress a report assessing the extent to which the hazard ranking system referred to in section 105(a)(8)(A) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9605(a)(8)(A)) (as revised in 1990) has achieved the objectives specified in paragraphs (1) and (2) of section 105(c) of that Act (42 U.S.C. 9605(c)).

(2) Contents.—The report shall include a comprehensive assessment of the number and type of aquatic facilities that have been scored under the hazard ranking system (as revised in 1990) and the level of risk that the facilities pose to human health and the environment.

By Mr. KYL (for himself and Mrs. Hutchison):

S. 1387. A bill to authorize additional appropriations for the Department of Defense for ballistic missile defenses and other measures to counter the emerging threat posed to the United States and its allies in the Middle East and Persian Gulf region by the development and deployment of ballistic missiles by Iran; to the Committee on Armed Services.

THE IRAN MISSILE PROTECTION ACT OF 1997

Mr. KYL. Mr. President, today, I rise to introduce the Iran Missile Protection Act of 1997, the so-called, IMPACT 97 legislation, a similar version of which Curt Weldon introduced in the House of Representatives last week.

The IMPACT 97 legislation is aptly named because it is intended to have a real impact on the growing threat from Iranian ballistic missiles. Recent revelations that Iran has nearly completed development of two new ballistic missiles—made possible with Russian assistance—that will allow it to strike targets as far away as Central Europe has convinced me that United States theater missile defenses must be accelerated in order to counter the emerging Iranian threat.

According to published reports, a long-range Iranian missile, Shahab 4, could be fielded in as little as 3 years. A shorter range missile, Shahab 3, which will be capable of reaching Israel, could be operational in 12 to 18 months. Both missiles could be armed with chemical or biological warheads. These reports are the latest in a string of increasingly troubling disclosures that have surfaced since the Los Angeles Times first reported in February that Russia was providing missile technology and assistance to Iran.

A bipartisan group of Senators and Representatives have been working on various legislative approaches to address the Iranian threat. For example, Representative Jane Harman and I introduced a concurrent resolution expressing the sense of Congress that the administration should impose sanctions against Russian entities transferring ballistic missile technology to Iran. The annual foreign aid bill, currently in conference, contains a provision strictly conditioning the release of aid to Russia on certification by the President that Moscow has stopped the transfer of nuclear and missile technology to Iran. And, Senator Lott and Representative Gilman have also introduced legislation that would require that sanctions be imposed against any entity caught transferring goods to support Iran's ballistic missile program.

In addition to the legislative approach, the administration has been engaged in a series of diplomatic exchanges with the Russians. According to press accounts, Vice President Gore has raised the issue with Prime Minister Chernomyrdin during their meetings in February and July. President Clinton has raised the matter with President Yeltsin at the Helsinki summit in March and the P-8 summit in June. The administration has also appointed Ambassador Frank Wisner as its special envoy to discuss with Russian officials the allegations made regarding transfers of technology to Iran. This is a very serious issue which the Clinton administration has clearly acknowledged.

While we hope that the diplomatic efforts will bear fruit, it is entirely possible that it will not. In that event, the United States and our allies must be prepared to defend and protect ourselves from the possibility that Iran will use ballistic missiles armed with chemical, biological, or nuclear warheads. It is that possibility—some might say eventuality—that IMPACT 97 is intended to address.

Neither the United States nor Israel will have missile defenses capable of countering the threat from the Shahab 3 or Shahab 4 missile before those systems are deployed. IMPACT 97 authorizes the accelerated development of some key theater defense systems, as well as the procurement of additional batteries of interceptors capable of providing protection against the Iranian missiles.

Specifically, IMPACT 97 would authorize an additional: $65 million to accelerate development of Navy Upper Tier; $100 million to purchase a second THAAD UOES system; $15 million to improve interoperability of the THAAD radar with other missile defense systems; 110 million to purchase additional Arrow Missiles and for production enhancement to accelerate deployment; $15 million to accelerate development of a remote launch capability for PAC-3 using a THAAD radar to enlarge the area the system can defend; $25 million for PAC-3 production enhancements to accelerate deployment of the system; $35 million to purchase two Cobra Gemini radars to improve missile tracking; and $20 million for development of the Joint Composite Tracking Network to improve command and control and interoperability of missile defense systems.

I believe that the potential threat from these Iranian ballistic missiles is so grave that we cannot afford to wait until they are deployed to respond with defenses. I have personally discussed this legislation with members of the Department of Defense, and my staff has been in regular contact with other officials there to help ensure that the best bill possible is presented for consideration. In the end, the Department has decided not to support this legislation, however, I have reasonable confidence that the programs identified, and the funding provided, is an accurate reflection of where BMDO would spend the additional funds, if provided. Secretary Cohen has indicated in a letter to me that he does not recommend that additional resources be applied to the theater missile defense programs. Unfortunately, the current deployment schedule for the TMD programs is inadequate, and I have to respectfully disagree with Secretary Cohen about his assessment that the programs are progressing as fast as they can. This legislation will ensure that the United States and its allies can counter the growing threat from Iran's ballistic missile program.

I hope that the Armed Services Committee will be able to act on this legislation promptly and that the full Senate can debate IMPACT 97 early next year.

By Mr. ROBERTS (for himself and Mr. BROWNBACK):

S. 1388. A bill to provide relief from unfair interest and penalties on refunds retroactively ordered by the Federal Energy Regulatory Commission; to the Committee on Energy and Natural Resources.

THE KANSAS NATURAL GAS INDUSTRY ACT

Mr. ROBERTS. Mr. President, today I am introducing legislation that speaks directly to the issue of fairness in public policy.

The Kansas natural gas industry operates on the slimmest of margins. It is still subject to the heavy regulatory ambitions of the Federal Government. It employs 24,000 individuals, operates in 89 of 105 Kansas counties, and in 1996 paid $132 million in mineral and property taxes in the State. Mr. President, the natural gas industry is a major industry, an important industry, and a beneficial industry to the citizens and local governments of Kansas. Unfortunately, as happens too often, a regulatory body of the Federal Government is about to cripple another valuable industry.

At issue is the failure of the Federal Energy Regulatory Commission to use discretionary authority and mitigate damages to the Kansas natural gas industry resulting from a retroactive and punitive order. Since 1974, first sellers of natural gas in Kansas have been allowed to recover the cost of a State ad valorem tax. First the Federal Power Commission and, later the Federal Energy Regulatory Commission, held the Kansas ad valorem tax was eligible for recovery as a reimbursable tax under the Federal price ceilings established by the Federal Power Commission and later under section 110 of the Natural Gas Policy Act. In 1983, an interstate pipeline company petitioned the Commission to overturn treatment of the Kansas ad valorem tax as recoverable. In 1986 and 1987, the Commission responded to this petition by stating the Kansas tax clearly qualified as recoverable. In 1988 the D.C. Circuit court reviewed these prior rulings and, believing the Commission had failed to adequately explain its orders, remanded the issue to the Commission. In 1993, five years after the court remand, the Commission reversed 19 years of regulatory treatment of the Kansas ad valorem tax and ordered refunds retroactive to the year 1988 based on the date of the District of Columbia Circuit's remand order. Kansas gas producers paid the ordered refunds for the period after 1988, both principal and interest. Unfortunately, in 1996 the D.C. Circuit reversed the Commission's decision and required refunds back to 1983, based on the Federal Register notice of the 1983 interstate pipeline company's petition to the Commission. In essence, what had been legal for 19 years was retroactively declared illegal, to the serious financial detriment of not only the Kansas natural gas industry, but local and state government budgets that rely on this industry's economic base. The burden on the industry was made even heavier by the assessment of interest on the period 1983 to 1988.

Mr. President, today I introduce legislation to alleviate the unjust and punitive financial burden placed upon this Kansas industry by the Commission. This legislation does not address the legality of the Commission or the court rulings. The subject of this legislation, the interest penalty on the principal between the years 1983 to 1988 with such interest accumulated to the present, was never considered by the D.C. Circuit. This is an issue of equity and of the proper exercise of discretion and authority by the Commission in association with an order retroactively declaring a practice ruled legal for 19 years illegal.

While the industry and the State of Kansas still are in the process of assessing the cost of this Federal action, there is no question the cost will be huge and threatens to bankrupt many small producers. Relieving the industry of severe interest penalties is appropriate.

Congress entrusts oversight and administration of law to regulatory bodies. When that regulatory body fails to properly administer a law, or when it exercises authority in an egregious, inequitable manner inconsistent with congressional intent, Congress has the responsibility to intervene. Notwithstanding the D.C. Circuit's decision in this case, the actions of the Commission are unacceptable. If ever a case demonstrated the need for oversight of administrative bodies and corrective action, this is the case.

The natural gas industry and the administrative bodies in Kansas government had every right to follow established regulatory guidance in treatment of the Kansas ad valorem tax. Indeed, since 1974, Kansas producers had been permitted to recover this tax. In 1978, with passage of the Natural Gas Policy Act, Congress explicitly used the term ad valorem tax in report language to clarify the intent of section 110. Further, upon another challenge in 1983, the Commission reaffirmed and ruled favorably on the Kansas ad valorem tax as recoverable several times. Clearly a precedent was established and, over a fourteen year period, not once did Kansas gas producers have any reason to suspect or question the Commission's rulings.

Mr. President, this is an issue of fairness, of equity, of this Congress' oversight responsibilities. Regulated industries have every right—indeed a responsibility—to follow and rely upon established Commission regulatory guidelines based on statutorily granted authority. I rise today to reaffirm the proper Federal-State relationship and a state's right to rely on regulatory decisions in establishing and administering the natural resource policies of the State.

Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1388

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled, That the Natural Gas Policy Act of 1978, as amended, is amended by adding the following new section:

"SEC. 603. In the event any refunds of any rates and charges made, demanded, or received for reimbursement of State ad valorem taxes in connection with the sale of natural gas prior to 1989 are ordered to be made by the Commission, the refunds shall be ordered to be made without interest or penalty of any kind.".

By Ms. SNOWE (for herself and Mr. BURNS):

S. 1389. A bill to amend title 39, United States Code, to allow postal patrons to contribute to funding for prostate cancer research through the voluntary purchase of certain specially issued U.S. postage stamps; to the Committee on Governmental Affairs.

THE PROSTATE CANCER RESEARCH STAMP ACT

Ms. SNOWE. Mr. President, I rise today to introduce legislation that would authorize the U.S. Postal Service to issue a special stamp to raise funds for prostate cancer research. It is time to fortify the battle against prostate cancer by educating the public about this disease, emphasizing the importance of annual screening, and bolstering our research efforts in order to find a cure.

In the wake of National Prostate Cancer Awareness week, September, 22-29, men and women from my home State of Maine are sharing their stories about this devastating disease and are calling for more prostate cancer research. Prostate cancer is the most common form of cancer in American men. The American Cancer Society estimates that 334,500 cases of prostate cancer will be diagnosed in 1997. Tragically, 41,000 of these men will die from the disease—a number fast approaching the annual breast cancer death toll of 44,300. Between 1989 and 1993, the prostate cancer incidence rate increased by 50 percent. Despite this dramatic surge in incidence, prostate cancer receives only a modest fraction, 3.7 percent, of the funding resources allocated to cancer. In fiscal year 1997, prostate cancer research funding was $96.2 million, which is very low considering the number of lives this dreaded disease will rob each year.

Advances made over the past 10 years to detect and treat prostate cancer have been significant, considering the fact that the digital rectal examination [DRE]—the primary tool for detecting prostate cancer which has been used for over 100 years—cannot detect small tumors or those on the side of the gland where approximately 40 percent of prostate cancers are located. Physicians have increased their use of the prostate-specific antigen, P.A. blood test which detects both aggressive and latent prostate cancers. The National Cancer Institute is conducting a multicenter trial to test whether or not early detection of prostate cancer by the DRE and P.A. will reduce prostate cancer mortality. Moreover, NCI's Prostate, Lung, Colon and Ovary Cancer Screening Trial [PLCO], which began in 1993, will eventually enroll 74,000 men over its 16 year duration. The trial will determine the relationships between P.A. levels, risk for prostate cancer, and the actual presence and size of prostate cancer in individual men. These advances will help lay a solid foundation for prostate cancer research into the 21st century.

These developments are pivotal steps in the right direction. However, if we are going to eradicate this disease, much work needs to be done. We must continue the search for new techniques and methods of treatment. We must be relentless in emphasizing the importance of education and awareness. But most of all, we must find a cure. The lives of our fathers, sons, brothers, and friends depend on this effort.

The Prostate Cancer Research Stamp Act would authorize a special first class stamp to be priced at up to 8 cents above the cost of normal first class postage. The stamp would be voluntarily purchased by postal patrons and the additional money raised by the sale of the stamp would be earmarked for prostate cancer research at the National Cancer Institutes. Perhaps most importantly, this special stamp would help bring the disease out into the open. By raising awareness, men of all ages will be reminded to educate themselves about early detection, screening, prevention and treatment of prostate cancer simply by visiting the post office.

The ravages of prostate cancer—like all other cancers—are devastating to the lives of all family members. A stamp designed to garner additional research funds would not only help the hundreds of thousands of men who suffer from prostate cancer, but would also remind men to seek regular screening. It is going to take a collective effort to find a cure. But if we all play a small role, the investment in this valuable research will pay off and we will be one step closer to winning the battle against prostate cancer.

By Mr. D'AMATO:

S. 1390. A bill to provide redress for inadequate restitution of assets seized by the U.S. Government during World War II which belonged to victims of the Holocaust, and for other purposes; to the Committee on Foreign Relations.

THE HOLOCAUST VICTIMS REDRESS ACT

Mr. D'AMATO. Mr. President, I rise today to introduce the Holocaust Victims Redress Act.

We all know that the Second World War was one of the darkest periods in the history of mankind. Nazi Germany used its vast resources, technology, and extensive transportation system for the sole purpose of the persecution and annihilation of a single people, simply because of their religion. This inhumanity was unheard of in history.

Starvation, disease, slavery, random executions, children separated from their parents, husbands separated from their wives, the murder of infants, the rape of women; these were the everyday tortures inflicted on the Jews of Europe by their Nazi aggressors. By the end of the war, the bulk of the Jewish population, 6 million men, women and children had been killed. And those displaced and demoralized few who survived this ordeal were left to pick up the pieces of their lives and start anew.

Today, we all know what the Swiss bankers did with the Jewish assets entrusted to them. Yet, during that period, the United States Government seized $198 million in German assets and froze an estimated $1.2 billion more in Swiss assets located in the United States, later returned to Switzerland in 1946, after the signing of the Washington accords. The unfortunate fact is that among the capital confiscated by our Government were funds belonging to Holocaust victims, frozen to prevent them from falling into the hands of the Third Reich.

Realizing that there were victims of the Holocaust who may not have had any legal heirs, Congress, after the war, authorized the transfer of $3 million from those assets to organizations providing relief and rehabilitation to Holocaust survivors. However, only one-sixth of that amount was ever paid to the Jewish Restitution Successor Organization, dedicated to the task of caring for the survivors. In June of this year, Under Secretary of State Stuart Eizenstat, in testimony before the House Banking Committee, urged Congress to reconsider the $500,000 settlement made with survivors of the Holocaust, who had assets in U.S. banks, saying they have a compelling moral claim to the unpaid portion of the estimated $3 million that was originally authorized for compensation.

The Holocaust Victims Redress Act seeks to right these wrongs, providing some amount of justice to survivors of the Holocaust while they are still alive, doing so in the following ways:

As I stated earlier, only one-sixth of the amount authorized by Congress was actually paid to the Jewish Restitution Successor Organization of New York. This bill would authorize the appropriation of funds equal to the present value of the unpaid difference.

It would seek to strike an agreement among the signatories of the Paris Agreement on Reparations whereby all, or a substantial portion, of the gold held by the Tripartite Commission for the Restitution of Monetary Gold would be contributed to charitable organizations to assist elderly survivors of the Holocaust.

Furthermore, it expresses the sense of Congress that all governments should act in good faith and facilitate efforts to return private and public properties, looted by the Nazis, to their rightful owners in accordance with the Hague Convention of 1907.

I would like to congratulate my colleagues, Representatives Jim Leach of Iowa and Benjamin Gilman of New York, chairmen of the House Banking and House International Affairs Committees respectively, for their work to introduce this bill in the House. It is a good bill. It is the right and just thing to do. It offers at least a modicum of justice to a rapidly diminishing population which has long suffered the wounds of hatred and bigotry inflicted by the Nazis. This legislation has the support of the administration, as demonstrated by Under Secretary of State Stuart Eizenstat. I strongly urge the bill's speedy adoption.

Mr. President, I ask for unanimous consent that the text of the bill, along with letters from Under Secretary of State Stuart Eizenstat and the Anti-Defamation League in support of the legislation, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1390

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Holocaust Victims Redress Act".

TITLE I—HEIRLESS ASSETS

SEC. 101. FINDINGS AND PURPOSES.

(a) Findings.—The Congress finds as follows:

(1) Among the $198,000,000 in German assets located in the United States and seized by the United States Government in World War II were believed to be bank accounts, trusts, securities, or other assets belonging to Jewish victims of the Holocaust.

(2) Among an estimated $1,200,000,000 in assets of Swiss nationals and institutions which were frozen by the United States Government during World War II (including over $400,000,000 in bank deposits) were assets whose beneficial owners were believed to include victims of the Holocaust.

(3) In the aftermath of the war, the Congress recognized that some of the victims of the Holocaust whose assets were among those seized or frozen during the war might not have any legal heirs, and legislation was enacted to authorize the transfer of up to $3,000,000 of such assets to organizations dedicated to providing relief and rehabilitation for survivors of the Holocaust.

(4) Although the Congress and the Administration authorized the transfer of such amount to the relief organizations referred to in paragraph (3), the enormous administrative difficulties and cost involved in proving legal ownership of such assets, directly or beneficially, by victims of the Holocaust, and proving the existence or absence of heirs of such victims, led the Congress in 1962 to agree to a lump-sum settlement and to provide $500,000 for the Jewish Restitution Successor Organization of New York, such sum amounting to ⅙th of the authorized maximum level of "heirless" assets to be transferred.

(5) In June of 1997, a representative of the Secretary of State, in testimony before the Congress, urged the reconsideration of the limited $500,000 settlement.

(6) While a precisely accurate accounting of "heirless" assets may be impossible, good conscience warrants the recognition that the victims of the Holocaust have a compelling moral claim to the unrestituted portion of assets referred to in paragraph (3).

(7) Furthermore, leadership by the United States in meeting obligations to Holocaust victims would strengthen—

(A) the efforts of the United States to press for the speedy distribution of the remaining nearly 6 metric tons of gold still held by the Tripartite Commission for the Restitution of Monetary Gold (the body established by France, Great Britain, and the United States at the end of World War II to return gold looted by Nazi Germany to the central banks of countries occupied by Germany during the war); and

(B) the appeals by the United States to the 15 nations claiming a portion of such gold to contribute a substantial portion of any such distribution to Holocaust survivors in recognition of the recently documented fact that the gold held by the Commission includes gold stolen from individual victims of the Holocaust.

(b) Purposes.—The purposes of this Act are as follows:

(1) To provide a measure of justice to survivors of the Holocaust all around the world while they are still alive.

(2) To authorize the appropriation of an amount which is at least equal to the present value of the difference between the amount which was authorized to be transferred to successor organizations to compensate for assets in the United States of heirless victims of the Holocaust and the amount actually paid in 1962 to the Jewish Restitution Successor Organization of New York for that purpose.

(3) To facilitate efforts by the United States to seek an agreement whereby nations with claims against gold held by the Tripartite Commission for the Restitution of Monetary Gold would contribute all, or a substantial portion, of that gold to charitable organizations to assist survivors of the Holocaust.

SEC. 102. DISTRIBUTIONS BY THE TRIPARTITE GOLD COMMISSION.

(a) Directions to the President.—The President shall direct the commissioner representing the United States on the Tripartite Commission for the Restitution of Monetary Gold, established pursuant to Part III of the Paris Agreement on Reparation, to seek and vote for a timely agreement under which all signatories to the Paris Agreement on Reparation, with claims against the monetary gold pool in the jurisdiction of such Commission, contribute all, or a substantial portion, of such gold to charitable organizations to assist survivors of the Holocaust.

(b) Authority To Obligate the United States.—

(1) In general.—From funds otherwise unobligated in the Treasury of the United States, the President is authorized to obligate an amount not to exceed $30,000,000 for distribution in accordance with subsections (a) and (b).

(2) Conformance with budget act requirement.—Any budget authority contained in paragraph (1) shall be effective only to such extent and in such amounts as are provided in advance in appropriation Acts.

SEC. 103. FULFILLMENT OF OBLIGATION OF THE UNITED STATES.

(a) Authorization of Appropriations.—There are authorized to be appropriated to the President such sums as may be necessary for fiscal years 1998, 1999, and 2000, not to exceed a total of $25,000,000 for all such fiscal years, for distribution to organizations as may be specified in any agreement concluded pursuant to section 102, only if the organizations meet the needs of Holocaust survivors in the United States.

(b) Archival Research.—There are authorized to be appropriated to the President $5,000,000 for archival research and translation services to assist in the restitution of assets looted or extorted from victims of the Holocaust and such other activities that would further Holocaust remembrance and education.

TITLE II—WORKS OF ART

SEC. 201. FINDINGS.

Congress finds as follows:

(1) Established pre-World War II principles of international law, as enunciated in Articles 47 and 56 of the Regulations annexed to the 1907 Hague Convention (IV) Respecting the Laws and Customs of War on Land, prohibited pillage and the seizure of works of art.

(2) In the years since World War II, international sanctions against confiscation of works of art have been amplified through such conventions as the 1970 Convention on the Means of Prohibiting and Preventing the Illicit Import, Export and Transfer of Ownership of Cultural Property, which forbids the illegal export of art work and calls for its earliest possible restitution to its rightful owner.

(3) In defiance of the 1907 Hague Convention, the Nazis extorted and looted art from individuals and institutions in countries it occupied during World War II and used such booty to help finance their war of aggression.

(4) The Nazis' policy of looting art was a critical element and incentive in their campaign of genocide against individuals of Jewish and other religious and cultural heritage and, in this context, the Holocaust, while standing as a civil war against defined individuals and civilized values, must be considered a fundamental aspect of the world war unleashed on the continent.

(5) Hence, the same international legal principles applied among states should be applied to art and other assets stolen from victims of the Holocaust.

(6) In the aftermath of the war, art and other assets were transferred from territory previously controlled by the Nazis to the Union of Soviet Socialist Republics, much of which has not been returned to rightful owners.

SEC. 202. SENSE OF THE CONGRESS REGARDING RESTITUTION OF PRIVATE PROPERTY, SUCH AS WORKS OF ART.

It is the sense of the Congress that consistent with the 1907 Hague Convention, all governments should undertake good faith efforts to facilitate the return of private and public property, such as works of art, to the rightful owners in cases where assets were confiscated from the claimant during the period of Nazi rule and there is reasonable proof that the claimant is the rightful owner.

U.S. DEPARTMENT OF STATE,
Washington, DC, November 4, 1997.
Hon. ALPHONSE M. D'AMATO,
U.S. Senate,
Washington, DC.

DEAR SENATOR D'AMATO: I want to bring you up to date on our efforts to establish a "Nazi Persecutee Relief Fund" from the remaining Tripartite Commission Gold (TGC) gold pool. As you know, the TGC was charged after the war with gathering the gold looted by the Nazis and with returning it to the central banks from which it had been taken. Most of the gold in the fund had been returned to the 15 claimant countries long ago, but about 1.6% of the pool remains undistributed. This now amounts to about $60 to $70 million at current values.

Our TGC partners, the British and French, like us, very much want to close out the fund. Mindful of the origin of some of the gold, they have joined with us in proposing to the claimant states that the remaining gold be transferred to this new special Holocaust victims fund. Reactions from the claimant countries have been generally positive, and we are hopeful that such a fund might be announced by the end of the year. The idea if that each of the claimant countries would voluntarily turn over all or part of its share to the new fund. Other countries, including neutral countries that had received Nazi gold during the war, would also be invited to contribute, as would other states that have an interest in, or played a role in the collection and disposition of the tainted gold. A TGC working group met in Brussels in late September to discuss how such a fund might be established. A follow-up meeting will be held shortly.

We would very much like the United States to participate in this fund with it own contribution of up to $25 million. The legislation that you and Congressman Leach have introduced is very supportive of this objective. It is very important that we be able to assist both American and other needy victims of the Nazi Holocaust. Such a contribution would be fully consistent with our leadership role and provide a powerful incentive for the TGC claimant countries, wartime neutrals, and others, also to contribute.

The legislation is being reviewed by our experts and their comments will be provided to you shortly. I hope that we can work together to achieve the establishment of this fund, and our contribution to it.

Very truly yours,
STUART A. BIZENSTAT,
Ambassador.

ANTI-DEFAMATION LEAGUE,
New York, NY, November 5, 1997.
Hon. ALFONSE D'AMATO,
Chairman, Senate Banking Committee, U.S. Senate, Washington, DC.

DEAR ALFONSE: We commend your leadership in seeking to investigate and expose the large-scale plundering of Jewish assets during the Holocaust and the depth of the involvement of banks and governments in helping finance the Nazi war machine.

As aging survivors wait out arduous investigations and negotiations, we must act quickly to enable them to live out their remaining years with as much dignity and sense of healing as possible.

The Holocaust Victims Redress Act would offer much needed support to some victims and strengthen our nation's hand in appealing to other nations to commit resources to help survivors.

We are grateful for your efforts to awaken the conscience of the American people and your resolve to do justice for remaining Holocaust victims. If the U.S. hopes to credibly compel all nations to act, we must act expeditiously and take responsibility for any inadequacies in our own post-war behavior.

Sincerely,
HOWARD P. BERKOWITZ,
National Chairman.
ABRAHAM H. FOXMAN,
National Director.

By Mr. DODD (for himself, Mr. WARNER, Mr. BENNETT, Mr. GRAMS, Mr. JEFFORDS, Mr. BINGAMAN, and Mr. LEAHY):

S. 1391. A bill to authorize the President to permit the sale and export of food, medicines, and medical equipment to Cuba; to the Committee on Banking, Housing, and Urban Affairs.

THE CUBAN WOMEN AND CHILDREN HUMANITARIAN RELIEF ACT

Mr. DODD. Mr. President, today I join with my colleagues, Senators WARNER, BENNETT, JEFFORDS, GRAMS, BINGAMAN, and LEAHY in introducing the Cuban Women and Children Humanitarian Relief Act—a bill to authorize the President to permit the sale of food, medicine, and medical equipment to the Cuban people.

Provisions of this bill include a summary of the impact that the United States embargo on food and medicine has had on the public health in Cuba; a statement of United States policy with respect to the sale of food and medicine; authority for the President to permit the sale of food, medicine, and medical supplies to Cuba; congressional notification requirements; and a report to Congress assessing the impact of the bill 2 years after enactment.

Mr. President, the intent of the legislation is very straight forward, namely to clear away all of the legal implements that impede the President's ability to permit American exports of food, medicines, and medical supplies to Cuba. As a matter of policy, I do not believe that United States sanctions should include prohibitions on the sale of what are essentially humanitarian items—products that are critical to the health and well being of the more than 10 million people who inhabit the Island of Cuba.

Most Americans are probably unaware that United States policy generally prohibits American food and drug companies from selling food, medicines, and medical supplies to Cuba. Even those who are aware of this aspect of United States policy, probably assume that this isn't a serious problem, since Cuban authorities can simply buy these products elsewhere. That is not the case.

Earlier this year, the American Association for World Health [AAWH] issued a report—Denial of Food and Medicine: The Impact of the U.S. Embargo on Health & Nutrition in Cuba—setting forth its observations from a year long study of the implications of the United States embargo on health care delivery and food security in Cuba. The AAWH "determined that the United States embargo of Cuba has dramatically harmed the health and nutrition of large numbers of ordinary Cuban citizens." The team of nine medical experts who undertook this effort on behalf of AAWH identified four major health problems affected by the embargo: malnutrition, water quality, medicines and equipment, and medical information.

First, with respect to malnutrition—the prohibition on the sale of United States food to Cuba has had serious consequences on the nutritional standards in Cuba, particularly for pregnant women. These nutritional deficiencies have, among other things, led to an increased incidence of low birth-weight babies.

With respect to water quality, the lack of parts and appropriate chemicals has compromised the Cuban water supply system and resulted in increased illness and deaths from waterborne diseases.

We all know that United States medical and pharmaceutical companies are at the forefront of the development and production of a vast majority of all new drugs and medical equipment that enter world markets. The by-product of that situation is that current United States restrictions virtually preclude the Cuban medical system from utilizing the most effective and advanced medicines and medical treatments in caring for the Cuban people. Finally, the embargo indirectly inhibits the exchange of critical medical information between the United States and Cuba.

In no way should this legislation be seen as an endorsement of the current regime in Cuba. The existing policies of that government are clearly responsible for the serious economic crisis confronting that country. United States policy should be focused on promoting a peaceful transition to democracy in Cuba—the tide of history flows in that direction.

Many human rights activists within Cuba have been strongly critical of United States food and medicine restrictions. Elizardo Sanchez Santacruz, director of the Cuban Commission for Human Rights and National Reconciliation, and a prominent critic of the Cuban Government, has made clear his views on the current policy. "America should lift its embargo on the sales of food and medicine to Cuba, a prohibition that violates international law and hurts the people, not the regime. Denying medicine to innocent citizens is an odd way of demonstrating support for human rights."

I share that view. I believe the Clinton administration should take steps to mitigate the harmful impact of United States policy on the health of the Cuban people—particularly so with respect to the health of children, the elderly, and the infirm—by permitting United States exporters to sell food and medicine to that country. That is what this bill once enacted will enable the President to do.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1391

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act shall be known as the "Cuban Women and Children Humanitarian Relief Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the outright ban on the sale of American foodstuffs to Cuba has contributed to serious nutritional deficits, particularly among pregnant women, leading to low birth-weight babies;

(2) the embargo on trade with Cuba is severely restricting Cuba's access to water treatment chemicals and spare parts for its water supply, causing reductions in the supply of safe drinking water and the increased incidence of water-borne diseases;

(3) the most specialized medical supplies are in short supply or entirely absent from some Cuban clinics as a result of the United States embargo;

(4) although informational materials have been exempt from the United States trade embargo since 1988, in practice very little medical information is exchanged between the United States and Cuba due to travel restrictions, currency regulations, and shipping difficulties; and

(5) current embargoes against Iran, Libya, and Iraq do not ban the sale of food to those countries or restrict medical commerce.

SEC. 3. STATEMENT OF POLICY.

It should be the policy of the United States to permit the sale and export of food, medicines, and medical equipment to the Cuban people.

SEC. 4. AUTHORITY.

Notwithstanding any other provision of law, the President is authorized to permit the sale and export of food, medicines, and medical equipment to Cuba by any person subject to the jurisdiction of the United States.

SEC. 5. NOTIFICATION OF CONGRESS AND THE PUBLIC.

The President shall notify Congress of any decision to exercise the authority of section 4 and shall, at the time the decision is made, cause such decision to be published in the Federal Register, together with such regulations as the President determines may be necessary to ensure that food, medicines, and medical equipment sold to Cuba under this Act will primarily be consumed or otherwise utilized by the people of Cuba.

SEC. 6. REPORT TO CONGRESS.

Two years after the date that the President first exercises the authority of section 4, the President shall submit a report to the Speaker of the House of Representatives and the President of the Senate containing an assessment of the level, composition, and end users of any food, medicine, or medical equipment sold to Cuba during the previous two years by any person subject to the jurisdiction of the United States.

Mr. JEFFORDS. Mr. President, I rise today in support of the Cuban Women and Children Humanitarian Relief Act. The objective of this legislation, quite simply, is to remove some of the more objectionable aspects of the standing United States trade embargo on Cuba, especially those that imperil the health of women, children, and other vulnerable groups. The bill would remove existing restrictions on the sale to Cuba of American food, medicines, and health supplies. Under current law, it is all but impossible for American companies to sell these items to Cuba.

Mr. President, I have long held reservations about the effectiveness of our trade embargo on Cuba. After all, we have maintained a trade blockade on Cuba for 37 years and have little to show for it in terms of moving the Cuban Government in the direction of freedom or peaceful coexistence.

However, this bill is not about how best to pressure the Castro government. Nor is it intended in any way to signal a change in overall United States policy toward Cuba. What this bill is about is making sure that children and other vulnerable groups do not bear the brunt of the trade embargo. The impact of the embargo on these groups has become more severe since passage of the Cuban Democracy Act of 1992, which tightened the restrictions on food and medical shipments to Cuba.

The respected American Association for World Health concluded that these new, tougher trade sanctions have caused "a significant rise in suffering—and even deaths—in Cuba." In particular, the AAWH found that the embargo on food and medicines has led to malnutrition, reduced water quality, and the unavailability or short supply of routine medical supplies.

I do not believe that the American people intended that the trade embargo against Cuba lead to such demonstrable human suffering. Whether one supports the overall embargo or not, surely we can agree that the pain that this policy inflicts should not be borne by children.

All of which is not to absolve Fidel Castro of much of the blame for the deteriorating state of health in Cuba. The OAS's Inter-American Commission on Human Rights has noted that many of the medical products manufactured in Cuba are reserved for hospitals that cater to foreigners. This has apparently caused much resentment among ordinary Cubans who feel discriminated against in their country.

But we, too, are the target of much resentment owing to our trade restrictions on medicines and medical supplies. If a Cuban cannot gain access to an important drug—50 percent of the most important drugs in the world are available only from the United States or United States-licensed firms—or no longer has safe drinking water because water treatment chemicals or water supply spare parts cannot be obtained, he can quite credibly blame the United States for his plight. In fact, Castro has made the most of this situation by pointing to the United States embargo as the source of almost all of Cuba's health problems.

The State Department maintains that the United States trade restrictions have not blocked medical shipments to Cuba and that many firms have successfully met the conditions required to obtain a permit for such trade. However, the reality is that the requirements to obtain such a license are so stringent that few drug companies are willing even to consider sales to Cuba. Those that do often find themselves investigated for technical and inadvertent violations of the embargo and ultimately abandon efforts to sell to Cuba. Moreover, relief groups such as Catholic Relief Services and Church World Services have found the licensing requirements cumbersome, complex, and costly.

Sales of foodstuffs are barred altogether. And there is no way around it—no licenses, special permits, or other recourse. I think it's worth noting that our current embargos against Iran, Iraq, and Libya do not bar the sale of food or medicines to those countries.

Mr. President, the American people are not mean-spirited. We want our Government to be tough-minded in protecting our interests but do not want innocent people to suffer. Even in the case of those countries adamantly opposed to United States interests and values, such as Iran and North Korea, we have reached out with humanitarian assistance in response to natural disasters and famines. We should treat Cuba no differently. We should not allow our political objectives undermine the health and well-being of those most in need, especially children.

By Mr. DORGAN (for himself, Mr. DASCHLE, Mr. JOHNSON, and Mr. CONRAD):

S. 1393. A bill to amend the Internal Revenue Code of 1986 to provide for the permanent extension of the incentives for alcohol used as a fuel; to the Committee on Finance.

GASOHOL LEGISLATION

Mr. DORGAN. Mr. President, today I rise to introduce legislation to permanently extend the Federal gasohol tax incentives that are currently available to encourage the development and use of ethanol. I am pleased that Senators DASCHLE, JOHNSON, and CONRAD are joining me as cosponsors of this important bill.

I've been a long-time supporter of the domestic ethanol program because of its importance to this country's energy and economic interests. And I was deeply troubled when Congress failed to take action earlier this year to keep these ethanol tax incentives from expiring in the year 2000. Ethanol is an important part of our domestic fuels industry, and it merits continued support via the Tax Code.

The ethanol industry helps us to reduce our reliance on foreign oil. It also provides environmental benefits and stimulates our agricultural industry. In fact, one recent study found that the additional demand for grain created by ethanol boosts total employment by nearly 200,000 while saving the Federal budget more than $3 billion.

Today's ethanol tax incentive program has strong support in the Senate. Currently there is a 54-cent per gallon of ethanol credit available for ethanol blenders. Typically ethanol blenders get the full benefit of the 54-cent income tax credit by claiming a 5.4-cent exemption from the gasoline excise tax. The 5.4-cent exemption is equivalent to 54 cents per gallon of ethanol. Small producers are provided a 10-cent per gallon credit of ethanol produced, used or sold as a transportation fuel.

Some of my colleagues in the Senate are now proposing to extend the ethanol tax incentives through the year 2007 and thereafter connect its future to any extensions of the Federal gasoline excise tax. Of course I will continue to support any reasonable efforts to extend the tax incentives currently available for ethanol. But I think it's time to make the major ethanol tax incentives a permanent part of our Tax Code, as are many tax incentives for other energy sectors. The legislation that I am introducing today will accomplish this goal.

The overwhelming vote of 69 to 30 on the Senate floor during the consideration of the tax bill this summer shows that a vast majority of Senators strongly favor continuing the ethanol tax incentives. Unfortunately, the Senate's provision extending the ethanol incentives was dropped in conference. But the ethanol program retains the strong support of many Members in the House of Representatives as well, and by a broad coalition of Governors, farmers, environmentalists and consumers across this country.

The future of the ethanol program is too important to our Nation's energy, environmental and economic interests to be derailed by a few powerful members in the House of Representatives. Allowing the ethanol tax incentives to expire in 2000 is short-sighted and unfair. The ethanol industry is no less important than the other energy sectors which enjoy permanent tax incentives, and the Internal Revenue Code should reflect this simple fact.

I urge my colleagues in the Senate to join me in making the U.S. ethanol tax incentive program permanent.

By Mr. SARBANES:

S. 1395. A bill to amend the Higher Education Act of 1965 to provide for the establishment of the Thurgood Marshall Legal Educational Opportunity Program; to the Committee on Labor and Human Resources.

THE THURGOOD MARSHALL LEGAL EDUCATIONAL OPPORTUNITY PROGRAM ACT OF 1997

Mr. SARBANES. I rise today to offer legislation which would establish the Thurgood Marshall Legal Educational Opportunity Program. This program would allow the Department of Education to award grants to universities to provide assistance to low-income, minority or economically disadvantaged students who are seeking a legal education.

For more than 28 years, such assistance was provided through appropriations authorized by the Higher Education Act [HEA] of 1965. These critical funds were channeled through the Council on Legal Education Opportunity [CLEO] and were used to help qualified disadvantaged students gain admission to law school and prepare themselves for their legal education.

Since 1968, the heart of the CLEO program has been the 6-week pre-law summer institute. These institutes, held on law school campuses across the country, simulate the classroom setting of first year law school, exposing students to the rigors of legal study. Utilizing full-time law school professors and a proven curriculum that emphasizes critical thinking, legal analysis and writing skills, CLEO has built a reputation of credibility and has produced more than 6,000 successful alumni from more than 170 law schools.

Unfortunately, Federal funding for CLEO was eliminated during the fiscal year 1996 appropriations process. This highly beneficial and cost-effective program has persevered primarily through the assistance of private donations and the sponsorship of the American Bar Association [ABA].

The bill I am introducing today, a companion to Congressman CUMMINGS' legislation in the House, would restore much of the CLEO framework. The Thurgood Marshall Legal Opportunity Program would identify socially and economically disadvantaged law school students and provide them with the opportunity to hone their skills through summer institutes, midyear seminars and support services.

Mr. President, every society places a premium on education in terms of developing a skilled and trained work force in the next generation, and the more economically complex the world becomes, the more urgent it is to develop these human resources. This program will provide the necessary resources to ensure that those who have proven themselves at the undergraduate level of study are able to maximize their potential as they move on to law school.

Investing in the promise of these talented individuals is a worthwhile endeavor and I encourage my colleagues to join me in supporting this legislation. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1395

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. THURGOOD MARSHALL LEGAL EDUCATIONAL OPPORTUNITY PROGRAM.

Chapter 1 of subpart 2 of part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070a–11 et seq.) is amended by inserting after section 402H of such Act (20 U.S.C. 1070a–18) the following:

"SEC. 402I. LEGAL EDUCATIONAL OPPORTUNITY PROGRAM.

"(a) PROGRAM AUTHORITY.—The Secretary shall carry out a program to be known as the "Thurgood Marshall Legal Educational Opportunity Program' designed to provide low-income, minority, or disadvantaged college students with the information, preparation, and financial assistance to gain access to and complete law school study.

"(b) ELIGIBILITY.—A college student is eligible for assistance under this section if the student is—

"(1) from a low-income family;

"(2) a minority; or

"(3) from an economically or otherwise disadvantaged background.

"(c) CONTRACT OR GRANT AUTHORIZED.—The Secretary is authorized to enter into a contract with, or make a grant to, the Council on Legal Education Opportunity, for a period of not less than 5 years—

"(1) to identify college students who are from low-income families, are minorities, or are from disadvantaged backgrounds described in subsection (b)(3);

"(2) to prepare such students for study at accredited law schools;

"(3) to assist such students to select the appropriate law school, make application for entry into law school, and receive financial assistance for such study;

"(4) to provide support services to such students who are first-year law students to improve retention and success in law school studies; and

"(5) to motivate and prepare such students with respect to law school studies and practice in low-income communities.

"(d) SERVICES PROVIDED.—In carrying out the purposes described in subsection (c), the contract or grant shall provide for the delivery of services through prelaw information resource centers, summer institutes, midyear seminars, and other educational activities, conducted under this section. Such services may include—

"(1) information and counseling regarding—

"(A) accredited law school academic programs, especially tuition, fees, and admission requirements;

"(B) course work offered and required for graduation;

"(C) faculty specialities and areas of legal emphasis;

"(D) undergraduate preparatory courses and curriculum selection;

"(2) tutoring and academic counseling, including assistance in preparing for bar examinations;

"(3) prelaw mentoring programs, involving law school faculty, members of State and local bar associations, and retired and sitting judges, justices, and magistrates;

"(4) assistance in identifying preparatory courses and material for the law school aptitude or admissions tests;

"(5) summer institutes for Thurgood Marshall Fellows that expose the Fellows to a rigorous curriculum that emphasizes abstract thinking, legal analysis, research, writing, and examination techniques; and

"(6) midyear seminars and other educational activities that are designed to reinforce reading, writing, and studying skills of Thurgood Marshall Fellows.

(e) DURATION OF THE PROVISION OF SERVICES.—The services described in subsection (d) may be provided—

(1) prior to the period of law school study;

(2) during the period of law school study; and

(3) during the period following law school study and prior to taking a bar examination.

"(f) SUBCONTRACTS AND SUBGRANTS.—For the purposes of planning, developing, or delivering one or more of the services described in subsection (d), the Council on Legal Education Opportunity shall enter into subcontracts with, and make subgrants to, institutions of higher education, law schools, public and private agencies and organizations, and combinations of such institutions, schools, agencies, and organizations.

"(g) STIPENDS.—The Secretary shall annually establish the maximum stipend to be paid (including allowances for participant travel and for the travel of the dependents of the participant) to Thurgood Marshall Fellows for the period of participation in summer institutes and midyear seminars. A Fellow may be eligible for such a stipend only if the Fellow maintains satisfactory academic progress toward the Juris Doctor or Bachelor of Laws degree, as determined by the respective institutions.

"(h) MAXIMUM LEVEL.—For any year for which an appropriation is made to carry out this chapter, the Secretary shall allocate not more than $5,000,000 for the purpose of providing the services described in subsection (d).".

By Mr. JOHNSON:

S. 1396. A bill to amend the Child Nutrition Act of 1966 to expand the School Breakfast Program in elementary schools; to the Committee on Agriculture, Nutrition, and Forestry.

THE MEALS FOR ACHIEVEMENT ACT

Mr. JOHNSON. Mr. President, today I am pleased to introduce the Meals for Achievement Act. This bill, if enacted, is intended to expand the school breakfast program in elementary schools.

In his State of the Union address earlier this year, President Clinton called education "my number one priority for the next four years." Congress has echoed this sentiment with a variety of bills intended to improve the readiness of children to take their place in America's work force in order to secure our place in a strong economy. For the United States to compete effectively in the world we must have an educated and productive work force. In order to have an educated and productive work force, we must prepare our children to learn. In order to prepare our children to learn they must be well nourished, and that begins with a good breakfast.

The best teachers in the world, with the best standards, cannot teach a hungry child. A child who begins his or her school day with their stomach growling because they either did not have time to eat breakfast or there was no breakfast to be served, is simply too distracted to focus on the lessons being provided by the teacher.

In 1994, the Minnesota Legislature directed the Minnesota Department of Children, Families and Learning to implement a universal breakfast pilot program integrating breakfast into the education schedule for all students. The evaluation of the pilot project, performed by the Center for Applied Research and Educational Improvement at the University of Minnesota, shows that when all students are involved in school breakfast there is a general increase in learning and achievement.

Researchers at Harvard and Massachusetts General Hospital recently completed a study on the results of universal free breakfast at one public school in Philadelphia and two in Baltimore. The study, to be published in the Journal of Pediatrics in the near future, found that students who ate the breakfast showed great improvement in math grades, attendance, and punctuality. The researchers also observed that students displayed fewer signs of depression, anxiety, hyperactivity, and other behavioral problems.

As reported by the Community Childhood Hunger Identification Project [CCHIP], hungry children are more likely to be ill and absent from school and are less likely to interact with other people or explore or learn from their surroundings. This interferes with their ability to learn from a very early age. School-aged children who are hungry cannot concentrate or do as well as others on the tasks they need to perform to learn the basics. Research indicates that low-income children who participate in the School Breakfast Program show an improvement in standardized test scores and a decrease in tardiness and absenteeism compared to low-income students who do not eat breakfast at school.

According to the Tufts University Center on Hunger, Poverty, and Nutrition Policy, evidence from recent research about child nutrition shows that, in addition to having a detrimental effect on the cognitive development of children, undernutrition results in lost knowledge, brainpower, and productivity for the Nation.

If we are serious about improving productivity in America through our education system, we must first prepare our children to learn. The time has come, therefore, to build upon the pilot program in Minnesota, Philadelphia, Baltimore, and other cities, and integrate school breakfast into the education day, at least at the elementary school level.

Mr. President, the legislation I am introducing today would not mandate the school breakfast program. A local school could still decide whether or not to participate, and each parent can decide for themselves whether or not to have their child participate.

I do appreciate that there is a cost involved with this initiative and, therefore, we may have to phase it in over a few years. However, the time has come to set the course for our future direction in the School Breakfast Program and take our first step forward.

The Meals for Achievement Act raises an important policy question. The question is: What is the basic purpose and goal of the School Breakfast Program? Is the School Breakfast Program a welfare program? Or, Is the School Breakfast Program a nutrition and education program intended to prepare children for a successful educational experience? If the School Breakfast Program is a welfare program then my legislation would not make sense. I do not believe that we should be providing welfare to individuals who do not need assistance. If, on the other hand, the School Breakfast Program is a part of the education day, and is intended to prepare children to learn, then, in my opinion, it should include all children. School books are provided to all children without regard to their income; school buses are used by children without regard to their income; and that is how we should view the School Breakfast Program.

I commend this legislation to my colleagues and to the administration. As many of you know the child nutrition programs must be reauthorized in 1998 and the administration is currently drafting its proposal to send to Congress after the first of the year. I would hope Secretary Glickman and my friends at the Department of Agriculture, as well as those at the Office of Management and Budget, consider making the Meals for Achievement Act a part of their legislative initiative.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1396

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Meals for Achievement Act".

SEC. 2. EXPANSION OF SCHOOL BREAKFAST PROGRAM.

Section 4(b)(1)(B) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)(1)(B)) is amended—

(1) in the first sentence, by striking "for each free breakfast" and inserting "for each breakfast served in an elementary school and each free breakfast served in a school other than an elementary school";

(2) in the second sentence, by inserting "served in a school other than an elementary school" after "reduced price breakfast"; and

(3) in the third sentence, by inserting "in a school other than an elementary school" after "served".

ADDITIONAL COSPONSORS

S. 61

At the request of Mr. LOTT, the name of the Senator from Colorado [Mr. CAMPBELL] was added as a cosponsor of S. 61, a bill to amend title 46, United States Code, to extend eligibility for veterans' burial benefits, funeral benefits, and related benefits for veterans of certain service in the United States merchant marine during World War II.

S. 89

At the request of Ms. SNOWE, the names of the Senator from Massachusetts [Mr. KENNEDY] and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of S. 89, a bill to prohibit discrimination against individuals and their family members on the basis of genetic information, or a request for genetic services.

S. 170

At the request of Mr. LEAHY, his name was added as a cosponsor of S. 170, a bill to provide for a process to authorize the use of clone pagers, and for other purposes.

S. 263

At the request of Mr. MCCONNELL, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 263, a bill to prohibit the import, export, sale, purchase, possession, transportation, acquisition, and receipt of bear viscera or products that contain or claim to contain bear viscera, and for other purposes.

S. 464

At the request of Mrs. MURRAY, the names of the Senator from South Dakota [Mr. JOHNSON] and the Senator from New York [Mr. D'AMATO] were added as cosponsors of S. 464, a bill to amend title 38, United States Code, to allow revision of veterans benefits decisions based on clear and unmistakable error.

S. 627

At the request of Mr. JEFFORDS, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 627, a bill to reauthorize the African Elephant Conservation Act.

S. 704

At the request of Mr. KOHL, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 704, a bill to amend the Juvenile Justice and Delinquency Prevention Act of 1974 with respect to the separate detention and confinement of juveniles, and for other purposes.

S. 722

At the request of Mr. THOMAS, the name of the Senator from New Hampshire [Mr. GREGG] was added as a cosponsor of S. 722, a bill to benefit consumers by promoting competition in the electric power industry, and for other purposes.

S. 791

At the request of Mr. DASCHLE, the name of the Senator from Minnesota [Mr. WELLSTONE] was added as a cosponsor of S. 791, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain amounts received by a cooperative telephone company.

S. 859

At the request of Mr. KYL, the name of the Senator from Georgia [Mr. COVERDELL] was added as a cosponsor of S. 859, a bill to repeal the increase in tax on social security benefits.

S. 983

At the request of Mr. DODD, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 983, a bill to prohibit the sale or other transfer of highly advanced weapons to any country in Latin America.

S. 1096

At the request of Mr. KERREY, the name of the Senator from Montana [Mr. BAUCUS] was added as a cosponsor of S. 1096, a bill to restructure the Internal Revenue Service, and for other purposes.

S. 1098

At the request of Mr. DURBIN, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 1098, a bill to provide for the debarment or suspension from Federal procurement and nonprocurement activities of persons that violate certain labor and safety laws.

S. 1153

At the request of Mr. BAUCUS, the name of the Senator from California [Mrs. BOXER] was added as a cosponsor of S. 1153, a bill to promote food safety through continuation of the Food Animal Residue Avoidance Database program operated by the Secretary of Agriculture.

S. 1194

At the request of Mr. KYL, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 1194, a bill to amend title XVIII of the Social Security Act to clarify the right of medicare beneficiaries to enter into private contracts with physicians and other health care professionals for the provision of health services for which no payment is sought under the medicare program.

S. 1264

At the request of Mr. HARKIN, the names of the Senator from Washington [Mrs. MURRAY] and the Senator from Illinois [Ms. MOSELEY-BRAUN] were added as cosponsors of S. 1264, a bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to provide for improved public health and food safety through enhanced enforcement.

S. 1287

At the request of Mr. JEFFORDS, the names of the Senator from Rhode Island [Mr. CHAFEE], the Senator from Vermont [Mr. LEAHY], the Senator from Florida [Mr. MACK], the Senator from Pennsylvania [Mr. SANTORUM], the Senator from Florida [Mr. GRAHAM], the Senator from Illinois [Mr. DURBIN], the Senator from Minnesota [Mr. WELLSTONE], the Senator from Massachusetts [Mr. KERRY], the Senator from New Mexico [Mr. BINGAMAN], the Senator from Nevada [Mr. REID], the Senator from Idaho [Mr. CRAIG], and the Senator from Missouri [Mr. BOND] were added as cosponsors of S. 1287, a bill to assist in the conservation of Asian elephants by supporting and providing financial resources for the conservation programs of nations within the range of Asian elephants and projects of persons with demonstrated expertise in the conservation of Asian elephants.

S. 1309

At the request of Mr. KERRY, the name of the Senator from Illinois [Mr. DURBIN] was added as a cosponsor of S. 1309, a bill to provide for the health, education, and welfare of children under 6 years of age.

S. 1311

At the request of Mr. LOTT, the name of the Senator from Kansas [Mr. ROBERTS] was added as a cosponsor of S. 1311, a bill to impose certain sanctions on foreign persons who transfer items contributing to Iran's efforts to acquire, develop, or produce ballistic missiles.

S. 1320

At the request of Mr. ROCKEFELLER, the names of the Senator from Georgia [Mr. CLELAND] and the Senator from Illinois [Ms. MOSELEY-BRAUN] were added as cosponsors of S. 1320, a bill to provide a scientific basis for the Secretary of Veterans Affairs to assess the nature of the association between illnesses and exposure to toxic agents and environmental or other wartime hazards as a result of service in the Persian Gulf during the Persian Gulf War for purposes of determining a service connection relating to such illnesses, and for other purposes.

S. 1335

At the request of Ms. SNOWE, the name of the Senator from Illinois [Mr. DURBIN] was added as a cosponsor of S. 1335, a bill to amend title 5, United States Code, to ensure that coverage of bone mass measurements is provided under the health benefits program for Federal employees.

S. 1347

At the request of Mr. GLENN, the name of the Senator from Ohio [Mr. DEWINE] was added as a cosponsor of S. 1347, a bill to permit the city of Cleveland, Ohio, to convey certain lands that the United States conveyed to the city.

S. 1360

At the request of Mr. ABRAHAM, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of

S. 1360, a bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to clarify and improve the requirements for the development of an automated entry-exit control system, to enhance land border control and enforcement, and for other purposes.

S. 1371

At the request of Mr. KOHL, the name of the Senator from Michigan [Mr. ABRAHAM] was added as a cosponsor of S. 1371, a bill to establish felony violations for the failure to pay legal child support obligations, and for other purposes.

SENATE CONCURRENT RESOLUTION 48

At the request of Mr. KYL, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of Senate Concurrent Resolution 48, a concurrent resolution expressing the sense of the Congress regarding proliferation of missile technology from Russia to Iran.

SENATE CONCURRENT RESOLUTION 52

At the request of Mr. HOLLINGS, the names of the Senator from Hawaii [Mr. AKAKA], the Senator from Wisconsin [Mr. FEINGOLD], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of Senate Concurrent Resolution 52, a concurrent resolution relating to maintaining the current standard behind the "Made in USA" label, in order to protect consumers and jobs in the United States.

SENATE CONCURRENT RESOLUTION 55

At the request of Mr. GREGG, the names of the Senator from Hawaii [Mr. INOUYE], and the Senator from Minnesota [Mr. GRAMS] were added as cosponsors of Senate Concurrent Resolution 55, a concurrent resolution declaring the annual memorial service sponsored by the National Emergency Medical Services Memorial Service Board of Directors to honor emergency medical services personnel to be the "National Emergency Medical Services Memorial Service."

SENATE CONCURRENT RESOLUTION 58

At the request of Mr. GRAMS, the name of the Senator from Arkansas [Mr. HUTCHINSON] was added as a cosponsor of Senate Concurrent Resolution 58, a concurrent resolution expressing the sense of Congress over Russia's newly passed religion law.

SENATE RESOLUTION 93

At the request of Mr. GRASSLEY, the names of the Senator from Wyoming [Mr. ENZI], the Senator from Nevada [Mr. REID], and the Senator from Nevada [Mr. BRYAN] were added as cosponsors of Senate Resolution 93, a resolution designating the week beginning November 23, 1997, and the week beginning on November 22, 1998, as "National Family Week," and for other purposes.

SENATE RESOLUTION 119

At the request of Mr. FEINGOLD, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of Senate Resolution 119, a resolution to express the sense of the Senate that the Secretary of Agriculture should establish a temporary emergency minimum milk price that is equitable to all producers nationwide and that provides price relief to economically distressed milk producers.

SENATE CONCURRENT RESOLUTION 64—PROVIDING FOR CORRECTIONS TO BE MADE IN THE ENROLLMENT OF H.R. 1119

Mr. DOMENICI submitted the following resolution; which was considered and agreed to:

S. CON. RES. 64

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of H.R. 1119, an Act to authorize appropriations for fiscal year 1998 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, the Clerk of the House of Representatives shall make the following corrections:

In section 3165—

(1) in subsection (b)(1), strike out "under the jurisdiction" and all that follows through "Los Alamos National Laboratory" and insert in lieu thereof "under the administrative jurisdiction of the Secretary at or in the vicinity of Los Alamos National Laboratory"; and

(2) in subsection (e), strike out ", the Secretary of the Interior" and all that follows through the end and insert in lieu thereof "but not later than 90 days after the submittal of the report under subsection (d)(1)(C), the County and the Pueblo shall submit to the Secretary an agreement between the County and the Pueblo which allocates between the County and the Pueblo the parcels identified for conveyance or transfer under subsection (b).".

SENATE CONCURRENT RESOLUTION 65—RELATIVE TO THE ENCLAVED PEOPLE OF CYPRUS

Ms. SNOWE (for herself and Ms. MIKULSKI) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 65

Whereas respect for fundamental freedoms and human rights is a cornerstone of United States foreign policy;

Whereas the enclaved people of Cyprus, those Greek-Cypriots and Maronites living in the Karpas peninsula, are subject to restrictions of freedom and human rights;

Whereas the representatives of the two communities in Cyprus, who met in Vienna in August, 1975 under the auspices of the United Nations Secretary General, reached an agreement known as the Vienna three agreement, which, inter-alia, states that, "Greek-Cypriots in the North of the island [of Cyprus] are free to stay and they will be given every help to lead a normal life, including facilities for education and for the practice of their religion, as well as medical care by their own doctors and freedom of movement in the North . . . [and] the United Nations will have free and normal access to Greek-Cypriot villages and habitations in the North;"

Whereas the key elements of this agreement have not been implemented and, in fact, severe restrictions have been placed on the daily lives of the enclaved people of Cyprus;

Whereas the United Nations Secretary General in his December 10, 1995 report on the U.N. operations in Cyprus sets out the recommendations contained in UNFICYP's [the United Nations Forces in Cyprus] humanitarian review, as endorsed by U.N. Security Council Resolution 1032 {95}, regarding the restrictions on the freedoms and human rights of the enclaved people of Cyprus, that:

(a) "The constant presence of the Turkish-Cypriot police in the daily lives of the Karpas Greek-Cypriots should be ended;"

(b) "Karpas Greek-Cypriots and their visitors should be allowed to travel between and Karpas and the buffer zone crossing point in their own vehicles or in regular public transportation without police escort;"

(c) "All restrictions on land travel within the northern part of Cyprus should be lifted;"

(d) "Unrestricted availability of private telephones should be permitted when they become generally available and the Karpas Greek-Cypriots should be permitted to make private telephone calls from locations in the Karpas other than police stations without the presence of any official or other person;"

(e) "Restrictions on hand-carried mail and newspapers should be lifted;"

(f) "Secondary schooling for Greek-Cypriots should be facilitated in the Karpas, and teachers and school supplies for the Greek-Cypriots should be allowed to be provided from the south without hindrances;"

(g) "All Karpas Greek-Cypriot students attending secondary schools or third-level institutions in the south should be allowed to return to their homes on weekends and holidays;"

(h) "Access to and religious sue of the monastery at Apostolos Andreas and the church there by the Greek-Cypriots of the Karpas peninsul and their clergy should be unrestricted;"

(i) "Provision of funds from outside the northern areas should be permitted for the renovation and maintenance of Greek-Cypriot schools and churches in the Karpas area;"

(j) "Karpas Greek-Cypriots should be permitted visits by Greek-Cypriot doctors and medical staff;"

(k) "There should be no hindrance at any time to children of Karpas Greek-Cypriots returning to their family homes without formality;"

(l) "Karpas Greek-Cypriots should be allowed visits from close relatives who normally reside outside the northern part of Cyprus;"

(m) "Karpas Creek-Cypriots should be allowed to bequeath fixed property in Karpas to their next of kin and in the event that such beneficiaries normally reside outside the northern part of the island, they should be allowed to visit bequeathed properties without hindrance or formality;"

(n) "Restrictions on UNFICYP's freedom of movement to and from as well as within the Karpas area should be lifted;"

(o) "Restrictions on the discharge by UNFICYP of its humanitarian and other functions with regard to Karpas Greek-Cypriots should be lifted and liaison posts should be established where the greatest number of Greek-Cypriots live in the north at the villages of Rizokarpaso and Ayias Trias. (The sole remaining permanent UNFICYP presence in the Karpas, a small liaison post, remains confined, with no freedom of movement, in the village of Leonarisso, where only 9 Greek-Cypriots still reside.);" and

(p) "All restrictions preventing offshore fishing by the Creek-Cypriots of the Karpas should be lifted;"

Whereas other restrictions on the freedom and human rights of the enclaved include:

(a) A requirement that enclaved males aged 18 to 50 report once a week to those in control;

(b) Harassment, beating, rape, and murder without investigation; and

(c) Lake of compensation for work performed;

Whereas U.N. Security Council Resolution 1062 (96), inter-alia, expressed regret that "the Turkish-Cypriot side has not responded more fully to the recommendations made by UNFICYP and calls upon the Turkish-Cypriot side to respect more fully the basic freedoms of the Creek-Cypriots and Maronites living in the northern part of the island and to intensify its efforts to improve their daily lives;" and

Whereas on July 31, 1997 Cyprus President Clafcos Clerides and Turkish-Cypriot leader Rauf Denktash agreed to further address this issue along with other humanitarian issues: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) strongly urges the President to undertake efforts to end restrictions on the freedoms and human rights of the enclaved people of Cyprus; and

(2) shall remain actively interested in the matter until the human rights and fundamental freedoms of the enclaved people of Cyprus are restored, respected, and safeguarded.

Ms. SNOWE. Mr. President, today I, along with my distinguished colleague from Maryland, Senator MIKULSKI, am submitting this concurrent resolution which calls for a United States effort to end the restrictions on the freedoms and violations of the human rights of the enclaved people in the occupied portion of Cyprus. A little over 2 years ago, Senator MIKULSKI and I had introduced a bill to address these very same concerns which, unfortunately, are still with us.

Mr. President, I am aware that developments on Cyprus are not known to most Americans. Yet if I were to tell them that a small nation has had part of its land illegally occupied by a neighboring state for over 23 years, I know they would be both shocked and outraged. The 23 years since the 1974 Turkish invasion of Cyprus have seen the end of the cold war, the collapse of the USSR, free elections in South Africa and a reunited Germany, yet while the line through the heart of Berlin is gone, the line through the heart of Cyprus remains.

Over two decades ago, Turkey's brutal invasion drove more than 200,000 Cypriots from their homes. Turkey still controls about one-third of the island of Cyprus and maintains about 30,000 troops there. However, there remains, in northern Cyprus, a small remnant of 497 enclaved Greek-Cypriots. The reason they are referred to as the enclaved of Cyprus is that during the fighting in 1974 they mostly resided in remote enclaves and therefore were not able to flee the fighting and thus were not immediately expelled. Nevertheless the enclaved people of Cyprus have still seen their numbers reduced from 11,300 in 1974 to the 497 there are today.

Mr. President, I am hopeful that with the appointment of Ambassador Richard Holbrooke as the Special Presidential Envoy for Cyprus that a long-overdue settlement will finally be reached. However, I believe that this resolution is nevertheless important in serving to bring to the attention of the American people and the world community, the hardships and restrictions endured by these enclaved individuals.

In 1975, representatives of the Greek and Turkish Cypriot communities agreed that the Greek-Cypriots in the northern part of the island were to be given every help to lead a normal life. Twenty-two years later this is still not the case.

The presence of the Turkish-Cypriot police in the lives of the enclaved Greek-Cypriots is constant, and there are restrictions on land travel. Other human rights restrictions and deprivations include:

Restrictions on private telephones;

Restrictions on hand-carried mail and newspapers;

Difficulties in receiving full educational opportunities;

Restricted access to and religious use of the monastery at Apostolos Andreas;

A requirement that enclaved males aged 18–50 must report once a week to those in control; and

A lack of investigation with regard to harassment, beating, rape and murder.

Mr. President, this situation calls out for justice. By bringing these human rights violations to the attention of the American people, it is my hope and that of Senator MIKULSKI, that we can bring the plight of these people to the World's attention. Our resolution urges the President to undertake efforts to end the restrictions on the freedoms and human rights of the enclaved people. I will remain actively involved in this issue until their rights and freedoms are restored.

This is the least we can do for these people. That is why I wish Ambassador Holbrooke the best of success in his efforts to achieve a settlement. While this resolution addresses the plight of the enclaved people of Cyprus, work must not cease on efforts to bring about a withdrawal of Turkish forces and a restorations of Cyprus' sovereignty over the entire island with the full respect of the rights of all Cypriots.

Ms. MIKULSKI. Mr. President, I am proud to join Senator SNOWE in submitting the Enclaved People of Cyprus concurrent resolution. This legislation puts the Congress on record in support of human rights and freedom for all the people of Cyprus.

In 1974 Turkish troops invaded Cyprus and divided the island. For 23 years, the people of Cyprus have lived under an immoral and illegal occupation. The enclaved people in the northern part of the island have suffered most. Their travel is restricted. They may not attend the school of their choice. Their access to their religious sites is restricted. They are often harassed and discriminated against.

The United Nations and the European Union have documented these human rights abuses and have called on the Turkish Cypriots to respect the basic freedoms of the Greek-Cypriots and Maronites living in the northern part of the island.

Our foreign policy must reflect our values. The legislation we are introducing calls for an end to the restrictions on the freedoms of the enclaved people in the occupied part of Cyprus. It states that Congress will remain active until the human rights and fundamental freedoms of the enclaved people of Cyprus are restored, respected and safeguarded.

Mr. President, I am hopeful that this year we will bring peace to Cyprus. But our efforts to improve human rights on the island cannot wait. I urge my colleagues to join me in supporting this legislation.

SENATE RESOLUTION 144—RELATIVE TO THE LEWIS AND CLARK EXPEDITION

Mr. DURBIN (for himself and Ms. MOSELEY-BRAUN) submitted the following resolution; which was referred to the Committee on Energy and Natural Resources:

S. RES. 144

Whereas President Thomas Jefferson selected Meriwether Lewis and William Clark to be co-leaders of an expedition to explore the Missouri and Columbia rivers;

Whereas Lewis and Clark staged their epic journey at the confluence of the Mississippi and Missouri Rivers in December 1803;

Whereas they camped for the winter at the mouth of Wood River, on the Illinois side of the Mississippi, opposite the entrance to the Missouri River;

Whereas the 2 captains recruited young woodsmen and enlisted soldiers who volunteered from nearby Army outposts, selecting a roster of approximately 45 men for the expedition;

Whereas Meriwether Lewis recorded that the mouth of the Wood River was "to be considered the point of departure" for the 1 of the most important journeys into the American West; and

Whereas the bicentennial of this monumental expedition will be observed beginning in 2003: Now, therefore, be it

Resolved, That the Senate—

(1) expresses its support for an interpretive site near Wood River, Illinois, as the point of departure of the Lewis and Clark Expedition;

(2) expresses its support for the people of Illinois in recognizing the site as a site of monumental historical impact; and

(3) calls on the President, the Secretary of the Interior, the Director of the National Park Service, other public officials, and the people of the United States to support and promote the site near Wood River, Illinois, as the starting point of 1 of the greatest journeys in American history.

SENATE RESOLUTION 145—DESIGNATING NATIONAL AMERICAN INDIAN HERITAGE MONTH

Mr. CAMPBELL (for himself, Mr. INOUYE, Mr. ABRAHAM, Mr. ALLARD, Mr. BAUCUS, Mr. BENNETT, Mr. BINGAMAN, Mrs. BOXER, Mr. BREAUX, Mr. BROWNBACK, Mr. BRYAN, Mr. CHAFEE, Mr. COCHRAN, Ms. COLLINS, Mr. CONRAD, Mr. D'AMATO, Mr. DASCHLE, Mr. DODD, Mr. DOMENICI, Mr. DORGAN, Mr. DURBIN, Mr. ENZI, Mr. FAIRCLOTH, Mr. FEINGOLD, Mrs. FEINSTEIN, Mr. FORD, Mr. FRIST, Mr. GORTON, Mr. GRAHAM, Mr. HATCH, Mr. INHOFE, Mr. JEFFORDS, Mr. JOHNSON, Mr. KENNEDY, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. LEVIN, Mr. LIEBERMAN, Mr. LOTT, Mr. MCCAIN, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, Mrs. MURRAY, Mr. REID, Mr. ROCKEFELLER, Mr. SMITH of Oregon, Mr. THOMAS, Mr. THURMOND, Mr. WARNER, Mr. WELLSTONE, and Mr. WYDEN) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 145

Whereas American Indians and Alaska Natives were the original inhabitants of the land that now constitutes the United States;

Whereas American Indians tribal governments developed the fundamental principles of freedom of speech and separation of powers that form the foundation of the United States Government;

Whereas American Indians and Alaska Natives have traditionally exhibited a respect for the finiteness of natural resources through a reverence for the earth;

Whereas American Indians and Alaska Natives have served with valor in all of America's wars beginning with the Revolutionary War through the conflict in the Persian Gulf, and often the percentage of American Indians who served exceeded significantly the percentage of American Indians in the population of the United States as a whole;

Whereas American Indians and Alaska Natives have made distinct and important contributions to the United States and the rest of the world in many fields, including agriculture, medicine, music, language, and art;

Whereas American Indians and Alaska Natives deserve to be recognized for their individual contributions to the United States as local and national leaders, artists, athletes, and scholars;

Whereas this recognition will encourage self-esteem, pride, and self-awareness in American Indians and Alaska Natives of all ages; and

Whereas November is a time when many Americans commemorate a special time in the history of the United States when American Indians and English settlers celebrated the bounty of their harvest and the promise of new kinships: Now, therefore, be it

Resolved, That the Senate designates November 1997 as "National American Indian Heritage Month" and requests that the President issue a proclamation calling on the Federal Government and State and local governments, interested groups and organizations, and the people of the United States to observe the month with appropriate programs, ceremonies, and activities.

Mr. CAMPBELL. Mr. President, I am pleased to submit today, along with many of my colleagues, a Senate resolution that designates the month of November 1997, as "American Indian Heritage Month." I feel it is appropriate and deserving to honor American Indians and Alaska Natives, as the original inhabitants of the land that now constitutes the United States, with this November designation as Congress has done for the past 7 years.

American Indians and Alaska Natives have left an indelible imprint on many aspects of our everyday life that we often take for granted. The arts, education, science, medicine, industry, and government are areas that have been influenced by American Indian and Alaska Native people. Many of the healing remedies that we use today were obtained from practices already in use by Indian people.

Mr. President, many of the basic principles of democracy in our Constitution can be traced to ideologies already in use by Indian tribal governments including such doctrines of freedom of speech and separation of powers. Our Founding Fathers benefited greatly from assistance given to them by Indian tribes in the early stages of establishing our Nation.

Our respect for the preservation of natural resources, reverence for our elders, and adherence to tradition, were developed, in part, through contact with American Indians and Alaska Natives.

American Indian and Alaska Native people have proudly served and dedicated their lives in the military defense of our country in wartime and in peace. In fact, their participation rate in the Armed Forces far outstrips the rates of all other groups in this Nation. They gave their lives in defense of this Nation even before they were allowed to be citizens in 1924.

Many of the words in our language have been borrowed from native languages, including many of the names of the rivers, cities, and States across our Nation. Indian arts and crafts have also made a distinct impression on our heritage.

It is my hope that by designating the month of November 1997, as "American Indian Heritage Month," it will encourage self-esteem, pride, and self awareness in American Indians and Alaska Natives of all ages. Many schools, organizations, Federal, State, and local governments also plan activities and programs to celebrate the achievements of American Indians and Alaska Natives.

November is a special time in the history of the United States; we celebrate the Thanksgiving holiday by remembering the American Indians and English settlers as they enjoyed the bounty of their harvest and the promise of new kinships. That is why, this is an appropriate time of the year for this designation.

Therefore, I ask for the support of my colleagues for this special tribute of this country, and urge the Senate to pass this resolution.

AMENDMENTS SUBMITTED

THE RECIPROCAL TRADE AGREEMENT ACT OF 1997

DORGAN (AND CONRAD) AMENDMENT NO. 1593

(Ordered to lie on the table.)

Mr. DORGAN (for himself and Mr. CONRAD) submitted an amendment intended to be proposed by them to the bill (S. 1269) to establish objectives for negotiating and procedures for implementing certain trade agreements; as follows:

At the appropriate place, insert the following new section:

SEC. . IMPOSITION OF ADDITIONAL DUTIES AND QUANTITATIVE LIMITATIONS ON CANADIAN GRAIN.

(a) IN GENERAL.—Notwithstanding any other provision of law, the President shall immediately impose tariff-rate quotas on wheat, durum wheat, and barley imported from Canada in accordance with the tables contained in paragraphs (1), (2), and (3):

(1) DURUM WHEAT.—

If the quantity of durum wheat imported is:	The rate of duty is:
Not more than 300,000 metric tons.	NAFTA rate of duty.
More than 300,000 metric tons, but not more than 450,000 metric tons.	$23/ton.
More than 450,000 metric tons.	$50/ton.

(2) OTHER WHEAT.—

If the quantity of wheat (other than durum wheat) imported is:	The rate of duty is:
Not more than 1,050,000 metric tons.	NAFTA rate of duty.
More than 1,050,000 metric tons.	$50/ton.

(3) BARLEY.—

If the quantity of barley imported is:	The rate of duty is:
Not more than the average amount imported from Canada during the 10-year period preceding the effective date of the NAFTA.	NAFTA rate of duty.
More than the average amount imported from Canada during the 10-year period preceding the effective date of NAFTA.	$50/ton.

(b) DEFINITIONS.—In this section:

(1) NAFTA.—The term "NAFTA" means the North American Free Trade Agreement approved by Congress under section 101(a) of the North American Free Trade Agreement Implementation Act.

(2) NAFTA RATE OF DUTY.—The term "NAFTA rate of duty" means the rate of

duty in effect on the day before the date of enactment of this Act for wheat, durum wheat, or barley, which ever is applicable, imported from Canada.

DORGAN (AND OTHERS) AMENDMENT NO. 1594

Mr. DORGAN (for himself, Mr. BYRD, and Mr. SARBANES) proposed an amendment to the bill, S. 1269, supra; as follows:

On page 1, between lines 2 and 3, insert:

TITLE I—RECIPROCAL TRADE AGREEMENTS

Redesignate sections 1 through 10 as sections 101 through 110, respectively, and redesignate any cross references thereto accordingly.

On page 1, line 4, strike "This Act" and insert "This title".

On page 2, line 4, strike "Act" and insert "title".

On page 18, line 11, strike "Act" and insert "title".

On page 19, line 12, strike "Act" and insert "title".

On page 19, line 18, strike "Act" and insert "title".

On page 22, line 20, strike "Act" and insert "title".

On page 22, line 25, strike "Act" and insert "title".

On page 24, line 17, strike "Act" and insert "title".

On page 24, line 20, strike "Act" and insert "title".

On page 25, line 19, strike "this Act" and insert "this title".

On page 27, line 25, strike "Act" and insert "title".

On page 28, line 16, strike "Act" and insert "title".

On page 33, line 3, strike "Act" and insert "title".

On page 33, line 16, strike "Act" and insert "title".

On page 33, line 23, strike "Act" and insert "title".

On page 35, line 23, strike "Act" and insert "title".

On page 48, line 4, strike "Act" and insert "title".

At the end of the bill, insert the following new title:

TITLE II—EMERGENCY COMMISSION TO END THE TRADE DEFICIT

SEC. 201. SHORT TITLE.

This title may be cited as the "End the Trade Deficit Act".

SEC. 202. FINDINGS.

Congress makes the following findings:

(1) The United States has had 21 years of consecutive annual merchandise trade deficits, totaling $1,984,270,000,000.

(2) In 1996, the United States had the largest negative trade balance in its history, amounting to $191,170,000,000. It is the third consecutive year in which the trade deficit has set a new record. Economic forecasts anticipate continued growth in the trade deficit in the next few years.

(3) Private economic forecasts now project that the trade deficit will nearly double within the next 10 to 15 years.

(4) The positive net international asset position that the United States built up over 100 years was eliminated in the 1980s. The United States today has become the world's largest debtor nation, with a net debt of more than $774,000,000,000.

(5) In recent times, the trade deficit has retarded growth in the Nation's gross domestic product, increased the costs of servicing higher net foreign debt, and made the United States more dependent on international financial considerations.

(6) The United States merchandise trade deficit is characterized by large bilateral trade imbalances with a handful of countries. Six countries (Japan, China, Canada, Mexico, Germany, and Taiwan) accounted for 92 percent of the United States trade deficit in goods in 1996. Japan and China accounted for one-half of the trade deficit.

(7) Today the United States trade deficit primarily consists of high-value manufactured items. Automobiles, office machines, electronic goods, and telecommunications equipment now comprise nearly three-fourths of the trade deficit. The United States imports more cars from Mexico than it exports to the rest of the world. Imports of manufactured goods as a percentage of the United States manufacturing gross domestic product have risen from 11 percent in 1970 to more than 50 percent last year.

(8) While the United States has one of the most open borders and economies in the world, the United States faces significant tariff and nontariff trade barriers with its trading partners. Current overall trade balances do not reflect the actual competitiveness or productivity of the United States economy. Instead, they demonstrate the underlying structural nature of the trade deficits. Full reciprocal market access remains an elusive goal as documented in the annual reports of the United States Trade Representative.

(9) Since the last comprehensive review of national trade and investment policies was conducted by a Presidential commission in 1970, there have been massive worldwide economic and political changes which have profoundly affected world trading relationships. The cold war has ended. It is no longer necessary or prudent for United States trade policy to be a residual of United States foreign policy. Globalization, the increased mobility of capital and technology, the growth of transnational corporations, and the outsourcing of production across national boundaries, are reshaping both the comparative and competitive trade advantages among nations.

(10) The United States is once again at a critical juncture in trade policy development. The structural nature of the United States trade deficit and its persistent growth must be reversed. The causes and consequences of the trade deficit must be documented and a plan must be developed to eliminate the merchandise trade deficit within the next 10 years.

SEC. 203. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the Emergency Commission To End the Trade Deficit (hereafter in this title referred to as the "Commission").

(b) PURPOSE.—The purpose of the Commission is to develop a trade policy plan to eliminate the United States merchandise trade deficit by the year 2007 and to develop a competitive trade policy for the 21st century. The plan shall include strategies necessary to achieve a balance of trade that fully reflects the competitiveness and productivity of the United States and also improves the standard of living of United States citizens.

(c) MEMBERSHIP OF COMMISSION.—

(1) COMPOSITION.—The Commission shall be composed of 11 members of whom—

(A) 3 shall be appointed by the President;

(B) 1 Senator and 1 other person shall be appointed by the President pro tempore of the Senate upon the recommendation of the Majority Leader of the Senate;

(C) 1 Senator and 1 other person shall be appointed by the President pro tempore of the Senate upon the recommendation of the Minority Leader of the Senate;

(D) 1 Member of the House of Representatives and 1 other person shall be appointed by the Speaker of the House of Representatives; and

(E) 1 Member of the House of Representatives and 1 other person shall be appointed by the Minority Leader of the House of Representatives.

(2) QUALIFICATIONS OF MEMBERS.—

(A) PRESIDENTIAL APPOINTMENTS.—Of the persons appointed under paragraph (1)(A), not more than 1 may be an officer, employee, or paid consultant of the executive branch.

(B) OTHER APPOINTMENTS.—Persons who are not Members of Congress, appointed under subparagraph (B), (C), (D), or (E) of paragraph (1), shall be persons who—

(i) have expertise in economics, international trade, manufacturing, labor, environment, business, or have other pertinent qualifications or experience; and

(ii) are not officers or employees of the United States.

(C) OTHER CONSIDERATIONS.—In appointing Commission members, every effort shall be made to ensure that the members—

(i) are representative of a broad cross-section of economic and trade perspectives within the United States; and

(ii) provide fresh insights to achieving a trade deficit reduction plan.

(d) PERIOD OF APPOINTMENT; VACANCIES.—

(1) IN GENERAL.—Members shall be appointed not later than 60 days after the date of enactment of this Act and the appointment shall be for the life of the Commission.

(2) VACANCIES.—Any vacancy in the Commission shall not affect its powers, but shall ed by the President;

(B) 1 Senator and 1 other person shall be appointed by the President pro tempore of the Senate upon the recommendation of the Majority Leader of the Senate;

(C) 1 Senator and 1 other person shall be appointed by the President pro tempore of tssion shall meet at the call of the Chairperson.

(g) CHAIRPERSON AND VICE CHAIRPERSON.—The members of the Commission shall elect a chairperson and vice chairperson from among the members of the Commission.

(h) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(i) VOTING.—Each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

SEC. 204. DUTIES OF THE COMMISSION.

(a) IN GENERAL.—The Commission shall be responsible for developing a comprehensive trade policy plan, by examining the economic policies, trade, tax, and investment laws, and other legal incentives and restrictions that are relevant to reducing the United States trade deficit.

(b) RECOMMENDATIONS.—The Commission shall examine and make recommendations to Congress and the President on the following:

(1) The manner in which the Government of the United States establishes and administers the Nation's fundamental trade policies and objectives, including—

(A) the relationship of the merchandise trade balance to the overall well-being of the United States economy and in particular the impact the trade balance has on wages and employment in various sectors of the United States economy;

(B) the relationship of United States foreign policy objectives to trade policy and the extent to which foreign policy considerations receive a priority over trade objectives;

(C) the effects the trade deficits in the areas of manufacturing and technology have on defense production and innovation capabilities of the United States;

(D) the extent to which United States monetary policies and the need for foreign capital to finance the current account deficit influence trade objectives;

(E) the coordination, allocation, and accountability of trade responsibilities among Federal agencies; and

(F) the methods for improving and enhancing systematic congressional review of foreign policy and trade policy as part of a plan to establish a coordinated set of national economic priorities.

(2) The causes and consequences of both the overall trade deficit and specific bilateral trade deficits, including—

(A) identification and quantification of the macroeconomic, sectoral, and bilateral trade factors contributing to the United States trade deficit with various countries;

(B) identification and quantification of the impact of the trade deficit on the domestic economy, industrial base, manufacturing capacity, number and quality of jobs, productivity, wages, health, safety, and environmental standards, and the United States standard of living;

(C) identification and quantification of individual industrial, manufacturing, and production sectors, and intraindustry and intracompany transactions which contribute to or are impacted by United States trade deficits;

(D) a review of the adequacy of the current collection and reporting of trade data, and the identification and development of additional data bases and economic measurements that may be needed to properly quantify the factors described in subparagraphs (A), (B), and (C);

(E) the relationship that tariff and nontariff barriers have to trade deficits and the extent to which trade deficits have become structural;

(F) the extent to which there is reciprocal market access in each country with which the United States has a persistent and substantial bilateral trade deficit; and

(G) the role of transhipments on bilateral trade, including foreign imports and exports, with special attention to transhipments under the North American Free Trade Agreement.

(3) The relationship of United States trade deficits to both comparative and competitive trade advantages within the global economy, including—

(A) a systematic analysis of the United States trade patterns with different trading partners, to what extent the trade patterns are based on comparative and competitive trade advantages, and how the trade advantages relate to the goods that are exported to and imported from various trading partners;

(B) the extent to which the increased mobility of capital and technology has changed both comparative and competitive trade advantages;

(C) identification and quantification of goods imported into the United States which are produced by child and forced labor, or under social and environmental conditions that do not comply with United States law;

(D) the impact that labor standards (including the ability of labor to organize, bargain collectively, and exercise human rights) have on world trade;

(E) the impact that currency exchange rates and the manipulation of exchange rates have on world trade and trade deficits;

(F) the effect that offset and technology transfer agreements have on the long-term competitiveness of the United States manufacturing sectors; and

(G) the extent to which international agreements impact on United States competitiveness.

(4) The flow of investments both into and out of the United States, including—

(A) the impact such investments have on the United States trade deficit and living standards of United States production workers;

(B) the impact such investments have on United States labor, community, environmental, health, and safety standards;

(C) the extent to which United States tax laws, such as income deferral, contribute to the movement of manufacturing facilities and jobs to foreign locations;

(D) the identification and quantification of domestic plant closures and the movement of such plants to foreign locations for production of goods for the United States market;

(E) the impact of implied or threatened plant closings and movement of jobs to foreign locations on United States wage rates and working conditions;

(F) the effect of investment flows on wages in countries with developed economies and on countries of the former Soviet Union; and

(G) the effect of barriers to United States foreign direct investment in developed and developing nations, particularly nations with which the United States has a trade deficit.

(5) Evaluation of current policies and suggestions for alternative strategies for the United States to systematically reduce the trade deficit and improve the economic wellbeing of United States citizens, including suggestions for—

(A) the development of bilateral and multilateral trade relationships based on market access reciprocity;

(B) the retention and expansion of United States manufacturing, agricultural, and technology sectors, which are vital to the economy and security of the United States;

(C) the discouragement of the expatriation of United States plants, jobs, and production to nations that have achieved competitive advantages by permitting lower wages or lower health, safety, and environmental standards, or by imposing requirements with respect to investment, performance, or other obligations;

(D) methods by which the United States can effectively compete in a global economy while improving the labor, social, and environmental standards of its trading partners, particularly developing nations;

(E) methods by which the United States can respond to substantial shifts or manipulation of currency exchange rates which distort trade relationships;

(F) methods for overcoming and offsetting trade barriers which are either not subject to or otherwise inadequately addressed by the World Trade Organization or other multilateral arrangements;

(G) specific strategies for achieving improved trade balances with those nations that the United States has significant, persistent sectoral or bilateral trade deficits, including Japan, China, Canada, Mexico, Germany, and Taiwan;

(H) methods for the United States to respond to the particular needs and circumstances of developing and developed nations in a manner that is mutually beneficial; and

(I) changes that may be required to current trade agreements and organizations to allow the United States to pursue and nurture economic growth for its manufacturing, agriculture, and other production sectors in a manner that insures improved compensation and quality of life for United States citizens.

SEC. 205. FINAL REPORT; CONGRESSIONAL HEARINGS.

(a) FINAL REPORT.—

(1) IN GENERAL.—Not later than 16 months after the date of enactment of this Act, the Commission shall submit to the President and Congress a final report which contains—

(A) the findings and conclusions of the Commission described in section 204;

(B) a detailed plan for reducing both the overall trade deficit and specific bilateral trade deficits; and

(C) any recommendations for administrative and legislative actions necessary to achieve such reductions.

(2) SEPARATE VIEWS.—Any member of the Commission may submit additional findings and recommendations as part of the final report.

(b) CONGRESSIONAL HEARINGS.—Not later than 6 months after the final report described in subsection (a) is submitted, the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate shall hold hearings on the report.

SEC. 206. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission may find advisable to fulfill the requirements of this title. The Commission shall hold at least 7 public hearings, 1 or more in Washington, D.C. and 4 in different regions of the United States.

(b) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this title. Upon request of the Chairperson of the Commission, the head of such department or agency shall furnish such information to the Commission.

(c) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

SEC. 207. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—

(1) IN GENERAL.—The Chairperson of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(2) COMPENSATION.—The Chairperson of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

SEC. 208. AUTHORIZATION OF APPROPRIATIONS; GAO AUDIT.

(a) IN GENERAL.—There are authorized to be appropriated $2,000,000 to the Commission to carry out the provisions of this title.

(b) GAO AUDIT.—Not later than 6 months after termination of the Commission, the Comptroller General of the United States shall complete an audit of the financial books and records of the Commission to determine that the limitation on expenses has been met, and shall submit a report on the audit to the President and Congress.

SEC. 209. TERMINATION OF COMMISSION.

The Commission shall cease to exist 30 days after the date on which the Commission submits the final report under section 205.

DORGAN AMENDMENT NOS. 1595–1597

(Ordered to lie on the table.)

Mr. DORGAN submitted three amendments intended to be proposed by him to the bill, S. 1269, supra; as follows:

AMENDMENT NO. 1595

At the appropriate place, insert the following:

SEC. . COLLECTION AND REPORTING OF TRADE-RELATED DATA.

(a) EMPLOYMENT INFORMATION FOR TRADED AND NONTRADED SECTORS.—

(1) IN GENERAL.—The Secretary of Labor shall collect and publish each month data relating to increases and decreases in the number of jobs and wages for traded and nontraded sectors of the economy.

(2) DEFINITIONS.—In this subsection:

(A) TRADED SECTORS.—The term "traded sectors" means sectors relating to the growth, manufacture, mining, or production of goods for export or for domestic production.

(B) NONTRADED SECTORS.—The term "nontraded sectors" means sectors other than the sectors described in subparagraph (A).

(b) EMPLOYMENT INFORMATION RELATING TO TRADE DEFICIT.—The Secretary of Commerce shall collect and publish on a quarterly basis data relating to decreases in the number of jobs in the United States that result from the trade deficit the United States has with individual countries. The data shall be published on a country-by-country basis as well as an aggregate basis and shall include an analysis of the extent to which United States trade deficits are an impediment to the growth of the Gross Domestic Product.

(c) INTRACOMPANY TRANSACTIONS.—The Secretary of Commerce shall collect data and publish an annual report on the extent to which trade between the United States and each of its trading partners involves intracompany transactions. The report shall identify each company that constitutes 5 percent or more (by dollar value) of the trade between the United States and each of its trading partners.

AMENDMENT NO. 1596

On page 41, between lines 16 and 17, insert the following new section and redesignate the remaining sections and cross references thereto accordingly:

SEC. 6. SAFEGUARDS AGAINST MERCHANDISE TRADE DEFICITS.

(a) IN GENERAL.—Every applicable trade agreement shall contain the safeguard provisions described in subsection (b) relating to increases in the United States merchandise trade deficit.

(b) SAFEGUARDS DESCRIBED.—

(1) IN GENERAL.—The President shall notify Congress not later than June 30 of any calendar regarding each country with which the United States has an applicable trade agreement, if the United States merchandise trade deficit with such country is at least $5,000,000,000 and has increased by 100 percent or more in the 3-calendar-year period preceding such calendar year.

(2) TERMINATION OF APPLICABLE TRADE AGREEMENT.—

(A) IN GENERAL.—An applicable trade agreement with respect to which the President has given notice under paragraph (1) shall terminate on June 30 of the year following the year in which such notice is given unless extended pursuant to the requirements of subparagraph (B).

(B) PROCEDURAL PROVISIONS.—

(i) IN GENERAL.—The requirements of this paragraph are met if a joint resolution is enacted under subsection (c); and—

(I) Congress adopts and transmits the joint resolution to the President before the end of the 270-day period (excluding any day described in section 154(b) of the Trade Act of 1974), beginning on the date on which Congress receives a notice referred to in paragraph (1); and

(II) if the President vetoes the joint resolution, each House of Congress votes to override that veto on or before the later of the last day of the 270-day period referred to in subclause (I) or the last day of the 15-day period (excluding any day described in section 154(b) of the Trade Act of 1974) beginning on the date on which Congress receives the veto message from the President.

(ii) TIME FOR INTRODUCTION.—A joint resolution to which this section applies may be introduced at any time on or after the date on which the President transmits to Congress a notice described in paragraph (1), and before the end of the 270-day period referred to in clause (i)(I).

(c) JOINT RESOLUTIONS.—

(1) JOINT RESOLUTIONS.—For purposes of this section, the term "joint resolution" means only a joint resolution of the 2 Houses of Congress, the matter after the resolving clause of which is as follows: "That Congress approves the continuation of ____ Agreement with respect to ____.", with the first blank space being filled with the name of the applicable trade agreement; and the second blank space being filled with the name of the party to that agreement with respect to which the President has provided notice pursuant to subsection (b)(1).

(2) PROCEDURES.—

(A) INTRODUCTION.—Joint resolutions may be introduced in either House of Congress by any member of such House.

(B) APPLICATION OF SECTION 152 OF THE TRADE ACT OF 1974.—Subject to the provisions of this subsection, the provisions of subsections (b), (d), (e), and (f) of section 152 of the Trade Act of 1974 (19 U.S.C. 2192 (b), (d), (e), and (f)) apply to joint resolutions to the same extent as such provisions apply to resolutions under such section.

(C) DISCHARGE OF COMMITTEE.—If the committee of either House to which a joint resolution has been referred has not reported it by the close of the 45th day after its introduction (excluding any day described in section 154(b) of the Trade Act of 1974), such committee shall be automatically discharged from further consideration of the joint resolution and it shall be placed on the appropriate calendar.

(D) PROCEEDINGS IN THE HOUSE.—A motion in the House of Representatives to proceed to the consideration of a joint resolution may only be made on the second legislative day after the calendar day on which the Member making the motion announces to the House his or her intention to do so.

(3) CONSIDERATION OF SECOND RESOLUTION NOT IN ORDER.—It shall not be in order in either the House of Representatives or the Senate to consider a joint resolution (other than a joint resolution received from the other House), if that House has previously adopted a joint resolution under this section.

(d) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such is deemed a part of the rules of each House, respectively, and such procedures supersede other rules only to the extent that they are inconsistent with such other rules; and

(2) with the full recognition of the constitutional right of either House to change the rules (so far as relating to the procedures of that House) at any time, in the same manner, and to the same extent as any other rule of that House.

(e) DEFINITIONS.—In this section:

(1) APPLICABLE TRADE AGREEMENT.—The term "applicable trade agreement" means a trade agreement approved pursuant to the trade agreement approval procedures provided for in this Act.

(2) MERCHANDISE TRADE DEFICIT.—The term "merchandise trade deficit" means the dollar value by which the goods imported into the United States from a country with which the United States has an applicable trade agreement exceeds the dollar value of United States goods exported to that country, as determined by the Department of Commerce.

AMENDMENT NO. 1597

On page 41, between lines 16 and 17, insert the following new section and redesignate the remaining sections and cross references thereto accordingly:

SEC. 6. REPORT AND REVIEW OF TRADE AGREEMENTS.

(a) IN GENERAL.—Not later than June 1 of each year, the Comptroller General of the United States shall submit to Congress a report with respect to each applicable trade agreement that was in effect for the preceding year. The report shall contain an analysis of the performance of each party to the agreement in meeting the United States trade negotiation objectives, and the standards and the timetables contained in the agreement.

(b) 5-YEAR REPORT BY GAO.—Not later than the date that is 6 months after the end of the 5-year period beginning on the date on which an applicable trade agreement enters into force with respect to the United States, the Comptroller General of the United States shall review and report to Congress regarding the performance of each party to the agreement. The report shall include—

(1) information that measures the performance of each party to the agreement with respect to—

(A) the United States trade negotiating objectives; and

(B) the standards and timetables in the agreement for increasing market access, lowering tariffs, eliminating trade barriers, achieving reciprocity, and reducing export subsidies; and

(2) an analysis of the effects of the agreement on the interests of the United States, the benefits to the United States of its participation in the agreement, and the value of the continued participation of the United States in the agreement.

(c) CONGRESSIONAL DECISION REGARDING CONTINUED UNITED STATES PARTICIPATION.—

(1) IN GENERAL.—An applicable trade agreement shall terminate on the last day of the 7-year period beginning on the date on which such trade agreement enters into force with respect to the United States unless extended or modified pursuant to the provisions of paragraph (2).

(2) PROCEDURAL PROVISIONS.—

(A) IN GENERAL.—The requirements of this paragraph are met if the joint resolution is enacted under subsection (d); and—

(i) Congress adopts and transmits the joint resolution to the President before the end of the 1-year period (excluding any day described in section 154(b) of the Trade Act of 1974), beginning on the date on which Congress receives a report referred to in subsection (b); and

(ii) if the President vetoes the joint resolution, each House of Congress votes to override that veto on or before the later of the last day of the 1-year period referred to in clause (i) or the last day of the 15-day period (excluding any day described in section 154(b) of the Trade Act of 1974) beginning on the date on which Congress receives the veto message from the President.

(B) TIME FOR INTRODUCTION.—A joint resolution to which this section applies may be introduced at any time on or after the date on which the Comptroller General transmits to Congress a report described in subsection (b), and before the end of the 1-year period referred to in subparagraph (A).

(d) JOINT RESOLUTIONS.—

(1) JOINT RESOLUTIONS.—For purposes of this section, the term "joint resolution" means only a joint resolution of the 2 Houses of Congress, the matter after the resolving clause of which is as follows: "That Congress ______________ provided under section ____ of the ______________, of the ______________ Agreement.", with the first blank space being filled with the phrase "agrees to extend its approval" or "agrees to extend its approval only if the following provisions are renegotiated", whichever is applicable; the second blank space being filled with the section of the implementing Act providing for Congressional approval of the applicable agreement; the third blank space being filled with the title of the Act implementing the agreement; and the fourth blank space being filled with the title of the agreement. If Congress agrees to extend an agreement only if certain provisions are renegotiated, the joint resolution shall describe the provisions to be renegotiated.

(2) PROCEDURES.—

(A) INTRODUCTION.—Joint resolutions may be introduced in either House of Congress by any member of such House.

(B) APPLICATION OF SECTION 152 OF THE TRADE ACT OF 1974.—Subject to the provisions of this subsection, the provisions of subsections (b), (d), (e), and (f) of section 152 of the Trade Act of 1974 (19 U.S.C. 2192 (b), (d), (e), and (f)) apply to joint resolutions to the same extent as such provisions apply to resolutions under such section.

(C) DISCHARGE OF COMMITTEE.—If the committee of either House to which a joint resolution has been referred has not reported it by the close of the 45th day after its introduction (excluding any day described in section 154(b) of the Trade Act of 1974), such committee shall be automatically discharged from further consideration of the joint resolution and it shall be placed on the appropriate calendar.

(D) PROCEEDINGS IN THE HOUSE.—A motion in the House of Representatives to proceed to the consideration of a joint resolution may only be made on the second legislative day after the calendar day on which the Member making the motion announces to the House his or her intention to do so.

(3) CONSIDERATION OF SECOND RESOLUTION NOT IN ORDER.—It shall not be in order in either the House of Representatives or the Senate to consider a joint resolution (other than a joint resolution received from the other House), if that House has previously adopted a joint resolution under this section.

(e) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such is deemed a part of the rules of each House, respectively, and such procedures supersede other rules only to the extent that they are inconsistent with such other rules; and

(2) with the full recognition of the constitutional right of either House to change the rules (so far as relating to the procedures of that House) at any time, in the same manner, and to the same extent as any other rule of that House.

(f) REPORT ON EXECUTIVE BRANCH TRADE ENFORCEMENT.—

(1) IN GENERAL.—Not later than June 1 of each year, the Comptroller General of the United States shall audit, and report to Congress on, the performance of each department and agency described in paragraph (2) in exercising its trade enforcement responsibilities. The audit shall focus on the resources, activity, effectiveness, authority, and coordination of each department and agency in carrying out its enforcement and compliance responsibilities.

(2) DEPARTMENT AND AGENCY.—A department or agency described in this paragraph means the Department of Commerce, the International Trade Commission, the Office of the United States Trade Representative, and the Department of Agriculture.

(g) APPLICABLE TRADE AGREEMENT.—For purposes of this section, the term "applicable trade agreement" means a trade agreement approved pursuant to the trade agreement approval procedures provided for in this Act.

DORGAN (AND REED) AMENDMENT NO. 1598

(Ordered to lie on the table.)

Mr. DORGAN (for himself and Mr. REED) submitted an amendment intended to be proposed by them to the bill, S. 1269, supra; as follows:

On page 41, between lines 16 and 17, insert the following new section and redesignate the remaining sections and cross references thereto accordingly:

SEC. 6. SAFEGUARDS AGAINST CURRENCY EXCHANGE RATE FLUCTUATIONS.

(a) IN GENERAL.—Every applicable trade agreement shall contain the safeguard provisions described in subsections (b) and (c) relating to currency exchange rate fluctuations.

(b) CURRENCY EXCHANGE RATE FLUCTUATIONS.—

(1) FLUCTUATIONS BETWEEN 15 PERCENT AND 40 PERCENT.—The President shall notify Congress as soon as practicable regarding each country with which the United States has an applicable trade agreement if the nominal value of the currency of that country depreciates in relation to the United States dollar more than 15 percent for a period of at least 90 days (as determined according to data published by the International Monetary Fund) and the President shall impose additional duties on the products of that country in an amount that the President determines necessary to offset the impact of the currency depreciation.

(2) FLUCTUATIONS OF 40 PERCENT OR MORE.—

(A) IN GENERAL.—Not later than 6 months after the President makes a determination described in subparagraph (B)), the President shall notify Congress of the determination described in that subparagraph.

(B) DETERMINATION DESCRIBED.—The determination described in this subparagraph is a determination by the President that the nominal value of the currency of a country with which the United States has an applicable trade agreement has depreciated in relation to the United States dollar by 40 percent or more for a period of at least 6 months (as determined according to data published by the International Monetary Fund).

(c) TERMINATION OF APPLICABLE TRADE AGREEMENT.—

(1) IN GENERAL.—An applicable trade agreement with a country with respect to which the President has given notice under subsection (b)(2)(A) shall terminate with respect to that country 180 days after the date of such notice unless extended pursuant to the requirements of paragraph (2).

(2) PROCEDURAL PROVISIONS.—

(A) IN GENERAL.—The requirements of this paragraph are met if the joint resolution is enacted under subsection (d); and—

(i) Congress adopts and transmits the joint resolution to the President before the end of the 120-day period (excluding any day described in section 154(b) of the Trade Act of 1974), beginning on the date on which Congress receives a notice referred to in subsection (b)(2)(A); and

(ii) if the President vetoes the joint resolution, each House of Congress votes to override that veto on or before the later of the last day of the 120-day period referred to in clause (i) or the last day of the 15-day period (excluding any day described in section 154(b) of the Trade Act of 1974) beginning on the date on which Congress receives the veto message from the President.

(B) TIME FOR INTRODUCTION.—A joint resolution to which this section applies may be introduced at any time on or after the date on which the President transmits to Congress a notice described in subsection (b)(2)(A), and before the end of the 120-day period referred to in subparagraph (A).

(d) JOINT RESOLUTIONS.—

(1) JOINT RESOLUTIONS.—For purposes of this section, the term "joint resolution" means only a joint resolution of the 2 Houses of Congress, the matter after the resolving clause of which is as follows: "That Congress approves the continuation of   Agreement with respect to   .", with the first blank space being filled with the name of the applicable trade agreement; and the second blank space being filled with the name of the country that is a party to that agreement and with respect to which the President has provided notice pursuant to subsection (b)(2)(A).

(2) PROCEDURES.—

(A) INTRODUCTION.—Joint resolutions may be introduced in either House of Congress by any member of such House.

(B) APPLICATION OF SECTION 152 OF THE TRADE ACT OF 1974.—Subject to the provisions of this subsection, the provisions of subsections (b), (d), (e), and (f) of section 152 of the Trade Act of 1974 (19 U.S.C. 2192 (b), (d), (e), and (f)) apply to joint resolutions to the same extent as such provisions apply to resolutions under such section.

(C) DISCHARGE OF COMMITTEE.—If the committee of either House to which a joint resolution has been referred has not reported it by the close of the 45th day after its introduction (excluding any day described in section 154(b) of the Trade Act of 1974), such committee shall be automatically discharged from further consideration of the joint resolution and it shall be placed on the appropriate calendar.

(D) PROCEEDINGS IN THE HOUSE.—A motion in the House of Representatives to proceed to the consideration of a joint resolution may only be made on the second legislative day after the calendar day on which the Member making the motion announces to the House his or her intention to do so.

(3) CONSIDERATION OF SECOND RESOLUTION NOT IN ORDER.—It shall not be in order in either the House of Representatives or the Senate to consider a joint resolution (other than a joint resolution received from the other House), if that House has previously adopted a joint resolution under this section.

(e) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such is deemed a part of the rules of each House, respectively, and such procedures supersede other rules only to the extent that they are inconsistent with such other rules; and

(2) with the full recognition of the constitutional right of either House to change the rules (so far as relating to the procedures of that House) at any time, in the same manner, and to the same extent as any other rule of that House.

(f) DEFINITION OF APPLICABLE TRADE AGREEMENT.—For purposes of this section, the term "applicable trade agreement" means a trade agreement approved pursuant to the trade agreement approval procedures provided for in this Act.

DORGAN (AND CONRAD) AMENDMENT NO. 1599

(Ordered to lie on the table.)

Mr. DORGAN (for himself and Mr. CONRAD) submitted an amendment intended to be proposed by them to the bill, S. 1269, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . RELIEF FROM INJURY.

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this section as "the Secretary") shall monitor the level of agricultural products imported into the United States from state trading enterprises. Whenever the Secretary determines that an agricultural product is being imported into the United States from a state trading enterprise in such increased quantities as to be a cause of serious injury, or the threat thereof, to the domestic industry producing a like article, the Secretary shall notify the President.

(b) ACTION BY PRESIDENT.—After the President receives notification under subsection (a), if the President finds that the imported agricultural product presents a serious injury, or the threat thereof, with respect to a domestic industry, the President shall impose such additional duties and quantitative limitations with respect to such product as the President determines necessary to prevent domestic market disruption and offset any competitive advantages of the state trading enterprise. For purposes of setting quantitative limitations, the President shall take into consideration the volume of the product imported from the state trading enterprise during the 10-year period preceding imposition of such limitations.

(c) DEFINITIONS.—In this section:

(1) COMPETITIVE ADVANTAGE.—The term "competitive advantage" means obtaining a market advantage through a monopoly position, nontransparent pricing, differential pricing, single-desk selling, or any other practice which results in preferential treatment.

(2) STATE TRADING ENTERPRISE.—The term "state trading enterprise" has the meaning given such term in section 1107(6) of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 2906(6)).

DORGAN (AND REED) AMENDMENT NO. 1600

(Ordered to lie on the table.)

Mr. DORGAN (for himself and Mr. REED) submitted an amendment intended to be proposed by them to the bill, S. 1269, supra; as follows:

On page 2, line 12, strike "and".

On page 2, line 16, strike the period and insert a semicolon.

On page 2, between lines 16 and 17, insert the following:

(5) an end to chronic, escalating trade deficits by increasing the net exports of the United States;

(6) mandatory performance standards and effective enforcement mechanisms to ensure full reciprocity with respect to market access, lower tariffs, and reduction of export subsidies;

(7) effective mechanisms to prevent currency exchange rate fluctuations, manipulation from distorting trade flows, and elimination of tariff reductions; and

(8) strong United States defense and security capabilities.

On page 17, between lines 5 and 6, insert the following:

(16) PERFORMANCE STANDARDS AND TIMETABLE.—The principal trade negotiating objective of the United States with respect to any agreement subject to the trade agreement approval procedures under this Act is to establish specific performance standards and timetables to measure the progress that other parties to the agreement are making with respect to complying with the terms of the agreement.

REED AMENDMENT NO. 1601

(Ordered to lie on the table.)

Mr. REED submitted an amendment intended to be proposed by him to the bill, S. 1269, supra; as follows:

On page 26, between lines 18 and 19, insert the following:

(4) TRADE AGREEMENT APPROVAL PROCEDURES LIMITED TO MULTILATERAL AGREEMENTS.—

(A) IN GENERAL.—Notwithstanding any other provision of law, the provisions of section 151 of the Trade Act of 1974, as modified by paragraph (3), shall not apply to any implementing bill that is submitted with respect to a bilateral trade agreement.

(B) BILATERAL TRADE AGREEMENT.—For purposes of this paragraph, the term "bilateral trade agreement" means an agreement regarding tariff or nontariff barriers entered into between the United States and one other country.

INHOFE AMENDMENT NO. 1602

Mr. INHOFE proposed an amendment to the bill, S. 1269, supra; as follows:

At the end of the bill, add the following:

TITLE —OZONE AND PARTICULATE MATTER RESEARCH

SEC. 01. SHORT TITLE.

This title may be cited as the "Ozone and Particulate Matter Research Act of 1997".

SEC. 02. FINDINGS.

Congress finds that—

(1) implementation of the national ambient air quality standards published in the Federal Register on July 18, 1997 (62 Fed. Reg. 38856), would damage the international competitiveness of the United States manufacturing industry and effectively subsidize imports, penalize exports, and add to an already large United States trade deficit;

(2) Public Law 101–549 (commonly known as the "Clean Air Act Amendments of 1990") (104 Stat. 2399) established a number of measures and programs that address ozone and particulate matter pollution and the precursors to ozone and particulate matter pollution;

(3) as of the date of enactment of this Act, most of the measures and programs are continuing or have yet to be implemented;

(4) the United States has made significant progress in reducing atmospheric levels of ozone and particulate matter since the enactment of Public Law 101–549 and will continue to make significant progress in reducing atmospheric levels of ozone and particulate matter through continued implementation of that Act during the 5-year period beginning on the date of enactment of this Act;

(5)(A) the national ambient air quality standards for ozone that were in effect on July 15, 1997, are explicitly incorporated into part D of title I of the Clean Air Act (42 U.S.C. 7501 et seq.); and

(B) the changes to those standards published in the Federal Register on July 18, 1997 (62 Fed. Reg. 38856), could nullify many of the ozone provisions in Public Law 101–549 and lead to disruptions and delays in the reduction of ozone and the precursors to ozone;

(6) the Administrator of the Environmental Protection Agency and the Clean Air Scientific Advisory Committee have recommended that additional research be conducted to determine any adverse health effects of fine particles (including research on the biological mechanism for adverse health effects, toxicity and dose response levels, and the specification of the size and type of particle that might have adverse health effects); and

(7) available atmospheric data regarding fine particle levels in the United States are inadequate to provide an understanding of any adverse health effects of fine particles or a basis for designating areas under title I of the Clean Air Act (42 U.S.C. 7401 et seq.).

SEC. ___03. PARTICULATE MATTER RESEARCH PROGRAM.

(a) INDEPENDENT PANEL.—

(1) IN GENERAL.—The Administrator of the Environmental Protection Agency (referred to in this title as the "Administrator") shall request the National Academy of Sciences to convene an independent panel of scientists with expertise in the health effects of air pollution to establish priorities for research on the health effects of particulate matter.

(2) REPORT.—Not later than February 1, 1998, the Administrator shall report to Congress on the recommendations of the independent panel.

(b) RESEARCH PRIORITIES.—At a minimum, the independent panel shall consider—

(1) the sizes and physical-chemical characteristics of the constituents of particulate matter;

(2) the health effects of individual exposure to concentrations of fine particulate matter at ambient levels versus indoor levels;

(3) the identification and evaluation of biological mechanisms for fine particulate matter as related to shortening of lives, acute mortality, and morbidity;

(4) controlled inhalation exposure as a determinant of dose-response relationships; and

(5) long-term health effect evaluations that examine individual exposure to fine particulate matter, other particulate indicators, and other copollutants and airborne allergens.

(c) INTERAGENCY COMMITTEE.—

(1) ESTABLISHMENT.—Not later than 60 days after the date of enactment of this Act, the President shall establish a committee to be known as the "Particulate Matter Interagency Committee" (referred to in this title as the "Interagency Committee").

(2) PURPOSES.—The Interagency Committee shall—

(A) not later than 180 days after the date of enactment of this Act, develop recommendations for a program to coordinate the activities of Federal agencies engaged in research on human health effects of particulate matter that ensures that the research advances the prioritized agenda of the independent panel; and

(B) monitor, review, and periodically evaluate the program.

(3) COMPOSITION OF INTERAGENCY COMMITTEE.—

(A) MEMBERSHIP.—The Interagency Committee shall be composed of 8 members, of whom—

(i) 1 shall be appointed by the Administrator;

(ii) 1 shall be appointed by the Secretary of Agriculture;

(iii) 1 shall be appointed by the Secretary of Defense;

(iv) 1 shall be appointed by the Secretary of Energy;

(v) 1 shall be appointed by the Secretary of Health and Human Services;

(vi) 1 shall be appointed by the Director of the National Institute of Environmental Health Sciences;

(vii) 1 shall be appointed by the Director of the National Institute of Standards and Technology; and

(viii) 1 shall be appointed by the Director of the Office of Science and Technology Policy.

(B) CHAIRPERSON.—From among the members appointed under clauses (ii) through (viii) of subparagraph (A), the Interagency Committee shall elect a chairperson who shall be responsible for ensuring that the duties of the Interagency Committee are carried out.

(C) STAFF.—Members of the Interagency Committee shall provide appropriate staff to carry out the duties of the Interagency Committee.

(d) REPORT TO INTERAGENCY COMMITTEE.—

(1) IN GENERAL.—The Administrator shall request the National Academy of Sciences to periodically submit to the Interagency Committee, the Clean Air Science Advisory Committee, and Congress a report that evaluates the prioritized research activities under the program described in subsection (c)(2)(A).

(2) EXPENSES.—The Administrator shall be responsible for expenses incurred by the National Academy of Sciences in carrying out paragraph (1).

SEC. ___04. SCIENCE REVIEW.

Not earlier than 4 years after the date of enactment of this Act, the Administrator shall—

(1) complete a thorough review of the air quality criteria published under section 108 of the Clean Air Act (42 U.S.C. 7408) for ozone and fine particulate matter and a thorough review of the standards in effect under that Act for ozone and particulate matter; and

(2) determine, in accordance with sections 108 and 109 of that Act (42 U.S.C. 7408, 7409), whether to—

(A) retain the criteria and standards in effect under that Act for ozone and particulate matter;

(B) make revisions in the criteria and standards; or

(C) promulgate new criteria and standards.

SEC. ___05. PARTICULATE MONITORING PROGRAM.

(a) IN GENERAL.—The Administrator may require State implementation plans to require ambient air quality monitoring for fine particulate matter pursuant to section 110(a)(2)(B) of the Clean Air Act (42 U.S.C. 7410(a)(2)(B)).

(b) GRANTS.—The Administrator shall make grants to States to carry out monitoring required under subsection (a).

SEC. ___06. REINSTATEMENT OF STANDARDS.

(a) IN GENERAL.—The national ambient air quality standards for ozone and particulate matter under section 109 of the Clean Air Act (42 U.S.C. 7409), as in effect on July 15, 1997, are reinstated, and any national ambient air quality standard for ozone or particulate matter that may be promulgated after July 15, 1997, but before completion of the science review under section 4 shall be of no effect.

(b) REVISION OF STANDARDS.—The national ambient air quality standards for ozone and particulate matter reinstated under subsection (a) shall not be revised until completion of the scientific review under section ___04.

SEC. ___07. ALLERGEN RESEARCH.

The National Institutes of Health shall carry out a research program to study the health effects of allergens on asthmatics, especially asthmatics in urban inner city areas.

SEC. ___08. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for each of fiscal years 1998 through 2002—

(1) $75,000,000 to carry out sections ___01 through ___06; and

(2) $25,000,000 to carry out section ___07.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. STEVENS. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to conduct a business meeting Thursday, November 6, 9:30 a.m., hearing room (SD-406) on H.R. 1787, the Asian Elephant Conservation Act of 1997, and other pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, November 6, 1997, at 10 a.m. to hold a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on the Judiciary, be authorized to hold an executive business meeting during the session of the Senate on Thursday, November 6, 1997, at 10 a.m., in room 226 of the Senate Dirksen Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, November 6, 1997, at 2 p.m., in room 226 of the Senate Dirksen Office Building to hold a hearing on the nomination of Robert S. Warshaw, of New York, to be Associate Director for National Drug Control Policy and Thomas S. Umberg to be Deputy Director for Supply Reduction for the Office of National Drug Control Policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. STEVENS. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, November 6, 1997 at: 9:30 a.m. to hold an open hearing on intelligence matters and 2:30 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL RELATIONS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Subcommittee on International Relations of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, November 6, 1997, at 3 p.m., to hold a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, RESTRUCTURING, AND THE DISTRICT OF COLUMBIA

Mr. STEVENS. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Subcommittee on Oversight of Government Management, Restructuring, and the District of Columbia, to meet on Thursday, November 6, 1997, at 12 p.m., for a hearing on "Music Violence: How Does it Affect Our Youth? An Examination of the Impact of Violent Music Lyrics on Youth Behavior and Well-Being in the District of Columbia and Across the Nation."

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TRIBUTE TO OUR NATION'S VETERANS

• Mr. SARBANES. Mr. President, I rise today to pay tribute to the men and women who have served our Nation's Armed Forces and the tremendous sacrifices they have made for this country. It has always been my view that these citizens who are called upon to defend our Nation, to risk and in many cases sacrifice their lives, deserve our upmost respect and gratitude, not only on Veterans Day, but for the peace and freedom we enjoy every day.

This day allows us all to contemplate the bravery and absolute importance of the men and women who have served and are currently serving in our Armed Forces. It is in large part because of their efforts and sacrifices that we are ensured the domestic tranquility with which to progress and become an even greater Nation. Moreover, their service has helped to ensure peace throughout the world and for generations of Americans to come. Whether directly involved in conflict or not, it is this mission the dedicated men and women in the Armed Forces are sworn to uphold and we all value and recognize their hard work and tremendous contributions.

The First World War ended on the 11th hour, of the 11th day, of the 11th month, in 1918 on the day we now call Veterans Day. By the end of the first world conflict there had been more than 37 million military casualties, in addition to 10 million deaths among the civilian population. The effects of this war were felt around the world, but the sacrifice and tragedy associated with it were destined to be repeated with more bloodshed and even deadlier consequences.

Mr. President, it is my view that the purpose of Veterans Day is not only to understand and honor the depth of the sacrifice that has already been made by our Nation's veterans, but to help strengthen our vows for peace in the future. It is the hope of many, indeed, all of us who celebrate Veterans Day, that this day, through reflection, will strengthen and foster peace worldwide. We should use this day as a link to our past in a way that helps us understand the depth of the tragedy and loss incurred in previous wars and thereby help us keep the peace and our democratic way of life. To ignore this link would deplete the purpose and meaning of this important day.

So, I rise today to pay the upmost tribute to our veterans, past and present. As we celebrate Veterans Day, I want to extend my sincere gratitude to those who have sacrificed and died, those who have served, and those who are serving now. We will never forget your service and your sacrifice.•

DEFENSE INDUSTRY INITIATIVE ON BUSINESS ETHICS AND CONDUCT

• Mr. SANTORUM. I rise today to congratulate the Defense Industry Initiative on Business Ethics and Conduct for its 11 years of active effort in creating high standards of business ethics, business conduct, and compliance in the defense industry. I know that many of my colleagues in the Senate are not familiar with the unique DII effort.

In 1986, the DII was created as an outgrowth of the work of the President's Blue Ribbon Commission on Defense Management, known as the Packard Commission. At that time, a number of leading defense contractors drafted a set of DII Principles. These Principles obligated signatory companies to have written codes of conduct, to distribute the codes to all of their employees, to have ethics training programs which made certain that employees understood the codes, to have a hotline or ombudsman system, to have systems to make voluntary disclosures of violations of law or regulation to the Government, to attend annual best practices forums, and to participate in a public accountability process.

The group of DII signatory companies has grown over these 11 years to 48 companies, including virtually all of the largest defense contractors. To be frank, I would think that at least all of our hundred largest defense contractors should be willing to sign up publicly to the Defense Industry Initiative Principles. Therefore, I call upon those companies that are among this group which, for whatever reason, are not presently signatories to sign this statement in order to pledge themselves to the Defense Department and to the public as being committed to these ideals.

On June 5 and 6, 1997, in Washington, DC, the DII conducted its 12th Best Practices Forum. This session included some 160 representatives of the signatory companies and 40 senior Government officials. The program was a state-of-the-art exploration of best practices in corporate ethics and compliance programs.

I understand that the Defense Industry Initiative is the only industry ethics initiative of its type. There are any number of other industries which have had sufficient ethical problems and should consider something equivalent.

I will conclude by saying that all the evidence available to me suggests that the participation of these 47 companies has had a very positive impact on their levels of compliance, as well as in the tone of the relationship with the Government. I am certain that we all recall the events that gave rise to the creation of the Packard Commission—things such as high price spare parts or improper labor charging. It is my understanding that the Government audits show that the level of such problems has dropped dramatically among these DII signatory companies. Furthermore, I believe that the DII effort has forged a true partnership in the best sense of the word between Government officials responsible for procurement and those in industry who design, develop, and manufacture the items necessary for our national defense.

So that the contribution that has been made and the excellent work that has been done can be fully recognized, I would like to place into the CONGRESSIONAL RECORD a list of those companies which are signatories to the DII. All of these defense contractors are to be congratulated for the leadership they have shown and their accomplishments to date. I am sure that we can count on them to continue this exemplary work in the future. And I hope other defense contractors can be counted on to join this important effort.•

IN HONOR OF MSUSA'S 30TH ANNIVERSARY

• Mr. WELLSTONE. Mr. President, on November 7, 1997, the Minnesota State University Student Association [MSUSA] will celebrate its 30th Anniversary of representing Minnesota State University students.

MSUSA is an advocate organization which was formed in 1967 as an informal coalition of student leaders. Today, it represents more than 60,000 students at Minnesota's state universities in Bemidji, Mankato, Minneapolis/St. Paul, Moorhead, St. Cloud, Marshall, and Winona.

MSUSA is an independent, nonprofit corporation funded and operated by students. In order to fulfill its main objectives—affordable, quality and accessible State university education—students have taken an activist approach to establish affordable tuition and child care facilities, increase student work study wages, simplify transfer between institutions, improve cultural diversity, and advocate fair State and Federal financial aid programs including those in the Higher Education Reauthorization Act.

In assisting State university students achieve their goals and voice their concerns, MSUSA provides liaisons to the Governor's office, the legislature, the board of trustees of MnSCU, the Minnesota Higher Education Services Council, the inter faculty organization, Congress, the administration, and the U.S. Department of Education.

One of MSUSA's most outstanding activities is the Penny Fellowship Program, which encourages students to take a leadership role in serving their communities by performing internships in public and community service. Other noteworthy programs include the MSUSA newspaper, the Monitor, which has the largest circulation of any State system student organization, and the MSUSA Cultural Diversity Project, which fosters understanding and cooperation of students from all cultural backgrounds.

Finally, Mr. President, I would like to recognize and congratulate the current officers of MSUSA, who are: Francis Klinkner, State chair from Mankato State University; Garret Melby Aanerud, vice chair from Moorhead State University; and Frank X. Viggiano, executive director. Their hard work on behalf of Minnesota students has led them to many successes, and I'm sure their continuing effort will mean a better-educated and a more productive Minnesota. ●

RETIREMENT OF DR. CHARLES TILL

● Mr. KEMPTHORNE. Mr. President, I take the floor today with some sadness, but also with a great deal of gratitude. I rise today to mark the retirement and celebrate the career of one of our Nation's great leaders in science, my constituent and my friend, Dr. Charles Till.

At the end of this year, Dr. Till will conclude more than three decades of outstanding accomplishment at Argonne National Laboratory. For the past 13 years, Chuck has served as associate laboratory director over engineering research. Dr. Till's leadership, his vision, and his good humor will be sorely missed.

Chuck Till sprang from humble beginnings, with little early indication of the opportunities and demands that lie ahead. He grew up on a farm in rural Saskatchewan, and by his own admission, and his father's observation, showed no outstanding aptitude for technical and mechanical things. This would change.

Chuck entered the University of Saskatchewan, where he earned a bachelors degree in engineering physics and a masters degree in physics. He then attended the University of London, where he earned his doctorate in nuclear engineering. Apparently, somewhere along the way, this small town farm boy developed an aptitude for technical matters.

Dr. Till's first job out of college found him in the unlikely, but not surprising, position of being in charge. He was hired by the Canadian General Electric Co., as reactor physicist and given responsibility for the start of the first prototype heavy water reactor in Canada—no small task for a first professional job. And of course, Chuck excelled.

In 1963, Dr. Till joined Argonne National Laboratory as a reactor physicist. His rise in this great organization is best traced by his accomplishments rather than the positions he has held.

Early on in his career, Chuck got the attention of scientists worldwide with a breakthrough advancement in fast reactor measurement techniques. The Doppler Effect was known to be crucially important, but its measurement was uncertain. Dr. Till completely revamped the heated sample Doppler technique, and an order-of-magnitude improvement in the measurement resulted. The technique became the standard worldwide, and essentially has not changed to this day.

Dr. Till soon became responsible for all fast reactor work at Argonne, and continued to emerge as a leader in his field. Chuck wrote several important works examining technical issues of nuclear physics and engineering. Dr. Till has also served on several advisory committees and evaluation boards, and testified numerous times before congressional committees. Notably, Chuck served as technical director and a member of the U.S. delegation to the International Nuclear Fuel Cycle Evaluation, and was largely responsible for the United States retaining its leadership role in fast-reactor technology.

But his greatest contribution, to both his discipline and to the world, lies in the development of the Integral Fast Reactor, the IFR. This inspired source of electrical power has the capability to achieve incredible efficiency in fuel use, while significantly lessening problems associated with reactor safety and nuclear water. In 1986, the IFR showed that it can protect itself from overheating and meltdown. It does so through the natural physical properties of the materials used rather than by relying on operator intervention or an engineered safety system. The IFR was also designed to burn most of its own waste, as well as that of other reactors and the material from dismantled weapons. Unfortunately, this program was canceled just 2 short years before the proof of concept. I assure my colleagues someday our Nation will regret and reverse this shortsighted decision. But complete or not, the concept and the work done to prove it remain genius and a great contribution to the world.

Through his work on the Integral Fast Reactor program, Dr. Till demonstrated that his technical solutions out paced the ability of the political process to appreciate them. Dr. Till also demonstrated that technical leaders can take scientific material and present them in a manner understandable by citizens and Members of Congress. This skill is what makes Chuck Till such a valuable asset to me in my duties as a Member of the U.S. Senate.

I am pleased and gratified that my work in the Senate has allowed me to get to know Chuck Till and his lovely wife Kay. I cannot question that this is the best decision for them, but Chuck's talents will be missed at Argonne National Lab.

Perhaps the greatest legacy that one can leave is knowing your ideas and work are important enough to be carried on when one departs. We will do that with Chuck Till.

I want to wish Chuck and Kay the very best in retirement and on behalf of a grateful nation, I want to say thank you for your unmatched contributions and service.●

THE MERITS OF ETHANOL

● Ms. MOSELEY-BRAUN. Mr. President, several months ago, during the debate on the Balanced Budget Act of 1997, some of my colleagues called upon Congress to end its commitment to ethanol.

Ethanol, as my colleagues are aware, is an alcohol-based motor fuel manufactured from corn.

These lawmakers, predominately from oil States, drew their daggers in professed horror, branding Federal support for ethanol as a "deficit buster," or a conspiracy of "corporate welfare."

While I know this mantra has become popular and convenient for many in Congress in recent years, the truth is that, in this instance, it is simply false. I would like to urge my colleagues to examine an excellent essay recently printed in the Wall Street Journal which illustrates the truth about ethanol, and which, I am hopeful, will convince critics to reconsider their position.

The article, entitled "Alcohol and Driving Can Mix," and authored by former Central Intelligence Agency Director James Woolsey, outlines the environmental and energy benefits of replacing gasoline with alcohol fuels, like ethanol.

Mr. President, the concept of alcohol-based fuels is not new. Fifty years ago, an Illinois lawmaker named Everett Dirksen encouraged policymakers to consider "processing our surplus farm crops into an alcohol of 10 percent." In doing so, Dirksen believed, we would "create a market in our own land for our own people."

Half a century later, this idea has become reality. Today, demand for ethanol is estimated at 1.5 billion gallons. There are approximately 50 commercial facilities producing fuel ethanol in more than 20 different States across the country. By 2005, 640 million bushels of corn will be used to produce 1.6 billion gallons of ethanol.

Ethanol has a wide range of benefits, such as its effects on the environment. Ethanol burns more cleanly than gasoline, and, according to the Environmental Protection Agency, diminishes dangerous fossil-based fumes, like carbon monoxide and sulfur, that choke our congested urban areas.

Oil tankers will not spill ethanol into our oceans, killing wildlife. National parks and refuges will not be targets for exploratory drilling. When ethanol supplies run low, you simply grow more corn.

Ethanol also strengthens national security. Ethanol flows not from oil wells in the Middle East, but from grain elevators in the Middle West, using American farmers, and creating American jobs. With each acre of corn, 10 barrels of foreign oil are displaced—up to 70,000 barrels each day.

And for farmers, ethanol creates value-added markets, creating new jobs and boosting rural economic development. According to a recent study conducted by Northwestern University, the 1997 demand for ethanol is expected to create 195,000 new jobs nationwide.

The bottom line is that ethanol is the fuel of the future—and the future is here. Illinois drivers consume almost 5 billion gallons of gasoline, one-third of which is blended with ethanol. Chicago automotive plants are assembling a new Ford Taurus that runs on 85 percent ethanol. More and more gas stations are offering ethanol as a choice at the pump.

Isn't it worth cultivating an industry that improves the environment and promotes energy independence? Isn't it the responsibility of Congress to foster an economic climate that creates jobs and strengthens domestic industry? Don't we have a commitment to rural America, and a responsibility for its economic future?

Mr. President, I think the answer to these questions is a resounding yes, and that's why I will work to ensure that the Federal commitment to ethanol is kept.

I ask that the text of this article be printed in the Record.

The article follows:

Alcohol and Driving Can Mix

(By R. James Woolsey)

President Clinton's global-warning proposal includes some $5 billion in tax breaks to encourage the development of new technologies to curb carbon dioxide emissions. But promising technologies may already be in the offing. New microbes and biocatalysts with names like zymomonas mobilis and KO-11 have been genetically engineered to produce ethyl alcohol not just from feed grains but also from other plants and common organic wastes. The production of ethyl alcohol from biomass may turn out to be as revolutionary as the production of integrated circuits from silicon, vastly affecting the world's distribution of wealth and the fundamentals of international security.

Replacing gasoline with biomass-derived ethyl alcohol would greatly reduce man-made greenhouse-gas emissions—estimates put carbon dioxide emissions at 1/10th or less than those for gasoline over the life cycle of fuel production and use. Other changes in transportation would be far more costly: Fuel-cell cars, for example, would require retooling Detroit's factories; other efforts would need a vast new infrastructure for fuel distribution; and a major shift toward mass transit seems implausible in many of today's fast-growing, sprawling cities.

In contrast, very little such new investment would be necessary for ethyl alcohol to become a major share of transportation fuel. Older cars' engines are able to burn gasohol (10 percent ethyl alcohol); and a computer chip in the fuel systems of this year's midsize Ford and Chrysler minivans permits the use of up to 85 percent alcohol. Federal fuel economy standards encourage these new "flexible fuel vehicles," and they have fortuitously arrived just as the new technology is ready to reduce alcohol costs. Mixing these fuels with gasoline is now done easily at filling stations that sell gasohol. Environmental costs go down with alcohol: its wide use would lead to a substantial improvement in air quality. And an alcohol spill on an Alaskan shore would produce nothing worse than dispersal, evaporation and possibly some inebriated seals.

VOLATILE COSTS

The one real barrier to ethyl alcohol's replacing a large share of gasoline is production cost, which today is comparatively high and volatile. Alcohol's current feedstock, corn, is subject to the caroming behavior of feed markets. In 1995 its price, normally around $100 a ton, nearly doubled, and the production of alcohol for transportation consequently had to be cut by a third. Ethyl alcohol feedstocks have been limited because the yeast that has been used for millennia in fermentation can only convert food crops. But advanced biocatalysts and genetically engineered microbes now make possible the cost-effective conversion of cellulosics: grass, trees and biomass waste.

Even at today's fossil fuel prices, it is likely that as ethyl alcohol's cost declines it will come to be used as the emission-reducing oxygenate that is added to gasoline. But the key issue is whether alcohol derived from biomass can become cheap enough to begin to replace gasoline. Over the past 15 years the cost of producing a gallon of alcohol from corn has been cut in half, to about $1 a gallon. If the new technology were to make it possible for costs to fall another 30 to 40 cents, alcohol would become competitive with gasoline when oil reaches around $25 a barrel.

Is such a reduction in cost plausible? Consider switch grass, common on the prairie. The U.S. Department of Energy estimates twice as much alcohol could be produced per acre from it than from corn. Since switch grass requires almost no tilling, planting, fertilizing or other use of fuel or chemicals, using it as a feedstock would yield several times more energy than would be consumed during production—far better than with either gasoline or corn-derived alcohol. Switch grass and many biomass crops enrich the soil instead of depleting it. Vastly more of the earth's surface is available to grow such grasses, fast-growing trees and aquatic vegetation than is available for feed grains. For example, thinning forests by removing underbrush and small trees reduces forest fires and preserves wildlife habitat—and some cousin of zymomonas would doubtless love to dine on such scrap brush.

Will oil prices hit $25 a barrel in a few years, making it possible for even unsubsidized alcohol to replace a large share of gasoline? The Energy Department forecasts a flat market, but the oil bulls have a strong case because of perennial instability in the Mideast and because demand will burgeon as a growing share of the growing population in Asia moves into cities. Fortune magazine noted two years ago that once China's and India's energy consumption per capita reach South Korea's current level, these two countries alone will need almost 120 million barrels of oil a day—nearly double what the world uses today. In spite of oil discoveries elsewhere, it is likely that at least three-fourths of any new demand will be filled from the huge reserves of the Mideast, transferring more than $1 trillion over the next 15 years to the autocratic (and worse) states of the unstable Persian Gulf alone, in addition to the annual $90 billion they receive today.

Thus, if genetically engineered microbes and advanced biocatalysts can start a transition from fossil fuels to biofuels, a major Middle East war involving the U.S. would become less likely. We would become freer to support democracies and our friends—Israel, Turkey, Jordan—without weighing whether we might offend an oil state. At the same time, subsistence farmers in Africa and Latin America, paid to grow transportation fuel, would begin to climb out of poverty; Ukraine, rich in fertile land, would become more independent of oil-rich Russia; China would feel less pressure to befriend Iran and to build a big navy to dominate the oil-rich South China Sea.

RURAL PROSPERITY

What's more, new markets for biolfuel crops would help rural America to prosper; substantial improvements in air quality would let EPA Administrator Carol Browner stop worrying about our power lawnmowers and let Detroit produce four-wheel-drive sports vehicles to its heart's content; and the U.S. trade deficit would shrink substantially, reducing Wall Street's propensity to panic whenever the Japanese prime minister gets grumpy about holding U.S. debt.

Who would lose? Chiefly oil-exporting states. But many others would need an attitude check; oil companies, if they resist diversifying; bureaucrats who don't like flexible-fuel vehicles, because they aren't subsidized in their particular fiefdom; environmentalists who don't like them either, because they permit Detroit to build larger cars (the more they burn alcohol, folks, the less you should care); Archer Daniels Midland, which will have to get used to losing its near-monopoly of the ethanol market; and of course Roger Tamraz, because struggles over pipeline routes will become boring.

What would we need to do before the December Kyoto summit? Just announce that, in view of biofuels' advantages, we are going to use government purchases and policies to help give them a stable market until early in the next century while production gears up, somewhat as we did with silicon chips. We might even add that, except for continuing to do basic research and development, we plan to phase out all energy subsidies (including oil's remaining foreign tax credit) toward the end of that period.

Then we could stand back, and let the new bugs and the market do the rest.•

CONGRATULATIONS TO THE CHRIST COMMUNITY CHURCH OF ALLEGAN, MI

• Mr. ABRAHAM. Mr. President, I rise today in celebration of the first Thanksgiving worship in Christ Community Church of Allegan, MI's new meetinghouse. The Christ Community Church's congregation has traveled a long way to get where they are today. Without a church home in December of 1993, a core group of Christian friends gathered to discuss the planting of a new church in the Allegan area. By December of 1996, this dedicated group grew nearly threefold, and was worshipping in a brand new facility built with their own hands and prayers. In just 3 years, a land contract had been drawn up and paid for in full, and a church home was built that could serve up to 350 worshipers.

This faithful assembly of friends derives its members from over a 25-mile outlaying area encompassing much of southwestern Michigan. They are a contemporary group concentrating in non-traditional and culturally relevant Christian fellowship. The congregation focuses its energy and resources on local and international missions and ministry. Also, personal familiarity with the Bible and Christian ideals is promoted and nurtured.

Indeed, his Thanksgiving is a special one for the devoted men and women of Christ Community Church. The community is certainly well ministered to by this congregation. As they look forward to building further services and facilities, Christ Community Church will continue to champion the needs of its members and community. Again, it is an honor for me to recognize Christ Community Church and their first Thanksgiving celebration.•

THE 75TH ANNIVERSARY OF THE ORDER OF AHEPA

• Mr. SARBANES. Mr. President, this past August, I was privileged to address the Order of AHEPA during the celebration of its 75th anniversary in Atlanta, GA, the city of its founding. AHEPA, American Hellenic Educational Progressive Association, the largest Greek-American fraternal organization, has played a pivotal role in bringing Greek-Americans into the mainstream of American life, and promoting the ideals of Hellenic culture. It has also launched significant philanthropic and educational initiatives which have benefited both the Greek-American community and American society at large.

As part of this 75th anniversary commemoration, James Scofield, a past supreme president of AHEPA, prepared for article on the early origins of AHEPA entitled, "Forgotten History: The Klan vs. Americans of Hellenic Heritage in an Era of hate." This piece, written by Mr. Scofield, recently retired after 30 years as a senior executive at the St. Petersburg, FL, Times, has appeared in the AHEPA magazine and many Greek-American publications.

It records the struggle which Greek-Americans encountered in their effort to participate fully in American society. AHEPA's history, as presented by Mr. Scofield, also reminds us of the extraordinary progress which our country has achieved in providing opportunity for people of all races, religions, and backgrounds.

We are most appreciative to Mr. Scofield for his unique contribution and admonition to continue our efforts to ensure justice and respect for all. I ask that his article be printed in the RECORD.

The article follows:

FORGOTTEN HISTORY: THE KLAN VS. AMERICANS OF HELLENIC HERITAGE IN AN ERA OF HATE

(By James S. Scofield)

AHEPA EMERGES 75 YEARS AGO TO WIN BATTLE AGAINST BIGOTRY

It was 1922, Americans of Hellenic heritage were suffering personal and economic intimidation orchestrated by the revived Ku Klux Klan. It was time for them to unify and organize, to protect and defend life and livelihood.

The widespread and often violent discrimination against immigrants from Greece is an almost forgotten page of American history. This is probably because of their subsequent success and the great accomplishments of their descendants. Very few persons today, Hellenic or not, are even vaguely aware of the massive continental strength of the Klan of the 1920s and its intensive persecution of foreign-born Greeks, including those who had chosen to become American citizens.

They do not know how deeply the evil shadows of bigotry, hatred and intolerance cast their malignant darkness over North America. Perhaps it is time to remind them.

The newly-reorganized KKK rampaged against frightened immigrants and helpless minorities throughout the U.S. It dominated politics in states in both the North and South. In Canada, its dangerous wicked ways were transplanted and flourished, especially in the western provinces.

An estimated three million militant hooded Klansmen stalked across our continent, burning crosses and spawning terror.

During its reign of power, the Klan elected sixteen U.S. Senators, eleven Governors and an undetermined large number of Congressmen, both Republican and Democrat. It reportedly exerted considerable influence in the White House.

Klan organizations ruled local politics in the major cities of Dallas, Denver, Indianapolis and Portland, Oregon, as well as in such smaller communities as Anaheim, California; El Paso, Texas; Youngstown, Ohio and Portland, Maine.

In 1922, California and Oregon voters elected Klan-endorsed gubernatorial candidates. Then in 1924, a Klan candidate won the governorship in Kansas. The same year, the Klan endorsed U.S. Senate winners in Alabama, Colorado, Georgia, Indiana, Oklahoma and Texas. It also won the gubernatorial contests in five of these six states, barely losing in Texas.

At U.S. election polls, Klansmen passed out cards which crudely and defiantly declared:

When cotton grows on the fig tree
And alfalfa hangs on the rose
When the aliens run the United States
And the Jews grow a straight nose
When the Pope is praised by every one
In the land of Uncle Sam
And a Greek is elected President
THEN—the Ku Klux won't be worth a damn.

Meanwhile, embattled but visionary Greek immigrant leaders met on July 26, 1922, in Atlanta to form the American Hellenic Educational Progressive Association, now better known as the Order of Ahepa. Not by coincidence, Atlanta was the home of the national Imperial Headquarters of the Klan.

The most important goal of the Ahepa founders was to quickly and solidly establish better relations with non-Greeks. They agreed to do this by taking the positive high road of reason emphasizing assimilation, cooperation, persuasion and unlike their marked foes, non-violence.

Their main discussion was how to best contain the wave of hostility which had almost drowned them. The ominous specters of twisted Americanism and KKK aggression spurred them to create a patriotic fraternal order espousing undivided loyalty to the United States. American citizenship, proficiency in English, active participation in the civic mainstream, economic stability, social unity and the pursuit of education. The latter was considered vital for its obvious gifts of knowledge and as the essential key to upward mobility.

The Ahepa founders were profoundly disturbed and alarmed by their bitter experiences with Klan prejudice and by reports of worse bigotry elsewhere. Even before the Klan reappeared, there had been senseless attacks on foreign-born Greeks, some fatal. However, the new Klan expertly and abrasively honed intolerance with brutal efficiency to silence and subdue all of its alleged inferiors.

Many Greek-owned confectioneries and restaurants failed financially or were sold at sacrificial prices to non-Greeks because of boycotts instigated by the Klan. Greek establishments doing as much as $500 to $1,000 a day business, especially in the South and Midwest, dropped to as little as $25 a day. The only recourse was to sell or close. The Klan often bolstered its boycotts by openly threatening or attacking customers entering and leaving.

A Klan Imperial Lecturer told Klansmen in Spokane that Mexicans and Greeks should be sent back to where they came from so that white supremacy and the purity of Americans be preserved. Meanwhile, in Palatka, Florida, a Greek immigrant was flogged for dating a "white" woman.

The Royal Riders of the Red Robe was a Klan affiliate assembled "as a real patriotic organization" for approved naturalized citizens unluckily born outside the United States. However, in the ultimate snub of exclusion, immigrants from Greece, Italy and the Balkans were not eligible to join.

In Indiana, the state most politically controlled by the 1920s Klan, burning crosses were ignited in the yards of outspoken Hellenes. Unprovoked beatings of Greeks were not reported to police lest another beating soon follow. Others were warned of dire consequences if they spoke Greek in public, even in their own business establishments.

Hoosier Democrat and Republican leaders actively discouraged naturalized Hellenes from filing for public office, forcing them to run as Socialist Party candidates. Fearful Greek Orthodox Christians indefinitely postponed impending plans to organize parishes. To avoid constant confrontation, long and difficult to pronounce first and last names of Greek origin were shortened or changed to more acceptable Americanized versions. False rumors spread by the Klan about supposed unsolved murders of Greeks in other states produced the desired dread.

The Klan Grand Dragon of Oregon said in a spirited speech in Atlanta: "The Klan in the western states has a great mission to perform. The rapid growth of the Japanese population and the great influx of foreign laborers, mostly Greeks, is threatening our American institutions; and, Klans in Washington, Oregon and Idaho are actively at work to combat these foreign and un-American influences." '

Probably the most blatant hard-line bullying, almost humorous, occurred in Pensacola, Florida. A Klansman handed a note to a Greek restaurateur which read: "You are an undesirable citizen. You violate the Federal Prohibition Laws and laws of decency and are a running sore on society. Several trains are leaving Pensacola daily. Take your choice but do not take too much time. Sincerely in earnest, KKK."

Today, according to sociologist Charles C. Moskos, Jr., of Northwestern University, American Hellenes proudly rank first among all ethnic groups in individual educational attainment and second in individual educational attainment and second in individual wealth. They have succeeded in every facet of American life. The Order of Ahepa has played the prime historic role in this ascent.

True to its original mission, Ahepa financially supports scholarships, educational chairs, housing for the elderly, medical research, community programs, charitable projects and other worthy endeavors through contributions of more than two million dollars a year from its chapter, district and national levels.

Ahepa validated its patriotic roots during World War II by selling over five hundred million dollars of U.S. War Bonds, more than any organization in America. Meanwhile, Ahepa officials first visited the White House to meet with President Calvin Coolidge in 1924 and have conferred with all twelve Presidents since Presidents Franklin Roosevelt, Harry Truman and Gerald Ford became Ahepa members.

More recently, Ahepa raised $400,000 for the restoration of Ellis Island and the Statue of Liberty and $775,000 for a sculpture commemorating the Centennial Olympic Games in Atlanta. Ahepa has received congressional and presidential recognition for promoting friendship and goodwill among the people of the United States, Canada, Greece and Cyprus. President George Bush hailed Ahepa as one of "the thousand points of light."

Ahepa moved its headquarters to Washington DC in 1924 and later expanded its scope by adding three auxiliaries to complete the Ahepa Family: the Daughters of Penelope for women, the Sons of Pericles for young men and the Maids of Athena for young women. Its combined eight hundred chapters, consisting of about 35,000 members, cover the United States and Canada and have planted successful units in Australia and Greece. It held its 75th annual convention in Atlanta in August.

In 1990, Ahepa filed an amicus curiae (friend of the court) brief in the Georgia Supreme Court. It backed the legal position of the National Association for the Advancement of Colored People (NAACP) and the Anti-Defamation League (ADL) of B'nai B'rith in support of a state law banning masks in public which was challenged by the KKK. The court ruled 6 to 1 to uphold the constitutionality of the anti-mask statute.

The significance of the favorable decision to a jubilant Ahepa was that it came in the city of its founding and helped seal the doom of another failed Klan revival. Moreover, it enabled Hellenes to join in victorious celebration with fellow black and Jewish Americans whose forbearers also were sadistically harmed physically, mentally and economically by the KKK of yesteryear.

Along with Roman Catholics, Asians and other immigrants considered unacceptable by the Klan, they were targeted separately and together then because they did not fit the rigidly narrow KKK concept of what constitutes a good and loyal American.

For Hellenes, it is supremely ironic that the six organizers of the original Klan in 1865 created the words Ku Klux from kuklos, a variation of the Greek kyklos meaning cycle or circle, and applied it to their own little circle.

Today the 1920s version of the KKK is long gone—and its flickering reincarnations are virtual nonentities. The Klan deserved to die—and died.

The Order of Ahepa thrives three quarters of a century after its historic birth amid the fiery heat of hate—generated by the toxic Klan cauldron of insane fanaticism. Ahepa deserves to live—and lives.●

NORTHWEST UTILITIES' SUPPORT FOR WIND ENERGY

● Mr. WYDEN. Mr. President, as a supporter of the development of renewable energy in this country, and in the Northwest in particular, I am pleased to see our region taking a leadership role in developing renewable energy resources.

Several years ago, two forward thinking utilities in the Northwest, along with the Bonneville Power Association, initiated an effort to site and permit a new wind project in Carbon County, WY. The focus of the project was to test a new generation of technology in Northwest climates, and develop capability and experience with a resource which the region has in abundance. Despite considerable changes in the electricity market, and challenges presented by the project, these three utilities persevered and made this project a reality. PacificCorp., the Eugene Water and Electric Board, and the Bonneville Power Administration demonstrated great leadership to create the first new commercial-scale wind project to serve the Northwest. Their commitment marks the dawn of a new industry for the Northwest, and a substantial contribution to a sustainable future for us and our children.

Three individuals deserve special recognition in this effort: Dennis Steinberg of PacifiCorp., Ken Beeson of the Eugene Water and Electric Board, and George Darr of the Bonneville Power Administration. I thank them for their dedication and hard work in bringing this project to fruition.●

HISPANIC AWARDS CEREMONY

● Mr. ABRAHAM. Mr. President, I rise today to recognize an important event in the State of Michigan. Today, the Flint Hispanic Community is holding its Annual Hispanic Awards Ceremony.

The Hispanic Community of Genesse County, MI, gathers every year to recognize outstanding individuals in its community. This year's recipients have had a profound impact in the life of the Hispanic citizenry of Flint. Mr. Christopher Flores, Ms. Marcie Forsleff, Mr. Pedro Suarez, Ms. Sue Quintanilla, Mr. Refugio Rodriguez, and Ms. Marcie Garcia are each truly deserving of the awards they have received and should be proud of this accomplishment.

I commend each individual who has worked to achieve cultural understanding and racial tolerance in the greater Flint area. The Hispanic Community should be proud of its leadership and continued efforts in promoting cultural awareness.

Again, I send my warmest congratulations to the award recipients and their families. I am pleased to recognize the Flint Hispanic Community in the U.S. Senate.●

NOMINATION OF BILL LANN LEE TO BE ASSISTANT ATTORNEY GENERAL FOR CIVIL RIGHTS

● Ms. MIKULSKI. Mr. President, I rise today in support of the nomination of Bill Lann Lee to be Assistant Attorney General for Civil Rights at the Department of Justice. I'm here today because I believe that Bill Lann Lee should be favorably reported out of the Senate Judiciary Committee. He should have his day. He should have a vote on the floor of the Senate.

I've heard of Bill Lann Lee for a number of years. I've heard about this exceptional person, who brings a great deal of legal competency, energy, and vitality to advocating for those who have been left out of the mainstream. Contrary to what my Republican colleagues have asserted, Mr. Lee has used the law for the benefit of all Americans. It is so obvious from his record that he loves the law and uses it as a tool to help those in our society who need help.

I was troubled when I heard his nomination was being stalled in the Senate Judiciary Committee. Once again a capable person in the field of civil rights law, a person of color, was being stalled in the Senate Judiciary Committee.

I feel so strongly about this nomination and about what Mr. Lee's advocacy has meant for not only people of color but for women, for the disabled, and those who are either overlooked or undermined by the law. I felt so strongly that I organized the Democratic women of the Senate to write a letter to Chairman ORRIN HATCH asking to free Mr. Lee from the Senate Judiciary Committee.

But because it is the Senate Judiciary Committee my letter used language far more judicious than that which is being used against Mr. Lee. My letter, which is signed by all the Democratic women Senators, urges favorable consideration of Mr. Lee's nomination. We bring to Chairman HATCH'S attention that Mr. Lee has dedicated his entire career to enforcing civil rights laws.

He has 23 years of professional experience ranging from cases dealing with employment discrimination, providing access to health care, helping children who have been victims of lead poisoning, to making public transportation accessible for the disabled, and then guess what, fighting for something called equal access to education.

Isn't this exactly who we want to be heading up the Civil Rights Division at the Department of Justice—someone who has practiced mainstream civil rights law, who believes in opportunity for everyone, and who has pursued this under the law?

We have sent this letter; I don't know what the response will be, but I will tell you once again it's the fall, so it must be the Senate Judiciary Committee. Once again, someone comes before the Senate Judiciary Committee with incredible legal competence, who is willing to serve the Nation and to come forth before the Senate Judiciary Committee only to once again face a humiliating experience.

We don't want Bill Lann Lee to be the Anita Hill of 1997. I think it's outrageous that once again we have someone with a great background who is going to be stymied and humiliated. This is not what America is all about.

We've heard about Mr. Lee's exceptional background. The hard work of his family, their willingness to fight for this country, and Mr. Lee's work to fight in the courtrooms to make sure the law works for everyone.

It is not fair that after having an exemplary professional record, to be a person of judicial temperament, to bring these great qualities to this position, Mr. Lee has to face this. Now I don't think that the U.S. Senate should be a forum for attacking Chinese-Americans. I just don't think that's right. We have seen them attacked in hearings on campaign finance and now we hear them being attacked in the Senate Judiciary Committee. I will tell you when talking to the Asian Pacific-American constituents that I represent, they are concerned when their best and brightest come forward for an appointment to the Justice Department, he's being brushed aside and all the Republicans want to focus on is campaign finance.

I think it is outrageous. Now let me tell you Bill Lann Lee has applied for a job at the Justice Department. He is not applying to be a member of a radical right wing foundation. He is applying for a job at the Justice Department. And this is what his qualifications are all about.

If Mr. Lee were applying for a radical right wing foundation maybe the criteria the Senate Judiciary Committee is using would be appropriate, but it is not appropriate to use radical right wing foundation criteria for a nomination to the Justice Department.

If the Republicans want to attack President Clinton, there's lots of ways to attack President Clinton. If they want to attack civil rights law then do it through the legislative process but do not attack a nominee who comes forth, who is willing to put his life aside and the practice that he's developed working with the NAACP, to serve this Nation.

I don't know how many additional nominations President Clinton can bring to the Senate. One, because they are either stalled out or people are humiliated when they come forth, or two, there is going to be an increasing unwillingness to attract qualified nominees.

I want Bill Lann Lee to know that I'm on his side and so are the Democratic women of the Senate. We would love to see him at the Civil Rights Division in the Department of Justice. Not because he would favor some but because he would fight for the women of this country, for the people of color in this country, for the people that need civil rights advanced within the Justice Department.

And to the people of the Asian Pacific-American community I say not to lose heart. We're so proud of Bill Lann Lee. We're so proud of what you do for America, but we're not proud at all of the Senate Republican controlled Judiciary Committee.

I ask to have printed in the RECORD a copy of the letter supporting Mr. Lee's nomination from the Democratic women of the Senate. I urge my colleagues on the Senate Judiciary Committee to favorably report Mr. Lee's nomination and let him have a vote in the full Senate.

The letter follows:

U.S. SENATE,
Washington, DC, November 4, 1997.

Hon. ORRIN G. HATCH,
Chairman, Senate Committee on the Judiciary, Washington, DC.

DEAR CHAIRMAN HATCH: We are writing to urge you to favorably report the nomination of Bill Lann Lee to be Assistant Attorney General for Civil Rights at the Department of Justice. We understand that the markup on this nomination is scheduled for Thursday, November 6 in the Senate Judiciary Committee.

Mr. Lee has dedicated his entire career to enforcing our nation's civil rights laws. He has more than 20 years of experience in a wide-range of areas in civil rights law, including employment discrimination, access to health care, prevention of lead poisoning, public transportation equity, and equal access to education.

The Assistant Attorney General for Civil Rights must enforce our nation's civil rights laws for everyone. Mr. Lee is a problem-solver and consensus builder. His work has helped Americans regardless of age, race, and gender. He has enabled thousands of Americans to shatter the glass ceiling.

Mr. Lee has practiced mainstream civil rights law. He does not believe in quotas, which are illegal. He believes in opportunity. To achieve this goal, he has pursued flexible and reasonable remedies that in each instance were approved by a court.

Numerous civil rights groups, women's groups, and elected officials from both parties support Mr. Lee's nomination. The next Assistant Attorney General for Civil Rights will have to address a number of potentially divisive issues. There is no doubt that Mr. Lee has the integrity, competence, and experience to lead this division.

In addition, Mr. Lee has agreed to recuse himself from involvement with the California Proposition 209 case, if he is confirmed. This action is entirely appropriate and should help clear the way for his confirmation.

We urge you to support his nomination and report it favorably.

Sincerely,
Barbara A. Mikulski, Barbara Boxer, Patty Murray, Mary L. Landrieu, Carol Moseley-Braun, Dianne Feinstein.•

NOMINATION OF BILL LAN LEE TO BE ASSISTANT ATTORNEY GENERAL FOR CIVIL RIGHTS

• Ms. MOSELEY-BRAUN. Mr. President, earlier this year, I had the pleasure of meeting Mr. Bill Lee, President Clinton's nominee for the Assistant Attorney General for Civil Rights. I was impressed with his intelligence, his strong sense of fairness, and his dedication to ensuring that all Americans have the opportunity to enjoy the same basic rights. Today I strongly urge my colleagues on the Senate Judiciary Committee to act favorably on the nomination of Bill Lan Lee.

Mr. Lee has an exceptional background. He is a graduate of Yale University and Columbia University Law School, and has proven his dedication to the public sector by working for the Asian American Legal Defense Fund and the Los Angeles-based Center for Law in the Public Interest. Currently, he serves as western regional counsel for the NAACP Legal Defense and Education Fund. During his 23-years as a civil rights litigator, Mr. Lee has earned a reputation for his legal expertise and his integrity.

In July, the President nominated Mr. Lee to be the Assistant Attorney General for Civil Rights at the Department of Justice. At the time of his nomination, Mr. Lee was widely praised by both his allies and adversaries as a qualified and competent civil rights attorney, and was supported by both

Democrats and Republicans. No one questioned his intelligence nor his qualifications to competently serve this country as the Assistant Attorney General.

That is why it is so surprising, in the eleventh hour, to now hear so much opposition to this nomination. The vote on this nomination should be based on Mr. Lee's competence, ability, and character. Instead, some Senators have decided that his nomination should be held hostage to their position on affirmative action. Rather than to fill this position, which has gone vacant for over six months, my colleagues instead have chosen to push their political agenda. I do not believe that this is at all appropriate, nor do I believe that this action is in the best interests of the American people.

I must point out that this is not a lifetime position, nor is it a regulatory position that will out last the President's term. Rather, this position carries a term that is served at the whim of the President. It seems to me that the President, who was elected by the people, should have the right to choose those who will serve under him, that he should have the option of choosing individuals whose personal views reflect his own, so long as those individuals have the requisite competence, ability, and character. But the opposition to Mr. Lee is not based on his abilities, rather, it is based on policy. I do not believe that this is a legitimate reasoning for opposing this particular nomination.

I am especially troubled by this attack on Mr. Lee because I believe it does an injustice to the American dream. The American dream is a major part of what makes this country such a special place. It says that everyone—whether rich or poor, male or female, gay or straight, black or white—everyone should have the opportunity to go as far as their talent and hard work will take them. It's a dream that says that merit, and nothing more, should determine your opportunities.

Mr. Lee is a shining example of this dream becoming reality. Out of adversity came this bright, enthusiastic gentleman who made a career of ensuring that everyone has equal opportunities to share their talents and succeed. In fact, it was this belief in this idealistic view of America that made Mr. Lee pursue this position. Lee insisted in his confirmation hearing that as "a son of immigrants, the opportunity to serve the nation by enforcing the Federal civil rights laws reaffirms [his] belief in the American dream."

Despite this statement, and despite the fact that Mr. Lee has repeatedly assured his critics that he is not in favor of quotas, that he believes every talented and able individual should be given the full opportunity to compete and succeed, and that he would enforce the laws of our country, my colleagues continue to take issue with his nomination by attacking his personal beliefs and views on affirmative action. Unfortunately, these baseless allegations, unfounded attacks, and unwarranted comments about Mr. Lee have undermined the first real chance this Senate has had to fill this position with a qualified and competent individual. In short, they are refusing to give this qualified individual the opportunity to stand on his merit.

Mr. President, I thank the American people deserve better, and I believe we do an injustice to them by allowing this position to go empty for this long for no good reason. This is shameful, and I urge my colleagues to reconsider their actions.•

INDEPENDENCE DAY OF LEBANON

• Mr. ABRAHAM. Mr. President, I rise today to recognize the Lebanese-American Club of Michigan. On this day, November 22, 1997, the club will celebrate its first annual formal dinner.

The Lebanese-American Club of Detroit is to be commended. Through the tireless dedication of its members this organization has strengthened the cultural understanding of Lebanon in the State of Michigan. I am proud of the Lebanese-American community's continual efforts to foster relationships of goodwill. These efforts will go far in enhancing and promoting the community's image and understanding throughout the United States and beyond.

I am honored and delighted to see our community gathering to support Lebanon's independence. Throughout its history, the country of Lebanon and its people have faced difficult and trying circumstances. Yet despite these hardships, the people and leaders of Lebanon continue to hold strong to the belief that independence and security are essential for the country to prosper. This evening there is great cause for celebration. The United States travel ban to Lebanon has been lifted, allowing the people of these two nations to travel freely. Many of you in attendance were steadfast in your belief that this would someday occur and should be applauded for your commitment to this goal.

I am pleased to recognize this event in the U.S. Senate and again, send my best wishes to each of you.•

ARAB-AMERICAN AND CHALDEAN COUNCIL 1997 ANNUAL CIVIC AND HUMANITARIAN AWARDS BANQUET

• Mr. ABRAHAM. Mr. President, I rise today to acknowledge an important event which is taking place in the State of Michigan. On this day, December 5, 1997, many have gathered to celebrate the Arab-American and Chaldean Council [ACC] Annual Civic and Humanitarian Awards Banquet. Each of the individuals in attendance deserve special recognition for their commitment and steadfast support of the Arab-American and Chaldean communities.

I am pleased to recognize the recipients of this evening's awards: Mr. Brian Connolly and Ms. Beverly B. Smith, civic and humanitarian; Mr. John Almstadt, 1997 leadership award; Senator Dick Posthumus, 1997 State leadership award; and Ms. Elham Jabiru-Shayota and Mr. Andrew Ansara, Entrepreneurs of the Year. Each of these recipients should take great pride in receiving these distinguished awards.

While it is important to pay special tribute to the awardees, it is also essential to honor the citizens of the Arab-American and Chaldean communities. Each of you that has worked to strengthen cultural understanding have contributed greatly to the State of Michigan. For the past 18 years, the ACC has provided tireless support and steadfast dedication to Arabic and Chaldean-speaking immigrants and refugees. Through job placement programs and mental health services, ACC has significantly enhanced the lives of many in our community. As you gather this evening to honor these awardees, I challenge each of you to be active participants in your respective communities.

To the Arab-American and Chaldean American communities and to the awardees, I send my sincere best wishes. May the spirit of this evening continue to inspire each of you.•

REPRESENTATIVE HAMILTON RECEIVES THE EDMUND S. MUSKIE DISTINGUISHED PUBLIC SERVICE AWARD

• Mr. SARBANES. Mr. President, it was my singular honor this past September to attend the annual dinner of the Center for National Policy where Representative LEE HAMILTON of Indiana received the Edmund S. Muskie Distinguished Public Service Award. Representative HAMILTON's distinguished record of public service exemplifies, both in spirit and deed, the principles which the late Senator Muskie brought to public service.

The Congress and the American people will deeply miss LEE HAMILTON's wisdom, sound judgment, and the 30 years of dedicated and independent representation he gave to his fellow Hoosiers. These values were tangibly evidenced in LEE HAMILTON's acceptance speech which demonstrated why he is one of the most respected and listened to Members of Congress. His plain Hoosier common sense and high standards of public service have well served the Nation.

It is most fitting that he should receive this award named for another distinguished American legislator and that Congressman HAMILTON's remarks be recorded for posterity. Mr. President, I ask that they be printed in the RECORD.

The remarks follow:

REP. LEE H. HAMILTON—REFLECTIONS ON THE CONGRESS AND THE COUNTRY

REMARKS TO CENTER FOR NATIONAL POLICY UPON RECEIPT OF EDMUND S. MUSKIE DISTINGUISHED PUBLIC SERVICE AWARD

I really do not recall enjoying speeches any more than I have tonight. Thank you one and all. Some I thought could have been a little longer, others I found a bit restrained, but overall it has been an immensely satisfying evening.

I shall think often of this evening and the high honor you have paid to me. I've always wanted to walk off the stage before I was shoved off, and your nice gesture makes me think I have done that.

Politicians do a lot of things very well but I'm not sure retiring is one of them. I've always felt that you should leave when others think you should stay.

It has occurred to me in times past that the United States government needed the equivalent of a House of Lords for retired politicians. I'm beginning to think more favorably of that idea. I'm not quite sure what its purpose would be and I know that the taxpayers wouldn't tolerate it, but it would be a nice gathering place for a bunch of has-beens. It would keep us out of mischief and perhaps more importantly keep us off the television, and an occasional good thought or deed might from time to time emerge.

No award comes to one person alone. All who receive an honor stand on the shoulders of many others. I acknowledge no all-inclusive list tonight of people who share this award with me, but among them most importantly are: my wife, Nancy, and our children, Tracy, Debbie, and Doug; I cannot begin to tell you the contributions they have made—but for a sample consider not having their husband and father around the house for 30 weekends a year for 30 years; the man who got me started in this political business, and he has remained a trusted friend and advisor, Dick Stoner, and his wife, Virginia; and, of course, a long list of outstanding staff members, without whose help I would have accomplished very little. The best advice for any Member remains—hire a staff a lot smarter than you are; and I have done that.

The award is all the more meaningful because it is named for Edmund Muskie. I still remember the clarity and persuasiveness of his statements on the budget, the environment, and foreign policy.

Mike Barnes and Mo Steinbruner have been doing an excellent job of continuing his important work at the Center for National Policy. As Madeleine Albright correctly noted last year, CNP is more than a think tank, it's an action tank.

And a word of special appreciation to Hank Schacht, the Chairman and CEO of Lucent Technologies. If you want a model for an American business executive, look no further. He combines all the skills of an outstandingly successful business executive with a commitment to the public interest that is simply extraordinary.

I've been asked to reminisce for a few minutes. Obviously they didn't expect anything too heavy from me this evening, and I'm pleased to comply.

EARLY YEARS IN CONGRESS

I've been fortunate to serve many years in Congress. I've served with 8 Presidents; I've worked with 11 Secretaries of State; and when I complete my 17th Congress, I'll be one of only around 80 Members in the history of the House who have served that long.

I remember, of course, my early years in Congress. I remember that the Speaker of the House then, John McCormack, could not remember my name. He called me John and Henry and Carl on various days. Then one day before the Democratic caucus to elect the Speaker he called me on the phone. I told him I wouldn't vote for him, but would vote instead for Mo Udall. That's probably not the smartest judgment I ever made. From that day on, however, he knew my name, and the next time he saw me in the hall he called me Lee. And to his eternal credit he never held it against me.

I remember those early days when Members of Congress could put a new post office in every village and hamlet, and I did. I build 17 in my first year in Congress.

And I remember needing only one staffer to help me answer constituent mail, and getting only an occasional visit from a lobbyist. I also remember that I could accept any gift offered, and make any amount of money of outside income, unrestricted and unreported. I even remember—in those pre-Vietnam and pre-Watergate days—people believing and trusting what government officials and politicians said.

I remember that when I first ran for Congress in 1964, my total campaign budget was $30,000, compared to $1 million last election.

And I remember many close personal relationships across the aisle. Early in my career, I made a parliamentary mistake on the floor. A senior Republican (and good friend) came over, put his arm around me, and gently pointed out my mistake and how to correct it—and this was a bill he opposed. I can't imagine that happening today.

I remember walking into the House Foreign Affairs Committee room, which was then a small room now occupied by the House TV-radio gallery. I was told by the staff director there were no seats at the Committee table for me or the other two freshmen Democratic Members. He told me that if I wanted a seat I had to arrive before the lobbyists and the spectators came in. But it really didn't matter whether I came or not; as a freshman I was not going to be recognized to speak.

UNFORGETTABLE MEMBERS OF CONGRESS

I remember some unforgettable Members of Congress, including the awesome—even fearsome—Chairman of the Judiciary Committee, Emanuel Celler. I was the designated spokesman when a group of us went to talk to him about the President's proposal to extend the term of House Members from two to four years. We favored the bill and had introduced it. And I asked him how he stood on the bill. His response has become a part of Washington lore. He said, "I don't stand on it, I'm sitting on it. It rests four-square under my fanny and will never see the light of day." And of course it didn't, and we learned something about congressional power.

I remember Chairman Jamie Whitten, who would bring the most complicated appropriations bill, thousands of pages in length, to the floor of the House and spend his entire allotted debate time on a conference report thanking everyone under the sun, and saying nothing about the bill. The first few times he did it I thought he might not be smart enough to explain the bill. I finally figured out that he was too smart to explain it, and he never did, and he always got it passed.

I remember how deeply disappointed President Johnson was when I offered the first amendment to reduce U.S. involvement in Vietnam, It was a switch of position for me, although others had preceded me. I was one of his favorites from the class of '64, and he had come to campaign for me in '66. He had taken a special interest in my career. I will never forget his eyes when he asked me, "How could you do that to me, Lee?

I remember Hale Boggs addressing President Nixon and members of his entire Cabinet in the Cabinet Room. He made an impassioned plea as only he could do on a subject I've long since forgotten, and as he left the room he did so with the observation, "Now Mr. President, if you'll excuse me, I have some important people waiting to see me in my office."

The memories go on and on in an endless line of splendor. With each one of them it reminds me that serving in the House of Representatives has been a high privilege, but a good bit of fun too.

GOOD ADVICE

And I remember the good advice I got. I got good financial advice from President Johnson. He had the freshmen gather in the Cabinet Room. I don't remember much of what he said except one thing; he told us "Buy your home." He said, "If you're like most politicians it'll be the only decent investment you'll ever make." I did and it was.

I remember Tip O'Neill putting his arm around me as we walked down the hall and giving me some advice. He called me Neal for my first decade here because I reminded him of a Boston baseball player by the name of Neal Hamilton. He said, "Neal, you can accomplish anything in this town if you're willing to let someone else take the credit."

I remember Wilbur Mills, a marvelous man, a superb legislator, who came, of course, to an unhappy ending. One evening we walked out of the Capitol together. His picture was on the cover of Time magazine; he was known all over the country; he was the foremost legislator in Congress—people sought his advice and clamored to speak with him even for a few seconds. I asked him where he was going, he said "I'm going back to Arkansas. I'll have a public meeting." He mentioned some small Arkansas town and said "There'll be about 15 or 20 people there." I never forgot it. As we departed he said "Lee, don't ever forget your constituents. Nothing, nothing comes before them."

And I remember Carl Albert who said always respect your colleagues and never forget that each one of them serves in this House because they were elected to do so by the American people.

PUBLIC ATTITUDE TOWARD GOVERNMENT

But let me go beyond the specific remembrances and turn more serious for a moment as we conclude.

There's been a massive change of attitude toward the role of government since I first came here. In the early 1960s many were brimming with optimism over the potential of federal programs to solve all kinds of problems—alleviating poverty, curbing racial discrimination, providing health coverage, rebuilding American's cities.

Today the mood has shifted toward pessimism about what government can achieve that is worthwhile. Many believe that government creates more problems than it solves.

Over these past 30 years I've been struck by the decline in public respect for government. In recent years it has threatened the ability of government to make good policy. Of course skepticism has always been a healthy strain in American thinking. Our

Constitution reflects that with all of its checks and balances. And we all know that government can be inefficient, inaccessible, and unaccountable. But when healthy skepticism about government turns to cynicism, it becomes the great enemy of democracy.

I think the operative question in American government today is the same as it was at Gettysburg when Lincoln asked "Can this nation so dedicated and so conceived long endure?" That question may put it in rather apocalyptic terms, but it nonetheless is on the mark.

A constituent put the right question to me the other day, "What's the most important thing you can do to restore confidence in government?"

RESTORING CONFIDENCE IN GOVERNMENT

You'll be happy to know I'm not going to try to answer that question in any length tonight.

But my basic response to my constituent was that to restore confidence in government we have to make government responsive, accessible, and workable.

I believe that representative democracy is our best hope for dealing with our problems. We live in a complicated country of vast size and remarkable diversity. When I was in high school we had 130 million people. Today we have almost 270 million. So in my working lifetime the population of the country has more than doubled. Our voters are many; they've spread far and wide; and they represent a great variety of races, religions, and national origins. It isn't easy to develop a system that enables such a country to live together peacefully and productively.

Representative democracy, for all of its faults, permits us to do that. It works through a process of deliberation, negotiation, and compromise—in a word, the process of politics. Politics and politicians may be unpopular but they're also indispensable. Politics is the way that we express the popular will of the people in this country. At its best, representative democracy gives us a system whereby all of us have a voice in the process and a stake in the product.

In many ways, we have lost what the founding fathers possessed—the belief that government can work. Government is certainly still needed to provide for our national security and help promote our general welfare. Sometimes government gets in our way, but other times it can be helpful to ordinary people in their effort to succeed, to have opportunity, and to correct instances of oppression and injustice.

Those of us who see important reasons for government to act must be willing not just to criticize government and try to improve its operations, we must also work to improve public understanding of what government can do, what it cannot do, and what it has done. I simply do not see how it is possible to deal with many of our problems without a minimal public confidence in government.

I know that many people say the government and Congress don't work very well. And it's certainly not difficult to point out instances when they don't. But on the other hand, given the size of the country and the number and complexity of the challenges we confront, my view is that representative democracy works reasonably well in this country. I do not for a moment agree with those who think that the American system has failed or that the future of the country is bleak.

IMPROVING OPERATIONS OF CONGRESS

My main interest during my years in Congress has been to make government responsive, accessible, and workable. Part of that representative democracy system, of course, is the role of Congress.

Congress is an enormously important and resilient institution. I'm impressed almost daily with the way it tackles difficult national problems, manages conflict in the country, acts as a national forum, reflects diverse points of view, and over time usually develops a consensus that reflects the collective judgment of a diverse people. It has helped create and maintain a nation more free than any other. It is the most powerful and most respected legislative body in the world.

It is not, of course, perfect. It has some major flaws. It doesn't think enough about the long term, for example; it can be much too partisan; and the system by which we finance our elections is a mess. But I nonetheless believe that Congress is—overall but not perfectly, often but not always—responsive to the sustained and express will of the American people. It's a much more responsive body than people think. Congress does usually respond to public opinion if that opinion is conveyed strongly by the American people, as we have seen in the recent work to balance the budget.

I have seen many changes over the years, but I think America is a better place today than it was when I came to Congress in 1965: The Cold War is over, and we are at peace; as the preeminent military power in the world, we do not worry about an imminent threat to our national security; it is hard to find a place on the map where the U.S. is not engaged in some manner trying to make things better; we enjoy the world's most competitive economy; the new global trading system means new challenges and a host of new opportunities; the Internet brings a world of knowledge to the most remote classroom or the most remote home; we have greatly improved the lot of older Americans with programs like Social Security and Medicare; women and minorities have had new doors opened to them like never before; and, by far the most important of all, this still is the land of opportunity where everyone has a chance, not an equal chance unfortunately, but still a chance to become the best they can become.

Congress did not single-handedly bring about all of these changes. But it played a major role in every one of them. Congress is still the protector of our freedom and the premier forum for addressing the key issues of the day.

As I receive this award from the Center for National Policy and look back over my years in Congress, I'm not cynical, pessimistic, or discouraged. I'm optimistic about Congress and about the country. I am grateful for every day I've been a part of this body and I do not know of any place in the world that I would have preferred to be. I believe that inch by inch, line by line, I've had a small—very small—part in making this a more perfect union and making this country stronger, safer, and freer.

What more could anyone want?•

RONALD REAGAN WASHINGTON NATIONAL AIRPORT

• Mr. ABRAHAM. Mr. President, I rise today to add my voice to the chorus calling for the renaming of our national airport in honor of one of our Nation's greatest Presidents, Ronald Reagan.

It is, of course, a long-standing tradition for us to name important buildings and facilities after those who have rendered extraordinary service to our country. Indeed, the monuments on the Mall outside this Chamber were constructed to show our gratitude toward and honor the memory of great men like Washington, Lincoln, and Jefferson, who helped build America, and save her in time of peril.

When Ronald Reagan became President, our Nation was in grave peril. Caught in the grip of economic stagnation and moral malaise at home, we remained locked in struggle with the most deadly and powerful of armed ideologies, communism. Unlike his predecessors, President Reagan called the home of that ideology, the Soviet Union, by its proper name: the evil empire. He called on us as a nation, not to foolishly court mutual annihilation, but to stand up for our principles and our way of life, confident that our cause was just, and would be looked on with favor by God.

Ronald Reagan told us to have confidence in the American way, as he had confidence in it himself. He cut taxes, fought to bring government under control, and launched us on a peacetime recovery unprecedented for its strength and longevity.

Mr. President, Ronald Reagan brought this Nation back. He brought it back to prosperity, he brought it back to self-confidence, he brought it back to an understanding of its fundamental principles, its attachment to well-ordered liberty and the freedom of the human spirit. The results are all around us. A prosperous nation at peace, an evil empire that has become extinct, replaced by struggling democracies throughout Europe, a new dawn of liberty around the globe.

Ronald Reagan wanted to lead his Nation into a brighter future. Like the jet airplanes that carry us to our destinations, he carried the United States through turbulent times into a new and brighter era. I can think of no more fitting tribute to his strength of character and his monumental service to this country, than to name our national airport the Ronald Reagan Washington National Airport.•

EXTENSION OF MORNING BUSINESS

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that there be a period for the transaction of morning business until the hour of 6:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HUTCHISON. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMTRAK REFORM

Mrs. HUTCHISON. Mr. President, I want to take this opportunity to speak in morning business about a bill that I believe we have an agreement to bring up at a later time, hopefully in the next few hours. It is a bill that we worked on for quite a long time. We will be talking about it again if we are able to bring it up tonight. But I wanted to get a head start, because I am such a believer in passenger rail transportation for our country. I think we are going to come to closure on an Amtrak reform bill that will allow Amtrak at least to have a chance to succeed.

It is not a slam dunk and there is no question that a lot of work is yet to be done, but I think passenger rail in America will add mobility for people in this country who don't have other choices. We have a terrific aviation system and, in fact, there are Federal subsidies of our aviation system. There are Federal subsidies of our highway system. Highways, of course, provide the most flexible mobility for people. But trains can also add something for people who don't live near airports.

I think we have a chance to do something that will allow for an intermodal system that will serve the best needs of our country, will be the best for our economy and also will have, I hope, an impact on tourism and transportation in this country. I think it opens up a whole new world if we can have a good, solid transportation system with passenger rail as part of it.

We have worked in this bill to try to bring the labor protections into line so that, basically, we won't have protections that are above and beyond protections that most people have in this country. But we would leave it to the collective bargaining system that exists between Amtrak and its unions. I hope, when we have the agreement, to announce that the protections will be gone, and that collective bargaining will be a viable way to determine exactly what the people who work for our passenger railroad will have in the way of protections and also allow the railroad to be competitive, because, of course, if we are going to have a system that will survive. I think Congress has sent the very clear signal that the subsidies are going to be phased out.

But in order for the subsidies to be phased out, we are going to try to give Amtrak a chance to succeed.

So I am hopeful that in the next few hours or perhaps tomorrow, we will, in fact, have an agreement that we can announce and we will be able to pass this bill, send it to the House and send it to the President in very short order.

Of course, everyone knows that there is money from the budget reconciliation agreement that would help on the infrastructure costs that we think will provide efficiencies for Amtrak and make it even more profitable and make it more attractive for people to be able to take high-speed trains, especially in the corridors where there is more density. But the $2.3 billion that has been set aside for the infrastructure depends on the reform bill going through.

The reform bill includes taking away some of the protections that are required in law that should be instead agreed to at the bargaining table, having some liability limits that will allow Amtrak and the railroads to buy an insurance policy so that they will know what their liability potentials will be.

We also have some protections for lines that are going to go out of existence. Right now there is a 90-day notice for a continuance of a line. I ran into a problem in my State of Texas in which they didn't have the ability to make decisions quickly. Many State legislatures only meet every other year. So if they have a notice of discontinuance of a line, they don't even have a chance to stand up and say, "Look, we will step in and try to help with some funding."

We need to give the States more time. We give them, in fact, 180 days notice, up from the 90 days notice, to give them a chance to address any kind of disruption in service that would affect their States.

Second, we allow States to create interstate rail compacts. I think this is a very important possibility. It is not a mandate, of course, but it allows the States to come together. States that have commuters that go between two States can come together and form a compact and make a high-speed rail line that both States can contribute to. I think that should add to the ability to have more entrepreneurial spirit in our rail systems and perhaps allow States to work together for their mutual best interests.

Third, we provide for accountability. In fact, we want an independent audit of Amtrak. We are going to have, thanks to Senator JOHN MCCAIN, an Amtrak reform council that is going to look at everything Amtrak is doing and determine if there are things they could do better, if there are ways they can give better and more efficient service. In fact, they will report to Congress on their independent recommendations and if they think Amtrak will be able to succeed if these recommendations, along with the reforms in this bill, are put into place. If not, Congress will face that prospect with informed choices and must act on them.

I think we have a good opportunity here. I believe very much that Amtrak can contribute to the mobility of our country.

It will give more citizens more access to be able to get on a train and, for example, go see a grandchild that they would not have an opportunity to do because they did not live in a city that has an airport. Or take Amtrak to connect to a city with a major airport, making Amtrak part of a connected intermodal system. These are just a few examples of how important it is and can be to our transportation system.

So I am looking forward to discussing this bill further when the agreement is made and when we are able to actually act on the bill. But I wanted to give an outline of what we are looking at and what we are trying to do. I am hopeful that we will be able to do it in the very near future.

Thank you, Mr. President.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BENNETT). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. Mr. President, we are in morning business?

The PRESIDING OFFICER. That is correct.

DOD PAYMENT POLICY

Mr. GRASSLEY. Mr. President, I want to speak on a subject that I speak on often on the floor of the Senate, the Department of Defense's illegal progress payment policy. Since early this year, I have spoken on this subject many times. Most recently I spoke about the Department's commitment to bring the policy into compliance with law.

This commitment was made by the man who is now the Deputy Secretary of Defense, Mr. John Hamre. This commitment was made on July 22. I spoke about this 2 weeks ago, that he had a meeting with the leadership of the Armed Services Committee. At that meeting there was an agreement among all of us that certain accounting procedures would be brought into accordance with the law. Mr. Hamre gave us his word. He promised to bring the policy into compliance with the law on October 1 of this year. October 1 has come and gone and the illegal policy is still in operation. The Department of Defense is not complying with the law of the land.

Recent news reports suggest that Mr. Hamre is a man of deep spiritual beliefs. I know him to be that way. The roots of his faith go back to his Lutheran upbringing in the small South Dakota town of Willow Lake. His father was the town's church council president. His grandfather was the pastor. John himself went to Harvard Divinity School to prepare for the ministry.

So, Mr. President, it seems to me his faith runs deep, and I respect that. I remind John about some Scripture. The Bible teaches us to: always "do as you promised." I will read a passage from Joshua 23:14: "You know with all your heart and soul that not one of all the good promises the Lord your God gave you has failed. Every promise has been fulfilled; not one has failed."

The Bible teaches us that God kept His word, and He expects the same from each of us. I hope that Mr. Hamre will keep his word that was made on July 22.

Now, I know it is not always possible to keep promises because sometimes things happen in the interim that bring about a change of events that might cause some change of the original stance. Sometimes there are unforeseen events that stand in the way. But there has to be an honest effort.

Mr. President, I'm trying hard to understand why the October 1 deadline is being ignored. There are three letters that helped explain Mr. Hamre's behavior.

First, there is a letter from the Armed Services Committee, signed by the chairman, Senator THURMOND, and the ranking minority member, Senator LEVIN. It is addressed to Secretary Cohen, and dated September 26, 1997.

Second, we have a letter from the inspector general, Ms. Eleanor Hill, to Mr. Hamre, dated September 30, 1997.

Third, there is Mr. Hamre's letter back to the Armed Services Committee, dated October 1, 1997.

I ask unanimous consent to have these letters printed in the RECORD so my colleagues have the benefit of the entire text.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, September 26, 1997.

Hon. WILLIAM S. COHEN,
Secretary of Defense, The Pentagon, Washington, DC

DEAR SECRETARY COHEN: Two months ago the Department proposed a change to the Defense Federal Acquisition Supplement (DFARS) to change its procedures for progress payments under complex contracts using money from more than one appropriation. Although there is no evidence that the existing progress payment system has ever resulted in a violation of the Antideficiency Act, we understand that the Department does not believe that current procedures are capable of meeting all applicable legal requirements.

The Council or Defense Industry Associations (CODSIA) has indicated to us that the Department is considering the possibility of implementing these new procedures effective October 1, 1997—prior to final action on proposed DFARS change. CODSIA estimates the changes to contractor accounting and billing systems required by these new procedures could cost the industry in excess of $1.3 billion a year. Additional costs would be incurred by the taxpayers in connection with the requirement for the Department to manually process progress payment requests.

We ask that you review the proposed changes, consider all public comments, and weigh the costs and benefits to the taxpayers and the Department of Defense before these new procedures are implemented by the Department. We would also appreciate if you would let us know of any legislative changes that may be needed to assist you in addressing this issue in a rational and cost-effective manner.

Thank you for your attention to this matter.

Sincerely,

CARL LEVIN,
Ranking Minority Member.
STROM THURMOND,
Chairman.

DEPARTMENT OF DEFENSE,
INSPECTOR GENERAL,
Arlington, VA, September 30, 1997.

Memorandum for Under Secretary of Defense (Comptroller)

Subject: Progress Payment Distribution

We do not concur with the recommendation that the Deputy Secretary of Defense approve an open ended deferral in implementing revised progress payment distribution practices.

Recently we were advised by the Office of the Director, Defense Procurement, that an interim rule specifying the role of contracting officers in the new procedures could not be issued for at least 60 days. Likewise, we do not believe that the Defense Finance and Accounting Service is ready to proceed with the originally planned October 1, 1997 implementation. A deferral of the implementation date is therefore necessary, which is dismaying in light of the several years that the Department has had to address this problem.

At a minimum, we believe that the Deputy Secretary should establish a revised implementation date no later than January 1, 1998. Any reviews of cost implications or other relevant factors should be executable well before that date.

ELEANOR HILL,
Inspector General.

THE DEPUTY SECRETARY OF DEFENSE,
Washington, DC, October 1, 1997.

Hon. STROM THURMOND,
Chairman, Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This letter is in response to your September 26, 1997, letter to Secretary Cohen regarding changes in the manner in which the Department distributes progress payments. Consistent with your request, the Department will review the proposed changes, consider all public comments, and weigh the costs and benefits to the taxpayers and the Department of Defense before these new procedures are implemented. If the analysis indicates that legislative changes are needed to address this issue in a more rational and cost effective manner, such changes will be proposed.

Additionally, the Department has initiated a change to the Defense Federal Acquisition Regulation Supplement (DFARS) to require that contractors provide the breakout of the progress payment. The DFARS change cannot be effected until January 1998 because of the time required to complete statutory administrative actions. Additional time is needed in order to submit the proposed rule and its cost-benefit analysis to the Congress, GAO, and OMB and for the required 60-day congressional waiting period to elapse.

As a result of your request, and the need for additional time to comply with statutory and administrative requirements, I am delaying implementation of the planned policy changes regarding the distribution of progress payments. Those changes, which were scheduled to be implemented on October 1, 1997, are being delayed until January 1998, pending further review and evaluation of the proposed changes.

A copy of this letter has been provided to Senator Grassley.

Sincerely,

JOHN J. HAMRE.

Mr. GRASSLEY. The Armed Services Committee's letter was obviously written in response to complaints from the defense industry. Industry claims that the new policy would cost an extra $1.3 billion a year to implement. The committee is concerned about that estimate. So the committee asked Mr. Hamre to weigh these factors: "We ask that you review the proposed changes, consider all public comments, and weigh the costs and benefits to the taxpayers and the Department of Defense before these new procedures are implemented. * * *"

The committee is telling Deputy Secretary Hamre to do more homework before executing the new policy. This letter gave Mr. Hamre the authority he needed to delay beyond the October 1 deadline that was agreed to after our July 22 meeting among Armed Services Committee members. Mr. Hamre parrots the committee's language in his response: "Consistent with your request, the Department will review the proposed changes, consider all public comments, and weigh the costs and benefits to the taxpayers and the Department of Defense before these new procedures are implemented."

Mr. President, if I may paraphrase the letter, it says the committee requests a delay, and Mr. Hamre is just complying. I am happy to report that some of the delay may, in fact, be necessary.

Mr. Hamre provides an important piece of new information in the second paragraph of his letter. He says that the Defense Federal Acquisition Regulation Supplement—and we call that DFARS for short—cannot be issued until January 1998 due to "statutory administrative actions." The DFARS is a key element in the new policy. But the DFARS cannot meet the timetable prescribed under the July 22 agreement that I've referred to.

There are some new procedures under current law. These are spelled out in Public Law 106-121, the Contract With America Advancement Act of 1996.

Unfortunately, no one who put the July agreement together knew anything about the new rules. So if Mr. Hamre says that he needs more time to get the DFARS ready, I can buy that and admit that extra time is needed.

But the final paragraph of his letter gives me heartburn. It makes me nervous. I quote from the final sentence: The new policy, "which were scheduled to be implemented on October 1, 1997," is "being delayed until January 1998, pending further review and evaluation of the proposed changes."

Now, that wording bothers me for several reasons. It could be a big loophole to ask for more time so that effectively there is no implementation of the agreement because January 1998 is not as specific as January 1, 1998, and January 1998 "pending further review" opens the door for yet more delay. It suggests that January 1998 may not be, in fact, a deadline. It may be passed by, depending on the outcome of the new review. The wording to me is very ambiguous.

The inspector general's letter—remember, the inspector general is to keep all these people over at the Defense Department honest and keep them abiding by the law—the IG's letter that I referred to and have printed in the RECORD suggests that Mr. Hamre really wanted an open-ended deferral. That is where the game playing may be going on. He may have wanted an indefinite delay. Luckily, the IG put her foot down and said no, that was not possible, that would not be abiding by the agreement, that would not be abiding by the law.

This is what she said:

> At a minimum, we believe that Mr. Hamre should establish a revised implementation date no later than January 1, 1998.

The inspector general wants an unconditional deadline of January 1, 1998—"with no pending further review" language.

Mr. President, I can understand why the Department of Defense needs more time to jump through new regulatory hoops. But why does the policy itself need further review? More study is the oldest bureaucratic trick in the book—always delay, delay, delay, never make a decision, never make the changes that you don't want to make.

As far as this policy is concerned, this policy has been studied to death. The inspector general and the Pentagon bureaucrats have been wrestling with it since 1991. Isn't it about time to get to the bottom line? There have been countless papers, countless meetings, countless letters, and countless agreements, including the one of July 22. I was a party to that, and I don't want to be hoodwinked by my colleagues. I don't want to be hoodwinked by Mr. Hamre, who was there at that meeting and said he would get this job done.

Every possible issue has been addressed. Every point and counterpoint has been weighed and reweighed. There is nothing else to weigh. It gets down to the bottom line, Mr. President, that the law of the land is the law of the land and the law that the current policy violates. In other words, what we are trying to get straightened around is section 1301 of title 31 of the U.S. Code, and this was enacted on March 3, 1809—this law that says that you can't spend money without the approval of the Congress of the United States, and it's a felony to do it. It has to be abided by or the power of the purse of the Congress means zilch.

So, Mr. President, that was in 1809, 200 years ago. It's a law that has withstood the test of time, and it seems that DOD needs to get on the stick and obey the law once and for all. But, most importantly, as far as this Senator is personally concerned, at that July 22 meeting there was an agreement, and I expect people who want you to believe they are honest to keep their word.

I yield the floor.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

MAIL ORDER HOUSES AND SALES TAX

Mr. BUMPERS. Mr. President, this morning, I was reading the New York Times and came across an article truly exhilarating to me. It dealt with a matter that the Presiding Officer is all too familiar with, too. A number of large States are in the process of negotiating an agreement with some of the biggest mail order houses in the country, under which those mail order houses will, in the future, pay sales tax on merchandise they send into States that have either a use tax or a sales tax.

It was in the 1992 Quill decision the Supreme Court ruled that Congress could authorize the States to require collection of sales and use taxes by mail order houses shipping goods across State lines. But Congress would have to make that decision formally by legislation.

So I sponsored such legislation because I was a former small town merchant—I practiced law, I ran cattle, I had a small hardware retail and appliance store, and I even owned a cemetery one time, Mr. President. I did anything I could do to make money. Even back in those days, a lot of people ordered things from catalogs. I resented it. I was on Main Street collecting sales taxes, paying a corporate franchise tax to the city, paying all the taxes that make a decent place to live, and I was being competed against by people from other States who paid nothing.

In 1994, and again in 1995, I introduced legislation to authorize the mandated collection of interstate sales taxes. I got a vote on it and, of course, didn't get nearly enough to pass. Everybody got up and wept and wailed and said, "This is another tax, all you tax and spenders." As I say, I did it because I am a former retailer and I resented having to compete against people who did not have to collect a sales tax, which gave them a big competitive advantage on big-ticket items like refrigerators, television sets, and so on. So I admit I came into the debate because of my personal experience. But I also felt very strongly that equity was on my side.

I never will forget the distinguished junior Senator from Utah, in a Small Business Committee hearing one day, making a point, after having heard several mail order catalog executives talk about how this was going to be a terrible burden on them and some of them would go broke, and it was an impossible administrative nightmare to collect taxes for 50 different States and a lot more jurisdictions than that because cities and counties also have sales taxes. I will never forget the little lecture that the Senator from Utah delivered, describing his own personal experiences, and that it had not been a burden for his company. I will always be grateful to the Senator for having helped out so magnificently that morning.

Now, Mr. President, annual catalog sales are approximately $210 billion. Now, there are a few good citizens like Home Shopping Network who collect sales taxes on everything they sell. But most do not collect the taxes except when their physical presence creates a nexus with the State which requires that collection activity.

Let me explain that requirement. If a mail order firm has a physical presence in a State, the State may require that firm to collect sales taxes on the goods it sells in the State. If a company has a presence, for example, in the State of Arkansas and sells something through their mail order catalog to an Arkansan, the physical presence of that shop in Arkansas requires them to collect sales tax on any mail order sales to the Arkansas resident. But if they do not have a presence in Arkansas, they can send all the merchandise they want to into the State and not collect a dime in sales tax.

It is also unfair to the State and local governments which bear increased burdens because of mail order activity. For example, every year million of tons of catalogs go into the municipal landfills of this country, and State and local governments must pay for that. I think much of that comes to my house every year, frankly. Here it is, getting close to Christmas, and every night when I go home, I can't open my front door because there are so many catalogs behind it. But yet mail order companies pay virtually nothing to help States dispose of those millions of tons of waste.

So, Mr. President, I have always felt that this was terribly unfair to Main Street merchants in America. There is not a great incentive to avoid taxes on small ticket items, but on big ticket items there is a huge incentive. A few States, like Wisconsin and Maine, have put a provision in their State income tax return for taxpayers to list the value of merchandise purchased through mail order. Last year, Wisconsin collected $1.3 million from that provision. But there is no telling what the State should have collected had all mail order sales taxes been collected. The $1.3 million came from people who were honest and voluntarily put on their State tax return what they purchased by mail order catalog and paid the sales tax on it. But there is no way the States can enforce an effective sales tax collection system on mail order goods. Forty-five States impose sales taxes on mail order purchases, but they have no effective way to collect it.

Sometimes the States do collect the taxes on big-ticket items, however, and then the customer gets a rude awakening. I remember the story of a family in Florida which went up to North Carolina and bought some $25,000 worth of furniture because that company in North Carolina had advertised no sales tax. The family furnished their entire house all with new furniture, loaded it onto a van, and took it back. And, lo and behold, they were stopped at the Florida border and had sales tax assessed against them. The tax came to several hundred dollars, and it was a rude shock to that couple. There are a number of illustrations like that.

But I do not want to take up too much of the Senate's time on this issue. All I want to say is that when mail order companies fail to collect sales taxes on their sales, it is unfair for the Main Street companies who do collect such taxes. It is not right for some to do it and the rest to be exempt. Now this agreement, which will reportedly be announced tomorrow between the largest States and the largest mail order houses, is a giant step in the right direction. I do not want to say anything tonight that would in the least hinder those people negotiating that agreement from finishing it. On the contrary, I applaud them, I thank them for doing what is right.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COATS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT

Mr. COATS. Mr. President, after some modifications and consultation with the minority leader we are ready to once again ask this unanimous-consent request as modified.

Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:30 a.m. on Friday, November 7.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT REQUEST

Mr. COATS. Mr. President, on Friday, at the hour of 9:30, I further ask that, immediately following the prayer, the routine requests through the morning hour be granted.

Mr. DASCHLE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. COATS. Mr. President, I once again suggest the absence of a quorum. There seems to be some confusion here.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations on the Executive Calendar: Nos. 334, 336, 340, 385, 387, 388, 389 through 391, 393 through 409, 411, 414 through 426, except for 419. I further ask unanimous consent that the nominations be confirmed; that the motions to reconsider be laid upon the table; that any statements relating to the nominations appear at the appropriate place in the RECORD; that the President be immediately notified of the Senate's action; and that the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed are as follows:

DEPARTMENT OF LABOR

Patricia Watkins Lattimore, of the District of Columbia, to be an Assistant Secretary of Labor.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Jeannette C. Takamura, of Hawaii, to be Assistant Secretary for Aging, Department of Health and Human Services.

DEPARTMENT OF LABOR

Susan Robinson King, of the District of Columbia, to be an Assistant Secretary of Labor.

DEPARTMENT OF COMMERCE

F. Amanda DeBusk, of Maryland, to be an Assistant Secretary of Commerce.

R. Roger Majak, of Virginia, to be Assistant Secretary of Commerce.

David L. Aaron, of New York, to be Under Secretary of Commerce for International Trade.

DEPARTMENT OF STATE

Julia Taft, of the District of Columbia, to be an Assistant Secretary of State.

Phyllis E. Oakley, of Louisiana, to be an Assistant Secretary of State.

Mary Mel French, of the District of Columbia, to be Chief of Protocol, and to have the rank of Ambassador during her tenure of service.

Lange Schermerhorn, of New Jersey, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Djibouti.

Brenda Schoonover, of Maryland, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Togo.

Kathryn Walt Hall, of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Austria.

Edward M. Gabriel, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Morrocco.

Joseph A. Presel, of Rhode Island, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Uzbekistan.

Richard Frank Celeste, of Ohio, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to India.

Shaun Edward Donnelly, of Indiana, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Socialist Republic of Sri Lanka, and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Maldives.

Edward S. Walker, Jr., of Maryland, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Israel.

Stanley Tuemler Escudero, of Florida, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Azerbaijan.

Daniel Fried, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Poland.

James Carew Rosapepe, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Romania.

Peter Francis Tufo, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Hungary.

Kathryn Linda Haycock Proffitt, of Arizona, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Malta.

William H. Twaddell, of Rhode Island, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Federal Republic of Nigeria.

Steven J. Green, of Florida, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Singapore.

Daniel Charles Kurtzer, of Maryland, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Arab Republic of Egypt.

Steven Karl Pifer, of California, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ukraine.

Cameron R. Hume, of New York, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic and Popular Republic of Algeria.

Gerald S. McGowan, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Portugal

Lyndon Lowell Olson, Jr., of Texas, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Sweden.

Christopher C. Ashby, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Oriental Republic of Uruguay.

James A. Larocco, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the State of Kuwait.

David B. Hermelin, of Michigan, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway.

George Edward Moose, of Maryland, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Representative of the United States of America to the European Office of the United Nations, with the rank of Ambassador.

Victor Marrero, of New York, to be the Permanent Representative of the United States to the Organization of American States, with the rank of Ambassador, vice Harriet C. Babbitt.

Alexander R. Vershbow, of the District of Columbia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be United States Permanent Representative on the Council of the North Atlantic Treaty Organization, with the rank and status of Ambassador Extraordinary and Plenipotentiary.

B. Lynn Pascoe, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador during his tenure of service as Special Negotiator for Nagorno-Karabakh.

David Timothy Johnson, of Georgia, a Career Member of the Senior Foreign Service, Class of Counselor, for the rank of Ambassador during his tenure of service as Head of the United States Delegation to the Organization for Security and Cooperation in Europe (OSCE).

Thomas J. Miller, of Virginia, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, for the rank of Ambassador during his tenure of service as Special Coordinator for Cyprus.

Amy L. Bondurant, of the District of Columbia, to be Representative of the United States of America to the Organization of Economic Cooperation and Development, with the rank of Ambassador.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

ORDERS FOR FRIDAY, NOVEMBER 7, 1997

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:30 a.m. on Friday, November 7. I further ask unanimous consent that on Friday, immediately following the prayer, the routine requests through the morning hour be granted and that the Senate proceed to morning business for not to extend beyond the hour of 10:30 a.m., with Senators permitted to speak for up to 10 minutes each, with the following exceptions: Senator DASCHLE, or his designee, for up to 30 minutes, from 9:30 a.m. to 10 a.m.; Senator HELMS, or his designee, for up to 30 minutes, from 10 a.m. to 10:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. LOTT. I might say, Mr. President, since the Democratic leader is here, we have a couple things we are trying to work out. I believe by 10:30 a.m., we will have those problems resolved and that we can continue to consider the Inhofe amendment or the second-degree amendment to it and get the Amtrak legislation also cleared and other issues we will still be working on.

Mr. President, tomorrow, the Senate will then be in a period for morning business from 9:30 a.m. until 10:30 a.m. The Senate may also consider and complete action on any of the following: Amtrak reform, the D.C. appropriations bill—even though there may be some problems with that now, we will continue to try to see if we can work through that—and any other additional legislative or executive items that can be cleared for action. Therefore, Members can anticipate rollcall votes throughout Friday's session of the Senate.

Mr. DASCHLE. Mr. President, I will just ask for the information of our colleagues whether this might be an appropriate time to inform our colleagues that we are not prepared at this point to talk about the weekend, but that they should be prepared to stay here this weekend, given the uncertainty of the schedule.

Would the majority leader care to comment on that?

Mr. LOTT. Well, I think that is a good notice. I think Members are already thinking that may be the case. I have already canceled my own events for Friday, Saturday, and Sunday. And we will continue to work to see if we can find a way to complete action on the three appropriations conference reports. And, of course, we will be waiting to see what the House does on fast track. And depending on that, then, of course, we would proceed accordingly.

But if it is at all possible that we can finish our work on Saturday or Sunday, which I still think we can, I would think we should stay here and get that work done. If we cannot, then we will have to consider the alternatives, but Members should begin to be aware of it. And the odds are now that we will be in session Saturday and even possibly Sunday.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. LOTT. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order until 9:30 in the morning.

There being no objection, the Senate, at 7:06 p.m., adjourned until Friday, November 7, 1997, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate November 6, 1997:

METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

JOHN PAUL HAMMERSCHMIDT, OF ARKANSAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE METROPOLITAN WASHINGTON AIRPORTS AUTHORITY FOR A TERM OF FOUR YEARS. (NEW POSITION)

THE JUDICIARY

CHRISTINE O.C. MILLER, OF THE DISTRICT OF COLUMBIA, TO BE A JUDGE OF THE U.S. COURT OF FEDERAL CLAIMS FOR A TERM OF FIFTEEN YEARS. (REAPPOINTMENT)

ROSEMARY S. POOLER, OF NEW YORK, TO BE U.S. CIRCUIT JUDGE FOR THE SECOND CIRCUIT, VICE FRANK X. ALTIMARI, RETIRED.

ROBERT D. SACK, OF NEW YORK, TO BE U.S. CIRCUIT JUDGE FOR THE SECOND CIRCUIT, VICE ROGER J. MINER, RETIRED.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

JEANNE HURLEY SIMON, OF ILLINOIS, TO BE A MEMBER OF THE NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE FOR A TERM EXPIRING JULY 19, 2002. (REAPPOINTMENT)

IN THE COAST GUARD

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT IN THE U.S. COAST GUARD RESERVE TO THE GRADE INDICATED UNDER TITLE 14, UNITED STATES CODE, SECTION 729:

To be captain

COMMANDER CLAUDIO R. AZZARO, 1545
COMMANDER SHARON J. ARMSTRONG, 7490
COMMANDER CHARLES M. MCDONNELL, 8102
COMMANDER DANIEL R. FLOOD, 0185
COMMANDER WILLIAM J. VANORDEN, 6324
COMMANDER ROBERT C. BUCKLES, 8160
COMMANDER ARTHUR S. OLSEN, 6655
COMMANDER JOHN C. ACTON, 1022
COMMANDER ROBERT W. KELLY, 7738
COMMANDER GROVER N. LIPE, 3648
COMMANDER RAYMOND W. BLOWITSKI, 9382
COMMANDER EVERETE W. HOLLINGSWORTH, 9940
COMMANDER JERRY J. SAULTER, 3726

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT TO THE GRADES INDICATED IN THE U.S. AIR FORCE UNDER TITLE 10, UNITED STATES CODE, SECTIONS 624 AND 628:

To be colonel

NAOMI A. BEHLER, 0631
WILLIAM E. COFFER, 2889
JOHNNY R. JONES, 4272

REBECCA S. WEEKS, 0443

To be lieutenant colonel

ROBERT C. BARTLEMAY, 4857
PAMELA A. CYGAN, 3661
BARBARA A. DUINK, 4561
MAZHAR RISHI, 0157
LAWRENCE W. STEINKRAUS, JR., 0035
MICHAEL J. SWEENEY, JR., 3586
ROBERT L. THOMAS, 5254

TO BE MAJOR

CHARLES B. CARSELL, 8176
STACY J. CASTALDI, 2661
STEPHEN S. KRAMARICH, 9786
JACK L. LESHO, 3683
ALICE C. MURPHY, 0636
WILLIAM A.C. PREDEAU, 8988
RONALD L. ROSENQUIST, 3790
MARIA T. ROTH, 5142
JOSEF F. SCHMID, III, 6915
BRYCE C. SHUTT, 6659

CONFIRMATIONS

Executive nominations confirmed by the Senate November 6, 1997:

DEPARTMENT OF LABOR

PATRICIA WATKINS LATTIMORE, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF LABOR.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

JEANETTE C. TAKAMURA, OF HAWAII, TO BE ASSISTANT SECRETARY FOR AGING, DEPARTMENT OF HEALTH AND HUMAN SERVICES.

DEPARTMENT OF LABOR

SUSAN ROBINSON KING, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF LABOR.

DEPARTMENT OF COMMERCE

F. AMANDA DEBUSK, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF COMMERCE.

R. ROGER MAJAK, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF COMMERCE.

DAVID L. AARON, OF NEW YORK, TO BE UNDER SECRETARY OF COMMERCE FOR INTERNATIONAL TRADE.

DEPARTMENT OF STATE

JULIA TAFT, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT SECRETARY OF STATE.

PHYLLIS E. OAKLEY, OF LOUISIANA, TO BE AN ASSISTANT SECRETARY OF STATE.

MARY MEL FRENCH, OF THE DISTRICT OF COLUMBIA, TO BE CHIEF OF PROTOCOL, AND TO HAVE THE RANK OF AMBASSADOR DURING HER TENURE OF SERVICE.

LANGE SCHERMERHORN, OF NEW JERSEY, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF DJIBOUTI.

BRENDA SCHOONOVER, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF TOGO.

KATHRYN WALT HALL, OF TEXAS, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF AUSTRIA.

EDWARD M. GABRIEL, OF THE DISTRICT OF COLUMBIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KINGDOM OF MOROCCO.

JOSEPH A. PRESEL, OF RHODE ISLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF UZBEKISTAN.

RICHARD FRANK CELESTE, OF OHIO, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO INDIA.

SHAUN EDWARD DONNELLY, OF INDIANA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA, AND TO SERVE CONCURRENTLY AND WITHOUT ADDITIONAL COMPENSATION AS AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF MALDIVES.

EDWARD S. WALKER, JR., OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO ISRAEL.

STANLEY TUEMLER ESCUDERO, OF FLORIDA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF AZERBAIJAN.

DANIEL FRIED, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF POLAND.

JAMES CAREW ROSAPEPE, OF MARYLAND, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO ROMANIA.

PETER FRANCIS TUFO, OF NEW YORK, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF HUNGARY.

KATHRYN LINDA HAYCOCK PROFFITT, OF ARIZONA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF MALTA.

WILLIAM H. TWADDELL, OF RHODE ISLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE FEDERAL REPUBLIC OF NIGERIA.

STEVEN J. GREEN, OF FLORIDA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF SINGAPORE.

DANIEL CHARLES KURTZER, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE ARAB REPUBLIC OF EGYPT.

STEVEN KARL PIFER, OF CALIFORNIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO UKRAINE.

CAMERON R. HUME, OF NEW YORK, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE DEMOCRATIC AND POPULAR REPUBLIC OF ALGERIA.

GERALD S. MCGOWAN, OF VIRGINIA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF PORTUGAL.

LYNDON LOWELL OLSON, JR., OF TEXAS, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO SWEDEN.

CHRISTOPHER C. ASHBY, OF CONNECTICUT, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE ORIENTAL REPUBLIC OF URUGUAY.

JAMES A. LAROCCO, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE STATE OF KUWAIT.

DAVID B. HERMELIN, OF MICHIGAN, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO NORWAY.

GEORGE EDWARD MOOSE, OF MARYLAND, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE EUROPEAN OFFICE OF THE UNITED NATIONS, WITH THE RANK OF AMBASSADOR.

VICTOR MARRERO, OF NEW YORK, TO BE THE PERMANENT REPRESENTATIVE OF THE UNITED STATES TO THE ORGANIZATION OF AMERICAN STATES, WITH THE RANK OF AMBASSADOR.

ALEXANDER R. VERSHBOW, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE UNITED STATES PERMANENT REPRESENTATIVE ON THE COUNCIL OF THE NORTH ATLANTIC TREATY ORGANIZATION, WITH THE RANK AND STATUS OF AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY.

B. LYNN PASCOE, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS SPECIAL NEGOTIATOR FOR NAGORNO-KARABAKH.

DAVID TIMOTHY JOHNSON, OF GEORGIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF COUNSELOR, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS HEAD OF THE UNITED STATES DELEGATION TO THE ORGANIZATION FOR SECURITY AND COOPERATION IN EUROPE (OSCE).

THOMAS J. MILLER, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, FOR THE RANK OF AMBASSADOR DURING HIS TENURE OF SERVICE AS SPECIAL COORDINATOR FOR CYPRUS.

AMY L. BONDURANT, OF THE DISTRICT OF COLUMBIA, TO BE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE ORGANIZATION FOR ECONOMIC COOPERATION AND DEVELOPMENT, WITH THE RANK OF AMBASSADOR.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

RONALD LEE GILMAN, OF TENNESSEE, TO BE UNITED STATES CIRCUIT JUDGE FOR THE SIXTH CIRCUIT.

HOUSE OF REPRESENTATIVES—*Thursday, November 6, 1997*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. GILLMOR].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
November 6, 1997.

I hereby designate the Honorable PAUL E. GILLMOR to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Enable each person, O God, who labors in this place to sense more clearly the high honor and distinct privilege it is to have the opportunity of serving the people of our Nation. Give us, we pray, O God, a new spirit of responsibility to see how our deeds and our commitment can help strengthen our national heritage as we seek to be good stewards of the rich resources of the land. Let us build to make strong; let us work to heal our divisions; let us discover accord where we can; let us respect each other in all the great moments of life and let us work together to express our unity in heart and mind. This is our earnest prayer. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Illinois [Mr. SHIMKUS] come forward and lead the House in the Pledge of Allegiance.

Mr. SHIMKUS led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one Nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. McDevitt, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 2367. An act to amend title 38, United States Code, to provide a cost-of-living adjustment in the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans.

The message also announced that the Senate had passed bills and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 714. An act to extend and improve the Native American Veteran Housing Loan Pilot Program of the Department of Veterans Affairs, to extend certain authorities of the Secretary of Veterans Affairs relating to services for homeless veterans, to extend certain other authorities of the Secretary, and for other purposes;

S. 1377. An act to amend the Act incorporating the American Legion to make a technical correction;

S. 1378. An act to extend the authorization of use of official mail in the location and recovery of missing children, and for other purposes;

S. Con. Res. 61. Concurrent resolution authorizing printing of a revised edition of the publication entitled "Our Flag";

S. Con. Res. 62. Concurrent resolution authorizing printing of the brochure entitled "How Our Laws Are Made"; and

S. Con. Res. 63. Concurrent resolution authorizing printing of the pamphlet entitled "The Constitution of the United States of America".

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain ten 1-minutes on each side.

IN MEMORY OF ANDREW TAYLOR

(Mr. SHIMKUS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHIMKUS. Mr. Speaker, last month Andrew Taylor, a 4-year-old boy from Springfield, IL, succumbed to a brain tumor and lost his life. Many Members may remember Andrew.

As a 3-year-old he received national attention when he became a hero by saving the life of his grandmother. Iva Taylor had fallen and lay in a pool of blood when Andrew called for help on a cellular phone. Andrew, 3 years old at the time, placed a pillow under his grandmother's head and told her, I am going to take care of you. Then the young boy waited until help arrived.

One year ago in July, when the Springfield community learned of Andrew's brain tumor, they rallied to help his family with the mounting medical expenses. Many community members and organizations came forward to help ease the burden of his mother Lisa, a single parent, and to make Andrew's life as comfortable as possible. On July 4 of this year, his brain tumor was diagnosed inoperable. In October, our little hero passed away. As a father of a 4-year-old myself, the story of Andrew touches me tremendously. My thoughts and prayers are with his mother and family.

PASS FAST TRACK AUTHORITY

(Mr. DAVIS of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS of Florida. Mr. Speaker, tomorrow the House is scheduled to vote on fast track legislation to provide this President with the same negotiating authority that every President has had since 1974 in this country. Opponents argue that the debate is about jobs. That is exactly what the debate is about. This is a debate about whether we are going to continue as a country to enjoy the benefits of further exports that provide high-paying jobs in our country.

Fast track legislation has enabled the Congress and the President to work together since 1974 as the public expects us to do, to take advantages of opportunities around the world, to use our prowess as a country, our competitive spirit, our resources to prevail in the world economy. If we do not take advantage of the opportunity to renew fast track authority tomorrow, we will lose a very important opportunity.

Yesterday I met with a worker from my hometown who came up here to tell me that his job and the jobs of his sons were at stake unless we renewed fast track authority. He was speaking on behalf of countless workers around the country who expect us to do the right thing.

When we go to vote tomorrow, let us keep in mind the jobs around the country that are at risk and the future jobs we can provide for our children, and let us pass fast track authority.

REPEAL THE IRS CODE

(Mr. BLUNT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. BLUNT. Mr. Speaker, yesterday the House did something that every single observer 2 weeks ago and a month ago said was impossible, we turned the tables on the IRS to where citizens are protected; where taxpayers will have new taxpayer rights; to where, if people lose an IRS case, they have to pay, but if they win that IRS case, the Government has to pay. The resources of the Government are no longer overwhelmingly on the side stacked against taxpayers.

But Mr. Speaker, the real villain is not the IRS. We want to change the IRS as we know it. The real problem is the IRS Code. We need to repeal that Code. We need to start over again. We need to give the American taxpayer a fair deal, a safe deal, a simple deal, something they understand. The only way to do that is to repeal the Code. We need to do that when we get back into this Congress next year.

VOTES ON QUESTIONS OF CAMPAIGN FINANCE REFORM NEXT SPRING

(Mr. ALLEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALLEN. Mr. Speaker, I rise today to recall to the Members of this body that last weekend the Speaker of this House indicated there would be a vote on campaign finance reform next spring. But that raises many questions. For example, when next spring? We need a vote as early as possible.

It raises the question of what kinds of bills. I urge all Members of this body to insist on a bipartisan bill and bipartisan bills to bring to the floor in order to vote on campaign finance reform.

We know where the Republican leadership has been on this issue. The leadership has said we need more money in politics. We do not need to ban soft money, we need to take off all the limits on contributions to individual candidates. That is the wrong approach. We need more controls on contributions in this country, we need less money in politics, and we need to do that by working together with the other side.

The people back home want less money in politics. The people back home know that every voter, every contributor, every person who wants to participate in this system is being discouraged by the very large sums of money given to the national parties. We need to ban soft money, we need tighter disclosure on issue ads, and we need a vote early next spring.

We will talk a lot less about campaign finance reform if the Republican leadership gives us a vote.

THE UNITED NATIONS SHOULD NOT BLAME THE UNITED STATES FOR CASTRO'S FAILURES

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, yesterday the United Nations once again voted to condemn the United States embargo on Cuba, demonstrating that when it comes to standing for freedom and human rights on the island, the United Nations members are on the side of the oppressor, rather than in support of the victims of the Castro dictatorship.

The vote should come as no surprise, because for decades the United Nations has coddled the Cuban dictator, Fidel Castro. We must force Castro to lift the embargo that he has on freedom and democracy in Cuba. When will there be free elections? When will Cubans be free to express their opinions?

A serious problem also is the Clinton administration's unwillingness to lobby our allies to support our Cuba policy. Unfortunately, the administration's inaction should be expected, given its refusal to enforce the Helms-Burton law, which was overwhelmingly approved by this body just 2 years ago. An embargo to support democracy for Haiti, an embargo to support democracy for South Africa, but when it comes to Cuba, the United Nations prefers to hypocritically flirt with Castro. Blame the United States for Castro's failure? Shame on the United Nations.

FAST TRACK IS A JOB LOSER FOR AMERICA'S WORKERS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, to pass fast track the President said he will expand job retraining and unemployment counseling by $1.2 billion. Unbelievable. The reason is very simple: More Americans will lose their jobs on yet another fast track.

To be more specific here, fast track is a loser, a job loser for American workers. What are we retraining these workers to do? How many more pantyhose crotch closer jobs are really out there, Mr. Speaker? Beam me up.

It is time to stand up and stop this madness. American workers do not want unemployment compensation, they do not want retraining, they do not want trade adjustment assistance. They want to keep their jobs and take care of their families.

IRS REFORM AND THE BUREAUCRATIC TAX CODE

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, the IRS reform bill passed yesterday, which is an important first step in the battle to overhaul the current tax collection system in this country. However, this victory must be viewed with a little cautious optimism.

Let us not forget that when the President of this country was confronted with the Senate finance hearings that last month exposed the incredible abuse of power, which seems, by the way, to be the way of business over at the IRS, his first reaction was to defend the IRS. Incredible, stupefying, the American people thought, that this President's first reaction was to say, things really are not that bad.

He criticized the Republican tax reform plan. Of course, that was until he saw the American taxpayers were having nothing to do with his shrill criticism, because they have known for years that the IRS operates through heavy-handed tactics, sloppiness, and a lack of accountability. Any agency that allows bureaucrats no accountability will, over time, abuse its power.

The IRS reform package passed yesterday 426 to 4. It will inject real accountability to the IRS. Let us get rid of this bureaucratic, selfish Tax Code.

NO MORE TAXPAYER DOLLARS FOR EXPENSIVE FISHING EXPEDITIONS

(Mr. EDWARDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EDWARDS. Mr. Speaker, enough is enough. The gentleman from Georgia Mr. BOB BARR now says we should spend taxpayers' dollars for an expensive fishing expedition. Why? To see if there might possibly, conceivably, maybe be a reason to consider impeaching President Clinton. Ridiculous.

First Republicans spent millions of taxpayers' hard-earned money to try to bring down President Clinton with Whitewater hearings. Strike 1. Then Republicans wasted taxpayers' money attacking Senator LANDRIEU's election in Louisiana. Strike 2. Now Republicans are trying to overturn the election of the gentlewoman from California Ms. LORETTA SANCHEZ, and after an entire year, there is no proof her election should be overturned. Strike 3.

Having struck out with taxpayers' money, the gentleman from Georgia [Mr. BARR] is now flailing away at the Constitution. Some Republicans, including the gentleman from Georgia, seem to love democracy. They just hate elections that do not go their way. The gentleman from Georgia [Mr. BARR] should accept that Mr. Clinton was elected by the American people. He may not like it, but it is time to get over it.

THE PRESIDENT'S REMARKS ON TAX CUTS

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, just 3 days ago President Clinton told Virginia voters what he really thinks about Americans who favor tax cuts. He called them selfish, as this headline illustrates.

When I heard that, I realized that this is actually a part of a pattern, and that I really should not have been surprised. So I went back, did a little research, and discovered that many other prominent Members of his party do believe exactly that, that it is selfish of people to think that they should get to keep more of what they have worked so hard to earn.

The Deputy Secretary of the Treasury said, "There is no case other than selfishness," about those who want to reduce the death tax. A few days later he was forced to retract that statement, but only last month minority leader in the Senate TOM DASCHLE told Americans that he does not think many people are overtaxed, and now President Clinton goes on record with his vision of Americans and tax cuts.

Of course, he will soon go back on his words and clarify what he really meant to say. I think that that will not be necessary.

CONGRESS SHOULD NOT ADJOURN UNTIL COMPLETING INVESTIGATION REGARDING THE HONORABLE LORETTA SANCHEZ

(Mr. PALLONE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PALLONE. Mr. Speaker, the House should not adjourn this weekend until it ends this witch-hunt of the election of the gentlewoman from California Ms. LORETTA SANCHEZ. The Republican leadership plans to put forward this morning a so-called martial law rule that will limit Democratic Members' ability to bring up privileged resolutions that demand an end to the outrageously partisan and unprecedented 10-month investigation into the election of the gentlewoman from California [Ms. SANCHEZ].

The gentlewoman from California won her election fair and square. After wasting more than $500,000 in taxpayer money, Republicans have completely failed to prove that Bob Dornan's loss was the result of voter fraud. Republicans were trying to harass and intimidate Hispanic voters simply because in 1996 Hispanic Americans voted in larger numbers than ever before, and mostly supported Democratic candidates.

Let us free the gentlewoman from California Ms. LORETTA SANCHEZ, and let us put an end to this witch-hunt before we adjourn this weekend.

□ 1015

LET US GIVE PARENTS MORE CHOICE IN EDUCATION

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, there is a clear difference between the liberals' view of education and the initiatives of the Republicans in Congress. It is founded on our basic premise of our political rudder that steers us through the ocean of life. I think it is just a simple philosophical difference. The Republicans believe in people. We trust the common sense that people possess, and the liberals trust the big bureaucracy.

A good example is our effort to give parents more choice in selecting schools for their children. In a recent survey done by the American Viewpoint, 67 percent of the people agreed with the Republican initiatives who want to give parents more control over their children's education by allowing them to choose which schools their children attend and by giving them vouchers that will allow them to send their children to a private or religious school if they choose to do so, while only 28 percent agreed with the liberals who opposed the choice that parents would get.

Mr. Speaker, competition will make the education system stronger. It has in our higher education system. We saw it after World War II with the bills that were available for soldiers to get higher education. So let us give parents more choice in education.

DORNAN-SANCHEZ CONTESTED ELECTION

(Ms. DeLAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DeLAURO. Mr. Speaker, last night I listened in interest as my colleague, the gentleman from Michigan, Mr. EHLERS, discussed the investigation of the election of our colleague, the gentlewoman from California Ms. LORETTA SANCHEZ. He explained that 6,000 voters in Orange County were noncitizens at the time of last year's election, not just in the 46th District, which the gentlewoman from California Ms. SANCHEZ represents, but in the entire county, which includes five other congressional districts.

We ought to be committed to weeding out voter fraud. And if our Republican colleagues are truly committed to weeding out voter fraud in this country, they would be investigating all of the congressional elections that took place in Orange County last year to find all of these ineligible voters.

But there have been no investigations of any of the other Orange County elections. And why? Because those seats were won by Republican Congressmen, the gentleman from California [Mr. ROYCE], the gentleman from California [Mr. KIM], the gentleman from California [Mr. ROHRABACHER], the gentleman from California [Mr. COX], and the gentleman from California [Mr. PACKARD].

Republicans are only targeting one district, one Member, one community, the Hispanic community, clearly nothing more than a partisan political probe funded by U.S. taxpayers. Enough is enough. Call an end to the investigation.

TOP 10 REASONS MEMBERS OF CONGRESS OPPOSE FAST TRACK

(Mr. DREIER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER. Mr. Speaker, as intensity builds toward tomorrow's historic vote on fast track, I am gratified to stand here and inform my colleagues that, within the hour, they will have a suitable-for-framing "Dear Colleague" in their office which outlines the top 10 reasons Members of Congress oppose fast track. They come from our home office in Eugene, OR.

Reason No. 10 the Members oppose fast track: Trade must kill jobs. We still have 4.9 percent unemployment.

Reason No. 9: Smoot and Hawley got a bum wrap.

Reason No. 8, two words: Black helicopters.

Reason No. 7: Wall Street could use a total meltdown of Asian stock markets.

Reason No. 6: Ralph Nader and Pat Buchanan agree. Can they both be wrong?

Reason No. 5: Fast track does not let United States Congress set the minimum wage in Portugal.

Reason No. 4: 1998 Nobel Prize winner for economics, Ross Perot.

Reason No. 3: My vision for our 21st century economy, manual typewriters, rotary telephones, and black-and-white televisions.

Reason No. 2: John Sweeney told me to.

And reason No. 1: Mr. Speaker, I want a better fast track, a better balanced budget, a better tax cut, and better welfare reform.

END HARASSMENT OF MS. SANCHEZ

(Mr. McDERMOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McDERMOTT. Mr. Speaker, when Abraham Lincoln formed the Republican Party, one of the groups that he had to deal with in putting his coalition together was the nativist movement in this country called the "Know Nothing Party." They hated two groups: The Irish, who spoke Gaelic and were Catholic; and the Germans, who spoke German and were Catholic.

That root has been in the Republican Party from the very start. It is what drove millions of immigrants into the Democratic Party. All the southern Europeans who came to this country became Democrats because they knew the Republicans did not want them. And now we are after the Asians and the Hispanics. A prime example of that is the harassment of the gentlewoman from California [Ms. SANCHEZ].

Mr. Speaker, I urge my colleagues, on behalf of their party and this country, that they take the leadership in ending this harassment of a Member of this House, who was duly elected, certified by the State of California, and has been forced to spend $300,000 or more defending that seat. End it, Mr. Speaker. You can lead us.

DEMOCRATIC PARTY, LET US WORK FOR TAX RELIEF

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, sometimes on particular issues, the distinctions between the Democrat and Republican Party are blurred. But when it comes to taxes, there is absolutely no doubt.

What does the leading Democrat in the United States of America have to say about tax cuts? They are selfish. Good gracious, you might use the money to buy your child new braces. What did he say? He said several issues here again. What does the deputy secretary of treasury under Clinton say? When it comes to estate taxes, there is no case other than selfishness necessary.

That means, if we work hard all our lives and we want to pass the family farm on to our son or daughter so he or she can continue to plow the fields that our grandparents walked in, that means we are selfish. And then what does the leading Senate Democrat say, TOM DASCHLE? "But certainly I don't think that many people are overtaxed."

Now, go tell that to the people who are working 60, 70 hours a week, working overtime, the man and woman passing like ships in the night trying to make ends meet, buying new tires, repairing the dryer, trying to pay the home mortgage. Tell them that they are being undertaxed and they are being selfish because they want more.

Please, Democratic Party, join the American people and let us work for tax relief.

DORNAN-SANCHEZ CONTESTED ELECTION

(Mr. MENENDEZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MENENDEZ. Mr. Speaker, 1 year after the election of the gentlewoman from California [Ms. SANCHEZ] to this House and her investigation continues by this House, we went from a witch hunt that started with a half a million questionable individuals, allegedly, to last night's revelation that we are down to 1,000 individuals and still counting downwards.

Democrats welcome the opportunity of the U.S. attorney's investigation in California into the broader questions. We welcome that. We want to see what he has got to say. And we welcome any broader voter fraud question. But what we do not welcome is the continuous use of hundreds of thousands of taxpayers' dollars that our conservative friends on the Republican side are always wanting to save, and we agree with them.

Why do they not want to save it in this case? The reason they do not want to save it is because they want to use taxpayer dollars to do what their history has done in their own State of California where they were fined $600,000 for voter suppression and voter intimidation.

Stop abusing the taxpayers' money.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GILLMOR). The Chair would observe that the rules provide for a 1-minute speech, and the Chair would ask Members to stay within that time limit.

PERSONAL EXPLANATION

Ms. SLAUGHTER. Mr. Speaker, I was unable to be present for rollcall votes 568–571 earlier this week. Had I been present, I would have voted "yea" on rollcall votes 568 and 571 and "nay" on rollcall votes 569 and 570.

IT IS TIME TO CLEAN HOUSE AT IRS

(Mr. BALLENGER asked and was given permission to address the House for 1 minute.)

Mr. BALLENGER. Mr. Speaker, just when we thought it could not get any worse, we find out about another outrage at the IRS. The deeper we dig, the more we find out that the IRS is a rogue agency that abuses its power.

Congress asks, who is responsible? And what kind of response do we get from this administration's Treasury Department and from this White House? The same responses we got from this administration whenever they get caught in other wrongdoing: Denials and attempts to change the subject or their favorite expression that "mistakes were made" whenever they wish to avoid holding anyone accountable.

The same administration that somehow ended up with 900 FBI files of Republicans and cannot seem to recall just how that happened is the same administration that has done absolutely nothing in 4½ years to rein in an agency that is out of control. Politically motivated tax audits, replacing justice with revenue quotas, intimidating settlements on ordinary citizens who cannot afford lawyers, irresponsible bureaucrats who abuse their power. The list goes on and on.

It is time to clean the house at the IRS.

CONGRESS SHOULD ENACT D.C. APPROPRIATION

(Ms. NORTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. NORTON. Mr. Speaker, if this were a court, I would be forced to throw myself on the mercy of the court. Congress has an obligation to allow the Capital of the United States to spend its own money by enacting our appropriation.

Did my colleagues know that the District no longer gets a Federal payment under the rescue plan? Almost every dollar in the D.C. appropriation was raised in the District from the people I represent. Without an appropriation, there should be no appropriation subcommittee.

Did my colleagues know that there is no dispute over money? First there were vouchers. Now Republicans are fighting among themselves over an authorizing measure outside the jurisdiction of the appropriators. Ominously, the District's chief financial officer is warned of $100 million of fast cuts that will be necessary if the District of Columbia has to spend at last year's levels much longer. That will stop the city cold.

The majority has an obligation to get 13 appropriations passed every year. The majority speaks often of its special authority over the Nation's capital. Exercise that authority. Let the District spend its own money. Save the Nation's Capital.

□ 1030

THE DIFFERENCE BETWEEN THE TWO PARTIES

(Mr. ROGAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROGAN. Mr. Speaker, for the first time in American history, American families spend more in taxes than they do for food, clothing and shelter combined. Republicans in Congress are trying to do something about that. We are trying to fashion tax and spending policies that will return more money to working families that earned the money. We want them to keep more of what they earn rather than send their money to Washington for bureaucrats to spend.

Republicans prefer to work with our Democrat colleagues in a bipartisan fashion, but it becomes increasingly difficult when the President of the United States labels tax cuts for families as selfish and says that Americans should be satisfied with a revived economy and "happy to pay for government services."

Our frustration grows when Democrat policymakers in Washington all the way down the line echo this sentiment of selfishness.

For example, the administration's Deputy Treasury Secretary recently said that the Republican plan to reduce the death tax, which cripples family farms and businesses, is selfish.

Unbelievably, the leader of the Democrats in the U.S. Senate, TOM DASCHLE, said "I do not think that people are overtaxed."

Mr. Speaker, the next time someone says there is not a dime's worth of difference between Republicans and Democrats in Congress on tax policy, I would suggest there is a dime's worth of difference: It is the taxpayers' dime.

THE TIME HAS COME FOR THE REPUBLICANS TO DISMISS THE CHARGES AGAINST LORETTA SANCHEZ

(Mr. MILLER of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of California. Mr. Speaker, it has become clear to all that the case that the Republicans have been pursuing against the gentlewoman from California [Ms. SANCHEZ] has failed. It has failed for the simple reason that they have been unable to provide us sufficient evidence to suggest that somehow she was improperly elected to her seat in the Congress. And yet in spite of that overwhelming evidence of a lack of evidence to voter fraud affecting her seat, they continue this investigation.

They have sent out subpoenas to people, improperly so; they have questioned the citizenship of individuals who have properly voted; they have questioned all sorts of voters, but what they have not been able to do is they have not been able to prove that she has been improperly elected.

The time has come for the Republicans to drop this case and to dismiss the charges against the gentlewoman from California [Ms. SANCHEZ] and let her conduct herself on behalf of the citizens she was elected to represent in Orange County, CA. The time has come to stop this witch hunt against Hispanic voters and to let LORETTA SANCHEZ sit as an equal with the rest of us.

MOTION TO ADJOURN

Mr. MENENDEZ. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore (Mr. GILLMOR). The question is on the motion to adjourn offered by the gentleman from New Jersey [Mr. MENENDEZ].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. MENENDEZ. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 85, nays 315, not voting 33, as follows:

[Roll No. 585]

YEAS—85

Andrews
Barrett (WI)
Becerra
Berry
Blumenauer
Boswell
Brown (FL)
Brown (OH)
Clement
Clyburn
Conyers
Coyne
Cummings
Davis (IL)
DeFazio
DeLauro
Deutsch
Dicks
Dingell
Doggett
Engel
Eshoo
Evans
Farr
Fazio
Filner
Frank (MA)
Furse
Gejdenson
Hall (OH)
Hastings (FL)
Hilleary
Hinchey
Hinojosa
Jackson (IL)
Jackson-Lee (TX)
Johnson (WI)
Johnson, E. B.
Kennedy (RI)
Kennelly
Kilpatrick
Kind (WI)
LaFalce
Lantos
Levin
Markey
McCarthy (MO)
McDermott
McGovern
McKeon
McNulty
Meek
Menendez
Metcalf
Millender-McDonald
Miller (CA)
Nadler
Oberstar
Obey
Olver
Owens
Pallone
Payne
Pelosi
Peterson (MN)
Pomeroy
Reyes
Rush
Sabo
Sanchez
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Strickland
Stupak
Tauscher
Thompson
Thurman
Torres
Velázquez
Wise
Woolsey

NAYS—315

Abercrombie
Ackerman
Aderholt
Allen
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Bilbray
Bilirakis
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Borski
Boyd
Brady
Brown (CA)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Coble
Coburn
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crapo
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeGette
Delahunt
DeLay
Diaz-Balart
Dickey
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Etheridge
Everett
Ewing
Fattah
Fawell
Flake
Foley
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Hill
Hilliard
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kildee
Kim
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Largent
Latham
LaTourette
Lazio
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy (NY)
McCollum
McDade
McHale
McHugh
McInnis
McIntosh
McIntyre
Meehan
Miller (FL)
Minge
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Ortiz
Packard
Pappas
Parker
Pascrell
Pastor
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Porter
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Riggs
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Ryun
Salmon
Sanders
Sandlin
Sanford
Sawyer
Saxton
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stokes
Stump
Sununu
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Tierney
Traficant
Turner
Upton
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wolf
Wynn
Yates
Young (FL)

NOT VOTING—33

Bishop
Bonior
Bono
Boucher
Carson
Collins
Crane
Cubin
Dellums
Dixon
Foglietta
Forbes
Gephardt
Gonzalez
Herger
Jefferson
Kennedy (MA)
Leach
Lewis (GA)
McCrery
McKinney
Mica
Mink
Oxley
Paul
Portman
Rangel

Riley
Roybal-Allard
Scarborough
Schiff
Towns
Young (AK)

☐ 1053

Messrs. WICKER, GREENWOOD, LINDER and ISTOOK changed their vote from "yea" to "nay."

Mrs. TAUSCHER changed her vote from "nay" to "yea."

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

PROVIDING FOR CONSIDERATION OF HOUSE RESOLUTION 305, WAIVING REQUIREMENT OF CLAUSE 4(b) OF RULE XI WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS REPORTED FROM COMMITTEE ON RULES

Mr. SOLOMON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 305 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 305

Resolved, That the requirement of clause 4(b) of rule XI for a two-thirds vote to consider a report from the Committee on Rules on the same day it is presented to the House is waived with respect to any resolution reported from that committee before November 10, 1997, providing for consideration or disposition of any of the following:

(1) A bill or joint resolution making general appropriations for the fiscal year ending September 30, 1998, any amendment thereto, any conference report thereon, or any amendment reported in disagreement from a conference thereon.

(2) A bill or joint resolution that includes provisions making continuing appropriations for fiscal year 1998, any amendment thereto, any conference report thereon, or any amendment reported in disagreement from a conference thereon.

SEC. 2. It shall be in order at any time before November 10, 1997, for the Speaker, to entertain motions to suspend the rules, provided that the object of any such motion is announced from the floor at least one hour before the motion is offered. In scheduling the consideration of legislation under this authority, the Speaker or his designee shall consult with the minority leader or his designee.

SEC. 3. During the remainder of the first session of the One Hundred Fifth Congress—

(1) notwithstanding clause 2(a)(1) of rule IX, a resolution noticed as a question of the privileges of the House during the period from November 4, 1997, through the adoption of this resolution shall have precedence of all other questions except motions to adjourn only at a time designated by the Speaker; and

(2) the Speaker may not recognize a Member other than the majority leader or the minority leader to offer from the floor, or to announce an intention to offer, a resolution as a question of the privileges of the House.

MOTION TO ADJOURN

Mr. REYES. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore (Mr. GILLMOR). The question is on the motion to adjourn offered by the gentleman from Texas [Mr. REYES].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. REYES. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 100, noes 309, not voting 24, as follows:

[Roll No. 586]

AYES—100

Ackerman
Andrews
Barrett (WI)
Becerra
Berman
Berry
Bishop
Blumenauer
Bonior
Boucher
Brady
Brown (FL)
Brown (OH)
Chambliss
Clayton
Clement
Clyburn
Conyers
Coyne
Cummings
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dingell
Doggett
Engel
Eshoo
Etheridge
Evans
Farr
Filner
Frank (MA)
Furse
Gejdenson
Gephardt
Harman
Hastings (FL)
Hefner
Hilleary
Hinchey
Hinojosa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E. B.
Kennedy (RI)
Kennelly
Kilpatrick
LaFalce
Lampson
Lantos
Levin
Lowey
Markey
Martinez
McCarthy (MO)
McDermott
McGovern
McNulty
Meek
Menendez
Millender-McDonald
Miller (CA)
Moakley
Nadler
Neal
Oberstar
Obey
Olver
Owens
Pallone
Payne
Pelosi
Peterson (MN)
Reyes
Sabo
Sanchez
Sawyer
Skelton
Slaughter
Snyder
Spratt
Stabenow
Stark
Strickland
Stupak
Thompson
Thurman
Tierney
Torres
Towns
Velázquez
Vento
Waters
Wise
Woolsey

NOES—309

Abercrombie
Aderholt
Allen
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Bilbray
Bilirakis
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Borski
Boswell
Boyd
Brown (CA)
Bryant
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Castle
Chabot
Chenoweth
Christensen
Clay
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crapo
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
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Dooley
Doolittle
Doyle
Dreier
Duncan
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Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fattah
Fawell
Flake
Foley
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilliard
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kildee
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaHood
Largent
Latham
LaTourette
Lazio
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Mascara
Matsui
McCarthy (NY)
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
Meehan
Metcalf
Miller (FL)
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Mollohan
Moran (KS)
Moran (VA)
Morella
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Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
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Ortiz
Oxley
Packard
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Riggs
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Rodriguez
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Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Rush
Ryun
Salmon
Sanders
Sandlin
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stokes
Stump
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thune
Tiahrt
Traficant
Turner
Upton
Visclosky
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wolf
Wynn
Young (AK)
Young (FL)

NOT VOTING—24

Bono
Burr
Carson
Crane
Cubin
Fazio
Foglietta
Forbes
Gonzalez
Hunter
Kennedy (MA)
Leach
Lewis (GA)
McKinney
Mica
Mink
Porter
Portman
Rangel
Riley
Roybal-Allard
Schiff
Thornberry
Yates

☐ 1119

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

WAIVING REQUIREMENT OF CLAUSE 4(b) OF RULE XI WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS REPORTED FROM COMMITTEE ON RULES

The SPEAKER pro tempore (Mr. EWING). The gentleman from New York [Mr. SOLOMON] is recognized for 1 hour.

Mr. SOLOMON. Mr. Speaker, I would just like to point out to the membership, giving credit to the Democrats that more Democrats voted to stay here and work than voted to go home. I wanted to make that point, and we thank them.

Mr. Speaker, for the purposes of debate only I yield the customary 30 minutes to the gentlewoman from New York, the very distinguished gentlewoman [Ms. SLAUGHTER], pending which I yield myself such time as I might consume. During the consideration of this resolution, all time yielded is for the purposes of debate only.

Mr. Speaker, this rule will allow us to complete our work in a timely and expeditious manner and send us back to our districts this weekend. I would like to quote a very distinguished former Member of this House. His name was Tip O'Neill, and we all revered Tip. He was a great guy. But he said, quote, "If you stay in session, a lot of things can happen, and all of them are bad."

Well, I say to my colleagues, we are rushing to adjournment. We are going to get out of here this Sunday if we all cooperate with each other, and that is why we have this resolution before us today.

House Resolution 305 is a customary rule for considering legislation at the end of the legislative session. The first part of this rule waives provisions of clause 4(b) of rule XI, requiring a two-thirds vote to consider a rule on the same day it is reported from the Committee on Rules, and it is waived against certain resolutions reported from the Committee on Rules before November 10, 1997, or rather between today and actually next Monday.

The waiver applies to any special rules providing for consideration of a bill or a joint resolution that makes appropriations for the fiscal year ending September 30, 1998, any amendment thereto, any conference report thereon, or any amendment reported in disagreement from a conference thereon. This will enable the House to expeditiously conclude the remaining appropriation bills for fiscal year 1998, hopefully by this Sunday, and perhaps even sooner.

The waiver also applies to any special rule providing for consideration of a bill for a joint resolution making continuing appropriations for the fiscal year ending September 30, 1998, any amendment thereto, any conference report thereon, or any amendment reported in disagreement from a conference thereon. As the current continuing resolution is scheduled to expire on Friday, tomorrow, November 7, this will allow the House to consider any needed short-term extension as efficiently as possible so that the Government does not shut down and all of the agencies and bureaus and departments can continue to serve the American people.

Section 2 of the rule provides that the Speaker may entertain motions to suspend the rules at any time before Monday, November 10, 1997, provided that the object of the motion is announced from the floor at least 1 hour before the motion is offered, and that deals in layman's language for suspensions after the minority is given at least 1 hour's notice.

In order to accommodate the schedule in the interests of all Members, this rule also provides that the Speaker will consult with the minority leader regarding any bills scheduled under the authority to suspend the rules.

The final section of the rule provides that during the remainder of the 1st session of the 105th Congress, the Speaker may not recognize a Member, other than the majority leader or the minority leader, to offer from the floor or to announce an intention to offer a resolution as a question of the privileges of the House.

This section of the rule further provides that the Speaker may postpone the consideration of any noticed resolution as a question of the privileges of the House prior to the adoption of this resolution during the remainder of the 1st session of the 105th Congress.

Mr. Speaker, the procedures for calling up a rule on the same day that it is reported from the Committee on Rules are familiar to the House. It is customary for the appropriation measures at the end of the session. Also, providing for motions to suspend the rules on days other than Mondays or Tuesdays is very useful so that bipartisan, noncontroversial legislation can move rapidly at the end of the session.

We have a particular problem in the borders with Canada where there are problems with people coming back and forth. There is some bipartisan legislation that we hope to move under this kind of a procedure. Adequate provision for notice to the minority are provided, as has been the case in the past.

Mr. Speaker, in the furtherance of our target adjournment date, this rule also addresses the dilatory tactics and abuse of the House rules we have seen in recent weeks on the floor. As the House is well aware, certain Members have utilized the procedure under House rule IX, questions of the privilege of the House, to force debate and votes on the contested election in the 46th Congressional District in California. Under that rule, Members may give notice of their intention to raise a question of privilege of the House and the Speaker then sets an appropriate time within 2 legislative days for the consideration of the question of the privilege. Certain minority Members' repeated and dilatory use of these questions of privilege to filibuster the legislative process I believe creates a privilege in itself, and that is why we are here today with this rule.

The disposal of these near identical notices under rule IX consumes precious hours as well as requiring an astounding number of votes. The use of the rule relating to the questions of the privilege of the House in a frivolous and political manner is unbecoming, I think, to this institution, and that certainly is verified by the literally hundreds of phone calls that I have received because people know that I am chairman of the Committee on Rules, calls from all over the country, wanting to know why we are wasting our time with these repeated repetitious requests for questions of privilege.

Mr. Speaker, for several weeks the majority and the minority leadership have attempted to reach an accommodation regarding these dilatory questions of privilege. On October 23, the distinguished minority leader, who I have great respect for, rose to a question of privilege on this issue. Instead of simply tabling the matter with no debate, the House considered the resolution, debated it for an hour and defeated it, under regular order of this House. The majority leadership allowed it to be debated out of deference to the minority leader and voted on it. The House worked its will and defeated that resolution.

In exchange for allowing this issue to be debated and voted on, the minority provided the following: October 29, one question of privilege tabled. October 30, eight questions of privilege tabled. October 31, 21 questions of privilege noticed. November 4, 7 questions of privilege noticed, and yesterday, November 5, another 13 questions of privilege were noticed, delaying us bringing up very important matters dealing with the United States-China relationship by about an hour and a half, another hour and a half that we were delayed from working the will of this House.

Last night, Mr. Speaker, in efforts to mollify the situation, the gentleman from Texas [Mr. ARMEY], the majority leader, allowed yet another question of privilege on the same subject to be separately debated and voted on. It was a good debate, I think from both sides of the aisle, whether one agrees with it or does not. A unanimous-consent request was then propounded which would have considered the question of privileges as read and would have shortened the voting time on each, again in an effort to try to accommodate the minority. This reasonable request was objected to.

Mr. Speaker, in still another example of good faith, the Committee on Rules reported two rules last night, the rule I have just called up and we are debating now, which contains this limitation on questions of privilege, and another without this provision.

□ 1130

Mr. Speaker, the committee's intention was to empower the very serious legislators on both sides of the aisle and to marginalize the partisan obstructions. This has not happened, and that is why I was forced today to rise with this unfortunate rule today.

I do not like to bring this rule before the House. I said so last night during the debate exchange in the Committee on Rules. But, Mr. Speaker, many Members on both sides of the aisle with a very strong interest in getting legislation considered by the House before we adjourn have approached me and asked for the Committee on Rules to intervene and to restore order on this floor, so we can expedite these very, very serious measures that we have to deal with before this Sunday.

Mr. Speaker, because the rule suffering such abuse has been rule IX, I have been reluctant, again, to intervene. The deliberate use of this fundamental House rule for a flagrant political and dilatory purpose has forced the majority to assert its right to set the legislative schedule.

On behalf of the overwhelming majority of both parties who are interested in serious legislating, we must insist that our friends will not filibuster the people's House with an abuse of these rules.

Having said that, I hope we can pass this rule and get on with the people's business. There is precious little time between now and Sunday to find the windows of opportunity on this floor to deal with the measures that are so important to Members on both sides of the aisle, as well as the other body, and as well as President Clinton himself, who has a number of requests pending before this body.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today to strongly oppose this tyrranical rule. For the first time in the 218-year history of the House of Representatives, we will be voting to deprive all but two Members of this body the right to assert their constitutional prerogatives as Representatives elected by their constituents. House rule IX gives each and every Member of this House the right to raise before the whole body questions of privilege affecting the rights of the House collectively, its safety, dignity, and the integrity of its proceedings.

The House adopted rule IX in 1880, defining what had been long established in the practice of the House before then. Thomas Jefferson begins his Manual on Parliamentary Procedure, which has governed the House procedures since 1837, with section 1, titled "The Importance of Adhering to Rules." It quotes a former Speaker of the House of Commons' views on the neglect of, or departure from, the rules of proceeding.

I quote:

> That these forms, as instituted by our ancestors, operated as a check and control on the actions of the majority, and that they were, in many instances, a shelter and protection to the minority against the attempts of power.

Jefferson then continues:

> As it is always in the power of the majority, by their numbers, to stop any improper measures proposed by their opponents, the only weapons by which the minority can defend themselves against similar attempts from those in power are the forms and rules of proceeding which they have adopted as they have found necessary, from time to time, and become the law of the House, by a strict adherence to which the weaker party can only be protected from those irregularities and abuses, which these forms were intended to check, which the wantonness of power is but too often apt to suggest to large and successful majorities.

Mr. Jefferson, the author of the Declaration of Independence, surely would have opposed the wantonness of power displayed by the majority in offering this rule. Rule IX is the heart of Members' individual rights within our rules. It guarantees that each Member has the right to move to guarantee the integrity of House proceedings. That right is so central to our idea of representative government and liberty itself that in all of the 104 Congresses before today, the House has never voted to suspend this paramount right.

Even in the depths of the Depression and in the struggles against the tyranny of Nazi Germany, when the House's legislative decisions might truly have changed the course of the Nation and the world, they did not suspend this prerogative of the individual Member.

Yet, in this era of relative prosperity and world stability, the majority proposes to suspend this fundamental right guaranteed in our rules. This majority would give itself the power for the rest of this session to not recognize any Member except the majority or minority leader to offer a motion affecting the rights of the House collectively, its safety, its dignity, and the integrity of its proceedings.

What is the national crisis that has brought about this unprecedented attempt by the majority to usurp Members' powers to protect the integrity of this House? Are we at war and a defense funding bill is urgent? Is there mob violence in the streets? Are we in the throes of a great economic depression? No. The interest this unprecedented attack on one of the fundamental checks and balances built into our House rules is getting Members out of town a day or two early.

Mr. Speaker, I can only say, shame. At last night's Committee on Rules, the chairman of the committee did indeed state that he hoped this rule would not come to the floor, and I joined him in that hope. I am appalled and saddened that this majority would seek to suspend this bulwark of Members' abilities to ensure full representation to their constituents.

What kind of issues are raised under rule IX, the rule that will be effectively suspended? The Annotated House Rules gives us examples of the fundamental nature of issues that are raised under the rule. They are questions relating to the House's constitutional prerogatives in respect to revenue legislation and appropriations; impeachments; the constitutional prerogatives of this House with respect to bills pocket-vetoed during an intersession of adjournment; the House's power to punish for contempt, whether of its own Members, of witnesses who are summoned to give information, or of other purposes; questions relating to the House's organization and the title of its Members to their seats; questions relating to the conduct of officers and employees, in addition to that of Members; questions relating to the integrity of its proceedings, including the processes by which bills are considered.

Clearly, the rule IX procedure for making motions regarding the privileges of this House is the keystone of a Member's ability to bring to the House's attention the most serious and fundamental matters affecting the integrity of this House. Yet this rule, proposed by the majority for the first time in the House of Representatives' 218-year history, squelched that right, and for what historic, precedent-worthy reason? So that we might leave Washington a couple of days early.

Mr. Speaker, I have not yet touched on the second infamous and again unprecedented clause in this rule. It would allow the Speaker to postpone indefinitely the full House consideration of any question of the privileges of this House that he had deigned to allow.

Currently, rule IX gives the Speaker the authority to schedule consideration within the next 2 legislative days. I was responsible myself for drafting this rule change in the 103d Congress. It was done to ensure that privileged resolutions could not disrupt consideration of time-sensitive legislation, such as continuing resolutions. Prior to that rule change, a resolution raising questions of the privileges of this House had immediate precedence over all other questions except motions to adjourn. However, it was never within the contemplation of that rules change to prevent any Member from having the chance for the full House to vote on a privileged resolution.

As drafted, this part of the rule we are debating would essentially give the Speaker carte blanche to continue to indefinitely postpone consideration of any motion regarding privileges of the House until the end of the session. Unfortunately, last night we got a taste of the real world consequences of such postponements. The majority could merely move to adjourn sine die, and thereby prevent consideration of these fundamental motions to protect the House's safety, dignity, and the integrity of its proceedings.

Mr. Speaker, these two rules changes are a despotic attack on Members' constitutional rights to protect their constituents. This may be one of the most important votes that we take as Members of Congress. As I mentioned earlier, Thomas Jefferson, who defined through the Declaration of Independence our notions of freedom and liberty, put the rules' protection against the tyranny of the majority as the very first section of Jefferson's rules which govern us today in the House of Representatives.

I will be ashamed for the House and afraid for its integrity should this misbegotten rule be adopted. The danger of this precedent cannot be overstated. I urge in the strongest possible terms that this attempt to restrict the fundamental rights and liberties of House Members be defeated.

In addition, I will urge Members to defeat the previous question, and if it is defeated, I will offer an amendment to strike the provisions of the rule pertaining to the privileged resolutions.

Mr. Speaker, I ask unanimous consent that the text of the amendment will appear in the RECORD just prior to the vote on the previous question.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. SLAUGHTER. Mr. Speaker, I reserve the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield 4 minutes to the very distinguished gentleman from San Diego, CA, Mr. DUKE CUNNINGHAM.

Mr. CUNNINGHAM. Mr. Speaker, many of us heard about the harassment at the voter polls in California for the first time last night. At the time I was flying fighters for the U.S. Navy. I thought, if this is true, it is truly un-American for anyone to harass any ethnic group or any American or non-American at the polls, if they are here legally.

So I checked last night. Individuals wore brown shirts, INS shirts, at the polls carrying signs saying, noncitizens cannot vote here. The wearing of the brown shirts, I agree, would be mean-spirited, and they were fined for that. That should not be tolerated. But I agree with the idea that noncitizens should not vote.

Why did they carry those signs? It is because individual liberal activist Democrats were taking illegals to that particular precinct to vote. It was not an allegation; they were charged, they were arrested, and they' were sent to jail. My colleagues do not tell us about that on the other side of the aisle.

Mr. Speaker, who were these mean-spirited Republicans that wrote the signs in Spanish? Two Hispanic Americans, Carlos Rodriguez and Thomas Fuentes. What did they say? They said, we are proud of our ethnic backgrounds, and we are proud to be Americans, and we reject the blatant intentional abuse by Democrats to take away our basic rights that we worked hard for as American citizens and immigrants: first, our American citizenship, and then the right to vote as an American citizen.

I challenge my colleagues on the other side to spend one-tenth of the time looking at violations of voter fraud. It must be sad for them, after 3 years, because they have got nothing else to stymie and delay tactics on the House floor.

They fought against, many of them, the liberal Democrats, against a balanced budget, and we are now talking about a surplus in the deficit. They fought against tax relief for working families. They fought to save Medicare, and the President signed the same Medicare that they demonized in this balanced budget. They fought against welfare reform, when the average was 16 years, and they fought against anticrime measures.

It must really be sad that this is all they have left. It must be sad that the President said Americans are selfish for not wanting to pay taxes, and that a Member of the Senate said Americans are not paying enough taxes.

Over 400 Democrats have switched over to become Republicans. Do Members want to look at the future? Look at the races in Virginia. In Democratic districts, a clean sweep in New Jersey for Governor in a Democrat district; a clean sweep in New York, a targeted Democrat district; and now we have VITO FOSSELLA as a Member of Congress in the Molinari seat.

It must be really bad for them that the signs did not say, for some liberal Democrats, noncitizens vote here, and vote for me, or else they would be out there working just as hard to fight against illegal voting.

Ms. SLAUGHTER. Mr. Speaker, I yield 4 minutes to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, first of all, let me commend the gentlewoman from New York for her fine statement and history of the rule that we are about, unfortunately, to overturn.

I just used the word "unfortunately." I think it fits my view, although that word that I take from my friend, the gentleman from New York [Mr. SOLOMON], chairman of the Committee on Rules, is too mild and too soft to really be used with any degree of accuracy in this situation.

□ 1145

I rise today to protest this rule, a rule which the gentleman from New York [Mr. SOLOMON], the chairman of the committee, referred to as an unfortunate rule. Indeed, this is nothing less than a bold attempt by the Republican majority to silence, to muzzle, the elected representatives who speak for literally millions of people in this country. This is a gag rule. It is a rule that effectively denies every Member of Congress their right to free speech.

Over my right shoulder, etched above a door just to my right above the gallery, is ensconced the image of Thomas Jefferson, and which the gentlewoman from New York [Ms. SLAUGHTER] eloquently quoted in her remarks earlier this morning. He must be looking down upon the Republican majority with displeasure this morning, because what they are indeed about to do is squelch the free expression of Members of this House on issues of privilege for the first time in this Republic.

Mr. Speaker, this rule has one goal, to silence the criticism, the Republicans ugly campaign for harassment and intimidation against our colleague, the honorable gentlewoman from California [Ms. SANCHEZ].

This gag rule is part of a pattern. It began when the Republicans decided they did not like the choice of the Orange County voters, many of them women and Hispanic, the choice that they made in electing the gentlewoman from California [Ms. SANCHEZ] over Bob Dornan.

First they tried to silence these voters to deny them their choice. They did this by making wild allegations and launching into an 11-month investigation, costing hundreds of thousands of dollars, that has turned up no evidence to suggest that the gentlewoman from California [Ms. SANCHEZ] is anything but a duly elected Congresswoman.

Last night, the Republicans voted to adjourn specifically to vitiate, to kill, the privileged resolutions of 21 Members, all of whom were women or Hispanics, who are exercising their rights as the elected voice of their constituents. To silence the voice of their constituents, these 21 women who were denied the ability to speak about something that is not frivolous, as the majority referred to earlier in this debate, but is serious, it is about the election of a representative for 600,000 people.

In the House of Representatives, a body that is America's principal forum for debate, Republicans are trampling on the freedom of speech. I ask them, what are they afraid of? Are they afraid of free and open debate? Are they afraid of people who disagree with them? Are they afraid of the truth?

This gag rule effectively silences millions of Americans, and it runs against the very spirit of the Constitution that we were sworn to uphold. I urge my colleagues to vote against this rule.

Mr. SOLOMON. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, as Ronald Reagan used to say, "Well, here we go again." Mr. Speaker, the gentlewoman and the minority whip have made a point that this procedure has never been used before. And they are correct. But I would point out that no other small group of

Members have ever, ever in the history of this Congress, ever abused the system by using rule IX.

The truth is, the group using these dilatory tactics admit that the repetitious offering, and I have got a whole list of them here, some 47 or 45, and I can assure my colleagues that the viewing audience agrees with us, because they are calling in and complaining about these repetitious offerings of the same resolution over and over, even to the point that one gentlewoman on the other side of the aisle has now two pending, two of the same resolution. That is dilatory, my colleagues.

The truth is that this group using the dilatory tactics admit that these repetitious offerings of the same motions are dilatory and, in effect, are doing it to force their will on the House by using this repetitious system, which interrupts all of the other proceedings of the House.

Let me just read my colleagues the beginning of rule IX. And they ought to get it out, because they quoted Jefferson and Jefferson's Manual. Rule IX says, No. 1, "Questions of privilege shall be first those affecting the rights of the House collectively, its safety," and here comes the two important words, "its dignity, and the integrity of its proceedings."

Now, we are charged under the Constitution of the United States to operate under our rules. And this is the last thing we would want to do, but it is being forced on the vast majority of this body. We just had more Democrats vote to stay in session and work and deal with the proceedings of this House with the measures that are pending before this body than we did Democrats voting yes to adjourn. I think that speaks for itself, Mr. Speaker.

Again, I do not want to use up all our time over on this side of the aisle, but there is very important legislation which is pending before this body. We must get on with it. The majority leader has made every effort to recognize on any given day the right of any one of my colleagues, including the minority leader, to offer this resolution that they are interested in. But that is not satisfactory. They want to do it over and over and over again. And that just cannot be allowed, because we cannot accomplish the work of this House if we do that.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield myself as much time as I may consume, if I might just take a moment to address my colleague from New York, Mr. SOLOMON.

It is the integrity of this House that we are fighting this morning to uphold. I believe that the majority of Americans would want us to do just that and that their elected representatives, sent here in their behalf, would have the opportunity to speak as they are given under the rules of the House.

Mr. Speaker, I yield 1½ minutes to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Speaker, to my dear friend from New York, Mr. SOLOMON, who was obviously not here in the era of Mr. Bauman from Maryland, when he used every delaying tactic that we can imagine to call for votes and this sort of thing. But this is a right for any Member in this House. And I have been here longer than all the leadership in this House, both Republican and Democrat, and I represent 500 people in my district.

I have not offered a privileged resolution, but I have that right to offer that privileged resolution.

The gentleman from California [Mr. CUNNINGHAM], I wish he could have been here, because he made a point that some of the folks that were carrying these banners were Rodriguez and these sorts of names. But yet, on their investigation, they are assuming that all the bad votes and all the illegal votes are Hispanics.

Obviously, some of these people were Mr. Dornan's supporters over the years when the gentlewoman from California [Ms. SANCHEZ] was not even running for office. Local people that were running for office got some of the same votes that she got, but they are not being contested.

But this is a gag rule. And it is unfair to me, as an American citizen and a representative of the people's House in the sovereign State of North Carolina, to say to me that the leadership of this House, both Democrat and Republican, can tell me that I am not allowed, under the privileges and the rules of this House, to offer a resolution.

That is against my privilege as a Member of this House, and I highly resent it. I would think that Members on this side that call themselves very conservative would resent this, also.

Ms. SLAUGHTER. Mr. Speaker, I yield 4 minutes to the gentleman from New Jersey [Mr. MENENDEZ].

Mr. MENENDEZ. Mr. Speaker, I thank the gentlewoman from New York [Ms. SLAUGHTER] for yielding me the time. I rise to oppose this intent to create martial law in the greatest democratic institution in the world.

Yesterday, unfortunately, history was made in a negative sense when the House, using the majority party's power to adjourn, ended all of the rights of those individuals of the Women's Caucus to seek to provoke a debate through privileged resolutions rising to the dignity and integrity of the House, and their rights were extinguished by having a motion to adjourn.

I would say to the distinguished gentleman from New York [Mr. SOLOMON], chairman of the Committee on Rules, that the dignity and the integrity of the proceedings of the House are in question when they permit to spend hundreds of thousands of taxpayer dollars for an investigation that has yielded absolutely no fruit.

And 1 year later, democracy in this House is not protected unless the rights of the minority are protected. And what Republicans are doing today is nothing less than turning their back on this principle by denying the minority an important tool we have to represent our communities and our constituents.

The procedural tools of the House are not there to be used only so long as they are convenient for the majority's scheduling goals or that they benefit the majority's agenda. They are there to be used when they benefit the minority as well.

The rights of Members are not here to be parcelled out and then abolished at the majority's whim. Make no mistake, by denying us justice and fairness today by taking away the protections afforded to the minority, my colleagues put in peril their own protections in the future.

This is an unprecedented denial of privileged resolutions by Members of the House, and that is outrageous. Several of the resolutions, I know my own that I introduced yesterday, are materially different, they have different aspects to it. And maybe my colleagues did not read them. But mine is materially different.

It is interesting to note, who do my colleagues seek to abolish the rights of, who presented the privileged resolutions yesterday? The members of the Congressional Hispanic Caucus. Is that not just a coincidence?

Those of us whose families fled from persecution, from dictatorship, view this as nothing more than gestapo tactics. When we take away the right to oppose those in power, when we abolish the rights of the minority, when we take away those protections, that is the beginning of tyranny. And when no one in the majority speaks up to defend them, that is when they put their own rights at risk.

Democracy is only safe when all views have a right to be heard. That is what the rules of the House are designed to allow. And they do not want any more privileged resolutions on the gentlewoman from California [Ms. SANCHEZ]. But what they are doing in the rule is, they are extinguishing the right of any Member to bring up a privileged resolution on any other matter, and that is outrageous.

If I had the incident with Mr. Dornan that this House voted to suspend his rights to be able to come in here, if that happened during this time period, I would not be able to introduce that privileged resolution because they have extinguished my right to do so. And that would be wrong.

My colleagues, do not turn your backs on the tradition of fairness, on the traditions of this institution, because you may find yourselves some day in the minority again. You are not just taking away a procedural tool, you are turning your back on a cherished principle of fairness. And while you may think you are just taking away our voices today, you are disenfranchising the voices of tens of millions of American citizens we represent.

This, if it is permitted, would be a shameful day for the House and a shameful day for your party.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I was attempting to go get the previous speaker to tell us the significant difference between his two resolutions. But he did not want to do that.

Mr. Speaker, I yield 3 minutes to the distinguished gentleman from California [Mr. DREIER].

Mr. DREIER. Mr. Speaker, I thank the distinguished chairman, the gentleman from New York [Mr. SOLOMON], for yielding me this time.

Let me say that I am one who will acknowledge that that rule is clearly an extreme response. And it is an extreme response, unfortunately, for a very, very good reason. We have witnessed what I believe to be unprecedented and outrageous tactics over the last several weeks, as the gentleman from New York [Mr. SOLOMON] has said, jeopardizing the ability for this institution to do its work.

Clearly, what we want to do is, we want to bring about a resolution to this struggle that exists over who actually was elected, and we are trying to recognize the very precious franchise that every American citizen has, and that is the right to vote.

So, as we look at this, we have to look also at the pattern of elections that have been disputed over the past couple of decades, not one. Not one investigation that has taken place over the past couple of decades lasted less than 12 months. In fact, the average of those was 14 months.

□ 1200

But the precedent that has been set here is constantly the attempt to bottle up the work of this institution.

Mr. Speaker, when we look at what we are trying to do here, we know that we all have rights. The rights of the minority are something that I happen to treasure because I spent 14 years here as a member of the minority party. And in the Committee on Rules, the gentleman from New York [Mr. SOLOMON] and I do our darnedest to recognize the rights of the minority. But something that we learned as members of the minority is that with rights come responsibility. We have a responsibility to do the work of the American people. Because of this dispute, which clearly, based on the arguments that were provided here last night, could be settled, and I think it could be settled reasonably and agreeably, but because there is disagreement among a very few extremists in the Democratic Party, and the reason I say that is that I have had more than one Democrat say to me, "My gosh, I wish that we would back off, let's get this thing over and done with, let's get it behind us." People do not like the idea of holding up the work of this institution. So with rights come responsibility. We are trying to recognize that, and we have been left with no alternative other than to pursue this rule. And so I urge strong support of it, Mr. Speaker.

Ms. SLAUGHTER. Mr. Speaker, a previous speaker here from California identified as Tom Fuentes a person dressed in a brown shirt holding up signs in Spanish to intimidate voters. I think it is important for the record to show that Tom Fuentes is the chair of the Orange County, California Republican Party, and his party paid a $400,000 fine.

Mr. Speaker, I yield 1½ minutes to the gentlewoman from Michigan [Ms. STABENOW].

Ms. STABENOW. I thank the gentlewoman for yielding me this time.

Mr. Speaker, I came to this House in January to get things done for my constituents. I have seen us when we worked together and respected the democratic process get positive things done. We have balanced the budget, we have provided tax relief, we have done positive work together. But we have done that respecting the democratic process and our rights to speak on behalf of our constituents.

I also came here believing that I had a right as a Member to present privileged resolutions to this House. One of the resolutions under question is one that I introduced. I know that my constituents expect that I have the right to speak and to offer privileged resolutions and to have them debated with respect. What we have today is an effort to take away the democratic process. We have a proposal in this rule for martial law. I would suggest what we need instead is a Marshall plan, a plan that respects democracy, allows us to work together to solve these issues and move forward in a way that respects everyone's rights. Martial law does not work in a democracy. The Marshall plan worked in its time. I would suggest to Members, we would be better off working in that direction, rather than taking away the rights of those of us who came understanding that we had the full rights and privileges of every Member of this House to speak on behalf of our constituents. I strongly urge a "no" vote on the rule.

Mr. SOLOMON. Mr. Speaker, we have another new Member here. He comes from the State of a man I used to admire. I was a Marine guard when Harry Truman was President of the United States, and he was a good President. President Truman would not put up with these shenanigans either. He said, "The buck stops here," and he would stop the buck from these dilatory tactics.

Mr. Speaker, I yield 2 minutes to the gentleman from Strafford, MO [Mr. BLUNT].

Mr. BLUNT. Mr. Speaker, it is an honor to be yielded time by the distinguished gentleman and to speak after he referred to Harry Truman, a Missouri President who understood responsibility. The responsibility of the House today and tomorrow and however many days it takes is to get our job done. The responsibility of the House is to do the work of the people of the country. We have heard these motions over and over again.

I heard this morning that what the rule proposes to do is squelch the free expression of the Members of the House. I advance the idea that the free expression of the Members of the House is more squelched by consistently delaying the process of the real debate that needs to go on here. As the former chief election official of our State, I have looked at some of these motions that have been filed, and I think any reasonable person would be hard-pressed to argue that we are not debating and reading and seeing introduced the same motion over and over again while the real work of the country stands undone.

This week should not be about dilatory tactics. This week should not be about motions to adjourn. This week should be about doing the job we need to do to direct the foreign policy of America, to have a defense bill that puts our defense in place, to decide the debate on national testing that 295 Members of the House said they did not want in the Labor-HHS bill.

Certainly there was a motion last night at 11 o'clock to adjourn. The people in my district and I daresay the people all over America understand that there is a difference in 11 o'clock at night motions to adjourn and two motions to adjourn before 11 o'clock this morning.

We need to do the work of the people of the country. It needs to happen. Obviously it is going to take this rule to make it happen. The people that sent me here sent me here to solve the big issues of the country, not to slow down the progress and change that is being made here.

Ms. SLAUGHTER. Mr. Speaker, I yield 6 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, I must say I was a little surprised to hear my friend, the chairman of the Committee on Rules, say that one of the reasons we have to do this is that it makes for bad television. He said we have people calling up and complaining. I can think of some reasons to change the rules of the House, but ratings is not one of them. It does seem to me a grave error to say that because people are calling up and complaining that this has gotten boring, that we should change things.

I also have to reject the notion that this is necessary because we cannot get the business of the House done. The House has been working at a very leisurely pace. We took off a week in the middle of October, an unscheduled recess, unscheduled from the beginning. We have on the majority side a preference for about a 2-day workweek as far as the House is concerned. We come in on Tuesday night and we go home on Thursday night. There are other things besides being in session that count, but the fact is we have run things at a very slow pace. We have adjourned early for Republican fundraisers.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. FRANK of Massachusetts. I will yield if the gentleman promises to be good television, because I do not want to be responsible for driving away the viewers.

Mr. SOLOMON. I want to expand on the gentleman's statement. Yes, we have, and we have adjourned for Democratic fundraisers, too.

Mr. FRANK of Massachusetts. I thank the gentleman for helping. This shows how dedicated we are to getting the work done. Under the Republican leadership control of the schedule, we have adjourned early for Republican fundraisers, we have adjourned early for Democratic fundraisers. We adjourned early, according to one leadership Member, for a Rolling Stones concert. And of course those are separate because, as everyone knows, the Rolling Stones gather no cash. But what we have here is on the one hand an argument that, "Oh, my God, you've got to stop these privileged motions, we're not getting our work done." But if we had not adjourned for Democratic fundraisers and if we had not adjourned for Republican fundraisers and if we had not adjourned for the Rolling Stones concert and we had not taken a week off in October and if we worked on Tuesdays during the day and if we worked a little on Monday, we would not be in this spot.

The point I want to make is that the assertion that we do not have time to get our work done is nonsensical. The reason for shutting off the privileged resolutions is that the majority understandably does not want to discuss what is being done to LORETTA SANCHEZ. I want to say that cutting off the privileged resolutions is clearly not necessary. The rule is not necessary to get the House business done.

By the way, there is no rule that says we have to adjourn this weekend. We could go another week or two. The notion that we are running out of time when we have time to adjourn for fundraisers, concerts and other things obviously does not wash. What you are trying to do is divert attention from the Loretta Sanchez issue. Yes, they are repetitive privileged motions. They are, however, aiming at one of the most fundamental privileges of the House, a partisan decision by the majority to impeach election results without having a basis to do so. There has been a year in which all of the resources have been available to show that there was a problem. You have not been able to show that.

Of course people should investigate. People have said, "Don't you want to know if people who voted were illegal?" I would love to know that. I also want to know why after a year of investigating you have not been able to come up with enough numbers to invalidate the election. No one has stopped you from investigating it. That is the phoniest of all arguments, that someone is trying to stop you from finding out if people voted illegally. Of course no one tried to stop that. No one tried to stop it when it was initiated. But a year after the election, if you have not come up with enough evidence, the time has come to stop.

I want to say, I know there are partisan pressures here. In 1985, and people keep talking about the 1985 election that was brought up the other day when a Republican was unseated, I disagreed with my party in that regard. I thought it was impossible to tell after they counted. I voted for the motion offered by the gentleman from Minnesota, Mr. Frenzel, to declare a new election. I did not vote to seat the Democrat and I did not vote to seat the Republican. I did not think you could tell. I was in the minority. I was asked how did the Speaker respond; I told people the Speaker was mad at me until I explained my position. Then he got furious.

Yes, I understand partisan pressures. I think it is unworthy of Members to give in to them. I understand the impulse to say, OK, there is reason to look at this, even though a 984 majority is the largest majority I could ever remember being called into question. But after a year, after a year, give it up. After a year of using all of your powers to try to find a basis for overturning the election, you ought to give it up. You do not want to have that acknowledged, so that is why you are bringing in this rule.

This rule is not necessary, this cutting off of privileged resolutions, to have the House function. Again, we have adjourned for all kinds of reasons. We have not worked very hard. We have taken October breaks for a week. We are going to get out earlier than anyone expected. The reason you are doing this is you do not want to have to try to defend in public what is happening to LORETTA SANCHEZ. I think there is a dilemma. There is a wing of the Republican Party graphically represented by Mr. Dornan that says to you, "Don't you dare let loose of this." It is a very important wing of the party. They do not want this dismissed. So there is a dilemma. Obviously, you do not have the evidence to overturn the election or you would have done it. On the other hand, there is not the political will to dismiss the challenge and let the elected Representative of the people serve. And then given this dilemma, you do not want it discussed. So that is what we are talking about today, a change in the rules of the House striking at a fundamental issue, a question of privilege, not just on LORETTA SANCHEZ but in general because you do not want attention called to the fact that you are playing political games with an election. You do not want attention called to the fact that there is a challenge going on to an election that you have been unable to sustain after a year, a 984 majority. Yet you do not have the political will to dismiss.

Mr. Speaker, I hope this rule is defeated so we can continue to discuss the Sanchez election.

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the gentleman from Colorado [Mr. MCINNIS], another valuable member of the Committee on Rules.

Mr. McINNIS. Mr. Speaker, two points here. Point No. 1, already by 10 o'clock this morning your side put up two motions to adjourn. I realize that there are some tempers that have gotten high over there because they do not get to take the day off to go attend those events that you wanted to go to. Folks, we have got to do work. I am sorry you had to cancel your golf game, I am sorry you could not go to the event. We have work to do here. People expect us to work. It is Thursday, not Saturday. It is Thursday. Let us do the work. Quit giving those motions to adjourn. You are not going to get the day off.

Point No. 2. Somebody says it is within our rules for us to be heard, the minority. You are absolutely correct. The minority has the right to be heard but the majority has the obligation to rule. We have an obligation to move this House forward. What we are doing today is within the rules, and it is. Well, quit trying to do your stall tactics. Read the rules. My guess is that most of you have not even opened this book. I can point out those rules for you. You have been heard and heard and heard, and that is fine. I think you bring up, sometimes, some valid points. But the point has been made. Let us move on with our business.

□ 1215

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. THOMAS], a gentleman that came with me to this body almost 20 years ago and is one of its most respected Members.

Mr. THOMAS. Mr. Speaker, I thank the gentleman from New York [Mr. SOLOMON] for the time, and I would like to spend a portion of the time to briefly respond to my friend from Massachusetts [Mr. FRANK] because I do enjoy not only the content but the delivery of the information that he provides us, and I would like to point out just a couple of items within that delivery. He repeated several times that what we are doing is cutting off people in this particular resolution.

Mr. Speaker, my understanding of the resolution is that it focuses, it in channels; that is, it does not cut off the right to offer privileged resolutions, it focuses the opportunity to offer a privileged resolution. And as a matter of fact, the focal point for the minority would be the minority leader. As I recall the debate on the contested election in California's 46th District, the first resolution that was fully debated for an hour and voted on, was offered by the minority leader.

I understand, and I was not on the floor, but it has been represented to me, that there has been some criticism over this rule because we are attempting to cut off females and minorities from offering privileged resolutions. I find it interesting that the gentleman from Massachusetts is able to divine the motives of those on this side who want to perpetuate the contested election, as he divines, somehow based upon pressure from people who are supportive of the candidate who lost, and that we are not pursuing trying to get to the bottom line, but carrying out some other group's motives which are not of the highest intentions. I find it interesting he is able to divine those motives, but made no comment whatsoever about people who have picked particular people to offer those resolutions so that it would have the appearance of cutting off female Members and minorities.

It seems to me that motives ought to go to both sides, and that if he is able to divine the motives on this side, yet unable to divine the motives on the other side that he is creating a false issue, that this somehow involves race or gender, I would tell the gentleman that there is either an overabundance of motives or an underabundance of motives on both sides, and I will yield to the gentleman with the final comment that it is not this gentleman who voted for a white male to be the minority leader.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Speaker, I would simply differ when he said why did I not talk about our decision to pick certain people to offer these resolutions. I must tell the gentleman people do not pick people on this side. When the women or members of the Hispanic Caucus decided those resolutions, I must tell him that that was their own voluntary choice. No one had to tell them to get angry at what was happening to the gentlewoman from California [Ms. SANCHEZ].

Mr. THOMAS. I would guess then the gentleman would also say that the minority leader was not picked or was not self-chosen to begin the process, and I would end only by saying no one is cut off totally. The leadership is focused. It is the majority's responsibility to govern.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from Arkansas [Mr. SNYDER].

Mr. SNYDER. If my colleagues do not mind, Mr. Speaker, I am going to speak from this side of the aisle. It seems to me sometimes we spend more time talking to those that agree with us than those that disagree with us. Let me just make two points in my 1 minute as a new Member here.

First of all, last night when the privileged resolution came up and the gentleman from California [Mr. THOMAS] said it is an opportunity to present proof, I came down here in the front row to see the proof. I did not see proof. What I saw was accusations, heartfelt accusations, but there were numbers on a chart. I thought we were going to see blowups of voter registration cards; that is why I came down close.

Seeing a number, 1,000 or 4,000 or 305, is not proof, and we need to be laying out in these resolutions proof that we can look at, the L.A. Times can look at, the people of the 46th District can look at and not just have a card with Magic Marker ink on it and say, this is proof; that was an accusation.

Now, last point I would like to make, the reason we are so intent on bringing this to an end, it is Campaign 1998 is well underway. Mr. Dornan has announced for reelection, he is raising money for reelection, and the fear of us on this side of the aisle, on that side of the aisle, is that this whole process becomes part of the campaign, and that is wrong.

Ms. SLAUGHTER. Mr. Speaker, I yield 30 seconds to the gentleman from North Carolina [Mr. HEFNER].

Mr. SOLOMON. Mr. Speaker, would the gentleman like a little more time? I will yield the gentleman from North Carolina 15 seconds as well.

The SPEAKER pro tempore (Mr. EWING). The gentleman from North Carolina is recognized for three-quarters of a minute.

Mr. HEFNER. Wow. I thank the gentleman from New York very much for the time; I am indebted to him.

The gentleman from California [Mr. THOMAS], my good friend, I guess it was a slip of the tongue, he said the gentleman who lost, so they know who lost the election there.

But as my colleagues know, I got a letter a couple of weeks ago from the Speaker, and he sent me a card that I could wear. It is called Friends of NEWT GINGRICH, and since they are going to try to put a damper on our ability to offer these motions, I just may not send my check in now. And, of course, I do appreciate them addressing it to W.G. Hefner, U.S. Senator, Washington, DC, but I am just going to reconsider sending in my contribution since they are going to offer this kind of gag legislation. But I certainly want the Speaker to know that I have considered it very sincerely, but right now I am leaning toward not sending the check.

Ms. SLAUGHTER. Mr. Speaker, I yield 1¾ minutes to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, two issues. First of all, to those who said we want to work from this side of the aisle, some of the previous speakers, we want to work, too. The trouble is we have not been working all the way up to here. Today's Wall Street Journal opinion by Al Hunt: A mediocre congressional session; points out that if this Congress adjourns this weekend, it will be the earliest in 32 years.

The schedule that the Republican Party has just released to the Democrats for next year, all the ones in type are no votes. That means that the House does not come back until January 26 of next year, takes a week off in February, seems to work pretty much through March. We take this amount of period, about 2½ weeks, off in April; skip through to July, where the House then takes off from the 1st to the 13th, one of the longest Fourth of July breaks I have seen; does take the traditional August 3-week period, that is traditional; and then takes another week and a half in September.

So not a whole lot of work is being scheduled, and this House is adjourning this weekend without doing campaign finance reform, without doing a major highway bill and without doing a lot of significant legislation.

Second point. I was one of the five who is still a remaining Democrat who also voted not to seat the Democrat in the McIntyre-McCloskey contest. It was the longest, most painful period in my legislative history. It was no fun, and so let me speak, Mr. Speaker, to those Republicans who are in trouble right now, too. They have got to do what is right.

Mr. Speaker, what is right is to bring this contest to a close because it has been a year, the investigation has proven nothing, and it was not much fun back in the days of McIntyre-McCloskey for those of us who said we should go ahead and hold another election, and I know it is not much fun for them, but they have to do what is right.

And let me say in that case there was four votes difference, not 984 votes, and because of that uncertainty, a number of us said we should proceed with a special election. That is not the case in this election.

I urge my Members to do what we had to do a few years ago, do what is right.

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just urge Members to defeat the previous question, and if it is defeated, I will offer an amendment to strike the provisions in the rule pertaining to the privileged resolutions, and if the rule is adopted, it will strip the fundamental constitutional rights of each Member with regard to the integrity, the proceedings of the House, and I urge Members to vote no on the previous question.

Mr. Speaker, I include the following for the RECORD:

Text of Previous Question Amendment to H. Res. 305: Strike section 3 of the resolution.

Mr. SOLOMON. Mr. Speaker, I yield myself the balance of the time and would just recall several notes I made during the debate.

The gentleman from Massachusetts [Mr. FRANK] complains that we are too accommodating to groups of Members by adjusting the evening schedule. He complained about it. But as my colleagues know, all speakers, whether they be Democrat or Republican, have always tried to be accommodating. This Speaker, Speaker GINGRICH, in the past 3 years has tried to accommodate the Women's Caucus for a dinner that they had, the Hispanic Caucus, the Black Caucus and any number of different caucuses. So I would just hope he would not protest too much on that subject.

The gentleman from Massachusetts [Mr. FRANK] and the gentleman from Michigan [Mr. BONIOR] have also said give it up, give it up, give up this investigation. Well, my colleagues, if we had given up over the years, we would still have Tammany Hall rigging elections in New York City, we would still have dead people voting and rigging elections in Chicago. If we gave it up, my colleagues, this democratic electoral process would literally fall apart.

As my colleagues know, we have such important legislation. There is a conference report that deals with the education of our children; it deals with labor issues, with health issues, with human services issues. That bill is out there. We have come to an agreement with the President of the United States. We want to bring the bill to the floor, but we cannot when these dilatory tactics continue here.

As my colleagues know, it is about time we got on with the business of the House. The gentlewoman had said defeat the previous question, and that would actually repeal section 3 of this bill. Well, I have heard people stand up here and talk about a martial law rule. That would not repeal this so-called martial rule law. The other part, section 1 and 2, deal with the expedited procedures to allow that very important conference report on our children to come to this floor on this same day. So the gentlewoman does not repeal the martial law part, she repeals section 3.

Now, having said that, let me tell my colleagues what the gentleman from New York [Mr. SOLOMON] has said so many times on this floor. He says, no man's life, liberty or property are safe when this legislature is in session. Well, I plagiarized that. That was said 1866 by someone, and nobody in this room knows who it was. My colleagues probably think it was Patrick Henry or Thomas Jefferson. Do my colleagues know who it was? A good New Yorker. He was not very famous, he was just a simple man. He was a surrogate by the name of Gideon Tucker, believe it or not. We all thought that was somebody really important; that is who said that. So I like plagiarizing him.

Let us get out of here and do the people's business.

Mr. SOLOMON. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Ms. SLAUGHTER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Pursuant to clause 5 of rule XV the Chair will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of agreeing to the resolution.

The vote was taken by electronic device, and there were—yeas 224, nays 198, not voting 11, as follows:

[Roll No. 587]

YEAS—224

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wise
Wolf
Young (AK)
Young (FL)

NAYS—198

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Cardin
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Goode
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey

Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Woolsey
Wynn
Yates

NOT VOTING—11

Carson
Cubin
Dellums
Forbes
Gonzalez
McKinney
Mica
Moran (VA)
Portman
Riley
Schiff

☐ 1252

Mr. WISE and Mr. GUTKNECHT changed their vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

MOTION TO RECONSIDER THE VOTE OFFERED BY MR. WISE

Mr. WISE. Mr. Speaker, I move to reconsider the vote just taken.

MOTION TO TABLE OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Speaker, I move to lay on the table the motion to reconsider.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. SOLOMON] to lay on the table the motion offered by the gentleman from West Virginia [Mr. WISE] to reconsider the vote.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. WISE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 222, noes 200, not voting 11, as follows:

[Roll No. 588]

AYES—222

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOES—200

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Goode
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E.B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McNulty
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—11

Carson
Cubin
Forbes
Gonzalez
McKinney
Meehan
Mica
Moran (VA)
Portman
Riley
Schiff

☐ 1309

So the motion to lay on the table the motion to reconsider was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mrs. EMERSON). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SLAUGHTER. Madam Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 219, noes 195, not voting 19, as follows:

[Roll No. 589]

AYES—219

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Fossella
Fowler
Fox
Frank (MA)

Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOES—195

Abercrombie
Ackerman
Allen
Andrews
Baesler
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brown (FL)
Brown (OH)
Cardin
Clay
Clayton
Clement
Clyburn
Condit
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Flake
Ford
Frost
Furse
Gejdenson
Gephardt
Goode
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—19

Baldacci
Brown (CA)
Carson
Conyers
Cubin
Foglietta
Foley
Forbes
Gonzalez
Leach
McKinney
Mica
Moran (VA)
Oxley
Portman
Riley
Schiff
Skaggs
Watkins

□ 1321

The Clerk announced the following pair:

On this vote:

Mr. Riley for, with Ms. McKinney against.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. FOLEY. Mr. Speaker, on rollcall No. 589, I was unavoidably detained. Had I been present, I would have voted, "aye."

MOTION TO RECONSIDER THE VOTE OFFERED BY MR. FRANK OF MASSACHUSETTS

Mr. FRANK of Massachusetts. Madam Speaker, I move to reconsider the vote just taken.

MOTION TO TABLE OFFERED BY MR. SOLOMON

Mr. SOLOMON. Madam Speaker, I move to lay on the table the motion to reconsider offered by the gentleman from Massachusetts [Mr. FRANK].

The SPEAKER pro tempore (Mrs. EMERSON). The question is on the motion offered by the gentleman from New York [Mr. SOLOMON] to lay on the table the motion offered by the gentleman from Massachusetts [Mr. FRANK] to reconsider the vote.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FRANK of Massachusetts. Madam Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 218, noes 201, not voting 14, as follows:

[Roll No. 590]

AYES—218

Aderholt
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Upton
Walsh
Wamp
Watkins
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOES—201

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Goode
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey

Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—14

Archer
Carson
Coburn
Cubin
Forbes
Gonzalez
Leach
McKinney
Mica
Portman
Riley
Schiff
Smith, Adam
Watts (OK)

□ 1339

So the motion to table the motion to reconsider was agreed to.

The result of the vote was announced as above recorded.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2198

Mr. ARMEY. Madam Speaker, I ask unanimous consent to have my name removed as a cosponsor of the bill, H.R. 2198.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

MOTION TO ADJOURN

Mr. MARTINEZ. Madam Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore. The question is on the motion to adjourn offered by the gentleman from California [Mr. MARTINEZ].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. MARTINEZ. Madam Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 79, noes 333, not voting 21, as follows:

[Roll No. 591]

AYES—79

Andrews
Barrett (WI)
Becerra
Berry
Bonior
Boyd
Brown (FL)
Brown (OH)
Clement
Clyburn
Conyers
Coyne
Davis (FL)
DeFazio
DeLauro
Deutsch
Dingell
Doggett
Engel
Eshoo
Evans
Fazio
Filner
Frank (MA)
Furse
Gejdenson
Gephardt
Harman
Hastings (FL)
Hefner
Hinchey
Hinojosa
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
LaFalce
Lantos
Lewis (GA)
Markey
Martinez
McDermott
McNulty
Meehan
Meek
Menendez
Miller (CA)
Mink
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Payne
Peterson (MN)
Reyes
Rodriguez
Roybal-Allard
Sabo
Sanchez
Slaughter
Stark
Stupak
Thompson
Thurman
Tierney
Torres
Towns
Velázquez
Waters
Waxman
Wise
Woolsey

NOES—333

Abercrombie
Ackerman
Aderholt
Allen
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Boucher
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Coble
Coburn
Collins
Combest
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Cook
Cooksey
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Davis (IL)
Davis (VA)
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Doolittle
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Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Etheridge
Everett
Ewing
Farr
Fattah
Fawell
Flake
Foley
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
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Gilchrest
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Goodlatte
Goodling
Gordon
Goss
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Granger
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Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
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Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, Sam
Jones
Kanjorski
Kasich
Kelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Largent
Latham
LaTourette
Lazio
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Miller (FL)
Minge
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
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Norwood
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Packard
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Pascrell
Paul
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Pelosi
Peterson (PA)
Petri
Pickering
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Pitts
Pombo
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Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Riggs
Rivers
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Rush
Ryun
Salmon
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Stokes
Strickland
Stump
Sununu
Talent
Tanner
Tauscher
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Turner
Upton
Vento
Visclosky
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wolf
Wynn
Young (AK)
Young (FL)

NOT VOTING—21

Brown (CA)
Carson
Cubin
Dellums
Foglietta
Forbes
Gonzalez
Hunter
Leach
McKinney
Mica
Millender-McDonald
Moakley
Northup
Portman
Riley
Schiff
Scott
Skelton
Tauzin
Yates

□ 1359

Mr. HASTERT and Mr. HOEKSTRA changed their vote from "aye" to "no."

So the motion to adjoun was rejected.

The result of the vote was announced as above recorded.

□ 1400

URGING EXECUTIVE BRANCH TO TAKE ACTION REGARDING ACQUISITION BY IRAN OF C-802 CRUISE MISSILES

Mr. GILMAN. Madam Speaker, pursuant to House Resolution 302, I call up the resolution (H. Res. 188) urging the executive branch to take action regarding the acquisition by Iran of C-802 cruise missiles, and ask for its immediate consideration.

The Clerk read the title of the resolution.

The SPEAKER pro tempore (Mrs. EMERSON). The resolution is considered read for amendment.

The text of House Resolution 188 is as follows:

H. RES. 188

Whereas the United States escort vessel U.S.S. Stark was struck by a cruise missile in the Persian Gulf, causing the death of 37 United States sailors;

Whereas the China National Precision Machinery Import-Export Corporation is marketing the C–802 model cruise missile for use against escort vessels such as the U.S.S. Stark;

Whereas the China National Precision Machinery Import-Export Corporation delivered 60 C–802 cruise missiles to Iran for use by vessels of the Iranian Revolutionary Guard Navy;

Whereas Iran is constructing sites and equipment to launch C–802 cruise missiles which will provide its armed forces with a weapon of greater range, reliability, accuracy, and mobility than before;

Whereas 15,000 members of the United States Armed Forces are stationed within the range of the C–802 cruise missiles acquired by Iran;

Whereas the Department of State believes that "[t]hese cruise missiles pose new, direct threats to deployed United States forces";

Whereas the delivery of cruise missiles to Iran is a violation of the Iran-Iraq Arms Non-Proliferation Act of 1992 (50 U.S.C. 1701 note); and

Whereas the executive branch has concluded at present that the known types (of C–802 cruise missiles) are not of a "destabilizing number and type": Now, therefore, be it

Resolved, That the House of Representatives—

(1) finds that the delivery of cruise missiles to Iran is of a destabilizing number and type and, therefore, is a violation of the Iran-Iraq Arms Non-Proliferation Act of 1992 (50 U.S.C. 1701 note); and

(2) urges the executive branch to enforce the Iran-Iraq Arms Non-Proliferation Act of 1992 (50 U.S.C. 1701 note) with respect to the acquisition by Iran of C–802 model cruise missiles.

The SPEAKER pro tempore. Pursuant to House Resolution 302, the amendments printed in part 2 of House Report 105–379 are adopted.

The text of House Resolution 188, as amended by the amendments printed in part 2 of House Report 105–379, is as follows:

H. RES. 188

Whereas the United States escort vessel U.S.S. Stark was struck by a cruise missile in the Persian Gulf, causing the death of 37 United States sailors;

Whereas the China National Precision Machinery Import-Export Corporation is marketing the C–802 model cruise missile for use against escort vessels such as the U.S.S. Stark;

Whereas the China National Precision Machinery Import-Export Corporation delivered 60 C–802 cruise missiles to Iran for use by vessels of the Iranian Revolutionary Guard Navy;

Whereas Iran is constructing sites and equipment to launch C–802 cruise missiles which will provide its armed forces with a weapon of greater range, reliability, accuracy, and mobility than before;

Whereas 15,000 members of the United States Armed Forces are stationed within the range of the C–802 cruise missiles acquired by Iran;

Whereas the Department of State believes that "[t]hese cruise missiles pose new, direct threats to deployed United States forces";

Whereas the delivery of cruise missiles to Iran is a violation of the Iran-Iraq Arms Non-Proliferation Act of 1992 (50 U.S.C. 1701 note);

Whereas the executive branch has concluded at present that the known types (of C–802 cruise missiles) are not of a "destabilizing number and type";

Whereas there is substantial evidence that missile technology and technical advice have been provided from Russia to Iran, in violation of the Missile Technology Control Regime;

Whereas these violations include providing assistance to Iran in developing ballistic missiles, including the transfer of wind tunnel and rocket engine testing equipment;

Whereas these technologies give Iran the capability to deploy a missile of sufficient range to threaten United States military installations in the Middle East and Persian Gulf, as well as the territory of Israel, and our North Atlantic Treaty Organization ally Turkey; and

Whereas President Clinton has raised with Russian President Boris Yeltsin United States concerns about these activities and the Russian response has to date been inadequate: Now, therefore, be it

Resolved, That the House of Representatives—

(1) finds that the delivery of cruise missiles to Iran is of a destabilizing number and type and, therefore, is a violation of the Iran-Iraq Arms Non-Proliferation Act of 1992 (50 U.S.C. 1701 note);

(2) urges the executive branch to enforce the Iran-Iraq Arms Non-Proliferation Act of 1992 (50 U.S.C. 1701 note) with respect to the acquisition by Iran of C–802 model cruise missiles; and

(3) recommends that the Secretary of State should not issue any visa to, and the Attorney General should not admit to the United States, any national of the People's Republic of China where a consular officer or the Attorney General knows or has reasonable grounds to believe that the applicant has been materially involved in the proliferation of advanced conventional weapons; nuclear, chemical, or biological weapons or technology; or other sensitive or dual-use technologies, in contravention of United States interests.

SEC. 2. It is the sense of the House of Representatives that—

(1) the President should demand that the Government of Russia take concrete actions to stop governmental and nongovernmental entities in the Russian Federation from providing missile technology and technical advice to Iran, in violation of the Missile Technology Control Regime;

(2) if the Russian response is inadequate, the United States should impose sanctions on the responsible Russian entities in accordance with Executive Order 12938 on the Proliferation of Weapons of Mass Destruction, and reassess cooperative activities with Russia;

(3) the threshold under current law allowing for the waiver of the prohibition on the release of foreign assistance to Russia should be raised; and

(4) the European allies of the United States should be encouraged to take steps in accordance with their own laws to stop such proliferation.

The SPEAKER pro tempore. The gentleman from New York [Mr. GILMAN] and the gentleman from Indiana [Mr. HAMILTON] will each control 30 minutes.

The Chair recognizes the gentleman from New York [Mr. GILMAN].

GENERAL LEAVE

Mr. GILMAN. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Resolution 188.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GILMAN. Madam Speaker, I yield myself 5 minutes.

Madam Speaker, I am proud to bring this resolution, House Resolution 188, to the floor today for consideration. This measure, which has support on both sides of the aisle, is an expression of the House that the administration is not doing all that it can to protect our dedicated service men and women who are, at this very moment, far from home, protecting our national interests.

This resolution was initially directed toward China's irresponsible transfer of cruise missiles to Iran. We have improved this measure by adding the resolution of the gentlewoman from California [Ms. HARMAN] on the Russian transfer of missile technology to Iran.

We further improved the resolution by incorporating proposals by the gentleman from Illinois [Mr. PORTER] and the gentleman from California [Mr. DREIER] on restricting the issuance of visas to known weapons proliferators whose actions are inimicable to U.S. interests.

We must do all we can to stop the proliferation of advanced conventional, chemical, biological and nuclear weapons. The acquisition by Iran of a large number of advanced cruise missiles from China and ballistic missile technology and knowhow from Russia clearly is a dangerous and destabilizing development.

In the arsenal of a rogue regime like Iran, these weapons pose a significant threat to the security of the United States forces in the area, the safety of all ships passing through the Straits of Hormuz, and the stability of the entire Persian Gulf region and beyond.

Concerning the transfer of cruise missiles, the Iran-Iraq Arms Nonproliferation Act of 1992 requires the President to impose sanctions on any Nation that transfers "destabilizing numbers and types" of advanced conventional weapons to Iran.

Inexplicably, the Clinton administration determined that the transfer of these state-of-the-art nearly supersonic sea-skimming Chinese-made C–802 cruise missiles in the hands of the Iranian Revolutionary Guard forces are not "destabilizing."

Based on that determination, the White House has regrettably failed to levy sanctions on either the company which transferred the missiles or against China, as called for in the Iran-Iraq Nonproliferation Act.

I strongly disagree with the administration's failure to act, and have introduced this resolution in response.

House Resolution 188 finds that the delivery of C–802 cruise missiles to Iran violates the Gore-McCain Act and urges the administration to take firm action against those responsible for transferring these dangerous weapons.

Iran has threatened to use its military power to close the Straits of Hormuz, to disrupt international shipping and to forcefully expel American forces from the Persian Gulf.

The acquisition of C–802 cruise missiles by Iran, weapons which can be launched from sea, the air or land, must be considered a serious threat to regional stability, and, most important, our forces deployed to the region.

Today, some 15,000 American service men and women are stationed in the Persian Gulf region, well within the range of these mobile C–802 cruise missiles. We all remember the tragic and deadly attack against the U.S.S. *Stark* that occurred in the gulf in May of 1987. A single cruise missile slammed into that frigate and killed 37 of our American sailors.

Likewise, we must pressure the Government of Russia to halt similar irresponsible transfers of ballistic missile technology to Iran in violation of the Missile Technology Control Regime.

If we are not able to accomplish this, it is incumbent upon the administration to impose sanctions and to reconsider the aid we provide to the Russian Government.

We owe it to our troops to minimize the threat they face as they carry out their selfless mission in support of our national security. Prohibiting Iran from acquiring advanced conventional weapons and penalizing those nations that provide those weapons must be a high foreign policy objective of our Nation. To my mind, these transfers should be unacceptable to the Congress, to the American people, and to our U.S. military. I say it is time to do something about it.

Accordingly, Madam Speaker, I urge my colleagues to support House Resolution 188 and we call upon the Clinton administration to take appropriate action.

Madam Speaker, I reserve the balance of my time.

Mr. HAMILTON. Madam Speaker, I yield 5 minutes to the distinguished gentlewoman from California [Ms. HARMAN], one of the chief sponsors of a portion of this resolution.

Ms. HARMAN. Madam Speaker, I thank my friend for yielding time to me as the first speaker on our side and speak in enthusiastic support of House Resolution 188, as amended.

I would also like to commend Chairman GILMAN for highlighting the serious national security threat posed by the acquisition of cruise missiles by Iran. I agree with the gentleman that the acquisition of missile technology by Iran threatens our troops in the area, poses the highest security threat to Israel, our democratic ally in the region; to Turkey, our NATO ally; and is in general profoundly destabilizing in a highly volatile region.

An equally if not more destabilizing development than Chinese proliferation to Iran is Iran's acquisition of long-range ballistic missile technology from Russia. This pattern of Russian-Iranian cooperation is well documented through press reports that cite Israeli and U.S. intelligence sources. These reports say Russian entities have provided assistance to Iran that includes wind-tunnel testing of missile nose cones, guidance and propulsion systems design, metal alloys used to build long-range missiles, and the presence in Iran of high-level Russian advisers.

The U.S. Director of Central Intelligence, in an unclassified report released in June, confirmed a Russian role in helping the Iranian missile program. The DCI's report stated that, "Russia had supplied a variety of ballistic missile-related goods to foreign countries during the reporting period," which was 1996, "especially to Iran."

Significantly, the Russian internal security service admitted last month that it had thwarted an effort by Iran to acquire missile technology from a Russian firm, this only a week after Russian President Yeltsin denied the possibility of such transfers.

Madam Speaker, these Russian transfers to Iran are particularly troubling. First, they will allow Iran to develop in a maximum of 3 years, and possibly within 1 year, a missile of a range capable of striking as far away as Central Europe, as well as Israel and U.S. troops in the region. That range is 800 to 1,200 miles.

One of the ironies, of course, is that is the distance between Iran and Russia. So Russia may be feeding a system that may then in the end threaten Russia.

Second, the Russian transfers provide Iran with technology and technical advice that would allow Iran to indigenously produce long-range ballistic missiles. And this is Iran's stated intention.

Let me underscore this point, Madam Speaker. We are not talking about a one-time transfer of weapons. We are talking about the transfer of knowhow that would allow Iran to build up an arsenal of its own, an arsenal that could be equipped with chemical, biological, and nuclear warheads, and very likely would be equipped with those warheads.

My amendment, now included in House Resolution 188, which I introduced in the House and which Senator KYL has introduced in the other body, directs the President to impose sanctions on those entities that are found to be responsible for these dangerous transfers of technology in accordance with current law and current policy.

It is a simple and direct signal to the administration that it must act now to seek a halt by the Russian Government of its policy, one of complacency at best, proliferation at worst.

Let us pass House Resolution 188, as amended, and put the House on record in strong support of taking immediate steps to halt this dangerous situation.

Madam Speaker, diplomacy to date has failed to achieve the desired results. Imposing sanctions is the next step required.

Mr. GILMAN. Madam Speaker, I am pleased to yield 3 minutes to the gentleman from Missouri [Mr. BLUNT], a member of our committee.

Mr. BLUNT. Madam Speaker, I rise today in support of this important measure. I appreciate the leadership of the chairman on this issue.

Fifteen thousand members of the U.S. Armed Forces are currently stationed in the Persian Gulf to maintain peace in that vulnerable region of the world. We owe these young men and young women the safety that we can provide in a dangerous occupation and in a dangerous world. We need to minimize the threat to their lives that these actions that are being discussed here on the floor today create. We also need to minimize the threat to our ally, Israel, and to our allies in Europe, and to the stability of the Middle East.

The acquisition by Iran of advanced cruise missiles like the C–802 model is a serious threat to the stability of the entire gulf and to the safety of our troops. Iran is clearly challenging the United States for control of the gulf, and I doubt if it would hesitate to utilize the 60 or more lethal cruise missiles pointed at our troops if the opportunity presented itself.

The sale of these missiles and of missile technology by the Russians to Iran and by China constitutes a clear violation of the Iran-Iraq Arms Nonproliferation Act and of our missile technology accords.

The President must use his authority and the Congress has to give direction, apparently, that that authority be used to impose sanctions on China and on Russia. His continued failure to do so represents a clear abdication of his duties as Americans are under serious threat, our allies are under serious threat.

Surely the 1987 example of the attack on the U.S.S. *Stark* gave us all the evidence we need; the loss of 37 American sailors should be enough. I urge my colleagues to vote for this resolution and protect the lives of young Americans.

Mr. GILMAN. Madam Speaker, I am pleased to yield 3 minutes to the gentleman from Texas, Mr. SAM JOHNSON.

Mr. SAM JOHNSON of Texas. Madam Speaker, I thank the gentleman for yielding me time, and thank the gentleman from Indiana [Mr. HAMILTON] as well.

Madam Speaker, now that Chinese President Jiang's visit to the United

States is over, I am glad we can focus on the real issue at hand, and that is the future of United States policy toward China. I hope the President, after rolling up the red carpet and putting away the champagne glasses, remembers that China has sold deadly military hardware to a terrorist nation. This includes a direct transfer of both chemical technology and cruise missiles to Iran. And what was this administration's response? Silence. Even though this was in direct violation of U.S. law, which was written by none other than Vice President AL GORE.

Correct me if I am wrong, Madam Speaker, but wasn't it this President who in 1993 said, "The United States would not cater to nations that violated peace and weapons agreements and restricted the freedoms of their people?"

The last time I checked, China was still a Communist nation with a leadership that restricted the most basic of human rights, and Iran was still a dangerous rogue nation, which even today has proven ill will toward the United States. But most hypocritical of all, the original author of the Senate bill to stop arms sales to terrorist nations and impose sanctions if violations occur was none other than AL GORE, our own Vice President.

Yet last week, during the discussions with Jiang, our President was touting a new agreement he had reached with President Jiang. Well, that is nice, but what about upholding current law? If I was the Vice President, I would be outraged. I guess the law just does not matter to some.

I hope the President remembers, as Mr. GILMAN has noted, that 15,000 United States troops are stationed right there in direct line of the cruise missiles which China transferred to Iran. The transfer of these weapons and technology from China is in direct violation of United States law, and our refusal to call China to the mat for their actions is an embarrassment to this country.

□ 1415

This bill will rectify this situation and force the administration to take the very action which the Vice President called for in 1993. This Congress must live up to our responsibility to protect the safety and security of America. I urge my colleagues' vote.

Mr. HAMILTON. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, first of all, the resolution finds that the delivery of cruise missiles to Iran is of a destabilizing type and is, therefore, in violation of the Iran-Iraq Arms Nonproliferation Act of 1992. The resolution also urges the President to enforce the Iran-Iraq Nonproliferation Act of 1992, basically calling for the application of sanctions, with respect to the acquisition of Iran, by Iran, of C–802 model cruise missiles.

The Committee on Rules added 2 clauses, one recommending a visa denial for anyone from China who has been materially involved in weapons proliferation; and second, the text of the resolution of the gentlewoman from California [Ms. HARMAN], House Concurrent Resolution 121, expressing the sense of the House of Representatives regarding the proliferation of missile technology from Russia to Iran.

I am troubled by this resolution. I understand the popularity of it. I certainly share with my colleagues in their concern about the transfer of dangerous technology to Iran by either China or Russia. I think we all agree on the objective that it is very, very much in the interests of the United States to stop the transfer of that technology to Iran.

Now, in the Iran-Iraq Nonproliferation Act, the Congress of the United States gave to the President the power, the authority to make a determination whether China or any other country has violated the law. We did not give that authority to ourselves; we gave it to the President. The reason we gave it to the President was because it is a very tough question, a question of great sensitivity and complexity, and any finding that the delivery of cruise missiles to Iran is of a destabilizing number and type, and therefore a violation of the Iran-Iraq Arms Nonproliferation Act, is a judgment that calls for the input of the political leaders of the country, but also intelligence, policy, regional experts.

I have complained about the process. I do it in this instance. To my knowledge, we heard, with respect to this question of violation, from one intelligence official for about 5 minutes. I am speaking now about Members. I think the staff may have been briefed further. At the time the intelligence official made the briefing, there were three Members of Congress in the room.

Now, we have then a situation where some years ago we made the judgment that this is a very, very tough call; it should be made by the President because of the resources available to the executive branch, and now we are saying we are going to make that call in this resolution, and we are doing so with very thin consultation and preparation.

The staff has had briefings on the topic of C–802 missile transfers from China to Iran. It is my very clear impression that those missiles from China do, indeed, make the task of the United States Navy in the gulf more complicated. I do not think there is any doubt about that. But it is also clear from these briefings that the missiles do not shift the military balance in the gulf. The United States clearly retains strong air and naval superiority.

Another point I want to make here is that the comment has been made several times that diplomacy has failed. I can understand how that conclusion may have been reached, but I really do not agree with it. I do not think it is fair to say that diplomacy has succeeded, but I do think it is fair to say that as a result of diplomacy, the Chinese now appear to be heading in the right direction on this issue, although they are not yet prepared to give a public pledge to stop all transfers. I think the goal of U.S. diplomacy now has to be to confirm and to clarify and to get the most authoritative statement we can from China about the termination of missile shipments.

In a sense, our problem on the floor, the difference between the majority and myself here, is one of a failure of consultation between the executive branch and the legislative branch. The negotiations have been going on. Those negotiations have been in secret. There has not been, I think, adequate consultation with Members of Congress about the progress that has been made.

Members of Congress have read a lot of press reports. They are rightly concerned about this transfer, and so they decide that more vigorous action has to be taken. What bothers me is that I think the resolution is not going to be helpful to the diplomatic process. This problem is going to be solved eventually through diplomacy I think, I hope, and our goal should be to help the President and not make his job more difficult on the very tough questions of nonproliferation, where we all share the same goals.

With respect to the resolution of the gentlewoman from California [Ms. HARMAN] concerning the transfer not of Chinese, but of Russian missile technology to Iran, which was added to this resolution, may I simply say to her that I think she deserves a lot of credit for focusing the attention of the House on a very important question. If her resolution stood by itself, I would have no trouble at all voting for it as a freestanding resolution, because I think it is quite commendable.

I understand that the argument I am making here is probably one that will not be agreed with by most of my colleagues, but I do think it is important that we point out that diplomacy here has made some progress, and that progress may not be fully known to all Members of the House. We think the Chinese are heading in the right direction now. We cannot be absolutely sure of that, but I am sure none of us want to take steps here that would make that diplomacy, and a successful result from it, more difficult.

Ms. HARMAN. Madam Speaker, will the gentleman yield?

Mr. HAMILTON. I yield to the gentlewoman from California.

Ms. HARMAN. Madam Speaker, I appreciate the gentleman's nice comments about my role and I thank him for them.

On the subject of diplomacy, though, as the gentleman does, I commend the Vice President and the President for raising this issue, certainly the issue of Russian proliferation, with senior Russians in the delegation at every summit meeting and every possible event during the year. However, published reports show that the proliferation between Russia and Iran is not stopping, despite our urging and despite the fact that President Clinton has raised this with President Yeltsin personally twice.

So my question to the gentleman is, if it is true that Iran will get indigenous capability in terms of developing missiles and the means to deploy them within a year to 3 years, can we wait any longer for this diplomatic course to work, or should we not, as responsible Members of Congress, exert maximum pressure, as we are trying to do today, to force the stopping of the proliferation?

Mr. HAMILTON. Madam Speaker, reclaiming my time, the difficulty in my mind, and I fully appreciate the gentlewoman's deep concern about it, is whether the actions we take today and the threat of the sanctions will in fact help our diplomacy. I think it is the Vice President's position, and I do not want to try to speak for him, but that this kind of action at this particular juncture is counterproductive.

I understand that we do not have firm results in diplomacy now, so I understand the unease that many Members have here. I think, from my standpoint, we have several months, at least, to see that diplomacy work. And if the steps we take today make the diplomacy more difficult, I do not think any of us want to do it. Now, the gentlewoman and I may have a difference in judgment about whether these steps are helpful or not.

Ms. HARMAN. Madam Speaker, if the gentleman would yield for another 10 seconds, I would comment that we have been trying to do this at least since April, and the subject was raised at the Helsinki summit and it was raised in Denver, and it was raised in Moscow more recently by the Vice President, and it has been raised at other senior level meetings between us and the Russians; in addition to which we have an ambassador, Mr. Wisner, who is in Russia at this moment negotiating on this, but the results are not there, and the clock is ticking, and I think that we have to push harder.

Mr. HAMILTON. Madam Speaker, reclaiming my time, let me emphasize to the gentlewoman that I am not opposing her part of the bill. My objection really runs to the other part of it. The gentlewoman's resolution is a sense of the House, as I recall, and I think it is worthy, and I do not want to suggest that I am opposed to it. My objection goes to the China part of it.

Ms. HARMAN. Madam Speaker, my final comment, if the gentleman will continue to yield, I think the point of the gentleman from New York [Mr. GILMAN] is that missile technology from any source in Iran is destabilizing and that is why he is trying to shut down the Chinese proliferation, and that is why I agree with him.

Mr. HAMILTON. Madam Speaker, we have no argument about wanting to shut down the transfer of technology. Everybody agrees to that. I am not urging the transfer of technology from China and Russia to Iran. Please do not attribute that to me.

The question here is how best do we stop it? I am simply raising the question that at this point intervention on the transfer of China to Iran, when diplomacy appears to be, and I have to emphasize the "appears," to be making progress, I am not sure it is the best thing to do.

Madam Speaker, I yield 1 minute to the gentleman from California [Mr. BERMAN], a distinguished member of the committee.

Mr. BERMAN. Madam Speaker, I rise in support of the legislation. I want to particularly focus on the language put into this bill by the adoption of the rule dealing with the Russian sale of missile technology to Iran. This is a critical issue. In fact, both aspects of this bill involve a critical issue: The delivery of of enhanced missile capability, and in the case of the Russian transfers, very specifically technology, which violates commitments made by the Russian promise to adhere to the missile technology control regime.

□ 1430

I want to congratulate the gentlewoman from California [Ms. HARMAN] for being probably the leader on this side of the Congress, the House side of the Congress, in raising this issue now for many, many months. The administration has now clearly become focused on this issue. They have appointed a special emissary to negotiate on this. It is receiving attention at the highest levels of our Government. The gentlewoman deserves congratulations for bringing this resolution to this point and to the attention of this body.

Mr. HAMILTON. Madam Speaker, I yield back the balance of my time.

Mr. GILMAN. Madam Speaker, I am pleased to yield such time as he may consume to the gentleman from New York [Mr. SOLOMON], the distinguished Chairman of the Committee on Rules, for a closing statement.

Mr. SOLOMON. Madam Speaker, I thank the gentleman for yielding time to me.

Madam Speaker, let me sing the gentleman's praises, because let me tell the Members, the gentleman from New York, Mr. BEN GILMAN, does an outstanding job as the chairman of the Committee on International Relations, my old committee. We just cannot tell the gentleman how important it is for the foreign policy of this Nation.

I also see across the aisle the gentlewoman from California, Ms. JANE HARMAN. Let me also sing her praises, because she has been a leader on this issue, and we have to give her full credit for it. We are glad that her amendment is part of the bill.

Madam Speaker, let me say something about the gentleman from Indiana, Mr. LEE HAMILTON, the ranking member and former chairman of the committee that I used to serve on. The gentleman from Indiana, Mr. LEE HAMILTON, is one of the men that I most respect in this body. He has always been a man who speaks from his heart, he speaks with sincerity, and he tells it like it is.

We do not always agree. We certainly do not agree on this issue here. He talks about how best to handle our relationships with China. He talks about thinking that China is moving in the right direction, and I would just say to my good friend, the gentleman from Indiana, thinking that they are moving in the right direction is not good enough.

Nothing has changed. Everything is worse in China. They have a deplorable human rights record, just read the gentleman's own State Department report. Religious persecution is so, so terrible. They have huge military buildups taking place over the last 4 or 5 years that have almost doubled the entire military budget for China, the only nation of any significance at all, any size, that has any increase in their military budget at all.

Why are they doing those things? They are selling missiles to unstable countries. They are allowing Third World despots like Iran, our sworn enemy, to obtain nuclear technology, not to mention chemical and biological factories that are actually being sold to Iran at this very moment.

Let me just read the Members an AP story. I think we can probably believe this. It is by Barry Schweid. I do not see the date here.

It says,

> Even while the Clinton administration celebrates new assurances that China will refrain from selling nuclear missile technology to Iran, it is investigating recent delivery of nonnuclear cruise missiles to Tehran, to Iran.

Madam Speaker, let me tell the Members that this bill offered by the gentleman from New York, Mr. BEN GILMAN, is an excellent piece of legislation. It brings to the floor a ridiculous situation that the Clinton administration has put itself in.

In 1992 Senator GORE, at that time, now our Vice President, offered legislation that would impose sanctions on nations that sell advanced conventional or weapons of mass destruction technology to Iran or Iraq. That is the law of the land.

Guess what? Communist China has been selling the C-802 antiship missiles to Iran. Everybody knows it. Everybody in this Chamber here knows it.

Everybody, including the Clinton administration, admits it. But no sanctions of any kind have been levied against China, as provided for in Vice President's GORE's own legislation.

Cruise missile shipments from China to Iran were publicly reported in Defense News, the Washington Post, and the New York Times as early as the summer of 1995 and continue to go on; 2 years of public knowledge and still today there has been no acknowledgment from our administration of the significance of the deadly capabilities that have been passed on to Iran, again, I say, our avowed enemy. Iran says that they are our avowed enemy.

It is high time, Madam Speaker, that our President stop looking the other way, stop ignoring the Gore-McCain law, ignoring the danger facing our 15,000 U.S. troops that are stationed within range of these deadly cruise missiles provided to Iran by this China that we seem to want to appease here on this floor, the danger that was witnessed firsthand by the men and women of our Armed Forces during Desert Storm.

I was over there and the Members were over there, we saw them, when the USS Stark was struck by a cruise missile resulting in the loss of 37 American sailors. Do we want to increase that danger? What will it take to convince the administration of the significance of the Chinese arms sponsorship of outlawed nations like Iran?

The Congress must take the opportunity presented to us here today in this resolution to make a clear statement to the President, and in turn to the Communist Chinese Government, that the United States people will not stand for further proliferation, will not stand for dangerous and extensive weapon capabilities that threaten United States Armed Forces and endanger the welfare of United States allies in the Mideast.

Mr. Speaker, everybody says, oh, you must never appease, we always have to cooperate and work with the Chinese. Let me tell the Members something. We have a $50 million trade deficit with China. They lick their chops to do business with the United States of America, with 260 million Americans, with the highest standard of living in the world. Everybody wants to sell America. We use that as a bargaining chip to stop this rogue regime, these outlaw activities.

That is why we need to pass this bill before us today. It will send the right message. China is not going to say, the heck with the United States. They are going to come licking their chops and doing business with us, and they will cooperate, and we will save American lives in doing it.

Mr. BERMAN. Madam Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from California.

Mr. BERMAN. Madam Speaker, I just wanted to point out that I agree with gentleman's analysis about the dangerous nature of these transfers, about the destabilizing impact, about the need to do everything we can to stop it. But I just want to say, in all fairness, the administration has been intensely focused on trying to get these transfers stopped. We have reason to believe as a result of their efforts that things will change, so I just think the administration on this one is not the enemy, they are the gentleman's and my ally.

Mr. SOLOMON. Madam Speaker, my good friend is a member of the Select Committee on Intelligence. He is aware of all of the information that I am aware of. Let me assure the gentleman, it is still going on, and we need to put a stop to it. Let us do it by sending this signal, a very light signal to the Chinese Government.

Mr. GILMAN. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mrs. EMERSON). Pursuant to House Resolution 302, the previous question is ordered on the resolution, as amended.

The question is on the resolution, as amended.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GILMAN. Madam Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 414, nays 8, not voting 11, as follows:

[Roll No. 592]

YEAS—414

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Flake
Foley
Ford
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Meehan
Meek
Menendez
Metcalf
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Morella
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney

Torres
Towns
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NAYS—8

Hamilton
Houghton
Johnson, E. B.
LaFalce
Moran (VA)
Murtha
Skaggs
Yates

NOT VOTING—11

Brown (CA)
Carson
Cubin
Foglietta
Forbes
Gonzalez
McKinney
Mica
Portman
Riley
Schiff

□ 1459

Mr. YATES changed his vote from "yea" to "nay."

Mr. SANFORD changed his vote from "nay" to "yea."

So the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

□ 1500

Ms. VELÁZQUEZ. I move to reconsider the vote, Madam Speaker.

MOTION TO TABLE OFFERED BY MR. LATHAM

Mr. LATHAM. Madam Speaker, I move to lay on the table the motion to reconsider.

The SPEAKER pro tempore (Mrs. EMERSON). The question is on the motion offered by the gentleman from Iowa [Mr. LATHAM] to lay on the table the motion to reconsider offered by the gentlewoman from New York [Ms. VELÁZQUEZ].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Ms. VELÁZQUEZ. Madam Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 240, noes 176, not voting 17, as follows:

[Roll No. 593]

AYES—240

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Berry
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boyd
Brady
Bryant
Bunning
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Crane
Crapo
Cunningham
Davis (FL)
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Lampson
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
Martinez
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Payne
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOES—176

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Berman
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Brown (FL)
Brown (OH)
Cardin
Clay
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Flake
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Skaggs
Skelton
Smith, Adam
Snyder
Spratt
Stark
Stokes
Strickland
Stupak
Tanner
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—17

Bereuter
Brown (CA)
Burr
Carson
Cubin
Foglietta
Forbes
Gonzalez
McKinney
Mica
Nadler
Portman
Riley
Schiff
Slaughter
Stabenow
Stenholm

□ 1518

Mr. ROEMER changed his vote from "no" to "aye."

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

Pursuant to House Resolution 302, the title of the resolution was amended so as to read: "Resolution urging the executive branch to take action regarding the acquisition by Iran of C–802 cruise missiles, and expressing the sense of the House of Representatives regarding proliferation of missile technology from Russia to Iran."

MOTION TO ADJOURN

Mr. TORRES. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore (Mr. REGULA). The question is on the motion to adjourn offered by the gentleman from California [Mr. TORRES].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. TORRES. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 74, noes 336, not voting 23, as follows:

[Roll No. 594]

AYES—74

Andrews
Berry
Bishop
Bonior
Brown (FL)
Clayton
Clement
Clyburn
Conyers
Coyne
Davis (FL)
Delahunt
DeLauro
Deutsch
Dingell
Doggett
Engel
Eshoo
Evans
Fazio
Filner
Frank (MA)
Furse
Gejdenson
Gephardt
Harman
Hastings (FL)
Hefner
Hinchey
Hoyer
Jackson (IL)
Jefferson
Kennedy (MA)
Kennedy (RI)
Kennelly
LaFalce
Lantos
Lewis (GA)
Markey
McDermott
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Mink
Nadler
Obey
Olver
Owens
Pallone
Payne

Pelosi
Peterson (MN)
Reyes
Roybal-Allard
Rush
Sabo
Sanchez

Skelton
Slaughter
Spratt
Stark
Strickland
Stupak
Thurman

Torres
Towns
Vento
Waters
Waxman
Wise
Woolsey

NOES—336

Abercrombie
Ackerman
Aderholt
Allen
Archer
Armey
Bachus
Baesler
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Berman
Bilbray
Bilirakis
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Coble
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
DeLay
Dellums
Diaz-Balart
Dickey
Dicks
Dixon
Dooley
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehlers

Ehrlich
Emerson
English
Ensign
Etheridge
Everett
Ewing
Farr
Fattah
Fawell
Flake
Foley
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kildee
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich

LaHood
Lampson
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Miller (FL)
Minge
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Oberstar
Ortiz
Oxley
Packard
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Riggs
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher

Ros-Lehtinen
Rothman
Roukema
Royce
Ryun
Salmon
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs

Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Stabenow
Stearns
Stenholm
Stokes
Stump
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thompson
Thornberry
Thune

Tiahrt
Tierney
Traficant
Turner
Upton
Velázquez
Visclosky
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wolf
Wynn
Yates
Young (AK)
Young (FL)

NOT VOTING—23

Baldacci
Becerra
Bereuter
Brown (CA)
Carson
Coburn
Cubin
Duncan

Foglietta
Forbes
Gonzalez
Gutierrez
Kilpatrick
Lewis (CA)
Martinez
McKinney

Mica
Nussle
Portman
Rangel
Riley
Schiff
Thomas

□ 1539

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF ANY MEASURE MADE IN ORDER UNDER HOUSE RESOLUTION 302

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that the Clerk be authorized to make technical corrections in the engrossment of any measure made in order under House Resolution 302, to include corrections in spelling, punctuation, section numbering, and cross-referencing, and to make such other technical and conforming changes as may be required to reflect the actions of the House.

The SPEAKER pro tempore (Mr. REGULA). Is there objection to the request of the gentleman from New York?

There was no objection.

PROHIBITION OF UNITED STATES FUNDS TO CERTAIN CHINESE OFFICIALS

Mr. GILMAN. Mr. Speaker, pursuant to House Resolution 302, I call up the bill (H.R. 967) to prohibit the use of United States funds to provide for the participation of certain Chinese officials in international conferences, programs, and activities, and to provide that certain Chinese officials shall be ineligible to receive visas and excluded from admission to the United States, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The bill is considered read for amendment.

The text of H.R. 967 is as follows:

H.R. 967

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress makes the following findings:

(1) Despite public assurances by the Government of the People's Republic of China that it would abide by the principles of the Universal Declaration of Human Rights and despite the United Nations Charter requirement that all members promote respect for and observance of basic human rights, including freedom of religion, the Chinese Government continues to place severe restrictions on religious expression and practice.

(2) It has been reported that at an internal Central Communist Party meeting in 1994, President Jiang Zemin asserted that religion is one of the biggest threats to Communist Party rule in China and Tibet.

(3) On January 31, 1994, Premier Li Peng signed decrees number 144 and 145 which restrict worship, religious education, distribution of Bibles and other religious literature, and contact with foreign coreligionists.

(4) The Chinese Government has created official religious organizations that control all religious worship, activity, and association in China and Tibet and supplant the independent authority of the Roman Catholic Church, independent Protestant churches, and independent Buddhist, Taoist, and Islamic associations.

(5) In July 1995, Ye Xiaowen, a rigid communist hostile to religion, was appointed to head the Bureau of Religious Affairs, a Chinese Government agency controlled by the United Front Work Department of the Chinese Communist Party. The Bureau of Religious Affairs has administrative control over all religious worship and activity in China and Tibet through a system of granting or denying rights through an official registration system. Those who fail to or are not allowed to register are subject to punitive measures.

(6) In the past year, the Chinese Government has expressed great concern over the spread of Christianity and particularly over the rapid growth of Christian religious institutions other than those controlled by the Chinese Government, including the Roman Catholic Church and the evangelical Christian "house churches".

(7) Soon after the establishment of the People's Republic of China in 1949, the Chinese Government imprisoned Christians who refused to relinquish their faith to become servants of communism, charging them as "counter revolutionaries" and sentencing them to 20 years or more in "reeducation through labor camps".

(8) Hundreds of Chinese Protestants and Catholics are among those now imprisoned, detained, or continuously harassed because of their religious beliefs or activities.

(9) The prisons and labor camps which hold these religious prisoners are run by the Ministry of Public Security and the Ministry of Justice of the Chinese Government.

(10) Although some negotiations have taken place, the Chinese Government refuses to permit the appointment by the Vatican of Catholic bishops and the ordination of priests not approved by the Government and insists on appointing its own "Catholic bishops".

(11) The Tenth Panchen Lama died in January 1989 at Tashilhunpo Monastery, his traditional spiritual seat in Shigatze, Tibet's second largest city.

(12) It has always been the right and the role of the Dalai Lama to recognize the successor to the Panchen Lama. On May 14, 1995, His Holiness the Dalai Lama announced recognition of a six-year-old boy, Gedhun Chockyi Nyima, as the Eleventh Panchen Lama, according to Tibetan tradition.

(13) The young boy recognized by the Dalai Lama and his family have been brought to Beijing by Chinese authorities and have not been seen for months. The Chinese authorities announced publicly in June 1996 that they are holding Gedhun Chockyi Nyima.

(14) Chadrel Rimpoche, abbot of Tashilhunpo Monastery and head of the original search committee for the Eleventh Panchen Lama, and his assistant, Champa Chung, are believed to have been seized and detained by Chinese authorities in May of 1995.

(15) Chinese Government authorities subsequently detained other Tibetan Buddhists in connection with the selection of the Eleventh Panchen Lama, including Gyatrol Rimposhe, Shepa Kelsang, Lhakpa Tsering, and Ringkar Ngawang.

(16) The Chinese Government convened a conference in Beijing where Tibetan monks were coerced to select a rival candidate to the child recognized by the Dalai Lama as the Eleventh Panchen Lama.

(17) On November 29, 1995, officials of the Chinese Government orchestrated an elaborate ceremony designating a six-year-old boy selected by the Chinese Government as the Eleventh Panchen Lama and on December 8, 1995, a Government-sponsored ceremony was held in Shigatze, Tibet, where the boy selected by the Government was enthroned as the Eleventh Panchen Lama.

(18) By seeking to impose its own candidate as the Eleventh Panchen Lama and detaining the six-year-old boy recognized for that position in accordance with Tibetan tradition, the Chinese Government is infringing on a purely Tibetan religious matter, in blatant violation of the fundamental human rights of the Tibetan people.

SEC. 2. CONGRESSIONAL STATEMENT OF POLICY.

It is the sense of the Congress that the President should make freedom of religion one of the major objectives of United States foreign policy with respect to China. As part of this policy, the Department of State should raise in every relevant bilateral and multilateral forum the issue of individuals imprisoned, detained, confined, or otherwise harassed by the Chinese Government on religious grounds. In its communications with the Chinese Government, the Department of State should provide specific names of individuals of concern and request a complete and timely response from the Chinese Government regarding the individuals' whereabouts and condition, the charges against them, and sentence imposed. The goal of these official communications should be the expeditious release of all religious prisoners in China and Tibet and the end of the Chinese Government's policy and practice of harassing and repressing religious believers.

SEC. 3. PROHIBITION ON USE OF FUNDS FOR THE PARTICIPATION OF CERTAIN CHINESE OFFICIALS IN CONFERENCES, EXCHANGES, PROGRAMS, AND ACTIVITIES.

(a) PROHIBITION.—Nothwithstanding any other provision of law, for fiscal years after fiscal year 1997, no funds appropriated or otherwise made available for the Department of State, the United States Information Agency, and the United States Agency for International Development may be used for the purpose of providing travel expenses and per diem for the participation of nationals of the People's Republic of China described in paragraphs (1) and (2) in conferences, exchanges, programs, and activities:

(1) The head of political secretary of any of the following Chinese Government-created or approved organizations:

(A) The Chinese Buddhist Association.

(B) The Chinese Catholic Patriotic Association.

(C) The National Congress of Catholic Representatives.

(D) The Chinese Catholic Bishops' Conference.

(E) The Chinese Protestant "Three Self" Patriotic Movement.

(F) The China Christian Council.

(G) The Chinese Taoist Association.

(H) The Chinese Islamic Association.

(2) Any military or civilian official or employee of the Government of the People's Republic of China who of any of the following policies or practices:

(A) Formulating, drafting, or implementing repressive religious policies.

(B) Imprisoning, detaining, or harassing individuals on religious grounds.

(C) Promoting or participating in policies or practices which hinder religious activities or the free expression of religious beliefs.

(b) CERTIFICATION.—

(1) Each Federal agency subject to the prohibition of subsection (a) shall certify in writing to the appropriate congressional committees no later than 120 days after the date of enactment of this Act, and every 90 days thereafter, that it did not pay, either directly or through a contractor or grantee, for travel expenses or per diem of any national of the People's Republic of China described in subsection (a).

(2) Each certification under paragraph (1) shall be supported by the following information:

(A) The name of each employee of any agency of the Government of the People's Republic of China whose travel expenses or per diem were paid by funds of the reporting agency of the United States Government.

(B) The procedures employed by the reporting agency of the United States Government to ascertain whether each individual under subparagraph (A) did or did not participate in activities described in subsection (a)(2).

(C) The reporting agency's basis for concluding that each individual under subparagraph (A) did not participate in such activities.

(c) DEFINITION OF APPROPRIATE CONGRESSIONAL COMMITTEES.—For purpose as of this section the term "appropriate congressional committees" means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

SEC. 4. CERTAIN OFFICIALS OF THE PEOPLE'S REPUBLIC OF CHINA INELIGIBLE TO RECEIVE VISAS AND EXCLUDED FROM ADMISSION.

Notwithstanding any other provision of law, any national of the People's Republic of China described in paragraphs (1) or (2) of section 3(a) shall be ineligible to receive visas and shall be excluded from admission into the United States.

SEC. 5. SUNSET PROVISION.

Section 4 shall cease to have effect 4 years after the date of the enactment of this Act.

The SPEAKER pro tempore. Pursuant to House Resolution 302, the amendments printed in the bill are adopted.

The text of H.R. 967, as amended pursuant to House Resolution 302, is as follows:

H.R. 967

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONGRESSIONAL STATEMENT OF POLICY.

It is the sense of the Congress that the President should make freedom of religion one of the major objectives of United States foreign policy with respect to China. As part of this policy, the Department of State should raise in every relevant bilateral and multilateral forum the issue of individuals imprisoned, detained, confined, or otherwise harassed by the Chinese Government on religious grounds. In its communications with the Chinese Government, the Department of State should provide specific names of individuals of concern and request a complete and timely response from the Chinese Government regarding the individuals' whereabouts and condition, the charges against them, and sentence imposed. The goal of these official communications should be the expeditious release of all religious prisoners in China and Tibet and the end of the Chinese Government's policy and practice of harassing and repressing religious believers.

SEC. 2. PROHIBITION ON USE OF FUNDS FOR THE PARTICIPATION OF CERTAIN CHINESE OFFICIALS IN CONFERENCES, EXCHANGES, PROGRAMS, AND ACTIVITIES.

(a) PROHIBITION.—Notwithstanding any other provision of law, for fiscal years after fiscal year 1997, no funds appropriated or otherwise made available for the Department of State, the United States Information Agency, and the United States Agency for International Development may be used for the purpose of providing travel expenses and per diem for the participation of nationals of the People's Republic of China described in paragraphs (1) and (2) in conferences, exchanges, programs, and activities:

(1) The head or political secretary of any of the following Chinese Government-created or approved organizations:

(A) The Chinese Buddhist Association.

(B) The Chinese Catholic Patriotic Association.

(C) The National Congress of Catholic Representatives.

(D) The Chinese Catholic Bishops' Conference.

(E) The Chinese Protestant "Three Self" Patriotic Movement.

(F) The China Christian Council.

(G) The Chinese Taoist Association.

(H) The Chinese Islamic Association.

(2) Any military or civilian official or employee of the Government of the People's Republic of China who carried out or directed the carrying out of any of the following policies or practices:

(A) Formulating, drafting, or implementing repressive religious policies.

(B) Imprisoning, detaining, or harassing individuals on religious grounds.

(C) Promoting or participating in policies or practices which hinder religious activities or the free expression of religious beliefs.

(b) CERTIFICATION.—

(1) Each Federal agency subject to the prohibition of subsection (a) shall certify in writing to the appropriate congressional committees no later than 120 days after the date of enactment of this Act, and every 90 days thereafter, that it did not pay, either directly or through a contractor or grantee, for travel expenses or per diem of any national of the People's Republic of China described in subsection (a).

(2) Each certification under paragraph (1) shall be supported by the following information:

(A) The name of each employee of any agency of the Government of the People's Republic of China whose travel expenses or per diem were paid by funds of the reporting agency of the United States Government.

(B) The procedures employed by the reporting agency of the United States Government to ascertain whether each individual under subparagraph (A) did or did not participate in activities described in subsection (a)(2).

(C) The reporting agency's basis for concluding that each individual under subparagraph (A) did not participate in such activities.

(c) DEFINITION OF APPROPRIATE CONGRESSIONAL COMMITTEES.—For purposes of this section the term "appropriate congressional committees" means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

SEC. 3. CERTAIN OFFICIALS OF THE PEOPLE'S REPUBLIC OF CHINA INELIGIBLE TO RECEIVE VISAS AND EXCLUDED FROM ADMISSION.

(a) REQUIREMENT.—Notwithstanding any other provision of law, any national of the People's Republic of China described in section 2(a)(2) (except the head of state, the head of government, and cabinet level ministers) shall be ineligible to receive visas and shall be excluded from admission into the United States.

(b) WAIVER.—The President may waive the requirement in subsection (a) with respect to an individual described in such subsection if the President—

(1) determines that it is vital to the national interest to do so; and

(2) provides written notification to the appropriate congressional committees (as defined in section 2(c)) containing a justification for the waiver.

SEC. 4. SUNSET PROVISION.

Sections 2 and 3 shall cease to have effect 4 years after the date of the enactment of this Act.

The SPEAKER pro tempore. The gentleman from New York [Mr. GILMAN] and the gentleman from Florida [Mr. DAVIS] each will control 30 minutes.

The Chair recognizes the gentleman from New York [Mr. GILMAN].

GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 967.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 967 prohibits travel grants and visas for Chinese officials who repress religion in China and in occupied Tibet.

There are hundreds, if not thousands, of Christians, Muslims, and Buddhists who are serving long prison sentences in China and in occupied Tibet for merely practicing their religious faith. Let me underscore that. Large numbers of Catholics, Protestants, Muslims, and Buddhists are spending many years of their lives in prison for following their religious practices.

For example, the Beijing Government sentenced a 76-year-old Protestant leader to 15 years in prison for distributing Bibles. It sentenced a 65-year-old evangelical elder to an 11-year prison term for belonging to an evangelical group outside the government-sanctioned religious organizations.

A 60-year-old Roman Catholic priest was sentenced to 2 years of "reeducation through labor" for unknown charges. He had previously spent 13 years in prison because of his refusal to renounce ties with the Vatican.

The 6-year-old Panchen Lama and his family have been detained for 2 years, and their whereabouts are still unknown. The list goes on and on.

Although the President and Prime Minister of China have signed directives and set policy that are behind the current crackdown of religious practitioners, the bill does not prevent them or the cabinet ministers from receiving United States visas. However, it would stop others who carry out their directives by imprisoning, torturing, or repressing people for practicing their religion.

This measure sends a strong message that we find religious repression repugnant and at grave odds with important American values. It is simple, it is modest, and it is the right thing to do.

Accordingly, I urge my colleagues to support this bill.

Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. Mr. Speaker, I rise in strong support of this legislation, and I would like to commend the gentleman from New York [Mr. GILMAN] for his hard work on this and all of these so-called China bills.

We should not be providing travel grants to any Chinese officials, and especially not to those who are repressing religious freedom in that country. Religious freedom is one of the most basic human rights that any individual can have. This Congress should encourage the Clinton administration to make ending religious persecution the most important part of its policy toward China.

The Chinese are committing horrible persecution, even as we speak. Nina Shea said in her recent book, "Lion's Den,"

> Millions of American Christians pray in their churches each week, oblivious to the fact that Christians in many parts of the world suffer brutal torture, arrest, imprisonment, and even death—their homes and communities laid waste—for no other reasons than that they are Christians. The shocking untold story of our time is that more Christians have died in this century simply for being Christians than from the first 19 centuries after the birth of Christ.

Mr. Speaker, I think this is simply deplorable.

In addition, Michael Horowitz, a leader in speaking out against this persecution, who happens to be Jewish, said in a recent interview,

> I am speaking out on behalf of persecuted Christians precisely because I am a Jew in the most deeply rooted sense.
>
> I see eerie parallels between the way the elites of the world are dealing with Christians, who have become the scapegoats of choice for thug regimes around the world, and the way the elites dealt with the Jews when Hitler came to power.
>
> Another parallel,

Mr. Horowitz continued,

> is the tongue-tied silence of the Christian community in the face of this persecution. A similar silence was evident in the years leading to the Holocaust. Silence, anybody's silence, in the face of persecution is deadly. So, for me,

Mr. Horowitz said,

> sparking our campaign for awareness and action is the most important thing I expect to do. What thugs did to Jews, they are now doing to Christians. Christians are becoming the Jews of the 21st century.

□ 1545

Again, Mr. Speaker, I would like to commend the gentleman from New York [Mr. GILMAN] for not remaining silent on this issue. I hope the administration will follow his lead and end its silence on this most important issue. I think this is very important legislation, very valuable legislation, and I urge my colleagues to support this bill and pass it by a very large margin.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for his remarks, and I reserve the balance of my time.

Mr. DAVIS of Florida. Mr. Speaker, I yield myself such time as I may consume.

This bill has, as its stated intention, to send a message to the country of China that we will not tolerate religious persecution, nor should anyone else in the world do so, and that is indeed a worthy message to send. This bill has also been described as a symbol to that effect, and that is also a worthy goal. And if the bill were to stop with its first section in which the Congress expresses its sense to that effect, this would be a worthy bill, but the bill fails to do so, and in failing to do so, it has two critical flaws which must lead me to speak in opposition to the bill.

The first is that this bill has as one of its central provisions to deny visas to those individuals who are thought to be associated with organizations inside China that are engaging in religious persecution. On the surface, this might have some appeal to suggest that we are going to keep these folks with whom we violently disagree outside our borders. But think about it for a minute. If, in fact, our goal is to ultimately stop China and the rest of the world from engaging in religious persecution, we must in fact engage these individuals. We must hold them up. We must highlight the grave injustices that they are committing in China and allow that to undergo the scrutiny that invariably will occur in this country and around the world as these opinions, as these practices, are condemned and challenged and they are failed to be justified.

This is a collision with the truth. This is a collision with the fundamental values that represent who we are. We cannot have that conversation. We cannot have that scrutiny. We cannot have that criticism unless we have conversations with these people. So we must bring them into our country to expose them to that criticism and engage in a court of world opinion in which, on behalf of everybody in the world who disdains religious persecution, we speak out on their behalf, to have a conversation in which we ultimately will prevail.

The second fundamental flaw with this bill is it creates a serious risk, which no one can reasonably explain away, that we might suffer from the same lack of access to China. One of the most important things that is taking place in this country today is that there are many young men and women who are giving their lives to service, missionaries and advocates for human rights who are traveling to China.

Mr. SMITH of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Florida. I yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Speaker, I would just point out that articles that were issued under Li Peng, 144 and 145, the Chinese now prohibit, strictly prohibit, any foreign proselytizing. If a missionary goes to China, he or she cannot speak out and proselytize, whether it be the Christian faith or any other faith.

So their law makes it a crime, and so much of a crime that deportation is the minimum of what would happen to that person. The maximum is that they will go to prison.

My staff and I and others in this Congress have worked to help people, some of whom were Americans who went over there and somehow drifted outside of the official boundaries and talked about Christ in one case, and he was arrested and was held and we had to intercede on his behalf. I thank the gentleman for yielding.

Mr. DAVIS of Florida. Mr. Speaker, reclaiming my time, that is a valid point. But the issue I am referring to is a larger issue, and that is the grave risk that these individuals whom you describe will even lose the right to have access to the country, much as we would be denying to the individuals who are described in this bill, and that is a serious problem, to deprive our own folks who seek to speak out and act against religious persecution in China an opportunity to go over there and to speak out with fear of imprisonment, but a choice that they have the right to make. We cannot afford to stop our advocacy, to stop our missionary work in China, by taking that risk, by denying access to individuals from China into this country.

So the unintended effect of this bill could conceivably be to cut off all dialogue, all debate, which we will ultimately win because we are right on the subject of religious persecution.

Mr. Speaker, I reserve the balance of my time.

Mr. GILMAN. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from Alabama [Mr. CALLAHAN], the distinguished chairman of the Subcommittee on Foreign Operations of the Committee on Appropriations.

Mr. CALLAHAN. Mr. Speaker, I thank the gentleman for yielding this time to me, and I rise in support of this issue to tell the gentleman that he is moving in the right direction, and a similar bill to this same germaneness passed I think this House not too long ago, and I think the gentleman is going to receive a unanimous vote today.

But I come here today to suggest something. Mr. Speaker, we are going through a very contentious problem with my bill, which is a foreign operations appropriation bill, and in the foreign operations appropriation bill we have about 100 pages which appropriates the money that the gentleman has essentially authorized us to spend in foreign countries.

Now, in addition to the 100 pages of my bill, we have 400 pages of authorization language that the gentleman's committee and the Senate have drafted, and in order to save time on all of these bills, let me suggest to the gentleman that we just group them all together, and I will put them in my appropriation bill, and we will save 6 or 7 hours on debating this issue and accomplish the mission that we are after, and that is to send China a message in writing a bill that the President will sign.

So I come here trying to facilitate the gentleman to tell him that he has a great bill, that he is a great chairman, that he is moving in the right direction, but we are running out of time here in this Congress to pass an appropriation bill. Since we now have 400 pages of authorization language in my bill, I am willing to make it 410, and I will accept this language in my bill, and then we can bring my bill out of committee and the gentleman's committee will be happy and my committee will be happy, the Congress will be happy, because we will have been able to resolve a problem that is going to keep us here for several weeks if we do not do something in a timely manner.

So I come here offering the gentleman a suggestion, a possibility, a vehicle to pass this legislation. Just tell me, this legislation is good, which I agree with the gentleman, it is good, and we would like to see this to become law, and I will take that language and just insert it in my bill and the President will sign it.

So I come here making a suggestion and in strong support in addition to that of a way to get this passed and all of these China bills that we are talking about passed. Let us just stick them in the appropriation bill like we do everything else.

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume to thank the gentleman for his generous offer, and of course, the gentleman and I both should meet with leadership to further discuss the gentleman's proposal, but I thank the gentleman for his constructive suggestion.

Mr. DAVIS of Florida. Mr. Speaker, I yield 5 minutes to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding me this time.

I wish to associate myself with the remarks of my distinguished gentleman from Alabama [Mr. CALLAHAN], the chairman of the subcommittee, who suggested that we can place all of these China bills in the foreign operations bill. As the ranking member on that committee, I heartily approve of the suggestion of our chairman, but I would not want to do that without the full debate that we are having here, and I think that is the value of this China package.

I think the value of the discussion probably exceeds some of the clout within this legislation because this is indeed a gentle touch, but nonetheless a necessary one, and I commend my colleagues, especially the gentleman from New York [Mr. GILMAN], and the gentleman from California [Mr. COX] for their leadership in putting this package together.

To the issue of freedom of religion in China, the reason that this legislation that the gentleman from New York [Mr. GILMAN] is proposing, promoting religious freedom in China, the persecution of Christians, Buddhists, Muslims, and others, is well documented. Do not take my word for it. The State Department's own Country Report states, in the area of freedom of religion, "Although the Constitution affirms toleration of religious beliefs, the Chinese government seeks to restrict all," and that is the Chinese Constitution affirms toleration of religious beliefs, "The Chinese government seeks to restrict all religious practice to closely controlled and government-sanctioned religious organizations and registered places of worship. At the annual National Religious Affairs Conference in January, religious policy was 'readjusted' to emphasize harder line aspects. During the year," that would be of 1996, "many religious groups were subjected to increased restrictions, although the degree of restriction varied significantly in different regions of China."

"The campaign to shut down unauthorized groups is in the hands of the police and religious affairs officials and is being conducted concurrently with other police actions against criminals and underground separatists, pro-democracy and labor groups. The national goal for 1996 was to register or close down all unregistered religious groups."

"In 1996 police closed down dozens of underground mosques, temples and seminaries and hundreds of Protestant house church groups, many with significant memberships; leaders of such groups, including itinerant teachers and evangelists, increasingly have been detained for lengthy investigation. There are NGO reports of deaths of detainees by beating. Some congregations have been hit with heavy fines. In Shanghai, home of the patriotic Protestant headquarters, authorities have been particularly tough."

I will conclude from the pages of reports on lack of religious freedom in China, but to say that Premier Li Peng stated recently that China upholds freedom of religious belief, but that religion should serve the aims of socialism. That is from our Country Report that states the condition of religious freedom, or lack thereof, in China.

I too want to quote from Nina Shays' article and just state that in it she says, "Catholics and other Christians are being persecuted and martyred before an unknowing, indifferent world and before a largely mute Christian community." And that, unfortunately, is true as well.

That is why the leadership of the gentleman from New York [Mr. GILMAN] in this legislation is so important, because we cannot continue to ignore religious persecution in China while we profess to support religious freedom throughout the world.

When President Jiang was here, again, at the famous breakfast, I handed him a letter from Ignatius Cardinal Kung Pin-Mei, the Bishop of Shanghai. Cardinal Kung asked President Jiang in this letter—

> In the name of 8 million Roman Catholic faithful and clergy in China and also in my name, I respectfully appeal to you, Mr. Chairman Jiang, to defend the right of the Chinese citizens to true religious freedom and to permit the Roman Catholics to maintain religious communion with the Pope in order to keep the fullness of their faith.
>
> I further appeal to you, Mr. Chairman, to immediately release Su Zhimin, Bishop of Baoding Diocese, Hebei and An Shuxin, Auxiliary Bishop of Baoding; Han Ding Xiang, Bishop of Yong Nian, Hebei; Zeng Fingmu, Bishop of Yu Jiang, Jiangxi; and all other faithful and clergy who are being held in detention camps, labor camps and jails in China.

□ 1600

The Cardinal goes on to say, "May China, under your able leadership, be internationally known as a country which has true religious freedom."

In calling for the freedom of these bishops, of course, Cardinal Kung, who is in exile because he cannot practice his faith in China, is calling the world's attention to the religious persecution of Catholics as well as Christians, Muslims and Buddhists in China. If this Congress is willing to withhold a visa to a family member of a Canadian businessman because he is doing business with Cuba, why should we not withhold a visa for a repressor of religion in China?

I urge my colleagues to support the leadership of the gentleman from New York [Mr. GILMAN] and vote "aye."

Mr. GILMAN. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from New York [Mr. SOLOMON], the distinguished chairman of our Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, again I want to emphasize how important it is to have the gentleman from New York [Mr. GILMAN] as chairman of the Committee on International Relations, and to have the gentlewoman from California [Ms. PELOSI] who is leading the fight for this package of legislation, which is so important.

If these people that suffer in China today are going to be relieved of any of this oppression, it is going to be because of the gentleman from New York [Mr. GILMAN] and the gentlewoman from California [Ms. PELOSI], who do truly outstanding work on this.

One thing that I like particularly about this package of China bills is that we get to hone in on particular aspects of Communist China's dictatorial methods and irresponsible practices.

So far we have been able to demonstrate China's abusive treatment of political opposition, its use of slave labor, and its rogue proliferation activities. Now Chairman GILMAN with his Free the Clergy Act has brought to light China's abominable record of persecuting religious believers. After all, that is what we Americans cherish the most. We like to live where we want to live, work where we want to work, and worship in the church or the religion of our choice.

Think of it in this manner. We are better able to see just how methodical is the tyranny of Communist totalitarians. Mr. Speaker, religious faith of any sort is dangerous to Communists because faith leads to strength and independence, and Communists like their people to be weak, and they like them to be dependent, not independent. They are easier to control that way. That is why ever since Lenin, Communist totalitarians have been destroying places of worship; killing and jailing priests, ministers, rabbis; raiding prayer sessions; and filling people's heads with atheistic propaganda.

That is part of the Communist doctrine, atheism. That is why they have to set up sham churches led by men who ought to be ashamed of themselves. I think it is a disgrace that we would even let these people in this country. It is beyond belief that we would fund their travel in this country with taxpayer dollars. That is why this is such a thoughtful and necessary bill.

To those who say denying visas to these persecutors or denying funding to these charlatan religious figures would deny us the opportunity to turn them, or something like that, I say, wake up. We cannot turn totalitarians. Did we turn Brezhnev or Gorbachev by letting them tour America? Absolutely not. Did we turn Jiang last week after we rolled out the red carpet for him and gave him all the goodies? His offensive and arrogant speech before he left this country gave us the answer, Mr. Speaker.

Mr. Speaker, this is a great bill. Chairman GILMAN has enlightened us by introducing this and bringing this to the floor. It should pass immediately.

Mr. GILMAN. Mr. Speaker, I am pleased to yield 5½ minutes to the gentleman from California [Mr. ROHRABACHER], a member of our committee.

Mr. ROHRABACHER. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise today in strong support of H.R. 967, and commend the gentleman from New York [Mr. GILMAN] for the moral leadership that he is providing to the Members of the Committee on International Relations. During my tenure here in this body, the gentleman from New York [Mr. GILMAN] has been a strong voice for morality in American foreign policy, and a man who I deeply respect. It is no surprise that he would be the author of this piece of legislation.

When discussing this bill, we must understand that the Chinese Communist Government is the most egregious persecutor of religious believers in the world. In China there are more Christians, Buddhists, and Muslims as political prisoners, being held as political prisoners, being held in slave labor camps, than in all the other countries of the world combined.

Recently the Chinese Government kidnaped a 6-year-old boy in Tibet. What was his crime? He was a 6-year-old boy that was a designated leader in the Dalai Lama's Buddhist faith. The Chinese Communists took this young boy and they tried to replace him with another young boy that is designated by the Communist Party. In other words, the Communist Party in China is trying to replace the Dalai Lama, take over their religion, oppress these people who have a different faith than this atheistic Communist ideology that controls their actions.

This bill that we are discussing today will deny American tax dollars to pay for the visits of any member of the

Communist Chinese Government involved in persecuting religious believers or leaders in State-created mock religious organizations, so that they cannot visit the United States at taxpayer expense unless the President of the United States certifies that it is in the national interests of the United States to do so.

Symbolically, this bill sends a message to both President Clinton and the Chinese Communist leadership that religious freedom does matter to the people of the United States and to our elected representatives. It sends a message to the oppressed people of the world, and especially the repressed believers in China, that we care about freedom of religion and we care about them.

This bill prevents certain officials from visiting here at taxpayers' expense. But we are not talking about certain officials, what we are talking about is the worst of all officials on this planet. We are talking about government officials who are engaged in torture and repression of people for their religious convictions.

In committee it was argued, and we have just heard argued today on this floor, it is OK to condemn religious persecution, just do not do anything about it. Mr. Speaker, the fact is that we do not want Communist jailers and torturers, people who have tortured people for their belief in God, to be visiting this country.

At the very least, if we are going to do something about it, at the very least, we should set a standard and say that people who are engaged in this antihuman rights campaign in China and in other countries to oppress people's religious beliefs, that they should not visit our country at taxpayers' expense.

It is absurd and nonsensical to argue that these brutal thugs will change their ways if they simply come to the United States and enjoy some chablis and California cuisine with the people here, and our liberalism will just sort of ooze over them and they will change.

We do not want the Adolph Eichmanns of this generation visiting the United States at taxpayers' expense. The Nazis would not change their ways because they were horrible people. They were villains, they were evil, they should not have visited the United States at our expense because they were not going to change their ways.

The same is true for the people who engage in torture and oppression in Communist China today. We do not want to change their minds, we want to change their position. We want them out of power. If we are going to bring anybody to the United States, it should be members of those religious communities who are being oppressed in China.

Our heart goes out to the Christians, to the Muslims, to the Buddhists who are being tortured and brutalized by this clique of thugs in China. Let us bring them here. Let us express our appreciation to those people. Let us socialize with them. Let us send the message that we are on their side, and not the side of these people with blood running off of their hands. We should be on the side of the oppressed wherever in this world there is oppression. We should never be on the side of the oppressor. We should never give the image that that is what we are.

Mr. Speaker, it is a tragedy that last month our trade deficit swelled. What was the reason for this in the United States, between the United States and China? Because we were buying Christmas tree decorations from a government, from a country that is dominated by a government that is the worst oppressor of Christians on this planet. This is Kafkaesque, inviting these oppressors here to socialize with us, thinking they will change their ways.

Let us stand for morality, let us stand for justice. Let us just not speak cliches about human rights, let us do something about it, so the people of the world will know that America still stands for something. Support the Gilman amendment.

Mr. DAVIS of Florida. Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding me the time. There are some points I want to make to clarify a point I had made earlier.

For a point of clarification, I want to say how appropriate the legislation of the gentleman from New York [Mr. GILMAN] is. Some have said, why should we deny visas? It is the policy of the Clinton administration to deny visas to family members, say, for example, of Canadian businessmen if those Canadian businessmen are doing business with Cuba. Their children cannot get a visa to the United States. If that is the Clinton administration policy, why then would they, and I do not necessarily support that, in fact, I do not, but how can the administration that supports that then turn around and say, but we think it is inappropriate to deny the visa of a torturer and a persecutor of religion in China and Tibet?

It is on the subject of Tibet I am going to use a little more of my time. The country report on China and Tibet reports that during the year 1996, authorities increased repression, imprisonment, and abuse or torture of monks and nuns accused of political activism. This is a tactic the Chinese use. They accuse the nuns and priests of activism because of their loyalty to the Dalai Lama, His Holiness.

According to authoritative Chinese press reports from May, Beijing launched a campaign to limit criminal activity in the guise of religious practice. The crackdown appears to have three goals: to stop acts of defiance, to break the political power wielded by the Lamas and to remove officials loyal to the Dalai Lama.

In addition to this, Mr. Speaker, the Chinese authorities have kidnapped the Panchen Lama and installed their own successor to His Holiness, the Dalai Lama. Imagine, imagine that they have kidnapped this child and replaced him with another child.

I just want to reiterate what my colleagues have mentioned as well. When I asked the question and others in the room asked the question about religious repression in China, President Jiang categorically denied that there was religious repression in China, right there before a mixed audience, the House and Senate, bicameral, bipartisan; categorically denied. That was an untruth. We must show the world what the truth is. This legislation does that, and has a penalty attached to it. I urge my colleagues to support the Gilman amendment.

Mr. SMITH of New Jersey. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California [Mr. DREIER].

Mr. DREIER. Mr. Speaker, I thank my friend and classmate for yielding time to me.

Mr. Speaker, I rise in strong support of this legislation. I was very privileged to work with the gentleman from Virginia [Mr. WOLF] and the gentleman from New Jersey [Mr. SMITH] and the gentleman from New York [Mr. GILMAN] and others in what ended up to be a bipartisan way in putting together H.R. 2095, the China Human Rights and Democracy Act. One of the key items in H.R. 2095 is our goal of ensuring that those who are responsible for religious persecution are not able to receive visas to come into this country.

I say that as one who is strongly committed to what I still believe is the most powerful force for positive change in the 5,000-year history of China, that being economic reform. Our commercial ties there are key to that.

So I think it is very, very important to note that people like our new colleague, the gentleman from Pennsylvania [Mr. JOE PITTS], who joined me when we met with the Chinese Ambassador to specifically ask for the release of Pastor Su, and unfortunately that has not happened, and I believe we need to continue on a separate track to apply as much pressure.

Now, quiet diplomacy is the route we are taking, but frankly, as we proceed with a debate like this, I think it is very fair for those of us who want to strengthen ties but at the same time raise our voices to let our concern be heard.

□ 1615

So it seems to me that we have a very, very important responsibility to support this legislation because we do have many people who have faced religious persecution and we need to do what we can to release them. I agree with the statements that my colleagues have made, we should not reward those who are responsible for it by granting them visas to come into this country.

Mr. SMITH of New Jersey. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Virginia [Mr. WOLF].

Mr. WOLF. Mr. Speaker, I rise in strong, strong support of this bill. I would hope it could be almost passed with a unanimous vote, because it is important to note, the Chinese Government is watching really today.

In fact, this debate right now is being watched in Beijing. This debate right now is being watched up on Connecticut Avenue at the Chinese Embassy. What is said here and what tabulation up on both of these things and the tabulation on the board at the end is a message to the Chinese Government that they will get literally in about a half hour from now. The message is the body is divided, or the message is that we are together.

There is major, major persecution. I almost feel it is a redundancy to say, but there are probably six or seven Catholic bishops in jail today as we meet. And all the people that gave the announcement, including the administration, that Bishop Su was out of jail, it is just not true. He is not out of jail.

In fact, we have a press release dated today that says Bishop Su is still in jail. It says he was never released, as reported by the news agency. He is now being held in the detention center. So he is not out of jail.

They are also persecuting the Protestant Church. There have been a number of Protestant pastors who have been arrested.

For those in this body who maintain that they care about diversity, they are persecuting a lot of Muslims in China in addition to we all know what they are doing with regard to Tibet.

Mr. Speaker, I just urge that we pass this vote with, hopefully, a unanimous vote or almost a unanimous vote, knowing that the Chinese in Beijing are watching and the Chinese up at the Chinese Embassy are watching, and also the people of China.

And can my colleagues imagine, if they were the loved one of a Catholic bishop or a Catholic priest or a Protestant pastor or a Buddhist monk or a Buddhist nun, and they heard that the United States Congress, the people's House, had passed this resolution by an overwhelming vote with regard to, free the clergy, can we imagine the inspiration that we would get?

So I thank the gentleman from New Jersey [Mr. SMITH] and the other gentleman that worked on this bill for their support.

Mr. DAVIS of Florida. Mr. Speaker, I would like to inquire how many speakers are left on the other side.

Mr. SMITH of New Jersey. Mr. Speaker, we have two other speakers that are not here. They have been detained. I believe they are working on some committee work. So I would be the last speaker. So if the gentleman from Florida [Mr. DAVIS] would like to close on his side, then I will close on our side.

Mr. DAVIS of Florida. Mr. Speaker, I yield myself such time as I may consume.

Again, I think it is perfectly clear that the issue here is not whether there is any lack of disgust or resolve with respect to religious persecution that is occurring within the boundaries of China. The issue here is the best way to deal with that.

I think it is also fair to say that there is yet to be any credible argument to refute the fact that, by denying visas here, we are disengaging ourselves from an important conversation that needs to be held not just within the borders of this country in the conferences we have on human rights, but in the court of world opinion throughout the world, which we are responsible for conducting by bringing people together to debate issues and values.

Of course, we should not be afraid to debate those who would try to defend some of the reprehensible practices that currently occur in China, and we should welcome the scrutiny that we can bring to bear on these folks by bringing them to conferences and having them speak.

As has been suggested by a number of people here today, it is our burden to raise awareness of these issues, to expose these practices to the world and let the heat of truth bear upon them, because we will prevail, ultimately, in convincing the rest of the world that more pressure needs to be brought to bear on China to put an end to what is occurring there.

One of the supporters of the bill made the comment, we need to show the world where the truth is. I would suggest to my colleagues that it is fundamentally the case, as our first amendment stands for, that there is no better way to do that than to make sure that we have an open and honest discussion in this country that has to include the people who would, amazingly enough, attempt to defend some of these reprehensible practices that are occurring in China.

In fact, as a result of the meeting that recently occurred with the President of China here with our President, there is a delegation of religious leaders from our country who will be visiting China in the future to pursue exactly the type of conversation that we may ultimately lose if this bill were to pass and China were to retaliate by denying visas to our religious leaders who seek to enter that country to shake the opinion of not just people around the world but people inside the borders of China who sympathize with us and want to fight to stop human rights abuses.

Let me finally say, there has been some suggestion that there ought not to be any controversy with respect to this bill. And that certainly would be true if the bill had ended with the first section, as I described earlier, which simply states the sense of Congress that we should, under no circumstances, tolerate religious persecution in China. But because the bill goes so much further and because it contains the two inherent flaws that I have referred to, the bill was in fact heavily opposed in the committee when it first came up and in fact failed.

And, in fact, there was opposition to that bill from the chairman of the subcommittee, who has jurisdiction over China. And there was opposition from other prominent members of the majority party. The bill only passed when it was brought up on a motion for reconsideration; and even then, it was a very close vote with strong bipartisan opposition.

So the bill and its objectives is noble. And certainly we need to work together, Democrats and Republicans, put politics aside, to not just call attention to the religious persecution that occurs in China but to find effective ways to stop it.

This bill is not an effective way to stop it. This bill will discontinue some very important conversations that have led us to the progress we have had to date, and it also may have the effect of cutting off our ability to send some of our religious leaders into China to hopefully build up more momentum within that country to stop their own religious persecution. For those reasons, I would urge that this bill be defeated.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, first of all, I want to commend the gentleman from New York [Mr. GILMAN] for this bill, and especially the gentleman from California [Mr. COX] for his leadership in crafting this package, which is comprehensive, mutually reinforcing, and really sends a clear, unambiguous message to the dictatorship in Beijing that we mean business.

Yes, there are some who do not support linking most-favored-nation status. And the gentleman from California [Mr. DREIER], who spoke earlier so eloquently, is one of those. But this is one of those issues that most of us, almost all of us, can coalesce around and really present a genuine, authentic, united front that we will not tolerate human rights abuses in any way, shape, or form.

First, the bill that is before us would prohibit U.S. taxpayer funding for participation in U.S. cultural or educational supported exchange programs to PRC officials who have been directly involved in persecution, as well as to the officials who direct the agencies that have committed the persecution, including, but not limited to, the heads of Government-run religious front organizations.

What do we mean by that? No travel expenses. The U.S. taxpayer will not foot the bill to bring these people to our shores. No per diem expenses. We are not going to shell out money so they can eat high on the hog while back home they are the persecutors.

Second, the bill would deny U.S. visas to people who actually participated in or directed religious persecution. Like other visa exclusion grounds for terrorists and narcotraffickers, this would be adjudicated on a case-by-case basis by consular officers.

The Government of China, as we know so clearly, and every reputable human rights group bears witness to this and the State Department country reports on human rights practices also bear witness to this terrible truth that millions of Christians are being persecuted today.

It is strictly forbidden to be a Christian outside the official church run by the Government. If you want to be a Catholic, for example, the Government requires you to join a church that does not recognize the Pope, has censored huge portions of the Bible. It is almost like Swiss cheese; whole parts of the Bible have been ripped out and are strictly prohibited from being taught. And they can never say anything about government policy and the linkage that policy might have to morality.

It also proscribes the teaching of religion to anyone under the age of 18. So no young people can hear about God in China in the officially-run churches. And if they do so in the underground church, the full weight of the dictatorship is levied against them.

Catholics who insist on belonging to the real Catholic Church have been imprisoned. This includes, at least four Catholic bishops and dozens, literally dozens, of priests. As a matter of fact, when the gentleman from Virginia [Mr. WOLF] and I met with Li Peng in Beijing years ago back in 1994, we handed him a list of imprisoned pastors. He would not even look at it and just was in total denial in a way that is much akin to what President Jiang Zemin was when he said to us, incredulously, that they have had religious freedom in China since Mao. Do any of my colleagues in this Chamber believe that, the Cultural Revolution, when it was a high tide of crackdown, that that was religious tolerance? Of course not.

We know since 1894, with the issuance of Decrees 194 and 195, the crackdown has accelerated, and they are trying to stamp out from the face of that country any kind of religious observance that is not carefully circumscribed and run by the Government of the People's Republic of China.

The situation, Mr. Speaker, is no better for other religious believers either. The Government has conducted a ruthless campaign against Tibetans, including the destruction of monasteries, the imprisonment and torture of monks and nuns, and the arrest and subsequent disappearance of the 7-year-old child, the Panchen Lama.

In Xinjiang Autonomous Region, formerly the independent nation of East Turkistan, Moslem leaders are persecuted for fidelity to their religion, the Islam. Recently we had a hearing in my subcommittee and we heard the kind of horrific excesses that the security forces bring to bear against those who want to practice their Moslem faith.

Mr. Speaker, the proponents of this bill have already gone, and this happened in committee, and I regret that it happened, but it happened. There have been changes in this bill. This has been a modified bill. The committee adopted an amendment that stripped all the findings of fact from the bill on the ground that the Chinese Government had not been asked for its opinion on these findings.

Another amendment was adopted that limited the denial of visas to persons who either carried out persecution themselves or directed the carrying out of persecution.

Another amendment to the visa provision limitation made a special exemption to the heads of the state-run churches. So the gentleman is incorrect based on the plain language of the bill, religious affairs ministers and cabinet ministers and heads of state.

Finally, even in a narrow class of cases, we provided the President with waiver authority that, in the event he finds that admitting one of these persecutors is somehow vital to the national interest of the United States, he can do so.

This is an extremely moderate bill. Any of my colleagues who pretend otherwise ought to read the bill over again.

I ask my colleagues to read the bill. When it talks about those who will be denied per diem and travel expenses and perhaps they may be denied a visa, we are talking, and this is right from the bill,

> any military or civilian officer or employee of the Government of the People's Republic of China who carried out or directed the carrying out of any of the following policies or practices formulating, drafting, or implementing repressive religious policies, imprisoning, detaining, or harassing individuals on religious grounds, or promoting or participating in policies or practices which hinder religious activities or the free expression of religious beliefs.

This is very, very, I think, clear and very tight, and this is the minimum that we should be doing.

Finally, just let me make a point about one particular Catholic priest that I met when I was there, and I have met many people in the underground church, but Bishop Su of Baoding Province, a man who has spent almost 20 years in the Laogai, in the gulags of China, he has been tortured in hideous ways, sleep deprivation, genitals being cattle-prodded, and all kinds of horrible things. Here he is, a Catholic bishop.

☐ 1630

The Chinese Government has now rearrested him. Madeleine Albright and our very distinguished State Department announced with much flourish that he had been released. It turns out that was another case of disinformation. We have reliable, I will not say it is absolutely correct, nobody ever knows in a closed society, but very reliable information strongly suggesting that he is still being held in Jingyuan County Detention Center in Baoding Province. As Members know, there was all this talk that constructive engagement somehow is working. "Look, Bishop Su has been released." No, he is still in prison. What was his crime? He wants to preach the gospel. He wants to talk about Christ. He celebrated mass for our very small delegation in a small, dingy apartment. The next day we heard that he was arrested. I did not even want to meet with him. I thought that might bring the security apparatus down upon his head, and sure enough it did. So if Members think that preaching is free and somehow not censored, we are only fooling ourselves. For meeting with me and 5 or 6 other people and celebrating mass, this man is now in prison.

When we toast glasses and we say let us have more partnership and constructive engagement, let us not forget the men and women who are languishing in these gulags simply because of their faith. This is Muslims, Buddhists, Catholics, evangelical Protestants in the People's Republic of China.

They do this for the human rights activists as well, as we all know. Wei Jingsheng is just one of many who had the courage to speak out and say basic human rights need to be protected. He is also languishing in a prison and has been severely beaten.

Finally, just let me say a point about the heads of these officially recognized churches. This is what Jiang Zemin said recently in the People's Daily, March 14, 1996. He said state religious policy is to "actively guide religion so that it can be adapted to socialist society." I met with the head of the Religious Affairs Department on a number of occasions, here and in the People's Republic of China. I asked him if he was a believer. He said absolutely not.

He is an avowed atheist. He said in the Chinese press that the handling of religious matters needed to be done according to the dictates of Lenin. He did not even say Mao. He said Lenin. We all know what Lenin did to the church and how he persecuted the church in the former Soviet Union.

Rev. Deng Fucun, the general secretary of the government-run Three Self Patriotic Movement, made the preposterous claim in the Western press on July 16 that there was no such thing as an underground church. I and many of my colleagues have met numerous members who were part of this underground church. They are brave souls. Some surface. Many are in hiding.

Another atheist who heads the Protestant church, again government-run, said, and I quote, that there is no persecution in China. Again these people become front people. Let us not forget that this has happened in other Communist dictatorships. People come here, and again what the bill proscribes is that we feed them, we pay for their food and we pay for their lodging and their airfare and the like.

Mr. Speaker, this is a very modest bill. This will advance the ball a little bit, not a whole lot but a little bit in the realm of religious freedom. We stand today with the oppressed, not the oppressor. I hope that people will support this important bill.

Mr. DAVIS of Florida. Mr. Speaker, I yield myself such time as I may consume. I would like to ask a question of the gentleman from New Jersey [Mr. SMITH].

Mr. Speaker, if the bill were to have the effect of causing the Chinese Government to deny visas to some of our religious leaders who attempt to support the underground church he refers to, how does that advance our cause of stopping religious persecution?

Mr. SMITH of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Florida. I yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. First of all, we are talking about people who have persecuted. We are talking about saying that there is some penalty affixed. First of all, if our people meet with the underground church over there, as I have discovered and others have discovered, that means potentially that these people that we meet with end up going to prison. They without question will get interrogated, but they might even go to prison for a week, a month, who knows how long. That is all up to the dictates of the State. Right now they are people who it is probably better we have a minimum, if no contact with because we would do nothing but lead the secret police to their doorsteps.

Let me also say for these others to come here at our expense to me just, when they are fronting, especially if they have been found to be persecutors, is to allow the jailers and the persecutors to come here. We need to have a penalty affixed to that. That is why this is such a modest bill.

Mr. DAVIS of Florida. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. REGULA). All time for debate has expired.

Pursuant to House Resolution 302, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SMITH of New Jersey. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were— yeas 366, nays 54, not voting 13, as follows:

[Roll No. 595]

YEAS—366

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clayton
Clement
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fawell
Filner
Flake
Foglietta
Foley
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (WI)
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lowey
Lucas
Luther
Maloney (CT)
Manton
Manzullo
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Meehan
Meek
Menendez
Metcalf
Miller (CA)
Miller (FL)
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paxon
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Porter
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Ryun
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NAYS—54

Ackerman
Becerra
Berman
Brown (CA)
Clay
Clyburn
Davis (FL)
Davis (IL)
DeLauro
Dellums
Dingell
Fattah
Fazio
Frank (MA)
Gejdenson
Hamilton
Hastings (FL)
Hilliard
Houghton
Jefferson
Johnson (CT)
Johnson, E. B.
Kennelly
Kucinich
LaFalce
Lofgren
Maloney (NY)
Martinez
McDermott
McGovern
Millender-McDonald
Minge
Mink
Nadler
Paul
Payne
Pickett
Rangel
Roybal-Allard
Rush
Sabo
Serrano
Sherman
Skaggs
Smith, Adam
Stokes
Thompson
Velázquez
Vento
Waters
Watt (NC)
Waxman
Wexler
Yates

NOT VOTING—13

Carson
Conyers
Cubin
Forbes
Gonzalez
Gutierrez
Johnson, Sam

McKinney
Mica
Neal
Portman
Riley
Schiff

□ 1658

Messrs. McDERMOTT, FRANK of Massachusetts, THOMPSON, NADLER, SERRANO, MARTINEZ, STOKES, RUSH, VENTO and Ms. MILLENDER-McDONALD changed their vote from "yea" to "nay."

Mrs. McCARTHY of Missouri and Messrs. SKELTON, CANNON, MORAN of Virginia, BONIOR and ALLEN changed their vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

MOTION TO RECONSIDER THE VOTE OFFERED BY MR. WISE

Mr. WISE. Mr. Speaker, I move to reconsider the vote by which the bill was passed.

MOTION OFFERED BY MR. KOLBE

Mr. KOLBE. Mr. Speaker, I move to lay on the table the motion to reconsider.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona [Mr. KOLBE] to lay on the table the motion to reconsider.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. WISE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 227, noes 185, not voting 21, as follows:

[Roll No. 596]

AYES—227

Abercrombie
Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Bonilla
Bono
Boyd
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Weygand
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOES—185

Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Clay
Clayton
Clement
Clyburn
Condit
Costello
Coyne
Cramer
Cummings
Danner
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Flake
Foglietta
Ford
Frank (MA)
Frost
Furse
Gephardt
Gordon
Green
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Velázquez
Vento
Visclosky
Watt (NC)
Waxman
Wexler
Wise
Woolsey
Wynn
Yates

NOT VOTING—21

Boehner
Carson
Conyers
Cubin
Davis (FL)
Forbes
Gonzalez
Gutierrez
Hoyer
John
Johnson, Sam
McKinney
Mica
Neal
Portman
Riggs
Riley
Schiff
Solomon
Stokes
Waters

□ 1718

Messrs. DAVIS of Illinois, MARKEY, and DEUTSCH changed their vote from "aye" to "no."

So the motion to table the motion to reconsider was agreed to.

The result of the vote was announced as above recorded.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1119) "An Act to authorize appropriations for fiscal year 1998 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the ,Armed Forces, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 858) "An Act to authorize appropriations for fiscal year 1998 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes."

The message also announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 64. Concurrent resolution providing for corrections to be made in the enrollment of H.R. 1119.

MOTION TO ADJOURN

Mrs. MINK of Hawaii. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore (Mr. GIBBONS). The question is on the motion to adjourn offered by the gentlewoman from Hawaii [Mrs. MINK].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mrs. MINK of Hawaii. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were— yeas 75, nays 333, not voting 25, as follows:

[Roll No. 597]

YEAS—75

Andrews
Barrett (WI)
Bonior
Brown (FL)
Clement
Clyburn
Conyers
Coyne
Davis (FL)
DeFazio
Delahunt
DeLauro
Deutsch
Dingell
Doggett
Engel
Eshoo
Evans
Fazio
Filner
Frank (MA)
Furse
Gejdenson
Gephardt
Harman
Hastings (FL)
Hilleary
Hinchey
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Kennelly
Kilpatrick
LaFalce
Lantos
Lewis (GA)
Lowey
Markey
McDermott
McNulty
Meehan
Meek
Menendez
Miller (CA)
Mink
Moakley
Obey
Olver
Owens
Pallone
Pascrell
Payne
Pelosi
Peterson (MN)
Rangel
Roybal-Allard
Sabo
Sanchez
Schaffer, Bob
Scott
Skelton
Slaughter
Strickland
Thurman
Torres
Towns
Velázquez
Vento
Waters
Waxman
Wise
Woolsey
Yates

NAYS—333

Abercrombie
Ackerman
Aderholt
Allen
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barrett (NE)
Bartlett
Bass
Bateman
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crapo
Cunningham
Danner
Davis (IL)
Davis (VA)
Deal
DeGette
DeLay
Dellums
Diaz-Balart
Dickey
Dicks
Dixon
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Etheridge
Everett
Ewing
Farr
Fattah
Fawell
Flake
Foley
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilliard
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (RI)
Kildee
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Millender-McDonald
Minge
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Oxley
Packard
Pappas
Parker
Pastor
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Porter
Poshard
Price (NC)
Pryce (OH)
Radanovich
Rahall
Ramstad
Redmond
Regula
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Rush
Ryun
Salmon
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schumer
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Stump
Stupak
Sununu
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Tiahrt
Tierney
Traficant
Turner
Upton
Visclosky
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Weldon (FL)
Weller
Wexler
Weygand
Whitfield
Wicker
Wolf
Wynn
Young (AK)
Young (FL)

NOT VOTING—25

Barr
Barton
Becerra
Carson
Cubin
Cummings
Foglietta
Forbes
Gekas
Gonzalez
Hutchinson
Johnson, Sam
Kennedy (MA)
McKinney
Mica
Miller (FL)
Neal
Pickett
Portman
Quinn
Riley
Schiff
Talent
Weldon (PA)
White

□ 1736

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. MICA. Mr. Speaker, today I attended the dedication of the George Bush Library at College Station, TX. Had I been present, I would have voted "yes" on the following rollcalls: Nos. 587, 588, 589, 590, 592, 593, 595, and 596.

I would have voted "no" on the following rollcalls: Nos. 586, 591, 594, and 597.

PERSONAL EXPLANATION

Mr. PORTMAN. Mr. Speaker, because I was in Houston attending the dedication of the George Bush Library, I was absent for rollcall votes 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, and 597.

Had I been in attendance, I would have voted "yea" on rollcall votes 587, 588, 589, 590, 592, 593, 595, 596, and "nay" on 585, 586, 591, 594, and 597.

FORCED ABORTION CONDEMNATION ACT

Mrs. FOWLER. Mr. Speaker, pursuant to House Resolution 302, and as the designee of the chairman of the Committee on the Judiciary, I call up the bill (H.R. 2570) to condemn those officials of the Chinese Communist Party, the Government of the People's Republic of China, and other persons who are involved in the enforcement of forced abortions by preventing such persons from entering or remaining in the United States.

The Clerk read the title of the bill.

The SPEAKER pro tempore [Mr. GIBBONS]. The bill is considered as read for amendment.

The text of H.R. 2570 is as follows:

H.R. 2570

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Forced Abortion Condemnation Act".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) Forced abortion was rightly denounced as a crime against humanity by the Nuremberg War Crimes Tribunal.

(2) For over 15 years there have been frequent and credible reports of forced abortion and forced sterilization in connection with the population control policies of the People's Republic of China. These reports indicate the following:

(A) Although it is the stated position of the politburo of the Chinese Communist Party that forced abortion and forced sterilization have no role in the population control program, in fact the Communist Chinese Government encourages both forced abortion and forced sterilization through a combination of strictly enforced birth quotas and immunity for local population control officials who engage in coercion. Officials acknowledge that there have been instances of forced abortions and sterilization, and no evidence has been made available to suggest that the perpetrators have been punished.

(B) People's Republic of China population control officials, in cooperation with employers and works unit officials, routinely monitor women's menstrual cycles and subject women who conceive without government authorization to extreme psychological pressure, to harsh economic sanctions, including unpayable fines and loss of employment, and often to physical force.

(C) Official sanctions for giving birth to unauthorized children include fines in amounts several times larger than the per capita annual incomes of residents of the People's Republic of China. In Fujian, for example, the average fine is estimated to be twice a family's gross annual income. Families which cannot pay the fine may be subject to confiscation and destruction of their homes and personal property.

(D) Especially harsh punishments have been inflicted on those whose resistance is motivated by religion. For example, according to a 1995 Amnesty International report, the Catholic inhabitants of 2 villages in Hebei Province were subjected to population control under the slogan "better to have more graves than one more child". Enforcement measures included torture, sexual abuse, and the detention of resisters' relatives as hostages.

(E) Forced abortions in Communist China often have taken place in the very late stages of pregnancy.

(F) Since 1994 forced abortion and sterilization have been used in Communist China not only to regulate the number of children, but also to eliminate those who are regarded as defective in accordance with the official eugenic policy known as the "Natal and Health Care Law".

SEC. 3. DENIAL OF ENTRY INTO THE UNITED STATES OF PERSONS IN THE PEOPLE'S REPUBLIC OF CHINA ENGAGED IN ENFORCEMENT OF FORCED ABORTION POLICY.

The Secretary of State may not issue any visa to, and the Attorney General may not admit to the United States, any national of the People's Republic of China, including any official of the Communist Party or the Government of the People's Republic of China and its regional, local, and village authorities who the Secretary finds, based on credible information, has been involved in the establishment or enforcement of population control policies resulting in a woman being forced to undergo an abortion against her free choice, or resulting in a man or woman being forced to undergo sterilization against his or her free choice.

The SPEAKER pro tempore. Pursuant to House Resolution 302, the amendments printed in part 3 of House Report 105–379 are adopted.

The text of H.R. 2570, as amended by the amendments printed in part 3 of House Report 105–379, is as follows:

H.R. 2570

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Forced Abortion Condemnation Act".

SEC. 2. FINDINGS.

The Congress makes the following findings:

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(F) Since 1994 forced abortion and sterilization have been used in Communist China not only to regulate the number of children, but also to eliminate those who are regarded as defective in accordance with the official eugenic policy known as the "Natal and Health Care Law".

SEC. 3. DENIAL OF ENTRY INTO THE UNITED STATES OF PERSONS IN THE PEOPLE'S REPUBLIC OF CHINA ENGAGED IN ENFORCEMENT OF FORCED ABORTION POLICY.

The Secretary of State may not issue any visa to, and the Attorney General may not admit to the United States, any national of the People's Republic of China, including any official of the Communist Party or the Government of the People's Republic of China and its regional, local, and village authorities—except the head of state, the head of government, and cabinet level ministers—who the Secretary finds, based on credible information, has been involved in the establishment or enforcement of population control policies resulting in a woman being forced to undergo an abortion against her free choice, or resulting in a man or woman being forced to undergo sterilization against his or her free choice.

SEC. 4. WAIVER.

The President may waive the requirement contained in section 3 with respect to a national of the People's Republic of China if the President—

(1) determines that it is in the national interest of the United States to do so; and

(2) provides written notification to the Congress containing a justification for the waiver.

The SPEAKER pro tempore. The Chair recognizes the gentlewoman from Florida [Mrs. FOWLER] for 30 minutes.

Mrs. FOWLER. Mr. Speaker, I yield myself such time as I may consume.

GENERAL LEAVE

Mrs. FOWLER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this measure.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Florida?

There was no objection.

Mrs. FOWLER. Mr. Speaker, I am very pleased that the House is considering today H.R. 2570, legislation I have introduced to condemn the practice of coerced abortion and sterilization in China.

I want to state at the outset that this legislation, in my opinion, does not take a prochoice or a prolife position. It simply condemns China's all too common practice of forcing women to undergo involuntary abortions and sterilization under China's one-child-per-couple policies, and prohibits the State Department from issuing United States visas to Chinese officials involved in the establishment or enforcement of these practices. Mr. Speaker, I believe these are goals that we all support.

Let me also take this opportunity to note my support for provisions offered by the gentleman from Indiana [Mr. HAMILTON], which were self-executing in the rule, and to thank him for his contributions in this regard.

The tragic and wholly unacceptable practices that are targeted in this legislation have been well-documented. I would note that the latest edition of the State Department's Country Reports on Human Rights Practices states, "The Chinese Government continued to implement highly intrusive one-child family planning policies first adopted in the late 1970's. Poor supervision of local officials who are under intense pressure to meet family planning targets results in instances of abuse, including forced abortion and sterilization. There were credible reports that several women were forced to undergo abortions of unauthorized pregnancies in Fujian. A well-documented story of a 1994 forced 8-month abortion has been reported in the coastal province Guangdong. A 1995 incident involving a forced sterilization was also reported in Guangzhou."

Amnesty International has also expressed its strong opposition to these practices. In its 1996 report, Women in China, Detained, Victimized, but Mobilized, it stated its profound concerns about them, observing, and I quote, "Testimonies have indicated that officials have resorted to physical coercion resulting in torture or cruel, inhuman and degrading treatment when faced with this pressure. Family planning cadres continue to be disciplined and fired for failing to keep to birth quotas."

I am aware that some have concerns about how we can assure compliance with this legislation's requirement that visas be denied to individuals involved with these nefarious practices. While I would expect that a determined effort would be made to identify persons involved in such acts prior to the issuance of visas, I recognize that enforcement will not be easy in every instance.

I would state that what is most important is that we provide both a strong condemnation of these practices, which this bill does, and a mechanism for taking action against those responsible for them when information about their activities comes to light.

Mr. Speaker, involuntary abortion and sterilization represent intolerable human rights violations of the first order. I urge my colleagues to support this bill.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. (Mr. GIBBONS). As the designee of the gentleman from Michigan [Mr. CONYERS], the gentleman from Hawaii [Mr. ABERCROMBIE] is recognized for 30 minutes.

Mr. ABERCROMBIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I will not take the 30 minutes, other than to say how proud I am to be able to stand here today and associate myself with the gentlewoman from Florida [Mrs. FOWLER]. I have the good fortune, Mr. Speaker, to be associated, as well, with the gentlewoman from Florida [Mrs. FOWLER] on the Committee on National Security, and in this instance I can say that I believe we are cooperating, if you will, in the same manner and in the same sense of commitment and dedication that is exemplified in the work on the Committee on National Security.

This is, Mr. Speaker, most profoundly a human rights issue. It is not something that we are putting forward, or I should say the gentlewoman from Florida [Mrs. FOWLER] has put forward, if I can speak for her in this instance, because of ideological considerations with respect to the very real differences that people may have with respect to questions of choice and abortion here in the United States. This, on the contrary, is a situation in which we are speaking of force.

Mr. Speaker, one of the reasons that I became involved in political work in the first place was that I could not understand as a child, as a young man growing up, how people could do the things that they did that I discovered when I first was exposed to the Holocaust. I could not understand it. I could not comprehend it as a student.

One of the things that propelled me in my academic career was to try to come to grips with what it was in us as human beings that caused us to be indifferent to the suffering of other human beings; in fact, to perpetrate death, terror, destruction, inhumanity, one to another.

In this instance, Mr. Speaker, there is no question in my mind that the forced abortion and sterilization circumstances and actions which the gentlewoman from Florida [Mrs. FOWLER] has outlined and which Amnesty International has chronicled is taking place.

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Mr. Speaker, this took place in Nazi Germany. If I learned anything over that period of time in my academic studies in my attempt to try to come to grips with what human beings are capable of doing to one another, I recognized that it is because we dehumanize other people that it is able to be done.

Mr. Speaker, I believe you have had some experience yourself in warfare and in the destructive capacity that humankind has. We have not overcome it, but, hopefully, we learn something from it. One of the things I think that we learn, I hope that we learn, is that we cannot allow historical reference to simply be abstract, we have to see whether it applies in our own lives and our own time. It does little good.

I can think, and, again, I would hope that I am not speaking for the gentlewoman from Florida [Mrs. FOWLER] on this other than in a way that recognizes and is cognizant of the thrust of her philosophy behind putting this bill forward. It is one thing to recognize a Thomas More, that we must stand for those things which perk our conscience and which require us as human beings to make visible or expression of witness. That is what this is.

I agree with the gentlewoman from Florida [Mrs. FOWLER] that we are not in a position to command enforcement. That would be extraordinarily difficult. That is not an argument against it. That is an argument for us to stand up and do these things precisely because it is difficult.

Bearing witnesses is not always an easy task. But because it involves logistical difficulties is not a reason to stop doing it or to urge that it be done. On the contrary, it seems to me it is even more pertinent and even more important that we stand up now.

So this, I repeat, from my earlier espousal of the Ros-Lehtinen bill on human rights abuses toward prisoners in China and in Tibet, in China and Tibet, that we have to bring the light into the cells and we have to bring the light onto this situation of forced abortion and sterilization, not because we are trying to single out China and take a superior, a patronizing position, an imperialistic position, where we feel that we can condescend toward China in this regard. Quite the contrary. China is a signatory to various international covenants and treaties, including the Universal Declaration of Human Rights that is in the purview of the United Nations.

Everything that we are doing with respect to these bills in general, and most particularly to this bill in particular, is a direct reflection of treaty and covenant obligations that we have as a nation, that China has as a nation, and that we as individuals surely express. It most certainly, I believe, exemplifies what we stand for when we take our oath of office, hold up our hand, Mr. Speaker, as all of us have been privileged to do on the floor of this House, to uphold and defend the Constitution of the United States.

Inherent in that, that which has been given to us, the honor and privilege of serving here, is to reflect upon the philosophical basis of the origin of the Constitution which allows us to be free men and women here today. We are, in a very real sense, I believe, defending those who are unable totally to defend themselves under these circumstances.

So, Mr. Speaker, I request the favorable attention of our colleagues. I hope that perhaps those young people might be in the same circumstances I found myself so many years ago, trying to understand how to be a human being, what it is that differentiates us from the other animals, the other species. I have come to the conclusion, and this bill is a visible manifestation of it, that all animals die, Mr. Speaker. The difference is in the details of their lives. And the details of our lives are such that we are able to reflect, we are able to imagine.

Few animals are able to contemplate the nature of their deaths or the nature of the meaning of their deaths, let alone their lives. But we are capable, this species, homo sapiens, is capable of that and, in fact, is obligated to do that. We have to justify our lives on this Earth in the time given to us. This bill is one of the times we have to justify our lives. And in voting for it, I think we act on that obligation.

Mr. Speaker, I reserve the balance of my time.

Mrs. FOWLER. Mr. Speaker, I want to thank my colleague, the gentleman from Hawaii [Mr. ABERCROMBIE], for his gracious comment. We have worked very closely together on the Committee on National Security, and I am pleased to be working with him on this bill today.

Mr. Speaker, I yield 3 minutes to the gentleman from Oklahoma [Mr. COBURN].

Mr. COBURN. Mr. Speaker, I would like for the Members of this body and the American public to think about for a minute their children. If they have more than one child, if they lived in China today, it would not exist. Because of the oppressive practices of this Government, that if they had a Katie or a Sara, that I do, a second or third child, and unfortunate enough to be born in China, either they would be terminated against their will or strangled at birth. That is what this issue is about, whether or not they have the right to reproduce themselves and have offspring as a basic human choice.

What is happening in China today? If their first child is born and happens to be a female, what happens? Oftentimes that child is strangled at birth. Why? Because a female in China is not as capable of caring for their parents at an advanced age as a male is because of their society.

Regrettably, our country has separated human rights issues from economic issues under what I believe to be a very false pretense that, in fact, we can engage on an economic level and that we will change these horrendous practices. I do not believe that is what is going to change them.

I think even though we cannot significantly effectively enforce what we are trying to do today, we have an obligation to say to the people who live in China they do have the basic right of reproducing themselves, they do have the right to have a second and a third child if they so choose, a God given right, and that no government anywhere in the world has the right to take that right away from them.

It saddens me that we, as a nation, have such a diverse challenge when we look at Cuba and we say they have human rights abuses and we cannot trade with them, but because the economic potential is so much greater in China, that we abandon that principle. We should not abandon these people. We should enforce at every level that our Government interacts with China that they stop this practice.

I would beg and plead with the Members of this body to think of their own children and the fact that, if they lived in China, only one of those children would exist.

Mr. ABERCROMBIE. Mr. Speaker, I yield such time as she may consume to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY. Mr. Speaker, I rise in strong support of this bill. All of us in this House, whether pro-choice or pro-life, joined together in sending a very clear message to the Chinese Government that the United States will not tolerate a policy of forced abortions and sterilizations.

As a mother of three and a grandmother of two, I cannot imagine anything more abhorrent. This policy is anathema to all of us who celebrate the beauty of life. Members in this House who support abortion rights believe very, very strongly that every woman in the world should have the basic right to choose, a woman should have the information they need to make their own decisions.

I would urge my colleagues who are on the floor today supporting the right of Chinese women to control their own bodies to accord the same rights and respect to American women. Let us support reproductive choice in China and in the United States. Forced abortion must be condemned. I urge my colleagues to support this bill.

Mrs. FOWLER. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. PITTS].

Mr. PITTS. Mr. Speaker, I come before the House today to urge Members to support H.R. 2570, the Forced Abortion Condemnation Act. This bill would deny a visa to any Chinese official who carries out forced abortion or sterilization and condemns those in the Chinese Communist Party who oversee and enforce this process.

Women all over China are victimized daily due to their ability and desire to bear children. I would like to share just one story with my colleagues today that I believe demonstrates the need for this bill.

When Steven Mosher, a Ph.D. candidate at the time, attended a family planning meeting at Equality Commune in China, he observed some of these coercive procedures.

Mosher writes, "From Sandhead Brigade there were 18 women, all 5 to 9 months pregnant, many red-eyed from lack of sleep and crying. They sat listlessly on short plank benches arranged in a semicircle about the front of the room where He Kaifeng, a commune cadre and Communist Party member of many years of experience in mass meetings, explained the purpose of the meeting in no uncertain terms." His message to the women was anything but reassuring. He said, slowly and deliberately, "None of you has any choice in this matter. The two of you who are 8 or 9 months pregnant will have a Caesarean. The rest of you will have a shot which will cause you to abort." In order to be allowed to return home to their families, the women had to agree to abort their babies no matter how far along their pregnancies were.

Mr. Speaker, this is not family planning. Forced abortions are outright human rights abuses. I do not believe that this is a pro-life or pro-choice issue. This is a human issue. It is an issue of blatant governmental abuse. The United States must not in any way be a part of it.

We, as Members of Congress, must agree that China's so-called population control techniques are inhumane. We have a moral obligation to play absolutely no part in assisting such abominable abuse of women and their families.

My colleagues, listen to the cries of these women in China. Acknowledge their grief. Vote "yes" on H.R. 2570.

Mr. ABERCROMBIE. Mr. Speaker, we have no other Members wishing to speak at this time, and therefore I will yield back the remainder of the time allotted to us.

Mr. SMITH of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. ABERCROMBIE. I yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Speaker, we have more speakers than we have time remaining. If the gentleman from Hawaii [Mr. ABERCROMBIE] would be gracious enough to yield time.

Mr. ABERCROMBIE. Mr. Speaker, I will yield to the gentlewoman from Florida [Mrs. FOWLER] such time as may still be reserved for this side.

Mrs. FOWLER. Mr. Speaker, I yield 3 minutes to the gentleman from Alabama [Mr. BACHUS].

Mr. BACHUS. Mr. Speaker, I thank the gentlewoman from Florida [Mrs. FOWLER] for yielding me the time.

Mr. Speaker, I rise today in support of this concerted effort to, hopefully, force China to change its present practice of religious persecution, suppression of individual freedoms and liberties, systematic genocide of children, and intimidation of Taiwan.

Despite its many claims of reforms aimed at improving its business climate, China is still a Communist regime. China imprisons citizens who hold prayer meetings in their homes. That is repression. China requires registration of all religious groups and imprisons those who refuse to register. That is repression. China refuses to recognize the Catholic Church's appointment of a bishop, in fear that he will advocate service to the Pope or to the state. And that is repression.

We all are, sadly, aware of the population control efforts which force abortion of Chinese children, especially girls.

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We are also all sadly aware of the crackdowns on dissidents who dare speak out for democracy and fairness. And we are all disturbed by China's constant threats to the security of the people of Taiwan, such as the missile firings and military exercises. Too often those who rattle sabers become tempted to use them.

In my view, trade is an important component in encouraging China to move towards democracy. Once the forces of free market and free enterprise start their dynamic reaction, heavy-handed regimes can no longer contain their by-product, a real desire for more and more freedom. China's leaders can try to build a free market without free people, but they will not succeed. A free market requires, demands and therefore leads to a free people.

The United States granted normal trade relations to China for one primary purpose, to foster change. China's President thinks that there are no strings attached to the generous treatment our country has afforded China. But today we in Congress need to send a message to Jiang Zemin, stop the religious persecution, stop killing babies, stop arresting and killing peaceful dissidents and stop the threats aimed at Taiwan.

This legislative package sends that message. It offers an important set of tools for fostering human rights improvement and freedom for the people of China.

In conclusion, I urge my colleagues to support the China package in its entirety.

Mrs. FOWLER. Mr. Speaker, I yield 3 minutes to the gentleman from Nebraska [Mr. CHRISTENSEN].

Mr. CHRISTENSEN. Mr. Speaker, I rise today in strong support of H.R.

2570, the Forced Abortion Condemnation Act. As we heard earlier, this legislation would deny visas to Chinese officials who carry out forced abortion and sterilization practices. H.R. 2570 would accomplish that by condemning those Chinese officials who oversee and enforce abortion or sterilization practices on their citizens.

When I was in Hong Kong about a year ago, I had a good visit with an individual whose father is high up in the Chinese Government. We talked about this problem. With 1.2 billion people in China, he said, "Jon, we have abortion out of necessity. I don't agree with it, but you point the finger at China and here in America you have abortion out of convenience and you murder 1.5 million children every year."

I could not respond to that. He was right. So as we are condemning China and what is going on over there with the forced abortions, abortion is abortion. Whether it is forced abortion, it is the unborn child that we are talking about here.

I welcome those that have voted against the pro-life movement in the past to this debate today. I think it is wonderful that we are all coming together to support this type of cause. But I encourage us to look at the end result, the unborn child. There is no issue that is more gruesome than abortion, the fact that we are losing unborn children.

If the Chinese Government can continue to take a look at this issue, to work with us, to take a look at what we are trying to do here in America, to move us closer, I believe we can begin to work to save children all around the world. There is no doubt about it that this is a human rights issue. It is a human rights issue that must be stopped, it must be stopped now. I believe that H.R. 2570 is a step in the right direction. It sends a clear message to the Chinese Government, it sends a clear message to the Chinese people that America believes in life, that Americans all around the world who are fighting for this cause for freedom, freedom for those that do not have a right to speak, for those that are yet to be born, that it is a fight worth fighting for.

We welcome all those people today and we hope for a unanimous decision here. I hope that everybody will join this cause for freedom for the unborn around the world.

Mrs. FOWLER. Mr. Speaker, I yield 8 minutes to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Speaker, I thank the gentlewoman for yielding me this time and I thank her for her leadership on this issue.

Let me just begin by saying that forced abortion was rightly construed by the Nuremberg War Crimes Tribunal to be a crime against humanity. This House of Representatives throughout the 1980's and 1990's has repeatedly gone on the record with recorded votes to again reassert that what is going on in the People's Republic of China is eerily reminiscent of what went on during the Nazi era where forced abortion was employed with devastating consequences against particularly Polish women that the Third Reich had deemed to be expendable.

It is an exploitation of women. It steals their children. It is a State-sponsored rape, and the baby dies a very cruel and merciless death either by chemical poisoning or by dismemberment. We know for a fact, and there has been much documentation on this, that many of these babies are killed very late in pregnancy. The mothers desperately want to have these children. They often try to evade the population cadres, the family planning cadres who scour the countryside looking for these women and then if they find that they are with child, they then hound them, they browbeat them, they use peer pressure and a host of other techniques of psychological persuasion, and if that does not work, then they make an example of them and truss them and get them to these abortion mills.

Just a few weeks ago, the Chinese government rolled out another hideous manifestation of this forced abortion policy. They announced about 600, according to a wire service copy, 600 new mobile abortion clinics. We put mammography and other health screening on wheels and we save lives, we mitigate the pain of breast cancer and things of that kind through those kinds of detection devices. What do the Chinese do? They are putting abortion clinics on wheels, and 600 of these will join this other army of abortionists that scour the country of China to kill the babies.

I led 3 human rights trips to the People's Republic of China. I have met with Peng Peiyun, who runs the population program and she totally denies that coercion is part of their program. I have met with Li Peng, the premier of China, totally denies that there is any kind of coercion, forced abortion or forced sterilization. When the President of China, Jiang Zemin, was in town, I raised the question at the breakfast which was attended by Members of the House and the Senate about forced abortion, and again he denied it.

Let me also remind Members, because we had some people who do not usually take the pro-life point of view today speaking, we welcome their input, that the United Nations Population Fund has whitewashed these crimes against humanity since the one child per couple policy was conceived back in 1979. They have given awards. The U.N. gave an award in the early 1980s for excellence in population matters, at a time when a high tide, at a time when forced abortions and sterilizations were actually on the rise. If that does not stand with the oppressor and the exploiter of women and children, I do not know what does.

And the UNFPA, the U.N. Population Fund continues to whitewash and to defend the policy. Dr. Sadik, the Executive Director of the UNFPA, and I have met with her a number of times. She has said this to me personally, she has also said it on Night Watch, a CBS news program and other programs that are in the public domain, that the Chinese program is purely voluntary. I say to my colleagues, nothing could be further from the truth. The U.N. Population Fund stands, I believe, accused by their own words and by their complicity in this program as being complicit in the maiming and the killing of women and children in the People's Republic of China.

Civilizations, Mr. Speaker, have long been judged by how they treat women and children, old people and strangers. Vulnerable people bring out the kindness in every society. But they also bring out the cruelty. Every so often they become the object of practices that are so heinous that all of us recoil in horror. In China today, forced abortion and forced sterilization fits that.

Let me just remind Members as well that a couple of years ago the Chinese announced another manifestation of this hideous program. In 1994, they targeted the handicapped. Again in a move that was totally reminiscent of the Third Reich, they said that the Down's syndrome kids, the kids that somehow do not measure up, would be targeted for elimination as part of their eugenics policy. We need to condemn that as well. Handicapped kids are valuable. We should love them and embrace them and protect them. No government has a right to forcibly abort and kill these children because they are found to be afflicted with some anomaly like Down's syndrome or any other kind of anomaly. I chair the Subcommittee on International Operations and Human Rights. I have had 4 hearings on forced abortions. Let us not forget that the Clinton administration, until it finally signed the immigration bill that reversed his policy, would not even provide asylum for women who are fleeing coerced abortion and forced sterilization in China. We brought in after, and we had to subpoena these witnesses, some of the women who had suffered this cruelty of 6-month late-term abortions, forced abortions, and I will put the entire testimony of those brave women into this record. But one of the women talked about how she had found a baby girl who had been abandoned crying. And like the good Samaritan, and maybe she never even heard of that story, I think most of my colleagues have, she picked up this little girl. And what happened to her? The family planning cadre said that counts against your number. And then they visited her, and after 10 times trying to tell her and persuade her to be sterilized, they finally forced her to be sterilized.

Another woman in the hearing, and many of my colleagues were at that hearing, my wife was at that hearing, I had a tear in my eye. She broke down and could not even continue her testimony. When she talked about how late in her pregnancy, she was worn down to the point where she could resist it no more and they took her, she was broken and beaten and finally her baby was forcibly aborted as well. I urge Members, because time does not permit a full reading of this testimony, but these people have come forward. They were even being held here, I would say parenthetically because they did not get asylum until Congress passed the law that the gentleman from Illinois [Mr. HYDE] offered as an amendment to that important bill.

Finally, just let me say to my colleagues, we need to go on record, this hopefully will be a unanimous or a near unanimous vote in favor of this legislation, but I hope that it continues when we start talking about those organizations like Planned Parenthood Federation, IPPF based in London, the United Nations Population Fund. When I hear such strong words from my colleagues on the other side of the issue as we heard today, let us not forget that these organizations front, are complicit with and become very much part of the fabric of the implementation of this coercive population control program. Let us not in any way accept the bogus denials that the Jiang Zemins and the Li Pengs and Peng Peiyuns and all the others and the Dr. Sadik, who runs the UNFPA, and others offer to try to get us to take a look and say, "Oh, maybe it's not as bad as we thought." We need to stand up strongly. This legislation advances the ball.

Again we will be revisiting this over and over again. When this chapter is finally written someday, those who are complicit will have shame and sorrow over their face. Let us stand with the oppressed and not the oppressor.

Mr. Speaker, the material referred to in my remarks is as follows:

I would like to introduce Weng Kang Di, who will begin. And he and Chen Yun Fei are husband and wife. And I just would note parenthetically have been separated for 2 years. They are husband and wife, and this hearing provides an opportunity for the first time, in a long time, for them to see one another.

If you could proceed.

[Interpreter speaking in Chinese.]

Mr. SMITH. Please pull the microphone very close so we can hear the Translator as well as the witness.

[Interpreter speaking in Chinese.]

Mr. SMITH. If Weng would want to proceed with his testimony.

STATEMENT OF WENG KANG DI, ASYLUM SEEKER

Mr. WENG KANG DI. My name is Weng Kang Di. And Chen Yun Fei is my wife.

My wife will tell you what happened to us.

STATEMENT OF CHEN YUN FEI, ASYLUM SEEKER

Ms. CHEN YUN FEI. I am a woman from the countryside, so I do not know how to say those very polite languages. I would like you to forgive me for that.

I come to the United States because of the Chinese family planning program.

The reason I came to the United States is because the Chinese Government does not allow us to have more than one child.

Because I have more than one child, that is why they try to suppress me, oppress me; and that is why I escaped to the United States.

Shall I say something more specifically?

Mr. SMITH. If you could give the details about your situation, the treatment by the family planning cadres, for example, why did you feel so threatened, whether or not you were mistreated.

Ms. CHEN YUN FEI. The Chinese Government only allows us to have only one child, and I have three children. And that is why they want us, people who have more than one child, to have sterilization and also fine a certain amount of money.

If a person got pregnant, then they want you to bear the child before it is mature. If you are pregnant, they will force you to have abortion. So I am a woman from the countryside. I do not want to have sterilization.

I would like to tell you my story.

I have come to the United States. I consider the U.S. Government is a democratic government. And I believe that you will rescue us.

Now I am going to tell you my story.

In 1982, the second child of my husband and mine were born. And then the local government from the people's commune, from the sterilization group, they come to our home and noticed us, sent us notice to have me sterilized.

Because it is so imminent, I told them, yes, OK, I will go and have sterilization. And this is a way that I pushed them away at first.

I took the opportunity after they left, I escaped to other places.

I can only escape by telling them I agree that I will have sterilization. That is the only way I can get them away.

At that time, the sterilization campaign was just at the beginning, so they were not pursuing very tightly.

In 1986, the first part of 1986, when the sterilization program, the family program, was at its height and it is very unfortunate that I got pregnant again. It was like a two to 3 months pregnancy I was. And at that time, the cadres of the local government were trying to catch women every place. So you could hear the sound of crying, you know, everywhere. And they used the tractors to put on this big loudspeaker to tell people that those people who are pregnant, you have to go to have it born immature. And then if you are pregnant, you have to have abortion—early stage of abortion. And also, after you have abortion, you are going to have sterilization and be fined a certain amount of money.

I did not want to have sterilization, so I was very, very afraid. And also I was thinking even if I had sterilization, I have to be fined and I do not have money. I am a country woman. So I stealthily went to a place to find a medical student who learned to be a doctor to help me to have the abortion. This person is in private practice.

And this person, this medical student, he was very afraid. He did not dare to help me, because he said if the government found out he would be in trouble. It was a great risk. But I begged this person again and again. So finally he helped me to have this abortion.

Because he is a medical student, he did not have the full grasp of the technique to do this abortion, so after the abortion I got this very serious infection because we had done that in a hurry. From then on, I was in poor health.

Now after the abortion, I went home. But on my way home, I saw a baby girl which was only born like seven or 8 days, lying on the road, crying very hard, and it is very weak, this little girl. And a lot of people were watching, so I asked people around to help this child who can take this child home, otherwise, this child is going to die because she has nothing to eat. But those people around said, you are talking nonsense. You know this is the time that the campaign is at its height; who dare to have this child home? So if you want to rescue this child, you are the person who will bring this child home. So I was very angry because I thought, you know, you people did not want to help, this child is going to die. So I said, if nobody wants to help this child, I am going to help the child. If you are afraid of the government, I am not afraid of the government. So finally, I took the child home.

People were talking that this child belonged to a family, the last name of the family was Sun. Because in China if you do not have a son, then people will look down upon you if there is no way for you to have a voice. So that is why the family abandoned this child on the roadside. And I remember what people, the last name is Sun. So I gave her a name called Sun Sisi, still using her own last name. So I adopted her.

So after I returned home, later the government, the cadres of the local government, found out. And then they came to my home saying that, you know what you did and you already have two boys and you picked up another girl and so you have to have the sterilization.

So I did not want to have sterilization, and I begged them to let me have the child. And I said, what you said is really ridiculous because this child was not my own. I just picked her up from the roadside. But they said, since you picked up the child, it should be accountable among your family planning program. It belongs to you so you have to have sterilization since you have three children.

So I told them that the reason that women, after they have their child born, to abandon the child at the roadside was all due to the government policy. If I did not rescue the child, the child was going to die. And when they heard what I said, they were very angry.

So I did not want to have the sterilization, I told them, if you really want to have sterilization, then you go and ask this mother of the child to have sterilization, that is the Sun family, this girl's mother. But they said, since you picked up, you have to go to have sterilization. So we argued back and forth for a long time. And they came to my home insistent that I should have this sterilization. They came many, many times.

So they came to my home more than 10 times, and they said this woman who dares to counter the government; so they forced me to sterilization. I begged them that, since I had already had one abortion, I am in poor health. So they insisted that I am now going to have the sterilization. And then the cadres got very angry. They said this woman is very, very tough, very difficult to deal with; so let us have her husband to have the sterilization.

And when my husband heard that they wanted him to be sterilized, so he jumped out of the window and escaped. And so I begged them, saying that, please do not have my husband sterilized because the whole family relied on him to till the land. Because in China we use all manual labor. You have to carry water bucket by bucket. So everything—he is the mainstay of the labor in the field. So I was very, very frightened and while at the same time I was very angry. So I fainted, and the whole family was crying and I did not know what happened because I fainted.

That was in 1986. Now conditions are turning better. People are using tractors. At that time everything was manual labor. So after I came to, the whole family was crying and the cadres were gone and my husband was back. Then I said I would not let my husband be sterilized because I have to rely on him to till the land. Then I decided that we have to go because they will not let us off the hook. Either I will be sterilized or my husband will be sterilized. So we escaped to a place which is closed to where Mao Zedong had his headquarters. It is a very, very tough place, a lot of mountains and wild places, not much to eat.

That was a very baron place. I started to work mending other people's old shoes. It is a very, very deplorable place. The living condition is very, very little. People slept on this bed made of mud. And at the end of the bed, there was a stove. You put firewood in. Then the heat would go through under the bed. That is the heat you have to have in the winter. That is called a kang. And people all live in the cave. So I started up—because the people were very poor, they have to have their old shoes mended again and again. And I started to do this to make some money.

I would not dare to go back home, and I stayed at that place for 7 years. That place has a very, very hurricane kind of a big storm, windy and a lot of snow in winter. People eat, mainly, maize and sorghum.

I was very eager to back to visit to see my children and my family, but I was afraid if I went back home I would be caught again. So I stayed there for 7 years. But when I first went there, this place was deplorable; there was no family planning program going on. But after 7 years, they started having the family planning campaign. They came to the cave where we stayed to check so-called identification. Everyone has an identification. They checked the identification to see whether there is anything wrong.

I returned home in February 1993. And then shortly after that, the government got to know that I was back and so they came to my home saying, that, OK, now you are back; we have been looking for you for several years; we could not find you. And then I begged them not to—I told them that I am not going to have more children, so please do not ask me to have sterilization. They said, no, you are among the list; you are still in the list; you have to have the sterilization. And then they said, this woman is very stubborn.

So even if you have sterilization, we are going to fine more the money that we are going to fine you. So I was very, very angry. I told them that the money you fine you should not use that money. If you use that money—because they divide the money among themselves—if you use the money to eat or something, then you will die. Then they started to bind me, you know, to force me to the sterilization place. And I told them that I did not do anything wrong. I was not a robber. I did not steal anything. They only thing I had done is to have more children than one child.

So I was very afraid because my husband, when we just returned, when people saw these cadres were coming, they shouted, they are coming again, they are coming again. So my husband left again. He escaped. I told him that, you escape; I will deal with them by myself. So he escaped.

I told the cadres that, do not, you know, bind me together using a rope or something. I will go and have sterilization by myself. So under such circumstances, I was forced to have sterilization done.

After the sterilization, five or 6 days later, I went home; but I was not—I did not agree with their policy. And they are going to—because I knew they, said, they are going to fine me more money than usual. So I though that, I do not have the money. And then my family told me that my husband escaped because the relatives and friends thought it is very pathetic and they helped him to escape to a foreign country. And I thought to myself, what am I going to do by myself; I do not have the physical strength to till the land by myself and they are going to fine a lot of money. And I had three children. I did not have enough money.

So I escaped, too.

So I am here.

Mr. SMITH. I thank you very much for that testimony, and there will be some questions by members of the panel. But I would like to ask the other witnesses if they could testify before we go to that.

Hu Shuye, if you would not mind speaking next.

STATEMENT OF HU SHUYE, ASYLUM SEEKER

Ms. HU SHUYE. I do not speak very well Mandarin, so please forgive me.

I left China because of the family planning program.

I was pregnant 6 months and was forced to have an abortion.

In November I was told to have sterilization because I have two children and one abortion already. And I did not want to have this sterilization, and I left home for a month. And after I came home they forced me to have sterilized.

I had no way out. They forced me. They dragged me to have this surgery done.

Mr. HYDE. Mr. Chairman, can counsel tell the story?

Mr. SMITH. Craig, would that be possible?

Mr. HYDE. Do you know her story?

Mr. WILSON. Mr. Chairman, unfortunately this lady's counsel is not present. We could for any of the others.

Mrs. SMITH. Mr. Chairman?

Mr. SMITH. Yes.

Mrs. SMITH. Could we let someone else testify and let her gain her composure, please.

Mr. SMITH. Yes, that is a very good idea.

I would like to ask Li Bao Yu if she could make her statement at this point.

STATEMENT OF LI BAO YU, ASYLUM SEEKER

Ms. LI BAO YU. I am a Chinese citizen, and my name is Li Bao Yu. I had a daughter born in 1990. Because I was afraid of the family planning program, I did not register her birth. Later the government found out, and they asked me to have an IUD put into my body; but I begged them not to do that. But they just approved. They insisted on having an IUD in.

So they forced me to put in this IUD. And after that, my health deteriorated. My doctor said, you have to take this IUD out before your health can return to normal. So my husband and I went to this family planning office to ask them to let me have this IUD taken out, but they did not. I promised them that I am not going to have more children.

They did not approve our request, and my husband was very angry; so he started to quarrel with the cadres. The cadres threatened him: "If you are going to continue to disobey us and quarrel with us, then we are going to sterilize you." So I persuaded my husband to go home. And then after that, my mother found a private doctor and had my IUD taken out. After that, my health began to improve.

In my native place, they have inspections of the family planning program every season; and I would not dare to have inspection because they will find out that I had this IUD taken out by myself. But they kept on sending me notice telling me to have this inspection. I always gave them excuse, I am not home; but they came to my home many times. They could not find me, so they were very angry. In January I became pregnant again. After 3 months, they still could not find me. One day they came and I happened to be home, so they wanted me to go have an exam.

My husband at that time was not home because he was * * * I said: "Let me wait until he comes home. Then I will * * * this exam." They disapproved. They did not agree. So * * * dragged me to the place to have the exam. After the exam * * * course, they go to know that I was pregnant and had * * * taken out. They wanted me to have an abortion. I begged them. They did not agree. They threatened me saying that, if you do not have this abortion, then your first child, your daughter, will forever not allow to have her identification registered. Because in China if you register a born baby, you have certain kind of coupons, whatever. They threatened me that if I do not agree to have this abortion, then my first child will forever have no chance of being a registered, normal citizen.

Mr. SMITH. If I could interrupt, does that mean denial of education or health care or job opportunities? What does that mean?

Ms. LI BAO YU. Yes.

So I was forced to have this abortion. And after that, my health was very poor. Because that was a hospital in the countryside, the hygienic conditions is not very good. I had a very negative impact on my health. I was bleeding profusely. And they wanted me to have sterilization following the abortion. But the doctor said since I was bleeding so much, it is not possible to have sterilization immediately.

I was not in a condition to return home, so I stayed in the hospital; and my husband came to visit me in the hospital. He was very angry and argued with the cadres. And the doctor had nothing—there is nothing that the doctor can do for my poor health. So the cadres from the family planning office, they kept on arguing with my husband. They have the power in their hands, so we are not in a position to fight with them. After I went home, they again said that, when your health improved a little, you still have to have the sterilization done.

Because I am a housewife in the countryside, I have to do everything at home. My husband was a worker at the time. But since my health was poor, I could not do so much. I felt burdened. Sometimes I went to my sister's place to see a doctor. And sometimes my husband stayed alone at home. And the family planning program office kept on telling me that when you have your health improved, you have to have the sterilization. Later my husband escaped to his relative's home and I escaped to my sister's home.

So none of us would dare to go home. Later, because of my husband's work—the need for his work, so he has to return home. Then the family planning office informed him to asked him to inform me to go and have the sterilization. They insisted on that. And my husband told them that, my wife was still sick. So they argued again. And then they said: "If you argue with us, then you go and have the sterilization." And they then started to struggle with each other, and he escaped later.

My husband thought at that time that under such circumstances it is not going to maintain peace any more. They will, anyway, come to force us to have sterilization. So through somebody's recommendation, my husband escaped to the United States.

After my husband left China, I was at home by myself. My health was still not very good—no, she was not at home at first. She would not dare to go home. But her health was not good.

In 1992, during the Chinese New Year, she wanted to go home to spend the New Year together with her family; so she returned. After a few days, she did not know how they found out. The family program cadres came to my home again and forced—pressuring me to have sterilization. At that time, I escaped through the back door.

I thought, since my husband was not home, they would not pursue me any more; but it was not the case. They kept on pressuring me. I would not dare go home. That means, even if I had had a home, I cannot go home. Under such circumstances, my mother and other relatives, they helped me to find a way to escape to the United States.

Mr. SMITH. The bells that you heard, just by way of explanation, means that there are votes again occurring on the House floor. We will take a very short break and then resume some of the questioning as Members do return.

Again, just let me say before we break for recess—and perhaps you could translate this for them—hearing you tell your stories—and I think I speak for everybody on this panel and I speak for Members of the Congress, both parties, Democrats and Republicans—you really represent the voices and the tears of the women of China. The crimes that have been committed against you and against the women of China are no less serious than the crimes that were committed by the Nazis.

It is even more appalling when we realize that the Clinton administration wants to send you back to your oppressors. And when we realize that groups like the U.N. Population Fund stand by and cheer as China achieves these targets in population control when every one of those numbers represents a person who has been injured, made sick, exploited, and hurt by their government.

The subcommittee is in recess for 10 minutes.

[Recess.]

Mr. SMITH. The subcommittee will resume its hearing. Again, I want to thank our witnesses for their very, very eloquent statements and for their willingness to tell us in such detail the difficulties that they have encountered and the exploitation that they have experienced.

It is my understanding that Hu Shuye, you might be willing to and able to, perhaps, proceed with some of your testimony. If you could tell us, and be as brief as you would like, some of the particulars about the government's coercive abortion that they inflicted upon you at 6 months.

The INTERPRETER. She said she does not know how to speak, so if you could ask questions, she will be able to answer.

Mr. SMITH. When the government found you were pregnant, what kind of means did they use to force you to undergo the abortion?

The INTERPRETER. Let me explain for us, because Ms. Hu said her Mandarin is not good enough to express herself.

Mr. SMITH. Right. I remember that from earlier.

The INTERPRETER. So she is using her own dialect. And Ms. Chen is translating her dialect to me, and I will translate to you.

Mr. SMITH. All right. Thank you.

Ms. HU SHUYE. They said—there were between 30 to 40 that came to my home. And they said, since you have three children, you have to have an abortion since you are now, again, pregnant. So they dragged me to have an abortion.

Mr. SMITH. Did they literally drag her?

Ms. HU SHUYE. There was a car, and these 30 to 40 people dragged me onto the car and then drove away.

Mr. SMITH. Prior to that, were there attempts to persuade her to abort the child?

Ms. HU SHUYE. They did ask me to have this abortion. Then since I was not willing to, they moved all my furniture, whatever I had at home, to the government office.

I was forced to have an abortion in June when I was 6 months pregnant. And then in November, they came again to force me to have sterilization.

I escaped in November. And in December, my mother-in-law got cancer and passed away on December 17th. So I went home to attend the funeral. And then on the 20th, the family program office got to know that I was home; so they came and dragged me away to have an abortion.

I was forced to have an abortion when I was 6 months pregnant. And then after that, they wanted me to have sterilization. So I escaped in November. And then in December I went back for the funeral. And then I was forced to have sterilization. And then after a few years, in 1989, the family program office told me that, you have too many children, you should be fined a certain amount of money.

Mr. SMITH. So she was fined for the children that she had is what you are saying.

You know, I would like to yield to Mr. Hyde. He has a comment.

Mr. HYDE. Thank you, Mr. Chairman.

I wonder if I might ask both counsel to answer these questions:

We have heard heart breaking stories of oppression and torture and a denial of one of the primary human rights, civil rights, namely, the right to have children. And I am appalled at what I have heard.

But I am equally appalled at my own country at what state these women find themselves in the "Land of the Free," and the "Home of the Brave," "Give me your Tired, your poor, Your huddled masses yearning to breathe free."

I understand they are under arrest, they are under manacles. Now, I well know that for years Soviet Jewish people, who could get an exit visa, all came here as refugees because by definition they were persecuted, being Jewish people, in the Soviet Union. And they came here by the thousands. And many of them did not have family here, and it was not a question of reunification but under asylum. Because they were persecuted, they were permitted to come in here.

Mrs. FOWLER. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New York [Mr. GILMAN], chairman of the Committee on International Relations.

Mr. GILMAN. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, I am pleased to rise in strong support of H.R. 2570. I want to commend the bill's authors, the gentlewoman from Florida [Mrs. FOWLER], the gentleman from California [Mr. COX] and the gentleman from Illinois [Mr. HYDE], the distinguished chairman of the Committee on the Judiciary, for bringing forward this important measure.

Mr. Speaker, we have no illusions about the Chinese regime and its poor record on human rights. Among the many human rights violations committed by the Chinese Government, one of the most despicable aspects of Chinese policy is its one-child mandate and its provincial eugenics policy. Under these policies, mothers are forced to abort their second or third children and to allow the deaths of children suffering from mental and other health problems. Government edicts are enforced against the fathers, mothers and especially children of China with countless victims in its wake. We must send a clear signal that we will have nothing to do with this "Brave New World." If America is to stand for anything, it stands for the sanctity of the family and its most basic rights.

While the central Chinese Government denies all of these charges, in their command and control society the understandable goal of limiting the growth of China's 1.3 billion person population is perverted into commands by local governments and Communist Party cadres to force abortions and the deaths of innocent infants, especially girls, to enforce quotas and other measures to restrict population growth.

I note reports from Hebei Province officials who told workers that it was "better to have more graves than one more child." We cannot sit idly by while this happens. This is a policy worthy of the dictatorships of the Soviet Union or wartime Germany, not a nation claiming to offer leadership in the 21st century.

□ 1815

I note that the Nuremberg War Crimes Tribunal listed such actions as crimes against humanity. China, our ally in World War II, is now the No. 1 violator of that sanction.

Mr. Speaker, I am a strong supporter of voluntary family planning, but I must say that there is nothing voluntary about China's program. It is sad to note that in almost all of the other countries where mothers and fathers have a choice, parents make their own decision to have smaller families. The Chinese people are no different. If Chinese parents actually had a choice, they would space their children farther apart and, in the end, probably would reduce the size of their families.

Regrettably the Chinese Government does not trust its people. The government has inserted itself in the most basic of human decisions of parents to have a child or to care for an impaired son or daughter.

Mr. Speaker, I heard countless reports from people who have suffered under the Chinese Government. They came from all parts of China speaking Mandarin, Cantonese, and even Tibetans who have suffered under the one-child eugenics policy.

I commend my colleague from New Jersey, Mr. SMITH, and my colleague from California, Ms. PELOSI, who joined with us in condemning these abuses of the most basic human rights.

In sum, I strongly support this bill in its denial of U.S. visas to the perpetrators of these crimes. Such people have no business in the land of the free and the home of the brave, and I thank the gentlewoman for bringing this measure to the floor, the gentlewoman from Florida [Mrs. FOWLER].

Mrs. FOWLER. Mr. Speaker, I yield myself such time as I may consume.

That is the end of our speakers, Mr. Speaker, and I would just like to comment that we have heard from Members from a wide spectrum of philosophies here today all united in support of this bill, so I would urge my colleagues to cast their vote in favor of this bill.

Mr. CALVERT. Mr. Speaker, I rise today in strong support for H.R. 2570, the Forced Abortion Condemnation Act. One of the most contentious ongoing debates before Congress is whether or not a woman has a right to choose abortion over life. But this debate is not about the right to choose. This is about forcing a woman to undergo a dangerous procedure without her consent. Regardless of whether you believe in the right to life or the right to choose, we can all agree that this practice is inhuman and barbaric. And one that we, as Americans, cannot and should not condone.

H.R. 2570 denies visas to Chinese officials who carry out forced abortion or sterilization procedures and condemns those in the Chinese Communist Party and other Chinese nationals who oversee and enforce this process. Forced abortion was officially deemed a crime against humanity by the Nuremberg War Crimes Tribunal after World War II. What the Nazis did back then is no different then what is happening today in China. China's population control methods of forced abortions and sterilizations are not the way to control overpopulation in that country. The practice holds grave implications for religious liberty and basic human rights.

I ask my colleagues to join me in supporting H.R. 2570.

Mr. FOWLER. Mr. Speaker, I yield back the remainder of my time.

The SPEAKER pro tempore (Mr. GIBBONS). All time has expired.

Pursuant to House Resolution 302, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mrs. FOWLER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 415, nays 1, not voting 17, as follows:

[Roll No. 598]

YEAS—415

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Flake
Foglietta
Foley
Forbes
Ford
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E.B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Largent
Latham
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NAYS—1

Brown (CA)

NOT VOTING—17

Bateman
Carson
Clay
Cubin
Furse
Gonzalez
Lantos
LaTourette
McKinney
Neal
Pickett
Riley
Ros-Lehtinen
Schiff
Tauscher
Waxman
Yates

☐ 1840

Mr. FLAKE changed his vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. BATEMAN. Mr. Speaker, on rollcall No. 598, I was late returning to the floor and was not recorded. Had I been present, I would have voted "aye."

MOTION TO RECONSIDER THE VOTE OFFERED BY MS. LOFGREN

Ms. LOFGREN. Mr. Speaker, I move to reconsider the vote.

MOTION TO TABLE OFFERED BY MRS. FOWLER

Mrs. FOWLER. Mr. Speaker, I move to lay on the table the motion to reconsider.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Florida [Mrs. FOWLER] to lay on the table the motion to reconsider.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Ms. LOFGREN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 245, noes 171, not voting 17, as follows:

[Roll No. 599]

AYES—245

Aderholt
Archer
Armey
Bachus
Baesler
Baker
Ballenger
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boyd
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Cramer
Crane
Crapo
Cunningham
Davis (FL)
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
John
Johnson, Sam
Jones
Kasich
Kelly
Kim
Kind (WI)
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Luther
Manzullo
McCarthy (NY)
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Minge
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Rivers
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Souder
Spence
Stark
Stearns
Stump
Sununu
Talent
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOES—171

Abercrombie
Ackerman
Allen
Andrews
Baldacci
Barcia
Becerra
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Cummings
Danner
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Flake
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kleczka
Klink
Kucinich
LaFalce
Lampson
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McDermott
McGovern
McHale
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Rodriguez
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stenholm
Stokes
Strickland
Stupak
Tanner
Thompson
Thurman
Tierney
Torres
Towns
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn

NOT VOTING—17

Bereuter
Carson
Clay
Cubin
Foglietta
Gonzalez
Harman
Jenkins
Johnson (CT)
Lantos
McKinney
Neal
Reyes
Riley
Schiff
Solomon
Yates

□ 1858

Mr. ROEMER changed his vote from "no" to "aye."

So the motion to table the motion to reconsider was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. JENKINS. Mr. Speaker, on rollcall No. 599, I was inadvertently detained. Had I been present, I would have voted "yes."

MOTION TO ADJOURN

Mr. DOGGETT. Mr. Speaker, I have a privileged motion at the desk.

The SPEAKER pro tempore (Mr. GIBBONS). The Clerk will report the motion.

The Clerk read as follows:

Mr. DOGGETT moves that the House do now adjourn.

The SPEAKER pro tempore. The question is on the motion to adjourn offered by the gentleman from Texas [Mr. DOGGETT].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. DOGGETT. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 66, nays 350, not voting 17, as follows:

[Roll No. 600]

YEAS—66

Andrews
Barrett (WI)
Becerra
Bonior
Brown (CA)
Brown (FL)
Brown (OH)
Clement
Clyburn
Conyers
Coyne
Davis (FL)
DeFazio
DeLauro
Deutsch
Dingell
Doggett
Eshoo
Evans
Farr
Filner
Flake
Frank (MA)
Gejdenson
Gephardt
Harman
Hastings (FL)
Hefner
Hinchey
Jefferson
LaFalce
Lantos
Lewis (GA)
Lofgren
Markey
McDermott
McNulty
Meek
Menendez
Miller (CA)
Mink
Oberstar
Olver
Pallone
Payne
Pelosi
Peterson (MN)
Pickett
Rangel
Rodriguez
Sabo
Sanchez
Scott
Skelton
Stark
Strickland
Stupak
Thurman
Torres
Towns
Velázquez
Vento
Waters
Waxman
Wise
Woolsey

NAYS—350

Abercrombie
Ackerman
Aderholt
Allen
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Boucher
Boyd
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLay
Dellums
Diaz-Balart
Dickey
Dicks
Dixon
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English

Ensign
Etheridge
Everett
Ewing
Fattah
Fawell
Fazio
Foley
Forbes
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
Meehan
Metcalf
Mica
Millender-McDonald
Miller (FL)
Minge
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Obey
Ortiz
Oxley
Packard
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Riggs
Rivers
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Salmon
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Sisisky
Skaggs
Skeen
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Stump
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Tiahrt
Tierney
Traficant
Turner
Upton
Visclosky
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wolf
Wynn
Young (AK)
Young (FL)

NOT VOTING—17

Ballenger
Carson
Clayton
Cubin
Foglietta
Gonzalez
Gutierrez
Kennedy (MA)
McKinney
Neal
Owens
Reyes
Riley
Schiff
Shuster
Stokes
Yates

□ 1921

Mr. McNULTY changed his vote from "nay" to "yea."

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

UNITED STATES-TAIWAN ANTI-BALLISTIC MISSILE DEFENSE COOPERATION ACT

Mr. GILMAN. Mr. Speaker, pursuant to House Resolution 302, I call up the bill (H.R. 2386) to implement the provisions of the Taiwan Relations Act concerning the stability and security of Taiwan and United States cooperation with Taiwan on the development and acquisition of defensive military articles, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. GIBBONS). The bill is considered read for amendment.

The text of H.R. 2386 is as follows:

H.R. 2386

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States-Taiwan Anti-Ballistic Missile Defense Cooperation Act".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) The stability and security of Taiwan and the balance of power in the Taiwan Strait are key elements for the continued peace and stability of the greater Asia-Pacific region, and the indefinite continuation of such stability and security and balance of power is in the vital national security interest of the United States.

(2) The People's Republic of China is currently engaged in a comprehensive military modernization campaign that is enhancing the power-projection capabilities of the People's Liberation Army, including the introduction of advanced ballistic and cruise missiles that could alter the current balance of power in the Taiwan Strait and in the greater Asia-Pacific region.

(3) The current lack of transparency in the People's Republic of China military infrastructure and its associated defense establishment and the opaqueness of the comprehensive efforts of the People's Liberation Army to modernize its ballistic and cruise missile programs could spark a regional arms race that would destabilize the East Asia and Western Pacific regions and threaten vital United States national security interests.

(4) In March 1996, the People's Liberation Army created a temporary, but de facto, blockade of both the international shipping lanes of the Taiwan Strait and the international airspace around Taiwan by conducting live-fire military exercises which included the launch of several advanced, nuclear-capable M–9 ballistic missiles to target areas close to major ports in both the northern and southern areas of Taiwan.

(5) In March 1996, the locations of People's Liberation Army military activities and M–9 missile target areas nearby to Taiwan's two largest ports, Keelung and Kaohsiung, created a de facto blockade of the Taiwan Strait, international waters and airspace, interfered with United States and international shipping and aviation, and impinged upon the national security interests of the United States, requiring the immediate deployment of two United States aircraft carrier battle groups to the South China Sea.

(6) The actions of the People's Liberation Army in such close proximity to Taiwan were deliberate attempts to disrupt Taiwan's social and economic stability and were carried out as attempts to intimidate the people of Taiwan during the period leading up to Taiwan's historic first democratic presidential election.

(7) The early development and deployment of an effective United States theater missile defense system to the Asia-Pacific region, and the adjustment of United States policy to include Taiwan, including the Penghu Islands, Kinmen, and Matsu, under the protection of such defense system, would be prudent and appropriate responses to—

(A) the refusal by the People's Republic of China to renounce the use of force to determine the future of Taiwan;

(B) the nature of the military threat of the People's Republic of China posed by the increased focus of the People's Liberation Army on advanced missile development; and

(C) the demonstrated intent of the Government of the People's Republic of China to use live-fire military exercises and ballistic missile tests against the people and Government of Taiwan as tools of so-called coercive missile tests against the people and Government of Taiwan as tools of so-called coercive diplomacy.

(8) The early deployment of a United States theater anti-ballistic missile system in the Asia-Pacific region would maintain a balance of power in the Taiwan Strait and deter the People's Republic of China from resorting to military intimidation tactics to coerce or manipulate the people and freely-elected Government of Taiwan in the future.

(9) Taiwan's local air-defense capability provided by the United States Modified Air Defense System (MADS) is not adequate for the task of defending local areas of Taiwan, including the Penghu Islands, Kinmen, and Matsu, from limited ballistic missile attacks or deterring the threat and use of force against Taiwan by the People's Liberation Army to achieve the political goals of the core leadership of the People's Republic of China.

(10) Taiwan has requested further United States cooperation on missile defense, including the conduct of a joint architecture study of the requirements for the establishment and operation of a missile defense system for Taiwan, including the Penghu Islands, Kinmen, and Matsu.

SEC. 3. APPLICABILITY OF TAIWAN RELATIONS ACT.

Section 3 of the Taiwan Relations Act (22 U.S.C. 3302) is amended by adding at the end the following new subsection:

"(d) The provisions of subsections (a) and (b) supersede any provision of the Joint Communique of the United States and China of August 17, 1982.".

SEC. 4. STUDY AND REPORT RELATING TO ESTABLISHMENT AND OPERATION OF A THEATER BALLISTIC MISSILE DEFENSE SYSTEM IN THE ASIA-PACIFIC REGION.

(a) STUDY.—The Secretary of Defense shall carry out a study of the architecture requirements for the establishment and operation of a theater ballistic missile defense system in the Asia-Pacific region that would have the capability to protect Taiwan from ballistic missile attacks. The study shall include a description of appropriate measures by which the United States would cooperate with Taiwan and provide Taiwan with an advanced local-area ballistic missile defense system.

(b) Report.—Not later than July 1, 1998, the Secretary of Defense shall submit to the Committee on National Security of the House of Representatives and the Committee on Armed Services of the Senate a report containing—

(1) the results of the study conducted under subsection (a);

(2) the factors used to obtain such results;

(3) a description of any existing United States missile defense system that could be transferred to Taiwan in accordance with the Taiwan Relations Act in order to allow Taiwan to provide for its self-defense against limited ballistic missile attacks.

(c) Form of Report.—The report under subsection (b) shall be submitted in both classified and unclassified form.

SEC. 5. TRANSFER OF BALLISTIC MISSILE DEFENSE SYSTEMS TO TAIWAN.

It is the sense of the Congress that the President, if requested by the Government of Taiwan and in accordance with the results of the study conducted under section 4, should transfer to the Government of Taiwan appropriate defense articles or defense services under the foreign military sales program under chapter 2 of the Arms Export Control Act (22 U.S.C. 2761 et seq.) for the purpose of establishing and operating a local-area ballistic missile defense system to protect Taiwan, including the Penghu Islands, Kinmen, and Matsu, against limited ballistic missile attacks.

SEC. 6. STATEMENT OF POLICY RELATING TO UNITED STATES THEATER MISSILE DEFENSES FOR THE ASIA-PACIFIC REGION.

The Congress declares that it is in the national interest of the United States that Taiwan be included in any effort at ballistic missile defense cooperation, networking, or interoperability with friendly and allied nations in the Asia-Pacific region.

The SPEAKER pro tempore. Pursuant to House Resolution 302, the committee amendment in the nature of a substitute printed in the bill and modified by the amendments printed in part 4 of House Report 105–379 is adopted.

The text of the committee amendment in the nature of a substitute as amended pursuant to House Resolution 302 is as follows:

H.R. 2386

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States-Taiwan Anti-Ballistic Missile Defense Cooperation Act".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) The stability and security of Taiwan and the balance of power in the Taiwan Strait are key elements for the continued peace and stability of the greater Asia-Pacific region, and the indefinite continuation of such stability and security and balance of power is in the vital national security interest of the United States.

(2) The People's Republic of China is currently engaged in a comprehensive military modernization campaign that is enhancing the power-projection capabilities of the People's Liberation Army, including the introduction of advanced ballistic and cruise missiles that could alter the current balance of power in the Taiwan Strait and in the greater Asia-Pacific region.

(3) The current lack of transparency in the People's Republic of China military infrastructure and its associated defense establishment and the opaqueness of the comprehensive efforts of the People's Liberation Army to modernize its ballistic and cruise missile programs could spark a regional arms race that would destabilize the East Asia and Western Pacific regions and threaten vital United States national security interests.

(4) In March 1996, the People's Liberation Army created a temporary, but de facto, blockade of both the international shipping lanes of the Taiwan Strait and the international airspace around Taiwan by conducting live-fire military exercises which included the launch of several advanced, nuclear-capable M–9 ballistic missiles to target areas close to major ports in both the northern and southern areas of Taiwan.

(5) In March 1996, the locations of People's Liberation Army military activities and M–9 missile target areas nearby to Taiwan's two largest ports, Keelung and Kaohsiung, created a de facto blockade of the Taiwan Strait, international waters and airspace, interfered with United States and international shipping and aviation, and impinged upon the national security interests of the United States, requiring the immediate deployment of two United States aircraft carrier battle groups to the South China Sea.

(6) The actions of the People's Liberation Army in such close proximity to Taiwan were deliberate attempts to disrupt Taiwan's social and economic stability and were carried out as attempts to intimidate the people of Taiwan during the period leading up to Taiwan's historic first democratic presidential election.

(7) The early development and deployment of an effective United States theater missile defense system to the Asia-Pacific region, and the adjustment of United States policy to include Taiwan, including the Penghu Islands, Kinmen, and Matsu, under the protection of such defense system, would be prudent and appropriate responses to—

(A) the refusal by the People's Republic of China to renounce the use of force to determine the future of Taiwan;

(B) the nature of the military threat of the People's Republic of China posed by the increased focus of the People's Liberation Army on advanced missile development; and

(C) the demonstrated intent of the Government of the People's Republic of China to use live-fire military exercises and ballistic missile tests against the people and Government of Taiwan as tools of so-called coercive diplomacy.

(8) The early deployment of a United States theater anti-ballistic missile system in the Asia-Pacific region would maintain a balance of power in the Taiwan Strait and deter the People's Republic of China from resorting to military intimidation tactics to coerce or manipulate the people and freely-elected Government of Taiwan in the future.

(9) While Taiwan is currently acquiring a local aircraft and ballistic and cruise missile defense capability in the form of the Modified Air Defense System (MADS), a larger portion of Taiwan's territory and population would be protected if this system were expanded to include a defense of the Taichung region, Kaohsiung, the Penghu Islands, Kinmen, and Matsu from limited ballistic missile attacks and a deterrent against the threat and use of force against Taiwan by the People's Liberation Army to achieve the political goals of the core leadership of the People's Republic of China.

(10) Taiwan has requested further United States cooperation on missile defense, including the conduct of a joint architecture study of the requirements for the establishment and operation of a missile defense system for Taiwan, including the Penghu Islands, Kinmen, and Matsu.

(11) On June 9, 1898, the "Convention Respecting an Extension of Hong Kong Territory" was agreed to between representatives of the governments of Great Britain and China to lease the New Territories for the period of 99 years beginning on July 1, 1898.

(12) On December 19, 1984, the "Sino-British Joint Declaration", agreed to between representatives of the governments of Great Britain and China, established the terms for the return to China on July 1, 1997, of the Hong Kong area (including the Hong Kong Island, Kowloon, and the New Territories (hereafter in this resolution referred to as "Hong Kong").

(13) No treaties exist between the People's Republic of China and Taiwan which determine the future status of Taiwan.

(14) The People's Republic of China attempts to apply to Taiwan the formula commonly known as "one country, two systems" in a effort to annex Taiwan to China.

(15) The People's Republic of China has refused to renounce the use of force against Taiwan and held military exercises in the Taiwan Strait in March 1996 in an attempt to intimidate the people of Taiwan in their first presidential elections.

(16) The Taiwan Relations Act states that "[i]t is the policy of the United States . . . to consider any effort to determine the future of Taiwan by other than peaceful means, including by boycotts or embargoes, a threat to the peace and security of the Western Pacific area and of grave concern to the United States".

SEC. 3. STUDY AND REPORT RELATING TO ESTABLISHMENT AND OPERATION OF A THEATER BALLISTIC MISSILE DEFENSE SYSTEM IN THE ASIA-PACIFIC REGION.

(a) Study.—The Secretary of Defense shall carry out a study of the architecture requirements for the establishment and operation of a theater ballistic missile defense system in the Asia-Pacific region that would have the capability to protect Taiwan from ballistic missile attacks. The study shall include a description of appropriate measures by which the United States would cooperate with Taiwan and provide Taiwan with an advanced local-area ballistic missile defense system.

(b) Report.—Not later than July 1, 1998, the Secretary of Defense shall submit to the Committee on National Security of the House of Representatives and the Committee on Armed Services of the Senate a report containing—

(1) the results of the study conducted under subsection (a);

(2) the factors used to obtain such results;

(3) a description of any existing United States missile defense system that could be transferred to Taiwan in accordance with the Taiwan Relations Act in order to allow Taiwan to provide for its self-defense against limited ballistic missile attacks.

(c) Form of Report.—The report under subsection (b) shall be submitted in both classified and unclassified form.

SEC. 4. TRANSFER OF BALLISTIC MISSILE DEFENSE SYSTEMS TO TAIWAN.

It is the sense of the Congress that the President, if requested by the Government of

Taiwan and in accordance with the results of the study conducted under section 3, should transfer to the Government of Taiwan appropriate defense articles or defense services under the foreign military sales program under chapter 2 of the Arms Export Control Act (22 U.S.C. 2761 et seq.) for the purpose of establishing and operating a local-area ballistic missile defense system to protect Taiwan, including the Penghu Islands, Kinmen, and Matsu, against limited ballistic missile attacks.

SEC. 5. STATEMENT OF POLICY RELATING TO UNITED STATES THEATER MISSILE DEFENSES FOR THE ASIA-PACIFIC REGION.

The Congress declares that it is in the national interest of the United States that Taiwan be included in any effort at ballistic missile defense cooperation, networking, or interoperability with friendly and allied nations in the Asia-Pacific region.

SEC. 6. SENSE OF THE CONGRESS URGING THE PRESIDENT TO MAKE CLEAR TO THE PEOPLE'S REPUBLIC OF CHINA THE COMMITMENT OF THE AMERICAN PEOPLE TO SECURITY AND DEMOCRACY IN TAIWAN.

It is the sense of the Congress that the Clinton Administration should make clear to the leadership of the People's Republic of China, the American people's firm commitment for security and democracy for the people of Taiwan and that the United States fully expects that the resolution of security issues on both sides of the Taiwan Strait will be resolved by peaceful means.

SEC. 7. ADDITIONAL SENSE OF THE CONGRESS REGARDING TAIWAN.

It is the sense of the Congress that—

(1) the transfer of Hong Kong to the People's Republic of China does not alter the current and future status of Taiwan;

(2) the future of Taiwan should be determined by peaceful means through a democratic process; and

(3) the United States should assist in the defense of Taiwan in case of threats or military attack by the People's Republic of China against Taiwan.

The SPEAKER pro tempore. Pursuant to House Resolution 302, the gentleman from New York [Mr. GILMAN] and the gentleman from Indiana [Mr. HAMILTON] each will control 30 minutes.

The Chair recognizes the gentleman from New York [Mr. GILMAN].

GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on H.R. 2386.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to commend the gentleman from California [Mr. HUNTER], a member of the Committee on National Security, for introducing this legislation. And I am proud to be an original cosponsor of the measure, and I support it wholeheartedly.

I want to thank, too, the gentleman from Florida [Mr. DEUTSCH] and the gentleman from Texas [Mr. FROST] for their amendments, which help to further clarify and improve the initial bill.

The People's Republic of China is currently engaged in a comprehensive military modernization program that is enhancing the power projection capabilities of its armed forces, the People's Liberation Army. Included in this modernization program is the development and deployment of advanced ballistic missiles that can soon alter the balance of power across the Taiwan Strait.

The security of Taiwan and the maintenance of a balance of power in the Taiwan Strait are key aspects for continued peace and prosperity in the region and an assurance that the question of Taiwan will be resolved peacefully as the United States and China have agreed in previous communiques. The PRC should hold no doubt that the United States would view with great concern any efforts to do otherwise.

Furthermore, there are pragmatic reasons to be concerned. We all should be deeply troubled by the actions of the Chinese just last year when they fired ballistic missiles into international air and sea lanes off the coast of Taiwan in an effort to intimidate the people of Taiwan during the first democratic elections in 5,000 years of Chinese history.

Mr. Speaker, the United States had to respond by deploying two aircraft carriers to the region. This sort of missile diplomacy by the Chinese is unacceptable. For our own national security and for peace and stability of the region, we should consider providing Taiwan with this sort of defensive system when it is fielded in the Asia-Pacific region. This bill does just that.

Accordingly, I urge my colleagues to support this measure.

Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska [Mr. BEREUTER], chairman of our Subcommittee on Asia and the Pacific and chairman of our Committee on International Relations.

AMENDMENT OFFERED BY MR. BEREUTER

Mr. BEREUTER. Mr. Speaker, I ask unanimous consent that the amendment I placed at the desk be considered as adopted.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BEREUTER:

In section 7(3) after the word "States" insert the following: ", in accordance with the Taiwan Relations Act and the constitutional processes of the United States,".

The SPEAKER pro tempore. Without objection, the amendment is considered as adopted.

There was no objection.

Mr. GILMAN. Mr. Speaker, I reserve the balance of my time.

Mr. HAMILTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to the bill, for several reasons. First of all, it is apparent I think, as we read the bill, that it has a flawed internal logic. It mandates a study and a Presidential report about the establishment of a theater ballistic missile defense system that includes Taiwan. At the same time, without waiting for the results of that study, it calls for making such a system available to Taiwan. That does not, it seems to me, make a lot of sense.

Secondly, I do not think the bill is necessary. Taiwan does not need this technology and, so far, does not even want it. The United States Department of Defense already has an ongoing ballistic missile defense program with Taiwan. It sold Taiwan a Patriot derivative that is comparable to a system just introduced in the U.S. Army last year.

The senior Taiwanese military leaders are not ready to commit to an unproved ballistic missile defense technology. It really is not a question of money. Taiwan has purchased over $8 billion in arms from the United States in the last 5 years. It has $87 billion in reserves. If it wanted this technology, Taiwan would be knocking on our door to buy it. But nobody is knocking.

I have a letter dated September 29, 1997, from the United States Department of Defense. It reads, in part, "Senior Taiwan military leaders are highly skeptical of a significant investment in the area of ballistic missile defense. The Taiwan military is rightly concerned about the potential for a huge diversion of resources to ballistic missile defense programs that have an uncertain future at best."

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The third reason is I think the bill is provocative. Everyone knows that China regards Taiwan as an integral part of the People's Republic of China. Offering Taiwan some of the world's most advanced weaponry, weaponry that Taiwan does not want or need, appears to be deliberately designed to provoke China. I do not think that helps our friends in Taiwan, and it carries some risk for Taiwan.

There was another reason to be against this bill, but I think that reason has now been corrected by the unanimous consent made at the suggestion of the gentleman from Nebraska. I want to thank him for making that unanimous consent, because I think the language that was inserted into the bill by the gentleman from Florida [Mr. DEUTSCH] has now had an addition to it which brings the language in the bill in line with the framework that has provided peace and stability and prosperity in the region for over two decades. It does not, I think, alter that framework language. I think the unanimous consent language is a good addition to this bill.

In conclusion, Mr. Speaker, I think the bill has an internal logic in it that is flawed. I think the bill is not necessary. I think it is provocative. It carries, it seems to me, some risk with no prospect for any benefit. I think, therefore, it may reduce and not enhance the security of our friends in Taiwan. It is my understanding that the administration strongly opposes this bill. I urge its defeat.

Mr. Speaker, I reserve the balance of my time.

Mr. GILMAN. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Speaker, I want to thank the gentleman from New York [Mr. GILMAN], the chairman of the committee, for helping to shepherd this bill through the process and get it to the House floor and for all the work that he has done and other members of the committee, including the gentleman from Nebraska [Mr. BEREUTER] and the gentleman from Florida [Mr. DEUTSCH], have done with respect to the contents of the bill.

The bill is logical, it is reasonable, it is prudent and it is in total accord with the Taiwan Relations Act. There is no faulty logic that I can see, internal logic flaw that the gentleman from Indiana says there is. Reading the part of the bill that I think he is talking about, and that is the part of the bill that, following the study, says:

"It is the sense of the Congress that the President, if requested by the Government of Taiwan and in accordance with the results of the study conducted under section 3, should transfer to the Government of Taiwan appropriate defense articles under the foreign military sales program under chapter 2 of the Arms Export Control Act for the purpose of establishing and operating a local-area defense ballistic missile defense system to protect Taiwan."

That says in accordance with the results of the study. That obviously infers that the study has to be completed. We cannot transfer the articles until we have results, and so I think that is a reasonable, logical sequence that is manifest in the bill and I do not see any problem there.

I think it is important, Mr. Speaker, to send an unmistakable signal to friends and foes alike. I think that that is the lesson we learned in the Middle East with respect to the invasion of Kuwait. Saddam Hussein claims that he was under the notion that we did not care if there was an invasion of Kuwait. Maybe he is lying, maybe he is misbehaving. He does that often. But certainly the statements of our representatives were not clear, were not unambiguous. It is important if you are going to defend an ally and you are going to offer that defense umbrella and that defense umbrella was unmistakably offered in the recent incident when China lobbed missiles, M–9 missiles over the bow of Taiwan and we came to the aid of Taiwan with American ships and American force projection, it is obvious that Taiwan is under our defense umbrella. We have demonstrated that.

It is also obvious that missiles are the weapon of choice for China. They are building missiles at a rapid rate. The administration tells us that by the year 2010, there will be over 2,000 missiles, many of them fast missiles, ballistic missiles, in the Chinese armory. If we are going to defend Taiwan and hopefully if we are going to give Taiwan the ability to defend itself so that American troops do not always have to be rushed into that area of the world and American navies do not always have to be projected into that area of the world, it is important to meet the weapon of the day. The weapon of the day clearly and the weapon of the future for China is missiles, theater ballistic missiles, some of them fairly fast, some of them faster than the PAC-II missiles that we are currently developing.

All this bill does is request that DOD, that the President and DOD commence a study to evaluate an architecture that could be deployed in this area of Asia. And upon completing that study and if requested by the government of Taiwan and in accord with the Taiwan Relations Act, which incidentally says that the United States will provide articles of defense for Taiwan, then it is the sense of Congress that we should put together a defense system that includes in its area the defense of Taiwan.

Mr. Speaker, I would say simply this is something that we are doing with our allies around the world. We are working on theater missile defense with our European allies right now. We are developing a partnership program in cooperation with Israel with development of the TMD system, the Arrow, which is an antitheater missile defense system, and it is absolutely appropriate, reasonable and logical and in the interest of the United States to have this study and ask the Clinton administration to report back to us and then take further action if the study, the results of the study and the request of Taiwan is in that direction.

Mr. Speaker, I want to commend everybody who has worked on this language and put it together. I think this is an important part of our China package. It says that we stand with our friends and that we continue, as we do under the Taiwan Relations Act, to support our friends with defense articles and that we realize that defending against M–9 missiles and their successors is an important part of that duty.

Mr. HAMILTON. Mr. Speaker, I yield 7 minutes to the distinguished gentleman from South Carolina [Mr. SPRATT].

Mr. SPRATT. Mr. Speaker, this bill concerns our national security, but it was not heard, it was not debated, it was not marked up, it was not reported by the Committee on National Security because the committee waived jurisdiction. The first time I knew of it was today when the gentleman from California [Mr. COX] called it to my attention. I read the bill, read the report, read the dissenting views and I reluctantly oppose it, reluctantly because I think those who sponsor it are well-intended, but I disagree with the means they are using to advance this particular proposal.

On its face, this bill does seem simple. It asks the Pentagon to study the architecture of a theater ballistic missile defense system in the Asia-Pacific region which would protect Taiwan. It asks those who do that study to spell out just how the United States would cooperate with Taiwan and how we would provide Taiwan, specifically Taiwan, with a missile defense system which would not only cover Taiwan but would cover Matsu and Kinmen and the Penghu Islands. The bill asks for the study by July 1 and, even before the bill is completed and the study is started, it throws in a sense of the Congress that this resolution should make clear to the People's Republic of China the commitment of the American people to security in Taiwan. Just what that means, I am not really sure. I would be cautious about the way we broadcast such commitments to the world without clearly knowing what security obligations we are undertaking.

The study sought by this bill in my opinion, is wholly unnecessary. The BMD or ABM missile defense architecture it asks for is easy enough to spell out right here on the floor of the House. First of all, it would consist of the THAAD, theater high altitude interceptor, on the ground in Taiwan when it becomes operational, maybe 4, 5, 6 years from now. The THAAD would take out incoming missiles in their late mid-phase, as they honed in on Taiwan. It would have to be complemented because there would probably be some leakers that the THAAD would not get by a Navy system called the Upper Tier or Area Defense. This would be based on surface ships like cruisers, the Aegis cruisers specifically, and when and if it becomes operational 4, 5, 6 years from now, its role would be to take out incoming missiles in the ascent phase, right after booster burnout if at all possible. Both of these systems would be complemented by, in the case with the THAAD, ground-based radar, based in Taiwan, and by the SPY radar on Aegis cruisers, and both would likely include some linkage to our DSB satellite for the detection of a missile launch and to queue the interceptors and their radars. Eventually around 2004, 2005 or 2006 this system would probably be tied into our so-called SMTS, low earth orbit satellites, 18 to 24 of them, with infrared seekers that will be in orbit around the whole globe if our plans are carried out today as they are designed.

This system is not deployed today, it is not ready for deployment. The THAAD is not deployed today, it is not ready for deployment. The Navy's Upper Tier system is not deployed today. The THAAD and the Upper Tier system have been tested 4 or 5 times each and each has yet to make a successful intercept. They are still in the late phases of engineering development. The SMTS, the low earth orbit satellite, are at least 6 or 7 years off before they can be deployed.

Nevertheless, knowing what we know of these components today, doing a little viewgraph engineering, we can design this architecture. We do not have to spend $500,000 to design the architecture. We know basically what it is. So this bill serves no practical purpose that I can see, none whatsoever. If Members want to know what the architecture is, I have just about told them what it can be. If they want anything more elaborate, it is too early to tell because the components are not yet systems in being. To the extent that Members want to know more, they can get it. Write the Ballistic Missile Defense Office a letter, have the chairman of the committee or the chairman of the Committee on National Security write him a letter and he will be over here in a week, not 6 or 7 months. A week. He will tell you essentially what I have just told you except he has got CADCAM, he will bring drawings, he will bring viewgraphs, he will bring anything you want to see on the architecture. You will not have to wait 6 months and it will not cost you $500,000.

If you want the United States to cooperate with Taiwan, we are already cooperating with Taiwan in a very discreet manner, but in a very concrete manner as well. The Taiwanese are right now buying and taking delivery of the PAC-II, Patriot II batteries, 8 of them altogether. In addition, we are letting them have our extended range intercept missiles called the PAC-IIIs, the latest thing off the production line. We are making those available to them as well. So we are actually cooperating now.

We do not need to wave this red flag, and we can accomplish the same purpose that this resolution proposes without the provocation and without the cost. A wise President once said with respect to our foreign policy that we should speak softly but carry a big stick. A wise Congress would do well to remember that sage advice and vote this resolution down.

Mr. GILMAN. Mr. Speaker, I yield 6 minutes to the gentleman from South Carolina [Mr. SPENCE], the distinguished chairman of our Committee on National Security.

Mr. SPENCE. Mr. Speaker, I thank the gentleman for yielding me this time. I rise in support of H.R. 2386, the United States-Taiwan Anti-Ballistic Missile Defense Cooperation Act. In my opinion, issues of national security have been ignored for far too long in the debate over the People's Republic of China.

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While promoting American political values and free trade are essential elements of United States foreign policy, protecting our national security interests is the bedrock upon which our policy ought to be built.

Today in East Asia, and despite recent fluctuations in financial markets, economic activity is proceeding at a frenetic pace bringing prosperity to more and more people. Likewise, as clearly demonstrated in Taiwan, democracy is taking hold. These developments are a direct result of a general geopolitical stability that characterizes much of East Asia, a stability more often than not guaranteed by the United States.

The quandary we now face is how to look at China in the context of an Asian, even a global, security regime. China's economy is growing by leaps and bounds and is already recognized in the region as a great power. However, whether or not Chinese political, economic and military power will be a force for stability remains unknown and raises several fundamental questions.

First, what are China's national ambitions? China, the so-called Middle Kingdom, has long considered itself a great nation and center of the civilized world. Chinese leaders have stated that they intend to become a dominant power in Asia as well as a world power. China is not content with the current geopolitical status quo and appears to envision a long-term competition with the United States both in the region and elsewhere.

Second, what are China's strategic goals? China is embroiled in a variety of border disputes and claims of sovereignty around virtually its entire perimeter. Moreover, as Chinese leaders realize that their economic growth is increasingly dependent on foreign trade, their security interests also are becoming more expansive. China's ties to Iran and other Middle East nations, links to Latin America and budding strategic partnership with Russia are indicative of Beijing's broadening horizons.

Third, what is China's national military strategy? Great power ambitions and expanding strategic horizons have forced the Chinese to shift from their longtime focus on homeland defense to developing the ability to project power in maritime East Asia and beyond.

Finally, where is China headed with regard to military modernization? Until recently, assessments of Chinese modernization have focused primarily on the new warships and combat aircraft being built and bought, especially from Russia. However, the People's Republic, the People's Liberation Army has proved an astute student of the lessons of Operation Desert Storm. The PLA was stunned at the effectiveness with which our Armed Forces waged a high technology war.

At the same time the Chinese obviously noted the inability of the United States to fully defend against the crude Scud missiles in Saddam Hussein's arsenal. During last year's tense confrontation between China and Taiwan, the PLA used ballistic missiles as an aggressive form of blockade in support of its own coercive diplomacy. China's President Jiang Zemin himself concluded several years ago in reviewing the lessons of the Gulf War, and I quote, modern warfare has become high-tech warfare. It is a multidimensional war, electronic war, missile war, unquote.

According to Jiang, the ability to conduct this missile war is our major principle in military modernization. Those who downplay China's military buildup do not understand the kind of threat this missile war presents. Preserving some measure of stability in East Asia will in the future increasingly rely on effective missile defenses.

Mr. Speaker, I submit that we all must recognize that protection of America's own national security interests is essential to our evolving China policy. If we fail to recognize this reality, our overall China policy will be inconsistent; in the long run, ineffective.

H.R. 2386, the United States-Taiwan Anti-Ballistic Missile Defense Cooperation Act, represents an important statement on one security-related element of our China policy. Defending Taiwan against the very real threat of Chinese ballistic missile attack will promote regional stability, and it will strengthen our United States alliances.

I urge the support of my colleagues.

Mr. HAMILTON. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Florida [Mr. DEUTSCH].

Mr. DEUTSCH. Mr. Speaker, I rise today in strong support of H.R. 2386. This bill addresses two core issues in U.S. policies toward China: No. 1, the current and future political status of Taiwan; and, No. 2, the defense of Taiwan from threats or military attacks by China.

H. Con. Resolution 100, which I introduced back on June 18 just prior to the return of Hong Kong to China, is now included in the bill of the gentleman from California [Mr. HUNTER]. My legislation has 42 cosponsors and broad bipartisan support. It specifically expresses the sense of Congress that, one, the transfer of Hong Kong to China does not alter the current and future status of Taiwan; two, the future status of Taiwan should be determined by peaceful means through a democratic process; and, three, the United States should assist in the defense of Taiwan in cases of threat or military attack by China against Taiwan.

The historic transfer of Hong Kong to China on July 1 should bear no consequence on the future status of Taiwan. The case of Taiwan is separate and distinct from Hong Kong. Unlike Hong Kong, Taiwan has never entered into any agreements with China that determine the future status of Taiwan. Taiwan is, in fact, a de facto independent state and should determine its official future political status peacefully through democratic means.

Beijing's claim on Taiwan is based neither on historic nor legal realities. The facts are clear. With the exception of a brief period from 1887 to 1895, Taiwan has been free of Chinese rule. Today Taiwan has separate governments, financial markets, dialects and cultures from mainland China.

Mr. Speaker, by calling something black does not make it black; by calling something white does not make it white. Taiwan is a de facto independent state.

The second major component of this legislation is the U.S. role in the defense of Taiwan. I was deeply concerned last year as I watched the so-called military exercises by the Chinese in the Taiwan Strait. It is obvious that the Chinese attempted to test the will of the United States with those exercises. The United States demonstrated with the deployment of two aircraft carriers and aggressive diplomacy that we would stand up to the Chinese and defend Taiwan against these acts of aggression.

H.R. 2386 will further the U.S. commitment to assist in the defense of Taiwan by providing them with arms of a defensive nature which should act as a deterrent from future Chinese threats and protection in case of an attack. H.R. 2386 is consistent with the three communiques and the Taiwan Relations Act which states that any threat to Taiwan's safety and security is of grave concern to the United States.

Speaker GINGRICH bolstered the basis of the communiques and the act on his recent visit to China when he told China's President that the United States will defend Taiwan, period. I commend the Speaker for his comments and urge this body to adopt such a stance with the passage of this legislation.

This is not a partisan issue. I say to my colleagues on both sides of the aisle that we have a responsibility to fortify and defend democracies throughout the world. That is at the crux of U.S. foreign policy. Our relations with Taiwan should not be treated any differently.

The issue is not for the U.S. Congress to determine the current or future status of Taiwan or to be their sole defenders in all confrontations. Rather, it is our duty to ensure that Taiwan has the means to defend itself against acts of aggression by China as it seeks to define its political status.

Mr. Speaker, I commend the gentleman from California [Mr. HUNTER] for this important piece of legislation, as well as the gentleman from California [Mr. COX], the gentleman from New York [Mr. GILMAN] and the gentleman from New York [Mr. SOLOMON] for their hard work and leadership. I urge all my colleagues to support H.R. 2386.

Mr. GILMAN. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, I am not going to have to raise my voice tonight because I respect all the Members on this issue and, as a matter of fact, good friends with them. But I would disagree, and I would like to explain on some of the issues.

During the Navy I served with Admiral Brown on 7th Fleet staff. I was responsible for the defense of all Southeast Asia countries. For example, in Korea it was Team Spirit. We dealt with the host countries, not only the potential and exercise threat, but I had linguists that actually monitored North Korea in the real threat. We had Yama Secura, Japan; Cobra Gold and Tangent Flash in Philippines, and part of that was the threat on Taiwan.

China is not our ally, in my opinion. I think that Hong Kong will have much more effect on China than China has on Hong Kong. And I do not think there will be peace in the Middle East in my lifetime, but I believe we have to engage in the Middle East and constantly work in that direction.

I think the same is true with China. I think we have to engage in China, realizing that it takes a long time to change a 10,000-year-old dog, and especially a dog that has got very sharp and brutal teeth and is willing to use them at any time.

The real problem: During the recent missile firings from China in the direction of Taiwan, any time we take the U.S. fleet through the straits, they are in peril. It could be very difficult, and China has a formidable force that could make us pay bitterly. That is why the Upper-Tier system connected with the THAAD system is so very important, and the treaty not to slow down the missiles, because that would make us have to have more Aegis cruisers.

But while we are trying to get through those straits, Taiwan is going to have a period of time where it is very difficult for them to survive. It is not very far across those straits, and they have the landing forces in which Taiwan is going to have to have some defense for itself. This will help us. If we get there after China was already embarked, we could pay even a bitter price.

So I support the gentleman's amendment, and I think it is very important.

I would say one other thing not connected to this bill, that Israel just sold missiles to Turkey. I plan on offering a bill that denies or will refuse to have Turkey employ those air-to-air missiles in Cyprus, because I think that would be potentially dangerous.

I thank Members on both sides of the aisle for their thoughtfulness.

Mr. HAMILTON. Mr. Speaker, I reserve the balance of my time.

Mr. GILMAN. Mr. Speaker, I yield 3½ minutes to the gentleman from California [Mr. ROHRABACHER].

Mr. ROHRABACHER. Mr. Speaker, it was not that long ago when we stood and watched as Red Chinese missiles were flung over the islands of Taiwan in an attempt to intimidate the people who lived there during their first free election.

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This was an attempt by a regime in Beijing, the last remnants of Communist dictatorships on this planet, to exert their power over the 20 million people of Taiwan, and we stood helplessly. No, we did not just stand helplessly, but we did send aircraft carriers.

Is it more important for us to send aircraft carriers? Is that what we want as our only option, is to send offensive weapons into this troubled region, when the Chinese Communists decide to flex their muscles?

It would be a travesty for us not to develop a system, a defensive system, with the Taiwanese, that we can exercise when the Communist Chinese are trying to exert their influence in an improper way.

We have seen them do it before, and we had no other option but to send those aircraft carriers. Thousands of American lives were at stake in order to prevent aggression upon Taiwan.

This resolution that we are discussing today will lead, hopefully, after a study, toward a relationship with Taiwan, where we will be permitted to defend Taiwan, something that is completely within the Taiwan Relations Act. This is an agreement we have had with the Chinese, with the Communist Chinese, over the years, that we could sell them defensive weapons. If we back away from this, if we back away from this alternative, what are the Chinese Communists going to say?

Certainly they do not believe we are going to use offensive weapons against them should they move against Taiwan. No. They will say what we have heard here earlier before tonight, and that is, "Well, you can talk about freedom, you can talk about being against oppression in China, just don't do anything about it."

Well, here we have an option that we can do something about potential aggression that threatens the peace of the world and puts the democracies of the world on notice and on the line about what their response will be. We can prepare with the Taiwanese a defensive missile system that will protect them against this type of horrible aggression of high-technology missiles aimed at their population centers.

We should not back away from this. If we do, we will have no other option but to send offensive weapons into that theater at a time of crisis and chaos. That is the very last thing that we want to do, is leave ourselves with that option, only the offensive option.

So I would plead with my colleagues, let us do what is right. We can strike a blow for freedom, but not threaten anyone, because these are defensive systems we are talking about. We can provide ourselves the option that in a future crisis we will have something other than an offensive threat that actually threatens their people in a response to Communist Chinese aggressive acts. It makes all the sense in the world.

Those of us who are trying to make sure that we have a more peaceful world, those of us who do not want to send a wrong message to Communist Chinese bosses in Beijing, we want to send them the message that we are strongly behind democracy in Taiwan and will not see them take it out by force, it is good to provide them a missile defense system.

Mr. HAMILTON. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina [Mr. SPRATT].

Mr. SPRATT. Mr. Speaker, if the gentleman from California [Mr. ROHRABACHER] would respond to a question, is the gentleman aware that we are now providing Taiwan PAC-2 missile defense systems and we also have agreed to sell them PAC-3, and that is state of the art, that is the best we can provide right now?

Mr. ROHRABACHER. Mr. Speaker will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from California.

Mr. ROHRABACHER. Mr. Speaker, this bill is totally consistent with our agreement.

Mr. SPRATT. Mr. Speaker, reclaiming my time, I understand. The gentleman is saying we would have nothing other than an offensive option. We are already providing them with the most that we have got.

Mr. ROHRABACHER. We are moving forward.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from California.

Mr. HUNTER. Mr. Speaker, it is the understanding I have, and I have asked some of our experts on this, the missiles that China is evolving right now outstrip the capability of PAC-2 and PAC-3.

Mr. SPRATT. Mr. Speaker, reclaiming my time, there is no question about that. To the extent they are effective at all, it is what we have got, and we are giving them that right now, number one. Number two, the THAAD and the upper-tier are not available to give. They are not in production.

Mr. HUNTER. Mr. Speaker, if the gentleman will yield further, so this makes absolute sense to have a track that you are following that starts us working with Taiwan to develop that system, so that when we have it, it is mature, it is in place, and it takes over for the PAC-2 and the PAC-3, which cannot handle the M-9.

Mr. ROHRABACHER. Mr. Speaker, the gentleman must understand, this is a study. What harm has it done to study this issue, so we can be prepared in case what we have already done is not adequate to meet the threats of the future?

Mr. SPRATT. Mr. Speaker, reclaiming my time, there is no harm done. The study is unnecessary. The Ballistic Missile Defense Organization can come right now and paint you the architecture, but the components to fill in the architecture are not systems in being; they are several years off from production.

The fact that we are providing the PAC-3 is ample indication that when these systems are available, we will provide them, too. That is enough. You do not have to go this far.

Mr. GILMAN. Mr. Speaker, I am pleased to yield 3 minutes to the gentleman from New York [Mr. SOLOMON], the distinguished chairman of our Committee on Rules.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman for yielding me time, and also thank the gentleman from California [Mr. HUNTER] and the gentleman from Florida [Mr. DEUTSCH].

Mr. Speaker, I guess I have spoken enough on these bills over the last couple of days. I guess I will not go back into the problems that exist with the People's Republic of China. It is just sickening to think about the deplorable human rights violations, the religious persecution, and the sale of chemical and biological factories to countries like Iran, and missiles. It just goes on and on and on.

But let me just go back to 1978 when something very sad happened. We had a President named Jimmy Carter, and he was one of the kindest, most decent men I think I ever met; too kind and too decent perhaps. But he saw fit to derecognize a country called the Republic of China, and now it is called Taiwan.

But all during the fight, all during those years, during the Second World War and then fighting communism, Taiwan and the Republic of China were one of the links in the chain of defense against the spread of death and deadly atheistic communism, and we, the United States of America, turned our back, for the first time in history, on these people that stood side by side with us, shoulder to shoulder. It was just disgraceful, but it happened.

Then, in 1979, even before Ronald Reagan got here, Members sitting here today, the gentleman from New York [Mr. GILMAN], myself, the gentleman from Indiana [Mr. HAMILTON], and others, wrote something called the Taiwan Relations Act, and it is now the law of the land.

The law of the land always supersedes any kind of communiques, any kind of agreements that are made between people. It is the law of the land, and that Taiwan Relations Act says that we will provide the people of Taiwan with the qualitative and quantitative weaponry to defend themselves.

Well, with what we see happening throughout the Chinese Government in recent years, with the missile proliferation, we know there is a real danger, not only to the American fleet there and American soldiers in the area, but certainly to the people of Taiwan, to which we owe a great deal.

That is why this bill is so terribly important today. We need to pass this legislation. We need to continue to send the message to the People's Republic of China that we will not put up with what they attempted to do back in March of 1996 when they tried to interrupt the elections going on in free China, on Taiwan, with their missile deployment.

We need to stand steady with our allies, even though we do not recognize them officially, and this legislation does just that. That is why I have such great praise for the gentleman from California [Mr. HUNTER] and the gentleman from Florida [Mr. DEUTSCH], who amended the legislation, and certainly the gentleman from New York [Mr. GILMAN] for bringing this important legislation to the floor of this House. I urge support of the legislation.

Mr. Speaker, anyone who can remember back to March 1996 knows why we need this bill. Recall how, during that month, Taiwan was conducting the first democratic presidential election in the history of Chinese civilization. Well, that was too much for the Communist dictators in Beijing, so they started firing missiles just off the coast of democratic Taiwan.

It was one of the most despicable acts by Communist China since Tiananmen Square. That, and that alone, is why we need this bill. China is building its missile arsenal aggressively, and we know what they intend to do with them. Peaceful, democratic Taiwan needs to be able to defend itself.

This bill only requires a study of Taiwan's defense needs. How can you reasonably oppose it? Let me remind members that the Taiwan Relations Act obligates us to provide defensive weapons to Taiwan. The law grants Congress a role in the analysis of Taiwan's defense needs and states that defense sales to Taiwan will be based solely on our assessment of those needs.

Now I know that the Pentagon has sent a letter over here opposing this bill and stating that Taiwan doesn't want or need a lot of missile defense, and Mr. Speaker, that upsets me because I know it is untrue and so does the Pentagon. Everytime I talk to the Taiwanese I hear them say they want missile defenses. It's a high priority for them and don't believe otherwise.

I commend Mr. HUNTER and Chairman GILMAN for bringing us this bill and I also commend Mr. DEUTSCH for his addition to the bill, which reminds us that Hong Kong is no model for Taiwan and which restates over commitment and obligation to assist Taiwan should they become victims of Communist Chinese aggression.

I urge an aye vote on this critical legislation.

Mr. HAMILTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to speak out of order for just a moment with respect to H.R. 2358, the Political Freedom in China Act, which was debated here a day or so ago. During that debate, I was waiting for a letter to come over from the White House with respect to the Gilman-Markey amendment. The letter did not arrive on time, so I am going to read that letter now with respect to H.R. 2358. The letter is dated November 5, 1997.

DEAR MR. SPEAKER: I am writing to express the Administration's strong opposition to legislation offered by Representatives Gilman and Markey in connection with the certification by the President on China's nonproliferation policies and practices. In our judgment, the legislation would put at risk the substantial achievements we have made in our nonproliferation dialogue with China and undercut our ability to make further progress.

First, the United States achieved extremely valuable nonproliferation commitments from China, based on the current law governing certifications to Congress implementing the U.S.-China agreement for Peaceful Nuclear Cooperation. By "moving the goalposts," this proposal would undermine our credibility with China, possibly causing Beijing to reconsider some of its important commitments, for example regarding Iran.

The existing 30-day review period provides ample time for consideration of the President's certification package. Even when the nuclear cooperation agreement is in full effect, nuclear exports will be licensed on a case-by-case basis, and may be suspended at any time. This provides continuing leverage over Chinese behavior and a lengthy period of time for monitoring the implementation of Chinese assurances.

Second, this proposal would imprudently revise the established process under the Atomic Energy Act for Congressional consideration of agreements for peaceful nuclear cooperation. Unlike previous law, which established clear requirements for the President's certifications, under this proposal Congress could permanently block nuclear exports to China, without providing any guidance to the Executive Branch as to the conditions that need to be met to implement the agreement for peaceful nuclear cooperation. Going forward with the nuclear cooperation would then require the passage of new legislation in order to undo the prohibition on nuclear exports. This would amount to a fundamental and unnecessary review of the Atomic Energy Act and a major obstacle to ever reaching agreement with China on the conditions for peaceful nuclear cooperation.

Sincerely, John Hilly, Senior Advisor to the President and Director for Legislative Affairs.

I thank the Speaker for permitting me to read this statement.

Mr. Speaker, I have no further requests for time on the bill pending, and I yield back the balance of my time.

Mr. GILMAN. Mr. Speaker, I am pleased to yield the balance of my time to the gentleman from California [Mr. COX], who has been one of the major movers in these series of bills that we have been considering the last few days.

The SPEAKER pro tempore (Mr. GIBBONS). The gentleman from California [Mr. COX] is recognized for 7½ minutes.

Mr. COX of California. Mr. Speaker, I thank the distinguished chairman of the Committee on International Relations, and I also thank the ranking member for his very, very worthwhile comments and important perspective on this, because, frankly, we are this close, even though he opposes the bill, to agreeing on all the fundamental points.

The ranking member, after all, makes the point that while this bill would support a study of cooperation with Taiwan on theater missile defense, that is already our policy. We already supply missile defense systems. We have supplied four Patriot systems to Taiwan. We already cooperate with them on missile defense. But, whereas the fact that this bill is consistent with our policy is my reason for supporting it and offering it, it is the ranking member's reason for opposing it.

As we heard in debate, the Patriot systems that we have made available to Taiwan, and which, incidentally, Taiwan purchases, we do not provide them as foreign aid, they have long since outgrown that, are inadequate to deal with the very realistic threats that Taiwan now faces and that this Congress faced in one of its finest moments last year.

We all recall when Franklin Delano Roosevelt called the United States of America the arsenal of democracy, making it very plain that sometimes in order to have freedom one has to fight for it, and the United States was then and is now the arsenal of democracy. But the People's Republic of China we saw last year is essentially the arsenal of antidemocracy, because they used their military power to try to prevent legislative elections in 1995 in Taiwan and the first ever presidential elections in 1996, in 5,000 years of Chinese history.

□ 2015

The People's Republic of China, the government run by the Communist Party in Beijing, is fond of saying that Taiwan is but a province of China, it is part of China. If that is so, then we in America should reward the progress that democracy is making in Taiwan.

We, in America, should look favorably upon this, and we should look with grave concern upon any effort by the largest standing military on Earth, the People's Liberation Army, to use force to prevent democracy in Taiwan, and that is exactly what went on in 1995 when missiles were launched in order to intimidate the electorate. When that preceded in 1996, when 150,000 troops were amassed in Fujian Province right on the border of the Taiwan Strait, 220 fighter aircraft, and when the effect of launching the missiles was to blockade, effectively, the entire island, both ends of the Island of Taiwan and interfere not just with Taiwan's shipping, but with the United States, to interfere with commercial shipping, to interfere with commercial air travel by the United States, we took it very, very seriously, and we also responded here in the Congress.

The United States House of Representatives moved a very pointed resolution on the floor of this House that I introduced, the Policy Committee prepared, that stated that if the People's Republic of China should try to invade the Island of Taiwan by force, without provocation to attack Taiwan, then the United States would defend Taiwan, and that resolution passed this House of Representatives with 435 Members, with only 14 votes against.

It was a strong and clear statement, a strong and clear statement in response to what theretofore had been the Clinton administration's utterly ambiguous policy. In fact, the Clinton administration called their policy strategic ambiguity. But abandoning immediately their policy of so-called strategic ambiguity in the teeth of this very, very clear statement from the United States Congress within days of the passage of our resolution, stating clearly that if, without provocation, the People's Republic of China would attack the Island of Taiwan, the administration sent two carrier battle groups into the Taiwan Strait, a clear show of support for the democratic elections that were about to take place on the Island of Taiwan. And within days of that measure, the People's Republic of China canceled the scheduled balance of their military exercises of the missile test and called off the blockade.

The scheduled presidential elections, the first ever in 5,000 years of Chinese history, took place on schedule. The months following have been peaceful. That is all to the good.

But it is ironic that the Clinton administration described its own policy of strategic ambiguity when that would be my criticism of it. How is the government in Beijing to know what would be the United States response if they did attack, and why would we want them to be in the dark about that? We were risking war through weakness, rather than advancing a policy of peace through strength.

The missile threat to Taiwan is very, very clear. That is why our policy of cooperating with them on theater missile defense is the right policy, and that is why congressional leadership on this issue remains important.

What this bill seeks is very simple, a study by the Defense Department, by the Clinton Defense Department, of an appropriate defensive system for the Asia Pacific region. There is a July 1, 1998 reporting date back to the Congress, and the Clinton administration will make its own determination in that report to Congress whether or not an adequate missile defense, adequate to the new threats, the very real and existing threats that Taiwan now faces, is available for sale to Taiwan, consistent with the Taiwan Relations Act, and in fact, that is the language of the bill itself.

That is what this bill does. It is utterly reasonable, and because this Congress has so strongly in the past supported the Taiwan Relations Act, made it clear to the People's Republic of China and the Communist Party in Beijing that aggression is no way to deal with the cross-strait problems, it is important that we not back away from that tonight. It is important that we vote in favor of this legislation, because the peace of the strait depends upon it, because the peace of Asia and the Pacific depend upon it, and the peace of the world depend upon it.

I congratulate the gentleman from New York [Mr. GILMAN] for bringing this bill to the floor, and I congratulate its author, the gentleman from California [Mr. HUNTER].

Mrs. LINDA SMITH of Washington. Mr. Speaker, I rise today in support of H.R. 2386, the United States-Taiwan Anti-Ballistic Missile Defense Cooperation Act. The Taiwanese people only wish to see that the safety and security of Taiwan is enhanced. The United States must play an important role in this process.

This legislation, H.R. 2386, requires the Secretary of Defense to conduct a study on a plan for Taiwan to acquire a missile defense system to protect the territory of Taiwan. The missile firings conducted by the Chinese Government off the coast of Taiwan less than 2 years ago is proof that Taiwan's long term security and the United States' interests in the Pacific Rim demand that we stand firm in ensuring Taiwan's safety.

This study will ensure that all facets of Taiwan's security are examined and the feasibility of a missile defense system is fully considered. The Taiwanese people should be reassured that their safety is of great concern to the American people.

I ask my colleagues to please join me in supporting H.R. 2386, the United States-Taiwan Anti-Ballistic Missile Defense Cooperation Act.

Mr. GILMAN. Mr. Speaker, I thank the gentleman from California [Mr. COX] for his concluding remarks, and I yield back the balance of my time.

The SPEAKER pro tempore [Mr. BLUNT]. Pursuant to House Resolution 302, the previous question is ordered on the bill, as amended.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GILMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 301, nays 116, not voting 16, as follows:

[Roll No. 601]

YEAS—301

Abercrombie
Aderholt
Andrews
Armey
Bachus
Baesler
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Bonilla
Bono
Boswell
Boyd
Brady
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clyburn
Coble
Collins
Combest
Condit
Cook
Cooksey
Cox
Cramer
Crane
Crapo
Cunningham
Danner
Davis (VA)
Deal
DeFazio
DeGette
DeLay
Deutsch
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Etheridge
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones
Kaptur
Kasich
Kelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Klink
Klug
Knollenberg
Kolbe
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Lipinski
Livingston
LoBiondo
Lucas
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Martinez
Mascara
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Meek
Menendez
Metcalf
Mica
Miller (FL)
Mollohan
Moran (KS)
Myrick
Nadler
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Rodriguez
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Ryun
Salmon
Sanchez
Sandlin
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skeen
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Tiahrt
Torres
Towns
Traficant
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Young (AK)
Young (FL)

NAYS—116

Ackerman
Allen
Archer
Baldacci
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Blagojevich
Blumenauer
Bonior
Borski
Boucher
Brown (CA)
Cardin
Castle
Clayton
Clement
Conyers
Costello
Coyne
Cummings
Davis (FL)
Davis (IL)
Delahunt
Dellums
Dicks
Dingell
Dixon
Doggett
Dooley
Edwards
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Ford
Frank (MA)
Furse
Gejdenson
Gillmor
Gordon
Hamilton
Harman
Hefner
Hinchey
Houghton
Hoyer
Jackson (IL)
Jefferson
Johnson (WI)
Kanjorski
Kennedy (MA)
Kennedy (RI)
Kennelly
Kleczka
Kucinich
LaFalce
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Markey
Matsui
McDermott
McGovern
Meehan
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Moran (VA)
Morella
Murtha
Oberstar
Obey
Olver
Pastor
Paul
Payne
Pelosi
Pickett
Poshard
Price (NC)
Rivers
Roemer
Roybal-Allard
Rush
Sabo
Sanders
Sanford
Sawyer
Scott
Serrano
Skaggs
Skelton
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Thurman
Tierney
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Woolsey
Wynn

NOT VOTING—16

Boehner
Carson
Coburn
Cubin
DeLauro
Flake
Foglietta
Gonzalez
Greenwood
Linder

McKinney
Neal
Riley
Schiff
Stokes
Yates

☐ 2043

The Clerk announced the following pair:

On this vote:

Mr. Riley for, with Ms. McKinney against.

Messrs. RUSH, HOYER, DELAHUNT, WYNN, HINCHEY, and MOAKLEY, Mrs. LOWEY, Mr. CARDIN, and Mr. DOGGETT changed their vote from "aye" to "no."

Ms. BROWN of Florida, Mr. STRICKLAND, and Mr. NADLER changed their vote from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

MOTION TO RECONSIDER THE VOTE OFFERED BY MR. PALLONE

Mr. PALLONE. Mr. Speaker, I move to reconsider the vote by which the bill was passed.

MOTION TO TABLE OFFERED BY MR. BEREUTER

Mr. BEREUTER. Mr. Speaker, I move to lay on the table the motion to reconsider.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Nebraska [Mr. BEREUTER] to lay on the table the motion to reconsider offered by the gentleman from New Jersey [Mr. PALLONE].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. PALLONE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 245, noes 175, not voting 13, as follows:

[Roll No. 602]

AYES—245

Abercrombie
Aderholt
Archer
Armey
Bachus
Baesler
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boyd
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Crane
Crapo
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Eshoo
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
Kind (WI)
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCarthy (NY)
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Rivers
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sandlin
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Spence
Stearns
Stenholm
Strickland
Stump
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Tierney
Traficant
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOES—175

Ackerman
Allen
Andrews
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boucher
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Clay
Clayton
Clement
Clyburn
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McDermott
McGovern
McHale
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sanchez
Sanders
Sawyer
Schumer
Scott
Serrano
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stupak
Tanner
Tauscher
Thompson
Thurman
Torres
Towns
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn

NOT VOTING—13

Carson
Cubin
Flake
Foglietta
Gonzalez
McKinney
Neal
Riley
Sabo
Schiff
Souder
Stokes
Yates

☐ 2103

Mr. GUTIERREZ changed his vote from "aye" to "no."

So the motion to table the motion to reconsider was agreed to.

The result of the vote was announced as above recorded.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2621, RECIPROCAL TRADE AGREEMENT AUTHORITIES ACT OF 1997

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 105–386) on the resolution (H. Res. 309) providing for consideration of the bill (H.R. 2621) to extend trade authorities procedures with respect to reciprocal trade agreements, and for other purposes, which was referred to the House Calendar and ordered to be printed.

MOTION TO ADJOURN

Mr. GEJDENSON. Mr. Speaker, I offer a privileged motion.

The SPEAKER pro tempore (Mr. BLUNT). The Clerk will report the motion.

The Clerk read as follows:

Mr. Gejdenson moves that the House do now adjourn.

The SPEAKER pro tempore. The question is on the motion to adjourn offered by the gentleman from Connecticut [Mr. GEJDENSON].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. GEJDENSON. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 91, noes 321, not voting 21, as follows:

[Roll No. 603]

AYES—91

Andrews
Barrett (WI)
Becerra
Berry
Blumenauer
Bonior
Borski
Brown (CA)
Brown (FL)
Brown (OH)
Clement
Clyburn
Conyers
Davis (FL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell

Doggett
Doolittle
Engel
Eshoo
Evans
Farr
Fattah
Fazio
Filner
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gillmor
Harman
Hilleary
Hinchey
Hoyer
Jackson (IL)
Johnson, E. B.
Johnson, Sam
Kennedy (RI)
Kennelly
Kilpatrick
LaFalce
Lantos
Levin
Lewis (GA)
Markey
McCarthy (NY)
McDermott
McIntyre
McNulty
Meek
Menendez
Miller (CA)
Mink
Moakley
Murtha
Obey
Olver
Owens
Pallone
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pitts
Roybal-Allard
Rush
Sabo
Sanchez
Scott
Skelton
Slaughter
Smith, Adam
Spratt
Stark
Stupak
Thompson
Thurman
Torres
Towns
Velázquez
Waxman
Weygand
Wise
Woolsey

NOES—321

Abercrombie
Ackerman
Aderholt
Allen
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Coble
Coburn
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (IL)
Davis (VA)
Deal
DeLay
Dellums
Diaz-Balart
Dickey
Dixon
Dooley
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign
Etheridge
Fawell
Foley
Forbes
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilliard
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (WI)
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kildee
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCollum
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Millender-McDonald
Miller (FL)
Minge
Mollohan
Moran (KS)
Moran (VA)
Morella
Myrick
Nadler
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Oxley
Packard
Pappas
Parker
Pascrell
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Ryun
Salmon
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Snyder
Solomon
Spence
Stabenow
Stearns
Stenholm
Stokes
Strickland
Stump
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Tierney
Traficant
Turner
Upton
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Weldon (FL)
Weller
Wexler
White
Wicker
Wolf
Wynn
Young (FL)

NOT VOTING—21

Barcia
Carson
Collins
Cubin
Everett
Ewing
Flake
Foglietta
Gonzalez
Jefferson
McKinney
Meehan
Neal
Riley
Schiff
Souder
Vento
Weldon (PA)
Whitfield
Yates
Young (AK)

□ 2121

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1202

Mr. FOX of Pennsylvania. Mr. Speaker, I ask unanimous consent to remove myself as a cosponsor of H.R. 1202.

The SPEAKER pro tempore [Mr. BLUNT]. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

COMMUNIST CHINA SUBSIDY REDUCTION ACT OF 1997

Mr. SOLOMON. Mr. Speaker, pursuant to House Resolution 302, and as the designee of the Chairman of the Committee on Banking and Financial Services, I call up the bill (H.R. 2605) to require the United States to oppose the making of concessional loans by international financial institutions to any entity in the People's Republic of China, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 302, the bill is considered read for amendment.

The text of H.R. 2605 is as follows:

H.R. 2605

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Communist China Subsidy Reduction Act of 1997".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the People's Republic of China has enjoyed ready access to international capital through commercial loans, direct investment, sales of securities, bond sales, and foreign aid;

(2) regarding international commercial lending, the People's Republic of China had $48,000,000,000 in loans outstanding from private creditors in 1995;

(3) regarding international direct investment, international direct investment in the People's Republic of China from 1993 through 1995 totaled $97,151,000,000, and in 1996 alone totaled $47,000,000,000;

(4) regarding investment in Chinese securities, the aggregate value of outstanding Chinese securities currently held by Chinese nationals and foreign persons is $175,000,000,000, and from 1993 through 1995 foreign persons invested $10,540,000,000 in Chinese stocks;

(5) regarding investment in Chinese bonds, entities controlled by the Government of the People's Republic of China have issued 75 bonds since 1988, including 36 dollar-denominated bond offerings valued at more than $6,700,000,000, and the total value of long-term Chinese bonds outstanding as of January 1, 1996, was $11,709,000,000;

(6) regarding international assistance, the People's Republic of China received almost $1,000,000,000 in foreign aid grants and an additional $1,566,000,000 in technical assistance grants from 1993 through 1995, and in 1995 received $5,540,000,000 in bilateral assistance loans, including concessional aid, export credits, and related assistance; and

(7) regarding international financial institutions—

(A) despite the People's Republic of China's access to international capital and world financial markets, international financial institutions have annually provided it with more than $4,000,000,000 in loans in recent years, amounting to almost a third of the loan commitments of the Asian Development Bank and 17.1 percent of the loan approvals by the International Bank for Reconstruction and Development in 1995; and

(B) the People's Republic of China borrows more from the International Bank for Reconstruction and Development and the Asian Development Bank than any other country, and loan commitments from those institutions to the People's Republic of China quadrupled from $1,100,000,000 in 1985 to $4,300,000,000 by 1995.

SEC. 3. OPPOSITION OF UNITED STATES TO CONCESSIONAL LOANS TO THE PEOPLE'S REPUBLIC OF CHINA.

Title XV of the International Financial Institutions Act (22 U.S.C. 262o—262o-1) is amended by adding at the end the following:

"SEC. 1503. OPPOSITION OF UNITED STATES TO CONCESSIONAL LOANS TO THE PEOPLE'S REPUBLIC OF CHINA.

"(a) IN GENERAL.—The Secretary of the Treasury shall instruct the United States Executive Directors at each international financial institution (as defined in section 1702(c)(2) of the International Financial Institutions Act) to use the voice and vote of the United States to oppose the provision by the institution of concessional loans to the

People's Republic of China, any citizen or national of the People's Republic of China, or any entity established in the People's Republic of China.

"(b) CONCESSIONAL LOANS DEFINED.—As used in subsection (a), the term 'concessional loans' means loans with highly subsidized interest rates, grace periods for repayment of 5 years or more, and maturities of 20 years or more.".

The SPEAKER pro tempore. Pursuant to House Resolution 302, the amendments printed in Part 5 of House Report 105–379 are adopted.

The text of H.R. 2605, as amended by the amendments printed in Part 5 of House Report 105–379 is as follows:

H.R. 2605

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Communist China Subsidy Reduction Act of 1997".

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The Congress finds that—

(1) the People's Republic of China has enjoyed ready access to international capital through commercial loans, direct investment, sales of securities, bond sales, and foreign aid;

(2) regarding international commercial lending, the People's Republic of China had $48,000,000,000 in loans outstanding from private creditors in 1995;

(3) regarding international direct investment, international direct investment in the People's Republic of China from 1993 through 1995 totaled $97,151,000,000, and in 1996 alone totaled $47,000,000,000;

(4) regarding investment in Chinese securities, the aggregate value of outstanding Chinese securities currently held by Chinese nationals and foreign persons is $175,000,000,000, and from 1993 through 1995 foreign persons invested $10,540,000,000 in Chinese stocks;

(5) regarding investment in Chinese bonds, entities controlled by the Government of the People's Republic of China have issued 75 bonds since 1988, including 36 dollar-denominated bond offerings valued at more than $6,700,000,000, and the total value of long-term Chinese bonds outstanding as of January 1, 1996, was $11,709,000,000;

(6) regarding international assistance, the People's Republic of China received almost $1,000,000,000 in foreign aid grants and an additional $1,566,000,000 in technical assistance grants from 1993 through 1995, and in 1995 received $5,540,000,000 in bilateral assistance loans, including concessional aid, export credits, and related assistance; and

(7) regarding international financial institutions—

(A) despite the People's Republic of China's access to international capital and world financial markets, international financial institutions have annually provided it with more than $4,000,000,000 in loans in recent years, amounting to almost a third of the loan commitments of the Asian Development Bank and 17.1 percent of the loan approvals by the International Bank for Reconstruction and Development in 1995; and

(B) the People's Republic of China borrows more from the International Bank for Reconstruction and Development and the Asian Development Bank than any other country, and loan commitments from those institutions to the People's Republic of China quadrupled from $1,100,000,000 in 1985 to $4,300,000,000 by 1995.

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"(b) CONCESSIONAL LOANS DEFINED.—As used in subsection (a), the term 'concessional loans' means loans with highly subsidized interest rates, grace periods for repayment of 5 years or more, and maturities of 20 years or more.".

SEC. 4. PRINCIPLES THAT SHOULD BE ADHERED TO BY ANY UNITED STATES NATIONAL CONDUCTING AN INDUSTRIAL COOPERATION PROJECT IN THE PEOPLE'S REPUBLIC OF CHINA.

(a) PURPOSE.—It is the purpose of this section to create principles governing the conduct of industrial cooperation projects of United States nationals in the People's Republic of China.

(b) STATEMENT OF PRINCIPLES.—It is the sense of the Congress that any United States national conducting an industrial cooperation project in the People's Republic of China should:

(1) Suspend the use of any goods, wares, articles, or merchandise that the United States national has reason to believe were mined, produced, or manufactured, in whole or in part, by convict labor or forced labor, and refuse to use forced labor in the industrial cooperation project.

(2) Seek to ensure that political or religious views, sex, ethnic or national background, involvement in political activities or nonviolent demonstrations, or association with suspected or known dissidents will not prohibit hiring, lead to harassment, demotion, or dismissal, or in any way affect the status or terms of employment in the industrial cooperation project. The United States national should not discriminate in terms or conditions of employment in the industrial cooperation project against persons with past records of arrest or internal exile for nonviolent protest or membership in unofficial organizations committed to nonviolence.

(3) Ensure that methods of production used in the industrial cooperation project do not pose an unnecessary physical danger to workers and neighboring populations or property, and that the industrial cooperation project does not unnecessarily risk harm to the surrounding environment; and consult with community leaders regarding environmental protection with respect to the industrial cooperation project.

(4) Strive to establish a private business enterprise when involved in an industrial cooperation project with the Government of the People's Republic of China or other state entity.

(5) Discourage any Chinese military presence on the premises of any industrial cooperation projects which involve dual-use technologies.

(6) Undertake to promote freedom of association and assembly among the employees of the United States national. The United States national should protest any infringement by the Government of the People's Republic of China of these freedoms to the International Labor Organization's office in Beijing.

(7) Provide the Department of State with information relevant to the Department's efforts to collect information on prisoners for the purposes of the Prisoner Information Registry, and for other reporting purposes.

(8) Discourage or undertake to prevent compulsory political indoctrination programs from taking place on the premises of the industrial cooperation project.

(9) Promote freedom of expression, including the freedom to seek, receive, and impart information and ideas of all kinds, regardless of frontiers, either orally, in writing or in print, in the form of art, or through any media. To this end, the United States national should raise with appropriate authorities of the Government of the People's Republic of China concerns about restrictions on the free flow of information.

(10) Undertake to prevent harassment of workers who, consistent with the United Nations World Population Plan of Action, decide freely and responsibly the number and spacing of their children; and prohibit compulsory population control activities on the premises of the industrial cooperation project.

(c) PROMOTION OF PRINCIPLES BY OTHER NATIONS.—The Secretary of State shall forward a copy of the principles set forth in subsection (b) to the member nations of the Organization for Economic Cooperation and Development and encourage them to promote principles similar to these principles.

(d) REGISTRATION REQUIREMENT.—

(1) IN GENERAL.—Each United States national conducting an industrial cooperation project in the People's Republic of China shall register with the Secretary of State and indicate that the United States national agrees to implement the principles set forth in subsection (b). No fee shall be required for registration under this subsection.

(2) PREFERENCE FOR PARTICIPATION IN TRADE MISSIONS.—The Secretary of Commerce shall consult the register prior to the selection of private sector participants in any form of trade mission to China, and undertake to involve those United States nationals that have registered their adoption of the principles set forth above.

(e) DEFINITIONS.—As used in this section—

(1) the term "industrial cooperation project" refers to a for-profit activity the business operations of which employ more than 25 individuals or have assets greater than $25,000; and

(2) the term "United States national" means—

(A) a citizen or national of the United States or a permanent resident of the United States; and

(B) a corporation, partnership, or other business association organized under the laws of the United States, any State or territory thereof, the District of Columbia, the Commonwealth of Puerto Rico, or the Commonwealth of the Northern Mariana Islands.

SEC. 5. PROMOTION OF EDUCATIONAL, CULTURAL, SCIENTIFIC, AGRICULTURAL, MILITARY, LEGAL, POLITICAL, AND ARTISTIC EXCHANGES BETWEEN THE UNITED STATES AND CHINA.

(a) EXCHANGES BETWEEN THE UNITED STATES AND CHINA.—Agencies of the United States Government which engage in educational, cultural, scientific, agricultural, military, legal, political, and artistic exchanges shall endeavor to initiate or expand such exchange programs with regard to China.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that a federally chartered not-for-profit organization should be established to fund exchanges between the United States and China through private donations.

The SPEAKER pro tempore. The gentleman from New York [Mr. SOLOMON] and the gentleman from New York [Mr. LAFALCE] each will control 30 minutes.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I might consume, and in doing so remind all of us of a revolutionary poem. It starts off:

> Listen, my children, and you shall hear, of
> the midnight ride of Paul Revere,
> One if by land, and two if by sea, and I on the
> opposite shore will be, ready to ride
> and spread the alarm . . .

And it goes on, and he talked about the alarm of the British.

Mr. Speaker, I am no Paul Revere, but I am here today to talk about another alarm, and that is the alarm of soft money.

Now my colleagues have heard a lot about soft money flowing into the United States from a country called China. Well, this debate right now is about soft money flowing out of the United States and to China.

My colleagues, what is soft money? Better listen up because our taxpayers want to know this.

Mr. Speaker, what is soft money that we are talking about in this debate? Well, listen to what it is. It is no interest, not low interest, no interest, 35-year loans with a 10-year grace period, $20 billion of taxpayer-funded loans to China. Can my colleagues imagine? I wish that all of the businesses in the Hudson Valley could have these kind of no-interest, 35-year, taxpayer-funded loans with a 10-year grace period for free. Would not that be nice if we could have that, my colleagues?

Mr. Speaker, this bill is a straightforward bill. It simply requires the Secretary of the Treasury to direct the U.S. executive directors of the international financial institutions to oppose all concessional or soft loans to the Government of Communist China, a rich nation with tons of money out there to buy military hardware that some day may be used against this country.

This bill defines soft loans, and listen to it again, as those with over 20 years' maturity, 5-or-more-year grace periods, and very, very low or no interest rates at all.

Mr. Speaker, this is also one of the easiest votes we should have in this Congress during this nine-bill presentation here today. How in the world could we ever justify, morally that is, making easy money loans funded by American workers and American taxpayers to the government of this totalitarian dictatorship that kills its own people, is engaged in a massive military buildup, and which happens to despise the United States of America? That massive military buildup is being paid for by these free-interest loans that we are giving them.

Before I speak to those who may stand here today and defend these loans on the basis of supposed human needs, environmental protection or whatever, let me provide a little background for those colleagues, because I do not think unless they served on the Committee on Banking and Financial Services or the Committee on International Relations, they probably have not really looked into this.

But in 1996, the Government of Communist China received over $4 billion, $4 billion in taxpayer-funded loans from the World Bank and the Asian Development Bank. Of that, $500 million was in the form of soft loans from the World Bank's International Development Association, or better known as the IDA. Over the past decade China has received over $20 billion in taxpayer-funded loans, including over $7 billion in soft loans from the IDA alone.

What are these IDA loans? They are 35-year, interest-free giveaways, that is what. That is what they are, and despite a 1977 law that requires the United States to oppose multilateral loans to countries with a pattern of gross violation of human rights, the United States continues to support these loans, including soft loan giveaways, to China. Why? Because of a loophole in the law allowing the exception for basic human needs.

Now, that sounds humanitarian; does it not? There is a lot of trouble with that term, Mr. Speaker. According to the Congressional Research Service, it has absolutely no clear meaning in U.S. law. Thus it is subject to interpretation and hence abuse, and boy, oh, boy, is it being abused, and that is what we have gotten from the Clinton administration. With the fashionable sustainable development, a core policy of this administration, environmental loans, such as a recent IDA loan for the Yunnan environment, have garnered U.S. support.

Previous administrations were no better. The Bush administration was just as bad. The fact is we have failed to oppose these IDA loans for China in any serious way for a long, long time.

What we have here, Mr. Speaker, is a little bit of definition creep into the term "basic human needs."

Why are these soft loans to Communist China a bad idea? First, China does not need them. They are a wealthy nation. They have got more money in the bank than we have in the United States of America, and as I said before, soft loans only account for one-eighth of the taxpayer-funded loans to China in 1996, only one-eighth of them.

China also borrows heavily in the private capital markets and has over $75 billion in foreign exchange reserves. Do my colleagues believe that, $75 billion in reserves? And we are continuing to hand out this interest-loan-free money? That begs the question, why does China need any taxpayer-funded loans, especially from the United States of America?

□ 2130

Second, with these soft loans to governments, why are they bad economics? In fact, what are they, other than the failed philosophy of socialism, and that underpins government-to-government loans?

History yields us no evidence whatsoever that governments loaning money to governments results in rising prosperity for the masses of people on either side. That is because governments do not create prosperity, Mr. Speaker. Business and industry do. The debacle of socialism in this country should have gotten us over this a long time ago.

Third, anyone that thinks when a body is undisciplined and unaccountable, as the World Bank makes a soft loan to the Communists in Beijing, and the money does not line the pockets of corrupt officials there? You better know it does. That person is, quite frankly, a sucker, ladies and gentlemen.

Fourth, by making soft money available to Beijing, we are subsidizing a military buildup of massive proportions. I do not know how many can see this, but take a look at what I am about to say. Communist Chinese military spending has increased by double digits for a decade now, doubling their defense budget, while at the same time we have been cutting back for the last 13 years, and so have our allies all over this world. They are buying weapons that cost billions of dollars, weapons that may one day be turned on U.S. soldiers.

Mr. ROHRABACHER and I have been publicizing all year the fact that China is, as we speak, attempting to take possession of the Russian Sunburn missile built with the express intent of taking out U.S. Aegis-equipped ships and sought by China with the express intent of keeping U.S. ships out of the Straits of Taiwan.

Mr. Speaker, this is a Russian destroyer, and these are the new missiles mounted on it now owned by the People's Republic of China. That is what can be used against the United States of America in the not too distant future if we ever had to defend the Taiwan Straits or other areas in the Asia-Pacific area.

Mr. Speaker, soft loans to the Government in China are a geostrategic mistake of colossal proportions.

The fifth and final reason to oppose these loans is that they are just plain immoral. Let us remember that no matter the fancy title of the project, whether it is to be poverty reduction or sustainable development, these loans go to the Government of Communist China. Yes, these loans go to the butchers of Beijing. It is a moral outrage to sit here and see this continue to happen year after year after year.

That is the same regime that killed 1,000 people at Tiananmen Square, the regime that has a slave labor gulag of over 6 million prisoners, 6 million. That is half the population of New York State almost. The regime that even President Clinton's State Department says has silenced all opposition by imprisonment, exile, and intimidation.

And for that alone, according to the 1977 law, they ought to be banned from these kinds of loans, but they continue to go on and on and on. How can we loan soft money to them? How can we put the good name of the American worker behind these loans?

It will be argued that our no vote will reduce our influence in the World Bank. Mr. Speaker, do not believe that for a minute. The rest of the world is always looking for our lead. Witness Bosnia. We leave, and the Europeans leave.

Even if other nations do loan to China over our no vote, so what? Their taxpayers will get the shaft, and not ours.

It will be argued that the U.S. businesses will not be able to bid on the projects funded by these loans. So what? Freedom, national security, and the interests of the taxpayers are, quite simply, the highest priority, higher than the interests of a few businesses.

Mr. Speaker, I frankly think this bill is the bare minimum that we can do. I personally feel that the arguments I have made should apply to all taxpayer-funded loans to China. We should oppose them all. If the World Bank and the Asian Development Bank continue to loan to Communist China, we should withdraw from those organizations. But this bill does not do that at all. Again, it only applies to soft money, no cuts in any funding to any of these international banks.

Again, I am going to call your attention to what is soft money we are talking about holding up here. Again, it is no-interest, 35-year loans with a 10-year grace period, $20 billion of which have been given to them over the last 10 years and, with this bill before us today, puts an end to that, and, above all, it sends a message that we will not do business with people with these kind of human rights violations.

I would urge support of the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. LAFALCE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to this bill. It is punitive in nature, it is bad public policy, and it is an infringement on the constitutional prerogative of the Executive Branch.

As of tomorrow I will oppose so-called fast track authority because I think it is constitutionally unenforceable for Congress to give up its power to amend a bill, I think it is also inappropriate for us to infringe on the authority of the Chief Executive to implement United States foreign policy.

First of all, we are not talking about United States loans; not at all. What we are talking about are international financial institutions. We are talking about the World Bank, we are talking about the International Development Association, we are talking about the Asian Development Bank, et cetera.

These banks try very hard to be nonpolitical, nonpartisan, and countries have a vote with respect to each and every loan that is going to be given. They also have criteria for countries who are eligible. They have criteria for loans that are eligible.

What this bill does, it says forget about the eligibility of a country, forget about the eligibility of a particular loan, forget about whether other countries might be much worse than China, forget about whether other countries are getting amounts of money as great as or greater than China. We want, today, to target China, because we want to have eight bills bashing China so we can achieve some political mileage out of it.

Well, not only is it bad public policy, but I just think it could be very, very harmful, too, diplomatically. China is a country of 1.25 billion people. Our relations with China have been unsteady, uneasy, over the years, but in 1979 we had a great breakthrough; we reestablished diplomatic relations.

The China of today is not the China of 20 years ago or 30 years ago. The gentleman from New York [Mr. SOLOMON] has pointed to many, many imperfections. I would agree with the gentleman on a number of those.

On the other hand, they have made tremendous strides too, tremendous improvements. Twenty years ago, the second language was Russian. Today, the students are studying as a second language English. They are going not to Moscow; they are going to New York City, they are going to Philadelphia, they are going to Boston, they are going to San Francisco, et cetera.

The relationship that exists between the United States, the most powerful nation on the face of this Earth, and China, the most populous nation on the face of the Earth, is probably the most important bilateral relationship that we have today, for the next decade, and maybe for the next century or so. This will only poison the well. This will do no good whatsoever.

We will also impair our effectiveness tremendously. We will have no flexibility within these international financial institutions. We would have no leverage whatsoever. As a matter of fact, everybody would say, "Okay, we dismiss the United States. What we are going to do now we must do without regard to the United States of America." And they will go ahead and do it. It will demean our own country for no good purpose whatsoever.

Mr. Speaker, I want to read the statement of administration policy with respect to this bill.

> The administration opposes H.R. 2605, which would require United States executive directors at each international financial institution to oppose concessional loans to the People's Republic of China or any Chinese citizen or any Chinese entity. H.R. 2605 would unconstitutionally infringe on the President's authority to conduct foreign affairs. In addition, such requirements are rarely an effective policy tool, and often hinder efforts to advance United States priorities within international financial institutions.'

There is another reason, too. This bill was recently introduced, just a few weeks or so ago. It is within the jurisdiction of the Committee on Banking and Financial Services. There has not been one minute of hearings on this bill, no time for people to come in and testify to see all the difficulties with it. It is my understanding that the chairman of the House Committee on Banking and Financial Services strongly opposes this bill, it is my understanding that the chairman of the relevant subcommittee of jurisdiction opposes this bill, and I would hope that everyone in this body would oppose this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. SOLOMON. Mr. Speaker, my good friend, the gentleman from Niagara Falls, New York [Mr. LAFALCE], mentions that the administration is opposed to this bill. The administration has been opposed to every single one of these Chinese bills, and I am very proud they have passed overwhelmingly with Democrat support from his side of the aisle. I believe this one will too.

Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GILMAN], the very distinguished chairman of the Committee on International Relations, and once again praise the gentleman for his great work in bringing all of these bills to the floor.

Mr. GILMAN. I want to thank the gentleman for yielding me time and his support of this effort.

Mr. Speaker, I want to add my voice in support of this important measure directing the President to instruct our representatives to international institutions to vote against concessional assistance for the People's Republic of China.

Introduced by my distinguished colleague, the gentleman from New York [Mr. SOLOMON], the chairman of the Committee on Rules, who has been a tireless advocate for the protection of human rights inside China, this legislation puts an end to continued subsidies to the People's Republic of China.

China has ample access to the world's capital markets, and continued loans to that country from multilateral development banks siphons off resources from other countries with little or no access to global financial markets.

By this bill, we are calling on our executive directors of all multilateral development banks extending credits to China to review all their loan policies to ensure that China will not continue to divert scarce development assistance from needier countries.

Mr. Speaker, I want to express my support for the amendments to this bill that were offered by the gentleman from Illinois [Mr. PORTER], the gentleman from California [Mr. DREIER], and the gentleman from California [Mr. MATSUI], that would create a voluntary set of principles promoting good corporate citizenship by American companies operating in China. Companies adopting that code would be given preference for participation in trade missions to China.

This measure points us in the right direction, and I commend the gentleman from New York [Mr. SOLOMON] for his leadership and urge support for this important measure.

Mr. LAFALCE. Mr. Speaker, I yield such time as he may consume to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Speaker, let me thank the ranking Democratic member on this committee for his very generous gesture and for yielding me this time.

Mr. Speaker, this is the sixth bill before this body in the past 2 days that deals with the People's Republic of Communist China. The first would have the American people believe that it enforces a ban against products that were made with slave labor from being brought into this country.

What it does in reality, if you read the summary, is it provides another $2 million for us to find out which products were made with slave labor, but they still come in. They compete with glove factories and garment plants in south Mississippi, and probably compete with products made in every single congressional district in this country, but they still come in.

The second one would be a prohibition of funds to Chinese religious officials. What it really does is deny people who are appointed by the Communist Chinese regime to be figurehead religious people, and they are really not. It denies their visas. That is all it does.

The third is called the Forced Abortion Condemnation Act. I have a 100-percent voting record with the National Right-to-Life. All it does is condemn what they do and deny visas again to a handful of people from Communist China who want to come in. It does not change their way of thinking.

The fourth is called the Political Freedom in China Act, and it spends $2.2 million to monitor human rights. They literally sit there and watch as the Chinese murder their own people, force abortions on their own people, torture their own people. It does not change anything.

□ 2145

It pays $2 million, $2.2 million for Americans to go over there and watch.

The fifth is called Radio Free Asia Act, and if the money was appropriated, it would spend $50 million to broadcast signals that are in all probability jammed by the People's Republic of China, telling them that they have a bad government. Great idea, but the signal is jammed. It does not accomplish anything. Again, it makes us feel good, like we are trying to do something, but we are really not.

And this bill, the Communist China Subsidy Reduction Act. I do not think the gentleman from New York [Mr. SOLOMON] gave a fair representation of what he is trying to accomplish, and I really do not oppose it. How can one oppose a bill that does nothing? And it does nothing. All it does is have the United States oppose the extension of concessional loans by international financial institutions to any entity in the People's Republic of China. To just oppose it does not mean it does not happen. It still happens. It is one of those feel-good, make the American people happy, bamboozle the American people, make them think we are getting tough with the Communist Chinese, but it does not. We had a chance last night to get tough with the Communist Chinese.

I guess the first question is, for some people in our country, why would we want to? Why take on the people in Peking? Why tell them that they need to change their behavior? Well, I agree. The first 6 bills pretty well spelled it out. They are forcing abortions. They have phony religions. They persecute people for simply practicing their religion. There is no political freedom. There is no free air time on the radio and television to tell the truth about what is going on. So all of those things need to change. But this does not change it. We had a chance last night to change that.

But what else are the Chinese doing? While this session of Congress, the 105th session of Congress has been meeting, the Chinese Communists have acquired ports on both ends of the Panama Canal. These ports were built by the American people. They used to be ours. Because of a very bad treaty in 1977, they were reverted to the Republic of Panama. The Republic of Panama, in the most shadiest of deals, turned down two American firms that bid high for the use of those ports and gave them instead to a company called Hutchinson out of Hong Kong, and as of July 1, Hutchinson is now in the People's Republic of China. So there is one port directly across from our Howard Air Force Base in Panama on the Pacific side, another on the Atlantic side, both of which are fully capable of blocking all entry and exit from the Panama Canal. They now control it. That frightens me as a member of the Committee on National Security.

What else have they done? Most recently, the Chinese Ocean Shipping Company, a firm that is 100 percent owned by the People's Republic of China, a Communist totalitarian state, leased the San Diego Naval Shipyard that we accessed. I am very proud of the House Committee on National Security, because we passed legislation to ban that lease. I helped my good friend, the gentleman from California [Mr. HUNTER] and others, to make that amendment pass. It went to the Senate. They did nothing. The effect is, we do nothing. Now the Chinese Communist shipping company controls what used to be an American naval base in San Diego.

Let us talk about the missiles. We have heard about the missiles repeatedly. Something the American people, by omission or commission were never told about the Gulf War is that during the Gulf War a Chinese Silkworm missile came within 100 yards of one of our battleships, 100 yards. It was shot down by an American fighter plane. What if it had hit? Do my colleagues remember when the Exocet missile hit the Stark? Do my colleagues remember when the Argentine missiles hit the British destroyer? People die, and they die very quickly when a missile hits a ship. That missile was either given or sold to the Iraqis by the Chinese Communists.

As we speak, the Chinese Communists are selling missiles to Iran. They are selling missiles to Iraq. They are either selling or giving missiles to North Korea. These are not onetime indiscretions on the part of the Chinese Communists. These are things that are going on every day and have gone on every day.

I look in the back of the room and I see the gentleman from Maryland [Mr. GILCHREST], who served as a Marine in the Vietnam war, and any Marine in that war knows that he had to worry about every step that he took, because the next step may be to land on a Chinese Communist landmine that were given to the North Vietnamese during that war.

This is not something that is just happening today. It is a period, it is a systematic series of aggressive acts against the United States of America that spans three decades. And what do we do about it? Thus far we have passed five bills that do nothing, and we are debating a sixth bill that does nothing. I want to change that. I want to offer a motion to recommit, because the rule that passed yesterday denies every Member of this body, not just Democrats, every Member of this body their constitutional right to amend a bill on the House floor.

We all ran for office. We were all elected by 1/435th of the people of this country, and yet a couple of people in a room up there called the Committee on Rules decided that the rest of us do not deserve the right to approve these bills. But what they did do was allow for a motion to recommit where one could try to amend this bill.

Mr. Speaker, I am going to offer a motion to recommit. I am going to offer a motion to recommit to try to do what is right, not for the big bosses who go to the teas and the coffees at the White House, or who give phoney loans to the other political party so that they can kind of process it through and use it during their elections, because they really have tainted both political parties, I mean let us be honest with each other. That is what they have done and they have not done it for our benefit, they did it for theirs.

Communist China, after doing all of the things that I have talked about, enjoys a $40 billion trade surplus with our Nation. That means at the end of every year, they will have $40 billion more of our money than we will of theirs. How do they have such a big trade surplus? Well, it is very simple. This Congress, after all the ranting and raving and chest-pounding over the evils of the Clinton coffees, turned right around and gave most-favored-nation status to China. It means that their goods can come into our country with a 2 percent tariff, but if one is an American and one is trying to sell their product in that totalitarian Communist regime, they, No. 1, will decide whether or not they will even let you, and if they let you, they are going to charge your product a 30 to 40 percent tariff just to have the opportunity to be sold there.

We charge them 2 percent, they charge us 30 to 40 percent. It is wrong. It is not fair. We wonder why they give those monies in campaign contributions? That is my hunch why they do it. They have a heck of a deal, we got a horrible deal. I would like to change that.

Last night I offered a motion to recommit to change that, to say that on a quarterly basis, the United States Secretary of the Treasury would review what they charge us to have access to their products and their market, and just say, for the next quarter, that is what we are going to charge them. We do not set a tariff. We tell the Chinese we will be as fair with you as you have been with us. So maybe the people in Waynesboro, MS who are losing their jobs at the glove factory to gloves that are made with political prison labor in China will have a fair shot at the American market and a fair shot at the Chinese market.

Guess what? Almost every Democrat voted for that, but I am sorry to say that only six of my Republican friends chose to stand up to the Speaker of the House, who is the number one fundraiser for that political party, who got Chinese money, and say, you know what? That is wrong. Let us fix it, let us do something about it.

I want to take this opportunity to compliment the gentleman from Maryland [Mr. BARTLETT], the gentleman from California [Mr. BILBRAY], the gentleman from California [Mr. HUNTER] the gentleman from Wisconsin [Mr. NEUMANN] the gentleman from California [Mr. ROHRABACHER] and the gentleman from Michigan, [Mr. SMITH]. What they showed last night was real American courage, because they put what was best for this country ahead of what is best for their political party. They put their constituents ahead of what was best for the Speaker of the House.

That is why we run for office. That is why we stand in the rain, that is why we stand at football stadiums, that is why we stand in front of Wal-Marts, that is why we call up our friends and ask for money, that is why some of us mortgage our houses so we can raise enough money to go on television to run for political office, because we do it to try to make things right. They did that, and every one of them was threatened today, because they did what was right for America, and not what was right for their political party. Shame on you; shame on the people who threatened them.

We are going to have a chance, once again. As I said, I have no objection to the bill of the gentleman from New York [Mr. SOLOMON]. It does not do anything, but I am going to try to make it better. I am going to try to call for some basic fairness between what the Chinese charge us to have access to their markets and what we charge them. That is all we want. Fairness.

I hope my colleagues will give us that chance. I hope my colleagues will put partisan politics aside, whether you are Democrat or Republican. I hope, for once, my colleagues will do for the people what they promised they would do for them, and that is do what is best for our country, regardless of whether it is good for this political party or that political party. For once, let us look out for the American working person.

Mr. HEFNER. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Mississippi. I yield to the gentleman from North Carolina.

Mr. HEFNER. Mr. Speaker, I have been listening to the gentleman's speech, and it is good to see him really get excited for a change here, and I agree with what the gentleman is saying.

The gentleman is probably going to get a move to call this not in order, ruled out of order because it has to go through Ways and Means, or what have you, but in my view, this is just something that could be done, just simply that, as the gentleman talks about, in fairness. We are going to trade with you, you are going to get the same breaks that we get, and I commend the gentleman for making this effort, and I would ask that people make the effort to vote and to support the gentleman on this effort, and I compliment the gentleman on taking the time to do this.

Mr. TAYLOR of Mississippi. I thank the gentleman from North Carolina.

Mr. ABERCROMBIE. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR of Mississippi. I yield to the gentleman from Hawaii.

Mr. ABERCROMBIE. Mr. Speaker, I am not precisely sure of what the exact rule is, or what the Committee on Rules has put forward with respect to the possibility of an amendment of this nature. I have the greatest respect for the intentions of the gentleman from New York [Mr. SOLOMON] in presenting this bill, both with respect to how the bill was put together and to what the implications of the bill are, and I would, far from speaking for him, nonetheless posit the proposition to the gentleman from New York [Mr. SOLOMON] and Members of the House, that essentially what the gentleman from Mississippi is proposing is entirely consonant with the object of the bill before us.

So in that regard, Mr. Speaker, I would like to just bring a bit of historical perspective to consideration of the bill.

At one point, and I am sure the gentleman from New York [Mr. SOLOMON] will recall, we had a Merchant Marine and Fisheries Committee which concerned itself with, among other things, the terms and conditions of international trade on the high seas. I consider that I was a reasonably well-informed individual in my life prior to coming to the Congress, but nonetheless was rather shocked and very chagrined to discover the degree to which disregard for the rules of international trade and disregard for the contractual agreements that had been reached between the United States and other nations, particularly China, was the fact of the matter before us in that committee.

□ 2200

We found that there were shipping trade violations, and I think the gentleman from Mississippi [Mr. TAYLOR] was a Member of that committee and could attest to the fact that I, among others, upon discovering it, simply could not understand why we do not enforce the rules we already have. I think we as Americans take some pride in the fact that we try to keep our agreements, we try to live up to our contracts. That was not taking place.

We have just had recent evidence of what can happen when we do take a stand. The proposition of the gentleman from Mississippi [Mr. TAYLOR] is such that we can, if it is put forward and agreed to, take the kind of stand that has been exemplified, Mr. Speaker, in recent days with the decision of the Maritime Commission to fine certain Japanese companies, shipping companies, for not living up to the rules and regulations to which they had agreed and which we live up to.

The fines were such that when they were imposed, that the executive, in the form, of course, of the President and his administration, was forced into the position, and, in fact, it may be apocryphal, but I heard at one point that the President or someone under his immediate authority said, can they do that? Who are these people? They are our Maritime Commission, and by God, they were doing their job. What their job was is not to turn the American people into suckers and saps, where they are not made to be fools. People know that when it is happening.

One of the reasons there is cynicism abroad in the United States today is people know that they are being played for suckers. They do not like it. They want us, if we are on the floor of this House, free men and women elected by free men and women, to not be made fools of. They expect us to insist as legislators, as national legislators, that we carry these things out, that we see to it that the rules and regulations are obeyed. I think that is the intention of the gentleman from New York [Mr. SOLOMON] with the bill.

I would like to say that I support the idea of reciprocity, and would ask the gentleman from New York [Mr. SOLOMON], in the context of what is possible under the rules as applied to the bill, whether or not the intent of the proposal of the gentleman from Mississippi [Mr. TAYLOR], that is, that a review and reciprocity be instituted with respect to tariffs, might be possible to incorporate into the bill.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in my 20 years in the Congress I guess I have never been accused of being soft on communism before. It is rather funny. But here I am, the gentleman from New York [Mr. LAFALCE] going after me.

Mr. ABERCROMBIE. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Hawaii.

Mr. ABERCROMBIE. I realize, Mr. Speaker, that was said in a jocular fashion, and I can assure the gentleman from New York (Mr. SOLOMON], neither the gentleman from Mississippi [Mr. TAYLOR] nor myself meant to impose any such kind of admonition on the gentleman from New York [Mr. SOLOMON] with respect to his staunch defense of freedom against communism.

However, I do think in the spirit of the bill he put forward, we are requesting that he take into consideration the thrust of the proposition of the gentleman from Mississippi [Mr. TAYLOR].

Mr. SOLOMON. Mr. Speaker, let me just say to my good friend, the gentleman from Hawaii, first of all, the gentleman's amendment is out of order. Let me just say that the reason this is a middle-ground bill, and I will say it to the gentleman from New York [Mr. LAFALCE] as well, is because all nine of these bills were reported out of committee, reported out of the Committee on International Relations, reported out of the Committee on Banking and Financial Affairs, the Committee on Ways and Means, the Committee on National Security, or they were waived by jurisdiction.

Mr. Speaker, let me, and I never want to do this, but let me admonish my good friend, the gentleman from Mississippi [Mr. TAYLOR], a little bit. All of these bills were put together on a bipartisan nature. That is why they are middle of the road. Believe me, on all nine of these bills I had tougher measures, but the gentleman from Indiana [Mr. HAMILTON] and others objected to them. We made the decision to only put out the bills that were agreed to on a bipartisan basis. All nine are bipartisan.

I would say to the gentleman from Mississippi, the days are gone forever when a Member can stand here on this floor and just write out an amendment and send it to the desk without anybody ever having seen it. We do not do that. We do not allow it in the Committee on Rules.

Today Members have to have that amendment drafted by the bill drafting commission here. They have to submit that amendment and so many copies. We distribute it to every single committee of jurisdiction so everybody knows what these amendments are.

What is in these bills that are on the floor? They are all bipartisan. We asked for amendments on both sides of the aisle, and this was not just me, this was the staff of the gentleman from Missouri [Mr. DICK GEPHARDT] and the staff of the gentlewoman from California, [Ms. NANCY PELOSI], and Democrat staff on that side of the aisle contacted every Democrat and said, bring your amendments up to the Committee on Rules. Any significant amendment that was brought to us we made in order. We not only made them in order, two Republican amendments, five Democrat amendments, and five bipartisan amendments, we not only made them in order, we self-executed them into the bill, so when they came to this floor, they were totally bipartisan. That is what is on this floor right now.

By the way, I would say to my friend the gentleman from Mississippi [Mr. TAYLOR], he was not in the Committee on Rules and did not bring any bill before us, any amendment before us. If he had, we would probably have self-executed it into the bill. I do not really know what his amendment would have done, but we certainly would have taken a good look at it.

Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. PAUL] for his remarks on this legislation.

Mr. PAUL. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in support of this amendment. I tend to agree with the gentleman from Mississippi [Mr. TAYLOR] that much of what we have done so far on these various bills have not done a whole lot. We have talked about rectifying the conditions in China, changing human rights, dealing with forced labor, providing for religious freedom, and dealing with the abortion issue. I do not think much will come of those amendments. I felt that some of those were technically flawed. This amendment is different. This is a much better amendment. This amendment gets to the heart of the matter.

It is possible, due to a veto or some other technique, that this does not become law, but it should. If it became law, it would restrict our funding for the Chinese. This is what should be done.

I do not believe that the type of legislation that we have been passing can really change the nature of China. I believe that we have a responsibility here in the Congress to provide for the freest society possible and to set the best example for the record, and that is the best way to change the internal affairs of other nations, and that we do not have this moral authority or constitutional authority to impose our will. But in the same light, we do not have the responsibility or authority, nor should we ever take hard-earned funds from the American taxpayers to subsidize regimes like Red China. So this is why I feel strongly about this issue, that we should stop this loaning through these international agencies.

When the foreign operations appropriation bill came to the floor, we discussed the issue of the Export-Import Bank. This does not deal with the Export-Import Bank, this deals with the $4 billion they get from the international agency.

I applaud the chairman for dealing with this. But I proposed an amendment that would deal with the direct subsidies of $4 billion more from the Export-Import Bank which goes to Red China. We were able to garner 40 votes to send a message and say that China should not be receiving these subsidies. So even with the best of light on legislation like this, it is moving in the right direction, it is doing the right thing, but still, the American people will be obliged to provide $4 billion worth of aid to Red China through the Export-Import Bank. I do not believe this is a proper function for government. I do not believe for a minute the

American people want to do this. I believe it is endorsement of a system that we do not like.

At the same time, I do not believe these token bills that we have passed will do hardly anything to change the internal nature of what is occurring in Red China. But if we could send them a message and say we would not subsidize them, take the funds away, someday maybe we will reconsider taking away the funds from the Ex-Im, but we ought to pass this bill tonight.

Mr. LaFALCE. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I just want to clarify a point. The distinguished chairman of the Committee on Rules said that the House Committee on Banking and Financial Services had reported out the bill. Then he changed that and said, well, they did not report it out, but they had waived jurisdiction.

If they did do this, it was not by committee vote, it was by unilateral decision of the chairman without any consultation with the minority. And it is further my understanding that the chairman of the Committee on Banking and Financial Services, who, according to the chairman of the Committee on Rules, waived jurisdiction, also opposes this bill.

Mr. COX of California. Mr. Speaker, will the gentleman yield?

Mr. LaFALCE. I yield to the gentleman from California.

Mr. COX of California. Mr. Speaker, I just spoke with the chairman of the Committee on Banking and Financial Services, and he said he would vote for the bill.

Mr. LaFALCE. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. SOLOMON. Mr. Speaker, because he is one of the most respected Members of this body, not knowing what he is going to say, I am going to yield 1 minute to the gentleman from Ohio [Mr. TRAFICANT].

The SPEAKER pro tempore [Mr. BLUNT]. The gentleman from Ohio [Mr. TRAFICANT] is recognized for 3 minutes.

Mr. TRAFICANT. Mr. Speaker, one thing for sure, I am certainly not going to oppose the gentleman's bill or his efforts.

I must disagree in one area. I think the gentleman's bill will do an awful lot. It sets the tone of the way we should be looking at China, and perhaps the greatest national security threat in our history is looking at us, and we are financing it.

Some of the young Members do not know this, but the gentleman from New York [Mr. SOLOMON] does. Years ago I had language in a defense appropriation bill that Chairman Rostenkowski would not tolerate. He demanded the rule be left open, and it was, I say to the gentleman from Hawaii [Mr. ABERCROMBIE].

When we came over to the floor, completely open, he says, I will not do waivers of points of order against this bill because I will strike the Traficant language. Listen to what the Traficant language was. It says if a foreign country denies American companies the right to bid on their government contracts, their companies domiciled therein, incorporated under their law, cannot bid on our defense contracts.

That went really to the wire, did it not, because the first title of that appropriation bill was the Army, and I raised a point of order. The point of order was sustained because the authorization bill was not passed, and I struck every penny in it for the Army.

The second title was the Air Force. They sustained the strike, and the Air Force was completely obliterated from the bill. Then the leaders came over and said, we cannot have the Senate write the bill. If you yield back those strikes, we will allow your provision. I say to the gentleman from Mississippi [Mr. TAYLOR], that is what it took to pass that provision.

Let me say this to the gentleman, our trade program is goofy. We will probably annualize a $60 billion trade surplus for China next year. I am not going to talk about human rights. I am going to talk about business. Look at the scoreboard. We are getting our clock cleaned.

I know this is not germane, and I know there are going to be some parliamentary maneuvers, but I want to say this to the gentleman from Mississippi [Mr. TAYLOR], he is on the right track. I did it once before, and I had to do something I did not like doing, but when we get to the point where we are issuing Chinese boots to our military troops, we had better sit back and take a good look.

Mr. Speaker, I want to thank the gentleman from Florida, Mr. BILL YOUNG, chairman of the Subcommittee on National Security of the Committee on Appropriations, and the gentleman from Pennsylvania, Mr. JOHN MURTHA, for looking into that issue and taking care of it.

But I support this bill from the gentleman from New York [Mr. SOLOMON]. I support every bill that has come out here relative to China. I supported this rule. I was wishing I had more time to really talk about those Communist dictators, but with that I will let it lay.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from California, Mr. DANA ROHRABACHER, who is one of the most fierce fighters for human rights in this entire body.

Mr. ROHRABACHER. Mr. Speaker, I rise in strong support of H.R. 2605. In 1997, Communist China will have a $50 billion trade surplus with the United States of America. That is $50 billion. At the same time, China is the largest recipient of international financial loans and subsidies, including an annual amount of almost $4 billion in U.S. loans and subsidies through international financial institutions.

□ 2215

At the same time that all that is going on, China is engaged in a massive buildup of its military capabilities. Who are those military men in the employ of the Communist Chinese dictatorship going to use those weapons against? It makes no sense for us to be financing projects for the Communist Chinese while they are building up their military and they have the weapons to use against us that we are financing by making sure they do not have to pay for other things.

They have got the money to pay for those other projects themselves. If they have got the money to build up their military, they can pay for all of their own projects. Sometimes it is argued they say, well, American companies will not get this project or that project in building up some infrastructure or whatever project unless we give them some type of a subsidized loan.

Why should we subsidize those projects, those public work projects, in Communist China? We have got lots of public work projects we could finance with that money in the United States. None of this makes any sense. And the money is drawn right out of the pool of money that is available to the American people.

Vote "yes" on Solomon. Vote to support a sane policy on providing loans to this dictatorship.

Mr. LaFALCE. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. GOODE].

Mr. GOODE. Mr. Speaker, I want to commehd the gentleman from Mississippi [Mr. TAYLOR] for emphasizing trade equity. I also commend the chairman of the Committee on Rules for his package of bills and do not seek to do any harm to his position, but I do seek the position of making it better.

The gentleman from Mississippi [Mr. TAYLOR] simply wants to add a fourth section to a three-section bill. The persecution of Christians in China is atrocious. Their policy of abortion is atrocious. In China, the tolerance of those who do not believe as they believe is bad, to say the least.

But my father used to say, "If you want to get somebody's attention, you got to hit him in the pocketbook." And the trade equity provisions pushed by the gentleman from Mississippi [Mr. TAYLOR] would hit the Chinese in the pocketbook. I urge my colleagues to support his position and make a good bill better.

Mr. LaFALCE. Mr. Speaker, I yield 30 seconds to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Speaker, I appreciate the gentleman from New York [Mr. SOLOMON] saying that he wishes I brought it before the Committee on Rules. Earlier this year, my colleague, I brought an amendment to have all DOD employees drug tested before the Committee on Rules. The committee never even voted on it.

Then I brought Medicare subvention before the Committee on Rules, something that my colleague is a cosponsor of. He voted against it in the Committee on Rules, and he voted against bringing it to the floor.

So if I am a little hesitant to bring this important measure to the Committee on Rules, it is for good reason. It is because the Committee on Rules has not been fair and people in the Committee on Rules have voted in the Committee on Rules against bills that they have cosponsored bringing them to the floor.

Mr. SOLOMON. Boy, oh boy. I just wish I had a little more time here. We would get into a donnybrook, my colleagues. But I will not do that.

Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. ROYCE].

Mr. ROYCE. Mr. Speaker, I thank the gentleman from New York [Mr. SOLOMON] for yielding me the time.

I rise in support of the Communist China Subsidy Reduction Act. And I want to commend the gentleman from New York [Mr. SOLOMON] for all the work that he has put into this legislation and the entire "Policy for Freedom China" package that we have been considering today.

We have had many debates on the floor about trade between our country and the People's Republic of China. We have a debate every year. It is one thing to disagree with the terms of trade between our country and China. But I hope we can all agree to end below-market-rate loans for China.

There are many reasons for supporting this act and opposing below-market-rate loans made by U.S.-supported international financial institutions. We should oppose these loans to the repressive Beijing regime on human rights grounds alone. It is more than clear that the human rights situation in China is not improving. And these loans are financed by American taxpayers, and that is wrong.

But let us leave aside the horrific human rights abuses and security concerns we need to have and focus on our economic side of this debate. The bottom line is that China does not need these loans. China is attracting all types of foreign investment, $50 billion in foreign investment in 1996 alone, much of it from U.S. companies. Beijing also has been raising funds through commercial loans and bond sales, all at market rates.

The People's Republic of China is now sitting on the highest foreign exchange mound in the world, in large part because of its trade surplus with the United States made possible by restrictions on American access to China's markets. I share the frustrations that have been expressed in this debate about our economic playing field.

Because of these high investments in trade levels, the Chinese economy is growing at unprecedented rates. In 1994, 12 percent. In 1995, 10 percent; 1996, 13½ percent. By contrast, the U.S. economy is growing at some 3 percent. Yet, we are providing China with below-market loan rates. What sense does this make?

I have heard some from the administration argue that this legislation is unnecessary. There are plans to phase out these loans, they say. That may be true. But that, in and of itself, is no reason to oppose this legislation. Let us make a strong statement of principle that cheap loans to China financed by the American taxpayers are not something this Congress supports. It is the least we can do.

Mr. SOLOMON. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. COX], the chairman of the Policy Committee of the Republican Party. He is responsible for having coordinated these nine pieces of legislation.

Mr. COX of California. Mr. Speaker, I thank the gentleman from New York [Mr. SOLOMON], and I thank all of the speakers that preceded for their careful attention to the bill before us, which is, as the other bills have been in the last day and a half since we have been debating them, focused and targeted on a specific problem with a very measured response.

The problem is actually an opportunity. The problem is that what was once a developing nation, nation in poverty, is now a growing nation. In fact, it has one of the fastest growing economies on Earth. It has the largest foreign exchange reserves on Earth and ready access to the world's capital markets, as witness the fact that it has sold 6.75 billion dollars' worth of U.S.-dollar-denominated bonds.

Since July 1, the People's Republic of China includes the thriving market of Hong Kong, with its access to world capital markets. It is true, as has been stated in debate already, that it is administration policy, Clinton administration policy, to end China's access to so-called concessional lending. Concessional lending is, of course, well below market lending at either little or no interest, with long maturities, such as 20 years.

The Treasury has been making progress, and the Treasury has this policy precisely because of China's large foreign exchange reserves and their access to capital markets. Already they have terminated the People's Republic of China's access to the concessional loan facility of the Asian Development Bank.

It is important that we are working in concert with administration policy. It is important because their opposition to this legislation makes it clear that all that they oppose is Congress having a say-so in the matter.

In truth, the administration was supposed to have and intended to terminate below-market, subsidy, taxpayer-financed lending to the People's Republic of China and to Communist Chinese enterprises a year ago. Now they are talking about doing it a year henceforth.

The reason Congress needs to act is that, in our system of government, we control the purse strings, it is the taxpayers' money, and the time has come, as all can see, to recognize that the nation with the largest foreign exchange reserves in the world, with so much outstanding credit, that is, loans that it has made to others, $48 billion in outstanding loans from private creditors as of 2 years ago, and that number has gone up, that that nation no longer needs to have access to concessional lending from multilateral development banks that is meant for nations in poverty who do not have access to capital markets.

This is precisely the right remedy. It is precisely the right remedy. This bill clarifies policy, applies sensible policy, and applies it across the board in a fair way. It is a pro-free-market bill. It is a pro-American bill, and it is a pro-China bill.

As we have seen in the debate over so many of these other bills, if we are to be a friend of China, we have to be a friend of an increasingly free China. We have to be honest with ourselves and recognize that trade with China, which, as we all recognize, runs mostly one way right now, they have an enormous trade surplus with us, we have a lot of money over there, but, frankly, we import from them, whereas they do not buy our things, that it is, unfortunately, one way to their advantage.

Whereas Taiwan, a much smaller country with a fraction of the population, buys 60 percent more from the United States than does the People's Republic of China, China is hoarding these foreign exchange reserves, apparently to a purpose. That is their right. They have access to our capital markets. They are selling their bonds and stocks, so on, over here. That is their right. But then the appropriate response is not for the United States to subsidize lending back to that same trading partner.

And so this bill, the Communist Chinese Subsidy Reduction Act, which targets only those loans that are below market, that are clearly subsidies from the taxpayer, is exactly the right thing to do. It is why the chairman is right to bring it. It is why the Committee on Banking and Finance is right to send it to the floor. And it is why I hope all of my colleagues will vote now in favor of it.

The SPEAKER pro tempore (Mr. BLUNT). Pursuant to House Resolution 302, the previous question is ordered on the bill, as amended.

The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. TAYLOR OF MISSISSIPPI

Mr. TAYLOR of Mississippi. Mr. Speaker, at the appropriate time, I would like to be recognized for a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. TAYLOR of Mississippi. In its present form, I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. TAYLOR of Mississippi moves to recommit the bill (H.R. 2605) to the Committee on Ways and Means with instructions to report the bill back to the House forthwith with the following amendment. At the end of the bill insert the following:

SEC. 4. QUARTERLY ADJUSTMENT OF TARIFFS ON PRODUCTS OF THE PEOPLE'S REPUBLIC OF CHINA.

(A) QUARTERLY DETERMINATIONS BY SECRETARY OF THE TREASURY.—The Secretary of the Treasury shall determine, at the end of each calendar quarter—

(1) the dollar amount of tariffs paid to the People's Republic of China during that quarter by persons for exporting goods and services from the United States to the People's Republic of China; and

(2) the dollar amount of tariffs paid to the United States during that quarter by persons for importing goods and services from the People's Republic of China into the United States.

(b) ADJUSTMENT OF TARIFFS.—Notwithstanding any other provision of law, the Secretary of the Treasury shall adjust the tariffs on all products of the People's Republic of China so that an amount is collected on imports of products of the People's Republic of China, during the 3-month period beginning 30 days after the end of the calendar quarter for which a determination is made under subsection (a), equal to the amount by which the dollar amount computed under paragraph (1) of subsection (a) exceeds the dollar amount computed under paragraph (2) of subsection (a).

POINT OF ORDER

Mr. SOLOMON. Mr. Speaker, I make a point of order against the motion to recommit with instructions.

Mr. Speaker, the motion to recommit with instructions is not germane to this underlying bill. The fundamental purpose, or common thread, of the bill is very narrow and only concerns concessional loans to China. The range of methods employed in the bill is similarly narrow, and the bill is within the jurisdiction of the Committee on Banking and Finance.

The motion, however, deals with the reciprocal tariff treatment of products of China. This is clearly not within the very narrow purpose of this bill. The issue of tariffs is also outside the range of methods employed in this bill and contains matter within the jurisdiction of the Committee on Ways and Means.

There has been a protocol under previous Democrat leadership and Republican leadership today that amendments of this nature which would either raise or lower tariffs or raise or lower taxes are not allowed in motions to recommit on the floor. They must clear with the Committee on Ways and Means first.

□ 2230

Therefore, the motion to recommit with instructions is not germane, and I urge the Chair to sustain the point of order.

The SPEAKER pro tempore [Mr. BLUNT]. Does any Member wish to be heard on the point of order?

The Chair recognizes the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Speaker, as much as any Member of this body lives and breathes, this amendment is very much germane. Mr. SOLOMON'S bill does one thing. It directs the Secretary of the Treasury to kind of something, do something about the Chinese Communists. My amendment directs the Secretary of the Treasury to do something about the gross injustice between what the Communist Chinese charge American products when our products go to their country and the fact that they only pay 2 percent when they come to ours. Why are we doing this? Why were there 5 votes in the past 2 days? It is because they force abortions, it is because they are thugs, they do not have religious freedom, they do not have political freedom. They are selling missiles and weapons to our enemies. They are buying ports on both ends of the Panama Canal.

Mr. SOLOMON. Point of order, Mr. Speaker. The gentleman is not speaking to the point of order.

The SPEAKER pro tempore. The Chair will remind the Member to confine his remarks to the point of order.

Mr. TAYLOR of Mississippi. Mr. Speaker, as I said, every bill that we have voted on is trying to affect Chinese policy. This bill is asking the Secretary of the Treasury to take steps to affect Chinese policy. My amendment asks the Secretary of the Treasury to take substantial, realistic steps to affect Chinese policy. We are only going to get one last chance this session to do something substantive. As I have pointed out, the Committee on Rules has voted against bills that they are cosponsors of.

Mr. SOLOMON. Mr. Speaker, the gentleman is not speaking to the point of order. We have some integrity in this House.

The SPEAKER pro tempore. The Chair reminds the Member to speak to the point of order.

Mr. TAYLOR of Mississippi. The Speaker knows I am speaking to the point of order. The gentleman may not, but you do, Mr. Speaker.

Mr. Speaker, I am asking the Members of this House to do what each of us begged for the opportunity to do every other year, and, that is, stand up for the rights of the American citizens, to strike a blow against the thugs when we get the chance. Tonight we have a chance. Tonight we can decide that we will have some lame excuse and go back and tell the constituents of each of our individual districts, that, "Doggone it, we couldn't do anything about those Chinese thugs because the Rules Committee said we weren't germane." Or we can say that there are some things more important than the rules of the House in the integrity of this Nation, simple things like right and wrong, simple fairness for the American working people. That is more important than the rules of the House that can be changed at any moment. That is what I am asking Members of this body to vote on, and that is why I am asking Members to vote against tabling this motion and then turn around to vote for this motion to recommit so that all of these things that have done nothing will at least be followed up by a measure that does something for the people of America and gets the attention of the thugs in Peking.

The SPEAKER pro tempore. The Chair is prepared to rule.

The gentleman from New York [Mr. SOLOMON] makes the point of order that the amendment proposed in the motion to recommit is not germane.

The test of germaneness in this situation is the relationship of the amendment proposed in the motion to recommit to the provisions of the bill as a whole.

The bill, H.R. 2605, provides that the Secretary of Treasury instruct the United States Executive Directors to oppose concessional loans at each international financial institution to the People's Republic of China, any citizen or national of the People's Republic of China, or any entity established in the People's Republic of China.

The amendment proposed in the motion to recommit would amend the tariff schedules of the United States to achieve reciprocity between the aggregate amount of Chinese tariffs on American products and the aggregate amount of American tariffs on Chinese products.

As noted in section 798c of the House Rules and Manual, to be germane an amendment should address the same legislative jurisdiction as is addressed in the bill. Here, although the bill addresses the jurisdiction of the Committee on Banking and Financial Services, the amendment addresses the jurisdiction of the Committee on Ways and Means.

On this basis, the Chair finds that the amendment is a "proposition on a subject different from that under consideration" within the meaning of clause 7 of rule XVI. That is, the amendment is not germane. The point of order is sustained. The motion to recommit is not in order.

PARLIAMENTARY INQUIRY

Mr. TAYLOR of Mississippi. Mr. Speaker, at this time I ask a parliamentary inquiry as to which is the proper motion to question the ruling of the Chair.

The SPEAKER pro tempore. The gentleman may appeal the ruling of the Chair.

Mr. TAYLOR of Mississippi. Mr. Speaker, I would like to point out that in previous instances in this esteemed body, Speakers, when a question of the ruling of the Chair would be brought before it, would allow the Members to decide whether or not they wanted to vote on something. I would very much appreciate it if this Speaker would allow the Members to decide whether or not we will vote on this. If this Speaker chooses not to do so, then I will ask the Members to vote against the ruling of the Chair so that this motion to recommit can be brought before this body and voted on by the 435 Members who were each elected by the citizens of this country.

The SPEAKER pro tempore. The Chair has ruled. Does the gentleman wish to appeal the ruling of the Chair?

Mr. TAYLOR of Mississippi. I do, Mr. Speaker.

The SPEAKER pro tempore. The question is, Shall the decision of the Chair stand as the judgment of the House?

MOTION TO TABLE OFFERED BY MR. COX OF CALIFORNIA

Mr. COX of California. Mr. Speaker, I move to lay on the table the appeal of the ruling of the Chair.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. COX] to lay the appeal on the table.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. TAYLOR of Mississippi. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 220, nays 192, not voting 21, as follows:

[Roll No. 604]

YEAS—220

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Bonilla
Bono
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Greenwood
Gutknecht
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skaggs
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (FL)

NAYS—192

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Ford
Frank (MA)
Frost
Furse
Gejdenson
Goode
Gordon
Green
Gutierrez
Hall (OH)
Hall (TX)
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McIntyre
McNulty
Meehan
Meek
Menendez
Minge
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Traficant
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn

NOT VOTING—21

Barr
Boehner
Carson
Cubin
Dixon
Flake
Foglietta
Gephardt
Gonzalez
Granger
LaTourette
McKinney
Millender-McDonald
Miller (CA)
Neal
Riley
Schiff
Smith (OR)
Stark
Yates
Young (AK)

□ 2256

Messrs. RANGEL, RUSH, and MORAN of Virginia changed their vote from "yea" to "nay."

Messrs. COLLINS of Georgia, KINGSTON, and NEUMANN changed their vote from "nay" to "yea."

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. BLUNT). The question is on passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. SOLOMON. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 354, noes 59, not voting 20, as follows:

[Roll No. 605]

AYES—354

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bereuter
Berry
Bilbray
Bilirakis
Bishop
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Cardin
Chabot
Chambliss
Chenoweth
Christensen

Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Doggett
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Ensign
Etheridge
Evans
Everett
Fattah
Fawell
Filner
Foley
Forbes
Ford
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kucinich
Lampson
Lantos
Largent
Latham
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Meehan
Menendez
Metcalf
Mica
Miller (FL)
Moakley
Mollohan
Moran (KS)
Murtha
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Paul
Paxon
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Reyes
Riggs
Rivers
Rodriguez
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryun
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (FL)

NOES—59

Ackerman
Becerra
Bentsen
Berman
Blagojevich
Brown (CA)
Campbell
Castle
Conyers
Coyne
Davis (FL)
Dicks
Dingell
Dooley
Engel
English
Eshoo
Ewing
Farr
Fazio
Furse
Gutierrez
Hamilton
Hastert
Hinchey
Jefferson
Johnson, E. B.
Kolbe
LaFalce
LaHood
Lofgren
Lowey
Manzullo
McDermott
Meek
Millender-McDonald
Minge
Mink
Moran (VA)
Morella
Nadler
Obey
Olver
Pastor
Payne
Pickett
Roemer
Sabo
Serrano
Skaggs
Slaughter
Smith, Adam
Snyder
Stabenow
Tauscher
Thurman
Velázquez
Watt (NC)
Waxman

NOT VOTING—20

Carson
Cubin
Dixon
Flake
Foglietta
Gephardt
Gonzalez
Houghton
LaTourette
McKinney
Miller (CA)
Neal
Rangel
Riley
Rush
Schiff
Smith (OR)
Stark
Yates
Young (AK)

□ 2316

Mrs. LOWEY, and Messrs. FAZIO of California, MANZULLO and NADLER changed their vote from "aye" to "no."

Ms. HOOLEY of Oregon changed her vote from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1378. An act to extend the authorization of use of official mail in the location and recovery of missing children, and for other purposes; to the Committee on Government Reform and Oversight, and in addition, to the Committee on House Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

SENATE BILL AND CONCURRENT RESOLUTIONS REFERRED

A bill of the Senate and concurrent resolutions of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1377. An act to amend the Act incorporating the American Legion to make a technical correction; to the Committee on the Judiciary.

S. Con. Res. 61. Concurrent resolution authorizing printing of a revised edition of the publication entitled "Our Flag"; to the Committee on House Oversight.

S. Con. Res. 62. Concurrent resolution authorizing printing of the brochure entitled "How Our Laws Are Made"; to the Committee on House Oversight.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1119. An act to authorize appropriations for fiscal year 1996 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

H.R. 2160. An act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1998, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 2160. An act making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1998, and for other purposes.

H.R. 1119. An act to authorize appropriations for fiscal year 1998 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

ADJOURNMENT

Mr. ARMEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 17 minutes p.m.), the House adjourned until tomorrow, Friday, October 7, 1997, at 9 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

5788. A letter from the Vice Chair, Export-Import Bank of the United States, transmitting a report involving U.S. exports to Chile, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

5789. A letter from the AMD—Performance Evaluation and RECORDS Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Parris Island and Hampton, South Carolina) [MM Docket No. 96-250, RM-8952] received October 31, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5790. A letter from the AMD—Performance Evaluation and RECORDS Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Winner and

Wessington Springs, South Dakota) [MM Docket No. 96–124, RM–8813, RM–8864] received October 31, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5791. A letter from the AMD—Performance Evaluation and Records Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (New London, Iowa) [MM Docket No. 97–148, RM–9088] received October 31, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5792. A letter from the AMD—Performance Evaluation and Records Management, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Levan, Oakley, Utah and Green River, Wyoming) [MM Docket No. 96–230, RM–8911, RM–9049] received October 31, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

5793. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed manufacturing license agreement for production of major military equipment with New Zealand (Transmittal No. DTC–125–97), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

5794. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed manufacturing license agreement for production of major military equipment with Canada (Transmittal No. DTC–131–97), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

5795. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed manufacturing license agreement for production of major military equipment with Germany (Transmittal No. DTC–128–97), pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

5796. A letter from the Executive Director, Committee for Purchase from People Who Are Blind or Severely Disabled, transmitting a consolidated report on audit and investigative coverage required by the Inspector General Act of 1978, as amended, and the Federal Managers' Financial Integrity Act, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

5797. A letter from the Chairman, Federal Mine Safety and Health Review Commission, transmitting a consolidated report on audit and investigative coverage required by the Inspector General Act of 1978, as amended, and the Federal Managers' Financial Integrity Act, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

5798. A letter from the Executive Director, Japan-United States Friendship Commission, transmitting the FY 1997 report pursuant to the Inspector General Act Amendment of 1988 and the Federal Managers' Financial Integrity Act, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

5799. A letter from the Acting Associate Administrator for Legislative Affairs, National Aeronautics and Space Administration, transmitting NASA's 1998 Strategic Plan, pursuant to Public Law 103—62; to the Committee on Government Reform and Oversight.

5800. A letter from the Acting Executive Director, National Commission on Libraries and Information Science, transmitting the FY 1997 report pursuant to the Inspector General Act and the Federal Managers' Financial Integrity Act, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

5801. A letter from the Independent Counsel, Office of Independent Counsel, transmitting the FY 1997 report pursuant to the Federal Managers' Financial Integrity Act, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Reform and Oversight.

5802. A letter from the President and Chief Executive Officer, Overseas Private Investment Corporation, transmitting the annual report providing information on the FY 1997 activities of the agency's formal management control review program, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

5803. A letter from the Director, The President's Crime Prevention Council, transmitting a consolidated annual report required by the Inspector General Act of 1978, as amended, and the Federal Managers' Financial Integrity Act, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform and Oversight.

5804. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Tax Treatment of Cafeteria Plans [TD 8738] (RIN: 1545–AV43) received November 5, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

5805. A letter from the Administrator, National Aeronautics and Space Administration, transmitting the triennial report on the present state of knowledge of the Earth's upper atmosphere, pursuant to Public Law 101—549; jointly to the Committees on Science and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2283. A bill to expand the boundaries of Arches National Park in the State of Utah to include portions of the following drainages, Salt Wash, Lost Spring Canyon, Fish Sheep Draw, Clover Canyon, Cordova Canyon, Mine Draw, and Cottonwood Wash, which are currently under the jurisdiction of the Bureau of Land Management, and to include a portion of Fish Sheep Draw, which is currently owned by the State of Utah; with an amendment (Rept. 105–385). Referred to the Committee of the Whole House on the State of the Union.

Mr. DREIER: Committee on Rules. House Resolution 309. Resolution providing for consideration of the bill (H.R. 2621) to extend trade authorities procedures with respect to reciprocal trade agreements, and for other purposes (Rept. 105–386). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of Rule X and clause 4 of Rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. GILMAN (for himself and Mr. Gingrich):

H.R. 2832. A bill concerning United States policy with respect to Jerusalem as the capital of Israel; to the Committee on International Relations.

By Mr. GILMAN (for himself and Mr. Gingrich):

H.R. 2833. A bill to amend the Anglo-Irish Agreement Support Act of 1986 to require compliance with principles of economic justice under that Act, and for other purposes; to the Committee on International Relations.

By Mr. LaTOURETTE (for himself and Mr. Kucinich):

H.R. 2834. A bill to permit the city of Cleveland, Ohio, to convey certain lands that the United States conveyed to the city; to the Committee on Transportation and Infrastructure.

By Mr. HYDE:

H.R. 2835. A bill to amend the Act incorporating the American Legion so as to redefine eligiblity for membership therein; to the Committee on the Judiciary.

By Mr. VENTO:

H.R. 2836. A bill to designate the building of the United States Postal Service located at 180 East Kellogg Boulevard in Saint Paul, Minnesota, as the "Eugene J. McCarthy Post Office Building"; to the Committee on Government Reform and Oversight.

By Mr. SMITH of Texas (for himself, Mr. Goodlatte, Mr. Bryant, Mr. Bilbray, and Mr. Deal of Georgia):

H.R. 2837. A bill to reform the naturalization process, to clarify the procedures for investigating the criminal background of individuals submitting applications in connection with certain benefits under the Immigration and Nationality Act, and for other purposes; to the Committee on the Judiciary.

By Mr. FOX of Pennsylvania:

H.R. 2838. A bill to amend the Internal Revenue Code of 1986 to provide additional protections for taxpayers, and for other purposes; to the Committee on Ways and Means.

By Mr. GILMAN:

H.R. 2839. A bill to improve the quality of child care provided through Federal facilities and programs, and for other purposes; to the Committee on Government Reform and Oversight, and in addition to the Committees on House Oversight, the Judiciary, Ways and Means, and Banking and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BLILEY (for himself, Mr. McIntosh, Mr. Condit, Mr. Stenholm, Mr. Shuster, Mr. Pickett, Mr. Goode, Mr. Hall of Texas, Mr. John, Mr. Turner, Mr. English of Pennsylvania, Mr. Goodlatte, Mr. Armey, Mr. DeLay, Mr. Hastert, Mr. Smith of Texas, Mr. Cramer, Mr. Gillmor, Mr. Oxley, and Mr. Largent):

H.R. 2840. A bill to provide Governmentwide accounting of regulatory costs and benefits, and for other purposes; to the Committee on Government Reform and Oversight.

By Mr. BUNNING of Kentucky:

H.R. 2841. A bill to extend the time required for the construction of a hydroelectric project; to the Committee on Commerce.

By Mr. COOK:

H.R. 2842. A bill to amend the Family and Medical Leave Act of 1993 to allow leave for parent-teacher conferences; to the Committee on Education and the Workforce, and in addition to the Committees on Government Reform and Oversight, and House Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. DUNCAN (for himself, Mrs. Kennelly of Connecticut, Mr. Lipinski, Mr. Fox of Pennsylvania, and Mr. Blunt):

H.R. 2843. A bill to direct the Administrator of the Federal Aviation Administration to reevaluate the equipment in medical kits carried on, and to make a decision regarding requiring automatic external defilbrillators to be carried on, aircraft operated by air carriers, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. FAZIO of California (for himself and Mr. Dooley of California):

H.R. 2844. A bill to amend provisions of the Omnibus Budget Reconciliation Act of 1993 that relate to timber sales, to provide more equitable payments to States for the benefit of counties in which national forests are situated; to the Committee on Agriculture.

By Mr. FRANK of Massachusetts:

H.R. 2845. A bill to amend the Uniform Time Act of 1966 to provide that daylight savings time end on the first Sunday after the first Monday in November each year; to the Committee on Commerce.

By Mr. GOODLING (for himself, Mr. Graham, Mrs. Roukema, Mr. Paul, Mr. Norwood, Mr. Deal of Georgia, Mr. Hilleary, Mr. Duncan, Mr. DeLay, Mr. Largent, Mr. Pappas, Ms. Waters, Mr. Shadegg, Mr. McKeon, Mr. Gingrich, Mr. Weldon of Pennsylvania, Mr. Hyde, Mr. Souder, Mr. Armey, Mr. Blunt, Mr. Wicker, and Mr. Kasich):

H.R. 2846. A bill to prohibit spending Federal education funds on national testing without explicit and specific legislation; to the Committee on Education and the Workforce.

By Ms. GRANGER (for herself, Mr. Weller, Mr. Armey, Mr. Blunt, Mr. Bob Schaffer of Colorado, Mr. English of Pennsylvania, Mr. Paul, Mr. Hilleary, Mr. Pitts, and Mr. Sam Johnson):

H.R. 2847. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives for education; to the Committee on Ways and Means.

By Mr. GREEN (for himself, Mr. Bonior, Ms. Kaptur, Mr. Gutierrez, Ms. Jackson-Lee, Ms. Eddie Bernice Johnson of Texas, Mr. Reyes, Mr. Gejdenson, Mr. Pascrell, Mr. Stupak, Mr. Rodriguez, Mr. Sawyer, Mr. Lampson, Mr. Ford, Ms. Sanchez, Mr. Farr of California, Mr. Delahunt, Mr. Kucinich, Mr. Klink, Mr. Serrano, Mr. Davis of Illinois, Mr. Doyle, Mr. Rush, Mr. McGovern, and Mr. Bentsen):

H.R. 2848. A bill to amend the National Labor Relations Act to require the arbitration of initial contract negotiation disputes, and for other purposes; to the Committee on Education and the Workforce.

By Mr. HALL of Ohio (for himself and Mr. Kasich):

H.R. 2849. A bill to provide for the establishment of demonstration projects designed to determine the social, civic, psychological, and economic effects of providing to individuals and families with limited means an opportunity to accumulate assets, and to determine the extent to which an asset-based policy may be used to enable individuals and families with limited means to achieve economic self-sufficiency; to the Committee on Ways and Means.

By Mr. JOHNSON of Wisconsin (for himself, Mr. Lampson, Mr. Lantos, Mr. Franks of New Jersey, Mr. Cramer, Mr. Wynn, Mr. Peterson of Minnesota, Mr. Frost, Mr. Dooley of California, Mr. Luther, Ms. Stabenow, and Mr. Kind of Wisconsin):

H.R. 2850. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to require better reporting of unidentified persons, and for other purposes; to the Committee on the Judiciary.

By Mrs. KENNELLY of Connecticut:

H.R. 2851. A bill to prohibit application of a payment limit to a drug or biological under part B of the Medicare Program based on a less costly alternative for courses of treatment begun before the change in payment; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. KILDEE:

H.R. 2852. A bill to amend title V of the Higher Education Act of 1965 to improve and strengthen the recruitment and training of American teachers; to the Committee on Education and the Workforce.

By Mr. KILDEE:

H.R. 2853. A bill to authorize and direct the Secretary of the Interior to set aside all entrance fees, special use fees, and concession fees from the National Park System into a National Park Capital Improvement Fund at the Department of the Treasury, and to secure bonds for particular, high-priority capital improvements to the National Park System, and for other purposes; to the Committee on Resources.

By Mr. LATOURETTE (for himself, Mr. Miller of California, Mrs. Morella, Mr. Dingell, Mr. Solomon, Ms. DeLauro, Ms. Eddie Bernice Johnson of Texas, Mr. McHugh, Mr. Gejdenson, Mrs. Kelly, Mr. Baldacci, Mr. Foley, Mr. Nadler, Mr. Nethercutt, Mr. Frank of Massachusetts, Mr. DeFazio, Mrs. Thurman, Mr. Manton, Mr. Serrano, Ms. Brown of Florida, Ms. Woolsey, Mr. Ackerman, Ms. Rivers, Ms. Lofgren, Mr. Vento, Mr. Evans, Mrs. Maloney of New York, Mr. Gutierrez, Mr. Borski, Mr. Green, and Mrs. Mink of Hawaii):

H.R. 2854. A bill to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to require group health plans and group and individual health insurance coverage to provide post-delivery follow-up care for mothers and newborns discharged less than 48 hours following a vaginal delivery or less than 96 following a delivery by cesarean section; to the Committee on Commerce, and in addition to the Committees on Education and the Workforce, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LIPINSKI:

H.R. 2855. A bill to amend title 49, United States Code, to require the installation of the collision avoidance system known as TCAS-II on large cargo aircraft; to the Committee on Transportation and Infrastructure.

By Mr. NADLER (for himself and Mr. Campbell):

H.R. 2856. A bill to direct the Administrator of the Federal Aviation Administration to issue regulations relating to recirculation of fresh air in commercial aircraft, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. PORTER:

H.R. 2857. A bill to suspend the duty on 2,6-Dimethyl-m-Dioxan-4-ol Acetate until January 1, 2001; to the Committee on Ways and Means.

By Mr. RODRIGUEZ (for himself, Mr. Everett, Mr. Fazio of California, Mr. Bonilla, Mr. Smith of Texas, and Mr. Matsui):

H.R. 2858. A bill to provide for an increase in pay and allowances for members of the uniformed services for fiscal year 1998, to improve certain authorities relating to the pay and allowance and the health care of such members, to authorize appropriations for fiscal year 1998 for military construction, and for other purposes; to the Committee on National Security.

By Mr. BOB SCHAFFER (for himself, Mr. McInnis, Mr. Dan Schaefer of Colorado, Mr. Skaggs, and Ms. DeGette):

H.R. 2859. A bill to prohibit commercial air tours over the Rocky Mountain National Park; to the Committee on Transportation and Infrastructure.

By Mr. SCHUMER:

H.R. 2860. A bill to amend the Internal Revenue Code of 1986 to use 50 percent of any Federal budget surplus in the general fund for reductions in Social Security taxes and to provide that the remainder of the surplus shall be used to increase discretionary nondefense spending and to reduce the outstanding public debt; to the Committee on Ways and Means, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SCHUMER:

H.R. 2861. A bill to improve the program of block grants to States for temporary assistance for needy families; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TRAFICANT (for himself and Mr. Ney):

H.R. 2862. A bill to direct the Capitol Police Board to establish a pay scale and benefit package for members and civilian employees of the United States Capitol Police equivalent to the pay scale and benefit package applicable to members of the United States Secret Service Uniformed Division; to the Committee on House Oversight.

By Mr. YOUNG of Alaska (for himself, Mr. Tanner, Mr. Dingell, Mr. Weldon of Pennsylvania, and Mr. Stearns):

H.R. 2863. A bill to amend the Migratory Bird Treaty Act to clarify restrictions under that Act on baiting, to facilitate acquisition of migratory bird habitat, and for other purposes; to the Committee on Resources.

By Mr. GREENWOOD (for himself, Mr. English of Pennsylvania, Ms. Woolsey, Mr. Bateman, Mr. Frost, Mr. Lipinski, Mr. Dooley of California, Mr. Manton, Ms. Sanchez, Mr. Waxman, and Mr. Lantos):

H.J. Res. 99. A joint resolution expressing the appreciation of Congress and the American people for the service performed during World War I and World War II by members of the Navy who were assigned as gun crews on board merchant ships as part of the Naval Armed Guard Service; to the Committee on National Security.

By Mr. JONES:

H.J. Res. 100. A joint resolution commending the personnel who served in the United States Navy Asiatic Fleet, and for other purposes; to the Committee on National Security.

By Mr. LUTHER:

H. Con. Res. 184. Concurrent resolution expressing the sense of Congress that the motion picture industry should work to discourage tobacco use among our youth; to the Committee on Commerce.

By Mr. DUNCAN:

H. Res. 310. A resolution calling on the Emir of Kuwait to provide funds for research, diagnosis, treatment, and compensation relating to injuries and illnesses suffered by United States veterans who served in the Persian Gulf War; to the Committee on International Relations.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 20: Mr. Towns.

H.R. 38: Mr. Collins.

H.R. 47: Mr. Salmon.

H.R. 164: Mr. Maloney of Connecticut and Mr. LaFalce.

H.R. 264: Mr. Rothman.

H.R. 303: Ms. Danner.

H.R. 367: Mr. Dan Schaefer of Colorado.

H.R. 550: Mr. Bonior.

H.R. 633: Mr. Cardin.

H.R. 738: Mr. Flake.

H.R. 746: Mr. McIntyre.

H.R. 806: Mr. Gejdenson and Mr. Dingell.

H.R. 851: Mr. Romero-Barceló, Mr. Hinojosa, Mr. Sanders, Ms. Woolsey, Mr. Frank of Massachusetts, Ms. Christian-Green, Mrs. Lowey, Ms. Furse, Mr. Davis of Illinois, Mr. Becerra, Mr. Stark, Mr. Hinchey, Mr. Martinez, Ms. Rivers, Mr. Neal of Massachusetts, Mr. Kucinich, and Mr. Evans.

H.R. 902: Mr. Ewing, Mr. Thornberry, Mr. Oxley, Mr. Bass, Mr. Sununu, Mr. Blunt, and Mr. Fawell.

H.R. 915: Mr. Fattah, Mr. Costello, Mr. Cramer, Mr. Dingell, Mr. Hilliard, and Mr. Johnson of Wisconsin.

H.R. 919: Mr. Pallone.

H.R. 953: Mr. Lipinski.

H.R. 965: Mr. Burton of Indiana and Mr. Fawell.

H.R. 971: Mr. Pallone.

H.R. 979: Mrs. Thurman.

H.R. 981: Mr. Waxman.

H.R. 992: Mr. Martinez and Mr. Smith of Oregon.

H.R. 1054: Mr. Boehner, Mr. Strickland, Mr. Gilman, and Mr. Lazio of New York.

H.R. 1114: Mr. McCrery.

H.R. 1126: Mr. McIntyre, Mrs. Johnson of Connecticut, Mr. Farr of California, Mr. Smith of New Jersey, Mrs. Kennelly of Connecticut, and Mr. Pappas.

H.R. 1129: Mr. Sanders and Mr. Spratt.

H.R. 1146: Mr. Jones.

H.R. 1147: Mr. Sam Johnson.

H.R. 1173: Mr. Gallegly.

H.R. 1176: Mr. Weygand.

H.R. 1195: Mr. Gillmor.

H.R. 1215: Mr. Holden, Mr. Clay, Mr. McDermott, and Mr. Peterson of Minnesota.

H.R. 1334: Mr. Clyburn.

H.R. 1376: Ms. Furse.

H.R. 1378: Mr. Fox of Pennsylvania, Mr. Barton of Texas, Mr. Hastings of Washington, and Mr. Cannon.

H.R. 1425: Mr. Pallone.

H.R. 1432: Mr. Cummings.

H.R. 1481: Mr. McHugh.

H.R. 1507: Mr. Rahall.

H.R. 1525: Mrs. Morella.

H.R. 1666: Mr. Salmon.

H.R. 1737: Ms. Lofgen.

H.R. 1749: Ms. Eddie Bernice Johnson of Texas, Mr. Nadler, Mr. Yates, and Mr. Evans.

H.R. 1800: Mr. Gutknecht.

H.R. 1828: Mr. Salmon.

H.R. 1873: Mr. Horn.

H.R. 2124: Mr. Bereuter, Mr. Lucas of Oklahoma, Mr. LaTourette, and Mr. Goode.

H.R. 2174: Mr. Filner, Ms. Harman, Mr. Allen, Mrs. Maloney of New York, and Mr. Gejdenson.

H.R. 2183: Mr. Goodling, Ms. McCarthy of Missouri, and Mr. Luther.

H.R. 2202: Mr. Manzullo, Mr. Jenkins, Ms. Millender-McDonald, and Mr. Vento.

H.R. 2231: Mr. Sandlin, Mr. Thornberry, Mr. Souder, Mr. Burton of Indiana, Mr. DeLay, Mr. Hall of Texas, and Mr. Sam Johnson.

H.R. 2252: Mrs. Thurman.

H.R. 2273: Mr. McGovern, Mr. DeFazio, Mr. Peterson of Minnesota, Ms. Slaughter, Mr. Blagojevich, Ms. Sanchez, and Mr. Smith of New Jersey.

H.R. 2290: Mr. Martinez.

H.R. 2321: Mr. Hulshof.

H.R. 2382: Mr. Clyburn.

H.R. 2456: Mrs. Tauscher.

H.R. 2457: Ms. Sanchez.

H.R. 2462: Mr. Chambliss, Mr. Royce, and Mr. Andrews.

H.R. 2468: Mr. Towns, Ms. Millender-McDonald, Ms. Jackson-Lee, Ms. Eddie Bernice Johnson of Texas, Mr. Cummings, and Ms. Norton.

H.R. 2485: Mr. Blumenauer.

H.R. 2488: Mr. Green.

H.R. 2492: Mr. Gutierrez.

H.R. 2495: Mr. Sandlin, Mr. Lampson, Mr. Edwards, and Ms. Eddie Bernice Johnson of Texas.

H.R. 2509: Mr. Spratt, Mr. Skelton, Mr. Sawyer, Mr. Cramer, Mr. Inglis of South Carolina, and Mr. Levin.

H.R. 2526: Mr. Fattah.

H.R. 2553: Mr. Torres.

H.R. 2593: Mrs. Mink of Hawaii, Mr. Fox of Pennsylvania, Mr. Lucas of Oklahoma, Mr. Combest, Mr. Hill, Mr. Johnson of Wisconsin, Mr. Kolbe, Mrs. Thurman, and Mr. Farr of California.

H.R. 2596: Mr. Nethercutt, Mr. Diaz-Balart, Mr. Hulshof, Mr. Moran of Kansas, Mr. Thune, Mr. Weldon of Florida, Mr. Peterson of Pennsylvania, Ms. Stabenow, Mr. Walsh, and Mr. Latham.

H.R. 2597: Mr. Hinchey.

H.R. 2611: Mr. Cooksey, Mr. Crapo, Mr. Cunningham, Mr. Graham, Mr. Hansen, Mr. Hilleary, Mr. Hunter, Mr. Pitts, Mr. Redmond, Mr. Snowbarger, Mr. Stump, and Mr. Rogan.

H.R. 2631: Mr. Underwood, Mr. Bartlett of Maryland, and Mr. LaFalce.

H.R. 2671: Mr. Evans.

H.R. 2693: Ms. Lofgren, Mr. Bonior, Mr. Sandlin, and Mr. Underwood.

H.R. 2697: Mr. Turner, Mr. Sandlin, Mr. Hinojosa, Mr. Stenholm, Mr. Green, Mr. Doggett, Mr. Edwards, Ms. Jackson-Lee, Mr. Ortiz, Mr. Lampson, Mrs. Meek of Florida, Ms. Kilpatrick, Mrs. McCarthy of New York, Ms. Stabenow, Mrs. Kelly, Mrs. Fowler, Mrs. Roukema, Mr. Clyburn, Mr. Dixon, Ms. Pelosi, Mr. Cummings, Mr. Davis of Illinois, Mr. Wynn, Mr. Hilliard, Mr. Thompson, Mr. Clay, Mr. Bishop, Mrs. Clayton, Ms. Roybal-Allard, Ms. Velázquez, Ms. Harman, Ms. Lofgren, Mr. Hastings of Florida, Mr. Brown of Ohio, Ms. Furse, Mr. Lewis of Georgia, Ms. Eshoo, and Mrs. Lowey.

H.R. 2699: Mr. Matsui.

H.R. 2717: Mrs. Tauscher.

H.R. 2718: Mr. Kingston.

H.R. 2733: Mr. Stump, Mr. Taylor of North Carolina, Mr. Traficant, Mr. Ballenger, Mrs. Myrick, Mr. Brady, Mr. Coburn, Ms. Furse, Mr. Souder, Mr. Dreier, Mr. Blumenauer, and Mr. Wynn.

H.R. 2748: Mr. McHugh.

H.R. 2761: Ms. McKinney.

H.R. 2795: Mr. Bereuter.

H.R. 2804: Ms. Carson.

H.R. 2805: Mr. DeFazio.

H.R. 2829: Mr. Bateman, Mr. Baesler, Mr. Bilbray, Mr. Bilirakis, Mr. Borski, Mr. Bunning of Kentucky, Mr. Burton of Indiana, Mr. Callahan, Ms. Danner, Mr. Diaz-Balart, Mr. Dooley of California, Mr. Fattah, Mr. Klink, Mr. Forbes, Mr. Franks of New Jersey, Mr. Green, Mr. Hoyer, Mr. Hunter, Mr. Hyde, Mr. Mascara, Mrs. Meek of Florida, Mr. McHale, Mr. Murtha, Mr. Neal of Massachusetts, Mr. Poshard, Ms. Pryce of Ohio, Mr. Roemer, Mrs. Roukema, Mr. Shuster, Mr. Smith of New Jersey, Mr. Taylor of North Carolina, Mr. Tiahrt, and Mr. Young of Alaska.

H.J. Res. 83: Mr. Norwood.

H. Con. Res. 106: Mr. Blumenauer and Mr. Farr of California.

H. Con. Res. 150: Mrs. Kelly and Mr. McHugh.

H. Con. Res. 152: Mr. Borski.

H. Res. 267: Mr. Neuman and Mr. Weldon of Florida.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1202: Mr. Fox of Pennsylvania.

H.R. 2198: Mr. Armey.

SENATE—*Friday, November 7, 1997*

The Senate met at 9:30 a.m., and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Almighty God, Sovereign of this Nation and Lord of our lives, grant us Your peace in the pressures of this day. May Your peace keep us calm when tension mounts, and serene when the strain causes stress. Remind us that You are in control and there is enough time today to do what You want us to accomplish.

Fill this Senate Chamber with Your presence. May we hear Your whisper in our souls, "Be not afraid; I am with you." Bless the women and men of this Senate with a special measure of Your strength for the demanding schedule ahead for today. Through our Lord and Saviour. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, the distinguished Senator from Texas, is recognized.

Mrs. HUTCHISON. Thank you, Mr. President.

SCHEDULE

Mrs. HUTCHISON. Mr. President, on behalf of the majority leader I announce this morning the Senate will be in a period of morning business until 10:30 a.m; following morning business, the leader hopes the Senate will be able to consider Amtrak reform under a short time agreement. In addition, the Senate is close to an agreement on the D.C. appropriations bill. Therefore, Members should be prepared to consider that legislation today.

Also, the leader hopes that the Senate will be able to consider the FDA reform conference report during today's session. Unfortunately, it is looking like the Senate will need to be in session this weekend to complete work on the pending appropriations bills. Members will be notified as to the possible weekend schedule and necessary votes.

Also, the Senate may consider any additional legislative or executive items that can be cleared for action. Therefore, Members can anticipate rollcall votes throughout today's session of the Senate and possibly into the evening.

I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call.

Mr. THOMAS. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mrs. HUTCHISON). Without objection, it is so ordered.

NOTICE

Under the Rules for Publication of the Congressional Record, a final issue of the Congressional Record for the first session of the 105th Congress will be published on **(the 31st day after adjournment)**, in order to permit Members to revise and extend their remarks.

All material for insertion must be signed by the Member and delivered to the respective offices of the Official Reporters of Debates (Room HT–60 or ST–41 of the Capitol), no later than 10 days following adjournment. Office hours of the Official Reporters of Debates are 10:00 a.m. to 3:00 p.m. Monday through Friday through **(the 10th day after adjournment)**.

The final issue will be dated **(the 31st day after adjournment)** and will be delivered on **(the 33d day after adjournment)**.

None of the material printed in the final issue of the Congressional Record may contain subject matter, or relate to any event, that occurred after the adjournment date.

Members' statements also should be submitted electronically, either on a disk to accompany the signed statement, or by e-mail to the Official Reporters of Debates **(insert e-mail address for each office)**.

Members of Congress desiring to purchase reprints of material submitted for inclusion in the Congressional Record may do so by contacting the Congressional Printing Management Division, at the Government Printing Office, on 512–0224, between the hours of 8:00 a.m. and 4:00 p.m. daily.

By order of the Joint Committee on Printing.

JOHN WARNER, *Chairman*.

Mr. THOMAS. Madam President, I ask unanimous consent I be allowed to speak for 5 or 6 minutes in morning business.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10:30 with Senators permitted to speak for up to 10 minutes each. The time until 10 o'clock shall be under the control of the Democratic leader or his designee; in his absence, the Senator from Wyoming may proceed.

NOMINATION OF KEVIN GOVER TO BE ASSISTANT SECRETARY OF INTERIOR FOR INDIAN AFFAIRS

Mr. THOMAS. Madam President, I rise today as a member of the Senate Indian Affairs Committee to express some concerns that I have about the nomination of Kevin Gover to be the new Assistant Secretary of Interior for Indian Affairs, the head of the BIA, the Bureau of Indian Affairs.

I have consistently taken the position that in my experience the BIA is an agency that is in dire need of serious reform to make it more effective and more responsive to the needs of the tribes that it is established to serve. I therefore have a certain admiration for anyone who is willing to undertake this task, because it is a tough one. It is one that is difficult. Additionally, in this particular case, Mr. Gover's personal qualifications recommend him very highly for this position. He also has a Wyoming connection, which of course I am interested in. Over several years he has represented the Eastern

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Shoshone Tribe in several legal and legislative matters.

However, it wouldn't come as any surprise to my colleagues on that committee that given William Safire's recent op-ed piece on the Gover nomination in the New York Times, some questions have to be raised and are raised with respect to his nomination. According to the Safire piece, in private practice and representing the Tesuque Pueblo of New Mexico, Mr. Gover was present at one of President Clinton's infamous White House coffees. Soon therefore, the Pueblo made two contributions to the Democratic National Committee totaling $50,000. Some time later, Mr. Gover was nominated for this position.

An examination of the nominee's FBI file leads me to conclude that he committed no illegal acts. I believe at the very least they constitute an appearance of impropriety which should make many of us uncomfortable. I have no argument, of course, with the right of individuals to make political contributions to the party of their choice. That is provided by law and should be. I personally believe, however, it is a little unseemly for tribal governments to do so, to either party. It is no secret that all but two or three tribes in this country have little, if any, extra money to throw around. The overwhelming majority, even with Federal help, can hardly meet the day-to-day needs of their members—needs like shelter, health care, or education. There is a constant press for additional funding for those needs.

When a tribal government can't meet the basic needs of its people, then I seriously question the morality of that government making a political contribution.

Another fact that lends itself to the appearance of impropriety in this case is the special relationship between the tribes and the Federal Government. This relationship is like the relationship between a trustee and beneficiary; the United States has a unique fiduciary responsibility to the tribes and their members. Congress has turned over responsibility for day-to-day regulation of tribal affairs to the executive branch. So I can't think of many circumstances where national campaign contributions—especially to the party of a sitting President—would not carry with them the appearance of impropriety, an appearance of unseemly influence—the idea of a beneficiary influencing the trustee in its work.

And what about the appearance of a government body representing members of different political beliefs—in this case a tribal government—making a monetary contribution to a national political party on behalf of all of its members, whether or not that's their political belief. We prohibit Federal agencies from engaging in any lobbying efforts with taxpayer funds because it would look unseemly. We prohibit unions from making political contributions to one particular party with members' dues. Mr. President, the question might be posed that since it appears that nothing illegal took place in Mr. Gover's case, why all the fuss? My answer, Madam President, is that oftentimes the appearance of impropriety can be just as damning as an actual illegality.

The news these days is full of examples illustrating this conclusion—the subject of Senator THOMPSON's hearings, which just recently ended with credible allegations against Secretary Babbitt that tribal campaign contributions influenced the denial of a gaming license to a Midwestern tribe.

In order to get answers to some of my concerns, I met with Mr. Gover at length on November 4. Our conversation was somewhat reassuring to me, and left me feeling that my argument is not with Mr. Gover, who as far as I can tell at this time did nothing illegal, but with a system that allows tribes to make these kinds of donations.

So, Madam President, should the Gover nomination come to a vote on the floor, I do not plan to object. The BIA has been without leadership for a long time, something that Bureau can ill afford, and Mr. Gover is eminently qualified to lead it. But he can be sure while I support him, I and other Members will be watching closely to make sure he delivers on his promises to reform the Bureau, to make it more responsible and cost efficient, and to help untangle the present mess in Indian gaming.

Madam President, I yield the floor.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana [Mr. BAUCUS], is recognized.

AFTER THE SUMMIT

Mr. BAUCUS. Madam President, I rise to discuss the state visit of Chinese President Jiang Zemin to the United States last week.

GOALS OF ASIA POLICY

Let me begin with a reminder of our goals in Asia policy. They are:

A peaceful Pacific, open trade, joint work on problems of mutual concern like environmental problems and international crime, and progress toward respect for internationally recognized human rights.

This morning I would like to discuss my view of the results.

ACCOMPLISHMENTS OF SUMMIT

To begin with the positive, I believe this visit will be particularly helpful in the first area—that of ensuring a stable peace in the Pacific. The major elements of our security policy in the region are the United States alliance with Japan; a permanent troop presence in Asia; deterrence of North Korean aggression; a one-China policy coupled with a commitment to help Taiwan ensure its security; and preventing proliferation of nuclear weapons.

We have had a chance to discuss all of these issues in detail with President Jiang and China's senior foreign policy officials. And we have emerged without any serious short-term differences, plus an important agreement on China's part to cease nuclear cooperation with Iran. This will reduce the chances of a crisis in the region, and make peace in the Pacific generally more stable and permanent.

I see this renewed strategic dialogue and understanding of our mutual interest in a peaceful region as the major accomplishment of the visit. I would also note some important specific agreements on a range of issues, including:

In return for China's halt of nuclear cooperation with Iran, we will open up sales of civil nuclear power technology to China; China will enter the Information Technology Agreement, thus eliminating tariffs on a range of high-tech products in which American companies are highly competitive—for example, semiconductors.

The United States will increase our assistance to China's efforts to combat pollution; the United States Justice Department will support efforts to develop the rule of law in China, and the military services of both countries will make their military-to-military dialogs more intense and frequent.

These are good, constructive agreements that will serve the interest of both countries. It is quite clear, however, that a great deal of work lies ahead. Our goal should not only be to avoid crises and find common ground on areas of concern to both countries, but to solve problems.

Here, we saw relatively little advance in two critical areas, and one is international trade.

TASKS AHEAD: TRADE

Last month, China passed Japan as the source of our largest trade deficit—and this in a year when our deficit with Japan has risen substantially over last year's totals. And the main reason for this deficit is the fact United States exports to China have been flat for 3 years: $11.7 billion last year, $11.7 billion last year, on track for the same this year. During this period, of course, China's economy has grown by about 30 percent.

Our strategy for change has been to encourage China's membership in the World Trade Organization on commercially acceptable grounds.

That is the right strategy. I believe that China should have permanent MFN status when it occurs. But the progress on WTO membership has been so slow this year—even with the incentive of the first United States-China summit since President Bush visited China nearly 9 years ago—that we need to begin thinking about a fall-back option.

That is, China may well have concluded that the status quo is acceptable for the time being—that the price for entering the WTO in terms of trade reform is higher than the price for remaining outside.

If so, we need to change that calculus. I suggest as one possibility that the administration begin to think about self-initiating a broad section 301 case, as the Bush administration did in 1991. This would tackle some of the main trade problems we are focusing on in the WTO accession talks.

This is obviously a less attractive, less cooperative approach than the WTO accession. But we have already waited 8 years for China to make a good WTO offer, and we cannot afford to wait very much longer. We remain very much open to imports from China, while China keeps out our wheat, our manufactures, our services, and all the rest.

It is not fair, and our legitimate complaints about market access cannot be held hostage forever to WTO entry.

HUMAN RIGHTS

The second is human rights.

Since World War II, we have viewed human rights practices within nations as intimately linked to the willingness of governments to use force and coercion outside their borders. We have also seen promotion of human rights as a humanitarian, nonpolitical responsibility that all of us hold.

I agree with both of those considerations. I believe they apply in China as well as in other countries. And I am disappointed by the lack of any significant change in Chinese policy, especially on the political prisoner question, during this summit. As we look to the future, though, I believe we need to remember three things.

First, broad long-term trends in most areas are good. During the past decade, the number of political prisoners in China has fallen from about 5,000 to about 2,500; controls on information in a number of once-sensitive areas like official corruption and workplace abuses have relaxed; and China has taken steps like introducing village elections that have made the political system somewhat more accountable.

Second, we should set limited, achievable goals where we do not see a great deal of progress. These should include freedom for dissidents like Wei Jingsheng and Wang Dan; a clear public accounting of the number of people jailed for strictly political reasons; talks with the Dalai Lama; and so forth. Short of areas like rule of law or parliamentary procedure, in which China is seeking our assistance, human rights policy should not include very broad, ambitious efforts to change the Chinese political system. Such efforts would be seen not as humanitarian in nature, but either as an effort to overthrow the Chinese Government, or more likely a rhetorical policy without much serious content.

And third, human rights is a long-term issue. The keys to success are patience and persistence. We will need to continue raising the cases of individuals held in prison with Chinese officials, continue our work in areas like the U.N. Human Commission on Human Rights next spring. We need to be persistent and don't give up.

THE ROAD FORWARD

In the broader sense, with the summit behind us our next steps in China policy are clear.

We have set a good foundation in the political and security arena. We have done a good job in identifying other areas of mutual interest, from environmental protection to nuclear plant sales to the rule of law. We need to keep at these issues; and we need to work harder in areas like market access and human rights, where this summit brought less than we would have hoped for. And we should avoid reckless steps like broad new sanctions laws which are likely to make things worse rather than better.

On the whole, we are on the right course and we should stay there. Step by step, issue by issue, we are getting the results we should seek in China policy—a stable peace in Asia; fairness in trade; respect for international standards of human rights; and cooperation in areas of mutual interest like the environment. This summit has made a very important contribution to the effort, and I look for it to continue.

Madam President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Ms. COLLINS). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SMITH of Oregon. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECOGNIZING NATIONAL ADOPTION MONTH AND INTERNATIONAL ADOPTION

Mr. SMITH of Oregon. Madam President, I thank the Chair for this opportunity to recognize the month of November as National Adoption Month and to speak on this very important issue—one that is very close to my heart—and is at the very heart of my own family.

As legislators, we work to enact laws to improve and protect the lives of the American people.

However, there are occasions when our policies can hurt the very people we are trying to protect. In this instance, it is our children.

Last year, in my State of Oregon, 221 parents adopted children from foreign countries, including China, Romania, Korea, India, and Thailand.

During that same year, Congress passed the Immigration and Nationality Act that included a provision which, until now, seemed rather innocuous.

But for parents like Gary and Laurie Hunter from Myrtle Creek, OR, who are adopting a daughter from China, it has become a bitter pill in the adoption process.

Simply, the provision requires that all incoming immigrants receive certain immunizations before entering the United States.

While this may seem like a logical public health law, it raises serious concerns about the health and safety of children receiving vaccinations under substandard conditions in foreign countries.

Many of these countries do not practice the same sanitary health conditions as the United States.

For example, some countries lack adequate medical records for children living in orphanages and do not have access to sufficient supplies of sterile needles, creating an even greater risk to the health of young adoptive children entering the United States.

Today, I am proud to be a part of a Senate which has passed legislation, H.R. 2464, to repeal the provision requiring immunizations prior to entry into the United States, and protect the children who have yet to become citizens of this country.

This bill will exempt internationally adopted children 10 years of age or younger from the immunization requirement, and allow parents 30 days to immunize their children.

Importantly, immunization will not occur overseas in an orphanage, or in an immigration office, but upon entering the United States, under the supervision of a family physician in a safe environment.

There is a tradition in the Senate, to begin the day with a prayer from the Senate Chaplain.

Today, I would like to take a moment to end my statement with a short phrase from the Common Book of Prayer, a phrase that I hope will encourage and inspire my colleagues in these last few days of the 105th Congress to continue the work which we have been charged to do by the American people:

> We have left undone those things which we ought to have done; and we have done those things which we ought not to have done.

Madam President, I am proud to stand before my colleagues today to say that with the passage of this important legislation, we have done those things which we ought to have done. I thank the Chair, and I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. What is the order of business?

The PRESIDING OFFICER. The Senate is conducting morning business and Senators are permitted to speak up to 10 minutes. There is also an additional order in which the time is controlled by Senator HELMS up until the hour of 10:30.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. I ask unanimous consent that the 30 minutes set aside for four Senators be postponed until the Senator from West Virginia completes his remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. I thank the Chair.

Mr. BYRD. Madam President, I express my gratitude to my friend, JESSE HELMS, for his characteristic courtesy and his gracious request to allow me to proceed at this point. I will try not to be overly long.

TRIBUTE TO SENATOR EDWARD KENNEDY

Mr. BYRD. Madam President, William Manchester, writing in the book, "The Glory and the Dream," would call the year 1932 "the cruelest year." I was in the 10th grade at Mark Twain High School at Stotesbury in Raleigh County, southern West Virginia. Living in a coal miner's home, I saw and felt the Great Depression firsthand. Schoolteachers often had to reduce their monthly paychecks by several percentage points in order to get the checks cashed. The newspapers frequently carried stories of men who had jumped out of windows or pressed a cocked pistol to their temples, taking their lives because they had lost their lifetime savings, and their economic world had come crashing down around them.

Very few men in and around the coal fields had ever owned an automobile, and those who were fortunate enough to possess an automobile jacked it up off the ground and mounted the axles on railroad crossties to keep the tires from rotting while enough money could be saved to pay for a new license plate. Many children went to bed hungry at night, their families destitute.

The country had hit rock bottom, and West Virginia was one of the "rock bottomest" of the States. It is hard to imagine that things could have gotten much worse in southern West Virginia. There was little left but hope, and there was not much of that, hardly enough to go around.

President Hoover, against whom I would still be campaigning 20 years later, professed to ignore the crisis as a "depression," he being convinced that a "balanced budget" was the most essential factor leading to an economic recovery. He still wore a black tie at dinner in the White House, even when the only other person dining with him was his wife, Lou.

Creature comforts were rare. Air conditioning was unknown, as were automatic dishwashers, electric toothbrushes, cassette recorders, garbage disposal units, electric can openers, vacuum cleaners, power mowers and record players. Phonographs were wound with a crank by hand. The family wash was done by hand on a washboard. Wet clothes were hung on a clothesline with clothespins to dry in the wind, and a refrigerator was simply an icebox kept filled by a man who knew how many pounds of ice a housewife wanted because she notified him by placing on the kitchen screen door a card with the number "100," "75," "50" or "25" turned up. Heavy irons for pressing clothes were heated on the coal-burning kitchen stove. Houseflies were always a summer problem, and the only preventives were spray guns and flypaper.

We were not used to much, and if we had never had much to begin with, we did not miss it.

Most of the coal miners by the year 1932 had a radio in their homes. It was a Majestic, an Atwater Kent or a Philco. At my house, a small Philco radio sat on a wall shelf, and it was there that we gathered on Saturday nights to listen to the Grand Ole Opry that was broadcast from Nashville, TN. I heard the "Solemn Old Judge," the "Fruit Jar Drinkers," DeFord Bailey on his harmonica, the Delmore Brothers, Roy Acuff, Minnie Pearl from "Grinders Switch," Sam and Kirk McGree and Uncle Dave Macon picking the banjo "clawhammer style."

On some Saturday nights, I would play the fiddle at a small but lively square dance held somewhere in a coal camp where I lived or in a neighboring community. Times were bad, but life had to go on, and a Saturday night frolic helped to keep the spirits up.

Madam President, in that year 1932, a writer for the Saturday Evening Post asked John Maynard Keynes, the great British economist, whether there had ever been anything like the Depression before. "Yes," he replied. "It was called the Dark Ages and it lasted four hundred years." This was calamity howling on a cosmic scale, but on at least one point the resemblance seemed valid. In each case the people were victims of forces that they could not understand.

Mr. President, in that same year of 1932, there was born a child in Massachusetts, and his name was EDWARD KENNEDY. In 1932, of course, I knew nothing about EDWARD KENNEDY or EDWARD KENNEDY's birth. But today I rise on this Senate floor to salute one of the outstanding Senators in the history of this great body. He is a man whose expertise, hard work, and courage have set a lofty example to which every fledgling Senator should aspire.

On November 6, 1962, EDWARD KENNEDY was elected to the Senate, and so he is celebrating his 35th anniversary and we are celebrating the 35th anniversary of his arrival in the Senate.

I well remember the arrival of young EDWARD KENNEDY in this Chamber. Having been elected in 1962 at the age of 30, he was one of the youngest Members in Senate history.

While Senator KENNEDY may not have been the youngest Senator ever, he was certainly one of the youngest. Despite his youth, however, much was expected of this young man and I suspect that some may have wondered whether he was really up to the challenge. After all, Senator KENNEDY was representing a State that had provided the Senate with some its most memorable figures, among them Daniel Webster, Rufus Choate, and Charles Sumner. In addition, Senator KENNEDY was elected to finish the term of the then current President, who was none other than his brother. When one remembers that another Kennedy brother was then Attorney General of the United States, one realizes why Senator KENNEDY was accorded rather more attention than the average freshman Senator.

I am gratified to report that, far from falling short of these grand expectations, Senator KENNEDY has exceeded them. He became an innovative and productive legislator. He also embarked on a path from which he has never varied: championing the interests of the working people, the poor, and the disadvantaged. His tenure as chairman of the Senate Committee on Labor and Human Resources during the 100th Congress was remarkable, both in the sheer volume of legislation that he sponsored and in the dedication that he displayed to improving the education and health of all Americans.

I was the majority leader of the Senate during that 100th Congress. I worked closely with Senator KENNEDY and he worked closely with me.

In just 2 years, Senator KENNEDY pushed through more beneficial social legislation than many Senators produce in a lifetime.

Mr. President, this country has seen remarkable changes over the past 35 years. Not the least of those changes has been a shift in political attitudes from the optimism and compassion that characterized the 1960's to the more hardened and occasionally cynical climate of today. But, throughout those changes, Senator TED KENNEDY has remained faithful to his vision of an America in which the rights of those without money, jobs, health insurance, or education are protected.

Others may bow to the vagaries of public opinion but not Senator KENNEDY. Instead, relying on a political and legislative acumen than may owe something to his well-known expertise as a sailor, Senator KENNEDY uses the winds of popular sentiment to achieve his goals. Many times where others meekly follow the course of these powerful winds, Senator KENNEDY calmly lifts a dampened finger aloft to test their force and direction, then he very expertly and patiently tacks back and forth until he reaches, his chosen destination. Even the strongest headwind is not enough to dissuade him, for he knows that hard work and dedication can conquer the most imposing obstacles.

Despite his passionate and unswerving convictions, Senator KENNEDY is also one of the most accommodating Members of the Senate. Throughout his career, he has sought out partnerships with Members regardless of their ideology or party in the interests of passing wise and necessary legislation. Even in these partisan days in which we live, Senator KENNEDY consistently seeks to find common ground with those at all points along the political spectrum. Senator KENNEDY has repeatedly put the national interest ahead of petty partisan squabbles.

Not that he is above partisanship at all. We are all capable of being partisan at times; some of us more than others, perhaps. But this open-minded approach to lawmaking, this brave refusal to succumb to the partisan animosity that permeates Congress today, may well be one of the Senator's greatest legacies.

I said at the beginning of my remarks that I believe Senator KENNEDY to be one of the most outstanding Senators this Chamber has seen. Lest I be accused of hyperbole and exaggeration, or of excessive kindness toward a friend, let me make clear that my words are not motivated by simple kindness. Senator KENNEDY's legislative dexterity and bipartisan approach, are a rare combination indeed. I fear that many of today's politicians will be judged harshly by the historians of tomorrow for their fickleness, their shallow rhetoric, their willingness to pander to popular opinion. But not so my good friend and esteemed colleague from Massachusetts.

I have remarked before, and I remark today, that had TED KENNEDY been living in 1789 at the time the first Congress met, he would have been a powerful factor in pressing forward with the legislation that was enacted in that first Congress. A formidable opponent, a knowledgeable and dedicated legislator, TED KENNEDY would have been in the forefront of those who were advocating the Judiciary Act, and I have no doubt that he would have left his imprint upon that legislation.

Had he been living at the time of the Civil War, serving in the U.S. Senate, again, he would have been recognized as a forceful leader.

In the days of reconstruction, again, Senator KENNEDY would have made his mark in the U.S. Senate.

Had he been a Senator during the years of the New Deal, he would have allied himself with Franklin D. Roosevelt and would have been a strong supporter of the landmark legislation that was enacted in those difficult years.

I think that if TED KENNEDY had been living prior to the Revolution, he would have joined men like Samuel Adams and John Adams and John Hancock, from his State of Massachusetts, in resisting the edicts of George III, the King of England.

So, in summation, I say that TED KENNEDY would have been a leader, an outstanding Senator, at any period of the Nation's history.

TED KENNEDY and I have not always been the best of friends. There was a time when we were not. That time has long been relegated to the ashes of the past. When I was majority leader of the Senate, and also when I was minority leader of the Senate, and when I was majority leader again, as I have already indicated, in the 100th Congress, I leaned much on TED KENNEDY's knowledge, his expertise, his support. He was one of my strongest supporters in the Senate. In caucuses or on the Senate floor, I could always count on TED KENNEDY to be there when I needed him.

So, TED KENNEDY and I formed a friendship in the finest sense of that word.

We share a liking for history, a fondness for poetry, and a love for the U.S. Senate. TED KENNEDY does his work well in the committee. When he comes to the floor, he comes with a batch of papers in his hands and with a head full of knowledge in respect to the legislation which he is promoting. I count him as one of the most effective Members of the Senate.

I admire TED's steadfast purpose, his tireless work, his easy humor, and his kind nature. But, most of all, I admire his courage. He has experienced more personal tragedy and deep sorrow than most of us could bear and still retain our sanity. Yet, he goes on. He contributes. He endures. He laughs. He leads. He inspires. He triumphs.

I have watched him weather and work and grow in wisdom for 35 years. He has an excellent staff. One would have to have an excellent staff to be able to turn out the massive amount of work and to provide the leadership that he has so many times provided in enacting landmark legislation. He is ever on an upward track.

Herman Melville put it this way:

> . . . and there is a Catskill eagle in some souls that can alike dive down into the blackest gorges, and soar out of them again and become invisible in the sunny spaces. And even if he forever flies within the gorge, that gorge is in the mountains; so that even in his lowest swoop the mountain eagle is still higher than other birds upon the plain, even though they soar.

So here is to my friend and colleague as he celebrates his 35th anniversary. May he ever soar.

I close with a verse by one of my favorite poets, Edwin Markham, a verse that I think typifies Senator KENNEDY:

> Give thanks, O heart, for the high souls
> That point us to the deathless goals—
> For all the courage of their cry
> That echoes down from sky to sky;
> Thanksgiving for the armed seers
> And heroes called to mortal years—
> Souls that have built our faith in man,
> And lit the ages as they ran.

I again thank my true friend, and he is my friend, has been for all the years that he has been in the Senate, JESSE HELMS, for his kindness in arranging for me to proceed at this moment.

I thank him very much.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. Madam President, I can assure the able Senator from West Virginia—I have always described him as a Senator's Senator—it is always a pleasure to cooperate with him any time, and I enjoy listening to him because I learn something every time.

Mr. BYRD. I thank the Senator.

Mr. HELMS. I thank the Senator.

THE PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. I thank the Chair.

(The remarks of Mr. HELMS, Mr. DEWINE, and Mr. GLENN pertaining to the introduction of S. 1397 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

EXTENSION OF MORNING BUSINESS

Mr. SPECTER. Madam President, I ask unanimous consent that morning business be extended by 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. SPECTER and Mr. BYRD pertaining to the submission of Senate Resolution 146 are located in today's RECORD under "Submission of Concurrent and Senate Resolutions.)

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER (Mr. GRAMS). The Senator from Arkansas is recognized.

(The remarks of Mr. BUMPERS and Mr. GORTON pertaining to the introduction of S. 1401 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Ms. COLLINS. Mr. President, I ask unanimous consent that I be allowed to speak for up to 15 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

FAST-TRACK LEGISLATION

Ms. COLLINS. Mr. President, in the life of a country, as in the life of an individual, there are times when we must choose between moving forward and standing still. Our trade policy is at just such a crossroads: We must decide whether to help promote freer trade and more open markets or try to preserve the status quo.

As we confront this issue, we must recognize that the world is changing and that even an economic superpower can do no more than postpone the inevitable. Our resolution of this issue will determine whether the United States continues to move forward on a wave of export-driven growth or risks permitting other economies to leave us behind. I believe it is time to stand behind our commitment to free trade and work to bring other countries into open trading relationships that will mean jobs and prosperity for our citizens in the century ahead. That is why, Mr. President, I have decided to support the fast track legislation.

In developing my position on this legislation, I have been guided by one overriding consideration—will its enactment improve the lives of the people of Maine? Will it mean more customers for Maine businesses? Will it mean more opportunities for Maine entrepreneurs? And most important, will it mean more jobs for Maine workers? While free trade is not without problems, I firmly believe that the long-term answer to all of these questions is yes.

International trade is an increasingly critical part of Maine's economy. In 1996, for example, my State exported more than 1.2 billion dollars' worth of goods. Considering both the direct and indirect impact, those exports translated into 13,500 Maine jobs.

But this export-led growth is just the beginning. I believe the people of Maine have the ingenuity, the drive, and the work ethic to flourish in a world of freer trade and more open markets for U.S. goods. From successful retailers like L.L. Bean, to manufacturers like Pratt & Whitney, to financial service companies like UNUM, to high-technology companies like Portland's ABB, to paper mills throughout my State, Maine enterprises have proven that they can compete in a global economy. These companies recognize that much of their future revenue and job growth will come from serving customers beyond our borders.

This is well understood in Maine. The United Paperworkers International Union has pressed the administration to negotiate reductions in European tariffs to help open foreign markets to the products its members make in Maine and elsewhere and to generate more export-related jobs. As Prof. Charles Colgan of the University of Southern Maine, a noted trade expert, stated in a recent letter to me, "The . . . vote on Fast Track authority for the President to negotiate additional trade agreements is an important vote for Maine. International trade is an increasingly vital part of the Maine economy. . . ."

Perhaps the clearest reason to support fast-track authority was set forth in a letter from the State of Maine's director of International Trade, who wrote as follows: "I simply feel that our best hopes for long-term economic prosperity here in Maine lie in creating international opportunities for our people, and not in limiting our access to new and emerging economies. However, well-intentioned, restricting our ability to trade will never create new jobs for Maine people."

Mr. President, I said earlier that we face the decision of whether to move forward. But in reality, the world will change with or without us, and thus, the real question is not whether we move forward, but whether we move forward wisely. That is the standard against which we should judge our trade policy, and against which we should judge this legislation. To me, this means that our trade strategy must meet three tests.

First, since some citizens may be temporarily disadvantaged—through no fault of their own—by the changes freer trade can bring, we must assist them to adjust to changed conditions. Second, we must ensure that free trade is genuinely free, for that is what "fair trade" really means: If we do not insist that other countries open their markets to fair competition from U.S. goods, the system will collapse. Third, as we give the President the authority to negotiate trade agreements, we must preserve an appropriate role for Congress in this vital area of national policy.

After weeks of studying this issue, listening to my constituents, and consulting with U.S. trade officials, it has become clear to me that the renewal of fast-track authority meets my three criteria and is very much in the best interests of my country and my State.

First, while the rising economic tide that comes from free trade ultimately lifts all boats, it may impose costs upon some of our citizens in the short run. For this reason, I was greatly encouraged by the President's promise to expand Trade Adjustment Assistance programs—and to expand them to include not only workers directly affected by trade adjustments but also workers in businesses supplying affected companies. This change should prove particularly beneficial to small businesses in Maine and elsewhere.

Second, I am pleased to have received assurances from the office of the U.S. Trade Representative that they share some of the important concerns of Maine's citizens with regard to ensuring that trade is really free. More specifically, Ambassador Barshefsky has made clear to me in writing that she regards Canada's bulk easement rules on potato imports to be an unfair trade barrier that must be pursued with the Canadian Government. Ambassador Barshefsky has committed to me that she will begin bilateral talks with the Canadian Government, beginning no later than March 1998. In addition, Ambassador Barshefsky has assured me that she views Canadian potato subsidies as a very serious matter that also must be addressed. Having established open markets as the norm, our trade officials must work—and, I have been assured, are working—to ensure that foreign governments keep their promises.

Furthermore, I want to emphasize that passage of this legislation will not in any way hinder the ability of an industry to bring challenges under current trade laws against unfair trade practices, such as subsidies provided by foreign governments. Members of the farmed salmon industry in Maine have brought such a case. They seek relief from the adverse effects of dumping and subsidization, and of unequal conditions of competition, which give their Chilean competitors an unfair and illegal advantage.

It was only after I became satisfied that fast track would not negatively affect the Maine salmon industry or its ability to pursue its legitimate grievances under current law that I decided to support this legislation. As a representative of the salmon industry recently advised me, what is most critical to them is "the preservation of effective remedies under existing law and their vigorous enforcement." This legislation not only preserves existing remedies but also has as one of its objectives the pursuit of illegal activities by other nations. Thus, it recognizes that free trade is not achieved by the stroke of a pen on an agreement but rather by a commitment to the vigorous enforcement of our trade laws.

Third, this bill carefully addresses the need to preserve the proper balance of powers and responsibilities within our Government. While it restricts Congress' power to amend the terms of trade agreements, it maintains our right to reject them. Indeed, it goes farther than any prior fast-track legislation to protect Congressional prerogatives. For example, it limits the application of the fast track to agreements which advance specifically enumerated negotiating objectives set out in the bill, which preserves our ultimate authority to set the goals of U.S. trade policy.

Moreover, the Senate version of the legislation contains more elaborate procedures than ever before to ensure that Congress is consulted at every step as the President negotiates trade agreements. The President must consult with or notify the relevant committees—or Congress as a whole—on at least five different occasions during the process, even before Congress begins drafting an agreement's implementing legislation. These requirements guarantee that at all times we will be fully informed of the progress of ongoing trade talks.

Most significantly, unlike past fast-track legislation, S. 1269 permits congressional disapproval of a trade agreement long before the stage of final ratification. After the President notifies Congress of his intent to negotiate a specific agreement, the Senate Finance Committee and the House Ways and Means Committee may vote to "disapprove" the idea—thus removing it from the fast-track process and making it subject to ordinary amendment. Under this legislation, what Congress gives to the President it may also take away. In short, the bill allows America to move more quickly in a rapidly changing world, while making Congress more of a real partner in the negotiation of trade agreements.

The United States is one of the principal engines of the world economy in large part because it has long been one of the most open trading economies in the world. Continued progress in global trade liberalization—bringing other countries up to our high standards of market openness—is vital if we are to remain in the global driver's seat in the next century.

The road to free trade will not be without bumps, but it is a road I believe we must take, for at the end of that road will be a more prosperous Maine, a more prosperous America, and a more prosperous world. For that reason, I intend to vote for the fast-track legislation.

At this point, Mr. President, I ask unanimous consent that letters from Ambassador Barshefsky, the Maine International Trade Center, Unum Insurance Co., Pratt & Whitney, and ABB Environmental Services be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT, THE UNITED STATES TRADE REPRESENTATIVE,
Washington, DC, November 6, 1997.

Hon. SUSAN COLLINS,
U.S. Senate, Washington, DC.

DEAR SENATOR COLLINS: Thank you for sharing your concerns regarding the need to create a fair and level playing field for potato growers in Maine.

I share your concerns regarding the need to address the difficult trade issues facing potato growers in Maine. As a result, I requested that the International Trade Commission conduct a section 332 investigation on fresh and processed potatoes, on an expedited basis, to provide the necessary information to assess the terms of trade between U.S. and Canadian growers and processors. The Commission issued its report on July 18. We are now in the process of working with industry to determine the next steps given the information that was provided in the report.

One specific concern you mentioned is Canada's regulations governing interprovincial and import shipments of potatoes for repackaging and processing. It is our understanding that a processor intending to import bulk potatoes must obtain a Ministerial Exemption (Easement) to the Fresh Fruit and Vegetable Regulations under the Canada Agricultural Products Act. Such an easement is only granted for the purposes of importation if a shortage of potatoes exists in Canada. Our exporters object to the apparent discriminatory and arbitrary manner in which this system operates. I agree that this unfair trade barrier should be addressed expeditiously and will engage Canadian officials in bilateral talks on this matter, beginning no later than March 1998. Please be assured that I am committed to pursuing this matter until we reach a fair resolution.

The second concern you raised is Canadian subsidies, and in specific, whether Canada is in compliance with its international obligations with respect to certain programs qualifying as "green box" support programs. I agree that a review should be conducted to determine whether or not certain Canadian subsidy programs now qualify as green box programs. We, together with USDA, will work with industry to determine which Canadian programs should be reviewed and will pursue any exceptions that are found.

It is my hope that this plan to address the trade concerns of Maine's potato growers will indeed level the playing field for Maine's potato growers.

Sincerely,

CHARLENE BARSHEFSKY.

MAINE INTERNATIONAL TRADE CENTER,
Portland, ME, November 6, 1997.

Hon. SUSAN M. COLLINS,
U.S. Senator, Washington, DC.

Re Fast-Track Negotiating Authority.

DEAR SENATOR COLLINS: Thank you for your inquiry concerning the potential impact of "fast track" trade pact negotiating authority on Maine and Maine business. As Maine's Director of International Trade, I am pleased to share my thoughts on this important issue with you.

Free trade agreements such as the US-Canada Free Trade Agreement, NAFTA and Mercosur continue to be the subject of considerable debate and, unfortunately, misleading statistical analyses. Proponents and opponents alike are able to point to economic data that supports various aspects of their respective positions. Thus, although I am a strong supporter of free trade, and therefore NAFTA and "fast track" authority, it may be most helpful to provide you with a broader analysis of the issue and impact of Maine than to offer you raw data for which there will doubtless be a flipside analysis.

It is important to note at the outset, however, some incontrovertible facts. US exports to Canada have grown by 118% (from $60.9 billion to $132 billion) since the enactment of the US-Canada Free Trade Agreement. Maine's exports to Canada have grown from $300 million in 1988 to $546 million in 1996, an increase of 82%, in the same period.

Maine's export to Mexico in 1993 (pre-NAFTA) were $18 million. In 1994, the first full year of NAFTA, Maine exported $27 million of goods to Mexico. In 1995, following the peso crisis, Maine's exports to Mexico declined to $14 million. In 1996, as Mexico's economy rebounded, Maine's exports to Mexico rallied to $34 million. In short, Maine's exports to Mexico have almost doubled since the passage of NAFTA.

Taken together, Maine's exports to Canada and Mexico have grown from $472 million in 1994 to $582 million in 1996, an increase of $110 million in three years. In my view, the current improved condition of Maine's economy is attributable in part not only to the continued strength of the US economy generally but increased international commerce in particular. The US Government estimates that for every $1 billion in exports, 40,000 jobs are created. The message is clear.

Opponents of fast track legislation and free trade agreements generally cite the dangers of "exporting jobs" to lower wage countries. This is a rational concern, and one not to be dismissed. I believe, however, that market forces will dictate in any case where a business owner will choose to locate her manufacturing facilities, and as things stand today there are already many lower wage environments that can be haven to such activities, if that is a manufacturer's primary consideration.

I continue to have ultimate confidence in the competitiveness of Maine's workers, products and services. Our goods and services are highly competitive and desired around the world. We have nothing to fear from enhanced competition—and once the doors to new markets are open to us, we can and do succeed. Our workers are second to none. High quality, premium and value-added goods are being produced in Maine today when many lower-cost markets are available for the purpose. In short, we have nothing to fear from world markets, so long as we recognize that we have to continue to strive to be the very best.

Erecting protectionist barriers will not insulate us from the forces of competition that are at work in the world today. We need access to other markets, just as we have been liberal in granting access to our own. History teaches us that the Maginot Line did nothing to prevent the advance of unwelcome intruders. Similarly, creating impediments to market entry will not protect us from larger competitive forces that may have an adverse impact on our economy. We need to embrace the current competitive environment and succeed in it.

Fast track authority will enable the President to conclude trade agreements that can create vistas of opportunity for Maine businesses. We need to have enough faith in our leadership, and in the political process, to trust that our concerns over environmental protection and job impact will be represented at the negotiating table. The cold, hard truth is that our competitors from around the globe are aggressively pursuing trading relationships in countries and markets that we cannot yet approach owing to trade barriers or other impediments. If we dither, or if we engage in protracted debate no matter how well-intentioned, we will be far behind the curve—and that will in the short, medium and long-term result in loss of opportunity for Maine businesses, and impact our economic growth.

I do not for a moment mean to minimize the potential for adverse short-term impacts owing to the opening of new markets. These are real concerns, although I believe history has shown that our economy can flourish in a free trade environment. I simply feel that our best hopes for long-term economic prosperity here in Maine lie in creating international opportunities for our people, and not in limiting our access to new and emerging economies. However well-intentioned, restricting our ability to trade will never create new jobs for Maine people.

I thank you for the opportunity to comment, and wish you the very best in your deliberations. With best regards, I am.

Very truly yours,

Perry B. Newman,
Director of International Trade, State of Maine and, President, Maine International Trade Center.

Unum Corporation,
Portland, ME, October 30, 1997.

Senator Susan M. Collins,
Russell Building, Washington, DC.

Dear Susan: Earlier this year, Unum communicated support for passage of fast track trade negotiating legislation. As this issue moves forward in Congress, I wanted to write and reiterate our support for passage of this legislation.

Opening foreign markets has been critical for Unum in several of our recent international expansions. Currently, Unum has operations in the United Kingdom, Japan, Argentina, Bermuda, France, and Germany, along with the United States and Canada.

We will continue to expand internationally as opportunities present themselves. However, we have found that it is imperative that our government be able to negotiate aggressively with our trading partners in order to get the fair and open access that we need to be competitive. Fast track legislation gives our government the ability to negotiate these kinds of trade agreements. As you weigh the facts on this issue, I think you will see that this legislation is a necessary tool for our government to be successful in negotiating with foreign governments.

If you would like any additional information about Unum's international operations, I would be more than happy to provide it. As fast track legislation is considered by the Senate, I urge your support.

Sincerely,

Brian K. Atchinson,
2nd Vice President, External Affairs.

Pratt & Whitney,
North Berwick, ME, October 31, 1997.

Senator Susan M. Collins,
Senate Russell Office Building, U.S. Senate, Washington, DC.

Dear Senator Collins: The president's authority to negotiate any major trade agreement has lapsed and must be authorized by Congress. I am writing to tell you why it is important to the people at Pratt & Whitney's North Berwick plant, and United Technologies, to pass legislation known as "fast track" authority this year.

Pratt & Whitney's business success in the U.S. depends to a significant degree on our ability to sell our products in markets abroad. Our government's negotiators need fast track authority to open markets, reduce tariffs and eliminate trade barriers to U.S. products. Negotiators will not be taken seriously if it is perceived that they do not have the authority to conclude an agreement.

Fast track is not a new concept, and it does not result in us "rushing into trade agreements". It has been a procedure used since 1974 and has been renewed many times by Congress. Fast track does not remove Congress' involvement in trade agreements because the legislation includes specific negotiating objectives and a consultation mechanism whereby the president is obligated to consult with Congress during the negotiating of trade agreements. All fast track ensures is that once an agreement is reached, with congressional permission and consultation, it will not be amended after it is signed.

Why is fast track important to our economy? Because trade creates and supports jobs in the U.S. and in Maine. The opponents of fast track would have us halt our participation in the global economy. That approach is the greatest threat to jobs in the U.S., especially for companies like United Technologies that export over $3 billion per year. We need fast track to stay competitive, and maintain a strong economy.

I urge you to press for speedy consideration of the fast track legislation in Congress this year.

Sincerely,

R. E. Ponchak,
General Manager.

ABB Environmental Services, Inc.,
Portland, ME, October 7, 1997.

Hon. Susan M. Collins,
U.S. Senate, Washington, DC.

Dear Senator Collins: On behalf of ABB Inc., I am writing to urge you to support renewing fast track authority for the President. More than one third of the economic growth and nearly 40 percent of the new jobs created since 1993 are based on exports. Since only 4 percent of the world's consumers reside in the U.S., future growth and job creation will rely heavily on exports and the ability of the U.S. to access global markets. In order for the U.S. to be able to eliminate trade barriers and thus open foreign markets to U.S. goods and services, the President must have the proper authority to negotiate trade agreements from a position of strength, where the U.S. will be able to maintain its place as a world economic leader. Fast track will provide the President with this authority.

Fast track authority is especially important to ABB Inc. Our operations in the U.S. are becoming increasingly reliant on exports. So far, ABB's exports in 1997 have grown over 40 percent. The ability to gain greater access to markets all over the world and especially in Latin America and Asia is vital to the well-being of our company and employees. Fast track authority will ensure that ABB's interests abroad, as well as those of other U.S. companies, will be preserved.

Every President since 1974 has had fast track trade negotiating authority. Without fast track, the U.S. will be at a competitive disadvantage by permitting other countries to gain preferential market treatment at the expense of the American worker. Since fast track authority expired in 1994, more than twenty trade expansion agreements have been negotiated without the U.S.

Once again, I am requesting that you endorse fast track negotiating authority for the President. Please help support a strong American economy and jobs for the future by supporting fast track.

Sincerely,

David P. Csintyan,
Office Manager.

Ms. COLLINS. I thank the Chair. I yield the floor.

Mr. ROTH. Mr. President, I make a point of order a quorum is not present.

The PRESIDING OFFICER (Mr. Frist). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. ROTH. I ask unanimous consent that there now be a period of morning business until 1 p.m. with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROTH. Mr. President, I make a point of order a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRAIG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS TO S. 1269

Mr. CRAIG. Mr. President, at this moment I am filing at the desk four amendments that at the appropriate time I would make efforts to attach to S. 1269, the fast-track legislation.

The chairman is on the floor and I would provide him with a packet of information as it relates to these amendments. None of us yet know the fate of fast track or if the House will be able to engender the necessary votes to pass this legislation.

Clearly, I think the proper refinement of fast track broadens its ability to be passed and to become law, and it becomes very important to all of us, if that is the case, that it does. I have reservations about giving the President this authority, and yet at the same time I have not stood in the way that the process be expedited to get it to the floor for a vote. But the amendments that I am filing this afternoon that I think are important are a product of the frustrations that American producers have experienced as a result of the mid-1980's North American Canadian Free-Trade Agreement and then, of course, NAFTA, the North American Free-Trade Agreement in the early 1990's.

One of my amendments deals with the commodity problems that we have primarily in agriculture but also in the forest products industry between Canada and the United States. The flow of commodity interest is largely one way at this moment, from Canada into the United States—live cattle impacting our markets, grain bypassing through the Canadian Grain Board, the protocol of the North American Free-Trade Agreement. We have just had disputes with Canada over poultry and dairy products. We now see a flood of potatoes coming out of Canada, potatoes last year that depressed the United States producer price to almost a historic low level, putting farmers in Idaho, Washington, and Maine in jeopardy.

As a result of that, one of my amendments would establish a bilateral joint commission to identify and recommend means of resolving national regional and provincial trading or trade distortions and differences between the United States and Canada with respect to the production, processing and sales of agricultural commodities. I have explained the reason why, and if we get to the appropriate time I hope that the chairman and the full Senate would look upon that kind of amendment in favorable light.

Another amendment that I think certainly the chairman and the Senate would look favorably on is an amendment to enforce the S. 1296 ban on extraneous provisions. This amendment would provide effective enforcement provisions already in the bill.

As reported, S. 1269 prohibits extraneous provisions from being included in trade agreement bills considered under fast track. The bill limits fast-track trade bill provisions to those necessary or related to the implementation of a trade agreement, or not necessary to comply with the Budget Act.

This is a major improvement, I think, over previous fast-track legislation. However, S. 1269 currently contains no effective enforcement of this provision. Let's remember the North American Free-Trade Agreement and what we fell into there. We forced small business people to have to go to computerized methods of accounting and withholding. That was a tax increase, in so many words, that was inflicted upon us in a "take it or leave it" proposition. What my amendment would do is prohibit that kind of extraneous material, or any hidden tax that might come sneaking through, if you will, in a trade agreement of the kind the President would be allowed to negotiate under fast track.

Also, I have offered an amendment that would require domestic tax increases to be amendable, and that adds to the strength of the amendment I have just offered.

Those are the three. The other one is a clarification of the standard for the importation of firearms. This amendment is aimed at clarifying current law and preventing the administration from continuing to abuse its trade authority to carry out a political agenda against firearms. Even for firearm imports, there needs to be a meeting of a standard and a test. We think the administration has gone well beyond that.

That is the essence of the amendments that I have filed. Depending on how we get to the issue of fast track and what the House is able to do in the coming hours could determine our ability here in the Senate to perfect or to shape the fast-track agreement.

With that, I will file those amendments and yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska.

IRS RESTRUCTURING ACT OF 1997

Mr. KERREY. Mr. President, I ask unanimous consent the Senate proceed immediately to H.R. 2767, the IRS Restructuring Act of 1997, just received yesterday from the House, that the bill be read three times and passed, and the motion to reconsider laid on the table.

Mr. ROTH. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. KERREY. Mr. President, I hope my colleagues understand this legislation is something that will, by all accounts, today improve the operational efficiency of the IRS. It does not address many of the issues that were raised by the Senate Finance Committee during its 3 days of hearings and the chairman has indicated he is going to take those up next year. But in the 24 hours since I have offered this unanimous-consent resolution there have been 135,000 notices sent to taxpayers asking them to pay additional taxes and over 250,000 phone calls made by taxpayers to the IRS, trying to get information. These are the two principal points of contact, of irritation, that taxpayers have brought to us over and over and over.

The IRS Commissioner under current law simply does not have the authority to manage the agency. He can't hire and fire his top people, can't provide financial incentives, doesn't have the kind of oversight that's needed and doesn't have the requirement to publish his audit data. All that is kept for the moment confidential.

This piece of legislation, passed almost unanimously by the House, would certainly get nearly a unanimous vote here in the Senate as well. Everything in this legislation—if you look at it you would say, "My gosh, I'm surprised it isn't done already." As I said, every single day we wait, another 135,000 or so notices are going to go out to taxpayers that they owe additional taxes; a quarter of a million phone calls are going to be coming into the IRS, and they are not going to be managed nearly as well.

In our own survey we did to determine what was going on out there we found that 70 percent of the people who call in say they get good service from the phone calls, but that means that 3 out of 10 do not get good service. They are complaining. They are not getting their questions answered, for those who actually get through: A 25 percent error rate in the current environment, the current paper environment; less than 1 percent for electronic filing. The law that we propose, that was passed, as I said, nearly unanimously by the House, provides new incentives and powers to move to electronic filing. I hope my colleagues will understand the urgency of doing this. And what will happen, the price the taxpayers will pay, with a delay.

In this morning's papers there were stories about the Speaker saying he was going to try, in one of the conference committees, to get an amendment accepted that would have the IRS doing something that I can't imagine that anybody in this body would support. My guess is, if we discovered the IRS was doing what the Speaker is saying that he would like the IRS to do, most of us would be out here on the floor speaking out against it. He is proposing that the IRS conduct a poll, a 14-question poll. If you look at questions, you know what the answers are going to be. "Do you think your taxes are fair or unfair?"

Not only a poll, but every single American taxpayer would be mailed under separate cover this poll. Not only would the taxpayer be mailed the poll, but the poll would also go to post offices, it would go to preparers, this poll would go to anybody who has contact with the IRS. The taxpayer then would be asked to fill out the questionnaire and mail it—not back to the IRS, but back to the General Accounting Office where they would be compiled and the results then would be published. The estimate of the costs to do that range from about $30 million up to $80 million. If somebody came to the floor today and said guess what, the IRS is doing a $30 to $80 million poll to find out whether or not the American taxpayers think their taxes are fair enough, if the level of taxes is fair or not, among other questions, I think it would be a 100-to-nothing vote to say the IRS cannot do this.

So I hope those who are on the Appropriations Committee, when they are working in these conferences, will make it clear that the Senate doesn't support asking the IRS to do a $30 to $80 million poll which will increase the caseload and work of the IRS itself, which will cause taxpayers to say, "My gosh what does this mean?" call the IRS with additional questions, and will cause people to say, "I don't know whether I want to mail this back. I am afraid this might produce some adverse reaction from the IRS itself."

This will increase complexity. Those who are proposing this have said that it is real simple, "We will just take it out of customer service, we will take the money out of customer service and it won't cost us anything at all." Again, can you imagine if somebody came to the floor and said, "Guess what the IRS is doing? They are proposing to spend $30 million up to $80 million out of customer service to do a 14-question poll." I can't imagine there wouldn't be 100 Senators down here saying we object to the IRS doing it.

This is a case where the Speaker of the House says he may ask the conference committee to direct the IRS to do this very thing. Mr. President, I hope Members, if we hang around here for another 4 or 5 days—given the word that I got that the House is going to vote on fast track, I guess, tomorrow; we could be here for awhile—every single day we wait, another 130,000 notices go out from the IRS to taxpayers that they owe money, another quarter of a million phone calls are going to come into the IRS, asking the IRS questions. The commonsense recommendations in this piece of legislation are so compelling that only four Members of the House of Representatives voted against it.

I believe this legislation would pass very quickly here in the Senate. It would set up, in fact, a debate over our tax system and put us in a position to be able to enact many of the things the chairman of the Finance Committee, the distinguished Senator from Delaware, wants to pass. I think it is very difficult to explain to taxpayers back home why we didn't give the Commissioner the legal authority needed to manage his agency in a manner that would enable the voluntary compliance to go up and customer satisfaction to improve as well.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I rise to object to the unanimous-consent request made by my distinguished colleague, Senator BOB KERREY. In doing so, let me be clear that I applaud Senator KERREY'S tremendous work and leadership, and I am grateful for the groundwork he and the commission he has chaired have laid in the important effort to reform the Internal Revenue Service.

What concerns me, Mr. President, is that the legislation which is being advocated at this time is—as the Washington Post pointed out—a measure that has not been subject to the kind of scrutiny and debate that must attend such an important issue. The fact is that Congress will get only one good opportunity to pass necessary and meaningful reform to the IRS. The work accomplished by the commission chaired by Senator KERREY and Congressman PORTMAN disclosed a number of shortcomings within the agency. A near year-long investigation by the Senate Finance Committee and hearings that we held in September disclosed even more issues that need to be addressed. And our on-going investigation continues to turn up others on what has nearly turned into a daily basis.

IRS reform must be complete. It must be accomplished thoughtfully, methodically, thoroughly—with Congress, the administration, and the taxpayers working together. Everyone knows that the last great attempt at reform, the King Commission in the 1950's, led to a major overhaul of what was then known as the Bureau of Internal Revenue. But within only a few years, the agency was once again whacked by abuse and misuse of authority.

We need complete reform, Mr. President. This time, we must get it right.

Among those things that we must analyze and address are:

Giving the oversight board—called for in this legislation—the authority to look at audit and collection activities;

Insuring that all taxpayers have due process and that the IRS does not abusively use its liens and seizures authority;

Making the taxpayer advocate within the agency independent and responsible to the oversight board;

Establishing an independent inspector general within the IRS, and requiring the IG—like the taxpayer advocate—to report to the oversight board;

Requiring signatures on all correspondence;

Banning the use of false identifications;

Banning the use of Bureau of Labor Statistics as a mechanism to determine taxpayers' income; and,

Banning the use of statistics and goals in determining performance of IRS employees.

Mr. President, each of these represents an area where we need to make reform. And the truth is, they are only a sampling of the needed changes that emerged from our first series of hearings. I know that there will be others. They, as well as these, will have to be examined, debated and—where and when appropriate—adopted as part of a major overhaul.

For these reasons, I object to the unanimous-consent request made by Senator KERREY.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, I appreciate very much the comments of the distinguished chairman of the Finance Committee, the senior Senator from Delaware. Especially his willingness to hold 3 days of hearings, penetrating what is called the 6103 veil, which allows us to see information that typically is held in secret, in confidence, to protect the taxpayer. These hearings enabled the American people to see abuses that most Americans look at and say: This is objectionable and should not be allowed to continue.

I would point out, though, that the board question that the chairman raised here, giving the board more authority—the Washington Post editorial cited one of the reasons they wanted more hearings was they thought the legislation that we had given the board too much authority. So my guess is they would write it, if we gave the board more authority—they would write the committee saying: You better give the board more hearings because you still have it wrong.

We had 12 days of hearings in the hearings that Congressman PORTMAN of Ohio and I conducted. Thousands of interviews with IRS employees, former Commissioner Richardson supports it, former Commissioner Goldman supports the recommendation, former Treasury Secretary Baker, former Treasury Secretary Brady and current Treasury Secretary Rubin—all support the legislation. All have examined it. We have had a full markup in the Ways and Means Committee. This may not go as far as some would like, but given the fact that we handle 200 million tax returns, individual and corporate, every single year, it seems to me reasonable that we begin with this board somewhat cautiously.

It has significant authority in the development of the strategic plan. It has authority to make advisory recommendations on the budget as well. It can pass judgment on the performance of the Commissioner and make recommendations to the President in regard to the Commissioner's actions.

We do, in fact, in the amendments that have been agreed to now by 14 members of the Finance Committee, as the chairman indicated, give the taxpayer advocate the independence needed to be a true effective advocate for the taxpayer. Instead of being an employee of the IRS, the advocate would be able to operate more independently than is currently the case, and many of the changes the chairman has indicated that he would like to do I fully support.

What seems to me to be the most compelling question of all is, do you want the new Commissioner of the IRS to have the authority to hire and fire senior people, to be able to provide positive financial incentives, to be required to disclose what the audit requirements are, to have incentives to be able to go to electronic filing, to have the legal authority to be able to comment on tax complexity?

All these things are fairly straightforward. I can't imagine anybody saying the IRS Commissioner should not have the authority this legislation gives him to be able to manage the agency. The risks are high, Mr. President, that in this next filing system, given what we have discovered now by penetrating the 6103 veil, there is a good chance we are going to get a decrease in voluntary compliance, with citizens saying it may be a small percentage and, indeed, our commission discovered that it is a relatively small percentage of IRS employees who are abusing the authority and the power that they have. But I can tell you that when the odds are only 4, 5 or 6 percent, that is still pretty good odds if it is your tax return, if it is your life, if it is your future that is at stake.

We risk a lot by delaying, and the people who are going to pay a price, again, are those 130,000 people who every single day are going to get a letter in the mail saying, you owe additional taxes, and that quarter of a million people who are going to call up every single day to the IRS trying to get a question answered.

I don't disagree at all with the chairman's identifying some additional things that need to be done, but where we have such broad consensus among Republicans and Democrats, with only four dissenting votes in the House, my guess is in the Senate it would pass nearly unanimously as well once people look at the details of this legislation and see what it would give new Commissioner Rossotti the authority to be able to do.

Again, I don't know how long we are going to be around here, but this piece of legislation, if it were taken up in the manner I have described, I believe would be passed quickly, would be in conference quickly, get it to the President, get his signature and would set up not just the debate that the distinguished chairman of the committee has identified, but also a debate on tax simplicity and other things that ought to be taken up by this body as well as the House.

This sets up the debate. It doesn't decrease the opportunity for a debate. It makes it more likely we will have a healthy debate about tax simplicity, about our code and about further changes that need to be made in the IRS in order to make certain that we can close this breathtaking gap that exists today between what the IRS is able to do and what the private sector is able to do for that 85 to 90 percent of the American people who are voluntarily willing to comply to pay their taxes, if they can just get one answer, which is: How big is the bill? How much do I owe?

It is that question that dictates much of the financial planning that American families are doing, and it is a very difficult question to get answered in the current environment. That question would be made much easier to answer if we would just take this piece of legislation up, enact it and get it on to the President for his signature.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, our colleague from Nebraska, I think, made the same request yesterday, and maybe some of the same comments were made yesterday. If we didn't have additional ideas to make the legislation better, I would agree with him, because I think the House passed some good legislation. I think we can make it better. Chairman ROTH mentioned a couple things we can do.

We had good hearings. Actually, the hearings that promulgated a lot of the IRS reforms happened in the Senate, not in the House. Our House colleagues, as the Constitution provides, initiates revenue measures. So they have acted and they have acted promptly. I congratulate Chairman ARCHER, who I think does an outstanding job as the chairman of the Ways and Means Committee. The House has done good work and passed a good, bipartisan bill.

Likewise, we can do good work in the Senate and pass a bipartisan bill. We might do better. We might add and build upon what the House has in their legislation. We heard from a lot of things. Mr. Dolan, the acting Commissioner of the IRS, had some suggestions, brought out some points. We had witnesses who talked about IRS abuse. I think we can build upon some of the changes that the House has advocated and make a better bill, but it may take a little bit of time to do it. I would like to do it and do it right.

Again, I appreciate what our colleague from Nebraska is saying, but I would very much like and happen to agree with the chairman, I think we would be better off if we allow the Finance Committee to mark up the legislation, make some improvements, and pass legislation that, again, will, hopefully, receive bipartisan support and the President's signature as well.

Mr. KERREY addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, I appreciate very much what the distinguished Senator from Oklahoma is saying. We have had many conversations. He is cosponsoring the legislation, so I know he wants to get this reform enacted. I believe that when we know we can get something done that will improve the operation of the IRS, we ought to do it.

Again, I respectfully say, I think this sets up the basis for further action, because it gives the IRS Commissioner the kind of authority that the IRS Commissioner needs to manage the agency. It gives the IRS Commissioner authority to say this is what we think the Code is doing to the taxpayers, this is what it is costing the taxpayers to comply with the Code we have.

I favor rather aggressive reform of the Code. I certainly wouldn't come to the floor and say I don't think we ought to do it until we reform the Code. There is lots more that can be done with the IRS, no doubt about it. But I don't think we are ever going to have a single piece of legislation that does it all.

For gosh sakes, we just confirmed a new Commissioner and sent him over to run an agency of 115,000 people. Look at the law. The law doesn't give him the authority to manage the agency.

It doesn't give him the authority to hire and fire senior people.

It doesn't give him the authority to provide positive financial incentives so the agency can be run in a better fashion.

It doesn't give him legal authority to move expeditiously to electronic filing.

It doesn't require the basis of the disclosure of audits. There is a cumbersome Freedom of Information Act process with the IRS. It is especially slow and difficult for citizens who are trying to get information.

It doesn't require the establishment of some complexity analysis so that we can make a judgment about whether or not what we are doing is going to make it harder for the taxpayers to comply.

It doesn't require the kind of coordinated oversight that is needed with a public board governing the IRS that will enable us to achieve consensus on a strategic plan.

All these things are in there. You look at them and say, "I can't be against it." There likely will be 100 votes for all the things I just described. Why not do it now? It doesn't preclude us from coming back next year and taking further action. All these things I listed will improve benefits to American taxpayers, to those 130,000 every single day who are going to receive in the mail a notice that they owe additional taxes, to a quarter of a million who are going to pick up a phone and make a phone call and try to get an answer to some question they have.

If you look at the law that is being proposed that was passed by the House by all but four Members, I urge my colleagues on the other side of the aisle to look at the law and see, for gosh sakes, that this doesn't prevent us from taking action next year, this doesn't prevent the Finance Committee or any other committee from holding hearings and considering legislation to improve it.

All this does is it matches with authority the responsibility that the Commissioner has and will enable, unquestionably enable, the customers, the taxpayers of the United States of America to get better service than they are currently getting. They are going to pay a price for delaying.

The congressional restructuring commission had 12 public hearings, thousands of interviews with private sector individuals. This legislation, by the way, has the endorsement of every provider out there of services to payers, as well as the endorsement of the National Federation of Independent Businesses.

This piece of legislation has been examined from stem to stern by an awful lot of people who are now embracing and endorsing the legislation and saying that on behalf of the American taxpayers, this piece of legislation, this change in the law for the IRS will make the IRS more efficient and make the taxpayers themselves more competent; that not only are they going to get a fair shake, but get a right answer to the question that they ask.

I will be down here again tomorrow if we are still around here, and the next day if we are still around here, and however long it takes. We can conference this thing in a day and get it on to the President. I hope Members on the other side will look at this law and begin to ask the question, do we want to change the law this time and come back and address all the other things the distinguished Senators from Delaware and Oklahoma said we ought to be doing?

Mr. President, I yield the floor.

Mr. SMITH of Oregon addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

PRIVILEGE OF THE FLOOR

Mr. SMITH of Oregon. Mr. President, I ask unanimous consent that Jim Ahlgrimm, a congressional fellow in my office, be granted the privilege of the floor for the duration of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SMITH of Oregon. I thank the Chair.

(The remarks of Mr. SMITH of Oregon pertaining to the introduction of S. 1406 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

TRIBUTE TO OUR VETERANS

Mr. SMITH of Oregon. Mr. President, I would like to pay tribute to our veterans as we prepare to celebrate Veterans Day on Tuesday. Each day as I drive to work to the U.S. Senate, I cannot help but notice all the beautiful monuments of our Nation's Capital. These monuments were built to honor great people and great events, and each has its own inspirational story to tell. What you will find in each of these stories is that the greatness of our country and of its leaders was founded in the willingness of common men and women, our veterans, to risk their lives defending the principles of right and democracy. Serving both at home and on foreign soil, their service must always be remembered.

Working in Washington in this great institution of the U.S. Senate and among these beautiful monuments frequently reminds me of the sacrifices of our veterans. Even outside of Washington, in almost every town across America, there are monuments dedicated to our veterans. I urge each American to discover their story, not only from a historical perspective, but also through the eyes of the veterans living in their communities where you will find common men and women who simply did the right thing when called upon to do so by their country. Because of them, we live in a world where there is more peace than ever before. They deserve our thanks.

Mr. President, I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. I thank the Chair.

(The remarks of Mr. MURKOWSKI pertaining to the introduction of S. 1402 and S. 1403 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

BORDER IMPROVEMENT AND IMMIGRATION ACT OF 1997

Mr. MURKOWSKI. Mr. President, I rise today to offer my support for Senate bill 1360, Senator ABRAHAM's Border Improvement and Immigration Act introduced November 4. This legislation has already numerous cosponsors and is bipartisan in nature.

This bill clarifies a provision included in the 1996 Illegal Immigration Reform and Immigrant Responsibility Act. Section 110 of last year's immigration law requires the establishment of an automated entry and exit control system. While the merits of this provision are admirable, unfortunately, the reality is that this is not a feasible concept.

The section would require documentation of every alien entering and leaving our country. Can you imagine? To document entry and exit of every foreign national, every alien entering the United States would be required to hold a visa or passport or some sort of border crossing identification card.

In my State alone, Mr. President, Canadians are at our border. We are separated from the rest of the United States by Canada. We enjoy relatively free passage between the two countries as Americans. This facilitates trade and strengthens our historical ties of friendship. To require the documentation of entry and exit of Canadians would result in Canada requesting the same type of consideration. Of course, our Canadian neighbors would be forced to wait in long lines. Trade would be disrupted. And it would develop a feeling of distrust. This is simply unacceptable.

When former Senator Simpson crafted this immigration reform proposal last year, he did not intend to create a new documentation requirement for our northern neighbors. Rather, the issue he wished to address was the illegal overstay rates of foreign nationals.

I cannot agree more that the illegal overstays need to be addressed. The Immigration and Naturalization Service currently cannot provide accurate data on overstay rates. However, the answer does not lie in requiring documentation of every alien entering through our land points of entry.

Section 110, if implemented as is, will only create more headaches for our friends and neighbors attempting to enter the United States and slow both trade and commerce that crosses our land border each day. It will do little to address my primary concern about overstay rates and subsequent illegal immigration.

For these reasons, I am supporting Senator ABRAHAM'S efforts to correct section 110 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 and exempt land entry border points from collecting a record of arrivals and departures. I hope that my other colleagues join me in cosponsoring S. 1360, the Border Improvement and Immigration Act of 1997.

Mr. President, I would like to make one more statement, if I may, with the indulgence of my friend from Wyoming.

INTERNATIONAL CLIMATE TREATY

Mr. MURKOWSKI. There has been an awful lot of concern relative to the issue of global warming, greenhouse gases, carbon dioxide emissions, et cetera.

This December, representatives of 166 nations are going to meet in Kyoto, Japan, to broker a new international climate treaty. This treaty will set new emissions controls for carbon dioxide and other greenhouse gases.

Unfortunately, 130 of the 166 nations, including China, Mexico, and South Korea, are explicitly exempt from the new emissions controls or any new commitments whatsoever. As a consequence, it is my opinion that such a treaty simply cannot work and will not be ratified by the Senate.

Even if one favors strong action to curb carbon emissions, there are three key reasons to oppose the approach embodied in the draft treaty.

The first reason is, selectively applied emissions limits will harm large sectors of our economy.

Analysts expect even the most modest versions of the treaty to cost over a million and a half jobs by the year 2005, along with cumulative losses in gross domestic product exceeding $16 trillion from the year 2005 to the year 2015.

While the President claims the new global climate treaty will not harm the economy, the administration abandoned its internal analysis after their economic models predicted disaster—even when rosy assumptions were factored in. So bad were the results that the administration refused to even appear at a hearing of our Energy and Natural Resources Committee to comment on the treaty's economic impacts.

Second, the environmental benefits of this treaty are really questionable, Mr. President.

Any treaty without new commitments for developing nations will encourage the movement of production, capital, jobs, and emissions from the 36 nations subject to emissions controls to the 130 nations that are not.

Actual global emissions will not decrease. Only their point of origin will change.

Ironically, because of our industrial processes, which are more energy efficient than those found in developing nations, global carbon emissions per unit of production would, in my opinion, actually increase. In other words, we would endure economic pain for no identifiable environmental gain.

Third, selectively applied emissions controls will doom any climate treaty that contains them.

By an overwhelming vote of 95 to 0, this body, the U.S. Senate, passed a resolution in July demanding any new climate treaty contain new obligations—new obligations—for developing nations. At the same time, Mr. President, developing nations refuse to sign up to such a treaty. Thus, selectively applied emissions controls have become the so-called poison pill that is preventing the world from reasonably addressing the climate change issue.

So I think it is time to be a bit pragmatic. If we want to keep a new climate treaty from becoming an international embarrassment, we should reconsider the rush to Kyoto and expand solutions that really work.

What can really work, Mr. President? One is nuclear energy. One is hydropower. For instance, nuclear energy produces roughly a third of our electricity without significant emissions of carbon dioxide. Yet, President Clinton's global warming explicitly ignores these sources of virtually carbon-free energy.

Even worse, Mr. President, the Clinton administration threatens—and has threatened numerously—to veto any nuclear waste legislation and continues to consider proposals to tear down hydropower dams, policies that endanger the carbon-free solutions that are in place today, and calls into question the administration's commitment to reduce our carbon emissions in a balanced, responsible manner.

We even see the Sierra Club come out against wind power claiming that the windmills are some kind of Cuisinart that decimates the bird population.

What does our President propose?

It is rather interesting to reflect on where we are now because he has come almost full circle. The President hints at some vague notion of meeting our emissions targets through electricity restructuring, but he is very short on specifics. Perhaps the President is playing to the headlines today, but leaving the details to tomorrow or to the next administration.

His proposal is that we, by the year 2008 to 2011, reduce our emissions to the level of 1990. Well, where is his administration going to be by that time? So they are just putting these things off as opposed to coming up with the mechanics that will work.

There are, in fact, things that we can do in the context of energy restructuring that can help restabilize our carbon emissions. We have had some 13 hearings on this subject in my committee, the Energy Committee, and we have heard from 120 witnesses. Thus, I am prepared to suggest some of the specifics that the President has not suggested.

For example, we can provide for stranded cost recovery of the more than 100 nuclear power reactors that together provide some 22 percent of our total electric power generation.

We can provide incentives to encourage or require regions to employ a mix of carbon-free wind, solar, nuclear, or hydropower adequate to achieve a specified carbon-free emissions standard.

We can offer a means to certify the claims of power producers who wish to market their power to consumers as low-carbon or carbon-free.

And we can offer assistance for market-led investments in new research toward carbon-free or low-carbon energy.

There is no shortage of policies we can pursue if we really want to address the issue of carbon emissions. We can be encouraged about recent technology breakthroughs in fuel cell technology, wind energy, solar technologies, and advanced nuclear plant designs.

In the end, I think, Mr. President, American ingenuity, technological innovation, and common sense will produce the solutions that the U.N. negotiations thus far have been unable to provide.

Finally, Mr. President, we need to employ these new technologies to increase energy efficiency, promote conservation, and stabilize our carbon emissions—but we do not need a flawed treaty that cannot get the job done. The climate issue is serious, but so are issues of equity, economic prosperity, and pragmatism.

During the last round of negotiations at Bonn, the draft treaty got worse. It got worse, not better. As a consequence, we need to prepare ourselves and the American people for the prospect that the new treaty will be unworthy of support, even if you are deeply concerned about the increase of carbon dioxide in the atmosphere, as I am. In other words, it doesn't do us any good to board a fast train, a fast train that is going in the wrong direction, particularly if all nations of the world aren't aboard.

I yield the floor.

EXTENSION OF MORNING BUSINESS

Mr. ENZI. Mr. President, on behalf of the majority leader, I ask unanimous consent the period for morning business now be extended until the hour of 1:30.

The PRESIDING OFFICER. Without objection, it is so ordered.

FAST TRACK

Mr. ENZI. Mr. President, I rise to speak about the fast-track bill that is before us. I have followed the debate on this legislation very closely. I have listened to my colleagues discuss at length the issues of trade flows, foreign direct investment, the delegation of authority, and unfair trade agreements. It has been an interesting debate for this freshman Senator.

I want to share with my colleagues the feelings that my constituents have expressed to me. Many of them have deep concerns about our progress on trade. Intense import competition makes them feel as if they have been left behind in the pursuit of fair trade.

There is an issue here that is far more important to my constituents than trade, however, but it is inextricably linked to their ability to compete. While the administration vows to fight for fair trade with foreign countries, people in Wyoming want this administration to fight for fair regulations in this country. For them, fair trade will not stimulate economic growth when their growth is halted by unreasonable regulations.

It seems that there is a real disconnect in our administration's policies on economic health. While one side of the administration is promoting job growth in exports, the other side is shutting down our enterprises with overly restrictive environmental regulations.

There is an inconsistency here that is difficult to explain to people in Wyoming. They do not understand why the administration supports export growth, but allows the Environmental Protection Agency to issue and adopt regulations such as the new particulate matter and ozone standards for air quality.

How does this relate to the fast-track bill we are debating? It connects in two ways. The first issue is jobs. The purpose of the bill before us is to promote job growth—which is a good purpose and I support it. Unreasonable regulatory mandates, however, do not create jobs. Second, like fast track, environmental regulation is a delegated authority. And in my opinion, it is one delegated authority that is out of control.

Let me first discuss what is wrong with the standards and how they will destroy jobs. They were formulated and adopted with a disturbing lack of scientific consensus; with no accountability; and with a genuine disregard for the real effects they will have on working people.

The accuracy of scientific information in the formulation of scientific rules is critical for a democracy. Democracies cannot survive without being able to rely on the precision of their scientific information. Furthermore, democracies cannot survive when bureaucracies are able to impose expensive mandates without any accountability. Democracy depends on representation along with taxation. Bureaucrats must consult with elected representatives before imposing massive costs on our citizens.

With the adoption of these unreasonable standards, the EPA and the administration have failed on both of these counts.

There are numerous examples that show a lack of scientific consensus in the promulgation of these new air quality standards. The EPA's own Clean Air Science Advisory Committee, stated that at this point, "there is no adequately articulated scientific basis for making regulatory decisions concerning a particulate matter National Ambient Air Quality Standard."

The administration's National Institute of Environmental Health Sciences dismissed the EPA's claims about the relationship between childhood asthma and air quality. They observed that the asthma rate in Philadelphia has soared even as that city's air pollution levels have plummeted. They also noted that some of the highest asthma rates in the world occur in Australia and New Zealand—two countries with excellent air quality.

Strangely enough, while the EPA is promulgating expensive rules, other agencies have been pushing for economic growth. The U.S. Trade Representative, the Department of Commerce, the Small Business Administration, and the Department of Agriculture—have all advocated the importance of fast track for growth.

Even the President has emphasized the need for fast track in terms of job creation. He stressed that,

> In order for us to continue to create jobs and opportunities for our own people, and to maintain our world leadership, we have to continue to expand exports . . . We have to act now to continue [our] progress to make sure our economy will work for all the American people.

Well, I stand here to tell you that unreasonably expensive regulations will not make our economy work for all American people. Achievements in trade expansion will not overcome the excessive costs imposed by regulatory mandates.

And the costs are excessive. At first, the EPA estimated the cost would be less than $2.5 billion. Then, the President's own Council of Economic Advisors put the price at a considerably higher $60 billion. I have seen estimates for the cost as high as $150 billion. That was an amount quoted in a Senate Small Business Committee hearing we held earlier this year. I think the difference in magnitude between these estimates—$2.5 billion and $150 billion—deeply concerns me, and is—in and of itself—a good reason to delay the standards.

The disagreement continues. The EPA stated in its regulatory impact analysis that the rules will not have a significant effect on small businesses. But the Small Business Administration refuted that. The SBA confirmed that, "Considering the large economic impacts suggested by EPA's own analysis, [which] will unquestionably fall on tens of thousands, if not hundreds of thousands of small businesses—this would be a startling proposition to the small business community."

It will affect hundreds of thousands of small businesses. Just who are we trying to help our trade policy, Mr. President?

The U.S. Department of Agriculture also raised concerns. They highlighted that EPA's air quality standards "do not contain detailed information regarding specific effects on agriculture that may be caused by pollution or that may result from pollution controls."

American agriculture is just beginning to see what is coming down the pike with regard to clean water standards. We are now taking a close look at how the EPA will be able to enforce "total maximum daily load" guidelines on streams in my State. This is a big concern for everyone who uses water in Wyoming. And we all do.

The fact is, the unreasonable environmental regulations destroy thousands of U.S. jobs by raising input and compliance costs. In a 1996 study of regulatory costs, Thomas Hopkins of the Center for the Study of American Business, estimated that regulatory mandates already cost small businesses between $3,000 and $5,500 per employee. The new air quality standards will impose an enormous new cost on top of that without any verification of the benefits.

The second connection this issue has to the debate of fast track is the issue of delegated authority. Congress has a responsibility to regulate commerce with foreign nations that is derived directly from the Constitution. Fast track delegates that authority to the executive branch.

Whether one agrees with the practical need for fast track or not, no member can deny that it is a delegation of congressional responsibility. Our senior Senator from West Virginia, Senator ROBERT BYRD, is an expert historian on constitutional law and he has spoken very eloquently and persuasively about this issue and against the fast-track legislation.

I have also heard some very convincing arguments about the necessity of fast track. The argument is made that we need a strong voice in our multilateral trade negotiations—a voice that has the authority to back up its demands. Whether that is to be believed or not, recent developments make me very reluctant to delegate that authority. I have already stated my concerns about EPA's expansive interpretations of its delegated authority—now, we face the prospect that the administration will commit to dangerously unfair commitments in the global warming treaty to be discussed in Kyoto this December.

The administration's positions on the global climate change treaty are a paramount example of politics over science. There has been no scientific consensus on this issue. There has been no proven relationship to show that the climate change treaty would have any effect on global temperatures. In fact, there isn't any proof that human intervention will make a difference.

For some reason, however, the administration seems ready to embrace an agreement that would wage economic war against our own workers. According to one independent estimate, complying with U.N. reduction targets for greenhouse gas emissions could cost this country as much as $350 billion per year. That is nearly $2,000 for every working American.

The result will be the loss of 5 million American jobs directly related to energy use and production and the loss of several million more jobs that are indirectly related. The jobs will simply be transferred overseas—not to countries doing a better job, countries that are doing a worse job—something that is becoming easier and easier. It will be particularly easy if developing countries like China, India, Brazil, and Mexico do not impose the same air quality standards on themselves. That is what we are talking about in that treaty.

This is not consistent with promoting economic growth. Furthermore, there is no scientific consensus. Most importantly it is unfair. Personally, these circumstances make me very hesitant to support fast track and to restrict my ability to modify agreements entered into by this administration.

I cannot rationalize giving the Administration the authority to negotiate agreements with other countries when they refuse to negotiate domestic regulations with Congress.

Before I close, I want to stress that I understand the importance of trade agreements. I understand that Americans have much to gain by reducing foreign barriers. I do believe fast track is necessary for practically negotiating multilateral agreements.

I want to point out, however, that many of my constituents in the State of Wyoming have grave reservations about expanding NAFTA. Two of the largest sectors of Wyoming's economy, agriculture and energy, are in direct competition with Canadian producers. While our Nation as a whole stands to benefit from increased market access in Europe, South America, and Asia—my constituents need attention focused on unfair import competition from NAFTA.

This problem is most apparent in our northern tier States. The Senator from North Dakota, Senator DORGAN, has clearly presented the unfair practices faced by our wheat and barley growers. United States food manufacturers import over $200 million per year in Canadian wheat—nearly all of which is sold by the Canadian state trading board.

Cattle imports from Canada have also flooded our market. While national meat import levels have remained fairly stable, live imports from Canada into the Northern States have increased by over 100 percent since 1994. They have been especially unwelcome in a buyers' market that is saturated by oversupply and restricted by packer concentration. These Canadian imports exacerbated prices that were already down by over 40 percent.

Most recently, the independent oil producers in my State, who already face stringent regulations and substantial Federal taxation, are now competing with 130,000 barrels per day of Canadian crude that is being pumped into the region through a new pipeline. Wyoming's posted sour crude prices have plummeted from over $19 per barrel in 1996 to just $14 per barrel this year.

Needless to say, many of my Wyoming constituents feel they are getting the raw end of free trade. Most of them are people who deeply believe in fair and open trade, but they have real reservations about expanding agreements they don't feel are fair.

I will conclude by stressing that it is good for the administration to set its sights on foreign markets, but they must also pay attention to what is happening at home. There is no reason to open up foreign markets while you are closing down your businesses by strangling them with regulations.

We need to inject a standard of reasonableness in our environmental policy. The issues of job growth, trade, and domestic regulation are linked. I would like to see more consistency in our policy on economic growth.

I yield the floor.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska [Mr. MURKOWSKI], is recognized.

WARD VALLEY

Mr. MURKOWSKI. Mr. President, I would like to address the issue of low-level waste in this country and the issue of Ward Valley. California is the first State to site a low-level waste facility under legislation passed by Congress which granted States with the authority and responsibility for low-level waste. Low-level radioactive waste is produced from cancer treatments, medical research, industrial activities, and scientific research. In the State of California there are some 800 sites where this medical waste is being stored. It is being stored in temporary facilities that were not designed for permanent storage.

This waste is stored near homes, schools, it's stored at college campuses, medical facilities, and so forth.

This radioactive waste is vulnerable to accidental release from the fires and earthquakes, neither of which are uncommon in California.

Public health and safety demands that this waste be moved from locations scattered across California to a single, monitored location—preferably, in a remote and sparsely populated area.

The State of California is the first State to take advantage of the Federal process that we authorized for the States to develop their own low-level waste sites. But it is interesting to note how the progress has gone—not because of the lack of commitment by California, but the lack of cooperation from the Department of Interior to simply conduct a very simple land exchange.

The State of California, in a process which began a decade ago, is trying to get their facility opened. They selected a site known as Ward Valley in the remote Mojave Desert.

The California license was issued in accordance with all State and Federal laws, and has withstood all court challenges. The license contains 130 specific conditions designed to protect public health, safety, and the environment.

But here comes the villain—the Department of Interior—having earlier agreed to sell California the land for the site—changed its mind, returned the check, and has refused to transfer the land.

Since that time, the Department of the Interior has engaged in continuous, purposeful delay. They seek more studies, allegedly to assure that the site will be safe.

We all insist on a safe disposal site, and we expect no less. Thus far, we have had two environmental impact studies and a special National Academy of Science study that all point to the safety of the site.

Now, the State of California, in accordance with the guidelines of the Nuclear Regulatory Commission and all applicable State and Federal laws, has done its job and done it well. But the Interior Department is still not satisfied. They want more studies. For starters, they insist on an additional water infiltration study and a third impact environmental statement.

The State of California has generously agreed to perform the water infiltration study prior to any land transfer which was a tremendous concession on California's part. However, Interior has not thus far allowed California access to the land to conduct the very tests that Interior insists upon. Instead of working to resolve the matter, the Department of the Interior seems to be engaged in a cycle of continuous study and endless delay. One has to wonder why the Department of the Interior is taking such a tack.

Are these delays and demands for more tests designed to assure public safety? Or are they merely part of a carefully orchestrated public relations campaign? Well, we can answer that question.

Several weeks ago, a memo we uncovered from the Department of the Interior shed an extraordinary light on this question. In fact, this memo makes the motivations behind the Interior Department's actions absolutely clear.

I have read this memorandum once on the floor of this body. I think it needs to be read again. This is a memo from Deputy Secretary John Garamendi, to Secretary Bruce Babbitt, Department of the Interior. It is short enough to read in its entirety.

It says:

> February 21, 1996
> Memorandum
> To: Bruce Babbitt
> From: John Garamendi
> Subject: Ward Valley
>
> Attached are the Ward Valley clips. We have taken the high ground. [Governor Pete] Wilson is the venal toady of special interests.
>
> I do not think GreenPeace will picket you any longer. I will maintain a heavy PR campaign until the issue is firmly won.

There you have the words of John Garamendi relative to his willingness to work with California to act in order that the low-level waste at some 800 sites in California can be removed and put in one area that will be monitored out in the Mojave Desert.

I think this memorandum shows that Ward Valley has become a political football, a public relations issue. It also suggests that Interior has no plans other than to delay the transfer of the land. They just want to wage a PR campaign and delay a decision until somebody else's watch. They don't want to make this decision on their watch. They are putting it off because they know this administration is a few years from becoming history. They don't want to address it, they don't want the responsibility.

But what has Secretary Garamendi told the Senate with regard to Ward Valley? How do his private statements compare to his public ones?

At his confirmation hearing on July 27, 1995, John Garamendi testified under oath to our committee that the Ward Valley issue should and would be resolved quickly. Two years later, at a hearing on July 22, 1997, John Garamendi told the committee that he would work in good faith to resolve the matter in further negotiations with the State of California.

Well, we still don't have a resolution. California does not even have permission to do the additional testing Interior seems to want to see performed.

Instead of moving a process forward and transferring the land, Interior seems intent on waging a public relations campaign designed to further delay rather than enlighten.

Now, what have others said about the Interior Department's handling of this issue? Let's look at the experts.

The General Accounting Office, GAO, contends that the Department of the Interior is attempting to assess the site's suitability—a job that belongs to California by law and that California has already undertaken and completed—despite the fact that Interior "lacks the criteria and expertise" for the job. That is the opinion of the General Accounting Office—that Interior lacks the criteria and expertise.

The GAO report also contends that there is no need for the new environmental impact statement sought by Interior since the substantive issues have already been addressed and that new information uncovered since the last environmental impact statement is generally favorable to the facility.

Well, this report is too lengthy to insert into the RECORD, but for the benefit of my colleagues, I am referring to GAO report RCED–97–184, dated July 1997, for anybody who might want to look it up.

To again summarize what GAO says, Mr. President, it says: First, Interior is trying to do a job that belongs to the State of California. The State of California was given the authority to do it; second, Interior is calling for new studies that aren't needed; third, Interior lacks the technical expertise to even perform these tasks.

GAO isn't alone in their criticism of the Department of Interior's handling of this issue. The Nuclear Regulatory Commission, NRC, has joined in the process as well.

Specifically, the NRC has been critical of the Interior Department for distributing fact sheets which contain errors, misleading statements, and information falsely attributed to the NRC that was actually provided by project opponents.

That is pretty strong stuff, Mr. President, but that is factual.

So not only is Interior waging a PR campaign, they are playing fast and loose with the truth in the conduct of that campaign, according to the Nuclear Regulatory Commission.

I ask unanimous consent that the letter from the Chairman of the NRC to the Secretary of the Interior, dated July 22, 1997, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES NUCLEAR
REGULATORY COMMISSION,
Washington, DC, July 22, 1997.

Hon. BRUCE BABBITT,
Secretary, U.S. Department of Interior, Washington, DC.

DEAR SECRETARY BABBITT: I am writing on behalf of the U.S. Nuclear Regulatory Commission (NRC) to share our views related to the Department of Interior's (DOI) actions regarding the proposed Ward Valley low-level radioactive waste (LLW) disposal facility in California. In February 1996, DOI announced that it would prepare a second supplement to an environmental impact statement (SEIS) for the transfer of land from the Federal government to the State of California, for the development of the Ward Valley low-level radioactive waste (LLW) disposal facility. We understand that DOI has identified 13 issues that it believes need to be addressed in the SEIS. DOI also stated that it would not make a decision on the land transfer until the SEIS was completed. NRC will actively serve as a "commenting agency" on the SEIS in accordance with the Council of Environmental Quality regulations in 40 CFR 1503.2, "Duty To Comment." NRC's interest in the Ward Valley disposal facility is focused on protection of public health and safety, and many of the 13 issues to be addressed in the SEIS are related to our areas of expertise. As a commenting agency, we will review the draft SEIS, and provide comments based on the requirements in federal law and regulations, and our knowledge of policy, technical, and legal issues in LLW management. We would also be available to discuss these issues with DOI, both before and after publication of the draft SEIS.

On a related matter, it is our understanding that Deputy Secretary John Garamendi of DOI held a press conference on July 22, 1996, addressing the effect of Ward Valley facility availability on the use of radioisotopes in medicine and medical research. It was recently brought to our attention that DOI distributed a document entitled, "Medical, Research, and Academic Low Level Radioactive Waste (LLRW) Fact Sheet" at the press conference. This Fact Sheet contains several errors and statements that may mislead the reader. To assist DOI, we have addressed these errors and statements in the enclosure to this letter. Some of the points contained in the Fact Sheet are useful and contribute to the dialogue on this issue; however, NRC is concerned that some of the subjective information of the document is characterized as factual. We are particularly concerned by the statement that the NRC definition of LLW ". . . is an unfortunate and misleading catch-all definition . . ." In fact, NRC's definition is taken from Federal law, specifically the Low-Level Radioactive Waste Policy Act of 1980, and the Low-Level Radioactive Waste Policy Amendments Act of 1985 (LLRWPAA). Additionally, it is NRC's view that some of the information that was referenced or relied on in the Fact Sheet may not represent a balanced perspective based on facts. For example, a table of the sources and amounts of radioactive waste that is projected to go to the Ward Valley facility is erroneously attributed to NRC, the U.S. Department of Energy (DOE), U.S. Ecology, the Southwestern Compact, and the Ward Valley EIS. Raw data from the sources quoted appear to have been interpreted based on uncertain assumptions about future activities of generators to produce the figures in the table. Additionally, NRC noted that the figures in the table are identical to those in a March 1994 Committee to Bridge the Gap report.

With respect to the relationship between LLW disposal policy and medicine and medical research, we note that the National Academy of Sciences Board on Radiation Effects Research has prepared a Prospectus for a study entitled, "The Impact of United States Low-Level Radioactive Waste Management Policy on Biomedical Research." The study would, among other things, "Evaluate the effects of higher disposal costs and on-site storage on the current and future activities of biomedical research, including the effects of state non-compliance [with the LLRWPAA of 1985] on institutions conducting biological and biomedical research and on hospitals where radioisotopes are crucial for the diagnosis and treatment of disease." Thus, the issue of medical uses of radioisotopes and how they have been affected by the Ward Valley process is far less clear than the Fact Sheet portrays.

Finally, since there are no formal arrangements that permit NRC to review and comment on the technical accuracy of various DOI documents on LLW and Ward Valley, we may not be aware such documents exist, thus the absence of NRC comments does not imply an NRC judgment with respect to the technical accuracy or completeness of such documents.

I trust our comments will be helpful in your efforts to address Ward Valley issues.

Sincerely,

SHIRLEY ANN JACKSON.

Enclosure: As stated.

NRC STAFF COMMENTS ON THE DEPARTMENT OF INTERIOR "FACT SHEET"[1]

1. The Fact Sheet contains a projection of LLW to be sent to the Ward Valley disposal facility over its 30-year life, and attributes the table to the Department of Energy, the U.S. Nuclear Regulatory Commission, the Southwestern Compact, U.S. Ecology, and the Ward Valley environmental impact statement. In fact, the figures in the table are identical to those in a table from a March 1994 Committee to Bridge the Gap report, are substantially different from California projections, and are based on assumptions that are not identified. The actual assumptions used are contained in the Committee to Bridge the Gap report and minimize the amount and importance of the medical waste stream.

2. The Fact Sheet is incomplete in that it provides only anecdotal evidence of the impact of not having the Ward Valley disposal facility available to medical generators. Although its arguments about short-lived radionuclides appear to be generally true, the Fact Sheet downplays the effects on generators that use longer-lived radionuclides. According to the Fact Sheet, there are an estimated 53 research hospitals in California, out of some 500 hospitals overall. The Fact Sheet describes the impact at three of these research organizations and concludes that they can manage their waste, either by disposing of it at an out-of-state facility (Barnwell or Envirocare), storing it, or, for sealed sources, sending them back to the manufacturer. The Fact Sheet concludes that there is no health and safety impact from the approach, but does not address broader issues such as the continued availability of existing disposal sites as an option, and the fact that transferring a sealed source to a manufacturer does not eliminate the problem, but simply shifts it from one organization to another.

3. The Fact Sheet does not address the more complex issues concerning use of radioisotopes in medicine, such as how medical research in general has been affected by issues such as disposal and storage cost increases, and the need to switch from longer-lived radionuclides to short-lived nuclides or non-radioactive materials. The National Academy of Sciences Board on Radiation Effects Research has prepared a Prospectus for

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[1] "Medical, Research, and Academic Low Level Radioactive Waste (LLRW) Fact Sheet." U.S. Department of Interior, Office of the Deputy Secretary. Distributed at a press conference of the Deputy Secretary on July 22, 1996.

a study entitled "The Impact of United States Low-Level Radioactive Waste Management Policy on Biomedical Research." The study would, among other things, "Evaluate the effects of higher disposal costs and on-site storage on the current and future activities of biomedical research, including the effects of state noncompliance on institutions conducting biological and biomedical research and on hospitals where radioisotopes are crucial for the diagnosis and treatment of disease." Thus, the issue of medical uses of radioisotopes and how they have been affected by the Ward Valley process is far less clear than the Fact Sheet portrays.

4. The Fact Sheet characterizes the NRC definition of LLW in 10 CFR Part 61 as "unfortunate and misleading" because it includes both long-lived and short-lived radionuclides. It fails to acknowledge that this definition is contained in Federal law (the Low-Level Radioactive Waste Policy Act of 1980 and the Low-Level Radioactive Waste Policy Amendments Act of 1985) and that information on the kinds and amounts of radionuclides contained in LLW for land disposal is widely available in NRC regulations and/or NUREGS, and from DOE. In developing Part 61 in the early 1980s, NRC sought public comment on the proposed rule, and provided extensive information on the assumptions, analyses, and proposed content of the regulation for review. In developing the regulations for LLW, including how different classes are defined, NRC received and considered extensive public input. Four regional workshops were held, and 107 persons commented on the draft rulemaking, for 10 CFR Part 61, which defines LLW. In short, NRC encouraged public involvement in developing the definition of, and defining the risk associated with, LLW.

The Fact Sheet focuses on the half-life of radionuclides, but fails to discuss risk to the public from the effects of ionizing radiation and how they are affected by the half-life of radionuclides. Public health and safety is measured in terms of risk, not half-life. Risk is a function of radiation dose, and the determination of risk depends on a variety of factors, including the type of radiation emitted, the concentration of radionuclides in the medium in which they are present, the likelihood that barriers isolating the radionuclides will be effective, and the likelihood of exposure if radioactive materials are not fully contained. The Fact Sheet is misleading when it states that the half-life of I^{123} used in medicine is 13 hours, and that of I^{129} from nuclear power plants is 16 million years and that it remains hazardous for 160–320 million years. Either isotope can be a risk to the public, depending upon the other factors discussed above, and half-life by itself does not indicate risk.

5. In the definition section, the Fact Sheet defines "radioactive half-life" as "The general rule is that the hazardous life of a radioactive substance is 10–20 times its half-life." This definition contains a new term (hazardous life) not used by the national or international health physics or radiation protection communities, and not defined in the Fact Sheet.

Mr. MURKOWSKI. Mr. President, you might ask, why would a Senator from Alaska even care about a facility in California that is not needed to dispose of radioactive waste generated in Alaska? We don't generate hardly any.

Part of the answer involves my responsibilities as the chairman of the Committee on Energy and Natural Resources, and our oversight responsibilities. Not surprisingly, my position on Ward Valley is the same one taken by my predecessor as chairman, Bennett Johnston of Louisiana. He understood, as I do, that Ward Valley is really more than a debate over the future of a thousand acres of land in the Mojave Desert; it is more than a debate over the disposition of low-level radioactive waste in California, Arizona, and the Dakotas; it is even more than the debate over the viability or even the future of the Low-Level Radioactive Waste Policy Act. I suggest there is much more at stake.

I am taking on this battle because there is an intrinsic value in opposing the careless disregard of science and the decisionmaking process. It's important to stand up against those who engage in this dangerous manipulation of public fear. It is my job to work against the oppression of the public good by a vocal few. Because I very much care about human health, safety and the environment, I believe it makes sense to store this radioactive low-level waste at a single, monitored location in the desert, rather than at 800-some locations throughout California, near schools, neighborhoods, hospitals, medical centers, and so forth.

Finally, I believe it is important to ensure that the Government keeps its promises. It was the intent of Congress, when it passed the Low-Level Waste Policy Act of 1980, and further amended it in 1985, that the safe management of low-level radioactive waste would be a responsibility of the States. That is precisely what the Secretary of the Interior, Bruce Babbitt, lobbied for when he was Governor. He argued that low-level waste should be a State responsibility. At that time, he was serving with the now President, but then Governor, Bill Clinton in the National Governors' Association. Well, he has changed his position.

I know the view from the top floor of the Department of the Interior changes one's perspective from time to time, but it's difficult to appreciate, much less justify, the actions of the Department in this regard.

Are the continuing delays at Ward Valley the good-faith actions of public officials purporting to act in the public interest? I think not.

To answer those questions, I am announcing today that we are going to explore, in great detail on the committee, the Ward Valley issue in the next session, with a series of investigatory oversight hearings. What we are attempting to obtain, obviously, are the facts on why this administrative bungling seems to continue. I would like all who have an interest in this issue to be aware that these hearings will commence early in the next session.

In the interim, we will be seeking relevant documentation from the Department of the Interior and the White House. With that notice given, I thank you, Mr. President, and yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the period of morning business be extended for about 5 or 6 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURKOWSKI. I thank the Chair.

OVERSIGHT OF THE HEADWATERS FOREST AND NEW WORLD MINE ACQUISITIONS

Mr. MURKOWSKI. Mr. President, I would like to share with my colleagues a little oversight on an issue that will be coming before this body again, and it covers the Headwaters Forest and New World Mine acquisitions taking place in both California and Montana. I have the obligation as chairman of the Energy and Natural Resources Committee to initiate authorization of these matters. I have had an active interest in the decisions of the Clinton administration to acquire the Headwaters' Forest in northern California, and the New World Mine Site in Montana.

These decisions were made by the administration with little congressional involvement and the administration has now gone out of its way to, in my opinion, limit the role of Congress in how these properties actually are acquired.

Originally, the administration proposed acquiring both of these properties through land exchanges. When that proved to be very difficult and impossible to do without going through Congress, the idea of land exchanges was abandoned. So clearly the objective was to circumvent Congress.

The Clinton administration then proposed using $315 million from the Land and Water Conservation Fund to purchase both of these properties.

The administration then insisted, contrary to the provisions of the Land and Water Conservation Fund Act, that such money could be spent without specific congressional authorization, clearly intending to go around Congress.

Ultimately, that argument failed. While I would have preferred to enact separate authorizing legislation, authorizations were contained within the 1998 Interior Appropriations bill.

However, the authorizations do not take effect and the money cannot be spent until a minimum of 180 days after enactment, and then only if no separate authorizing legislation is enacted.

During the 180-day review period, as chairman of the Energy and Natural Resources Committee, I intend to conduct a series of oversight hearings to examine the Headwaters Forest and New World Mine acquisitions. One focus of these oversight hearings will be the appraised value of the properties. To date the Clinton administration has refused to conduct appraisals to determine fair market values. This failure is in direct contradiction of existing law, which requires the appraisals be conducted for any Federal land acquisition. The appropriators had the foresight, of course, to recognize this hypocrisy.

Fair market value appraisals for both properties must be submitted to Congress within 120 days of enactment. The appraisals also must be reviewed, and independently analyzed by the Comptroller General of the United States.

Once these appraisals are completed, I intend to closely examine them. I plan to look at the methodology and data used in the appraisals. Among the specific questions, I will ask:

Do the appraisals comply with the Department of Justice's Uniform Appraisal Standards for Federal Land Acquisitions?

What criteria were employed to determine fair market value?

What assumptions were made about the property and the use of the property?

What was the scope of the appraisal?

It is important to remember that neither the Headwaters Forest nor New World Mine acquisitions can proceed, absent these appraisals. So these appraisals must be done.

Further, Congress will have, at a minimum, 60 days to examine the appraisals. For every day, after 120 days, that appraisals are not submitted to Congress, the 180 day period will be extended by 1 day.

I also intend to examine during the 180 day review period, the true cost to the American taxpayer of the Headwaters Forest acquisition. A condition to the Headwaters Forest acquisition is that the current owner of the property can take on his Federal taxes, as a business loss, the difference between what he contends is the property's fair market value and the price the Federal Government and California are paying for the property. That differential is $700 million.

In the event the owner receives such a ruling from the IRS, there will be a lost of tax revenue to the Federal treasury. This lost tax revenue could amount to $100 million or more. It is inaccurate to say that the Headwaters Forest is costing the American taxpayer $250 million. It could well cost the American taxpayer not only the $250 million cash purchase price but also this lost tax revenue. Under no circumstances should this total cost exceed the appraised value of the Headwaters Forest.

As to the New World Mine acquisition, I intend to examine exactly what land or interests in the land the Federal Government is acquiring for $65 million from the mining company. This issue needs to be examined because the agreement, committing the United States to buy this property, incredibly does not answer this question.

The mining company, which agreed to sell, owns or has under lease, interests in nearly 6,000 acres. However, the mining company has fee title to only 1,700 acres. The remainder is unpatented mining claims. The ownership situation is further complicated by the fact that most of the interests in the 6,000 acres are owned by a third party not a signatory to the agreement with the Federal Government. Congress, and the American taxpayer, have a right to know, what we are getting for $65 million.

There are many other issues that my committee will examine about these acquisitions including:

What is the status of the Habitat Conservation Plan for the land surrounding the Headwaters Forest?

What impact will that Habitat Conservation Plan have on other property owners in the western United States and Pacific Northwest?

Has California come up with its $130 million share of the purchase price for the Headwaters Forest?

Do both acquisitions comply with the terms of the National Environmental Policy Act?

How will the properties be managed?

By whom?

At what cost?

How will the public access the Headwaters Forest?

Is it good public policy to settle constitutional takings cases against the United States in this manner?

Is it good public policy to settle environmental litigation in this manner?

How does the Clinton administration interpret the phrase "priority Federal land acquisitions?"

Are the Headwaters Forest and New World Mine acquisitions consistent with the Federal land management policy on Federal land acquisitions?

While this may seem like an exhaustive list of issue, I only have skimmed the surface of the numerous unanswered questions about the acquisitions.

I want all of these questions answered before the acquisitions occur. It is in the interest of the taxpayers. It is the responsibility of this body.

My goal is to ensure, despite the uncommon circumstances which have led us to this point, that Congress and the American people can have confidence in the decisions to acquire the Headwaters Forest and the New World Mine in the interest of the taxpayers.

Mr. President, I yield the floor. I see several Senators seeking recognition, including the majority leader.

The PRESIDING OFFICER. The majority leader.

ACTION VITIATED ON AMENDMENT NO. 1602 TO S. 1269

Mr. LOTT. Mr. President, I ask unanimous consent the action on the Inhofe amendment, No. 1602, which was agreed to on S. 1269, be vitiated, and that the amendment be restored to the status quo when the Senate resumes the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, I thank all Senators for their cooperation on this matter.

I particularly want to thank Senator INHOFE for agreeing to do this. He came to the floor and offered his amendment. And it was accepted on a voice vote. Senators were aware of what was being discussed. But in a desire to be totally fair and making sure the proper notification was given, and to have opposition on the floor when action of that nature is taken, Senator INHOFE has been willing to agree to vitiate that action at this time. I thank him for his cooperation.

This is a very important issue which will be debated in the Senate and which should be considered by the Senate. It is an issue that has support and opposition on both sides of the aisle. Senator INHOFE certainly is very committed to having this subject considered by the Senate either later on this year or next year.

Again, I reiterate my thanks to him.

ORDER OF PROCEDURE

Mr. LOTT. Mr. President, it is my understanding that the Senate now is in a position to consider the Amtrak reform bill. The bill would then be agreed to after brief debate.

The Senate would then conduct a rollcall vote on the nomination of Judge Christina Snyder.

Following the confirmation vote, it is my hope that the District of Columbia appropriations bill will be ready to be considered.

Therefore, votes will occur with the first vote occurring at approximately 2:15 today.

I thank all Senators who have been involved in these other two bills, and we will update them further with information as to when votes may occur. It is possible that another vote will occur this afternoon. But it depends on action in the other body with regard to the appropriations conference reports.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. Mr. President, let me thank the majority leader for his efforts over the last 24 hours.

I also thank the Senator from Oklahoma.

Obviously, Democratic Senators need to be on the floor to voice their opposition and to object on the occasions when situations like this arise. We also have to work with good faith, and we intend to do that.

There is no reason why we need to be monitoring each other if we are working in good faith. I think this is a misunderstanding. I appreciate very much the cooperation. And we will work with the majority leader to ensure that at some point we have a good debate about the matter that would be addressed by the Inhofe amendment. We will work on this matter in the future.

Mr. INHOFE. Mr. President, will the leader yield?

Mr. DASCHLE. I am happy to yield to the Senator.

Mr. INHOFE. I want the majority leader to be aware that I did consult with several Democrats and Republicans before taking up the amendment. But I am happy to do this.

Mr. DASCHLE. Very good.

Again, Mr. President, let me just say that we have a lot of work to do. I look forward to working with the majority leader in the next 48 hours to see if we can complete it. I am pleased that we are now able to move to the Amtrak bill, and nominations. We can do that, and then move on to other things.

I yield the floor.

UNANIMOUS-CONSENT AGREEMENT—NOMINATION OF CHRISTINA A. SNYDER

Mr. LOTT. Mr. President, as in executive session, I ask unanimous consent that at 2:15 today the Senate immediately proceed to executive session and a vote on the confirmation of Executive Calendar No. 255, Christina A. Snyder to be U.S. district judge for the Central District of California.

I further ask unanimous consent that following that vote the motion to reconsider be laid upon the table, any statements relating to the nomination appear at that point in the RECORD, and the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SCHEDULE

Mr. LOTT. Mr. President, before we move to the Amtrak legislation, I want to say for the information of all Senators—and I will have more to say about this when we have a recorded vote at 2:15. I think at that time we should take the time to talk about the schedule for the remainder of the day and perhaps Saturday and Sunday.

It is our intent to stay and continue working. I don't see the necessity for us to be late tonight. But we will be back in on Saturday, and again on Sunday. We hope that we will have appropriations conference reports, possibly the first one being the Labor-HHS appropriations conference report, perhaps even later on today or tomorrow, and the Commerce-State-Justice conference report we hope to have by tomorrow, and, if not then, on Sunday.

We will continue to work on other issues, some of which may require votes, even on the Executive Calendar. And then when the House votes, of course, we would then proceed to act on fast track after the House has acted. Whether that is Saturday or Sunday now is not clear. But the House has postponed their action on fast track today. So that will not be taken up until Saturday or Sunday.

So we could be voting on fast track—perhaps on final passage—later on this weekend. But, in the meantime, of course, when we complete these intervening actions, we will go back to fast track as it is now pending before the Senate, and amendments will be in order, and other amendments I am sure will be offered. We will consult with the interested parties about how to proceed on those amendments and what time votes would occur.

But, again, I think that during the remainder of the day it is very likely that we will have a minimum of two votes, and maybe even three or four.

UNANIMOUS-CONSENT AGREEMENT—S. 738

Mr. LOTT. Mr. President, I now ask unanimous consent that the Senate proceed to consideration of Calendar No. 179, S. 738.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I ask unanimous consent that the committee amendment be withdrawn, and I understand Senator HUTCHISON has a substitute amendment at the desk, and I would ask for its consideration.

Mr. DASCHLE. Mr. President, reserving the right to object, I only do so at the request of Senators KERRY and LAUTENBERG, that they be given 10 minutes each at some point following the introduction of the amendment and comments made by Senators McCAIN and HUTCHISON.

Mr. LOTT. Mr. President, I don't know if we should at this time get consent in that we would have that time. I think they will have it and maybe more if they would like to have it, and we should not and will not complete the discussion on it until the Senators have been involved in working out this compromise are in the Chamber.

I would like to say if I could at this point, I thank the chairman of the Committee of Jurisdiction, Senator McCAIN, for his persistence on this matter, and Senator HUTCHISON, who is chairman of the subcommittee, for her efforts in bringing about this compromise. Senator KERRY from the committee as well as Senator BREAUX have worked very hard in developing this compromise.

I have been involved in this effort now for 3 years, having served as chairman of the subcommittee in the previous Congress. I think it is very important that we get fundamental reform of Amtrak so that Amtrak at least will have a chance to be able to provide good service and do it without depending on continuing subsidies from the Federal Government forever. They should be able to turn a profit, and I think this legislation will make that possible. They should be able to contract out work. They should be able to advertise. There are so many basic private sector things that they could do and should have been doing before now that would allow them to actually make a profit so that we can keep a national rail passenger system. We need a passenger system that serves all the country, not just the eastern seaboard, and this is a major step in that direction.

I want to emphasize, though, too, this is required in order to get the $2.3 billion that was fenced in the budget agreement for capital improvements. And those funds are only for capital improvements, not for operating subsidies, makeup of shortfalls in the past or salaries. That is not included in this legislation.

I think we have a good bill. After trying to move it for 2 years, I am delighted that the work of a lot of Senators including the Senators here now in the Chamber and others that will be here momentarily will make this possible. I don't want to delay it any longer for fear somebody might have a good idea of one word that might be added.

Mr. DASCHLE. Mr. President, at the risk of delaying and only to do what the majority leader has just done, I think the Senators who have worked on this as hard and as long as they have do deserve the commendation just given them not only on that side of the bill but ours as well. The Senators have done an extraordinary job, and I only wish there were more occasions when on a bipartisan basis we could see this kind of leadership and effort put forth. This is a tribute to their effort, and I think a very successful one and I think as a result we are going to see an overwhelming vote on this legislation as we should and I appreciate very much their efforts.

I yield the floor.

Mr. LOTT. Mr. President, I do want to add, and Senator DASCHLE will want to add, the fact that the ranking member on the committee, Senator HOLLINGS, also has been involved in this for quite some time, and he has been helpful in bringing it to this conclusion.

The PRESIDING OFFICER. Is there objection to the request?

Mr. DASCHLE. I certainly would add that Senator HOLLINGS, in fact, was the last person to sign off on this legislation as is understandable. We appreciate very much the early and perpetual effort he makes on Amtrak matters, and certainly he deserves that recognition as well.

I thank the majority leader.

The PRESIDING OFFICER. Was there an objection to the request from the Democratic leader?

Mr. LOTT. I believe the Chair did not hear objection.

There was not an objection from the Democratic leader on that unanimous-consent request to proceed.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSENT OF CONGRESS TO THE APALACHICOLA-CHATTAHOOCHEE-FLINT RIVER BASIN COMPACT

CONSENT OF CONGRESS TO THE ALABAMA-COOSA-TALLAPOOSA RIVER BASIN COMPACT

Mr. LOTT. Before we go to Amtrak, two other unanimous-consent requests.

I ask unanimous consent that the Senate proceed en bloc to the immediate consideration of House Joint Resolution 91 and House Joint Resolution 92 which were received from the House.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows.

A resolution (H.J. Res. 91) granting the consent of Congress to the Apalachicola-Chattahoochee-Flint River Basin Compact.

A resolution (H.J. Res. 92) granting the consent of Congress to the Alabama-Coosa-Tallapoosa River Basin Compact.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolutions?

There being no objection, the Senate proceeded to consider the joint resolutions.

Mr. LOTT. Mr. President, I ask unanimous consent that the joint resolutions be considered as read a third time and passed, the motions to reconsider be laid upon the table, and that any statements relating to the resolutions be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolutions (H.J. Res. 91 and H.J. Res. 92) were passed.

Mr. LOTT. I yield the floor.

Mr. SHELBY. Mr. President, I am pleased that the Senate has passed House Joint Resolutions 91 and 92 granting the consent of Congress to the Alabama-Coosa-Tallapoosa [ACT] and the Apalachicola-Chattahoochee-Flint [ACF] River Basin Compacts. I would like to thank the majority leader, his staff, and my colleagues from Alabama, Georgia, and Florida for their efforts and leadership in moving these valuable bills.

With the passage of these compacts, the three States now may move forward and begin the difficult task of allocating water resources throughout the region. The compacts set forth the framework for the three States to resolve the critical issue of how our scarce water resources are divided. This partnership will enable the States to determine the best utilization of our shared water supply. These rivers are an invaluable resource to our States—essential to Alabama's economic and personal well-being.

I look forward to continuing to work with Gov. Fob James and the Alabama delegation to assure that Alabama's water needs are met today and in the future.

AMTRAK REFORM AND ACCOUNTABILITY ACT OF 1997

The PRESIDING OFFICER. The clerk will report the bill.

The assistant legislative clerk read as follows:

A bill (S. 738) to reform the statutes relating to Amtrak, to authorize appropriation for Amtrak, and for other purposes.

The Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, Science, and Transportation, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 738

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF SECTIONS.

(a) SHORT TITLE.—This Act may be cited as the "Amtrak Reform and Accountability Act of 1997".

(b) TABLE OF SECTIONS.—The table of sections for this Act is as follows:

Sec. 1. Short title; table of sections.
Sec. 2. Findings.

TITLE I—REFORMS

Subtitle A—Operational Reforms

Sec. 101. Basic system.
Sec. 102. Mail, express, and auto-ferry transportation.
Sec. 103. Route and service criteria.
Sec. 104. Additional qualifying routes.
Sec. 105. Transportation requested by States, authorities, and other persons.
Sec. 106. Amtrak commuter.
Sec. 107. Through service in conjunction with intercity bus operations.
Sec. 108. Rail and motor carrier passenger service.
Sec. 109. Passenger choice.
Sec. 110. Application of certain laws.

Subtitle B—Procurement

Sec. 121. Contracting out.

Subtitle C—Employee Protection Reforms

Sec. 141. Railway Labor Act Procedures.
Sec. 142. Service discontinuance.

Subtitle D—Use of Railroad Facilities

Sec. 161. Liability limitation.
Sec. 162. Retention of facilities.

TITLE II—FISCAL ACCOUNTABILITY

Sec. 201. Amtrak financial goals.
Sec. 202. Independent assessment.
Sec. 203. Amtrak Reform Council.
Sec. 204. Sunset trigger.
Sec. 205. Access to records and accounts.
Sec. 206. Officers' pay.
Sec. 207. Exemption from taxes.

TITLE III—AUTHORIZATION OF APPROPRIATIONS

Sec. 301. Authorization of appropriations.

TITLE IV—MISCELLANEOUS

Sec. 401. Status and applicable laws.
Sec. 402. Waste disposal.
Sec. 403. Assistance for upgrading facilities.
Sec. 404. Demonstration of new technology.
Sec. 405. Program master plan for Boston-New York main line.
Sec. 406. Americans with Disabilities Act of 1990.
Sec. 407. Definitions.
Sec. 408. Northeast Corridor cost dispute.
Sec. 409. Inspector General Act of 1978 amendment.
Sec. 410. Interstate rail compacts.
Sec. 411. Composition of Amtrak board of directors.
Sec. 412. Educational participation.
Sec. 413. Report to Congress on Amtrak bankruptcy.
Sec. 414. Amtrak to notify Congress of lobbying relationships.

SEC. 2. FINDINGS.

The Congress finds that—

(1) intercity rail passenger service is an essential component of a national intermodal passenger transportation system;

(2) Amtrak is facing a financial crisis, with growing and substantial debt obligations severely limiting its ability to cover operating costs and jeopardizing its long-term viability;

(3) immediate action is required to improve Amtrak's financial condition if Amtrak is to survive;

(4) all of Amtrak's stakeholders, including labor, management, and the Federal government, must participate in efforts to reduce Amtrak's costs and increase its revenues;

(5) additional flexibility is needed to allow Amtrak to operate in a businesslike manner in order to manage costs and maximize revenues;

(6) Amtrak should ensure that new management flexibility produces cost savings without compromising safety;

(7) Amtrak's management should be held accountable to ensure that all investment by the Federal Government and State governments is used effectively to improve the quality of service and the long-term financial health of Amtrak;

(8) Amtrak and its employees should proceed quickly with proposals to modify collective bargaining agreements to make more efficient use of manpower and to realize cost savings which are necessary to reduce Federal financial assistance;

(9) Amtrak and intercity bus service providers should work cooperatively and develop coordinated intermodal relationships promoting seamless transportation services which enhance travel options and increase operating efficiencies; **[**and**]**

(10) Amtrak's Strategic Business Plan calls for the establishment of a dedicated source of capital funding for Amtrak in order to ensure that

Amtrak will be able to fulfill the goals of maintaining—

(A) a national passenger rail system; and

(B) that system without Federal operating assistance; and

[(10)] *(11)* Federal financial assistance to cover operating losses incurred by Amtrak should be eliminated by the year 2002.

TITLE I—REFORMS

Subtitle A—Operational Reforms

SEC. 101. BASIC SYSTEM.

(a) Operation of Basic System.—Section 24701 of title 49, United States Code, is amended to read as follows:

"§ 24701. Operation of basic system

"Amtrak shall provide intercity rail passenger transportation within the basic system. Amtrak shall strive to operate as a national rail passenger transportation system which provides access to all areas of the country and ties together existing and emergent regional rail passenger corridors and other intermodal passenger service.".

(b) Improving Rail Passenger Transportation.—Section 24702 of title 49, United States Code, and the item relating thereto in the table of sections of chapter 247 of such title, are repealed.

(c) Discontinuance.—Section 24706 of title 49, United States Code, is amended—

(1) by striking "90 days" and inserting "180 days" in subsection (a)(1);

[(2) by striking "a discontinuance under section 24707(a) or (b) of this title" in subsection (a)(1) and inserting "discontinuing service over a route";]

(2) by striking "24707(a) or (b) of this title," in subsection (a)(1) and inserting "discontinuing service over a route,";

(3) by inserting "or assume" after "agree to share" in subsection (a)(1); and

(4) by striking "section 24707 (a) or (b) of this title" in subsections (a)(2) and (b)(1) and inserting "paragraph (1)".

(d) Cost and Performance Review.—Section 24707 of title 49, United States Code, and the item relating thereto in the table of sections of chapter 247 of such title, are repealed.

(e) Special Commuter Transportation.—Section 24708 of title 49, United States Code, and the item relating thereto in the table of sections of chapter 247 of such title, are repealed.

(f) Conforming Amendment.—Section 24312(a)(1) of title 49, United States Code, is amended by striking ", 24701(a),".

SEC. 102. MAIL, EXPRESS, AND AUTO-FERRY TRANSPORTATION.

(a) Repeal.—Section 24306 of title 49, United States Code, is amended—

(1) by striking the last sentence of subsection (a); *and*

[(2) by striking paragraphs (1) and (2) of subsection (b); and]

[(3) by striking "(3) State" and inserting "State".]

(2) by striking subsection (b) and inserting the following:

"(b) Authority of Others To Provide Auto-Ferry Transportation.—State and local laws and regulations that impair the provision of auto-ferry transportation do not apply to Amtrak or a rail carrier providing auto-ferry transportation. A rail carrier may not refuse to participate with Amtrak in providing auto-ferry transportation because a State or local law or regulation makes the transportation unlawful.".

SEC. 103. ROUTE AND SERVICE CRITERIA.

Section 24703 of title 49, United States Code, and the item relating thereto in the table of sections of chapter 247 of such title, are repealed.

SEC. 104. ADDITIONAL QUALIFYING ROUTES.

Section 24705 of title 49, United States Code, and the item relating thereto in the table of sections of chapter 247 of such title, are repealed.

SEC. 105. TRANSPORTATION REQUESTED BY STATES, AUTHORITIES, AND OTHER PERSONS.

Section 24101(c)(2) of title 49, United States Code, is amended by inserting ", separately or in combination," after "and the private sector".

SEC. 106. AMTRAK COMMUTER.

(a) Repeal of Chapter 245.—Chapter 245 of title 49, United States Code, and the item relating thereto in the table of chapters of subtitle V of such title, are repealed.

(b) Conforming Amendment.—Section 24301(f) of title 49, United States Code, is amended to read as follows:

"(f) Tax Exemption for Certain Commuter Authorities.—A commuter authority that was eligible to make a contract with Amtrak Commuter to provide commuter rail passenger transportation but which decided to provide its own rail passenger transportation beginning January 1, 1983, is exempt, effective October 1, 1981, from paying a tax or fee to the same extent Amtrak is exempt.".

(c) Trackage Rights Not Affected.—The repeal of chapter 245 of title 49, United States Code, by subsection (a) of this section is without prejudice to the retention of trackage rights over property owned or leased by commuter authorities.

SEC. 107. THROUGH SERVICE IN CONJUNCTION WITH INTERCITY BUS OPERATIONS.

(a) In General.—Section 24305(a) of title 49, United States Code, is amended by adding at the end the following new paragraph:

"(3)(A) Except as provided in subsection (d)(2), Amtrak may enter into a contract with a motor carrier of passengers for the intercity transportation of passengers by motor carrier over regular routes only—

"(i) if the motor carrier is not a public recipient of governmental assistance, as such term is defined in section [10922(d)(1)(F)(i)] *13902(b)(8)(A)* of this title, other than a recipient of funds under section [18 of the Federal Transit Act;] *5311 of this title;*

"(ii) for passengers who have had prior movement by rail or will have subsequent movement by rail; and

"(iii) if the buses, when used in the provision of such transportation, are used exclusively for the transportation of passengers described in clause (ii).

"(B) Subparagraph (A) shall not apply to transportation funded predominantly by a State or local government, or to ticket selling agreements.".

(b) Policy Statement.—Section 24305(d) of title 49, United States Code, is amended by adding at the end the following new paragraph:

"(3) Congress encourages Amtrak and motor common carriers of passengers to use the authority conferred in section 11342(a) of this title for the purpose of providing improved service to the public and economy of operation.".

SEC. 108. RAIL AND MOTOR CARRIER PASSENGER SERVICE.

(a) In General.—Notwithstanding any other provision of law (other than section 24305(a) of title 49, United States Code), Amtrak and motor carriers of passengers are authorized—

(1) to combine or package their respective services and facilities to the public as a means of increasing revenues; and

(2) to coordinate schedules, routes, rates, reservations, and ticketing to provide for enhanced intermodal surface transportation.

(b) Review.—The authority granted by subsection (a) is subject to review by the Surface Transportation Board and may be modified or revoked by the Board if modification or revocation is in the public interest.

SEC. 109. PASSENGER CHOICE.

Federal employees are authorized to travel on Amtrak for official business where total travel cost from office to office is competitive on a total trip or time basis.

SEC. 110. APPLICATION OF CERTAIN LAWS.

(a) Application of FOIA.—Section 24301(e) of title 49, United States Code, is amended by adding at the end thereof the following: "Section 552 of title 5, United States Code, applies to Amtrak for any fiscal year in which Amtrak receives a Federal subsidy.".

(b) Application of Federal Property and Administrative Services Act.—Section [304A(m)] *303B(m)* of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. [253b)] *253b(m))* applies to a proposal in the possession or control of [Amtrak.".] *Amtrak.*

Subtitle B—Procurement

SEC. 121. CONTRACTING OUT.

(a) Contracting Out Reform.—Effective 180 days after the date of enactment of this Act, section 24312 of title 49, United States Code, is amended—

(1) by striking the paragraph designation for paragraph (1) of subsection (a);

(2) by striking "(2)" in subsection (a)(2) and inserting "(b)"; and

(3) by striking subsection (b).

The amendment made by paragraph (3) is without prejudice to the power of Amtrak to contract out the provision of food and beverage services on board Amtrak trains or to contract out work not resulting in the layoff of Amtrak employees.

(b) Notices.— Notwithstanding any arrangement in effect before the date of the enactment of this Act, notices under section 6 of the Railway Labor Act (45 U.S.C. 156) with respect to all issues relating to contracting out by Amtrak of work normally performed by an employee in a bargaining unit covered by a contract between Amtrak and a labor organization representing Amtrak employees, which are applicable to employees of Amtrak shall be deemed served and effective on the date which is 45 days after the date of the enactment of this Act. Amtrak, and each affected labor organization representing Amtrak employees, shall promptly supply specific information and proposals with respect to each such notice. This subsection shall not apply to issues relating to provisions defining the scope or classification of work performed by an Amtrak employee. The issue for negotiation under this paragraph does not include the contracting out of work involving food and beverage services provided on Amtrak trains or the contracting out of work not resulting in the layoff of Amtrak employees.

(c) National Mediation Board Efforts.—Except as provided in subsection (d), the National Mediation Board shall complete all efforts, with respect to the dispute described in subsection (b), under section 5 of the Railway Labor Act (45 U.S.C. 155) not later than 120 days after the date of the enactment of this Act.

(d) Railway Labor Act Arbitration.—The parties to the dispute described in subsection (b) may agree to submit the dispute to arbitration under section 7 of the Railway Labor Act (45 U.S.C. 157), and any award resulting therefrom shall be retroactive to the date which is 120 days after the date of the enactment of this Act.

(e) Dispute Resolution.—

(1) With respect to the dispute described in subsection (b) which—

(A) is unresolved as of the date which is 120 days after the date of the enactment of this Act; and

(B) is not submitted to arbitration as described in subsection (d),

Amtrak shall, and the labor organizations that are parties to such dispute shall, within 127 days after the date of the enactment of this Act, each select an individual from the entire roster of arbitrators maintained by the National Mediation Board. Within 134 days after the date of the enactment of this Act, the individuals selected under the preceding sentence shall jointly select an individual from such roster to make recommendations with respect to such dispute under this subsection. If the National Mediation Board is not informed of the selection of the individual under the preceding sentence 134 days after the date of enactment of this Act, the Board will immediately select such individual.

(2) No individual shall be selected under paragraph (1) who is pecuniarily or otherwise interested in any organization of employees or any railroad or who is selected pursuant to section 141(d) of this Act.

(3) The compensation of individuals selected under paragraph (1) shall be fixed by the National Mediation Board. The second paragraph of section 10 of the Railway Labor Act (45 U.S.C. 160) shall apply to the expenses of such individuals as if such individuals were members of a board created under such section 10.

(4) If the parties to a dispute described in subsection (b) fail to reach agreement within 150 days after the date of the enactment of this Act, the individual selected under paragraph (1) with respect to such dispute shall make recommendations to the parties proposing contract terms to resolve the dispute.

(5) If the parties to a dispute described in subsection (b) fail to reach agreement, no change shall be made by either of the parties in the conditions out of which the dispute arose for 30 days after recommendations are made under paragraph (4).

(6) Section 10 of the Railway Labor Act (45 U.S.C. 160) shall not apply to a dispute described in subsection (b).

(f) No Precedent for Freight.—Nothing in this section shall be a precedent for the resolution of any dispute between a freight railroad and any labor organization representing that railroad's employees.

Subtitle C—Employee Protection Reforms

SEC. 141. RAILWAY LABOR ACT PROCEDURES.

(a) Notices.—Notwithstanding any arrangement in effect before the date of the enactment of this Act, notices under section 6 of the Railway Labor Act (45 U.S.C. 156) with respect to all issues relating to employee protective arrangements and severance benefits which are applicable to employees of Amtrak, including all provisions of Appendix C-2 to the National Railroad Passenger Corporation Agreement, signed July 5, 1973, shall be deemed served and effective on the date which is 45 days after the date of the enactment of this Act. Amtrak, and each affected labor organization representing Amtrak employees, shall promptly supply specific information and proposals with respect to each such notice.

(b) National Mediation Board Efforts.—Except as provided in subsection (c), the National Mediation Board shall complete all efforts, with respect to the dispute described in subsection (a), under section 5 of the Railway Labor Act (45 U.S.C. 155) not later than 120 days after the date of the enactment of this Act.

(c) Railway Labor Act Arbitration.—The parties to the dispute described in subsection (a) may agree to submit the dispute to arbitration under section 7 of the Railway Labor Act (45 U.S.C. 157), and any award resulting therefrom shall be retroactive to the date which is 120 days after the date of the enactment of this Act.

(d) Dispute Resolution.—

(1) With respect to the dispute described in subsection (a) which

(A) is unresolved as of the date which is 120 days after the date of the enactment of this Act; and

(B) is not submitted to arbitration as described in subsection (c), Amtrak shall, and the labor organization parties to such dispute shall, within 127 days after the date of the enactment of this Act, each select an individual from the entire roster of arbitrators maintained by the National Mediation Board. Within 134 days after the date of the enactment of this Act, the individuals selected under the preceding sentence shall jointly select an individual from such roster to make recommendations with respect to such dispute under this subsection. If the National Mediation Board is not informed of the selection under the preceding sentence 134 days after the date of enactment of this Act, the Board will immediately select such individual.

(2) No individual shall be selected under paragraph (1) who is pecuniarily or otherwise interested in any organization of employees or any railroad or who is selected pursuant to section 121(e) of this Act.

(3) The compensation of individuals selected under paragraph (1) shall be fixed by the National Mediation Board. The second paragraph of section 10 of the Railway Labor Act shall apply to the expenses of such individuals as if such individuals were members of a board created under such section 10.

(4) If the parties to a dispute described in subsection (a) fail to reach agreement within 150 days after the date of the enactment of this Act, the individual selected under paragraph (1) with respect to such dispute shall make recommendations to the parties proposing contract terms to resolve the dispute.

(5) If the parties to a dispute described in subsection (a) fail to reach agreement, no change shall be made by either of the parties in the conditions out of which the dispute arose for 30 days after recommendations are made under paragraph (4).

(6) Section 10 of the Railway Labor Act (45 U.S.C. 160) shall not apply to a dispute described in subsection (a).

SEC. 142. SERVICE DISCONTINUANCE.

(a) Repeal.—Section 24706(c) of title 49, United States Code, is repealed.

(b) Existing Contracts.—Any provision of a contract entered into before the date of the enactment of this Act between Amtrak and a labor organization representing Amtrak employees relating to employee protective arrangements and severance benefits applicable to employees of Amtrak is extinguished, including all provisions of Appendix C–2 to the National Railroad Passenger Corporation Agreement, signed July 5, 1973.

(c) Special Effective Date.—Subsections (a) and (b) of this section shall take effect 180 days after the date of the enactment of this Act.

(d) Nonapplication of Bankruptcy Law Provision.—Section 1172(c) of title 11, United States Code, shall not apply to Amtrak and its employees.

Subtitle D—Use of Railroad Facilities

SEC. 161. LIABILITY LIMITATION.

(a) Amendment.—Chapter 281 of title 49, United States Code, is amended by adding at the end the following new section:

"§ 28103. Limitations on rail passenger transportation liability

"(a) Limitations.—

"(1) Notwithstanding any other statutory or common law or public policy, or the nature of the conduct giving rise to damages or liability, a contract between Amtrak and its [passengers, the Alaska Railroad and its passengers,] *passengers* or private railroad car operators and their passengers regarding claims for personal injury, death, or damage to property arising from or in connection with the provision of rail passenger transportation, or from or in connection with any operations over or use of right-of-way or facilities owned, leased, or maintained by [Amtrak or the Alaska Railroad,] *Amtrak*, or from or in connection with any rail passenger transportation operations over or rail passenger transportation use of right-of-way or facilities owned, leased, or maintained by any high-speed railroad authority or operator, any commuter authority or operator, or any rail carrier shall be enforceable if—

"(A) punitive or exemplary damages, where permitted, are not limited to less than 2 times compensatory damages awarded to any claimant by any State or Federal court or administrative agency, or in any arbitration proceeding, or in any other forum or $250,000, whichever is greater; and

"(B) passengers are provided adequate notice of any such contractual limitation or waiver or choice of forum.

"(2) For purposes of this subsection, the term 'claim' means a claim made directly or indirectly—

"(A) against Amtrak, any high-speed railroad authority or operator, any commuter authority or operator, or any rail carrier [including the Alaska Railroad] or private rail car operators; or

"(B) against an affiliate engaged in railroad operations, officer, employee, or agent of, Amtrak, any high-speed railroad authority or operator, any commuter authority or operator, or any rail carrier.

"(3) Notwithstanding paragraph (1)(A), in any case in which death was caused, the law of the place where the act or omission complained of occurred provides, or has been construed to provide, for damages only punitive in nature, a claimant may recover in a claim limited by this subsection for actual or compensatory damages measured by the pecuniary injuries, resulting from such death, to the persons for whose benefit the action was brought, subject to the provisions of paragraph (1).

[(b)] "*(b)* Indemnification Obligation.—Obligations of any party, however arising, including obligations arising under leases or contracts or pursuant to orders of an administrative agency, to indemnify against damages or liability for personal injury, death, or damage to property described in [subsesction] *subsection* (a), incurred after the [death] *date* of the enactment of the Amtrak Reform and Accountability Act of 1997, shall be enforceable, notwithstanding any other statuatory or common law or public policy, or the nature of the conduct giving rise to the damages or [liability.] *liability.*".

(c) Conforming Amendment.—The table of sections of chapter 281 of title 49, United States Code, is amended by adding at the end the following new item:

"28103. Limitations on rail passenger transportation liability.".

SEC. 162. RETENTION OF FACILITIES.

Section 24309(b) of title 49, United States Code, is amended by inserting "or on January 1, 1997," after "1979,".

TITLE II—FISCAL ACCOUNTABILITY

SEC. 201. AMTRAK FINANCIAL GOALS.

Section 24101(d) of title 49, United States Code, is amended by adding at the end thereof the following: "Amtrak shall prepare a financial plan to operate within the funding levels authorized by section 24104 of this chapter, including budgetary goals for fiscal years 1998 through 2002. Commencing no later than the fiscal year following the fifth anniversary of the Amtrak Reform and Accountability Act of 1997, Amtrak shall operate without Federal operating grant funds appropriated for its benefit.".

SEC. 202. INDEPENDENT ASSESSMENT.

(a) Initiation.—Not later than 15 days after the date of enactment of this Act, the Secretary of Transportation shall contract with an entity independent of Amtrak and not in any contractual relationship with Amtrak and of the Department of Transportation to conduct a complete independent assessment of the financial requirements of Amtrak through fiscal year 2002. The entity shall have demonstrated knowledge about railroad industry accounting requirements, including the uniqueness of the industry and of Surface Transportation Board accounting requirements. *The Department of Transportation, Office of Inspector General, shall approve the entity's statement of work and the award and shall oversee the contract. In carrying out its responsibilities under the preceding sentence, the Inspector General's Office shall perform such overview and validation or verification of data as may be necessary to assure that the assessment conducted under this subsection meets the requirements of this section.*

(b) Assessment Criteria.—The Secretary and Amtrak shall provide to the independent entity estimates of the financial requirements of Amtrak for the period described above, using as a base the fiscal year 1997 appropriation levels established by the Congress. The independent assessment shall be based on an objective analysis of Amtrak's funding needs.

(c) Certain Factors To Be Taken Into Account.—The independent assessment shall take into account all relevant factors, including Amtrak's—

(1) cost allocation process and procedures;

(2) expenses related to intercity rail passenger service, commuter service, and any other service Amtrak provides;

(3) Strategic Business Plan, including Amtrak's projected expenses, capital needs, ridership, and revenue forecasts; and

(4) Amtrak's [debt obligations.] *assets and liabilities.*

For purposes of paragraph (3), in the capital needs part of its Strategic Business Plan Amtrak shall distinguish between that portion of the capital required for the Northeast corridor and that required outside the Northeast corridor, and shall include rolling stock requirements, including capital leases, "state of good repair" requirements, and infrastructure improvements.

(d) Deadline.—The independent assessment shall be completed not later than [90] *180* days after the contract is awarded, and shall be submitted to the Council established under section 203, the Secretary of Transportation, the Committee on Commerce, Science, and Transportation of the United States Senate, and the Committee on Transportation and Infrastructure of the United States House of Representatives.

SEC. 203. AMTRAK REFORM COUNCIL.

(a) Establishment.—There is established an independent commission to be known as the Amtrak Reform Council.

(b) Membership.—

(1) In general.—The Council shall consist of 9 members, as follows:

(A) The Secretary of Transportation.

(B) Two individuals appointed by the President, of which—

(i) one shall be a representative of a rail labor organization; and

(ii) one shall be a representative of rail management.

(C) Two individuals appointed by the Majority Leader of the United States Senate.

(D) One individual appointed by the Minority Leader of the United States Senate.

(E) Two individuals appointed by the Speaker of the United States House of Representatives.

(F) One individual appointed by the Minority Leader of the United States House of Representatives.

(2) Appointment criteria.—

(A) Time for initial appointments.—Appointments under paragraph (1) shall be made within 30 days after the date of enactment of this Act.

(B) Expertise.—Individuals appointed under subparagraphs (C) through (F) of paragraph (1)—

(i) may not be employees of the United States;

(ii) may not be board members or employees of Amtrak;

(iii) may not be representatives of rail labor organizations or rail management; and

(iv) shall have technical qualifications, professional standing, and demonstrated expertise in the field of corporate management, finance, rail or other transportation operations, labor, economics, or the law, or other areas of expertise relevant to the Council.

(3) Term.—Members shall serve for terms of 5 years. If a vacancy occurs other than by the expiration of a term, the individual appointed to fill the vacancy shall be appointed in the same manner as, and shall serve only for the unexpired portion of the term for which, that individual's predecessor was appointed.

(4) Chairman.—The Council shall elect a chairman from among its membership within 15 days after the earlier of—

(A) the date on which all members of the Council have been appointed under paragraph (2)(A); or

(B) 45 days after the date of enactment of this Act.

[(4)] *(5)* Majority required for action.—A majority of the members of the Council present and voting is required for the Council to take action. No person shall be elected chairman of the Council who receives fewer than 5 votes.

(c) Administrative Support.—The Secretary of Transportation shall provide such administrative support to the Council as it needs in order to carry out its duties under this section.

(d) Travel Expenses.—Each member of the Council shall serve without pay, but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with section 5702 and 5703 of title 5, United States Code.

(e) Meetings.—Each meeting of the Council, other than a meeting at which proprietary information is to be discussed, shall be open to the public.

(f) Access to Information.—Amtrak shall make available to the Council all information the Council requires to carry out its duties under this section. The Council shall establish appropriate procedures to ensure against the public disclosure of any information obtained under this subsection that is a trade secret or commercial or financial information that is privileged or confidential.

(g) Duties.—

(1) Evaluation and recommendation.—The Council—

(A) shall evaluate Amtrak's performance; and

(B) make recommendations to Amtrak for achieving further cost containment and productivity improvements, and financial reforms.

(2) Specific considerations.—In making its evaluation and recommendations under paragraph (1), the Council take consider all relevant performance factors, including—

(A) Amtrak's operation as a national passenger rail system which provides access to all regions of the country and ties together existing and emerging rail passenger corridors;

(B) appropriate methods for adoption of uniform cost and accounting procedures throughout the Amtrak system, based on generally accepted accounting principles; and

(C) management efficiencies and revenue enhancements, including savings achieved through labor and contracting negotiations.

(h) Annual Report.—Each year before the fifth anniversary of the date of enactment of this Act, the Council shall submit to the Congress a report that includes an assessment of Amtrak's progress on the resolution or status of productivity issues; and makes recommendations for improvements and for any changes in law it believes to be necessary or appropriate.

(i) Authorization of Appropriations.—There are authorized to be appropriated to the Council such sums as may be necessary to enable the Council to carry out its duties.

SEC. 204. SUNSET TRIGGER.

(a) In General.—If at any time *more than 2 years after the date of enactment of this Act and implementation of the financial plan referred to in section 201* the Amtrak Reform Council finds that—

(1) Amtrak's business performance will prevent it from meeting the financial goals set forth in section 201; or

(2) Amtrak will require operating grant funds after the fifth anniversary of the date of enactment of this Act, then

the Council shall immediately notify the President, the Committee on Commerce, Science, and Transportation of the United States Senate; and the Committee on Transportation and Infrastructure of the United States House of Representatives.

(b) Factors Considered.—In making a finding under subsection (a), the Council shall take into account—

(1) Amtrak's performance;

(2) the findings of the independent assessment conducted under section 202; [and]

(3) the level of Federal funds made available for carrying out the financial plan referred to in section 201; and

[(3)] *(4)* Acts of God, national emergencies, and other events beyond the reasonable control of Amtrak.

[(c) Action Plan.—Within 90 days after the Council makes a finding under subsection (a), it shall develop and submit to the Congress—

[(1) an action plan for a restructured and rationalized intercity rail passenger system; and

[(2) an action plan for the complete liquidation of Amtrak.

If the Congress does not approve by concurrent resolution the implementation of the plan submitted under paragraph (1) within 90 calendar days after it is submitted to the Congress, then the Secretary of Transportation and Amtrak shall implement the plan submitted under paragraph (2).]

(c) ACTION PLAN.—

(1) DEVELOPMENT OF PLANS.—Within 90 days after the Council makes a finding under subsection (a)—

(A) it shall develop and submit to the Congress an action plan for a restructured and rationalized national intercity rail passenger system; and

(B) Amtrak shall develop and submit to the Congress an action plan for the complete liquidation of Amtrak, after having the plan reviewed by the Inspector General of the Department of Transportation and the General Accounting Office for accuracy and reasonableness.

(2) CONGRESSIONAL ACTION OR INACTION.—If within 90 days after receiving the plans submitted under paragraph (1), an Act to implement a restructured and rationalized intercity rail passenger system does not become law, then Amtrak shall implement the liquidation plan developed under paragraph (1)(B) after such modification as may be required to reflect the recommendations, if any, of the Inspector General of the Department of Transportation and the General Accounting Office.

SEC. 205. ACCESS TO RECORDS AND ACCOUNTS.

Section 24315 of title 49, United States Code, is amended by adding at the end the following new subsection:

"(h) ACCESS TO RECORDS AND ACCOUNTS.—A State shall have access to Amtrak's records, accounts, and other necessary documents used to determine the amount of any payment to Amtrak required of the State.".

SEC. 206. OFFICERS' PAY.

Section 24303(b) of title 49, United States Code, is amended by adding at the end the following: "The preceding sentence shall not apply for any fiscal year for which no Federal assistance is provided to Amtrak.".

SEC. 207. EXEMPTION FROM TAXES.

(a) IN GENERAL.—Subsection (l) of section 24301 of title 49, United States Code, is amended—

(1) by striking so much of [the subsection as precedes "or a rail carrier" in paragraph (1)] *paragraph (1) as precedes "exempt"* and inserting the following:

["(1) EXEMPTION FROM TAXES LEVIED AFTER SEPTEMBER 30, 1981.—]

"(1) IN GENERAL.—[Amtrak,] *Amtrak, a rail carrier subsidiary of Amtrak, and any passenger or other customer of Amtrak or such subsidiary, are";*

[(2) by inserting ", and any passenger or other customer of Amtrak or such subsidiary," in paragraph (1) after "subsidiary of Amtrak";

[(3)] *(2)* by striking "*tax* or fee imposed" in paragraph (1) and all that follows through "levied on it" and inserting "*tax*, fee, head charge, or other charge, imposed or levied by a State, political subdivision, or local taxing authority on Amtrak, a rail carrier subsidiary of Amtrak, or on persons traveling in intercity rail passenger transportation or on mail or express transportation provided by Amtrak or such a subsidiary, or on the carriage of such persons, mail, or express, or on the sale of any such transportation, or on the gross receipts derived therefrom";

[(4)] *(3)* by striking the last sentence of paragraph (1);

[(5)] *(4)* by striking "(2) The" in paragraph (2) and inserting "(3) JURISDICTION OF UNITED STATES DISTRICT COURTS.—The"; and

[(6)] *(5)* by inserting after paragraph (1) the following:

"(2) PHASE-IN OF EXEMPTION FOR CERTAIN EXISTING TAXES AND FEES.—

"(A) YEARS BEFORE 2000.—Notwithstanding paragraph (1), Amtrak is exempt from a tax or fee referred to in paragraph (1) that Amtrak was required to pay as of September 10, 1982, during calendar years 1997 through 1999, only to the extent specified in the following table:

Phase-in of Exemption

Year of assessment	Percentage of exemption
1997	40
1998	60
1999	80
2000 and later years	100

"(B) TAXES ASSESSED AFTER MARCH, 1999.—Amtrak shall be exempt from any tax or fee referred to in subparagraph (A) that is assessed on or after April 1, 1999.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) do not apply to sales taxes imposed on intrastate travel as of the date of enactment of this Act.

TITLE III—AUTHORIZATION OF APPROPRIATIONS

SEC. 301. AUTHORIZATION OF APPROPRIATIONS.

Section 24104(a) of title 49, United States Code, is amended to read as follows:

"(a) IN GENERAL.—There are authorized to be appropriated to the Secretary of Transportation—

"(1) $1,138,000,000 for fiscal year 1998;

"(2) $1,058,000,000 for fiscal year 1999;

"(3) $1,023,000,000 for fiscal year 2000;

"(4) $989,000,000 for fiscal year 2001; and

"(5) $955,000,000 for fiscal year 2002,

for the benefit of Amtrak for capital expenditures under chapters 243 and 247 of this title, operating expenses, and payments described in subsection (c)(1)(A) through (C). In fiscal years following the fifth anniversary of the enactment of the Amtrak Reform and Accountability Act of 1997 no funds authorized for Amtrak shall be used for operating expenses other than those prescribed for tax liabilities under section 3221 of the Internal Revenue Code of 1986 that are more than the amount needed for benefits of individuals who retire from Amtrak and for their beneficiaries.".

TITLE IV—MISCELLANEOUS

SEC. 401. STATUS AND APPLICABLE LAWS.

Section 24301 of title 49, United States Code, is amended—

(1) by striking "rail carrier under section 10102" in subsection (a)(1) and inserting "railroad carrier under section 20102(2) and chapters 261 and 281"; and

(2) by amending subsection (c) to read as follows:

"(c) APPLICATION OF SUBTITLE IV.—Subtitle IV of this title shall not apply to Amtrak, except for sections [11303, 11342(a), 11504(a) and (d), and 11707.] *11301, 11322(a), 11502(a) and (d), and 11706.* Notwithstanding the preceding sentence, Amtrak shall continue to be considered an employer under the Railroad Retirement Act of 1974, the Railroad Unemployment Insurance Act, and the Railroad Retirement Tax Act.".

SEC. 402. WASTE DISPOSAL.

Section 24301(m)(1)(A) of title 49, United States Code, is amended by striking "1996" and inserting "2001".

SEC. 403. ASSISTANCE FOR UPGRADING FACILITIES.

Section 24310 of title 49, United States Code, and the item relating thereto in the table of sections of chapter 243 of such title, are repealed.

SEC. 404. DEMONSTRATION OF NEW TECHNOLOGY.

Section 24314 of title 49, United States Code, and the item relating thereto in the table of sections for chapter 243 of that title, are repealed.

SEC. 405. PROGRAM MASTER PLAN FOR BOSTON-NEW YORK MAIN LINE.

(a) REPEAL.—Section 24903 of title 49, United States Code, is repealed and the table of sections for chapter 249 of such title is amended by striking the item relating to that section.

(b) CONFORMING AMENDMENTS.—

(1) Section 24902 of title 49, United States Code is amended by striking subsections (a), (c), and (d) and redesignating subsection (b) as subsection (a) and subsections (e) through (m) as subsections (b) through (j), respectively.

(2) Section 24904(a)(8) is amended by striking "the high-speed rail passenger transportation area specified in section 24902(a) (1) and (2)" and inserting "a high-speed rail passenger transportation area".

SEC. 406. AMERICANS WITH DISABILITIES ACT OF 1990.

(a) APPLICATION TO AMTRAK.—

(1) ACCESS IMPROVEMENTS AT CERTAIN SHARED STATIONS.—Amtrak is responsible for its share, if any, of the costs of accessibility improvements at any station jointly used by Amtrak and a commuter authority.

(2) CERTAIN REQUIREMENTS NOT TO APPLY UNTIL 1998.—Amtrak shall not be subject to any requirement under subsection (a)(1), (a)(3), or (e)(2) of section 242 of the Americans With Disabilities Act of 1990 (42 U.S.C. 12162) until January 1, 1998.

(b) CONFORMING AMENDMENT.—Section 24307 of title 49, United States Code, is amended—

(1) by striking subsection (b); and

(2) by redesignating subsection (c) as subsection (b).

SEC. 407. DEFINITIONS.

Section 24102 of title 49, United States Code, is amended—

(1) by striking paragraphs (2) and (11);

(2) by redesignating paragraphs (3) through [(8)] *(10)* as paragraphs (2) through [(7),] *(9)*, respectively; *and*

(3) by inserting ", including a unit of State or local government," after "means a person" in paragraph (7), as so [redesignated; and] *redesignated.*

[(4) by inserting after paragraph (7), as so redesignated, the following new paragraph:

["(8) 'rail passenger transportation' means the interstate, intrastate, or international transportation of passengers by rail, including mail and express.".]

SEC. 408. NORTHEAST CORRIDOR COST DISPUTE.

Section 1163 of the Northeast Rail Service Act of 1981 (45 U.S.C. 1111) is repealed.

SEC. 409. INSPECTOR GENERAL ACT OF 1978 AMENDMENT.

(a) AMENDMENT.—

(1) IN GENERAL.—Section 8G(a)(2) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking "Amtrak,".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) takes effect in the first fiscal year for which Amtrak receives no Federal subsidy.

(b) AMTRAK NOT FEDERAL ENTITY.—Amtrak shall not be considered a Federal entity for purposes of the Inspector General Act of 1978. The preceding sentence shall apply for any fiscal year for which Amtrak receives no Federal subsidy.

(c) FEDERAL SUBSIDY.—

(1) ASSESSMENT.—In any fiscal year for which Amtrak requests Federal assistance, the Inspector General of the Department of Transportation shall review Amtrak's operations and conduct an assessment similar to the assessment required by section 202(a). The Inspector General shall report the results of the review and assessment to—

(A) the President of Amtrak;

(B) the Secretary of Transportation;

(C) the United States Senate Committee on Appropriations;

(D) the United States Senate Committee on Commerce, Science, and Transportation;

(E) the United States House of Representatives Committee on Appropriations;

(F) the United States House of Representatives Committee on Transportation and Infrastructure.

(2) REPORT.—The report shall be submitted, to the extent practicable, before any such committee reports legislation authorizing or appropriating funds for Amtrak for capital acquisition, development, or operating expenses.

(3) SPECIAL EFFECTIVE DATE.—This subsection takes effect 1 year after the date of enactment of this Act.

SEC. 410. INTERSTATE RAIL COMPACTS.

(a) CONSENT TO COMPACTS.—Congress grants consent to States with an interest in a specific form, route, or corridor of intercity passenger rail service (including high speed rail service) to enter into interstate compacts to promote the provision of the service, including—

(1) retaining an existing service or commencing a new service;

(2) assembling rights-of-way; and

(3) performing capital improvements, including—

(A) the construction and rehabilitation of maintenance facilities;

(B) the purchase of locomotives; and

(C) operational improvements, including communications, signals, and other systems.

(b) FINANCING.—An interstate compact established by States under subsection (a) may provide that, in order to carry out the compact, the States may—

(1) accept contributions from a unit of State or local government or a person;

(2) use any Federal or State funds made available for intercity passenger rail service (except funds made available for the National Railroad Passenger Corporation);

(3) on such terms and conditions as the States consider advisable—

(A) borrow money on a short-term basis and issue notes for the borrowing; and

(B) issue bonds; and

(4) obtain financing by other means permitted under Federal or State law.

(c) ELIGIBLE PROJECTS.—Section 133(b) of title 23, United States Code, is amended by striking "and publicly owned intracity or intercity bus terminals and [facilities"] *facilities.*" in paragraph (2) and inserting [a comma and] "*facilities*, including vehicles and facilities, publicly or privately owned, that are used to provide intercity passenger service by bus or rail, or a combination of [both".] *both.*".

(d) ELIGIBILITY OF PASSENGER RAIL UNDER CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.—The first sentence of section 149(b) of title 23, United States Code, is amended—

(1) by striking "or" at the end of paragraph (3);

(2) by striking [the period at the end of paragraph (4); and] *"standard." in paragraph (4) and inserting "standard; or"*

(3) by [adding at the end thereof] *inserting after paragraph (4)* the following:

"(5) if the project or program will have air quality benefits through construction of and operational improvements for intercity passenger rail facilities, operation of intercity passenger rail trains, and acquisition of rolling stock for intercity passenger rail service, except that not more than 50 percent of the amount received by a State for a fiscal year under this paragraph may be obligated for operating support.".

(e) ELIGIBILITY OF PASSENGER RAIL AS NATIONAL HIGHWAY SYSTEM PROJECT.—Section 103(i) of title 23, United States Code, is amended by adding at the end thereof the following:

"(14) Construction, reconstruction, and rehabilitation of, and operational improvements for, intercity rail passenger facilities (including facilities owned by the National Railroad Passenger Corporation), operation of intercity rail passenger trains, and acquisition or reconstruction of rolling stock for intercity rail passenger service, except that not more than 50 percent of the amount received by a State for a fiscal year under this paragraph may be obligated for operation.".

SEC. 411. COMPOSITION OF AMTRAK BOARD OF DIRECTORS.

Section 24302(a) of title 49, United States Code, is amended—

(1) by striking "3" in paragraph (1)(C) and inserting "4";

(2) by striking clauses (i) and (ii) of paragraph (1)(C) and inserting the following:

"(i) one individual selected as a representative of rail labor in consultation with affected labor organizations.

"(ii) one chief executive officer of a State, and one chief executive officer of a municipality, selected from among the chief executive officers of State and municipalities with an interest in rail transportation, each of whom may select an individual to act as the officer's representative at board meetings.";

(4) striking subparagraphs (D) and (E) of paragraph (1);

(5) inserting after subparagraph (C) the following:

"(D) 3 individuals appointed by the President of the United States, as follows:

"(i) one individual selected as a representative of a commuter authority, as defined in section 102 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 702) that provides its own commuter rail passenger transportation or makes a contract with an operator, in consultation with affected commuter authorities.

"(ii) one individual with technical expertise in finance and accounting principles.

"(iii) one individual selected as a representative of the general public."; and

(6) by striking paragraph (6) and inserting the following:

["(6) The Secretary may be represented at a meeting of the board only by the Administrator of the Federal Railroad Administration.".]

"(6) The Secretary may be represented at a meeting of the Board by his designate.".

SEC. 412. EDUCATIONAL PARTICIPATION.

Amtrak shall participate in educational efforts with elementary and secondary schools to inform students on the advantages of rail travel and the need for rail safety.

SEC. 413. REPORT TO CONGRESS ON AMTRAK BANKRUPTCY.

Within 120 days after the date of enactment of this Act, the Comptroller General shall submit a report identifying financial and other issues associated with an Amtrak bankruptcy to the United States Senate Committee on Commerce, Science, and Transportation and to the United States House of Representatives Committee on Transportation and Infrastructure. The report shall include an analysis of the implications of such a bankruptcy on the Federal government, Amtrak's creditors, and the Railroad Retirement System.

SEC. 414. AMTRAK TO NOTIFY CONGRESS OF LOBBYING RELATIONSHIPS.

If, at any time, Amtrak enters into a consulting contract or similar arrangement, or a contract for lobbying, with a lobbying firm, an individual who is a lobbyist, or who is affiliated with a lobbying firm, as those terms are defined in section 3 of the Lobbying Disclosure Act of 1995 (2 U.S.C. 1602), Amtrak shall notify the United States Senate Committee on Commerce, Science, and Transportation, and the United States House of Representatives Committee on Transportation and Infrastructure of—

(1) the name of the individual or firm involved;

(2) the purpose of the contract or arrangement; and

(3) the amount and nature of Amtrak's financial obligation under the contract.

Mr. McCAIN. Mr. President, before the majority leader leaves the floor, are we contemplating a recorded vote on this, I would ask the majority leader, or what is the will of the Democratic leader?

Mr. LOTT. Mr. President, if I could respond, I believe we have it cleared and that this could be moved by voice vote.

Mr. McCAIN. Does the Senator from Pennsylvania want a recorded vote on this or is a voice vote sufficient?

Mr. LOTT. If I could respond to the question, I know Pennsylvania is very supportive of Amtrak and would like this proposal to move forward as quickly as possible so I hope that we wouldn't have to have a recorded vote.

Mr. McCAIN. I thank the majority leader. The reason why I asked is that the Senator from Pennsylvania had asked the question as to whether we would have a recorded vote.

I thank the Democratic leader as well as the majority leader for their kind remarks.

AMENDMENT NO. 1609

(Purpose: To reauthorize Amtrak and for other purposes)

The PRESIDING OFFICER. We need to have the clerk report the amendment.

The assistant legislative clerk read as follows:

The Senator from Texas [Mrs. HUTCHISON], for herself, Mr. LOTT, Mr. McCAIN, and Mr. JEFFORDS, proposes an amendment numbered 1609.

Mr. McCAIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

The PRESIDING OFFICER. The Senator from Arizona.

Mr. McCAIN. I thank the Chair.

I thank the majority leader and the Democratic leader for their kind remarks. I especially wish to thank Senator HUTCHISON and Senator KERRY and

Senator BREAUX who spent literally hundreds of hours on this bill. I think it is important to point out for the RECORD that this effort was begun by the majority leader when he was chairman of the subcommittee which is now chaired by the Senator from Texas, and the groundwork was laid through his strong efforts.

I might say that there were several occasions when we were gridlocked on this bill and we gathered in the majority leader's office and he helped us find ways to reach common ground.

Mr. President, this compromise reauthorization legislation is the product of more than 3 years of bipartisan negotiations. Let there be no mistake. Amtrak is on the verge of bankruptcy. Fundamental reforms are needed immediately if there is to be any possibility of addressing Amtrak's financial crisis and turning it into a viable operation. This measure is long overdue. Some fear, as I do, that even with these reforms Amtrak may not make it.

Again, I thank Senator HUTCHISON for all her hard work, along with Senator BREAUX and Senator KERRY. Senator BREAUX and Senator KERRY will be in the Chamber shortly, I am told, to add their comments. Senator HUTCHISON will describe the details of her amendment which have to do with labor, contracting out, liability, and the sunset trigger which is part of this legislation.

I think everyone knows that I hold strong reservations about Amtrak. After subsidizing for 26 years what was to have been a 2-year experiment, I believe Congress must carefully evaluate whether this is the best use of our limited taxpayers dollars.

Since 1971, Amtrak has received over $20 billion in Federal tax dollars. I know that Amtrak has strived to reduce its operating costs and increase its revenues. And, yes, a portion of Amtrak's financial challenges are due to statutory constraints that Congress imposed and has failed to lift, but the fact remains the Amtrak 12-year experiment was unsuccessful 26 years ago, it is unsuccessful today, and the prospects of its future are rather bleak.

I realize that my pessimistic view of Amtrak's future, based on its track record, is not shared by the majority of the Congress. That is why I have worked with my colleagues to bring some semblance of legitimacy to this operation. The bill before us does not go as far as many of us would like. For some of my colleagues on the other side of the aisle, they may say it goes too far. Regardless of the position held, the bill does provide for some comprehensive changes.

According to a November 5, 1997, letter from Tom Downs, "enactment of the Amtrak Accountability and Reform Act of 1997 would be the single-most significant action the Congress can take to aid Amtrak in achieving operating self-sufficiency by 2002." He goes on to say, "The legislative reforms contained in the bill will allow Amtrak to operate in a more businesslike, cost-effective manner, thus allowing greater productivity and increased savings."

Mr. President, I ask unanimous consent that the letter from Mr. Tom Downs, who is the president and chief executive officer of Amtrak, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL RAILROAD
PASSENGER CORPORATION,
Washington, DC, November 5, 1997.

Hon. JOHN MCCAIN, *Chair,*
Hon. ERNEST F. HOLLINGS,
Ranking Member, Committee on Commerce, Science and Transportation, Dirksen Senate Office Building, Washington, DC.

DEAR CHAIRMEN: Thank you for your leadership in working toward an agreement in the Senate on comprehensive reform legislation for Amtrak. It is my understanding that agreement has been reached, and the Senate will soon consider the modified version of S. 738. I want to let you know that enactment of the Amtrak Reform and Revitalization Act of 1997 would be the single most significant action the Congress can take to aid Amtrak in achieving operating self-sufficiency by 2002. I will urge your colleagues to support the compromise you have achieved.

Enactment of the reauthorization bill will not in and of itself enable Amtrak to become independent of federal operating support, but it is the most critical step in the process. The legislative reforms contained in the bill will allow Amtrak to operate in a more businesslike, cost-effective manner, thus allowing greater productivity and increased savings. The capital funding made available by enactment of the legislation will allow us to begin to bring the system up to a state of good repair and invest in high rate-of-return capital projects. Adequate capital investment is the key to operational self-sufficiency and the overall economic viability of the railroad.

Consistent with all our previous statement on becoming independent of federal operating support and as outlined in our Strategic Business Plan, we will still require a specific, declining level of federal operating support through 2002, excess mandatory Railroad Retirement payments, an the level of capital identified in the Congressional Budget Resolution. It is my strong hope that the Administration and the Congress will continue to support us as we come closer to reaching our goal.

Again, thank you for all your leadership and diligence on working out an agreement on this legislation. As both Amtrak and the General Accounting Office (GAO) have made very clear this year, Amtrak will not be around much longer under the status quo. Legislative relief and capital funding are two of the three most critical pieces in regaining our economic health and long-term viability, and enactment of this legislation will accomplish those two goals. Achieving an agreement on this legislation is a goal both the Secretary of Transportation and the Senate Majority Leader have identified as important for this Congress, due to Amtrak's precarious financial condition. I congratulate you on achieving this in the substitute offered today.

Very truly yours,
THOMAS M. DOWNS,
Chairman, President and Chief Executive Officer.

Mr. MCCAIN. In closing, Mr. President, I want to remind my colleagues that even if Congress approves the statutory reforms and the $2.3 billion for capital improvements is released, Amtrak's viability remains uncertain. Let's be clear. Amtrak is $1 billion in debt and that debt level is predicted by the General Accounting Office to double to $2 billion in the next 2 years. Tom Downs predicts that without this legislation Amtrak could be bankrupt by next spring. Others predict even sooner.

I hope the dire predictions are wrong but prudence dictates that while we empower Amtrak to meet its financial goals and protect taxpayers, Congress and the administration prepare for and have a clear understanding of the long-range economic effects of a potential bankruptcy.

I requested the General Accounting Office to conduct an analysis of this issue and submit a report to the committee providing an overview of the financial issues and implications associated with an Amtrak liquidation. The report will include an analysis of the financial implications for the Federal Government, Amtrak's creditor's and the railroad retirement system.

I strongly support passage of this reform measure. However, I will continue to hold strong reservations over Amtrak's ability to ever turn Amtrak into a profitable, subsidy-free operation. One of the most important elements of this bill is that it provides the opportunity for us to shut off the spigot if and when it is clear the promise of financial viability will not or cannot be achieved.

What is happening here is not just a piece of reform legislation, Mr. President. We are releasing $2.3 billion in what I have previously described as the great train robbery of 1997. Back in the old days some citizens of my State used to rob trains. But now the trains have decided to rob the taxpayers of $2.3 billion with the help of this body.

The proviso, or the rationale that allowed the $2.3 billion to be fenced off was $2.3 billion in back taxes. The only problem with that scenario, Mr. President, is Amtrak has never paid any taxes. So we are providing another $2.3 billion giveaway to Amtrak. These reforms release that money.

I will never forget when I first came to Congress in 1982, Mr. President. I was visited by a man whom I respect as much as any man, Graham Claytor, who was then the head of Amtrak. And he gave me in graphic detail a long and extensive briefing about how Amtrak was going to be viable financially by the year 1985. That's only 12 years ago. But every 2 or 3 years Amtrak has come over to Congress with another plan to become financially viable within 2 or 3 years, and we know the answer. The answer is that they have now received more than $20 billion of the taxpayers' money.

I say enough is enough. And I commit now that if this reform and reauthorization plan does not make Amtrak financially viable, I will do everything in my power as a Senator and as chairman of the Commerce, Science, and Transportation Committee to see that it comes to an end.

I wish Amtrak every success with the passage of this legislation by the House. I will hope and pray that Amtrak succeeds. But I must tell you I am not optimistic that they will succeed and I hope to God that this is the last trip to the taxpayers' pocket book that we make on behalf of Amtrak.

Mr. President, again I thank Senator HUTCHISON who has done such a magnificent job on this legislation. She has worked countless numbers of hours. She has made compromises that clearly at the beginning she was not prepared to do. She made these compromises because she knew that that is the essence of legislation and the lessons of getting legislative results. She deserves enormous credit, along with my dear friend, Senator KERRY and Senator BREAUX, from Massachusetts and Louisiana, who played a great role. Bipartisanship is what this place is supposed to be about on issues that don't lend themselves to partisanship, and I believe that this is truly a bipartisan effort of which I think all of us can be proud. Again, my thanks to Senator HUTCHISON.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that Senators SANTORUM and JEFFORDS be added as original cosponsors of the substitute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. HUTCHISON. I am ready to vote, after which we will then debate.

THE PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1609) was agreed to.

Mrs. HUTCHISON. Mr. President, I want to say that what Senator MCCAIN said is absolutely true. I think it is fairly clear from his comments that he is not a fan of Amtrak. But as the chairman of the committee, he worked with all of us who do care about Amtrak, who do want passenger rail for our country, to try to give Amtrak a chance to succeed. I think all of us have come together on a bill that will give Amtrak a chance to succeed and will also make Amtrak accountable. That is what Senator MCCAIN is looking for and that is what all of us hope will happen.

In fact, Senator LOTT, the majority leader, who has worked on this for, as he said, 3 years—he was the Surface Transportation Subcommittee chairman before I took that position, before he became majority leader—Senator MCCAIN, Senator HOLLINGS, Senator BREAUX, Senator KERRY, all contributed greatly to a very hard-fought compromise. Because, of course, we are making huge changes in the law as it affects Amtrak and passenger rail in our country. Anything that makes this many changes, of course, could not be done easily. It took the labor groups, it took the trial lawyer groups to come together and work with us, along with Senators such as Senator MCCAIN who want accountability. So I think we have come together in a bill that will give Amtrak a chance. It is not a slam dunk. It is not an assured success. This is the first step in many steps that must be made for Amtrak to be able to operate without subsidies in the future.

What this bill has done is authorize the subsidies over the next 5 years that eventually will phase out. At the end of 5 years there will not be operational subsidies by the taxpayers of Amtrak. We have all agreed to that. That is why it was essential that we have reforms, so that Amtrak could be more efficient, so it could compete in the marketplace, so that it could have a passenger operation that would be much improved and, hopefully, bring more people into the system so it could operate without the subsidies. In addition, the $2.3 billion in infrastructure improvements, which are necessary both for the efficient operations and for the higher technology trains that we hope they will be able to operate, is contingent on these reforms. I think it was very wise, in the budget reconciliation bill, that the $2.3 billion that would be put into investment in capital improvements would be tied to these very important reforms. Because without the reforms, Amtrak has no chance to succeed—none. With the reforms, it has a chance. That is what our bill today will give it. I would like to go through a few of the most important points of what we did today.

First, some of the labor protections that were mandated by the Federal Government are now taken out of the law. The 6-year statutory severance benefits will now be in place for 180 days as they are negotiated at the bargaining table, after which they will be totally lifted from all negotiation and there will be no Federal mandates. In other words, today if a line goes out of business or Amtrak takes it off, those employees today would be entitled by Federal law to 6 years of severance pay. Most Americans do not have jobs that have 6-year termination agreements. In fact, when Amtrak first came into place, it was a different time. Today, these severance packages are about to break the system, and I think the unions realize that and they are willing to say we will put it on the negotiating table and we will let the free market reign. So that is the first thing we are doing.

The second thing we are doing is taking the prohibition against any contracting out out of the law once again. It will be part of the contracts for the next 2 years, but it is on the negotiating table now so that Amtrak, if it sees that it can make efficiencies by contracting out certain services, will be able to do that in a negotiated framework. So that will be on the table as well.

It is very important that Amtrak bring its labor costs into line because, in fact, if you look at other forms of transportation, the labor costs in passenger rail transportation are lopsided. For instance, no airline has more than 37 percent total labor expense, yet Amtrak is at 54 percent of its total expenses in labor. No competing passenger industry has similar protection rules that are mandated by the Federal Government. In fact, Greyhound drivers and mechanics, who might be laid off because of service discontinuances, are guaranteed 7 days' notice under union contracts; no statutory guarantee against contracting out. So I think if you are looking at transportation in its totality in our country, you have to have the ability to compete. So we have to have the ability at the bargaining table to bring these costs in line, if Amtrak is going to be a viable alternative form of transportation.

Another major area that needed some limitations was liability. Our substitute bill provides for a global passenger liability cap of $200 million. I think this is very important. For any one accident there will be a cap, so Amtrak will be able to buy insurance. That is what we are trying to do, is have some sort of quantifiable limit so we will know what the costs would be in the most extreme circumstances. And Amtrak could buy insurance to cover that, hopefully at a reasonable cost.

As Senator MCCAIN mentioned, there is a trigger on this. There will be an Amtrak Reform Council appointed to monitor Amtrak's progress with these new reforms, to look at the 5-year glidepath that Amtrak is on, to try to get to the point that there will be no more taxpayer subsidies of Amtrak. This Amtrak Reform Council is going to look at the Amtrak operation and the reforms and see how Amtrak is doing. After 2 years they will submit a strategic plan for Amtrak, and they will also report to Congress if they just don't think Amtrak has a chance to make it, after which Congress will be able, then, to either implement the plan, the strategic plan that would be put forward, or pull the plug on Amtrak.

These are accountability standards that I think are reasonable. Certainly we want to put good money into helping Amtrak succeed, but if it is going to be hopeless, we don't want to throw good money after bad. So I think the accountability is a very important part of this compromise.

We also provide in this bill for interstate rail compacts, so that two States that have traffic that would warrant, perhaps, a joint effort toward rail transportation could come together, could pool their resources and provide for rail transportation in their States. I think that is a very important step, for our States to be able to form compacts, because that will add to the options of rail transportation.

It also provides that Amtrak will have to give 180 days' notice if they are going to discontinue a route. The previous law required 90 days' notice. That is not enough time for a State to be able to step in and help Amtrak, especially if it's a State that has a legislature that only meets every other year and would have to make some emergency arrangements.

So I think we have several new parts of the law that will help very much in giving Amtrak the ability to succeed and also in giving more options to our States to add to the rail passenger capabilities in our country. Because, you see, I think one of the reasons that Amtrak is not only viable but a very important part of an intermodal mobility system for our country is because cities are now going more and more into intracity rail systems. Even in southern States, in my State of Texas, now, in Dallas, Dallas has a rail train system that goes out of the Amtrak station. So I am very happy that the Texas Eagle Amtrak train will be able to start in Chicago, IL, come down through Missouri, through Arkansas, over through east Texas into Dallas and Fort Worth. People can get off the train in Dallas or Fort Worth and they can get on an intracity train and go all over the city of Dallas. They can go to the zoo, they can go to the museums, they can go out north where the commuting traffic is. They will be able eventually to go to the airport.

So, as more cities are beginning to have rail transportation options, then the feeding in of Amtrak also provides more passengers for Amtrak and more mobility for the citizens of our country. I love the fact that you can go from Chicago all the way down through Texas to San Antonio and then get on another Amtrak train, the Sunset Limited, and go to Los Angeles or all the way over to Florida.

These systems will provide vacation capabilities for people in our country to see the sights of America on a train. I think it is something that has been so successful in Europe through the years that it will also have a resurrection in America that will provide more opportunities for families to see this great country from a train and have that experience that we really almost lost in the last 25 or 30 years.

So I think what we are doing today is not propping up a historic, old, antiquated type of transportation that we have known in the past in this country. That is not what we are doing today. What we are doing today is providing a new, vibrant option for rail transportation to be added to the air transportation that is so terrific in our country and the bus transportation and the automobiles and highways that provide mobility options for all kinds of people—people who can't drive and people who don't want to drive. People who don't live near airports would be able to go to a train station that is fed from buses from small communities all over our States, going into an Amtrak train station where someone can get off a bus in a very small town and get onto an Amtrak train and go into cities from Florida to California, from Illinois to Massachusetts, and all the way down to Texas.

So I think it is a very exciting thing we are doing. That is why I have worked so hard with my colleagues, Senator KERRY, Senator BREAUX, Senator HOLLINGS and Senator McCAIN, to make this a reality, to give Amtrak a chance. Because if Amtrak can compete with the other kinds of transportation, I think it will not be a relic of the past but a very important part of an overall transportation system for the future for our country, for our children to have this experience, for our elderly people to have the mobility that train passenger systems can give.

I am very excited that we have come to this agreement. I appreciate the bipartisan spirit in which this agreement has been made.

I thank the Senators who are waiting to speak and I yield the floor.

Mr. JEFFORDS. Mr. President, today we move another step closer to preserving our Nation's passenger rail system. The desperate call for action signals the importance of rail travel and the severe impacts a shutdown of Amtrak would have on the daily lives of millions of Americans.

We live in a nation that prides itself on independence. For many Americans, their personal automobile grants them the ability to travel unincumbered for work and pleasure. But as we all know, this freedom is slowly ebbing as our Nation's highways and skies become more and more congested. Our roadways and runways are at capacity and growth opportunities are severely limited.

A drive through and around any major American city today will leave most drivers frustrated by delays. This constant automobile congestion slows commerce, reduces worker productivity, and limits travel independence. In fact, highway congestion now costs the United States $100 billion annually, not including the economic and societal costs of increased pollution and wasted energy.

The American solution has been to find alternatives. Our road options are limited. Ten-lane highways cannot be expanded, and new highways are difficult to site and result in the destruction of irreplaceable land and neighborhoods.

Congestion in the air is also a major issue. Slots at airports are filled. Runways are backed up. Air space is busy. A recent safety study reported that 21 of the 26 major airports experienced serious delays, costing billions of dollars. New airports are expensive and only add to the problems we face today.

Rail remains the one underutilized infrastructure available to our Nation. Railroads offer us the opportunity to move cars off the highways and planes from the air. Rail is efficient, cheaper and more environmentally preferable than our other options. We must now begin the careful process of retaining and rebuilding passenger rail in our country.

Created in 1970, Amtrak serves millions of passengers each year. For 10 million households that have no car, and many communities without air or bus service, Amtrak is their lifeline. Amtrak connects 68 of the 75 largest urban areas in the United States, and serves many of the 62 million Americans living in rural areas.

According to the Journal of Commerce, without Amtrak there would be an immediate need for 10 new tunnels under the Hudson River between northern New Jersey and New York City and 20 new highway lanes in New York. If Amtrak disappeared tomorrow, there would be an additional 27,000 cars on the highway between New York and Boston every day.

In my home State of Vermont, passenger rail has been rediscovered. We launched a new passenger service, the Ethan Allen Express last year, to complement the already existing Vermonter. Both trains have been immensely successful, brining passengers from New England, New York, and across the Nation to our beautiful State. These trains have relieved highway congestion, given an economic boost to the State and offer travelers an alternative to driving or flying. Our dream in Vermont is to expand this service, linking a number of our larger cities and reestablishing rail service to Maine, New Hampshire, and Boston.

And as we learned last winter in Vermont, rail keeps rolling regardless of weather. During the deep winter storms, as cars were snowbound and planes held on the ground, the trains were bringing business travelers and skiers to our State. We all remember when the eastern seaboard was hit with a major blizzard in in the winter of 1996 and the Federal Government was shut down for a solid week. But Amtrak kept running. In fact, my only means of getting to the Senate that week was on the train, as roads were blocked an planes grounded.

Passenger rail service is the future. But many in this city have yet to recognize this reality. Amtrak has never been given the proper tools to bring the train into the modern age. The rail system operates on 1930's technology, with outdated engines, cars and maintenance facilities.

While this system struggles, other nation's have invested heavily in technologically advanced high speed trains. France, Japan, and many other nations operate state-of-the-art trains, an efficient mode of travel in densely populated regions. Japan installed their bullet trains in the early 1960's, and Europe in the 1970's. The high-speed trains, cruising at 200 miles per hour or more, easily compete with cars, buses, and planes.

Why has the United States fallen so far behind? Railroads in this country once had the prestige and financial capital to do nearly anything, but that changed over the years. Through mismanagement and limited public support we let our passenger railroads decay to the point of extinction. Today, we face the same choices. Should we support reviving and expanding advanced passenger rail through public financing or shut the system down? Let's not make a mistake that we would truly regret in the future. It's time to make this railroad work and maintain its role as a vital component of our Nation's transportation infrastructure.

This Nation is on the verge of one of the most important transportation developments in its history. High speed rail should be operational from Washington to Boston by 1999. Other regions of the country are also working to develop high-speed train service, including California, Florida, and many other States. These trains easily compete with air travel and allow travelers a comfortable, fast and efficient means to reach their destination.

High-speed rail will also aid Amtrak's bottom line. This new system will bring further profits to a business that badly needs the capital.

Many critics will question the need for further public investment in Amtrak. As compared to other infrastructure programs, passenger rail gets little public support. Last year we spent $20 billion on highways, while capital investment for Amtrak was less than $450 million. In relative terms, between fiscal year 1980 and fiscal year 1994, spending on highways increased 73 percent, aviation increased 170 percent, while spending on rail declined by 60 percent.

Without proper reforms and additional capital funding the future of this railroad is at risk. I commend members of the Senate Commerce committee who have worked to deliver a solid reform proposal to the Senate. My hope is that the House will accept these changes and send this bill to the President before we adjourn for the year. The plan we have developed offers serious reforms that will enable the railroad to modernize while reducing operating costs.

Our Nation needs passenger rail. Together, we must move forward to preserve this important transportation option. The investments we are committing to today will increase our Nation's investment in the Amtrak rail system, and allow it to succeed in its efforts to continue to operate into the future.

Mr. LAUTENBERG. Mr. President, I rise to support the compromise Amtrak reauthorization bill being offered by Senator HUTCHISON. Passage of this bill brings us one step closer to putting Amtrak on firm footing by extending authorization for 5 years, and most importantly, by giving Amtrak $2.3 billion in tax credits for much-needed capital investments.

But let's not pretend we are completely solving the problem today. The General Accounting Office has warned us over and over again that making Amtrak self sufficient will be difficult and that realistically we have to look at continued investment in the system beyond the year 2002.

Mr. President, our national transportation system is crucial to our economy. And a national rail system is a crucial part of any national transportation plan. But over the years we have consistently shortchanged Amtrak.

For instance, over the course of this decade, Germany has decided to invest nearly $70 billion on what is already an excellent railway system in a country a fraction of the size of the United States.

What have we done? Well, since 1971, we've invested just $19 billion in Amtrak. And now we are preparing to phase out operating subsidies entirely. I think this is unrealistic.

Mr. President, let me put this in perspective. We continue to subsidize every other form of transportation.

Over the past 15 years, in relative terms, we've increased spending on highways by 73 percent and aviation by 170 percent, while we have cut Amtrak's funding 62 percent.

As we starved our national rail system during most of this decade, service declined and so did ridership. Between 1994 and 1996 Amtrak went from 21.1 million passengers to 19.7 million —meaning Amtrak lost even more revenue and was being sent into a downward spiral toward bankruptcy.

And those 1.4 million riders Amtrak lost still had to get to their destinations somehow and that likely meant more cars, buses, or planes in our already congested airports and highways.

Coming from the State of New Jersey, I can speak first hand about the importance of Amtrak to my State and the rest of the northeast corridor.

The New York/New Jersey metropolitan area is one of the most congested in the nation. A recent study said that every day people waste more than 2 million hours in traffic—2 million hours a day.

To put that number into perspective, that means that people here will waste more time in traffic in a single year than the man-hours to build the entire Continental railroad.

And if Amtrak wasn't there, another 11 million people would be dumped onto our roads.

How many billions of dollars would we have to spend widening roads in order to accommodate this new traffic? How much time and money would trucking companies, businesses and commuters lose as a result of increased traffic and congestion? I do not think that anyone can legitimately make the argument that highway users do not benefit from Amtrak's operations.

Amtrak does not just reduce congestion on our highways. It carries over 40 percent of the combined air-rail market between Washington and New York. Loss of Amtrak service in this corridor would require another 7,500 fully booked 757 jetliners to carry Amtrak's passenger load each year. How many billions would we have to invest in our air infrastructure to accommodate these travelers?

Mr. President, while I've spoken about my region, Amtrak is also a national passenger rail system that provides important service in areas of the country that are not as congested. In many cases, Amtrak provides residents of small rural towns with their only form of intercity transportation. Each year, some 22 million passengers depend on Amtrak for transportation between urban centers and rural locations. Amtrak provides service in 45 of the 50 States.

Ask any Amtrak passenger, traveling through the State of Montana, perhaps stopping off at Havre, on their way to Glacier National Park, whether Amtrak is important to them. Of course it is.

Mr. President, this agreement in front of us today strikes a compromise on very difficult labor issues. It asks Amtrak's workers to make signficant concessions.

Mr. President, I worked hard to make these funds available to Amtrak. During the budget negotiations, I worked with Senators ROTH and DOMENICI to include a reserve fund for Amtrak to allow us to make additional capital funding available in future legislation.

Thanks to the leadership of Senators ROTH and MOYNIHAN, the Finance Committee found a way to provide this funding in the tax reconciliation bill through a $2.3 billion tax credit.

Mr. President, I would like to end by commending all of those who worked so feverishly to put this compromise together. In particular, Senators KERRY, HOLLINGS, LOTT, HUTCHISON, MCCAIN, ROTH and BREAUX deserve special recognition for their efforts and leadership in this matter.

I urge my colleagues to support this Amtrak reauthorization compromise.

I think this step we take today to begin rejuvenating our national rail system might someday be considered just as historic as the century-old congressional decision to build it in the first place.

But we must not kid ourselves. More will need to be done if Amtrak is to thrive, not just survive.

Mr. CHAFEE. Mr. President, I strongly support this legislation, which will preserve vital passenger rail service in the United States. I applaud the hard work of the members of the Commerce Committee who have worked out a reasonable compromise on this much-needed bill.

In the 25 years since Amtrak was created, we've learned several things about passenger rail operations in the United States: First, in today's increasingly competitive transportation marketplace, Amtrak cannot continue to operate viably under the status quo. Second, we recognize political reality and know that the American people will not continue to support taxpayer subsidies of Amtrak if the railroad continues to operate under the same structure that has brought it close to financial collapse. Third, like its counterparts in the highway and aviation sectors, passenger railroad ought to be afforded a reasonable level of Federal assistance for its increasingly urgent infrastructure needs.

With regard to this third matter—Federal support—I am pleased that Congress included within the tax bill passed earlier this year $2.3 billion for Amtrak's capital improvements. These funds will help Amtrak conduct badly needed modernization of its infrastructure so that it can enhance service to its customers and more effectively perform in a competitive marketplace. However, these funds are on hold until the bill before the Senate today is enacted into law.

What is also needed is a realistic assessment of the Federal laws currently governing Amtrak's operation. Although attention recently seems to be focused on the protections for Amtrak employees, there are a wide range of laws that hinder Amtrak's stated goal of operating more like a business.

It has been the provisions affecting Amtrak workers that have been most controversial and have stymied action in Congress for the past 2 years. Some of these laws stem from the Depression era, a time when Congress and the President sought to relieve a national tragedy. Others were enacted when Amtrak was first created in the early 1970's, well before the railroad's financial problems had developed.

In any event, it is important to note that many of these provisions are mandated by law, rather than agreed to through the traditional collective-bargaining process that businesses and labor unions across America deal with regularly. Other employers in the United States are certainly not required by law to provide worker benefits similar to those required of Amtrak.

If financial and operational viability is going to be restored at Amtrak, we simply must take a candid and reasonable look at all of the very unique laws—not just the labor protections—that have hindered Amtrak's ability to succeed. We must also ensure that, like its counterparts in the aviation and highway sectors, passenger rail is provided a reasonable level of support for capital improvements. These are the goals this bill seeks to achieve, and I am pleased that the Senate is able to take it up today.

Specifically, when amended by this substitute, S. 738 will:

Authorize $5.163 billion for Amtrak over the next 5 years;

Mandate that Amtrak be independent of Federal operating subsidies in 5 years;

Repeal two statutes that affect work rules at Amtrak, and put them into the collective-bargaining process. These outdated statutes prohibit Amtrak from contracting out, and mandate 6 years of severance pay for laid off employees;

Impose a reasonable cap on punitive damages on rail transportation liability;

Create an Amtrak reform council [ARC] that will regularly evaluate Amtrak's financial performance to ensure accountability to the taxpayer;

Clarify that the $2.3 billion included within the tax bill can only be used for Amtrak capital improvements.

When taken together, the provisions of this legislation will restore financial viability to Amtrak by permitting the company to operate more like a business. The bill also gives the U.S. taxpayer the assurance that Congress will no longer provide open-ended subsidies to passenger rail.

There are allegations that Amtrak's operational reforms are being sought as a ploy to make it less expensive to eliminate these jobs and shut down the railroad altogether. This contention is ludicrous. The biggest threat to these jobs is maintaining the status quo, which is not financially viable for Amtrak.

If things continue under the current framework, Amtrak will soon be forced into bankruptcy. Such an outcome would eliminate all of Amtrak's 20,000 jobs, to say nothing of depriving the Nation of a needed service.

Ultimately, our effort to ensure that passenger rail survives into the 21st century should be focused on the customer: we should help ensure that conditions exist that will allow Amtrak to provide efficient, reliable national transportation service without adversely impacting its work force or burdening U.S. taxpayers.

Absent this service, Amtrak's customers would go elsewhere, and our highways and airports would become severely clogged. This legislation ensures the viability of passenger rail service for the traveling public, and I urge my colleagues to support it.

Ms. SNOWE. Mr. President, today the Senate holds the future of Amtrak in its hands. The legislation before us seeks to put Amtrak's financial situation on a track to self-sufficiency. We have delayed action on Amtrak for 3 years and we cannot afford to delay it any longer.

As a member of the Senate Commerce Committee for the last 3 years, I have listened to Amtrak and its detractors discuss the problems and the potential for passenger rail service. The committee, first under the leadership of Senator LOTT, and now under the leadership of Senator HUTCHISON, Chair of the Surface Transportation Subcommittee, have reported out tough but fair reform bills that put the burden on Amtrak to prove it can survive without a Federal operating subsidy.

In the last Congress, despite the best efforts of Senator LOTT, no agreement could be reached with those who claim they want Amtrak reform but also wouldn't let it come to the floor—even when they were offered the opportunity to offer, debate, and vote on their amendments. Much the same can be said to explain why we are here, in the waning hours of the first session, considering this important bill.

I want to express my support for the amendment offered by Senator HUTCHISON and my appreciation for her dedication to moving the reform process forward. She has fought a difficult battle because of her belief in the importance of maintaining a national passenger rail system, and I would like to commend her for her hard work and dedication to reform.

But, we are not simply debating Amtrak reform, but a more complex question: Do we, as a nation, believe that we should have a national passenger rail service? If we do, then we will pass this bill with Senator HUTCHISON's amendment. If we fail to address the financial problems at Amtrak all we are doing is delaying the inevitable.

We need to make the tough choices—that is what the people of this country have sent us here to do. If we are not willing or able to do that for Amtrak then we might as well shut the system down rather then allow it to slowly bleed to death. That is what is happening now because some in this body have been unwilling to face up to the fact that there is no easy answer to the financial problems facing Amtrak. If there were—we would not find ourselves in this situation.

Three years ago, Amtrak took the Government's pronouncement that it should operate without Federal operating subsidies to heart. They developed a business plan and told Congress what was needed both in the way of statutory changes and capital funding in order to meet this goal. Earlier this year we created the capital trust fund—an important first step—but in this case money simply isn't enough. Until we address the statutory changes they need, we have left them to sink slowly into bankruptcy.

Tom Downs has come before the Commerce Committee, the Finance Committee, the Appropriations Committee, and the Environment and Public Works Committee to tell the Senate what changes Amtrak needs in order to turn a public railroad into a business. He has laid out the statutory changes that are necessary in order to allow Amtrak to compete in the next century. He has been very straightforward about the fact that without these changes, Amtrak has no future.

The Commerce Committee has twice reported out bills that provide these changes. But the committee has also made it clear that the reform bill is a commitment between Congress and Amtrak to achieve the mutual goal of self-sufficiency. We have created the Amtrak Review Council which will consider factors that will help it determine if Amtrak has kept its end of the deal—Amtrak's performance, and the findings of the independent assessment—in order to determine whether or not Amtrak should continue to exist. I included a provision in the bill that will require the ARC to also consider whether Congress has held up its end of the bargain by requiring the council to look at whether sufficient funding was provided for Amtrak to carry out the financial plan it is required to write under the bill.

In my very first Commerce Committee hearing in January, 1995, Ken Mead, then with GAO, told us that ". . . Congress needs to decide what is to be expected from Amtrak and how much it is willing to pay to fulfill those expectations." I believe the committee has provided the full Senate with a bill that provides Amtrak and its shareholders with a clear outline of those expectations and most importantly, provides Amtrak with all the tools, within its power, to meet those expectations.

I believe that the committee's reform package—offered today by the distinguished Senator from Texas—is a fair one, but least anyone think that we are simply pouring money into a sinking ship, it is important to remember that this bill also includes a heavy dose of tough love. If the ARC determines that Amtrak cannot become free of Federal operating subsidies, then plans will be made for liquidation or a major restructuring will be undertaken.

Having worked with Tom Downs, I am a firm believer that he and the men and women who have worked so hard to keep Amtrak moving will meet the goal of self-sufficiency. If they cannot, even after Congress has provided them with the tools they have asked for, then I am ready to close them down. But I want to know that they had the opportunity, the resources and the tools to meet that goal, first. And that is why it is so important that we adopt the amendment offered by Senator HUTCHISON.

It is also important to look at what, until today, has prevented us from moving the Amtrak reform legislation—labor and liability.

According to the General Accounting Office, labor accounts for 52 percent of the costs at Amtrak. You don't need to be an accountant to know that if Amtrak is to succeed it needs to be able to address these costs. Amtrak has asked for the ability to sit down at the bargaining table and negotiate on the issues of contracting out of services and severance pay, which under current law is 6 years. The Committee bill required both sides to negotiate. Under the Hutchison amendment, the issue of contracting out shall itself be negotiated in the next round of contract negotiations.

A lot has changed since Amtrak was created and we need to allow the system to change with the times if it is to be a competitive force as we enter the next century. The men and women of Amtrak have worked hard to improve the system, make no mistake about it, and they have more at stake then anyone for without Amtrak they have no job. I do not believe that asking them to sit down at the table and negotiate is asking too much.

The Hutchison amendment also makes changes in the liability issue that has long held up reform. It is a much misunderstood issue and I applaud the Senator from Texas' ability to reach agreement on the issue.

The Senate will make an important decision today. We can take the responsible approach, pass reform, and help put Amtrak on the road to self-sufficiency. Or we can take the irresponsible approach, kill the bill and shut down passenger rail service. I have the luxury, I suppose, of coming from a State that will not be impacted one way or the other at this time. Maine does not have train service. We would like it, and we are waiting for a decision by the Surface Transportation Board to determine if we will get it, but the people of my State believe that a national passenger rail system is important, and so do I.

A national passenger rail system is as much a part of our future as it is of our past. The Journal of Commerce noted last year that Amtrak's presence eliminates the need for 20 additional highway lanes in New York City and 10 new tunnels under the Hudson. It also replaces 27,000 cars on the highway between Boston and New York every day. We can only add so many lanes to any given highway.

We need Amtrak—not as a reminder of our past, but as a vital part of our transportation future, and I urge my colleagues to join me in passing this bill.

Mr. HOLLINGS. Mr. President, I rise today in support of S. 738, the Amtrak Reform and Revitalization Act of 1997, and urge its immediate passage.

S. 738 is the final product of a long collaborative process between Democrats and Republicans alike who have come together in a bipartisan way in order to save and strengthen Amtrak, the Nation's passenger rail carrier. Credit must be given to Senator HUTCHISON, the subcommittee chairman, Senator MCCAIN, our Commerce Committee chairman, and the majority leader, Senator LOTT who took a personal interest in this legislation to get it done. On my side of the aisle we must acknowledge the contributions of Senators KERRY, BREAUX, and FORD who negotiated this compromise.

In addition, we should mention those Senate staff members who worked long hours to bring this legislation to the floor today. They include: Ann Begeman and Charlotte Casey from the Commerce Committee majority staff; Amy Henderson and Larry DiRita from Senator HUTCHISON's staff; Carl Biersack of the majority leader's office. On the Democratic side I want to mention: Ivan Schlager, Jim Drewry, Clyde Hart, and Carl Bentzel from the committee staff; Gregg Rothschild from Senator KERRY's office; Mark Ashby from Senator BREAUX's staff; Greg Rohde from Senator DORGAN's office; Tom Zoeller from Senator FORD's office; and Jonathan Adelstein of the minority leader's office.

This bill gives Amtrak the tools it says it needs to survive and prosper into the 21st century. In order for this to be done, each of Amtrak's stakeholders has had to give up some benefit. Amtrak passengers will have to bear a limit on Amtrak's liability to them, much the same way that the airlines limit their liability to passengers. Amtrak employees will have labor protections trimmed, but they will retain the ability to renegotiate these protections in the collective bargaining process. In addition, Amtrak management will be under increased scrutiny to perform. The bill establishes an Amtrak Reform Council to advise Amtrak management and to report to the Congress on Amtrak's progress to self-sufficiency.

However, in return for those sacrifices, the bill provides Amtrak, for perhaps the first time, sufficient funds for it to repair and revitalize its track and facilities to grow into a first-class rail passenger service. The United States ranks very low in the world in the amount of money it spends on rail passenger service. According to one study the United States ranks below Bangladesh in the amount of money we allocate to this service. With this bill we can begin to close that gap and give the American people a service they can use and be proud of.

Mr. SHELBY. Mr. President, I compliment my colleagues on the Senate Commerce, Science, and Transportation Committee on today's successful passage of the Amtrak reauthorization bill. I acknowledge that the procurement, labor, and liability reforms contained in this bill as amended by the chairman's substitute amendment are the end result of difficult negotiations and compromises among many competing interests, and represent many years' effort. Issues such as contracting out and mandatory 6-year severance pay have been taken out of statute and put on the negotiating table.

I hope this bill's provisions, along with future negotiations, result in some real reforms. Even with the $2.3 billion in tax credits that will be released on January 1, 1998 if this reauthorization bill is enacted into law, Amtrak will still be hard-pressed to continue running trains in the future, if meaningful improvements are not made in the way the railroad does business. Since I have taken on the chairmanship of the Senate Appropriations Transportation Subcommittee this year, one thing has become crystal clear: Amtrak does not intend to be weaned from Federal subsidies any time soon. The Amtrak-Brotherhood of Maintenance of Way Employees [BMWE] union agreement reached last weekend contains contingencies that require appropriations levels higher than those in current law or contemplated by the balanced budget agreement. Amtrak touts its glidepath to self-sufficiency as the funding path that will eventually lead to the elimination of Federal operating subsidies. However, the Amtrak-BMWE agreement points to a glidepath in the opposite direction.

The fiscal year 1998 transportation appropriations bill provided $793 million for Amtrak operating and capital expenses. Added to Federal subsidies paid to Amtrak since the Corporation was formed in 1971, the taxpayers have thus far spent $22 billion on a national railroad that carries fewer than 20 million passengers a year—less than 1 percent of all annual intercity passenger trips in the United States. According to the General Accounting Office, the average Amtrak direct Federal subsidy is $38 per passenger trip, compared to $1.50 per commercial airline passenger enplanement. This is subsidy that comes out of the pockets of every American taxpayer, and yet, wide swaths of the country are not served at all by Amtrak, and many communities that do have train service only see the train a few times a week, or at odd hours of the night.

There is a growing sense that Federal funding of Amtrak can no longer be justified on fiscal or mobility grounds, and that it is time to consider phasing out the railroads's public monopoly status. I really hope that the reforms contained in this reauthorization bill do make a difference in the way Amtrak does business. Because if they do not, by releasing these tax credit funds, the Congress may simply be extending Amtrak's financial instability for 2 more years, and costing the taxpayers yet more appropriated funds for the subsidy of a failed experiment.

Mr. BIDEN. Mr. President, I am pleased that we finally have before us the legislation we need to give Amtrak a new lease on life. In my remarks this afternoon, I will start with the bottom line.

When we pass this legislation today, Amtrak will be eligible to receive the $2.3 billion that was provided in last summer's balanced budget plan. This legislation authorizes the continued existence of Amtrak—that authorization expired in 1994—and therefore gives Amtrak access to the capital fund that some of us have worked so many years to establish.

Agreement on the terms of Amtrak's reauthorization has not been easy, Mr. President. It has taken several years to accomplish, marked by many long hours and more frustrations than I care to recall, as agreements we thought were done unraveled over and over again.

The bill before us this afternoon has required the best efforts of many of my colleagues, who have persevered in the face of those frustrations. We could not have reached this point without the leadership of Senator HUTCHISON, along with Senator McCAIN, and of course, their colleague on the Commerce Committee, the distinguished majority leader, to reach agreement on the many difficult issues that this legislation has raised.

And I know that without the persistence of Senator JOHN KERRY, along with Senators HOLLINGS and BREAUX, we would not have reached this point.

And if I may say so, Mr. President, the entire Delaware congressional delegation has been a part of this process from the beginning. My good friend BILL ROTH, chair of the Finance Committee, and our Governor, Tom Carper, who is on the Amtrak board of directors, both continued to play their key roles at critical moments in this process.

The result is a bipartisan compromise, that required that everyone give up some of what they wanted to get as much as possible of what Amtrak needs. Those of us who followed these negotiations closely can count many moments when it seemed that this legislation was dead. Only the long-suffering perseverance of the key players made this legislation possible.

But let's be clear about where we are in the life of Amtrak. As my good friend, Senator McCAIN, has stressed today, Amtrak is indeed in dire economic trouble. And yes, some of this trouble is indeed due to some of the constraints that we in Congress put on Amtrak's business practices when we created it a quarter of a century ago. That is why the reforms in this legislation are needed.

But I believe that much of the problem is due to our failure over the years to provide our Nation's passenger rail system with the level of financial support that we give to other elements of our country's transportation system.

As Senator KERRY has argued here this afternoon, we here in the United States rank below some of the poorest Nations on the planet in the level of financial support per citizen that we provide our passenger rail system.

One result of this has been that during the 25 year life of Amtrak, its employees have seen their wages cut as the cost of living grew while their paychecks stagnated.

In my State of Delaware, we have two of the essential maintenance facilities for Amtrak—at the Wilmington and Bear, DE yards. The workers at these facilities are the best in the business, and are carrying on a tradition that reaches back to the turn of the century in which Delaware has provided essential support for passenger rail along the East Coast.

The hard work that the men and women of the Delaware yards have put in keeping Amtrak's equipment and tracks safe and dependable has been rewarded with a stagnant standard of living. And our citizens—not just in East Coast urban areas, as we often hear, but in small towns all over the country—have had much less passenger rail service than the citizens of other major industrial nations.

By failing to support Amtrak adequately, we have been forced to live with a less efficient transportation system, reducing the effectiveness of the more substantial funds we provide for highways and airports, which are crowded with travelers who might otherwise be able to travel by rail.

We all hope that Amtrak will make the best of the management reforms in this bill to put passenger rail on a healthier financial track for the future. But this legislation entails more than operating reforms and access to a new capital fund.

As Senator McCAIN so rightly pointed out, this legislation makes provision for termination of Federal financial support for Amtrak's operations by the year 2002, something already part of our long-term budget plans. It includes provision for a study of the possibility of Amtrak's bankruptcy and liquidation. For the first time in Federal law, we are contemplating the possibility of shutting down passenger rail in this country.

So while those of us who put in the hard work that made this moment possible should rightfully be proud of those efforts, we must not lose sight of the big picture. While we have bought a little more time for Amtrak, we have by no means assured that passenger rail—essential to the efficient operation of every other industrial economy's transportation system—will survive in the United States.

Over the next 5 years, there will be more tough choices as we move toward the twin goals of a balanced Federal budget and the end of Federal operating support for our country's passenger rail system. If we fail to provide Amtrak with the resources it needs to modernize, to attract the ridership and revenues that can advance the goal of self-sufficiency, today's accomplishment will be hollow.

I am not convinced, Mr. President, that we have chosen the right course for passenger rail in this country. No one argues against reforms that make the best use of taxpayers dollars, reforms that permit Amtrak to make use of the best business practices to attract riders and to expand our country's passenger rail system.

But by themselves, those reforms will not relieve us of our responsibility to keep passenger rail alive.

Senator KERRY reminded us today that the European Community has committed to major new investments on top of their substantial contributions to their continent's passenger rails system. As the most productive economy in the world, we should face up to the need to make similar commitments here.

So many benefits flow from these investments—benefits that can be measured, but not always on the books of any given passenger rail system—that the rest of the developed world is willing to make that kind of commitment. Those benefits include more efficient use of fuel, cleaner air, reduced congestion on our highways and at our airports—real benefits that add up to real dollars saved that can be put to better use.

In today's world—with balanced budgets and increased economic competition—we must make sure that we capture those benefits and save those dollars. That is why the fight for passenger rail in the United States is far from over today.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I ask unanimous consent that the vote that was scheduled for 2:15 be delayed until the end of my comments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERRY. Mr. President, I am delighted to join with the Senator from Texas, the chairman of the Commerce Committee, the Senator from Arizona, Senator HOLLINGS, Senator BREAUX in strongly supporting Amtrak itself and, equally important, supporting this reauthorization bill which is pending before the Senate.

I offer my sincere thanks to the Senator from Texas, Senator HUTCHISON, for her persistence on behalf not just of the bill but particularly Amtrak, which she just talked about, which she has vision of and of which we share a vision.

I also thank Senator McCAIN who worked hard with all of us. Despite his own very deeply felt misgivings regarding federally subsidized passenger rail, as chairman he was very fair to all of the opinions that existed on the committee and gave us the opportunity to be able to come together to forge what I think is a good compromise.

A compromise, obviously, doesn't leave everybody happy. It is not supposed to. There are folks on both sides of the aisle who, if they wrote their own bill, would have written a different bill. Clearly, that is true. But it is because we reached that compromise that I think we put Amtrak in a position not only to survive but to thrive, and we have preserved the rights of labor to be able to negotiate appropriately for their relationship with the management.

I will not review, in the interest of time, any of the specific provisions at this moment. Senator HUTCHISON has done that. Senator McCAIN has done that. But I would like to take a moment just to emphasize what I think can't be emphasized enough, which is the importance of Amtrak to the country and particularly important to the Northeast Corridor Improvement Project and to the transportation infrastructure of the Northeast region of the country. I think it is important to all the regions it reaches, but I particularly point out that the future completion of the Northeast corridor, which this legislation will help to ensure, is expected to attract 3 million additional passengers annually between New York and Boston.

This improved rail service is going to ease the congestion of Logan and other major Northeast airports. The Federal Railroad Administration expects passenger air service between Boston and New York to decrease by 40 percent as a result of these measures and to result in the elimination of over 50 daily New York-Boston flights. Indeed, without this legislation, and without the continued modernization of rail travel in the Northeast, the four airports between New York and Boston would be projected to produce annual passenger delays of over 20 million hours per year. That is lost productivity. That is a lost competitive edge for our country, as well as for the region.

We can expect improved Northeast rail service that will come as a result of this legislation to have a spillover positive impact on road congestion. Mr. President, 5.9 billion passenger miles were taken on Amtrak in 1994. These are trips that were not taken on crowded highways and airways. Improved rail service in the Northeast is projected to eliminate over 300,000 auto trips each year from highways that are increasingly overly congested, and it will reduce auto congestion around the airports as well as improving air quality for the country and in the Northeast.

As these figures demonstrate, a healthy and financially viable passenger rail system is the key to ensuring an efficient transportation infrastructure in our country. We simply cannot continue, in some parts of the country certainly, to build more and more roads and more and more airports. The space doesn't allow it. We should look to Europe, and we should look to Japan, and we should look to other countries for the experience that they have had as more and more of the square miles of their country are consumed by business and by living space and where they have had to make use of those spaces effectively.

The fact is that in the United States of America within the next 20 to 30 years, the vast majority of our population, 75 percent of it, will live within 50 miles of coastline, including the Great Lakes. We will need to consider how we move people and products as those areas become more crowded.

So, simply stated, we need Amtrak because we cannot continue to pave our way out of our transportation problems. I would like to take just a quick moment to address some of those in the Congress who criticize Amtrak and any kind of Federal subsidy of rail as a form of some kind of central planning that is inherently dangerous and that supposedly the United States has always avoided. The fact is, Mr. President, we have not only not always avoided it; we have relied significantly on that kind of Federal input and planning to help us to be able to build the network of transportation that we rely on.

Throughout our Nation's history, we in Congress have been proactive and aggressive about this kind of assistance. You can drive in one relatively straight line from the northern coast of Maine to Florida on a well-paved road because the Federal Government planned it and because we funded the Interstate Highway System. The planning and construction of our Nation's ports and canal networks, transcontinental railroads, the air traffic control system, and the Interstate Highway System are all examples of Federal leadership in transportation policy which led to overall economic growth, to improved transportation efficiency and, finally, to the development of entirely new industries.

Indeed, while we in Congress have argued over whether the Federal Government should or shouldn't ensure a healthy inter-city rail system, internationally it is no secret that a well-founded rail network is an essential ingredient of a strong 21st century economy.

In fact, every major economic power, except the United States, invests several billions of dollars annually in passenger rail transportation. The European Union plans to invest more than $100 billion to better utilize and integrate its multibillion-dollar-rail network. And our economic competitors in Asia, including China, Taiwan, Malaysia, and South Korea, are all investing heavily in rail.

The unfortunate truth is that on a per capita basis, at least 34 countries, including Guinea, Myanmar, South Africa, Iran, and Botswana each spend more than the United States on passenger rail. In this light, which I think is the correct light in which to view what we are doing today, we are doing the bare minimum necessary to ensure continued passenger rail travel in the United States and to maintain a vibrant national transportation network.

Finally, I would like to take a moment just to say something about the men and women in Amtrak's labor organizations who work extraordinarily hard daily to ensure that the trains are in working order, that the tracks are maintained and that millions of Americans are able to get to work and travel comfortably and safely from city to city.

Much has been made in the arguments over reform about labor provisions in U.S. law which did give protections to those who worked on Amtrak. Those protections were to guarantee that their jobs wouldn't be contracted away or that a specific level of a severance might exist in order to safeguard them.

Before one overly criticizes those provisions which we have changed and which, in my judgment, we appropriately came to a compromise on, recognizing the times that we now live in, but it is important to not be overly cynical about them and to, frankly, understand the context in which they came about.

Amtrak was formed only in the 1970s', and the reason it was formed was that the freight carriers were unwilling to continue to provide passenger service. It was unclear at the time whether a new entity, called Amtrak, was going to be able to survive at all. It needed experienced, skillful workers in order to be able to put that survival to the test, in order to try to become a viable entity.

So to attract those skilled, viable workers from another job under another umbrella which they worked in where they had a pension and where they had years of experience, it was necessary to say to them, "You are not going to lose your job immediately. We are going to guarantee you that for taking the risk for helping to make Amtrak work, we will provide you with a guarantee."

The labor provisions that are at issue in this debate were originally put into Amtrak law in order to attract employees from other carriers so that they would work for Amtrak. Simply stated, the provisions guaranteed that people who came to work for Amtrak when they didn't know it would survive would receive nothing more than the protection they had enjoyed previously.

Since that time, I point out to my colleagues, that Amtrak employees have made tremendous financial sacrifices in order to help keep Amtrak going. I don't think those have been recognized. In the early 1980's, Amtrak employees agreed to a 12-percent wage deferral in order to help Amtrak's bottom line. This deferral has never been repaid. So in point of fact, it became not a deferral, it became a wage giveback, a 12-percent wage giveback.

From 1987 through 1992, Amtrak employees agreed to have their wages frozen, even though management received salary increases as high as 15 percent during that period.

In addition, Amtrak employees are paid considerably less than workers holding similar jobs in other transportation agencies. For example, Amtrak car mechanics will earn $2,200 less than those car mechanics on Atlanta's commuter lines; $6,500 less than those on Chicago's commuter lines; and $16,300 less than those on New York's and New Jersey's PATH commuter lines. A mechanic who started to work at Washington's Metro in 1980 literally would have received over $100,000 more than if he or she had worked for Amtrak.

So now with this bill, Amtrak's employees are making yet another sacrifice, and they are giving up statutory protections to allow them severance benefits in the event of route cuts and also to change the contracting-out provisions.

Mr. President, one of the reasons we have this bill is because Amtrak employees have agreed to make this sacrifice. I think that those of us in Congress and the millions of Americans who enjoy Amtrak ought to be grateful for their courage and commitment to its continued viability.

I believe we have laid the groundwork for Amtrak to survive. Labor would be permitted to negotiate as normally as they can negotiate in the marketing process. I think we have reached an accommodation that will help us keep Amtrak not just alive but on the first steps to becoming a model, hopefully, in the long run as we go into the next century for what a good passenger rail system can be.

Mrs. HUTCHISON addressed the Chair.

The PRESIDING OFFICER. The Senator from the great State of Texas.

Mrs. HUTCHISON. Thank you, Mr. President. I thank the Senator from Massachusetts who was so helpful in working out this compromise. I think, as he said, a lot of people had to give something that they didn't want to give, which probably means that we did a fair compromise. Senator BREAUX, who is also on the floor, was very much a part of this. Senator HOLLINGS, who was here, I also thank.

If there is no one else wishing to speak, then I would like to have third reading and then go to a vote, if that is possible.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass, as amended?

The bill (S. 738), as amended, was passed.

Mr. LOTT. Mr. President, today the Senate acted in a fully bipartisan manner to adopt meaningful and genuine legal, labor, and management reforms for America's national passenger railroad. It offers legislative solutions that could begin to restore the fiscal health of this failing railroad.

American taxpayers have already invested over $20 million in this railroad.

Let me be clear: the Senate is sending a bipartisan message to this railroad—the management and the workers must fundamentally change both their culture and operating methods.

Amtrak cannot continue getting subsidies.

The legislation adopted today is an amendment to the bill reported by the Commerce Committee earlier this year. It is the bill sponsored by Senator KAY BAILEY HUTCHISON. The amendment was a joint effort of several members of the Commerce Committee on both sides of the aisle.

I want to personally commend the Senate's Commerce Committee for their leadership on this important transportation issue.

I'm sure the nearly 2 million Americans who ride the commuter rail system every day want to also thank them.

I also want to recognize the work of a number of dedicated staffers who have invested many hours, evenings and weekends to get the legislative language right. The work was intense, emotional and personal, but everyone maintained their professional manner and got the job done. The staff responsible for the details are: Ann Begeman, Clyde Hart, Amy Henderson, James

Drewry, Lloyd Ator, and Penny Compton.

Let me just take one moment and clarify one important issue within this reform bill. The current industry practice between Amtrak and other rail carriers is to allocate financial responsibility for claims. This makes sense and in fact many such contractual agreements exist today. The language in section 28103(b) of the bill is intended to confirm that such contractual agreements are consistent with Federal law and public policy. One should not construe this section as modifying such agreements.

Today, the Senate has taken action to ensure America's passenger rail service will not be interrupted. And, the Senate also mandated reforms to assure a prosperous passenger railroad.

Mr. President, this reauthorization reform for Amtrak is long overdue, but it is on the right track.

EXECUTIVE SESSION

NOMINATION OF CHRISTINA A. SNYDER, OF CALIFORNIA, TO BE U.S. DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF CALIFORNIA

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to executive session to consider the nomination of Christina A. Snyder, which the clerk will report.

The legislative clerk read the nomination of Christina A. Snyder, of California, to be U.S. district judge for the central district of California.

Mr. THOMAS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LEAHY. Mr. President, I am glad to see that the Senate is finally turning its attention to the nomination of Christina Snyder. She was first nominated in May 1996, over 17 months ago. Her hearing was finally held in July of this year and after another 2-month delay, she was reported by the Judiciary Committee without objection. She has been pending on the Senate Calendar without action and without any explanation for the 2-month delay that has since ensued.

It seems that the delay in considering her nomination had nothing to do with her outstanding qualifications or temperament or ability to serve as a Federal judge. Rather, it seems that some opposed this fine woman and held up her nomination to a very busy court because she had encouraged lawyers to be involved in pro bono activities.

Ms. Snyder has been held up anonymously for months and months. When the Judiciary Committee finally met to consider her nomination, I was curious to learn who and what had delayed her confirmation for over a year. But no one spoke against her and no one voted against her.

Ms. Snyder has been an outstanding lawyer, a member of the American Law Institute, and someone who contributes to the community and has lived the ethical consideration under Canon 2 of the Code of Professional Responsibility. I congratulate her on her outstanding career.

When she was being interrogated about her membership on the boards of Public Counsel and the Western Center on Law and Public Interest, Senator FEINGOLD properly observed:

> [I]t is kind of an irony when we get to the day where if you don't participate in pro bono activities, you are somehow in a situation where your record is a little safer vis a vis being appointed to a Federal judgeship. And then when you get involved in pro bono activity, that might actually cause you to get a few more questions. . . . [T]hat can't be an encouragement for lawyers to get involved in pro bono activities on behalf of people who don't have the ability to go to court very easily.

After all these months, I was please to hear Senator SESSIONS pronounce Ms. Snyder "an outstanding individual with a fine record" and "a capable lawyer of integrity and ability," when her nomination was considered by the Judiciary Committee.

I congratulate Ms. Snyder and her family and look forward to her service on the Federal court.

Although I am delighted that the Senate will today be confirming Christina Snyder as a Federal district court judge, the Republican leadership has once again passed over and refused to take up the nomination of Margaret Morrow. Ms. Morrow's nomination is the longest pending judicial nomination on the Senate Calendar, having languished on the Senate Calendar since June 12.

The central district of California desperately needs this vacancy filled, which has been open for more than 18 months, and Margaret Morrow is eminently qualified to fill it. Thus, while the Senate has finally proceeded to fill one of the judicial emergency vacancies that has plagued the U.S. District Court for the central district of California, it continues to shirk its duty with respect to the other judicial emergency vacancy, that for which Margaret Morrow was nominated on May 9, 1996.

Just 2 week's ago, the opponents of this nomination announced in a press conference that they welcomed a debate and rollcall vote on Margaret Morrow. But again the Republican majority leader has refused to bring up this well-qualified nominee for such debate and vote. It appears that Republicans have time for press conferences to attack one of the President's judicial nominations, but the majority leader will not allow the U.S. Senate to turn to that nomination for a vote. We can discuss the nomination in sequential press conferences and weekend talk show appearances but not in the one place that action must be taken on it, on the floor of the U.S. Senate.

The Senate has suffered through hours of quorum calls in the past few weeks which time would have been better spent debating and voting on this judicial nomination. The extremist attacks on Margaret Morrow are puzzling—not only to those of us in the Senate who know her record but to those who know her best in California, including many Republicans.

They cannot fathom why a few Senators have decided to target someone as well-qualified and as moderate as she is. Just this week I included in the CONGRESSIONAL RECORD a recent article from the Los Angeles Times by Henry Weinstein on the nomination of Margaret Morrow, entitled "Bipartisan Support Not Enough for Judicial Nominee." This article documents the deep and widespread bipartisan support that Margaret Morrow enjoys from Republicans who know her. In fact, these Republicans are shocked that some Senators have attacked Ms. Morrow.

For example, Sheldon H. Sloan, a former president of the Los Angeles County Bar Association and an associate of Gov. Pete Wilson, declared that: "My party has the wrong woman in their sights." Stephen S. Trott, a former high-ranking official in the Reagan administration and now a court of appeals judge, wrote to the majority leader to try, to free up the Morrow nomination. According to this article, Judge Trott informed Senator LOTT:

> I know that you are concerned, and properly so, about the judicial philosophy of each candidate to the federal bench. So am I. I have taken the oath, and I know what it means: follow the law, don't make it up to suit your own purposes. Based on my own long acquaintance with Margaret Morrow, I have every confidence she will respect the limitations of a judicial position.

Robert Bonner, the former head of DEA under a Republican administration, observed in the article that: "Margaret has gotten tangled in a web of larger forces about Clinton nominees. She is a mere pawn in this struggle." I could not agree more.

I ask unanimous consent to have printed in the RECORD an article by Terry Carter from the Los Angeles Daily Journal entitled "Is Jihad on Judicial Activism About Principle or Politics?" In that article Senator SESSIONS is quoted as saying that the Senate "can have a vote on [Morrow] nomination tomorrow." Well, today is tomorrow. It is high time to free the nomination of Margaret Morrow for debate and a vote.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Daily Journal, Nov. 6, 1997]

IS JIHAD ON JUDICIAL ACTIVISM ABOUT PRINCIPLE OR POLITICS?

(By Terry Carter)

WASHINGTON.—Three years after being nominated for the federal bench—having been branded a California "activist," grilled by Senate Judiciary Committee members about her personal voting habits and consigned to nomination limbo by an unidentified senator's "hold"—it would have been understandable if Los Angeles lawyer Margaret Morrow began composing a withdrawal letter in her head.

If she did, she could have looked for inspiration to what previous failed nominees had written.

"Despite the unpleasantness of the process, I am grateful for the honor of having had your support," one would-be federal judge wrote to his sponsor. ". . .For a while there, I really thought that your Herculean efforts had overcome the false and misleading charges that were made against me."

The author of that letter found salve in a manner few dream of. After his 1986 bid for a judgeship fell to a party line vote, then-Alabama U.S. Attorney Jeff Sessions, who faced questionable charges of racial insensitivity during Judiciary Committee hearings, went on to become a two-term governor and was elected to the Senate in 1994 along with a number of other uncompromising firebrands. Today, Sessions sits on the very Judiciary Committee that rejected him, and he holds his thumb up or down on judicial nominations.

In an interview, Sessions said, "We can have a vote on [Morrow] tomorrow as far as I'm concerned. And I'd want to talk about some of her writings and statements and the Senate could vote." Sessions went on to say, "Margaret Morrow has written disrespectfully of the potential for good public policy coming out of the referendums in California. We have a real popular uproar over judges who've overturned referendums."

She likely would be, Sessions said, "a judicial activist."

In the judicial activism wars, Morrow will be either a victim or a survivor. In the spring, Morrow, a partner with Arnold & Porter and the first woman president of the State Bar, made it through the committee on a 13-5 vote.

Tough questions from, among others, Sen. Charles Grassley, R-Iowa, about how she voted on past state referenda were seen by many observers as transparent attempts to see how, as a judge, she might rule on matters concerning immigration, the death penalty, medical use of marijuana and other hot-button issues. But she seemed to weather the storm. Even the conservative Judiciary Committee chairman, Sen. Orrin Hatch, R-Utah, finally pronounced Morrow fit, saying his reservation about her potential for judicial activism had been assuaged. Now that her name has gone to the floor, her candidacy is promised a full-fledged debate by both sides.

Either way, Morrow has come to define the renewed flare-up of the age-old debate over the role of judges, predicted 200 years ago by Madison and Hamilton in the Federalist Papers. But there is a difference this time. Swirling in the background is a clash of old and new politics on Capitol Hill, particularly among Republicans campaigning for re-election and intent on keeping control of the Congress, even as they battle among themselves over leadership.

Republicans didn't have to look far to find a bogeyman in the judiciary—which not only is a good target, but it can't fight back.

Chasing so-called judicial activists is more than sucker-punching a patsy, as liberals put it. It gives Republicans something to do together while battling over party leadership. The excesses, the speed, have come mostly from the Young Turks and some old hands trying to get ahead. Whenever one pulls a foot off the accelerator to slow it down, another jams it to the floor—and no one wants out of the car.

"On this issue it's more strategy and tactics that bring disagreement among conservatives, not goals and objectives," said Elliot Mincberg, counsel for the liberal interest group People for the American Way. The Young Turks and the establishment all agree to keep as many Clinton nominees off the bench as they can in a four-year stall, as much as they can get away with it.

The old guard hasn't gone out of its way to thwart the excesses. One of the most extreme of those was the announcement by Rep. Tom DeLay, R-Texas, earlier this year that he would seek impeachment of activist judges. DeLay recently reiterated the threat, and added that he wants it to "intimidate" judges.

Republican colleagues are quick to say that's beyond the pale, that impeachment for individual rulings won't happen, but, they admit, they like how it pushes the curve farther to the right.

A good example of that right-shifting spectrum is Hatch's unilateral move earlier this year to end the American Bar Association's formal role of advising the Senate on judicial nominations, though individual senators still receive reports, and the more important pre-screening for the White House continues. Hatch told colleagues privately that he did so to keep the hard liners from doing worse. He said he's in the middle, but the middle keeps moving to the right.

The hunt for judicial activists is also proving a good fund-raising tool for some Republicans. Another freshman senator on the Judiciary Committee, John Ashcroft, R-Mo., already is signaling a run for the presidency. It was Ashcroft who placed the "hold" on the Morrow nomination, it was revealed last month. And Ashcroft used his chairmanship of the subcommittee on the Constitution, Federalism and Property Rights to hold hearings on judicial activism this year. "Its a good launching pad," said one Hill staffer. A sophisticated Internet user, Ashcroft at one point dedicated much of his Web site to judicial activism.

He is one of only 10 senators, for several months one of only six, to sign the so-called Hatch Pledge, which was crafted in February by the Judicial Selection Monitoring Project, a spinoff of the conservative Free Congress Education and Research Foundation. Each senator was asked to sign the pledge. It seized a sentence from a speech by Hatch at a Federalist Society meeting in his home state. "Those nominees who are or will be judicial activists should not be nominated by the president or conformed by the Senate, and I personally will do my best to see that they are not."

Hatch himself declined the request, citing personal policy against signing pledges, but he praised the efforts of the coalition of 260 conservative groups brought together by the Judicial Selection Monitoring Project. Also not joining Ashcroft in signing it were Grassley and Sessions. "I believe in fighting judicial activism but I don't need to sign a pledge," Sessions said. While judicial activism has been debated hotly the past two years in a presidential campaign, congressional hearings, on op-ed pages and in think tanks and bar panel discussions; the term's definition remains slippery. "It has been debased by conservatives so badly it has degenerated into an epithet for decisions you don't like—it's aimed only at results," said Bruce Fein, a former high-ranking official in the Ronald Reagan Justice Department.

Just the same, the debate quickened and became more focused in June when the Supreme Court struck down federal laws concerning religious freedom, Internet decency and handgun regulation. Outcries from both the left and the right questioned the process—calling it judicial activism—that led to these results.

No one did so more strongly than Hatch, who is considered by many to be an ideological soul-mate of Chief Justice William Rehnquist and Justices Antonin Scalia and Clarence Thomas. But those three were in the majority that were against Hatch's own Religious Freedom Restoration Act, which Congress enacted to maneuver around an earlier Supreme Court ruling.

"The Supreme Court has thrown down a gauntlet," Hatch said in a statement released the day after the decision was announced. "I intend to pick it up." After stumping against judicial activism for the better part of a year, Hatch suddenly expanded the term. Now he complained about "conservative judicial activism."

Perhaps, as a result, there will be a finer point to the debate, which is likely to continue. It has quickened in academia. But asking legal scholars to define judicial activism is like asking judges to interpret the Constitution. Often the only common thread is their certainty. An activist against judicial activism, Thomas Jipping of the Judicial Selection Monitoring Project offers a quote from Humpty Dumpty in a colloquy with Alice after she ventured beyond the looking glass: "When I use a word it means just what I choose it to mean—neither more nor less."

Without using the term, Justice John Paul Stevens, in a 35-page dissent in Printz v. US, which struck down parts of the Bready Handgun Violence Prevention Act, chided his conservative colleagues—Rehnquist, Scalia, and Thomas in particular—for engaging in the kind of judicial activism they've eschewed so vocally in the past. Stevens pointed out that they had resorted to "emanations" and "penumbras" from the Constitution, tools liberals often are accused of wielding to torture the document.

While there is no locus classicus defining judicial activism, Laurence Tribe at Harvard Law School may trump them all: "To say there is a neutral vantage point outside the system for someone to declare in an Olympian and purportedly objective way that this is activism and that is restraint is itself a rather arrogant delusion."

But then, Tribe comes from the "eye of the beholder" school of thought, which tends to be composed of liberals. Those in the middle offer "on the one hand, and not the other" definitions. And conservative scholars usually define the term in considerable detail and nuance, with explanations of the mistakes others make in trying to do so.

Most are quick to mention specific cases, both old and recent. Some still argue Marbury v. Madison. 5 U.S. 137 (1803).

The conservative constitutional law professor Michael McConnell, now teaching at the University of Utah College of Law, made this response to Tribe. During the past 10 to 20 years, he said, the term judicial activism "has been a rhetorical theme of conservatives criticizing the court, and it's only natural that their ideological opposites would try to deconstruct and weaken that by saying it could be anything in the eye of the beholder."

McConnell offered a definition: "When a court imposes its own moral or political judgments in place of those of the democratically elected branches, without adequate warrant in the constitutional text, history, structure and precedent." But then he acknowledged the eye-of-the-beholder argument. "The devil is in the subordinate clause because we all see that differently," McConnell added.

A corollary to the argument that judicial activism is in the beholder's eye might be that made by some that it is necessary. Conservatives have complained for years that liberals went to the courts to get policy they couldn't muster through legislatures. Now many conservatives would like to turn the tables.

Clint Bolick, director of the libertarian Cato Institute's Center for Constitutional Studies, believes the courts "should play a feisty role." The courts, particularly the Supreme Court, were intended to be "a vigorous guardian of individual liberties against the encroachment of other branches of government," he explained. So at Cato, "we're in the business of securing judicial activism of the right kind, as in the correct kind." The Supreme Court's decisions striking down several federal laws this past term are "the way the court is supposed to be activist," he said.

In a more playful take on reining in judicial activism a belt with a jagged edge, the pro-life, Christian-oriented Family Research Council in June announced winners of its Court Jesters Award, for judges it believes stepped out of bounds. Noticeably missing from the list, as the conservative gratify Fein pointed out, were two who made headlines during the year. One is federal Judge John Spizzo in New York, who acquitted two men arrested for blocking access to an abortion clinic because their actions stemmed from "conscience-driven religious belief" rather than willful criminal intent. The other is a state court judge in Alabama who posted in Ten Commandments in his courtroom and invited clergy to lead juries in prayer prior to hearing cases. The FRC's director, Gary Bauer, was willing to offer a written definition of judicial activism for this story but was unavailable over several weeks for an interview to discuss the topic.

"So many conservatives are so unprincipled in attacking judicial activism because the real grievance is against the results they don't like," said Fein, a columnist for the conservative Washington Times newspaper and a regular commentator on CNN, "And the standards Republicans are now voicing to screen Clinton nominees is what they said in the Bork hearings should never be applied," he said referring to the failed Republican nomination of Robert Bork in 1986.

The Jihad against judicial activism is seen some, in part, as the continuation of a dynamic the simmered through the Bork hearings: a long continuing battle against the Warren and Burger court. For one such attack through the rear-view minor former attorney general Edwin Meese appeared Ashcroft's hearings on judicial activism. A fellow the Heritage Foundation, Meese followed up, releasing to the Judiciary Committee a report titled "Putting the Federal Judiciary Back on Track." The former Reagan administration official wants a number of landmark decisions by the Warren and Burger courts reversed, and agrees with Bork much-criticized belief that Congress should be empowered to overrule Supreme Court decision by simple majority vote.

For some, that rear-view mirror is cloudy. "The irony of complaints now about judicial activism," said Professor Erwin Chemerinsky of the University of Southern California Law School, "is that the majority of justices on the Supreme Court and the majority of federal judges are Republican appointees. And the Supreme Court hasn't recognized a new constitutional right in 25 years."

That may be why many believe the judicial activism wars are more of a political tool. Federal judges and the Supreme Court are "pushing fewer hot bottoms than they were 25 or 30 or 40 years ago," said A.E. Dick Howard, a constitutional scholar at the University of Virginia School of Law. The debate over judicial activism "is not as hot today. No attack on the modern court is comparable to [President Richard] Nixon's attacks on the Warren court."

There is no broad-based criticism of the courts today that compares to the time of Brown v. Board of Education, 347 U.S. 483 (1954), and issues of one-person-one-vote and school prayer. Howard explained. Criticism today is more episodic, he said.

On Capitol Hill, senators trying to break the lock on judicial nominations believe Chief Justice Rehnquist should go further than criticizing it in his annual report on the judiciary, "Who reads that?" asks one Senate staffer, "He needs to get out and say it in speeches." And others say that if President Clinton went to war over one or two judges, win or lose in Senate confirmations, the floodgates would open for all the others. "Every time a president has fought, if it looks like he's fighting for principle, he wins politically," said Professor Herman Schwartz, of American University's Washington College of Law. "People would pay attention, American like an independent judiciary."

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Christina A. Snyder, of California, to be U.S. District judge for the central district of California? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Colorado [Mr. CAMPBELL] is necessarily absent.

The result was announced—yeas 93, nays 6, as follows:

[Rollcall Vote No. 297 Ex.]

YEAS—93

Abraham
Akaka
Allard
Ashcroft
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bryan
Bumpers
Byrd
Chafee
Cleland
Coats
Cochran
Collins
Conrad
D'Amato
Daschle
DeWine
Dodd
Domenici
Dorgan
Durbin
Feingold
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Gramm
Grassley
Gregg
Hagel
Harkin
Hatch
Helms
Hollings
Hutchinson
Hutchison
Inhofe
Inouye
Jeffords
Johnson
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Rockefeller
Roth
Santorum
Sarbanes
Sessions
Shelby
Smith (NH)
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Torricelli
Warner
Wellstone
Wyden

NAYS—6

Burns
Coverdell
Craig
Enzi
Faircloth
Grams

NOT VOTING—1

Campbell

The nomination was confirmed.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

ORDER OF PROCEDURE

Mr. LEAHY. I see the distinguished majority and minority leaders on the floor. If they are seeking recognition, obviously I yield, but I ask that I be recognized for less than 5 minutes after they are finished.

Mr. LOTT. I thank the Senator for being willing to yield. I think the Senators would like to hear a little bit more about what the schedule would be, and now is a good time to do it.

I ask unanimous consent once we have completed this discussion, Senator LEAHY be recognized for 5 minutes to speak as he sees fit.

The PRESIDING OFFICER (Mr. HUTCHINSON). Without objection, it is so ordered.

MORNING BUSINESS

Mr. LOTT. I ask unanimous consent there now be a period of morning business until 3:30, with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPROPRIATIONS COMMITTEE MEETING

Mr. STEVENS. I announce to the Senate that the Appropriations Committee will meet tomorrow at noon to see if we can devise a way to complete action on all bills tomorrow. That is tomorrow at 12 noon in 128.

SCHEDULE

Mr. LOTT. Mr. President, Senator DASCHLE and I have been talking about the rest of the schedule this afternoon.

First, once again, I am very pleased that after 3 years of effort, we have a bipartisan compromise on Amtrak reform. That was a good day's work. It still has to go to conference, but I believe now that we have a good chance to get that legislation through. That would be very beneficial to maintaining a national rail passenger system that would pay for itself.

I believe we are now prepared to go to the D.C. bill. We have worked out an agreement on that. Then later on this afternoon we hope to be able to have another vote. We hoped we would get something on the labor-HHS appropriations conference report. We don't know for sure, but that may not be possible. We still have the option to go back to fast track, and there are some amendments, I am sure, that are in the offing. But whatever votes we would have this afternoon, and it appears it would be a minimum of one more vote, but the last vote for today would occur not later than 5 p.m. this afternoon, and we would then come back in tomorrow at noon and get an assessment of where we are.

We are still hoping there may be an FDA reform conference report agreement. There is a possibility. We have worked out an agreement on the adoption-foster-care issue. If either of those are ready, we would try to do those tomorrow afternoon. We also would get an assessment of what will happen with regard to the appropriations bills coming from the House and also see if there is any way we can take some action that would help to expedite some conclusion to the appropriations process.

With regard to fast track, we will continue to go back to it and have discussion, debate, and amendments when they are ready. The House has delayed their taking a vote on fast track until Saturday or Sunday. They will not do it today. Of course, that will have an impact on what we do and when we do it. I don't think we can say anything beyond that until we see what happens in the House.

We have been asked by our colleagues in the House and by the administration to stay and continue to work to see if we can resolve the outstanding issues on appropriations and be prepared to act on fast track, if and when the House does act. We will keep the Members informed. We will try to be conscious of schedules, but I think you should be prepared to have at least one more vote this afternoon, and there is a possibility that there would be a vote or two tomorrow afternoon and Sunday afternoon.

Again, on Sunday we would not be in until probably 1 o'clock to give Members an opportunity to go to church. One of the reasons why we won't have votes after 5 o'clock tonight is because of the Jewish sabbath. We are trying to honor Members' commitments in that regard while still trying to move this process forward.

There is a 50-50 chance, still, that we can finish all this by Sunday. There is one thing for sure: If we don't stay here and keep working, there is a 100-percent chance we will be here next Friday. Let's keep trying to get it to a conclusion. I believe it is possible.

I thank Senator DASCHLE for collaborating with me on these issues. I wonder if the minority leader might want to add anything?

Mr. DASCHLE. I think the majority leader has laid it out pretty well. We have had a lot of questions about what the schedule is for the weekend. As the majority leader has indicated, we can expect to be here tomorrow and most likely on Sunday. I think if we can work as we have in the last few hours on appropriations bills and other related legislation, there is at least that 50-50 chance we can complete our work this weekend.

One of the concerns that I have been hearing is that at some of the meetings we are not getting the kind of attendance that is necessary in order to complete the negotiations. I urge all Senators, as these meetings are scheduled—sometimes they are with very short notice—that people drop what they are doing and come to the meetings so we can expedite these negotiations.

I appreciate everyone's participation and cooperation and, again, we will work with the majority leader to see if we can accommodate what he has laid out for the agenda for this weekend.

Mr. LOTT. I yield the floor.

Mr. LEAHY. Mr. President, I ask unanimous consent to be able to yield to the senior Senator from Alaska without losing my right to the floor.

PRIVILEGE OF THE FLOOR

Mr. STEVENS. Mr. President, I ask unanimous consent that Katie Howard be permitted privileges of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

DAIRY DECISION OF MINNESOTA FEDERAL COURT

Mr. LEAHY. Mr. President, a court decision was issued recently which could throw the entire system of supplying milk to consumers into chaos and could lead to dramatically higher milk prices for consumers.

This decision was a runaway ruling that jeopardizes the survival of thousands of dairy farmers outside the Midwest.

The current milk marketing order system assures local milk production and reliable supplies of fresh and wholesome local milk.

The system is designed, according to the Congressional Research Service, to avoid "shortages of milk," and "to assure consumers of adequate and dependable supplies of pure and wholesome fluid milk."

In this respect, America is the envy of many nations in the world which have unreliable milk supplies shipped in from distant locations at high prices because there is no local competition.

Price differentials, which were struck down in this decision, help keep local producers in business, help cover the costs of transporting fluid milk, and avoid shortages of milk in supermarkets, according to CRS.

Common sense tells us that the cost of producing and transporting milk varies from region to region. A flat pricing system is flat-out wrong.

I joined with 47 of my colleagues recently in sending a letter to the Secretary of Agriculture urging him to keep the current system which assures local supplies of fresh milk to millions of American families.

The key to this system that has worked so well for decades is under attack—once again—in Minnesota.

It is no secret that Northern Midwestern States want to provide milk to the Nation. New technology is available where they can "drain" the water out of their milk, ship the resulting concentrate, and then reconstitute the milk at distant locations.

Over time, this new concentration of the dairy industry in Northern Midwestern States could put thousands of dairy farmers out of business around the Nation. I am very afraid that, ultimately, prices to consumers will rise as the supply of milk becomes more and more concentrated in one area of the country.

My major fear is that when Midwestern winter storms blanket roads with snow, or when freezing conditions in the North stop traffic on the interstates, or when there is a trucker's strike, that consumers in the rest of the country are going to feel lucky if they can buy milk for just $5 a gallon. Parents who need milk for children might want to pay a lot more than $5 a gallon, if they could buy milk at any price.

I do not think consumers are going to like this system of being dependent on reconstituted milk being shipped in from 1,000 miles away at who knows what price.

Our current system of encouraging local production of milk works very well for consumers. USDA has been right to promote the local production of fresh milk instead of this system of concentrating the industry in one region and then shipping products to be reconstituted into milk later.

The Court's ruling—unless stayed—will be effective almost immediately. the order will not have a great deal of effect in states fortunate enough to be in Northeast Dairy Compact, or in states that have their own milk order system such as California.

In those states, local dairy farmers should be able to stay in business and provide towns and cities with local, fresh supplies of milk.

When disasters, or winter storms hit, consumers in these areas will be able to buy milk.

USDA must appeal the decision immediately—no ifs, ands, or buts. The existence of thousands of dairy farmers is at stake.

It is unclear to me precisely which order regions will be affected by the Court order. The Order terminates Class I differentials in "all surplus and balanced marketing orders and all deficit orders that do not rely on direct shipments of alternative milk supplies from the Upper Midwest or from other deficit orders which in turn rely on the Upper Midwest for replacement supplies."

A balanced market is one with sufficient milk to meet demand plus a 40% reserve. A surplus market produces milk in excess of the demand and reserve percentage.

Thus, a few Southeastern states may be exempt from the Order.

For states like New York, Pennsylvania, New Jersey, and some Southeastern States, and Southern Midwestern States, impact of the Order should come swiftly as banks decline to make loans to dairy farmers.

The expectation is that producer income will drop significantly and that farmers would go out of business as lenders refuse to provide credit.

Prices in the Northern Midwest could strengthen 20 to 30 cents per hundredweight (one-hundred pounds) sold—but it is too early to really know how much their prices would go up.

This action was originally filed some years ago by Eric Olsen, Patricia Jensen, James Massey and Lynn Hayes representing the Farmers Legal Aid Action Group. It was filed before the Honorable Judge David S. Doty of the Fourth Division for the District of Minnesota.

Mr. President, I know that my distinguished colleague from Vermont, Mr. JEFFORDS, will also be addressing the Senate on the same issue. Again, It is about a court decision that was issued recently which could throw the entire system of supplying milk to consumers into chaos and could also lead to dramatically higher milk prices for consumers.

The decision was a runaway ruling that jeopardizes the survival of thousands of dairy farmers everywhere except the Midwest.

Now, the current milk marketing order system, which is a very complex one, assures local milk production, and it assures reliable supplies of fresh and wholesome local milk. In this respect, we are the envy here in the United States of most nations of the world. Most nations have unreliable milk supplies that are shipped in from distant locations at high prices, because there is no local competition. Common sense tells us that the cost of producing and transporting milk varies from region to region. You can't have a flatout pricing system that is the same everywhere.

Now, again, I joined with 47 other Senators recently in sending a letter to the Secretary of Agriculture urging him to keep the current system, which assures local supplies of fresh milk to millions of Americans. It's no secret that northern Midwestern States want to provide all the milk to the Nation. They have a technology where they take all the water out of their milk and you get this kind of "glop" that is left, and you ship it to distant places and somebody pumps some water back into it, and you end up with this reconstituted milk, which they can then sell. If you do that, what is going to happen is that the "glop" producers of this reconstituted milk will all be in one part of the country and the rest of us will be everywhere else in the country. The rest of the country will be at their mercy, depending upon when, how often, and at what price they want to send this concentrate to us.

Now, my major fear is—especially coming from a part of the country that has severe winters—what happens when the Midwestern winter storms blanket roads with snow, or you get the freezing conditions in the North and that stops traffic on the Interstates? It happens fairly often. Or what happens when there is a truckers' strike? When that happens, I think you are going to find consumers in the country feeling lucky they can buy milk for $5 a gallon. Parents who need milk for their children might have to pay a lot more than $5 a gallon if they have to buy milk at whatever price. Whatever price they get it for, it is going to be the reconstituted "glop" coming to that area—and water is going to have to be added—from producers from a thousand miles away. I don't think this makes much sense. I like the system we have today, which encourages producers in a number of different areas of the country where they can produce fresh milk for the consumers at prices they can afford.

Now, the court's ruling will be effective immediately. It is not going to have a great deal of effect on the States in the Northeast dairy compact or States who have their own milk order system, such as California. In those States, local dairy farmers should be able to stay in business and provide local, fresh supplies of milk. When disasters and winter storms hit, consumers in those areas will be able to get milk. What I worry about is all the other areas.

The Department of Agriculture has to appeal this decision immediately—no ifs, ands, or buts. The existence of thousands of dairy farmers is at stake. USDA has to act for these farmers and for the consumers.

Mr. President, I see my distinguished colleague from Vermont on the floor. I now yield the floor.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont, Mr. JEFFORDS, is recognized.

Mr. JEFFORDS. Mr. President, I commend my colleague from Vermont for raising what could be a very important issue to all of the people of this country who like milk. I don't understand how a court could do that, other than the fact that, when I read he was from Minnesota, I new why it was done. The judiciary sometimes gets a little prone to its own constituency. But I want to tell you, I want to raise the danger that this precedent sets. I urge Secretary Glickman to appeal the judge's decision and to make sure that this does not maintain an existence.

If this ruling survives, it could be the final financial blow to many farmers throughout the country. It could also lead to higher prices consumers pay for their milk. Senator LEAHY and I have stood on the floor many times defending Vermont's dairy farmers and dairy farmers across the country. We have fought to give both the dairy farmers and the consumers a fair and stable milk price. At times, debates on dairy policy have pitted one region against the other. In this case, a group of Midwestern milk producers hope to eliminate the pricing structure for fluid milk that dairy farmers and consumers rely upon for stable prices.

This methodology of creating a system to provide differentials was created way back in our history, at a time when the original milk acts were considered, recognizing that it's incredibly important that we have fluid milk available to the families all across the Nation. One only has to remember back a few years ago when there was a tremendous drought in Minnesota and Wisconsin, in the area where these farmers say they can produce it for all the country. As a result of that, we had the huge price increases. We had to supply milk to other regions because they could not produce it sufficiently in Minnesota and Wisconsin. That is a demonstration as to why the original dairy legislation in the acts of the thirties made sure that this fluid milk would be available across the Nation at all times, understanding the need for fresh milk.

If this ruling of the judge from Minnesota prevails, the entire country may ultimately rely on Minnesota and her bordering States for their milk supply. This would be extremely dangerous to consumers for prices and not being able to get it because of the lack of milk.

I know that in Vermont, every morning—and I am sure it's the same at breakfast tables across the country—people enjoy fresh milk that was produced and packaged within a reasonable distance of their home and at reasonable prices. There are many other reasons for maintaining a healthy dairy industry in each region. The economic and social benefits ripple through each farming community.

Mr. President, the present system for pricing fluid milk is currently under consideration from the U.S. Department of Agriculture. There is tremendous support for maintaining the current pricing structure for fluid milk. Recently, as Senator LEAHY mentioned, 48 Senators and 113 House Members sent a letter to Secretary Glickman urging him to keep the current system.

It is critical that the Secretary act quickly to request a stay and appeal this decision. I urge my colleagues to join Senator LEAHY and myself in that request.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

DISTRICT OF COLUMBIA APPROPRIATIONS BILL

Ms. MOSELEY-BRAUN. Mr. President, I rise to state my objection to the motion to proceed on the District of Columbia appropriations bill, at least temporarily. I want to explain why.

There is currently an amendment on the D.C. appropriations bill that will grant certain Central Americans access to the suspension of deportation procedure. These are refugees—people who leave their countries for political asylum here. And they will not be deported because of the amendment that is part of the D.C. appropriations bill. It covers some 191,000 Salvadorans, some 21,000 Nicaraguans, some 118,000 Guatemalans, and I certainly support the suspension of deportation for all of those groups of asylum seekers. It does not, however, cover just about 18,000 Haitians. In fact, the only group of asylum seekers that were left out of the bill as it came out of the House were the Haitians.

This is not only patently unfair but certainly suggests almost a tin ear on the racial implications of what came out of the House by the House Members who put this together that they would not understand—that singling out the Haitians for exclusion from this relief would be perceived as negative in many parts of this country which is nothing short of stunning to me.

I am happy to report that I had a conversation with the majority leader, Senator LOTT. He wants to try to help us with this situation. Senator GRAHAM has an actual bill to try to fix the situation with regard to the Haitians separate and apart from the District of Columbia appropriations. I support and would cosponsor Senator GRAHAM's legislation. However, the catch here and the reason for my voicing my objection right now—my temporary objection right now—is that, as Senator LOTT pointed out in his comments, we talk about whether or not these Haitians would be deported in the meantime until Senator GRAHAM's bill can get passed. We don't yet have an agreement from the administration, from the INS, from the House, from the Senate in terms of Senate oversight. We don't have an agreement that these Haitians won't be singled out—18,000 out of almost 250,000 people to be deported in the interim until the Graham effort is concluded.

So I find myself in the difficult position of having to object to proceeding to something that might otherwise be a good thing until this obvious blatant error is—at least until we get some commitments that these people will not be harmed. That is what the number of men, women, and children need for their lives in behalf of and in pursuit of democracy. It is not fair to single them out for special treatment for no rational reason other than as they have brought to me that they fear they have been singled out because of their color, that they have been singled out because of their race.

That is not right. That is not what this country stands for. I hope that is not the signal that we are going to send by the way this legislative process works out.

So, until we get an agreement on suspension of deportation, I am afraid I will have to object to the motion to proceed with regard to the District of Columbia appropriations bill. I know there are some other issues. I hope these issues get worked out. I hope this issue gets worked out.

I want to put the Senate on notice that this legislation in its current form sends the absolute wrong signal to the country and, indeed, to the world regarding our commitment to family.

How are you going to suspend deportation for 191,000 people from El Salvador, 21,000 people from Nicaragua, 118,000 people from Guatemala and not allow 18,000 people from Haiti to take advantage of the same relief under almost identical circumstances? There is no reason for it. There is no rational for it. Quite frankly, I would be remiss if I allowed this mistake to go forward. I am confident it is going to be worked out.

Again, my conversation with Senator LOTT, my conversation with Senator GRAHAM, with Senator KENNEDY, and with Senator MACK—we have had conversations across the board. We just want to make certain there is agreement before this starts to leave here—that there is a agreement that these people will not be kicked out of country under circumstances in which almost 250,000 people similarly situated are allowed to stay. That is my objection. That is my problem with the bill at the time.

I want to make the point that we in the Senate are not prepared to send that kind of negative signal to the country or to the rest of the world, and that we will at least resolve the deportation issue before the District of Columbia appropriations legislation goes forward.

I thank the Chair.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

NIH ENDORSES ACUPUNCTURE

Mr. HARKIN. Mr. President, earlier this week an expert scientific panel at the National Institutes of Health strongly endorsed acupuncture as an effective treatment for certain conditions. This is the first time that the NIH has endorsed a major alternative therapy. It is truly a breakthrough, and is just the type of advance that I envisioned when I worked to establish the Office of Alternative Medicine at the NIH.

The consensus conference held by NIH involved top scientists from around the Nation, including those with expertise in acupuncture and experts in research evaluation and design. These scientists, led by Dr. David Ramsey, president of the University of Maryland, Baltimore, objectively evaluated the evidence of acupuncture's efficacy and came to a consensus that this therapy is safe and provides significant help for a number of health problems.

They found that acupuncture is an effective treatment for postoperative dental pain, postoperative and chemotherapy-induced nausea, nausea during pregnancy, and other conditions. They also identified a number of other conditions, including asthma, substance addiction, stroke rehabilitation, headache, general muscle pain, low back pain, carpal tunnel syndrome, for which acupuncture demonstrates effectiveness but with a less degree of certainty.

I was dismayed to read that despite this consensus agreement after rigorous evaluation of the scientific evidence, there is still a fringe element in the medical community that refuses to acknowledge the facts. These critics seem only to be interested in bad mouthing anything out of what they consider to be the medical mainstream. While we all benefit from a healthy dose of skepticism in the scientific process, I hope in the future, this small group of critics take off their blinders long enough to objectively look at the scientific evidence and give credit where credit is due.

Mr. President, as I have said before, millions of Americans—more and more each day—are using alternative medical therapies. In 1993, the FDA reported that Americans were spending $500 million a year for between 9 and 12 million acupuncture treatment visits. Unfortunately, research has not kept pace. The NIH has failed to break through biases that exist and devote the attention to this area that is needed. As a result, American consumers have been denied information about the effectiveness of the therapies they are using or thinking of using.

I am pleased to report that the conference report on the fiscal year 1998 Health and Human Services appropriations bill has agreed to provide more than a 50-percent increase to the Office of Alternative Medicine to expand efforts like this week's consensus conference on acupuncture to other work and to investigate and validate complementary and alternative therapies. Our report also guarantees that this increase will be spent on grants and contracts that directly respond to requests for proposals and program announcements issued by the Office of Alternative Medicine.

Mr. President, this week's endorsement of acupuncture by NIH is a positive step forward for the American public and for the medical research in our Nation. I hope that it will lead not only to greater acceptance of, and access to, cost effective acupuncture services, but to increased willingness on the part of NIH and the medical community to commit to the objective evaluation of a range of promising complementary and alternative medical therapies.

Mr. President, I ask that the full text of the findings of this historic NIH consensus panel be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL INSTITUTES OF HEALTH CONSENSUS DEVELOPMENT STATEMENT

INTRODUCTION

Acupuncture is a component of the health care system of China that can be traced back for at least 2,500 years. The general theory of acupuncture is based on the premise that there are patterns of energy flow (Qi) through the body that are essential for health. Disruptions of this flow are believed to be responsible for disease. The acupuncturist can correct imbalances of flow at identifiable points close to the skin. The practice of acupuncture to treat identifiable pathophysiological conditions in American medicine was rare until the visit of President Nixon to China in 1972. Since that time, there has been an explosion of interest in the United States and Europe in the application of the technique of acupuncture to Western medicine.

Acupuncture describes a family of procedures involving stimulation of anatomical locations on the skin by a variety of techniques. The most studied mechanism of stimulation of acupuncture points employs penetration of the skin by thin, solid, metallic needles, which are manipulated manually or by electric stimulation. The majority of comments in this report are based on data that came from such studies. Stimulation of these areas by moxibustion, pressure, heat, and lasers is used in acupuncture practice, but due to the paucity of studies, these techniques are more difficult to evaluate. Thus, there are a variety of approaches to diagnosis and treatment in American acupuncture that incorporate medical traditions from China, Japan, Korea, and other countries.

Acupuncture has been used by millions of American patients and performed by thousands of physicians, dentists, acupuncturists, and other practitioners for relief or prevention of pain and for a variety of health conditions. After reviewing the existing body of knowledge, the U.S. Food and Drug Administration recently removed acupuncture needles from the category of "experimental medical devices" and now regulates them just as it does other devices, such as surgical scalpels and hypodermic syringes, under good manufacturing practices and single-use standards of sterility.

Over the years, the National Institutes of Health (NIH) has funded a variety of research projects on acupuncture, including studies on the mechanisms by which acupuncture may have its effects, as well as clinical trials and other studies. There is also a considerable body of international literature on the risks and benefits of acupuncture, and the World Health Organization lists a variety of medical conditions that may benefit from the use of acupuncture or moxibustion. Such applications include prevention and treatment of nausea and vomiting; treatment of pain and addictions to alcohol, tobacco, and other drugs; treatment of pulmonary problems such as asthma and bronchitis; and rehabilitation from neurological damage such as that caused by stroke.

To address important issues regarding acupuncture, the NIH Office of Alternative Medicine and the NIH Office of Medical Applications of Research organized a 2½-day conference to evaluate the scientific and medical data on the uses, risks, and benefits of acupuncture procedures for a variety of conditions. Cosponsors of the conference were the National Cancer Institute, the National Heart, Lung, and Blood Institute, the National Institute of Allergy and Infectious Diseases, and National Institute of Arthritis and Musculoskeletal and Skin Diseases, the National Institute of Dental Research, the National Institute on Drug Abuse, and the Office of Research on Women's Health and the NIH. The conference brought together national and international experts in the fields of acupuncture, pain, psychology, psychiatry, physical medicine and rehabilitation, drug abuse, family practice, internal medicine, health policy, epidemiology, statistics, physiology, and biophysics, as well as representatives from the public.

After 1½ days of available presentation and audience discussion, an independent, non-Federal consensus panel weighed the scientific evidence and wrote a draft statement that was presented to the audience on the third day. The consensus statement addressed the following key questions:

What is the efficacy of acupuncture, compared with placebo or sham acupuncture, in the conditions for which sufficient data are available to evaluate?

What is the place of acupuncture in the treatment of various conditions for which sufficient data are available, in comparison with or in combination with other interventions (including no intervention)?

What is known about the biological effects of acupuncture that helps us understand how it works?

What issues need to be addressed so that acupuncture may be appropriately incorporated into today's health care system?

What are the directions for future research?

The primary sponsors of this meeting were the National Human Genome Research Institute and the NIH Office of Medical Applications of Research. The conference was cosponsored by the National Institute of Diabetes and Digestive and Kidney Diseases; the National Heart, Lung, and Blood Institute, the National Institute of Child Health and Human Development, the NIH Office of Rare Diseases; the National Institute of Mental Health; the National Institute of Nursing Research; the NIH Office of Research on Women's Health; the Agency for Health Care Policy and Research; and the Centers for Disease Control and Prevention.

1. What is the efficacy of acupuncture, compared with placebo or sham acupuncture, in the conditions for which sufficient data are available to evaluate?

Acupuncture is a complex intervention that may vary for different patients with similar chief complaints. The number and length of treatments and the specific points used may vary among individuals and during the course of treatment. Given this reality, it is perhaps encouraging that there exist a number of studies of sufficient quality to assess the efficacy of acupuncture for certain conditions.

According to contemporary research standards, there is a paucity of high-quality research assessing efficacy of acupuncture compared with placebo or sham acupuncture. The vast majority of papers studying acupuncture in the biomedical literature consist of case reports, case series, or intervention studies with designs inadequate to assess efficacy.

This discussion of efficacy refers to needle acupuncture (manual or electroacupuncture) because the published research is primarily on needle acupuncture and often does not encompass the full breadth of acupuncture techniques and practices. The controlled trials usually have only involved adults and did not involve long-term (i.e., years) acupuncture treatment.

Efficacy of a treatment assesses the differential effect of a treatment when compared with placebo or another treatment modality using a double-blind controlled trial and a rigidly defined protocol. Papers should describe enrollment procedures, eligibility criteria, description of the clinical characteristics of the subjects, methods for diagnosis, and a description of the protocol (i.e., randomization method, specific definition of treatment, and control conditions, including length of treatment, and number of acupuncture sessions). Optimal trials should also use standardized outcomes and appropriate statistical analyses. This assessment of efficacy focuses on high-quality trials comparing acupuncture with sham acupuncture or placebo.

Response rate

As with other interventions, some individuals are poor responders to specific acupuncture protocols. Both animal and human laboratory and clinical experience suggest that the majority of subjects respond to acupuncture, with a minority not responding. Some of the clinical research outcomes, however, suggest that a larger percentage may not respond. The reason for this paradox is unclear and may reflect the current state of the research.

Efficacy for specific disorders

There is clear evidence that needle acupuncture is efficacious for adult post-operative and chemotherapy nausea and vomiting and probably for the nausea of pregnancy.

Much of the research is on various pain problems. There is evidence of efficacy for postoperative dental pain. There are reasonable studies (although sometimes only single studies) showing relief of pain with acupuncture on diverse pain conditions such as menstrual cramps, tennis elbow, and fibromyalgia. This suggests that acupuncture may have a more general effect on pain. However, there are also studies that do not find efficacy for acupuncture in pain.

There is evidence that acupuncture does not demonstrate efficacy for cessation of smoking and may not be efficacious for some other conditions.

While many other conditions have received some attention in the literature and, in fact, the research suggests some exciting potential areas for the use of acupuncture, the quality or quantity of the research evidence is not sufficient to provide firm evidence of efficacy at this time.

Sham acupuncture

A commonly used control group is sham acupuncture, using techniques that are not intended to stimulate known acupuncture points. However, there is disagreement on correct needle placement. Also, particularly in the studies of pain, sham acupuncture often seems to have either intermediate effects between the placebo and Ôreal' acupuncture points or effects similar to those of the Ôreal' acupuncture points. Placement of a needle in any position elicits a biological response that complicates the interpretation of studies involving sham acupuncture. Thus, there is substantial controversy over the use of sham acupuncture as control groups. This may be less of a problem in studies not involving pain.

2. What is the place of acupuncture in the treatment of various conditions for which sufficient data are available, in comparison with or in combination with other interventions (including no intervention)?

Assessing the usefulness of a medical intervention in practice differs from assessing formal efficacy. In conventional practice, clinicians make decisions based on the characteristics of the patient, clinical experience, potential for harm, and information from colleagues and the medical literature. In addition, when more than one treatment is possible, the clinician may make the choice taking into account the patient's preferences. While it is often thought that there is substantial research evidence to support conventional medical practices, this is frequently not that case. This does not mean that these treatments are ineffective. The data in support of acupuncture are as strong as those for many accepted Western medical therapies.

One of the advantages of acupuncture is that the incidence of adverse effects is substantially lower than that of many drugs or other accepted medical procedures used for the same conditions. As an example, musculoskeletal conditions, such as fibromyalgia, myofascial pain, and "tennis elbow," or epicondylitis, are conditions for which acupuncture may be beneficial. These painful conditions are often treated with, among other things, anti-inflammatory medications (aspirin, ibuprofen, etc.) or with steroid injections. Both medical interventions have a potential for deleterious side effects, but are still widely used, and are considered acceptable treatment. The evidence supporting these therapies is no better than that for acupuncture.

In addition, ample clinical experience, supported by some research data, suggests that acupuncture may be a reasonable option for a number of clinical conditions. Examples are postoperative pain and myofascial and low back pain. Examples of disorders for which the research evidence is less convincing but for which there are some positive clinical reports including addiction, stroke rehabilitation, carpal tunnel syndrome, osteoarthritis, and headache. Acupuncture treatment for many conditions such as asthma, addiction, or smoking cessation should be part of a comprehensive management program.

Many other conditions have been treated by acupuncture, the World Health Organization, for example, has listed more than 40 for which the technique may be indicated.

3. What is known about the biological effects of acupuncture that helps us understand how it works?

Many studies in animals and humans have demonstrated that acupuncture can cause multiple biological responses. These responses can occur locally, i.e., at or close to the site of application, or at a distance, mediated mainly by sensory neurons to many structures within the central nervous system. This can lead to activation of pathways affecting various physiological systems in the brain as well as in the periphery. A focus of attention has been the role of endogenous opioids in acupuncture analgesia. Considerable evidence supports the claim that opioid peptides are released during acupuncture and that the analgesic effects of acupuncture are at least partially explained by their actions. That opioid antagonists such as naloxone reverse the analgesic effects of acupuncture further strengthens this hypothesis. Stimulation by acupuncture may also activate the hypothalamus and the pituitary gland, resulting in a broad spectrum of systemic effects. Alteration in the secretion of neurotransmitters and neurohormones and changes in the regulation of blood flow, both centrally and peripherally, have been documented. There is also evidence that there are alterations in immune functions produced by acupuncture. Which of these and other physiological changes mediate clinical effects is a present unclear.

Despite considerable efforts to understand the anatomy and physiology of the "acupuncture points," the definition and characterization of these points remains controversial. Even more elusive is the scientific basis of some of the key traditional Eastern medical concepts such as the circulation of Qi, the meridian system, and the five phases theory, which are difficult to reconcile with contemporary biomedical information but continue to play an important role in the evaluation of patients and the formulation of treatment in acupuncture.

Some of the biological effects of acupuncture have also been observed when "sham" acupuncture points are stimulated, highlighting the importance of defining appropriate control groups in assessing biological changes purported to be due to acupuncture. Such findings raise questions regarding the specificity of these biological changes. In addition, similar biological alterations including the release of endogenous opioids and changes in blood pressure have been observed after painful stimuli, vigorous exercise, and/or relaxation training; it is at present unclear to what extent acupuncture shares similar biological mechanisms.

It should be noted also that for any therapeutic intervention, including acupuncture, the so-called "non-specific" effects account for a substantial proportion of its effectiveness, and thus should not be casually discounted. Many factors may profoundly determine therapeutic outcome including the quality of the relationship between the clinician and the patient, the degree of trust, the expectations of the patient, the compatibility of the backgrounds and belief systems of the clinician and the patient, as well as a myriad of factors that together define the therapeutic milieu.

Although much remains unknown regarding the mechanism(s) that might mediate the therapeutic effect of acupuncture, the panel is encouraged that a number of significant acupuncture-related biological changes can be identified and carefully delineated. Further research in this direction not only is important for elucidating the phenomena associated with acupuncture, but also has the potential for exploring new pathways in human physiology not previously examined in a systematic manner.

4. What issues need to be addressed so that acupuncture may be appropriately incorporated into today's health care system?

The integration of acupuncture into today's health care system will be facilitated by a better understanding among providers of the language and practices of both the Eastern and Western health care communities. Acupuncture focuses on a holistic, energy-based approach to the patient rather than a disease-oriented diagnostic and treatment model.

An important factor for the integration of acupuncture into the health care system is the training and credentialing of acupuncture practitioners by the appropriate state agencies. This is necessary to allow the public and other health practitioners to identify qualified acupuncture practitioners. The acupuncture educational community has made substantial progress in this area and is encouraged to continue along this path. Educational standards have been established for training of physician and non-physician acupuncturists. Many acupuncture educational programs are accredited by an agency that is recognized by the U.S. Department of Education. A national credentialing agency exists that is recognized by some of the major professional acupuncture organizations and provides examinations for entry-level competency in the field.

A majority of States provide licensure or registration for acupuncture practitioners. Because some acupuncture practitioners have limited English proficiency, credentialing and licensing examinations should be provided in languages other than English where necessary. There is variation in the titles that are conferred through these processes, and the requirements to obtain licensure vary widely. The scope of practice allowed under these State requirements varies as well. While States have the individual prerogative to set standards for licensing professions, harmonization in these areas will provide greater confidence in the qualifications of acupuncture practitioners. For example, not all States recognize the same credentialing examination, thus making reciprocity difficult.

The occurrence of adverse events in the practice of acupuncture has been documented to be extremely low. However, these events have occurred in rare occasions, some of which are life threatening (e.g., pneumothorax). Therefore, appropriate safeguards for the protection of patients and consumers need to be in place. Patients should be fully informed of their treatment options, expected prognosis, relative risk, and safety practices to minimize these risks prior to their receipt of acupuncture. This information must be provided in a manner that is linguistically and culturally appropriate to the patient. Use of acupuncture needles should always follow FDA regulations, including use of sterile, single-use needles. It is noted that these practices are already being done by many acupuncture practitioners; however, these practices should be uniform. Recourse for patient grievance and professional censure are provided through credentialing and licensing procedures and are available through appropriate State jurisdictions.

It has been reported that more than 1 million Americans currently receive acupuncture each year. Continued access to qualified acupuncture professionals for appropriate conditions should be ensured. Because many individuals seek health care treatment from both acupuncturists and physicians, communication between these providers should be strengthened and improved. If a patient is under the care of an acupuncturist and a physician, both practitioners should be informed. Care should be taken so that important medical problems are not overlooked. Patients and providers have a responsibility to facilitate this communication.

There is evidence that some patients have limited access to acupuncture services because of inability to pay. Insurance companies can decrease or remove financial barriers to access depending on their willingness to provide coverage for appropriate acupuncture services. An increasing number of insurance companies are either considering this possibility or now provide coverage for acupuncture services. Where there are State health insurance plans, and for populations served by Medicare or Medicaid, expansion of coverage to include appropriate acupuncture services would also help remove financial barriers to access.

As acupuncture is incorporated into today's health care system, and further research clarifies the role of acupuncture for various health conditions, it is expected that dissemination of this information to health care practitioners, insurance providers, policymakers, and the general public will lead to more informed decisions in regard to the appropriate use of acupuncture.

5. What are the directions for future research?

The incorporation of any new clinical intervention into accepted practice faces more scrutiny now than ever before. The demands of evidence-based medicine, outcomes research, managed care systems of health care delivery, and a plethora of therapeutic choices makes the acceptance of new treatments an arduous process. The difficulties are accentuated when the treatment is based on theories unfamiliar to Western medicine and its practitioners. It is important, therefore, that the evaluation of acupuncture for the treatment of specific conditions be carried out carefully, using designs which can withstand rigorous scrutiny. In order to further the evaluation of the role of acupuncture in the management of various conditions, the following general areas for future research are suggested.

What are the demographics and patterns of use of acupuncture in the U.S. and other countries?

There is currently limited information on basic questions such as who uses acupuncture, for what indications is acupuncture most commonly sought, what variations in experience and techniques used exist among acupuncture practitioners, and whether there are differences in these patterns by geography or ethnic group. Descriptive epidemiologic studies can provide insight into these and other questions. This information can in turn be used to guide future research and to identify areas of greatest public health concern.

Can the efficacy of acupuncture for various conditions for which it is used or for which it shows promise be demonstrated?

Relatively few high-quality, randomized, controlled trials have been published on the effects of acupuncture. Such studies should be designed in a rigorous manner to allow evaluation of the effectiveness of acupuncture. Such studies should include experienced acupuncture practitioners in order to design and deliver appropriate interventions. Emphasis should be placed on studies that examine acupuncture as used in clinical practice, and that respect the theoretical basis for acupuncture therapy.

Although randomized controlled trials provide a strong basis for inferring causality, other study designs such as used in clinical epidemiology or outcomes research can also provide important insights regarding the usefulness of acupuncture for various conditions. There have been few such studies in the acupuncture literature.

Do different theoretical bases for acupuncture result in different treatment outcomes?

Competing theoretical orientations (e.g., Chinese, Japanese, French) currently exist that might predict divergent therapeutic approaches (i.e., the use of different acupuncture points). Research projects should be designed to assess the relative merit of these divergent approaches, as well to compare these systems with treatment programs using fixed acupuncture points.

In order to fully assess the efficacy of acupuncture, studies should be designed to examine not only fixed acupuncture points, but also the Eastern medical systems that provide the foundation for acupuncture therapy, including the choice of points. In addition to assessing the effect of acupuncture in context, this would also provide the opportunity to determine if Eastern medical theories predict more effective acupuncture points, as well as to examine the relative utility of competing systems (e.g., Chinese vs. Japanese vs. French) for such purposes.

What areas of public policy research can provide guidance for the integration of acupuncture into today's health care system?

The incorporation of acupuncture as a treatment raises numerous questions of public policy. These include issues of access, cost-effectiveness, reimbursement by State, Federal, and private payors, and training, licensure, and accreditation. These public policy issues must be founded on quality epidemiologic and demographic data and effectiveness research.

Can further insight into the biological basis for acupuncture be gained?

Mechanisms which provide a Western scientific explanation for some of the effects of acupuncture are beginning to emerge. This is encouraging, and may provide novel insights into neural, endocrine and other physiological processes. Research should be supported to provide a better understanding of the mechanisms involved, and such research may lead to improvements in treatment.

Does an organized energetic system exist in the human body that has clinical applications?

Although biochemical and physiologic studies have provided insight into some of the biologic effects of acupuncture, acupuncture practice is based on a very different model of energy balance. This theory may provide new insights to medical research that may further elucidate the basis for acupuncture.

How do the approaches and answers to these questions differ among populations that have used acupuncture as a part of its healing tradition for centuries, compared to populations that have only recently begun to incorporate acupuncture into health care?

CONCLUSIONS AND RECOMMENDATIONS

Acupuncture as a therapeutic interventions is widely practiced in the United States. There have been many studies of its potential usefulness. However, many of these studies provide equivocal results because of design, sample size, and other factors. The issue is further complicated by inherent difficulties in the use of appropriate controls, such as placebo and sham acupuncture groups.

However, promising results have emerged, for example, efficacy of acupuncture in adult post-operative and chemotherapy nausea and vomiting and in post-operative dental pain. There are other situations such as addiction, stroke rehabilitation, headache, menstrual cramps, tennis elbow, fibromyalgia myofascial pain, osteoarthritis, low back pain, carpal tunnel syndrome, and asthma where acupuncture may be useful as an adjunct treatment or an acceptable alternative or be included in a comprehensive management program. Further research is likely to uncover additional areas where acupuncture interventions will be useful.

Findings from basic research have begun to elucidate the mechanisms of action of acupuncture, including the release of opioids and other peptides in the central nervous system and the periphery and changes in neuroendocrine function. Although much needs to be accomplished, the emergence of plausible mechanisms for the therapeutic effects of acupuncture is encouraging.

The introduction of acupuncture into the choice of treatment modalities that are readily available to the public is in its early stages. Issues of training, licensure, and reimbursement remain to be clarified. There is sufficient evidence, however, of its potential value to conventional medicine to encourage further studies.

There is sufficient evidence of acupuncture's value to expand its use into correctional medicine and to encourage further studies of its physiology and clinical value.

Mr. HARKIN. I yield the floor.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Mr. President, I would like to take this opportunity to respond to my friends, the Senators from Vermont, Mr. LEAHY and Mr. JEFFORDS, who just spoke with regard to a recent decision by the Federal District Court of Minnesota. It also gives me an opportunity to not only present a different perspective on that ruling, but to also hail the ruling, which is the first ray of hope that the dairy farmers in the upper Midwest, and in particular the farmers in my home State of Wisconsin, have had for a very, very long time.

I think the judge in this case ruled correctly. In the Minnesota Milk Producers versus Dan Glickman, Secretary of the U.S. Department of Agriculture, Federal Judge David Doty finally said what Wisconsin dairy farmers have long known is the case, and that is that the current Federal milk marketing order system is outdated and is, in fact, illegal, given the realities of our national dairy market today. This system was set up some 60 years ago, because at that time it was not always possible for consumers in other parts of the country, particularly the South and the Southeast, to get fresh milk because of inadequate refrigeration and transportation technology. So this system was set up on the basis of how far a farmer lived from Eau Claire, WI—the supposed reserve supply of milk in the United States. In other words, the closer a farmer lived to Eau Claire, WI, the less he got as an add-on for his class I fluid milk. The system worked, and it certainly provided the needed fresh milk for virtually every marketing order in the country east of the Rocky Mountains.

Times have changed. During the past 60 years these areas, such as the Northeastern, Southwestern and Southcentral regions of the United States, are now able to produce enough milk to provide for their fluid milk needs and then some. Yet there is still a gross discrepancy between what a dairy farmer gets, let's say in Texas or Vermont, for his or her class I milk, and what a farmer in Wisconsin gets for the same type of milk. For example, farmers in Wisconsin may receive $1.20 per hundredweight in addition to the base price for milk, but in other regions more distant from Wisconsin, dairy farmers might receive $2 or $3 or even $4 more than Wisconsin farmers.

These are very serious disparities and these differentials have led to an extremely unfair situation to the dairy farmers in the upper Midwest. The decision by the district court this week finally says, "Enough is enough." It takes note, in effect, of the fact that in the last 17 years, Wisconsin alone has gone from having 45,000 dairy farms to less than 25,000. We have lost over 1,000 dairy farms per year each year. And when upper Midwest dairy farmers talk about all of the problems facing their industry, the complaint that arises most often is the unfairness of the Federal milk marketing order system.

In contrast to what the two Senators from Vermont were saying—one of them actually indicated there had to be these disparities in order for milk to be supplied to consumers—the fact is, current market conditions and existing technologies no longer necessitate a system that prices milk based on distance from Eau Claire. In fact, in recent years, when our dairy farmers have tried to sell their milk in Chicago, have been beaten out of that market by milk from southcentral and southwestern producers. How can that be if these regions can't produce enough milk for their own needs in that area? Obviously, they can meet their needs and still afford to export milk to other regions because they are receiving a higher class I milk price. And the result is that this system subsidizes the farmers in the Southeast, Northeastern, and regions of the United States and provides them an unfair advantage and competitive advantage over our farmers in the upper Midwest. It has had a lot to do, in my view and the view of almost every farmer in Wisconsin, with the loss of so many of our dairy farms in our State.

It is ironic, at a time when the Federal Government, including Congress with the passage of the 1996 farm bill, has made it a policy to reduce Government pricing interference in agricultural markets, that it is still interfering in a very serious and detrimental way with a free and open national dairy market. This decision by the judge in the U.S. District Court of Minnesota—a Federal court—is an excellent decision. It is a decision that finally tells it like it is—and that is that there is no legitimate basis for these discriminatory class I price differentials which provide one farmer in the Northeastern part of the United States and another farmer in Texas far more for the same type of milk than the hard-working farmers in Wisconsin or Minnesota.

Mr. President, we in Wisconsin and the upper Midwest praise this court ruling. We believe it is an important, proper and very overdue decision. It gives us some hope that the remaining farmers in our State, in the upper Midwest, will be allowed to survive without the interference of an outdated and unfair system—in fact, as now indicated by the court, a system that is unlawful, given the changes in the dairy market and given the changes in the times.

Mr. President, this court decision was, at long last, the right one and I look forward to the positive consequences that can flow from it.

I yield the floor.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

NATIONAL DRUG POLICY

Mrs. FEINSTEIN. Mr. President, I rise this afternoon to commend and strongly support Gen. Barry McCaffrey, Director of the Office of National Drug Policy Control, in his call for increased funds for the drug interdiction effort. I have been one who has been most critical over the low priority effort that has been made to stop the flow of drugs into this country. The recent series in the Washington Post—I think it was five articles—pointed out that anywhere from 5 to 7 tons a day of heavy narcotics is flowing into our country.

General McCaffrey reports that he has been visiting at least four Cabinet Secretaries, including the Cabinet Secretary representing Defense, to really ask for moneys to increase the interdiction efforts with respect to hard narcotics.

I, who have criticized, must also be one who stands and supports this. Later today, Senator COVERDELL and I, and I hope the distinguished Senator from Iowa, Senator GRASSLEY, who has just come to the floor, will be joining in a letter to the Secretary, also indicating our support.

General McCaffrey insists that he cannot certify the Pentagon's requested budget for fiscal 1999 unless it includes $141 million in additional drug interdiction funding. I believe the general is right in taking this action. I urge the administration to support him.

While highlighting the fact that other Federal agencies have increased their counternarcotics spending at a faster rate, the general has asked that the Defense Department increase the amount it spends for the drug fight in four key areas.

The first is Andean coca reduction. He is asking for an increase of $75 million to carry on the drug fight in the Andes region, where American and local officials are working in cooperation to disrupt the cocaine export industry.

National Guard counterdrug operations—he is asking for an increase of $30 million to support antidrug activities of the National Guard that partially restores reductions incurred since 1993 in State plans funding, which include support for counterdrug activities along the border.

Third, he is asking for an increase of $12 million for a program to intercept traffickers in the Caribbean Basin, including southern Florida, Puerto Rico, the U.S. Virgin Islands, and the eastern Caribbean. This would implement commitments made by the President during the Caribbean summit in Barbados.

And he is asking for money for Mexican initiatives, an increase of $24 million to provide additional resources to reduce the flow of illicit drugs from Mexico and for a drug training program for Mexican officials so that they can locate and arrest drug traffickers and money launderers at the border.

The point that General McCaffrey makes, that I think is so important, is although the domestic funding of domestic agencies to fight drugs has gone up, the Defense Department funding, which is really the interdiction funding—the air surveillance, the radar, the trafficking, those things that are going into really cutting off the flow of narcotics—has gone down by 2 percent this year. If you look at a chart of its decline over a period of years you will see where it went up to a high in 1992, came dramatically down by 1994, and has remained virtually flat, even declining some more, between 1995 and 1999. So the current DOD budget is only 1.3 percent higher than fiscal year 1990.

We were told we have 5 to 7 tons of cocaine and hard narcotics coming in over our border a day. And yet, the DOD budget is only 1.3 percent higher in these areas than it was in 1990. That is less than a single year of inflation.

So, I think the head of this Office of Drug Control has a very, very good point in asking for this money and, frankly, for really putting his foot down. Many of us in the Senate have been after him to be more vigorous to stop the flow of narcotics: "Why don't you do something about it? Why don't you see that the air and sea and land interdiction is beefed up?" He can't do that without the resources to do it.

Mr. President, I happen to believe in terms of the appropriateness of it being in the Defense Department budget, that there is no threat to America's national security equal to the threat of drugs. Tens of thousands of people are killed in this country from drugs. Hundreds of thousands of lives in this country are ruined by drugs. It is largely responsible today for the crime rate in virtually every community throughout this Nation. It is a driving force and a central drawing card for the gang movement in the United States and its spread across State lines.

The cartels have flourished because of it, and with it has come some of the most violent actions which anyone can possibly conceive: prosecutors killed, attorneys threatened. Just today, if you pick up the newspaper, you will see one of the cartel leaders, Amado Carrillo Fuentes, who underwent plastic surgery. The doctors who performed that surgery disappeared. Their bodies were just found. Their fingernails had been pulled out. Their bodies were covered with burns. The garrote still remained around their neck. And this is everyday action surrounding drugs, the movement of drugs and the activities of the five big Mexican cartels.

All of this has created increased and, I think, unnecessary tensions between two countries, neighboring countries—the United States and Mexico—who should be good friends and working together. We can't work together without the resources to carry out the job well. No nation today, again, presents the threat to this Nation's national security as does the heavy flow of narcotics into this country.

So I am very proud, and Senator COVERDELL and I will be issuing a joint press statement indicating our strong support for this action. We want a standup drug czar. We want him to call it as he sees it. We want him to take forceful action wherever that action is needed.

I am proud to stand here representing one of the States that is impacted in a major way by drugs, to say both to the Secretary of Defense and to the President of the United States, "Please support the drug czar in his request for these additional moneys. They are necessary for him to do the job."

I thank the Chair, and I yield the floor.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

EXTENSION OF MORNING BUSINESS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that morning business be extended until 4 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONFIRMATION OF CHRISTINA SNYDER

Mrs. FEINSTEIN. Mr. President, I thank the Senate, in particular I thank the majority and minority leaders for the agreement that allowed the confirmation of Christina Snyder as a Federal district court judge to proceed. I think this body will be proud of Mrs. Snyder's work on the bench. I have a great deal of faith in her.

I thank the majority leader very much for scheduling this vote on the nomination of Christina Snyder. Mrs. Snyder is an excellent candidate, and I am delighted that the Senate will act today on her nomination.

Christina Snyder's nomination has been pending before the Senate since being reported by the Judiciary Committee on September 18, and the California district courts face an urgent need for additional judges on the bench.

I recommended Chris Snyder to the President, in January 1996, for appointment to the central district of California because I believe she is extremely well qualified for the position.

Christina Snyder is a highly respected lawyer in Los Angeles. She has more than 20 years of experience in the courtroom and served as a partner in three respected Los Angeles law firms.

She has focused her legal career on civil proceedings, where approximately 70 percent of her cases have been in the Federal courts.

Her practice has consisted of complex civil litigation, representing mostly defendants, including cases involving the Federal securities laws, civil RICO, antitrust, intellectual property, and the Lanham Act.

Christina's record for integrity and decisiveness has earned the respect of her peers, both Democrats and Republicans alike.

Chris Snyder has the support of professors, judges, and lawyers in the central district and throughout California.

Among her many supporters are such prominent Republican Los Angeles leaders as Mayor Richard Riordan, who noted his very high regard and enthusiastic support for her, and Sheriff Sherman Block.

As a testament to her high regard by her colleagues in the legal profession, Mrs. Snyder was nominated for membership to the prestigious American Law Institute. Membership in the organization is equally divided between lawyers, judges, and legal professors. It is indeed an honor to be elected to the organization and Mrs. Snyder was elected to the institute the very first time she was nominated, a noteworthy accomplishment.

Mrs. Snyder has also lectured on various subjects related to banking law and intellectual property law, and is currently coauthoring a treatise on the local rules of practice of the Federal courts in the State of California.

As an attorney for over 20 years, she has the experience and temperament to excel in this position.

I urge the Senate to confirm her nomination to the central district court.

Thank you, Mr. President. I yield the floor.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Thank you very much, Mr. President. I want to pick up on a thank you here about the fact that we were able to confirm today an outstanding candidate that Senator FEINSTEIN recommended to the President, Christine Snyder.

NOMINATION OF MARGARET MORROW

Mrs. BOXER. Mr. President, I personally say to Senators LOTT and DASCHLE an enormous thank you for working out an agreement by which we can vote on another extraordinary woman, Margaret Morrow, and make sure that vote will take place before the February break.

We have had one or two Senators who put anonymous holds on this nomination. I am happy to say they decided to come out and talk about why they don't feel it is a good nomination, because at least we know who is objecting to Margaret Morrow.

Those two Senators and I have spoken. We have written to each other extensively, and they have agreed that it is only fair that there be a vote on Margaret Morrow. She has the support of Senator HATCH. She has the support of many members of the Judiciary Committee on both sides of the aisle. Margaret Morrow will make a great judge. I think it is most unfortunate that she has to wait until February, but I feel that at least we have a commitment for a date certain that we will have a vote, and that will be before the February recess.

Again, I thank very much the majority leader, Senator LOTT, and the Democratic leader, Senator DASCHLE, for working with me to make sure that this happens.

I think as we wind down, I have something to be very happy about, which is that we are going to have a vote on Margaret Morrow. I know when my colleagues see the strong bipartisan support she has in the State of California and in this U.S. Senate that she will win confirmation.

Thank you very much, Mr. President. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that I may have as much time as I require.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORIGINS OF FAST TRACK

Mr. BYRD. Mr. President, I have followed the fast-track debate closely, and it is with some disappointment that I note the absence of any discussion of the constitutional and institutional framework that governs our country's approach to foreign trade. A proper understanding of that framework is essential if we are to have a productive, enlightened debate about fast track.

I am also convinced that some of fast track's most ardent admirers might find their ardor dimmed a little if they recognize the sordid truth about fast track.

Accordingly, I wish to speak, not overly long, about the illegitimate birth and disreputable pedigree of fast track. And I will attempt to unfold a decidedly unflattering but undeniably truthful account of how Presidential machinations and arrogance combined with congressional spinelessness to produce the monstrosity of fast track. They will learn that fast track is not about saving jobs or opening markets or building a bridge to the next century. Fast track, in a very considerable measure, is about *power*—raw, unfettered, Presidential power. And Mr. President, let me point out to any colleagues who doubt my reliability and objectivity in this regard that much of what I have to say is drawn from a recent article in the George Washington Journal of International Law and Economics, whose author appears favorably disposed to fast track.

I start by noting that the Constitution assigns Congress a major role in the regulation of foreign affairs. Contrary to popular opinion—and contrary to the beliefs of most Presidents—the executive branch does *not* possess sole authority over foreign affairs. Indeed, beyond the general statement in article II, section 1 that "[t]he executive Power shall be vested in a President of the United States of America," the Constitution contains only four provisions that grant the executive clear foreign relations authority.

Now, I carry in my shirt pocket a copy of the Constitution of the United States. Alexander the Great greatly admired the Iliad. And he carried with him a copy of the Iliad, a copy that Aristotle had carefully examined and refined somewhat. And it was called the "casket copy." Aristotle slept with this casket copy of the Iliad under his pillow. And along with the Iliad, there was a sword.

Now, Mr. President, I do not have a copy of the Constitution at night under my pillow, but I try to carry it at all times whether I am in West Virginia or whether I am here. I try to carry a copy of the Constitution in my shirt pocket. It is a copy of the Constitution that I have had for several years. It only cost 15 cents at the time I procured it from the Government Printing Office. Although the price has advanced now to probably about $1.50, $1.75, it is still the same Constitution.

We may have added one or two or three amendments to the Constitution since I first procured this copy. I have not stopped to check on that. But the Constitution itself has not changed in that time other than, as I say, some amendments have been added.

Would it surprise Senators to know that the Constitution contains only four provisions that grant the executive clear foreign relations authority? As one scholar has dryly observed, "the support these clauses offer the President is less than overwhelming." The clauses, all in article II, are these: the power to appoint ambassadors and to negotiate treaties, (section 2, clause 2), and both of these require the Senate's "Advice and Consent"; also the responsibility to receive ambassadors from foreign governments, (section 3); and the authority to command the Armed Forces in case Congress, through its responsibilities and powers under the Constitution, provides Armed Forces for the President to command, (section 2, clause 1). These narrow provisions provide a rather shaky foundation on which to build a case for the Executive's predominance over foreign affairs.

Congress, by contrast, is explicitly given substantial authority under the Constitution and in the Constitution over foreign affairs. While the Constitutional Convention saw a lot of debate about which branch was better qualified to make foreign policy, the document that was signed on September 17, 1787 gives us a clue as to which side won. Fully 11 of the powers granted to Congress in article I, section 8 involve foreign affairs. They include the powers: (1) "To regulate Commerce with foreign Nations" (clause 3); (2) "To lay and collect Taxes, Duties, Imposts and Excises" (clause 1); (3) "To define and punish Piracies and Felonies committed on the high Seas, and Offences against the Law of Nations" (clause 9); (4) "To declare War . . . and make Rules concerning Captures on Land and Water" (clause 11); (5) "To raise and support Armies" (clause 12); (6) "To provide and maintain a Navy" (clause 13); and (7) "To provide for organizing, arming, and disciplining, the Militia." (clause 16). When one throws into the mix Congress' power to make the law—section 1, article 1—and its control over spending and appropriations in section 9, one conclusion is inescapable, namely: Congress' authority over foreign affairs is formidable.

Despite the Constitution's clear language, however, the history of this country has seen the executive branch assume control over increasingly large swathes of foreign affairs power, while Congress has occasionally taken back a scrap or two or a crumb or so for itself. It is now almost axiomatic that the President is sole representative of the United States before foreign nations. This is the culmination of a process that began in the earliest days of the Republic, when Congress met infrequently, giving the President effective day-to-day power over foreign affairs; the process has since accelerated with the advent of modern media—particularly television—which provide the President with a singularly powerful forum in which to make his case on matters of foreign policy.

While the executive branch has assumed general authority over foreign affairs, for a long time Congress made sure that its power over foreign trade remained on the eastern end—on the eastern end—of Pennsylvania Avenue. After all, the Constitution is clear on this point: Congress has sole authority over trade. Two of the article I clauses as I just cited deals squarely with that issue, and they are conclusive, namely: Congress must "regulate Commerce," it has the power to "regulate Commerce with foreign Nations" and has the power to "lay and collect . . . Duties, Imposts and Excises."

For much of this Nation's history, there was little tension between the legislative and executive branches over trade regulation, unlike other areas of foreign policy, such as the use of military force.

As I have said on earlier occasions, for the first 150 years or so of its existence, Congress exercised broad control over foreign trade and tariffs. Starting in 1934, however, Congress decided that it no longer wished to unilaterally exercise its power to set tariffs. Accordingly, Congress delegated to the President in the Reciprocal Trade Agreements Act of 1934 the authority to negotiate tariff agreements and to proclaim changes in tariff rates, within certain boundaries set by Congress. This so-called "Proclamation Authority" was periodically renewed, typically for brief periods of around 3 years.

It did not take Congress long to decide that it had given away—that it had delegated—too much trade negotiating authority. The result was the Trade Expansion Act of 1962 which, among other things, created the Office of the Special Representative for Trade Negotiations; required that multilateral trade negotiations include designated members of the Senate Finance Committee and the House Ways and Means Committee; and prevented the President from negotiating certain tariff reductions designated by the Tariff Commission.

Congress soon discovered that the Trade Expansion Act was not enough to rein in a newly emboldened executive branch, which set about seizing as much control over foreign trade as it could get away with—and then some. The first shoe to fall was the United States-Canada Automotive Products Agreement of 1965, which the administration secretly negotiated for over a year without so much as notifying Congress. When President Johnson sent the Agreement to Congress for approval, presenting it as a *fait accompli* which needed only a legislative rubber stamp, a number of my colleagues were disconcerted at what they viewed as his high-handedness. Many resented the President's usurpation of Congress' rightful role in trade matters. And I suspect that many others wish that they had then stood up for congressional prerogatives rather than permitting the Executive to accumulate still broader powers over trade. Instead, members adopted a course of conciliation and appeasement; they should have known, as history so often reminds us, that nothing, nothing, whets the appetite for power so much as a tender morsel of the substance.

The other shoe dangled briefly before falling to the floor with a resounding crash a few years later. This time, the issue was the 1964-67 Kennedy Round of the General Agreement on Tariffs and Trade, or GATT. At the time, tariffs were relatively low, which meant that more attention was focused on nontariff barriers. This posed a problem for congressional oversight. After all, while tariff changes could be restricted within a designated range of percentage rates, it was much more difficult to provide precise limits on the negotiation of nontariff barriers. During the second session of the 89th Congress the Senate therefore adopted a concurrent resolution, S. Con. Res. 100, "urging the President to instruct U.S. negotiators in Geneva to bargain only on provisions authorized in the Trade Expansion Act of 1962."

Now, what was the President's response to this clear, explicit instruction from the Senate? As best I can determine, the President simply cast those directions aside, for he promptly entered into two nontariff barrier agreements that the 1962 act had not authorized. One of these agreements was an antidumping code, for which President Johnson claimed "sole executive agreement authority." I was a Member of the Senate back then, and let me assure you that we did not look kindly on the President's blatant refusal to follow our instructions or those of the Constitution. Our response was to state unequivocally that the President's agreement did not supersede domestic law or limit the Tariff Commission's statutory discretion to implement the antidumping laws. Congress made clear that the President's antidumping agreement would be followed only in cases where it did not conflict with standing law; and Congress reiterated that no President—not even that master arm-twister, Lyndon Baines Johnson—could encroach upon Congress' power to make the laws.

The second nontariff agreement that President Johnson entered into without congressional authorization was the repeal of the American Selling Price method of customs valuation. Once again, the President asserted his authority to make—or, in this case, to repeal—the laws. It is just what we are seeing happen in the case of line-item veto. Congress has given the President the authority to repeal laws. Shame, shame on Congress. Once again, and to its everlasting credit, Congress stood firm. We condemned President Johnson's refusal to heed the Senate's instructions and we rejected his outrageous belief that "executive authority" allowed him to make trade agreements that changed U.S. domestic law! Few scholars, today, of course, would agree with the President's position, but the matter was less clearly defined then. And, Mr. President, I for one am relieved that Congress stood fast in defense of its constitutional powers. I wish it would wake up one day and read history and read the Constitution again.

The battle was not over, however. President Nixon continued his predecessor's attempts to usurp Congress' trade authority, though this time by persuasion rather than by intimidation. The different tactics of Presidents Johnson and Nixon towards the same goal may say a lot about their respective personalities and presidencies. President Johnson had launched a frontal attack upon Congress, relying on brute force and his own, ample powers of persuasion to intimidate the legislature into granting him greater trade power. Nixon, however, took a different tack; rather than storming the barricades of Congress, he tried to convince us to open the gates to him.

The President made a powerful pitch for Congress granting him the ability to unilaterally change domestic law. He declared, with a fervor that subsequent fast track supporters have echoed, that the ability of the country to enter into trade agreements hung in the balance. The future of the United States itself was in jeopardy *unless* Congress would delegate to him—you will be hearing the same thing today; the United States was in jeopardy unless Congress would delegate to him—the authority to proclaim all changes to U.S. law necessitated by a trade agreement. Now, how prosperous. I will not dwell on the obvious constitutional infirmities of Nixon's proposal; suffice it to say that giving the President the power to proclaim changes to U.S. law might have raised a few eyebrows at the Constitutional Convention! Don't you think so? It might have raised a few eyebrows up there with that illustrious group of men that included James Madison, Hamilton, Elbridge Gerry, and others. You would have seen some eyebrows going up and down. Our Constitution's framers knew full well that lawmaking by Executive fiat is the very definition of tyranny.

I wish that this story of the executive branch's attempt to seize the powers of the legislative had a happier ending; one of the sad truths known to all historians is that, in real life, the endings are so often confused or disappointing. President Nixon did not, of course, win the authority to proclaim changes to domestic law. However, he did succeed in pressuring Congress to grant him the authority to negotiate certain trade agreements which Congress might neither amend nor debate extensively: what we now simply call "fast track." The President's invocation of the national interest, and the fears he raised that, without fast track—and we are hearing the same siren call today—he would be unable to implement an effective trade policy for the United States, and it won the day. In a moment of weakness—and Congress has had its moments of weakness, as in this instance—Congress allowed itself to be seduced by the President's rhetoric and his appeal to patriotic duty; and a short time later, lo and behold, fast track was born.

Well, today, Mr. President, history appears to be repeating itself. Once again, the air is filled with the dire, somber predictions about what will happen if fast track is not approved. I read that there are all kinds of trading, all kinds of promises being made, and we are seeing arms twisted out of shape—no bones broken, you understand, but just arms being twisted. Once again, we have a President who appeals to national interest and insists that he will be unable to negotiate trade agreements without fast track. Once again, Members have ears that cannot hear and eyes that cannot see. Once again, we have a Congress that appears overawed by Executive authority and unwilling to assert its rightful role in regulating trade—in fact, a Congress that is quite willing, perhaps happy, as was the Roman senate in that case, to hand off another of its duties to a dictator or to an emperor—in our case, happy to hand off another of its constitutional duties to the Executive.

I am sure that most of the viewing public must wonder why any elected official would willingly give up some of the power of the people, the power that, under the Constitution, is to be exercised by elected representatives of the people. Power, after all, they must imagine, is what politicians crave most.

Oh, that we could review again the story of Lucius Quinctius Cincinnatus, who in the year 458 B.C. was called upon by a delegation from the Roman senate. And upon inquiring why this delegation had come to him to interrupt his plowing of his small farm of three acres alongside the Tiber River, he was informed that the senate had decided to thrust upon him the power of a dictator so that he could rid Rome of the threat of certain tribes to the east, the Aequians. And being the loyal patriot that he was, Cincinnatus turned to his wife Racilia and said, "We may not have enough food to live on this winter because we won't be able to sow our fields." Nevertheless, he wiped his perspiring forehead, took on the regalia of a dictator, and loyally assumed the responsibilities and duties that the Roman senate had placed upon him. He rid the city of Rome of the threats, and he relieved the Roman legions that were being surrounded by the armies of the tribes to the east. Within 16 days, he had accomplished this mission. And he turned back the powers of dictatorship.

So there was the old-fashioned model of simplicity, the old-fashioned model of one who did not seek power, who did not want power. He did not want the power thrust upon him, but he willingly gave up this power.

So, today, the people of the United States, I am sure, feel that power is what politicians most crave. Isn't it the thirst for power that causes politicians to chase campaign money like a hound on the scent of a fox? Isn't it power that opens doors, rolls out red carpets, and serves up free food and drink? Isn't it really power, more often than character, that invites the respect of others? So how can the public possibly accept the notion that Congress is actually giving up some of its power—its constitutional power—through fast track?

Now, I am not claiming that the fast track legislation is unconstitutional; I am simply saying that the Congress is willingly giving up much of its power under the Constitution through fast track—not only giving it up, but saying: here it is, take it, relieve me of it.

Perhaps, in this age of television, in which the 30-second sound bite is preferable to a complete and meaningful discussion of issues, some politicians have come to the realization that it is easy, perhaps preferable, to retain the illusion of power, without actually having to be saddled with any of the burdensome responsibility that comes with true power. They would rather not have it because it carries with it responsibilities.

Think about that. If we give up the power of Congress, we no longer have to take the heat for bad decisions, do we? We can just point the finger. We can take those letters from angry constituents and say, "Sorry, not me. It is not my fault. Blame the President. That is his power now. He did that."

How much nicer will our reelection campaigns be? Not having to run for 3 years, it would be much nicer for me, much easier for me, to say, "That wasn't my responsibility." What will our opponents be able to complain about? How can they possibly run negative ads against us when we have given all of our responsibility to somebody else?

I can see the campaign ads now. "Vote for me. I didn't do anything, but I sure looked good not doing it." And our opponents could retort, "Don't vote for him. I cannot attach any blame to him for anything, but he has big ears." So there we have it. If we hand over all of our powers, and thus all of our responsibilities, then we can't be blamed for anything. All we need to do is keep our hair well coiffed, buy fancy suits, have a nip here and a tuck there, keep a list of snappy sound bites in our pocket—that's all it will require to be an invincible political candidate.

Is this what we really want? Is this what the American public out there deserves? Certainly not. We were elected to do a job—to protect and defend the Constitution of the United States. Actually, we took an oath to support and defend the Constitution of the United States. How many of us have read it lately? We certainly are doing a sad job of it when we agree to bind ourselves to fast track and to lie prostrate, waiting for the executive caboose to rumble over us.

I said a few moments ago that history seemed to be repeating itself. And others have said that, and for good reason. Lord Byron said, "History with all its volumes vast hath but one page." Cicero said, "To be ignorant of that which occurred before you were born is to remain always a child."

So history is repeating itself. I wonder why that is. God created water and other things in the beginning. He created water, H_2O—two parts of hydrogen and one part of oxygen. And it hasn't changed. It is still the same. It is still H_2O. It is still two parts of hydrogen and one part oxygen. Well, human nature hasn't changed either from the beginning. It changed through Abel. Abel's blood cried out from the ground. Human nature hasn't changed. We are still a slave of it.

So history seems to be repeating itself because human nature hasn't changed. Today, I urge my colleagues to study history: Stand firm. Do not give up your constitutional responsibility. Do not rise to the bait offered by those who accuse you of protectionism; the cause of freer and fairer trade is not served by Congress abdicating its power. Do not be fooled into thinking that no country will negotiate with the world's foremost economic power because of concern about how that country's legislative branch conducts its debates; the foolishness of that argument should be self-evident. And don't allow the threats, cajolements, incentives, rewards, punishments or imprecations that the administration may cast your way; don't allow these to sway your decision. I hope that the House will stiffen—stiffen its opposition to fast track. It is time to resist the executive's encroachments on the prerogatives of Congress. It is time, Mr. President, for Congress to throw off its cloak of humility and deference and reverence for the executive and to assert its rightful constitutional role in the regulation of commerce with foreign nations.

Mr. President, recent polls have illustrated how ill-informed most Americans are about their Constitution. Oh, they like it, all right, but few of them can accurately answer or debate the questions about it. Even fewer, I would posit, understand how well and how carefully the Constitution balances the powers given to the three branches of Government—a balance constructed by the Founding Fathers as a defense against the evils of one-man rule. Our Founding Fathers wanted to escape the tyranny that a king can impose over a subservient and subjugated people. And that is why our forefathers fought the American Revolution. That is why lives were risked, and that is why lives were lost. Our Founding Fathers knew that every President would be tempted to amass power to himself, and they hoped that the combined strength of the elected representatives in Congress could check those power grabs.

Of course, there were those at the Convention who were concerned about the thirst of the legislative branch for power and how it might encroach on the powers of the President. But they could not foresee the day when we would have political parties. They could not foresee the day when the President of the United States would be the titular head of a political party; how he would command hundreds and thousands of patronage positions. They could not foresee the day when television would bring to the American people the news of the second—not the news of the minute, but the news of the second.

Isaiah, a great prophet, was right when he said:

> Prepare ye the way of the Lord, make straight in the desert a highway for our God.
>
> Every valley shall be exalted, and every mountain and hill shall be made low: and the crooked shall be made straight, and the rough places plain:
>
> And the glory of the Lord shall be revealed, and all flesh shall see it together.

And that is true. Isn't television exalting the valleys and making low the mountains and the hills? Isn't all flesh seeing the glory of the Lord together?

There came a time when the clock struck and we had the underocean cable, the wireless telegraph, the telephone, the diesel motor train, the airplane—all of these things. And by all of these things, radio and television, the printing press—by all of these things, then, the glory of the Lord has been revealed in all of the globe. And Isaiah's prophecy has come true.

So, our Founding Fathers could not possibly have foreseen the time when Americans would have these wonderful inventions. And when the President would have, at the snap of his finger, all of the media in that White House gather around his bully pulpit. They could not foresee these things.

For the most part, this system has worked. And I hope and pray that it will continue to work. Thus, I say to my colleagues in the House and here: Stand firm. Hold fast, and together let us oppose this fast track to nowhere.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR BYRD'S 80TH BIRTHDAY

Mr. DASCHLE. Mr. President, on January 8, 1997, the Senate noted the beginning of Senator Robert C. BYRD's 51st year of public service to the people of West Virginia. On that occasion, I spoke of Senator BYRD's public record, of his service in both houses of the West Virginia State legislature, his service in both houses of the U.S. Congress, of the leadership positions he has held in the Senate, and of the remarkable seven consecutive terms to which he has been elected to represent the people of West Virginia as a U.S. Senator. I spoke of the public man, of the fascinating orator seen edifying Senators and C-SPAN audiences alike with his grasp of history and his love of the Constitution and of this body.

On November 20, Senator BYRD will mark another, more personal, anniversary. On November 20, Senator BYRD will celebrate the completion of his 80th year of life. To celebrate this event, along with his current and many of his former staff members, I want to share with this body and the world some of our reflections on the personal man, the side of Senator BYRD we see, respect, and honor every day.

If the heart of West Virginia is made of coal—that rich, compressed carbon of long-ago life that breathes fire to warm our homes and light our dark nights—then Senator BYRD is a diamond honed over time to be its purest, clearest core. Years of experience and study have cut many facets in his character, each adding a distinctive sparkle.

ROBERT C. BYRD never forgets the people of West Virginia. He cares, deeply, about living up to the trust and confidence that has been placed in him and about setting the best possible example for others that he can in his own life and behavior. He is a tireless worker. Many of his staff members can tell stories about leaving him in his office late at night, still working, and dragging themselves wearily in the next morning, only to be greeted by his chipper, "Good morning." His energy and drive have not lessened over the years. When added to his own natural bent for self-improvement, this tendency can make him a challenging man to work for, but trying to live up to this challenge has made every member of his staff a better and more committed employee.

Senator BYRD speaks often about the old values—about the importance of hard work, the love of family, respect for authority, loyalty to community and country, and about reverence for the Creator. He does not say these things because he believes they are popular or engaging—he talks about them because he believes in them and because he lives by these values. He keeps a King James Bible on his desk and often refers to its passages, seeking ancient wisdom to guide him through the mire of convoluted political issues and diverse viewpoints.

Senator BYRD does not take anything or anyone for granted. Being a Senator and working in the Capitol building has lost none of its importance and none of its magic for Senator BYRD. Often, when the Sun is setting behind the Washington Monument, he will invite his staff to look out the window and down the Mall, so that moment—that special vantage point and that sunset—would not be taken for granted.

To travel with Senator BYRD in West Virginia is to see up-close the tremendous respect and esteem in which he is held. Yet, his stature as a national statesman has not created a chasm between him and those he serves. On the contrary, all West Virginians feel as if they know him. And, not only do people feel they know him, many have a personal story to tell about him. They often comment on "the night he spent with our family," or when "he had dinner at our house," or when "he spoke at my commencement," or when "he helped my mother to get her widow's benefits after my dad died."

As he values each and every citizen of West Virginia, so does Senator BYRD value everyone who works for him—for themselves and for the job that they do for him and the people of West Virginia. He sets high standards, but he never asks more of anyone than he asks of himself. And, his drive is tempered by thoughtfulness.

He goes out of his way to smile, greet, and speak gently with everyone in his office. When personal or family tragedies strike, he is also there, offering support and encouragement, and living up to his belief that family must come first. Senator BYRD has seen members of his staff through cancer, the birth and death of children, the loss of parents, and all of life's best and worst experiences with characteristic kindness and understanding. In return, he has a loyal group of employees, who belie the common perception that staff turnover on Capitol Hill is frequent. His current staff combine for a total of over 4 centuries of experience in his service and in service to the Nation and the people of West Virginia, and his former staff remain close to him.

Working with Senator BYRD is an honor because he is a legendary figure even in his own time. He is larger than life, not only for the positions he has held and his accomplishments, but for his principles. On many occasions he has quoted Mark Twain: "Fame is vapor, popularity an accident, riches take wings' only one thing endures: character." He is a man of principle who is willing to stick to those principles, his experience, and his reason, with his eye always on the unforgiving pen of history and not on polls or interest group calls. He has taken some lonely stands, speaking candidly and thoughtfully about controversial nominations and treaties, and even calling for Senators to step down when their actions were detrimental to the institution of the Senate.

Senator BYRD's legacy to West Virginia is not one that will be measured solely in years of service, or in the number of offices held, or, even, as some might cynically suggest, in dollar signs. More than anyone or anything in memory, Robert C. BYRD has provided West Virginians with hope—hope of a better economy, hope that dreams of well-paying jobs and nice homes do not have to be hooked on the back of a bumper on a winding road leading out of State, hope that the way of life cherished among West Virginia's hills will survive and even flourish, to be passed on to future generations. He has made them feel proud—proud of their way of life, proud of their State and proud of him. There is a difference in West Virginia today that can be attributed to a renewed feeling of hope and a sense of belief in the State that Senator BYRD has so unselfishly worked to fulfill.

As his 51st year of public service draws to a close, and the beginning of his 81st year dawns, we all offer our heartiest congratulations and best wishes to the man we have been honored to work with, and to learn from. To follow in his example, let us close with a quote, this one from Alexander Pope (1688–1744) in a letter to Mr. Addison, that captures Senator BYRD's essence:

> Statesman, yet friend of truth! Of soul sincere,
> In action faithful, and in honour clear;
> Who broke no promise, served no private end,
> Who gained no title, and who lost no friend.

Working for Senator BYRD is an honor and a privilege of which every member of his staff is mindful each day, and it is a blessing for which each one will always be grateful. The sign of a truly great man is how, by the example of his own daily living, in and out of the public's view, he touches and changes everyone around him for the better. Through him, his staff becomes part of a great and living institution, dedicated like Senator BYRD to the service of the Nation and of the great State of West Virginia.

Today, I join Senator BYRD's staff in wishing him a happy 80th birthday and happy 51st year of public service.

Mr. President, I ask unanimous consent that a list of Senator BYRD's staff, many of whom contributed greatly to this birthday wish, be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Ann Adler
James Allen
Neyla Arnas
Alisa Bailey
Suzanne Bailey
Mary Bainbridge
Anne Barth
Sue Bayliss
Betsy Benitez
Elizabeth Blevins
Pat Braun
C. Richard D'Amato
Dionne Davies
Mary Dewald
Carol Dunn
Joan Drummond
Mary Edwards
Glenn Elliott
James English
Tina Evans
Elias Gabriel
Carolyn Giolito
Patrick Griffin
Scott Gudes
Kimberly Hatch
Marilyn Hill
Paulette Hodges
Cynthia Huber
Susan Huber
James Huggins
Gail John
Helen Kelly
Peter Kiefhaber
Charles Kinney
Carol Kiser
Kevin Kiser
Catherine Lark-Preston
Angela Lee
Kathleen Luelsdorff
Rebecca Roberts-Malamis
Sue Masica
Martin McBroom
Lane McIntosh
Martha Anne McIntosh
Nora Martin
Joseph Meadows
Carol Mitchell
Jennifer O'Keefe
Nancy Peoples
Richard Peters
David Pratt
Barbara Redd
Peter Rogoff
Terrance Sauvain
Melissa Wolford Shelk
Mary Jane Small
Elysa Smith
Terri Smith
Leslie Staples
Joe Stewart
Lesley Strauss
Brenda Teutsch
Lisa Videnieks
Jacquie Watkins
Julie Watkins
Paul Weinberger
B.G. Wright
Gail Stanley
Scott Bunton
Lula Davis
Melvin Dubee
Tom Fliter

Mr. DASCHLE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. Without objection, the quorum call is rescinded.

EXTENSION OF MORNING BUSINESS

The PRESIDING OFFICER. Without objection, morning business will be extended until 5:30 p.m. with Senators permitted to speak for up to 10 minutes each.

In my capacity as a Senator from the State of Alabama, I suggest the absence of a quorum.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ROBERTS). Without objection, it is so ordered.

Mr. SESSIONS. Mr. President, I ask that I may proceed as in morning business.

The PRESIDING OFFICER. The Senator is recognized.

DEPARTMENT OF JUSTICE—CIVIL RIGHTS DIVISION

Mr. SESSIONS. Mr. President, lately, a discussion has been undertaken about the question of civil rights. Some think civil rights means preferences, quotas, and set-asides; others say it principally means equality in the law. That has been a major bone of contention as we have considered the nomination of Bill Lann Lee, an able attorney, for the position of chief of the Civil Rights Division of the U.S. Department of Justice.

We have had a lot of discussions about this question in recent years, and it is an important issue as this Senate considers that nomination. But there are other matters that come before the Civil Rights Division of the Department of Justice. It is a great division; it has played a tremendous role in the changing of race relations in America and has helped break down legal and de facto desegregation throughout this country. It has a great staff of 250 lawyers.

But I think it is also a matter of significance and importance that the chief of the Civil Rights Division maintain clear and firm control and supervision over that Department. In recent years, as the situation in our Nation has changed, legal barriers to equality have been broken down, and actions by that Department have raised questions about the validity of their actions and whether or not the positions they are taking on a number of cases are worthwhile.

I have heard complaints about that. As a U.S. attorney for 12 years, I saw this division operate. Sometimes the actions taken by the Department were valid, however in many cases their actions can fairly be characterized as questionable. As the attorney general for the State of Alabama, I have seen a number of instances that trouble me about the role and the legal position of the Department of Justice. Just this week, there was a major decision by the U.S. Eleventh Circuit Court of Appeals. That opinion rendered an important decision. One newspaper article, described this opinion as a "stinging rebuke" to the U.S. Department of Justice. The Federal court ordered the Department of Justice to pay $63,000 in attorney's fees to a Dallas County commission in Alabama over an election dispute that dragged on for 4 years. Let me read you some of the comments from that article. I think it points out the need to make sure that the person we have as chief of the Civil Rights Division is balanced and fair and treats everyone with the justice that the Department contends that they do.

Calling this case "very troubling," the appeals court blasted the Department of Justice for its continued refusal to pay legal fees and for its insistence that the white leadership on the Dallas County commission helped a candidate win an election contest. This is what the court said:

> A properly conducted investigation would have quickly revealed there was no basis for the claim of purposeful discrimination against black voters.

The opinion also pointed out that the actual placement of Dallas County voters within districts was made by the predominantly black board of registrars. An attorney, John Kelly, who litigated the case for the county commission, said, "This is the toughest Federal court decision I have ever read."

Indeed, I would have to agree with that. It is remarkable. The decision means that the Federal Government will have to pay to the county commission, out of taxpayers' money, your money and my money, $62,872.49 into their fund, to pay for the attorneys, which the court found were having to defend a case that was unjustified.

The opinion was written by a U.S. district judge from California who was sitting by designation on the eleventh circuit panel. Although the repayment of the attorneys fees is partial compensation to those aggrieved by the Department's actions, as this judge stated, "Unfortunately, we cannot restore the reputation of the persons wrongfully branded by the Justice Department as the public officials who deliberately deprived their fellow citizens of their voting rights. We also lack the power to remedy the damage done to race relations in Dallas County by the unfounded accusations of purposeful discrimination made by the Department of Justice."

The three-judge panel suggested to the Justice Department that it be "more sensitive" in the future "to the impact on racial harmony that can result from the filing of a claim of purposeful discrimination." The court said it found the Justice Department's actions, "without a proper investigation of the truth, unconscionable."

"Hopefully," the court goes on to say, "we will not again be faced with reviewing a case as carelessly investigated as this one."

Now, Mr. President, I think that the Department of Justice has an important role in this country to ensure equal rights, to make sure everyone has the right to vote, to make sure that there is equal justice under the law. But they also have a responsibility to be fair, to carry on their cases effectively, to be nonpartisan, to be objective, and to be careful in the cases they bring. This case went on for 4 years, when in fact, it could have been disposed of in short order with an effective investigation.

So, whoever is chosen to head the Civil Rights Division of the Department of Justice will have an important task. I asked Mr. Lee when I interviewed him, if he would take control of this Department? Would he make sure that the attorneys in that Department are obeying the law and are actually doing justice and not injustice? Would he make sure that they would not engage in civil wrongs when focusing on civil rights?" Yes, this article will tell you that the Department of Justice can do civil wrongs and, in fact, they have done so. As attorney general of the State of Alabama I had occasion to witness this, as the following story illustrates.

There was a question about whether or not the voting rights section of the Department of Justice had the power and the duty and the obligation to preclear—that is, approve—a law change in Alabama in which the judges on a panel went from five members to seven members who would be elected at large. They said that they did have a right to object to that, that that law could not take effect until they had approved it—read it, studied and approved it. We did not believe that was so. There was legal authority present, including a decision made by the U.S. Supreme Court, that clearly indicated to me as attorney general of Alabama that they had no authority to preclear that decision. So I said we were going to proceed with it, and they maintained their objection.

Now, there is an interesting thing about this that you may not know. If you object to a ruling of the Department of Justice, Civil Rights Division, in Washington, DC, and you live in Alabama, you can't file a lawsuit in Federal court in Alabama to get a conclusion of the matter. Under the law, you have to file the lawsuit in Washington, DC, in Federal court, which is a very expensive process. I submit, Mr. President, they didn't think we would do it. They didn't think we cared enough about that principle to do so. But we told them they were wrong and they were going to lose this opinion, and we would file the suit. They called our bluff and refused to preclear or agree that they did not have control over this position.

So we filed a suit, and the case proceeded for a short time. The U.S. Department of Justice then confessed—admitted—that they had no basis for their case, and conceded our point.

I say to you, Mr. President, that you can say that was a mistake and some might say so. In my opinion, it was a heavyhanded application of the law.

Those were good attorneys. They knew they didn't have to have a good legal basis for the position they took, and they tried to bluff the State of Alabama and force the State of Alabama to capitulate anyway.

So this is the kind of thing that is important. All of us care about justice in America. Also, we care about the law being enforced, and we believe that civil rights attorneys can also make errors; civil rights attorneys can actually do civil wrongs. We believe that they have to obey the law, also.

So I would just say that this points out another reason, as we debate who should be the head of the Civil Rights Division of the Department of Justice, that we select a person who is balanced, who is fair, who is objective, and who will follow the law, including the Constitution of the United States, the laws passed by this Congress, and the case authority of the courts of the United States.

Mr. President, that concludes my remarks. I yield the floor.

Mr. AKAKA addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

PRIVILEGE OF THE FLOOR

Mr. AKAKA. Mr. President, I ask unanimous consent that Mr. Jaffer Mohiuddin, a legislative fellow in my office, be granted the privilege of the floor for the remainder of the day.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Hawaii is recognized.

Mr. AKAKA. I thank the Chair.

(The remarks of Mr. AKAKA pertaining to the introduction of S. 1418 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. AKAKA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SESSIONS. I ask unanimous consent to proceed not to exceed 3 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ALABAMA - COOSA - TALLAPOOSA AND APALACHICOLA-CHATTAHOOCHEE-FLINT RIVER BASIN COMPACTS

Mr. SESSIONS. Mr. President, I would like to take this opportunity to express my gratitude today for the cooperation of my colleagues, and in particular my good friend and home State colleague, Senator RICHARD SHELBY, as well as colleagues from Florida and Georgia and the chairman of the Judiciary Committee, Senator ORRIN HATCH, and the chairman of the Constitution Subcommittee, Senator JOHN ASHCROFT, for their expedited consideration of the Alabama-Coosa-Tallapoosa and Apalachicola-Chattahoochee-Flint River basin compacts that passed the Senate today.

Our citizens in Alabama and the Southeast region have many benefits from an outstanding environment and a generous water supply. But population increases have made water resources extremely valuable. The water compacts passed today by the Senate are the first step in allowing the three States of Alabama, Georgia, and Florida to enter into legal, acceptable agreements which will ensure the water resources of the region are divided in a responsible and equitable way, which protects the environment and ensures a reliable supply of water for drinking, agriculture, and recreation.

Passage of these water compacts is the result of nearly 20 years of work between the States of Alabama, Florida, and Georgia. Today's action represents only the initial step in a challenging process which must ultimately be carried through by these States. The water compacts themselves do not contain the formula for actually dividing the water resources, but serve only to grant permission to the States to create a formula themselves. Without the water compacts, it is likely my home State of Alabama, along with Georgia and Florida, would be forced into Federal court for protracted litigation to determine an equitable way to divide these resources. The action taken today will allow our States to enter into thoughtful negotiations rather than wasteful litigation to determine a permanent solution to our region's water resource problems.

Mr. President, no remarks on this action by me today would be complete without my mentioning the work of Alabama Gov. Fob James and State Representative Richard Laird, who have worked tirelessly toward this end. Governor James has personally given his attention to the matter, and negotiations have been ongoing, as I have noted, for many years. Representative Laird has been very active in this entire process and has been the main spokesman for Alabama's effort for over 3 years. As a former attorney general in the State of Alabama and one who was involved in these activities, I know firsthand the personal commitment that Representative Laird has given to this effort.

I also want to take this opportunity to recognize Mr. Craig Kneisel, the chief of the environmental section of the Alabama Attorney General's office. Craig Kneisel has been the chief of that environmental office since its founding around 20 years ago. He has given leadership and legal advice to this effort that has reached a good conclusion today.

So we have made a major step toward making an equitable resolution of the water problems of these States, but we have to keep on going. There is no doubt that, as our population increases, as our economy grows, there will be greater and greater stress on these wonderful environmental resources. We must protect them and at the same time must make sure that economic growth is facilitated by having a healthy environmental resource such as these two river basins.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KERREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERREY. I thank the Chair.

Mr. President, are we in morning business?

The PRESIDING OFFICER. Morning business has just concluded.

Mr. KERREY. It is only 20 to 6.

The PRESIDING OFFICER. It is morning somewhere.

Mr. KERREY. Mr. President, I ask unanimous consent that I be allowed to speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERREY. I thank the Chair.

DRUG CZAR BARRY McCAFFREY AND THE DRUG WAR

Mr. KERREY. Mr. President, 2 years ago Senator SHELBY, the distinguished Senator from Alabama, and I were managing the Treasury-Postal appropriations bill on the floor at about this time of the year, I believe.

And one of the actions that we had taken in our bill was to zero out the drug czar's office. And the reason that we had done that was that we were quite unhappy with the progress and the performance and, especially, the effort made to interdict and the effort here at home to try to get young people to quit consuming drugs.

We were persuaded at the end of the day, Senator HATCH, Senator BIDEN, and the President himself, saying that they were going to make some substantial changes.

Change No. 1 that they made was to bring on Barry McCaffrey, a retired Army general. I do not know how they talked him into it. Somehow they managed to talk him into coming back and being the drug czar.

Yesterday, Mr. President, Barry McCaffrey sent a letter to the Secretary of Defense. Among other things he has done over the past couple years, this justifies both the President's confidence in him and Senator SHELBY's and my confidence that action would occur.

General McCaffrey sent Secretary Cohen, Secretary of Defense, a letter on the 6th of November saying essentially that:

> The National Narcotics Leadership Act requires that the Office of National Drug Control Policy review the drug budget of each department and certify whether the amount requested is adequate to implement the drug control program of the President. For [fiscal year] 1999, the Department of Defense has requested $809 million for drug control programs, approximately the same level as FY 1998. After careful review, ONDCP has determined pursuant to 21 U.S.C. . . . that this budget cannot be certified.

Mr. President, this is a gutsy move. As you know, as everybody around this town very long knows, to send the Department of Defense a letter saying, "We're not going to certify that your budget is adequate to accomplish the strategy that we have all approved in terms of fighting drugs in America," is a rather substantially gutsy move. And I support it 100 percent.

Perhaps Secretary Cohen will have a response to it. I have a great deal of respect for Secretary Cohen as well. Perhaps he will be able to come back and give a justification as to why the additional money for the Andean Coca Reduction Initiative, for the Mexican Initiative, for the Caribbean Violent Crime and Regional Interdiction Initiative, and for the National Guard Counterdrug Operations are fully funded at the $809 million level.

My guess is, he will not. My guess is that General McCaffrey has done his homework and analyzed it well and understands what the drug policy is supposed to accomplish. And he understands that as drug czar he has authority.

In the past, drug czars have not exercised that authority quite as willingly. Barry McCaffrey did. And I hope this Congress supports him. All of us, when we are home, we will have townhall meetings. And if the subject of drugs comes up of, what are we doing? people say to me, "At least I hear you say it's a war on drugs. Describe the nature of the war we're fighting. Are we winning it? Are we losing it? What kind of resources are we putting into it?" I say, "We've got a drug czar. We've got a drug strategy. And we're implementing that drug strategy. We're not going to hold anything back in order to be successful."

What General McCaffrey has done is he has called upon the Department of Defense to do just that. As I said, I have not seen Secretary Cohen's response to this letter. I am here this evening just to applaud the drug czar for having the courage that previously drug czars have been a little reluctant to show. And if it is shown that these additional resources are needed in order to be able to answer the question at home in townhall meetings in Nebraska that that is what is needed to get the job done, then I hope the Congress will provide the Department of Defense with the resources and insist that the Department of Defense allocate in 1999 the resources in order to be able to get it done.

I have not read all of them, the three- or four- or five-part series in the Washington Post on the problem of drugs coming across the border—so-called. There is not much of a border between the United States and Mexico. It is over 2,000 miles. And from what I have seen down there, there is not much to let you know when you are in Mexico or in the United States. And there is a tremendous amount of truck and automobile traffic and an awful lot of resources and money behind the effort to get drugs into the United States.

It is corrupting Mexico, making it difficult for them to operate—an extremely violent world. And in this morning's paper, there is a story about Mr. Fuentes' doctors, three of whom were held responsible for his death, apparently, giving him a facelift or something so he would look a little different. They were found in concrete canisters along a road in Mexico.

These guys play for keeps. From their standpoint, it is a war. From their standpoint, they are deploying the maximum amount of resources, their considerable amount of wealth and resources.

Barry McCaffrey, a first-rate military officer, now our drug czar, when he says to me, "We need additional resources in order to be successful in these four areas," I pay attention to him. And I applaud his willingness to be able to come to the Department of Defense and to this Congress and say, "This is what we need to do in order to be successful."

Mr. President, I ask unanimous consent that three documents be printed in the Record: One is the letter of November 6 that General McCaffrey sent to Secretary Cohen, and another is the document that indicates the additional resources that are needed, and the third is the "Legal Authority to De-Certify Agency Budgets."

There being no objection, the material was ordered to be printed in the Record, as follows:

Executive Office of the President, Office of National Drug Control Policy,
Washington, DC, November 6, 1997.

Hon. William S. Cohen,
Secretary of Defense, Department of Defense, The Pentagon, Washington, DC.

Dear Secretary Cohen: The National Narcotics Leadership Act requires that the Office of National Drug Control Policy (ONDCP) review the drug budget of each department and certify whether the amount requested is adequate to implement the drug control program of the President. For FY 1999, the Department of Defense (DoD) has requested $809 million for drug control programs, approximately the same level as FY 1998. After careful review, ONDCP has determined pursuant to 21 U.S.C. §1502(c)(3)(B) that this budget cannot be certified.

To correct the deficiencies in the current FY 1999 proposal, DoD needs to amend its FY 1999 budget to include an additional $141 million in drug control initiatives, which will enhance operations in the Andes, Mexico, the Caribbean, and along our borders. Details associated with these amendments are highlighted in the enclosed document. Under 21 U.S.C. §1502(c)(5), DoD is required to include this additional funding in its FY 1999 submission to the Office of Management and Budget.

The support of the Department of Defense (DoD) is critical to achieving the goals of the National Drug Control Strategy. Appreciate your leadership of DoD's important counterdrug programs. The outstanding success of these missions in a credit to the dedicated men and women of our armed forces. Working together, the Executive Branch can structure a drug control budget which will reduce drug use and its consequences in America. Look forward to receiving the Department's amended FY 1999 budget proposal. Your support on this issue, which is so vital to our Nation's security and the health of our young people, is critical.

Respectfully,
Barry R. McCaffrey,
Director.

FY 1999 Drug Control Budget Amendments Department of Defense (As Required by 21 U.S.C. §1502(c)(5))

Andean Coca Reduction Initiative (+$75 million). This initiative incorporates enforcement and interdiction measures that will disrupt the cocaine export industry. These efforts will include support for host nation programs to interdict the flow of coca base and cocaine in source countries, as well as expanded support to Peruvian and Colombian riverine interdiction programs.

Mexican Initiative (+$24 million). This proposal will provide additional resources to reduce the flow of illicit drugs from Mexico into the United States and disrupt and dismantle criminal organizations engaging in drug trafficking and money laundering. This effort will help implement the Declaration of the Mexican-U.S. Alliance Against Drugs signed by President Zedillo and President Clinton on May 6, 1997. It will expand U.S. operational support to detection and monitoring missions in Mexican airspace and territorial seas, establish a joint law enforcement investigative capability in the Bilateral Border Task Forces, and aid the Mexican Government in developing a self-sustaining interdiction capability.

Caribbean Violent Crime and Regional Interdiction Initiative (+$12 million). This effort will target drug trafficking-related criminal activities and violence in the Caribbean Region, including South Florida, Puerto Rico, the U.S. Virgin Islands, and the independent states and territories of the Eastern Caribbean. This will implement commitments made by the President during the Caribbean Summit held in Barbados.

National Guard Counterdrug Operations (+$30 million). These funds will partially restore reductions incurred since FY 1993 in State Plans funding, which includes support for counterdrug activities along the border.

Executive Office of the President, Office of National Drug Control Policy,
Washington, DC, November 6, 1997.

Memorandum for Director
Through: Chief of Staff
From: Charles Blanchard, Director, Office of Legal Counsel

Legal Authority To De-Certify Agency Budgets

At your request, both General Counsel Judith Leonard and I independently reviewed ONDCP's statutes to determine our authority to certify national drug control agency budget.

It is our firm and considered legal opinion that the statute gives you two specific powers:

(1) The power to "certify in writing as to the adequacy of such [agency budget] request in whole or in part . . . and [should a budget not be certified] . . . include in the certification an initiative or funding level that would make this request adequate." [21 U.S.C. §1502(c)(3)(B)]; and

(2) The power to "request the head of a department or agency to include in the department's or agency's budget submission [to OMB] funding requests for specific initiatives that are consistent with the President's priorities for the National Drug Control Strategy" [21 U.S.C. §1502(c)(5)]

Most importantly, the statute makes quite clear that "the department or agency shall comply with such a [ONDCP] request." [21 U.S.C. §1502(c)(5)] In our view, this power to order an agency to place specific initiatives in the budget request is the most important power.

We have reviewed the proposed letter to the Secretary of Defense, and believe that it is fully consistent with this statute.

Mr. KERREY. I yield the floor.

Mr. BURNS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

EXTENSION OF MORNING BUSINESS

Mr. BURNS. Mr. President, I ask unanimous consent that the hour for morning business be continued until 6:30 p.m., this date, with Senators able to speak therein for up to 5 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BURNS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROTH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. ROTH. Mr. President, I ask unanimous consent my staffer, Bob Nickel, be permitted to be on the floor during this speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMENDING THE SENATE FOR ADDRESSING NATO ENLARGEMENT

Mr. ROTH. Mr. President, I wish to address the great efforts that this Chamber has undertaken on the matter of NATO enlargement—the extension of the alliance membership to the democracies of Central and Eastern Europe.

It is sometimes charged that Congress has provided serious consideration to this matter. Anyone who makes this argument has not paid attention to the legislation Congress passed on this matter over the last 3 years and have clearly ignored the activities of our committees, particularly the extensive amount of hearings that have been held over the last 2 months. Our leadership on both sides of the aisle is to be commended for the time and effort they have dedicated to this important matter.

Allow me to quickly review the highlights of Congress' role in the NATO enlargement issue. It is important to remember that Congress, in a most bipartisan manner, has led the charge for NATO enlargement.

In 1994, the 104th Congress, then led by a Democratic majority, passed the NATO Enlargement Participation Act, an initiative of then-Senator Hank Brown. This act not only endorsed NATO enlargement, but also called upon the President to establish programs to assist selected Central European democracies prepare for the burdens and responsibilities of alliance membership. This was a bipartisan initiative, one that found strong support in both parties. I might add that NATO enlargement was even a key pillar in the GOP's Contract With America.

In 1996, the Senate passed by recorded vote of 81-16 the NATO Enlargement Facilitation Act, a bill that explicitly endorsed NATO membership for Poland, the Czech Republic, Hungary, and Slovenia.

This summer the alliance finally heeded the urging of Congress. Last July, at the Madrid summit, the North Atlantic Council invited Poland, Hungary, and the Czech Republic to accession negotiations that will culminate in protocols of accessions that should be approved and signed this December at the annual NAC ministerial.

I might add that I had the honor serving as a member of the President's delegation to the Madrid summit along with Senators JOE BIDEN, GORDON SMITH, and BARBARA MIKULSKI. We attended in our capacity as members of the Senate's NATO Observer Group. Our role in this historic summit reflected the bipartisan support behind NATO's policy of enlargement and the degree of consultation and communication occurring on this issue between Congress and the administration.

Since the Madrid summit, and particularly over the last 2 months, this Chamber has focused on NATO enlargement in a manner I believe unprecedented for any realm of issues. I and Senator JOE BIDEN have had the privilege of facilitating 16 NATO Observer Group meetings with administration officials, experts, and foreign officials including NATO Secretary General, Javier Solana.

I want to especially commend the leadership of the Senate committees, whose statutory jurisdictions are far broader, for directing so much of their energies to this matter.

Over the last 2 months alone, the Foreign Relations Committee, the Appropriations Committee, and the Senate Budget Committee have held a total of nine hearings on NATO enlargement. They have addressed such issues as the geopolitical rational behind this initiative, the effect it has on Russia's evolution as international actor and as a democracy, the financial costs, and the military implications, among other issues, and the pro's and con's that one hears on these matters.

Mr. President, I ask unanimous consent to have printed in the RECORD a list of the meetings and hearings that have been conducted by these three Senate committees on NATO enlargement.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENATE COMMITTEE HEARINGS ON NATO ENLARGEMENT

October 7: Senate Foreign Relations Committee begins hearing on NATO expansion. Strategic Rationale of NATO Enlargement with Madeleine Albright.

October 9: Senate Foreign Relations Committee hearing on NATO Enlargement. Pros and Cons of NATO Enlargement with Senator Roth, Zbigniew Brzezinski, Jeanne Kirkpatrick, Michael Mandelbaum and Jonathan Dean.

October 21: Appropriations Committee hearing on NATO Enlargement. NATO Enlargement Costs with Madeleine Albright and William Cohen.

October 22: Appropriations Hearing on NATO Enlargement. NATO Enlargement Costs and DoD Readiness Impact with Chairman Joint Chiefs of Staff General Hugh Shelton and SACEUR General Wes Clark.

October 23: Appropriations Committee Hearing on NATO Enlargement. GAO Studies on NATO Enlargement Costs with Henry L. Hinton, Jr., Assistant Comptroller General, General Accounting Office.

October 28: Senate Foreign Relations Committee hearing on NATO Enlargement. Costs, Benefits and Burden Sharing of NATO Enlargement.

October 29: Budget Committee hearing on NATO Enlargement. NATO/EMU Costs with James Baker and Susan Eisenhower.

October 30: Senate Foreign Relations Committee hearing on NATO Enlargement. NATO-Russia Relations with Henry Kissinger.

November 5: Senate Foreign Relations Committee hearing on NATO Enlargement. Public Views on NATO Enlargement.

Mr. ROTH. These hearings have been conducted to the highest standard. They have addressed the most contentious and potentially divisive dimensions of NATO enlargement. They have provided a powerful podium for skeptics and for those who simply want to be sure that all the "i's" have been dotted.

Mr. President, I firmly believe that NATO enlargement will yield a stronger alliance, a more peaceful and more stable Europe, and a Europe that will be an even more effective partner for the United States in a world where our shared interests are increasingly global in nature.

I am not going to burden this Chamber with another rendition of why I support NATO enlargement.

However, I have followed these hearings closely, and I would like to address what I think one should draw from their deliberations on three of the most important issues of NATO enlargement: the cost; its relationship to America's global interests; and, the future of Russia.

Costs has been the most debated dimension of NATO enlargement. However, the Senate's examination of this issue so far leaves me even more confident that this will be a most worthwhile investment.

Earlier this year, the President, at the request of Congress, estimated that NATO enlargement will cost the United States some $100–200 million per year over the next decade.

Last month, Secretary Cohen and Secretary Albright testified to the Appropriations Committee that the costs to the United States may be less because some if not much of the infrastructure existing in Poland, the Czech Republic, and Hungary is more capable than previously estimated.

More detail on the costs of NATO enlargement is an urgent priority. NATO will soon complete its own estimate of the costs of integrating the three nations. This report is due before the December NAC ministerial. It is imperative that this study is fully transparent, clear, and specific.

With that said, even if NATO enlargement were to cost the United States some $500 million a year over the decade, that yearly cost would still amount to about a quarter of the cost of one B-2 bomber. That is not a bad deal considering the gains we will attain in solidifying peace and stability in post-cold-war Europe.

The Senate hearings have also reaffirmed my confidence that NATO enlargement will enhance America's ability to secure its vital interest around the globe—not just those in Europe.

NATO enlargement is critical step toward a more unified and more peaceful Europe. It is, thus, fundamental to Europe's evolution into a partner that will more effectively meet global challenges before to the transatlantic community. An undivided Europe at peace is a Europe that will be better able to look outward, a Europe better able to join with the United States to address necessary global security concerns. A partnership with an undivided Europe in the time-tested architecture of NATO will enable the United States to more effectively meet the global challenges to its vital interests at time when our defense resources are increasingly strained.

This was a, if not the, central theme of former national security advisor Zbigniew Brzezinski's recent presentation before the Senate Foreign Relations Committee. To use his words:

> NATO expansion is central to the vitality of the European-American connection, to the scope of a secure and democratic Europe, and to the ability of the America and Europe to work together in promoting international security.

European instability, which is inherently more likely should we fail to extend Alliance membership to the democracies of Central Europe, portends to be the greatest of drains upon U.S. defense resources, energy, and effort. This has already proven to be the case in Bosnia. We must take the pro-active steps necessary to consolidate and widen the zone of security and, thus, peace and stability in Europe. NATO enlargement is the most effective step we can take toward this end.

Third, these Senate hearings have constructively and aggressively addressed concerns that have been voiced about the potential impact of NATO enlargement upon Russia's future.

Testimony from Under Secretary of State Thomas Pickering, our former Ambassador to Moscow, emphasized that NATO enlargement has not produced a revanchist Russian foreign policy nor undercut democracy in Russia. In fact, let me quote directly form Ambassador Pickering's testimony.

He stated:

> Over the last 18 months, precisely, when NATO enlargement has been a salient point of our agenda, Russian reform and security cooperation have moved forward, not backward.

This former Ambassador to Russia added that in the course of NATO enlargement, Yeltsin was reelected as Russia's President and that since then he has elevated reformers in his government. Moreover, Yeltsin has appointed a new defense minister, one who publicly supports START II. Most importantly, last May Russia signed the Founding Act, an agreement that offers an unprecedented opportunity for a new era of cooperation and partnership between the Alliance and Russia.

Mr. President, too many times this year Congress has been accused of paying inadequate attention to the policy of NATO enlargement. The fact is that Congress has aggressively addressed this matter. Congress has not only been engaged in this policy its bipartisan leadership on this matter has actually been a catalyst of action.

Much commendation is due to the Senate leadership and the Chamber as a whole for the sustained attention that has been directed to the many facets of this issue. The amount of consultation that has occurred between the administration and Congress makes NATO enlargement a model of how to approach the executive-legislative dimension of U.S. security policy.

I fully recognize that our deliberations on NATO enlargement are far from over. More hearings are sure to be held on this important policy, as they should be. However, I thought it important to highlight the tremendously effective efforts that this Chamber has already directed to this matter of national security.

SENATOR BIDEN'S NATO SPEECH

Mr. ROTH. Mr. President, our colleague, Senator JOE BIDEN, addressed the Permanent Representatives to the North Atlantic Council, the so called NAC, during their visit to the United States last month. His speech was an impressive overview of the state of debate here in the United States on NATO enlargement and how that debate is being affected the debate in Europe on issues of transatlantic security. Among these are, of course, the effort to foster reconciliation and peace in the Balkans.

The next coming months will feature a number of important events concerning NATO enlargement, including the NAC ministerial in mid-December which will yield protocols of accession into NATO for Poland, Hungary, and the Czech Republic.

Keeping in mind the debate that we will have early next year on NATO enlargement, I encourage my colleagues to read Senator BINDEN's statement. It is one that should also be closely read by our colleagues in the executive branch.

Mr. President, I ask unanimous consent that Senator BIDEN's outstanding speech on NATO enlargement be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RATIFICATION OF NATO ENLARGEMENT BY THE U.S. SENATE

(By Senator Joseph R. Biden, Jr.)

I am honored by the invitation of the North Atlantic Council to share my thoughts on the American side of one of the most important foreign policy decisions that our alliance has faced for many decades: ratification of the admission of Poland, the Czech Republic, and Hungary to membership in the North Atlantic Treaty Organization.

First, let me make clear that I am a strong proponent of NATO enlargement. In the interest of brevity, and because there is no need to persuade this audience, I will not go into the details of my rationale.

Let me just say I believe the case for enlargement is overwhelmingly persuasive. First, it is my belief that the inclusion of the three aforementioned countries—if they meet all of NATO's rigid political, military, and economic criteria—would strengthen the alliance and enhance the security of the United States.

Second, the consequences if we fail to act are equally serious. The history of the twentieth century has taught us that if the United States distances itself from European affairs, the result on the continent is instability leading to chaos. Ultimately, dealing with the instability and chaos will cost far more in blood and treasure than the initial costs of staying engaged.

Finally, there is the moral factor. As Secretary of State Albright noted in her testimony before the Senate Foreign Relations Committee:

> What possible justification can there be for confirming the old cold war division of Europe by freezing out the new democracies east of Germany?

As most of you know, according to the U.S. Constitution, international treaties must be ratified by a two-thirds majority in the Senate. In this case, we would be ratifying an amendment to the Treaty of Washington of 1949. As the Democratic party's chief foreign policy spokesman in the Senate, I have the responsibility to lead the fight for ratification.

Despite what I believe to be the overwhelming logic for NATO enlargement, ratification will not be easy—it will not be a "slam dunk," as we say in this country. It will be considered, not only in the context of national security policy, but in the context of domestic politics.

And in the context of our debate about engagement versus isolationism. I know most of you are primarily concerned with military matters. But I hope you will convey to the civilian and political leaders in each of your countries the kinds of issues that could derail ratification in the U.S. Senate—to the detriment of all of us.

My principal reasons for being cautious about NATO enlargement revolve around two sides of the same issue: burden-sharing. The first side relates to sharing the costs of NATO enlargement; the second side relates to sharing the military duties in Bosnia.

Contrary to assertions by some European politicians, these cost and burden-sharing issues are not superficial problems. They have direct relevance, not only to the ratification of enlargement, but also to the kind of alliance we will have in the 21st century.

First the costs. There has been a good deal of publicity in the United States about three widely differing cost estimates of NATO enlargement. NATO's own cost-estimate—mandated by the North Atlantic Council at last July's Madrid summit—will not be known until just before the December NATO ministerial. So any firm predictions about how that will come out would be risky and premature.

Nonetheless, the latest estimate from the Clinton administration, offered this week in testimony before the Foreign Relations Committee, was somewhat reassuring. It appears that the NATO estimate may be somewhat lower than the Pentagon's earlier study because only three—not four—countries are to be added to the alliance, and some of their militaries are in a bit better shape than previously thought.

Whatever the final numbers, the atmospherics of the debate over cost-sharing since Madrid have been damaging to Trans-Atlantic solidarity. Public statements from West European leaders that their countries should not—or even will not—pay any additional costs for enlargement given potent ammunition both to neo-isolationists in the U.S. Senate and to those who favor engagement but who have legitimate questions about costs.

Although there have been many warnings in the United States about the possibly huge costs of NATO enlargement, to my knowledge not a single American politician has said that we will not pay our share if enlargement is ratified. Yet when European leaders—before even waiting for the official NATO cost-study to come out in December—threaten not to pay even one additional franc or mark for enlargement, it is waving a red flag in front of my colleagues in the Senate.

Many of my fellow Senators are aware of the fact that West Europeans face competing priorities. We know that the eleven European NATO members who are also members of the European Union are currently engaged in painful budget cutting in order to meet the criteria for a single currency, the Economic and Monetary Union (EMU) on January 1, 1999. And we are aware that Germany and others are insisting that those countries who qualify be held to rigid fiscal discipline thereafter through a so-called "stability pact" without "political" criteria.

We do not underestimate the political stakes: resentment against this belt-tightening played a key role in the defeat of President Chirac's coalition in the French national elections last June and in the one-day temporary fall of Prime Minister Prodi's government in Italy earlier this month. Several other EU member states have also seen anti-austerity demonstrations.

As a politician, I empathize with the challenge my European parliamentary colleagues face. But we all have to make difficult choices. For example, in my country after years of spirited debate we have finally agreed upon a plan to balance the Federal budget by the year 2002. In fact, by having taken extremely painful measures like reducing the civilian Federal workforce by more than a quarter-million individuals we may reach a balanced budget even earlier.

So however difficult it may be, if you—our European allies—want continued American involvement in your security, to use a baseball metaphor, your governments will have to "step up to the plate." Let me be as frank as I possibly can: Americans simply must not be led to believe that our European allies will cut corners on NATO in order to fulfill their obligations to the European union.

Let me go one step further, if NATO is to remain a vibrant organization with the

United States playing a lead role, when the alliance cost figures are issued in December, the non-U.S. members must join the United States in declaring their willingness to assume their fair share of direct enlargement costs.

This includes developing the power projection capabilities to which all alliance members agreed in the "strategic concept" in 1991, before enlargement was even being seriously discussed. The flexibility afforded by these power projection enhancements are central to NATO's ability to carry out its expanded, new mission—to defend our common ideals beyond our borders, while we continue to carry out the core function of defending the territory of alliance members.

Some of our European allies—the United Kingdom, France, Germany, and the Netherlands, in particular—are making strides in improving the deployability and sustainability of their forces. But neither their forces, nor those of the rest of our European partners, are as yet fully deployable.

If our European partners were not to meet these force-projection obligations—and it was this part of the Pentagon study that occasioned the loudest criticism from across the Atlantic—the United States would continue to possess the only fully deployable and sustainable land and air forces in the alliance and would therefore be cast in the permanent role of "the good gendarme of Europe"—a role that neither the American people, nor the Senate of the United States, would accept.

I also would like to comment on the recent call by some West European defense ministers for counting economic assistance to Central and Eastern Europe as a substitute for meeting their countries' current alliance commitments and their future share of enlargement costs. Their proposal makes no sense and is totally counter-productive.

First of all, European statistics on economic assistance typically include healthy components of export credits, tied aid, and investment, making alleged comparisons with U.S. assistance one of "apples versus oranges." Thus, the difference in the amount of economic aid from Western Europe and from the United States is less significant than some European politicians would have us believe.

Second, even if Western European economic assistance to the East since 1990 has exceeded our own, it would be unwise to consider these contributions as a substitute for obligations related to NATO's military budget: it would only reinforce the "European businessman"/"American gendarme" syndrome. It would widen the military gap between the U.S. and the continent and, not unintentionally, give a comparative advantage to Western European companies in dealing with the East on the economic front. We in the United States simply won't play that game.

Third, and most importantly, such substitution arguments are ultimately self-defeating for Europe. As many of my Senate colleagues are eager to point out, if Western Europe claims security credit for its economic assistance to Eastern Europe, then the United States can justifiably claim credit for its worldwide containment of the threat of nuclear proliferation, for keeping international sea lanes open, and for guaranteeing continued access to Middle East oil.

To be blunt: I don't think you want us to play that game, because we can win it hands down.

The real point is that burden-sharing is not a book-keeping exercise. We would all do well to restrict the NATO burden-sharing discussion to just that—military burden-sharing in the alliance.

One other point related to comparative spending on defense: above and beyond enlargement and power-projection capability, unless you—our European allies—significantly upgrade your militaries, particularly in gathering and real-time processing of information, a "strategic disconnect" between a technologically superior United States military and outdated Western European militaries will eventually make it impossible for NATO to function effectively. From several personal conversations, I believe that this is a worry that many of you share.

There is a second dark cloud looming on the horizon of Trans-Atlantic relations. In the spring of 1998, just when the U.S. Senate is likely to be voting on amending the Treaty of Washington to accept new members, American SFOR ground forces are scheduled to be completing their withdrawal from Bosnia.

As it now stands, our European NATO allies will follow suit, in line with their "in together, out together" policy, despite a U.S. offer to make our air, naval, communications, and intelligence assets available to a European-led follow-on force, with an American rapid reaction force on standby alert "over the horizon" in Hungary or Italy.

My colleagues in the Senate have listened carefully as some European NATO members, led by France, call for more European leadership in the alliance and for a sturdier "European pillar" in NATO. But when they hear those same European voices say they will refuse to maintain troops in Bosnia without U.S. participation, it sounds like unfair burden-sharing and it only reinforces their doubts about NATO itself. After all, if Bosnia is the prototypical crisis the alliance will face in the next century, and internal squabbling prevents it from dealing effectively with Bosnia now, even staunch NATO supporters will be hard-pressed to defend its continued relevance.

France's position on Bosnia is particularly irritating when one considers its insistence on European command of Allied Forces Southern Europe (AFSOUTH) in Naples, the home of the U.S. Sixth Fleet. No matter how Paris tries to dress it up, this demand is perceived by U.S. Senators as a gratuitous poke in the eye. Not only is this idea a non-starter, it simply poisons the Trans-Atlantic atmosphere.

As many of you may know, I have been deeply involved in our policy toward Bosnia since 1991. My own personal view is that it was unwise to have set a June 1998 date for SFOR's withdrawal and that the United States should agree to a scaled-down ground force in Bosnia beyond that date, with Europeans comprising the overwhelming majority of the ground forces. In short, a C.J.T.F. (combined joint task force), but one in which the United States has at least some forces present in all its components.

But whatever the final mix of post-SFOR forces, it is essential that we settle this issue this fall in order for an orderely redeployment to take place and to clear the air for the parliamentary debates on NATO enlargement. Time is running short.

Let me sum up by giving you my prognosis for ratification of NATO enlargement in the U.S. Senate. The debate has already begun and will continue to be lively. In the end, I believe it will be very difficult for most of my colleagues to vote against admitting the Poles, Czechs, and Hungarians if the final accession negotiations reveal that they are qualified for membership.

But I also believe that unless the United States quickly comes to a satisfactory burden-sharing understanding with our European and Canadian allies, the future of NATO in the next century will be very much in doubt.

In that context, an advance European declaration of willingness to share fairly in the enlargement costs that NATO will announce in December, and a spirit of compromise on a post-SFOR force for Bosnia, would considerably enhance the chances for ratification of NATO enlargement by the U.S. Senate.

Together we can enlarge and strengthen NATO, but only if we fairly share the burden of meeting the challenges of the twenty-first century.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Thursday, November 6, 1997, the Federal debt stood at $5,431,079,031,652.94 (Five trillion, four hundred thirty-one billion, seventy-nine million, thirty-one thousand, six hundred fifty-two dollars and ninety-four cents).

One year ago, November 6, 1996, the Federal debt stood at $5,245,748,000,000 (Five trillion, two hundred forty-five billion, seven hundred forty-eight million).

Five years ago, November 6, 1992, the Federal debt stood at $4,087,224,000,000 (Four trillion, eighty-seven billion, two hundred twenty-four million).

Ten years ago, November 6, 1987, the Federal debt stood at $2,396,279,000,000 (Two trillion, three hundred ninety-six billion, two hundred seventy-nine million).

Twenty-five years ago, November 6, 1972, the Federal debt stood at $435,570,000,000 (Four hundred thirty-five billion, five hundred seventy million) which reflects a debt increase of nearly $5 trillion—$4,995,509,031,652.94 (Four trillion, nine hundred ninety-five billion, five hundred nine million, thirty-one thousand, six hundred fifty-two dollars and ninety-four cents) during the past 25 years.

CONGRATULATIONS TO ANNA TAYLOR CELEBRATING HER 100th BIRTHDAY

Mr. ASHCROFT. Mr. President, I rise today to encourage my colleagues to join me in congratulating Anna Taylor of Grandview, MO, who will celebrate her 100th birthday on November 22. Anna is a truly remarkable individual. Anna has witnessed many of the events that have shaped our Nation into the greatest the world has ever known. The longevity of Anna's life has meant much more, however, to the many relatives and friends whose lives she has touched over the last 100 years.

Anna's celebration of 100 years of life is a testament to me and all Missourians. Her achievements are significant and deserve to be recognized. I would like to join Anna's many friends and relatives in wishing her health and happiness in the future.

COMMERCIALIZATION OF BIOTECHNOLOGIES

Mr. ABRAHAM. The Federal Government has spent millions of dollars during the past decade to support research laboratories, universities and the private sector to develop technologies to reduce the Nation's reliance on imported oil through the use of renewable energy sources, and to improve the efficiency and reduce the cost of cleaning up federally-owned sites which are contaminated with hazardous waste. This research is extremely valuable and is directed at addressing some of the most serious challenges facing our Nation. Unfortunately, these national research and development initiatives often do not provide maximum benefit to the Federal Government or to the private sector, since the technologies are not demonstrated to be effective on a commercial scale. It is my hope that as we continue to pursue these issues, the Federal Government can do more to help give the lessons learned from this research broader application.

A new program which recently has come to my attention—Acceleration Demonstration of Federally Sponsored Research for Renewable Energy Production and Environmental Remediation—seeks to remedy this problem. It seems to me that through a cooperative effort with the Department of Energy, its laboratories and other federally-sponsored research institutions, non-profit research and business development organizations could help commercialize existing federal research so that Americans could benefit more widely from these Federal initiatives.

Mr. BURNS. I agree with my colleague from Michigan. Commercialization of Federal research, particularly through non-profit organizations, could play a significant role in expanding the benefits from this research and get the most from our Federal research investments.

Mr. DASCHLE. The Senator is right. The Federal Government should do more to help commercialize the results of federally-sponsored research. DOE should consider what steps it can undertake to better achieve this objective.

Mr. DOMENICI. The Department of Energy has a number of programs by which it might be able to team with non-Federal entities to commercialize technologies developed by the Department. I would encourage the Department of Energy to review the proposal mentioned by my colleagues and, to the extent appropriate within existing Department of Energy technology transfer programs, consider it for possible funding.

Mr. REID. That is correct. Funding is available under this bill for DOE in the Acceleration Demonstration of Federally Sponsored Research for Renewable Energy Production and Environmental Remediation programs account that can be awarded for commercialization of renewable fuels and environmental cleanup technologies on a competitive basis. I would urge DOE to seriously consider supporting this work in fiscal year 1998 up to the $5 million level.

Mr. BURNS. That is my view as well.

THE VILLHAUERS OF HOSMER, SOUTH DAKOTA

Mr. DASCHLE. Mr. President, I am looking forward to returning to South Dakota next week to join the citizens of my home state in honoring the men and women who have so faithfully served our nation in the armed forces. While all those who have given themselves to the call of duty will be on our minds on Tuesday, November 11, 1997, there is one family that will especially be on my mind.

The Villhauers of Hosmer, South Dakota hold a distinction that may well separate them from any other family in this nation. Mr. and Mrs. Fred Villhauer raised 7 sons in Hosmer, all of whom served this nation concurrently during World War II. Fred Jr., John, Henry, Albert, Arthur, Edmund and Herman Villhauer all answered the call of this country, and laid their lives on the line for the security and ideals of the United States.

Six of the brothers would survive the second world war and return to the United States. Albert, unfortunately, was killed during the retaking of the Philippine Islands on January 30, 1945. Fred Jr. returned to my hometown of Aberdeen where he lived until several years ago. The 5 other brothers are all alive today.

I should add that an 8th Villhauer brother, Paul, was too young to serve in World War II. But he joined the Army shortly after the war and eventually served during the Korean War. Paul Villhauer has also passed away.

Service to the United States seemed to run in the family for the Villhauers. The grandparents of the 8 brothers would have over 20 of their descendants serve in World War II, including 3 at Pearl Harbor. In all, more than 60 members of this family would join the armed forces of the United States of America. Six generations later, this segment of the Villhauer family boasts more than 1,000 descendants. This information was graciously provided by Emil Vilhauer, a former resident of South Dakota now residing in Wisconsin.

As Veterans' Day draws near, let us remember all who have served this nation, and especially those who were called to make the ultimate sacrifice to preserve our freedom. But this year in particular, I hope my colleagues and all the citizens of our great nation will join me in remembering one very special family that knows the true meaning of love of country: the family of Fred and Catherine Villhauer of Hosmer, South Dakota.

ENCRYPTION

Mr. ASHCROFT. Mr. President, I wanted to take a moment to associate myself with the comments of the majority leader from October 21, 1997. Senator LOTT has correctly highlighted the FBI's constantly shifting arguments and the Bureau's seemingly relentless attempts to grab more power at the expense of the Constitution, particularly the fourth amendment's protection of privacy and the fifth amendment's guarantee of due process.

The FBI legislative proposal goes far beyond the Commerce Committee's misguided encryption legislation in further disregarding our Constitution. Instead of working with those who understand that S. 909 gives the FBI unprecedented and troubling authority to invade lives, the FBI has attempted to grab even broader authority. The Senate would be foolish to pass S. 909. In no way can we even consider the ill-advised FBI approach. The reach of the FBI has now extended so far that the President has taken the other side of the issue and supported a free market approach, according to his public comments delivered abroad.

I can only conclude that the FBI has introduced its proposal as a ploy to make S. 909 look like a reasonable compromise. The only other explanation for the FBI's proposal is that the Bureau will not be satisfied with S. 909, but instead will continue to work to erode our Constitutional protections. In fact, the new proposal only draws attention to the many problems of the commerce Committee language. Neither proposal is acceptable.

The issue of encryption must be revisited in a real and serious way next year, both at the committee level and in the Senate chamber, to examine the many Constitutional implications of the various proposals. I look forward to working with the Majority Leader and other Senators who have expressed interest in encryption legislation.

I yield the floor.

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

UNANIMOUS CONSENT REQUEST— H.R. 2516

Mr. ABRAHAM. Mr. President, I rise for the purpose of seeking unanimous consent that the Senate now proceed to Calendar No. 189, H.R. 2516.

Mr. WARNER. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. ABRAHAM. Mr. President, I regret that objection has been raised in this context.

Mr. President, if the Senator will yield for a question, Does his objection to consideration of H.R. 2516 mean that the Senate will not take up this bill in this session?

Mr. WARNER. Mr. President, that is correct.

Mr. ABRAHAM. I am disappointed over that decision, Mr. President, for passage of H.R. 2516 would have provided my State of Michigan with approximately $200 million more than we averaged under ISTEA. However, I stand by ready to assist the chairman in ensuring all States receive a fair and equitable return on their gas tax dollar.

Mr. WARNER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMENDING SENATOR ROBERTS

Mr. LOTT. Mr. President, I want to say what an excellent job you are doing as Presiding Officer. I understand you are fast approaching the amount of time serving in the chair where you will receive the "Golden Gavel" recognition. I look forward to being able to come to the floor and pay tribute to you when that time is acquired.

The PRESIDING OFFICER. The Senator is correct.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on the Executive Calendar: Calendar Nos. 381, 428 through 439, 444 through 447, 451 through 453, 456 and 466. I further ask unanimous consent that the nominations be confirmed; that the motion to reconsider be laid upon the table; that any statements relating to these nominations appear at the appropriate place in the RECORD; that the President be immediately notified of the Senate's action; and that the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed are as follows:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Saul N. Ramirez, Jr., of Texas, to be an Assistant Secretary of Housing and Urban Development.

DEPARTMENT OF STATE

Nancy H. Rubin, of New York, for the rank of Ambassador during her tenure of service as Representative of the United States of America on the Human Rights Commission of the Economic and Social Council of the United Nations.

A. Peter Burleigh, of California, to be a Representative of the United States of America to the Sessions of the General Assembly of the United Nations during his tenure of service as Deputy Representative of the United States of America to the United Nations.

Bill Richardson, of New Mexico, to be a Representative of the United States of America to the Sessions of the General Assembly of the United Nations during his tenure of service as Representative of the United States of America to the United Nations.

Richard Sklar, of California, to be an Alternate Representative of the United States of America to the Sessions of the General Assembly of the United Nations during his tenure of service as Representative of the United States of America to the United Nations for UN Management and Reform.

Betty Eileen King, of Maryland, to be an Alternate Representative of the United States of America to the Sessions of the General Assembly of the United Nations during her tenure of service as Representative of the United States of America on the Economic and Social Council of the United Nations.

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

Kirk K. Robertson, of Virginia, to be Executive Vice President of the Overseas Private Investment Corporation.

Terrence J. Brown, of Virginia, a Career Member of the Senior Foreign Service, Class of Career Minister, to be an Assistant Administrator of the Agency for International Development.

Mark Erwin, of North Carolina, to be a Member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1999.

Harriet C. Babbitt, or Arizona, to be a Deputy Administrator of the Agency for International Development.

Thomas H. Fox, of the District of Columbia, to be an Assistant Administrator of the Agency for International Development.

UNITED STATES INFORMATION AGENCY

Cheryl F. Halpern, of New Jersey, to be a Member of the Broadcasting Board of Governors for a term expiring August 13, 1999. (Reappointment)

Carl Spielvogel, of New York, to be a Member of the Broadcasting Board of Governors for a term expiring August 13, 1999. (Reappointment)

DEPARTMENT OF ENERGY

Linda Kay Breathitt, of Kentucky, to be a Member of the Federal Energy Regulatory Commission for a term expiring June 30, 2004.

Curt Herbert, Jr., of Mississippi, to be a Member of the Federal Energy Regulatory Commission for the remainder of the term expiring June 30, 1999.

THE JUDICIARY

John M. Campbell, of the District of Columbia, to be Associate Judge of the Superior Court of the District of Columbia for the term of fifteen years.

Anita M. Josey of the District of Columbia, to be Associate Judge of the Superior Court of the District of Columbia for the term of fifteen years.

DEPARTMENT OF STATE

Betty Eileen King, of Maryland, to be Representative of the United States of America on the Economic and Social Council of the United Nations, with the rank of Ambassador.

DEPARTMENT OF JUSTICE

Seth Waxman, of the District of Columbia, to be Solicitor General of the United States.

THE JUDICIARY

Stanley Marcus, of Florida, to be United States Circuit Judge for the Eleventh Circuit.

Jerome B. Friedman, of Virginia, to be United States District Judge for the Eastern District of Virginia.

Norman K. Moon, of Virginia, to be United States District Judge for the Western District of Virginia.

NOMINATION OF CURTIS L. HEBERT, JR.

Mr. LOTT. Mr. President, today the Senate is sending two very distinguished and qualified new Commissioners to the Federal Energy Regulatory Commission. I am pleased that my good friend Curtis L. Hebert, Jr. of Pascagoula, MS, is one of them.

Curt has served the State of Mississippi as a member of the Public Service Commission for several years. During that time, he has demonstrated the ability to balance the diverse utility interests in our State. This is no easy task. Mississippi is the home to both public and private power companies, PUHCA's and providers of all sizes. Curt has proven that he has the skills necessary to address the needs of each of these entities, while keeping the best interest of the consumer in mind.

As a former member of the Senate Energy and Natural Resources Committee, I certainly appreciate the high standard that FERC nominees are held to during committee consideration. Throughout the nomination process, Curt has demonstrated that he has not only the knowledge, but the determination and skills to get the job done. He has been a responsible and able steward of the utility industry in Mississippi. I expect that he will serve the FERC and our Nation with the same enthusiasm and foresight.

We all must recognize that electric utility deregulation is on the horizon. How and when a new system will be created remains to be seen. What is certain, however, is that the FERC will be instrumental in guiding Congress toward competition in the utility industry. I am confident that Curt has the experience and insight necessary to help us reach the right balance of interests. Most importantly, Curt understands what deregulation means on the State level.

There is no industry as complex as the utility world—and none that impacts the lives of Americans more directly every day. The challenge ahead are great and must be tackled head on. There is no denying that the FERC Commissioners have their work cut out for them.

Mr. President, I am pleased that the Senate has unanimously confirmed Curt Hebert as a member of the FERC, ensuring that the future of the electric utility industry is in good hands. I congratulate him on this accomplishment and wish him the best of luck in the future.

NOMINATION OF JERRY FRIEDMAN

Mr. LEAHY. Mr. President, I commend the majority leader for deciding to take up the nomination of Jerry Friedman to serve as a judge for the Eastern District of Virginia. Judge Friedman's nomination was received by the Judiciary Committee on June 26, 1997. He appeared before us during a nomination hearing on October 28 and was reported favorably out of the committee on November 6.

From June 1985 to January 1991, Judge Friedman sat on the bench of the Juvenile and Domestic Relations District Court in Virginia Beach, VA. Since 1991, he has served as a judge for the Virginia Beach Circuit Court. The American Bar Association gave Judge Friedman a unanimous "well-qualified" evaluation—its highest rating.

I would like to congratulate both Judge Friedman and his family. I look forward to his service on the U.S. District Court.

NOMINATION OF NORMAN MOON

I am delighted that the majority leader has taken up the nomination of Norman Moon to serve as a U.S. District Court judge for the Western District of Virginia. Judge Moon has been sitting on the bench of Virginia State courts since 1974. He is currently serving as the chief judge for the Virginia State Appellate Court—a position which he has held since May 1, 1993.

Judge Moon has been a member of several legal and judicial-related organizations, including the National Institute of Trial Advocacy, the State-Federal Judicial Council for Virginia, and the National Council of Chief Judges.

We received Judge Moon's nomination on October 8, 1997. He appeared before the Judiciary Committee during a hearing on October 28 and he was reported favorably out of the Committee on November 6.

I congratulate Judge Moon and his family on his accomplishment and I look forward to his service as a U.S. District Court judge.

I would like to note that the nomination process experienced by Judge Moon has been the exception, not the rule, for this year. I hope that more judicial nominees will enjoy a similar experience in the future.

NOMINATION OF STANLEY MARCUS

I am delighted that the majority leader has decided to take up the nomination of Stanley Marcus to serve as a judge for the Eleventh Circuit Court of Appeals. Judge Marcus is a graduate of Queens College of the City University of New York and the Harvard Law School.

Since 1985, Judge Marcus has served as a Federal district court judge for the Southern District of Florida. Prior to his Federal judgeship, Judge Marcus was employed as a special attorney, deputy chief and chief for the organized crime and racketeering section of the U.S. Department of Justice Detroit strike force.

The committee received Judge Marcus' nomination on September 25, 1997. He appeared before us during a nominations hearing on October 28 and was reported favorably out of the Judiciary Committee on November 6.

I congratulate Judge Marcus and his family, and look forward to his service on the U.S. Court of Appeals. Additionally, I would like to commend my fellow committee members on the expediency of this nomination. If all judicial nominations were advanced as efficiently as Mr. Marcus', the vacancy crisis facing the Federal judiciary would be easily solved.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that there now be a period for morning business until 7:30 p.m. with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting a withdrawal and sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of January 7, 1997, the Secretary of the Senate, on November 7, 1997, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker has signed the following enrolled bill:

H.R. 2367. An Act to amend title 38, United States Code, to provide a cost-of-living adjustment in the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans.

The enrolled bill was signed subsequently by the President pro tempore [Mr. THURMOND].

MESSAGES FROM THE HOUSE

At 11:32 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 858) to authorize appropriations for fiscal year 1998 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 967. An act to prohibit the use of United States funds to provide for the participation of certain Chinese officials in international conferences, programs, and activities and to provide that certain Chinese officials shall be ineligible to receive visas and excluded from admission to the United States.

H.R. 2358. An act to provide for improved monitoring of human rights violations in the People's Republic of China.

H.R. 2386. An act to implement the provisions of the Taiwan Relations Act concerning the stability and security of Taiwan and United States cooperation with Taiwan on the development and acquisition of defensive military articles.

H.R. 2570. An act to condemn those officials of the Chinese Communist Party, the Government of the People's Republic of China, and other persons who are involved in the enforcement of forced abortions by preventing such persons from entering or remaining in the United States.

H.R. 2605. An act to require the United States to oppose the making of concessional loan by international financial institutions to any entity in the People's Republic of China.

At 7:15 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 2616. An act to amend titles VI and X of the Elementary and Secondary Education Act of 1965 to improve and expand charter schools.

H.R. 2647. An act to ensure that commercial activities of the People's Liberation Army of China or any Communist Chinese military company in the United States are monitored and are subject to the authorities under the International Emergency Economic Powers Act.

H.J. Res. 101. Joint resolution making further continuing appropriations for the fiscal year 1998, and for other purposes.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2264) making appropriations for the Departments of Labor, Health, and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1998, and for other purposes.

ENROLLED JOINT RESOLUTION SIGNED

The message further announced that the Speaker pro tempore (Mr. LATOURETTE) has signed the following enrolled joint resolution:

H.J. Res. 101. Joint resolution making further continuing appropriations for the fiscal year 1998, and for other purposes.

The enrolled joint resolution was signed subsequently by the Acting President pro tempore [Mr. ROBERTS].

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 967. An act to prohibit the use of United States funds to provide for the participation of certain Chinese officials in international conferences, programs, and activities and to provide that certain Chinese officials shall be ineligible to receive visas and excluded from admission to the United States; to the Committee on Foreign Relations.

H.R. 2358. An act to provide for improved monitoring of human rights violations in the People's Republic of China; to the Committee on Foreign Relations.

H.R. 2386. An act to implement the provisions of the Taiwan Relations Act concerning the stability and security of Taiwan and United States cooperation with Taiwan on the development and acquisition of defensive military articles; to the Committee on Foreign Relations.

H.R. 2570. An act to condemn those officials of the Chinese Communist Party, the Government of the People's Republic of China, and other persons who are involved in the enforcement of forced abortions by preventing such persons from entering or remaining in the United States; to the Committee on Foreign Relations.

H.R. 2605. An act to require the United States to oppose the making of concessional loan by international financial institutions to any entity in the People's Republic of China; to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

H.R. 2366. A bill to transfer to the Secretary of Agriculture the authority to conduct the census of agriculture, and for other purposes (Rept. No. 105–141).

By Mr. CHAFEE, from the Committee on Environment and Public Works, with an amendment:

S. 1287. A bill to assist in the conservation of Asian elephants by supporting and providing financial resources for the conservation programs of nations within the range of Asian elephants and projects of persons with demonstrated expertise in the conservation of Asian elephants (Rept. No. 105–142).

By Mr. McCAIN, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 1115. A bill to amend title 49, United States Code, to improve one-call notification process, and for other purposes (Rept. No. 105–143).

By Mr. THOMPSON, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 222. A bill to establish an advisory commission to provide advice and recommendations on the creation of an integrated, coordinated Federal policy designed to prepare for and respond to serious drought emergencies (Rept. No. 105–144).

By Mr. CHAFEE, from the Committee on Environment and Public Works, without amendment:

H.R. 1787. A bill to assist in the conservation of Asian elephants by supporting and providing financial resources for the conservation programs of nations within the range of Asian elephants and projects of persons with demonstrated expertise in the conservation of Asian elephants.

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

S. 845. A bill to transfer to the Secretary of Agriculture the authority to conduct the census of agriculture, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. SHELBY, from the Select Committee on Intelligence:

Robert M. McNamara, Jr., of Maryland, to be General Counsel of the Central Intelligence Agency.

(The above nomination was reported with the recommendation that he be confirmed.)

By Mr. THURMOND, from the Committee on Armed Services:

Robert M. Walker, of Tennessee, to be Under Secretary of the Army.

Jerry MacArthur Hultin, of Virginia, to be Under Secretary of the Navy.

F. Whitten Peters, of the District of Columbia, to be Under Secretary of the Air Force.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

The following Air National Guard of the U.S. officer for appointment in the Reserve of the Air Force, to the grade indicated under title 10, United States Code, section 12203:

To be brigadier general

Col. Ronald A. Turner, 8052

The following-named officer for appointment in the U.S. Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be general

Lt. Gen. John P. Jumper, 7457

The following-named officer for appointment in the U.S. Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Frank B. Campbell, 9031

The following-named officer for appointment in the U.S. Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. David W. McIlvoy, 0022

The following-named officer for appointment in the U.S. Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Lansford E. Trapp, Jr., 7799

The following-named officer for appointment in the U.S. Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. David J. McCloud, 2670

The following-named officer for appointment in the U.S. Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Patrick K. Gamble, 2878

The following Army National Guard of the United States officer for appointment in the Reserve of the Army to the grade indicated under title 10, United States Code, section 12203:

To be brigadier general

Col. Howard L. Goodwin, 3547

The following-named officers for appointment in the Reserve of the Army to the grades indicated under title 10, United States Code, section 12203:

To be major general

Brig. Gen. David R. Bockel, 3146
Brig. Gen. James G. Browder, Jr., 1364
Brig. Gen. Melvin R. Johnson, 3385
Brig. Gen. J. Craig Larson, 1659
Brig. Gen. Rodney D. Ruddock, 9485

To be brigadier general

Col. Celia L. Adolphi, 1255
Col. Donna F. Barbish, 2133
Col. Emile P. Bataille, 3318
Col. Joel G. Blanchette, 9014
Col. George F. Bowman, 9374
Col. Gary R. DiLallo, 1920
Col. Douglas O. Dollar, 9730
Col. Russell A. Eggers, 7764
Col. Sam E. Gibson, 7099
Col. Fred S. Haddad, 5653
Col. Karol A. Kennedy, 8598
Col. Dennis E. Klein, 0720
Col. Duane L. May, 3910
Col. Robert S. Silverthorn, Jr., 7380
Col. James T. Spivey, Jr., 9772
Col. William B. Watson, Jr., 6859
Col. Charles E. Wilson, 7188

The following-named officer for appointment in the Reserve of the Army to the grade indicated under title 10, United States Code, section 12203:

To be brigadier general

Col. David R. Irvine, 7022.

The following-named officer for appointment in the U.S. Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be vice admiral

Vice Adm. William J. Fallon, 0304

(The above nominations were reported with the recommendations that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HELMS (for himself, Mr. GLENN, Mr. DEWINE, and Mr. FAIRCLOTH):

S. 1397. A bill to establish a commission to assist in commemoration of the centennial of powered flight and the achievments of the Wright brothers; to the Committee on Governmental Affairs.

By Mr. THOMAS (for himself, Mr. KERREY, Mr. ENZI, and Mr. HAGEL):

S. 1398. A bill to extend certain contracts between the Bureau of Reclamantion and irrigation water contractors in Wyoming and Nebraska that receive water from Glendo Reservoir; to the Committee on Energy and Natural Resources.

By Mr. BOND:

S. 1399. A bill to authorize the Secretary of the Army to carry out a project to protect and enhance fish and wildlife habitat of the Missouri River and the middle Mississippi River; to the Committee on Environment and Public Works.

By Mr. BOND (for himself, Mr. CHAFEE, Mr. WARNER, Mr. BAUCUS, and Mr. D'AMATO):

S. 1400. A bill to provide a 6-month extension of highway, highway safety, and transit programs pending enactment of a law reauthorizing the Intermodal Surface Transportaion Efficiency Act of 1991; to the Committee on Environment and Public Works.

By Mr. BUMPERS (for himself and Mr. GORTON):

S. 1401. A bill to provide for the transition to competition among electric energy suppliers for the benefit and protection of consumers, and for other purposes; to the Committee on Energy and Natural Resources..

By Mr. MURKOWSKI:

S. 1402. A bill to amend the Social Security Act to establish a community health aide program for Alaskan communities that do not qualify for the Community Health Aide Program for Alaska operated through the Indian Health Service; to the Committee on Finance.

S. 1403. A bill to amend the National Historic Preservation Act for purposes of establishing a national historic lighthouse preservation program; to the Committee on Energy and Natural Resources.

By Mr. BROWNBACK (for himself, Mr. MOYNIHAN, Mr. THOMPSON, and Mr. KERREY):

S. 1404. A bill to establish a Federal Commission on Statistical Policy to study the reorganization of the Federal statistical system, to provide uniform safeguards for the confidentiality of information acquired for exclusively statistical purposes, and to improve the efficiency of Federal statistical programs and the quality of Federal statistics by permitting limited sharing of records among designated agencies for statistical purposes under strong safeguards; to the Committee on Governmental Affairs.

By Mr. SHELBY (for himself, Mr. MACK, Mr. FAIRCLOTH, Mr. D'AMATO, Mr. BRYAN, Mr. GRAMS, Mr. KERRY, Mr. BENNETT, Mr. GRAMM, Mr. HAGEL, Mr. ALLARD, Mr. ENZI, and Ms. MOSELEY-BRAUN):

S. 1405. A bill to provide for improved monetary policy and regulatory reform in financial institution management and activities, to streamline financial regulatory agency actions, to provide for improved consumer credit disclosure, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SMITH of Oregon:

S. 1406. A bill to amend section 2301 of title 38, United States Code, to provide for the furnishing of burial flags on behalf of certain deceased members and former members of the Selected Reserve; to the Committee on Veterans Affairs.

By Mr. BURNS:

S. 1407. A bill to allow participation by the communities surrounding Yellowstone National Park in decisions affecting the park, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. D'AMATO (for himself and Mr. MOYNIHAN):

S. 1408. A bill to establish the Lower East Side Tenement National Historic Site, and for other purposes; to the Committee on Energy and Natural Resources.

By Ms. COLLINS (for herself, Mr. THOMPSON, and Mr. BENNETT):

S. 1409. A bill for the relief of Sheila Heslin of Bethesda, Maryland; to the Committee on the Judiciary.

By Mr. REED:

S. 1410. A bill to amend section 258 of the Communications Act of 1934 to enhance the protections against unauthorized changes in subscriber selections of telephone service providers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. MACK (for himself, Mr. HARKIN, Mr. DEWINE, Mr. SANTORUM, Ms. COLLINS, Ms. SNOWE, Mr. D'AMATO, Mr. SMITH of Oregon, Mrs. BOXER, Mr. KENNEDY, Mrs. FEINSTEIN, Mr. LAUTENBERG, Mr. GRAHAM, Mr. DODD, Mr. DURBIN, and Mr. WELLSTONE):

S. 1411. A bill to amend the Internal Revenue Code of 1986 to disallow a Federal income tax deduction for payments to the Federal Government or any State or local government in connection with any tobacco litigation or settlement and to use any increased Federal revenues to promote public health; to the Committee on Finance.

By Mr. SMITH of Oregon (for himself, Mrs. FEINSTEIN, Mr. WYDEN, Mr. BAUCUS, and Mr. GORTON):

S. 1412. A bill to amend the Internal Revenue Code of 1986 to permit certain tax free corporate liquidations into a 501(c)(3) organization and to revise the unrelated business income tax rules regarding receipt of debt-financed property in such a liquidation; to the Committee on Finance.

By Mr. LUGAR (for himself, Mr. HAGEL, Mr. ROBERTS, Mr. THOMAS, Mr. GRAMS, Mr. KERREY, Mrs. FEINSTEIN, and Mr. CHAFEE):

S. 1413. A bill to provide a framework for consideration by the legislative and executive branches of unilateral economic sanctions; to the Committee on Foreign Relations.

By Mr. MCCAIN (for himself, Mr. HOLLINGS, Mr. BREAUX, and Mr. GORTON):

S. 1414. A bill to reform and restructure the processes by which tobacco products are manufactured, marketed, and distributed, to prevent the use of tobacco products by minors, to redress the adverse health effects of tobacco use, and for other purposes; read the first time.

By Mr. MCCAIN (for himself, Mr. HOLLINGS, Mr. BREAUX, and Mr. GORTON):

S. 1415. A bill to reform and restructure the processes by which tobacco products are manufactured, marketed, and distributed, to prevent the use of tobacco products by minors, to redress the adverse health effects of tobacco use, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. MCCONNELL:

S. 1416. A bill to amend Federal election laws to repeal the public financing of national political party conventions and Presidential elections and spending limits on Presidential election campaigns, to repeal the limits on coordinated expenditures by political parties, and for other purposes; to the Committee on Finance.

By Mr. DOMENICI (for himself, Mr. BINGAMAN, and Mr. LOTT):

S. 1417. A bill to provide for the design, construction, furnishing and equipping of a Center for Performing Arts within the complex known as the New Mexico Hispanic Cultural Center and for other purposes; considered and passed.

By Mr. AKAKA (for himself, Mr. CRAIG, and Ms. LANDRIEU):

S. 1418. A bill to promote the research, identification, assessment, exploration, and development of methane hydrate resources, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MACK:

S. 1419. A bill to deem the activities of the Miccosukee Tribe on the Tamiani Indian Reserve to be consistent with the purposes of the Everglades National Park, and for other purposes; to the Committee on Indian Affairs.

By Mrs. FEINSTEIN (for herself and Mr. KYL):

S. 1420. A bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to provide for full reimbursement of States and localities for costs related to providing emergency medical treatment to individuals injured while entering the United States illegally; to the Committee on the Judiciary.

By Mr. KENNEDY (for himself, Mr. COCHRAN, Mr. DURBIN, Mr. FAIRCLOTH, and Ms. MIKULSKI):

S. 1421. A bill to amend the Public Health Service Act to provide additional support for and to expand clinical research programs, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. MCCAIN (for himself, Mr. BURNS, Mr. CONRAD, and Mr. DORGAN):

S. 1422. A bill to amend the Communications Act of 1934 to promote competition in the market for delivery of multichannel video programming and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. HAGEL (for himself, Mr. BENNETT, Mr. KERREY, and Mr. GRAMS):

S. 1423. A bill to modernize and improve the Federal Home Loan Bank System; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MURKOWSKI (for himself, Mr. AKAKA, Mr. STEVENS, and Mr. INOUYE):

S. 1424. A bill to amend the Internal Revenue Code of 1986 to modify the air transportation tax changes made by the Taxpayer Relief Act of 1997; to the Committee on Finance.

By Mr. BURNS:

S. 1425. A bill to provide for the preservation and sustainability of the family farm through the transfer of responsibility for operation and maintenance of the Flathead Indian Irrigation Project, Montana; to the Committee on Indian Affairs.

By Mr. LAUTENBERG:

S. 1426. A bill to encourage beneficiary developing countries to provide adequate protection of intellectual property rights, and for other purposes; to the Committee on Finance.

By Mr. FORD:

S. 1427. A bill to amend the Communications Act of 1934 to require the Federal Communications Commission to preserve lowpower television stations that provide community broadcasting, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. GRAHAM (for himself, Mr. MACK, and Mr. BUMPERS):

S. 1428. A bill to waive time limitations specified by law in order to allow the Medal of Honor to be awarded to be awarded to Robert R. Ingram of Jacksonville, Florida, for acts of valor while a Navy Hospital Corpsman in the Republic of Vietnam during the Vietnam conflict; to the Committee on Armed Services.

By Mr. ROCKEFELLER (for himself, Mr. BURNS, and Mr. DORGAN):

S. 1429. A bill to enhance rail competition and to ensure reasonable rail rates in any case in which there is an absence of effective competition; to the Committee on Commerce, Science, and Transportation.

By Mr. HELMS:

S. 1430. A bill to suspend from January 1, 1998, until December 31, 2002, the duty on SE2SI Spray Granulated (HOE S 4291); to the Committee on Finance.

S. 1431. A bill to suspend temporarily the duty on a certain chemical; to the Committee on Finance.

S. 1432. A bill to suspend temporarily the duty on a certain chemical; to the Committee on Finance.

S. 1433. A bill to suspend temporarily on a certain chemical; to the Committee on Finance.

S. 1434. A bill to suspend until January 1, 2001, the duty on a certain chemical; to the Committee on Finance.

S. 1435. A bill to suspend temporarily the duty on a certain chemical; to the Committee on Finance.

S. 1436. A bill to suspend until January 1, 2001, the duty on a chemical; to the Committee on Finance.

S. 1437. A bill to suspend until January 1, 2001, the duty on a chemical; to the Committee on Finance.

S. 1438. A bill to suspend until January 1, 2001, the duty on a chemical; to the Committee on Finance.

S. 1439. A bill to suspend until January 1, 2001, the duty on a chemical; to the Committee on Finance.

S. 1440. A bill to suspend until January 1, 2001, the duty on a chemical; to the Committee on Finance.

S. 1441. A bill to suspend until January 1, 2001, the duty on a chemical; to the Committee on Finance.

S. 1442. A bill to suspend until January 1, 2001, the duty on a chemical; to the Committee on Finance.

S. 1443. A bill to suspend until January 1, 2001, the duty on a chemical; to the Committee on Finance.

S. 1444. A bill to suspend until January 1, 2001, the duty on a chemical; to the Committee on Finance.

S. 1445. A bill to suspend until January 1, 2001, the duty on a chemical; to the Committee on Finance.

S. 1446. A bill to suspend until January 1, 2001, the duty on a chemical; to the Committee on Finance.

S. 1447. A bill to suspend until January 1, 2001, the duty on a chemical; to the Committee on Finance.

S. 1448. A bill to suspend until January 1, 2001, the duty on a chemical; to the Committee on Finance.

S. 1449. A bill to suspend until January 1, 2001, the duty on a chemical; to the Committee on Finance.

S. 1450. A bill to suspend until January 1, 2001, the duty on a chemical; to the Committee on Finance.

S. 1451. A bill to suspend until January 1, 2001, the duty on a chemical; to the Committee on Finance.

S. 1452. A bill to suspend until January 1, 2001, the duty on a chemical; to the Committee on Finance.

By Mr. DODD:

S. 1453. A bill to establish a Commission on Fairness in the Workplace, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. BOND (for himself, Mr. CHAFEE, Mr. WARNER, Mr. BAUCUS, and Mr. D'AMATO):

S. 1454. A bill to provide a 6-month extension of highway, highway safety, and transit programs pending enactment of a law reauthorizing the Intermodal Surface Transportation Efficiency Act of 1991; considered and passed.

By Mr. CHAFEE (for himself and Mr. REED):

S. 1455. A bill to provide financial assistance for the relocation and expansion of Haffenreffer Museum of Anthropology, Providence, Rhode Island; considered and passed.

By Mr. BAUCUS (for himself and Mr. BURNS):

S. 1456. A bill to authorize an interpretive center at Fort Peck Dam, Montana; considered and passed.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SPECTER (for himself and Mr. BYRD):

S. Res. 146. A resolution establishing an advisory role for the Senate in the selection of Supreme Court Justices; to the Committee on the Judiciary.

By Mr. LOTT (for himself and Mr. DASCHLE):

S. Res. 147. A resolution to authorize testimony, production of documents, and representation in First American Corp., et al. v. Sheikh Zayed Bin Sultan Al-Nahyan, et al; considerated and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HELMS (for himself, Mr. GLENN, Mr. DEWINE, and Mr. FAIRCLOTH):

S. 1397. A bill to establish a commission to assist in commemoration of the centennial of powered flight and the achievements of the Wright brothers; to the Committee on Governmental Affairs.

THE CENTENNIAL OF FLIGHT COMMEMORATIVE ACT

Mr. HELMS. Madam President, I have a bill, S. 1397, at the desk. Now, Senators DEWINE, FAIRCLOTH, GLENN, and I are introducing this legislation, and we are naming it the Centennial of Flight Commemorative Act. As I indicated, the bill number is S. 1397.

This significant legislation will establish a commission to assist the numerous events that will lead up to and include the celebration of the 100th anniversary of powered flight, a feat in all the history books, accomplished in my State of North Carolina by the geniuses, two brothers, Orville and Wilbur Wright, Ohio brothers who were born and raised in Dayton where they operated a bicycle shop.

I don't know whether you have been to Kitty Hawk, particularly in the middle of December, but it is not a comfortable place to be. Wilbur and Orville came to the Outer Banks of North Carolina to conduct their experiments. The first powered flight occurred at Kitty Hawk, NC, on December 17, 1903. In fact, the Wright brothers engaged in four flights that day, and with their effort they changed the concept of travel forever.

About noon on that cold and windy December day, at Kitty Hawk, NC, the aviation age, the air age, began.

So, Madam President, the Wright brothers were indisputably the first pioneers of powered flight, and they became national heroes, justifiably etched in history.

As for our bill, S. 1397, the able Senator from Ohio, Mr. DEWINE, and the able Senator from Ohio, Mr. GLENN, did excellent work in drafting this legislation.

Senator GLENN, I am obliged to mention, and I am glad to do so, is a man of history himself in terms of powered flight. He was the first American, as all of us know, to orbit the Earth. When he walks up and down the corridors, I see mamas and daddies pointing to him saying, "That's Senator GLENN." Senator GLENN and six other pioneers, the Mercury astronauts, got America's space program off the ground.

Madam President, S. 1397—let me say the title again so it will register—the Centennial of Flight Commemorative Act—proposes the establishment of a commission of 21 individuals to plan for and assist in events leading up to and including the commemoration of the 100th anniversary of the Wright brothers' flights at Kitty Hawk. The commission will be composed of the Secretary of the Interior, the Director of the National Air and Space Museum, the Secretary of Defense, the Secretary of Transportation, the NASA Administrator, and each of these officials can name a designee. Then there will be two representatives each from the States of North Carolina and Ohio and 12 other private citizens.

Of these 12 private citizens, the President of the United States will appoint two from a list recommended by the Senate majority leader in consultation with the Senate minority leader, and two from a list recommended by the Speaker of the House in consultation with the House minority leader. The remaining eight will be chosen based on qualifications and/or experience in the fields of history, aerospace, science, industry, or other professions that will enhance the work of the commission.

The commission will represent the United States and take a leadership role with other nations in recognizing the achievement of the Wright brothers and the importance of aviation history.

The commission's activities will be closely coordinated with the First Flight Centennial Commission and the First Flight Centennial Foundation of North Carolina and the 2003 Committee of the State of Ohio. The commission is allowed to retain an executive director and staff that may be required in order to carry out its functions.

S. 1397 authorizes appropriations of $250,000 for each of the fiscal years 1998 to 2004 to fund the work of the commission.

Additionally, the commission may accept monetary contributions and other in kind contributions, volunteer services and the like. In order to further defray the expenses of the Commission, the legislation gives it exclusive right to names, logos, emblems, seals, and marks, which may be licensed on which proceeds from royalties will be used to offset the operating costs of the Commission.

S. 1397 requires that annual audits of the Commission be conducted by the Inspector General of the General Services Administration to ensure its financial integrity.

The Commission shall be terminated no later than 60 days after the submission of the final audit report.

Senators may ask why establish a Federal Commission to commemorate this event? The Wright brothers' triumph at Kitty Hawk on that bone-chilling day of December 17, 1903, has to rank as one of mankind's greatest achievement. The world has not been the same since.

As the development of the airplane progressed so did its uses in warfare and civilian aviation. Its development spawned generations of aviation trailblazers. Names like Eddie Rickenbacker, Billy Mitchell, Charles Lindbergh, Jimmy Doolittle, Chuck Yeager, and the Mercury, Gemini, Apollo, and space shuttle astronauts became household words.

What is even more astonishing is that 66 years later, Neil Armstrong of Ohio became the first man to set foot on the Moon. That would not have been possible without the Wright brothers.

Because of the Wright brothers you can get on a jet aircraft at Dulles Airport and be in London in 6 or 7 hours, far less if you are flying the Concorde. You can fly from New York to Tokyo in 14 hours. On the Concorde, you can travel from New York to London in 3 hours and 50 minutes.

We are seeing daily developments in aviation, faster planes, new space technologies, all because of the genius of Wilbur and Orville Wright.

I hope the Senate will swiftly approve this legislation.

Mr. DEWINE. Madam President, I thank the Chair, and I thank my distinguished colleague from North Carolina.

I am delighted to join him, as well as Senator FAIRCLOTH and Senator GLENN, in introducing a bill to create the Centennial of Flight Commission.

In the year 2003, the United States and, indeed, the world will celebrate a truly breathtaking anniversary. That date will mark exactly 100 years of the adventure of human flight. For those of us who are from the State of Ohio, it is an especially important anniversary as Senator HELMS has so ably described—first and foremost because the Wright brothers, the very first pioneers of powered flight, were from Dayton, OH. It was in Dayton, OH, that they grew up. It was in Dayton, OH, that they had a print shop. It was in Dayton, OH, that they had the bicycle shop that was referred to a moment ago by Senator HELMS.

It was at Huffman Prairie, in Montgomery County, actually what is now enclosed in Wright Patterson Air Force Base, technically in Greene County, that the Wright brothers learned to fly. So, those of us from Ohio are very proud of the Wright brothers, as this whole country is.

We are also proud in Ohio that ever since the time of the Wright brothers, Ohio has continued to build a proud aviation history. From the Wright brothers to World War I flying ace David Ingalls, to JOHN GLENN who just walked on to the floor of the Senate, the first man, the first American to orbit the Earth, to Neil Armstrong, the first man to walk on the Moon, to the incredible research being done right now at NASA Lewis Research Center in Cleveland, OH, has continually been a part of the great epic of aviation.

This is, indeed, cause for celebration, and that is what this bill is all about. It would create a Commission to coordinate the centennial of flight celebration in the year 2003. The Commission will be composed of 21 members: the Secretaries of the Interior, Transportation, and Defense; the Director of the National Air and Space Museum; the Administrator of NASA; two people from North Carolina; the president and chairman of the First Flight Centennial Commission; and two people from the State of Ohio, the Governor and the chairman of the 2003 Committee, and 12 additional Presidential appointees.

Madam President, this Commission will help the United States take a leadership role in planning international celebrations of the centennial of flight, promoting participation and sponsorship by the aerospace industry, the commercial aviation industry, educational institutions, and State and local governments.

The commission is going to distribute a calendar, a register of national and international programs and projects concerning the flight centennial.

What I hope most of all is that these celebrations will recognize that the history of flight is not just the story about machines or about the triumph of technology. It is rather a story about people. It is a story of how human creativity overcame one of the most fundamental barriers that humans ever faced.

For hundreds of thousands of years, human beings could not fly, but in this century, thanks to the freedom and spirit of creativity in this country, the human race broke the bonds of Earth. So, from Dayton to Kitty Hawk and beyond the limits of our solar system, this is a story to truly celebrate.

Madam President, I see my distinguished senior Senator from the State of Ohio, the honorable JOHN GLENN, is on the floor. I yield to Senator GLENN.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. GLENN. Thank you, Madam President. I thank my distinguished colleague.

I rise as a cosponsor of this legislation to establish a national Commission on the Centennial of Flight. We have been very proud through the years to have worked with the people of Dayton, OH, in an effort to recognize the very exceptional contribution of the two brothers who ran the bicycle shop and dreamed of flight. They watched the birds and dreamed of flight, not knowing whether it would ever be possible.

In 1992, it was my privilege to sponsor the legislation that established the Dayton Aviation Heritage National Historical Park which commemorates the extraordinary lives of Wilbur Wright, Orville Wright, and Paul Lawrence Dunbar, a black man, a poet, one of the finest poets, who was a close friend of the Wright brothers.

That park and the memorial in North Carolina recall that on December 17, 1903, Orville Wright flew 120 feet in 12 seconds. Can we imagine that, 120 feet in 12 seconds? But it was under power. It was the airplane that is over in the Smithsonian now. It was under powered flight with an engine and propeller. It was the first sustained flight in a power-driven, heavier-than-air machine.

There were three other flights that day. We don't often hear about those. There were three other flights that day, and Wilbur Wright set a new world record flying on one of those flights 352 feet in 59 seconds. It was more than the length of a football field.

Very little attention was paid at that time. People were very doubtful. Octave Chanute reported the achievement in Popular Science Monthly in March 1904. But the first—I think this is very interesting—the first eyewitness report about those flights appeared in a publication called Gleanings in Bee Culture, and that was in January 1905. That was the first real eyewitness report of Orville and Wilbur Wright's flights.

The work had begun in 1899 with a serious study of everything the Wrights could find on aeronautics. In 1900, to test their glider, they selected Kitty Hawk on the word of the weather bureau because of the steadiness of the winds and direction of the winds at that time. The test glider in 1900 and 1901 failed to achieve the lifting power that they thought they needed and anticipated.

They went back to Dayton and built a 6-foot wind tunnel to conduct experiments with over 200 different wing models. They developed the first reliable tables on the effects of air pressure on curved surfaces, the principles that we use today and that you see on every airplane, whether it is a general aviation small light airplane or a giant 747 or whether it is the Concorde flying at supersonic speed across the Atlantic Ocean.

They developed these 200 different wing models and experimented with them. They developed the first reliable tables on the effects of air pressure on curved surfaces.

In 1902, they conducted over 1,000 tests with a more promising glider. In 1903, the Wright brothers had completed the construction of a larger plane powered by their own lightweight gas-powered engine.

Arriving in Kitty Hawk in September, storms and mechanical difficulties delayed trials until December. On the 17th, four men and a boy witnessed the very first flight, and a memorable photograph, fortunately, was captured. Four men and a boy witnessed that first flight.

Back home in Dayton in 1904 and 1905, the Wright brothers continued testing their invention at Huffman Prairie, which is the area adjacent to what is today Wright Patterson Air Force Base where they first achieved maneuverable flight.

In 1908, Wilbur and Orville signed a contract with the War Department for the first military airplane. In September, Orville circled the parade ground at an altitude of 120 feet just across the Potomac River from us today, over at Fort Meyer in Virginia.

When most people these days think of the Wright brothers, we tend to think of them as having lived a long, long time ago. We tend to think of the Wright brothers as being part of ancient history. We also think of their airplane, the Wright Flyer III, as being an incredibly primitive machine, at least by today's standards. And it was a primitive machine. There were no fancy guidance systems or high-tech controls.

By swiveling their hips from one side to the other, Orville and Wilbur could steer the airplane. To this day, when young people come in, when school groups come to Washington and visit my office and they say they are going over to the Air and Space Museum, I always tell them to get up on the gallery level and look down on the Wright brothers' airplane and see how they controlled flight, because the person flying lay on the lower wing and had a wooden yoke around his hips. That wooden yoke slid back and forth and there was a wire that went to the trailing edge of the upper wing, and they would slide in the direction they wanted to go, slide their hips over, pull that wire and literally warp the trailing edge of the wing down and made more lift on the wing on that side and the airplane would turn in the direction their hips were slid toward.

I am glad they developed later on in aviation a better means of control. We can imagine a 747 pilot today making an approach swiveling his hips back and forth. But that was the way the Wright brothers controlled those very early flights.

The first flight at Kitty Hawk and Huffman Prairie seemed so far removed from what we did later on, from my own experience in orbital flight in 1962, or from the first lunar landing, or from living aboard the orbiting space station for weeks on end, as Shannon Lucid did. She was up there for 188 days. She will be honored at the Smithsonian this evening, as a matter of fact. Yet, all this occurred within a lifetime.

I know we kid Senator THURMOND around here quite a lot about his age, but Senator THURMOND was born December 5, 1902. The Wright brothers did not fly until a year later, on December 7, 1903. So we have in this body right now a man whose lifetime spans all of manned flight, powered flight, from that first day at Kitty Hawk into space. STROM THURMOND has witnessed the complete history of flight. And we marvel at just how far we have come in an incredibly short period of time. We have literally gone from the Wright brothers to the Moon and beyond in a single lifetime.

That is amazing. In that sense, I think it is fair to say that Orville and Wilbur Wright were our first astronauts, really, because they were the first who really did rise off the Earth's surface in a sustained way and make flight that then advanced to higher and higher altitudes until we are above the Earth's atmosphere now with different kinds of machines; though I think in some ways we could say that they were the first two who, as the poem goes, "slipped the surly bonds of Earth"—slipped the surly bonds of Earth and ventured into the air under the power of a motor.

Everything since then has just been going higher and going faster. I also think it is fair to say the Wright brothers personified something that is behind every single leap or advancement in science or human knowledge since the beginning of time. The one characteristic they had—we could lump it all together and say that is something that is in the heart of all human progress—is curiosity and an innate curiosity about how we can do things differently or whether we can explore and find new shores or whether we can do experiments and do research in new areas.

Whether you look at the voyage of Christopher Columbus, who brought Europeans to the shore of North America, whether you look at the experiments of Alexander Fleming—you know what Alexander Fleming was curious about? It was plain old green mold on bread. He did not know why the patterns formed around the mold the way they did. The green mold, it was a particular pattern. He was curious about that.

You know what that led to? His curiosity led to the discovery of penicillin and the development of modern antibiotics. That curiosity about green mold on bread has led to increased life expectancy of people all around this Earth. We have gone up in life expectancy more in the last 100 years than in the previous 2,000 years, I read in a magazine just a short time ago. So the discovery of penicillin and Alexander Fleming's curiosity about green bread mold that led to that, has really revolutionized this Earth.

Or we go ahead with the unexpected circumstance in a small electronic switching device that led to the development of the first transistor and ultimately to today's incredibly sophisticated computer systems.

It is clear to me that curiosity isn't what killed the cat. It is also the goose that laid the golden egg for all of humankind. That is going to be true in the future as well as the past. In field after field, in discipline after discipline, in industry after industry, it is curiosity, that insatiable, relentlessly questioning spirit that keeps asking "why" that has moved our species ahead.

The irony, of course, is any time someone or a group such as the Wright brothers, or a group of people undertake an exploration or undertake to demonstrate a new idea, whether in a laboratory, a spaceship, a bicycle shop or on a production line, there are many who question the wisdom of it all. Those naysayers who wanted to know when their bike would be fixed with the

Wright brothers believed that if we were to fly God would have given us feathers, they said.

So there was a joke about the Wright brothers at that time. "If God wanted us to fly, why don't we have feathers?" Well, they fortunately laughed along with everybody else, but at the same time went ahead with their work. They were not deterred. But if there is one thing we know for sure about research or any kind of exploration of the unknown, it is that it is impossible to know what we will see at the end or what it may lead to.

I believe that today, as perhaps never before, we cannot afford to lose that kind of curiosity and questing spirit that the Wright brothers had. With it, we can continue to learn new things, first, for this Nation, putting them to practical application, staying ahead of global competition. That has been the story of this country's advancement. Without it, we will quickly become yesterday's leader, yesterday's leader, not tomorrow's leader but yesterday's leader, hopelessly trying to hold back the hands of the clock and to hold on to a past glory that can never be just retained or recaptured.

So the spirit of the Wright brothers is needed as much today as before their very first flight. That is why today I am pleased to join with my colleagues—my colleague from Ohio, my colleagues from North Carolina—in introducing this legislation to establish a national commission to assist in the commemoration of the centennial of powered flight that will occur in 2003 and the achievements of the Wright brothers. Those who worked to build our national parks and memorials to the Wright brothers in Ohio and North Carolina where flight was born and first achieved will now work together to recall and remember the spirit of flight to be commemorated as we approach the centennial of flight in 2003.

The spirit represented by the Wright brothers was captured in their own day by their good friend, Paul Lawrence Dunbar, who captured in the prophetic verse which he penned the triumphs that are remembered at the Dayton Aviation Heritage National Historical Park. One of his notations was:

What dreams we have
and how they fly
like rosy clouds
across the sky;
of wealth, of fame
of sure success . . .

That is certainly what curiosity has brought us and what the Wright brothers brought us.

Think of all that has occurred since that first flight at Kitty Hawk in 1903. Think of aviation today and all it entails and the giant industry. It has revised all the world's transportation, has revised our military, our security. All of that stemmed from that first flight in 1903.

So we are happy to put in this legislation today. We hope that it is supported by all here, not just those from Ohio and North Carolina, because what started there in 1903 is something that affects everyone. It affects every State and every nation around the globe, even these days. And we look forward to this commission doing a great job in assisting in the commemoration of the centennial of powered flight and the achievements of the Wright brothers.

Mr. FAIRCLOTH. Mr. President, today I am pleased to be an original cosponsor of legislation being introduced by Senator HELMS—the two Senators from Ohio—that would establish a National Commission to oversee the 100th anniversary of the first flight.

Mr. President, on a cold, windy December morning in 1903, in the Outer Banks of North Carolina, the Wright brothers changed the history of the world. Orville Wright flew for just 12 seconds—but it was the first manned flight.

Today, many people take for granted what was accomplished by the Wright brothers that day, but at the time it was a historic achievement. Man had been thinking of flight for thousands of years—and yet the Wright brothers, here in the United States, were the first to do it.

The development of flight grew rapidly. A little over a decade later, airplanes were used in the battles of World War I. Two decades after the 12-second first flight—Charles Lindbergh flew over the Atlantic.

And of course, in 1962, in just a half century after the first 12-second flight, our distinguished colleague JOHN GLENN was the first man to fly around the world in space. Seven years after that, we landed a man on the Moon.

It is hard to believe that all of this has taken place in the span of less than 100 years.

This is why the centennial anniversary of first flight is so significant to us, the sponsors of this legislation.

The Commission will coordinate the plans for the celebration. The Wright brothers were from Ohio, of course, where they ran a bicycle shop. The State of North Carolina's license plates bear the slogan "First in Flight"—so we are especially proud of this achievement in my State. To these two States, the celebration is important.

But much more than that, I think the anniversary should be used to inspire students to learn more about the history of flight. Hopefully, it will remind people that this is a great nation of inventors—and that American ingenuity has made us the greatest country in the history of the world. Finally, it should remind our citizens that America is a land of opportunity and freedom—where anyone's imagination can change the world. This is an entrepreneurial spirit that we must keep alive.

I want to thank Senator HELMS and Senators GLENN and DEWINE for joining together today to introduce this legislation. I hope that the Senate will take it up soon.

By Mr. THOMAS (for himself, Mr. KERREY, Mr. ENZI, and Mr. HAGEL):

S. 1398. A bill to extend certain contracts between the Bureau of Reclamation and irrigation water contractors in Wyoming and Nebraska that receive water from Glendo Reservoir; to the Committee on Energy and Natural Resources.

THE IRRIGATION PROJECT CONTRACT EXTENSION ACT OF 1997

Mr. THOMAS. Mr. President, I rise today to introduce the Irrigation Project Contract Extension Act of 1997. I am pleased to be joined in this endeavor by Senators ENZI, KERREY, and HAGEL.

This legislation would extend, for a period of 3 years, certain water contracts between the Bureau of Reclamation and irrigators in Wyoming and Nebraska that receive water from Glendo Reservoir. All contracts are subject to renewal on December 31, 1998. Extending these contracts is considered a major Federal action and, therefore, subject to review of the National Environmental Policy Act [NEPA] and the Endangered Species Act [ESA]. Without a short-term continuation agreement, the irrigators would be responsible for the costs of the analysis and other environmental documentation.

Currently, the States of Wyoming, Nebraska, and Colorado—and the Department of the Interior—are in the process of implementing a comprehensive "Cooperative Agreement for Platte River Research and Other Efforts relating to Endangered Species Habitats along the Central Platte River, Nebraska." The term of this initiative is for 3 years, with an allowable 6-month extension. Upon completion of the cooperative agreement, efforts to enact the Platte River Recovery Implementation Program can begin. This basin wide, three-State plan will help to recover the endangered whooping crane, piping plover, and least stern, and improve critical habitats in the Central Platte River Basin.

I believe it is important for Congress to act on this measure and extend these contracts for 3 years, or until the cooperative agreement is completed. In that time, the needed NEPA and ESA reviews will be fulfilled—clearing the way for the program to be initiated. It is important to remember that the program cannot be implemented until the environmental studies are completed and the parties have agreed to the results.

Mr. President, this bill does not avoid environmental evaluation. It merely provides some relief to the water users, while allowing the NEPA and ESA documentation to take place through the cooperative agreement process. It is my understanding that once this agreement has expired, and if the Department of the Interior and the three States decide not to pursue the program, the contract renewal process would proceed as a separate Federal action at that time.

This is good and fair legislation. It will benefit the environment and the water users. I look forward to working with my colleagues in the Senate and House to secure its passage.

By Mr. BOND:

S. 1399. A bill to authorize the Secretary of the Army to carry out a project to protect and enhance fish and wildlife habitat of the Missouri River and the middle Mississippi River; to the Committee on Environment and Public Works.

THE FISH AND WILDLIFE HABITAT ACT OF 1997

Mr. BOND. Mr. President, I am pleased to introduce legislation to enhance, preserve and protect habitat for fish and wildlife on the Missouri and Mississippi Rivers. This new 5-year $50 million authorization is a win-win approach that will implement and expand the use of new and innovative measures developed by the Corps of Engineers to improve habitat conservation without impacting adversely private property and other water-related needs of the rivers including navigation, flood control and water supply.

As I have always maintained, fish and wildlife conservation and commercial activity are not mutually exclusive. Indeed, we cannot afford to abandon either river commerce or the species that live in and on the river. This new approach is a win for man, for nature and for the river.

This legislation is supported by Missouri Farm Bureau, MARC2000, American Rivers, the Missouri Soybean Association, the Missouri Corngrowers Association, and Farmland Industries. While these groups have not always agreed on river policy, that should not preclude us from seeking common ground and working together to address the questions of resource management and I am delighted that we can all come together in support of this commonsense approach.

Without specific authorization and only scarce dollars, the St. Louis Corps of Engineers has been developing and testing ways in which navigation structures used to guide the river and maintain the channel may be modified to meet environmental as well as navigation goals. These innovations have proven successful earning wide acclaim including a Presidential Design Award and Federal Design Achievement Award.

This legislation seeks to put these successful innovations to work on the Missouri River and expand their use on the middle Mississippi by providing a specific authorization and a dedicated and substantial source of funds. In other words, we are giving the corps the tools they need to put their ideas to work to improve the rivers to benefit fish and wildlife.

The legislation authorizes $10 million per year to protect, create and enhance side channels, island habitat, sand bars, and other riverine habitat. For example, by notching rock dikes that run perpendicular to the shoreline, sandbars develop between the dikes which has been provided nesting habitat for the endangered least tern and valuable spawning ground for the endangered pallid sturgeon. The Missouri Department of Conservation has run tests validating an increase in diversity and numbers of microinvertebrates surrounding the notched dikes.

Chevron dikes have been developed to improve river habitat and to create beneficial uses of dredge material. These structures are placed in the shallow side of the river channel pointing upstream which improves the river channel while serving as small islands. These islands encourage the development of all four primary river ecosystem habitats and additionally, various micro-organisms cling to the underwater rock structures, providing a food source for fish.

Changing the gradation of rock revetments, used to stabilize eroding riverbanks, has proved to provide greater bank stability and precluded the need to remove bank vegetation so that, for the first time, trees and rock revetment could coexist providing greater habitat diversity.

The draft legislation authorizes $10 million per year over 5 years to develop and implement a plan including the following activities: Modification and improvement of navigation training structures to protect and enhance fish and wildlife habitat; creation of side channels to protect and enhance fish and wildlife habitat; restoration and creation of island fish and wildlife habitat; creation of riverine fish and wildlife habitat; establishment of criteria to prioritize based on cost-effectiveness and likelihood of success; and physical and biological monitoring for evaluating the success of the project.

The draft provides that the project be coordinated with other related Federal and State activities and that there be public participation in the development and implementation of the project. It requires a 25-percent non-Federal cost share and limits the Federal cost of any single project to $5 million. Finally, the draft legislation confers no new regulatory authority and requires compliance with the National Environmental Policy Act.

The legislation is designed to work between the banks of the river and forbids expressly any adverse impacts on private lands and water-related activities including flood control, navigation, and water supply. Additionally, it is designed to compliment other existing programs such as the Missouri River Mitigation project and the Environmental Management Program on the Mississippi River.

I intend to work with the administration and with other Senators and interested groups to build the broad support necessary to enact this legislation in an omnibus Water Resources Development Act the Senate is expected to consider in 1998.

Mr. President, the problems experienced in the Midwest and elsewhere with railroad bottlenecks highlight the need for diverse transportation options. As the fall harvest proceeds, there are reports of grain being piled on the ground in neighboring Kansas and Nebraska. Notwithstanding that I must continue working on behalf of Missouri to preserve river navigation as a transportation option, our joint efforts to pursue this new legislation is a strong indicator that we may be experiencing an episode of domestic detente on river policy between groups that have pursued differing approaches in the past. This legislation offers a significant boost for our need to make the various river uses compatible and an important step toward unifying the river's stakeholders behind a realistic approach for the future.

I thank and congratulate the various groups who have come together behind this legislation and look forward to enacting this consensus legislation.

By Mr. BUMPERS (for himself and Mr. GORTON):

S. 1401. A bill to provide for the transition to competition around electric energy suppliers for the benefit and protection of consumers, and for other purposes; to the Committee on Energy and Natural Resources.

THE TRANSITION TO ELECTRIC COMPETITION ACT OF 1997

Mr. BUMPERS. Mr. President, I rise to day to introduce the Transition to Electric Competition Act of 1997 along with my colleague from the State of Washington, Senator GORTON. This bill provides for the transition toward deregulation and competition in the electric utility industry.

While few people find a discussion of the electric utility industry and the many laws and regulations governing the industry exciting, the fact is that electricity is an extremely important commodity which affects everyone on a daily basis. Any event that increases or reduces electric rates can impact: First, the lives of the poor and those on fixed incomes that depend on electricity to heat their homes in the winter and cool them in the summer; second, the price of goods we buy every day; as well as third, the competitiveness of our factories. In addition, decisions made by electric generators often have a direct effect on our environment as well as our energy security.

It is not at all inconsequential that the electric utility industry, which has remained relatively static for the last 60 years, is undergoing a fundamental change. Instead of the traditional vertically integrated local utility, which generates power at its own plants, transmits that power over its own lines and sells that power to all consumers in a particular area, consumers in some States are starting to be bombarded with all sorts of offers from companies competing to become their power supplier, and other entrepreneurs will be seeking to buy large blocks of power to serve certain kinds of consumers. Naturally, these changes are bound to create considerable apprehension among both utilities and consumers.

Mr. President, in January I introduced S. 237, the Electric Consumers Protection Act, because I believed that retail electric competition was inevitable and Federal legislation was necessary to ensure that certain consumers were not disadvantaged in the process. Several States were proceeding to introduce competition in their jurisdictions and a number of others were examining the matter. Since that time I have become even more convinced that competition is on the horizon. Eleven States have now enacted legislation or issued regulations requiring retail competition by a time certain. Almost every other State currently has the matter under review.

Some argue that there is no need for the Federal Government to intervene; that the States are doing just fine on their own and they should decide when and how to proceed with retail electric competition. Mr. President, I couldn't disagree more.

A State-by-State approach will likely produce a lot of unintended consequences which will limit the benefits associated with retail competition and could disadvantage certain consumers. Electric generation markets are becoming increasingly regional and even multi-regional. What happens in one State can have direct and indirect impacts on consumers and utilities located in another State. Utilities operating in more than one State can be subjected to conflicting regulatory regimes which could impact the way they operate their systems and the electric rates paid by consumers.

This phenomenon is best illustrated by the multistate utility holding companies registered under the Public Utility Holding Company [PUHCA]. I have had a lot of experience with registered holding companies because two of them serve my home State of Arkansas. These holding companies generally plan for and operate generating facilities on a system-wide basis for the benefit of customers in the entire region served by the company. If restructuring proceeds on a State-by-State basis, these holding companies would find themselves subjected to different requirements which could negatively impact consumers.

A State-by-State approach to retail competition also present problems where utilities operate entirely within a single State. It would make no sense for a utility in a State that does not require retail competition, to be able to sell power at retail in an adjoining State that requires retail competition, while a utility subjected to retail competition is unable to mitigate its losses by competing for customers in the adjoining State. Such a result both increases stranded costs and distorts the generation marketplace.

Moreover, the States can't adequately address issues associated with the use of transmission lines that provide for the transportation across a number of States or the ability of a utility with significant market power to dominate electricity generation in an entire region. Clearly these are issues that need to be resolved at the Federal level.

When I introduced S. 237 there weren't many calling for Federal action. However, interested observers are increasingly coming to the conclusion that Federal electric restructuring legislation is not only helpful, but is necessary. Even some of the States are calling on the Federal Government to act.

The legislation we are introducing today is an updated version of S. 237. The bill includes the following provisions: All consumers would have the right to choose their power supplier by January 1, 2002. States could choose an earlier date for their residents if they wish. Utilities would be able to recover their legitimate, prudent and verifiable costs that they would have been able to recover from ratepayers if retail competition had not been implemented. Consumers located in States that currently have low cost electricity would be protected from rate increases by ensuring that utilities can't use their existing assets to sell power in more lucrative markets to the disadvantage of their existing customers. All utilities selling retail power would be required to generate a portion of that power using renewable resources. All of the interstate transmission facilities throughout the country would be managed by independent system operators to ensure that electricity flows in an efficient manner and that markets are competitive. FERC would be given greater authority to protect against the use of market power by utilities to inhibit competition. Both the Public Utility Holding Company Act [PUHCA] and the Public Utility Regulatory Policies Act [PURPA] would be repealed in conjunction with the implementation of retail electric competition.

In addition, Mr. President, the legislation attempts to address some of the issues that relate to the impact of retail electric competition on two Federal entities—the Bonneville Power Administration [BPA] and the Tennessee Valley Authority [TVA]. Senator GORTON is especially knowledgeable about the special problems facing BPA and I expect that he will work closely with the other Members of the Senate from the Pacific Northwest in developing a consensus approach.

With regard to TVA, our bill attempts to develop an approach that will enable retail competition to be smoothly introduced in the Tennessee Valley and will help TVA pay off its tremendous debt. The bill also requires the TVA board to prepare a study examining whether TVA should be privatized. I know that some observers may be concerned that this could be a first step toward the privatization of the Federal Power Marketing Administration [PMA's]. Mr. President, there is no connection whatsoever between TVA and the PMA's. The PMA's market power generated at hydroelectric facilities located at Federal dams. These dams perform a variety of public services and cannot be privatized. TVA, on the other hand, generates the bulk of its power from coal and nuclear plants that serve no public purposes. In addition, the Federal PMA's pay for themselves through power sales. TVA, on the other hand, has an enormous level of privately held debt which it must find a way to pay off, since the Federal Government is not responsible for it.

Mr. President, I am especially pleased that Senator GORTON has decided to join with me in the effort to enact comprehensive electric restructuring legislation. He has a reputation as a very bright and thoughtful Member of this body and is a distinguished member of the Energy and Natural Resources Committee, which has jurisdiction over the matter. I know that he shares my desire to move this legislation through Congress quickly next year.

Senator MURKOWSKI, the chairman of the Senate Energy Committee, recently indicated that he expects the committee to mark up electric restructuring legislation next year. Both Senator GORTON and I want to work with him and the other members of the committee in moving forward. I look forward to undertaking this important task.

Mr. President, I want to say how honored I am to have one of our most distinguished Senators, Senator GORTON of Washington, as my chief cosponsor on this bill.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

Mr. President, I ask unanimous consent that a section-by-section analysis of the Transition to Electric Competition Act of 1997 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1401

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE. This Act may be cited as the "Transition to Electric Competition Act of 1997".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title and table of contents.
Sec. 2. Findings.
Sec. 3. Definitions.
Sec. 4. Severability.
Sec. 5. Enforcement.

TITLE I—RETAIL COMPETITION

Sec. 101. Mandatory retail access.
Sec. 102. Aggregation.
Sec. 103. Prior implementation.
Sec. 104. State regulation.
Sec. 105. Retail stranded cost recovery.
Sec. 106. Wholesale stranded cost recovery.
Sec. 107. Lost retail benefits.
Sec. 108. Universal service.
Sec. 109. Public benefits.
Sec. 110. Renewable energy.
Sec. 111. Determination of local distribution facilities.
Sec. 112. Transmission.
Sec. 113. Competitive generation markets.
Sec. 114. Nuclear decommissioning costs.
Sec. 115. Right to know.
Sec. 116. Exemption of Alaska and Hawaii.

TITLE II—PUBLIC UTILITY HOLDING COMPANIES

Sec. 201. Repeal of the Public Utility Holding Company Act of 1935.
Sec. 202. Exemptions.
Sec. 203. Federal access to books and records.
Sec. 204. State access to books and records.
Sec. 205. Affiliate transactions.
Sec. 206. Clarification of regulatory authority.
Sec. 207. Effect on other regulation.
Sec. 208. Enforcement.
Sec. 209. Savings provision.
Sec. 210. Implementation.
Sec. 211. Resources.

TITLE III—PUBLIC UTILITY REGULATORY POLICIES ACT

Sec. 301. Definition.
Sec. 302. Facilities.
Sec. 303. Contracts.
Sec. 304. Savings clause.
Sec. 305. Effective date.

TITLE IV—ENVIRONMENTAL PROTECTION

Sec. 401. Study.

TITLE V—BONNEVILLE POWER ADMINISTRATION

Sec. 501. Findings and purposes.
Sec. 502. Columbia River fish and wildlife coordination and governance.
Sec. 503. Pacific Northwest federal transmission access.
Sec. 504. Transition cost mechanism.
Sec. 505. Independent system operator participation.
Sec. 506. Financial obligations.
Sec. 507. Prohibition on retail sales.
Sec. 508. Clarification of Commission authority.
Sec. 509. Repealed statute.

TITLE VI—TENNESSEE VALLEY AUTHORITY

Sec. 601. Competition in service territory.
Sec. 602. Ability to sell electric energy.
Sec. 603. Termination of contracts.
Sec. 604. Rates for electric energy.
Sec. 605. Privatization study.

SEC. 2. FINDINGS.

The Congress finds that:

(a) Congress has the authority to enact laws, under the Commerce Clause of the United States Constitution, regarding the wholesale and retail generation, transmission, distribution, and sale of electric energy in interstate commerce.

(b) Several States have taken steps to require competition among retail electric supplies and a large number of other States are expected to act.

(c) It has been the policy of Congress and the Commission to promote competition among wholesale electric suppliers.

(d) It is in the public interest that the transition towards competition in electric service ensures that all consumers receive reliable and competitively-priced electric service.

(e) Electric utility companies that prudently incurred costs pursuant to a regulatory structure that required them to provide electricity to consumers should not be penalized during the transition to competition.

(f) Consumers will not benefit from the introduction of competition among electric energy suppliers if certain suppliers have undue market power.

(g) It is important to encourage conservation and the use of renewable resources to reduce reliance on fossil fuels, promote domestic energy security and protect the environment.

(h) Competition among electric energy suppliers should not degrade reliability nor cause consumers to lose electric service.

SEC. 3. DEFINITIONS.

For purposes of this Act:

(a) The term "affiliate" of a specific company means any company 5 percent or more of whose outstanding voting securities are owned, controlled, or held with power to vote, directly or indirectly, by such specific company.

(b) The term "aggregator" means any person that purchases or acquires retail electric energy on behalf of two or more consumers.

(c) The term "ancillary services" shall have the same meaning assigned to it by the Commission.

(d) The term "associate company" of a company means any company in the same holding company system with such company.

(e) The term "Commission" means the Federal Energy Regulatory Commission.

(f) The term "company" means a corporation, joint stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing.

(g) The term "corporation" means any corporation, joint-stock company, partnership, association, rural electric cooperative, municipal utility, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing.

(h) The term "electric utility company" means any company that owns or operates facilities used for the generation, transmission or distribution of electric energy for sale.

(i) The term "gas utility company" means any company that owns or operates facilities used for distribution at retail (other than the distribution only in enclosed portable containers) of natural or manufactured gas for heat, light or power.

(j) The term "holding company system" means a holding company together with its subsidiary companies.

(k) The term "large hydroelectric facility" means a facility which has a power production capacity which, together with any other facilities located at the same site, is greater than 80 megawatts.

(l) The term "local distribution facilities" means facilities used to provide retail electric energy for ultimate consumption.

(m) The term "lost retail benefits" means the increased cost of retail electric energy in a retail electric energy provider's service territory resulting from the sale subsequent to the implementation of retail electric competition, outside such service territory, of electric energy generated at facilities the cost of which were included in the retail rate base of the retail electric energy provider prior to the implementation of retail electric competition.

(n) The term "mitigation" means any widely accepted business practice used by an electric utility company to dispose of or reduce uneconomic assets or costs.

(o) The term "municipal utility" means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the laws thereof to carry on the business of a retail electric energy provider and/or a retail electric energy supplier.

(p) The term "person" means an individual or corporation.

(q) The term "public utility company" means an electric utility company or gas utility company but does not mean a qualifying facility as defined in the Public Utility Regulatory Policies Act, or an exempt wholesale generator or a foreign utility company defined in the Energy Policy Act of 1992.

(r) The term "public utility holding company" means (A) any company that directly or indirectly owns, controls, or holds with power to vote, 10 percent or more of the outstanding voting securities of a public utility company or of a holding company of any public utility company; and (B) any person, determined by the Securities and Exchange Commission, after notice and opportunity for hearing, to exercise directly or indirectly (either alone or pursuant to an arrangement or understanding with one or more persons) such a controlling influence over the management or policies of any public utility or holding company as to make it necessary or appropriate for the protection of consumers with respect to rates that such person be subject to the obligations, duties, and liabilities imposed in this title upon holding companies.

(s) The term "renewable energy" means electricity generated from solar, wind, waste, including municipal solid waste, biomass, hydroelectric or geothermal resources.

(t) The term "Renewable Energy Credit" means a tradable certificate of proof that one unit (as determined by the Commission) of renewable energy was generated by any person.

(u) The term "retail electric competition" means the ability of each consumer in a particular State to purchase retail electric energy from any person seeking to sell electric energy to such consumer.

(v) The term "retail electric energy" means electric energy and ancillary services sold for ultimate consumption.

(w) The term "retail electric energy provider" means any person who distributes retail electric energy to consumers regardless of whether the consumers purchase such energy from the provider or an alternative supplier. A retail electric energy provider may also be a retail electric energy supplier.

(x) The term "retail electric energy supplier" means any person which sells retail electric energy to consumers.

(y) The term "retail stranded costs" means all legitimate, prudent, verifiable and non-mitigatable costs incurred by an electric utility company in all of its generation assets which would have been recoverable in retail rates but for the implementation of retail electric competition, less the total market value of these assets after retail electric competition is implemented. Binding power purchase contracts and regulatory assets, the costs of which would have been recovered but for the implementation of retail electric competition, shall be considered generation assets for purposes of this subsection.

(z) The term "rural electric cooperative" means a corporation that is currently paying off a loan for the purposes of providing electric service from the Administrator of the Rural Electrification Administration or the Rural Utilities Service under the Rural Electrification Act of 1936.

(aa) The term "State" means any State or the District of Columbia.

(bb) The term "State regulatory authority" means the regulatory body of a State or municipality having sole jurisdiction to regulate rates and charges for the distribution of electric energy to consumers within the State or municipality.

(cc) The term "subsidiary company" of a holding company means—

(1) any company 10 percent or more of the outstanding voting securities of which are directly or indirectly owned, controlled, or held with power to vote, by such holding company; and

(2) any person the management or policies of which the Securities and Exchange Commission, after notice and opportunity for hearing, determines to be subject to a controlling influence, directly or indirectly, by such holding company (either alone or pursuant to an arrangement or understanding with one or more other persons) so as to make it necessary for the protection of consumers that such person be subject to the obligations, duties, and liabilities imposed upon subsidiary companies of public utility holding companies.

(dd) The term "transmission system" means all facilities, including federally-owned facilities, transmitting electricity in interstate commerce in a particular region, including all facilities transmitting electricity in the State of Texas and those providing international interconnections, but does not include local distribution facilities as determined by the Commission.

(ee) The term "wholesale electric energy" means electric energy and ancillary services sold for resale.

(ff) The term "wholesale electric energy supplier" means any person which sells wholesale electric energy.

(gg) The term "wholesale stranded costs" shall have the same meaning as in the Commission's Order No. 888.

(hh) The term "voting security" means any security presently entitling the owner or holder thereof to vote in the direction or management of the affairs of a company.

SEC. 4. SEVERABILITY.

If any provision of this Act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of the Act, and the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

SEC. 5. ENFORCEMENT.

(a) Violation of the Act.—If any individual or corporation or any other retail electric energy supplier or provider fails to comply with the requirements of this Act, any aggrieved person may bring an action against such entity to enforce the requirements of this Act in the appropriate Federal district court.

(b) State or Commission Action.—Notwithstanding any other provision of law, any person seeking redress from an action taken by a State regulatory authority, the Commission or a regulatory board pursuant to this Act shall bring such action in the appropriate circuit of the United States Court of Appeals.

TITLE I—ELECTRIC COMPETITION

SEC. 101. MANDATORY RETAIL ACCESS.

(a) Customer Choice.—Beginning on January 1, 2002, each consumer shall have the right to purchase retail electric energy from any person offering to sell retail electric energy to such consumer, subject to any limitations imposed pursuant to section 104(a) of this Act.

(b) Local Distribution and Retail Transmission Facilities.—Beginning on January 1, 2002, all persons seeking to sell retail electric energy shall have reasonable and nondiscriminatory access, on an unbundled basis, to the local distribution and retail transmission facilities of all retail electric energy providers and all ancillary services.

SEC. 102. AGGREGATION.

Subject to any limitations imposed pursuant to section 104(a) of this Act, a group of consumers or any person acting on behalf of such group may purchase or acquire retail electric energy for the members of the group if they are located in a State or States where there is retail electric competition.

SEC. 103. PRIOR IMPLEMENTATION.

(a) State Action.—Nothing in the Federal Power Act (16 U.S.C. 824 et seq.) shall be deemed to prohibit a State or State regulatory authority, if authorized under State law, from requiring retail electric energy providers selling retail electric energy to consumers in such State to provide reasonable and nondiscriminatory access, on an unbundled basis, to its local distribution facilities and all ancillary services to any retail electric energy supplier prior to January 1, 2002.

(b) Grandfather.—Legislation enacted by a State or a regulation issued by a State regulatory authority which has the effect of providing all consumers in such State the opportunity to purchase retail electric energy from any retail electric energy supplier by January 1, 2002 and provides electric utility companies with the opportunity to recover their retail stranded costs as defined by this Act (unless there is an agreement between a State or State regulatory authority and a retail electric energy provider which provides for a different level of recovery), shall be deemed to be in compliance with the requirements of sections 101 and 105 of this Act.

(c) Reciprocity.—A State or State regulatory authority that provides for retail electric competition may preclude any retail electric energy provider selling retail electric energy to consumers in another State and their affiliates from selling retail electric energy to consumers in the State with retail electric competition if the retail electric energy provider does not provide reasonable and nondiscriminatory access, on an unbundled basis, to its local distribution facilities to any retail electric energy supplier.

SEC. 104. STATE REGULATION.

(a) State Requirements.—A State or a State regulatory authority may impose requirements on persons seeking to sell retail electric energy to consumers in that State which are intended to promote the public interest, including requirements related to generation reliability and the provision of information to consumers and other retail electric energy suppliers. Any such requirements must be applied on a nondiscriminatory basis and may not be used to exclude any class of potential suppliers, such as retail electric energy providers, from the opportunity to sell retail electric energy.

(b) Maintenance of State Authority.—Nothing in this Act is intended to prohibit a State from enacting laws or imposing regulations related to retail electric energy service that are consistent with the requirements of this Act.

(c) Continued State Authority Over Distribution.—A State or State regulatory authority may continue to regulate local distribution service currently subject to State regulation, including billing and metering in any manner consistent with this Act.

SEC. 105. RETAIL STRANDED COST RECOVERY.

(a) Application for Determination.—Except as provided in subsection (b), an electric utility company subject to the ratemaking jurisdiction of a State regulatory authority prior to the date of enactment of this Act may submit an application to the State regulatory authority seeking a determination of its total stranded costs in that State if:

(1) the State regulatory authority has issued a regulation or the State has enacted legislation requiring retail electric competition which does not provide for the full recovery of retail stranded costs; or

(2) the electric utility company's retail distribution customers have access to retail competition as a result of the requirements of Section 101 of this Act.

(3) If a State regulatory authority fails to determine the electric utility company's retail stranded costs within 18 months after the date upon which the company applied for a determination of its stranded costs, the Commission shall determine the company's retail stranded costs.

(b) Nonregulated Utilities.—A municipal or rural electric cooperative that seeks to recover its retail stranded costs may determine its total retail stranded costs.

(c) Right of Recovery.—(1) An electric utility company, municipal utility or retail electric cooperative shall be entitled to full recovery of its retail stranded costs, as determined pursuant to subsection (a) or (b), over a reasonable period of time through a non-bypassable Stranded Cost Recovery Charge imposed on its customers.

(2) A rural electric cooperative which sells wholesale electric energy to rural electric cooperative retail electric energy providers or a joint action agency which sells wholesale electric energy to municipal retail electric energy providers may recover wholesale stranded costs from such rural electric cooperative or municipal retail electric energy providers. Such cost recovery shall be deemed a retail stranded cost of the rural electric cooperative or municipal retail energy provider.

(d) Prohibition on Cost-Shifting.—(1) No class of consumers in a State shall be assessed a Stranded Cost Recovery Charge that a State regulatory authority or the Commission, whichever is applicable, determines is in excess of the class' proportional responsibility for the retail electric energy provider's costs that existed prior to the implementation of retail electric competition in such State.

(2) Customers of a retail electric energy provider that serves consumers in more than

one State or that is affiliated with another retail electric energy provider shall only be responsible for stranded costs associated with retail electric competition in the State or area in which such customers are located.

(e) Prior Prudence Determinations.—Nothing in this Act is intended to affect or modify or permit the modification of a final determination made by the Commission or a State regulatory authority or an agreement entered into by the Commission or a State regulatory authority with regard to the prudence of any costs associated with a particular generating facility or contract.

SEC. 106. WHOLESALE STRANDED COST RECOVERY.

(a) Commission Regulation.—The Commission shall have sole jurisdiction to determine and provide for the recovery of wholesale stranded costs associated with wholesale electric competition with regard to public utilities subject to the jurisdiction of the Commission pursuant to the Federal Power Act.

(b) Regional Generating Facilities.—

(1) The consent of Congress is given for the creation of a regional board if—

(A) each State regulatory authority regulating an affiliate of a public utility holding company with affiliate retail electric energy providers serving customers in more than one state elects to join such a board;

(B) an affiliate of the public utility holding company owns and/or operates a generating facility and sells power from that facility to two or more affiliates of the same holding company and did not sell retail electric energy prior to January 30, 1997 (hereinafter referred to as the "wholesale generating company"); and

(C) the public utility holding company notifies each State regulatory authority which regulates a retail electric energy provider affiliated with the holding company that it intends to seek recovery of the wholesale stranded costs associated with the generating facility or facilities (described in subsection (b)(1)(B)) owned by the wholesale generating company affiliated with such holding company.

(2) The regional board shall be formed if each State regulatory authority elects to create the board within six months after receiving the notification described in subsection (b)(1)(C). If such elections are not made within the requisite time period, the Commission shall assume the responsibilities of the board as described in this section.

(3) The regional board shall have 18 months after the date it is formed to determine, on a unanimous basis, the wholesale stranded costs associated with the generating facility which is the subject of the proceeding and to allocate such costs among the retail electric energy provider affiliates of the public utility holding company on a just and reasonable and nondiscriminatory basis.

(4) If the regional board fails to make either or both determinations, as described in subsection (b)(3) in the requisite time period, the Commission shall make the determination or determinations that have yet to be made.

(5) After its level of wholesale stranded costs is determined pursuant to this subsection, the wholesale generating company affiliate of the holding company shall be entitled to fully recover its stranded costs, over a reasonable period of time, from the retail electric energy provider affiliates to which it sells electric energy pursuant to the procedures established by this subsection.

(6) A retail electric energy provider's wholesale stranded cost payment obligations pursuant to this subsection shall be deemed retail stranded costs for the purposes of section 105 of this Act.

SEC. 107. LOST RETAIL BENEFITS.

A State may require a retail electric energy provider to compensate its retail customers for lost retail benefits if, after retail competition is implemented, the market value of all of the provider's generating assets in the rate base prior to the implementation of retail electric competition is greater than the total costs of these assets that would have been recoverable in retail rates but for the implementation of retail electric competition. No retail electric energy provider shall be required to compensate its customers in an amount that exceeds the increased market value of its generating assets resulting from the implementation of retail electric competition.

SEC. 108. UNIVERSAL SERVICE

(a) State Universal Service Programs.—A State may establish a Universal Service Program that ensures that all consumers have access to purchase retail electric energy from at least one retail electric energy supplier at a just and reasonable rate.

(b) Service Obligation.—(1) After January 1, 2002, each retail electric energy provider located in a State that has not yet established a Universal Service Program described in subsection (a) shall be obligated to sell retail electric energy to, or purchase retail electric energy on behalf of, any of its customers in a particular geographic area in which a State regulatory authority or the Commission, if the State regulatory authority fails to make a determination pursuant to a request by an affected person, determines that there is not effective retail electric competition in such area and the consumer has not affirmatively chosen a retail electric energy supplier.

(2) The retail electric energy provider performing the service described in subsection (b)(1) is entitled to a just and reasonable rate from the consumer receiving such service.

(c) Universal Service Fund.—A State or a State regulatory authority, if authorized by the State, may impose a nonbypassable Universal Service Charge on all customers of every retail electric energy provider in such State to fund all or part of the costs of a Universal Service Program, including the partial or full payment of the charges a provider may recover pursuant to subsection (b)(2).

SEC. 109. PUBLIC BENEFITS.

Nothing in this Act shall prohibit a State or State regulatory authority from assessing charges on retail consumers of energy to fund public benefits programs such as those designed to aid low-income energy consumers, promote energy research and development or achieve energy efficiency and conservation.

SEC. 110. RENEWABLE ENERGY.

(a) Minimum Renewable Requirement.—Beginning on January 1, 2004 and each year thereafter, every retail electric energy supplier shall submit to the Commission Renewable Energy Credits in an amount equal to the required annual percentage of the total retail electric energy sold by such supplier in the preceding calendar year.

(b) State Renewable Energy Programs.—Nothing in this section shall be construed to prohibit any State or any State regulatory authority from requiring additional renewable energy generation in that State under any program adopted by the State.

(c) Required Annual Percentage.—Beginning in calendar year 2003, the required annual percentage for each retail electric energy supplier shall be 5 percent. Thereafter, the required annual percentage for each such supplier shall be 9 percent beginning in calendar year 2008 and 12 percent beginning in calendar year 2013.

(d) Submission of Credits.—A retail electric energy supplier may satisfy the requirements of subsection (a) through the submission of—

(1) Renewable Energy Credits issued by the Commission under this section for renewable energy sold by such supplier in such calendar year.

(2) Renewable Energy Credits issued by the Commission under this section to any other retail electric energy supplier for renewable energy sold in such calendar year by such other supplier and acquired by such retail electric energy supplier.

(3) Any combination of the foregoing.

A Renewable Energy Credit that is submitted to the Commission for any year may not be used for any other purposes thereafter.

(e) Issuance of Renewable Energy Credits.—

(1) The Commission shall establish by rule after notice and opportunity for hearing but not later than one year after the date of enactment of this Act, a National Renewable Energy Trading Program to issue Renewable Energy Credits to retail electric suppliers. Renewable Energy Credits shall be identified by type of generation and the State in which the facility is located. Under such program, the Commission shall issue—

(A) one-half of one Renewable Energy Credit to any retail electric energy supplier who sells one unit of renewable energy generated at a large hydroelectric facility;

(B) one Renewable Energy Credit to any retail electric energy supplier who sells one unit of renewable energy generated at a facility, other than a large hydroelectric facility, built prior to the date of enactment of this Act; and

(C) two Renewable Energy Credits to any retail electric supplier who sells one unit of renewable energy generated at a facility, other than a large hydroelectric facility, built on or after the date of enactment of this Act.

(2) The Commission shall impose and collect a fee on recipients of Renewable Energy Credits in an amount equal to the administrative costs of issuing, recording, monitoring the sale or exchange, and tracking such Credits.

(f) Sale or Exchange.—Renewable Energy Credits may be sold or exchanged by the person issued or the person who acquires the Credit. A Renewable Energy Credit for any year that is not used to satisfy the minimum renewable sales requirement of this section for that year may not be carried forward for use in another year. The Commission shall promulgate regulations to provide for the issuance, recording, monitoring the sale or exchange, and tracking of such Credits. The Commission shall maintain records of all sales and exchanges of Credits. No such sale or exchange shall be valid unless recorded by the Commission.

(g) Use of Proceeds by BPA.—The Administrator of the Bonneville Power Administration shall use the proceeds from the sale of any Renewable Energy Credit issued to the Bonneville Power Administration under this section for its retail electric energy sales to repay the Administration's outstanding debt to the United States Treasury and bondholders of securities backed by the Bonneville Power Administration.

(h) RULES AND REGULATIONS.—The Commission shall promulgate such rules and regulations as may be necessary to carry out this section, including such rules and regulations requiring the submission of such information as may be necessary to verify the annual electric generation and renewable energy generation which is supplied by any person applying for Renewable Energy Credits under this section or to verify and audit the validity of Renewable Energy Credits submitted by any person to the Commission.

(i) ANNUAL REPORTS.—The Commission shall gather available data and measure compliance with the requirements of this section and the success of the National Renewable Energy Trading Program established under this section. On an annual basis not later than May 31 of each year, the Commission shall publish a report for the previous year that includes compliance data, National Renewable Energy Trading Program results, and steps taken to improve the Program results.

(j) SUNSET.—The requirements of this section shall cease to apply on December 31, 2019.

SEC. 111. DETERMINATION OF LOCAL DISTRIBUTION FACILITIES.

(a) APPLICATION BY STATE REGULATORY AUTHORITY.—A State regulatory authority may apply to the Commission for a determination whether a particular facility used for the transportation of electric energy located in such State is a local distribution facility subject to the jurisdiction of that State regulatory authority or is a transmission facility subject to the jurisdiction of the Commission.

(b) COMMISSION FINDINGS.—If an application is submitted pursuant to subsection (a) the Commission shall make a determination giving the maximum practicable deference to the position taken by the State regulatory authority, in accordance with the following factors associated with the facility:

(1) function and purpose;

(2) size;

(3) location;

(4) voltage level and other technical characteristics;

(5) historic, current and planned usage patterns;

(6) interconnection and coordination with other facilities; and

(7) any other factor the Commission deems relevant.

SEC. 112. TRANSMISSION.

(a) TRANSMISSION REGIONS.—Within two years after the date of enactment of this Act, the Commission shall establish the broadest feasible transmission regions and designate an Independent System Operator to manage and operate the transmission system in each region beginning on January 1, 2002. In establishing transmission regions and designating Independent System Operators the Commission shall give deference to Independent System Operators approved by the Commission prior to the date of enactment of this Act, if it would be consistent with the requirements of this section.

(b) INDEPENDENT SYSTEM OPERATORS.—A person designated as an Independent System Operator shall not be subject to the control of—

(1) any person owning any transmission facilities located in the region in which the Independent System Operator will operate; or

(2) any retail electric energy supplier selling retail electric energy to consumers in the region in which the Independent System Operator will operate.

(c) TRANSMISSION REGULATION.—

(1) The Commission shall continue to have authority over the transmission of electric energy in interstate commerce by the Independent System Operator within the transmission region designated by the Commission.

(2) The Commission shall have authority over the transmission of electric energy in interstate commerce between two or more transmission regions designated by the Commission.

(3) Sections 212(f) and 212(j) of the Federal Power Act (16 U.S.C. 824k(f) and 824k(j)) are repealed effective January 1, 2002.

(4) Section 212(g) of the Federal Power Act (16 U.S.C. 824k(g)) is amended by adding "prior to January 1, 2002" immediately following "utilities".

(5) Section 212(h) of the Federal Power Act (16 U.S.C. 824k(h))—

(A) shall not apply after the date of enactment of this Act where a retail electric energy supplier is seeking access to a transmission facility for the purpose of selling retail electric energy to a consumer located in a State that has authorized retail electric competition prior to January 1, 2002; or

(B) is repealed effective January 1, 2002.

(f) RULES.—On or before January 1, 2001, the Commission shall issue binding rules governing oversight of the Independent System Operators and designed to promote transmission reliability and efficiency and competition among retail and wholesale electric energy suppliers, including rules related to transmission rates that inhibit competition and efficiency.

SEC. 113. COMPETITIVE GENERATION MARKETS.

(a) MERGERS.—

(1) Section 203(a) of the Federal Power Act (16 U.S.C. 824b(a)) is amended by adding "including the promotion of competitive wholesale and retail electric generation markets," immediately following "public interest".

(2) Section 203 of the Federal Power Act (16 U.S.C. 824b) is further amended by adding at the end the following:

"(c) ACQUISITION OF NATURAL GAS UTILITY COMPANY.—No public utility shall acquire the facilities or securities of a natural gas utility company unless the Commission finds that such acquisition is in the public interest.

"(d) DEFINITION.—For purposes of this section, the term "natural gas utility company" means any company that owns or operates facilities used for the transportation at wholesale, or the distribution at retail (other than the distribution only in enclosed portable containers) of natural or manufactured gas for heat, light, or power.".

(b) MARKET POWER.—The Commission may take such actions as it determines are necessary, including the following:

(1) ordering the physical connection of generating or transmission facilities,

(2) ordering a transmitting utility (as defined in section 3(23) of the Federal Power Act (16 U.S.C. 796(23)) to provide transmission services (including any enlargement of transmission capacity (consistent with applicable state law) necessary to provide such services), or

(3) requiring the divestiture of generating or transmission facilities,

in order to prohibit any retail or wholesale electric energy supplier or retail electric energy provider or any affiliate thereof, from using its ownership or control of resources to maintain a situation inconsistent with effective competition among retail and wholesale electric suppliers.

SEC. 114. NUCLEAR DECOMMISSIONING COSTS.

To ensure safety with regard to the public health and safe decommissioning of nuclear generating units, any retail and wholesale electric energy supplier owning nuclear generating units prior to the date of enactment of this Act shall recover all reasonable costs (as determined by the Commission and relevant State regulatory authorities) associated with Federal and State requirements for the decommissioning of such nuclear generating units pursuant to a non-bypassable charge imposed on all consumers located in the service territories purchasing power, or that had purchased power, from such nuclear generating units. In overseeing the non-bypassable charge, a State regulatory authority may take into account the greater cost responsibility of those consumers which continue to purchase power generated at a nuclear unit.

SEC. 115. RIGHT TO KNOW.

Beginning on January 1, 2002, the Commission shall ensure that each retail electric energy supplier discloses to the public information on the types of fuel used to generate the electricity sold by the supplier, including the percentage of the electric energy sold by the supplier that is generated by each fuel type.

SEC. 116. EXEMPTION OF ALASKA AND HAWAII.

This title shall not apply to any person located in Alaska or Hawaii with regard to any activity or transaction occurring in Alaska or Hawaii.

TITLE II—PUBLIC UTILITY HOLDING COMPANIES

SEC. 201. REPEAL OF THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935.

The Public Utility Holding Company Act of 1935, as amended, 15 U.S.C. 79 et seq., is hereby repealed, effective one year from the date of enactment of this Act.

SEC. 202. EXEMPTIONS.

(a) FEDERAL AND STATE AGENCIES.—No provision of this title shall apply to: (1) the United States, (2) a State or any political subdivision of a State, (3) any foreign governmental authority not operating in the United States, (4) any agency, authority, or instrumentality of any of the foregoing, or (5) any officer, agent, or employee of any of the foregoing acting as such in the course of his official duty.

(b) UNNECESSARY PROVISIONS.—The Commission, by rule or order, may conditionally or unconditionally exempt any person or transaction, or any class or classes of persons or transactions, from any provision or provisions of this title or of any rule or regulation thereunder, if the Commission finds that regulation of such person or transaction is not relevant to the rates of a public utility company. The Commission shall not grant such an exemption, except with regard to section 204 of this Act, unless all affected State regulatory authorities consent.

(c) RETAIL COMPETITION.—The provisions of this title shall not apply to a holding company and every associate company of such holding company if the Commission certifies that the retail customers of every public utility subsidiary of such holding company have access to retail electric competition and each State regulatory authority regulating the retail electric energy provider subsidiaries of the holding company certify that they will have sufficient access to the holding company's books and records relevant to their regulatory responsibilities.

SEC. 203. FEDERAL ACCESS TO BOOKS AND RECORDS.

(a) PROVISION OF BOOKS AND RECORDS.—Every holding company and associate company thereof shall maintain, and make available to the Commission, such books, records, accounts, and other documents as the Commission deems relevant to costs incurred by a public utility company that is an associate company of such holding company and necessary or appropriate for the protection of consumers with respect to rates.

(b) Examination of Books and Records.—The Commission may examine the books and records of any company in a holding company system, or any affiliate thereof, as the Commission deems relevant to costs incurred by a public utility company within such holding company system and necessary or appropriate for the protection of consumers with respect to rates.

(c) Protected Information.—No member, officer, or employee of the Commission shall divulge any fact or information that may come to his knowledge during the course of examination of books, accounts, or other information as hereinbefore provided, except insofar as he may be directed by the Commission or by a court.

SEC. 204. STATE ACCESS TO BOOKS AND RECORDS.

(a) Provision of Books and Records.—Every holding company and associate company thereof, shall maintain, and make available to each State regulatory authority regulating the rates of any public utility subsidiary of such holding company, such books, records, accounts, and other documents as the State regulatory authority deems relevant to costs incurred by a public utility company that is an associate company of such holding company and necessary or appropriate for the protection of consumers with respect to rates.

(b) Protected Information.—No member, officer, or employee of a State regulatory authority shall divulge any fact or information that may come to his knowledge during the course of examination of books, accounts, or other information as hereinbefore provided, except insofar as he may be directed by the State regulatory authority or a court.

SEC. 205. AFFILIATE TRANSACTIONS.

(a) Interaffiliate Transactions.—Both the Commission, with regard to wholesale rates, and State regulatory authorities, with regard to retail rates, shall have the authority to determine whether a public utility company may recover in rates any costs of goods and services acquired by such public utility company from an associate company after the date of enactment regardless of when the contract for the acquisition of such goods and services was entered into.

(b) Associate Companies.—Both the Commission, with regard to wholesale rates, and State regulatory authorities, with regard to retail rates, shall have the authority to determine whether a public utility company may recover in rates any costs associated with an activity performed by an associate company.

(c) Interaffiliate Power Transactions.—

(1) Each State regulatory authority shall have the authority to examine the prudence of a wholesale electric power purchase made by a public utility, which is not an associate company of a public utility holding company, providing retail electric service subject to regulation by the State regulatory authority.

(2) Each State regulatory authority shall have the authority to examine the prudence of a wholesale electric power purchase made by a public utility, which is an associate company of a public utility holding company, providing retail electric service subject to regulation by the State regulatory authority, provided that the costs related to such purchase have not been allocated among two or more associated companies of such public utility holding company, by the Commission prior to the date of enactment and there is no subsequent reallocation after the date of enactment.

SEC. 206. CLARIFICATION OF REGULATORY AUTHORITY.

No public utility which is an associate company of a holding company may recover in rates from wholesale or retail customers any costs (other than wholesale or retail stranded costs) not associated with the provision of electric service to such customers, including those direct and indirect costs related to investments not associated with the provision of electric service to those customers, unless the Commission, with regard to wholesale rates, or a State regulatory authority, with regard to retail rates, explicitly consents.

SEC. 207. EFFECT ON OTHER REGULATION.

Nothing in this Act shall preclude a State regulatory authority from exercising its jurisdiction under otherwise application law to protect utility consumers.

SEC. 208. ENFORCEMENT.

The Commission shall have the same powers as set forth in sections 306 through 317 of the Federal Power Act (16 U.S.C. 825d–825p) to enforce the provisions of this title.

SEC. 209. SAVINGS PROVISION.

Nothing in this title prohibits a person from engaging in activities in which it is legally engaged or authorized to engage on the date of enactment of this title provided that it continues to comply with the terms of any authorization, whether by rule or by order.

SEC. 210. IMPLEMENTATION.

The Commission shall promulgate regulations necessary or appropriate to implement this title not later than six months after the date of enactment of this Act.

SEC. 211. RESOURCES.

All books and records that relate primarily to the function hereby vested in the Commission shall be transferred from the Securities and Exchange Commission to the Commission.

TITLE III—PUBLIC UTILITY REGULATORY POLICIES ACT

SEC. 301. DEFINITION.

For purposes of this title, the term "facility" means a facility for the generation of electric energy or an addition to or expansion of the generating capacity of such a facility.

SEC. 302. FACILITIES.

Section 210 of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 824a-3) shall not apply to any facility which begins commercial operation after the effective date of this title, except a facility for which a power purchase contract entered into under such section was in effect on such effective date.

SEC. 303. CONTRACTS.

After the effective date of this title or after the date on which retail electric competition, as defined in title I of this Act, is implemented in all of its service territories, whichever is earlier, no public utility company shall be required to enter into a new contract or obligation to purchase or sell electric energy pursuant to section 210 of the Public Utility Regulatory Policies Act of 1978.

SEC. 304. SAVINGS CLAUSE.

Notwithstanding sections 302 and 303, nothing in this title shall be construed:

(a) as granting authority to the Commission, a State regulatory authority, electric utility company, or electric consumer, to reopen, force, the renegotiation of, or interfere with the enforcement of power purchase contracts or arrangements in effect on the effective date of this Act between a qualifying small power producer and any electric utility or electric consumer, or any qualifying cogenerator and any electric utility or electric consumer.

(b) To affect the rights and remedies of any party with respect to such a power purchase contract or arrangement, or any requirement in effect on the effective date of this Act to purchase or to sell electric energy from or to a qualifying small power production facility or qualifying cogeneration facility.

SEC. 305. EFFECTIVE DATE.

This title shall take effect on January 1, 2002.

TITLE IV—ENVIRONMENTAL PROTECTION

SEC. 401. STUDY.

The Environmental Protection Agency, in consultation with other relevant Federal agencies, shall prepare and submit a report to Congress by January 1, 2000, which examines the implications of differences in applicable air pollution emissions standards for wholesale and retail electric generation competition and for public health and the environment. The report shall recommend changes to Federal law, if any are necessary, to protect public health and the environment.

TITLE V—BONNEVILLE POWER ADMINISTRATION

SEC. 501. FINDINGS AND PURPOSES.

(a) Findings.—The Congress finds that:

(1) The multi-purpose Federal Columbia River Power System's Federal and non-Federal dams have provided immeasurable benefits to the Pacific Northwest by providing flood control, renewable hydroelectric power, irrigation, navigation, and recreation;

(2) The dams provide the Northwest with a continuing source of clean and renewable power but, along with over-fishing and other natural and human impacts on the ecosystem, have adversely affected the Columbia Basin's fish and wildlife;

(3) Enactment of the Energy Policy Act of 1992 established competition for the wholesale supply of electricity, and market forces have driven the cost of power down nationally, the Northwest included, and has allowed utilities and large users to buy power at rates below those offered by the Bonneville Power Administration;

(4) Realizing the new economic forces impacting electricity, the four Northwest State Governors undertook a year-long review in 1996 of the regional electricity system and made recommendations for the future of the system;

(5) Among these recommendations is the separation of the transmission and power marketing functions of the Bonneville Power Administration, with Commission oversight of access to Bonneville's transmission system, and undertaking this separation in a way that does not impair Bonneville's ability to meet its obligations to the U.S. Treasury, fish and wildlife programs, and bondholders of the Washington Public Power Supply System;

(6) There are ongoing efforts by Bonneville to reduce its costs and require accountability of its funds, including those of its funds used for salmon recovery; and

(7) There is a need to provide a regional process involving the Federal Government,

state governments, tribal governments, utilities and other users of the water of the Columbia and Snake River System, to balance the multiple objectives of the river system.

(b) PURPOSES.—The purposes of this title are:

(1) To establish authority in a consolidated regional governing body that will balance the multiple uses of the Columbia and Snake river system, for hydroelectric production, for irrigation, for recreation, for the protection and enhancement of fish and wildlife populations, and for flood control, with that body to be responsible and accountable for spending funds for these purposes;

(2) To facilitate the maintenance of an open transmission system in the Northwest based on Commission rules and to ensure its reliability; and

(3) To assure that the Bonneville Power Administration retains the ability to meet its unique financial obligations to the U.S. Treasury, to fish and wildlife projects, to the bondholders of the Washington Public Power Supply System, and to remain a competitive wholesale supplier of electricity.

SEC. 502. COLUMBIA RIVER FISH AND WILDLIFE COORDINATION AND GOVERNANCE.

This section is reserved.

SEC. 503. PACIFIC NORTHWEST FEDERAL TRANSMISSION ACCESS.

The Commission's rules on nondiscriminatory open access to transmission services provided by public utilities, including its rules on standards of conduct, shall also apply to transmission services provided by the Bonneville Power Administration, except as otherwise provided by the Commission by rule if it is in the public interest, or except as necessitated by the requirements of section 504 or 506 of this Act. Except as provided in sections 504 and 508 of this Act, rates for transmission imposed by the Administrator shall continue to be established and reviewed and approved in accordance with the provisions of otherwise applicable Federal laws.

SEC. 504. TRANSITION COST MECHANISM.

If the Bonneville Power Administration proposes a charge to recover its transition costs resulting from this Act, the Energy Policy Act, or the Commission's Order No. 888, a transition cost recovery mechanism shall be developed and adopted by the Commission within 180 days of the filing of the proposal with the Commission.

SEC. 505. INDEPENDENT SYSTEM OPERATOR PARTICIPATION.

Notwithstanding any other provision of law, the Administrator of the Bonneville Power Administration may participate in a regulated Independent System Operator subject to the jurisdiction of the Commission pursuant to section 112 of this Act.

SEC. 506. FINANCIAL OBLIGATIONS.

Sections 503, 504 and 505 of this Act shall be interpreted and implemented in a manner that does not adversely affect the security of the Bonneville Power Administration's Washington Public Power Supply System net-billing and other third-party financing arrangements.

SEC. 507. PROHIBITION ON RETAIL SALES.

Except as provided in section 5(d) of the Northwest Power Act (16 U.S.C. 839c(d)), the Administrator shall not màrket, sell or dispose of electric power to any end use or retail customers that did not have a contract for the purchase of electric power with the Administrator for services to specific facilities as of October 1, 1997.

SEC. 508. CLARIFICATION OF COMMISSION AUTHORITY.

Section 7(a)(2) of the Pacific Northwest Electric Power Planning and Conservation Act (16 U.S.C. 839e(a)(2)) is amended—

(1) by deleting the word "costs," in paragraph (B);

(2) by striking the period at the end of paragraph (C) and inserting in lieu thereof ", and"; and

(3) by adding at the end thereof the following new paragraph:

"(D) insofar as transmission rates are concerned, the rates do not discriminate between transmission users or classes of users in a manner that has the effect of unreasonably denying transmission access under section 503 of this Act."

SEC. 509. REPEALED STATUTE.

Section 6 of the Federal Columbia River Transmission System Act (16 U.S.C. 838d) is hereby repealed.

TITLE VI—TENNESSEE VALLEY AUTHORITY

SEC. 601. COMPETITION IN SERVICE TERRITORY.

Notwithstanding any other provision of law, beginning on January 1, 2002, all retail and wholesale electric energy suppliers shall have the right to sell retail and wholesale electric energy to persons that currently purchase retail or wholesale electric energy either directly from the Tennessee Valley Authority or persons purchasing electric energy from the Tennessee Valley Authority.

SEC. 602. ABILITY TO SELL ELECTRIC ENERGY.

(a) TVA.—Notwithstanding any other provision of law, the Tennessee Valley Authority may sell wholesale electric energy to any person, subject to any restrictions imposed pursuant to Section 104(a) of this Act, beginning on January 1, 2002.

(b) POWER CUSTOMERS.—Notwithstanding any other provision of law, persons that currently purchase wholesale electric energy from the Tennessee Valley Authority may sell wholesale and retail electric energy to any persons subject to any restrictions imposed pursuant to section 104(a) of this Act, beginning on January 1, 2002.

SEC. 603. TERMINATION OF CONTRACTS.

(a) NOTICE.—Beginning on January 1, 2001, the Tennessee Valley Authority shall allow any person that has executed a contract to purchase retail or wholesale electric energy from it to terminate such contract upon one year's notice.

(b) STRANDED COSTS.—Each person holding a contract that is terminated pursuant to subsection (a) shall be responsible for retail or wholesale stranded costs as determined by the Commission.

SEC. 604. RATES FOR ELECTRIC ENERGY.

(a) ESTABLISHMENT.—Notwithstanding any other provision of law, the Board of Directors of the Tennessee Valley Authority shall establish, and periodically review and revise, rates for the sale and disposition of wholesale and retail electric energy and for the transmission of electric energy by the Tennessee Valley Authority. Such rates shall be established and, as appropriate, revised to recover, in accordance with sound business principles, the costs associated with the generation, acquisition, conservation, transmission, and distribution of electric energy, including the payment of principal and interest on the Authority's bonds over a reasonable period.

(b) COMMISSION REVIEW.—Rates established under this section shall become effective only upon confirmation and approval by the Commission, upon a finding by the Commission that such rates are sufficient to ensure repayment of the Authority's bonds over a reasonable number of years after first meeting the Authority's legitimate, prudent, and verifiable costs.

SEC. 605. PRIVATIZATION STUDY.

(a) REQUIREMENT FOR PREPARATION OF STUDY.—The Board of Directors the Tennessee Valley Authority shall prepare a study for selling its electric power program (excluding dams and appurtenant works and structures) to private investors and, not later than two years after the date of enactment of this Act, shall submit such plan to the Congress.

(b) CONTENTS OF STUDY.—The study shall consider the following—

(1) both the sale of the authority's electric power program as a whole and the sale of some or all of its component parts;

(2) alternative means of selling the Authority's electric power program or its component parts, including a public stock offering, a private placement of stock, or the sale of assets; and

(3) the effect of any sale on—

(A) electric rates and competition in the regional electricity market,

(B) the operation of the Authority's nonpower programs, and

(C) the repayment of the Authority's debt.

(c) ADDITIONAL ELEMENTS.—The study shall also include—

(1) An estimate of the amount of revenue that the United States Treasury would receive under each of the alternatives considered;

(2) the Board's analysis of the feasibility of each of the alternatives considered and its recommendation either for retaining the Authority's power program under federal ownership or the preferred alternative for selling it to private investors; and

(3) the Board's recommendation of whether the Authority's dams should—

(A) be transferred to the Department of the Army Corps of Engineers and responsibility for marketing electric energy produced by such dams assigned to the Southeastern Power Marketing Administration, or

(B) continue to be controlled by, and the electric energy they produce continue to be marketed by the Tennessee Valley Authority.

(d) FURTHER ACTION.—The Board of Directors shall take no action to implement the sale of the Authority's power program without further legislation authorizing such action.

TRANSITION TO ELECTRIC COMPETITION ACT OF 1997—SECTION-BY-SECTION ANALYSIS

TITLE I—ELECTRIC COMPETITION

Section 101—Mandatory Retail Access

All consumers (including current customers of investor-owned municipal and rural cooperative electric utilities) have the right to purchase retail electric energy beginning on January 1, 2002.

All retail electric energy suppliers (entities selling retail electric energy) have access to local distribution facilities and all ancillary services beginning on January 1, 2002.

Section 102—Aggregation

A group of consumers or any entity acting on behalf of such group is authorized to aggregate to purchase retail electric energy for the members of the group if they live in a State where retail electric competition exists.

Section 103—Prior Implementation

Nothing in the Federal Power Act shall prohibit States from requiring retail electric competition prior to January 1, 2002.

A State requiring retail electric competition prior to January 1, 2002 and providing utilities with the opportunity to recover stranded costs is exempt from the Act's requirements related to retail competition and stranded costs.

A State may impose reciprocity requirements if it has provided for retail competition to prevent utilities that aren't subject to retail competition from selling power to retail customers in its state.

Section 104—State Regulation

States may impose requirements on retail electric energy suppliers to protect the public interest.

No class of potential retail electric energy suppliers can be excluded from selling retail electric energy.

States may continue to regulate local distribution and retail transmission service provided by retail electric energy providers.

Section 105—Retail Stranded Cost Recovery

An investor-owned utility providing retail electric service prior to the date of enactment which is seeking recovery of its stranded costs must request the State regulatory authority to determine the amount of its stranded costs associated with the implementation of retail electric competition.

If a State regulatory authority fails to determine the amount of stranded costs within 18 months of the request, FERC will determine the amount.

A municipal electric utility or a rural electric cooperative may determine the amount of its stranded costs.

A utility is entitled to recover its stranded costs from its customers pursuant to a nonbypassable Stranded Cost Recovery Charge.

A rural electric cooperative or municipal joint action agency that sells wholesale power to rural electric cooperative or municipal distribution companies may recover its stranded costs from the distribution companies.

No class of customers (such as a utility's residential customers) can be required to pay a Stranded Cost Recovery Charge in excess of its proportional responsibility for utility costs prior to the implementation of retail electric competition.

Customers served by utility companies operating in more than one state either directly or through an affiliate are only responsible for stranded costs arising from retail electric competition in the state they reside.

For purposes of determining stranded cost amounts, prior prudence determinations are binding.

Section 106—Wholesale Stranded Cost Recovery

FERC has sole jurisdiction to determine and provide for the recovery of the wholesale stranded costs associated with utilities subject to the Federal Power Act.

All of the states regulating utility subsidiaries of a multistate utility holding company may form a regional board to calculate the stranded costs of a wholesale electric supplier subsidiary of the holding company that does not sell any retail electric energy and to allocate such costs among the utility subsidiaries of the holding company.

If the regional board is not formed or if the members of the regional board fail to produce a consensus on either determination required of the board, FERC shall perform the board's responsibilities.

Once the wholesale subsidiary's stranded costs have been determined, the subsidiary is entitled to recover such costs from its affiliated utility companies in the manner allocated by the board or FERC and the utility companies are entitled to recover such costs from its customers.

Section 107—Lost Retail Benefits

A state may require a retail electric energy provider to compensate its customers for any increase in power costs resulting from the implementation of retail electric competition if the market value of the provider's generating assets increase and the provider sells power elsewhere due to the implementation of retail electric competition.

Section 108—Universal Service

A state may establish a Universal Service Program to ensure that all consumers have access to electric service at a just and reasonable rate.

If a state has not established a Universal Service Program prior to January 1, 2002, each retail electric energy provider located in that state is obligated to sell power to or purchase power on behalf of consumers that do not have sufficient access to competing retail electric energy suppliers.

The retail electric energy provider is entitled to just and reasonable compensation for the service performed.

States may impose a nonbypassable Universal Service Charge to help pay for the retail electric energy provider's compensation.

Section 109—Public Benefits

States may impose charges on retail electric energy consumers to fund public benefit programs (i.e. low-income and energy efficiency).

Section 110—Renewable Energy

Beginning of 2003, all retail electric energy suppliers are required to either (1) sell at least a minimum amount of renewable energy as part of the total amount of energy it sells or (2) purchase credits from retail electric energy suppliers that sell renewable energy in excess of the minimum requirements.

½ of one Renewable Energy Credit will be provided to retail electric energy suppliers selling power generated from a large hydroelectric facility (more than 80 MW). One Renewable Energy Credit will be provided to retail electric energy suppliers selling power generated at all other renewable electric facilities built prior to the date of enactment. Two Renewable Energy Credits will be provided to retail electric energy suppliers selling power generated at all other renewable electric facilities built subsequent to the date of enactment.

Retail electric energy suppliers are required to have Credits worth 5% of its generation beginning in 2003, 9% of its generation beginning in 2008 and 12% of its generation beginning in 2013.

The Bonneville Power Administration must use proceeds from the sale of Credits issued to it to repay the Administration's outstanding debt to the U.S. Treasury and the Washington Public Power supply System Bondholders.

Section 111—Determination of Local Distribution Facilities

A State regulatory authority may apply with FERC for a determination of whether a particular facility constitutes a local distribution facility.

FERC will give the position of the State regulatory authority maximum practicable deference.

Section 112—Transmission

Within two years of the date of enactment FERC must establish transmission regions and designate an Independent System Operator (ISO) to manage and operate all of the transmission facilities in each region beginning on January 1, 2002.

The ISO can't be affiliated with any person owning transmission facilities in the region or any retail electric energy supplier selling retail electric energy in the region.

FERC is required to issue rules by January 1, 2001 applicable to its oversight of the ISO's to promote transmission reliability and efficiency and competition among retail and wholesale electric energy suppliers.

The Federal Power Act prohibition on FERC requiring transmission access for the purposes of retail wheeling is repealed on January 1, 2002 or at an earlier date for a particular retail wheeling request in a State that retail electric competition prior to January 1, 2002.

Section 113—Competitive Generation Markets

FERC's authority over utility mergers pursuant to the Federal Power Act is extended to electric utility mergers with natural gas utility companies.

FERC review of mergers must take into account the impact of a merger on competitive wholesale and retail electric generation markets.

FERC has authority to take actions necessary to prohibit retail electric energy suppliers and providers from using their control of resources to inhibit retail and wholesale electric competition.

Section 114—Nuclear Decommissioning Costs

Utilities owning nuclear power plants prior to the date of enactment are entitled to recover costs to fund decommissioning of the plants from their customers pursuant to a non-bypassable charge.

Section 115—Right to Know

Each retail electric energy supplier must publicly disclose information on the types of fuel used to generate the electricity sold by the supplier.

Section 116—Exemption of Alaska and Hawaii

Title I does not apply to any transaction occurring in Alaska or Hawaii.

TITLE II—PUBLIC UTILITY HOLDING COMPANIES

Section 201—Repeal of PUHCA

PUHCA is repealed one year from the date of enactment of the Act.

Section 202—Exemption

Title II does not apply to federal or state agencies or foreign governmental authorities not operating in the U.S.

FERC may exempt anyone from any of the requirements of the Title if the Commission finds the particular regulation not relevant to public utility company rates and the affected States consent.

The provisions of the Title don't apply to a particular holding company when retail electric competition exists in the service territory of each utility subsidiary of the holding company.

Section 203—Federal Access to Books and Records

Each holding company and associate company of the holding company must make its books and records available to FERC.

Section 204—State Access to Books and Records

Each holding company and associate company of the holding company must make its books and records available to each State regulatory authority regulating a utility subsidiary of the holding company.

Section 205—Affiliate Transactions

FERC, with regard to wholesale rates and States, with regard to retail rates, have the authority to determine whether a public utility affiliate of a holding company may recover its costs associated with a non-power transaction with an affiliated company if such costs arose after the date of enactment.

State regulatory authorities have the authority to review the prudence of a utility's wholesale power purchases form non-affiliated sellers.

State regulatory authorities have the authority to review the prudence of a utility's wholesale power purchase from an affiliated seller in the same holding company system unless FERC has allocated the costs of the purchase among two or more utility subsidiaries of the holding company prior to the date of enactment and there is no subsequent reallocation.

Section 206—Clarification of Regulatory Authority

FERC, with regard to wholesale rates, and State regulatory authorities, with regard to retail rates, must explicitly consent, before a utility affiliate of a utility holding company can recover costs in rates that are not directly related to the provision of electric service to its customers.

Section 207—Effect on Other Regulation

State regulatory authorities can exercise their jurisdiction under otherwise applicable law to protect utility consumers.

Section 208—Enforcement

FERC has the same enforcement authority under this Title as it does under the Federal Power Act.

Section 209—Savings Provision

A person engaging in an activity it was legally entitled to engage in on the date of enactment may continue to be entitled to engage in the activity.

Section 210—Implementation

FERC must promulgate regulations to implement the Title within 6 months of the date of enactment.

Section 211—Resources

The SEC must transfer its books and records related to holding company regulation to the FERC.

TITLE III—PUBLIC UTILITY REGULATORY POLICIES ACT

Section 301—Definition

Section 302—Facilities

Section 210 of PURPA doesn't apply to facilities beginning commercial operation after the effective date of this Title unless the power purchase contract related to the facility was in effect on the effective date.

Section 303—Contracts

Public utilities are no longer required to enter into new purchase contracts under Section 210 of PURPA once there is retail electric competition in their service territories.

Section 304—Savings Clause

This Title does not affect existing power purchase contracts under PURPA.

Section 305—Effective Date

The effective date of this Title is January 1, 2002.

TITLE IV—ENVIRONMENTAL PROTECTION

Section 401—Study

EPA must submit a study to Congress by January 1, 2002, which examines the implications of wholesale and retail electric competition on the emission of pollutants and recommends changes to law, if any are necessary to protect public health and the environment.

TITLE V—BONNEVILLE POWER ADMINISTRATION

Section 501—Findings and Purposes

Section 502—Columbia River Fish and Wildlife Coordination and Governance

This section is reserved for future versions of the bill.

Section 503—Pacific Northwest Federal Transmission Access

BPA is subject to FERC's open access transmission requirements unless FERC determines it is not in the public interest or it would prevent BPA from paying its debt.

Section 504—Transition Cost Mechanism

FERC is required to develop a transition cost recovery mechanism for BPA if BPA makes a proposal.

Section 505—Independent System Operator Participation

BPA is not prohibited from participating in an Independent System Operator.

Section 506—Financial Obligations

The use of BPA's transmission facilities for competitive generation transmission shall not adversely affect BPA's ability to pay its debt.

Section 507—Prohibition on Retail Sales

BPA is prohibited from selling retail electric energy to customers that did not have a contract with BPA as of October 1, 1997.

Section 508—Clarification of Commission Authority

Pacific Northwest transmission rates can't be used to unreasonably deny transmission access.

Section 509—Repealed Statute

Section 6 of the Federal Columbia River Transmission System is repealed.

TITLE VI—TENNESSEE VALLEY AUTHORITY

Section 601—Competition in Service Territory

Beginning on January 1, 2002, TVA's retail and wholesale customers are permitted to purchase power from other sellers.

Section 602—Ability to Sell Electric Energy

Beginning on January 1, 2002, TVA may sell wholesale electric energy outside of its current service territory.

Section 603—Termination of Contracts

Any person that currently holds a wholesale or retail contract with TVA may cancel the contract with one year notice beginning on January 1, 2001.

Section 604—Rates for Electric Energy

TVA's Board of Directors will establish the rates for the sale and transmission of electric energy by TVA.

The rates must be sufficient to recover TVA's costs, including the payment of principal and interest on its bonds over a reasonable period.

FERC must review and approve the Board's rates if they are sufficient to ensure the repayment of TVA's legitimate, prudent and verifiable costs over a reasonable period of time and ensure the recovery of TVA's stranded retail and wholesale costs.

Section 605—Privatization Plan

TVA's Board of Directors must prepare a plan within two years of the date of enactment for selling its electric power program to private investors.

No action on the sale of TVA may occur without subsequent congressional actions.

Mr. GORTON. Mr. President, the Senator from Arkansas has eloquently and adequately described the bill which we are introducing jointly today. He is a leader in this field, and introduced the bill on this subject early this year. He and I, and the occupant of the Chair, have had the opportunity to go through seven workshops on electric power marketing restructuring. During the course of this time, the Senator from Arkansas and I found that we thought very similarly in this field, and we are here together on the floor today to introduce a bill that modifies somewhat, but not in its general philosophy, the proposal that he introduced almost a year ago.

The goal that we set in this bill is to provide for competition for choice, and ultimately for lower prices for electric power consumers from the largest industry to the individual homeowner all across the 50 States of the United States. We set a deadline for that competition to exist on the 1st of January of the year 2002. We encourage States, several of which have already acted, to provide for their own free and open competition by allowing States that have met the general requirements of this bill before 2002 to do it in their own way—in the way in which their legislatures have decided or may have decided.

We cover, as the Senator from Arkansas pointed out, the legitimate stranded costs of utilities that have been required to build facilities, some of which may not be completely competitive in an entirely free and open market. We set up a system of independent system operators so that the entire transmission system of the United States will be free and open on equal terms to all potential competitors.

We encourage the increased use of renewable energy sources by requiring certain minimums increasing in three steps throughout the course of the next 15 years or so but providing credit for those who already have renewable resources—hydropower, solar power, and the other forms of renewable resources which exist at the present time and may exist in the future, and allow the sale of credit from those who already meet or exceed the renewable requirements of the bill—credits that they can sell to others.

Senator BUMPERS has been a true leader in this field, and I am honored and delighted to now join with him in what I believe is the first bipartisan approach to this subject, a bipartisan approach which is going to be absolutely essential to any success.

At the same time that he has been working with his constituents across the country, I have been listening to my own, and my privately owned and public utility districts, those that produce electricity and those that do not, and the wide range of other existing utilities or potential competitors in the Northwest.

I represent a State that already has very low power charges. We want to be a part of this process, not so that we can slow down the benefits to others—the entire American economy must and will benefit from this bill—but so that my constituents and consumers will benefit as well from the advent of competition. I am convinced that the outline of this bill does just exactly that.

We must deal with the peculiar challenges of the largest power marketing authority, the Bonneville Power Administration. We do so in a way that reflects the regional review sponsored by the four Governors of the four Pacific Northwest States during the course of last year. We also call in general terms for a more effective and broad-based management of the Columbia River State System, reflecting all of the multitude of uses of water in that system, and calling for a far more effective use of the billions of dollars that we are spending on salmon recovery.

So I believe for my own region that we can provide lower power costs, greater competition, better salmon recovery, and a more rational management of the Columbia-Snake River System.

I believe for the people of the United States as a whole that we can provide for lower power costs, a greater use of renewable energy, more competition, and a better America.

For those reasons, I am delighted to have been a part at this point of a joint operation with my friend from Arkansas.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Mr. President, I thank my distinguished colleague from Washington State for his eloquent remarks. I just wanted to say how honored I am to have him join me on this bill, and reiterate one other thing because Senator GORTON and I want to be totally honest to the people of this country as we go forward with this bill.

I think one thing that I must say is that, in my opinion, this $220 billion industry can cope with this bill—not only cope with it, but that industry, business, and the consumers of this country will all benefit from this, and the Nation will benefit because it is a global economy where we are competing so strenuously with the other nations of the world.

Electricity is such a big part of our producing industry, and the less they pay the more competitive we become. That ought to be a real incentive for the people of this body to look very seriously at this bill.

By Mr. MURKOWSKI:

S. 1402. A bill to amend the Social Security Act to establish a community health aide program for Alaskan communities that do not qualify for the Community Health Aide Program for Alaska operated through the Indian Health Service; to the Committee on Finance.

THE ALASKAN COMMUNITY HEALTH AIDE PROGRAM EXPANSION ACT OF 1997

Mr. MURKOWSKI. Mr. President, I am pleased to rise to introduce legislation relative to the benefits of community health aides. This particular legislation would be titled the Alaskan Community Health Aide Program Expansion Act of 1997. The purpose of the act would be to provide a link to health care for rural communities, primarily in my State.

The Alaskan Community Health Aide Program Expansion Act would enable the health aides to have access to rural, non-Native communities throughout Alaska. The act will authorize training and continuing education of Alaskans as community health aides to small communities that do not currently qualify for the Indian Health Services' Community Health Aide Program.

Mr. President, some 50 years ago, this unique system of community health aides was formed in my State. In the early 1940's, due to an extreme outbreak of tuberculosis across Alaska, volunteers were selected by local communities and trained as community health aides. These communities, of course, suffered from distance, extreme isolation. They were often located hundreds of miles from the nearest physician. And the community health aides, through radio contact to a distant hospital in the region, became the eyes, the ears and hands of a physician and administered life-saving medications to remote patients throughout the State.

Today, through the Indian Health Services, the aides reside in 176 Alaskan-Native communities, small isolated communities throughout our State—which if you spread Alaska across the United States, in a proportional map it would run from Canada to Mexico, from California to Florida. So we are talking about a big piece of real estate, Mr. President.

These aides, today, through telecommunications capability with physicians in Anchorage, Fairbanks, and other urban areas, provide health care, provide disease prevention throughout our State. The health aides are broadly acknowledged as the backbone of rural health delivery for Alaska's Native people.

However, Mr. President, there is a large void in Alaska's Community Health Aide Program. Approximately 50 of our local Alaskan communities do not have community health aides because the people who live there are non-Native, and thus they do not qualify for the service under current law.

In these 50, 51 communities, there is no physician, there is no other health care provider of any kind. Instead, these communities are served by public health care nurses who come and go on an itinerant basis. In other words, Mr. President, health care access in these communities is infrequent at best.

Often these non-Native communities are characterized by geographic isolation and cultural isolation, especially in areas such as the Russian communities of Nikolaevsk, Vosnesenda, Katchmaksel, and Rassdonla.

Most of these communities are completely unconnected by roads. Access is only available by airplane, boat, and sometimes snowmachine or dogsled. The needs of these communities is a daunting task.

The Community Health Aide Program Expansion Act would remedy this dilemma. For the first time in the history of our State, all communities and villages will have the opportunity to have health care available within a village. This legislation will enable the trained health aide to live within a community, teach basic disease prevention and health promotion, in other words, the basic skills for good health.

Mr. President, this legislation will enable affordable and consistent access to health care to all Alaskan communities.

I ask my colleagues to join in support of this legislation.

I ask unanimous consent that the text of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1402

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Alaskan Community Health Aide Program Expansion Act of 1997".

SEC. 2. FINDINGS.

Congress finds the following:

(1) Numerous communities in Alaska have no physicians or health care providers of any kind.

(2) While those communities are served by Alaskan public health nurses on an itinerant basis, Alaskan law prohibits those nurses from treating patients for individual health concerns.

(3) Physical and cultural isolation is so severe in those communities that private health care providers often opt not to serve those communities.

(4) Not enough Native Alaskans reside in such communities to warrant placement of a community health aide pursuant to the Community Health Aide Program for Alaska operated through the Indian Health Service.

SEC. 3. EXPANSION OF THE COMMUNITY HEALTH AIDE PROGRAM FOR ALASKA.

Part A of title XI of the Social Security Act (42 U.S.C. 1301–1320b–16), as amended by section 4321(c) of the Balanced Budget Act of 1997 (42 U.S.C. 1320b–16), is amended by adding at the end the following:

"ALASKAN COMMUNITY HEALTH AIDE PROGRAM

"SEC. 1147. Not later than October 1, 1998, the Secretary shall establish an Alaskan Community Health Aide Program (in this section referred to as the 'Program') under which the Secretary shall—

"(1) provide for the training of Alaskans as community health aides or community health practitioners;

"(2) use such aides or practitioners in the provision of health care, health promotion, and disease prevention services to Alaskans living in communities that do not qualify for the Community Health Aide Program for Alaska operated through the Indian Health Service and established under section 119 of the Indian Health Care Improvement Act (25 U.S.C. 1616l);

"(3) provide for the establishment of teleconferencing capacity in health clinics located in or near such communities for use by community health aides or community health practitioners;

"(4) using trainers accredited under the Program, provide a high standard of training to community health aides and community health practitioners to ensure that such aides and practitioners provide quality health care, health promotion, and disease prevention services to the Alaskan communities served by the Program;

"(5) develop a curriculum for the training of such aides and practitioners that—

"(A) combines education in the theory of health care with supervised practical experience in the provision of health care; and

"(B) provides instruction and practical experience in the provision of acute care, emergency care, health promotion, disease prevention, and the efficient and effective management of clinic pharmacies, supplies, equipment, and facilities;

"(6) establish and maintain a Community Health Aide Certification Board to certify as community health aides or community health practitioners individuals who have successfully completed the training described in paragraphs (4) and (5), or can demonstrate equivalent experience;

"(7) develop and maintain a system which identifies the needs of community health aides and community health practitioners for continuing education in the provision of health care, including the areas described in paragraph (5)(B), and develop programs that meet the needs for such continuing education;

"(8) develop and maintain a system that provides close supervision of community health aides and community health practitioners; and

"(9) develop a system under which the work of community health aides and community health practitioners is reviewed and evaluated to ensure the provision of quality health care, health promotion, and disease prevention services in accordance with this section.".

By Mr. MURKOWSKI:

S. 1403. A bill to amend the National Historic Preservation Act for purposes of establishing a national historic lighthouse preservation program; to the Committee on Energy and Natural Resources.

THE NATIONAL HISTORIC LIGHTHOUSE PRESERVATION ACT OF 1997

Mr. MURKOWSKI. Mr. President, I rise today to introduce legislation to establish the historic lighthouse preservation bill. This legislation would amend the National Historic Preservation Act to establish a historic lighthouse preservation program within the Department of the Interior.

The legislation would direct the Secretary of the Interior and the Administrator of General Services to establish a process for conveying historic lighthouses which are around our coastal areas and Great Lakes when these lighthouses have been deemed to be in excess of Federal needs of the agency owning and operating the lighthouse.

For entities eligible to receive a historic lighthouse, it would be for the uses of educational, park, recreation, cultural, and historic preservation. And the agencies that would be included would be Federal or State agencies, local governments, nonprofit corporations, educational agencies, and community development organizations, and so forth.

There is no question that the historic lighthouses would be conveyed in a nonfee structure to selected entities which would have the obligation to maintain these historic structures and maintain their integrity.

The historic lighthouses would revert back to the United States if a property ceases to be used for education, park, recreation, cultural or historic preservation purposes, or failed to be maintained in compliance with the National Historic Preservation Act.

Mr. President, as I said, I rise today to introduce legislation that will establish a national historic light station program.

Lighthouses are among the most romantic reminders of our country's maritime heritage. Marking dangerous headlands, shoals, bars, and reefs, these structures played a vital role in indicating navigable waters and supporting this Nation's maritime transportation and commerce. These lighthouses served the needs of the early mariners who navigated by visual sightings on landmarks, coastal lights, and the heavens. Hundreds of lighthouses have been built along our sea coasts and on the Great Lakes, creating the world's most complex aids to navigation system. No other national lighthouse system compares with that of the United States in size and diversity of architectural and engineering types.

My legislation pays tribute to this legacy and establishes a process which will ensure the protection and maintenance of these historic lighthouses so that future generations of Americans will be able to appreciate these treasured landmarks.

The legislation authorizes the Secretary of the Department of the Interior, through the National Park Service, to establish a historic lighthouse preservation program. The Secretary is charged with collecting and sharing information on historic lighthouses; conducting educational programs to inform the public about the contribution to society of historic lighthouses; and maintaining an inventory of historic lighthouses.

A historic light station is defined as a lighthouse, and surrounding property, at least 50 years old, which has been evaluated for inclusion on the National Register of Historic Places, and included in the Secretary's listing of historic light stations.

Most important, the Secretary, in conjunction with the Administrator of General Services, is to establish a process for identifying, and selecting among eligible entities to which a historic lighthouse could be conveyed. Eligible entities will include Federal agencies, State agencies, local communities, nonprofit corporations, and educational and community development organizations financially able to maintain a historic lighthouse, including conformance with the National Historic Preservation Act. When a historic lighthouse has been deemed excess to the needs of the Federal agency which manages the lighthouse, the General Services Administration will convey it, for free, to a selected entity for education, park, recreation, cultural, and historic preservation purposes.

My legislation also recognizes the value of lighthouse friends groups. Often, these groups have spent significant time and resources on preserving the character of historic lighthouses only to have this work go to waste when the lighthouse is transferred out of Federal ownership. Under current General Services Administration regulations, these friends groups are last on the priority list to receive a surplus light station in spite of their efforts to protect it. My bill gives priority consideration to public entities who submit applications in which the public entity partners with a nonprofit friends group.

Everyone agrees that the historic character of these lighthouses needs to be maintained. But the cost of maintaining these historic structures is becoming increasingly high for Federal agencies in these times of tight budgetary constraints. These lighthouses were built in an age when they had to be manned continuously. Today's advanced technology makes it possible to build automated aids to navigation that do not require around-the-clock manning. This technology has made many of these historic lighthouses expensive, anachronisms which Federal agencies must maintain even if they no longer use them as navigational aids.

My legislation ensures that the historic character of these lighthouses are maintained when the lighthouses are no longer needed by the Federal Government. When the historic lighthouse is conveyed out of Federal ownership, the entity which receives the lighthouse must maintain it in accordance with historic preservation laws and standards. A lighthouse would revert to the United States, at the option of the General Services Administration, if the lighthouse is not being used or maintained as required by the law.

In the event no government agency or nonprofit organization is approved to receive a historic lighthouse, it would be offered for sale by the General Services Administration. The proceeds from these sales would be transferred to the National Maritime Heritage Grant Program within the National Park Service. Congress established the National Maritime Heritage Grant Program in 1994 to provide grants for maritime heritage preservation and education projects. Unfortunately, funding for this program has been nonexistent so the proceeds from any historic lighthouse sales would help ensure the program's viability.

It is my intent to ensure that coastal towns, where a historic lighthouse is an integral part of the community, would receive a historic lighthouse when it is no longer needed by the Federal Government. These historic lighthouses could be used by the community as a local park, a community center, or a tourist bureau. It also would ensure that historic lighthouse friends groups or lighthouse preservation societies, which have voluntarily helped to maintain the historic character of the lighthouse, could receive an excess lighthouse.

Mr. President, I know firsthand the importance and allure of these historic lighthouses. When I was in the Coast Guard, I helped maintain lighthouses and other navigational aids. These lights were critical to safe maritime traffic and I took my responsibilities seriously knowing that lives were dependent on it.

By preserving historic lighthouses, we preserve a symbol of that era in American history when maritime traffic was the lifeblood of the Nation, tying isolated coastal towns through trade to distant ports around the world. Hundreds of historic lighthouses are owned by the Federal Government and many of these are difficult and expensive to maintain. This legislation provides a process to ensure that these historic lighthouses are maintained and publicly accessible.

I urge all my colleagues to support this legislation, and I ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1403

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the 'National Historic Lighthouse Preservation Act of 1997.'

SEC. 2. PRESERVATION OF HISTORIC LIGHT STATIONS.

Title III of the National Historic Preservation Act (16 U.S.C. 470w–470w-6) is amended by adding at the end the following new section:

"§ 308. Historic Lighthouse Preservation

"(a) IN GENERAL.—In order to provide a national historic light station program, the Secretary shall—

"(1) collect and disseminate information concerning historic light stations, including historic lighthouses and associated structures;

"(2) foster educational programs relating to the history, practice, and contribution to society of historic light stations;

"(3) sponsor or conduct research and study into the history of light stations;

"(4) maintain a listing of historic light stations; and

"(5) assess the effectiveness regarding the conveyance of historic light stations.

"(b) CONVEYANCE OF HISTORIC LIGHT STATIONS.—

"(1) Within one year of enactment, the Secretary and the Administrator of General Services (hereinafter Administrator) shall establish a process for identifying, and selecting, an eligible entity to which a historic light station could be conveyed for education, park, recreation, cultural and historic preservation purposes.

"(2) The Secretary shall review all applicants for the conveyance of a historic light station, when the historic light station has been identified as excess to the needs of the agency with administrative jurisdiction over the historic light station, and forward to the Administrator a single approved application for the conveyance of the historic light station. When selecting an eligible entity, the Secretary may consult with the State Historic Preservation Officer of the state in which the historic light station is located. A priority of consideration shall be afforded public entities that submit applications in which the public entity enters into a partnership with a nonprofit organization whose primary mission is historic light station preservation.

"(3) The Administrator shall convey, by quit claim deed, without consideration, all right, title, and interest of the United States in and to the historic light station, together with any related real property, subject to the conditions set forth in subsection (c) upon the Secretary's selection of an eligible entity. The conveyance of a historic light station under this section shall not be subject to the provisions of 42 U.S.C. 11301 *et seq.*

"(c) TERMS OF CONVEYANCE.—

"(1) The conveyance of a historic light station shall be made subject to any conditions as the Administrator considers necessary to ensure that—

"(A) the lights, antennas, sound signal, electronic navigation equipment, and associated light station equipment located on the property conveyed, which are active aids to navigation, shall continue to be operated and maintained by the United States for as long as needed for this purpose;

"(B) the eligible entity to which the historic light station is conveyed under this section shall not interfere or allow interference in any manner with aids to navigation without the express written permission of the head of the agency responsible for maintaining the aids to navigation;

"(C) there is reserved to the United States the right to relocate, replace, or add any aid to navigation or make any changes to the property conveyed under this section as may be necessary for navigation purposes;

"(D) the eligible entity to which the historic light station is conveyed under this section shall maintain the property in accordance with the National Historic Preservation Act of 1966, 16 U.S.C. 470–470x, the Secretary's Historic Preservation Standards, and other applicable laws; and

"(E) the United States shall have the right, at any time, to enter property conveyed under this section without notice for purposes of maintaining and inspecting aids to navigation and ensuring compliance with paragraph (C), to the extent that it is not possible to provide advance notice.

"(2) The Secretary, the Administrator, and any eligible entity to which a historic light station is conveyed under this section, shall not be required to maintain any active aids to navigation associated with a historic light station.

"(3) In addition to any term or condition established pursuant to this subsection, the conveyance of a historic light station shall include a condition that the property in its existing condition, at the option of the Administrator, revert to the United States if—

"(A) the property or any part of the property ceases to be available for education, park, recreation, cultural, and historic preservation purposes for the general public at reasonable times and under reasonable conditions which shall be set forth in the eligible entity's application;

"(B) the property or any part of the property ceases to be maintained in a manner that ensures its present or future use as an aid to navigation or compliance with the National Historic Preservation Act, 16 U.S.C. 470–470x, the Secretary's Historic Preservation Standards, and other applicable laws; or

"(C) at least 30 days before the reversion, the Administrator provides written notice to the owner that the property is needed for national security purposes.

"(d) DESCRIPTION OF PROPERTY.—The legal description of any historic light station, and any real property and improvements associated therewith, conveyed under this section shall be determined by the Administrator. The Administrator may retain all right, title, and interest of the United States in and to any historical artifact, including any lens or lantern, that is associated with the historical light station whether located at the light station or elsewhere.

"(e) RESPONSIBILITIES OF CONVEYEES.—Each eligible entity to which a historic light station is conveyed under this section shall use and maintain the light station in accordance with this section, and have such terms and conditions recorded with the deed of title to the light station and any real property conveyed therewith.

"(f) DEFINITIONS.—For purposes of this section:

"(1) HISTORIC LIGHT STATION.—The term 'historic light station' includes the light tower, lighthouse, keepers dwelling, garages, storage sheds, support structures, piers, walkways, and underlying land; provided that the light tower or lighthouse shall be—

"(A) at least 50 years old;

"(B) evaluated for inclusion in the National Register of Historic Places; and

"(C) included on the Secretary's listing of historic light stations.

"(2) ELIGIBLE ENTITY.—The term 'eligible entity' shall mean any department or agency of the Federal government, any department or agency of the state in which the historic light station is located, the local government of the community in which the historic light station is located, nonprofit corporation, educational agency, or community development organization that—

"(A) has agreed to comply with the conditions set forth in subsection (c) and to have those conditions recorded in the conveyance documents to the light station and any real property and improvements that may be conveyed therewith;

"(B) is financially able to maintain the light station (and any real property and improvements conveyed therewith) in accordance with the conditions set forth in subsection (c); and

"(C) can indemnity the Federal government to cover any loss in connection with the light station and any real property and improvements that may be conveyed therewith, or any expenses incurred due to reversion.

SEC. 3. SALE OF SURPLUS LIGHT STATIONS.

Title III of the National Historic Preservation Act (16 U.S.C. 470w–470w-6) is amended by adding at the end the following new section:

"§ 309. Historic Light Station Sales

"In the event no applicants are approved for the conveyance of a historic light station pursuant to section 308, the historic light station shall be offered for sale. Terms of such sales shall be developed by the Administrator of General Services. Conveyance documents shall include all necessary convenants to protect the historical integrity of the site. Net sale proceeds shall be transferred to the National Maritime Heritage Grant Program, established by the National Maritime Heritage Act of 1994, Public Law 103-451, within the Department of the Interior.

SEC. 4. TRANSFER OF HISTORIC LIGHT STATIONS TO FEDERAL AGENCIES.

Title III of the National Historic Preservation Act of 1966, 16 U.S.C. 470-470x, is amended by adding at the end the following new section:

"§310. Transfer of Historic Light Stations to Federal Agencies

"After the date of enactment, any department or agency of the Federal government, to which a historic light station is conveyed, shall maintain the historic light station in accordance with the National Historic Preservation Act of 1966, 16 U.S.C. 470-470x, the Secretary's Historic Preservation Standards, and other applicable laws.

SEC. 5. FUNDING.

There are hereby authorized to be appropriated to the Secretary of the Interior such sums as may be necessary to carry out this Act.

By Mr. BROWNBACK (for himself, Mr. MOYNIHAN, Mr. THOMPSON, and Mr. KERREY):

S. 1404. A bill to establish a Federal Commission on Statistical Policy to study the reorganization of the Federal statistical system, to provide uniform safeguards for the confidentiality of information acquired for exclusively statistical purposes, and to improve the efficiency of Federal statistical programs and the quality of Federal statistics by permitting limited sharing of records among designated agencies for statistical purposes under strong safeguards; to the Committee on Governmental Affairs.

THE FEDERAL STATISTICAL SYSTEM ACT OF 1997

Mr. MOYNIHAN. Mr. President, I join my distinguished colleagues, Senator SAM BROWNBACK of Kansas, Senator FRED THOMPSON of Tennessee, and Senator BOB KERREY of Nebraska, in introducing legislation to establish a commission to study the Federal statistical system. Congressman STEPHEN HORN of California and Congresswoman CAROLYN MALONEY of New York plan on introducing identical legislation in the House of Representatives. This legislation is similar to bills I introduced in September 1996, and again at the beginning of this Congress.

The commission to study the Federal statistical system would consist of 15 Presidential and congressional appointees with expertise in fields such as actuarial science, finance, and economics. Its members would conduct a thorough review of the U.S. statistical system, and issue a report including recommendations on whether statistical agencies should be consolidated.

Of course, we have an example of a consolidated statistical agency just across the northern border. Statistics Canada, the most centralized statistical agency among OECD countries, was established in November, 1918 as a reaction to a familiar problem. At that time, the Canadian Minister of Industry was trying to obtain an estimate of the manpower resources that Canada could commit to the war effort. And he got widely different estimates from statistical agencies scattered throughout the government. Consolidation seemed the way to solve this problem, and so it happened—as it can in a parliamentary government—rather quickly, just as World War I ended.

Last spring, a member of my staff met in Ottawa with the Assistant Chief Statistician of Statistics Canada. He reported that Statistics Canada is doing quite well. Decisions about the allocation of resources among statistical functions are made at the highest levels of government because the Chief Statistician of Statistics Canada holds a position equivalent to Deputy Cabinet Minister. He communicates directly with Deputy Ministers in other Cabinet Departments. In contrast, in the United States, statistical agencies are buried several levels below the Cabinet Secretaries, so it is difficult for the heads of these statistical agencies to bring issues to the attention of high-ranking administration officials and Congress.

Statistics are part of our constitutional arrangement, which provides for a decennial census that, among other purposes, is the basis for apportionment of membership in the House of Representatives. I quote from article I, section I:

> . . . enumeration shall be made within three Years after the first meeting of the Congress of the United States, and within ever subsequent Term of ten Years, in such Manner as they shall by Law direct.

But, while the Constitution directed that there be a census, there was, initially, no Census Bureau. The earliest censuses were conducted by U.S. Marshals. Later on, statistical bureaus in State governments collected the data, with a Superintendent of the Census overseeing from Washington. It was not until 1902 that a permanent Bureau of the Census was created by the Congress, housed initially in the Interior Department. In 1903 the Bureau was transferred to the newly established Department of Commerce and Labor.

The Statistics of Income Division of the Internal Revenue Service, which was originally an independent body, began collecting data in 1866. It too was transferred to the new Department of Commerce and Labor in 1903, but then was put in the Treasury Department in 1913 following ratification of the 16th amendment, which gave Congress the power to impose an income tax.

A Bureau of Labor, created in 1884, was also initially in the Interior Department. The first Commissioner, appointed in 1885, was Col. Carroll D. Wright, a distinguished Civil War veteran of the New Hampshire Volunteers. A self-trained social scientist, Colonel Wright pioneered techniques for collecting and analyzing survey data on income, prices, and wages. He had previously served as chief of the Massachusetts Bureau of Statistics, a post he held for 15 years, and in that capacity had supervised the 1880 Federal Census in Massachusetts.

In 1888, the Bureau of Labor became an independent agency. In 1903, it was once again made a bureau, joining other statistical agencies in the Department of Commerce and Labor. When a new Department of Labor was formed in 1913, giving labor an independent voice—as labor was removed from the Department of Commerce and Labor—what we now know as the Bureau of Labor Statistics was transferred the newly created Department of Labor.

And so it went. Statistical agencies sprung up as needed. And they moved back and forth as new executive departments were formed. Today, some 89 different organizations in the Federal Government comprise parts of our national statistical infrastructure. Eleven of these organizations have as their primary function the generation of data. These 11 organizations are:

Agency	Department	Date established
National Agricultural Statistical Service.	Agriculture	1863
Statistics of Income Division, IRS.	Treasury	1866
Economic Research Service	Agriculture	1867
National Center for Education Statistics.	Education	1867
Bureau of Labor Statistics	Labor	1884
Bureau of the Census	Commerce	1902
Bureau of Economic Analysis	Commerce	1912
National Center for Health Statistics.	Health and Human Services	1912
Bureau of Justice Statistics	Justice	1968
Energy Information Administration.	Energy	1974
Bureau of Transportation Statistics.	Transportation	1991

NEED FOR LEGISLATION

President Kennedy once said:

> Democracy is a difficult kind of government. It requires the highest qualities of self-discipline, restraint, a willingness to make commitments and sacrifices for the general interest, and also it requires knowledge.

That knowledge often comes from accurate statistics. You cannot begin to solve a problem until you can measure it.

This legislation would require the Commission to conduct a comprehensive examination of the current statistical system and focus particularly on whether three agencies that produce data as their primary product—the Bureau of Economic Analysis [BEA] and the Bureau of the Census in the Commerce Department, and the Bureau of Labor Statistics [BLS] in the Labor Department—should be consolidated into a Federal statistical service.

In September 1996, prior to when I first introduced a bill establishing a commission to study the U.S. statistical system, I received a letter from nine former chairmen of the Council of Economic Advisers [CEA] endorsing this legislation. Excluding two recent chairs, who at that time were still serving in the Clinton administration, the signatories include virtually every living former chair of the CEA. While acknowledging that the United States possesses a first-class statistical system, these former chairmen remind us that problems periodically arise under the current system of widely scattered responsibilities. They conclude as follows:

> Without at all prejudging the appropriate measures to deal with these difficult problems, we believe that a thoroughgoing review by a highly qualified and bipartisan Commission as provided in your bill has great promise of showing the way to major improvements.

The letter is signed by Michael J. Boskin, Martin Feldstein, Alan Greenspan, Paul W. McCracken, Raymond J. Saulnier, Charles L. Schultze, Beryl W. Sprinkel, Herbert Stein, and Murray Weidenbaum. I ask unanimous consent that the full text of this letter be printed in the RECORD following my statement.

It happens that this Senator's association with the statistical system in the executive branch began over three decades ago. I was Assistant Secretary of Labor for Policy and Planning in the administration of President John F. Kennedy. This was a new position in which I was nominally responsible for the Bureau of Labor Statistics. I say nominally out of respect for the independence of that venerable institution, which as I noted earlier long predated the Department of Labor itself. The then-Commissioner of the BLS, Ewan Clague, could not have been more friendly and supportive. And so were the statisticians, who undertook to teach me to the extent I was teachable. They even shared professional confidences. And so it was that I came to have some familiarity with the field.

For example, we had just received a report on price indexes from a committee led by a Nobel laureate, George Stigler. The committee stressed the importance of accurate and timely statistics noting that:

> The periodic revision of price indexes, and the almost continuous alterations in details of their calculation, are essential if the indexes are to serve their primary function of measuring the average movements of prices.

While the final report of the Advisory Commission to Study the Consumer Index, the Boskin Commission, focused primarily on the extent to which changes in the CPI overstate inflation, the commission also addressed issues related to the effectiveness of Federal statistical programs and recommended that:

> Congress should enact the legislation necessary for the Department of Commerce and Labor to share information in the interest of improving accuracy and timeliness of economic statistics and to reduce the resources consumed in their development and production.

And last week, we were again reminded of the importance of accurate and timely government statistics. The front page of the Wall Street Journal carried this headline on Tuesday October 29: "An Extra $46 Billion in Treasury's Coffers Puzzles Washington".

No one knows for sure the answer to this puzzle. Surely though, a changing economy which produces more and more services—which are harder to measure the value of than the goods it replaces—needs a top to bottom review of its statistical infrastructure. For if the public loses confidence in our statistics, they are likely to lose confidence in our policies as well.

There is, of course, a long history of attempts to reform our Nation's statistical infrastructure. From the period 1903 to 1990, 16 different committees, commissions, and study groups have convened to assess our statistical infrastructure, but in most cases little or no action has been taken on their recommendations. The result of this inaction has been an ever expanding statistical system. It continues to grow in order to meet new data needs, but with little or no regard for the overall objectives of the system. Janet L. Norwood, former Commissioner of the BLS, writes in her book "Organizing to Count":

> The U.S. system has neither the advantages that come from centralization nor the efficiency that comes from strong coordination in decentralization. As presently organized, therefore, the country's statistical system will be hard pressed to meet the demands of a technologically advanced, increasingly internationalized world in which the demand for objective data of high quality is steadily rising.

In this era of Government downsizing and budget cutting, it is unlikely that Congress will appropriate more funds for statistical agencies. It is clear that to preserve and improve the statistical system we must consider reforming it, yet we must not attempt to reform the system until we have heard from experts in the field.

SUMMARY OF LEGISLATION

The legislation establishes a commission to study the Federal statistical system. The commission would consist of 15 members. Two—the Chief Statistician of the Office of Management and Budget and a high-level government official—serve ex officio on the commission. The high-level official, selected by the President from among Cabinet officers, the Chairman of the Board of Governors of the Federal Reserve, the Comptroller General, or the Chairman of the Council of Economic Advisers—will serve as chairman.

The other 13 members of the commission will be appointed as follows: Five by the President, no more than three of whom are to be from the same political party, four by the President pro tempore of the Senate, no more than two of whom are to be from the same political party, and four by the Speaker of the House, no more than two of whom are to be from the same political party.

In an initial 18-month period, the commission would determine whether and how to consolidate the Federal statistical system, and would also make recommendations with respect to ways to achieve greater efficiency in carrying out Federal statistical programs. If the commission recommends consolidation of the Bureau of Labor Statistics, the Bureau of the Census, and the Bureau of Economic Analysis into a newly established independent Federal agency, designated as the Federal Statistical Service, the commission's report would contain draft legislation incorporating such recommendations. The legislation would then be considered by the Congress under fast-track procedures.

If legislation establishing a Federal statistical service is enacted by the Congress, the commission then would become a permanent body that would:

Make recommendations for nominations for the appointment of an Administrator and Deputy Administrator of the Federal Statistical Service; serve as an advisory body to the Federal Statistical Service on confidentiality issues; and conduct comprehensive studies, and submit reports to Congress on all matters relating to the Federal statistical infrastructure, including:

An examination of the methodology involved in producing official data; a review of information technology and recommendations of appropriate methods for disseminating statistical data; and a comparison of our statistical system with the systems of other nations.

This legislation is only a first step, but an essential one. The commission will provide Congress with the blueprint for reform. It will be up to us to finally take action after nearly a century of inattention to this very important issue.

By Mr. SHELBY (for himself, Mr. MACK, Mr. FAIRCLOTH, Mr. D'AMATO, Mr. BRYAN, Mr. GRAMS, Mr. KERRY, Mr. BENNETT, Mr. GRAMM, Mr. HAGEL, Mr. ALLARD, Mr. ENZI, and Ms. MOSELEY-BRAUN):

S. 1405. A bill to provide for improved monetary policy and regulatory reform in financial institution management and activities, to streamline financial regulatory agency actions, to provide for improved consumer credit disclosure, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

THE FINANCIAL REGULATORY RELIEF AND ECONOMIC EFFICIENCY ACT OF 1997

Mr. SHELBY. Mr. President, I rise today to introduce a bipartisan bill with my colleague from Florida, Senator CONNIE MACK, and 11 other original cosponsors from the Banking Committee. Entitled the "Financial Regulatory Relief and Economic Efficiency Act of 1997," the bill is designed to promote greater access to capital and credit for businesses and consumers, while ensuring the safety and soundness of our financial system.

The acronym for the bill, FRREE, is actually indicative of the bill itself. If enacted, the bill would free valuable resources at financial institutions now being used to comply with the bureaucratic maze of current rules and regulations, and instead allow institutions to commit more of those resources to the business of lending. This is especially important, now that we are entering the 80th month of the current economic expansion. The 9 completed expansions since the end of World War II have averaged 50 months. Thus, many professional economists, businessmen, and academics worry how much longer the expansion of the current business cycle can go. Because this bill frees up resources that are inefficiently being used in the private sector, I believe this bill could have a substantial positive impact on extending the current business cycle as well as minimize any future economic downturn.

One key provision would repeal an antiquated law that disallows banks to pay interest on business checking accounts. Due to sophisticated and expensive technology, big corporations can get around this problem by employing sweep accounts. However, smaller, family owned businesses cannot take advantage of this expensive technology and are forced to keep their money in noninterest bearing checking accounts. The Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, and the Office of Thrift Supervision, concluded in their 1996 Joint Report, "Streamlining of Regulatory Requirements," that the statutory prohibition against paying interest on demand deposits no longer serves a public purpose. Today, the repeal also has the support of the Chamber of Commerce, the National Federation of Independent Business, and the American Farm Bureau Federation.

The bill also allows the Federal Reserve to pay interest on reserve balances, thus reducing potential volatility in short-term lending rates. Given the historical importance of price stability, it is imperative we give the Federal Reserve this tool in order to better conduct monetary policy.

In short, Mr. President, the bill repeals outdated laws that hinder the management practices of institutions; cuts bureaucratic redtape; eliminates unnecessary bookkeeping; increases funds available for residential mortgage lending; and eliminates unnecessary restrictions on the discounting, and bundling of financial services to consumers.

The bill enjoys the overwhelming support of the Senate Banking Committee and the chairman of the committee, Chairman D'AMATO, is committed to having hearings on this bill when we return early next year.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1405

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Financial Regulatory Relief and Economic Efficiency Act of 1997".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—IMPROVING MONETARY POLICY AND FINANCIAL INSTITUTION MANAGEMENT PRACTICES

Sec. 101. Payment of interest on reserves at Federal reserve banks.
Sec. 102. Amendments relating to savings and demand deposit accounts at depository institutions.
Sec. 103. Repeal of savings association liquidity provision.
Sec. 104. Repeal of dividend notice requirement.
Sec. 105. Thrift service companies.
Sec. 106. Elimination of thrift multistate multiple holding company restrictions.
Sec. 107. Noncontrolling investments by savings association holding companies.
Sec. 108. Repeal of deposit broker notification and recordkeeping requirement.
Sec. 109. Uniform regulation of extensions of credit to executive officers.
Sec. 110. Expedited procedures for certain reorganizations.
Sec. 111. National bank directors.
Sec. 112. Amendment to Bank Consolidation and Merger Act.
Sec. 113. Loans on or purchases by institutions of their own stock; affiliations.
Sec. 114. Depository institution management interlocks.
Sec. 115. Purchased mortgage servicing rights.
Sec. 116. Cross marketing restriction; limited purpose bank relief.
Sec. 117. Divestiture requirement.
Sec. 118. Daylight overdrafts incurred by Federal home loan banks.
Sec. 119. Federal home loan bank governance amendments.
Sec. 120. Collateralization of advances to members.

TITLE II—STREAMLINING ACTIVITIES OF INSTITUTIONS

Sec. 201. Updating of authority for community development investments.
Sec. 202. Acceptance of brokered deposits.
Sec. 203. Federal Reserve Act lending limits.
Sec. 204. Eliminate unnecessary restrictions on product marketing.
Sec. 205. Business purpose credit extensions.
Sec. 206. Affinity groups.
Sec. 207. Fair debt collection practices.
Sec. 208. Restriction on acquisitions of other insured depository institutions.
Sec. 209. Mutual holding companies.
Sec. 210. Call report simplification.

TITLE III—STREAMLINING AGENCY ACTIONS

Sec. 301. Scheduled meetings of Affordable Housing Advisory Board.
Sec. 302. Elimination of duplicative disclosure of fair market value of assets and liabilities.
Sec. 303. Payment of interest in receiverships with surplus funds.
Sec. 304. Repeal of reporting requirement on differences in accounting standards.
Sec. 305. Agency review of competitive factors in Bank Merger Act filings.
Sec. 306. Termination of the Thrift Depositor Protection Oversight Board.

TITLE IV—DISCLOSURE SIMPLIFICATION

Sec. 401. Alternative compliance method for APR disclosure.
Sec. 402. Alternative compliance methods for advertising credit terms.

TITLE V—MISCELLANEOUS

Sec. 501. Positions of Board of Governors of Federal Reserve System on the Executive Schedule.
Sec. 502. Consistent coverage for individuals enrolled in a health plan administered by the Federal banking agencies.
Sec. 503. Federal Housing Finance Board.

TITLE VI—TECHNICAL CORRECTIONS

Sec. 601. Technical correction relating to deposit insurance funds.
Sec. 602. Rules for continuation of deposit insurance for member banks converting charters.
Sec. 603. Amendments to the Revised Statutes.
Sec. 604. Conforming change to the International Banking Act.

TITLE I—IMPROVING MONETARY POLICY AND FINANCIAL INSTITUTION MANAGEMENT PRACTICES

SEC. 101. PAYMENT OF INTEREST ON RESERVES AT FEDERAL RESERVE BANKS.

(a) IN GENERAL.—Section 19(b) of the Federal Reserve Act (12 U.S.C. 461(b)) is amended by adding at the end the following new paragraph:

"(12) EARNINGS ON RESERVES.—

"(A) IN GENERAL.—Balances maintained at a Federal reserve bank by or on behalf of a depository institution to meet the reserve requirements of this subsection applicable with respect to such depository institution may receive earnings to be paid by the Federal reserve bank at least once each calendar quarter at a rate or rates not to exceed the general level of short-term interest rates.

"(B) REGULATIONS RELATING TO PAYMENTS AND DISTRIBUTION.—The Board may prescribe regulations concerning—

"(i) the payment of earnings in accordance with this paragraph;

"(ii) the distribution of such earnings to the depository institutions which maintain balances at such banks or on whose behalf such balances are maintained; and

"(iii) the responsibilities of depository institutions, Federal home loan banks, and the National Credit Union Administration Central Liquidity Facility with respect to the crediting and distribution of earnings attributable to balances maintained, in accordance with subsection (c)(1)(B), in a Federal reserve bank by any such entity on behalf of depository institutions which are not member banks.''.

(b) Authorization for Pass Through Reserves for Member Banks.—Section 19(c)(1)(B) of the Federal Reserve Act (12 U.S.C. 461(c)(1)(B)) is amended by striking ''which is not a member bank''.

(c) Technical and Conforming Amendments.—Section 19 of the Federal Reserve Act (12 U.S.C. 461) is amended—

(1) in subsection (b)(4) (12 U.S.C. 461(b)(4)), by striking subparagraph (C) and redesignating subparagraphs (D) and (E) as subparagraphs (C) and (D), respectively; and

(2) in subsection (c)(1)(A) (12 U.S.C. 461(c)(1)(A)), by striking ''subsection (b)(4)(C)'' and inserting ''subsection (b)''.

SEC. 102. AMENDMENTS RELATING TO SAVINGS AND DEMAND DEPOSIT ACCOUNTS AT DEPOSITORY INSTITUTIONS.

(a) NOW Accounts Authorized for All Businesses.—Section 2 of Public Law 93–100 (12 U.S.C. 1832) is amended to read as follows:

''SEC. 2. WITHDRAWALS BY NEGOTIABLE OR TRANSFERABLE INSTRUMENTS FOR TRANSFERS TO THIRD PARTIES.

''Notwithstanding any other provision of law, any depository institution (as defined in section 3 of the Federal Deposit Insurance Act) may permit the owner of any deposit or account to make withdrawals from such deposit or account by negotiable or transferable instruments for the purpose of making payments to third parties.''.

(b) Repeal of Prohibitions on Payment of Interest on Demand Deposits.—

(1) Federal reserve act.—Section 19 of the Federal Reserve Act (12 U.S.C. 371a) is amended by striking subsection (i).

(2) Home owners' loan act.—The first sentence of section 5(b)(1)(B) of the Home Owners' Loan Act (12 U.S.C. 1464(b)(1)(B)) is amended by striking ''savings association may not—'' and all that follows through ''(ii) permit any'' and inserting ''savings association may not permit any''.

(3) Federal deposit insurance act.—Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by striking subsection (g).

SEC. 103. REPEAL OF SAVINGS ASSOCIATION LIQUIDITY PROVISION.

(a) Repeal of Liquidity Provision.—Section 6 of the Home Owners' Loan Act (12 U.S.C. 1465) is repealed.

(b) Conforming Amendments.—

(1) Section 5.—Section 5(c)(1)(M) of the Home Owners' Loan Act (12 U.S.C. 1464(c)(1)(M)) is amended to read as follows:

''(M) Liquidity investments.—Investments identified by the Director, including cash, funds on deposit at a Federal reserve bank or a Federal home loan bank, or bankers' acceptances.''.

(2) Section 10.—Section 10(m)(4)(B)(iii) of the Home Owners' Loan Act (12 U.S.C. 1467a(m)(4)(B)(iii)) is amended by striking ''liquid assets'' and all that follows through ''Loan Act,'' and inserting ''cash and marketable securities identified by the Director,''.

SEC. 104. REPEAL OF DIVIDEND NOTICE REQUIREMENT.

Section 10(f) of the Home Owners' Loan Act (12 U.S.C. 1467a(f)) is amended to read as follows:

''(f) [Reserved].''.

SEC. 105. THRIFT SERVICE COMPANIES.

(a) Streamlining Thrift Service Company Investment Requirements.—Section 5(c)(4)(B) of the Home Owners' Loan Act (12 U.S.C. 1464(c)(4)(B)) is amended—

(1) in the subparagraph heading, by striking ''CORPORATIONS'' and inserting ''COMPANIES''; and

(2) in the first sentence, by striking ''corporation organized'' and all that follows through ''such State.'' and inserting ''company, if such company engages or will engage only in activities reasonably related to the activities of financial institutions, as the Director may determine and approve. For purposes of this subparagraph, the term 'company' includes any corporation and any limited liability company (as defined in section 1(b)(7) of the Bank Service Company Act).''.

(b) Regulation and Examination of Service Providers.—Section 5(d) of the Home Owners' Loan Act (12 U.S.C. 1464(d)) is amended by adding at the end the following new paragraphs:

''(7) Regulation and examination of savings association service companies.—

''(A) Service performed by contract or otherwise.—If a savings association, subsidiary, or any savings and loan affiliate or entity, as identified by section 8(b)(9) of the Federal Deposit Insurance Act, that is regularly examined or subject to examination by the Director, causes to be performed for itself, by contract or otherwise, any services authorized under this Act or other applicable Federal law, whether on or off its premises—

''(i) such performance shall be subject to regulation and examination by the Director to the same extent as if such services were being performed by the savings association on its own premises;

''(ii) the Director may authorize any other Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act) that supervises such subsidiary, savings and loan affiliate, or entity to perform an examination referred to in clause (i); and

''(iii) the savings association shall notify the Director of the existence of the service relationship not later than 30 days after the earlier of the date of the making of such service contract or the date of initiation of the service.

''(B) Administration by the director.—The Director may issue such regulations and orders, including those issued pursuant to section 8 of the Federal Deposit Insurance Act, as may be necessary to enable the Director to administer and carry out this paragraph and to prevent evasion of this paragraph.''.

(c) Conforming Amendments to Section 8 of the Federal Deposit Insurance Act.—Section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) is amended—

(1) in subsection (b)(9), by striking ''to any service corporation of a savings association and to any subsidiary of such service corporation''; and

(2) in subsection (e)(7)(A)(ii), by striking ''(b)(8)'' and inserting ''(b)(9)''.

SEC. 106. ELIMINATION OF THRIFT MULTISTATE MULTIPLE HOLDING COMPANY RESTRICTIONS.

Section 10(e) of the Home Owners' Loan Act (12 U.S.C. 1467a(e)) is amended—

(1) by striking paragraph (3); and

(2) by redesignating paragraphs (4), (5), and (6) as paragraphs (3), (4), and (5), respectively.

SEC. 107. NONCONTROLLING INVESTMENTS BY SAVINGS ASSOCIATION HOLDING COMPANIES.

Section 10(e)(1)(A)(iii) of the Home Owners' Loan Act (12 U.S.C. 1467a(e)(1)(A)(iii)) is amended—

(1) by inserting '', except with the prior approval of the Director,'' after ''or to retain''; and

(2) by striking ''to so acquire or retain'' and inserting ''to acquire, by purchase or otherwise, or to retain''.

SEC. 108. REPEAL OF DEPOSIT BROKER NOTIFICATION AND RECORDKEEPING REQUIREMENT.

Section 29A of the Federal Deposit Insurance Act (12 U.S.C. 1831f–1) is repealed.

SEC. 109. UNIFORM REGULATION OF EXTENSIONS OF CREDIT TO EXECUTIVE OFFICERS.

Section 22(g)(4) of the Federal Reserve Act (12 U.S.C. 375a(4)) is amended by striking ''member bank's appropriate Federal banking agency'' and inserting ''Board''.

SEC. 110. EXPEDITED PROCEDURES FOR CERTAIN REORGANIZATIONS.

The National Bank Consolidation and Merger Act (12 U.S.C. 215 et seq.) is amended—

(1) by redesignating section 5 as section 7; and

(2) by inserting after section 4 the following new section:

''SEC. 5. EXPEDITED PROCEDURES FOR CERTAIN REORGANIZATIONS.

''(a) In General.—A national banking association may, with the approval of the Comptroller, pursuant to rules and regulations promulgated by the Comptroller, and upon the affirmative vote of the shareholders of such association owning at least two-thirds of its capital stock outstanding, reorganize so as to become a subsidiary of a bank holding company or a company that will, upon consummation of such reorganization, become a bank holding company.

''(b) Reorganization Plan.—A reorganization authorized under subsection (a) shall be carried out in accordance with a reorganization plan that—

''(1) specifies the manner in which the reorganization shall be carried out;

''(2) is approved by a majority of the entire board of directors of the association;

''(3) specifies—

''(A) the amount of cash or securities of the bank holding company, or both, or other consideration, to be paid to the shareholders of the reorganizing association in exchange for their shares of stock of the association;

''(B) the date as of which the rights of each shareholder to participate in such exchange will be determined; and

''(C) the manner in which the exchange will be carried out; and

''(4) is submitted to the shareholders of the reorganizing association at a meeting to be held on the call of the directors in accordance with the procedures prescribed in connection with a merger of a national bank under section 3.

''(c) Rights of Dissenting Shareholders.—If, pursuant to this section, a reorganization plan has been approved by the shareholders and the Comptroller, any shareholder of the association who has voted against the reorganization at the meeting referred to in subsection (b)(4), or has given notice in writing at or prior to that meeting to the presiding officer that the shareholder dissents from the reorganization plan, shall be entitled to receive the value of his or her shares, as provided by section 3 for the merger of a national bank.

''(d) Effect of Reorganization.—The corporate existence of an association that reorganizes in accordance with this section shall not be deemed to have been affected in any way by reason of such reorganization.''.

SEC. 111. NATIONAL BANK DIRECTORS.

(a) Amendments to the Revised Statutes.—Section 5145 of the Revised Statutes (12 U.S.C. 71) is amended—

(1) by striking ''for one year'' and inserting ''for a period of not more than 3 years,''; and

(2) by adding at the end the following: ''In accordance with regulations issued by the

Comptroller of the Currency, an association may adopt bylaws that provide for staggering the terms of its directors.''.

(b) Amendment to the Banking Act of 1933.—Section 31 of the Banking Act of 1933 (12 U.S.C. 71a) is amended in the first sentence, by inserting before the period '', except that the Comptroller of the Currency may, by regulation or order, exempt a national banking association from the 25-member limit established by this section''.

SEC. 112. AMENDMENT TO BANK CONSOLIDATION AND MERGER ACT.

The National Bank Consolidation and Merger Act (12 U.S.C. 215 et seq.) is amended by inserting after section 5, as added by section 110 of this Act, the following new section:

"SEC. 6. MERGERS AND CONSOLIDATIONS WITH SUBSIDIARIES AND NONBANK AFFILIATES.

''(a) In General.—Upon the approval of the Comptroller, a national banking association may merge with 1 or more of its subsidiaries or nonbank affiliates.

''(b) Scope.—Nothing in this section shall be construed—

''(1) to affect the applicability of section 18(c)(1) of the Federal Deposit Insurance Act; or

''(2) to grant a national banking association any power or authority that is not permissible for a national banking association under other applicable provisions of law.

''(c) Regulations.—The Comptroller shall promulgate regulations to implement this section.''.

SEC. 113. LOANS ON OR PURCHASES BY INSTITUTIONS OF THEIR OWN STOCK; AFFILIATIONS.

(a) Amendment to Revised Statutes.—Section 5201 of the Revised Statutes of the United States (12 U.S.C. 83) is amended to read as follows:

"SEC. 5201. LOANS BY BANK ON ITS OWN STOCK.

''(a) General Prohibition.—No national banking association shall make any loan or discount on the security of the shares of its own capital stock.

''(b) Exclusion.—For purposes of this section, an association shall not be deemed to be making a loan or discount on the security of the shares of its own capital stock if it acquires the stock to prevent loss upon a debt contracted for in good faith before the date of the loan or discount transaction.''.

(b) Amendment to Federal Deposit Insurance Act.—Section 18 of the Federal Deposit Insurance Act (12 U.S.C. 1828) is amended by adding at the end the following new subsection:

''(t) Loans by Insured Institutions on Their Own Stock.—

''(1) General prohibition.—No insured depository institution shall make any loan or discount on the security of the shares of its own capital stock.

''(2) Exclusion.—For purposes of this subsection, an insured depository institution shall not be deemed to be making a loan or discount on the security of the shares of its own capital stock if it acquires the stock to prevent loss upon a debt contracted for in good faith before the date of the loan or discount transaction.''.

(c) Removal of Prohibition on Certain Affiliations.—Section 18(s)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1828(s)) is amended by striking ''be an affiliate of,''.

SEC. 114. DEPOSITORY INSTITUTION MANAGEMENT INTERLOCKS.

Section 205(8) of the Depository Institution Management Interlocks Act (12 U.S.C. 3204(8)) is amended by striking ''director'' each place it appears and inserting ''management official''.

SEC. 115. PURCHASED MORTGAGE SERVICING RIGHTS.

Section 475(a) of the Federal Deposit Insurance Corporation Improvement Act of 1991 (12 U.S.C. 1828 note) is amended—

(1) by striking ''purchased'';

(2) by striking ''rights'' each place it appears and inserting ''assets''; and

(3) by striking ''90'' and inserting ''100''.

SEC. 116. CROSS MARKETING RESTRICTION; LIMITED PURPOSE BANK RELIEF.

(a) Cross Marketing Restriction.—Section 4(f) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)) is amended by striking paragraph (3).

(b) Daylight Overdrafts.—Section 4(f) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)) is amended by inserting after paragraph (2) the following:

''(3) Permissible overdrafts described.—For purposes of paragraph (2)(C), an overdraft is described in this paragraph if—

''(A) such overdraft results from an inadvertent computer or accounting error that is beyond the control of both the bank and the affiliate;

''(B) such overdraft—

''(i) is permitted or incurred on behalf of an affiliate that is monitored by, reports to, and is recognized as a primary dealer by the Federal Reserve Bank of New York; and

''(ii) is fully secured, as required by the Board, by bonds, notes, or other obligations that are direct obligations of the United States or on which the principal and interest are fully guaranteed by the United States or by securities and obligations eligible for settlement on the Federal Reserve book entry system; or

''(C) such overdraft—

''(i) is permitted or incurred by, or on behalf of, an affiliate that is engaged in activities that are so closely related to banking, or managing or controlling banks, as to be a proper incident thereto; and

''(ii) does not cause the bank to violate any provision of section 23A or 23B of the Federal Reserve Act, either directly, in the case of a bank that is a member of the Federal Reserve System, or by virtue of section 18(j) of the Federal Deposit Insurance Act, in the case of a bank that is not a member of the Federal Reserve System.''.

(c) Conforming Amendment.—Section 4(f)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)(2)) is amended by striking ''Paragraph (1) shall cease to apply to any company described in such paragraph if—'' and inserting ''Subject to paragraph (3), a company described in paragraph (1) shall no longer qualify for the exemption provided under that paragraph if—''.

(d) Activities Limitations.—Section 4(f)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)(2)) is amended by striking subparagraph (B) and inserting the following:

''(B) any bank subsidiary of such company engages in any activity in which the bank was not lawfully engaged as of March 5, 1987;

''(C) any bank subsidiary of such company that—

''(i) accepts demand deposits or deposits that the depositor may withdraw by check or similar means for payment to third parties; and

''(ii) engages in the business of making commercial loans (and, for purposes of this clause, loans made in the ordinary course of a credit card operation shall not be treated as commercial loans); or

''(D) after the date of enactment of the Competitive Equality Amendments of 1987, any bank subsidiary of such company permits any overdraft (including any intraday overdraft), or incurs any such overdraft in the account of the bank at a Federal reserve bank, on behalf of an affiliate, other than an overdraft described in paragraph (3).''.

SEC. 117. DIVESTITURE REQUIREMENT.

(a) In General.—Section 4(f)(4) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)(4)) is amended to read as follows:

''(4) Divestiture in case of loss of exemption.—If any company described in paragraph (1) fails to qualify for the exemption provided under such paragraph by operation of paragraph (2), such exemption shall cease to apply to such company and such company shall divest control of each bank it controls before the end of the 180-day period beginning on the date that the company receives notice from the Board that the company has failed to continue to qualify for such exemption, unless before the end of such 180-day period, the company has—

''(A) either—

''(i) corrected the condition or ceased the activity that caused the company to fail to continue to qualify for the exemption; or

''(ii) submitted a plan to the Board for approval to cease the activity or correct the condition in a timely manner (which shall not exceed 1 year); and

''(B) implemented procedures that are reasonably adapted to avoid the reoccurrence of such condition or activity.''.

(b) Technical and Conforming Amendment.—Section 4(f)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)(2)) is amended by striking ''Paragraph (1) shall cease to apply to any company described in such paragraph if—'' and inserting ''A company described in paragraph (1) shall no longer qualify for the exemption provided under such paragraph if—''.

SEC. 118. DAYLIGHT OVERDRAFTS INCURRED BY FEDERAL HOME LOAN BANKS.

The Federal Reserve Act (12 U.S.C. 221 et seq.) is amended by inserting after section 11A the following new section:

"SEC. 11B. DAYLIGHT OVERDRAFTS INCURRED BY FEDERAL HOME LOAN BANKS.

''(a) In General.—Any policy or regulation adopted by the Board governing payment system risk or intraday credit shall—

''(1) include—

''(A) the establishment of net debit caps appropriate to the credit quality of each Federal Home Loan Bank; and

''(B) the imposition of normal fees for daylight overdrafts, calculated in the same manner as fees for other users; or

''(2) exempt Federal Home Loan Banks from such policy or regulation.

''(b) Definition.—For purposes of this section, the term 'Federal Home Loan Bank' has the same meaning as in section 2 of the Federal Home Loan Bank Act.''.

SEC. 119. FEDERAL HOME LOAN BANK GOVERNANCE AMENDMENTS.

The Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.) is amended—

(1) in section 7(i) (12 U.S.C. 1427(i)), by striking '', subject to the approval of the board'';

(2) in section 12(a) (12 U.S.C. 1432(a))—

(A) by striking '', but, except'' and all that follows through ''ten years'';

(B) by striking ''and by its board of directors'' and all that follows through ''enjoyed subject to the approval of the Board'' and inserting ''and, by its board of directors, to prescribe, amend, and repeal bylaws governing the manner in which its affairs may be administered, consistent with this Act''; and

(C) by adding at the end the following: "A Federal home loan bank shall not be required to submit to the board of directors of the bank for its approval, budget or business plans, including annual operating and capital budgets, strategic plans, or business plans.";

(3) in section 9 (12 U S.C. 1429)—

(A) in the second sentence, by striking "with the approval of the Board"; and

(B) in the third sentence, by striking ", subject to the approval of the Board,";

(4) in section 10(a)(5) (12 U.S.C. 1430(a)(5))—

(A) by striking "and the Board"; and

(B) by striking "by the Board" and inserting "by the Federal home loan bank".

(5) in section 10(c) (12 U.S.C. 1430(c)), by striking "Board" and inserting "Federal home loan bank";

(6) in section 10(d) (12 U.S.C. 1430(d))—

(A) by striking "and the approval of the Board"; and

(B) by striking "Subject to the approval of the Board, any" and inserting "Any"; and

(7) in section 16(a) (12 U.S.C. 1436(a)), by striking ", and then only with the approval of the Federal Housing Finance Board".

SEC. 120. COLLATERALIZATION OF ADVANCES TO MEMBERS.

Section 10(a) of the Federal Home Loan Bank Act (12 U.S.C. 1430(a)) is amended—

(1) by striking paragraph (1) and inserting the following:

"(1) Fully disbursed, whole first mortgages on improved residential property that are not more than 90 days delinquent, mortgages on improved residential property insured or guaranteed by the United States Government or any agency thereof, or securities representing a whole interest in such mortgages."; and

(2) in paragraph (4), by striking "If an advance" and all that follows through "is appropriate.".

TITLE II—STREAMLINING ACTIVITIES OF INSTITUTIONS

SEC. 201. UPDATING OF AUTHORITY FOR COMMUNITY DEVELOPMENT INVESTMENTS.

Section 5(c)(3)(A) of the Home Owners' Loan Act (12 U.S.C. 1464(c)(3)(A)) is amended by striking "located" and all that follows through "1974" and inserting "for the primary purpose of promoting the public welfare, including the welfare of low- and moderate-income communities or families (including the provision of housing, services, or jobs)".

SEC. 202. ACCEPTANCE OF BROKERED DEPOSITS.

Section 29 of the Federal Deposit Insurance Act (12 U.S.C. 1831f) is amended—

(1) by striking subsections (e) and (h);

(2) by redesignating subsections (f) through (g) as subsections (e) through (f), respectively;

(3) in subsection (f), as redesignated, by striking paragraph (3) and redesignating paragraph (4) as paragraph (3); and

(4) by adding at the end the following new subsection:

"(g) Deposit Solicitations Restricted.—

"(1) In general.—An insured depository institution may not solicit deposits by offering rates of interest that are significantly higher than the national rate of interest on insured deposits, as established by the Corporation, if—

"(A) the institution is undercapitalized or adequately capitalized, as those terms are defined in section 38; or

"(B) the Corporation has been appointed conservator for the institution.

"(2) Exclusion.—Paragraph (1) does not apply to an insured depository institution that is well capitalized, as defined in section 38.".

SEC. 203. FEDERAL RESERVE ACT LENDING LIMITS.

Section 11 of the Federal Reserve Act (12 U.S.C. 248) is amended—

(1) by striking subsection (m); and

(2) by redesignating subsection (o) as subsection (m).

SEC. 204. ELIMINATE UNNECESSARY RESTRICTIONS ON PRODUCT MARKETING.

Section 106(b) of the Bank Holding Company Act Amendments of 1970 (12 U.S.C. 1972) is amended—

(1) by striking paragraph (1);

(2) in paragraph (2)—

(A) by striking "(2)"; and

(B) by redesignating subparagraphs (A) through (I) as paragraphs (1) through (9), respectively;

(3) in paragraph (6), as redesignated—

(A) by redesignating clauses (i) through (ix) as subparagraphs (A) through (I), respectively;

(B) by striking "clause (i)" each place it appears and inserting "subparagraph (A)";

(C) in subparagraph (B), as redesignated—

(i) by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively;

(ii) by striking "(aa)" each place it appears and inserting "(I)";

(iii) by striking "(bb)" each place it appears and inserting "(II)"; and

(iv) by striking "(cc)" each place it appears and inserting "(III)";

(D) in subparagraph (C), as redesignated—

(i) by striking "clauses (i) and (ii)" and inserting "subparagraphs (A) and (B)";

(ii) by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively;

(iii) in clause (i), as redesignated, by redesignating items (aa) through (cc) as subclauses (I) through (III), respectively; and

(iv) by striking "clause (iv)" and inserting "subparagraph (D)";

(E) in subparagraph (D), as redesignated—

(i) by striking "clause (iii)" each place it appears and inserting "subparagraph (C)";

(ii) by redesignating subclauses (I) and (II) as clauses (i) and (ii), respectively:

(iii) by striking "(aa)" and inserting "(I)"; and

(iv) by striking "(bb)" and inserting "(II)"; and

(F) in subparagraph (E), as redesignated—

(i) by striking "(ii) or (iii)" and inserting "(B), or (C)"; and

(ii) by redesignating subclauses (I) through (III) as clauses (i) through (iii), respectively;

(4) in paragraph (7), as redesignated—

(A) by redesignating clauses (i) and (ii) as subparagraphs (A) and (B), respectively; and

(B) in subparagraph (A), as redesignated—

(i) by redesignating paragraphs (1) through (4) as clauses (i) through (iv), respectively;

(ii) by striking "(a)" each place it appears and inserting "(I)";

(iii) by striking "(b)" each place it appears and inserting "(II)"; and

(iv) by striking "(c)" each place it appears and inserting "(III)";

(5) by striking "this paragraph" each place it appears and inserting "this subsection"; and

(6) by striking "this subparagraph" each place it appears and inserting "this paragraph".

SEC. 205. BUSINESS PURPOSE CREDIT EXTENSIONS.

Section 4 of the Bank Holding Company Act of 1956 (12 U.S.C. 1843) is amended by adding at the end the following new subsection:

"(k) Business Purpose Credit Extensions.—

"(1) In general.—An institution referred to in section 2(c)(2)(F) or 4(f)(3) may engage in the provision of credit card accounts for business purposes, including the issuance of such accounts to small businesses.

"(2) Definition.—For purposes of this subsection, the term 'credit card' has the same meaning as in section 103 of the Truth In Lending Act (15 U.S.C. 1602).".

SEC. 206. AFFINITY GROUPS.

(a) Definitions.—For purposes of this section—

(1) the term "affinity group" means any person, other than an individual, that—

(A) is established for a common objective or purpose;

(B) is not established by 1 or more settlement service providers for the principal purpose of endorsing the products or services of a settlement service provider;

(C) the common objective or purpose of which is not principally the conduct of settlement services; and

(D) does not consist of member organizations whose principal business is providing settlement services; and

(2) the terms "person", "settlement services", and "thing of value" have the meanings given those terms in section 3 of the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2602).

(b) Marketing Modernization.—Notwithstanding any other provision of law, it shall not be unlawful to make a payment or otherwise transfer any thing of value to an affinity group for or in connection with an endorsement (written or oral), either through an advertisement or through a communication addressed to a consumer by name or by mailing address, of the products or services of a settlement service provider, if disclosure is clearly made at the time of the first written communication with the consumer of the fact that a payment has been made or may be made or any other thing of value may accrue to the affinity group for the endorsement.

SEC. 207. FAIR DEBT COLLECTION PRACTICES.

(a) Exemption for Communications Involving Legal Proceedings.—Section 803 of the Fair Debt Collection Practices Act (15 U.S.C. 1692a) is amended—

(1) in paragraph (2)—

(A) by striking "communication' means the" and inserting the following: "communication'—

"(A) means the"; and

(B) by striking the period at the end and inserting the following: "; and

"(B) does not include communications made pursuant to the Federal Rules of Civil Procedure, in the case of a proceeding in a State court, the rules of civil procedure available under the laws of that State, or a nonjudicial foreclosure proceeding."; and

(2) in paragraph (5)—

(A) by striking "debt' means any" and inserting the following: "debt'—

"(A) means any";

(B) by striking the period at the end and inserting the following: "; and

"(B) does not include a draft drawn on a bank for a sum certain, payable on demand and signed by the maker.".

(b) Collection Activity Following Initial Notice.—Section 809 of the Fair Debt Collection Practices Act (15 U.S.C. 1692(g)) is amended by adding at the end the following new subsection:

"(d) Continuation During Period.—Collection activities and communications may continue during the 30-day period described in subsection (a) unless the consumer requests the cessation of such activities.".

(c) Definition of "Communication".—Section 803 of the Fair Debt Collection Practices Act (15 U.S.C. 1692a) is amended—

(1) by striking "title—" and inserting "title, the following definitions shall apply:"; and

(2) in paragraph (2)—

(A) by striking "term 'communication' means" and inserting "term 'communication'—

"(A) means";

(B) by striking the period at the end and inserting "; and

"(B) does not include any communication made or action taken to collect on loans made, insured, or guaranteed under the Higher Education Act of 1965.".

SEC. 208. RESTRICTION ON ACQUISITIONS OF OTHER INSURED DEPOSITORY INSTITUTIONS.

Section 4(f)(12) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)(12)) is amended—

(1) in subparagraph (A), by striking "or" at the end;

(2) in subparagraph (B), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following new subparagraph:

"(C) in an acquisition in which the insured institution has been found to be undercapitalized by the appropriate Federal or State authority.".

SEC. 209. MUTUAL HOLDING COMPANIES.

Section 10(o) of the Home Owners' Loan Act (12 U.S.C. 1467a(o)) is amended—

(1) by striking paragraph (1) and inserting the following:

"(1) REORGANIZATION.—A savings association operating in mutual form may reorganize so as to become a holding company—

"(A) by chartering a savings association, the stock of which is to be wholly owned, except as otherwise provided in this section, directly or indirectly by the mutual association and by transferring the substantial part of its assets and liabilities, by merger or otherwise, including all of its insured liabilities, to the interim savings association;

"(B) by converting to a stock association charter and simultaneously forming a subsidiary stock holding company that owns 100 percent of the voting stock of the converting association; or

"(C) in any other manner approved by the Director, including by the formation of a subsidiary stock holding company, transferring assets and liabilities by merger or otherwise to the subsidiary stock holding company, or through the use of one or more interim institutions.";

(2) in paragraph (3)(D)—

(A) by striking "savings association" and inserting "the mutual holding company or subsidiary stock holding company";

(B) by striking "such capital" and inserting "the capital of the association";

(C) by striking "association's"; and

(D) by inserting "of the association" before "established";

(3) in paragraph (5)—

(A) by inserting "or subsidiary stock holding company" before "may engage";

(B) in subparagraph (A)—

(i) by inserting "or acquiring" after "Investing in"; and

(ii) by inserting ", savings bank, or bank" before the period; and

(C) in subparagraph (C), by inserting "or bank" before the period;

(4) by striking paragraph (7) and inserting the following:

"(7) CHARTERING AND REGULATION.—

"(A) IN GENERAL.—A mutual holding company shall be chartered by the Director, and a subsidiary stock holding company may be chartered under State law, and such holding companies shall be subject to such regulations as the Director may prescribe. Unless the context otherwise requires, a mutual holding company shall be subject to the other requirements of this section regarding regulation of holding companies.

"(B) CONVERSION TO STATE CHARTER.—A mutual holding company organized pursuant to paragraph (1) may convert its charter to a State mutual holding company charter.

"(C) CONVERSION TO FEDERAL CHARTER.—Notwithstanding any other provision of Federal law, a mutual holding company organized under State law may convert its State mutual holding company charter to a Federal mutual holding company charter.";

(5) in paragraph (8)—

(A) in subparagraph (A), by inserting "or subsidiary stock holding company" after "company"; and

(B) by striking subparagraph (B) and inserting the following:

"(B) ISSUANCE OF SHARES.—This section shall not prohibit a savings association or subsidiary stock holding company chartered as part of a transaction described in paragraph (1) from—

"(i) issuing any nonvoting shares or less than 50 percent of the voting share of such association or subsidiary stock holding company to any person other than the mutual holding company;

"(ii) issuing all of the voting shares of such association to a subsidiary stock holding company, if more than 50 percent of the voting shares of the subsidiary stock holding company are owned by the mutual holding company; and

"(iii) issuing to any person other than the mutual holding company, in connection with the formation of the mutual holding company or at a later date, a separate class of voting shares, the rights and preferences of which are identical to those of the class of voting shares issued to the mutual holding company, except with respect to the payment of dividends.

"(C) MUTUAL SAVINGS ASSOCIATION.—In the case of a mutual savings association in which holders of accounts or obligors exercise voting rights, such holders of accounts or obligors shall have the right to subscribe on a priority basis for voting shares of the subsidiary stock holding company or savings association chartered pursuant to paragraph (1), pursuant to regulations of the Director, but only with respect to the voting shares issued in connection with the initial reorganization pursuant to paragraph (1). The priority subscription rights applicable to voting shares issued to the mutual holding company in connection with the initial reorganization pursuant to paragraph (1) shall be exercisable at such time as the shares are subsequently sold by the subsidiary savings association or subsidiary stock holding company.";

(6) in paragraph (9)(A)(i)(I), by inserting ", directly or indirectly," after "owned"; and

(7) in paragraph (10)—

(A) by striking "subsection—" and inserting "subsection, the following definitions shall apply:"; and

(B) by adding at the end the following:

"(D) SUBSIDIARY STOCK HOLDING COMPANY.—The term 'subsidiary stock holding company' means a stock holding company organized under applicable State law, that is wholly-owned, except as otherwise provided in this section, by the mutual holding company.".

SEC. 210. CALL REPORT SIMPLIFICATION.

(a) MODERNIZATION OF CALL REPORT FILING AND DISCLOSURE SYSTEM.—In order to reduce the administrative requirements pertaining to bank reports of condition, savings association financial reports, and bank holding company consolidated and parent-only financial statements, and to improve the timeliness of such reports and statements, the Federal banking agencies shall—

(1) work jointly to develop a system under which—

(A) insured depository institutions and their affiliates may file such reports and statements electronically; and

(B) the Federal banking agencies may make such reports and statements available to the public electronically; and

(2) not later than 1 year after the date of enactment of this Act, report to the Congress and make recommendations for legislation that would enhance efficiency for filers and users of such reports and statements.

(b) UNIFORM REPORTS AND SIMPLIFICATION OF INSTRUCTIONS.—The Federal banking agencies shall, consistent with the principles of safety and soundness, work jointly—

(1) to adopt a single form for the filing of core information required to be submitted under Federal law to all such agencies in the reports and statements referred to in subsection (a); and

(2) to simplify instructions accompanying such reports and statements and to provide an index to the instructions that is adequate to meet the needs of both filers and users.

(c) REVIEW OF CALL REPORT SCHEDULE.—Each Federal banking agency shall—

(1) review the information required by schedules supplementing the core information referred to in subsection (b); and

(2) eliminate requirements that are not warranted for reasons of safety and soundness or other public purposes.

TITLE III—STREAMLINING AGENCY ACTIONS

SEC. 301. SCHEDULED MEETINGS OF AFFORDABLE HOUSING ADVISORY BOARD.

Section 14(b)(6)(A) of the Resolution Trust Corporation Completion Act (12 U.S.C. 1831q note) is amended—

(1) by striking "4 times a year, or more frequently if requested" and inserting "2 times a year, or as requested"; and

(2) by striking "In each year" and all that follows through "located.".

SEC. 302. ELIMINATION OF DUPLICATIVE DISCLOSURE OF FAIR MARKET VALUE OF ASSETS AND LIABILITIES.

Section 37(a)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1831n(a)(3)) is amended by striking subparagraph (D).

SEC. 303. PAYMENT OF INTEREST IN RECEIVERSHIPS WITH SURPLUS FUNDS.

Section 11(d)(10) of the Federal Deposit Insurance Act (12 U.S.C. 1821(d)(10)) is amended by adding at the end the following new subparagraph:

"(C) RULEMAKING AUTHORITY OF CORPORATION.—The Corporation may prescribe such rules, including definitions of terms, as it deems appropriate to establish the interest rate for or to make payments of postinsolvency interest to creditors holding proven claims against the receivership estates of insured Federal or State depository institutions following satisfaction by the receiver of the principal amount of all creditor claims.".

SEC. 304. REPEAL OF REPORTING REQUIREMENT ON DIFFERENCES IN ACCOUNTING STANDARDS.

Section 37 of the Federal Deposit Insurance Act (12 U.S.C. 1831n) is amended by striking subsection (c).

SEC. 305. AGENCY REVIEW OF COMPETITIVE FACTORS IN BANK MERGER ACT FILINGS.

(a) Report Required.—Section 18(c)(4) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)(4)) is amended by striking "request reports" and all that follows through the end of the paragraph and inserting the following: "request a report on the competitive factors involved from the Attorney General. The report shall be furnished not later than 30 calendar days after the date on which it is requested, or not later than 10 calendar days after such date if the requesting agency advises the Attorney General that an emergency exists requiring expeditious action.".

(b) Timing of Transaction.—Section 18(c)(6) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)(6)) is amended by striking the third sentence and inserting the following: "If the agency has advised the Attorney General of the existence of an emergency requiring expeditious action and has requested a report on the competitive factors within 10 days, the transaction may not be consummated before the fifth calendar day after the date of approval by the agency.".

(c) Evaluation of Competitive Effect.—

(1) Amendments to bank holding company act of 1956.—Section 3(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(c)) is amended—

(A) by adding at the end the following new paragraph:

"(6) Evaluation of competitive effect.—The Board may not disapprove of a transaction pursuant to paragraph (1)(B) unless the Board takes into account—

"(A) competition from institutions, other than depository institutions (as defined in section 3 of the Federal Deposit Insurance Act), that provide financial services;

"(B) efficiencies and cost savings that the transaction may create;

"(C) deposits of the participants in the transaction that are not derived from the relevant market;

"(D) the capacity of savings associations to make small business loans;

"(E) lending by institutions other than depository institutions to small businesses; and

"(F) such other factors as the Board deems relevant."; and

(B) in paragraph (1), by striking "restraint or trade" and inserting "restraint of trade".

(2) Amendments to federal deposit insurance act.—Section 18(c)(5) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)(5)) is amended—

(A) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(B) by inserting "(A)" after "(5)";

(C) by striking "In every case" and inserting the following:

"(B) In every case under this subsection"; and

(D) by adding at the end the following:

"(C) The responsible agency may not disapprove of a transaction pursuant to subparagraph (A), unless the agency takes into account—

"(i) competition from institutions that provide financial services;

"(ii) efficiencies and cost savings that the transaction may create;

"(iii) deposits of the participants in the transaction that are not derived from the relevant markets;

"(iv) the capacity of the institutions to make small business loans;

"(v) lending by institutions other than depository institutions to small businesses; and

"(vi) such other factors as the responsible agency deems relevant.".

SEC. 306. TERMINATION OF THE THRIFT DEPOSITOR PROTECTION OVERSIGHT BOARD.

(a) In General.—Effective 3 months after the date of enactment of this Act, the Thrift Depositor Protection Oversight Board established under section 21A of the Federal Home Loan Bank Act (hereafter in this section referred to as the "Board") is terminated.

(b) Disposition of Affairs.—

(1) In general.—Effective on the date of enactment of this Act, the Chairman of the Board (or the designee of the Chairman) may exercise on behalf of the Board any power of the Board necessary to settle and conclude the affairs of the Board.

(2) Availability of funds.—Funds available to the Board shall be available to the Chairman of the Board to pay expenses incurred in carrying out paragraph (1).

(c) Savings Provision.—

(1) Existing rights, duties, and obligations not affected.—Nothing in this Act affects the validity of any right, duty, or obligation of the United States, the Board, the Resolution Trust Corporation, or any other person, that—

(A) arises under or pursuant to the Federal Home Loan Bank Act, or any other provision of law applicable with respect to the Board; and

(B) existed on the day before the effective date of the termination of the Board under this Act.

(2) Continuation of suits.—No action or other proceeding commenced by or against the Board with respect to any function of the Board shall abate by reason of the enactment of this Act.

(3) Liabilities.—All liabilities arising out of the operation of the Board during the period beginning on August 9, 1989, and ending on the date that is 3 months after the date of enactment of this Act shall remain the direct liabilities of the United States. The Secretary of the Treasury shall not be substituted for the Board as a party to any such action or proceeding.

(4) Continuations of orders, resolutions, determinations, and regulations pertaining to the resolution funding corporation.—

(A) In general.—Each order, resolution, determination, and regulation regarding the Resolution Funding Corporation shall continue in effect according to its terms until modified, terminated, set aside, or superseded in accordance with applicable law, if such order, resolution, determination, or regulation—

(i) was issued, made, and prescribed, or allowed to become effective by the Board or by a court of competent jurisdiction, in the performance of functions transferred by this Act; and

(ii) is in effect on the date that is 3 months after the date of enactment of this Act.

(B) Enforceability.—All orders, resolutions, determinations, and regulations pertaining to the Resolution Funding Corporation are enforceable by and against—

(i) the United States prior to the effective date of the transfer of responsibilities to the Secretary of the Treasury under this Act; and

(ii) the Secretary of the Treasury on and after the effective date of the transfer of responsibilities to the Secretary of the Treasury under this Act.

(d) Transfer of Certain Resolution Funding Corporation Responsibilities to Secretary of Treasury.—Effective 3 months after the date of enactment of this Act, the authorities and duties of the Board under sections 21A(a)(6)(I) and 21B of the Federal Home Loan Bank Act are transferred to the Secretary of the Treasury (or the designee of the Secretary).

(e) Membership of the Affordable Housing Advisory Board.—Effective on the date of enactment of this Act, section 14(b)(2) of the Resolution Trust Corporation Completion Act (12 U.S.C. 1831q note) is amended by striking subparagraph (C) and redesignating subparagraphs (D) and (E) as subparagraphs (C) and (D), respectively.

TITLE IV—DISCLOSURE SIMPLIFICATION

SEC. 401. ALTERNATIVE COMPLIANCE METHOD FOR APR DISCLOSURE.

Section 127A(a)(2)(G) of the Truth in Lending Act (15 U.S.C. 1637a(a)(2)(G)) is amended by inserting before the semicolon "or, at the option of the creditor, a statement that the periodic payments may increase or decrease substantially".

SEC. 402. ALTERNATIVE COMPLIANCE METHODS FOR ADVERTISING CREDIT TERMS.

(a) Downpayment Amounts.—Section 144(d) of the Truth in Lending Act (15 U.S.C. 1664(d)) is amended—

(1) by striking "or the number of installments or the period of repayment, then"; and

(2) by inserting "or" before "the dollar".

(b) Alternative Disclosures.—Chapter 3 of the Truth in Lending Act (15 U.S.C. 1661 et seq.) is amended by adding at the end the following new section:

"SEC. 148. ALTERNATIVE DISCLOSURES.

"(a) In General.—A radio or television advertisement to aid, promote, or assist, directly or indirectly, any extension of consumer credit may satisfy the disclosure requirements in sections 143, 144(d), 147(a), or 147(e), by complying with all of the requirements in subsections (b) and (c) of this section.

"(b) Information To Be Disclosed.—A radio or television advertisement referred to in subsection (a) complies with this subsection if it clearly and conspicuously sets forth, in such form and manner as the Board may require—

"(1) the annual percentage rate of any finance charge, and with respect to an open-end credit plan, the simple interest rate or the periodic rate in addition to the annual percentage rate;

"(2) whether the interest rate may vary;

"(3) if the advertisement states an introductory rate (or states with respect to a variable-rate plan an initial rate that is not based on the index and margin used to make later rate adjustments)—

"(A) with equal prominence, the annual percentage rate that will be in effect after the introductory or initial rate period expires (or for a variable-rate plan, a reasonably current annual percentage rate that would have been in effect using the index and margin); and

"(B) the period during which the introductory or initial rate will remain in effect;

"(4) the amount of any annual fee for an open-end credit plan;

"(5) a telephone number established in accordance with subsection (c) that may be used by consumers to obtain all of the information otherwise required to be disclosed pursuant to sections 143 and 144(d), and subsections (a) and (e) of section 147; and

"(6) a statement that the consumer may use the telephone number established in accordance with subsection (c) to obtain further details about additional terms and costs associated with the offer of credit.

"(c) Requirements for Telephone Numbers.—In the case of an advertisement described in subsection (b) that refers to a telephone number—

"(1) the creditor shall establish the telephone number for a broadcast area not later than the date on which the advertisement is first broadcast in that area;

"(2) the required information shall be available by telephone for a broadcast area for a period of not less than 10 days following the date of the final broadcast of the advertisement in that area;

"(3) the creditor shall provide all of the information that is otherwise required pursuant to sections 143 and 144(d), and subsections (a) and (e) of section 147 orally by telephone or, if requested by the consumer, in written form; and

"(4) the consumer shall obtain the required information by telephone without incurring any long-distance charges.".

TITLE V—MISCELLANEOUS

SEC. 501. POSITIONS OF BOARD OF GOVERNORS OF FEDERAL RESERVE SYSTEM ON THE EXECUTIVE SCHEDULE.

(a) In General.—

(1) Positions at level I of the executive schedule.—Section 5312 of title 5, United States Code, is amended by adding at the end the following:

"Chairman, Board of Governors of the Federal Reserve System.".

(2) Positions at level II of the executive schedule.—Section 5313 of title 5, United States Code, is amended—

(A) by striking "Chairman, Board of Governors of the Federal Reserve System."; and

(B) by adding at the end the following:

"Members, Board of Governors of the Federal Reserve System.".

(3) Positions at level III of the executive schedule.—Section 5314 of title 5, United States Code, is amended by striking "Members, Board of Governors of the Federal Reserve System.".

(b) Effective Date.—This section and the amendments made by this section shall take effect on the first day of the first pay period for the Chairman and Members of the Board of Governors of the Federal Reserve System beginning on or after the date of enactment of this section.

SEC. 502. CONSISTENT COVERAGE FOR INDIVIDUALS ENROLLED IN A HEALTH PLAN ADMINISTERED BY THE FEDERAL BANKING AGENCIES.

(a) Enrollment in Chapter 89 Plan.—For purposes of chapter 89 of title 5, United States Code, any period of enrollment shall be deemed to be a period of enrollment in a health benefits plan under chapter 89 of such title, if such enrollment is—

(1) in a health benefits plan administered by the Federal Deposit Insurance Corporation before the termination of such plan on January 3, 1998; or

(2) subject to subsection (c), in a health benefits plan (not under chapter 89 of such title) with respect to which the eligibility of any employees or retired employees of the Board of Governors of the Federal Reserve System terminates on January 3, 1998.

(b) Enrollment; Continued Coverage.—

(1) Enrollment.—Subject to subsection (c), any individual who, on January 3, 1998, is enrolled in a health benefits plan described in paragraph (1) or (2) of subsection (a) may enroll in an approved health benefits plan under chapter 89 of title 5, United States Code, either as an individual or for self and family, if, after taking into account the provisions of subsection (a), such individual—

(A) meets the requirements of that chapter 89 for eligibility to become so enrolled as an employee, annuitant, or former spouse (within the meaning of that chapter); or

(B) would meet the requirements of that chapter 89 if, to the extent such requirements involve either retirement system under such title 5, such individual satisfies similar requirements or provisions of the Retirement Plan for Employees of the Federal Reserve System.

(2) Determinations.—Any determination under paragraph (1)(B) shall be made under guidelines established by the Office of Personnel Management in consultation with the Board of Governors of the Federal Reserve System.

(3) Continued coverage.—Subject to subsection (c), any individual who, on January 3, 1998, is entitled to continued coverage under a health benefits plan described in paragraph (1) or (2) of subsection (a) shall be deemed to be entitled to continued coverage under section 8905a of title 5, United States Code, but only for the same remaining period as would have been allowable under the health benefits plan in which such individual was enrolled on January 3, 1998, if—

(A) the individual had remained enrolled in that plan; and

(B) that plan did not terminate, or the eligibility of such individual with respect to that plan did not terminate, as described in subsection (a).

(4) Comparable treatment.—Subject to subsection (c), any individual (other than an individual under paragraph (3)) who, on January 3, 1998, is covered under a health benefits plan described in paragraph (1) or (2) of subsection (a) as an unmarried dependent child, but who does not then qualify for coverage under chapter 89 of title 5, United States Code, as a family member (within the meaning of that chapter) shall be deemed to be entitled to continued coverage under section 8905a of that title, to the same extent and in the same manner as if such individual had, on January 3, 1998, ceased to meet the requirements for being considered an unmarried dependent child of an enrollee under such chapter.

(5) Effective date.—Coverage under chapter 89 of title 5, United States Code, pursuant to an enrollment under this section shall become effective on January 4, 1998.

(c) Eligibility for FEHBP Limited to Individuals Losing Eligibility Under Former Health Plan.—Nothing in subsection (a)(2) or any paragraph of subsection (b) (to the extent that paragraph (2) relates to the plan described in subsection (a)(2)) shall be considered to apply with respect to any individual whose eligibility for coverage under the plan does not involuntarily terminate on January 3, 1998.

(d) Transfers to the Employees Health Benefits Fund.—The Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System shall transfer to the Employees Health Benefits Fund, under section 8909 of title 5, United States Code, amounts determined by the Director of the Office of Personnel Management, after consultation with the Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System, to be necessary to reimburse the Fund for the cost of providing benefits under this section not otherwise paid for by the individuals covered by this section. The amounts so transferred shall be held in the Fund and used by the Office of Personnel Management in addition to amounts available under section 8906(g)(1) of title 5, United States Code.

(e) Administration and Regulations.—The Office of Personnel Management—

(1) shall administer the provisions of this section to provide for—

(A) a period of notice and open enrollment for individuals affected by this section; and

(B) no lapse of health coverage for individuals who enroll in a health benefits plan under chapter 89 of title 5, United States Code, in accordance with this section; and

(2) may prescribe regulations to implement this section.

SEC. 503. FEDERAL HOUSING FINANCE BOARD.

Section 2A(b)(2) of the Federal Home Loan Bank Act (12 U.S.C. 1422a(b)(2)) is amended—

(1) by striking subparagraph (B); and

(2) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively.

TITLE VI—TECHNICAL CORRECTIONS

SEC. 601. TECHNICAL CORRECTION RELATING TO DEPOSIT INSURANCE FUNDS.

(a) In General.—Section 2707 of the Deposit Insurance Funds Act of 1996 (Public Law 104–208; 110 Stat. 3009–496) is amended by striking "7(b)(2)(C)" and inserting "7(b)(2)(E)".

(b) Effective Date.—The amendment made by subsection (a) shall be deemed to have the same effective date as section 2707 of the Deposit Insurance Funds Act of 1996.

SEC. 602. RULES FOR CONTINUATION OF DEPOSIT INSURANCE FOR MEMBER BANKS CONVERTING CHARTERS.

Section 8(o) of the Federal Deposit Insurance Act (12 U.S.C. 1818(o)) is amended in the second sentence, by striking "subsection (d) of section 4" and inserting "subsection (c) or (d) of section 4".

SEC. 603. AMENDMENTS TO THE REVISED STATUTES.

(a) Waiver of Citizenship Requirement for National Bank Directors.—Section 5146 of the Revised Statutes of the United States (12 U.S.C. 72) is amended in the first sentence, by inserting before the period ", and waive the requirement of citizenship in the case of not more than a minority of the total number of directors".

(b) Technical Amendment to the Revised Statutes.—Section 329 of the Revised Statutes of the United States (12 U.S.C. 11) is amended by striking "to be interested in any association issuing national currency under the laws of the United States" and inserting "to hold an interest in any national bank".

(c) Repeal of Unnecessary Capital and Surplus Requirement.—Section 5138 of the Revised Statutes of the United States (12 U.S.C. 51) is repealed.

SEC. 604. CONFORMING CHANGE TO THE INTERNATIONAL BANKING ACT.

Section 4(b) of the International Banking Act of 1978 (12 U.S.C. 3102(b)) is amended in the second sentence, by striking paragraph (1) and by redesignating paragraphs (2) through (4) as paragraphs (1) through (3), respectively.

Ms. MOSELEY-BRAUN. Mr. President, today, Senator Shelby and several of my other colleagues on the Banking Committee are introducing the Financial Regulatory Relief and Economic Efficiency Act of 1997. I am cosponsoring this legislation because I have long been committed to the process of reducing unnecessary regulatory burdens on financial institutions. Many of the provisions were drafted in consultation with the banking regulatory agencies and will remove duplicative, unnecessary restrictions that no longer make sense and are no longer appropriate, given this era of great change in the financial services industry. This bill will allow the banks to be more efficient and cost-effective in their activities. It will also allow them to better meet the needs of the users of the system, the individuals, the communities, the businesses, the exporters, the farmers, and all those who depend on our financial system. We live in capital-scarce times and that means that it is imperative that our financial system provides capital to those who need it in the most cost-effective manner possible. We can be longer tolerate inefficiencies due to outmoded regulation.

However, it is important to note that I do not support every provision of this bill, and in fact I have serious concerns about portions of it. I believe that certain sections of the bill will need to be changed significantly as it works its way through the Banking Committee and the Senate floor. That said, I want to be a part of this process, because I believe in the objectives of the bill: reducing unnecessary regulatory burden. Furthermore, I think the issue should be addressed in a bipartisan manner. This type of effort needs to be a priority for the Banking Committee and the Senate as a whole, and that is why I am an original cosponsor of the Financial Regulatory Relief and Economic Efficiency Act of 1997.

By Mr. SMITH of Oregon:

S. 1406. A bill to amend section 2301 of title 38, United States Code, to provide for the furnishing of burial flags on behalf of certain deceased members and former members of the Selected Reserve; to the Committee on Veterans Affairs.

BURIAL FLAGS FOR MEMBERS OF THE GUARD AND RESERVES LEGISLATION

Mr. SMITH of Oregon. Mr. President, several months ago, one of my constituents, Gilbert Miller, a retired Air Force senior master sergeant, walked into my Medford, OR office to share an idea with me. After doing some research, he discovered that some military reserve component members who had honorably served their country as Selected Reservists were not eligible for funeral burial flags. In response to this inequity, and in recognition of Veterans' Day, I rise to introduce a bill authorizing the Department of Veterans' Affairs to issue burial flags to deceased members of the reserve component.

Mr. President, National Guard and Reserve units and individual members increasingly share the day-to-day burden of our national defense. Their service is routinely performed in a drill or short active duty tour status alongside an active component service member. Their status, however, does not make their contribution to our national defense any less important or less critical. Simply put, many requirements could not be met without the direct involvement of Reserve forces, either in a drill status or on short active duty tours.

In view of this reality, I believe it is time to expand the current law regarding burial flags to include these members of the total force. Therefore, my bill permits the issuance of a burial flag to those National Guard and Reserve members who honorably served in the reserve component.

Mr. President, I would like to thank the Non Commissioned Officers Association and all the veterans' groups for their support of this bill.

Finally, Mr. President, I would like to pay tribute to our veterans as we prepare to celebrate Veterans' Day. Each day as I drive to work at the U.S. Senate, I cannot help but notice the beautiful monuments of our Nation's capital. These monuments were built to honor great people and great events, and each has its own inspirational story to tell. What you will find in the stories is that the greatness of our country and of its leaders was founded in the willingness of common men and women, our veterans, to risk their lives defending the principle of right. Serving both at home and on foreign soil, their service must always be remembered.

Working in Washington in this great institution and among these beautiful monuments, I frequently am reminded of the sacrifices of our veterans. Even outside of Washington, in almost every town across America, there are monuments dedicated to our veterans. I urge each American to discover their story, not only from a historical perspective, but also through the eyes of the veterans living in their communities, where you will find common men and women who simply did the right thing when called upon. And because of them, we live in a world where there is more peace than ever before. They deserve our thanks.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1406

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ISSUANCE OF BURIAL FLAGS FOR DECEASED MEMBERS AND FORMER MEMBERS OF THE SELECTED RESERVE.

Section 2301(a)(2) of title 38, United States Code, is amended to read as follows:

"(2) deceased individual who—

"(A) was serving as a member of the Selected Reserve (as described in section 10143 of title 10) at the time of death;

"(B) had served at least one enlistment, or the period of initial obligated service, as a member of the Selected Reserve and was discharged from service in the Armed Forces under conditions not less favorable than honorable; or

"(C) was discharged from service in the Armed Forces under conditions not less favorable than honorable by reason of a disability incurred or aggravated in line of duty during the individual's initial enlistment, or period of initial obligated service, as a member of the Selected Reserve.".

By Mr. BURNS:

S. 1407. A bill to allow participation by the communities surrounding Yellowstone National Park in decisions affecting the park, and for other purposes; to the Committee on Energy and Natural Resources.

THE YELLOWSTONE NATIONAL PARK COMMUNITY PARTICIPATION ACT

Mr. BURNS. Madam President, I rise today to introduce the Yellowstone National Park Community Participation Act. This is a bill to require the National Park Service to work in conjunction and consult with the communities surrounding Yellowstone National Park in both Montana and Wyoming.

The communities surrounding Yellowstone National Park, are as directly affected by actions within the park, as anything in the park itself. These communities' stability and economic viability are in a large part dependent on the actions within the park. Their future is dependent upon the actions taken both by local park management, and the management of the National Park Service in Washington, DC.

The Department of the Interior and the Director of the National Park Service have stated that the management of the parks and the Park Service itself should work in a cooperative effort to make sure that the local communities, affected by actions in the parks, are consulted before action occurs. Well unfortunately this is not always the case.

Last year in the 104th Congress, authority was given to the National Park Service to provide for a demonstration project as it relates to fees charged to enter our national park. This was done with the understanding that this would assist the parks in coming up with additional funding for the backlog of construction and maintenance in each individual parks. Dollars which are sorely needed in the parks and which it is hoped would be put to good use.

Communities surrounding our parks, especially Yellowstone, understand the need for the repairs to the infrastructure in the parks. They are all very willing to work with park management to do what they can to assist in maintaining the parks and assisting management in working on a means for caring for the parks.

Yet, when the Park Service asked for input and provided each individual park with an opportunity to use and develop a new fee structure for the parks not all the communities were asked or informed of the increases in the fees. This was the case in Yellowstone National Park.

While the management of Grand Teton, just a few miles south of Yellowstone, worked with and notified the communities affected by the future fee changes. Providing these communities an opportunity to prepare for the effects these changes would have on their business and economic vitality.

An announcement was made by the management in Yellowstone to address the upcoming changes without very much, if any interaction with the surrounding communities. This then affected their ability to provide the information necessary to people who use their communities as a staging site for their visit to Yellowstone. It put them in the unenviable position of either subjecting their businesses to a loss, due to the fact that they either accepted the additional cost for operating their park tours, or charging the difference to those consumers who were there on the spur of the moment. This is not what any of us would like to do to our customers, nor anything that the Government should require of taxpayers who are either living at the gates of our national parks or visiting them for recreation.

Had a consultation occurred in this instance, it is possible that relations between the communities and the park management could have developed to find a way to work through this process. However no consultation occurred and as a result, relations between park management and the local communities have been strained.

Another telling facet of this dissolution of relations between local communities and the park management, is what occurred just last winter. Due to what the park management called reduced funding, they changed the winter opening dates for the entrances to Yellowstone. This had a dramatic effect on the economic stability of the communities which are located at the entrances to Yellowstone.

The basis for business in those communities at the entrances to Yellowstone, is not just the traffic they see during the summer, but rests in large part on winter tourism in and around Yellowstone. As beautiful and magnificent, as Yellowstone can be during the summer, the visual experiences a person can enjoy during the winter are multiplied. Many of the businesses in these local communities look upon winter tourism as a means of keeping them in business for the next year.

When any change is announced, without suitable notification or adequate consultation, these communities suffer greatly. Last winter visitors arrived at Yellowstone with the understanding that the park would be open, to allow them to experience the beauty of the Nation's "Crown Jewel" as it lay under a winter coating of snow. However, when they arrived at the entrance to the park, they were greeted not with a welcome, but with a barrier which kept them from enjoying their park.

This delayed opening had a devastating effect on the communities at the gateways to Yellowstone. Many tours were canceled and groups which had planned future winter events in the area, have since canceled those plans. Although it was not true, many of these tour and business groups were of the understanding that Yellowstone was closed to winter travel and activity.

The language in this bill would assure stability for the future of those communities located at the gateways to Yellowstone National Park. The legislation would provide for an opening and closing date, which the people of the community of West Yellowstone, MT, could count on in planning for tour groups and the hiring of personnel to make the visitors' stays a memorable experience.

I have attempted to work with the Park Service and the local communities to see if some means of consultation could be worked out among all the parties involved. Last January a series of meetings occurred, between members of the local community the Park Service and my staff, to discuss the problems which the local communities were facing due to the actions taken last winter. As a result of these meetings, it was hoped that the management of the park would be more receptive to the working with the local communities in the development of changes affecting their lives. So far this has not been the case.

I am offering this legislation today, in an attempt to open dialog to find suitable arrangements for consultation between the park and the gateway communities of Yellowstone National Park. I will request a hearing on this matter to open that dialog and to seek a means by which all parties are comfortable in a process of exchange and consultation on the future of the business related to Yellowstone. I look forward to working with the Park Service and the local communities to find a means of keeping Yellowstone a treasure for all America and the world to enjoy, during all seasons of the year.

Thank you, Madam President.

By Mr. D'AMATO (for himself and Mr. MOYNIHAN):

S. 1408. A bill to establish the Lower East Side Tenement National Historic Site, and for other purposes; to the Committee on Energy and Natural Resources.

THE LOWER EAST SIDE TENEMENT MUSEUM NATIONAL HISTORIC SITE ACT OF 1997

Mr. D'AMATO. Mr. President, I rise today to join with my friend and colleague, Senator MOYNIHAN, to introduce legislation that will declare the Lower East Side Tenement Museum a national historic site. Most of us have heard the stories of how the great wave of immigrants of generations ago entered our Nation, but few really know what happened to them after they landed at Ellis Island. At the Lower East Side Tenement Museum at 97 Orchard Street in New York City, one is able to follow the lives of the immigrants beyond the first hours on our shores. The museum tells their history, displays their courage and showcases their values in an interpretive setting that brings the visitor back to an era from which many of us came. The museum presents to many of us an awareness of our ancestral roots that we may never have known existed. Through the legislation being introduced by Senator MOYNIHAN and me, the museum will be able to affiliate itself with the National Park Service, bestowing national recognition on the humble beginnings of millions of our ancestors.

The Tenement Museum is unique in that it not only traces the quality of life inside the tenement, but presents a picture of the immigrant's outside world as well. Due to the cramped and dingy nature of the tenement, as much time as possible was spent outside. Thus, in order to fully explore their lives, it is essential to look toward their work, their houses of worship, their organizations, and their entertainment. The museum incorporates the experiences of yesteryear's immigrants and interprets them for today's generations. It gives the visitor a powerful glimpse into the life and living arrangements that our ancestors faced on a daily basis. Besides onsite programs, the museum utilizes the surrounding neighborhood; an area which continues to this day in its role as a receiver of immigrants.

Throughout our Nation we have preserved, remembered and cherished places of national significance and beauty. We have put enormous energy toward maintaining homes of noted Americans and protecting vast areas of wilderness. What we do not have, though, is a monument to the so-called ordinary citizen. The Tenement Museum can fill that role and will do so at no cost to the Federal Government under this legislation.

It is unlikely that many of those who lived in buildings like the one at 97 Orchard Street felt that they were special. Rather, they were probably grateful for the chance to come to America to try to make a better life for themselves and their families. Given the living and working conditions that we now take for granted, the language and cultural obstacles they had to overcome, we should applaud their ability to take hold of an opportunity and not only survive, but thrive. It is their contributions to society in the face of overwhelming obstacles that defined an era and established an ethic that survives to this day. It is their spirit that we admire, and that, in retrospect, makes these otherwise ordinary individuals special. The Tenement Museum is their monument, and as their descendants, it is ours as well.

Congress has an opportunity to recognize the pioneer spirit of our ancestors and deliver it to future generations of Americans. The museum reminds us all of an important and often forgotten chapter in our immigrant heritage, mainly, that millions of families made their first stand in our Nation not in a log cabin or farmhouse or mansion, but in a city tenement. Granting the Lower East Side Tenement Museum affiliated status within the National Park Service will shed light on that chapter while linking it to the chain of the Status of Liberty, Ellis Island, and Castle Clinton in the story of our urban immigrant heritage. I urge my colleagues to join Senator MOYNIHAN and me in cosponsoring this bill, and I urge its speedy consideration by the Senate.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1408

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Lower East Side Tenement National Historic Site Act of 1997".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1)(A) immigration, and the resulting diversity of cultural influences, is a key factor in defining the identity of the United States; and

(B) many United States citizens trace their ancestry to persons born in nations other than the United States;

(2) the latter part of the 19th century and the early part of the 20th century marked a period in which the volume of immigrants coming to the United States far exceeded that of any time prior to or since that period;

(3) no single identifiable neighborhood in the United States absorbed a comparable number of immigrants than the Lower East Side neighborhood of Manhattan in New York City;

(4) the Lower East Side Tenement at 97 Orchard Street in New York City is an outstanding survivor of the vast number of humble buildings that housed immigrants to New York City during the greatest wave of immigration in American history;

(5) the Lower East Side Tenement is owned and operated as a museum by the Lower East Side Tenement Museum;

(6) the Lower East Side Tenement Museum is dedicated to interpreting immigrant life within a neighborhood long associated with the immigrant experience in the United States, New York City's Lower East Side, and its importance to United States history; and

(7)(A) the Director of the National Park Service found the Lower East Side Tenement at 97 Orchard Street to be nationally significant; and

(B) the Secretary of the Interior declared the Lower East Side Tenement a National Historic Landmark on April 19, 1994; and

(C) the Director of the National Park Service, through a special resource study, found the Lower East Side Tenement suitable and feasible for inclusion in the National Park System.

(b) PURPOSES.—The purposes of this Act are—

(1) to ensure the preservation, maintenance, and interpretation of this site and to interpret at the site the themes of immigration, tenement life in the latter half of the 19th century and the first half of the 20th century, the housing reform movement, and tenement architecture in the United States;

(2) to ensure continued interpretation of the nationally significant immigrant phenomenon associated with New York City's Lower East Side and the Lower East Side's role in the history of immigration to the United States; and

(3) to enhance the interpretation of the Castle Clinton, Ellis Island, and Statue of Liberty National Monuments.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) HISTORIC SITE.—The term "historic site" means the Lower East Side Tenement found at 97 Orchard Street on Manhattan Island in City of New York, State of New York, and designated as a national historic site by section 4.

(2) MUSEUM.—The term "Museum" means the Lower East Side Tenement Museum, a nonprofit organization established in City of New York, State of New York, which owns and operates the tenement building at 97 Orchard Street and manages other properties in the vicinity of 97 Orchard Street as administrative and program support facilities for 97 Orchard Street.

(3) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

SEC. 4. ESTABLISHMENT OF HISTORIC SITE.

(a) IN GENERAL.—To further the purposes of this Act and the Act entitled "An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes", approved August 21, 1935 (16 U.S.C. 461 et seq.), the Lower East Side Tenement at 97 Orchard Street, in the City of New York, State of New York, is designated a national historic site.

(b) COORDINATION WITH NATIONAL PARK SYSTEM.—

(1) AFFILIATED SITE.—The historic site shall be an affiliated site of the National Park System.

(2) COORDINATION.—The Secretary, in consultation with the Museum, shall coordinate the operation and interpretation of the historic site with the Statue of Liberty National Monument, Ellis Island National Monument, and Castle Clinton National Monument. The historic site's story and interpretation of the immigrant experience in the United States is directly related to the themes and purposes of these National Monuments.

(c) OWNERSHIP.—The historic site shall continue to be owned, operated, and managed by the Museum.

SEC. 5. MANAGEMENT OF THE SITE.

(a) COOPERATIVE AGREEMENT.—The Secretary may enter into a cooperative agreement with the Museum to ensure the marking, interpretation, and preservation of the national historic site designated by section 4(a).

(b) TECHNICAL AND FINANCIAL ASSISTANCE.—The Secretary may provide technical and financial assistance to the Museum to mark, interpret, and preserve the historic site, including making preservation-related capital improvements and repairs.

(c) GENERAL MANAGEMENT PLAN.—

(1) IN GENERAL.—The Secretary, in consultation with the Museum, shall develop a general management plan for the historic site that defines the role and responsibility of the Secretary with regard to the interpretation and the preservation of the historic site.

(2) INTEGRATION WITH NATIONAL MONUMENTS.—The plan shall outline how interpretation and programming for the historic site shall be integrated and coordinated with the Statue of Liberty National Monument, Ellis Island National Monument, and Castle Clinton National Monument to enhance the story of the historic site and these National Monuments.

(3) COMPLETION.—The plan shall be completed not later than 2 years after the date of enactment of this Act.

(d) LIMITED ROLE OF SECRETARY.—Nothing in this Act authorizes the Secretary to acquire the property at 97 Orchard Street or to assume overall financial responsibility for the operation, maintenance, or management of the historic site.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

Mr. MOYNIHAN. Mr. President, I rise to join my friend and colleague Senator D'AMATO in introducing a bill that will authorize a small but most significant addition to the National Park system by designating the Lower East Side Tenement Museum a national historic site. For 150 years New York City's Lower East Side has been the most vibrant, populous, and famous immigrant neighborhood in the Nation. From the first waves of Irish and German immigrants to Italians and Eastern European Jews to the Asian, Latin, and Caribbean immigrants arriving today, the Lower East Side has provided millions their first American home.

For many of them that home was a brick tenement: six or so stories, no elevator, maybe no plumbing, maybe no windows, a business on the ground floor, and millions of our forbearers upstairs. The Nation has with great pride preserved log cabins, farm houses, and other symbols of our agrarian roots. We have reopened Ellis Island to commemorate and display the first stop for 12 million immigrants who arrived in New York City.

Until now we have not preserved a sample of urban, working class life as part of the immigrant experience. For many of those disembarked on Ellis Island the next stop was a tenement on the Lower East Side, such as the one at 97 Orchard Street. It is here that the Lower East Side Tenement Museum shows us what that next stop was like.

The tenement at 97 Orchard was built in the 1860's, during the first phase of tenement construction. It provided housing for 20 families on a plot of land planned for a single family residence. Each floor had four 3-room apartments, each of which had two windows in one of the rooms and none in the others. The privies were out back, as was the spigot that provided water for everyone. The public bathhouse was down the street.

In 1900 this block was the most crowded per acre on Earth. Conditions improved at 97 Orchard Street after the passage of the New York Tenement House Act of 1901, though the crowding remained. Two toilets were installed on each floor. A skylight was installed over the stairway and interior windows were cut in the walls to allow some light throughout each apartment. For the first time the ground floor became commercial space. In 1918 electricity was installed. Further improvements were mandated in 1935, but the owner of this building chose to board it up rather than follow the new regulations. It remained boarded up for 60 years until the idea of a museum took hold.

The tenement museum will keep at least one apartment in the dilapidated condition in which it was found when reopened, to show visitors the process of urban archaeology. Others are being restored to show how real families lived at different periods in the building's history. Across the street there are interpretive programs to better explain the larger experience of gaining a foothold on America in the Lower East Side of New York. There are also plans for programmatic ties with Ellis Island and its precursor, Castle Clinton. And the museum plans to play an active role in the immigrant community around it, further integrating the past and present immigrant experience on the Lower East Side.

This bill designates the tenement museum a national historic site. It also authorizes the Secretary of the Interior to enter into a cooperative agreement with the museum to ensure the marking, interpretation, and preservation of the site. The Secretary will also coordinate with the Statue of Liberty, Ellis Island, and Castle Clinton sites to help with the interpretation of the immigrant experience. It will be a productive partnership.

Mr. President, I believe the tenement museum provides an outstanding opportunity to preserve and present an important stage of the immigrant experience and the move for social change in our cities at the turn of the century. I know of no better place than 97 Orchard Street to do so, and no other place in the National Park system doing so already. I look forward to the realization of this grand idea, and I ask my colleagues for their support.

By Ms. COLLINS (for herself, Mr. THOMPSON, and Mr. BENNETT):

S. 1409. A bill for the relief of Sheila Heslin of Bethesda, MD; to the Committee on the Judiciary.

PRIVATE RELIEF LEGISLATION

Ms. COLLINS. Mr. President, today I am introducing a bill, along with my colleagues Senators THOMPSON and BENNETT, that will require the Department of Justice to pay the legal fees of a former Federal employee, Sheila Heslin, who incurred these expenses as a direct result of the campaign finance investigations conducted by the Congress, the Department of Justice, and the Central Intelligence Agency.

Earlier this fall, Ms. Heslin testified before the Senate Governmental Affairs Committee about actions she took while performing her official duties as an employee of the National Security Council. Everyone who observed her testimony was impressed with her honesty and courage in resisting high-level political pressure. Ms. Heslin told us how other governmental and political officials pressured her to approve a request that Roger Tamraz, a major contributor with an unsavory reputation, be allowed to meet with President Clinton. She resisted these overtures in an effort to protect the integrity of the White House and to ensure that our foreign policy was conducted appropriately. Of all the individuals who testified before the Senate Governmental Affairs Committee about the campaign finance problems, Ms. Heslin provided the best example of how career Government officials ought to conduct themselves. She demonstrated courage and a high regard for the proper conduct of U.S. foreign policy.

Ms. Heslin participated in these proceedings as a witness, not as the subject of any investigation. She has provided important information on events and activities that may well become the subject of prosecution. As a result, Ms. Heslin was forced to retain private counsel to advise her in the various investigations because representation by Government counsel would have presented a clear conflict of interest.

It is my understanding that the Department of Justice has to date declined to reimburse Ms. Heslin for the legal fees relating to her testimony before the Senate Governmental Affairs Committee and other similar inquiries. She is now a private citizen with a new baby and without the personal wealth to afford the legal representation her service as a Government employee has required. As an important and fully cooperative witness in these investigations, she has set an example that ought to not be discouraged by denying Government payment for outside legal representation in a case involving appropriate actions taken during her Federal employment.

Under existing regulations, the Department of Justice normally approves the payment of legal fees for Government employees when "the actions for which representation is requested reasonably appears to have been performed within the scope of the employees's employment" and payment is "in the interest of the United States." Both requirements have been met in the case Sheila Heslin.

Moreover, Mr. President, in connection with other investigations, the Department of Justice has paid the legal fees of hundreds of Government employees, some of whom were high-level political appointees. For example, in fiscal year 1996, political appointees at the White House and on the Vice President's staff were reimbursed thousands of dollars in attorneys' fees. To deny the payment of legal fees to Ms. Heslin, who is not suspected of any wrongdoing, while at the same time paying the legal fees of many other Government employees, some of whom were being investigated for possible illegal activities, is simply unfair.

Earlier this month, I asked the Attorney General to personally address this matter and to reverse the decision denying reimbursement to Ms. Heslin. I am still waiting for Attorney General Reno's response to my letter.

In the absence of action by the Department of Justice, I am introducing this bill which directs the Attorney General to pay reasonable attorney's fees incurred by Ms. Heslin as a result of the campaign finance investigations. To ensure that such payments are not excessive, it is intended that the amounts be determined in accordance with applicable Justice Department regulations.

Mr. President, this bill is not only for Sheila Heslin. It is also to send a clear message to every career Government employee who in the future has to choose between succumbing to inappropriate political pressure or doing the right thing. It is also for the American people who are the ultimate beneficiaries when public servants put the interests of the country ahead of the interests of those seeking to buy access and influence for their own narrow purposes.

Mr. President, it is regrettable that we cannot do more to reward people who follow the high standards of conduct we all espouse. At the very least, we should ensure that the actions of their Government do not penalize them. For that reason, I hope my colleagues will support this measure.

By Mr. REED:

S. 1410. A bill to amend section 258 of the Communications Act of 1934 to enhance to protections against unauthorized changes in subscriber selections of telephone service providers, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE ANTI-SLAMMING ACT OF 1997

Mr. REED. Mr. President, I rise today to make a few comments concerning legislation which I am introducing to deal with the problem of slamming. Earlier this year, I outlined the remedies necessary to deal with this serious consumer problem in a Sense of the Senate Resolution which was amended to the Commerce State Justice Appropriations legislation. The legislation I introduce today embodies those remedies. I would like to take a moment to thank ranking member HOLLINGS and Chairmen MCCAIN and BURNS for the assistance they have lent to me on this issue.

Telephone "slamming" is the illegal practice of switching a consumer's long distance service without the individual's consent. This problem has increased dramatically over the last several years, as competition between long distance carriers has risen. Slamming is the top consumer complaint lodged at the Federal Communications Commission [FCC], with 11,278 reported complaints in 1995, and 16,500 in 1996. In the first 9 months of 1997 alone, 15,000 complaints have been filed. Unfortunately, this represents only the tip of the iceberg because most consumers never report violations to the FCC. One regional Bell company estimates that 1 in every 20 switches is fraudulent. Media reports indicate that as many as 1 million illegal transfers occur annually. Thus, slamming threatens to rob consumers of the benefit of a competitive market, which is now composed of over 500 companies which generate $72.5 billion. As a result of slamming, consumers face not only increased phone bills, but also the significant expenditure of time and energy in attempting to identify and reverse the fraud. The results of slamming are clear: higher phone bills and immense consumer frustration.

Mr. President, we are all aware of the stiff competition which occurs for customers in the long distance telephone service industry. The goal of deregulating the telecommunications industry was to allow consumers to easily avail themselves of lower prices and better service. Hopefully, this option will soon be presented to consumers for in-state calls and local phone service. Indeed, better service at lower cost is a main objective of those who seek to deregulate the utility industry. Unfortunately, fraud threatens to rob many consumers of the benefits of a competitive industry.

Telemarketing is one of the least expensive and most effective forms of marketing, and it has exponentially expanded in recent years. By statute, the Federal Trade Commission [FTC] regulates most telemarketing, prohibiting deceptive or abusive sales calls, requiring that homes not be called at certain times, and that companies honor a consumer's request not to be called again. The law mandates that records concerning sales be maintained for two years. While the FTC is charged with primary enforcement, the law allows consumers, or state Attorneys General on their behalf, to bring legal action against violators. Yet, phone companies are exempt from these regulations, since they are subject to FCC regulation.

While the FCC has brought action against twenty-two of the industry's largest and smallest firms for slamming violations with penalties totaling over $1.8 million, this represents a minute fraction of the violations. FCC prosecution does not effectively address or deter this serious fraud. To date, state officials have been more aggressive in pursuing violators. The California Public Utility Commission fined a company $2 million earlier this year after 56,000 complaints were filed against it. Arizona, Arkansas, Idaho, Illinois, Kansas, Minnesota, Mississippi, Missouri, New Jersey, Ohio, Vermont, and Wisconsin have all pursued litigation against slammers. Earlier this summer, public officials of twenty-five states asked the FCC to adopt tougher rules against slammers.

As directed by the Telecommunications Act of 1996, the FCC has recently moved to close several loopholes which have allowed slamming to continue unabated. Most importantly, the FCC has proposed to eliminate the financial incentive which encourages many companies to slam by mandating that all revenues generated from an illegal switch be returned to the original carrier. At present, a slammer can retain the profits generated from an illegal switch. Additionally, the FCC proposed regulations would require that a carrier confirm all switches generated by telemarketing through either (1) a letter of agency, known as a LOA, from the consumer; (2) a recording of the consumer verifying his or her choice on a toll free line provided by the carrier; or (3) a record of verification by an appropriately qualified and independent third party. The regulations are expected to be finalized by the FCC early in 1998. While this represents a start, I believe that these remedies will be wholly inadequate to address the ever-increasing problem of slamming. The problem is that slammed consumers would still be left without conclusive proof that their consent was properly obtained and verified.

My legislation encompasses a three part approach to stop slamming by strengthening the procedures used to verify consent obtained by marketers; increasing enforcement procedures by allowing citizens or their representatives to pursue slammers in court with the evidence necessary to win; and encouraging all stakeholders to use emerging technology to prevent fraud.

Mr. President, let me also thank the National Association of Attorneys General, the National Association of Regulatory Utility Commissioners which through both their national offices and individual members provided extensive recommendations to improve this bill. Additionally, I have found extremely helpful the input of several groups which advocate on behalf of consumers. I was particularly pleased to work with the Consumer Federation of America to address concerns which its members expressed, and I am honored that this legislation has received the endorsement of their organization.

Mr. President, let me take a few minutes to outline the specific provisions of my bill. My legislation requires that a consumer's consent to change service is verified so that discrepancies can be adjudicated quickly and efficiently. Like the 1996 Act, my bill requires a legal switch to include verification. However, my legislation enumerates the necessary elements of a valid verification. First, the bill requires verification to be maintained by the provider, either in the form of a letter from the consumer or by recording verification of the consumer's consent via the phone. The length that the verification must be maintained is to be determined by the FCC. Second, the bill stipulates the form that verification must take. Written verification remains the same as current regulations. Oral verification must include the voice of the subscriber affirmatively demonstrating that she wants her long distance provider to be changed; is authorized to make the change; and is currently verifying an imminent switch. The bill mandates oral verification to be conducted in a separate call from that of the telemarketer, by an independent, disinterested party. This verifying call must promptly disclose the nature and purpose of the call. Third, after a change has been executed, the new service provider must send a letter to the consumer, within five business days of the change in service, informing the consumer that the change, which he requested and verified, has been effected. Fourth, the bill mandates that a copy of verification be provided to the consumer upon request. Finally, the bill requires the FCC to finalize rules implementing these mandates within nine months of enactment of the bill.

These procedures should help ensure that consumers can efficiently avail themselves of the phone service they seek, without being exposed to random and undetectable fraudulent switches. If an individual is switched without his or her consent, the mandate of recorded, maintained verification will provide the consumer with the proof necessary to prove that the switch was illegal.

The second main provision of my legislation would provide consumers, or their public representatives, a legal right to pursue violators in court. Following the model of Senator Hollings' 1991 Telephone Consumer Protection Act, my bill provides aggrieved consumers with a private right of action in any state court which allows, under specific slamming laws or more general consumer protection statutes such an action. The 1991 Act has been adjudicated to withstand constitutional challenges on both equal protection and tenth amendment claims. Thus, the bill has the benefit of specifying one forum in which to resolve illegal switches of all types of service: long distance, in-state, and local service.

Realizing that many individuals will not have the time, resources, or inclination to pursue a civil action, my bill also allows state Attorneys Generals, or other officials authorized by state law, to bring an action on behalf of citizens. Like the private right of action in suits brought by public officials damages are statutorily set at $1,000 or actual damages, whichever is greater. Treble damages are awarded in cases of knowing or willful violations. In addition to monetary awards, states are entitled to seek relief in the form of writs of mandamus, injunction, or similar relief. To ensure a proper role for the FCC, state actions must be brought in a federal district court where the victim or defendant resides. Additionally, state actions must be certified with the Commission, which maintains a right to intervening in an action. The bill makes express the fact that it has no impact on state authority to investigate consumer fraud or bring legal action under any state law.

Finally, Mr. President, my legislation recognizes that neither legislators nor regulators can solve tomorrow's problems with today's technology. Therefore my bill mandates that the FCC provide Congress with a report on other, less burdensome but more secure means of obtaining and recording consumer consent. Such methods might include utilization of Internet technology or issuing PIN numbers or customer codes to be used before carrier changes are authorized. The bill requires that the FCC report to Congress on such methodology by December 31, 1999.

Mr. President, I appreciate the opportunity to discuss my initiative to stop slamming. I hope that this issue can be addressed quickly. As a result, I would urge all my colleagues to cosponsor this legislation.

By Mr. MACK (for himself, Mr. HARKIN, Mr. DEWINE, Mr. SANTORUM, Ms. COLLINS, Ms. SNOWE, Mr. D'AMATO, Mr. SMITH of Oregon, Mrs. BOXER, Mr. KENNEDY, Mrs. FEINSTEIN, Mr. LAUTENBERG, Mr. GRAHAM, Mr. DODD, Mr. DURBIN, and Mr. WELLSTONE):

S. 1411. A bill to amend the Internal Revenue Code of 1986 to disallow a Federal income tax deduction for payments to the Federal Government or any State or local government in connection with any tobacco litigation or settlement and to use any increased Federal revenues to promote public health; to the Committee on Finance.

THE NATIONAL INSTITUTES OF HEALTH TRUST FUND ACT OF 1997

Mr. MACK. Mr. President, today I am joined by Senators HARKIN, DEWINE, SANTORUM, COLLINS, SNOWE, D'AMATO, SMITH of Oregon, BOXER, KENNEDY, FEINSTEIN, LAUTENBERG, GRAHAM, DODD, DURBIN, and WELLSTONE in introducing legislation that begins to realize the paramount goal of doubling funding for the National Institutes of Health [NIH] over the next 5 years. The bill ensures that any tobacco settlements or judgments are not tax deductible.

As currently crafted, the global settlement specifically allows the tobacco companies to deduct the entire amount of their payments. That is a possible $128 billion break on their tax bill. I believe it is fundamentally wrong to allow them such a free ride at taxpayers' expense. More importantly, any settlement should provide funds for biomedical research, including funding to find better treatment and cures for the diseases caused by tobacco.

Although the Tax Code often allows settlement amounts to be deductible, the current law provides that fines or penalties paid to a Government entity are not. The unprecedented situation we face with the tobacco industry demands that the Congress define these payments as more akin to such a fine or penalty. If a businessman cannot deduct a speeding ticket he received on his way to a meeting, tobacco shouldn't be able to deduct its payment for guaranteed immunity and certainty of liability. Which is worse, a speeding ticket or knowingly addicting and killing millions of Americans?

I want my colleagues to understand that the success of our efforts on this front does not hinge on the enactment of a final Federal settlement. The bill applies to any settlement or judgment at the State or Federal level. As such, if the tobacco companies are found liable in any forum, or see fit to settle any of their cases with governmental entities, those payments will not be deductible. However, the bill leaves in place the deductibility of compensatory sums paid to individuals for harm done to them. Now is the time for Congress to step forward and pledge that we will not be a party to any tobacco settlement that comes at taxpayers' expense.

Allowing the companies to state that they are willing to pay $368.5 billion to the Government, when in reality they are only paying two-thirds of that amount, is false advertising. The bill corrects this misleading situation to the benefit of thousands, perhaps millions, of Americans whose tobacco-related illnesses might be cured now through medical research.

As my colleagues will recall, the Senate passed by a vote of 98 to 0 a Sense of the Senate Resolution that Congress, and the Nation, should commit to the goal of doubling funding for NIH over the next 5 years. The actions we are taking today will help us to achieve that goal.

The tax revenues which will be derived as a result of making the settlement or judgments nondeductible will be used to establish the National Trust Fund for Biomedical Research. Each year, after the President has signed the Labor/HHS/Education bill into law, the moneys in the medical research trust fund established by this bipartisan legislation will be allocated to NIH for biomedical research.

Research has demonstrated that many diseases can be prevented, eliminated, detected earlier, or managed more effectively through a vast array of new medical procedures and therapies.

For the first time in history, overall death rates from cancer have begun a steady decline in the United States. Ten years ago, cancer patients were offered little hope of survival. Today, however, if a breast cancer is detected at an early stage, there is a 94-percent survival rate. Today, 80 percent of children diagnosed with acute lymphoblastic leukemia [ALL] are alive and free of the disease 5 years after diagnosis.

Genetic research has enabled Americans to learn if they are more likely to develop osteoporosis, breast cancer, Lou Gehrig's disease and other illnesses. Scientists now know that, in at least 50 percent, and possibly as many as 80 percent, of all cancers, one gene—p53—is damaged. If cancer cells growing in a dish are given healthy p53 genes, they immediately stop proliferating and die.

We now know that if one inherits a mutated gene for hemochromatosis, more commonly known as iron overload disease, a disease which affects approximately 1 million Americans, then one will actually develop the disease. The benefit of knowing this is that giving blood is an effective way to manage the disease.

Because of the advances made in biomedical research, people with Parkinson's disease, AIDS, Alzheimer's disease, and other ailments are living longer and healthier lives. We are on the verge of cures and new treatments for diseases which have plagued our society for many years. Research is the key which will unlock the knowledge needed to find these cures.

But doubling our commitment to NIH, we could improve the grant success rate from 25 to 40 percent. More patients would have access to clinical trials. Approximately 2 percent of all cancer patients are now enrolled in clinical trials. We could increase that to 20 percent. The result is that more families would have access to the most effective state-of-the-art treatment.

Patients would also benefit by advances in new methods of treatment including gene therapy, immunotherapy, spinal cord rejuvenation; helping diabetics naturally produce insulin; relief for Parkinson's disease patients, and reduction in heart disease, which is the leading cause of death in the United States.

We have entered a new era of medical research in this country, but we must provide the necessary funding in order to translate discoveries into new methods of diagnosis and treatment.

There can be little argument that scientific advances will also have a significant positive impact upon our Nation's economy. They will result in reduced health expenditures for Medicare, Medicaid, DOD, VA, and other public and private health programs. A recent study by the National Science Foundation concluded that every dollar spent on basic research permanently adds 50 cents or more each year to national output.

In addition, the medical technology industry provides high-wage jobs to millions of Americans. Investment in basic science helps the United States compete in the global marketplace in such industries as pharmacology, biotechnology, and medical technology. Combined with the actions taken earlier this year to reform the FDA, public and private investment in biomedical research will ensure our ability to compete in this important industry and create new jobs.

Mr. President, there are millions of Americans who are fighting a day-today battle against cancer, sickle cell anemia, AIDS, osteoporosis, Parkinson's disease, and other ailments. Their lives are in our hands. They are asking for hope and the opportunity for a cure. We must act now.

This legislation is supported by more than 175 organizations representing a broad base of research, patient, health professions, consumer, and education communities. I ask unanimous consent that a list of these organizations be included in the RECORD.

I urge my colleagues to join this bipartisan effort to help achieve the goal of doubling NIH funding over the next 5 years.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ORGANIZATIONS SUPPORTING MACK-HARKIN TOBACCO RESEARCH FUND AS OF NOVEMBER 6, 1997

1. Alliance for Eye and Vision Research.
2. Alzheimer's Association.
3. American Academy of Allergy, Asthma and Immunology.
4. American Academy of Child and Adolescent Psychiatry.
5. American Academy of Dermatology.
6. American Academy of Neurology.
7. American Academy of Opthalmology.
8. American Academy of Orthopaedic Surgeons.
9. American Academy of Otolaryngology-Head and Neck Surgery, Inc.
10. American Academy of Pediatrics.
11. American Academy of Physical Medicine and Rehabilitation.
12. American Association for Cancer Education.
13. American Association for Cancer Research.
14. American Association for Dental Research.
15. American Association for the Surgery of Trauma.
16. American Association of Anatomists.
17. American Association of Colleges of Nursing.
18. American Association of Colleges of Osteopathic Medicine.
19. American Association of Colleges of Pharmacy.
20. American Association of Immunologists.
21. American Association of Pharmaceutical Scientists.
22. American Cancer Society.
23. American College of Cardiology.
24. American College of Clinical Pharmacology.
25. American College of Medical Genetics.
26. American College of Neuropsychopharmacology.
27. American College of Rheumatology.
28. American Dermatological Association.
29. American Federation for Medical Research.
30. American Foundation for AIDS Research.
31. American Gastroenterological Association.
32. American Geriatrics Society.
33. American Heart Association.
34. American Liver Foundation.
35. American Lung Association.
36. American Optometric Association.
37. American Pediatric Society.
38. American Physiological Society.
39. American Podiatric Medical Association.
40. American Psychiatric Association.
41. American Psychological Association.
42. American Psychological Society.
43. American Sleep Disorders Association.
44. American Society for Biochemistry and Molecular Biology.
45. American Society for Cell Biology.
46. American Society for Clinical Nutrition.
47. American Society for Clinical Pharmacology and Therapeutics.
48. American Society for Dermatologic Surgery.
49. American Society for Microbiology.
50. American Society for Nutritional Sciences.
51. American Society for Pharmacology and Experimental Therapeutics.
52. American Society for Reproductive Medicine.
53. American Society for Therapeutic Radiology and Oncology.
54. American Society of Cataract and Refractive surgery.
55. American Society of Clinical Oncology.
56. American Society of Hematology.
57. American Society of Human Genetics.
58. American Society of Nephrology.
59. American Society of Tropical Medicine and Hygiene.
60. American Thoracic Society.
61. American Uveitis Society.
62. American Urogynecologic Society.
63. American Urological Association.
64. America's Blood Centers.
65. Arthritic Foundation.
66. Association for Medical School Pharmacology.
67. Association of Research in Vision and Ophthalmology.
68. Association of Academic Health Centers.
69. Association of Academic Physiatrists.
70. Association of American Cancer Institutes.
71. Association of American Medical Colleges.
72. Association of American Universities.
73. Association of Anatomy, Cell Biology, and Neurobiology Chairpersons.
74. Association of Independent Research Institutes.
75. Association of Medical and Graduate Departments of Biochemistry.
76. Association of Medical School Microbiology and Immunology Chairs.
77. Association of Medical School Pediatric Department Chairmen.
78. Association of Minority Health Professions Schools.
79. Association of Pediatric Oncology Nurses.
80. Association of Professors of Dermatology.
81. Association of Professors of Medicine.
82. Association of Schools and Colleges of Optometry.
83. Association of Schools of Public Health.
84. Association of Subspecialty Professors.
85. Association of Teachers of Preventive Medicine.
86. Association of University Environmental Health Sciences Center.
87. Association of University Professors of Ophthalmology.
88. Association of University Programs in Occupational Safety and Health.
89. Association of University Radiologists.
90. Astra Merck.
91. Cancer Research Foundation of America.
92. The Candlelighters Childhood Cancer Foundation.
93. Citizens for Public Action.
94. Coalition for American Trauma Care.
95. Coalition of Patient Advocates for Skin Disease Research.
96. College on Problems of Drug Dependence, Inc.
97. Columbia University.
98. Communication Disorders Program University of Virginia.
99. Consortium of Social Science Associations.
100. Cooley's Anemia Foundation.
101. Corporation for the Advancement of Psychiatry.
102. Cystic Fibrosis Foundation.
103. Digestive Disease National Coalition.
104. Dystonia Medical Research Foundation.
105. Dystrophic Epidermolysis Bullosa Research Association of America, Inc.
106. East Carolina University School of Medicine.
107. Emory University.
108. The Endocrine Society.
109. ESA, Incorporated.
110. Families Against Cancer.
111. Federation of American Societies for Experimental Biology.
112. Federation of Behavioral, Psychological and Cognitive Sciences.
113. Foundation for Icthyosis and Related Skin Types.
114. Fred Hutchinson Cancer Research Center.
115. Friends of the National Library of Medicine.
116. Fox Chase Cancer Center.
117. Gay Men's Health Crisis.
118. General Clinical Research Center Project Directors Association.
119. Glaucoma Research Foundation.
120. Immune Deficiency Foundation.
121. Inova Institute of Research and Education.
122. Joint Council of Allergy, Asthma & Immunology.

123. Juvenile Diabetes Foundation International.
124. The Lighthouse, Inc.
125. Lombardi Cancer Center.
126. Lupus Foundation of America.
127. Lymphoma Research Foundation of America.
128. Medical Library Association.
129. National Alliance for Eye and Vision Research.
130. National Alliance for the Mentally Ill.
131. National Alopecia Areata Foundation.
132. National Association for Biomedical Research.
133. National Association for Pseudoxanthoma Elasticum.
134. National Association of Children's Hospitals.
135. National Association of State Universities and Land-Grant Colleges.
136. National Campaign to end Neurological Disorders.
137. National Caucus of Basic Biomedical Science Chairs.
138. National Coalition for Cancer Research.
139. National Committee to Preserve Social Security and Medicare.
140. National Council on Spinal Cord Injury.
141. National Eczema Association for Science & Education.
142. National Foundation for Ectodermal Dysplasias.
143. National Marfan Foundation.
144. National Mental Health Association.
145. National Multiple Sclerosis Society.
146. National Organization for Rare Disorders.
147. National Osteoporosis foundation.
148. The National Pemphigus Foundation.
149. National Perinatal Association.
150. National Psoriasis Foundation.
151. National Vitiligo Foundation, Incorporated.
152. New York University Medical Center.
153. Oncology Nursing Society.
154. Parkinson's Action Network.
155. Prevent Blindness America.
156. Prevention of Blindness.
157. PXE International Inc.
158. Radiation Research Society.
159. Research America.
160. Research Society on Alcoholism.
161. RESOLVE.
162. Roswell Park Cancer Institute.
163. Society for Academic Emergency Medicine.
164. Society for Inherited Metabolic Diseases.
165. Society for Society for Investigative Dermatology.
166. Society for Neuroscience.
167. Society for Pediatric Research.
168. Society for the Advancement of Women's Health Research.
169. Society of Gynecologic Oncologists.
170. Society of Medical College Directors of Continuing Medical Education.
171. Society of University Otolaryngologists.
172. Society of University Urologists.
173. St. Jude Children's Research Hospital.
174. Sudden Infant Death Syndrome Alliance.
175. Tourette Syndrome Association, Inc.
176. United Scleroderma Foundation, Incorporated.
177. University of California, Berkeley School of Optometry.
178. Women in Ophthalmology.
179. Women's Dermatologic Society.

Mr. HARKIN. Mr. President, today Senator MACK and I, joined by a strong bipartisan group of our colleagues, are introducing legislation that would prevent tobacco companies from claiming the settlement or judgment payments as a tax-deductible expense, and use the resulting savings to substantially expand our Nation's investment in the search for medical breakthroughs.

It is important to note that this commonsense proposal is the first major tobacco legislation this year to be introduced with strong bipartisan support. We have 16 cosponsors—8 Democrats and 8 Republicans—and I believe we'll have many more as more of our colleagues have the time to review this bill. Senator MACK and I are also very pleased to have the support of over 170 organizations from across the Nation signed up in support of this plan.

During the negotiations that led to the proposed national tobacco settlement, lawyers for the big tobacco companies insisted on a provision stating that "all payments pursuant to this agreement shall be deemed ordinary and necessary business expenses." This means that all payments under this proposal, an estimated $368.5 billion over 25 years, would be tax deductible. Thus the industry could write off about 35 percent of the entire settlement payment of $368.5 billion, as well as any future payments or fines. So, if this were allowed to happen, the American people—not Big Tobacco—would be forced to pay approximately $130 billion of the tobacco settlement.

But the American people have paid enough. They've paid by having their kids deliberately targeted in slick advertising campaigns. They've paid by having the industry lie to them about the health effects of tobacco. And they've paid with disease and death.

Tobacco products kill more than 400,000 Americans every year—that's more deaths than from AIDS, alcohol, car accidents, murders, suicides, drugs, and fires combined. Last year, close to 5,000 Iowans died from smoking related illnesses.

Mr. President, our bipartisan bill would close this outrageous loophole in the proposed national tobacco settlement, and open a new source of funding for investing in health research.

And that's what we really need. The proposed settlement provides funding for smoking cessation programs, antismoking education programs, and FDA enforcement—but only a tiny amount is set aside for vital scientific research on lung cancer, emphysema, and heart disease.

The Senate is already on record, in a vote of 98-0, to double the budget of NIH within 5 years. If we create a trust fund for medical research as I have been calling for since 1993 and deposit in it the savings from the elimination of this special interest loophole, we could take a major step to meet the Senate's objective and make even more headway in curing killer diseases.

A fund for health research would provide additional resources for our search for medical breakthroughs over and above those provided to NIH in the annual appropriations process. The fund would greatly enhance the quality of health care by investing more in finding preventive measures, cures, and more cost effective treatments for the major illnesses and conditions that strike Americans.

In 1993 and 1994 I argued that any health care reform plan should include additional funding for health research. Health care reform was taken off the front burner but the need to increase our Nation's commitment to health research has only grown.

While health care spending devours nearly $1 trillion annually our medical research budget is dying of starvation. The United States devotes less than 2 percent of its total health care budget to health research. The Defense Department spends 15 percent of its budget on research. Does this make sense? The cold war is over but the war against disease and disability continues.

Increased investment in health research is key to reducing health costs in the long run. If we can find cures for lung cancer, emphysema, and heart disease, the savings would be enormous.

Mr. President, I do everything I can to increase funding for NIH through the appropriations process. But, given the current budget situation and freeze in discretionary spending what we can do is limited. Without action, our investment in medical research through the NIH is likely to decline in real terms.

The NIH is able to fund only about 25 percent of competing research projects or grant applications deemed worthy of funding. This is compared to rates of 30 percent or more just over a decade ago. Science and cutting edge medical research are being put on hold. We may be giving up possible cures for diabetes, Parkinson's, cancer, and countless other diseases.

Our lack of investment in research may also be discouraging our young people from pursuing careers in medical research. The number of people under the age of 36 even applying for NIH grants dropped by 54 percent between 1985 and 1993. This is due to a host of factors but I'm afraid that the lower success rates among applicants is making biomedical research less and less attractive to young people.

I am tremendously heartened by the significant bipartisan coalition of 16 Senators that has formed in support of our bill. Our colleagues who have joined with us on this legislation understand that health research is an investment in our future—an investment in our children and grandchildren.

Mr. President, this legislation is common sense, bipartisan—and it's the right thing to do. Senator MACK and I join in asking our colleagues for their willingness to carefully review our proposal. Certainly any tobacco legislation that this Congress adopts next year should contribute significantly to our Nation's commitment in the search for medical breakthroughs.

Mr. DODD. Mr. President, I rise today to join my colleagues, Senator MACK, Senator HARKIN, and others in introducing the National Institutes of Health Trust Fund Act of 1997. This bill, very simply, is intended to ensure that payments made by the tobacco industry under any settlement legislation enacted by Congress on behalf of the people of this Nation, will be the full responsibility of the tobacco companies.

Many of us were dismayed to learn that under current law, those payments could be deducted by these companies as a business expense—effectively reducing the cost to manufacturers by one-third. I don't think that this is what the negotiators of the settlement intended, nor is it what the public expects. This bill would disallow the deductibility of the proposed settlement or the settlement of any other tobacco-related civil action. The tax revenues from the disallowance of the deduction, estimated at $100 billion, would go toward a trust fund for the National Institutes of Health.

My primary interest in the tobacco settlement originates in the dramatically high incidence of teen smoking in our country. The statistics are startling—3,000 young children begin smoking each day and over 90 percent of adults that smoke started before the age of 18. Our hope and expectation is that with resources generated by a tobacco settlement, we can fund effective programs to help addicted teens quit smoking and prevent most children from ever starting.

In essence, we want to encourage young people to take responsibility for their health. Tobacco companies must set a precedent for our youth by taking full financial responsibility for the damage they have inflicted on the public health of the Nation. Tobacco companies have already conceded the points that tobacco is harmful and addictive and information that would have been useful to our understanding of tobacco addition was withheld. Avoiding full payment of penalties for their actions through the tax deduction loophole is ethically wrong, even if legal. The tobacco industry needs to serve as an example for the children of the Nation by accepting the full financial consequences of the settlement.

Just a few months ago, the public loudly voiced its disgust with the covert attempt to give the tobacco industry a $50 billion credit toward payment of a future settlement. While we were successful in eliminating that loophole, an unfortunate repercussion has been the exacerbation of the public's doubts about the settlement. Even if they didn't before, many now believe that the industry will exploit any loophole to escape its responsibility. We must restore the public's faith in this process. We must send a clear message that any tobacco settlement reached will be grounded in the principle that tobacco companies take full responsibility for their actions. That objective can best be achieved by swift passage of this bill.

By Mr. SMITH of Oregon (for himself, Mrs. FEINSTEIN, Mr. WYDEN, Mr. BAUCUS, and Mr. GORTON):

S. 1412. A bill to amend the Internal Revenue Code of 1986 to permit certain tax-free corporate liquidations into a 501(c)(3) organization and to revise the unrelated business income tax rules regarding receipt of debt-financed property in such a liquidation; to the Committee on Finance.

THE CHARITABLE GIVING INCENTIVE ACT

Mr. SMITH of Oregon. Mr. President, I rise to introduce with Senator FEINSTEIN legislation that will provide incentives to taxpayers to use their wealth for charitable causes. In this era of ever-tightening fiscal constraints placed on congressional ability to authorize discretionary funding, we have asked our communities to do more and more for those less fortunate. Charitable organizations in our communities have become an integral part of the safety net for the poor and homeless and significant sources of assistance for education in every community.

To help charities take advantage of those donors who wish to contribute significant wealth for charitable purposes, we are introducing the Charitable Giving Incentive Act. This legislation will change current tax law to encourage prospective donors to contribute a controlling interest in a closely-held corporation to charity.

When a donor is willing to make a gift of a controlling interest in a company, a tax is imposed on the corporation upon its liquidation, reducing the gift that the charity receives by 35 percent. The Smith/Feinstein bill would eliminate this egregious tax that is levied upon the value of these qualifying corporations. We sincerely hope that this will directly encourage meaningful contributions to charitable organizations that help a variety of causes. I ask that my colleagues support this legislation and look forward to its being considered by the Finance Committee in the near future.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1412

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Charitable Giving Incentive Act".

SEC. 2. ELIMINATION OF CORPORATE LEVEL TAX UPON LIQUIDATION OF CLOSELY HELD CORPORATIONS UNDER CERTAIN CONDITIONS.

(a) IN GENERAL.—Paragraph (2) of section 337(b) of the Internal Revenue Code 1986 (relating to treatment of indebtedness of subsidiary, etc.) is amended—

(1) by striking "Except as provided in subparagraph (B)" in subparagraph (A) and inserting "Except as provided in subparagraph (B) or (C)", and

(2) by adding at the end the following new subparagraph:

"(C) EXCEPTION IN THE CASE OF CLOSELY-HELD STOCK ACQUIRED WITHOUT CONSIDERATION.—If the 80-percent distributee is an organization described in section 501(c)(3) and acquired stock in a liquidated domestic corporation from either a decedent (within the meaning of section 1014(b)) or the decedent's spouse, subparagraph (A) shall not apply to any distribution of property to the 80-percent distributee. This subparagraph shall apply only if all of the following conditions are met:

"(i) 80 percent or more of the stock in the liquidated corporation was acquired by the distributee, solely by a distribution from an estate or trust created by one or more qualified persons. For purposes of this clause, the term 'qualified person' means a citizen or individual resident of the United States, an estate (other than a foreign estate within the meaning of section 7701(a)(31)(A)), or any trust described in clause (i), (ii), or (iii) of section 1361(c)(2)(A).

"(ii) The liquidated corporation adopted its plan of liquidation on or after January 1, 1999.

"(iii) The 80-percent distributee is an organization created or organized under the laws of the United States or of any State.

"(iv) All of the stock in the liquidated corporation is non-readily-tradable stock (as defined in section 6166(b)(7)(B)).

Nothing in subsection (d) shall be construed to limit the application of this subsection in circumstances in which this subparagraph applies.".

(b) REVISION OF UNRELATED BUSINESS INCOME TAX RULES TO EXEMPT CERTAIN ASSETS.—Subparagraph (B) of section 514(c)(2) of the Internal Revenue Code of 1986 (relating to property acquired subject to mortgage, etc.) is amended by inserting "or pursuant to a liquidation described in section 337(b)(2)9C)," after "bequest or devise,".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

Mrs. FEINSTEIN. Mr. President, I rise today with my colleagues Senator GORDON SMITH and RON WYDEN of Oregon, as well Senator MAX BAUCUS and Senator SLADE GORTON to introduce legislation to strengthen tax incentives and encourage more charitable giving in America. The legislation, based on S. 1121 which I introduced last year, represents an important step to encourage greater private sector support for important educational, medical, and other goals in local communities across the country.

Americans are among the most caring in the world, contributing generously to charities in their communities: American families contribute, on average, nearly $650 for each household, or about $130 billion annually, to charities. Approximately, three out of every four households give to nonprofit charitable organizations.

However, charities are very concerned for the future, as Federal efforts to balance the budget will limit funds for social spending for urgent needs like children's services, homelessness, job training, and health care. While support for charities grew by 3.7 percent in 1994, contributions for human services, the area most closely associated with poverty programs, dropped by 6 percent. Nonprofit charities are very concerned about their ability to maintain their current level of services or grow to address unmet needs.

Nonprofit charities can never replace government programs, but they can play a critical role and provide vital social services. The Federal Government must ensure we are doing everything we can to encourage support for charities, which supplement Federal programs.

EXPANDING TAX INCENTIVES FOR CHARITABLE GIVING

The Federal Government must provide the leadership and the tools to encourage more charitable giving through the Tax Code. One source of untapped resources for charitable purposes is closely held corporate stock. A closely held business is a corporation, in which stock is issued to a small number of shareholders, such as family members, but is not publicly traded on an exchange. This type of business is very popular for family businesses involving different generations.

However, the tax cost of contributing closely held stock to a charity or foundation can be prohibitively high. The tax burden discourages families and owners from winding down a business and contributing the proceeds to charity. This legislation would permit certain tax-free liquidations of closely held corporations into one or more tax exempt 501(c)(3) organizations.

Under current law, a corporation may have to be liquidated to effectively complete the transfer of assets to a charity, incurring a corporate tax at the 35-percent tax rate. In 1986, Congress repealed the General Utilities doctrine, imposing a corporate-level tax on all corporate transfers, including those to tax exempt charitable organizations. A charity may also be subject to taxation on its unrelated business income from certain types of donated property.

These tax costs make contributions of closely held stock a costly and ineffective means of giving funds to a charity. If we are going to find new ways to strengthen charities, we need to review the tax costs which undercut the incentive to give and the value of a charitable gift.

Volunteers are already hard at work in their communities and charitable funding is already stretched dangerously thin. Charities need added tools to unlock the public's desire to give generously. We need to create appropriate incentives for the private sector to do more.

In California, volunteer and charitable organizations, together, perform vital roles in the community and deserve our support. I would like to offer some examples, which can be also found throughout the country:

Summer Search: In San Francisco, the Summer Search Foundation is hard at work preventing students from dropping out of high school. Summer Search helps students successfully complete school and, for 93 percent of the participants, go on to college. With increased charitable contributions, Summer Search could help keep kids in school and on track toward graduation and a more productive contribution to the Nation.

Drew Center for Child Development: I am deeply concerned with increases in the number of child abuse and neglect cases, which now total nearly 3 million children in the United States. Social services block grants cuts will impose new burdens on local communities. The Drew Child Development Center, located in the Watts area of Los Angeles, works directly with children and families involved in child abuse environments. There are thousands of other families that could benefit from the Drew Center program if only more resources were available. Stronger tax incentives to boost charitable giving could provide the Drew Center with some of the resources needed to combat this enormous problem.

The Chrysalis Center: In 1993 I visited the Chrysalis Center, a Los Angeles organization dedicated to helping homeless individuals find and keep jobs. Chrysalis provides employment assistance, from training in jobseeking skills to supervised searches for permanent employment. The center has helped place thousands of people in permanent, full-time jobs in the last decade.

Jobs for the Homeless: Jobs for the Homeless assists with job placement services for the homeless in Berkeley and Oakland, supporting over 1,400 men and women. However, thousands more need their help. The former homeless individuals have landed successful positions in manufacturer, retailers, and small and large businesses. Without more contributions, Jobs for the Homeless will be unable to provide the necessary support and increase their literacy or drug rehabilitation programs, critical ingredients in moving people back to work.

Today, Senators SMITH, WYDEN, BAUCUS, GORTON, and I introduce tax incentive legislation to encourage stronger support for the Nation's vital charities. The proposal: Eliminates the corporate tax upon liquidation of a qualifying closely held corporation under certain circumstances. The legislation would require 80 percent or more of the stock to be dedicated to a charity; and clarifies that a charity can receive mortgaged property in a qualified liquidation, without triggering unrelated business income tax for 10 years.

By eliminating the corporate tax upon liquidation, Congress would encourage additional, and much needed, charitable gifts. Across America, countless thousands have built successful careers and have generated substantial wealth in closely held corporations. As the individuals age and plan their estates, we should help them channel their wealth to philanthropic goals. Individuals who are willing to make generous bequests of companies and assets, often companies they have spent years building, should not be discouraged by substantially reducing the value of their gifts through Federal taxes.

While the Joint Tax Committee has not yet prepared an official revenue cost, previous estimates suggest a cost of about $400 million over 5 years. However, as a result of capital gains tax reform adopted earlier this year, the cost is likely to be significantly lower. Of equal significance, the same revenue estimating assumptions project big increases in charitable giving as a result of the legislation, stimulating between $3 and $5 billion in charitable contributions. This tax proposal may generate as much as seven or eight times its projected revenue loss in expanded charitable giving.

I encourage others to review this legislation and listen to the charities in your community. The legislation has been endorsed by the Council on Foundations, which represents foundations throughout the country, and the Council of Jewish Federations. Since the introduction of the legislation last year, the proposal has been revised to sharpen the bill's focus and target the legislation in the most effective manner. I want to encourage the review process to continue, so we may continue to build support and target the bill's impact for the benefit of the Nation's nonprofit community.

With virtually limitless need, we must look at new ways to encourage and nurture a strong charitable sector. Private charities cannot replace the government, but if the desire to support charitable activity exists, we should not impose taxes to decrease the value of that support. Tax laws should encourage, rather than impede, charitable giving. By inhibiting charitable gifts, Federal tax laws hurt those individuals that most need the help of their government and their community.

By Mr. LUGAR (for himself, Mr. HAGEL, Mr. ROBERTS, Mr. THOMAS, Mr. GRAMS, Mr. KERREY, Mrs. FEINSTEIN, and Mr. CHAFEE):

S. 1413. A bill to provide a framework for consideration by the legislative and executive branches of unilateral economic sanctions; to the Committee on Foreign Relations.

THE ENHANCEMENT OF TRADE, SECURITY, AND HUMAN RIGHTS THROUGH SANCTIONS REFORM ACT

Mr. LUGAR. Mr. President, I rise to introduce the Enhancement of Trade, Security, and Human Rights Through Sanctions Reform Act, a bill that will establish a more deliberative, commonsense approach to U.S. sanctions policy. I'm pleased to be joined by several distinguished colleagues, in introducing this important piece of legislation.

In recent years, there has been a proliferation in the use of unilateral economic sanctions as a tool of American foreign policy. While unilateral sanctions may be a low-cost alternative to the deployment of American Armed Forces abroad—or to milder, less coercive choices—they almost never succeed in achieving their foreign policy objectives. They frequently impose a greater burden on American companies, producers, farmers, and workers than on the intended target country.

A cardinal test of foreign policy is that when we act internationally, our actions should do less harm to ourselves than to others. Unilateral economic sanctions, unfortunately, often fail this crucial test.

Mr. President, there have been a large number of studies on unilateral economic sanctions in recent years and they provide some interesting results. Manufacturers revealed that in the period 1993 to 1996, the United States imposed unilateral sanctions to achieve foreign policy goals 61 times in 35 different countries. Last year, the report of the President's Export Council cited 75 countries representing 52 percent of the world's population that have been subject to or threatened by U.S. unilateral economic sanctions.

These actions have jeopardized billions in export earnings and hundreds of thousands of American jobs, while weakening our ability to provide humanitarian assistance abroad. In another study, the Institute for International Economics concluded that, in 1995 alone, economic sanctions cost U.S. exports—to 26 countries—between $15–19 billion, and eliminated upward to 200,000 U.S. jobs, many in high-wage export sector.

The damage to the U.S. economy can have long-term consequences. Once foreign competitors establish a presence in international markets abandoned by the United States, the potential losses begin to magnify. Over time, the cumulative effect of sanctions will be a loss of commercial contracts, but more importantly, may be a loss of confidence in American suppliers and in the United States as a reliable partner to do business. Frequent resort to economic sanctions, however, meritorious they may be, runs the risk of weakening the export sector which has contributed so greatly to our economic prosperity. This weakening effect can, in turn, have an adverse effect on our political influence abroad.

The major difficulty with our increased use of unilateral economic sanctions is that they rarely achieve the foreign policy goals they are intended to achieve. Sanctions frequently give the illusion of action by substituting for more decisive action or by serving as a palliative for those who demand that some action be taken—any action—by the United States against another country with whom we have a disagreement.

Sanctions can also make it more difficult diplomatically to engage foreign governments in dialog to help bring about a political opening or a change in behavior. Serious trade sanctions can, in fact, inhibit, rather than facilitate, constructive dialog with others.

As a nation, we often seek instant gratification or quick results from our actions. Sanctions, however, take a long time to work and the change in behavior we seek in other countries will most often take place incrementally over time. In some cases, our sanctions have the unintended consequences of providing authoritarian leaders a basis for increasing their political support and rally opposition to the United States because our sanctions can be used to divert popular anger and resentment away from their own misdeeds and misrule.

Unilateral sanctions almost never help those we want to assist, they frequently harm the United States more than the sanctioned country and undermine our international economic competitiveness and economic security. Most regrettably, unilateral sanctions have become a policy of first choice when other policy alternatives exist.

Nonetheless, some economic sanctions are effective and, therefore, must remain a tool of American foreign policy. Multilateral, unlike unilateral, sanctions have frequently advanced American national interests. The multilateral sanctions against Saddam Hussein following Iraq's aggression against Kuwait have slowed down Iraq's weapons of mass destruction program. Similarly, international sanctions aimed at Serbia and the Federal Republic of Yugoslavia functioned to isolate them diplomatically and protect United States and allied interests in the Balkans. The international sanctions against apartheid in South Africa in the 1980's had a significant influence on bringing about a nonviolent peaceful transition in that country.

Finally, the broad consensus to oppose Soviet expansion through export restraints on East-West trade in the Coordinating Committee, or CoCom, proved to be enormously effective. Most economic sanctions, whether unilateral or multilateral, must be in place for a long time before they are effective and their success will almost always be dependent upon extensive multilateral cooperation and compliance.

Nothing in our proposed legislation prohibits unilateral economic sanctions. There are situations where other foreign policy options have been exhausted and where the actions of others are so outrageous or so threatening to the United States and our national interests that our response, short of the use of force, must be firm and unambiguous. In such instances, economic sanctions may be a useful instrument of American foreign policy.

Mr. President, my proposed legislation is prospective. It will not affect existing U.S. sanctions. It will apply only to unilateral sanctions and to those sanctions intended to achieve foreign policy or national security objectives. It would exclude, by definition, U.S. trade laws, Jackson-Vanik and munitions list controls. It would not address the complex and important issue of state and local sanctions designed to achieve foreign policy goals, although these so-called vertical sanctions are increasingly important features of American foreign policy.

More specifically, Mr. President, this legislation seeks to establish clear guidelines and informational requirements to help us understand better the likely consequences of our actions before we opt to impose economic sanctions. We should know in advance of voting on sanctions legislation what our goals are, the anticipated economic, political and humanitarian benefits and costs to the United States and other countries, the possible impact on our reputation as a reliable supplier, the other policy options that have been explored, and whether the proposed sanctions are likely to contribute to achieving the foreign policy objectives sought by legislation. Comparable requirements are also in the bill for sanctions mandated by the executive branch.

Once sanctions are implemented, the bill also requires an annual report from the President detailing the degree to which sanctions have accomplished U.S. goals, as well as their impact on our economic, political and humanitarian interests, including our relations with other countries.

The bill also provides for more active and timely consultations between Congress and the President. It provides Presidential waiver authority in emergencies or if he determines it is in the national interest.

It includes a sunset provision that would terminate unilateral economic sanctions after 2 years duration unless the Congress or the President acts to reauthorize them.

It includes language on contract sanctity to help ensure the United States is a reliable supplier.

It identifies U.S. agriculture as an especially vulnerable sector of our economy that has borne a disproportionate burden stemming from U.S. economic sanctions. Because of this, there is discretionary authority for agricultural assistance in the bill. In addition, the bill opposes agricultural embargoes as a foreign policy weapon and urges that economic sanctions be targeted as narrowly as possible in order to minimize harm to innocent people and humanitarian activities.

Mr. President, my sanctions reform bill represents an attempt to develop an improved and comprehensive approach to an important foreign policy issue. We, in the Congress, are often called upon to make difficult choices between conflicting interests or among our core values as a nation and our international interests.

These are frequently hard choices that should be given careful attention and preceded by careful analysis. We should never turn our back on our fundamental values of supporting democracy, human rights, and basic freedoms abroad but we should ask whether we can alter the behavior of other countries by imposing sanctions on them. Many times we cannot do so and many times we exacerbate the very behavior we hope to reverse. There is no magic formula for influencing the behavior of other countries, but unilateral economic sanctions are rarely the answer.

Nothing in this bill prevents the imposition of U.S. unilateral economic sanctions or dictates a particular trade-off between American core values and our commercial and other interests. The steps detailed in this bill provide for better policy procedures so that consideration of economic sanctions are preceded by a more deliberative process by which the President and the Congress can make reasoned and balanced choices affecting the totality of American values and interests.

Mr. President, I feel strongly about this issue. I hope my colleagues will join the other original cosponsors by taking a close look at this legislation. I welcome their support and believe that if we deal with the sanctions issues in a careful and systematic manner, we can make a significant positive contribution to our national interest.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1413

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Enhancement of Trade, Security, and Human Rights through Sanctions Reform Act".

SEC. 2. PURPOSE.

It is the purpose of this Act to establish an effective framework for consideration by the legislative and executive branches of unilateral economic sanctions.

SEC. 3. STATEMENT OF POLICY.

It is the policy of the United States—

(1) to pursue United States interests through vigorous and effective diplomatic, political, commercial, charitable, educational, cultural, and strategic engagement with other countries, while recognizing that the national security interests of the United States may sometimes require the imposition of economic sanctions on other countries;

(2) to foster multilateral cooperation on vital matters of United States foreign policy, including promoting human rights and democracy, combating international terrorism, proliferation of weapons of mass destruction, and international narcotics trafficking, and ensuring adequate environmental protection;

(3) to promote United States economic growth and job creation by expanding exports of goods, services, and agricultural commodities, and by encouraging investment that supports the sale abroad of products and services of the United States;

(4) to maintain the reputation of United States businesses and farmers as reliable suppliers to international customers of quality products and services, including United States manufactures, technology products, financial services, and agricultural commodities;

(5) to avoid the use of restrictions on exports of agricultural commodities as a foreign policy weapon;

(6) to oppose policies of other countries designed to discourage economic interaction with countries friendly to the United States or with any United States national, and to avoid use of such measures as instruments of United States foreign policy; and

(7) when economic sanctions are necessary—

(A) to target them as narrowly as possible on those foreign governments, entities, and officials that are responsible for the conduct being targeted, thereby minimizing unnecessary or disproportionate harm to individuals who are not responsible for such conduct; and

(B) to the extent feasible, to avoid any adverse impact of economic sanctions on the humanitarian activities of United States and foreign nongovernmental organizations in a country against which sanctions are imposed.

SEC. 4. DEFINITIONS.

As used in this Act:

(1) UNILATERAL ECONOMIC SANCTION.—

(A) IN GENERAL.—The term "unilateral economic sanction" means any restriction or condition on economic activity with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, including any of the measures described in subparagraph (B), except in a case in which the United States imposes the measure pursuant to a multilateral regime and the other members of that regime have agreed to impose substantially equivalent measures.

(B) PARTICULAR MEASURES.—The measures referred to in subparagraph (A) are the following:

(i) The suspension, restriction, or prohibition of exports or imports of any product, technology, or service to or from a foreign country or entity.

(ii) The suspension of, or any restriction or prohibition on, financial transactions with a foreign country or entity.

(iii) The suspension of, or any restriction or prohibition on, direct or indirect investment in or from a foreign country or entity.

(iv) The imposition of increased tariffs on, or other restrictions on imports of, products of a foreign country or entity, including the denial, revocation, or conditioning of nondiscriminatory (most-favored-nation) trade treatment.

(v) The suspension of, or any restriction or prohibition on—

(I) the authority of the Export-Import Bank of the United States to give approval to the issuance of any guarantee, insurance, or extension of credit in connection with the export of goods or services to a foreign country or entity;

(II) the authority of the Trade and Development Agency to provide assistance in connection with projects in a foreign country or in which a particular foreign entity participates; or

(III) the authority of the Overseas Private Investment Corporation to provide insurance, reinsurance, financing, or conduct other activities in connection with projects in a foreign country or in which a particular foreign entity participates.

(vi) A requirement that the United States representative to an international financial institution vote against any loan or other utilization of funds to, for, or in a foreign country or particular foreign entity.

(vii) A measure imposing any restriction or condition on economic activity on any foreign government or entity on the ground that such government or entity does business in or with a foreign country.

(viii) A measure imposing any restriction or condition on economic activity on any person that is a national of a foreign country, or on any government or other entity of a foreign country, on the ground that the government of that country has not taken measures in cooperation with, or similar to, sanctions imposed by the United States on a third country.

(ix) The suspension of, or any restriction or prohibition on, travel rights or air transportation to or from a foreign country.

(x) Any restriction on the filing or maintenance in a foreign country of any proprietary interest in intellectual property rights (including patents, copyrights, and trademarks), including payment of patent maintenance fees.

(C) MULTILATERAL REGIME.—As used in this paragraph, the term "multilateral regime" means an agreement, arrangement, or obligation under which the United States cooperates with other countries in restricting commerce for reasons of foreign policy or national security, including—

(i) obligations under resolutions of the United Nations;

(ii) nonproliferation and export control arrangements, such as the Australia Group, the Nuclear Supplier's Group, the Missile Technology Control Regime, and the Wassenaar Arrangement;

(iii) treaty obligations, such as under the Chemical Weapons Convention, the Treaty on the Non-Proliferation of Nuclear Weapons, and the Biological Weapons Convention; and

(iv) agreements concerning protection of the environment, such as the International Convention for the Conservation of Atlantic Tunas, the Declaration of Panama referred to in section 2(a)(1) of the International Dolphin Conservation Act (16 U.S.C. 1361 note), the Convention on International Trade in Endangered Species, the Montreal Protocol on Substances that Deplete the Ozone Layer, and the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes.

(D) FINANCIAL TRANSACTION.—As used in this paragraph, the term "financial transaction" has the meaning given that term in section 1956(c)(4) of title 18, United States Code.

(E) INVESTMENT.—As used in this paragraph, the term "investment" means any contribution or commitment of funds, commodities, services, patents, or other forms of intellectual property, processes, or techniques, including—

(i) a loan or loans;

(ii) the purchase of a share of ownership;

(iii) participation in royalties, earnings, or profits; and

(iv) the furnishing or commodities or services pursuant to a lease or other contract.

(F) EXCLUSIONS.—The term "unilateral economic sanction" does not include—

(i) any measure imposed to remedy unfair trade practices or to enforce United States rights under a trade agreement, including under section 337 of the Tariff Act of 1930, title VII of that Act, title III of the Trade Act of 1974, sections 1374 and 1377 of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 3103 and 3106), and section 3 of the Act of March 3, 1933 (41 U.S.C. 10b–1);

(ii) any measure imposed to remedy market disruption or to respond to injury to a domestic industry for which increased imports are a substantial cause or threat thereof, including remedies under sections 201 and 406 of the Trade Act of 1974, and textile import restrictions (including those imposed under section 204 of the Agricultural Act of 1956 (7 U.S.C. 1784));

(iii) any action taken under title IV of the Trade Act of 1974, including the enactment of a joint resolution under section 402(d)(2) of that Act;

(iv) any measure imposed to restrict imports of agricultural commodities to protect food safety or to ensure the orderly marketing of commodities in the United States, including actions taken under section 22 of the Agricultural Adjustment Act (7 U.S.C. 624);

(v) any measure imposed to restrict imports of any other products in order to protect domestic health or safety;

(vi) any measure authorized by, or imposed under, a multilateral or bilateral trade agreement to which the United States is a signatory, including the Uruguay Round Agreements, the North American Free Trade Agreement, the United States-Israel Free Trade Agreement, and the United States-Canada Free Trade Agreement; and

(vii) any export control imposed on any item on the United States Munitions List.

(2) NATIONAL EMERGENCY.—The term "national emergency" means any unusual or extraordinary threat, which has its source in whole or substantial part outside the United States, to the national security, foreign policy, or economy of the United States.

(3) AGRICULTURAL COMMODITY.—The term "agricultural commodity" has the meaning given that term in section 102(1) of the Agricultural Trade Act of 1978 (7 U.S.C. 5602(1)).

(4) APPROPRIATE COMMITTEES.—The term "appropriate committees" means the Committee on Agriculture, the Committee on International Relations, the Committee on Ways and Means, and the Committee on Banking and Financial Services of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry, the Committee on Finance, and the Committee on Foreign Relations of the Senate.

(5) CONTRACT SANCTITY.—The term "contract sanctity", with respect to a unilateral economic sanction, refers to the inapplicability of the sanction to—

(A) a contract or agreement entered into before the sanction is imposed, or to a valid export license or other authorization to export; and

(B) actions taken to enforce the right to maintain intellectual property rights, in the foreign country against which the sanction is imposed, which existed before the imposition of the sanction.

SEC. 5. GUIDELINES FOR UNILATERAL ECONOMIC SANCTIONS LEGISLATION.

Any bill or joint resolution that imposes any unilateral economic sanction, or authorizes the imposition of any unilateral economic sanction by the executive branch, and is considered by the House of Representatives or the Senate, should—

(1) state the foreign policy or national security objective or objectives of the United States that the economic sanction is intended to achieve;

(2) provide that the economic sanction terminate 2 years after it is imposed, unless specifically reauthorized by Congress;

(3) provide for contract sanctity;

(4) provide authority for the President both to adjust the timing and scope of the sanction and to waive the sanction, if the President determines it is in the national interest to do so;

(5)(A) target the sanction as narrowly as possible on foreign governments, entities, and officials that are responsible for the conduct being targeted; and

(B) seek to minimize any adverse impact on the humanitarian activities of United States and foreign nongovernmental organizations in any country against which the sanction may be imposed; and

(6) provide, to the extent that the Secretary of Agriculture or the Congressional Budget Office finds that—

(A) the proposed sanction is likely to restrict exports of any agricultural commodity or is likely to result in retaliation against exports of any agricultural commodity from the United States, and

(B) the sanction is proposed to be imposed, or is likely to be imposed, on a country or countries that constituted, in the preceding calendar year, the market for more than 3 percent of all export sales from the United States of an agricultural commodity,

that the Secretary of Agriculture expand agricultural export assistance under United States market development, food assistance, or export promotion programs to offset the likely damage to incomes of producers of the affected agricultural commodity or commodities, to the maximum extent permitted by the obligations of the United States under the Agreement on Agriculture referred to in section 101(d)(2) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(2)).

SEC. 6. REQUIREMENTS FOR BILL OR JOINT RESOLUTION.

(a) PUBLIC COMMENT.—Before considering a bill or joint resolution that imposes any unilateral economic sanction, or authorizes the imposition of any unilateral economic sanction by the executive branch, the committee of primary jurisdiction shall publish a notice which provides an opportunity for interested members of the public to submit comments to the committee on the proposed sanction.

(b) WHEN REPORTS REQUESTED.—The committee of primary jurisdiction that orders reported a bill or joint resolution described in section 5 shall timely request from the President and the Secretary of Agriculture the reports identified in subsection (c). Each such report that has been timely submitted prior to the filing of the committee report accompanying the bill or joint resolution shall be included in the committee report. The committee report shall also contain, if the bill or joint resolution does not meet any of the guidelines specified in paragraphs (1) through (6) of section 5, an explanation of why it does not.

(c) REPORTS.—

(1) REPORT BY THE PRESIDENT.—The President's report to Congress under subsection (b) shall contain—

(A) an assessment of—

(i) the likelihood that the proposed unilateral economic sanction will achieve its stated objective within a reasonable period of time; and

(ii) the impact of the proposed unilateral economic sanction on—

(I) humanitarian conditions, including the impact on conditions in any specific countries on which the sanction is proposed to be or may be imposed;

(II) humanitarian activities of United States and foreign nongovernmental organizations;

(III) relations with United States allies;

(IV) other United States national security and foreign policy interests; and

(V) countries and entities other than those on which the sanction is proposed to be or may be imposed;

(B) a description and assessment of—

(i) diplomatic and other steps the United States has taken to accomplish the intended objectives of the unilateral sanction legislation;

(ii) the likelihood of multilateral adoption of comparable measures;

(iii) comparable measures undertaken by other countries;

(iv) alternative measures to promote the same objectives, and an assessment of their potential effectiveness;

(v) any obligations of the United States under international treaties or trade agreements with which the proposed sanction may conflict;

(vi) the likelihood that the proposed sanction will lead to retaliation against United States interests, including agricultural interests; and

(vii) whether the achievement of the objectives of the proposed sanction outweighs any likely costs to United States foreign policy, national security, economic, and humanitarian interests, including any potential harm to United States business, agriculture, and consumers, and any potential harm to the international reputation of the United States as a reliable supplier of products, technology, agricultural commodities, and services.

(2) REPORT BY THE SECRETARY OF AGRICULTURE.—The Secretary of Agriculture shall submit to the appropriate committees a report which shall contain an assessment of—

(A) the extent to which any country or countries proposed to be sanctioned or likely to be sanctioned are markets that accounted for, in the preceding calendar year, more than 3 percent of all export sales from the United States of any agricultural commodity;

(B) the likelihood that exports of agricultural commodities from the United States will be affected by the proposed sanction or by retaliation by any country proposed to be sanctioned or likely to be sanctioned, and specific commodities which are most likely to be affected;

(C) the likely effect on incomes of producers of the specific commodities identified by the Secretary;

(D) the extent to which the proposed sanction would permit foreign suppliers to replace United States suppliers; and

(E) the likely effect of the proposed sanction on the reputation of United States farmers as reliable suppliers of agricultural commodities in general, and of the specific commodities identified by the Secretary.

(3) Federal private sector mandate.—

(A) In general.—Any bill or joint resolution that imposes any unilateral economic sanction described in section 5 shall be considered to include a Federal private sector mandate for purposes of part B of title IV of the Congressional Budget Act of 1974.

(B) Report by the congressional budget office.—The report by the Congressional Budget Office pursuant to subparagraph (A) shall include an assessment of the likely short-term and long-term costs of the proposed sanction to the United States economy, including the potential impact on United States trade performance, employment, and growth, the international reputation of the United States as a reliable supplier of products, agricultural commodities, technology, and services, and the economic well-being and international competitive position of United States industries, firms, workers, farmers, and communities.

SEC. 7. REQUIREMENTS FOR EXECUTIVE ACTION.

(a) In General.—The President may implement a unilateral economic sanction under any provision of law not less than 60 days after announcing his intention to do so.

(b) Consultation.—The President shall consult with the appropriate committees regarding the proposed unilateral economic sanction, including consultations regarding efforts to achieve or increase multilateral cooperation on the issues or problems prompting the proposed sanction.

(c) Public Hearings; Record.—The President shall publish a notice in the Federal Register of the opportunity for interested persons to submit comments on the proposed unilateral economic sanction.

(d) Guidelines for Executive Branch Sanctions.—Any unilateral economic sanction imposed by the President—

(1) shall—

(A) include a clear finding that the sanction is likely to achieve a specific United States foreign policy or national security objective within a reasonable period of time, which shall be specified, and that the achievement of the objectives of the sanction outweighs any costs to United States national interests;

(B) provide for contract sanctity;

(C) terminate not later than 2 years after the sanction is imposed, unless specifically extended by the President in accordance with the procedures of this section;

(D)(i) be targeted as narrowly as possible on foreign governments, entities, and officials that are responsible for the conduct being targeted; and

(ii) seek to minimize any adverse impact on the humanitarian activities of United States and foreign nongovernmental organizations in a country against which the sanction may be imposed; and

(2) should provide, to the extent that the Secretary of Agriculture finds that—

(A) a unilateral economic sanction is likely to restrict exports of any agricultural commodity from the United States or is likely to risk retaliation against exports of any agricultural commodity from the United States, and

(B) the sanction is proposed to be imposed, or is likely to be imposed, on a country or countries that constituted, in the preceding calendar year, the market for more than 3 percent of all export sales from the United States of an agricultural commodity,

that the Secretary of Agriculture expand agricultural export assistance under United States market development, food assistance, or export promotion programs to offset the likely damage to incomes of producers of the affected agricultural commodity or commodities, to the maximum extent permitted by law and by the obligations of the United States under the Agreement on Agriculture referred to in section 101(d)(2) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(2)).

(e) Report by the President.—Prior to imposing any unilateral economic sanction, the President shall provide a report to the appropriate committees on the proposed sanction. The report shall include the report of the International Trade Commission under subsection (g) (if timely submitted prior to the filing of the report). The President's report shall contain the following:

(1) An explanation of the foreign policy or national security objective or objectives intended to be achieved through the proposed sanction.

(2) An assessment of—

(A) the likelihood that the proposed unilateral economic sanction will achieve its stated objectives within the stated period of time; and

(B) the impact of the proposed unilateral economic sanction on—

(i) humanitarian conditions, including the impact on conditions in any specific countries on which the sanctions are proposed to be imposed;

(ii) humanitarian activities of United States and foreign nongovernmental organizations;

(iii) relations with United States allies;

(iv) other United States national security and foreign policy interests; and

(v) countries and entities other than those on which the sanction is proposed to be imposed.

(3) A description and assessment of—

(A) diplomatic and other steps the United States has taken to accomplish the intended objectives of the proposed sanction;

(B) the likelihood of multilateral adoption of comparable measures;

(C) comparable measures undertaken by other countries;

(D) alternative measures to promote the same objectives, and an assessment of their potential effectiveness;

(E) any obligations of the United States under international treaties or trade agreements with which the proposed sanction may conflict;

(F) the likelihood that the proposed sanction will lead to retaliation against United States interests, including agricultural interests; and

(G) whether the achievement of the objectives of the proposed sanction outweighs any likely costs to United States foreign policy, national security, economic, and humanitarian interests, including any potential harm to United States business, agriculture, and consumers, and any potential harm to the international reputation of the United States as a reliable supplier of products, technology, agricultural commodities, and services.

(f) Report by the Secretary of Agriculture.—Prior to the imposition of a unilateral economic sanction by the President, the Secretary of Agriculture shall submit to the appropriate committees a report which shall contain an assessment of—

(1) the extent to which any country or countries proposed to be sanctioned are markets that accounted for, in the preceding calendar year, more than 3 percent of all export sales from the United States of any agricultural commodity;

(2) the likelihood that exports of agricultural commodities from the United States will be affected by the proposed sanction or by retaliation by any country proposed to be sanctioned, including specific commodities which are most likely to be affected;

(3) the likely effect on incomes of producers of the specific commodities identified by the Secretary;

(4) the extent to which the proposed sanction would permit foreign suppliers to replace United States suppliers; and

(5) the likely effect of the proposed sanction on the reputation of United States farmers as reliable suppliers of agricultural commodities in general, and of the specific commodities identified by the Secretary.

(g) Report by the United States International Trade Commission.—Before imposing a unilateral economic sanction, the President shall make a timely request to the United States International Trade Commission for a report on the likely short-term and long-term costs of the proposed sanction to the United States economy, including the potential impact on United States trade performance, employment, and growth, the international reputation of the United States as a reliable supplier of products, agricultural commodities, technology, and services, and the economic well-being and international competitive position of United States industries, firms, workers, farmers, and communities.

(h) Waiver in Case of National Emergency.—The President may waive any of the requirements of subsections (a), (b), (c), (e), (f), and (g), in the event that the President determines that there exists a national emergency that requires the exercise of the waiver. In the event of such a waiver, the requirements waived shall be met during the 60-day period immediately following the imposition of the unilateral economic sanction, and the sanction shall terminate 90 days after being imposed unless such requirements are met. The President may waive any of the requirements of paragraphs (1)(B), (1)(D), and (2) of subsection (d) in the event that the President determines that the unilateral economic sanction is related to actual or imminent armed conflict involving the United States.

(i) Sanctions Review Committee.—The President shall establish a Sanctions Review Committee to coordinate United States policy regarding unilateral economic sanctions and to provide appropriate recommendations to the President prior to decisions regarding such sanctions. The Committee shall be comprised of—

(1) the Secretary of State;

(2) the Secretary of the Treasury;

(3) the Secretary of Defense;

(4) the Secretary of Agriculture;

(5) the Secretary of Commerce;

(6) the Secretary of Energy;

(7) the United States Trade Representative;

(8) the Director of the Office of Management and Budget;

(9) the Chairman of the Council of Economic Advisers;

(10) the Assistant to the President for National Security Affairs; and

(11) the Assistant to the President for Economic Policy.

(j) INAPPLICABILITY OF OTHER PROVISIONS.—This section applies notwithstanding any other provision of law.

SEC. 8. ANNUAL REPORTS.

(a) ANNUAL REPORT.—Not later than 6 months after the date of enactment of this Act, and annually thereafter, the President shall submit to the appropriate committees a report detailing with respect to each country or entity against which a unilateral economic sanction has been imposed—

(1) the extent to which the sanction has achieved foreign policy or national security objectives of the United States with respect to that country or entity;

(2) the extent to which the sanction has harmed humanitarian interests in that country, the country in which that entity is located, or in other countries; and

(3) the impact of the sanction on other national security and foreign policy interests of the United States, including relations with countries friendly to the United States, and on the United States economy.

(b) REPORT BY THE UNITED STATES INTERNATIONAL TRADE COMMISSION.—Not later than 6 months after the date of enactment of this Act, and annually thereafter, the United States International Trade Commission shall report to the appropriate committees on the costs, individually and in the aggregate, of all unilateral economic sanctions in effect under United States law, regulation, or Executive order. The calculation of such costs shall include an assessment of the impact of such measures on the international reputation of the United States as a reliable supplier of products, agricultural commodities, technology, and services.

ENHANCEMENT OF TRADE, SECURITY AND HUMAN RIGHTS THROUGH SANCTIONS REFORM ACT—SECTION-BY-SECTION ANALYSIS

Section 1: Short Title. The act may be cited as the "Enhancement of Trade, Security and Human Rights through Sanctions Reform Act."

Section 2: Purpose. The purpose of the Act is to establish an effective framework for consideration of unilateral economic sanctions.

Section 3: Statement of Policy. This section sets forth U.S. policy to pursue American security, trade, and humanitarian interests through broad-ranging engagement with other countries, while recognizing the need at times to impose sanctions as a last resort. It supports multilateral cooperation as an alternative to unilateral U.S. sanctions. It seeks to promote U.S. economic growth through trade and to maintain America's reputation as a reliable supplier. It opposes boycotts and use of agricultural embargoes as a foreign policy weapon. It urges that economic sanctions be targeted as narrowly as possible, to minimize harm to innocent people or to humanitarian activities.

Section 4: Definitions. This section defines "unilateral economic sanction" as any restriction or condition on economic activity with respect to a foreign country or entity imposed for reasons of foreign policy or national security. This definition excludes multilateral sanctions, where other countries have agreed to adopt "substantially equivalent" measures. The definition also excludes U.S. trade laws, Jackson-Vanik, and munitions list controls. This section also defines the terms "national emergency," "agricultural commodity," "appropriate committees," and "contract sanctity."

Section 5: Guidelines for Unilateral Economic Sanctions Legislation. This section provides that any bill or joint resolution imposing or authorizing a unilateral economic sanction should state the U.S. foreign policy or national security objective, sunset after two years unless specifically reauthorized, protect contract sanctity, provide Presidential authority to adjust or waive the sanction in the national interest, target the sanction as narrowly as possible against the parties responsible for the offending conduct, and provide for expanded export promotion if sanctions target a major export market for American farmers.

Section 6: Requirements for Report Accompanying the Bill. The committee reporting sanctions legislation shall request reports from the President and Secretary of Agriculture. These reports shall be included in the committee report. If the legislation does not meet any Section 5 guideline, the committee report shall explain why not.

The President's report shall contain an assessment of the likelihood that the proposed sanction will achieve its stated objective within a reasonable time. It must weigh the likely foreign policy, national security, economic, and humanitarian benefits against the costs of acting unilaterally. The report will also assess alternatives, such as prior diplomatic and other U.S. steps and comparable multilateral measures.

The Secretary of Agriculture's report shall assess the likely extent of the proposed legislation in terms of market share in affected countries, the likelihood that U.S. agricultural exports will be affected on the reputation of U.S. farmers as reliable suppliers.

Section 6 also considers unilateral sanctions as unfunded federal mandates for purposes of the Unfunded Mandates Act. The Congressional Budget Office shall assess the likely short- and long-term cost of the proposed sanctions to the U.S. economy.

Section 7: Requirements for Executive Action. The President may impose a unilateral sanction no less than 60 days after announcing his intention to do so, during which time he shall consult with Congressional committees and publish a notice in the Federal Register seeking public comment. Any Executive sanction must meet the same guidelines that Section 5 applies to the Congress and must, in addition, include a clear finding that the sanction is likely to achieve a specific U.S. foreign policy or national security objective within a reasonable—and specified—period of time.

Section 7 also requires—prior to the imposition of a unilateral sanction—the President and the Secretary of Agriculture to provide to the appropriate Congressional committees reports that contain the same assessment as required in the reports described in Section 6. The President shall also request a report by the U.S. International Trade Commission on the likely short- and long-term costs of the proposed sanctions to the U.S. economy, including the potential impact on U.S. competitiveness.

In case of national emergency, the bill allows the President temporarily to waive most Section 7 requirements in order to act immediately. If the President acts on an emergency basis, the waived requirements must be met within sixty days. Finally, the President shall establish an interagency Sanctions Review Committee to improve coordination of U.S. policy regarding unilateral sanctions.

Section 8: Annual Report. The President must submit to the appropriate committees a report each year detailing the extent to which sanctions have achieved U.S. objectives, as well as their impact on humanitarian and other U.S. interests, including relations with friendly countries. The U.S. International Trade Commission shall report to the Congress on the costs, individually and in the aggregate, of all unilateral economic sanctions in effect under U.S. law, regulation, or Executive order, including the impact on U.S. competitiveness.

By Mr. MCCAIN (for himself, Mr. HOLLINGS, Mr. BREAUX, and Mr. GORTON):

S. 1415. A bill to reform and restructure the processes by which tobacco products are manufactured, marketed, and distributed, to prevent the use of tobacco products by minors, to redress the adverse health effects of tobacco use, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE UNIVERSAL TOBACCO SETTLEMENT ACT

Mr. MCCAIN. Mr. President, I am pleased today to introduce the Universal Tobacco Settlement Act. This bill is cosponsored by the Commerce Committee Ranking Member Senator HOLLINGS, Senator GORTON, and Senator BREAUX.

Mr. President, the bill we are introducing today is the legislative version of the Universal Tobacco Settlement agreed upon by the attorneys general and the tobacco companies. We hope it will serve as the basis of discussion and amendment here in the Senate.

I want briefly to discuss what this bill is and is not. It is the basis for hearings, discussion, and amendment. After this bill is introduced, I will ask consent to have it jointly referred to various committees of jurisdiction for consideration. As the chairman of the Commerce Committee, I intend to hold extensive hearings on this bill and use it as the vehicle for amendment.

First, let me emphasize that this legislation was drafted by Senate legislative counsel who was requested to write a bill that would implement and mirror the universal tobacco agreement without any direction or input from Members and without any alteration from the agreement.

The substance of the bill is not perfect, complete, comprehensive, or legislation that could ever be signed into law without considerable debate and amendments. None of the cosponsors endorse this bill as being the answer to our Nation's problem with tobacco-related death and illness. But it can and should serve as a basis to begin negotiations between all concerned parties.

The bipartisan group of attorneys general and the tobacco companies deserve praise for developing this language. I know it was not easy. But much more needs to be done. The Universal Tobacco Settlement Agreement presents more questions than it answers. That is why we must move the legislative process forward and begin debating substantive language.

I had hoped that the administration would send the Congress legislation in this area. I would have liked for the Congress to begin considering the proposals developed and advocated by the White House. Unfortunately, the White House chose not to take such action. As a result, I have chosen to begin this discussion with attorneys general agreement.

There has been one addition to the settlement developed by the attorneys general. The universal tobacco settlement did not address the issue of tobacco farmers and the communities whose existence and economy depends on the growing of tobacco. To address this concern, a new title IX has been added to the bill. The text of title IX is the language of S. 1310, legislation introduced by Senator FORD. It is my hope that with the addition of this language to the bill, we can begin the comprehensive debate necessary on this subject.

Mr. President, let there be no mistake, the Senate takes its role in this matter very seriously. Millions of lives have been lost and millions more will follow. Every day 3,000 young adults and children begin smoking. We cannot and should not allow this to continue. With the introduction of this bill we will begin this debate and I am hopeful that by early next year we can move forward on the floor on this matter.

By Mr. McCONNELL:

S. 1416. A bill to amend Federal election laws to repeal the public financing of national political party conventions and Presidential elections and spending limits on Presidential election campaigns, to repeal the limits on coordinated expenditures by political parties, and for other purposes; to the Committee on Finance.

THE PRESIDENTIAL CAMPAIGN REFORM ACT OF 1997

Mr. McCONNELL. Mr. President, the Governmental Affairs hearings investigating the 1996 Presidential election affirmed what knowledgeable observers have contended for years—that the Presidential campaign finance system of spending limits and taxpayer funding is a fraud.

Not soon forgotten will be the seamy videos of the White House coffee fundraisers in which the President was caught on tape extolling the virtues of circumventing the Presidential system's contribution and spending limits, via soft money contributions to the DNC—that once proud institution hijacked by the Clinton-Gore campaign bent on reelection in 1996. The 1996 Clinton-Gore reelection campaign took campaign finance chicanery to new heights, or lows, depending on your perspective.

Mr. President, I am no fan of spending limits so am not without sympathy for those who must campaign under them. The Presidential system, while technically voluntary, presents a Hobson's choice to those contemplating a campaign. Candidates can choose between compliance with arbitrary and severe spending limits, burdensome regulatory requirements, and the prospect of years of FEC audits or trying to mount a credible campaign under the severe constraints of outdated contribution limits.

It's difficult enough to mount a statewide Senate campaign with individual contributions limited to $1,000 a pop. Conducting a nationwide effort under the same contribution limits must be a nightmare. It requires, at the least, a Herculean effort, unless a candidate has the good fortune to have a fortune sufficient to bankroll their own campaign out of their own pocket. So I might be inclined to cut the President and Vice President some slack for this particular malfeasance—they have so many fundraising misdeeds to account for this one got lost in the shuffle until recently. I might cut them some slack if they were not such shameless hypocrites, portraying themselves as victims of the system and America's biggest fans of reform, when they aren't pleading incompetence.

"William J. Clinton" signed a letter, addressed to the Chairman of the Federal Election Commission, on October 13, 1995, in which the President agreed to comply with the Presidential system's limits in exchange for which the Clinton-Gore campaign would receive taxpayer dollars. All told, the Clinton-Gore campaign received $75 million for the primary and general elections in 1996. The Democratic National Committee received over $12 million for its convention extravaganza in Chicago. It was a lie.

The Clinton-Gore campaign took the money—$75 million from the U.S. Treasury—and never had any intention of confining their campaign to the spending limits. The Presidential system, from its inception, has been a bad joke on the American taxpayers, limiting neither spending, nor so-called special interests, as its creators—self-styled reformers—said it would.

Unwilling to concede that their utopian reform vision has become a taxpayer-funded debacle worthy only of dismantling, the inside-the-beltway reform industry agitates instead for even more restrictions—on the party committees and independent groups. It would be like putting band-aids on the Titanic, and unconstitutional, to boot.

The reform dream is the taxpayers' nightmare. Over $1 billion has been squandered on the Presidential system. It is an entitlement program for politicians. And a boondoggle for the likes of fringe candidates such as Lenora Fulani and Lyndon LaRouche who have flocked to the Presidential campaign entitlement program, like moths to a flame.

Even Ross Perot's Reform Party has gotten into the act—as the Texas billionaire received $30 million from the U.S. Treasury last year for his campaign. An irony is that the Perot Reform Party's partaking of taxpayer funds from the Presidential system coffers will be the straw that breaks the camel's back in 2000. The Reform Party is going to bleed the reform dream dry if it takes what it will be entitled to in primary matching, convention, and general election funding. This is the gist of a recent FEC staff report on the fund's prospects for the 2000 campaign.

At the outset of the 2000 Presidential primaries, the Presidential fund will be so near bankruptcy that candidates will be able to receive only a tiny fraction of what they are entitled to. FEC staff predict this dearth of funding will prompt some candidates to opt out of the Presidential spending limit system altogether. Where would such an exodus leave the competitive field? The candidates would still be stuck with the quarter-century old contribution limits, bestowing a tremendous advantage on those select few who have a huge donor base from which to draw or the wherewithal to fund a campaign out of their own pocket.

This is a very real campaign finance crisis—a Presidential system on the edge of oblivion and a wide-open contest looming in the year 2000. So I rise today to introduce a bill to reform the Presidential system—the object of so much scandal and scorn. This reform legislation would repeal the Presidential system's spending limits and taxpayer funding. It would save the American taxpayers hundreds of millions of dollars every election. To compensate for the loss of taxpayer funding and make the system more realistic, the contribution limit for Presidential candidates would be adjusted to $10,000, up from the current $1,000. The PAC limit would also be adjusted up to $10,000.

It would also strengthen the political parties by updating the hard money contribution limits regulating donations to them. These limits are a quarter-century old and long overdue for adjustments. Candidates and political parties should not be shackled in the year 2000 with circa-1970's contribution limits. The bill would also do what the Supreme Court talked about doing in the 1996 Colorado decision and is likely to do in the near future: abolish the coordinated spending limit. This arbitrary restriction on what parties can do in coordination with their nominees is absurd. The parties prefer to operate in hard money over soft money. These reforms would facilitate that activity.

Mr. President, these are commonsense reforms that would enhance competition and increase accountability in Presidential elections. In the interest of heading off a complete breakdown of the Presidential system in 2000, I urge

Senators to step away from the traditional reform paradigm and join me in this effort.

By Mr. AKAKA (for himself, Mr. CRAIG, and Ms. LANDRIEU):

S. 1418. A bill to promote the research, identification, assessment, exploration, and development of methane hydrate resources, and for other purposes; to the Committee on Energy and Natural Resources.

THE METHANE HYDRATE RESEARCH AND DEVELOPMENT ACT OF 1997

Mr. AKAKA. Mr. President, on behalf of myself and Senators CRAIG and LANDRIEU, I am introducing the Methane Hydrate Research and Development Act of 1997.

Methane hydrate is a methane-bearing, ice-like substance that occurs in abundance in marine sediments. It is a crystalline solid of methane molecules surrounded by a structure of water molecules.

Methane hydrates are stable at moderately high pressures and low temperatures and contain large quantities of methane. One unit volume of methane hydrate contains more than 160 volumes of methane at standard temperature and pressure.

Methane hydrates are found in deep ocean sediments. Significant quantities are also found in the permafrost of Alaska, Canada, and Siberia.

Despite their potential as an energy resource, methane hydrates have not received the attention they deserve. We are only beginning to understand the magnitude of this potential resource. The amount of methane sequestered in gas hydrates is enormous. Worldwide estimates range from 100,000 trillion cubic feet to 270 million trillion cubic feet. Locations of known methane hydrate deposits within the Untied States include the Arctic, the seabed adjacent to northern California, the Gulf of Mexico, and the Eastern Seaboard.

A conservative estimate of deposits under U.S. jurisdiction is 2,700 trillion cubic feet to seven million trillion cubic feet of gas. A recent U.S. Geological Survey analysis indicates the presence of over 500 trillion cubic feet of methane at the Black Ridge site off the coast of Carolinas alone. When you consider that current U.S. consumption is less than 25 trillion cubic feet of natural gas per year, you begin to appreciate the magnitude of this energy resource.

The U.S. energy outlook is perilous at best. Our dependence on imported oil is steadily increasing. Soon we will import over 60 percent of the oil we consume. Air pollution is a persistent problem. We are spending enormous resources to improve air quality. Global climate change poses a looming challenge. With these concerns in mind, it is easy to recognize the importance of methane hydrates.

Methane hydrates are a strategic resource because they contain huge amounts of methane in a concentrated form. Extracted methane from hydrates represents an extraordinarily large energy resource and petrochemical feedstock. Methane is less polluting than other hydrocarbons because of its higher hydrogen-to-carbon ratio. Given the concerns about global climate change, a transition to methane as an energy resource is an attractive solution.

The U.S. is not doing enough to explore this viable energy source. Other countries, primarily Japan and India, have aggressive programs to develop methane hydrates. Japan has launched an exploration project for methane hydrates in its surrounding waters. The Japanese National Oil Corporation is conducting a seismic survey off Hokkaido Island and will drill test wells in two locations in 1999. Commercial production is planned for 2010. About six trillion cubic meters of methane hydrates can be found in the seabed near Japan. Recovery of one-tenth of this reserve could yield about 100 years supply of natural gas for Japan.

As part of its plan to boost natural gas resources, the Oil Industry Development Board of India has earmarked $56 million for a program of methane hydrates research and development. We cannot be left behind these and other nations in the race to develop this important energy resource.

Science News recently published an article summarizing the hopes and hazards associated with methane hydrates. Mr. President, I ask unanimous consent that a copy of this article be printed in the RECORD.

This is an exciting area of research and of new knowledge. It has an enormous payoff, not only for our energy security, but also for the global environment.

My bill establishes a small research and development program with the potential for major payback. It would direct the Department of Energy to conduct research and development in collaboration with the Naval Research Laboratory and the U.S. Geological Survey. The Secretary of Energy would also consult with other Federal and State agencies, industry, and academia. It directs the Department to conduct research on, and identify, explore, assess, and develop methane hydrate resources as a source of energy. It also directs the Department to develop technologies needed to develop methane resources in an environmentally sound manner. It provides for research to develop safe means of transportation and storage of methane produced from methane hydrates. To alleviate the concerns related to releases of methane, the legislation directs the Department to undertake research to assess and mitigate hydrate degassing, both natural and that associated with commercial development. It requires the Department to develop technologies to reduce the risk of drilling through the gas hydrates. And finally, it provides for the training of scientists and engineers that would be needed for this new and exciting field on endeavor.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1418

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Methane Hydrate Research and Development Act of 1997".

SEC. 2. DEFINITIONS.

In this Act:

(1) CONTRACT.—The term "contract" means a procurement contract within the meaning of 6303 of title 31, United States Code.

(2) COOPERATIVE AGREEMENT.—The term "cooperative agreement" means a cooperative agreement within the meaning of section 6305 of title 31, United States Code.

(3) GRANT.—The term "grant" means a grant agreement within the meaning of section 6304 of title 31, United States Code.

(4) METHANE HYDRATE.—The term "methane hydrate" means a methane clathrate that—

(A) is in the form of a methane-water ice-like crystalline material; and

(B) is stable and occurs naturally in deep-ocean and permafrost areas.

(5) SECRETARY.—The term "Secretary" means the Secretary of Energy.

(6) SECRETARY OF DEFENSE.—The term "Secretary of Defense" means the Secretary of Defense, acting through the Secretary of the Navy.

(7) SECRETARY OF THE INTERIOR.—The term "Secretary of the Interior" means the Secretary of the Interior, acting through the Director of the United States Geological Survey.

SEC. 3. METHANE HYDRATE RESEARCH AND DEVELOPMENT PROGRAM.

(a) IN GENERAL.—

(1) COMMENCEMENT OF PROGRAM.—Not later than 180 days after the date of enactment of this Act, the Secretary, in consultation with the Secretary of Defense and the Secretary of the Interior, shall commence a program of methane hydrate research and development.

(2) DESIGNATIONS.—The Secretary, Secretary of Defense, and Secretary of the Interior shall designate individuals to implement this Act.

(3) MEETINGS.—The individuals designated under paragraph (2) shall meet not less frequently than every 120 days to review the progress of the program under paragraph (1) and make recommendations on future activities.

(b) GRANTS, CONTRACTS, AND COOPERATIVE AGREEMENTS.—

(1) ASSISTANCE AND COORDINATION.—The Secretary may award grants or contracts to, or enter into cooperative agreements with, universities and industrial enterprises to—

(A) conduct basic and applied research to identify, explore, assess, and develop methane hydrate as a source of energy;

(B) assist in developing technologies required for efficient and environmentally sound development of methane hydrate resources;

(C) undertake research programs to provide safe means of transport and storage of methane produced from methane hydrates;

(D) promote education and training in methane hydrate resources research and resource development;

(E) conduct basic and applied research to assess and mitigate the environmental impacts of hydrate degassing, both natural and that associated with commercial development; and

(F) develop technologies to reduce the risks of drilling through methane hydrates.

(2) CONSULTATION.—The Secretary may establish an advisory panel consisting of experts from industry, academia, and Federal agencies to advise the Secretary on potential applications of methane hydrate and assist in developing recommendations and priorities for the methane hydrate research and development program carried out under this section.

(c) LIMITATIONS.—

(1) ADMINISTRATIVE EXPENSES.—Not more than 5 percent of the amount made available to carry out this section for a fiscal year may be used by the Secretary for expenses associated with the administration of the program subsection (a)(1).

(2) CONSTRUCTION COSTS.—None of the funds made available to carry out this section may be used for the construction of a new building or the acquisition, expansion, remodeling, or alteration of an existing building (including site grading and improvement and architect fees.)

(d) RESPONSIBILITIES OF THE SECRETARY.—In carrying out subsection (b)(1), the Secretary shall—

(1) facilitate and develop partnerships among government, industry, and academia to research, identify, assess, and explore methane hydrate resources;

(2) undertake programs to develop basic information necessary for promoting long-term interest in methane hydrate resources as an energy source;

(3) ensure that the data and information developed through the program are accessible and widely disseminated as needed and appropriate;

(4) promote cooperation among agencies that are developing technologies that may hold promise for methane hydrate resource development; and

(5) report annually to Congress on accomplishments under this Act.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

[From the Science News, Vol. 150, Nov. 9, 1996]

The Mother Lode of Natural Gas

(By Richard McNastersky)

For kicks, oceanographer William P. Dillon likes to surprise visitors to his lab by taking ordinary-looking ice balls and setting them on fire.

"They're easy to light. You just put a match to them and they will go," says Dillon, a researcher with the U.S. Geological Survey (USGS) in Woods Hole, Mass.

If the truth be told, this is not typical ice. The prop in Dillon's show is a curious and poorly known structure called methane hydrate. Unlike ordinary water ice, methane hydrate consists of single molecules of natural gas trapped within crystalline cages formed by frozen water molecules. Although chemists first discovered gas hydrates in the early part of the 19th century, geoscientists have only recently started documenting their existence in underground deposits and exploring their importance as potential fuel.

Late last year a team of oceanographers conducted the most in-depth investigation of methane hydrates to date by drilling into an extensive accumulation beneath the seabed off the coast of the southeastern United States. The results of this research, which are now beginning to appear in the scientific literature, seem to bolster extremely sketchy estimates made years ago about the vastness of the hydrate resource.

"It turns out there is a tremendous amount of gas down there," says Charles Paull, a marine geologist at the University of North Carolina at Chapel Hill and a leader of the recent drilling expedition. "It shores up the fact that these are large reserves and makes it increasingly important that they get assessed in terms of whether they are energy-producing deposits or not."

At the same time, scientists wonder whether this resource also has a dark side. "There have been extremely rapid changes in climate in the past. Some think that these were caused by methane released from methane hydrate," says Dillon.

Despite their potential importance, methane hydrates have evaded scientific scrutiny until now, largely because they are extremely difficult to study. They exist only where high pressures and low temperatures squeeze water and methane into a solid form.

Most known deposits of methane hydrate lie below the seafloor in regions that slope from the continents to the deep ocean basins thousands of meters underwater. Marine geologists have tentatively identified deposits off the coasts of Costa Rica, New Jersey, Oregon, Japan, India, and hundreds of other sites around the globe. Petroleum companies have also encountered hydrates while drilling through Arctic permafrost in Siberia, Alaska, and Canada.

Like vampires, hydrates disintegrate quickly if pulled from their dark lair. When researchers on the recent drilling expedition hauled up cores of sediment from the ocean floor, the drastic reduction in pressure caused much of the hydrate to melt before it even reached the ship. Without unusual precautions, any remaining hydrate fizzed away when the scientists cut open the core.

"Gas hydrates have largely escaped traditional geologic observation because gas hydrates and humans are sort of incompatible. The gas hydrates decompose under the conditions [in which] people traditionally analyze cores. Conversely, humans have no experience in operating in the conditions where gas hydrates are stable. We die under the conditions of gas hydrate stability," says Paull.

Oceanographers first drilled through methane hydrates unintentionally, on an expedition in 1970. Although that encounter was uneventful, research drilling cruises purposely avoided suspected hydrate deposits for 2 decades afterward, fearing they might hit an overpressureized pocket of gas, which could blast away the drilling equipment. Concerns over pressurized gas gradually diminished, and mounting scientific curiosity emboldened researchers to try boring through more hydrate fields. Starting in 1992, the International Ocean Drilling Program (ODP) intentionally breached hydrate deposits several times without incident.

On the recent expedition, Paull and his colleagues drilled at three sites along the Blake Ridge, a large, submerged promontory 330 kilometers off the southeast coast of the United States. Working in water depths of 2,800 meters, the researchers penetrated 700 meters below the seafloor with a hollow drill bit that cuts away a core of sediment the diameter of a soda can.

The investigators had to take special precautions to prevent losing methane-hydrate during the 10 minutes it too to haul fresh sections of core up from the ocean bottom. At various depths, they sealed small bits of core in pressurized barrels, thereby containing the gas until the core reached shipboard laboratories. These samples provided the first direct measurements of how much methane-hydrate exists at different depths beneath the seafloor.

"The amount of hydrate down there is much higher than has previously been estimated says Paull. "It was not uncommon to go from 10 liters up to 30 liters of gas per liter of sediment."

The researchers also measured, for the first time, large amounts of free gas trapped beneath the frozen hydra-deposits. The volume of gas was far more than expected, exceeding even the amount within the frozen layer, says Paull.

Although the exact origin of hydrate remains unknown, Paull and others suspect that bacteria within the sediment consume rich organic material and generate methane gas. At a certain depth beneath the seafloor, the low temperatures and high pressures ensnare the gas within the frozen hydrate structures. Methane below the hydrate layer remains in gaseous form because the temperatures there are too high to support freezing.

Conventional deposits of methane, a natural gas, form through a different process, when seafloor sediments are buried far deeper. Exposed to much higher temperatures, the organic material the sediments simmers until it transforms into petroleum and eventually methane.

Nearly a decade ago, several researchers independently tried to estimate how much methane exists in hydrate deposits. Because of the scarcity of direct hyro-measurements at the time, the estimate rested on indirect seismic studies which probe the ocean bottom sediments with blasts of sound that reflect off hidden layers.

These studies suggested that global hydrate deposits contain approximately 10,000 gigatons, or 10 tons, of carbon. That number represents double the combined amount in all reserves of coal, oil, and conventional natural gas.

The newly emerging evidence, supports these rough approximations, says Gordon J. MacDonald, one of the scientists who made the calculations in the 1980s. "All these estimates are quite uncertain. But it remains abundantly clear that methane hydrates contain the largest store of carbon that we know about that is underground," says MacDonald, who now directs the International Institute for Applied Systems Analysis in Laxenburg, Austria.

In fact, hydrates may be more widespread than previously thought. The recent ODP expedition found hydrates in regions that lack the seismically reflective layers usually used to identify potential deposits, the team reports in the Sept. 27 Science.

"Given their worldwide distribution and their very large quantities, they make a very attractive energy source, provided that one can bring the gas up at somewhere near market price," MacDonald says. The cost of accessing hydrates has served as a barrier in the past, but some energy-hungry nations lacking conventional fossil fuels are extremely interested in future use of hydrates.

Japan plans to drill exploratory wells in the next few years, first on land in Alaska and then in Japanese waters. The Japanese National Oil Company is currently negotiating with the U.S. and Canadian governments to conduct experimental drilling of hydrate deposits near Prudhoe Bay, Alaska in early 1998. They hope to have more success than the nations and commercial companies that tried to extract frozen methane in Canada, Alaska and Siberia during the 1970s and 1980s.

In nature, methane hydrates are fickle molecules, liable to melt whenever the pressure drops slightly or the temperature creeps upward. Evidence of this instability pockmarks the ocean floor along the Blake Ridge. Marine geologists have identified numerous craters there that apparently formed when hydrates melted, releasing methane gas.

"The Blake Ridge is a pressure cooker, over geological time. The gas and fluids come up and blow thought the sediments. We can see depressions 500 to 700 meters wide and 20 to 30 meters deep," says Dillon.

In other cases, melting at the base of the hydrate layer has destabilized seafloor slopes, leading to massive submarine landslides. Researchers have suggested hydrate weakness as a factor behind landslides off Alaska, the U.S. Atlantic coast, British Columbia, Norway, and Africa, says Keith A. Kvenvolden of the USGS in Menlo Park, Calif.

Such inherent instability could spell problems for future drilling platforms resting on top of hydrate-rich deposits. If the collapses are large enough, they could also produce the destructive waves called tsunamis that race across ocean basins.

Hydrates may exert their greatest impact through their indirect links to climate. Because methane is a powerful greenhouse gas—about 10 times as strong as carbon dioxide—massive melting of hydrates and the ensuing release of methane gas could raise Earth's surface temperature.

James P. Kennett of the University of California, Santa Barbara has recently discovered intriguing evidence implicating methane hydrates as an instigator of climate change. Sediments off the California coast show signs that carbon isotopic ratios in the ocean shifted quite dramatically and quickly at several times during the last 70,000 years. Because methane has a distinctive isotopic fingerprint that matches the shifts, Kennett suggests that large volumes of methane must have poured into the ocean at these times.

In this theory, the methane came from hydrates that melted when ocean waters warmed slightly. The liberation of so much methane over a few decades would have caused widespread warming that affected the entire globe. As supporting evidence, Kennett notes that the ocean's isotopic shifts indeed coincide with well-known Dansgaard-Oeschger episodes when Earth's ice age climate went suddenly warm.

"Until now, [hydrates] haven't really entered into discussions of climate change. They have been almost completely ignored. Until the beginning of this year, I had not even considered them. But I'm now convinced that they are of great importance to the global environment and have been for billions of years," says Kennett. He presented his findings in September at a gas hydrate conference in Ghent, Belgium.

Kvenvolden has proposed a different mechanism that might have released hydrates at the end of the last ice age. As the great blanket of continental ice melted at that time, global sea levels swelled by more than 90 meters, submerging many Arctic regions where hydrate layers exist. The relatively warm ocean water would have melted the hydrates, unleashing tremendous amounts of methane into the atmosphere, Kvenvolden believes.

The same rationale could apply to the modern world. Sea levels are currently rising slowly, at a rate of a few centimeters per decade. Projections suggest that they will rise even faster in the future because of the climatic warming caused by greenhouse gas pollution. At the same time, ocean temperatures are expected to creep upward.

"If you reason that hydrates were important in climate change in the past, there is no reason they wouldn't be important in the future," says Kvenvolden. Indeed, some scientists speculate that melting methane hydrates could greatly exacerbate global warming.

For now, though, Kvenvolden and others remain unsure exactly what role hydrates have played in past climate changes. Lacking this knowledge, they say it is impossible to predict how hydrates will behave in the future.

A greater understanding of hydrates and their importance will come as oceanographers tap deposits in other areas of the world, testing whether the lessons learned on the Blake Ridge apply elsewhere. Scientists are also creating synthetic hydrates in the laboratory (SN:10/19/96, p. 252). By squeezing methane and water in a pressurized apparatus, Dillon and his colleagues can not only gauge how hydrates weaken seafloor sediments but also improve seismic methods for detecting hydrates.

When the experiments are over, the remaining synthetic hydrates could have other uses. "I hadn't really thought of it before, but you could try cooking with them" says Dillon, "I wouldn't want to plan a major meal, but you could probably scramble an egg on it."

By Mrs. FEINSTEIN (for herself and Mr. KYL):

S. 1420. A bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to provide for full reimbursement of States and localities for costs related to providing emergency medical treatment to individuals injured while entering the United States illegally; to the Committee on the Judiciary.

THE ILLEGAL ALIEN EMERGENCY MEDICAL SERVICES REIMBURSEMENT ACT OF 1997

Mrs. FEINSTEIN. Mr. President, I am offering legislation with Senator KYL as original cosponsor, a legislation which provides full reimbursement to state and local counties for costs incurred for emergency medical services and ambulatory services provided to undocumented aliens injured during a pursuit by border patrol or under the custody of federal, state, or local authorities.

This legislation: Authorizes full reimbursement for emergency medical costs, including ambulatory services for illegal aliens who are injured during illegal crossings at land and sea ports, or during a pursuit by border patrol, or while in custody of Federal, State, or local authorities;

Authorizes up to $18 million per year for the next 4 years from a separate account under the Attorney General to reimburse States and localities for emergency medical services provided to illegal aliens.

Requires the Attorney General to submit a written report to Senate and House Judiciary Committees on the policy and practice, including custody practice, of the border patrol by March 1, 1998.

Requires annual report by the Attorney General to Senate and House Judiciary and Appropriations Committees on the implementation of this bill.

INS reports show that in Fiscal Year 1996, 1.65 million illegal aliens were apprehended, of which 97 percent or 1.6 million apprehensions were made at the Southwest border. INS also reports that more than 300,000 illegal aliens come into the country every year and in Fiscal Year 1997, over 111,000 criminal and other illegal aliens were put through formal deportation proceedings.

With increased focus on apprehending illegal aliens at the 140-mile stretch of our Southwest border, recent reports also show increases in unreimbursed emergency medical service cost of illegal aliens to State and local county hospitals.

The California State auditor recently released a report which charged that San Diego alone incurred up to $8.1 million in unreimbursed charges in emergency medical service for illegal aliens between January 1996 and May 1997. The auditor estimates that San Diego hospitals incurred from $4.9 to $8.1 million in unreimbursed emergency medical services and ambulatory services for up to 1,074 illegal aliens during the 17-month period. The unreimbursed medical service costs include hospital care, costs incurred for paramedics and air transportations, physicians, surgeons, and laboratories. These uncompensated services, which hospitals and other emergency service providers are required to provide under California law, were provided to illegal aliens who were injured during illegal crossings at the border and while escaping border patrol pursuits.

The Sacramento Bee recently reported the following:

> Every time a Border patrol chase results in injuries, San Diego area hospitals provide 'free' care to those injured... (For instance), medical care for Fransciso Quintera—who was struck by a car while fleeing Border patrol agents—cost UCSD Medical Center over $1 million in uncompensated expenses. In one recent vehicle chase, a van loaded with illegal immigrants crashed while evading the Border Patrol, costing Scripps Hospital $200,000 and Mercy Hospital $100,000 in uncompensated care.

In the 1996 Immigration Act, Congress acknowledged the huge cost shift to state and local county hospitals in unreimbursed cost for emergency medical services provided to illegal aliens by authorizing full reimbursement for emergency Medicaid and ambulatory services.

However, the $25 million appropriated annually over the next 4 years under the Balanced Budget Act for emergency Medicaid for illegal aliens is insufficient to cover the full cost of emergency medical services for illegal aliens nationwide, where high immigrant States like California, Texas, New York, Florida, Illinois, New Jersey, Arizona and Massachusetts end up picking up the responsibility for caring for the injured illegal aliens.

In fact, for fiscal year 1998, there are no appropriations for reimbursement for emergency ambulatory services, as authorized by the 1996 Immigration Act. Instead, Congress only requires INS to perform a pilot project in Nogales, Arizona and report its findings to Congress.

Appropriating $25 million over the next 4 years and performing a pilot project in Nogales, Arizona is not enough to cover the millions of dollars high immigrant States like California incur every year in unreimbursed emergency medical and ambulatory costs for illegal aliens injured at the border or during a border patrol pursuit.

Mr. President, time has come for the Federal Government to take full responsibility for the cost associated with providing emergency medical services, including ambulatory services, for illegal aliens and lifting the fiscal burden on State and local counties.

Thank you and I urge all my colleagues to support this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1420

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT OF THE ILLEGAL IMMIGRATION REFORM AND IMMIGRANT RESPONSIBILITY ACT OF 1996.

Section 563 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 is amended to read as follows:

"SEC. 563. REIMBURSEMENT OF STATES AND LOCALITIES FOR EMERGENCY MEDICAL SERVICES.

"(a) Subject to the availability of appropriations, the Attorney General shall fully reimburse States and political subdivisions of States for their costs of providing medical services, including ambulatory services, related to an emergency medical condition of an individual who—

"(1) is injured while, or being pursued immediately after, crossing a land or sea border of the United States without inspection or at any time or place other than as designated by the Attorney General; and

"(2) is under the custody of the State or subdivision pursuant to a transfer, request, or other action by a Federal authority.

"(b) There is established in the general fund of the Treasury a separate account out of which the Attorney General shall provide reimbursement under this section.

"(c) Reimbursement under this section shall not be taken out of monies appropriated for the Immigration and Naturalization Service.

"(d) There are authorized to be appropriated for fiscal years 1998–2002 an amount not to exceed $18,000,000 annually for the purpose of carrying out this section.

"(e) The Attorney General shall report to the Judiciary and Appropriations Committees of the House of Representatives and the Senate annually on the implementation of this section.

"(f) By March 1, 1998, the Attorney General shall submit a written report to the Judiciary Committees of the House of Representatives and Senate on the policy and practice, including custody practice, of the United States Border Patrol with respect to injured aliens.

"(g) For purposes of this section, the term 'emergency medical condition' has the same meaning as that term has under section 562 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996.".

Mr. KENNEDY (for himself, Mr. COCHRAN, Mr. DURBIN, Mr. FAIRCLOTH, and Ms. MIKULSKI):

S. 1421. A bill to amend the Public Health Service Act to provide additional support for and to expand clinical research programs, and for other purposes; to the Committee on Labor and Human Resources.

THE CLINICAL RESEARCH ENHANCEMENT ACT OF 1997

Mr. KENNEDY. Mr. President, the promise of new biomedical research is boundless. As impressive as the progress of the past has been, it pales in comparison to future opportunities. We stand on the threshold of stunning advances in medicine. Supporting biomedical research is among the wisest possible investments we can make in our Nation's future.

Support for clinical research is central to biomedical research. Clinical research is essential for the advancement of scientific knowledge and the development of cures and improvement treatments of disease. Tremendous advances in basic biological research are opening doors to new insights into all aspects of medicine. As a result, there are extraordinary opportunities for cutting-edge clinical research to translate breakthroughs in the laboratory to the bedsides of patients.

Improvements in patient care and diagnosis and prevention of disease depend upon clinical research that brings basic research discoveries to the bedside. In addition, the results of clinical research are incorporated by industry and developed into new drugs, vaccines, and health care products. These developments strengthen the economy and create jobs.

Advances in biomedical research may also prove to be the most effective way to reduce the country's health care costs in the long run. As our Nation's demographics change and the baby boomers move toward retirement, financing Medicare has become an increasing concern. A Duke University study released earlier this year suggests that a small improvement in the disability rate of older Americans can bring large cost savings for Medicare. Investment in medical research will result in healthier older Americans and lower costs to Medicare.

Despite these clear benefits, clinical research is in crisis. The resources dedicated to such research, particularly at the NIH, have fallen to a level that places the United States at a serious international disadvantage.

Studies by the Institute of Medicine, the National Research Council, the National Academy of Sciences, and the National Institutes of Health have highlighted significant problems in the Nation's clinical research efforts. A 1994 report by the Institute of Medicine, for example, characterized the current level of training and support for health research professionals as "fragmented, frequently undervalued and potentially underfunded."

The legislation we are introducing today seeks to enhance support of clinical research by addressing the issues that have caused this crisis in clinical research.

First, it will implement the longstanding recommendations regarding the merit review process for clinical research proposals at NIH.

Second, it will provide greater support for general clinical research centers.

Third, it will create new opportunities to pursue clinical research. A Clinical Research Career Enhancement Award will enable a clinical researcher to pursue research projects with a mentor prior to independent pursuit of research. For more established researchers, the Innovative Medical Science Award will provide funds to apply basic scientific discoveries to medical treatment. Both awards will generate the protected time which is so valuable to physician-scientists.

Fourth, the bill provides support for individuals seeking advanced degrees in clinical investigation.

Fifth, it expands the Loan Repayment Program for clinical researchers to encourage the recruitment of new investigators.

A solid infrastructure is essential to any research program. In clinical research, that infrastructure is provided by the general clinical research centers at academic health centers throughout the country. Support for these centers was once largely provided by academic health centers. Today, academic health centers provide approximately $1 billion annually from clinical revenues to support clinical research. However, academic health centers are confronted with heavy competition from non-teaching institutions and are increasingly obligated to emphasize patient care over research to minimize costs. In the face of these changes, clinical researchers have become more dependent on NIH for infrastructure support.

In spite of the expanding need, NIH support for the general clinical research centers has barely kept up with inflation. The centers are consistently funded at 75 percent of the funding level recommended by the NIH's own Advisory Council. This level is not adequate for the backbone of the Nation's clinical research efforts. Clearly we need to do more.

The number of physicians choosing careers in clinical investigation is in serious decline. Between 1985 and 1997, the number of physicians increased by 34 percent, while the number of physicians pursuing research decreased by 37 percent. Fewer young physicians are choosing careers in research, and we need to reverse that decline.

Student debt is a major barrier to pursuing clinical research. Young physicians graduate from medical school with an average debt burden of $80,000. Limited financial opportunity in clinical research has caused many young physicians to choose more lucrative medical practice. NIH has acknowledged this problem and has established a loan repayment subsidy to encourage the recruitment of clinical researchers to NIH. Our legislation expands the current program.

Many of today's young clinical investigators are unfamiliar with research methodology. Dr. Harold Varmus, the Director of NIH, has articulated the need for individuals seeking careers in clinical research to have access to clinical research-specific training programs after they graduate from medical school. The NIH already supports a postgraduate training for those pursuing basic research. This legislation will support a comparable program for clinical investigators.

Clinical researchers at academic health centers are also increasingly urged to turn their attention away from research to generate greater revenues. This loss of protected time has a significant adverse impact on their ability to compete for NIH research grants. This problem is particularly difficult for young researchers still seeking mentored research experience during the early years of clinical investigation. The NIH currently has awards to provide mentored career development experiences for basic scientists. Our legislation creates career development awards to help meet this need.

Less than a third of all NIH grantees are physicians. Only a fraction of them receive awards for clinical investigation. The funding gap for clinical research is most severe in the earliest phases of clinical investigation, where basic scientific discoveries are tested on a small scale in studies involving few patients. Industry will not support such research in non-product-oriented studies and often regard such efforts as too speculative. The medical science awards in our bill will ensure funding for these important research initiatives.

The need for reform of the peer review system has been documented by studies by the Institute of Medicine and an outside review committee of the NIH Division of Research Grants, which is responsible for the peer review process. So far, their recommendations have not been implemented, and the bias against clinical research persists. Our legislation will implement these recommendations and provide effective evaluation of clinical research proposals.

The funds authorized by our legislation to support clinical research do not target specific diseases. The funds would go to peer-reviewed proposals to translate basic scientific discoveries into treatment and prevention of disease. Without such legislation, clinical research will continue to decline to a point where advances in medicine will no longer come from this country but from abroad.

Mr. President, our bill is supported by more than a hundred and forty biomedical associations and organizations. I would like to thank the American Federation for Medical Research for their efforts to support this legislation and ask unanimous consent that the list of supporters, the letters of support and a copy of the bill be included in the RECORD.

I look forward to working with my colleagues as we move this important legislation through Congress.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1421

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Clinical Research Enhancement Act of 1997".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress makes the following findings:

(1) Clinical research is critical to the advancement of scientific knowledge and to the development of cures and improved treatment for disease.

(2) Tremendous advances in biology are opening doors to new insights into human physiology, pathophysiology and disease, creating extraordinary opportunities for clinical research.

(3) Clinical research includes translational research which is an integral part of the research process leading to general human applications. It is the bridge between the laboratory and new methods of diagnosis, treatment, and prevention and is thus essential to progress against cancer and other diseases.

(4) The United States will spend more than $1 trillion on health care in 1997, but the Federal budget for health research at the National Institutes of Health was $12.7 billion, only 1 percent of that total.

(5) Studies at the Institute of Medicine, the National Research Council, and the National Academy of Sciences have all addressed the current problems in clinical research.

(6) The Director of the National Institutes of Health has recognized the current problems in clinical research and has through the use of an advisory committee begun to evaluate these problems.

(7) The current level of training and support for health professionals in clinical research is fragmented, frequently undervalued, and potentially underfunded.

(8) Young investigators are not only apprentices for future positions but a crucial source of energy, enthusiasm, and ideas in the day-to-day research that constitutes the scientific enterprise. Serious questions about the future of life-science research are raised by the following:

(A) The number of young investigators applying for grants dropped by 54 percent between 1985 and 1993.

(B) The number of federally funded research (R01) grants awarded to persons under the age of 36 have decreased by 70 percent from 1985 to 1993.

(C) Newly independent life-scientists are expected to raise funds to support their new research programs and a substantial proportion of their own salaries.

(9) The following have been cited as reasons for the decline in the number of active clinical researchers, and those choosing this career path:

(A) A medical school graduate incurs an average debt of $80,000, as reported in the Medical School Graduation Questionnaire by the American Association of Medical Colleges (AAMC).

(B) The prolonged period of clinical training required increases the accumulated debt burden.

(C) The decreasing number of mentors and role models.

(D) The perceived instability of funding from the National Institutes of Health and other Federal agencies.

(E) The almost complete absence of clinical research training in the curriculum of training grant awardees.

(F) Academic Medical Centers are experiencing difficulties in maintaining a proper environment for research in a highly competitive health care marketplace, which are compounded by the decreased willingness of third party payers to cover health care costs for patients engaged in research studies and research procedures.

(10) In 1960, general clinical research centers were established under the Office of the Director of the National Institutes of Health with an initial appropriation of $3,000,000.

(11) Appropriations for general clinical research centers in fiscal year 1997 equaled $153,000,000.

(12) In fiscal year 1997, there were 74 general clinical research centers in operation, supplying patients in the areas in which such centers operate with access to the most modern clinical research and clinical research facilities and technologies.

(13) The average annual amount allocated for each general clinical research center is $1,900,000, establishing a current funding level of 75 percent of the amounts approved by the Advisory Council of the National Center for Research Resources.

(b) PURPOSE.—It is the purpose of this Act to provide additional support for and to expand clinical research programs.

SEC. 3. INCREASING THE INVOLVEMENT OF THE NATIONAL INSTITUTES OF HEALTH IN CLINICAL RESEARCH.

Section 402 of the Public Health Service Act (42 U.S.C. 282) is amended by adding at the end the following:

"(l)(1) The Director of NIH shall undertake activities to support and expand the involvement of the National Institutes of Health in clinical research.

"(2) In carrying out paragraph (1), the Director of NIH shall—

"(A) design test pilot projects and implement the recommendations of the Division of Research Grants Clinical Research Study Group and other recommendations for enhancing clinical research, where applicable; and

"(B) establish an intramural clinical research fellowship program and a continuing education clinical research training program at NIH.

"(3) The Director of NIH, in cooperation with the Directors of the Institutes, Centers, and Divisions of the National Institutes of Health, shall support and expand the resources available for the diverse needs of the clinical research community, including inpatient, outpatient, and critical care clinical research.

"(4) The Director of NIH shall establish peer review mechanisms to evaluate applications for—

"(A) clinical research career enhancement awards;

"(B) innovative medical science awards;

"(C) graduate training in clinical investigation awards;

"(D) intramural clinical research fellowships.

Such review mechanisms shall include individuals who are exceptionally qualified to appraise the merits of potential clinical research training and research grant proposals.".

SEC. 4. GENERAL CLINICAL RESEARCH CENTERS.

Part B of title IV of the Public Health Service Act (42 U.S.C. 284 et seq.) is further amended by adding at the end the following:

"SEC. 409B. GENERAL CLINICAL RESEARCH CENTERS.

"(a) GRANTS.—The Director of the National Center for Research Resources shall award grants for the establishment of general clinical research centers to provide the infrastructure for clinical research including clinical research training and career enhancement. Such centers shall support clinical studies and career development in all settings of the hospital or academic medical center involved.

"(b) ACTIVITIES.—In carrying out subsection (a), the Director of NIH shall expand the activities of the general clinical research centers through the increased use of telecommunications and telemedicine initiatives.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, such sums as may be necessary.

"SEC. 409C. ENHANCEMENT AWARDS.

"(a) CLINICAL RESEARCH CAREER ENHANCEMENT AWARD.—

"(1) IN GENERAL.—The Director of the National Center for Research Resources shall make grants (to be referred to as 'clinical research career enhancement awards') to support individual careers in clinical research at general clinical research centers or at other institutions that have the infrastructure and resources deemed appropriate for conducting patient-oriented clinical research. The Director of the National Center for Research Resources shall, where practicable, collaborate or consult with other Institute Directors in making awards under this subsection.

"(2) APPLICATIONS.—An application for a grant under this subsection shall be submitted by an individual scientist at such time as the Director may require.

"(3) LIMITATIONS.—The amount of a grant under this subsection shall not exceed $125,000 per year per grant. Grants shall be for terms of 5 years. The Director shall award not more than 20 grants in the first fiscal year, and not more than 40 grants in the second fiscal year, in which grants are awarded under this subsection.

"(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to make grants under paragraph (1), $3,000,000 for fiscal year 1998, and such sums as may be necessary for each subsequent fiscal year.

"(b) INNOVATIVE MEDICAL SCIENCE AWARD.—

"(1) IN GENERAL.—The Director of the National Center for Research Resources shall make grants (to be referred to as 'innovative medical science awards') to support individual clinical research projects at general clinical research centers or at other institutions that have the infrastructure and resources deemed appropriate for conducting patient-oriented clinical research. The Director of the National Center for Research Resources shall, where practicable, collaborate or consult with other Institute Directors in making awards under this subsection.

"(2) APPLICATIONS.—An application for a grant under this subsection shall be submitted by an individual scientist at such time as the Director requires.

"(3) LIMITATIONS.—The amount of a grant under this subsection shall not exceed $175,000 per year per grant.

"(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to make grants under this subsection, $52,500,000 for fiscal year 1998, and such sums as may be necessary for each subsequent fiscal year.

"(c) GRADUATE TRAINING IN CLINICAL INVESTIGATION AWARD.—

"(1) IN GENERAL.—The Director of the National Center for Research Resources shall make grants (to be referred to as 'graduate training in clinical investigation awards') to support individuals pursuing master's or doctoral degrees in clinical investigation.

"(2) APPLICATIONS.—An application for a grant under this subsection shall be submitted by an individual scientist at such time as the Director may require.

"(3) LIMITATIONS.—The amount of a grant under this subsection shall not exceed $75,000 per year per grant. Grants shall be for terms of 2 years or more and will provide stipend, tuition, and institutional support for individual advanced degree programs in clinical investigation.

"(4) DEFINITION.—As used in this subsection, the term 'advanced degree programs in clinical investigation' means programs that award a master's or Ph.D. degree after 2 or more years of training in areas such as the following:

"(A) Analytical methods, biostatistics, and study design.

"(B) Principles of clinical pharmacology and pharmacokinetics.

"(C) Clinical epidemiology.

"(D) Computer data management and medical informatics.

"(E) Ethical and regulatory issues.

"(F) Biomedical writing.

"(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to make grants under this subsection, $3,000,000 for fiscal year 1998, and such sums as may be necessary for each subsequent fiscal year.".

SEC. 5. CLINICAL RESEARCH ASSISTANCE.

(a) NATIONAL RESEARCH SERVICE AWARDS.—Section 487(a)(1)(C) of the Public Health Service Act (42 U.S.C. 288(a)(1)(C)) is amended by striking "50 such" and inserting "100 such".

(b) LOAN REPAYMENT PROGRAM.—Section 487E of the Public Health Service Act (42 U.S.C. 288-5) is amended—

(1) in the section heading, by striking "FROM DISADVANTAGED BACKGROUNDS";

(2) in subsection (a)(1)—

(A) by striking "who are from disadvantaged backgrounds"; and

(B) by striking "as employees of the National Institutes of Health" and inserting "as part of a clinical research training position";

(3) in subsection (a), by striking paragraph (3) and inserting the following:

"(3) APPLICABILITY OF CERTAIN PROVISIONS REGARDING OBLIGATED SERVICE.—With respect to the National Health Service Corps Loan Repayment Program established under subpart III of part D of title III, the provisions of such subpart shall, except as inconsistent with this section, apply to the program established in this section in the same manner and to the same extent as such provisions apply to such loan repayment program.";

(4) in subsection (b)—

(A) by striking "Amounts" and inserting the following:

"(1) IN GENERAL.—Amounts"; and

(B) by adding at the end the following:

"(2) DISADVANTAGED BACKGROUNDS SET-ASIDE.—In carrying out this section, the Secretary shall ensure that not less than 50 percent of the contracts involve those appropriately qualified health professionals who are from disadvantaged backgrounds."; and

(5) by adding at the end the following:

"(c) DEFINITION.—As used in subsection (a)(1), the term 'clinical research training position' means an individual serving in a general clinical research center or in clinical research at the National Institutes of Health, or a physician receiving a clinical research career enhancement award, an innovative medical science award, or a graduate training in clinical investigation award.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section such sums as may be necessary for each fiscal year.".

SEC. 6. DEFINITION.

Section 409 of the Public Health Service Act (42 U.S.C. 284d) is amended—

(1) by striking "For purposes" and inserting "(a) HEALTH SERVICE RESEARCH.—For purposes"; and

(2) by adding at the end the following:

"(b) CLINICAL RESEARCH.—As used in this title, the term 'clinical research' means patient oriented clinical research conducted with human subjects, or research on the causes and consequences of disease in human populations involving material of human origin (such as tissue specimens and cognitive phenomena) for which an investigator or colleague directly interacts with human subjects in an outpatient or inpatient setting to clarify a problem in human physiology, pathophysiology, or disease; or epidemiologic or behavioral studies, outcomes research, or health services research, or developing new technologies or therapeutic interventions.".

SUPPORTERS OF CLINICAL RESEARCH ENHANCEMENT ACT

Alliance for Aging Research
Alzheimer's Association
Ambulatory Pediatric Association
American Academy of Child and Adolescent Psychiatry
American Academy of Dermatology
American Academy of Neurology
American Academy of Optometry
American Academy of Ophthalmology

American Academy of Otolaryngology-Head and Neck Surgery
American Academy of Physical Medicine and Rehabilitation
American Association for Cancer Research
American Association for the Surgery of Trauma
American Association of Anatomists
American Association of Colleges of Nursing
American Association of Neurological Surgeons
American Cancer Society
American Celiac Society—Dietary Support Coalition
American College of Chest Physicians
American College of Clinical Pharmacology
American College of Medical Genetics
American College of Neuropsychopharmacology
American Diabetes Association
American Federation for Medical Research
American Gastroenterological Association
American Geriatrics Society
American Heart Association
American Kidney Fund
American Liver Foundation
American Lung Association
American Neurological Association
American Optometric Association
American Pediatric Society
American Psychiatric Association
American Skin Association
American Society for Bone and Mineral Research
American Society for Clinical Nutrition
American Society for Clinical Pharmacology and Therapeutics
American Society for Reproductive Medicine
American Society of Addiction Medicine
American Society of Adults with Pseudo-Obstruction, Inc.
American Society of Clinical Nutrition
American Society of Hematology
American Society of Nephrology
American Thoracic Society
American Urological Association
Americans for Medical Progress
Arthritis Foundation
Association for Medical School Pharmacology
Association for Research in Vision and Ophthalmology
Association of Academic Health Centers
Association of Academic Physiatrists
Association of American Cancer Institutes
Association of American Medical Colleges
Association of American Veterinary Medical Colleges
Association of Behavorial Sciences and Medical Education
Association of Departments of Family Medicine
Association of Medical and Graduate Departments of Biochemistry
Association of Medical School Pediatric Department Chairmen
Association of Pathology Chairs
Association of Professors of Dermatology
Association of Professors of Medicine
Association of Program Directors in Internal Medicine
Association of Schools and Colleges of Optometry
Association of Schools of Public Health
Association of Subspecialty Professors
Association of University Radiologists
American Urogynecologic Society
Center for Ulcer Research and Education Foundation
Citizens for Public Action
Cooley's Anemia Foundation
Crohn's and Colitis Foundation of America
Cystic Fibrosis Foundation
Dean Thiel Foundation
Digestive Disease National Coalition
East Carolina University School of Medicine
Ehlers-Danlos National Foundation
Ermory University School of Medicine
The Endocrine Society
Epilepsy Foundation of America
Foundation for Ichthyosis and Related Skin Types
Gay Men's Health Crisis
General Clinical Research Center Program Directors' Association
Gluten Intolerance Group
Hemochromatosis Research Foundation
Hepatitis Foundation International
Inova Institute of Research and Education
Institute for Asthma and Allergy
International Foundation for Functional Gastrointestinal Disorders
Jeffrey Modell Foundation
Joint Council of Allergy, Asthma and Immunology
Juvenile Diabetes Foundation International
Lawson Wilkins Pediatric Endocrine Society
Lupus Foundation of America, Inc.
Medical Dermatology Society
Mount Sinai Medical Center
National Caucus of Basic Biomedical Science Chairs
National Committee to Preserve Social Security and Medicare
National Health Council
National Marfan Foundation
National Multiple Sclerosis Society
National Organization for Rare Disorders
National Osteoporosis Foundation
National Perinatal Association
National Tuberous Sclerosis Association
National Vitiligo Foundation, Inc.
National Vulvodynia Association
North America Society of Pacing and Electrophysiology
Oley Foundation for Home Parenteral and Enteral Nutrition
The Orton Dyslexia Society
Osteogenesis Imperfecta Foundation
PXE International
RESOLVE
Schepens Eye Research Institute
Scleroderma Research Foundation
Society for Academic Emergency Medicine
Society for the Advancement of Women's Health Research
Society for Inherited Metabolic Disorders
Society for Investigative Dermatology
Society for Pediatric Research
Society of Gastroenterology Nurses and Associates, Inc.
Society of Gynecologic Oncologists
Society of Medical College Directors of Continuing Medical Education
Soviety of University Urologists
St. Jude Children's Research Hospital
Tourette Syndrome Association, Inc.
United Ostomy Association
United Scleroderma Foundation
University of Rochester School of Medicine and Dentistry
Wound, Ostomy and Continence Nurses Society
Yale University School of Medicine.

AMERICAN FEDERATION
FOR MEDICAL RESEARCH,
November 7, 1997.

Hon. THAD COCHRAN,
Hon. Edward Kennedy,
U.S. Senate, Washington, DC.

DEAR SENATORS COCHRAN AND KENNEDY: I write to express the strong support of the American Federation for Medical Research for the legislation you will introduce to enhance clinical research programs at the National Institutes of Health. The AFMR is a national organization of 6,000 physician scientists engaged in basic, clinical, and health services research. Most of our members receive NIH support for their basic research but are finding it increasingly difficult to obtain public or private funding for translational or clinical research—studies through which basic science discoveries are translated to the care of patients. In the past, academic medical centers provided institutional support for this research through revenues generated by patient care activities. However, as the health care marketplace has become increasingly competitive, academic centers have all but eliminated internal subsidizes clinical research or the training of clinical investigators. In fact, the Association of American Medical Colleges has estimated that these institutions have lost approximately $800 million in annual "purchasing power" for research and research training within their institutions. In this context, the $60 million in spending entailed in your legislation (representing less than one-half of one percent of the NIH budget) would seem an extremely modest investment in a much-needed program to reinvigorate our nation's clinical research capabilities.

The Clinical Research Enhancement Act is a conservative approach to a severe problem. The Institute of Medicine (IOM) expressed alarm about the challenges confronting clinical research in a 1994 report, and your bill is based on the initiatives recommended by the IOM:

The IOM recommended that the General Clinical Research Centers program be strengthened. Your bill would codify this program, which has existed since the late 1950's, so that the Congress will have greater discretion over GCRC funding.

The IOM recommended enhanced career development in clinical investigation, and your bill proposes such awards.

The IOM noted problems with the NIH peer review of clinical research. Your bill directs the NIH to improve the peer review process for such research and establishes "innovative science awards" that will be reviewed by scientists knowledgeable in clinical investigation.

The IOM recommended programs to relieve the tuition debt of physicians pursuing clinical research careers. Your bill would expand an existing NIH intramural program for this purpose to the extramural community.

The IOM recommended structured, didactic training in clinical investigation. Your bill authorizes funding for advanced degree (master's and Ph.D.) training in clinical research as successfully initiated at several institutions around the country.

The list of almost 150 organizations that support the Clinical Research Enhancement Act indicates the consensus of scientific, medical, consumer, and patient organizations that steps must be taken as soon as possible to stop the deterioration of the U.S. clinical research capacity, to reinvigorate the clinical research programs of academic medical centers, and to assure that the American people and the American economy benefit from the translation of basic science breakthroughs to improved clinical care and new medical products. The American Federation for Medical Research is pleased to have the opportunity to express its strong support for your legislation.

Sincerely,

JEFFREY KERN, MD.,
President.

As a coalition of organizations concerned about improving the quality of health care, the National Health Council strongly supports the Clinical Research Enhancement Act. As you know, it has been more than three years since the Institute of Medicine (IOM) documented the major challenges confronting clinical research in our country. Your bill would implement a number of the IOM recommendations for addressing these problems. It is critically important that the NIH move forward as rapidly as possible with these initiatives.

The NIH is the major funding source in the United States for basic biomedical research. However, the major dividends from this investment are discoveries that improve our ability to prevent, effectively treat, and cure disease and disability. The NIH must foster not only the basic research that begins this process but also the translational research through which a basic science discovery is applied to a medical problem. There is generous industry support for clinical research and clinical trials aimed at the development of new products. However, private funding is extremely limited for initial translational research that may have little or no commercial product potential. Examples of such research include studies of nutritional therapies, new approaches to disease prevention, transplantation techniques, behavioral interventions, and studies of off-label uses of approved drugs. In the past, such research was often subsidized from patient care revenues to academic medical centers. However, competition in the health care marketplace has begun to erode this source of funding; therefore, NIH must play an expanded role in providing support for this research. The Clinical Research Enhancement Act would foster NIH funding opportunities for this type of research through the establishment of "innovative medical science awards." Such studies will focus on translating basic research discoveries into tools that health care professionals can use to cure disease and relieve suffering.

In addition, we support provisions of the bill that would foster opportunities for physicians to pursue careers in clinical research. There is ample evidence that American physicians are opting out of careers in science for a variety of reasons. Steps must be taken to rebuild our nation's supply of well-trained physician scientists if the United States is to continue its leadership of the world in medical science.

Finally, the bill would direct the NIH to improve the peer review of patient-oriented research. Studies have documented the fact that clinical research proposals are at a disadvantage when reviewed by NIH study sections because of NIH's primary focus on basic biomedical research. This must be changed, as proposed in your bill, so that scientific opportunities to improve medical care are not lost.

The undersigned organizations are extremely grateful for your leadership in addressing the problems confronting clinical research. We support your initiative to assure that the NIH invests in the translational research that holds the key for patients around the country who are waiting for a cure. We are pleased to endorse the clinical Research Enhancement Act.

Alzheimer's Association
American Autoimmune Related Diseases Association
American Diabetes Association
American Kidney Fund
American Paralysis Association
Digestive Diseases National Coalition
Epilepsy Foundation of America
Foundation Fighting Blindness
Juvenile Diabetes Foundation International
Glaucoma Research Foundation
Myasthenia Gravis Foundation
National Alopecia Areata Foundation
National Multiple Sclerosis Society
National Osteoporosis Foundation
National Tuberous Sclerosis Association
Paget Foundation
Sjogren's Syndrome Foundation
Tourette Syndrome Association.

By Mr. McCAIN (for himself, Mr. BURNS, Mr. CONRAD, and Mr. DORGAN):

S. 1422. A bill to amend the Communications Act of 1934 to promote competition in the market for delivery of multichannel video programming and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE FEDERAL COMMUNICATIONS COMMISSION SATELLITE CARRIER OVERSIGHT ACT

Mr. McCAIN. Madam President, today I am introducing the Federal Communications Commission Satellite Carrier Oversight Act. This bill will do a number of things to promote competition in the multichannel video marketplace. I wish to thank Senator BURNS for his support on this bill.

Congress has had a longstanding interest in promoting competition in the multichannel video marketplace so as to enable consumers to have a choice of video providers at competitive rates. However, a recent regulatory action threatens the ability of direct-to-home [DTH] satellite television operators to compete effectively with cable operators.

On October 27, 1997, the Librarian of Congress adopted a Copyright Arbitration Royalty Panel's recommendation of a precipitous and wholly unjustified increase in the copyright fees satellite carriers pay for superstation and network affiliate signals delivered to satellite TV households. This action will result in a rate increase for satellite television subscribers and have a detrimental effect on the ability of DTH operators to compete with cable.

This bill will ensure that this rate increase does not take effect as scheduled on January 1, 1998. It delays the effective date of the rate increase to January 1, 1999. The 7.5 million U.S. households who currently subscribe to satellite television deserve to have Congress examine the effect of this copyright fee increase on video competition and to consider changes to the law that would ensure a less arbitrary and more consumer friendly result. This delay will give the FCC an opportunity to determine what impact the increased copyright fees will have on satellite's ability to compete with cable, and it will give Congress an opportunity to evaluate the FCC's report and respond accordingly.

The current satellite copyright rates are 14 cents per subscriber per month for each superstation signal and 6 cents per subscriber per month for each network signal. Cable operators currently pay an average of 9.7 cents for the exact same superstations and 2.7 cents for the exact same network signals. At the 27-cent rate adopted by the Librarian, satellite carriers will be paying almost 270 percent more than cable for the exact same superstations and 900 percent more for the exact same network signals.

This creates an enormous disparity in the copyright fees paid for the same signals and will result in rate increases to satellite subscribers, which in turn will have a negative impact on competition between cable and satellite. Such a result is directly contrary to the intent of Congress to give consumers a choice of video providers at competitive rates.

The bill also addresses an issue of continuing concern to the DTH industry. Signal theft represents a serious threat to DTH operators. In the Telecommunications Act of 1996, Congress confirmed the applicability of penalties for unauthorized decryption of DTH satellite services. The amendment we propose would confirm the judicial interpretation that civil suits may be brought by DTH operators for signal theft.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1422

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Communications Commission Satellite Carrier Oversight Act".

SEC. 2. FINDINGS.

(a) The Congress finds that:

(1) Signal theft represents a serious threat to direct-to-home satellite television. In the Telecommunications Act of 1996, Congress confirmed the applicability of penalties for unauthorized decryption of direct-to-home satellite services. Nevertheless, concerns remain about civil liability for such unauthorized decryption.

(2) In view of the desire to establish competition to the cable television industry, Congress authorized consumers to utilize direct-to-home satellite systems for viewing video programming through the Cable Communications Policy Act of 1984.

(3) Congress found in the Cable Television Consumer Protection and Competition Act of 1992 that without the presence of another multichannel video programming distributor, a cable television operator faces no local competition and that the result is undue market power for the cable operator as compared to that of consumers and other video programmers.

(4) The Federal Communications Commission, under the Cable Television Consumer Protection and Competition Act of 1992, has the responsibility for reporting annually to the Congress on the state of competition in

the market for delivery of multichannel video programming.

(5) In the Cable Television Consumer Protection and Competition Act of 1992, Congress stated its policy of promoting the availability to the public of a diversity of views and information through cable television and other video distribution media.

(6) Direct-to-home satellite television service is the fastest growing multichannel video programming service with approximately 8 million households subscribing to video programming delivered by satellite carriers.

(7) Direct-to-home satellite television service is the service that most likely can provide effective competition to cable television service.

(8) Through the compulsory copyright license created by Section 119 of the Satellite Home Viewer Act of 1988, satellite carriers have paid a royalty fee per subscriber, per month to retransmit network and superstation signals by satellite to subscribers for private home viewing.

(9) Congress set the 1988 fees to equal the average fees paid by cable television operators for the same superstation and network signals.

(10) Effective May 1, 1992, the royalty fees payable by satellite carriers were increased through compulsory arbitration to $0.06 per subscriber per month for retransmission of network signals and $0.175 per subscriber per month for retransmission of superstation signals, unless all of the programming contained in the superstation signal is free from syndicated exclusivity protection under the rules of the Federal Communications Commission, in which case the fee was decreased to $0.14 per subscriber per month. These fees were 40–70 percent higher than the royalty fees paid by cable television operators to retransmit the same signals.

(11) On October 27, 1997, the Librarian of Congress adopted the recommendation of the Copyright Arbitration Royalty Panel and approved raising the royalty fees of satellite carriers to $0.27 per subscriber per month for both superstation and network signals, effective January 1, 1998.

(12) The fees adopted by the Librarian are 270 percent higher for superstations and 900 percent higher for network signals than the royalty fees paid by cable television operators for the exact same signals.

(13) To be an effective competitor to cable, direct-to-home satellite television must have access to the same programming carried by its competitors and at comparable rates. In addition, consumers living in areas where over-the-air network signals are not available rely upon satellite carriers for access to important news and entertainment.

(14) The Copyright Arbitration Royalty Panel did not adequately consider the adverse competitive effect of the differential in satellite and cable royalty fees on promoting competition among multichannel video programming providers and the importance of evaluating the fees satellite carriers pay in the context of the competitive nature of the multichannel video programming marketplace.

(15) If the recommendation of the Copyright Arbitration Royalty Panel is allowed to stand, the direct-to-home satellite industry, whose total subscriber base is equivalent in size to approximately 11 percent of all cable households, will be paying royalties that equal half the size of the cable royalty pool, thus giving satellite subscribers a disproportionate burden for paying copyright royalties when compared to cable television subscribers.

SEC. 3. DBS SIGNAL SECURITY.

(a) Section 605(d) of the Communications Act of 1934 (47 U.S.C. 605) is amended by adding after "satellite cable programming," the following: "or direct-to-home satellite services,".

SEC. 4. PROCEEDING ON RETRANSMISSION OF DISTANT BROADCAST SIGNALS; REPORT ON EFFECT OF INCREASED ROYALTY FEES FOR SATELLITE CARRIERS ON COMPETITION IN THE MARKET FOR DELIVERY OF MULTICHANNEL VIDEO PROGRAMMING.

(a) Section 628 of the Communications Act of 1934 (47 U.S.C. 548) is amended—

(1) by adding at the end of subsection (g): "The Commission shall, within 180 days of enactment of this amendment initiate a notice of inquiry to determine the best way in which to facilitate the retransmission of distant broadcast signals such that it is more consistent with the 1992 Cable Act's goal of promoting competition in the market for delivery of multichannel video programming and the public interest. The Commission also shall within 180 days of enactment report to Congress on the effect of the increase in royalty fees paid by satellite carriers pursuant to the decision by the Librarian of Congress on competition in the market for delivery of multichannel video programming and the ability of the direct-to-home satellite industry to compete."

SEC. 5. EFFECTIVE DATE OF INCREASED ROYALTY FEES.

(a) Notwithstanding any other provision of law, the Copyright Office shall be prohibited from implementing, enforcing, collecting or awarding copyright royalty fees, and no obligation or liability for copyright royalty fees shall accrue pursuant to the decision of the Librarian of Congress on October 27, 1997, which established a royalty fee of $0.27 per subscriber per month for the retransmission of distant broadcast signals by satellite carriers, before January 1, 1999.

By Mr. HAGEL (for himself, Mr. BENNETT, Mr. KERREY, and Mr. GRAMS):

S. 1423. A bill to modernize and improve the Federal Home Loan Bank System; to the Committee on Banking, Housing, and Urban Affairs.

THE FEDERAL HOME LOAN BANK SYSTEM MODERNIZATION ACT

Mr. HAGEL. Mr. President, I rise today to introduce the Federal Home Loan Bank System Modernization Act of 1997. I am joined in this effort by my distinguished colleagues Senators BENNETT, GRAMS, and KERREY.

This legislation represents months of work in crafting a bill that has bipartisan support. The process has been open, and we have included all the affected parties: The Federal Home Loan Banks themselves, the Federal Housing Finance Board, and the banking industry. This process has allowed us to craft legislation that represents, above all, sound banking policy.

This bill will help community banks and the consumers who rely on them. Take, for example, the case of Commercial State Bank in Wausa, NE. Commercial has served northeast Nebraska as an agricultural and business lender for more than 70 years.

Now, with a growing economy in the region, the bank is growing as well. In the small community of 600 people, deposits cannot keep pace with the growing demand for loans—and that means the bank's liquidity is declining. With less liquidity, there just isn't as much money available for lending as the community demands.

This bill would help banks like Commercial and communities like Wausa. As Doug Johnson, president of Commercial State Bank, wrote to me about this legislation:

> If banks like the Commercial State Bank were able to access the Federal Home Loan Bank, our customers would be better able to be serviced with a consistent and competitive source of funding. Denying credit to qualified borrowers is not productive for Nebraska or the Midwest. Unfortunately, those borrowers may miss the opportunities available to them at this time to improve their economic prosperity.

Mr. President, that is what this bill is all about—helping small communities to better secure their economic futures.

The Federal Home Loan Bank system was established in 1932, primarily to provide a source of credit to savings and loan institutions for home lending. Now, a majority of the members in the FHLB system are commercial banks. We should update this system to recognize this change in its membership.

Not since 1989 has significant Federal Home Loan Bank legislation become law. The system is working well, but I believe Congress can make it better. It's time for Congress to act.

This legislation has four main components:

First, it recognizes the importance of the FHLB system to community banks. Many smaller institutions are dependent on deposits to fund lending in their local communities. Because of competition from nonbank competitors, those deposits are shrinking. That is going to mean less community lending—which will hurt the economies of these small communities. A recent article in American Banker newspaper titled "Small Banks Face Crisis as Deposits Drain Away" highlighted this problem, and I ask that this article be printed in the RECORD at the conclusion of my remarks.

Our legislation would ease membership requirements for smaller community banks and thrifts that are vital sources of credit in their local communities. It would allow the FHLB System to be more easily accessed as an important source of liquidity for community lenders. These institutions would be permitted to post different types of collateral for various kinds of lending. This critical change will facilitate more small business, rural development, agricultural, and low-income community development lending in rural and urban communities.

The second main component of this bill is an issue of basic fairness. Federally chartered savings associations, or thrifts as they are called today, are required to be members of the Federal

Home Loan Bank System. Commercial banks, on the other hand, are voluntary members. This disparity is unfair.

Our legislation allows federally chartered thrifts to become voluntary members. This is important to these institutions, which are large stockholders in the Federal Home Loan Bank System. It is critical that all member financial institutions have the ability to choose whether Federal Home Loan Bank membership is appropriate or not. As a result of this action, we also equalize stock purchase requirements for all member institutions. We do this in a way that maintains and enhances the safety and soundness of the FHLB system.

The third component of this legislation fixes an imbalance in the system's annual REFCORP obligation. Currently, the 12 FHLBanks must collectively pay a fixed $300 million obligation to service the REFCORP bonds that were issued to help pay for the S&L bailout. This fixed obligation has driven the banks to increase their levels of non-mission-related investments.

Under our legislation each FHLBank would be required to pay 20.75 percent of its earnings to service the REFCORP debt. Freeing the FHLBanks of the obligation to generate a specific dollar figure would allow them to concentrate on their primary mission of housing finance and community lending. This change was scored by the Congressional Budget Office as increasing Federal revenues by $44 million over the next 5 years. In other words, this change would allow a $44 million reduction in taxpayer obligations.

Fourth and finally, the legislation addresses the issue of devolution of management functions from the Finance Board to the FHLBanks. On issues of day-to-day management, the FHLBanks should be able to govern themselves independently of their regulator. The function of the Finance Board should be mission regulation and safety-and-soundness regulation. The provisions of the legislation that accomplish this goal are noncontroversial and enjoy broad support.

Mr. President, it is time to modernize the Federal Home Loan Bank System. The landscape of the financial services industry is rapidly evolving. The Federal Home Loan Banks should be allowed to modernize to keep pace with these changes. I am proud to take up this issue in the Senate and build on the work done in the House of Representatives by Congressmen BAKER and KANJORSKI, both tireless proponents for Federal Home Loan Bank modernization. Their help in the formulation of this legislation was critical.

I sincerely hope the Senate Banking Committee and the full Senate will have the chance to consider this important legislation, and I encourage my colleagues to support it.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From American Banker, Oct. 14, 1997]

SMALL BANKS FACE CRISIS AS DEPOSITS DRAIN AWAY

(By Laura Pavlenko Lutton)

Community banks are finding it increasingly tough to meet deposit and withdrawal demands as customers shift their deposits into higher-yielding investments like mutual funds. "I think it could become a crisis," said C. William Landefeld, president of Citizens Savings Bank in Bloomington, Ill., and chairman of America's Community Bankers. "It's one of our biggest concerns."

Over the last three years, loans at banks with assets between $100 million and $1 billion have grown nearly 11% while deposits only increased 3.27%, according to the Federal Deposit Insurance Corp. At June 30, loans at these banks averaged 74% of deposits—an all-time high. "We're clearly seeing some community banks struggle with liquidity," said Keith Leggett, an economist at the American Bankers Association. Loan-to-deposit ratios above 70% force these institutions to seek alternative sources of funds to meet loan demand—a move that can squeeze profit margins.

"Banks may give up liquidity to meet loan demand and that raises a safety question," he added. While deposits are leaving banks of all sizes, the problem is worst at small banks because they have fewer funding sources. "The big banks can issue debt securities, but we can't really do that," said Arthur C. Johnson, president of United Bank of Michigan, a $165 million-asset bank in Grand Rapids.

"Smaller banks don't have the same access to the capital markets." Many of these banks also are in towns with dwindling populations or slumping economies. Dennis Utter, president of $45 million-asset Adams County Bank, said it's difficult to keep deposits in the bank's hometown of Kenesaw, Neb. Baby boomers have moved much of their savings to alternative investments, and younger depositors are even tougher to attract, he said. "When an old, loyal customer passes away, those funds don't stay in Adams County Bank," he said. "The heirs don't live here anymore."

To increase liquidity, community bankers are turning to the Federal Home Loan Bank System, seeking out deposit brokers, nudging up interest rates, or selling off assets. The 12 Federal Home Loan banks, which lend money to member institutions, are a popular source of funds for community banks nationwide. Membership in the system has doubled in the last six years to roughly 6,300, and through August total loans were up 10.3%, to 177.8 billion.

Mr. Johnson said United Bank of Michigan has borrowed $5 million from the Federal Home Loan Bank of Indianapolis to fund loan growth. But the Federal Home Loan Bank System is not the answer for all community banks. Membership is limited to banks and thrifts with mortgages making up at least 10% of their total loan portfolios. What's more, only mortgage loans may be used as collateral, further limiting what some institutions may borrow.

William L. McQuillan, president of City National Bank in Greely, Neb., said his bank went out and bought enough mortgages to meet the 10% test so it could start borrowing. "We couldn't continue to go out in the local market and pay up for deposits," he said. The membership and collateral requirements soon may be relaxed through rule change and pending legislation.

For example, banks may be able to reclassify some agricultural loans as mortgages under a proposed rule, and pending legislation would waive the 10% mortgage rule for banks with assets under $500 million—making 800 more banks eligible for membership. In the meantime, banks may buy deposits from brokers. Mr. Utter said he buys about $5 million of deposits to get Adams County Bank through the peak agricultural lending season of April through October.

"Brokered deposits used to be really frowned upon by regulators, but we're not funding long-term investments" he said. Bank also sell older loans in their portfolio, branches, or other investments to boost liquidity.

Gary Scott, president of Cheatam State Bank in Kingston Springs, Tenn., said his bank occasionally bundles 15- to 20-year mortgages and then sells them to raise cash. Citizens Savings Bank recently sold one of its under-performing branches to bring in new funds. The bank sacrificed the branch's $7 million of deposits, but Citizens was able to use cash from the sale to pay off some Federal Home Loan bank advances, Mr. Landefeld said.

First Dakota National Bank in Yankton, S.D., has sold off municipal bond securities in recent years to increase its loan capacity, according to its president, James Ahrendt. Lew Stone, president of Goleta (Calif.) National Bank, said his bank is using the Internet to solve liquidity problems. Goleta sells certificates of deposit through an electronic bulletin board, raising and lowering the rates depending on how much money the bank needs. "We could raise $10 million overnight if we had to," Mr. Stone said.

Industry experts say they expect the current trend of declining deposit growth and increasing loan demand to continue. "I don't see any real relief for community banks," said Charles N. Cranmer, head of equity research at M.A. Schapiro & Co. in New York. "You've got a banking population that's been educated that they can do better things with their money than put it in a bank."

By Mr. MURKOWSKI (for himself, Mr. AKAKA, Mr. STEVENS, and Mr. INOUYE):

S. 1424. A bill to amend the Internal Revenue Code of 1986 to modify the air transportation tax changes made by the Taxpayer Relief Act of 1997; to the Committee on Finance.

AVIATION TAXES MODIFICATION LEGISLATION

Mr. MURKOWSKI. Mr. President, today, along with Senators AKAKA, STEVENS, and INOUYE, I am introducing legislation that will provide a measure of relief to the citizens of Alaska and Hawaii who must rely on air transport far more than citizens in the lower 48.

When Congress adopted the balanced budget legislation last summer, one of the provisions of the tax bill rewrote the formula for calculating the air passenger tax for domestic and international flights. As part of this formula change, Congress adopted a per passenger, per segment fee which disproportionately penalizes travelers to and from Alaska and Hawaii who have no choice but to travel by air.

Th legislation we are introducing today would reinstate the prior law 10-percent tax formula for flights to and from our States. In addition, the $6 international departure fees that are imposed on such flights would be retained at the current level and would not be indexed. I see no reason why passengers flying to and from our States must face a guaranteed increase in tax every year because of inflation. We don't index tobacco taxes, we don't index fuel taxes; why should government automatically gain additional revenue from air passengers simply because of inflation?

Mr. President, this legislation requires that intrastate Alaska and Hawaii flights will be subject to a flat 10-percent tax if such flights do not originate or terminate at a rural airport in our States. In addition, the definition of a rural airport is expanded to include airports within 75 miles of each other where no roads connect the communities. In many towns in Alaska, air transport is the only viable means of transportation from one community to another. There is no reason these airports should be denied the benefit of the special rural airport tax rate simply because our State does not have the transportation infrastructure or geographic definition that exists in most of the lower-48.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1424

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MODIFICATIONS TO AIR TRANSPORTATION TAX CHANGES MADE BY TAXPAYER RELIEF ACT OF 1997.

(a) ELIMINATION OF INFLATION ADJUSTMENT FOR TAX ON CERTAIN USE OF INTERNATIONAL TRAVEL FACILITIES.—Section 4261(e)(4) of the Internal Revenue Code of 1986 (relating to inflation adjustment of dollar rates of tax) is amended—

(1) in subparagraph (A), by striking "each dollar amount contained in subsection (c)" and inserting "the $12.00 amount contained in subsection (c)(1)", and

(2) in subparagraph (B)(ii), by striking "the dollar amounts contained in subsection (c)" and inserting "the $12.00 amount contained in subsection (c)(1)".

(b) MODIFICATION OF RURAL AIRPORT DEFINITION.—Subclause (I) of section 4261(e)(1)(B) of the Internal Revenue Code of 1986 (defining rural airport) is amended by inserting "(or is so located but is not connected to such other airport by paved roads)" after "clause (i)".

(c) IMPOSITION OF TICKET TAX ON SEGMENTS TO AND FROM ALASKA OR HAWAII OR WITHIN ALASKA OR HAWAII AT RATE IN EFFECT BEFORE THE TAXPAYER RELIEF ACT OF 1997.—Section 4261(e) of the Internal Revenue Code of 1986 (relating to special rules) is amended by adding at the end the following:

"(6) SEGMENTS TO AND FROM ALASKA OR HAWAII OR WITHIN ALASKA OR HAWAII.—Except with respect to any domestic segment described in paragraph (1), in the case of transportation involving 1 or more domestic segments at least 1 of which begins or ends in Alaska or Hawaii or in the case of a domestic segment beginning and ending in Alaska or Hawaii—

"(A) subsection (a) shall be applied by substituting "10 percent" for the otherwise applicable percentage, and

"(B) the tax imposed by subsection (b)(1) shall not apply.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the amendments made by section 1031 of the Taxpayer Relief Act of 1997.

Mr. INOUYE. Mr. President, I am pleased to lend my support to Senator MURKOWSKI's bill that would amend Public Law 105-34, the Taxpayer Relief Act of 1997, with respect to domestic aviation travel to, from, and within Hawaii and Alaska. Hawaii, unlike any other State, save Alaska, does not have the transportation alternatives that are available to citizens of other States. Roads, bridges, trains, and buses do not operate between the islands of Hawaii. This geographic difference causes any tax imposed on the cost of flying, our citizens' only means of getting from one island to another, to fall disproportionately on our citizens.

This bill would correct any injustice that the citizens of Hawaii and Alaska were, perhaps inadvertently, subjected to as a result of last summer's passage of increased excise taxes on air transportation. Specifically, the Taxpayer Relief Act of 1997's provision for the collection of an additional segment tax for each segment of air travel among the Hawaiian Islands disproportionately penalized Hawaii citizens.

In addition, the current law definition of "rural airports" is under inclusive. Under the current law, Hawaii citizens traveling to and from an airport located within 75 miles of a high-traffic airport that is inaccessible to them because there are no paved roads connecting the two airports, are nonetheless ineligible for the reduced 7.5 percent tax. By amending the definition of "rural airports," this bill will afford Hawaii citizens the same tax benefits as similarly situated citizens of other States.

Therefore, I support the reinstatement of the pre-act formula for computing taxes on domestic segments that begin or end in Alaska and Hawaii, which would correct the inequitable tax treatment of Hawaii passengers under the current law.

It is my hope that my colleagues will support this measure during the second session of the 105th Congress.

Mr. AKAKA. I am pleased to join Senator MURKOWSKI and other colleagues in introducing legislation today that addresses certain aviation tax inequities that were enacted as part of Public Law 105-34, the Taxpayer Relief Act of 1997.

Among other aviation provisions, Public Law 105-34 lowered the passenger ticket tax from 10 percent to 9 percent, falling incrementally to 7.5 percent over 3 years. In addition, the law established a new domestic segment fee of $1, rising incrementally to $3 over 5 years, which will ultimately be indexed for inflation. However, flights from certain small, rural airports are taxed at a simple 7.5 percent rate and exempted from the segment fee. Finally, while the existing $6 international departure tax for flights between Hawaii and other states is maintained, the charge is indexed for inflation beginning in 1999.

Mr. President, these taxes unfairly discriminate against Hawaii travellers. Residents of and visitors to Hawaii are entirely dependent on plane service for communication among the State's eight major islands as well as for travel to and from the distant U.S. mainland. The new aviation charges make personal, commercial, and Government travel within Hawaii more costly and hurts our tourism-based economy by inhibiting visitation from other States. I understand that many of these problems also apply to Alaska, which has similar transportation concerns.

The bill we are introducing today addresses these shortcomings. Our legislation would reinstate the prior 10 percent ticket tax and eliminate the new segment fee on flights between our States and the mainland as well as on intrastate flights in Hawaii and Alaska. The measure would also eliminate the inflation adjustment for the $6 international departure tax to which flights to and from our States are subject. Finally, the bill would redefine the rural airport exemption in such a way that will qualify many passengers travelling within Hawaii and Alaska for the reduced 7.5 percent rate.

Thank you, Mr. President. For the sake of Hawaii's and Alaska's unique air transportation needs, I urge my colleagues to support this initiative.

By Mr. BURNS:

S. 1425. A bill to provide for the preservation and sustainability of the family farm through the transfer of responsibility for operation and maintenance of the Flathead Indian Irrigation Project, Montana; to the Committee on Indian Affairs.

THE FLATHEAD IRRIGATION PROJECT TRANSFER ACT OF 1997

Mr. BURNS. Madam President, I rise today to introduce a bill to transfer the operation of an irrigation project in Montana from the Bureau of Indian Affairs to the local irrigators. This is a bill, which has been before Congress before, but has been changed to address the concerns expressed by the BIA and groups which have opposed this legislation in the past.

Years of management by the Bureau of Indian Affairs has led to a project in poor physical condition. Rather than being an asset for the government and the users, the Flathead Irrigation is rapidly becoming a liability. Using current estimates, the project is in need of $15 to $20 million worth of repair and conditioning. Government managers admit that costs associated with rehabilation of this project could be as much as 40 percent higher than if the project were under local control.

The irony of this project however, is the fact that studies on locally owned irrigation projects in Montana and Wyoming show that the costs of operation and maintenance of the Flathead project are some of the highest in the Rocky Mountain Region the condition of the project may be worst in that same region. What do these people, and for that matter the taxpayer, get for the higher costs associated with the current management? Not much if anything at all.

Let's take a moment here to see what local control of this irrigation project would mean to the irrigators and to the taxpayer. First of all, local control will mean increased accountability of the monies collected by and used in the operation of the Flathead Irrigation Project. At the current time the BIA is unable, or unwilling, to provide basic financial information to the local irrigation districts. This despite the fact that the local farmers and ranchers pay 100% of the costs to operate and maintain the project. At the same time, the current management cannot even deliver a year-end balance of funds paid by the local irrigation users.

Local control will also create savings over the current operation management. By using these savings the local management could be used to restore the Flathead Irrigation Project to a fully functioning, efficiently operating unit.

Without the transfer to local control, the residents of the flathead face an uncertain future. This irrigation project is located in one of the most beautiful valleys in western Montana. Current trends in agriculture have put farmers and ranchers in a difficult position. Montana farmers and ranchers have always been land rich and cash poor. In the case of this valley in Montana, this is the rule and not the exception. They live in an area that is being changed daily due to the number of summer home construction, because of the beauty and a temperate climate for Montana.

The family farmers and ranchers in this area continue to face economic pressures from outside, which has led to a number of folks packing up and subdividing their land for residential homesites. Those who have packed up and left the area, have taken their land and subdivided it for the residential development, removing the land from agricultural production.

The subdivision of the land has a number of negative impacts on this valley and Montana and the Nation. The landscape is dotted with magnificent homes which impacts on the landscape and open spaces, and of course wildlife. Another of the major impacts sin on the local and State economies and governments. Agriculture land in Montana pays approximately $1.29 in property taxes for every dollar invested by the local government for services. Residential subdivisions only pay approximately $0.89 for every dollar they receive in local government services.

Preservation of the small family farm and ranch in the Mission, Jocko and Camas Valleys in Montana is dependent upon local control. As local control of the Flathead Irrigation Project will provide these hard working Americans an opportunity to control and have input on the costs associated with the operation of this vital water source.

The local control of this project is supported by a wide cross section of Montanan's. Governor Marc Racicot, the Lake County commissioners and local irrigation districts are among the local government officials in support of this bill. Organizations which have voiced their support for the measure include the Montana Stockgrowers Association, Montana Water Resources Association and the National Water Resources Association. The support of this measure is bipartisan in nature as well.

Madam President, I am pleased to introduce this measure today, and I look forward to moving this bill forward through committee and to the floor in an attempt to give local control back to the people who depend on the Flathead Irrigation Project for their way of living.

By Mr. LAUTENBERG:

S. 1426. A bill to encourage beneficiary developing countries to provide adequate protection of intellectual property rights, and for other purposes; to the Committee on Finance.

THE RIGHTS OF INTELLECTUAL PROPERTY OWNERS FAIRNESS FACILITATION ACT OF 1997

Mr. LAUTENBERG. Mr. President, I rise today to introduce legislation I believe will encourage many of our trading partners to improve their protection of American intellectual property rights. This is not an insignificant matter, Mr. President. It is estimated that American companies lose approximately $50 billion every year from intellectual property violations. This theft not only affects a company's bottom line, it means losses to America's competitiveness, and, most importantly, it means loss of American jobs.

The "Rights of Intellectual Property Owners Fairness Facilitation Act of 1997," or RIP-OFF, will require participants in the Generalized System of Preferences Program to expedite their implementation of the intellectual property agreement contained in the Uruguay Round of the General Agreement on Tariffs and Trade. In addition, to continue as a GSP beneficiary, a country must fully comply with the terms of any bilateral or other multilateral intellectual property agreement it has with the United States.

Mr. President, the Agreement on the Trade-Related Aspects of Intellectual Property Rights, known as TRIPS, requires signatories to improve and better enforce the rights of intellectual property holders. Unfortunately, too many countries are able to delay implementation of TRIPS for an inordinately long period of time. Developing countries have until 2000 and least developed countries are permitted to delay some TRIPS requirements for as long as 2006. The United States simply cannot afford to permit piracy to continue unabated for such a lengthy period.

The GSP program enables certain products from developing countries to be exported to the United States duty-free. Through the years, Congress has conditioned the receipt of these tariff preferences on such factors as whether a country enforces arbitral awards in favor of U.S. citizens, whether it affords internationally recognized worker rights to its workers, and whether it harbors terrorists. Although GSP beneficiaries are supposed to provide "adequate and effective" intellectual property protection, it is an amorphous standard that has only been used a handful of times against countries, and then, only for a limited period of time, and with limited success. By tying the GSP program to expedited implementation of TRIPS and full compliance with agreements they have negotiated with the United States, countries will know what they must do and by when to continue receiving GSP benefits. It also demonstrates our commitment to protecting American intellectual property rights overseas.

My legislation conforms to current law, which provides the President with the discretion, via a waiver, to continue or extend GSP benefits to a country that does not comply with the requirements of this bill by allowing a waiver. The President has every right to determine that designating a country as a GSP beneficiary is in the national economic interest of the United States. I thought it was important to maintain the existing flexibility in this program. My bill will also enable our government to provide support and technical assistance to countries having difficulty meeting their intellectual property protection requirements.

The GSP program provides countries with a benefit, not a right. Congress continues to downsize the Federal Government. Resources are scarce. In this climate, it is inappropriate to provide GSP benefits to countries that do not uphold our intellectual property rights.

Industries reliant upon strong intellectual property protection, pharmaceutical, telecommunications, and motion picture companies, for example, are among this country's most competitive. We should be fostering this competitiveness by using appropriate tools to protect our innovators. Mr. President, this legislation will accomplish this goal.

This legislation is very similar to a bill I introduced several years ago with Senator ROTH. The modifications I have made account for the time countries have already had to commence changes to their intellectual property laws and regulations. Additionally, the bill clarifies that the standards provided in TRIPS should be the floor for intellectual property agreements, and that our government should continue seeking stronger protection for American intellectual property owners.

Mr. President, I urge my colleagues to support this legislation and ask unanimous consent that the text of the bill be inserted into the RECORD along with letters of support.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1426

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Rights of Intellectual Property Owners Fairness Facilitation Act of 1997".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) United States industry loses billions of dollars each year to countries that do not provide adequate protection of intellectual property rights.

(2) According to the Department of Commerce, United States companies lose approximately $50,000,000,000 annually as a result of violations of intellectual property rights by foreign countries.

(3) It is in the interest of the United States to leverage its foreign policy to achieve certain trade policy objectives, such as adequate, effective, and timely protection of intellectual property rights.

(4) Several countries that qualify under the generalized system of preferences provisions have been identified under section 182 of the Trade Act of 1974 (19 U.S.C. 2242) as countries that do not provide adequate and effective protection of patents, copyrights, and trademarks or deny fair and equitable market access to United States persons that rely on intellectual property rights protection.

(5) Several countries that receive United States foreign assistance also have been identified under section 182 of the Trade Act of 1974 as countries that do not provide adequate and effective protection of patents, copyrights, and trademarks or deny fair and equitable market access to United States persons that rely on intellectual property rights protection.

SEC. 3. COUNTRIES INELIGIBLE FOR GSP TREATMENT.

(a) IN GENERAL.—

(1) IMPLEMENTATION OF AGREEMENT ON TRIPS AND OTHER AGREEMENTS RELATING TO INTELLECTUAL PROPERTY RIGHTS.—Section 502(b)(2) of the Trade Act of 1974 (19 U.S.C. 2462(b)(2)) is amended—

(A) by inserting immediately after subparagraph (G) the following new subparagraphs:

"(H) Such country is not implementing parts I, II, and III of the Agreement on TRIPS—

"(i) beginning on the date that is 1 year after the date of enactment of the Rights of Intellectual Property Owners Fairness Facilitation Act of 1997; or

"(ii) by January 1, 2000, in the case of a least-developed beneficiary developing country.

"(I) Beginning on the date that is 90 days after the date of enactment of the Rights of Intellectual Property Owners Fairness Facilitation Act of 1997, such country is not implementing—

"(i) article 70(9) of part VII of the Agreement on TRIPS; or

"(ii) any bilateral or multilateral agreement (other than an agreement described in subparagraph (H) or clause (i)) to protect and enforce intellectual property rights entered into with the United States.".

(B) in the last sentence, by striking "(D), (E), (F), and (G)" and inserting "(D), (E), (F), (G), (H), and (I)".

(2) CONFORMING AMENDMENT.—Section 507 of such Act (19 U.S.C. 2467) is amended by adding at the end the following new paragraph:

"(6) AGREEMENT ON TRIPS.—

"(A) TRIPS.—The term 'Agreement on TRIPS' means the Agreement on Trade-Related Aspects of Intellectual Property Rights entered into as part of the Uruguay Round Agreements.

"(B) URUGUAY ROUND AGREEMENTS.—The term 'Uruguay Round Agreements' means the trade agreements resulting from the Uruguay Round of multilateral trade negotiations under the auspices of the General Agreement on Tariffs and Trade.".

(b) DESIGNATION AS ELIGIBLE GSP COUNTRY.—Section 502 of such Act (19 U.S.C. 2462) is amended by adding at the end the following new subsection:

"(g) DESIGNATION WHERE COUNTRY ADHERES TO THE AGREEMENT ON TRIPS AND OTHER INTELLECTUAL PROPERTY RIGHTS AGREEMENTS; ANNUAL REPORTS.—

"(1) DESIGNATION AS BENEFICIARY DEVELOPING COUNTRY.—A country—

"(A) which has been denied designation as a beneficiary developing country on the basis of subsection (b)(2)(H) or (I), or

"(B) with respect to which such designation has been withdrawn or suspended based on subsection (b)(2) (H) or (I),

may be designated as a beneficiary developing country under this title, if the President determines that the country is fully implementing parts I, II, III and article 70(9) of part VII of the Agreement on TRIPS, and any other agreement entered into with the United States that relates to intellectual property rights, and reports the determination to Congress.

"(2) REPORTS.—

"(A) ANNUAL REPORTS.—Not later than the date that is 1 year after the date of enactment of the Rights of Intellectual Property Owners Fairness Facilitation Act of 1997, and annually thereafter, the President shall determine whether each country designated as a beneficiary developing country under this title is fully implementing parts I, II, and III of the Agreement on TRIPS and shall report such findings to Congress.

"(B) OTHER REPORTS.—Not later than 90 days after the date of enactment of the Rights of Intellectual Property Owners Fairness Facilitation Act of 1997, and annually thereafter, the President shall determine whether each country designated as a beneficiary developing country under this title is fully implementing article 70(9) of part VII of the Agreement on TRIPS and any other agreement entered into with the United States that relates to intellectual property rights and shall report such determination to Congress.".

SEC. 4. COORDINATION OF TRADE POLICY AND FOREIGN POLICY.

(a) OTHER EFFORTS TO IMPROVE PROTECTION OF INTELLECTUAL PROPERTY RIGHTS.—The United States Trade Representative shall notify the Secretary of State, the Secretary of Commerce, and the Administrator of the Agency for International Development on a regular basis of any country which is not fully implementing parts I, II, III and article 70(9) of part VII of the Agreement on TRIPS, and any other agreement entered into with the United States that relates to intellectual property rights.

(b) ENCOURAGING IMPLEMENTATION OF AGREEMENT ON TRIPS.—The Secretary of State, the Secretary of Commerce, and the Administrator of the Agency for International Development shall cooperate with the United States Trade Representative by encouraging any country that receives foreign assistance and is not fully implementing the Agreement on TRIPS or any other agreement entered into with the United States that relates to intellectual property rights to enact and enforce laws that will enable the country to implement the Agreement on TRIPS and any other intellectual property rights agreement. To further this objective, the Secretary of State shall instruct the head of each United States diplomatic mission abroad to include intellectual property rights protection as a priority objective of the mission.

(c) OTHER ACTIONS TO ENCOURAGE PROTECTION OF INTELLECTUAL PROPERTY RIGHTS.—Notwithstanding any other provision of law, the President is authorized to undertake the following actions, where appropriate, with respect to a developing country to encourage and help the country improve the protection of intellectual property rights:

(1) Provide Overseas Private Investment Corporation insurance for intellectual property assets.

(2) Require foreign assistance programs to provide support for the development of national intellectual property laws and regulations and for the development of the infrastructure necessary to protect intellectual property rights.

(3) Establish technical cooperation committees on intellectual property standards within regional organizations.

(4) Establish, as a joint effort between the United States Government and the private sector, a council to facilitate and provide intellectual property-related technical assistance through the Agency for International Development and the Department of Commerce.

(5) Require United States representatives to multilateral lending institutions to seek the establishment of programs within the institutions to support strong intellectual property rights protection in recipient countries that have fully implemented parts I, II, III and article 70(9) of part VII of the Agreement on TRIPS, and any other agreement entered into with the United States that relates to intellectual property rights.

(d) DEFINITIONS.—In this section:

(1) AGREEMENT ON TRIPS.—The term "Agreement on TRIPS" means the Agreement on Trade-Related Aspects of Intellectual Property Rights entered into as part of the trade agreements resulting from the Uruguay Round of multilateral trade negotiations under the auspices of the General Agreement on Tariffs and Trade.

(2) DEVELOPING COUNTRY.—The term "developing country" means any country which is—

(A) eligible to be designated a beneficiary developing country pursuant to title V of the Trade Act of 1974 (19 U.S.C. 2461 et seq.); or

(B) designated as a least-developed beneficiary developing country pursuant to section 502 of such Act (19 U.S.C. 2462).

PHARMACEUTICAL RESEARCH AND
MANUFACTURERS OF AMERICA,
Washington, DC, September 19, 1997.

Hon. FRANK LAUTENBERG,
United States Senate,
Washington, DC.

DEAR SENATOR LAUTENBERG: I am writing to express PhRMA's appreciation and support for your legislation, the "rights of Intellectual Property Owners Fairness Facilitation Act of 1997." The protection and enhancement of American intellectual property is fundamental to the competitiveness of many U.S. industries, especially the research-based pharmaceutical industry. Thanks to the support of the Congress and the Executive Branch, over the years many countries such as Mexico and Brazil have improved their intellectual property regimes, thereby improving their prospects for economic development and setting a positive example for other countries around the world.

I believe your legislation, by providing a balanced range of incentives for countries to improve their protection of intellectual property rights, will send a positive signal to our trading partners. Please do not hesitate to contact me if there is anything PHRMA can do to support the passage of your legislation.

Sincerely,

ALAN F. HOLMER,
President.

PROCTER & GAMBLE,
Washington, DC, October 28, 1997.

Hon. FRANK LAUTENBERG,
United States Senate,
Washington, DC.

DEAR SENATOR LAUTENBERG: On behalf of Procter & Gamble, I write in strong support of your efforts to protect U.S. intellectual property rights through your bill, the "Rights of Intellectual Property Owners Fairness Facilitation Act of 1997."

Procter & Gamble now generates over half of its $35 billion annual sales from international markets. America's leadership to create rules-based international markets is one of our primary concerns. As we continue to build our business in developing countries, we seek a "level playing field" in the form of transparent, rules-based treatment and protection of investments, including trademarks, technologies, and ideas. Your bill, which requires that developing countries adequately protect our intellectual property rights or lose GSP benefits, represents a positive step.

We are all too familiar with what can happen overseas when U.S. intellectual property rights are not adequately protected. For instance, in the Persian Gulf countries, P&G suffers from severe counterfeit activity. In certain other nations receiving GSP preferences, we estimate that nearly 10% of our total sales is lost to counterfeit products. If GSP can be used as an incentive for countries to implement the TRIPS standards at an accelerated pace, we would avoid those losses.

You proposed similar legislation in 1994, which we and many of our trade associations such as IPO and PhRMA supported. We will encourage those organizations to again support this initiative.

Sincerely,

R. SCOTT MILLER,
Director.

By Mr. FORD:

S. 1427. A bill to amend the Communications Act of 1934 to require the Federal Communications Commission to preserve low-power television stations that provide community broadcasting, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE COMMUNITY BROADCASTERS PROTECTION ACT OF 1997

Mr. FORD. Mr. President, today, I am pleased to introduce the Community Broadcasters Protection Act of 1997. This legislation is designed to provide some limited protections for the owners and operators of low-power television, or LPTV.

Mr. President, when the Federal Communications Commission created low-power television licenses in the early 1980's, it did so with a simple premise: television stations unable to reach a large area can still offer a valuable service to our communities. Low-power television stations operate at the higher ends of the broadcast spectrum and serve a more limited area, generally a coverage area of approximately 12 to 15 miles. In addition, LPTV licensees operate as a secondary status. That is, they cannot interfere with the transmission of full power television stations.

Since their creation almost 20 years ago, LPTV stations have flourished. As entrepreneurs, LPTV owners and operators have experimented with various kinds of programming. Many have been extremely successful as local, community broadcasters, providing regional news and sports coverage. In fact, LPTV stations have much in common with full power stations. Many offer a full service daily program schedule. Other LPTV stations have predominantly religious, all news, all sports, or all movie formats. Still, many other LPTV stations offer more local and niche programming because their service areas are smaller, their audiences more targeted.

Unfortunately, the transition to the digital television era threatens the viability of many LPTV stations. As their spectrum is reclaimed by the FCC for the purpose of providing the second channel for digital television, some of the LPTV stations may face darkness during the transition to digital television, or afterwards.

Let me say, Mr. President, that I have been and continue to be, a supporter of the transition to digital television. I believe the move to digital television is a prudent use of modern technology for the use of a scarce public resource, the electromagnetic spectrum. But I also believe that as we make this transition, good public policy must support the investments made by LPTV licensees. I would note, Mr. President, that a majority of Members of the Senate agreed with me on this point as a number of Members joined me on a March 6, 1997, letter to then FCC Chairman Reed Hundt in which we expressed concerns about the plans for the transition to digital television.

And while the FCC agrees that LPTV licensees have been successful and offer a valuable enterprise, there remains regulatory uncertainty for LPTV licensees in the digital age. That is why I have introduced the Community Broadcasters Protection Act of 1997. This legislation will elevate some LPTV stations from their current secondary status to a newly created Class A license. In so doing, Class A LPTV licensees would be treated under law and FCC regulations like a full power television station. That is, Class A LPTV licensees would assume the same duties and responsibilities as their full power counterparts.

To qualify for a Class A license, an LPTV station must broadcast a minimum of 18 hours per day, and broadcast an average of at least 3 hours per week of programming produced within the market area served by the LPTV station. LPTV stations must be operating under these conditions within the last 2 years before enactment of this legislation and within 6 months of filing for the license. Once an LPTV station obtains a Class A license, the FCC would be required to find spectrum for the station in the new digital television era. Like its full power counterparts, a Class A licensee could not be forced off the air by having its license terminated or rescinded. However, in those instances where the FCC cannot accommodate an LPTV licensee in one market, because of the potential for interference with full power digital transmissions, the FCC is authorized to award the LPTV Class A licensee another license in an adjacent community, or if that is not available, in another community acceptable to the licensee.

Lower power television licensees are willing and prepared to join their full power counterparts in the transition to digital television—a transition which is technically complex and potentially costly for both full power and low-power broadcasters. But as long as there remains a regulatory uncertainty about the future of LPTV, they will not be able to obtain the investments and capital to make that transition.

It is an interesting historic footnote, that at the time LPTV was authorized by the FCC, then FCC Chairman

Charles Ferris suggested that one day, LPTV could develop into full power television stations. While this legislation does not elevate LPTV to full power status, I do believe that this legislation addresses a critical issue for LPTV supporters—the development of adequate protections in the digital age for broadcasters who provide a significant benefit to the public. I hope my colleagues, who are also supporters of their community broadcasters agree with me and will lend their support to move this legislation forward towards enactment.

By Mr. GRAHAM (for himself, Mr. MACK and Mr. BUMPERS):

S. 1428. A bill to waive time limitations specified by law in order to allow the Medal of Honor to be awarded to be awarded to Robert R. Ingram of Jacksonville, FL, for acts of valor while a Navy Hospital Corpsman in the Republic of Vietnam during the Vietnam conflict; to the Committee on Armed Services.

THE ROBERT R. INGRAM RECOGNITION ACT OF 1997

Mr. GRAHAM. Mr. President, I rise today to urge passage of a private bill that will honor a man that served this country with honor and bravery. This bill will allow Robert R. Ingram to receive the Medal of Honor for conspicuous gallantry and intrepidity at the risk to his life above and beyond the call of duty.

Robert R. Ingram served as corpsman with Company C, 1st Battalion, 7th Marines in Vietnam. On March 28, 1966, Corpsman Ingram accompanied Marine point platoon as it dispatched an outpost of a North Vietnam Aggressor battalion in Quang Ngai Province, Republic of Vietnam. They were sabotaged by the Vietnamese, and the platoon was decimated, suffering numerous casualties. Corpsman Ingram was himself injured four times during the attack while he administered first aid to other members of his platoon.

Enduring the pain from his many injuries and disregarding his own life, Corpsman Ingram's selfless actions saved many U.S. soldiers that day. By his indomitable fighting spirit, daring initiative, and unfaltering dedication to duty, Corpsman Ingram clearly earned the Medal of Honor as a result of his actions. However, the Navy failed to process an award, and Corpsman Ingram received no official commendation for his actions. The men with whom he served that fateful day, and the men whose lives he saved, all feel that a commendation is due. However, there is no evidence of an award recommendation.

Mr. President, it is time that Robert R. Ingram receives an honor that should have been bestowed upon him over 30 years ago. This bill calls for the time limitations in Section 6248 to be waived so that this action may be taken.

Mr. President, I ask unanimous consent that the full text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1428

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORITY FOR AWARD OF MEDAL OF HONOR TO ROBERT R. INGRAM FOR VALOR DURING THE VIETNAM CONFLICT.

(a) WAIVER OF TIME LIMITATIONS.—Notwithstanding the time limitations specified in section 6248 of title 10, United States Code, or any other time limitation with respect to the awarding of certain medals to persons who served in the naval service, the President may award the Medal of Honor under section 6241 of that title to Robert R. Ingram of Jacksonville, Florida, for the acts of valor referred to in subsection (b).

(b) ACTION DESCRIBED.—The acts of valor referred to in subsection (a) are the actions of Robert R. Ingram on March 28, 1966, as a Hospital Corpsman Third Class in the Navy serving in the Republic of Vietnam with Company C of the First Battalion, Seventh Marines, during a combat operation designated as Operation Indiana.

By Mr. ROCKEFELLER (for himself, Mr. BURNS, and Mr. DORGAN):

S. 1429. A bill to enhance rail competition and to ensure reasonable rail rates in any case in which there is an absence of effective competition; to the Committee on Commerce, Science, and Transportation.

THE RAILROAD SHIPPER PROTECTION ACT OF 1997

Mr. ROCKEFELLER. Mr. President, I am pleased and proud to be joined by two of my distinguished colleagues, Senator CONRAD BURNS and Senator BYRON DORGAN, in introducing today the Railroad Shipper Protection Act of 1997. This legislation is the result of many months of effort to develop constructive and pragmatic proposals for addressing the increasingly serious problems faced by shippers in need of affordable access to railroad service in every region of the country. As a bipartisan team committed to achieving urgently needed results in the coming year, we offer this bill with the hope that it will generate the interest, input, and support needed to help shippers obtain fair treatment and true competitive access from railroads across the country. I commend both Senators BURNS and DORGAN for their leadership and constant attention to these issues, which can be complex and yet affect numerous communities, key industries, and workers nationwide.

This legislation deals with issues of longstanding concern to me. Because of the importance of the relationship between the Nation's railroads and the shippers and communities that they serve, especially in my State of West Virginia, I have made a special effort throughout my tenure in the Senate to promote a rail transportation system that is fair and economically sound for all parties. Of all of the things that have troubled me about that system over the years, none is more troubling than the plight of captive rail shippers—businesses and communities that are dependent on a single railroad for freight transportation service.

West Virginia has more than its fair share of captive shippers. Many of our coal fields, most of our chemical manufacturers, and one of our finest steel manufacturing facilities—and the largest single employer in our State—all are captive to a single railroad for shipments to domestic and foreign markets. The result is that West Virginia businesses too often suffer from unreasonable freight rates and inadequate transportation service.

Today, two events are conspiring to create additional captive rail shippers—and worsen the competitive position of existing captive rail shippers—in West Virginia and across the Nation.

First, our national freight rail system continues to concentrate into fewer and fewer major railroads. Since Congress deregulated the railroads in 1980, the number of major Class I railroads has declined from 43 to 5—and will drop to 4 if the division of Conrail is approved. For a long time the fears expressed by shippers, and by those of us in Congress who are dedicated to protecting shippers, have fallen on deaf ears. In the past several months, however, the entire Nation has witnessed the far-reaching economic impact of a merger gone awry. The 1996 merger of Union Pacific and Southern Pacific has made dramatic headlines as service is disrupted, trains pile up, shipments are lost, and ultimately facilities and jobs are put in jeopardy. The chemical industry alone has had to grapple with service disruptions costing an average of $35 to $60 million per month through the summer and into the fall.

The UP–SP service crisis has caught my attention in part because the effects are so far reaching that a number of West Virginia shippers have asked for my help, and in part because I now face a major merger in my own backyard with the proposal to divide Conrail between CSX and Norfolk Southern. The UP–SP situation is expected to improve in the coming months, following implementation of a comprehensive service recovery plan and unprecedented intervention by the Surface Transportation Board, but the UP-SP story has only reinforced my belief that concentration of the Nation's railroads is an ominous development for many shippers and for States like West Virginia. Railroad concentration is reducing transportation options and worsening the competitive position of captive shippers.

Second, the Surface Transportation Board, established in 1995 to succeed the Interstate Commerce Commission, is understaffed and underfunded, and is not adequately promoting rail competition and protecting captive shippers. As I feared at the time it was passed, the effect of the ICC Termination Act has been to reduce our national commitment to a strong and effective regulatory body to protect rail shippers. Rather than being vigilant in protecting captive shippers from railroad abuses, the STB has instead been consumed with reviewing major railroad mergers, conducting annual revenue adequacy determinations which serve no purpose, and making matters worse for shippers by deciding in December 1996 that railroads may render captive a shipper that is otherwise positioned to enjoy competitive service by refusing to quote a rate on a bottleneck segment.

Mr. President, just as the railroad industry has become more and more concentrated, the regulatory agency charged with protecting captive railroad customers has become less and less able to do its job.

Some may wonder how the STB, which is directly charged with protecting against unreasonable rates and promoting competition, came to make such an anticompetitive and antishipper decision as that set forth in the 1996 bottleneck cases, and I think the answer illustrates well the need for Congress to correct the current imbalance between railroads and their customers.

The answer lies in the confusing instructions that were given to the STB in the ICC Termination Act, and previously in the Staggers Rail Act of 1980 and the Railroad Revitalization and Regulatory Reform Act of 1976. In these statutes Congress directed the STB and its predecessor, the ICC, to promote our national rail transportation system "by allowing rail carriers to earn adequate revenues" (49 U.S.C. 10101(3)) and by making "an adequate and continuing effort to assist those carriers in attaining revenue levels" that allow them "to attract and retain capital in amounts adequate to provide a sound transportation system in the United States" (49 U.S.C. 10704(a)(2)). Congress has further directed the STB to make an annual determination of each railroad's revenue adequacy—a determination that finds most class I railroads to be revenue inadequate, contrary to the view of Wall Street and industry observers about the financial strength of individual railroads and the industry as a whole.

As is evident in reading the Board's bottleneck decision, the perceived revenue inadequacy of the major railroads, and the belief that protecting revenue adequacy is the preeminent responsibility of the agency, formed the basis of the STB's agreement with the railroads that they should have the right to prevent rail-to-rail competition even where competition is physically possible. At this point in the evolution of the railroad industry, such an approach is not only inequitable, it is harmful to our national economy.

Today, I join with my colleagues in proposing legislation to clarify the policy of the U.S. Government with regard to railroad competition and to restore the intended balance between railroads and shippers in the laws governing their relationship and the oversight role of the STB. This bill would accomplish five major objectives: First, making clear that it is the policy of the U.S. Government to promote rail competition and protect captive shippers; second, reducing the regulatory burden on captive shippers by simplifying the market dominance test; third, overturning the bottleneck decision by requiring railroads to quote a rate on any available segment of service; fourth, eliminating the "revenue adequacy" test, which serves no practical purpose and perpetuates the erroneous view that railroads are in dire financial straits; and fifth, requiring the STB to open its process more widely in order to meet the needs of small shippers.

It is our intention to pursue this legislation in the context of the STB's reauthorization next year. I am firmly committed to ensuring that the Board is reauthorized in a timely way and is provided with the funds it needs to perform its mission as the primary oversight agency for the Nation's railroads, but I want to make clear that I will not support continuation of the status quo in the relationship between railroads and shippers.

The legislation I introduce today will begin to afford rail-to-rail competition and captive shipper protection the priority they deserve in our national transportation policy. It is an important first-step, and I look forward to working with Senator BURNS, Senator DORGAN, and others over the course of the next several months to expand upon the shipper protections we propose today. I invite our colleagues to join us in this effort, and genuinely seek constructive input and assistance to achieve needed solutions.

Mr. President, I ask unanimous consent that a copy of the bill be printed in its entirety in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1429

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Railroad Shipper Protection Act of 1997".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the railroad industry has consolidated dramatically since passage of the Staggers Rail Act of 1980 (94 Stat. 1895 et seq.), leaving the railroad industry with only a few major carriers and providing shippers with limited competitive options;

(2) the financial health of the railroad industry has improved substantially since the passage of the Staggers Rail Act of 1980;

(3) due partly to the continued consolidation of the railroad industry, captive rail shippers—

(A) continue to exist; and

(B) are increasing in number; and

(4) rail shippers, including captive rail shippers, will benefit from increased competition among railroads and a streamlined process under which the Surface Transportation Board determines the reasonableness of captive rail shipper rates.

SEC. 3. DEFINITIONS.

In this Act:

(1) SECRETARY.—The term "Secretary" means the Secretary of Transportation.

(2) SURFACE TRANSPORTATION BOARD.—The term "Surface Transportation Board" or "Board" means the Surface Transportation Board established under section 701 of title 49, United States Code.

SEC. 4. PURPOSES.

The purposes of this Act are—

(1) to clarify the rail transportation policy of the United States;

(2) to ensure rail competition for shippers in geographic areas in which rail competition is physically available;

(3) to ensure reasonable rates for captive rail shippers; and

(4) to remove unnecessary regulatory burdens from the rate reasonableness process of the Surface Transportation Board.

SEC. 5. CLARIFICATION OF RAIL TRANSPORTATION POLICY.

Section 10101 of title 49, United States Code, is amended—

(1) by inserting "(a) IN GENERAL.—" before "In regulating"; and

(2) by adding at the end the following:

"(b) PRIMARY OBJECTIVES.—The primary objectives of the rail transportation policy of the United States shall be—

"(1) to ensure effective competition among rail carriers at origin and destination; and

"(2) to maintain reasonable rates in the absence of effective competition.".

SEC. 6. REQUIREMENT OF RAILROADS TO ESTABLISH RATES TO FACILITATE RAIL TO RAIL COMPETITION.

(a) ESTABLISHMENT OF RATE.—Section 11101(a) of title 49, United States Code, is amended by inserting after the first sentence the following: "Upon the request of a shipper, a rail carrier shall establish a rate for transportation requested by the shipper between any 2 points on the system of that rail carrier where traffic originates, terminates, or may be interchanged. A rate established under the preceding sentence shall apply to the shipper that makes the request for the rate without regard to whether the rate established is for part of a through transportation route between an origin and a destination or whether the shipper has made arrangements for transportation over any other part of that through route.".

(b) REVIEW OF REASONABLENESS OF RATE.—Section 10701(d) of title 49, United States Code, is amended—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by inserting after paragraph (2) the following:

"(3) If a rail carrier establishes a rate for transportation between any 2 points on the system of that rail carrier where rail traffic originates, terminates, or may be interchanged, the shipper may challenge the reasonableness of—

"(A) that rate; or

"(B) the aggregate rate between origin and destination (if the rate established is for part of a through route).".

SEC. 7. SIMPLIFIED STANDARD FOR MARKET DOMINANCE.

Section 10707(d) of title 49, United States Code, is amended—

(1) by striking paragraph (2);

(2) by striking "(1)(A)" and inserting "(3)";

(3) by striking "(B) For purposes" and inserting "(4) For purposes"; and

(4) by inserting before paragraph (3), as redesignated, the following:

"(1) In making a determination under this section, the Board shall find that the rail carrier establishing the challenged rate referred to in subsection (b) has market dominance over the transportation to which the rate applies if that rail carrier—

"(A) is the only rail carrier serving the origin, destination, or intermediate portion of the route involved; and

"(B) does not prove to the Board that the rate charged results in a revenue-variable cost percentage for that transportation that is less than 180 percent.

"(2) In making a market dominance determination under this section in any case in which 2 or more rail carriers provide service at an origin or destination, the Board shall consider only transportation competition at that origin or destination.".

SEC. 8. REVENUE ADEQUACY DETERMINATIONS.

(a) Rail Transportation Policy.—Section 10101(3) of title 49, United States Code, is amended by striking ", as determined by the Board;".

(b) Authority for Revenue Adequacy Determination.—Section 10704(a) of title 49, United States Code, is amended—

(1) by striking "(a)(1)" and inserting "(a)"; and

(2) by striking paragraphs (2) and (3).

SEC. 9. REDUCTION OF PROCEDURAL BARRIERS FACED BY SMALL SHIPPERS.

(a) Administrative Relief.—Not later than 180 days after the date of enactment of this Act, the Surface Transportation Board shall—

(1) review the rules and procedures applicable to rate complaints and other complaints filed with the Board by small shippers;

(2) identify any such rules or procedures that are unduly burdensome to small shippers; and

(3) take such action, including rulemaking, as is appropriate to reduce or eliminate the aspects of the rules and procedures that the Board determines under paragraph (2) to be unduly burdensome to small shippers.

(b) Legislative Relief.—The Board shall notify the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives if the Board determines that additional changes in the rules and procedures described in subsection (a) are appropriate and require commensurate changes in statutory law. In making that notification, the Board shall make recommendations concerning those changes.

Mr. DORGAN. Mr. President, today I am joining Senator ROCKEFELLER and others in introducing legislation that is designed to address some chronic problems facing rail shippers, especially small, captive shippers such as the small grain elevators in agricultural States like North Dakota. As this bill is introduced in the Senate today, thousands of bushels of grain are lying on the ground in North Dakota because there are no cars available to small elevators to take wheat and barley to market. The frustration of North Dakota farmers and grain shippers is focused not only on the availability of grain cars to take their products to market this time of year, but also on what they have to pay when they have only one railroad serving them. The rates captive shippers pay to get their products to market reflect the basic principles of economics: where there is competition there are lower rates and where there is not, the captive shipper pays significantly more.

While the legislation we are introducing today will not create more grain cars this year and it will not solve full the myriad of concerns that many captive shippers have with respect to rail service in this country, this bill will take a step toward addressing some issues that will help improve the situation of captive shippers.

The inspiration of this bill is the fact that 20 years ago there were more than 40 class I railroads and today there are 8, of which 5 of these mega carriers generate 94 percent of the class I rail industry's gross income and own over 90 percent of the track miles, and produce nearly 95 percent of the gross ton miles. Today, the western two-thirds of the country is divided up between two mega carriers that own approximately 85 percent of the track, generate over 90 percent of the gross ton miles, and earn about 90 percent of the total net railroad operating income west of the Mississippi River.

As the railroad industry has consolidated over the past 20 years, more and more shippers have become captive to one carrier, replacing competitive service with monopoly service. At the same time, small captive shippers face insurmountable obstacles to seek relief on unreasonable rates before the Surface Transportation Board [STB]. It seems to me that the Congress needs to begin a serious debate on issues affecting captive shippers. The STB still operates under outdated regulatory structures and too many hurdles and redtape stand between the small shipper and relief on unreasonable rates. This legislation takes a modest step at addressing a few specific issues in these areas.

This legislation addresses the broader issues of promoting rail competition and protecting captive shippers where competition does not exist by identifying these issues as priorities for the STB. The legislation also makes a couple of changes in specific policies of the STB. First, this bill overturns the STB's decision on the so-called bottleneck case where the STB concluded that carriers have no obligation to quote a rate for a segment of line. The essence of the bottleneck case was that some shippers believe that in areas where their products were being shipped where rail competition exists, they want to take advantage of the lower rates for that particular segment of line. This legislation would require a carrier to quote a rate for a specific segment at the request of the shipper. If the carrier did not quote a rate, then the STB would have to set a rate. This circumstance will permit captive shippers to take advantage of the little competition that does exist in the rail industry.

This legislation also repeals the outdated revenue adequacy test. The vice chairman of the STB, Gus Owen, has appropriately questioned the appropriateness and the relevance of the STB conducting this outdated exercise of determining the revenue adequacy of railroads. This test is so out of date that the two largest railroads in the Nation failed the last revenue adequacy test by the STB. However, these and other major railroads have no problem leveraging capital and their own financial reports indicate record profits. It is a ridiculous test and it serves no useful purpose for STB procedures.

In addition, the legislation attempts to streamline the bureaucratic hurdles facing small shippers in seeking rate relief before the STB. One provision streamlines the requirements imposed on the shipper to demonstrate that the rail carrier serving them meets the STB's definition of "market dominance." Under current law, market dominance is defined as "the absence of effective competition from other rail carriers or modes of transportation" and the STB cannot find market dominance unless the revenue to variable cost percentage exceeds 180 percent. Under the STB's interpretation of this requirement, the STB requires shippers to demonstrate that there is no product nor geographic competition under what constitutes transportation competition. This legislation makes the market dominance test simple and easier to understand. Under this bill, a shipper need only demonstrate that they are served by only one rail carrier and that their rates exceed 180 percent revenue to variable cost to determine market dominance.

This legislation would also require the STB to review its regulations and rules with respect to barriers that impede a small shipper's ability to file rate and other complaints against railroads before the STB. The STB would be required to minimize their redtape and barriers for shippers and also to report to Congress on barriers that require legislative action to remedy.

Mr. President, this legislation is modest, but it will make a difference for small shippers in this country. The premise of the bill is that the STB ought to emphasize competition and where competition does not exist, the STB needs to make it easier for captive shippers to seek relief from unreasonable rates.

Next year, the Senate Committee on Commerce, Science, and Transportation will be debating reauthorization legislation on the STB. That will be a very important debate. Senator ROCKEFELLER, I, and others intend to make sure that one element of that debate will focus on the problems facing small, captive shippers and we consider this legislation as a building block for next year's debate. I hope my colleagues will support this legislation.

By Mr. DODD:

S. 1453. A bill to establish a Commission on Fairness in the Workplace, and for other purposes; to the Committee on Labor and Human Resources.

THE NATIONAL COMMISSION ON FAIRNESS IN THE WORKPLACE ACT

Mr. DODD. Mr. President, today I am introducing the National Commission on Fairness in the Workplace Act. This commission will be tasked to review the trend of creating more part-time jobs than full-time jobs; assess the relationship between part-time work and wage levels, benefits, earning potential, and productivity; and examine the practice of having different wage and benefit levels for part-time and full-time workers. This commission, comprised of representatives of the business community, labor, academia, and government, will report its findings and recommendations to Congress and the President.

I fully recognize that for many individuals, part-time employment is a perfect solution. Full-time students and individuals wanting to combine work and family responsibilities choose to work part-time. But, part-time work should not be a passport to second class status. Often these employees perform the same duties as their full-time counterparts, but for less money and no benefits. And for those individuals seeking employment, too often they can only find work that requires full-time hours, but not full-time pay and benefits.

Too many Americans are forced to work two and three part-time jobs to pay their rent or mortgage, and put food on their tables. Let's not forget that employees who work full-time, earning benefits and living wages, are often still struggling. How do we expect individuals and families to survive on part-time wages and no benefits. Their status may be classified as part-time, but their expenses certainly are not.

Employers must strive to provide salaries and benefits that meet the demands of today's circumstances, while searching for ways to increase productivity and remain competitive in a global environment.

The recent UPS experience put a national spotlight on this issue; working full-time hours at part-time status and receiving less money and fewer benefits than a full-time employee. One of the concessions of the negotiations was that UPS would agree to create 10,000 full-time jobs from existing part-time positions.

A poll of 500 individuals by the University of Connecticut in September found strong support for action that would guarantee part-time workers some benefits and compel employers to pay those workers hourly wages equal to their full-time counterparts. Part-time employees in Connecticut comprise 12 percent of the work force, less than the 18 percent national average.

Our work force is one of our countries most treasured assets. Employees deserve to receive living wages and benefits and we must act now. Therefore, I urge my colleagues to join me in cosponsoring this legislation.

Mr. President, I ask unanimous consent that a copy of the Hartford Courant article "Part-timers' Rights Backed" be included in the RECORD and I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1453

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Commission on Fairness in the Workplace Act".

SEC. 2. FINDINGS.

Congress finds that—

(1) there is an increasing trend toward the use of part-time workers;

(2) part-time jobs often have no or limited health or pension benefits and few labor protections;

(3) there is a trend toward the creation of more part-time jobs than full-time jobs;

(4) questions have been raised regarding the impact of part-time employment on wage levels, benefits, earning potential, and productivity; and

(5) a Federal commission should be established to conduct a thorough study of all matters relating to the impact of part-time employment on wage levels, benefits, earning potential, and productivity and to study the practice of providing different wage and benefit levels to part-time and full-time workers.

SEC. 3. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the National Commission on Fairness in the Workplace (hereafter referred to in this Act as the "Commission").

(b) MEMBERSHIP.—The Commission shall be composed of 9 members of whom—

(1) 3 shall be appointed by the President;

(2) 3 shall be appointed by the President pro tempore of the Senate, upon the recommendation of the Majority and Minority Leaders of the Senate; and

(3) 3 shall be appointed by the Speaker of the House of Representatives, in consultation with the Minority Leader of the House of Representatives.

(c) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(d) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting as directed by the President.

(e) MEETINGS.—After the initial meeting, the Commission shall meet at the call of the Chairperson.

(f) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business, but a lesser number of members may hold hearings.

(g) CHAIRPERSON AND VICE CHAIRPERSON.—The Commission shall select a Chairperson and Vice Chairperson from among its members.

SEC. 4. DUTIES OF THE COMMISSION.

(a) STUDY.—

(1) IN GENERAL.—The Commission shall conduct a comprehensive study of the impact of part-time employment in the United States.

(2) MATTERS TO BE STUDIED.—The matters to be studied by the Commission under paragraph (1) shall include—

(A) a review of the trend toward creation of more part-time than full-time jobs;

(B) an assessment of the relationship between part-time work and wage levels, benefits, earning potential, and productivity; and

(C) a review of the practice of providing different wage and benefit levels to part-time and full-time workers.

(b) REPORT.—No later than 12 months after the Commission holds its first meeting, the Commission shall submit a report on the study to the President and Congress. The report shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation and administrative actions as it considers appropriate.

SEC. 5. POWERS OF THE COMMISSION.

(a) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out its duties of this Act.

(b) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this Act. Upon request of the Chairperson of the Committee, the head of such department or agency shall furnish such information to the Commission.

SEC. 6. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission who is not otherwise an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission. Each member of the Commission who is otherwise an officer or employee of the United States shall serve without compensation in addition to that received for services as an officer or employee of the United States.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of service for the Commission.

(c) STAFF.—

(1) IN GENERAL.—The Chairperson of the Commission may, without regard to the civil service laws and regulations, appoint and

terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment and termination of an executive director shall be subject to confirmation by a majority of the members of the Commission.

(2) COMPENSATION.—The executive director shall be compensated at a rate not to exceed the rate payable for a position at level V of the Executive Schedule under section 5316 of title 5, United States Code. The Chairperson may fix the compensation of other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for such personnel may not exceed the rate payable for a position at level V of the Executive Schedule under section 5316 of such title.

(3) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee, with the approval of the head of the appropriate Federal agency, may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status, benefits, or privilege.

(d) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay prescribed for a position at level V of the Executive Schedule under section 5316 of such title.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Commission such sums as may be necessary to carry out the purposes of this Act. Any sums appropriated shall remain available, without fiscal year limitation, until expended.

SEC. 8. TERMINATION.

The Commission shall terminate 30 days after submission of its report under section 4(b).

[From the Hartford Courant, Oct. 8, 1997]

PART-TIMERS' RIGHTS BACKED; RESIDENTS POLLED BY THE UNIVERSITY OF CONNECTICUT IN SEPTEMBER STRONGLY SUPPORT GOVERNMENT ACTION THAT WOULD GUARANTEE PART-TIMERS SOME BENEFITS; COURANT/UCONN CONNECTICUT POLL

(By Liz Halloran)

It was the workplace issue that tripped up UPS and snarled the nation's package delivery system during a 15-day strike this summer: the growing use of part-time employees to do America's business.

UPS workers agreed to go back to work after the giant delivery company said it would create 10,000 new full-time jobs from existing part-time positions.

The strike was over, but the national conversation about the country's estimated 23 million part-time workers—their rights and the government's role in protecting them—kicked into high gear.

"Not everyone can work full time, and part-time work offers extra freedom and income to families in need," said Sen. Christopher J. Dodd, D-Conn., who is urging Congress to set up a committee to study part-time work.

"[Part-time work] shouldn't be a passport to second-class status," he said.

It seems those in Connecticut agree strongly that part-time work that provides significant pay, benefits and stature must remain an option for families and individuals struggling to satisfy their own needs, those of their children and demands of their careers.

Part-timers in Connecticut make up about 12 percent of the work force—less than the 18 percent national average—and most don't want a full-time job, a new Courant/Connecticut Poll shows.

But the residents polled by telephone by the University of Connecticut Sept. 9–15 showed remarkable support for government action that would guarantee part-timers some benefits, and compel companies to pay those workers hourly wages equal to their full-time counterparts. Only one in three said they would support laws restricting companies from hiring part-time workers instead of creating full-time jobs.

But two-thirds said they would support laws requiring employers to give part-time workers benefits such as health insurance, pensions and vacations. Three out of four of those polled said that there should be no difference in the hourly pay of part- and full-time workers.

"There is backing for 'fairness'—especially in hourly rates and for the provision of at least some fringe benefits," said G. Donald Ferree Jr., poll director.

A majority of the 500 residents polled, however, seemed more interested in making sure that all workers—including part-timers—are paid equitably, than in judging whether jobs should be part or full time, Ferree said.

Democrats were more apt than Republicans to support government policies regarding part-time work, as were women, who are more likely than men to work part time, he said.

The strong support the poll results show for part-time worker benefits and equal pay did not surprise Joseph F. Brennan, vice president of legislative affairs at the Connecticut Business and Industry Association.

"I think the timing of the poll may have skewed results somewhat because the UPS strike was in the headlines, and general polling at that time seemed to support the workers," Brennan said.

Polling done in the past by the business association tells a different story, he said, suggesting that residents do not support greater governmental control of general business practices. The association polls, however, have not asked specifically about part-time work.

Some business leaders have also argued that state intervention into policies regarding part-time employee pay and benefits could hamper Connecticut's ability to compete with other states for jobs. They have also said that any requirements should come from Congress and be applied uniformly nationwide.

A package of state legislative proposals aimed at regulating corporate behavior, including a requirement to pay part-timers the same hourly wage as full-timers doing the same job, made little headway in the General Assembly this year.

Union officials say they believe that public sentiment for part-time workers runs deeper than simply timing.

"The people in the poll have said it all—it's about equal pay and equal benefits for equal work," said John W. Olsen, president of the state AFL–CIO. "It's not as much about part and full time anymore."

Olsen said that if part-timers are compensated equally, employers will find it less attractive to use them to replace full-time positions.

The issue was central to a demonstration in mid-September against Pratt & Whitney, a division of United Technologies Corp. About 400 workers and supporters, dozens of whom were arrested, gathered in downtown Hartford to protest Pratt's decision to cut contracted full-time cleaning jobs and replace them with part-time, lower-paying positions.

While there are instances in Connecticut where workers have been affected by company decisions to replace full-time jobs with low-wage, no-benefit positions, most part-time employees polled said they are not looking for full-time work.

Only one out of five part-timers questioned in the poll said they were actively seeking full-time work.

"Part-time work plays a real role in Connecticut, and many engaged in it do not want full-time work instead," Ferree said.

One other thing the poll made clear, Ferree said, was that the days when one income was deemed enough for a family to live on are over. About half of those polled said their family could live on what the main earner is paid, but nearly as many said that their household needs the income of more than one person.

On the job, some of the time:

Connecticut residents show remarkable support for requiring employers to pay part-time workers at the same hourly rate as full-time workers and to provide part-time workers some benefits. Those polled also strongly believe it is important to preserve part-time employment as a work option.

* * * * *

The Courant/Connecticut Poll on part-time workers was conducted by the University of Connecticut from Sept. 9–15. Five hundred randomly selected people were interviewed by telephone. Percentages are rounded to the nearest whole number and may not add up to 100.

The poll has a margin of error of plus or minus 5 percentage points. This means there is a 1-in-20 chance that the results would differ by more than 5 points in either direction from the results of a survey of all adult residents.

A poll's margin of error increases as the sample size shrinks. Results for a subgroup within the poll have a higher margin of error.

The telephone numbers were generated by a computer in proportion to the number of adults living in each area. The actual respondent in each household also was selected at random.

ADDITIONAL COSPONSORS

S. 61

At the request of Mr. LOTT, the name of the Senator from North Dakota [Mr. DORGAN] was added as a cosponsor of S. 61, a bill to amend title 46, United States Code, to extend eligibility for veterans' burial benefits, funeral benefits, and related benefits for veterans of certain service in the United States merchant marine during World War II.

S. 263

At the request of Mr. MCCONNELL, the names of the Senator from Missouri [Mr. BOND] and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of S. 263, a bill to prohibit the import, export, sale, purchase, possession, transportation, acquisition, and receipt of bear viscera or products that contain or claim to contain bear viscera, and for other purposes.

S. 428

At the request of Mr. KOHL, the name of the Senator from Louisiana [Ms. LANDRIEU] was added as a cosponsor of S. 428, a bill to amend chapter 44 of title 18, United States Code, to improve the safety of handguns.

S. 751

At the request of Mr. SHELBY, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 751, a bill to protect and enhance sportsmen's opportunities and conservation of wildlife, and for other purposes.

S. 875

At the request of Mr. TORRICELLI, the name of the Senator from California [Mrs. FEINSTEIN] was added as a cosponsor of S. 875, a bill to promote online commerce and communications, to protect consumers and service providers from the misuse of computer facilities by others sending bulk unsolicited electronic mail over such facilities, and for other purposes.

S. 951

At the request of Mr. TORRICELLI, the names of the Senator from New York [Mr. MOYNIHAN] and the Senator from Washington [Mrs. MURRAY] were added as cosponsors of S. 951, a bill to reestablish the Office of Noise Abatement and Control in the Environmental Protection Agency.

S. 1044

At the request of Mr. LEAHY, the name of the Senator from Missouri [Mr. ASHCROFT] was added as a cosponsor of S. 1044, a bill to amend the provisions of titles 17 and 18, United States Code, to provide greater copyright protection by amending criminal copyright infringment provisions, and for other purposes.

S. 1169

At the request of Mr. REED, the name of the Senator from Louisiana [Ms. LANDRIEU] was added as a cosponsor of S. 1169, a bill to establish professional development partnerships to improve the quality of America's teachers and the academic achievement of students in the classroom, and for other purposes.

S. 1188

At the request of Mr. KOHL, the name of the Senator from Nebraska [Mr. KERREY] was added as a cosponsor of S. 1188, a bill to amend chapters 83 and 85 of title 28, United States Code, relating to the jurisdiction of the District Court for the District of Columbia, and the United States Court of Appeals for the District of Columbia, and for other purposes.

S. 1195

At the request of Mr. CHAFEE, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 1195, a bill to promote the adoption of children in foster care, and for other purposes.

S. 1204

At the request of Mr. COVERDELL, the names of the Senator from Virginia [Mr. WARNER], the Senator from Indiana [Mr. LUGAR] and the Senator from Washington [Mr. GORTON] were added as cosponsors of S. 1204, a bill to simplify and expedite access to the Federal courts for injured parties whose rights and privileges, secured by the United States Constitution, have been deprived by final actions of Federal agencies, or other government officials or entities acting under color of State law; to prevent Federal courts from abstaining from exercising Federal jurisdiction in actions where no State law claim is alleged; to permit certification of unsettled State law questions that are essential to resolving Federal claims arising under the Constitution; and to clarify when government action is sufficiently final to ripen certain Federal claims arising under the Constitution.

S. 1221

At the request of Mr. STEVENS, the name of the Senator from New Hampshire [Mr. GREGG] was added as a cosponsor of S. 1221, a bill to amend title 46 of the United States Code to prevent foreign ownership and control of United States flag vessels employed in the fisheries in the navigable waters and exclusive economic zone of the United States, to prevent the issuance of fishery endorsements to certain vessels, and for other purposes.

S. 1228

At the request of Mr. CHAFEE, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 1228, a bill to provide for a 10-year circulating commemorative coin program to commemorate each of the 50 States, and for other purposes.

S. 1251

At the request of Mr. D'AMATO, the names of the Senator from Idaho [Mr. CRAIG] and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of S. 1251, a bill to amend the Internal Revenue Code of 1986 to increase the amount of private activity bonds which may be issued in each State, and to index such amount for inflation.

S. 1252

At the request of Mr. D'AMATO, the names of the Senator from Idaho [Mr. CRAIG] the Senator from Massachusetts [Mr. KERRY] and the Senator from Illinois [Ms. MOSELEY-BRAUN] were added as cosponsors of S. 1252, a bill to amend the Internal Revenue Code of 1986 to increase the amount of low-income housing credits which may be allocated in each State, and to index such amount for inflation.

S. 1256

At the request of Mr. HATCH, the name of the Senator from Nebraska [Mr. HAGEL] was added as a cosponsor of S. 1256, a bill to simplify and expedite access to the Federal courts for injured parties whose rights and privileges, secured by the United States Constitution, have been deprived by final actions of Federal agencies, or other government officials, or entities acting under color of State law; to prevent Federal courts from abstaining from exercising Federal jurisdiction in actions in which no State law claim is alleged; to permit certification of unsettled State law questions that are essential to Federal claims arising under the Constitution; to allow for efficient adjudication of constitutional claims brought by injured parties in the United States district courts and the Court of Federal Claims; to clarify when government action is sufficiently final to ripen certain Federal claims arising under the Constitution; and for other purposes.

S. 1264

At the request of Mr. HARKIN, the name of the Senator from California [Mrs. BOXER] was added as a cosponsor of S. 1264, a bill to amend the Federal Meat Inspection Act and the Poultry Products Inspection Act to provide for improved public health and food safety through enhanced enforcement.

S. 1287

At the request of Mr. JEFFORDS, the name of the Senator from New Jersey [Mr. TORRICELLI] was added as a cosponsor of S. 1287, a bill to assist in the conservation of Asian elephants by supporting and providing financial resources for the conservation programs of nationss within the range of Asian elephants and projects of persons with demonstrated expertise in the conservation of Asian elephants.

S. 1297

At the request of Mr. COVERDELL, the name of the Senator from Alabama [Mr. SESSIONS] was added as a cosponsor of S. 1297, a bill to redesignate Washington National Airport as "Ronald Reagan Washington National Airport".

S. 1311

At the request of Mr. LOTT, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 1311, a bill to impose certain sanctions on foreign persons who transfer items contributing to Iran's efforts to acquire, develop, or produce ballistic missiles.

S. 1320

At the request of Mr. ROCKEFELLER, the names of the Senator from Massachusetts [Mr. KERRY] and the Senator from Nevada [Mr. BRYAN] were added as cosponsors of S. 1320, a bill to provide a scientific basis for the Secretary of Veterans Affairs to assess the nature of the association between illnesses and exposure to toxic agents and environmental or other wartime hazards as a result of service in the Persian Gulf during the Persian Gulf War for purposes of determining a service connection relating to such illnesses, and for other purposes.

S. 1321

At the request of Mr. TORRICELLI, the names of the Senator from Rhode Island [Mr. CHAFEE] and the Senator from Rhode Island [Mr. REED] were added as cosponsors of S. 1321, a bill to amend the Federal Water Pollution Control Act to permit grants for the national estuary program to be used for the development and implementation of a comprehensive conservation and management plan, to reauthorize appropriations to carry out the program, and for other purposes.

S. 1334

At the request of Mr. BOND, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 1334, a bill to amend title 10, United States Code, to establish a demonstration project to evaluate the feasibility of using the Federal Employees Health Benefits program to ensure the availablity of adequate health care for Medicare-eligible beneficiaries under the military health care system.

S. 1335

At the request of Ms. SNOWE, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 1335, a bill to amend title 5, United States Code, to ensure that coverage of bone mass measurements is provided under the health benefits program for Federal employees.

S. 1343

At the request of Mr. LAUTENBERG, the names of the Senator from Massachusetts [Mr. KENNEDY] and the Senator from Illinois [Mr. DURBIN] were added as cosponsors of S. 1343, a bill to amend the Internal Revenue Code of 1986 to increase the excise tax rate on tobacco products and deposit the resulting revenues into a Public Health and Education Resource Trust Fund, and for other purposes.

S. 1351

At the request of Mr. BURNS, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 1351, a bill to amend the Sikes Act to establish a mechanism by which outdoor recreation programs on military installations will be accessible to disabled veterans, military dependents with disabilities, and other persons with disabilities.

S. 1371

At the request of Mr. KOHL, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 1371, a bill to establish felony violations for the failure to pay legal child support obligations, and for other purposes.

SENATE CONCURRENT RESOLUTION 59

At the request of Mr. D'AMATO, the names of the Senator from Maine [Ms. SNOWE] and the Senator from Illinois [Mr. DURBIN] were added as cosponsors of Senate Concurrent Resolution 59, a concurrent resolution expressing the sense of Congress with respect to the human rights situation in the Republic of Turkey in light of that country's desire to host the next summit meeting of the heads of state or government of the Organization for Security and Cooperation in Europe (OSCE).

SENATE RESOLUTION 116

At the request of Mr. JEFFORDS, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of Senate Resolution 116, a resolution designating November 15, 1997, and November 15, 1998, as "America Recycles Day".

SENATE RESOLUTION 145

At the request of Mr. CAMPBELL, the names of the Senator from Alaska [Mr. MURKOWSKI] and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of Senate Resolution 145, A resolution designating the month of November 1997 as "National American Indian Heritage Month".

SENATE RESOLUTION 146—ESTABLISHING AN ADVISORY ROLE FOR THE SENATE IN THE SELECTION OF SUPREME COURT JUSTICES

Mr. SPECTER (for himself and Mr. BYRD) submitted the following resolution; which as referred to the Committee on the Judiciary:

S. RES. 146

Whereas, Article II, Section 2 of the United States Constitution authorizes the President to appoint Judges of the Supreme Court "by and with the Advice and Consent of the Senate";

Whereas, the Senate has exercised its "Consent" function with due diligence through extensive hearings and deliberation prior to voting on nominees to the Court;

Whereas, the Senate has not historically exercised its "Advice" function with the exception of a limited consultation with the President on the selection of a nominee in advance of the President making such a nomination;

Whereas, there is no systematic method for selecting Supreme Court nominees, with the President having historically proceeded on an *ad hoc* basis to consider a limited number of individuals before making his nomination;

Whereas, there is an enormous pool of legal talent who could become Supreme Court nominees;

Whereas, in one case where the Senate exercised influence on the selection of a nominee, it was to replace Justice Oliver Wendell Holmes with Justice Benjamin Cardozo;

Whereas, the importance of having the best and brightest judges is reflected in the fact that the Supreme Court has decided numerous significant cases by a one-vote margin; and

Whereas, it would be useful to create a pool of recognized candidates of superior quality for consideration by the President; Now, therefore, be it

Resolved, That the Senate should better fulfill its "Advice" function under Article II, Section 2 by having the Senate Committee on the Judiciary establish a pool of possible Supreme Court nominees for the President to consider, based on suggestions from Federal and State judges, distinguished lawyers and law professors, and others with a similar level of insight into the suitability of individuals considered for appointment to the Supreme Court.

Mr. SPECTER. Mr. President, I have sought recognition today to discuss an idea which has the potential to have a major impact on the rule of law in the United States by having the U.S. Senate exercise its advise function under the advise and consent clause of the Constitution to advise Presidents on who the nominee should be for the Supreme Court of the United States.

The Supreme Court of the United States, as we all know, is the ultimate arbiter of determining what the law will be. In the session which ended last June, the Supreme Court of the United States handed down historic, really monumental decisions on dying, religion, speech, due process, States rights, congressional power, among many other decisions.

The Constitution of the United States established the Congress, in article I, the President in article II, the Court in article III, with an implicit suggestion that the legislative body was preeminent, the executive second, and the judiciary third.

But we know since the decision of the Supreme Court of the United States in Marbury versus Madison, the Supreme Court of the United States has been the preeminent institution, because the Supreme Court of the United States has the last word.

The Supreme Court Justice, the late Chief Justice Charles Evans Hughes, said that the Constitution is what the Supreme Court says it is.

We talk a great deal about the legislature having the power to make the laws and the courts having the limited power to interpret the laws, but the reality is, the brutal fact of life is that the Supreme Court of the United States makes the avant-garde decisions on the periphery and on the horizons of the law.

We can do better, I submit, in the deliberations, the decisions of the Supreme Court of the United States by a closer focus on the quality of those men and women who go to the Supreme Court.

I expect our distinguished colleague, Senator BYRD, to join us on the floor in a few minutes to make a few comments about this idea, as the permanent resident scholar of the Senate and a great authority on constitutional law and a recent losing litigant in the decision of the Supreme Court of the United States in the line-item veto case, where Senator BYRD, along with Senator MOYNIHAN, Senator HATFIELD, and Senator LEVIN challenged the line-item veto in the case of Raines versus Byrd.

The Supreme Court of the United States, in that decision, ruled that

Senator BYRD and the other Senators did not have standing to challenge the constitutionality of line-item veto—a curious decision. In my opinion, who would have greater status to challenge the constitutionality of line-item veto than sitting Senators, especially the existing chairman of Appropriations, Senator HATFIELD, and the former chairman of Appropriations, Senator BYRD? But that was the ruling of the Supreme Court.

When we take a look historically, Mr. President, at what the Supreme Court has decided, and in many, many cases by 5 to 4 decisions, it is really astonishing the authority and the power wielded by the Supreme Court of the United States on the lives of every man, woman and child in this country, in a fundamental sense, more so than what the Congress does, and in an equally fundamental sense, more so than what the President does and the bureaucracy of the United States.

In the famous Lochner versus New York case in 1905, the Supreme Court struck down an early attempt at labor regulation by holding that a law limiting bakers to a 60-hour workweek violated the liberty of contracts secured by the due process clause of the 14th amendment. It was a 5-4 decision holding up the efforts of the legislative branch to limit the workweek to 60 hours in the interests of public welfare.

In Hammer versus Dagenhart in 1918, the Supreme Court, again by a 5-4 decision, struck down a labor law. This time the Keating-Owen Federal Child Labor Act, on the grounds that the commerce clause did not give Congress the power to completely forbid certain categories of commerce.

In a celebrated decision, Furman versus Georgia in 1972, the Supreme Court of the United States, again by a 5-4 decision, struck down the death penalty provision under the cruel and unusual punishment clause of the eighth amendment.

We have had a series of very controversial decisions where the Court has imposed seriatim limitations on what States may do by way of imposing the death penalty.

In 1982, in Plyler versus Doe, the Supreme Court, again by a 5-4 decision, invoked the equal protection clause of the 14th amendment to strike down a Texas statute which denied State funding for the education of illegal immigrant children and authorized local school boards to deny enrollment to such children.

Again in a 5-4 decision in Webster versus Reproductive Health Services in 1989, the Supreme Court, in a case widely viewed as a retreat from Roe versus Wade, upheld various restrictions on the availability of abortion, including a ban on the use of public funds and facilities for abortions, and required viability testing after 20 weeks. Again, on a 5–4 decision in 1990 in United States v. Eichman, the Court invalidated State and Federal laws prohibiting flag desecration on the grounds that they violated the first amendment.

In Adarand versus Peña, 1995, the Court held that Federal racial classifications like those of a State must be viewed under strict scrutiny standards.

In the course of the past 5 years, on decisions from 1993–1997, there have been 74 decisions of the Supreme Court of the United States by a 5–4 decision.

Mr. President, when there is a vacancy in the Supreme Court of the United States, there is no existing systematic way for the selection process to occur with respect to the Senate involvement under the advice section of the Advice and Consent Clause. We do know historically that when Justice Oliver Wendell Holmes retired in 1931, there was unique concern about who his replacement should be and that was because of the unique status which Justice Holmes had on the life of the law; the author of "Common Law" in 1881, member of the Supreme Judicial Court of Massachusetts for 20 years from 1891 to 1901, and a member of the Supreme Court of the United States for 30 years, until 1931, the author of perhaps the most brilliant decisions on clear and present danger, a Justice extraordinarily gifted.

When he was set to retire, there was unusual public concern about who his replacement would be. President Hoover was reluctant to appoint a New Yorker when many people suggested Benjamin Cardozo, a very distinguished judge on the court of appeals in the State of New York. The chairman of the Judiciary Committee, George W. Norris, made an effort to persuade the President that Benjamin Cardozo ought to be the replacement for Oliver Wendell Holmes, but it was the chairman of the Foreign Relations Committee, William E. Borah, who is historically credited with making the critical suggestion when President Hoover handed Senator Borah a list on which he had ranked individuals whom he was considering for nomination in descending order of preference. The list contained 10 names, and the name on the bottom of the list was Benjamin Cardozo. The Senator looked at the list and replied, "Your list was all right, but you handed it to me upside down." And President Hoover finally conceded, even though reluctant to appoint a Democrat and even though reluctant to appoint another nominee from the State of New York. Benjamin Cardozo was appointed on February 15, 1932, and the nomination won instant and unanimous approval by the U.S. Senate.

In modern times, we have been very diligent in the exercise of our consent function. The hearings in the Judiciary Committee have focused enormous public attention when the nominees come forward because at that point in time there is an awareness of the importance of the Supreme Court. The decisions which come down, and the 74 decisions which have come down in the last 5 years 5–4, really do not create much of a public ripple, do not attract very much public attention, even though these decisions are of enormous, enormous importance.

Because of this background, Mr. President, it is my thinking that the Senate ought to give consideration to establishing a panel of prospective Supreme Court nominees for submission to the President under our advice function, under the Advice and Consent Clause. Obviously, it is a matter that the President can take or leave, but at least we ought to make that pool available.

I advance this in the closing days of the first session of the 105th Congress so that our colleagues can think about it over the intervening several months, and I will seek cosponsors, seek advice from my colleagues. I have talked it over with a number of the Members of the Senate, including members of the Judiciary Committee and the leadership. There has been a very responsive note about it. I have talked to some on the Supreme Court of the United States. The effort would be to try to diversify the background. Few would know, and many would be surprised to learn, that of the nine Justices on the Supreme Court of the United States, eight of them came from prior judicial appointments.

From time to time when there is a suggestion that somebody be nominated who has a broader background—perhaps as a former Governor, perhaps as a former Cabinet officer, with more background—there is some reluctance. It is safer to appoint someone who has been on a court. It may well be, I think it is true, that the country would be better served by having a Supreme Court which had a more diverse background. One thought would be to ask for suggestions from, say, the chief judges of the Federal circuit courts of appeals to suggest individuals whom they know in their circuit—distinguished lawyers, distinguished professors, people from all walks of life; or to ask the chief judges of the U.S. district courts; or the chief justices of the supreme courts of the various States; or a cross-sampling of judges; or the bar associations of the States; or the American Bar Association; or from the public at large.

Then the Judiciary Committee might well establish a practice—and this is a matter of flexibility—where we would inquire into the backgrounds of the individuals and compile a pool of prospective Supreme Court nominees. There are thousands of lawyers at this moment in America who would love to be judges, and all of them would love to be Justices of the Supreme Court of the United States as a very high honor and an opportunity to serve in a very, very important position. There is enormous legal talent in America, and very little of it, necessarily so, is called to the attention of the President of the United States when a vacancy occurs. From time to time you hear about a nomination and somebody was considered, and the next time a vacancy occurs that person is pretty much automatically put into the spot.

I think it is not betraying the confidence to retell a story about Senator Howard Baker, our distinguished majority leader who later became chief of staff to President Reagan. When Justice Potter Stewart left the bench in 1987, Senator Baker said to President Reagan, "I'll prepare a list of possible replacements for the Supreme Court of the United States." According to Senator Baker, President Reagan responded, "Do you think you could put Judge Bork on the list?" rather an interesting comment, perhaps even a curious comment, coming from the President of the United States. Of course he had the power to make the determination, certainly more than the power to decide who would be on the list among those who would be considered.

So I advance this idea, Mr. President, as I say, in the closing days of this session, with my stated intention to discuss the matter further with my colleagues in an effort to develop more ideas as to how we might function and how we might activate and motivate the advice function of the Advice and Consent Clause.

I ask unanimous consent that a very brief summary statement of the kernel of this idea be printed; a form of the resolution be printed with the caveat that it is not intended to be final but a suggested form; and that a listing of the Supreme Court decisions decided by 5-4 from 1994, 1995 and 1996—since I do not want to take the time to put them in the RECORD at this time—be printed, showing the tremendously important matters which are decided by a single Justice having such a profound impact on the law in the United States.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SUMMARY STATEMENT

I suggest to my Senate colleagues that we consider exercising our constitutional "advice" function under the "advice and consent" clause by establishing a panel of possible Supreme Court nominees for consideration by the President when a vacancy occurs.

There is no doubt about the great power exercised by the Supreme Court since the Court itself decided in *Marbury* v. *Madison* that it had the last word on interpretation of the relative powers of the Congress, the Executive Branch, the states and disputes between any parties who sought a constitutional adjudication.

The Supreme Court has the final say on what happens from conception to death.

In the last week of this June, the Court handed down historic/monumental decisions on dying, religion, speech, due process, states rights and congressional power. Several of the cases were decided by a single justice on a 5 to 4 vote. One case, following two other decisions in the past 2 years, reversed six decades of firmly established constitutional authority on the supremacy of federal laws over states rights under the commerce clause.

Without disparaging the Court's current personnel, it is worth noting that seldom are the justices compared to Oliver Wendell Holmes, Louis Dembitz Brandeis or Benjamin Cardozo.

While some nominees get strict scrutiny during the confirmation process, the Senate has traditionally been AWOL on its constitutional responsibility for "advice."

For the Supreme Court especially, we should seek the best and brightest.

To create a panel of the best and brightest, I suggest we call on State Supreme Court Chief Justices, Chief Judges from the 13 Federal Courts of Appeals, Chief Judges from the 94 Federal District Court panels, academic and lawyers' associations and others to make suggestions. The Judiciary Committee could then review and evaluate those suggested for submission of a panel to the President.

Frequent complaints are heard about nominations to satisfy a specific constituency. With sufficient early outreach, we can get diversity in the best and the brightest without accepting lesser qualifications.

SUPREME COURT DECISIONS
OCTOBER 1996 TERM

Abrams v. Johnson 66 USLW 4478 (1997).

Opinion: Kennedy, Rehnquist, O'Connor, Scalia, Thomas.

Dissent: Breyer, Stevens, Souter, Ginsburg.

Holding: Georgia's congressional districting plan, imposed by a federal district court after the legislature deadlocked and was unable to adopt a new districting law in conformity with the Supreme Court's ruling in *Miller v. Johnson* (1995), is valid.

Agostini v. Felton 65 USLW 4524 (1997).

Opinion: O'Connor, Rehnquist, Scalia, Kennedy, Thomas.

Dissent: Souter, Stevens, Ginsburg, Breyer.

Holding: The First Amendment's Establishment Clause does not bar use of public school teachers in parochial schools to provide remedial education to disadvantaged children pursuant to Title I of the Elementary and Secondary Education Act of 1965.

Camps Newfound/Owatonna v. Town of Harrison 117 S.Ct. 1590 (1997).

Opinion: Stevens, O'Connor, Kennedy, Souter, Breyer.

Dissent: Scalia, Rehnquist, Thomas, Ginsburg.

Holding: Maine's property tax law, which contains an exemption for charitable institutions but limits that exception to institutions serving principally Maine residents, violates the "dormant" Commerce Clause as applied to deny exemption status to a nonprofit corporation that operates a summer camp for children, most of whom are not Maine residents.

Commissioners of Bryan County v. Brown 117 S.Ct. 1382 (1997).

Opinion: O'Connor, Rehnquist, Scalia, Kennedy, Thomas.

Dissent: Souter, Stevens, Breyer, Ginsburg.

Holding: The county is not liable under 42 U.S.C. §1983 for personal injury resulting from the use of excessive force by a police officer who had been hired in spite of an arrest record for various misdemeanors that included assault and battery, resisting arrest, and public drunkenness.

Glickman v. Wileman Bros. & Elliott, Inc. 65 USLW 4597 (1997).

Opinion: Stevens, O'Connor, Kennedy, Ginsburg, Breyer.

Dissent: Souter, Rehnquist, Scalia, Thomas.

Holding: A requirement imposed by marketing orders promulgated under authority of the Agricultural Marketing Agreement Act of 1937 that California fruit growers finance generic advertising does not offend the First Amendment.

Idaho v. Coeur d'Alene Tribe 65 USLW 4540 (1997).

Opinion: Kennedy, Rehnquist, O'Connor, Scalia, Thomas.

Dissent: Souter, Stevens, Ginsburg, Breyer.

Holding: The Tribe's action against the State for a declaratory judgment and an injunction establishing the Tribe's ownership an control of the submerged lands and bed of Lake Coeur d'Alene is barred by the Eleventh Amendment.

Kansas v. Hendricks 65 USLW 4564 (1997)

Opinion: Thomas, Rehnquist, O'Connor, Scalia, Kennedy.

Dissent: Breyer, Stevens, Souter, Ginsburg.

Holding: Kansas's Sexually Violent Predator Act, which provides for civil commitment of persons who have been convicted or charged with a sexually violent offense, and who, due to a "mental abnormality" or "personality disorder" are likely to engage in "predatory acts of sexual violence," does not offend the substantive requirements of the Due Process Clause.

Lambrix v. Singletary 117 S.Ct. 1517 (1997).

Opinion: Scalia, Rehnquist, Kennedy, Souter, Thomas.

Dissent: Stevens, Ginsburg, Breyer, O'Connor.

Holding: A state prisoner whose conviction became final before the Court's decision in *Espinosa v. Florida* (1992) is foreclosed from relying on that decision in a federal habeas corpus proceeding because Espinosa announced a "new rule" within the meaning of *Teague v. Lane* (1989).

Lawyer v. Department of Justice 65 USLW 4629 (1997).

Opinion: Souter, Rehnquist, Stevens, Ginsburg, Breyer.

Dissent: Scalia, O'Connor, Kennedy, Thomas.

Holding: A federal district court did not err in approving a settlement agreement imposing new districts for election of members of the Florida Senate and House without first holding unconstitutional the existing plan.

Lindh v. Murphy 65 USLW 4557 (1997).

Opinion: Souter, Stevens, O'Connor, Ginsburg, Breyer.

Dissent: Rehnquist, Scalia, Kennedy, Thomas.

Holding: Amendments made by the Antiterrorism and Effective Death Penalty Act to the general habeas corpus provisions of chapter 153 of Title 28 do not apply to cases that were pending on the date of enactment.

McMillan v. Monroe County 117 S.Ct. 1734 (1997).

Opinion: Rehnquist, O'Connor, Scalia, Kennedy, Thomas.

Dissent: Ginsburg, Stevens, Souter, Breyer.

Holding: Sheriffs in Alabama, when exercising policy making authority in a law enforcement capacity, represent the State and not the county.

O'Dell v. Netherland 65 USLW 4506 (1997).

Opinion: Thomas, Rehnquist, O'Connor, Scalia, Kennedy.

Dissent: Stevens, Souter, Ginsburg, Breyer.

Holding: The rule set forth in *Simmons v. South Carolina* (1994)—that a capital defendant must be permitted to inform his sentencing jury that he is ineligible for parole if the prosecution argues that the defendant should receive the death penalty rather than life imprisonment because of his alleged future dangerousness to society—was a "new rule" that cannot be used to disturb a death sentence that had become final before *Simmons* was decided.

Old Chief v. United States 117 S. Ct. 644 (1997).

Opinion: Souter, Stevens, Kennedy, Ginsburg, Breyer.

Dissent: O'Connor, Rehnquist, Scalia, Thomas.

Holding: The district court abused its discretion under Rule 403, Federal Rules of Evidence, in ruling that the United States Attorney, in a prosecution for possession of a firearm by someone with a prior felony conviction, need not agree to the defendant's stipulation that he had a prior felony conviction.

Printz. v. United States 65 USLW 4731 (1997).

Opinion: Scalia, Rehnquist, O'Connor, Kennedy, Thomas.

Dissent: Souter, Ginsburg, Breyer, Stevens.

Holding: Interim provisions of the Brady Handgun Violence Prevention Act that require state and local law enforcement officers to conduct background checks on prospective handgun purchasers and to perform certain related tasks are unconstitutional.

Richardson v. McKnight 65 USLW 4579 (1997).

Opinion: Breyer, Stevens, O'Connor, Souter, Ginsburg.

Dissent: Scalia, Rehnquist, Kennedy, Thomas.

Holding: Employees of private prison management companies are not entitled to the qualified immunity that is extended to publicly employed state prison guards in suits brought under 42 U.S.C. §1983.

Turner Broadcasting System v. FCC 117 S. Ct. 1174 (1997).

Opinion: Kennedy, Rehnquist, Stevens, Souter.

Dissent: O'Connor, Scalia, Thomas Ginsburg.

Holding: Sections 4 and 5 of the Cable Television Consumer Protection and Competition Act of 1992, which require cable systems to carry local broadcast television stations, are consistent with the First Amendment.

OCTOBER 1995 TERM

Bennis v. Michigan 116 S. Ct. 994 (1996).

Opinion: Rehnquist, O'Connor, Scalia, Thomas, Ginsburg.

Dissent: Stevens, Souter, Breyer, Kennedy.

Holding: A Michigan court's order of forfeiture of an automobile, jointly owned by a husband and wife, conforms to due process requirements even with no offset for the wife's half interest in the car.

BMW of North America v. Gore 116 S. Ct. 1589 (1996)

Opinion: Stevens, O'Connor, Kennedy, Souter, Breyer.

Dissent: Scalia, Thomas, Ginsburg, Rehnquist.

Holding: Award of $2 million in punitive damages of $4,000 was so "grossly excessive" that it violated the Due Process Clause of the Fourteenth Amendment.

Bush v. Vera 116 S. Ct. 1941 (1996)

Opinion: O'Connor, Rehnquist, Kennedy, Thomas, Scalia.

Dissent: Stevens, Ginsburg, Breyer, Souter.

Holding: Three congressional districts created by Texas law constitute racial gerrymanders that are unconstitutional under the Equal Protection Clause.

Gasperini v. Center for Humanities, Inc. 116 S. Ct. 2211 (1977)

Opinion: Ginsburg, O'Connor, Kennedy, Souter, Breyer.

Dissent: Stevens, Scalia, Rehnquist, Thomas.

Holding: A New York law authorizing appellate courts to review the size of civil jury verdicts and to order new trials when the jury's verdict "deviates materially from what would be reasonable compensation" can be given effect by federal district courts reviewing jury awards in cases based on diversity of citizenship without violating the Seventh Amendment.

Gray v. Netherland 116 S. Ct. 2074 (1996)

Opinion: Rehnquist, O'Connor, Scalia, Kennedy, Thomas.

Dissent: Stevens, Ginsburg, Souter, Breyer.

Holding: A habeas corpus petitioner's claim that he was denied due process of law because he was not given adequate notice of some of the evidence that the state would use against him in the penalty phase of his trial would, if sustained, necessitate creation of a "new rule," and therefore does not provide a basis upon which he may receive federal habeas relief.

Holly Farms Corp. v. NLRB 116 S. Ct. 1396 (1996)

Opinion: Ginsburg, Stevens, Kennedy, Souter, Breyer.

Dissent: O'Connor, Rehnquist, Scalia, Thomas.

Holding: The decision of the NLRB that workers described as "live-haul" crews—teams of chicken catchers, forklift operators, and truck drivers—are covered "employees" within the meaning of the National Labor Relations Act, and not exempt "agricultural laborers," is a reasonable interpretation entitled to deference.

Leavitt v. Jane L. 116 S.Ct. 2068 (1996).

Opinion: Per curiam.

Dissent: Stevens, Souter, Ginsburg, Breyer.

Holding: U.S. Court of Appeals for the Tenth Circuit erred in invalidating a provision of Utah's abortion law, regulating abortions after 20 weeks gestational age, on the grounds that it was not severable from another portion of the law, regulating earlier abortions, that had been ruled unconstitutional.

Montana v. Egelhoff 116 S.Ct. 2013 (1996).

Opinion: Scalia, Rehnquist, Kennedy, Thomas, Ginsburg.

Dissent: O'Connor, Stevens, Souter, Breyer, Stevens.

Holding: Montana's law providing that voluntary intoxication may not be taken into account in determining the existence of a mental state that is an element of a criminal offense does not violate the Due Process Clause.

Morse v. Republican Party of Virginia 116 S.Ct. 1186 (1996).

Opinion: Stevens, Ginsburg, Breyer, O'Connor, Souter.

Dissent: Scalia, Thomas, Kennedy, Rehnquist.

Holding: Section 5 of the Voting Rights Act, which prohibits covered jurisdictions from enforcing new voting qualification or procedure without first obtaining court approval or preclearance by the Attorney General, applies to selection of delegates to a political party's state nominating convention.

Seminole Tribe of Florida v. Florida 116 S.Ct. 1114 (1996).

Opinion: Rehnquist, O'Connor, Scalia, Kennedy, Thomas.

Dissent: Stevens, Souter, Ginsburg, Breyer.

Holding: A provision of the Indian Gaming Regulatory Act authorizing an Indian tribe to sue a state in federal court to compel performance of a duty to negotiate in good faith toward the formation of a compact violates the Eleventh Amendment.

Shaw v. Hunt 116 S.Ct. 1894 (1996).

Opinion: Rehnquist, O'Connor, Scalia, Kennedy, Thomas.

Dissent: Stevens, Ginsburg, Breyer, Souter.

Holding: North Carolina's congressional districting law, containing the racially gerrymandered 12th Congressional District as well as another majority-black district, violates the Equal Protection Clause because, under strict scrutiny applicable to racial classifications, creation of the district was not narrowly tailored to serve a compelling state interest.

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Adarand Constructors, Inc. v. Pēna 115 S.Ct. 2097 (1995).

Opinion: O'Connor, Rehnquist, Kennedy, Thomas, Scalia.

Dissent: Stevens, Ginsburg, Souter, Breyer.

Holding: Racial classifications imposed by federal law must be analyzed by a reviewing court under strict scrutiny.

Florida Bar v. Went For It, Inc. 63 USL W 4644 (1995).

Opinion: O'Connor, Rehnquist, Scalia, Thomas, Breyer.

Dissent: Kennedy, Stevens, Souter, Ginsburg.

Holding: Florida bar rules prohibiting attorneys from sending targeted direct-mail solicitations to victims and their relatives for 30 days following an accident or disaster do not violate the First Amendment.

Gustafson v. Alloyd Co. 115 S.Ct. 1061 (1995).

Opinion: Kennedy, Rehnquist, Stevens, O'Connor, Souter.

Dissent: Thomas, Scalia, Ginsburg, Breyer.

Holding: The right of rescission conferred by section 12(2) of the Securities Act of 1933 against sellers who make material misstatements "by means of a prospectus" applies only to a public offering, and does not apply to a private, secondary sale.

Gutierrez de Martinez v. Lamagno 115 S.Ct. 2227 (1995).

Opinion: Gingsburg, Stevens, O'Connor, Kennedy, Breyer.

Dissent: Souter, Rehnquist, Scalia, Thomas

Holding: The Attorney General's certification under the Westfall Act, 28 U.S.C. §2679(d)(1), that a federal employe who was sued for a wrongful or negligent act had been acting within the scope of his employment at the time of the contested action is subject to judicial review.

Hess v. Port Authority Trans-Hudson Corp. 115 S.Ct. 394 (1995).

Opinion: Ginsburg, Stevens, Kennedy, Souter, Breyer.

Dissent: O'Connor, Rehnquist, Scalia, Thomas.

Holding: The Port Authority Trans-Hudson Corp., a wholly owned subsidiary of the Port Authority of New York and New Jersey that operates a commuter railroad, is not entitled to Eleventh Amendment immunity from suit in federal court.

Kyles v. Whitley 115 S.Ct. 1555 (1995).

Opinion: Souter, Stevens, O'Connor, Ginsburg, Breyer.

Dissent: Scalia, Rehnquist, Kennedy, Thomas.

Holding: The petitioner in this federal habeas corpus action is entitled to a new trial in state court because the net effect of the evidence withheld by the State during his murder trial raised a reasonable probability that its disclosure would have produced a different result.

Miller v. Johnson 63 USLW 4726 (1995). Opinion: Kennedy, Rehnquist, O'Connor, Scalia, Thomas. Dissent: Stevens, Ginsburg, Breyer, Souter. Holding: Georgia's congressional districting plan violates the Equal Protection Clause.

Missouri v. Jenkins 115 S.Ct. 2038 (1995). Opinion: Rehnquist, O'Connor, Scalia, Kennedy, Thomas. Dissent: Souter, Stevens, Ginsburg, Breyer. Holding: The district court exceeded its authority in ordering remedies in the longstanding litigation over desegregation of the Kansas City, Missouri public schools.

Oklahoma Tax Comm'n v. Chickasaw Nation 115 S.Ct. 2214 (1995). Opinion: Ginsburg, Rehnquist, Scalia, Kennedy, Thomas. Dissent: Breyer, Stevens, O'Connor, Souter. Holding: Oklahoma may not impose its motor fuels excise tax upon fuel sold by Chickasaw Nation retail stores on tribal trust land, but the State may impose its income tax on members of the Chickasaw Nation who are employed by the Tribe but who reside in the State outside Indian country.

Rosenberger v. University of Virginia 63 USLW 4702 (1995). Opinion: Kennedy, Rehnquist, O'Connor, Scalia, Thomas. Dissent: Souter, Stevens, Ginsburg, Breyer. Holding: The University, which subsidizes the printing costs of publications by student groups that meet requirements for student participation and open membership, violated the free speech clause of the First Amendment by withholding payments for printing of a student magazine because the magazine "primarily promotes or manifests a particular belie[f] in or about a deity or an ultimate reality."

Sandin v. Connor 63 USLW 4601 (1995). Opinion: Rehnquist, O'Connor, Scalia, Kennedy, Thomas. Dissent: Ginsburg, Stevens, Breyer, Souter. Holding: In some circumstances, state prisoners have liberty interests that are protected by the Due Process Clause, but these interests are generally limited to freedom from restraint which imposes "atypical and significant hardship on the inmate in relation to the ordinary incidents of prison life."

Schlup v. Delo 63 USLW 4089 (1995). Opinion: Stevens, O'Connor, Souter, Ginsburg, Breyer. Dissent: Rehnquist, Kennedy, Thomas, Scalia. Holding: A habeas corpus petitioner under sentence of death who submits a second or "abusive" federal claim alleging both constitutional error at his trial and newly discovered evidence of innocence must satisfy the standard announced in *Murray v. Carrier* (1986), that it is "more likely than not that no reasonable juror would have convicted him" in light of the new evidence.

Shalala v. Guernsey Memorial Hospital 115 S.Ct. 1232 (1995). Opinion: Kennedy, Rehnquist, Stevens, Ginsburg, Breyer. Dissent: O'Connor, Scalia, Souter, Thomas. Holding: In making Medicare provider reimbursement determinations, the Secretary of HHS is not required to follow generally accepted accounting principles.

Tome v. United States 115 S.Ct. 696 (1995). Opinion: Kennedy, Stevens, Scalia, Souter, Ginsburg. Dissent: Breyer, Rehnquist, O'Connor, Thomas. Holding: Federal Rule of Evidence 801(d)(1)(B), which declares that a prior out-of-court statement by a witness "is not hearsay" if it is consistent with the witness' testimony and is used to rebut a charge of "recent fabrication or improper influence or motive," permits the introduction of such out-of-court statements only if such statements were made before the alleged fabrication or improper influence or motive originated.

U.S. Term Limits Inc. v. Thornton 115 S.Ct. 1842 (1995). Opinion: Stevens, Kennedy, Souter, Ginsburg, Breyer. Dissent: Thomas, Rehnquist, O'Connor, Scalia. Holding: An Amendment to the Arkansas Constitution denying ballot access to congressional candidates who have already served three terms in the House of Representatives or two terms in the Senate is invalid as conflicting with the qualifications for office set forth in Article I of the U.S. Constitution (specifying age, duration, of U.S. citizenship, and state inhabitancy requirements.)

United States v. Lopez 115 S.Ct. 1624 (1995). Opinion: Rehnquist, O'Connor, Scalia, Kennedy, Thomas. Dissent: Stevens, Souter, Breyer, Ginsburg. Holding: The Gun Free School Zones Act of 1990, which makes it a criminal offense to knowingly possess a firearm within a school zone, exceeds congressional power under the Commerce Clause.

Mr. SPECTER. I noticed the arrival of our very distinguished colleague, Senator ROBERT BYRD, and I yield the floor.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD. Mr. President, I thank my very distinguished colelague, the senior Senator from Pennsylvania, Mr. SPECTER, for yielding to me and for allowing me to be a cosponsor of the legislation which he has just been discussing before the Senate. I am proud to be one of his colleagues. I have great admiration for Senator SPECTER and admiration for his knowledge of the law. He has had long and varied experiences. I admire him for that experience.

Senator SPECTER is a good lawyer. If I wanted a lawyer to plead my case to the Supreme Court, I think I would like ARLEN SPECTER. If I were President of the United States—of course, I guess that will never become a reality—I would consider him for Attorney General, even though he is on the other side of the aisle. He calls the shots like they are.

I am pleased to join with my distinguished colleague in introducing the legislation. Our proposal is aimed at helping the Senate to fulfill its constitutional duty by directing the Judiciary Committee to establish a pool of the best and the brightest Supreme Court candidates for the President's consideration whenever there is a vacancy on the Court—the best and the brightest.

I personally do not promote the idea that we must make diversity a criterion. I have no problem with diversity, as long as the chosen ones are chosen because of their merit—their merit. That is what we seek to do here. We want the best and the brightest—not because they are Republicans, or not because they are Democrats, necessarily, but because they are the best and the brightest.

As anyone who has ever read the Constitution knows, one of the most important differences between the Senate and the House of Representatives is the Senate's constitutional duty to advise and consent on Presidential nominations. Specifically, that power which is contained in article II, section 2, stipulates that the President, "by and with the Advice and Consent of the Senate, shall appoint Ambassadors, other public Ministers and Consuls, Judges of the Supreme Court, and all other Officers of the United States, whose Appointments are not herein otherwise provided for, and which shall be established by Law."

While it may be true that the Senate has traditionally given a President great leeway in choosing his executive branch subordinates, especially those in Cabinet and sub-Cabinet positions, such deference on the part of the Senate has generally not applied to judicial nominations, particularly Supreme Court nominations. On the contrary, the Senate has historically exercised great caution to ensure that it carries out its responsibility, a responsibility that is a fundamental element of the separation of powers established in the Constitution.

While we have been very diligent in granting our consent, I believe, as does Senator SPECTER, that the Senate has been less than energized with respect to the offering of its advice. The Constitution refers to the "Advice and Consent."

It doesn't just refer to the word "consent," nor does it put the word "consent" in front of the word "advise." It uses the phrase "advise and consent of the Senate." Too often, as the American people are acutely aware, nominations to the High Court have become embroiled in special interest battles. All too often, the qualifications of a nominee have been aside as outside forces—interest groups and so on—have sought to use a nomination as a means of furthering their particular ideological agenda. That is not what the Supreme Court is for. Too often, the eventual loser in the process is not just the individual who has been nominated, but also the Court and its integrity, and also, more than that even, the people of the United States—the whole people, not just some particular interest group, but all of the people.

Mr. President, in an era when the nine life-tenured Justices who sit on our highest Court routinely decide questions that go to the very heart of life, liberty, and the pursuit of happiness, we cannot afford to have anything less than the most highly qualified individuals serving on that Court.

While I do not mean to disparage any of the current Justices, the fact remains that, more and more, nominees are being selected for reasons that go beyond their qualifications, that go beyond their abilities, that go beyond their dedication, their reverence for and dedication to the Constitution. Accordingly, Senator SPECTER has come to the conclusion—and he has allowed me to join him—that the best way to resolve this problem and the best way for the Senate to undertake its advice responsibility is to direct the Judiciary Committee, after consultation with the finest legal minds in our country, to establish a panel of potential nominees that would be made available to the President—this President, or any other President. In so doing, it is our hope that we can begin to depoliticize the nomination process and, in turn, help restore to the High Court the esteem, much of which has been lost over the past few years.

In closing, I again want to thank Senator SPECTER for his thoughtfulness, for his vision, as we have worked on the resolution. I know that he shares my concern that the Senate has not only this responsibility, but it has a duty, a constitutional duty, to ensure that the highest Court in the land is comprised of the best and the brightest talent that our Nation has to offer. I hope that others will join us in this effort.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, I thank my colleague, Senator BYRD, for those comments about the substance of the resolution. When Senator BYRD joins on an issue of constitutional import, there is great weight. I thank him on a personal level for his very kind comments about me. When he started to talk about an appointment of ARLEN SPECTER if Senator BYRD were President, I was about to start a rumor on "Byrd for President." I still might. If it was the Attorney General job, I am not so sure, but if it had been the Supreme Court he was talking about, I might have had a little more motivation on that.

In the case of Raines versus Byrd, where Senator BYRD challenged the line-item veto, in which a curious decision of the Supreme Court said that Senator BYRD, Senator HATFIELD, Senator MOYNIHAN, and Senator LEVIN didn't have standing, that goes to show you we need more advice from the Senate in anticipation. When Senator BYRD said he might have asked me to argue the case, I have argued three cases in the Supreme Court—most recently, in March of 1994, on the Base Closing Commission. It was the fastest 30 minutes of my life, to appear before the Supreme Court, and 7 of those sitting nine Justices had appeared before the Senate Judiciary Committee. I noted a certain tenor of questions from the Court, similar to the ones, I had asked when they appeared as nominees for the Supreme Court. Although, I was not successful in that case, the Court being reluctant to upset 300 base closings, the Harvard Law Review published a detailed critique of the case and found that my position was right on the separation of powers. That was just a word or two on a parenthetical expression.

Mr. President, I am going to revise my approach a little bit and at this time formally offer this resolution on behalf of Senator BYRD and myself on the advise and consent function. I realize that it cannot be acted on in this session, but it will be a guidepost for revision after consultation with our colleagues.

I again thank my colleague, Senator BYRD, and I yield the floor.

SENATE RESOLUTION 147—RELATIVE TO AUTHORIZING TESTIMONY, PRODUCTION OF DOCUMENTS, AND REPRESENTATION

Mr. LOTT (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to.

S. RES. 147

Whereas, in the case of First American Corp., et al. v. Sheikh Zayed Bin Sultan Al-Nahyan, et al., C.A. No. 93-1309 (JHG/PJA), pending in the United States District Court for the District of Columbia, the plaintiff has requested testimony from Jack Blum, a former employee on the staff of the Committee on Foreign Relations, and the production of documents of the Committee on Foreign Relations;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2), the Senate may direct its counsel to represent Members, employees, committees, and subcommittees, of the Senate with respect to any subpoena, order, or request for testimony or documents relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, That Jack Blum is authorized to testify in the case of First American Corp., et al. v. Sheikh Zayed Bin Sultan Al-Nahyan, et al., except concerning matters for which a privilege should be asserted, and the chairman and ranking minority member of the Committee on Foreign Relations, acting jointly, are authorized to produce records of the Committee relating to the investigation of the Subcommittee on Terrorism, Narcotics, and International Operations into the Bank of Credit and Commerce, International.

SEC. 2. That the Senate Legal Counsel is authorized to represent Jack Blum, the Committee on Foreign Relations, and any present or former Member or employee of the Senate, in connection with First American Corp., et al. v. Sheikh Zayed Bin Sultan Al-Nahyan, et al.

AMENDMENTS SUBMITTED

THE RECIPROCAL TRADE AGREEMENT ACT OF 1997

CRAIG AMENDMENTS NOS. 1603–1608

(Ordered to lie on the table.)

Mr. CRAIG submitted six amendments intended to be proposed by him to the bill (S. 1269) to establish objectives for negotiating and procedures for implementing certain trade agreements; as follows:

AMENDMENT NO. 1603

On page 41, between lines 16 and 17, insert the following:

(d) ADDITIONAL LIMITATIONS ON APPLICATION OF TRADE AGREEMENT APPROVAL PROCEDURES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the provisions of section 151 of the Trade Act of 1974, as modified by section 3(b)(3), shall not apply to any provision in an implementing bill that has the purpose or effect of, or permits a decision-making process (including the creation of, or delegation of authority to, any international or private body) that may result in, limiting or transferring the jurisdiction or authority of a Federal court.

(2) PROCEDURES FOR CONSIDERING AMENDMENTS.—Debate on all amendments to a provision in an implementing bill described in paragraph (1) (including debate on any debatable motions and appeals in connection therewith) shall be limited to 5 hours in the Senate and 5 hours in the House of Representatives. Such time shall be equally divided between, and controlled by, the majority leader and the minority leader, or their designees. No amendment that is not germane to the implementing bill shall be in order.

AMENDMENT NO. 1604

At the appropriate place, insert the following:

SEC. . IMPORTATION OF FIREARMS.

(a) IN GENERAL.—Section 925(d) of title 18, United States Code, is amended to read as follows:

"(d)(1) Within 30 days after the Secretary receives an application therefor, the Secretary shall authorize a firearm or ammunition to be imported or brought into the United States or any possession thereof if the firearm or ammunition—

"(A) is being imported or brought in for scientific or research purposes, or is for use in connection with competition or training pursuant to chapter 401 of title 10;

"(B) is an unserviceable firearm, other than a machine gun as defined in section 5845(b) of the Internal Revenue Code of 1986 (not readily restorable to firing condition), imported or brought in as a curio or museum piece;

"(C) is not—

"(i) a firearm (as defined in section 5845(a) of the Internal Revenue Code of 1986); or

"(ii) subject to the prohibition of section 922(v) of this title, and if the Secretary has denied an application to import a firearm pursuant to this subparagraph, it shall be unlawful to import any frame, receiver, or barrel of such firearm which would be prohibited if assembled; or

"(D) was previously taken out of the United States or a possession by the person who is bringing in the firearm or ammunition.

"(2) Within 30 days after the Secretary receives an application therefor, the Secretary shall permit the conditional importation or bringing in of a firearm or ammunition for examination and testing in connection with the making of a determination as to whether the importation or bringing in of such firearm or ammunition will be allowed under this subsection.".

(b) CONFORMING AMENDMENT.—Section 922(r) of such title is amended by striking "925(d)(3)" and inserting "925(d)(1)(C)".

AMENDMENT NO. 1605

On page 31, between lines 3 and 4, insert the following:

(d) LIMITATIONS ON TRADE AGREEMENTS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the President shall not enter into any treaty or other international agreement that, in whole or in part, has the purpose or effect of transferring the jurisdiction or authority of a Federal court to decide cases under United States law.

(2) LIMITS ON USE OF APPROVAL PROCEDURES.—Notwithstanding any other provision of law, the trade agreement approval procedures in this section shall not apply to any trade agreement or bill to implement any trade agreement that has the purpose or effect of transferring the jurisdiction or authority of a Federal court to decide cases under United States law.

AMENDMENT NO. 1606

On page 41, between lines 16 and 17, insert the following:

(d) ADDITIONAL LIMITATIONS ON APPLICATION OF TRADE AGREEMENT APPROVAL PROCEDURES.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the provisions of section 151 of the Trade Act of 1974, as modified by section 3(b)(3), shall not apply to any provision in an implementing bill that is a domestic revenue provision. An amendment to a domestic revenue provision shall be in order if the amendment meets the requirements of paragraph (4).

(2) DOMESTIC REVENUE PROVISION.—For purposes of this subsection, the term "domestic revenue provision" means a provision in an implementing bill that increases revenues for the fiscal years covered by the implementing bill in order to comply with the Balanced Budget and Emergency Deficit Control Act of 1985 and a majority of the revenues raised by the provision would be paid by a United States person.

(3) UNITED STATES PERSON.—The term "United States person" means—

(A) a United States citizen;

(B) a partnership, corporation, or other legal entity organized under the laws of the United States; and

(C) a partnership, corporation, or other legal entity that is organized under the laws of a foreign country and is controlled by entities described in subparagraph (B) or United States citizens, or both.

(4) REQUIREMENTS FOR AMENDMENT.—It shall not be in order in the House of Representatives or the Senate to consider any amendment to a domestic revenue provision in an implementing bill that would have the effect of reducing any specific revenues below the level of such revenues provided in the implementing bill for such fiscal years, unless such amendment makes at least an equivalent reduction in other specific budget outlays, an equivalent increase in other specific Federal revenues, an equivalent increase or reduction in another provision of the implementing bill, or an equivalent combination thereof for such fiscal years. For purposes of this paragraph, the levels of budget outlays and Federal revenues for a fiscal year shall be determined on the basis of estimates made by the Committee on the Budget of the Senate or of the House of Representatives, as the case may be.

(5) PROCEDURES FOR CONSIDERING AMENDMENTS.—Debate on all amendments to domestic revenue provisions in an implementing bill (including debate on any debatable motions and appeals in connection therewith) shall be limited to 5 hours in the Senate and 5 hours in the House of Representatives. Such time shall be equally divided between, and controlled by, the majority leader and the minority leader, or their designees. No amendment that is not germane to the implementing bill shall be in order.

AMENDMENT NO. 1607

On page 26, between lines 18 and 19, insert the following:

(4) LIMITATIONS ON PROVISIONS COVERED BY TRADE AGREEMENT APPROVAL PROCEDURES.—

(A) IN GENERAL.—Notwithstanding any other provision of law, the provisions of section 151 of the Trade Act of 1974, as modified by paragraph (3), shall not apply to any provision in an implementing bill that is an extraneous provision and an amendment to an extraneous provision shall be in order.

(B) EXTRANEOUS PROVISION.—For purposes of this paragraph, the term "extraneous provision" means a provision in an implementing bill that—

(i) is not necessary to implement a trade agreement;

(ii) does not otherwise relate to the implementation or enforcement of a trade agreement; or

(iii) is not necessary in order to comply with the Balanced Budget and Emergency Deficit Control Act of 1985.

AMENDMENT NO. 1608

On page 48, strike line 3 and insert the following:

SEC. 10. JOINT UNITED STATES-CANADA COMMISSION ON AGRICULTURAL COMMODITIES.

(A) ESTABLISHMENT.—There is established a Joint United States—Canada Commission on Agricultural Commodities to identify, and recommend means of resolving, national, regional, and provincial trade-distorting differences between the United States and Canada with respect to the production, processing, and sale of agricultural commodities, with particular emphasis on—

(1) fair and open market access and competition for all agricultural commodities especially—

(A) cattle and beef;

(B) wheat and feed grains;

(C) potatoes; and

(D) timber and forest products;

(2) transportation differences; and

(3) market-distorting direct and indirect subsidies.

(b) COMPOSITION.—

(1) IN GENERAL.—The Commission shall be composed of—

(A) 5 members representing the United States including—

(i) 2 members appointed by the Majority Leader of the Senate;

(ii) 2 members appointed by the Speaker of the House of Representatives; and

(iii) 1 member appointed by the Secretary of Agriculture;

(B) 5 members representing Canada, appointed by the Government of Canada; and

(C) nonvoting members appointed by the Commission to serve as advisers to the Commission, including university faculty, State veterinarians, trade experts, and other members.

(3) APPOINTMENT.—Members of the Commission shall be appointed not later than 30 days after the date of enactment of this Act.

(c) REPORT.—Not later than 1 year after the first meeting of the Commission, the Commission shall submit a report to Congress and the Government of Canada that identifies, and recommends means of resolving, differences between the United States and Canada with respect to the production, processing, and sale of agricultural commodities.

SEC. 11. DEFINITIONS.

THE AMTRAK REFORM AND ACCOUNTABILITY ACT OF 1997

HUTCHISON (AND OTHERS) AMENDMENT NO. 1609

Mrs. HUTCHISON (for herself, Mr. LOTT, Mr. MCCAIN, Mr. JEFFORDS, and Mr. SANTORUM) proposed an amendment to the bill (S. 738) to reform the statutes relating to Amtrak, to authorize appropriations for Amtrak, and for other purposes; as follows:

Strike out all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; AMENDMENT OF TITLE 49; TABLE OF SECTIONS.

(a) SHORT TITLE.—This Act may be cited as the "Amtrak Reform and Accountability Act of 1997".

(b) AMENDMENT OF TITLE 49, UNITED STATES CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

(c) TABLE OF SECTIONS.—The table of sections for this Act is as follows:

Sec. 1. Short title; amendment of title 49; table of sections.
Sec. 2. Findings.

TITLE I—REFORMS

Subtitle A—Operational Reforms

Sec. 101. Basic system.
Sec. 102. Mail, express, and auto-ferry transportation.
Sec. 103. Route and service criteria.
Sec. 104. Additional qualifying routes.
Sec. 105. Transportation requested by States, authorities, and other persons.
Sec. 106. Amtrak commuter.
Sec. 107. Through service in conjunction with intercity bus operations.
Sec. 108. Rail and motor carrier passenger service.
Sec. 109. Passenger choice.
Sec. 110. Application of certain laws.

Subtitle B—Procurement

Sec. 121. Contracting out.

Subtitle C—Employee Protection Reforms

Sec. 141. Railway Labor Act Procedures.
Sec. 142. Service discontinuance.

Subtitle D—Use of Railroad Facilities
Sec. 161. Liability limitation.
Sec. 162. Retention of facilities.
TITLE II—FISCAL ACCOUNTABILITY
Sec. 201. Amtrak financial goals.
Sec. 202. Independent assessment.
Sec. 203. Amtrak Reform Council.
Sec. 204. Sunset trigger.
Sec. 205. Senate procedure for consideration of restructuring and liquidation plans.
Sec. 206. Access to records and accounts.
Sec. 207. Officers' pay.
Sec. 208. Exemption from taxes.
Sec. 209. Limitation on use of tax refund.
TITLE III—AUTHORIZATION OF APPROPRIATIONS
Sec. 301. Authorization of appropriations.
TITLE IV—MISCELLANEOUS
Sec. 401. Status and applicable laws.
Sec. 402. Waste disposal.
Sec. 403. Assistance for upgrading facilities.
Sec. 404. Demonstration of new technology.
Sec. 405. Program master plan for Boston-New York main line.
Sec. 406. Americans with Disabilities Act of 1990.
Sec. 407. Definitions.
Sec. 408. Northeast Corridor cost dispute.
Sec. 409. Inspector General Act of 1978 amendment.
Sec. 410. Interstate rail compacts.
Sec. 411. Composition of Amtrak board of directors.
Sec. 412. Educational participation.
Sec. 413. Report to Congress on Amtrak bankruptcy.
Sec. 414. Amtrak to notify Congress of lobbying relationships.

SEC. 2. FINDINGS.

The Congress finds that—

(1) intercity rail passenger service is an essential component of a national intermodal passenger transportation system;

(2) Amtrak is facing a financial crisis, with growing and substantial debt obligations severely limiting its ability to cover operating costs and jeopardizing its long-term viability;

(3) immediate action is required to improve Amtrak's financial condition if Amtrak is to survive;

(4) all of Amtrak's stakeholders, including labor, management, and the Federal government, must participate in efforts to reduce Amtrak's costs and increase its revenues;

(5) additional flexibility is needed to allow Amtrak to operate in a businesslike manner in order to manage costs and maximize revenues;

(6) Amtrak should ensure that new management flexibility produces cost savings without compromising safety;

(7) Amtrak's management should be held accountable to ensure that all investment by the Federal Government and State governments is used effectively to improve the quality of service and the long-term financial health of Amtrak;

(8) Amtrak and its employees should proceed quickly with proposals to modify collective bargaining agreements to make more efficient use of manpower and to realize cost savings which are necessary to reduce Federal financial assistance;

(9) Amtrak and intercity bus service providers should work cooperatively and develop coordinated intermodal relationships promoting seamless transportation services which enhance travel options and increase operating efficiencies;

(10) Amtrak's Strategic Business Plan calls for the establishment of a dedicated source of capital funding for Amtrak in order to ensure that Amtrak will be able to fulfill the goals of maintaining—

(A) a national passenger rail system; and

(B) that system without Federal operating assistance; and

(11) Federal financial assistance to cover operating losses incurred by Amtrak should be eliminated by the year 2002.

TITLE I—REFORMS

SUBTITLE A—OPERATIONAL REFORMS

SEC. 101. BASIC SYSTEM.

(a) OPERATION OF BASIC SYSTEM.—Section 24701 is amended to read as follows:

"§ 24701. Operation of basic system

"Amtrak shall provide intercity rail passenger transportation within the basic system. Amtrak shall strive to operate as a national rail passenger transportation system which provides access to all areas of the country and ties together existing and emergent regional rail passenger corridors and other intermodal passenger service.".

(b) IMPROVING RAIL PASSENGER TRANSPORTATION.—Section 24702 and the item relating thereto in the table of sections for chapter 247 are repealed.

(c) DISCONTINUANCE.—Section 24706 is amended—

(1) by striking "90 days" and inserting "180 days" in subsection (a)(1);

(2) by striking "24707(a) or (b) of this title," in subsection (a)(1) and inserting "or discontinuing service over a route,";

(3) by inserting "or assume" after "agree to share" in subsection (a)(1); and

(4) by striking "section 24707(a) or (b) of this title" in subsections (a)(2) and (b)(1) and inserting "paragraph (1)".

(d) COST AND PERFORMANCE REVIEW.—Section 24707 and the item relating thereto in the table of sections for chapter 247 are repealed.

(e) SPECIAL COMMUTER TRANSPORTATION.—Section 24708 and the item relating thereto in the table of sections for chapter 247 are repealed.

(f) CONFORMING AMENDMENT.—Section 24312(a)(1) is amended by striking ", 24710(a),".

SEC. 102. MAIL, EXPRESS, AND AUTO-FERRY TRANSPORTATION.

(a) REPEAL.—Section 24306 is amended—

(1) by striking the last sentence of subsection (a); and

(2) by striking subsection (b) and inserting the following:

"(b) AUTHORITY OF OTHERS TO PROVIDE AUTO-FERRY TRANSPORTATION.—State and local laws and regulations that impair the provision of auto-ferry transportation do not apply to Amtrak or a rail carrier providing auto-ferry transportation. A rail carrier may not refuse to participate with Amtrak in providing auto-ferry transportation because a State or local law or regulation makes the transportation unlawful.".

SEC. 103. ROUTE AND SERVICE CRITERIA.

Section 24703 and the item relating thereto in the table of sections for chapter 247 are repealed.

SEC. 104. ADDITIONAL QUALIFYING ROUTES.

Section 24705 and the item relating thereto in the table of sections for chapter 247 are repealed.

SEC. 105. TRANSPORTATION REQUESTED BY STATES, AUTHORITIES, AND OTHER PERSONS.

Section 24101(c)(2) is amended by inserting ", separately or in combination," after "and the private sector".

SEC. 106. AMTRAK COMMUTER.

(a) REPEAL OF CHAPTER 245.—Chapter 245 and the item relating thereto in the table of chapters for subtitle V of such title, are repealed.

(b) CONFORMING AMENDMENT.—Section 24301(f) is amended to read as follows:

"(f) TAX EXEMPTION FOR CERTAIN COMMUTER AUTHORITIES.—A commuter authority that was eligible to make a contract with Amtrak Commuter to provide commuter rail passenger transportation but which decided to provide its own rail passenger transportation beginning January 1, 1983, is exempt, effective October 1, 1981, from paying a tax or fee to the same extent Amtrak is exempt.".

(c) TRACKAGE RIGHTS NOT AFFECTED.—The repeal of chapter 245 of title 49, United States Code, by subsection (a) of this section is without prejudice to the retention of trackage rights over property owned or leased by commuter authorities.

SEC. 107. THROUGH SERVICE IN CONJUNCTION WITH INTERCITY BUS OPERATIONS.

(a) IN GENERAL.—Section 24305(a) is amended by adding at the end the following new paragraph:

"(3)(A) Except as provided in subsection (d)(2), Amtrak may enter into a contract with a motor carrier of passengers for the intercity transportation of passengers by motor carrier over regular routes only—

"(i) if the motor carrier is not a public recipient of governmental assistance, as such term is defined in section 13902(b)(8)(A) of this title, other than a recipient of funds under section 5311 of this title;

"(ii) for passengers who have had prior movement by rail or will have subsequent movement by rail; and

"(iii) if the buses, when used in the provision of such transportation, are used exclusively for the transportation of passengers described in clause (ii).

"(B) Subparagraph (A) shall not apply to transportation funded predominantly by a State or local government, or to ticket selling agreements.".

(b) POLICY STATEMENT.—Section 24305(d) is amended by adding at the end the following new paragraph:

"(3) Congress encourages Amtrak and motor common carriers of passengers to use the authority conferred in section 11342(a) of this title for the purpose of providing improved service to the public and economy of operation.".

SEC. 108. RAIL AND MOTOR CARRIER PASSENGER SERVICE.

(a) IN GENERAL.—Notwithstanding any other provision of law (other than section 24305(a) of title 49, United States Code), Amtrak and motor carriers of passengers are authorized—

(1) to combine or package their respective services and facilities to the public as a means of increasing revenues; and

(2) to coordinate schedules, routes, rates, reservations, and ticketing to provide for enhanced intermodal surface transportation.

(b) REVIEW.—The authority granted by subsection (a) is subject to review by the Surface Transportation Board and may be modified or revoked by the Board if modification or revocation is in the public interest.

SEC. 109. PASSENGER CHOICE.

Federal employees are authorized to travel on Amtrak for official business where total travel cost from office to office is competitive on a total trip or time basis.

SEC. 110. APPLICATION OF CERTAIN LAWS.

(a) APPLICATION OF FOIA.—Section 24301(e) is amended by adding at the end thereof the following: "Section 552 of title 5, United States Code, applies to Amtrak for any fiscal year in which Amtrak receives a Federal subsidy.".

(b) Application of Federal Property and Administrative Services Act.—Section 303B(m) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b(m)) applies to a proposal in the possession or control of Amtrak.

Subtitle B—Procurement

SEC. 121. CONTRACTING OUT.

(a) Repeal of Ban on Contracting Out.—Section 24312 of title 49, United States Code, is amended—

(1) by striking subsection (b);

(2) by striking "(1)" in subsection (a); and

(3) by striking "(2)" in subsection (a) and inserting "(b) Wage Rates.—".

(b) Amendment of Existing Collective Bargaining Agreement.—

(1) Contracting out.—Any collective bargaining agreement entered into between Amtrak and an organization representing its employees before the date of enactment of this Act is deemed amended to include the language of section 24312(b) of title 49, United States Code, as that section existed on the day before the effective date of the amendments made by subsection (a).

(2) Enforceability of amendment.—The amendment to any such collective bargaining agreement deemed to be made by paragraph (1) of this subsection is binding on all parties to the agreement and has the same effect as if arrived at by agreement of the parties under the Railway Labor Act.

(c) Contracting-out Issues To Be Included in Negotiations.—Proposals on the subject matter of contracting out work, other than work related to food and beverage service, which results in the layoff of an Amtrak employee—

(1) shall be included in negotiations under section 6 of the Railway Labor Act, 45 U.S.C. 156, between Amtrak and an organization representing Amtrak employees, which shall be commenced by—

(A) the date on which labor agreements under negotiation on the date of enactment of this Act may be re-opened; or

(B) November 1, 1999,

whichever is earlier;

(2) may, at the mutual election of Amtrak and an organization representing Amtrak employees, be included in any negotiation in progress under section 6 of the Railway Labor Act, 45 U.S.C. 156, on the date of enactment of this Act; and

(3) may not be included in any negotiation in progress under section 6 of the Railway Labor Act, 45 U.S.C. 156, on the date of enactment of this Act, unless both Amtrak and the organization representing Amtrak employees agree to include it in the negotiation.

No contract between Amtrak and an organization representing Amtrak employees, that is under negotiation on the date of enactment of this Act, may contain a moratorium that extends more than 5 years from the date of expiration of the last moratorium.

(d) No Inference.—The amendment made by subsection (a) is without prejudice to the power of Amtrak to contract out the provision of food and beverage services on board Amtrak trains or to contract out work not resulting in the layoff of Amtrak employees.

Subtitle C—Employee Protection Reforms

SEC. 141. RAILWAY LABOR ACT PROCEDURES.

(a) Notices.—Notwithstanding any arrangement in effect before the date of the enactment of this Act, notices under section 6 of the Railway Labor Act (45 U.S.C. 156) with respect to all issues relating to employee protective arrangements and severance benefits which are applicable to employees of Amtrak, including all provisions of Appendix C–2 to the National Railroad Passenger Corporation Agreement, signed July 5, 1973, shall be deemed served and effective on the date which is 45 days after the date of the enactment of this Act. Amtrak, and each affected labor organization representing Amtrak employees, shall promptly supply specific information and proposals with respect to each such notice.

(b) National Mediation Board Efforts.—Except as provided in subsection (c), the National Mediation Board shall complete all efforts, with respect to the dispute described in subsection (a), under section 5 of the Railway Labor Act (45 U.S.C. 155) not later than 120 days after the date of the enactment of this Act.

(c) Railway Labor Act Arbitration.—The parties to the dispute described in subsection (a) may agree to submit the dispute to arbitration under section 7 of the Railway Labor Act (45 U.S.C. 157), and any award resulting therefrom shall be retroactive to the date which is 120 days after the date of the enactment of this Act.

(d) Dispute Resolution.—

(1) With respect to the dispute described in subsection (a) which

(A) is unresolved as of the date which is 120 days after the date of the enactment of this Act; and

(B) is not submitted to arbitration as described in subsection (c), Amtrak shall, and the labor organization parties to such dispute shall, within 127 days after the date of the enactment of this Act, each select an individual from the entire roster of arbitrators maintained by the National Mediation Board. Within 134 days after the date of the enactment of this Act, the individuals selected under the preceding sentence shall jointly select an individual from such roster to make recommendations with respect to such dispute under this subsection. If the National Mediation Board is not informed of the selection under the preceding sentence 134 days after the date of enactment of this Act, the Board will immediately select such individual.

(2) No individual shall be selected under paragraph (1) who is pecuniarily or otherwise interested in any organization of employees or any railroad or who is selected pursuant to section 121(e) of this Act.

(3) The compensation of individuals selected under paragraph (1) shall be fixed by the National Mediation Board. The second paragraph of section 10 of the Railway Labor Act shall apply to the expenses of such individuals as if such individuals were members of a board created under such section 10.

(4) If the parties to a dispute described in subsection (a) fail to reach agreement within 150 days after the date of the enactment of this Act, the individual selected under paragraph (1) with respect to such dispute shall made recommendations to the parties proposing contract terms to resolve the dispute.

(5) If the parties to a dispute described in subsection (a) fail to reach agreement, no change shall be made by either of the parties in the conditions out of which the dispute arose for 30 days after recommendations are made under paragraph (4).

(6) Section 10 of the Railway Labor Act (45 U.S.C. 160) shall not apply to a dispute described in subsection (a).

(e) No Precedent for Freight.—Nothing in this Act, or in any amendment made by this Act, shall affect the level of protection provided to freight railroad employees and mass transportation employees as it existed on the day before the date of enactment of this Act.

SEC. 142. SERVICE DISCONTINUANCE.

(a) Repeal.—Section 24706(c) of title 49, United States Code, is repealed.

(b) Existing Contracts.—Any provision of a contract entered into before the date of the enactment of this Act between Amtrak and a labor organization representing Amtrak employees relating to employee protective arrangements and severance benefits applicable to employees of Amtrak is extinguished, including all provisions of Appendix C–2 to the National Railroad Passenger Corporation Agreement, signed July 5, 1973.

(c) Special Effective Date.—Subsections (a) and (b) of this section shall take effect 180 days after the date of the enactment of this Act.

(d) Nonapplication of Bankruptcy Law Provision.—Section 1172(c) of title 11, United States Code, shall not apply to Amtrak and its employees.

Subtitle D—Use of Railroad Facilities

SEC. 161. LIABILITY LIMITATION.

(A) In General.—Chapter 281 is amended by adding at the end the following new section:

"§ 28103. Limitations on rail passenger transportation liability

"(a) Limitations.—(1) Notwithstanding any other statutory or common law or public policy, or the nature of the conduct giving rise to damages or liability, in a claim for personal injury to a passenger, death of a passenger, or damage to property of a passenger arising from or in connection with the provision of rail passenger transportation, or from or in connection with any rail passenger transportation operations or rail passenger transportation use of right-of-way or facilities owned, leased, or maintained by any high-speed railroad authority or operator, any commuter authority or operator, any rail carrier, or any State, punitive damages, to the extent permitted by applicable State law, may be awarded in connection with any such claim only if the plaintiff establishes by clear and convincing evidence that the harm that is the subject of the action was the result of conduct carried out by the defendant with a conscious, flagrant indifference to the rights and safety of others. If, in any case wherein death was caused, the law of the place where the act or omission complained of occurred provides, or has been construed to provide, for damages only punitive in nature, this paragraph shall not apply.

(2) The aggregate allowable awards to all rail passengers, against all defendants, for all claims, including claims for punitive damages, arising from a single accident or incident, shall not exceed $200,000,000.

"(b) Contractual Obligations.—A provider of rail passenger transportation may enter into contracts that allocate financial responsibility for claims.

"(c) Mandatory Coverage.—Amtrak shall maintain a total minimum liability coverage through insurance and self-insurance of at least $200,000,000.

"(d) Effect on Other Laws.—This section shall not affect the damages that may be recovered under the Act of April 27, 1908 (45 U.S.C. 51 et seq.; popularly known as the 'Federal Employers' Liability Act) or under any workers compensation Act.

"(e) Definition.—For purposes of this season—

"(1) the term 'claim' means a claim made—

"(A) against Amtrak, any high-speed railroad authority or operator, any commuter authority or operator, any rail carrier, or any States; or

"(B) against an officer, employee, affiliate engaged in railroad operations, or agent, of Amtrak, any high-speed railroad authority or operator, any commuter authority or operator, any rail carrier, or any State;

"(2) the term 'punitive damages' means damages awarded against any person or entity to punish or deter such person or entity, or others, from engaging in similar behavior in the future; and

"(3) the term 'rail carrier' includes a person providing excursion, scenic, or museum train service, and an owner or operator of a privately owned rail passenger car.".

"(b) CONFORMING AMENDMENT.—The table of sections for chapter 281 is amended by adding at the end the following new item:

"28103. Limitations on rail passenger transportation liability.".

SEC. 162. RETENTION OF FACILITIES.

Section 24309(b) is amended by inserting "or on January 1, 1997," after "1979,".

TITLE II—FISCAL ACCOUNTABILITY

SEC. 201. AMTRAK FINANCIAL GOALS.

Section 24101(d) is amended by adding at the end thereof the following: "Amtrak shall prepare a financial plan to operate within the funding levels authorized by section 24104 of this chapter, including budgetary goals for fiscal years 1998 through 2002. Commencing no later than the fiscal year following the fifth anniversary of the Amtrak Reform and Accountability Act of 1997, Amtrak shall operate without Federal operating grant funds appropriated for its benefit.".

SEC. 202. INDEPENDENT ASSESSMENT.

(a) INITIATION.—Not later than 15 days after the date of enactment of this Act, the Secretary of Transportation shall contract with an entity independent of Amtrak and not in any contractual relationship with Amtrak and of the Department of Transportation to conduct a complete independent assessment of the financial requirements of Amtrak through fiscal year 2002. The entity shall have demonstrated knowledge about railroad industry accounting requirements, including the uniqueness of the industry and of Surface Transportation Board accounting requirements. The Department of Transportation, Office of Inspector General, shall approve the entity's statement of work and the award and shall oversee the contract. In carrying out its responsibilities under the preceding sentence, the Inspector General's Office shall perform such overview and validation or verification of data as may be necessary to assure that the assessment conducted under this subsection meets the requirements of this section.

(b) ASSESSMENT CRITERIA.—The Secretary and Amtrak shall provide to the independent entity estimates of the financial requirements of Amtrak for the period described above, using as a base the fiscal year 1997 appropriation levels established by the Congress. The independent assessment shall be based on an objective analysis of Amtrak's funding needs.

(c) CERTAIN FACTORS TO BE TAKEN INTO ACCOUNT.—The independent assessment shall take into account all relevant factors, including Amtrak's—

(1) cost allocation process and procedures;

(2) expenses related to intercity rail passenger service, commuter service, and any other service Amtrak provides;

(3) Strategic Business Plan, including Amtrak's projected expenses, capital needs, ridership, and revenue forecasts; and

(4) Amtrak's assets and liabilities.

For purposes of paragraph (3), in the capital needs part of its Strategic Business Plan Amtrak shall distinguish between that portion of the capital required for the Northeast corridor and that required outside the Northeast corridor, and shall include rolling stock requirements, including capital leases, "state of good repair" requirements, and infrastructure improvements.

(d) BIDDING PRACTICES.—

(1) STUDY.—The independent assessment also shall determine whether, and to what extent, Amtrak has performed each year during the period from 1992 through 1996 services under contract at amounts less than the cost to Amtrak of performing such services with respect to any activity other than the provision of intercity rail passenger transportation, or mail or express transportation. For purposes of this clause, the cost to Amtrak of performing services shall be determined using generally accepted accounting principles for contracting. If identified, such contracts shall be detailed in the report of the independent assessment, as well as the methodology for preparation of bids to reflect Amtrak's actual cost of performance.

(2) REFORM.—If the independent assessment performed under this subparagraph reveals that Amtrak has performed services under contract for an amount less than the cost to Amtrak of performing such services, with respect to any activity other than the provision of intercity rail passenger transportation, or mail or express transportation, then Amtrak shall revise its methodology for preparation of bids to reflect its cost of performance.

(d) DEADLINE.—The independent assessment shall be completed not later than 180 days after the contract is awarded, and shall be submitted to the Council established under section 203, the Secretary of Transportation, the Committee on Commerce, Science, and Transportation of the United States Senate, and the Committee on Transportation and Infrastructure of the United States House of Representatives.

SEC. 203. AMTRAK REFORM COUNCIL.

(a) ESTABLISHMENT.—There is established an independent commission to be known as the Amtrak Reform Council.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Council shall consist of 11 members, as follows:

(A) The Secretary of Transportation.

(B) Two individuals appointed by the President, of which—

(i) one shall be a representative of a rail labor organization; and

(ii) one shall be a representative of rail management.

(C) Three individuals appointed by the Majority Leader of the United States Senate.

(D) One individual appointed by the Minority Leader of the United States Senate.

(E) Three individuals appointed by the Speaker of the United States House of Representatives.

(F) One individual appointed by the Minority Leader of the United States House of Representatives.

(2) APPOINTMENT CRITERIA.—

(A) TIME FOR INITIAL APPOINTMENTS.—Appointments under paragraph (1) shall be made within 30 days after the date of enactment of this Act.

(B) EXPERTISE.—Individuals appointed under subparagraphs (C) through (F) of paragraph (1)—

(i) may not be employees of the United States;

(ii) may not be board members of employees of Amtrak;

(iii) may not be representatives of rail labor organizations or rail management; and

(iv) shall have technical qualifications, professional standing, and demonstrated expertise in the field of corporate management, finance, rail or other transportation operations, labor, economics, or the law, or other areas of expertise relevant to the Council.

(3) TERM.—Members shall serve for terms of 5 years. If a vacancy occurs other than by the expiration of a term, the individual appointed to fill the vacancy shall be appointed in the same manner as, and shall serve only for the unexpired portion of the term for which, that individual's predecessor was appointed.

(4) CHAIRMAN.—The Council shall elect a chairman from among its membership within 15 days after the earlier of—

(A) the date on which all members of the Council have been appointed under paragraph (2)(A); or

(B) 45 days after the date of enactment of this Act.

(4) MAJORITY REQUIRED FOR ACTION.—A majority of the members of the Council present and voting is required for the Council to take action. No person shall be elected chairman of the Council who receives fewer than 5 votes.

(c) ADMINISTRATIVE SUPPORT.—The Secretary of Transportation shall provide such administrative support to the Council as it needs in order to carry out its duties under this section.

(d) TRAVEL EXPENSES.—Each member of the Council shall serve without pay, but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with section 5702 and 5703 of title 5, United States Code.

(e) MEETINGS.—Each meeting of the Council, other than a meeting at which proprietary information is to be discussed, shall be open to the public.

(f) ACCESS TO INFORMATION.—Amtrak shall make available to the Council all information the Council requires to carry out its duties under this section. The Council shall establish appropriate procedures to ensure against the public disclosure of any information obtained under this subsection that is a trade secret or commercial or financial information that is privileged or confidential.

(g) DUTIES.—

(1) EVALUATION AND RECOMMENDATION.—The Council—

(A) shall evaluate Amtrak's performance; and

(B) make recommendations to Amtrak for achieving further cost containment and productivity improvements, and financial reforms.

(2) SPECIFIC CONSIDERATIONS.—In making its evaluation and recommendations under paragraph (1), the Council shall take into consideration all relevant performance factors, including—

(A) Amtrak's operation as a national passenger rail system which provides access to all regions of the country and ties together existing and emerging rail passenger corridors;

(B) appropriate methods for adoption of uniform cost and accounting procedures throughout the Amtrak system, based on generally accepted accounting principles; and

(C) management efficiencies and revenue enhancements, including savings achieved through labor and contracting negotiations.

(3) MONITOR WORK-RULE SAVINGS.—If, after January 1, 1997, Amtrak enters into an agreement involving work-rules intended to achieve savings with an organization representing Amtrak employees, then Amtrak shall report quarterly to the Council—

(A) the savings realized as a result of the agreement; and

(B) how the savings are allocated.

(h) Annual Report.—Each year before the fifth anniversary of the date of enactment of this Act, the Council shall submit to the Congress a report that includes an assessment of Amtrak's progress on the resolution or status of productivity issues; and makes recommendations for improvements and for any changes in law it believes to be necessary or appropriate.

(i) Authorization of Appropriations.—There are authorized to be appropriated to the Council such sums as may be necessary to enable the Council to carry out its duties.

SEC. 204. SUNSET TRIGGER.

(a) In General.—If at any time more than 2 years after the date of enactment of this Act and implementation of the financial plan referred to in section 201 the Amtrak Reform Council finds that—

(1) Amtrak's business performance will prevent it from meeting the financial goals set forth in section 201; or

(2) Amtrak will require operating grant funds after the fifth anniversary of the date of enactment of this Act, then

the Council shall immediately notify the President, the Committee on Commerce, Science, and Transportation of the United States Senate; and the Committee on Transportation and Infrastructure of the United States House of Representatives.

(b) Factors Considered.—In making a finding under subsection (a), the Council shall take into account—

(1) Amtrak's performance;

(2) the findings of the independent assessment conducted under section 202;

(3) the level of Federal funds made available for carrying out the financial plan referred to in section 201; and

(4) Acts of God, national emergencies, and other events beyond the reasonable control of Amtrak.

(c) Action Plan.—Within 90 days after the Council makes a finding under subsection (a)—

(1) it shall develop and submit to the Congress an action plan for a restructured and rationalized national intercity rail passenger system; and

(2) Amtrak shall develop and submit to the Congress an action plan for the complete liquidation of Amtrak, after having the plan reviewed by the Inspector General of the Department of Transportation and the General Accounting Office for accuracy and reasonableness.

SEC. 205. SENATE PROCEDURE FOR CONSIDERATION OF RESTRUCTURING AND LIQUIDATION PLANS.

(a) In General.—If, within 90 days (not counting any day on which either House is not in session) after a restructuring plan is submitted to the House of Representatives and the Senate by the Amtrak Reform Council under section 204 of the Amtrak Reform and Accountability Act of 1997, an implementing Act with respect to a restructuring plan (without regard to whether it is the plan submitted) has not been passed by the Congress, then a liquidation disapproval resolution shall be introduced in the Senate by the Majority Leader of the Senate, for himself and the Minority Leader of the Senate, or by Members of the Senate designated by the Majority Leader and Minority Leader of the Senate. The liquidation disapproval resolution shall be held at the desk at the request of the Presiding Officer.

(b) Consideration in the Senate.—

(1) Referral and reporting.—A liquidation disapproval resolution introduced in the Senate shall be placed directly and immediately on the Calendar.

(2) Implementing resolution from house.—When the Senate receives from the House of Representatives a liquidation disapproval resolution, the resolution shall not be referred to committee and shall be placed on the Calendar.

(3) *Consideration of single liquidation disapproval resolution.*—After the Senate has proceeded to the consideration of a liquidation disapproval resolution under this subsection, then no other liquidation disapproval resolution originating in that same House shall be subject to the procedures set forth in this subsection.

(4) Amendments.—No amendment to the resolution is in order except an amendment that is relevant to liquidation of Amtrak. Consideration of the resolution for amendment shall not exceed one hour excluding time for recorded votes and quorum calls. No amendment shall be subject to further amendment, except for perfecting amendments.

(5) Motion nondebatable.—A motion to proceed to consideration of a liquidation disapproval resolution under this subsection shall not be debatable. It shall not be in order to move to reconsider the vote by which the motion to proceed was adopted or rejected, although subsequent motions to proceed may be made under this paragraph.

(6) Limit on consideration.—

(A) After no more than 20 hours of consideration of a liquidation disapproval resolution, the Senate shall proceed, without intervening action or debate (except as permitted under paragraph (9)), to vote on the final disposition thereof to the exclusion of all amendments not then pending and to the exclusion of all motions, except a motion to reconsider or table.

(B) The time for debate on the liquidation disapproval resolution shall be equally divided between the Majority Leader and the Minority Leader or their designees.

(7) Debate of amendments.—Debate on any amendment to a liquidation disapproval resolution shall be limited to one hour, equally divided and controlled by the Senator proposing the amendment and the majority manager, unless the majority manager is in favor of the amendment, in which case the minority manager shall be in control of the time in opposition.

(8) No motion to recommit.—A motion to recommit a liquidation disapproval resolution shall not be in order.

(9) Disposition of senate resolution.—If the Senate has read for the third time a liquidation disapproval resolution that originated in the Senate, then it shall be in order at any time thereafter to move to proceed to the consideration of a liquidation disapproval resolution for the same special message received from the House of Representatives and placed on the Calendar pursuant to paragraph (2), strike all after the enacting clause, substitute the text of the Senate liquidation disapproval resolution, agree to the Senate amendment, and vote on final disposition of the House liquidation disapproval resolution, all without any intervening action or debate.

(10) Consideration of house message.—Consideration in the Senate of all motions, amendments, or appeals necessary to dispose of a message from the House of Representatives on a liquidation disapproval resolution shall be limited to not more than 4 hours. Debate on each motion or amendment shall be limited to 30 minutes. Debate on any appeal or point of order that is submitted in connection with the disposition of the House message shall be limited to 20 minutes. Any time for debate shall be equally divided and controlled by the proponent and the majority manager, unless the majority manager is a proponent of the motion, amendment, appeal, or point of order, in which case the minority manager shall be in control of the time in opposition.

(c) Consideration in Conference.—

(1) Convening of conference.—In the case of disagreement between the two Houses of Congress with respect to a liquidation disapproval resolution passed by both Houses, conferees should be promptly appointed and a conference promptly convened, if necessary.

(2) Senate consideration.—Consideration in the Senate of the conference report and any amendments in disagreement on a liquidation disapproval resolution shall be limited to not more than 4 hours equally divided and controlled by the Majority Leader and the Minority Leader or their designees. A motion to recommit the conference report is not in order.

(d) Definitions.—For purposes of this section—

(1) Liquidation disapproval resolution.—The term "liquidation disapproval resolution" means only a resolution of either House of Congress which is introduced as provided in subsection (a) with respect to the liquidation of Amtrak.

(2) Restructuring plan.—The term "restructuring plan" means a plan to provide for a restructured and rationalized national intercity rail passenger transportation system.

(e) Rules of Senate.—This section is enacted by the Congress—

(1) as an exercise of the rulemaking power of the Senate, and as such they are deemed a part of the rules of the Senate, but applicable only with respect to the procedure to be followed in the Senate in the case of a liquidation disapproval resolution; and they supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of the Senate to change the rules (so far as relating to the procedure of the Senate) at any time, in the same manner and to the same extent as in the case of any other rule of the Senate.

SEC. 206. ACCESS TO RECORDS AND ACCOUNTS.

Section 24315 is amended by adding at the end the following new subsection:

"(h) Access to Records and Accounts.—A State shall have access to Amtrak's records, accounts, and other necessary documents used to determine the amount of any payment to Amtrak required of the State.".

SEC. 207. OFFICERS' PAY.

Section 24303(b) is amended by adding at the end the following: "The preceding sentence shall not apply for any fiscal year for which no Federal assistance is provided to Amtrak.".

SEC. 208. EXEMPTION FROM TAXES.

(a) In General.—Subjection (l) of section 24301 is amended—

(1) by striking so much of paragraph (1) as precedes "exempt" and inserting the following:

"(1) In general.—Amtrak, a rail carrier subsidiary of Amtrak, and any passenger or other customer of Amtrak or such subsidiary, are";

(2) by striking "tax or fee imposed" in paragraph (1) and all that follows through "levied on it" and inserting "tax, fee, head charge, or other charge, imposed or levied by a State, political subdivision, or local taxing

authority on Amtrak, a rail carrier subsidiary of Amtrak, or on persons traveling in intercity rail passenger transportation or on mail or express transportation provided by Amtrak or such a subsidiary, or on the carriage of such persons, mail, or express, or on the sale of any such transportation, or on the gross receipts derived therefrom'';

(3) by striking the last sentence of paragraph (1);

(4) by striking ''(2) The'' in paragraph (2) and inserting ''(3) JURISDICTION OF UNITED STATES DISTRICT COURTS.—The''; and

(5) by inserting after paragraph (1) the following:

''(2) PHASE-IN OF EXEMPTION FOR CERTAIN EXISTING TAXES AND FEES.—

''(a) YEARS BEFORE 2000.—Notwithstanding paragraph (1), Amtrak is exempt from a tax or fee referred to in paragraph (1) that Amtrak was required to pay as of September 10, 1982, during calendar years 1997 through 1999, only to the extent specified in the following table:

PHASE-IN OF EXEMPTION

Year of assessment	Percentage of exemption
1997	40
1998	60
1999	80
2000 and later years	100

''(B) TAXES ASSESSED AFTER MARCH, 1999.—Amtrak shall be exempt from any tax or fee referred to in subparagraph (A) that is assessed on or after April 1, 1999.''.

(b) EFFECTIVE DATE.—the amendments made by subsection (a) do not apply to sales taxes imposed on intrastate travel as of the date of enactment of this Act.

SEC. 209. LIMITATION ON USE OF TAX REFUND.

(a) IN GENERAL.—Amtrak may not use any amount received under section 977 of the Taxpayer Relief Act of 1997—

(1) for any purpose other than the financing of qualified expenses (as that term is defined in section 977(e)(1) of that Act; or

(2) to offset other amounts used for any purpose other than the financing of such expenses.

(b) REPORT BY ARC.—The Amtrak Reform Council shall report quarterly to the Congress on the use of amounts received by Amtrak under section 977 of the Taxpayer Relief Act of 1997.

TITLE III—AUTHORIZATION OF APPROPRIATIONS

SEC. 301. AUTHORIZATION OF APPROPRIATIONS.

Section 24104(a) is amended to read as follows:

''(a) IN GENERAL.—there are authorized to be appropriated to the Secretary of Transportation—

''(1) $1,138,000,000 for fiscal year 1998;
''(2) $1,058,000,000 for fiscal year 1999;
''(3) $1,023,000,000 for fiscal year 2000;
''(4) $989,000,000 for fiscal year 2001; and
''(5) $955,000,000 for fiscal year 2002,

for the benefit of Amtrak for capital expenditures under chapters 243 and 247 of this title, operating expenses, and payments described in subsection (c)(1)(A) through (C). In fiscal years following the fifth anniversary of the enactment of the Amtrak Reform and Accountability Act of 1997 no funds authorized for Amtrak shall be used for operating expenses other than those prescribed for tax liabilities under section 3221 of the Internal Revenue Code of 1986 that are more than the amount needed for benefits of individuals who retire from Amtrak and for their beneficiaries.''.

TITLE IV—MISCELLANEOUS

SEC. 401. STATUS AND APPLICABLE LAWS.

Section 24301 is amended—

(1) by striking ''rail carrier under section 10102'' in subsection (a)(1) and inserting ''railroad carrier under section 20102(2) and chapters 261 and 281''; and

(2) by amending subsection (c) to read as follows:

''(c) APPLICATION OF SUBTITLE IV.—Subtitle IV of this title shall not apply to Amtrak, except for sections 11301, 11322(a), 11502, and 11706. Notwithstanding the preceding sentence, Amtrak shall continue to be considered an employer under the Railroad Retirement Act of 1974, the Railroad Unemployment Insurance Act, and the Railroad Retirement Tax Act.''.

SEC. 402. WASTE DISPOSAL.

Section 24301(m)(1)(A) is amended by striking ''1996'' and inserting ''2001''.

SEC. 403. ASSISTANCE FOR UPGRADING FACILITIES.

Section 24310 and the item relating thereto in the table of sections for chapter 243 are repealed.

SEC. 404. DEMONSTRATION OF NEW TECHNOLOGY.

Section 24314 and the item relating thereto in the table of sections for chapter 243 are repealed.

SEC. 405. PROGRAM MASTER PLAN FOR BOSTON-NEW YORK MAIN LINE.

(a) REPEAL.—Section 24903 is repealed and the table of sections for chapter 249 is amended by striking the item relating to that section.

(b) CONFORMING AMENDMENTS.—

(1) Section 24902 is amended by striking subsections (a), (c), and (d) and redesignating subsection (b) as subsection (a) and subsections (e) through (m) as subsections (b) through (j), respectively.

(2) Section 24904(a)(8) is amended by striking ''the high-speed rail passenger transportation area specified in section 24902(a)(1) and (2)'' and inserting ''a high-speed rail passenger transportation area''.

SEC. 406. AMERICANS WITH DISABILITIES ACT OF 1990.

(a) APPLICATION TO AMTRAK.—

(1) ACCESS IMPROVEMENTS AT CERTAIN SHARED STATIONS.—Amtrak is responsible for its share, if any, of the costs of accessibility improvements at any station jointly used by Amtrak and a commuter authority.

(2) CERTAIN REQUIREMENTS NOT TO APPLY UNTIL 1998.—Amtrak shall not be subject to any requirement under subsection (a)(1), (a)(3), or (e)(2) of section 242 of the Americans With Disabilities Act of 1990 (42 U.S.C. 12162) until January 1, 1998.

(b) CONFORMING AMENDMENT.—Section 24307 is amended—

(1) by striking subsection (b); and

(2) by redesignating subsection (c) as subsection (b).

SEC. 407. DEFINITIONS.

Section 24102 is amended—

(1) by striking paragraphs (2) and (11);

(2) by redesignating paragraphs (3) through (10) as paragraphs (2) through (9), respectively; and

(3) by inserting '', including a unit of State or local government,'' after ''means a person'' in paragraph (7), as so redesignated.

SEC. 408. NORTHEAST CORRIDOR COST DISPUTE.

Section 1163 of the Northeast Rail Service Act of 1981 (45 U.S.C. 1111) is repealed.

SEC. 409. INSPECTOR GENERAL ACT OF 1978 AMENDMENT.

(a) AMENDMENT.—

(1) IN GENERAL.—Section 8G(a)(2) of the Inspector General Act of 1978 (5 U.S.C. App.) is amended by striking ''Amtrak,''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) takes effect in the first fiscal year for which Amtrak receives no Federal subsidy.

(b) AMTRAK NOT FEDERAL ENTITY.—Amtrak shall not be considered a Federal entity for purposes of the Inspector General Act of 1978. The preceding sentence shall apply for any fiscal year for which Amtrak receives no Federal subsidy.

(c) FEDERAL SUBSIDY—

(1) ASSESSMENT.—In any fiscal year for which Amtrak requests Federal assistance, the Inspector General of the Department of Transportation shall review Amtrak's operations and conduct an assessment similar to the assessment required by section 202(a). The Inspector General shall report the results of the review and assessment to—

(A) the President of Amtrak;

(B) the Secretary of Transportation;

(C) the United States Senate Committee on Appropriations;

(D) the United States Senate Committee on Commerce, Science, and Transportation;

(E) the United States House of Representatives Committee on Appropriations;

(F) the United States House of Representatives Committee on Transportation and Infrastructure.

(2) REPORT.—The report shall be submitted, to the extent practicable, before any such committee reports legislation authorizing or appropriating funds for Amtrak for capital acquisition, development, or operating expenses.

(3) SPECIAL EFFECTIVE DATE.—This subsection takes effect 1 year after the date of enactment of this Act.

SEC. 410. INTERSTATE RAIL COMPACTS.

(a) CONSENT TO COMPACTS.—Congress grants consent to States with an interest in a specific form, route, or corridor of intercity passenger rail service (including high speed rail service) to enter into interstate compacts to promote the provision of the service, including—

(1) retaining an existing service or commencing a news service;

(2) assembling rights-of-way; and

(3) performing capital improvements, including—

(A) the construction and rehabilitation of maintenance facilities;

(B) the purchase of locomotives; and

(C) operational improvements, including communications, signals, and other systems.

(b) FINANCING.—An interstate compact established by States under subsection (a) may provide that, in order to carry out the compact, the States may—

(1) accept contributions from a unit of State or local government or a person;

(2) use any Federal or State funds made available for intercity passenger rail service (except funds made available for the National Railroad Passenger Corporation);

(3) on such terms and conditions as the States consider advisable—

(A) borrow money on a short-term basis and issue notes for the borrowing; and

(B) issue bonds; and

(4) obtain financing by other means permitted under Federal or State law.

SEC. 411. COMPOSITION OF AMTRAK BOARD OF DIRECTORS.

Section 24302(a) is amended—

(1) by striking ''3'' in paragraph (1)(C) and inserting ''4'';

(2) by striking clauses (i) and (ii) of paragraph (1)(C) and inserting the following:

''(i) one individual selected as a representative of rail labor in consultation with affected labor organizations.

''(ii) one chief executive officer of a State, and one chief executive officer of a municipality, selected from among the chief executive officers of States and municipalities with an interest in rail transportation, each of whom may select an individual to act as the officer's representative at board meetings.";

(4) striking subparagraphs (D) and (E) of paragraph (1);

(5) inserting after subparagraph (C) the following:

"(D) 3 individuals appointed by the President of the United States, as follows:

"(i) one individual selected as a representative of a commuter authority, (as defined in section 102 of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 702) that provides its own commuter rail passenger transportation or makes a contract with an operator, in consultation with affected commuter authorities.

"(ii) one individual with technical expertise in finance and accounting principles.

"(iii) one individual selected as a representative of the general public."; and

(6) by striking paragraph (6) and inserting the following:

"(6) The Secretary may be represented at a meeting of the Board by his designate.".

SEC. 412. EDUCATIONAL PARTICIPATION.

Amtrak shall participate in educational efforts with elementary and secondary schools to inform students on the advantages of rail travel and the need for rail safety.

SEC. 413. REPORT TO CONGRESS ON AMTRAK BANKRUPTCY.

Within 120 days after the date of enactment of this Act, the Comptroller General shall submit a report identifying financial and other issues associated with an Amtrak bankruptcy to the United States Senate Committee on Commerce, Science, and Transportation and to the United States House of Representatives Committee on Transportation and Infrastructure. The report shall include an analysis of the implications of such a bankruptcy on the Federal government, Amtrak's creditors, and the Railroad Retirement System.

SEC. 414. AMTRAK TO NOTIFY CONGRESS OF LOBBYING RELATIONSHIPS.

If, at any time, during a fiscal year in which Amtrak receives Federal assistance, Amtrak enters into a consulting contract or similar arrangement, or a contract for lobbying, with a lobbying firm, an individual who is a lobbyist, or who is affiliated with a lobbying firm, as those terms are defined in section 3 of the Lobbying Disclosure Act of 1995 (2 U.S.C. 1602), Amtrak shall notify the United States Senate Committee on Commerce, Science, and Transportation, and the United States House of Representatives Committee on Transportation and Infrastructure of—

(1) the name of the individual or firm involved;

(2) the purpose of the contract or arrangement; and

(3) the amount and nature of Amtrak's financial obligation under the contract.

This section applies only to contracts, renewals or extensions of contracts, or arrangements entered into after the date of the enactment of this Act.

THE RECIPROCAL TRADE AGREEMENT ACT OF 1997

HARKIN AMENDMENT NO. 1610

(Ordered to lie on the table.)

Mr. HARKIN submitted an amendment intended to be proposed by him to the bill, S. 1269, supra; as follows:

On page 4, between lines 21 and 22, insert the following:

(3) Child Labor.—The principal negotiating objectives of the United States regarding child labor are to further promote adequate and effective protection against exploitative child labor by—

(A) seeking the enactment and effective enforcement by foreign countries of laws that—

(i) recognize and adequately protect against the effects of exploitative child labor; and

(ii) provide protection against unfair competition; and

(B) providing for strong enforcement of laws against exploitative child labor through accessible, expeditious, and effective civil, administrative, and criminal enforcement mechanisms.

THE BURLEY IRRIGATION DISTRICT CONVEYANCE ACT OF 1997

CRAIG AMENDMENT NO. 1611

(Ordered to lie on the table.)

Mr. CRAIG submitted an amendment intended to be proposed by him to the bill (S. 538) to authorize the Secretary of the Interior to convey certain facilities of the Minidoka project to the Burley Irrigation District, and for other purposes; as follows:

Paragraph 1(c)(1) of the Committee amendment is modified to read as follows:

"(1) Transfer.—(A) Subject to subparagraphs (B) and (C), the Secretary shall transfer to Burley, through an agreement among Burley, the Minidoka Irrigation district, and the Secretary, in accordance with and subject to law of the State of Idaho, all natural flow, waste, seepage, return flow, and groundwater rights held in the name of the United States—

(1) for the benefit of the Minidoka Project or specifically for the Burley Irrigation District; and

(2) that are for use on lands within the Burley Irrigation District; and

(3) which are set forth in contracts between the United States and Burley or in the decree of June 20, 1913 of the District Court of the Fourth Judicial District of the State of Idaho, in and for the County of Twin Falls, in the case of *Twin Falls Canal Company* v. *Charles N. Foster, et al.*, and commonly referred to as the "Foster decree".

"(B) Any rights that are presently held for the benefit of lands within the Minidoka Irrigation District and the Burley Irrigation District shall be allocated in such manner so as to neither enlarge nor diminish the respective rights of either district in such water rights as described in contracts between Burley and the United States.

"(C) The transfer of water rights in accordance with this paragraph shall not impair the integrated operation of the Minidoka Project, affect any other adjudicated rights, or result in any adverse impact on any other project water user."

THE SAVINGS ARE VITAL TO EVERYONE'S RETIREMENT ACT OF 1997

GRASSLEY AMENDMENT NO. 1612

Mr. LOTT (for Mr. Grassley) proposed an amendment to the bill (H.R. 1377) to amend title I of the Employee Retirement Income Security Act of 1974 to encourage retirement income savings; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Savings Are Vital to Everyone's Retirement Act of 1997".

SEC. 2. FINDINGS AND PURPOSE.

(a) Findings.—The Congress finds as follows:

(1) The impending retirement of the baby boom generation will severely strain our already overburdened entitlement system, necessitating increased reliance on pension and other personal savings.

(2) Studies have found that less than a third of Americans have even tried to calculate how much they will need to have saved by retirement, and that less than 20 percent are very confident they will have enough money to live comfortably throughout their retirement.

(3) A leading obstacle to expanding retirement savings is the simple fact that far too many Americans—particularly the young—are either unaware of, or without the knowledge and resources necessary to take advantage of, the extensive benefits offered by our retirement savings system.

(b) Purpose.—It is the purpose of this Act—

(1) to advance the public's knowledge and understanding of retirement savings and its critical importance to the future well-being of American workers and their families;

(2) to provide for a periodic, bipartisan national retirement savings summit in conjunction with the White House to elevate the issue of savings to national prominence; and

(3) to initiate the development of a broad-based, public education program to encourage and enhance individual commitment to a personal retirement savings strategy.

SEC. 3. OUTREACH BY THE DEPARTMENT OF LABOR.

(a) In General.—Part 5 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1131 et seq.) is amended by adding at the end the following new section:

"OUTREACH TO PROMOTE RETIREMENT INCOME SAVINGS

"Sec. 516. (a) In General.—The Secretary shall maintain an ongoing program of outreach to the public designed to effectively promote retirement income savings by the public.

"(b) Methods.—The Secretary shall carry out the requirements of subsection (a) by means which shall ensure effective communication to the public, including publication of public service announcements, public meetings, creation of educational materials, and establishment of a site on the Internet.

"(c) Information To Be Made Available.—The information to be made available by the Secretary as part of the program of outreach required under subsection (a) shall include the following:

"(1) a description of the vehicles currently available to individuals and employers for creating and maintaining retirement income savings, specifically including information explaining to employers, in simple terms, the characteristics and operation of the different retirement savings vehicles, including the steps to establish each such vehicle, and

"(2) information regarding matters relevant to establishing retirement income savings, such as—

"(A) the forms of retirement income savings, "(B) the concept of compound interest,

"(C) the importance of commencing savings early in life,

"(D) savings principles,

"(E) the importance of prudence and diversification in investing,

"(F) the importance of the timing of investments, and

"(G) the impact on retirement savings of life's uncertainties, such as living beyond one's life expectancy.

"(d) Establishment of Site on the Internet.—The Secretary shall establish a permanent site on the Internet concerning retirement income savings. The site shall contain at least the following information:

"(1) a means for individuals to calculate their estimated retirement savings needs, based on their retirement income goal as a percentage of their preretirement income;

"(2) a description in simple terms of the common types of retirement income savings arrangements available to both individuals and employers (specifically including small employers), including information on the amount of money that can be placed into a given vehicle, the tax treatment of the money, the amount of accumulation possible through different typical investment options and interest rate projections, and a directory of resources of more descriptive information;

"(3) materials explaining to employers in simple terms, the characteristics and operation of the different retirement savings arrangements for their workers and what the basic legal requirements are under this Act and the Internal Revenue Code of 1986, including the steps to establish each such arrangement;

"(4) copies of all educational materials developed by the Department of Labor, and by other Federal agencies in consultation with such Department, to promote retirement income savings by workers and employers; and

"(5) links to other sites maintained on the Internet by governmental agencies and nonprofit organizations that provide additional detail on retirement income savings arrangements and related topics on savings or investing.

"(e) Coordination.—The Secretary shall coordinate the outreach program under this section with similar efforts undertaken by other public and private entities.".

(b) Conforming Amendment.—The table of contents in section 1 of such Act is amended by inserting after the item relating to section 514 the following new items:

"Sec. 515. Delinquent contributions.
"Sec. 516. Outreach to promote retirement income savings.".

SEC. 4. NATIONAL SUMMIT ON RETIREMENT SAVINGS.

(a) In General.—Part 5 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, as amended by section 3 of this Act, is amended by adding at the end the following new section:

"NATIONAL SUMMIT ON RETIREMENT SAVINGS

"Sec. 517. (a) Authority To Call Summit.—Not later than July 15, 1998, the President shall convene a National Summit on Retirement Income Savings at the White House, to be co-hosted by the President and the Speaker and the Minority Leader of the House of Representatives and the Majority Leader and Minority Leader of the Senate. Such a National Summit shall be convened thereafter in 2001 and 2005 on or after September 1 of each year involved. Such a National Summit shall—

"(1) advance the public's knowledge and understanding of retirement savings and its critical importance to the future well-being of American workers and their families;

"(2) facilitate the development of a broad-based, public education program to encourage and enhance individual commitment to a personal retirement savings strategy;

"(3) develop recommendations for additional research, reforms, and actions in the field of private pensions and individual retirement savings; and

"(4) disseminate the report of, and information obtained by, the National Summit and exhibit materials and works of the National Summit.

"(b) Planning and Direction.—The National Summit shall be planned and conducted under the direction of the Secretary, in consultation with, and with the assistance of, the heads of such other Federal departments and agencies as the President may designate. Such assistance may include the assignment of personnel. The Secretary shall, in planning and conducting the National Summit, consult with the congressional leaders specified in subsection (e)(2). The Secretary shall also, in carrying out the Secretary's duties under this subsection, consult and coordinate with at least one organization made up of private sector businesses and associations partnered with Government entities to promote long-term financial security in retirement through savings.

"(c) Purpose of National Summit.—The purpose of the National Summit shall be—

"(1) to increase the public awareness of the value of personal savings for retirement;

"(2) to advance the public's knowledge and understanding of retirement savings and its critical importance to the future well-being of American workers and their families;

"(3) to facilitate the development of a broad-based, public education program to encourage and enhance individual commitment to a personal retirement savings strategy;

"(4) to identify the problems workers have in setting aside adequate savings for retirement;

"(5) to identify the barriers which employers, especially small employers, face in assisting their workers in accumulating retirement savings;

"(6) to examine the impact and effectiveness of individual employers to promote personal savings for retirement among their workers and to promote participation in company savings options;

"(7) to examine the impact and effectiveness of government programs at the Federal, State, and local levels to educate the public about, and to encourage, retirement income savings;

"(8) to develop such specific and comprehensive recommendations for the legislative and executive branches of the Government and for private sector action as may be appropriate for promoting private pensions and individual retirement savings; and

"(9) to develop recommendations for the coordination of Federal, State, and local retirement income savings initiatives among the Federal, State, and local levels of government and for the coordination of such initiatives.

"(d) Scope of National Summit.—The scope of the National Summit shall consist of issues relating to individual and employer-based retirement savings and shall not include issues relating to the old-age, survivors, and disability insurance program under title II of the Social Security Act.

"(e) National Summit Participants.—

"(1) In general.—To carry out the purposes of the National Summit, the National Summit shall bring together—

"(A) professionals and other individuals working in the fields of employee benefits and retirement savings;

"(B) Members of Congress and officials in the executive branch;

"(C) representatives of State and local governments;

"(D) representatives of private sector institutions, including individual employers, concerned about promoting the issue of retirement savings and facilitating savings among American workers; and

"(E) representatives of the general public.

"(2) Statutorily required participation.—The participants in the National Summit shall include the following individuals or their designees:

"(A) the Speaker and the Minority Leader of the House of Representatives;

"(B) the Majority Leader and the Minority Leader of the Senate;

"(C) the Chairman and ranking Member of the Committee on Education and the Workforce of the House of Representatives;

"(D) the Chairman and ranking Member of the Committee on Labor and Human Resources of the Senate;

"(E) the Chairman and ranking Member of the Special Committee on Aging of the Senate;

"(F) the Chairman and ranking Member of the Subcommittees on Labor, Health and Human Services, and Education of the Senate and House of Representatives; and

"(G) the parties referred to in subsection (b).

"(3) Additional participants.—

"(A) In general.—There shall be not more than 200 additional participants. Of such additional participants—

"(i) one-half shall be appointed by the President, in consultation with the elected leaders of the President's party in Congress (either the Speaker of the House of Representatives or the Minority Leader of the House of Representatives, and either the Majority Leader or the Minority Leader of the Senate; and

"(ii) one-half shall be appointed by the elected leaders of Congress of the party to which the President does not belong (one-half of that allotment to be appointed by either the Speaker of the House of Representatives or the Minority Leader of the House of Representatives, and one-half of that allotment to be appointed by either the Majority Leader or the Minority Leader of the Senate).

"(B) Appointment requirements.—The additional participants described in subparagraph (A) shall be—

"(i) appointed not later than January 31, 1998;

"(ii) selected without regard to political affiliation or past partisan activity; and

"(iii) representative of the diversity of thought in the fields of employee benefits and retirement income savings.

"(4) Presiding officers.—The National Summit shall be presided over equally by representatives of the executive and legislative branches.

"(f) National Summit Administration.—

"(1) Administration.—In administering this section, the Secretary shall—

"(A) request the cooperation and assistance of such other Federal departments and agencies and other parties referred to in subsection (b) as may be appropriate in the carrying out of this section;

"(B) furnish all reasonable assistance to State agencies, area agencies, and other appropriate organizations to enable them to organize and conduct conferences in conjunction with the National Summit;

"(C) make available for public comment a proposed agenda for the National Summit that reflects to the greatest extent possible the purposes for the National Summit set out in this section;

"(D) prepare and make available background materials for the use of participants in the National Summit that the Secretary considers necessary; and

"(E) appoint and fix the pay of such additional personnel as may be necessary to carry out the provisions of this section without regard to provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

"(2) DUTIES.—The Secretary shall, in carrying out the responsibilities and functions of the Secretary under this section, and as part of the National Summit, ensure that—

"(A) the National Summit shall be conducted in a manner that ensures broad participation of Federal, State, and local agencies and private organizations, professionals, and others involved in retirement income savings and provides a strong basis for assistance to be provided under paragraph (1)(B);

"(B) the agenda prepared under paragraph (1)(C) for the National Summit is published in the Federal Register; and

"(C) the personnel appointed under paragraph (1)(E) shall be fairly balanced in terms of points of views represented and shall be appointed without regard to political affiliation or previous partisan activities.

"(3) NONAPPLICATION OF FACA.—The provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the National Summit.

"(g) REPORT.—The Secretary shall prepare a report describing the activities of the National Summit and shall submit the report to the President, the Speaker and Minority Leader of the House of Representatives, the Majority and Minority Leaders of the Senate, and the chief executive officers of the States not later than 90 days after the date on which the National Summit is adjourned.

"(h) DEFINITION.—For purposes of this section, the term 'State' means a State, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, and any other territory or possession of the United States.

"(i) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There is authorized to be appropriated for fiscal years beginning on or after October 1, 1997, such sums as are necessary to carry out this section.

"(2) AUTHORIZATION TO ACCEPT PRIVATE CONTRIBUTIONS.—In order to facilitate the National Summit as a public-private partnership, the Secretary may accept private contributions, in the form of money, supplies, or services, to defray the costs of the National Summit.

"(j) FINANCIAL OBLIGATION FOR FISCAL YEAR 1998.—The financial obligation for the Department of Labor for fiscal year 1998 shall not exceed the lesser of—

"(1) one-half of the costs of the National Summit; or

"(2) $250,000.

The private sector organization described in subsection (b) and contracted with by the Secretary shall be obligated for the balance of the cost of the National Summit.

"(k) CONTRACTS.—The Secretary may enter into contracts to carry out the Secretary's responsibilities under this section. The Secretary shall enter into a contract on a sole-source basis to ensure the timely completion of the National Summit in fiscal year 1998.".

(b) CONFORMING AMENDMENT.—The table of contents in section 1 of such Act, as amended by section 3 of this Act, is amended by inserting after the item relating to section 516 the following new item:

"Sec. 517. National Summit on Retirement Savings.".

NOTICE OF HEARING CANCELLATION

SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION, AND RECREATION OF THE COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. THOMAS. Mr. President, I would like to announce for the public that the oversight field hearing that has been scheduled before the Subcommittee on National Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources, to take place Saturday, November 15, 1997 in Homestead, Florida, has been postponed until further notice.

For further information, please contact Jim O'Toole of the Committee staff at (202) 224-5161.

AUTHORITY FOR COMMITTEE TO MEET

SELECT COMMITTEE ON INTELLIGENCE

Mr. LOTT. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Friday, November 7, 1997, to hold a business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

FAST-TRACK TRADE LEGISLATION

• Mr. McCAIN. Mr. President, during the debate over the North American Free Trade Agreement, I quoted President Thomas Jefferson who wrote, in 1785, to his fellow Virginian, James Monroe: "I would say to every nation on earth, by treaty, your people shall trade freely with us, and ours with you."

In that same spirit, the 103d Congress of the United States passed the North American Free Trade Agreement and the nations of Canada, the United States, and Mexico began to open their borders. The resulting rising tide has already begun to lift the economic well-being of all Americans.

We now begin a similar debate over the President's request for fast-track trade negotiating authority. This gives me another opportunity to emphasize my commitment to free and open trade and pledge that I will work hard to enact the President's request. I am pleased that the proposal coming from the Finance Committee has attracted such broad bipartisan support.

My colleagues need to understand how important fast track is. Fast track provides that Congress will consider trade agreements within mandatory deadlines, with limited debate and without amendment. Its power has been held by every President for over 20 years, both Republicans and Democrats.

In his book, "American Trade Politics," Professor I.M. Destler, noted that fast track rose from Congress' natural inclination to shift responsibility for negotiating liberal trade agreements to the President while still maintaining its constitutional authority over foreign commerce.

> By delegating responsibility to the executive and by helping fashion a system that protected legislators from one-sided restrictive pressures, Congress made it possible for successive presidents to maintain and expand the liberal trade order.

In other words, the fast-track mechanism is the result of years of practical experience by our predecessors. And from it, the United States has been a leader in opening markets throughout the world. Implementation of the Uruguay round, establishment of the World Trade Organization, and unification of the markets of NAFTA countries are just a few of the success stories arising from the grant of fast-track authority to the President.

Unfortunately, far too many Americans have been misled into believing that free trade agreements are bad for the working men and women of our country. A late July NBC News/Wall Street Journal poll which simply asked if you would support fast track to negotiate more free trade agreements, a full 61 percent said "No." But these figures are beginning to change.

For too long, those who would build walls around our borders have pointed to the isolated cases of job disruptions to argue that trade only means job loss. Nothing could be further from the truth.

Trade Representative Charlene Barshefsky testified recently how in our booming economy more than 11 million Americans now work in jobs supported by exports and that these jobs pay 13 to 16 percent above the national average wage. Exports have increased dramatically across the country with 47 of 50 States registering significant export growth over the last 4 years.

Exports from California are up 45 percent, Michigan—68 percent, Illinois—64 percent, Ohio—42 percent, Texas—40 percent, Nebraska—54 percent, North Dakota—76 percent, and Montana—52 percent. Exports from Florida, Rhode Island, Louisiana, and West Virginia have increased more than 30 percent. States from New York to Utah also have posted double digit increases.

Instead of the giant sucking sound warned by many opponents of free trade, one of the first consequences of NAFTA was the swift relocation of some auto plants from Mexico to the United States.

In my home State, increased trade has resulted in an enormous growth in exports and increased wealth for Arizona families. We exported goods totaling $10.5 billion in 1996, up 93 percent from 1992. Total exports from Arizona to NAFTA countries alone increased by 52 percent between 1993 and 1996. Even exports to the European Union, which is not a member of NAFTA, increased 54 percent during this period.

These increases would be meaningless but for one important economic truth: exports mean jobs. Today, the unemployment rate is at one of the lowest points in the last 20 years. An article in the Wall Street Journal about job growth in the St. Louis area and around the Nation stated:

> . . . here . . ., it is evident that, with a buoyant economy slashing unemployment to a quarter-century low and U.S. exports booming, Mr. Clinton will surely win by the time the issue is resolved this fall . . .

The article goes on:

> In the St. Louis area alone, more than 1,200 companies are now exporting, up from 600 five years ago . . .
>
> . . . as more companies flourish by exporting, a silent majority favoring more trade is forming in much of the country. One recent poll found 78% of respondents favoring expanded trade "on a reciprocal basis."

Without fast track legislation, we have missed a number of opportunities to be involved in trade agreements throughout the world. The Southern Cone Common Market, known as MERCOSUR, is expanding to set up a regional trade bloc that will not include the United States. The Government of Chile has already concluded trade agreements with Canada and Mexico. In Asia, ASEAN is setting up a free trade area without United States' participation. The EU has begun to set up agreements in the Western Hemisphere, and is currently negotiating trade agreements with Chile and Mexico.

Despite these missed opportunities, the United States can still continue its pre-eminent leadership role on the world economic stage. We need to complete the negotiations on Chile's accession to NAFTA, to begin building the Free Trade Area for the Americas, and to pursue the long-term commitment to eliminate barriers to trade with other Asia Pacific nations in the Asia Pacific economic cooperation forum. Some Members of Congress have even proposed negotiating free trade agreements with other trading partners, such as the European Union or Sub-Saharan African countries.

The Clinton administration has noted that future multilateral negotiations may also require congressional implementation. For example, negotiations to further liberalize trade in services and agriculture and to establish new rules for subsidies are likely to begin by the year 2000. Moreover, the United States and other governments have expressed interest in pursuing multilateral negotiations on issues related to labor and environmental standards, competition policy, and rules for foreign investment. The success of these negotiations will hinge on the President's fast track authority.

Finally, I think that it is important to recognize the message being sent by the recent decline in the world's stock markets. Those who argue that we should only look inward and forgo opportunities to open markets around the world fail to recognize that we are now moving toward a single world economy. Dramatic market declines in Hong Kong are felt on Wall Street, in South America, and in Europe. It is important that we not listen to the siren song of protectionism at this moment in history. Instead, our Nation must signal its support of free trade by supporting fast-track legislation. Fast track will promote open trade and create wealth around our planet. The benefits are obvious.

The editorial pages of American newspapers have almost uniformly called for swift enactment of fast track. These newspapers observed long ago that delicate negotiations with foreign leaders go nowhere when these negotiations must first be approved by 535 congressional Secretaries of State.

The Christian, Science Monitor states:

> There should be no doubt that much of the growing U.S. and world prosperity in the past two decades—indeed in the past half century—is a result of global trade expansion . . . President Clinton should press ahead decisively now. Benefits outweigh drawbacks. History is on his side.

The Washington Post says:

> Economies that are open to trade and foreign investment grow more quickly and lift their populations out of poverty more quickly than economies that are closed.

The Journal of Commerce says:

> . . . the real issue is the unwieldy nature of negotiating with each member of Congress, a situation that would encourage foreign trading partners to hold back their best offers knowing Congress could second-guess the deal later, leading to delays and weaker trade policy.
>
> Mr. Clinton should directly and honestly address the fears of average Americans and use the bully pulpit to explain how global competition ultimately improves the U.S. competitive position. Only then will Americans better understand why their smart, innovative companies and hard-working people stand to benefit globally from open markets and fast-track authority.

The Arizona Daily News-Sun correctly argues:

> . . . enterprise free of the bureaucratic costs of trade "quotas" and tariffs only raise the cost of doing business for American businesses selling to foreign markets and result in higher prices to consumers. Capitalism is not a zero-sum game.

And, finally, USA Today states:

> Congressional dithering over trade agreements is the kiss of death. Let the president negotiate.

I could not agree more.

The commonsense perception of the negative consequences of high tariffs was well understood by Americans who engaged in the great tariff debates of the last century. It was understood by many of our Founding Fathers, by committed free traders in the 19th century, and by supporters of free trade today who argue persistently that tariffs are unfair taxes on an already overtaxed public and an impediment to prosperity.

There are, of course, other arguments at stake that transcend partisan economic values. Under the benefits of NAFTA, Mexico has moved dramatically away from statism, protectionism, and the reflexively anti-American, anticapitalist left wing policies that have kept Mexico so firmly rooted in the Third World. Had we rejected NAFTA and denied Mexico the benefits of enlightened engagement with the world, we may very well have provoked a return to those policies which are so inimical to our own interests.

I have long argued that free trade agreements help promote democratic freedoms in countries around the world. Support for free trade, as exemplified by vote for fast-track authority, is another way to help ensure that many, many people are able to live in a free and prospering environment.

In conclusion, I urge my colleagues not to reject this golden opportunity to solidify the global free trade regime that we have created. Instead of heeding the cries of protectionism and throwing our country down a path of eventual economic ruin, we should vote to continue prosperity from Wall Street to Main Street America.●

THE HAWAII HOUSING AUTHORITY

● Mr. INOUYE. Mr. President, the Public Housing Management Assessment Program was established under the National Affordable Housing Act of 1990 to ensure that public housing functions as a well-managed enterprise on a uniform, nationwide basis. The PHMAP was designed to institute a system of accountability that would help the U.S. Department of Housing and Urban Development monitor and evaluate management operations of housing authorities nationwide. PHMAP scores are based on ranking in seven areas: vacancy rate and unit turnaround time, modernization, rents uncollected, work orders, inspection of units and systems, financial management, resident services, and community building.

The Hawaii Housing Authority is ranked the 29th largest authority of 4,000 housing authorities in the country. Last month, HUD announced that the HHA received a 92.5 score and high-performer status for its management program under PHMAP. This enables the State of Hawaii to continue to receive its share of Federal funding, and allows HHA maximum flexibility in using those Federal funds.

I would like to congratulate Hawaii Gov. Benjamin J. Cayetano, Ms. Sharon R. Yamada, executive director of the Hawaii Housing Authority, and the extraordinary staff of the HHA for this outstanding achievement. I proudly commend the staff of HHA for their dedication, hard work, and detailed attention to serving their housing customers. •

PUBLICATION OF THE SWISS BANKS' DORMANT ACCOUNT LIST

• Mr. D'AMATO. Mr. President, I rise today briefly to discuss the publication of the latest list of dormant accounts in Swiss banks.

On October 29, 1997, the Swiss Bankers Association published its second list of dormant accounts. The list contains some 3,700 names of account holders that have not been heard from since May 9, 1945, the conclusion of the Second World War. This is the second time the Swiss Bankers Association has published such a list, the first time being on July 23, 1997. On that occasion, a great number of names appeared on that list that had proven to be either Nazis or those that were unable to obtain their accounts despite repeated attempts to do so.

The latest list, contains the names of Johann Rohani and Anna Rohanny, of Amsterdam. Yesterday afternoon, I heard from the Rohany's daughter, Susan Unger, who informed my staff that these people were her parents. She went on to say that her mother had tried and been turned down in 1968 trying to claim the funds which were hers. Moreover, as late as October 1, of this year, she tried to claim the account and was turned down. Yet, when one looks at the latest list, it is inescapable that these are the same names. Apparently, the accounting firm looking for the accounts failed to check her parents' names on the then-pending lists. This is terribly unfortunate. Mrs. Unger has tried and tried to obtain funds that were legitimately hers and yet, she and her mother have been denied.

What is even more bothersome is the fact that while the accounting firm turned her down 1 month ago, and that her parents' names appear on the new list, how many others I wonder, are in the same situation. How many have been turned down, with looking for names appearing on the first list, when they might well have appeared on this new list? We would have a better idea if the second list had been published in full like the first list. This one was not, it was only available on the Internet, through a search mechanism, not a full printout of the names, making it immensely more difficult, if not impossible to find names, if you do not see all of them.

Mr. President, the Swiss banks have a long way to go before they can regain the respectability they once had. Continued indifference to cases such as this are very unfortunate. I wish for the sake of the claimants they would come to their senses and do what is right. One can only hope.•

CHILD CARE

• Mr. SARBANES. Mr. President, on October 23, 1997, President Clinton convened the first ever White House Conference on Child Care. This important summit examined one of the most critical issues facing American families today, the need for safe, affordable, quality child care. I rise today to commend the President for working to focus public attention on this very important matter, and to urge the Senate to move quickly to address the critical issues facing us with regard to our children's future.

Mr. President, it has long been my view that our children are our greatest national resource and must number among our country's highest priorities. Nationwide, nearly 10 million preschool children spend a part of their day in child care, and there are many more school-age children who spend portions of their afternoons under the supervision of someone other than a parent when the school day ends. These children need care that will enable them to learn and grow, while keeping them safe, healthy, and happy.

There can be no disagreement that high quality child care and early childhood development services are absolutely essential to the well-being of our children and our families. In fact, recent research findings in early brain development indicate that much of children's growth and future emotional health is determined by early learning and care. This research emphasizes the urgent need for well-trained reliable child care-givers for even the youngest of children, and underscores the importance of continued Federal support for child care programs. Whether these programs are called child care, early childhood development, or early childhood education they all must provide the nurturing and stimulation children need to develop fully, to enter school ready to learn, and to grow into capable and responsible adults.

While quality of care is the most important consideration for parents choosing a child care provider for their families, many parents must take into consideration the high cost of child care in this country. According to the 1995 Census, middle class families earning approximately $36,000 a year spend 12 percent of their annual income in child care expenses, and families earning $15,000 or less a year pay approximately 25 percent of their household income on care for their children. For these parents child care is an enormous financial burden.

In my own State of Maryland, many parents are struggling to hold jobs and at the same time provide quality care for their children. While the State of Maryland is a leader in day care financing, in 1994, there were approximately 4,000 children on the waiting list for child care assistance. Many of these children's parents must daily live with the fear that their child care situation is inadequate or that their carefully patched together child care arrangements will fall apart. We can—and we must—do better.

The Federal Government has a crucial responsibility to support and protect society's youngest members. As a nation we must work to empower low-income parents so that they may meet their children's needs by providing access to affordable, quality child care. As a member of the Senate, I have cosponsored previous legislation to address these pressing issues including the Act for Better Child Care Services which led to the authorization of the Child Care and Development Block Grant, and I have continued to work with my colleagues to ensure that Federal investments in the care and development of young children yield concrete results.

The White House Child Care Conference has provided us with a strong foundation on which to build and expand our Nation's child care programs, and has already begun to yield tangible results. Proposals resulting from the White House conference include the creation of a national child care provider scholarship fund to improve training, education, and compensation for child care providers, and a National Crime Prevention and Privacy Compact to increase the efficiency and effectiveness of background checks on child care providers. These proposals are useful first steps to bolster Federal child care programs, and to address issues of quality, accessibility, and affordability of reliable child care.

Mr. President, it is imperative to remember that children represent the future of this Nation. Unless we provide those generations to come with the knowledge and skills needed to function successfully in an increasingly complex world, we not only imperil the futures of our children—we imperil the future of our Nation. We must continue to invest in the future of our children by renewing our commitment to quality child care, and I urge my colleagues to join me in this effort. •

RECOGNITION OF BEVERLY CATHCARD

• Mr. BOND. Mr. President, on Tuesday, November 18, 1997, Beverly Cathcard will be honored at the American Royal Event in Kansas City, MO, in recognition of her lifelong devotion to the equine community throughout the State of Missouri.

Beverly's Hidden Valley Stables have been the beginning of several area equestrians who have ridden for enjoyment or for the love of the sport and competition. Her horses have won such prestigious races as the Morgan Grand National Horse Show, the American Royal, UPHA Chapter Five Horse Show and many other local, regional, and national level events. She has been in charge of the children's horse show at the American Royal and has served on the State and local boards of directors for the Missouri Horse Shows Association and the Longview Horse Park Board as well as many others.

Beverly represents the kind of spirit, honor, and integrity that belong in the equestrian community. November 18 will be a great occasion for the American Royal and I join them in paying tribute to Beverly Cathcard. •

COACH EDDIE ROBINSON: A TRUE AMERICAN HERO

• Mr. BREAUX. Mr. President, the conclusion of the 1998 football season will mark the end of the most extraordinary and successful coaching career in college football history. Eddie Robinson of Grambling State University, in my home State of Louisiana, will retire as that school's head coach after 56 amazing years in that position. Coach Robinson enters retirement at the pinnacle of his profession, holding the record as the most successful college football coach in history with an impressive 408 victories and only 162 losses to his credit.

Fifty-six years ago, when Coach Robinson came to what was then Louisiana Negro Normal, the school's formative football program rested entirely on his shoulders. Unlike college coaches of today, who are often awarded large contracts and lucrative television deals, Coach Robinson had to build his program from the ground up—literally. During prep basketball games, the new coach sold hamburgers so that he could afford to rent a bulldozer that could clear a field on which his team could practice and play. Once, he persuaded the members of his team to pick cotton so that a farmer's son, who happened to be the school's top running back, could join the team.

In subsequent years, Coach Robinson built Grambling football into one of the most successful and well-known football programs in the Nation. Today, Coach Robinson and his Grambling Tigers are household names across the country. Throughout the National Football League, the team that Eddie built is known as one of the best proving grounds for the NFL stars of the future. More than 300 of his players have gone on to careers in professional football.

In 1971 alone, 43 former Grambling players were in NFL training camps. Four of his players—Willie Brown, Willie Davis, Charlie Joiner, and Buck Buchanan—are members of the Pro Football Hall of Fame. And another former player, Doug Williams, became the first black quarterback to win a Super Bowl.

Mr. President, these are some of the accomplishments of Coach Robinson's extraordinary career. But they don't tell the whole story of the amazing life of this son of a former sharecropper. That is because it is Coach Robinson's example off the football field that has proved just as inspirational.

As a devoted husband and father and an exemplary citizen, Eddie Robinson symbolizes what is best about our country. As those of us who know him can attest, he is the very embodiment of the values of integrity, dignity, loyalty, humility, dedication, and excellence that most Americans still wish for their children. In a day and time when heroes are few and far between, I suggest that the young people of America look no further than Grambling State University for a true American hero named Eddie Robinson—a hero not only because of his success on the football field, but because of his winning attitude toward life and the extraordinary content of his character.

I know that I speak for every Member of this body when I congratulate Coach Robinson for his many outstanding accomplishments on and off the football field. We wish him and his family every success and happiness in this new and exciting phase of their lives. •

THE "SAVER" BILL

• Mr. GRASSLEY. Mr. President, I ask that a letter from the Society for Human Resource Management in support of the SAVER bill be printed in the RECORD.

The letter follows:

SOCIETY FOR HUMAN
RESOURCE MANAGEMENT,
Alexandria, VA, November 6, 1997.

U.S. Senate,
Washington, DC.

DEAR SENATOR: On behalf of the Society for Human Resource Management, SHRM, I am writing to enthusiastically endorse the Savings Are Vital for Everyone's Retirement (SAVER) Act, which recently passed the U.S. House of Representatives under suspension of the rules. This bipartisan legislation may be considered on the Senate floor very soon. SHRM is the leading voice of the human resource profession, representing the interests of more than 89,000 professional and student members from around the world.

Today most individuals are able to retire in a fashion that meets their needs. On average, workers retire earlier and live longer than in the past. However, a number of trends in the economy and workplace suggest that it will become increasingly difficult for American workers to meet their needs for adequate retirement income. The U.S. population is aging rapidly and the elderly live longer. The retirement of the baby boom generation will impose severe pressure on Social Security, Medicare and Medicaid. It is clear that a coordinated strategy is needed.

That is why this legislation is so critical. This legislation directs the Department of Labor to maintain an ongoing education and outreach program to the public to educate America about the need to save more. The SAVER Act also convenes a National Summit on Retirement Savings to be held by April 15, 1998 and every four years thereafter. The summit would bring together experts from the employee benefits and retirement arena, and give lawmakers access to the research and recommendations of experts so that America can meet the challenges ahead. This bipartisan legislation should be actively supported by all members of the Senate.

Thank you for your consideration of this key legislation. SHRM looks forward to working with the full Senate to see this legislation passed in 1997.

Sincerely,

DEANNA R. GELAK,
Director, Governmental Affairs.•

RECOGNITION OF REVEREND WALTER J. KEISKER

• Mr. BOND. Mr. President, I stand before you today to recognize a tremendous individual who has exemplified citizenship, character, and service to humanity throughout his life, Reverend Walter J. Keisker.

This special servant of God and man was bestowed an honorary degree of doctor of divinity in 1993 by Concordia Seminary in St. Louis for 70 years of faithful service. In accepting the honor Reverend Keisker stated, "There are others more deserving of the degree, but I am humbly grateful for it." Anyone ever associated with Reverend Keisker will acknowledge the humbleness of this special gentleman, but they will know the unique spirit and tenacity that brought about a rich lifetime of accomplishments. Whether it was the Boy Scouts, Ministerial Alliance, Chamber of Commerce, Historical Society, or one of his many other activities, Reverend Keisker was totally dedicated, an enduring example of service, integrity, faithfulness, and love in the best spirit of American citizenship.

On November 12, 1997, the Lutheran Family and Children Services [LFCS] of southeast Missouri will host the Second Annual Walter J. Keisker dinner. I commend LFCS for the foresightedness in choosing Reverend Keisker to lead the LFCS mission. I can think of no better example to inspire others to assist in building family life. •

TRIBUTE TO COMMANDER CARLISLE WILLIS BUZZELL

• Mr. McCAIN. Mr. President, 100 years ago, Mark Twain wrote, "Let us endeavor so to live that when we come to die even the undertaker will be sorry." Although I cannot speak for the undertaker, I believe I accurately represent all of Carlisle Willis Buzzell's friends, family members, and fellow aviators in saying that this country, and the Navy which serves it proudly, lost an invaluable asset when Carl peacefully passed away last July. Mr. President, I rise today to humbly commemorate a man whom I am proud to have known, in a time and place far removed from the Senate floor from which I speak today.

After a 3-month stint in the Army, Carl wisely joined the U.S. Navy in 1946, first as a petty officer, then as a midshipman at that boat school on the Severn River, better known as the Naval Academy to all who have not had the privilege of climbing Herndon at the end of plebe summer and celebrating June Week before graduation. Carl proceeded on to a distinguished career as a naval aviator, with tours of duty both stateside and in the Mediterranean, Pacific, and Atlantic theaters.

I had the honor of flying with Carl when we were stationed together on the U.S.S. *Forrestal* (CVA-59), a carrier better known for the vicious fire which consumed its flight deck than for the raw heroism of the thousands on board who labored to save the vessel, and themselves, from the flames. As head of the *Forrestal's* Combat Information Center, Carl was likely better positioned to evaluate and respond to the crisis than I, who held the dubious distinction of being the lucky pilot whose A-4E was hit by a Zuni rocket on the flight deck, thereby igniting the inferno.

Carl went on to serve on the staff of the Naval War College, where he helped pioneer the latest in interactive computer technologies at the Center for War Gaming. This capped the Commander's 28-year naval career, following which he managed General Electric's turbojet engine programs and was responsible for maintaining the operational readiness of its engines in support of Navy aircraft.

As indicated by his private-sector work on turbojet engines for F/A-18 and F-14B/D fleet fighter aircraft, Carl's loyalties to the Navy were not diminished by his retirement from the service. Indeed, he reaffirmed his commitment to his aviation roots through active membership on the boards of the Boston chapters of the Naval Academy Alumni Association, the New England Advisory Committee of Business Executives for National Security, and the Patriots Squadron of the Association of Naval Aviation.

Mr. President, as a Naval Academy graduate and former naval aviator myself, I must concede that my respect for the service and professionalism of my friend Carl may be partially accountable to the parallels between his naval career and my own, although his subsequent decision to enter the private sector perhaps demonstrated more foresight than my own choice to enter politics and make my living at public expense.

But do not take my word as evidence of Carl's exemplary service to his country. The World War II Victory Medal, the National Defense Service Medal, the United Nations Service Medal, the Navy Occupation Service Medal, the Korean Service Medal, the Korean Presidential Unit Citation, and the Vietnam Service Medal, all of which were awarded to Commander Buzzell during his naval career, stand as proof positive of his dedication to the core values that distinguish our servicemembers to the same degree today as when Carl enlisted in 1946, 1 year after victory in a most terrible war had confirmed the resilience of our ideals and the promise of the American Century.

Mr. President, Carl Buzzell lived a life whose end deeply saddens all of us who know of his loyal service to this Nation. May his legacy long stand in testament to the virtues of a life dedicated to honor, country, and family.•

RECOGNITION OF GIRL SCOUT GOLD AWARD RECIPIENTS

• Mr. JOHNSON. Mr. President, I want to take this opportunity today to recognize Hilary A. Holmes of Girl Scout Troop 7756. Hilary is an outstanding young woman who has received the Girl Scout Gold Award from the Nyoda Girl Scout Council in Huron, SD. The Girl Scout Gold Award is the highest achievement award in U.S. Girl Scouting. This award exemplifies her outstanding feats in the areas of leadership, community service, career planning, and personal development.

Hilary is one of just 20,000 Gold Award recipients since the creation of the program in 1980. In order to receive this award, Hilary completed the many Gold Award requirements. She earned three interest project patches: the Career Exploration Pin, the Senior Girl Scout Leadership Award and the Senior Girl Scout Challenge. Also, she created and executed a Girl Scout Gold Award project which included service to area flood victims.

Mr. President, I feel Hilary deserves public recognition for her tremendous service to her community and her country. I offer my congratulations to her for her hard work and effort in reaching this milestone.•

STRAIGHT-A STUDENTS

• Mr. ABRAHAM. Mr. President, I would like to take this opportunity to congratulate 4th grader Dallas Julianna Smolarek, 2d grader Candice Vaughn Smolarek, and kindergartener Brandon Tyler Smolarek for their outstanding academic success in the recent school year. All three students have received straight-A report cards and are on their way to success in school and all their personal endeavors.

We all agree over the importance of a good education, and I am pleased to see such fine young students maintaining a strong desire to perform to the best of their abilities. No doubt a role model for their classmates, Dallas, Candice, and Brandon have assumed academic leadership paralleled by few others. On behalf of the U.S. Senate, congratulations to them and best wishes for their future success.•

RETIREMENT OF PAUL W. JOHNSON AS CHIEF OF THE NATURAL RESOURCES CONSERVATION SERVICE OF THE DEPARTMENT OF AGRICULTURE

• Mr. HARKIN. Mr. President, this week marks the end of Iowa native Paul Johnson's remarkable 4-year tenure as Chief of the Natural Resources Conservation Service at the Department of Agriculture. As a long-time farmer and conservationist, Paul brought to NRCS a bold vision of private lands as a national resource to be managed in harmony with the environment.

During the past 4 years, Paul guided his agency through a major reorganization, from the Soil Conservation Service to the Natural Resources Conservation Service, and has shaped the agency's programs and policies to reflect this new emphasis on the conservation of all natural resources. Paul's leadership has inspired a new commitment to conservation both within USDA and across the country.

Paul's influence was obvious in the development of the landmark conservation title of the 1996 Farm Bill, which included among many important provisions the new Environmental Quality Incentives Program and the Wildlife Habitat Incentives Program. The creation and implementation of these programs under Paul's direction are hallmarks of the energy, creativity, and commitment that he brought to NRCS, and of the legacy he leaves behind.

The agency's eloquent publication, "A Geography of Hope," is a visionary statement of the NRCS mission and testimony to Paul's farm roots and passion for the land. For 23 years on his farm in Decorah, IA, Paul has raised corn, hay, and Christmas trees, and had a dairy herd and sheep.

In our home State Paul is highly regarded as an architect of environmental legislation. As a representative in the Iowa General Assembly from 1984 to 1990, he authored the Iowa Groundwater Protection Act, the Iowa Resource Enhancement and Protection Program, the Iowa Energy Efficiency Act and the Iowa Integrated Farm Management Program. For his leadership in the State he was named conservation legislator of the year by several organizations in Iowa and was named to the Iowa Conservation Hall of Fame by the Wildlife Society.

Paul holds B.S. and M.S. degrees in forestry from the University of Michigan, where he also pursued doctoral studies in forestry. He taught forestry in Ghana for two years, and has been visiting professor of environmental policy at Luther College. Paul worked for the USDA Forest Service in the Pacific Northwest and also has studied and consulted on forestry, agriculture, environment, and energy issues in Honduras, Costa Rica, Sweden, and the former Soviet Union.

Paul served on the Board of Agriculture of the National Academy of Sciences from 1988 to 1994, where he was involved in major studies in agriculture, forestry, and conservation. He also has served as an assistant commissioner for his local soil conservation district.

Paul brings both a global perspective and a local sensibility to conservation. While I am sorry to see him leave NRCS, I look forward to his return to Iowa, where he will continue to enrich our State. I would like to extend congratulations on a job well done, and wish Paul and his wife Pat the best on their return home.•

TRIBUTE TO SOUTHWEST MISSOURI STATE UNIVERSITY

• Mr. BOND. Mr. President, I stand before you today to pay tribute to a truly outstanding university in my home State of Missouri, Southwest Missouri State University [SMSU]. SMSU was one of 135 schools in 42 States selected to the John Templeton Foundation Honor Roll, a designation recognizing colleges and universities that emphasize character building as an integral part of the college experience.

Being the only public institution in Missouri to earn the 1997–98 honor roll distinction, SMSU is also one of the eight State-funded schools to receive the award nationwide. Schools competing for the honor roll were judged on 5 criteria and out of 2,208 4-year accredited undergraduate institutions only the top few were chosen. One of the categories where SMSU stood out was in community service. During the 1996–97 school year the SMSU campus, including the faculty and students, volunteered more than 69,500 hours.

It is an honor for the entire State of Missouri to have a university like SMSU, whose service and character-building programs have earned it this distinguished award. I commend SMSU's President, Dr. John Keiser, for his commitment to excellence and hope for continued success in the future.•

CENTENNIAL CELEBRATION OF THE CHESTER-WALLINGFORD CHAPTER OF THE AMERICAN RED CROSS

• Mr. SANTORUM. Mr. President, I rise today to recognize the Chester-Wallingford Chapter of the American Red Cross. The third oldest Red Cross chapter in the United States, this organization will, in 1998, celebrate 100 years of continuous service to the community.

With 400 volunteers and 4 staff members, the Chester-Wallingford Chapter carries out the Red Cross's mission of "providing relief to victims of disasters and helping people prevent, prepare for, and respond to emergencies." Following disasters, the Red Cross supplies victims with groceries, clothing, temporary housing, transportation, and medicine. Blood drives are another important initiative. Every 2 seconds, somebody needs a blood transfusion. The Chester-Wallingford chapter proudly helps satisfy this need by providing thousands of gallons of blood to area hospitals. As members of our Nation's Armed Forces serve overseas, the Red Cross facilitates communication between the soldiers and their families. Other public services provided by this organization include first aid, CPR, and swimming lessons.

The Chester-Wallingford Chapter has helped soldiers and veterans of WWI, WWII, Korea, Vietnam, and Desert Storm in times of need. The Red Cross has provided financial assistance to servicemen and servicewomen for emergency travel, health needs, and in some cases, burial assistance. Likewise, dedicated workers and volunteers have helped many veterans settle benefit claims. Finally, the Chester-Wallingford Chapter has provided numerous supportive services to patients in VA hospitals.

Mr. President, I commend the Chester-Wallingford Chapter of the American Red Cross for its commitment to the people of southeastern Pennsylvania. I ask my colleagues to join me in extending the Senate's best wishes for continued success to the staff and volunteers as they prepare to celebrate the chapter's centennial.•

CAPITAL AREA TRANSPORTATION AUTHORITY GALA

• Mr. ABRAHAM. Mr. President, today, I rise to commemorate the people of the Capital Area Transportation Authority [CATA] on the opening of the new CATA Transportation Center in Lansing, MI. Such an undertaking is the result many individuals in the community having dedicated a great portion of their time and talent toward seeing this idea become a reality. I, along with the citizens of Lansing and the surrounding communities, join in thanks for the work of CATA in offering such a tremendous public transportation service and for the ensuing impact on the quality of life for citizens in the surrounding areas.

I would like to take this opportunity to thank my Senate colleagues for their support of my request for earmarked funding for the CATA Transportation Center. In 1996, our request for $3 million in funding was granted and, in the following year, another earmark for $1.2 million also became a reality.

Mr. President, on behalf of the U.S. Senate, allow me to give a heartfelt thanks to those at CATA for their hard work and dedication toward making the great State of Michigan even greater.•

RECOGNIZING STONE AND THOMAS AS AN OUTSTANDING BUSINESS

• Mr. ROCKEFELLER. Mr. President, I rise today in order to recognize Stone & Thomas, an outstanding business, for its continuous service to its customers and to the State of West Virginia. Stone & Thomas has been known for its commitment to customer service since 1847. That is 16 years longer than West Virginia has been a State.

This year, Stone & Thomas celebrated 150 years in business, and its longevity is a testament to the quality of service and merchandise which they are committed to.

Mr. President, since its founding in 1847 by Jacob Thomas and Elijah Stone, this remarkable business has been owned and operated by five generations of the same family. Currently, Stone & Thomas is run by W.S. Jones, the president, chief executive officer and the great-great-grandson of Elijah Stone. Mr. Jones, like the four generations before him, has continued the creed of outstanding service which Mr. Stone and Mr. Thomas pledged themselves to. Furthermore, Mr. Jones, like those before him, has continued to improve and expand upon an already exceptional business.

All told, Stone & Thomas has employed, and continues to employ, thousands of citizens of West Virginia. They are presently responsible for over 1,500 jobs in my State, as well as several hundred jobs in Ohio, Kentucky, and Virginia. And just this week, Mr. President, they celebrated the opening of another customer-friendly store in Charleston, WV, which is expected to bring work to 70 more West Virginians.

Mr. President, Stone & Thomas has accomplished so much during its 150 years in business. Because of its diligent efforts to satisfy the customer it has grown to become West Virginia's largest independent retailer, as well as one of the top 100 in the Nation.

Because of their outstanding commitment to customer service; because of their longstanding record as a fair, honest, and friendly business; and because of their superior contributions to the economies of West Virginia and three other States, I pay special tribute to Stone & Thomas.•

TRIBUTE TO MISSOURI TASK FORCE ONE

• Mr. BOND. Mr. President, I rise to congratulate the members of Missouri Task Force One, which this year achieved Federal designation as an FEMA Urban Search and Rescue Task Force, and in October received the Memorandum of Understanding that places them in deployable status.

What a great team. They don't call Missouri the "Show Me" State for nothing. Missouri Task Force One began as 1 of more than 150 applicants. They coordinated, cajoled, planned, "recruited"—a euphemism for the arm-twisting for which they've become famous—begged, borrowed, purchased, trained, and triumphed. What was only a dream 5 years ago became a reality this year.

This team, its members and equipment underwent a rigorous evaluation including a full-blown, onsite inspection from technical experts in search and rescue. They scored the highest in the Nation, and clobbered the competition. I know this may be a sore subject with some of my colleagues in the Senate, but the numbers do not lie.

Missouri Task Force One was head and shoulders above the next-highest applicant for new teams and scored ahead of already-designated teams as well. This is one of the most exciting, dedicated groups of volunteers I have ever seen. They earned this designation in every category evaluated, from the quality of the team members to their excellent equipment.

The country won when Missouri Task Force One achieved their designation. Some of us have learned the very hard way that disasters can happen any time, anywhere. I rest easier knowing that the Midwest now has access to the Federal search and rescue teams once concentrated on the east and west coasts. I am honored to have the privilege of getting to know some of the members of Missouri Task Force One, who take the time from their "day jobs" and their families to train, take risks, pack, unpack, and train some more; for a nightmare we all hope will never happen but for which we must be prepared.•

TROY COMMUNITY COALITION

• Mr. ABRAHAM. Mr. President, today I rise to pay tribute and express my heartfelt thanks to those who have made the Troy Community Coalition for the Prevention of Drug and Alcohol Abuse such a successful program. The hard work and dedication of the coalition's staff and volunteers was recently recognized by the Community Anti-Drug Coalitions of America "Best Coalition" designation. This award recognizes drug abuse prevention organizations which have strong programs, substantive results, and community support.

The Troy Community Coalition is a non-profit organization dedicated to improving the quality of life for all who live or work in Troy. This goal has been successfully met through the countless ways in which they have encouraged individuals to lead lives free from the abuse of alcohol and drugs.

Mr. President, on behalf of the U.S. Senate, I would like to thank the Troy Community Coalition for the hard work and effort they have put into making the great State of Michigan even greater. •

FOREIGN CURRENCY REPORTS

In accordance with the appropriate provisions of law, the Secretary of the Senate herewith submits the following report(s) of standing committees of the Senate, certain joint committees of the Congress, delegations and groups, and select and special committees of the Senate, relating to expenses incurred in the performance of authorized foreign travel:

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
David W. Carle:									
United States	Dollar				986.35				986.35
Norway	Kroner	4,867	647.00					4,867	647.00
Total			647.00		986.35				1,633.35

RICHARD G. LUGAR,
Chairman, Committee on Agriculture, Nutrition, and Forestry, Oct. 21, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES FOR TRAVEL FROM APR. 1 TO JUNE 30, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Jeff Bingaman:									
Russia	Dollar		2,100.00						2,100.00
United States	Dollar				5,803.35				5,803.35
Madelyn Creedon:									
Russia	Dollar		2,100.00						2,100.00
United States	Dollar				5,803.35				5,803.35
Robert Simon:									
Russia	Dollar		2,100.00						2,100.00
United States	Dollar				5,803.35				5,803.35
Gary Glass:									
Russia	Dollar		2,100.00						2,100.00
United States	Dollar				5,803.35				5,803.35
Patrick Von Bargen:									
Russia	Dollar		2,100.00						2,100.00
United States	Dollar				3,647.05				3,647.05
Senator Carl Levin:									
Turkey	Dollar		125.00						125.00
Greece	Dollar		106.54						106.54
Senator Carl Levin:									
Bosnia	Dollar		200.00						200.00
Richard D. DeBobes:									
Switzerland	Dollar		218.00						218.00
United States	Dollar				17.80				17.80

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES FOR TRAVEL FROM APR. 1 TO JUNE 30, 1997—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Turkey	Dollar		125.00						125.00
Greece	Dollar		106.71						106.71
Bosnia	Dollar		200.00						200.00
Total			11,581.25		26,878.25				38,459.50

STROM THURMOND,
Chairman, Committee on Armed Services, Oct. 30, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Martin McBroom:									
Germany	Dollar		1,534.00						1,534.00
United States	Dollar				1,123.25				1,123.25
Senator Strom Thurmond:									
China	Dollar		753.00						753.00
Hong Kong	Dollar		788.00						788.00
Robert J. Short:									
China	Dollar		753.00						753.00
Hong Kong	Dollar		788.00						788.00
Richard Quick:									
China	Dollar		753.00						753.00
Hong Kong	Dollar		788.00						788.00
Lawrence Mohr, Jr.:									
China	Dollar		753.00						753.00
Hong Kong	Dollar		788.00						788.00
John DeCrosta:									
China	Dollar		753.00						753.00
Hong Kong	Dollar		788.00						788.00
John Miller:									
China	Dollar		753.00						753.00
Hong Kong	Dollar		788.00						788.00
Melinda Koutsoumpas:									
China	Dollar		753.00						753.00
Hong Kong	Dollar		788.00						788.00
John Gastright:									
China	Dollar		753.00						753.00
Hong Kong	Dollar		788.00						788.00
Jason Rossbach:									
China	Dollar		753.00						753.00
Hong Kong	Dollar		788.00						788.00
Jennifer Shaw:									
China	Dollar		753.00						753.00
Hong Kong	Dollar		788.00						788.00
Senator John McCain:									
United States	Dollar				4,423.10				4,423.10
Turkey	Dollar		128.00						128.00
Senator John McCain:									
Georgia	Dollar		179.00						179.00
Azerbaijan	Dollar		273.00						273.00
Turkmenistan	Dollar		50.00						50.00
Uzbekistan	Dollar		315.00						315.00
Kyrgyzstan	Dollar		98.00						98.00
Kazakstan	Dollar		181.00						181.00
Mongolia	Dollar		200.00						200.00
China	Dollar		397.00						397.00
Total			18,765.00		5,546.35				24,311.35

STROM THURMOND,
Chairman, Committee on Armed Services, Oct. 30, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Robert C. Cresanti:									
Hong Kong	Dollar	4,750.00	613.54					4,750.00	613.54
United States	Dollar				4,046.45				4,046.45
Patrick A. Mulloy:									
Hong Kong	Dollar	5,700.00	736.24					5,700.00	736.24
United States	Dollar				2,240.35				2,240.45
Total			1,349.78		6,286.90				7,636.68

ALFONSE D'AMATO,
Chairman, Committee on Banking, Housing, and Urban Affairs,
Oct. 21, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON THE BUDGET FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Alice Grant:									
Hong Kong	Dollar	29,429.00	3,822.00					29,429.00	3,822.00
United States	Dollar				1,128.45				1,128.45
Jon Rosenwasser:									
Hong Kong	Dollar	29,429.00	3,822.00					29,429.00	3,822.00
United States	Dollar				1,128.45				1,128.45
Total			7,644.00		2,256.90				9,900.90

PETE V. DOMENICI,
Chairman, Committee on the Budget, Oct. 24, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON ENERGY AND NATURAL RESOURCES FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
David Garman:									
Germany	Mark	2,380.17	1,300.00					2,380.17	1,300.00
United States	Dollar		1,001.25						1,001.25
Total			2,301.25						2,301.25

FRANK H. MURKOWSKI,
Chairman, Committee on Energy and Natural Resources, Oct. 10, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE FOR TRAVEL FROM OCT. 1 TO DEC. 31, 1996

Name and country	Name of currency	Per diem [1]		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Amy Dunathan:									
United States	Dollar		28.15		2,096.95				2,125.10
Singapore	Dollar	2,070.89	1,478.15	49.00	34.96			2,119.89	1,513.11
Jeremy Preiss:									
United States	Dollar		23.68		2,086.95				2,110.63
Singapore	Dollar	2,035.44	1,452.85	15.00	10.70			2,050.44	1,463.55
James Jochum:									
United States	Dollar		2.04		709.00				711.04
Singapore	Dollar	1,280.39	913.91	32.50	23.20			1,312.89	937.11
Erik Autor:									
United States	Dollar				3,429.35				3,429.35
Singapore	Dollar	1,886.04	1,346.21	40.70	29.05			1,926.74	1,375.26
Linda Menghetti:									
United States	Dollar		103.06		2,728.95				2,832.01
Singapore	Dollar	1,499.87	1,070.57	25.40	18.13			1,525.27	1,088.70
China	Yuan	12,026.32	1,450.70	140.00	16.89	50.00	6.03	12,216.32	1,473.62
Deborah Lamb:									
United States	Dollar		75.69		2,710.95				2,786.64
Singapore	Dollar	1,391.27	993.05	50.40	35.97			1,441.67	1,029.02
China	Yuan	10,793.44	1,310.98	140.00	16.89			10,933.44	1,327.87
Daniel Bob:									
United States	Dollar		103.65		2,860.85				2,964.50
Indonesia	Rupiah	1,238,600	533.19	25,000	10.76			1,263,600	543.95
Malaysia	Ringgit	625.10	247.56	10.00	3.96			635.10	251.52
Philippines	Peso	12,596.17	479.56	30.00	1.14			12,626.17	480.70
Senator Charles E. Grassley:									
Hong Kong	Dollar	2,869.67	394.00					2,869.67	394.00
Singapore	Dollar	1,147.41	819.00					1,147.41	819.00
China	Yuan	6,242.37	753.00					6,242.37	753.00
United States	Dollar				1,048.95				1,048.95
Total	Dollar		13,579.00		17,873.60		6.03		31,458.63

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

WILLIAM V. ROTH, JR.,
Chairman, Committee on Finance, Nov. 6, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1997

Name and country	Name of currency	Per diem [1]		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Daniel Bob:									
Canada	Dollar	1,293.75	958.33	15.00	11.11			1,308.75	969.44
United States	Dollar				666.00				666.00
Senator William V. Roth, Jr.:									
Canada	Dollar	361.18	267.54	10.00	7.41			371.18	274.95
United States	Dollar				1,062.70				1,062.70
Daniel Bob:									
Japan	Yen	201,473	1,627.54					201,473	1,627.54

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE FOR TRAVEL FROM JAN. 1 TO MAR. 31, 1997—Continued

Name and country	Name of currency	Per diem[1]		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
United States	Dollar				2,916.95				2,916.95
Senator William V. Roth, Jr.:									
Japan	Yen	78,713	635.86					78,713	635.86
United States	Dollar				47.10				47.10
Senator John D. Rockefeller:									
Taiwan	Dollar	22,842	846.00					22,842	846.00
Japan	Yen	188,945	1,643.00					188,945	1,643.00
United States	Dollar				7,139.95				7,139.95
R. Lane Bailey:									
Taiwan	Dollar	22,842	846.00					22,842	846.00
Japan	Yen	188,945	1,643.00					188,945	1,643.00
United States	Dollar				4,040.95				4,040.95
Total			8,467.27		15,892.17				24,359.44

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

WILLIAM V. ROTH, JR.,
Chairman, Committee on Finance, Nov. 6, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FINANCE FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1997

Name and country	Name of currency	Per diem[1]		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Daniel Bob:									
United States	Dollar		49.76		1,191.95				1,241.71
Hong Kong	Dollar	3,211.60	414.72	270	34.87			3,481.60	449.59
Daniel Bob:									
United States	Dollar		12.97		1,094.45				1,107.42
Korea	Won	449,095	496.79	9,000	9.96			458,095	506.75
Total			974.24		2,331.23				3,305.47

WILLIAM V. ROTH, JR.,
Chairman, Committee on Finance, Nov. 6, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Joseph Biden:									
United States	Dollar				1,473.00				1,473.00
Germany	Mark		395.51						395.51
United States	Dollar				1,398.50				1,398.50
Marshall Billingslea:									
Norway	Dollar		1,458.00						1,458.00
United States	Dollar				990.25				990.25
Ellen Bork:									
Japan	Yen	140,000	1,209.00					140,000	1,209.00
South Korea	Won	1,038,090	1,156.00					1,038,090	1,156.00
China	Yuan	12,000	1,450.00					12,000	1,450.00
United States	Dollar				4,705.35				4,705.35
Peter Cleveland:									
Georgia	Dollar		133.33						133.33
Armenia	Dollar		133.33						133.33
Azerbaijan	Dollar		133.33						133.33
Turkmenistan	Dollar		133.33						133.33
Tajikstan	Dollar		133.33						133.33
Uzbekistan	Dollar		133.33						133.33
Kyrgyzstan	Dollar		133.33						133.33
Kazakstan	Dollar		133.33						133.33
Ukraine	Dollar		133.33						133.33
United States	Dollar				3,372.25				3,372.25
Michael Haltzel:									
Bosnia	Dollar		695.00						695.00
United States	Dollar				2,811.06				2,811.06
Frank Januzzi:									
Japan	Yen	140,000	1,209.00					140,000	1,209.00
South Korea	Won	1,030,000	1,148.00					1,030,000	1,148.00
China	Yuan	12,000	1,450.00					12,000	1,450.00
United States	Dollar				5,266.15				5,266.15
Edward Levine:									
China	Yuan		953.00						953.00
United States	Dollar				4,364.00				4,364.00
Christopher Madison:									
Bosnia	Dollar		580.00						580.00
United States	Dollar				1,168.30				1,168.30
Patti McNerney:									
Germany	Mark	2,084.37	1,138.44					2,084.37	1,138.44
United States	Dollar				3,560.25				3,560.25
Michael Miller:									
Ghana	Cedi	970,200	666.00					970,200	666.00
Ivory Coast	Dollar		162.00						162.00
Senegal	Dollar		984.00						984.00
Mali	Dollar		672.00				700.00		1,372.00
Uganda	Dollar		906.75						906.75

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON FOREIGN RELATIONS FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1997—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
United States	Dollar				5,683.25				5,683.25
Ken Peel:									
Germany	Mark	2,854.37	1,559.00					2,854.37	1,559.00
United States	Dollar				2,649.00				2,649.00
Senator Chuck Robb:									
Georgia	Dollar		133.33						133.33
Armenia	Dollar		133.33						133.33
Azerbaijan	Dollar		133.33						133.33
Turkmenistan	Dollar		133.33						133.33
Tajikstan	Dollar		133.33						133.33
Uzbekistan	Dollar		133.33						133.33
Kyrgyzstan	Dollar		133.33						133.33
Kazakstan	Dollar		133.33						133.33
Ukraine	Dollar		133.33						133.33
United States	Dollar				3,372.25				3,372.25
Linda Rotblatt:									
Ghana	Cedi	485	666.00					485	666.00
Ivory Coast	Dollar		424.00						424.00
Senegal	Dollar		484.00						484.00
Mali	Franc	2,688	672.00				700.00		1,372.00
United States	Dollar				5,683.25				5,683.25
Dan Shapiro:									
China	Dollar		350.00						350.00
United States	Dollar				4,309.45				4,309.45
Chris Walker:									
Chana	Cedi	970,200	666.00					970,200	666.00
Ivory Coast	Dollar		162.00						162.00
Senegal	Dollar		984.00						984.00
Mali	Dollar		672.00				700.00		1,372.00
Chris Walker:									
United States	Dollar				4,923.00				4,923.00
Michael Westphal:									
Ghana	Cedi	970,200	666.00					970,200	666.00
Ivory Coast	Dollar		162.00						162.00
Senegal	Dollar		984.00						984.00
Mali	Dollar		672.00				700.00		1,372.00
Uganda	Dollar		906.75						906.75
United States	Dollar				5,683.25				5,683.25
Total			28,662.39		61,412.56		2,800.00		92,874.95

JESSE HELMS,
Chairman, Committee on Foreign Relations, Oct. 31, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMITTEE ON VETERANS' AFFAIRS FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Kim Hamlett:									
England	Pound	1,264.8	2,010.00		650.33			1,264.8	2,660.33
Terence Lynch:									
Czech Republic	Dollar		802.00						802.00
France	Franc	6,776.0	1,120.00	1,330	221.67			8,106.0	1,341.67
England	Pound	843.2	1,340.00					843.2	1,340.00
United States	Dollar				2,257.95				2,257.95
Total			5,272.00		3,129.95				8,401.95

ARLEN SPECTER,
Chairman, Committee on Veterans' Affairs, Oct. 17, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), SELECT COMMITTEE ON INTELLIGENCE FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1997

Name and country	Name of currency	Per diem [1]		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Don Mitchell			1,854.25		4,631.45				6,485.70
Alfred Cumming			2,816.25		4,631.45				7,447.70
Don Stone			1,917.00		6,617.95				8,534.95
Randy Schieber			2,057.00		6,617.95				8,674.95
Peter Flory			3,693.66		5,227.45				8,921.11
Emily Francona			2,408.00		5,757.45				8,165.75
George K. Johnson			1,232.00		4,828.65				6,060.65
Senator Pat Roberts			192.00						192.00
Peter Dorn			1,800.00		3,173.65				4,973.65
Alan McCurry			1,800.00		3,717.65				5,517.65
Andrew Johnson			642.24		3,717.65				4,359.89
Melvin Dubee			1,838.00		4,806.55				6,644.55
Ken Myers			2,715.50		3,639.55				6,355.05
Senator Richard Lugar			1,995.50		3,639.55				5,635.05
Taylor Lawrence			2,100.00		1,935.55				4,035.55
Senator Richard Shelby			2,100.00		1,935.55		306.72		4,342.27
Peter Dorn			1,302.00						1,302.00
Taylor Lawrence			4,490.66		4,888.88				9,379.54
Senator Richard Shelby			3,037.48		3,734.15				6,771.63
Kathleen Casey			4,490.66		5,667.88				10,158.54
Senator J. Robert Kerrey			816.00		5,529.75		513.10		6,858.85

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), SELECT COMMITTEE ON INTELLIGENCE FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1997—Continued

Name and country	Name of currency	Per diem [1]		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Christopher Straub			674.00		4,698.05				5,372.05
Arthur Grant			964.00		4,698.05				5,662.05
Patrick Hanback			1,972.25		4,631.45				6.603.70
Joan Grimson			1,815.00		4,861.25				6,676.25
Total			50,723.45		103,587.81		819.82		155,131.08

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

RICHARD C. SHELBY,
Chairman, Select Committee on Intelligence. Oct. 31, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), COMMISSION ON SECURITY AND COOPERATION IN EUROPE FOR TRAVEL FROM JULY 1 TO SEPT. 30, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Robert Hand:									
United States	Dollar				2,326.65				2,326.65
Albania	Dollar		479.00		48.00				527.00
Switzerland	Dollar		227.00						227.00
United States	Dollar				930.45				930.45
Austria	Dollar		368.00						368.00
Croatia	Dollar		76.00						76.00
Bosnia-Herzegovina	Dollar		1,661.00						1,661.00
Croatia	Dollar		76.00						76.00
Janice Helwig:									
Austria	Dollar				585.00				585.00
Albania	Dollar		1,292.00						1,292.00
Austria	Dollar		13,447.00						13,447.00
Croatia	Dollar		76.00						76.00
Bosnia-Herzegovina	Dollar		1,511.00						1,511.00
Croatia	Dollar		76.00						76.00
Christopher Smith:									
United States	Dollar				4,273.95				4,273.95
United Kingdom	Dollar		974.45		125.70				1,100.15
Total			20,263.45		8,289.75				28,553.20

ALFONSE D'AMATO,
Chairman, Commission on Security and Cooperation in Europe,
Sept. 25, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MAJORITY AND DEMOCRATIC LEADERS FROM JUNE 27 TO JULY 2, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Frank Murkowski:									
Hong Kong	Dollar	21,582.53	2,787.00					21,582.53	2,787.00
Senator Charles Robb:									
Hong Kong	Dollar	22,777.25	2,939.00					22,777.25	2,939.00
Senator Dianne Feinstein:									
Hong Kong	Dollar	22,777.25	2,939.00					22,777.25	2,939.00
Senator Craig Thomas:									
Hong Kong	Dollar	22,777.25	2,939.00					22,777.25	2,939.00
Deanna Tanner Okun:									
Hong Kong	Dollar	20,948.25	2,703.00					20,948.25	2,703.00
Peter Cleveland:									
Hong Kong	Dollar	20,948.25	2,703.00					20,948.25	2,703.00
Dan Brindle:									
Hong Kong	Dollar	20,948.25	2,703.00					20,948.25	2,703.00
Julia Hart:									
Hong Kong	Dollar	20,948.25	2,703.00					20,948.25	2,703.00
Delegation expenses: [1]									
Hong Kong							17,590.05		17,590.05
Total			22,416.00				17,590.05		40,006.05

[1] Expenses include direct payments and reimbursements to the Department of State and the Department of Defense under authority of Sec. 502(b) of the Mutual Security Act of 1954, as amended by Sec. 22 of P.L. 95–384, and Senate Resolution 179, agreed to May 25, 1977.

TRENT LOTT, Majority Leader,
TOM DASCHLE, Democratic Leader,
Oct. 29, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b) FOR TRAVEL AUTHORIZED BY THE MAJORITY LEADER FROM APR. 1 TO JUNE 30, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Dot Svendson:									
France	Franc	5,190.70	952.99					5,190.70	952.99

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b) FOR TRAVEL AUTHORIZED BY THE MAJORITY LEADER FROM APR. 1 TO JUNE 30, 1997—Continued

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Total			952.99						952.99

TRENT LOTT,
Majority Leader, Oct. 2, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MAJORITY LEADER FROM JUNE 28 TO JULY 5, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Trent Lott:									
Scotland	Pound	1,229.12	736.00					1,229.12	736.00
England	Pound	601.20	360.00					601.20	360.00
Belgium	Franc	7,488	208.00					7,488	208.00
Hungary	Forint	91,647	497.00					91,647	497.00
Senator Ernest F. Hollings:									
Scotland	Pound	1,229.12	736.00					1,229.12	736.00
England	Pound	601.20	360.00					601.20	360.00
Belgium	Franc	10,177	283.00					10,177	283.00
Hungary	Forint	80,100	445.00					80,100	445.00
Senator Dan Coats:									
Scotland	Pound	1,229.12	736.00					1,229.12	736.00
England	Pound	601.20	360.00					601.20	360.00
Senator Joseph I. Lieberman:									
Scotland	Pound	1,229.12	736.00					1,229.12	736.00
England	Pound	601.20	360.00					601.20	360.00
Belgium	Franc	8,388	233.00					8,388	233.00
Hungary	Forint	124,380	691.00					124,380	691.00
United States	Dollar				1,895.95				1,895.95
Senator Mike DeWine:									
Scotland	Pound	1,229.12	736.00					1,229.12	736.00
England	Pound	601.20	360.00					601.20	360.00
Belgium	Franc	6624	184.00					6624	184.00
Hungary	Forint	81,540	453.13					81,540	453.13
Senator Bill Frist:									
Scotland	Pound	544.48	332.00					544.48	332.00
England	Pound	541.20	330.00					541.20	330.00
Belgium	Franc	9,540	265.00					9,540	265.00
Hungary	Forint	84,360	456.00					84,360	456.00
United States	Dollar				2,493.00				2,493.00
Senator Chuck Hagel:									
Scotland	Pound	534.64	326.00					534.64	326.00
England	Pound	601.20	360.00					601.20	360.00
Belgium	Franc	9,000	250.00					9,000	250.00
Hungary	Forint	91,647	497.00					91,647	497.00
United States	Dollar				2,911.00				2,911.00
Gary Sisco:									
Scotland	Pound	1,229.12	736.00					1,229.00	736.00
England	Pound	601.20	360.00					601.20	360.00
Belgium	Franc	8,316	231.00					8,316	231.00
Hungary	Forint	91,647	497.00					91,647	497.00
Lloyd J. Ogilvie:									
Scotland	Pound	1,229.12	736.00					1,229.12	736.00
England	Pound	601.20	360.00					601.20	360.00
Belgium	Franc	7,164	199.00					7,164	199.00
Hungary	Forint	91,647	497.00					91,647	497.00
Steve Benza:									
Scotland	Pound	1,229.12	736.00					1,229.12	736.00
England	Pound	601.20	360.00					601.20	360.00
Belgium	Franc	8,388	233.00					8,388	233.00
Hungary	Forint	78,660	437.00					78,660	437.00
Susan Irby:									
Scotland	Pound	1,195.72	716.00					1,195.72	716.00
England	Pound	601.20	360.00					601.20	360.00
Belgium	Franc	8,748	243.00					8,748	243.00
Hungary	Forint	77,760	432.00					77,760	432.00
Sam B. King III:									
Scotland	Pound	1,212.42	726.00					1,212,42	726.00
England	Pound	576.15	345.00					576.15	345.00
Belgium	Franc	8,748	243.00					8,748	243.00
Hungary	Forint	86,580	481.00					86,580	481.00
Randy Scheunemann:									
Scotland	Pound	1,229.12	736.00					1,229.12	736.00
England	Pound	601.20	360.00					601.20	360.00
Belgium	Franc	8,748	243.00					8,748	243.00
Hungary	Forint	76,860	427.00					,76,860	427.00
Sally Walsh:									
Scotland	Pound	1,229.12	736.00					1,229.12	736.00
England	Pound	5,678	340.00					5,678	340.00
Belgium	Franc	8,388	233.00					8,388	233.00
Hungary	Forint	80,460	447.00					80,460	447.00
Eric Womble:									
Scotland	Pound	1,229.12	736.00					1,229.12	736.00
England	Pound	601.20	360.00					601.20	360.00
Belgium	Franc	10,177	283.00					10,177	283.00
Hungary	Forint	77,580	431.00					77,580	431.00
Delegation expenses:[1]									
Scotland							12,015.52		12,015.52
England							12,517.46		12,517.46
Belgium							4,936.95		4,936.95
Hungary							7,358.31		7,358.31
Bosnia-Herzegovina							3,144.62		3,144.62

Total			25,550.13		7,299.95		39,972.86		72,822.94

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[1] Delegation expenses include direct payments and reimbursements to the Department of State and the Department of Defense under authority of Sec. 502(b) of the Mutual Security Act of 1954, as amended by Sec. 22 of P.L. 95–384, and Senate Resolution 179, agreed to May 25, 1977.

TRENT LOTT,
Majority Leader, Oct. 15, 1997.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95–384—22 U.S.C. 1754(b), FOR TRAVEL AUTHORIZED BY THE MAJORITY LEADER FROM JULY 1 TO SEPT. 30, 1997

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator Robert C. Smith:									
Russia	Dollar		909.00						909.00
Poland	Dollar		88.00						88.00
Czech Republic	Dollar		464.00						464.00
Dino L. Carluccio:									
Russia	Dollar		927.00						927.00
Poland	Dollar		183.50						183.50
Czech Republic	Dollar		464.00						464.00
Senator Tim Hutchinson:									
Poland	Zloty	1,476.48	455.00					1,476.48	455.00
Randy Scheunemann:									
Turkey	Dollar		812.00						812.00
Georgia	Dollar		338.00						338.00
Azerbaijan	Dollar		324.00						324.00
Turkmenistan	Dollar		241.00						241.00
Uzbekistan	Dollar		612.00						612.00
Krgystan	Dollar		212.00						212.00
Kazahstan	Dollar		255.00						255.00
Mongolia	Dollar		303.00						303.00
China	Dollar		424.00						424.00
United States	Dollar				2,629.95				2,629.95
Total			7,011.50		2,629.95				9,641.45

TRENT LOTT,
Majority Leader, Oct. 15, 1997.

MARINE CORPS—LAW ENFORCEMENT FOUNDATION

• Mr. LEAHY. Mr. President, I rise to pay tribute to a small organization whose existence shows that a few determined individuals can make a difference. I am referring to the Marine Corps—Law Enforcement Foundation, which was formed in February 1995 by five former Marines who decided over lunch one day to help the children of Marines and Federal law enforcement employees.

Less than 3 years after forming, this organization has given away nearly $1.5 million to more than 150 children. The group focuses on the educational and special needs of children who have no where else to turn. They have paid for a hearing aid for a young son of a Marine whose insurance did not cover it. They provided a wheelchair to a ninth grader injured playing football. They gave $250,000 to children whose parents were Federal employees killed or injured in the 1995 Oklahoma City bombing.

Mr. President, I know several of the founding members of this foundation personally, and I want to say that I was not surprised to hear about the success of their collaboration. As Edmund Burke once said, "Great men are the guideposts and landmarks in the state." We can all learn something from them.

I ask that an article from the Newark Star Ledger about the foundation be printed in the RECORD.

The article follows:

FOUNDATION FORMED BY 5 EX-MARINES OFFERS HELP, AND HOPE, AMID PAIN

(By Pat Milton)

NEW YORK.—Two years ago, the sky crashed down on Marine fighter pilot Peter Harmon.

His wife, Shay, was driving with their 5-month-old son when another driver, allegedly drunk and speeding in Pompano Beach, Fla., hit them head on. The car burst into a fireball.

Shay managed to push the child out a window before she died. The infant, George, burned over 33 percent of his body, was given only a 5 percent chance to live. But he pulled through, a scarred survivor.

Peter Harmon, who had been on a Marine Reserves training mission at the time of the accident, almost immediately received a $10,000 check from a group he'd never heard of: the Marine Corps-Law Enforcement Foundation.

"They are awesome," says Harmon, who believes the money gave his son "a big head start."

The foundation was formed in February 1995 by five former marines who decided over lunch one day to help pay for the education and special needs of children of Marines and federal law enforcement employees.

So far, the group has given away nearly $1.5 million to more than 150 children.

"Just because you take your uniform off, doesn't mean you end service to your country," said one of the five founders, Richard Torykian, a Vietnam veteran and senior vice president at the international investment firm Lazard Freres in New York.

He said the foundation depends entirely on private and corporate donations.

It provides at least $10,000 for schooling children up to 19 years old who have a parent killed in the line of duty. The parent must have worked for the FBI; Drug Enforcement Administration; Secret Service; Customs; Marshals Service; Alcohol, Tobacco and Firearms; or Immigration and Naturalization Service.

SCHOLARSHIPS PROVIDED

The group also gives scholarships to Marine Corps children who lose a parent or are in financial need. And it helps cover medical needs.

This week, a $10,000 check was sent to the widow of Marine Capt. Robert Straw a day after she gave birth to their second child, Seth Robert. Straw was killed two months ago in a helicopter crash outside Dallas.

"My husband and I had high expectations for our children's education," Mindi Straw said by telephone from her home in Jacksonville, N.C. "This money is going to make our wishes come true."

The foundation also sent her $10,000 shortly after the crash for the couple's other child, Molli, 3.

It recently paid for a hearing aid for the son of an active duty Marine whose insurance did not cover it, and provided an $800 wheelchair to a ninth grader injured playing football.

"How are you going to get to college when you can't even get down the hallway of your high school?" said Peter Haas, a retired stockbroker who is president of the foundation, based in Mountain Lakes, N.J.

The other three founders are James K. Kallstrom, head of the New York FBI; attorney Patrick McGahn, Jr.; and Steve Wallace, who owns an investment firm in Los Angeles.

The foundation has more than 900 members, who help identify worthy cases and sometimes hold fund-raisers.

The largest donation, $250,000, was given to children whose parents were federal employees killed or injured in the 1995 Oklahoma City bombing. A big chunk of that contribution, $72,000, was donated by schoolchildren from the Blue Springs District in Kansas City, Mo., who held dozens of fund-raisers. Haas, surprised by the size of the donation, carried the mostly $1 and $5 bills back to New York in laundry bags and shopping bags.

He was stopped at the Kansas City airport by security guards who he thought must be suspicious of his swelling bags of cash. In fact, they wanted to give him $500 they had collected.

Harmon, now a Federal Express pilot, lives in New Hampshire and is attending the trial in Florida this month of the man charged with manslaughter in his wife's death.

He said little George, who he calls "G-man," has a painful life of operations and skin graftings ahead, but still liberally dispenses hugs and kisses.

"To someone who sees him the first time, he may not look so good on the outside, but he is smiling on the inside," Harmon said. "He's tough, he's a fighter, just like a Marine."•

TRIBUTE TO THE NATION'S LONGSHORE WORKERS

• Mr. KENNEDY. Mr. President, the recent dispute between the Federal Maritime Commission and Japanese cargo vessel owners over the operation of Japan's docks has given Congress and the country a new lesson in the important role of United States longshore workers. Day in and day out, away from the limelight, they work long hours under back-breaking conditions. In so many ways, these hard-working men and women symbolize the American work ethic. A recent article in the Wall Street Journal compared the productivity of American longshore workers favorably with that of their Japanese counterparts. The article noted that "American dockworkers will unload 24 hours a day, taking 30% less time for about half the price." The recent trade dispute has helped these workers obtain the recognition they deserve for their invaluable work in keeping commerce moving at our nation's ports.

According to recent figures, 1.7 tons of cargo a year are handled by longshore workers in the United States, with a value of nearly $900 billion.

As the Senate debates important questions of international trade and fair competition, I welcome this opportunity to pay tribute to these skillful, tireless, and courageous workers who do so much to support the Nation's economy and our trade with other countries. U.S. longshore workers across the Nation deserve America's gratitude—they have certainly earned it.•

REFINANCING BOND FINANCED SECTION 8 HOUSING PROPERTIES

• Mr. MACK. Mr. President, I rise to address a matter regarding the refinancing of section 8 assisted properties whose bonds are financed with a financial adjustment factor [FAF]. In order to save section 8 housing assistance payment funds, the Congress through the enactment of the McKinney Homeless Assistance Act encouraged owners of FAF properties to refund their bonds with lower interest rates. The recaptured section 8 savings were equally shared between the bond issuing housing agency and HUD and the housing agencies were required to use their share of the savings for affordable housing purposes. In the recently enacted VA, HUD appropriations legislation, a provision was included to encourage owners to refinance their properties by providing the owners a 15-percent share of the savings.

It has come to my attention that there may be some question as to whether the fiscal year 1998 VA, HUD appropriations act would allow an owner or an issuer to refinance a FAF property which was previously refinanced. We reviewed this matter while developing the amendments to this version of S. 562. However, upon review of the appropriations language, it appears unnecessary to include statutory language to clarify this matter. I would like to ask Senator Bond, the chairman of the VA, HUD Appropriations Subcommittee, if he could confirm my interpretation of this issue.

Mr. BOND. I thank the Senator for raising this issue. It is the intent of the appropriations legislation to allow a second refinancing to save section 8 funds. I am hopeful that owners working in cooperation with the bond issuers will voluntarily refinance their FAF properties, where existing laws and bond documents permit. Owners and bond issuers will hopefully take advantage of the historically low interest rates and refinance their properties.

Mr. MACK. I thank my colleague for his assistance in this matter.•

RECOGNIZING THE 50TH WEDDING ANNIVERSARY OF JULIAN AND LILLIAN WALLACE

• Mr. REID. Mr. President, I rise today to pay tribute to two Nevadans whose lives serve as an inspiration not only to all Nevadans but to this Nation and to this distinguished body. Fifteen years ago, Julian and Lillian Wallace founded an advocacy group in Las Vegas called Seniors United. Their mission was to tap into the unmined and undiscovered potential of Nevada's small but growing senior population and ensure that Nevada retirees were informed and had a voice in the political process on all levels of government. Each month for the past 15 years they have put together a informative newsletter and a monthly briefing for Nevada seniors. They stood as some of my strongest allies in the fight to stop the unfair source tax which allowed States to go after the pension incomes of former residents. As Nevada has grown and changed and the number of seniors and retirees has increased, Seniors United has become one of the most formidable groups in the State. Lillian and Julian's success with Seniors United comes from a simple idea— empowerment. They believe that an informed democracy is a powerful democracy. They never hesitate to hold their elected officials feet to the fire and demonstrate on a daily basis that an active and involved citizenry is definitely not a function of age. Perhaps their greatest assets are those attributes which have helped them stay married for 50 years: compassion, patience, love, and loyalty. On January 17, 1998, Lillian and Julian Wallace will celebrate their 50th wedding anniversary. I ask all my colleagues to join with me today to recognize these two Nevadans for their dedication and devotion not only to their marriage but also to making this country better for all citizens.•

SUPPORT OF FAST-TRACK REAUTHORIZATION

• Mr. LUGAR. Mr. President, I would like to voice my support for the pending fast-track reauthorization legislation. As chairman of the Senate Committee on Agriculture, Nutrition and Forestry, I would like to begin by stressing the importance of fast track to U.S. agriculture. In 1996, agricultural exports reached a record $60 billion, but import barriers, export subsidies, and state trading enterprises continue to distort world commodity markets. These distortions put America's farmers and agribusiness operators at a disadvantage. We must reduce these trade barriers and allow our industry to freely supply the world's markets.

I ask that a letter in support of fast track from all living Secretaries of Agriculture, dating from President Kennedy's administration, be printed in the Record.

Last year, my State of Indiana exported goods totaling $12.1 billion and these exports directly supported 66,000 Hoosier jobs. Current estimates indicate Indiana will achieve a record $13 billion in exports this year. Indiana's exports grew by an extraordinary 75 percent between 1992 and 1996. Since 1993, exports by Indianapolis firms increased 53 percent, South Bend's exports are up by 175 percent and Muncie's export growth leapt 114 percent. Therre Haute firms saw their exports rise 277 percent, the second highest rate of increase in the Nation. Indiana was the eighth largest agricultural exporter in 1996 with over $2 billion in exports. Because export related jobs pay on average more than nonexport related jobs, it is easy to conclude that exporting is a vital component to Indiana's robust economy.

The United States must continue to be the leader in knocking down tariff and nontariff trade barriers. This bill is critical to advancing trade liberalization and opening markets for all sectors. Approving fast track is the first step in achieving these goals.

Mr. President, I ask that a letter from President Clinton regarding a proposed congressional oversight group be inserted in the RECORD. I agree with the President that more can be done regarding strengthening the current congressional advisory group. Specifically, for each new trade negotiation the administration would consult with and update a specific congressional oversight group for that particular round of negotiations. The group would provide advice to the U.S. Trade Representative and be charged with general oversight. Second, the U.S. Trade Representative would work with congressional leaders, within 60 days of enactment, to develop guidelines for interaction between Congress and the administration on trade negotiations. The guidelines would address such issues as the timing of written and oral briefings regarding U.S. objectives, the status of the negotiations, the role of the group during actual negotiations, and access to information obtained during negotiations. The United States must be well prepared for the next round of World Trade Organization talks on agriculture in 1999 and the establishment of a congressional oversight group would be a positive beginning for this process.

Since 1974, Congress has granted every President fast-track negotiating authority. America's economic future increasingly lies with our ability to sell our goods and services around the globe. Without fast track, the United States will be sidelined in future trade negotiations. Since the creation of the General Agreement on Tariffs and Trade [GATT] in 1947, the United States has been the leader in knocking down trade barriers and opening up markets. As we prepare to celebrate the 50th anniversary of the GATT, the United States can either be engaged and play an active role in further trade liberalization or allow our competitors to stake claim to a larger portion of world markets.

The letters follow:

NOVEMBER 3, 1997.

Hon. RICHARD LUGAR,
Chairman, Committee on Agriculture, Nutrition and Forestry, U.S. Senate, Washington, DC.

Hon. TOM HARKIN,
Ranking member, Committee on Agriculture, Nutrition and Forestry, U.S. Senate, Washington, DC.

Hon. BOB SMITH,
Chairman, Committee on Agriculture, U.S. House of Representatives, Washington, DC.

Hon. CHARLES STENHOLM,
Ranking member, Committee on Agriculture, U.S. House of Representatives, Washington, DC.

DEAR GENTLEMEN: The U.S. food and agricultural system is one of the nation's greatest success stories. American agriculture competitively produces, handles, processes, services, trades and transports food and fiber that the world wants to buy. Agricultural trade has contributed significantly to U.S. farm income, created jobs and strengthened American economic and political interests. For those reasons, agricultural trade has been a top priority for every administration in recent memory.

Having served as the Secretaries of Agriculture to Presidents of both political parties, we have witnessed how U.S. agriculture has benefited from trade liberalization made possible by previous fast-track authorities. With the implementation of NAFTA and GATT, U.S. agricultural exports surged another $20 billion in value, hitting an all-time high of $60.3 billion in 1996. U.S. agriculture also has enjoyed a consistent trade surplus, which last year climbed to $27 billion.

Our food and agricultural system now is poised to make additional export gains from upcoming trade negotiations. Many developing countries are experiencing economic growth which means rising incomes for their citizens. Food demand is expanding as people upgrade their diets. These consumers will need to rely to a greater degree than ever on world markets, but there is no guarantee that agricultural products grown in the United States may reach them. To assure that, we need to make additional progress lowering trade barriers, eliminating unfair trading practices and constraining domestic subsidies that distort trade.

Fast track is the key to unlocking those opportunities. It is the avenue for our negotiators to level the playing field for U.S. farmers and processors to compete. The authorities it conveys can and should be used to help resolve outstanding trade disputes and strengthen the rules of international commerce. Moreover, it should be used as it was in the past—to exercise U.S. leadership in trade.

American agriculture needs to be at the table for the 199 agriculture talks in the World Trade Organization to continue the progress made in the Uruguay Round. In addition, we need to be active in upcoming bilateral negotiations with countries like Chile and for the regional Free Trade Agreement of the Americas and the Asia Pacific Economic Cooperation talks.

Very simply, fast track is critical to American agriculture being able to compete and prosper in the years ahead. That is why more than 60 agricultural organizations have committed themselves to work for fast track, and why we as former Secretaries of Agriculture support them in their effort.

We urge you to do what you can to assure prompt passage of this legislation.

Sincerely,

Orville Freeman, Secretary of Agriculture, Kennedy and Johnson Administrations; Earl L. Butz, Secretary of Agriculture, Nixon and Ford Administrations; John R. Block, Secretary of Agriculture, Reagan Administration; Clayton Yeutter, Secretary of Agriculture, Bush Administration; Clifford Hardin, Secretary of Agriculture, Nixon Administration; Bob Bergland, Secretary of Agriculture, Carter Administration; Richard E. Lyng, Secretary of Agriculture, Reagan Administration; Mike Espy, Clinton Administration.

THE WHITE HOUSE,
Washington, November 5, 1997.

Hon. RICHARD G. LUGAR,
Chairman, Committee on Agriculture, Nutrition and Forestry, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for taking the time to share your ideas with me about advancing fast track legislation. Your perspectives were, as always, welcome and useful.

As you know, I am committed to ensuring close Congressional involvement both in the formulation and implementation of our trade agreements. Appropriately, the Senate and House fast track bills both provide for extensive Congressional participation.

I was intrigued by the idea of establishing an oversight mechanism for trade negotiations similar to the NATO Observers Group. I have since looked into this idea and want to draw your attention to a structure that has been in place for a while that is quite similar to the NATO group. In 1974, Congress established the Congressional Advisers for Trade Policy and Negotiations, a trade policy and negotiations oversight body that remains in place today. This is a bipartisan group of official Congressional advisers, designated by the Leadership, that is accredited to our trade delegations and kept informed on matters affecting trade policy, including ongoing negotiations. I am including with this letter a summary of how the procedure works.

I am fully committed to ensuring that the Congressional trade advisor system works effectively to ensure that Congress is both fully informed and consulted as we develop and implement U.S. trade policy. I am convinced that the Administration benefits significantly when Congress plays an active and continuing role in formulating our trade policies and objectives. For that reason, the Administration bill and both the Senate and House bills, which I support, include specific language designed to enhance the effectiveness of the Congressional trade adviser system.

While the bills pending in the House and Senate seek to reinvigorate the Congressional Advisers mechanism, I believe that more can be done. Therefore, I would propose the inclusion of an additional title in the fast track bill entitled "Congressional Oversight Groups" that would:

a. Establish for each trade negotiation that the Administration notifies to the Congress under fast track, a specific "Congressional Oversight Group" for that negotiation. The group would be selected by the leadership from among the existing congressional trade advisers, and would be tasked with oversight of, and providing advice to the Trade Representative regarding, the negotiation.

b. Instruct the Trade Representative to work with the Senate and House leadership to develop, within 60 days of enactment, guidelines for interaction between the Administration and Congressional Oversight Groups. The guidelines would be structured to ensure a useful and timely flow of information between the Administration and the Congressional Oversight Group, including at an early stage between the Oversight Group and the Trade Representative to discuss the Administration's objectives and the Group's views.

I hope that you will give serious consideration to this proposal. I would welcome any thoughts that you and other Members may have.

Sincerely,

BILL CLINTON.●

CHRISTINA A. SNYDER, JUDICIAL NOMINEE FOR THE U.S. DISTRICT COURT IN THE CENTRAL DISTRICT OF CALIFORNIA

● Mrs. BOXER. Mr. President, the U.S. Senate showed its overwhelming support today for Christina Snyder, one of the most qualified legal minds to fill a seat on the Federal bench of the Central District of California. My unwavering confidence in Ms. Snyder arises from respect for her background, education and career. I am very pleased she has been confirmed.

Ms. Snyder is a native of the Los Angeles area, having grown up in the Montebello community in East Los Angeles. She studied in the public elementary schools of Montebello and Orange County, and was valedictorian of her high school class. She later studied at the University of California at Los Angeles, before transferring to Pomona College where she earned her undergraduate degree. She earned her law degree at Stanford University.

Mr. President, I am sure you are aware Ms. Snyder's legal background is highly respected throughout the State of California. Ms. Snyder has distinguished herself in the legal community of Los Angeles through more than 20 years of law practice. Ms. Snyder began her career working at the Los Angeles law firm of Wyman, Bautzer, Kuchel and Silbert, where she eventually was made a partner. She later went on to become a law partner at two other Los Angeles law firms. Her nomination and election to the highly regarded American Law Institute in 1993 is further evidence of the respect she commands within the legal profession.

Moreover, Ms. Snyder has demonstrated a strong commitment to community service as one of the founding members of Public Counsel, a public interest law firm of the Los Angeles County and Beverly Hills Bar Associations. She also served as the California State Bar designee on the Board of Directors of the Western Center for Law and Poverty.

Again, I am pleased to speak in favor of Ms. Snyder and feel she is a valuable addition to the Federal bench.●

FUNDS FOR ROAD EXPANSION TO TRANSPORT HAZARDOUS WASTE

● Mrs. HUTCHISON. Mr. President, I ask that the text of a concurrent resolution passed by the Texas Legislature, be printed in the RECORD.

The text of the concurrent resolution follows:

HOUSE CONCURRENT RESOLUTION NO. 202

Whereas, Compliance with international disarmament treaties to curtail the proliferation of nuclear arms and defuse weapons of mass destruction has created new challenges for the United States related to the dismantling and cleanup of nuclear missiles; and

Whereas, The development, production, and disassembling of nuclear weapons produce transuranic waste, a highly radioactive conglomeration of contaminated laboratory gloves, tools, dried sludge, and other substances from testing and production facilities; and

Whereas, To create a safe and environmentally responsible method for permanently disposing of transuranic waste, the United States Department of Energy (DOE) has designed the Waste Isolation Pilot Plant (WIPP) in southern New Mexico that will set the standard for deep geologic disposal of defense-related radioactive waste; and

Whereas, The transuranic waste to be deposited at the WIPP facility will be shipped by truck from all across the country, traveling through many states, including Texas, which is a major thoroughfare for radio active materials coming from South Carolina, Tennessee, Illinois, and Ohio; and

Whereas, While a majority of the proposed route through Texas is on Interstate 20, a segment runs along U.S. Highway 285; this portion of the route, which begins in Pecos, Texas, and continues into New Mexico, is a treacherous and narrow two-lane road; and

Whereas, The State of New Mexico, in a prudent move to protect the public safety of its citizens, has dedicated part of the impact funds received from the DOE for housing the WIPP to widen its section of U.S. 285; this highway is a dangerous and inadequate road that has already been the scene of one accident involving an empty WIPP transport truck; and

Whereas, There are currently no federal funds allocated for the State of Texas to take the same necessary safety precautions by widening the section of U.S. 285 running through our State; the health and safety of United States citizens residing in the Lone Star State is no less important than that of our neighbors to the northwest; now, therefore, be it

Resolved, That the 75th Legislature of the State of Texas hereby respectfully request the Congress of the United States to allocate funds for road expansion in Texas along the designated route for transporting hazardous waste to the WIPP project; and, be it further

Resolved, That the Texas secretary of state forward official copies of this resolution to the President of the United States, to the Speaker of the House of Representatives and the President of the Senate of the United States Congress, and to all members of the Texas delegation to the Congress with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America.●

INDEPENDENCE DAY OF LEBANON CELEBRATION

● Mr. ABRAHAM. Mr. President, I rise today in commemoration of the Lebanese Independence Day Celebration hosted by the Consul General of Lebanon and Mrs. Hassan Muslimani. The nation of Lebanon achieved its independence in 1943. A democratic nation, it is a leader in its region. Lebanon was a founding member of the League of Arab States which has done much to further the goals and interests of the region. Globally, Lebanon has also played a great part in the United Nations, a founding member, and also in the drafting of the Universal Declaration of Human Rights. The nation of Lebanon has faced many challenges, but continues to preserve regardless of foreign and regional obstacles.

Lebanese Americans play an important role in the United States as well. I am always proud of this community's efforts to foster relationships of goodwill. These efforts will go far in enhancing and promoting the Lebanese American community's image and understanding. Recently, the United States' travel ban to Lebanon was lifted, allowing the people of our nations to travel freely. I look forward to future strengthening in ties between the United States and Lebanon.

Again, I would like to wish the greatest of success to the Consul General on his reception, and that it may bring closer our two cultures. Likewise, I am honored to recognize his strong efforts to raise awareness of the Lebanon Independence Day, November 22.●

THE RECOVERY NETWORK

● Mrs. FEINSTEIN. Mr. President, a California company has embarked on an effort that I believe demonstrates how entrepreneurship and public service can go hand in hand.

The Recovery Network is a new nationwide cable television program dedicated to helping people recover from the devastating disease of addiction. This Santa Monica-based network is the first of its kind and the only broadcast network in the world devoted entirely to substance abuse recovery and prevention.

It is estimated that more than 130 million Americans suffer from or are affected by alcoholism, drug abuse, eating disorders, depression, gambling and other addictions. The Recovery Network offers a lifeline of help to millions of those in need offering group recovery sessions, information on 12-step recovery programs, a 24-hour 800-number help line, discussion shows designed for children of alcoholics and parents with drug abuse problems, and information shows on the pharmacological effects of alcohol and other addictive substances. Recovery Network serves not only those in need of help, but also the friends, families, teachers, and professionals seeking guidance and tools to effect change.

Another important part of the Recovery Network is the localized programming effort. "Neighborhood Recovery" enables local community groups to offer their services through cable programming. Organizations like Californians for Drug-Free Youth, and the Miami Coalition for a Safe and Drug-Free Community can reach out to people in their specific area offering information on local meetings and other resources.

I believe this type of public service programming is exactly what Congress envisioned when it passed the Cable Communications Act in 1984, "* * * to provide the widest possible diversity of information sources and service to the public" and "* * * assure that cable systems are responsive to the needs and interest of the local community."

Community cable became a permanent fixture on the American landscape in 1948. Its purpose was to service remote communities with a master antenna providing a clear television broadcast signal. Three years later, 70 cable systems services 14,000 homes nationally. Since then, cable television has become a vital full-service link to citizens in every city and town in the United States, serving more than 67 million households nationwide.

People suffering from alcohol and drug addiction have found the Recovery Network there to help when they were most in need:

One young couple from Ohio who was traveling and struggling to maintain their sobriety early in recovery happened upon the Recovery Network on their hotel television. They said "* * * we turned you on unknowingly, and it was like an AA meeting right in our hotel room. It really helped us refocus on what is important, and that is AA and staying sober."

An Indiana viewer wrote "I just want to say thank you for the programs and the light at the end of the tunnel that they showed me."

A Michigan man wrote "Thank you for making such a big difference in my life."

A California woman wrote "When I can't make a meeting, I know you're there for me."

Recovery Network has become a leader in delivering effective programming which provides solutions to these problems in the privacy of the home and in offering positive lifestyle choices as an alternative.

The Recovery Network is supported by every major drug abuse prevention and recovery organization in the Nation, including the Community Anti-Drug Coalitions of America, the National Drug Prevention League, National Association of State Alcohol and Drug Abuse Directors and the National Parents Resource Institute for Drug Education.

Mr. President, I am proud that the Recovery Network is a product of the State of California and I wish them much success in their endeavor.●

TRIBUTE TO DONN TIBBETTS, UNION LEADER STATE HOUSE BUREAU CHIEF, ON HIS RETIREMENT

● Mr. SMITH of New Hampshire. New Hampshire's media corps will suffer a great loss in January 1998 when Donn Tibbetts steps down after 25 years as The Union Leader newspaper's Concord, New Hampshire Bureau Chief. Donn is a New Hampshire institution, and will be missed by all of us who call him our friend.

Donn's career in journalism has spanned nearly 50 years—first as a broadcaster and then, since April 3, 1972, as a reporter and columnist for the Loeb newspapers. He has covered the often-colorful politics of the Granite State, writing the well-known "Under the State House Dome" column. As Dean of the State House press corps, he has been a leader in chronicling presidential primaries, state elections, nine governors, and the State Legislature—the largest in the nation. He has traveled to national conventions for the Democrat and Republican parties, interviewed presidents, and even sat down to talk with me on many occasions! My interviews with Donn always left us sharing a laugh—and the resulting stories were always fair, thorough, and forthright, as is always Donn's style.

Donn's knowledge and expertise about New Hampshire politics is second to none. He is the author of "The Closest U.S. Senate Race in History," a book about the hotly contested, historic election for New Hampshire's U.S. Senate seat in 1974 between John Durkin and Louis Wyman—an election that was won by one vote, with a subsequent second election being held the following year.

Donn's accomplishments—from sports disk jockey to television host to political columnist—have brought him many accolades from distinguished individuals across the country. The late William Loeb, frank publisher of the Union Leader, said Donn is "a man of great integrity." Former New Hampshire Governor John Sununu said of Donn: "Nobody is fairer and nobody is more of a credit to their profession than Donn. . ."

Donn is originally from Manchester, and then went on to attend Lasalle Military Academy in Long Island, and the University of New Hampshire. He served 28 years in the military and the reserves with the same honor and distinction he has brought to his career as a journalist. He has been a community and civic leader, as well as a dedicated husband, father and grandfather.

Retirement is a time of reflection, and I know that Donn will spend his retirement years enjoying the memories of his rich and fulfilling career. I have been told that he is leaving for Corpus Christi, Texas the day after he retires, to spend time traveling with his wife, Janie, and visiting his seven grandchildren and twin great-granddaughters.

Donn, I wish you all the best for a wonderful retirement. You are a man of character, commitment and dignity. We will all miss you.●

IMF AND U.S. FINANCIAL ASSISTANCE TO INDONESIA

● Mr. FEINGOLD. Mr. President, I rise today to express my concern about the current financial crisis in Indonesia and the decision of the United States and the international financial community to provide bailout assistance.

As you know, Mr. President, the International Monetary Fund announced on October 31 that it was putting together a $23 billion aid package for Jakarta. This money will allow Indonesia to defend its currency, which has depreciated severely in the last few months. The IMF, the World Bank, the Asian Development Bank, and the Indonesian Government will together provide this $23 billion in financing.

In addition to the IMF package, several countries, including the United States, are offering "second-line" loan guarantees that Indonesia can use if needed. The Administration has guaranteed a $3 billion loan to Indonesia as part of the Treasury Department's exchange stabilization fund. This fund is the same one used to loan $20 billion to Mexico during the peso crisis of 1994 and 1995.

Mr. President, I understand that the Administration hopes the $23 billion IMF financing will be enough for Indonesia to overcome the present crisis and that Jakarta will not need to draw on the $3 billion "second-line" loan from the United States. Nevertheless, American taxpayer money is being put on the line both through the direct loan guarantee and indirectly through the U.S. contributions to the IMF, the World Bank, and the Asian Development Bank.

While there is clearly a need to help avoid a financial collapse in Indonesia that could spill over into other areas of Asia and even to the United States, the United States taxpayer has a right to know what kind of government they are helping to support.

Mr. President, many of Indonesia's present economic problems are the result of rampant corruption and nepotism in the country. Indonesia is ruled by a single man, President Suharto, and his relatives and friends traditionally enjoy many business perks. Using their connections, this group has engaged in highly risky and speculative business deals that have exacerbated the present financial crisis. The Financial Times reports that of the 16 insolvent banks that Indonesia has been forced to close since last week, three are owned by Suharto's children, relatives, or close business associates. The link between the financial crisis and Indonesia's present political system, where power rests in the hands of Suharto's inner circle, is inescapable.

The IMF has placed tough economic conditions on the $23 billion. To qualify for this funding, Indonesia must enact serious financial reforms, dismantle monopolies, and liberalize its trading regime. The IMF has also asked for greater transparency in Indonesia's business and financial markets. But I believe that the IMF and the United States should use the opportunity of this bailout to make all assistance conditional on Indonesia undertaking specific and verifiable measures to ensure that a newly structured system in Indonesia will be free from corruption and graft.

In addition, I strongly feel that Indonesia's need for financial support gives the world community leverage to ask for long-needed political reforms. So long as Indonesia is run by a corrupt elite, its economy will never reach its full potential. The present authoritarian system has bred political instability that will ultimately limit Indonesia's economic potential. I read with alarm about the many riots and hundreds of deaths that occurred in Indonesia during the May elections. This is the result of a system that works largely for the benefit of President Suharto and his family.

Finally, I am concerned about the role of the military in Indonesia, which has sustained a brutal occupation of East Timor for more than 20 years. Press reports indicate that Indonesia maintains more than 20,000 armed troops in East Timor. Just because President Suharto's government has boosted the economy in recent years does not mean it has the right to murder and torture Indonesians and East Timorese. Economic success does not excuse you from answering to your own citizens.

Political tension in Indonesia will only subside after President Suharto initiates real democratic change and, for example, allows all parties to compete equally in the political process. Indonesian authorities try to argue that greater democracy will lead to instability which in turn will impede economic development. But, Mr. President, clearly the problem in Indonesia is not too much democracy, but too little.

Mr. President, I urge the administration to use the influence it has in the IMF and the other international financial institutions to insure that this $23 billion package contains demands for real anti-corruption and political reform measures. At the very least, such conditions must be placed on the $3 billion direct loan the United States has offered.

These issues—of transparency, of human rights, and of good governance—are too important for the United States to ignore as we bail Indonesia out of this mess.•

DELAY OF DR. DAVID SATCHER'S CONFIRMATION AS SURGEON GENERAL AND ASSISTANT SECRETARY FOR HEALTH

• Mr. KENNEDY. Mr. President, I want to express my concern at the delay in the vote on the nomination of David Satcher to be Surgeon General and Assistant Secretary for Health. I understand that some Senators have placed holds on the nomination.

Dr. Satcher is an excellent choice for these positions. He is a respected family doctor, respected scholar, and respected public health leader. For the past 4 years, he has ably led the Centers for Disease Control and Prevention, the agency responsible for protecting the Nation's health and preventing disease, injury, and premature death.

In 1992, under Dr. Satcher's leadership, CDC developed and implemented a very successful childhood immunization initiative. Before the initiative, only a little more than half the Nation's children—55 percent—were immunized. Today, the figure is 78 percent, and vaccine-preventable childhood diseases are now at record lows.

Dr. Satcher has also led CDC efforts to deal more effectively with infectious diseases and food-borne illnesses. We rely heavily on CDC to provide the rapid response needed to combat outbreaks of disease and protect public safety. Under Dr. Satcher, CDC is implementing a new strategy against infectious diseases and a new early warning system to deal with food-borne illnesses.

Prior to his appointment to CDC, Dr. Satcher was president of Meharry Medical College in Nashville, the Nation's largest private historically black institution for educating health care professionals and biomedical researchers. He previously served as professor and chairman of the Department of Community Medicine and Family Practice at the Morehouse School of Medicine in Atlanta. He also has been a faculty member at the UCLA School of Medicine and the King/Drew Medical Center in Los Angeles, and interim dean of the Drew Postgraduate Medical School.

Dr. Satcher's range of skills and experience and his strong commitment to improving public health make him extremely well qualified to be the country's principal official on health care and health policy issues—America's Doctor. He's an excellent choice to be Surgeon General and Assistant Secretary for Health.

Dr. Satcher's nomination has received broad bipartisan support. He's been endorsed by a large number of health provider groups, including the American Medical Association, the American Nurses Association, numerous academic health centers, and public health organizations.

Despite these endorsements, a few detractors have emerged and I want to take a few moments to address their concerns.

Some colleagues have questioned Dr. Satcher's views on abortion. This was not an issue at his confirmation hearing, but some Senators are using the controversial and unconstitutional "Partial-Birth Abortion Ban Act" to attack his credibility.

Dr. Satcher believes—as do most Americans—that abortions should be safe, legal, and rare. His position reflects 25 years of medical experience and is consistent with Supreme Court decisions.

In fact, Dr. Satcher supports a ban on late-term abortions. But he shares President Clinton's view that "if there are risks for severe health consequences for the mother, then the decision [to have an abortion] should not be made by the government, but by the woman in conjunction with her family and physician."

Dr. Satcher's position on this issue is shared by the American College of Obstetricians and Gynecologists, the American Medical Women's Association, the American Nurses Association, and the American Public Health Association.

Some in the Republican leadership have raised this issue in an attempt to defeat an outstanding nominee. Instead of resolving the late-term abortion issue months ago, they would rather play politics with Dr. Satcher's nomination and the lives and health of American women.

The nation faces significant public health challenges. Our national infant mortality rate is at a record low, but it is still higher than that of many countries. Despite recent declines in the teenage birth rate, the U.S rate is still the highest in the industrial world.

Similarly, in the case of childhood immunization, the rate nationwide may be the highest ever, but in many communities, less than half of 2-year-olds are adequately immunized.

The country needs a medical leader whom people can trust to advise them on their health care. For over two years, the Office of Surgeon General has been vacant. It is irresponsible to put partisanship ahead of public health and safety.

Dr. Satcher is an excellent choice to be the Nation's Doctor. I look forward to working closely with him, and I urge the Senate to move expeditiously to approve this nomination, so that we can deal more effectively with the country's important health challenges. I am confident that Dr. Satcher will serve America well. He deserves to be confirmed now, before this session of Congress ends.•

DRUG DIRECTOR USE OF BIDEN DRUG BUDGET CERTIFICATION AUTHORITY

• Mr. BIDEN. Mr. President, I rise to offer some remarks on Drug Director Barry McCaffrey's decision to decertify the Defense Department's proposed antidrug budget for fiscal 1999.

At the outset, let me state that I support General McCaffrey's decision to request that the Defense Department increase its budget request by $140 million for the antidrug initiatives the General identifies: $24 million to boost antidrug task forces on the border to help implement the United States-Mexico Declaration signed by Presidents Clinton and Zedillo in May, 1997; $75 million for enforcement and interdiction to reduce the flow of cocaine out of the Andean Region; $30 million to boost National Guard drug efforts on the southern border; and $12 million to target drug trafficking criminal activity in the Caribbean.

Even beyond the specifics of this issue, I am greatly heartened by the fact that General McCaffrey has chosen to exercise this important budget-setting authority. I must admit that I have been frustrated that, until General McCaffrey acted, no drug director had ever used this authority—not William Bennett, not Robert Martinez, and not Lee Brown.

Let me also be up-front with my colleagues, one of the reasons I so strongly favor this decision is because I wrote this authority into law. For more than a decade, I debated with the Reagan administration and my colleagues to establish the Office of National Drug Control Policy. One of the reasons my legislation was so bitterly opposed for so long was because I put some real teeth into this legislation. And, of all the teeth, it is this budget authority which is the sharpest of all.

Let me also explain to my colleagues that this so-called Biden Drug Budget Authority not only gives the Drug Director the authority to decertify the drug budget requests of the drug agencies, but it is crystal clear what must happen next. Just read the law: If the Drug Director exercises this authority, "the head of the Department or Agency shall comply with such a request."

It does not get much clearer than that.

To make one more point—now before the Senate we have legislation to reauthorize the Drug Director's office. Yesterday, the Judiciary Committee reported the bipartisan Hatch-Biden reauthorization bill. A bill cosponsored by Senators THURMOND, COVERDELL, DEWINE, and FEINSTEIN.

It is my hope that not only will the full Senate pass this legislation before we adjourn, but also that the leadership of the House reject the unproductive and partisan approach it adopted a few weeks ago and come onboard the bipartisan Hatch-Biden bill.

Nothing puts the need for a Drug Director in starker focus than General McCaffrey's action on the Defense Department drug budget. My colleagues should need no other example—though there are many others—to recognize the importance of having a Drug Director.

I urge my colleagues to support the General's decision on the Defense Department budget, and I urge my colleagues to take the concrete step it is within our power to do—pass the law to keep the Drug Office in place.

NEIGHBORHOOD REINVESTMENT CORPORATION

• Mr. KERRY. Mr. President, decent, and affordable housing in healthy neighborhoods for all Americans remains a national goal and a serious challenge. One federal initiative that is an exemplar of good housing policy and a wise investment is the Neighborhood Reinvestment Corporation. Chartered by Congress in 1978 as a public, nonprofit corporation, the Neighborhood Reinvestment Corporation's purpose is to increase affordable housing and home ownership opportunities while revitalizing low and moderate income neighborhoods that are in decline. That purpose is carried out in partnership with 174 neighborhood based, non-profit organizations in 44 states, the District of Columbia, and Puerto Rico. These organizations bring together neighborhood residents, local governments, and the business community to garner diverse resources to carry out neighborhood resident-generated housing and community development plans.

At least one measure of the effectiveness of the Neighborhood Reinvestment Corporation and its network of local partners is the kind of return gained on the investment. The federal appropriation to the Neighborhood Reinvestment Corporation for fiscal year 1998 was $60,000,000 which leveraged another $500,000,000 in resources for housing and community development.

The Neighborhood Reinvestment Corporation is one of three components of an innovative model of federal-local and public-private partnerships. NeighborWorks® is the network of local non-profit organizations that carry out the development work in neighborhoods. The Neighborhood Reinvestment Corporation provides grants and technical assistance to the NeighborWorks® member organizations, and conducts extensive training for neighborhood residents and local organization staff. The third component is Neighborhood Housing Services of America, a national non-profit secondary market that provides financial services to the NeighborWorks® network.

Neighborhood reinvestment requires holistic thinking and action in multiple directions, but basic to neighborhood stability is housing. Preserving the aging housing stock in urban neighborhoods and maintaining housing affordability are key objectives of the Neighborhood Reinvestment Corporation and the NeighborWorks® network. Helping low and moderate income homeowners obtain financing and qualified contractors to rehabilitate their houses is a staple activity of NeighborWorks® member organizations. Rehabilitating existing homes on behalf of low and moderate income first-time home buyers adds new stakeholders to neighborhoods. Increasing the supply of affordable rental housing helps to further meet the housing needs of neighborhood residents.

Many of the NeighborWorks® member organizations are mutual housing associations, innovative experiments in an alternative form of home ownership that is proving to be very successful. Mutual housing is permanent housing that assures long term affordability and tenure for low and moderate income people in a housing system over which the residents have considerable control. Mutual housing development and units are owned by mutual housing associations. Residents do not directly buy or sell their units, but are represented on the association board of directors. As members of the association and based on their occupancy agreements, the residents in mutual housing are considered in most states to have a personal property ownership interest in the property. Affordability, protection from displacement, democratic participation in the management of the housing, and a resident stake in the sustained health of the neighborhood are all attributes of mutual housing living. Exploring diverse forms of housing, such as mutual housing associations, can help point the way to improving housing affordability for low income people.

A key feature of the success of the Neighborhood Reinvestment Corporation and NeighborWorks® partnership is the training developed and conducted by the Neighborhood Reinvestment Training Institute. Residents, local organization board members, and local organization staff participate in extensive training in leadership development, engagement of residents in neighborhood organizations, conflict resolution, coalition building, organization management, resource development, and much more. This high quality training is replicated in many parts of the country and the lessons learned put to work in local communities.

We are seeing results in communities across the country. In my state of Massachusetts, the Twin Cities Community Development Corporation serves the cities of Fitchburg and Leominster. Terri Murray, the Twin Cities CDC Executive Director, says that "top down" neighborhood revitalization does not succeed and the training is invaluable to building strong resident led organizations. The turnaround they are experiencing in declining neighborhoods like the Cleghorn section of Fitchburg is attributed to a combination of the dedication of neighborhood residents, the marshaling of increased municipal services, and the leveraging of private and public grants and loans including federal HOME funds. Becoming a member of NeighborWorks® and thus a beneficiary of Neighborhood Reinvestment Corporation resources has served to strengthen the capacity of the Twin Cities Community Development Corporation, supporting its housing rehabilitation, home ownership, and small business/micro-enterprise development programs.

The Neighborhood Reinvestment Corporation enjoys bipartisan support in the Senate. Along with its partners, the NeighborWorks® network, and Neighborhood Housing Services of America, the Neighborhood Reinvestment Corporation is to be commended for its fine work.•

TRIBUTE TO BERNIE WHITEBEAR, WASHINGTON STATE CITIZEN OF THE DECADE

• Mrs. MURRAY. Mr. President, on October 31, 1997 Washington state Governor Gary Locke declared the month of October "Bernie Whitebear Month" and proclaimed Bernie Whitebear as a "Citizen of the Decade". I would like to join the Governor, and the whole state of Washington in paying tribute to Bernie Whitebear for his outstanding contributions to the Seattle metropolitan community, the urban Native American community, the state of Washington, and in fact the entire Pacific Northwest.

For 30 years, Bernie Whitebear has been a voice and representative of the needs and concerns of the urban Indian community in Seattle and surrounding areas. His commitment to the preservation and edification of Native American culture within a diverse urban environment has never wavered. He established the Minority Executive Director's Coalition of King County, participates in the Northwest Asian American Theater's annual community Show-Off, and through his United Indians of All Tribes Foundation, acts as the Executive Director of the Daybreak Star Cultural and Education Center in Discovery Park, a center he established.

In recent years, Bernie has been tireless in his pursuit of his next vision: the People's Lodge. The People's Lodge is the next phase of development for the United Indians of All Tribes Foundation (United Indians) Indian Cultural Center (ICC) which includes the Daybreak Star Center. The United Indians is a well-established organization thanks to Bernie with over 20 years of service in Western Washington. The ICC mission, and Bernie's focus in life, is to improve the social, economic, and cultural well-being of Native Americans living in the metropolitan Seattle area. Bernie and United Indians run a variety of educational, community service, and cultural arts programs serving 4,000 clients and attracting 30,000 visitors a year. The People's Lodge will improve and expand United Indian's desire to preserve and enhance Indian heritage and educate people about Indian cultural diversity. The People's Lodge will include a permanent Hall of Ancestors exhibition, a multiple-use Potlatch House, and an exhibition gallery, the John Kauffman, Jr. Theater, a resource center, and the Sacred Circle of the American Indian Art.

The programs and activities envisioned by Bernie in the People's Lodge will be a great benefit to the greater Seattle community and the citizen's of Western Washington. The People's Lodge will create new jobs, serve as a new venue for sales and performances by artists of all kinds, and help preserve and advance the cultural heritage of Native Americans in this region. It has been my pleasure to work with Bernie in seeking federal support of this project. Bernie has been working diligently to secure an Economic Development Administration grant for the People's Lodge. I urge the EDA to give the grant proposal of United Indians for the People's Lodge their utmost consideration.

Bernie Whitebear is a true leader for Native Americans in Seattle and a genuine asset to our community in the greater Seattle area. I personally appreciate his efforts. It is always a pleasure to see Bernie's warm face and bright smile come into my office. Bernie truly is a Citizen of the Decade.•

HONORING NEW MEXICO MEDAL OF HONOR RECIPIENTS

• Mr. BINGAMAN. Mr. President, Veteran's Day is an appropriate occasion to honor those who have served our Nation so nobly. I'd like to take this occasion to offer special recognition to New Mexico's most distinguished veterans, our living Medal of Honor winners. Col. Robert Scott, who celebrates his 84th birthday this month, is a longtime resident of Santa Fe, NM, who received the Congressional Medal of Honor for his heroic deeds during World War II. Cpl. Hiroshi Miyamura, from Gallup, NM, was honored for his bravery as an infantryman during the Korean war. Second Lt. Raymond Murphy, a resident of Albuquerque, served heroically with the U.S. Marine Corps during that conflict. Sgt. Louis Richard Rocco, also from Albuquerque, celebrating his 59th birthday this month, received the Medal for his courageous deeds as a medic during the Vietnam war. New Mexico and the Nation are proud of these fine men and deeply grateful for their contributions to the freedom enjoyed by all Americans.

Since the birth of our Nation in 1776, 40 million American men and women have bravely sacrificed and served in defense of the freedoms that we enjoy, perhaps even sometimes take for granted. But our freedom isn't free, it was bought and paid for with the sacrifices of more than 1 million of those heroic servicemen and women who gave their lives for God and country. It was our first President who cautioned a young nation that, "If we desire peace, it must be known that we are at all times prepared for war."

Time and again in our 220-year history, our Nation's sons and daughters have been called upon to demonstrate that preparedness. Perhaps in no other war, however, was their resolve more tested than when our Nation struggled within itself during the Civil War. Early in that conflict, Iowa Senator James W. Grimes realized that soldiers needed not only leadership, they needed role models—heroes to look up to and emulate. To accomplish this, he introduced to this body, legislation authorizing a Medal of Honor for sailors and marines who distinguished themselves by their gallantry in action, in order to "promote the efficiency of the navy." Six months after President Lincoln authorized the Navy's Medal of Honor on December 21, 1861, he signed similar legislation introduced by Massachusetts Senator Henry Wilson to establish a Medal of Honor for members of the U.S. Army.

Since it was established by the Senate and authorized by President Lincoln 136 years ago, the Medal of Honor has been awarded to only 3,408 veterans of military service. The "roll call" of heroes includes an 11-year-old Civil War naval cabin boy, an escaped slave, the sons of two Presidents, conscientious objectors, privates and generals, chaplains and medics, and members of the U.S. Senate. These heroes have come from every State in the Union, from all nationalities and ethnic backgrounds, and from all social and economic strata. Three other Medal of Honor winners hail from New Mexico—about whom we are equally proud; Richard Rocco, Raymond Murphy, and Hiroshi Miyamura. Each of these men, and all winners of this coveted award have one thing in common, an action of such remarkable heroism "above and beyond the call of duty at the risk of their own life", that their comrades in arms have called them "heroes."

World War I gave us 119 Medal of Honor heroes, men like Eddie Rickenbacker and Sgt. Alvin York. But when the armistice was signed concluding the "war to end all wars" at the 11th hour of the 11th day of the 11th month in 1918, all America prayed that there would be no need to extend the honor of Medal of Honor recipient to future generations, a distinction that could be achieved only as a result of U.S. involvement in a war.

Sadly, this would not be the case. Since that first "Veterans Day", subsequent tyranny and human rights violations around the world have continued to test the commitment of our Nation's men and women in uniform. In the horror and devastation of the battles to defend freedom and human dignity since World War I, more than 30 million Americans have risked everything. All who served were heroes in their own right, and to each of them we owe our thanks, our thoughts and our prayers this Veterans Day. Of this multitude of patriots, only 811 received the Medal of Honor. So incredible were their acts of courage that only 316 of them survived to wear this highest honor.

It is often said that the youth of our Nation today need real heroes, men and women of patriotism and integrity, examples of sacrifice and service; that they can look up to and emulate. We who are of generations past can lament the loss of great Americans such as Sgt. York, Jimmie Doolittle, Audie Murphy, and other heroes of our childhood. But I am happy to report that today there are still many heroes and heroines in our land, men and women who embody the principles and character that have created and preserved the United States. Among those role models are the millions of veterans that we honor today, and among those veterans of military service are 168 surviving Medal of Honor heroes. Today, as we honor all our Nation's veterans, I would like to pay special homage to our New Mexican Medal of Honor winners.

On November 30, 1913, Robert Sheldon Scott was born here in the Nation's capital. His family later moved to California where Bob Scott attended school before moving again to my own State of New Mexico. Bob Scott answered his Nation's call to duty to serve during World War II.

On June 30, 1943, Gen. Douglas MacArthur and Adm. William Halsey launched "Operation Cartwheel", a bold two-pronged offensive to gain control of Rabul in the Pacific. On the day, Admiral Halsey landed the 43rd Infantry Division on the New Georgia in the Solomon Islands for the purpose of capturing the Japanese-held Munda airstrip. Underestimating the jungles of the island and the tenacity of its Japanese defenders, Halsey expected the campaign to last only 2 weeks. By mid-July the Admiral was forced to land two more divisions on the island, and the attack on the airstrip resumed with new fervor on July 25. More than 1,000 Americans would give up their lives in the effort.

By July 27, the 43d Infantry's 172d Regiment bogged down in front of a salient facing the Munda airstrip. Battle-weary and demoralized from 27 days of bitter fighting, the well-entrenched enemy seemed to have again halted the advance. Two days later, a squad from the 172d's 1st Battalion again assaulted the hill. Young Army Lt. Robert Scott led his men halfway up the hill to a position within 75 yards of the enemy, when the Japanese counterattack stopped them. Enemy soldiers rose from their fortifications firing their rifles and throwing grenades. Their fierce attack threw the exhausted Americans off the hill. Except for Lieutenant Scott.

Ducking behind the blasted remains of a tree stump, the brave lieutenant had an unobstructed view of the enemy bunkers. Despite being twice wounded and once having his rifle shot from his hand, for the next half hour, Lieutenant Scott stood alone on the hill to repulse the enemy. Throwing some 30 grenades, his one-man stand ended the enemy assault and caused them to withdraw. His Medal of Honor citation concludes with the notation that "our troops, inspired to renewed effort by Lieutenant Scott's intrepid stand and incomparable courage, swept across the plateau to capture the hill, and from this strategic position, four days later, captured Munda airstrip."

Of his award, Mr. Scott recently wrote, "I was awarded the Medal of Honor in World War II for deeds one day as a Second Lieutenant infantry platoon leader, deeds that I initiated at least in part from the conviction that I ought to have enough guts to do what I was authorized to order a sergeant or private soldier to try to do."

Today, Bob Scott still lives in the town of his youth, Santa Fe, NM. He is one of four of my State's living Medal of Honor heroes. The ninth oldest of our Nation's living Medal of Honor recipients, on the 30th day of this month, he will celebrate his 84th birthday. Our Governor, the Honorable Gary Johnson, has declared that day to be "Colonel Robert Scott Day" throughout our State.

Other Medal of Honor recipients from New Mexico contributed similar deeds of valor. Corporal Miyamura of Gallup was with Company H holding a defensive position near Taejon-ni, Korea in April 1951. When the enemy began to overrun his position, Corporal Miyamura left his sheltered position and engaged the enemy in hand-to-hand combat, then returned to his position to tend to the wounded. Under attack again, Corporal Miyamura manned two machine-guns to provide covering fire while his squad withdrew. He killed more than 50 enemy soldiers before his ammunition was depleted and he was severely wounded.

Second Lt. Raymond Murphy served as a platoon commander of Company A, 1st Battalion, 5th Marines, 1st Marine Division in action against the enemy west of Panmunjom, Korea. Wounded by artillery fire, Lieutenant Murphy refused medical aid while leading his men up a well-defended hill through a withering barrage of enemy fire. Murphy rescued many of his fallen comrades and returned each time to lead the assault and provide cover for his troops. While all the wounded evacuated and the assaulting units began to disengage, he remained behind with a carbine to cover the movement of friendly forces off the hill. After reaching the base of the hill, he organized a search party and again ascended the slope for a final check on missing Marines, locating and carrying the bodies of a machine-gun crew down the hill. Wounded a second time, he again refused medical assistance until he was certain that all of his men had been safely evacuated.

Sgt. Louis Richard Rocco of Albuquerque served in Vietnam as a medic northeast of Katum. While evacuating wounded comrades, Sergeant Rocco directed fire against the enemy to enable a helicopter to land and assist in the operation. In the battle, the helicopter was disabled by enemy fire and crashed. Sergeant Rocco continued to direct covering fire while personally extracting survivors from the helicopter and carrying them to safety through dense foliage and enemy fire.

It is said, "Poor is the nation that has no heroes or heroines, but beggard is the nation that has and forgets them." On this day, our Nation has set aside to remember our veterans, as I stand before the same body that established the Medal of Honor, I offer this special salute to Col. Robert S. Scott, Cpl. Hiroshi H. Miyamura, 2d Lt. Raymond G. Murphy, and Sgt. Louis Richard Rocco—great citizens of the State of New Mexico and the Nation.•

ASIAN ELEPHANT CONSERVATION ACT

• Mr. GRAHAM. Mr. President, on Wednesday, November 5, the Asian Elephant Conservation Act passed the Senate Environment and Public Works Committee with unanimous support. I am hopeful that this important bill, introduced by Senator JEFFORDS, will ensure that the children of the world will not miss out on these extraordinary mammals.

The Asian Elephant Conservation Act is constructed along the lines of the successful African Elephant Conservation Act. I have been heartened to learn that the African Elephant Act is producing positive results. I am hopeful that the Asian Elephant Conservation Act will likewise support research, conservation, anti-poaching education, and protection of the animals. I feel strongly, however, that no funds allocated by these Acts are spent to promote efforts to resume the ivory trade or to encourage trophy hunting.

According to a 1996 nationwide poll, 84 percent of Americans support efforts to protect elephants, yet I have learned that some of the funds from the African Elephant Conservation Act have gone toward the promotion of elephant trophy hunting. There is ongoing debate about the success and appropriateness of US taxpayer dollars being used to support such activities, and I look forward to learning more about this troublesome issue in the coming months.

For the time being, however, I wish to ask my colleagues for quick support and passage of the Asian Elephant Conservation Act. I am honored to be a cosponsor of the bill, and look forward to finding more ways to protect and conserve endangered species, both in the United States and abroad.•

APPOINTMENTS BY THE MAJORITY LEADER

The PRESIDING OFFICER. The Chair, pursuant to Public Law 105–56, and on behalf of the majority leader, announces the appointment of the following individuals as members of the Panel to Review Long-Range Air Power: Samuel A. Adcock, of Virginia, and Merrill A. McPeak, of Oregon.

JOINT REFERRAL OF NOMINATION

Mr. LOTT. Mr. President, as in executive session, I ask unanimous consent that the nomination of Donald J. Barry, of Wisconsin, to be Assistant Secretary for Fish and Wildlife, sent to the Senate by the President on November 7, 1997, be referred jointly to the Committees on Energy and Natural Resources and Environment and Public Works.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—House Joint Resolution 101

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate receives House Joint Resolution 101 making continuing appropriations through Sunday, the joint resolution be agreed to and the motion to reconsider be laid upon the table, all without further action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 105–32

Mr. LOTT. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the following treaty transmitted to the Senate on November 7, 1997, by the President of the United States: South Pacific Regional Environment Programme Agreement (Treaty Document No. 105–32). I further ask unanimous consent that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

I transmit herewith, for the advice and consent of the Senate to ratification, the Agreement Establishing the South Pacific Regional Environment Programme, done at Apia on June 16, 1993 ("the Agreement"). The report of the Department of State with respect to the Agreement is attached for the information of the Senate.

The South Pacific Regional Environment Programme (SPREP) has existed for almost 15 years to promote cooperation in the South Pacific region, to protect and improve the South Pacific environment and to ensure sustainable development in that region. Prior to the Agreement, SPREP had the status of an informal institution housed within the South Pacific Commission. When this institutional arrangement began to prove inefficient, the United States and the nations of the region negotiated the Agreement to allow SPREP to become an intergovernmental organization in its own right and enhance its ability to promote cooperation among its members.

The Agreement was concluded in June 1993 and entered into force in August 1995. Nearly every nation—except the United States—that has participated in SPREP and in the negotiation of the Agreement is now party to the Agreement. As a result, SPREP now enjoys a formal institutional status that allows it to deal more effectively with the pressing environmental concerns of the region. The United States and its territories can only participate in its activities as official observers.

The Agreement improves the ability of SPREP to serve the interests of American Samoa, the Commonwealth of the Northern Mariana Islands, and Guam. Its ratification is supported by our territories and will demonstrate continued United States commitment to, and concern for, the South Pacific region.

Under its terms, the Agreement entered into force on August 31, 1995. To date, Australia, Cook Islands, Federated States of Micronesia, Fiji, France, Kiribati, Marshall Islands, Nauru, New Zealand, Niue, Papua New Guinea, Solomon Islands, Tonga, and Western Samoa have become parties to the Agreement.

I recommend that the Senate give early and favorable consideration to the Agreement and give its advice and consent to ratification.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *November 7, 1997.*

MEASURE READ THE FIRST TIME—S. 1414

Mr. LOTT. Mr. President, I understand that S. 1414, which was introduced earlier today by Senator MCCAIN, is at the desk. I now ask for its first reading.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1414) to reform and restructure the processes by which tobacco products are manufactured, marketed, and distributed, to prevent the use of tobacco products by minors, to redress the adverse health effects of tobacco use, and for other purposes.

Mr. LOTT. Mr. President, I now ask for its second reading and object to my own request on behalf of the other side of the aisle.

The PRESIDING OFFICER. The bill will be read for the second time on the next legislative day.

AMENDING TITLE I OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

Mr. LOTT. Mr. President, I ask unanimous consent that the Labor Committee be discharged from further consideration of H.R. 1377, and further that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill.

The legislative clerk read as follows:

A bill (H.R. 1377) to amend title I of the Employee Retirement Income Security Act of 1974 to encourage retirement income savings.

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 1612

(Purpose: To amend the Employee Retirement Income Security Act of 1974 to promote retirement income savings through the establishment of an outreach program in the Department of Labor and periodic National Summits on Retirement Savings)

Mr. LOTT. Mr. President, Senator GRASSLEY has a substitute amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. LOTT], FOR MR. GRASSLEY, proposes an amendment numbered 1612.

Mr. LOTT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. GRASSLEY. Mr. President, almost 7 months ago, my colleague and I, Senator JOHN BREAUX, introduced S. 757, legislation identical to H.R. 1377. This legislation—the Savings Are Vital to Everyone's Retirement Act or SAVER is now ready for passage in the Senate and ultimately signature of the President. While it took a little longer than I had hoped—it is still a timely and vital piece of legislation.

When I introduced the bill back in May, I cited some statistics on the dismal level of savings by individuals in this country. I said that only about one-third of American workers had calculated how much they will need to save by retirement in order to maintain their standard of living. I said that workers in the 40's to the early 50's had seen their savings levels drop by 6 percent from 1988 to 1994.

Well, these kinds of numbers are very consistent with new data recently released by the Employee Benefit Research Institute in its annual Retirement Confidence Survey. Slightly more than one-third of the people surveyed in 1997 have even tried to determine how much they need to save by retirement. Only 27 percent of Americans had an idea of what they would need to accumulate in order to retire and maintain their standard of living.

And people are very afraid. A recent poll by USA Today indicated that 49 percent of people are afraid of not having enough money for retirement.

Clearly, people need help in learning how to achieve a secure retirement. The SAVER bill which is now before the Senate, will do that. The SAVER Act will direct the Department of Labor to maintain an ongoing public education campaign about the need to save for retirement. This campaign will include a broad scope of initiatives including public service announcements, covering public meetings, and crating and disseminating educational materials.

Education has proven to be a powerful motivator for people to pay attention to their retirement savings. According to the Retirement Confidence Survey, of those employees who were provided educational programs and materials about the company pension plan, 45 percent said that it led them to begin contributing to the plan. Furthermore, 49 percent said that the educational programs and materials led them to reallocate their money among investment options offered.

The Department of Labor already has a good start on a public education initiative; this legislation will ensure that public education will continue beyond the current administration because this is a problem that will not go away.

The second important piece of this legislation is the creation of a national event—a national summit on retirement savings at the White House. This summit will be a truly bipartisan event—hosted by both the executive and congressional branch. The summit will bring together more than 200 experts in the field of pensions and retirement savings, elected officials, and representatives from the private sector and the public—all with the goal of raising the profile of the importance of saving and identifying barriers to saving and pension formation.

The first national summit will be held in the summer of 1998—just a short time from now. We will be able to get the summit organized due in large part to the groundwork already laid by a very effective group—the American Savings Education Council or ASEC. ASEC is unique in its origins and its mission. Its membership is made up of public and private sector employers financial, educational, and service organizations; and government agencies.

The organization is committed to helping individuals understand what they need to do to prepare for retirement and to encourage savings for the future. ASEC has already made appearances in towns around the country to talk about retirement planning and has distributed a logical choice for a private partner to work with the public sector lead—the Department of Labor—to get the national summit on track for 1998.

I would like to commend Congressmen HARRIS FAWELL and DONALD PAYNE for introducing this legislation in the House. The support they generated was an important part of the successful consideration of this bill. I also want to acknowledge the cosponsors in the Senate—Senator KERRY, Senator KYL, Senator HAGEL, Senator TIM HUTCHINSON, Senator ROBB, Senator COLLINS, and Senator COCHRAN.

Today's workers need to be prepared for retirement—private savings can help minimize the risk that they will spend down their employers's 401(k) or count on more pension benefits than they will actually receive from their employer. Or, help prepare for the costs of medical care through long-term care insurance—that is an expense that worries many of today's retirees and their children. As we prepare for debate over the future of public retirement programs we must not overlook the role that private savings and an employer-based pension will play. The Government should play a role in encouraging individuals to acquire knowledge that will help them achieve a secure standard of living when they are no longer able to work—SAVER is a critical first step in helping people achieve their hopes for retirement.

Mr. LOTT. Mr. President, I ask unanimous consent that the amendment be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 1612) was agreed to.

Mr. LOTT. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed, as amended, that the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 1377), as amended, was read a third time and passed.

CLONE PAGER AUTHORIZATION ACT OF 1997

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 166, S. 170.

The PRESIDING OFFICER. The clerk will report the bill.

The legislative clerk read as follows:

> A bill (S. 170) to provide for a process to authorize the use of clone pagers, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. LEAHY. Mr. President, I am pleased to sponsor S. 170, the clone Pager authorization Act, and urge its speedy passage. This bill would enable law enforcement officers to gain quicker and easier access to an important investigatory tool, called a clone pager, which has proven invaluable in gathering evidence against gang members, drug traffickers and organized crime members.

I was pleased to have helped improve this bill from the version introduced in the last congress. We included it in the juvenile crime bill, S. 15, that I sponsored along with other Democratic Members on the first day of this session and which the Democratic leader designated among our top legislative priorities.

While pagers are, of course, used legitimately by millions of people, these devices are relied upon by gangsters and drug dealers to carry on their illicit business from roving offices that enable time to commit crimes no matter where they are at any time of day or night. Indeed, pagers are so popular among drug traffickers, these devices are considered a regular tool of the drug trade.

A clone pager is programmed identically to the pager used by a suspected criminal so that it displays the same numbers transmitted to, and displayed on, the suspect's pager. A law enforcement officer using the clone pager is thereby able to receive the identical pager message at the same time as the targeted criminal.

How does this help law enforcement? When a drug dealer moves about town conducting his illicit business, he can keep in constant touch with his criminal associates, including his drug suppliers and customers, by carrying a pager. Contacting the dealer wherever he may be is a simple matter of calling his pager. The drug dealer can then pull up to the nearest public telephone to return the call at the number displayed on his pager. A clone pager, which simultaneously displays the same call-back numbers received by the targeted drug dealer, alerts law enforcement officers to the telephone numbers used by the dealer's suppliers and associates, and through those numbers, their locations.

To determine the telephone numbers of associates called by, or calling to, a criminal suspect's land-line or cellular telephone, law enforcement officers use a pen register or trap and trace device. Yet, when criminals opt to conduct their business using pagers— often times to thwart police surveillance—law enforcement officers must obtain authority under the wiretap law to use a clone pager. Even though clone pagers reveal essentially the same information about the telephone numbers of associates calling the suspect as do pen register and trap and trace devices, the procedures for wiretap authorization are significantly more complicated and more time—consuming than those to obtain authority for use of pen register and trap and trace devices. The additional procedural hurdles necessary to use clone pagers benefit only the criminal.

This bill would permit law enforcement to use a clone pager based on the same form of court authorization necessary to use a pen register or trap and trace device. In fact, certain of the requirements for wiretap authorization simply make no sense when the investigatory tool being authorized is a clone numeric pager.

Thus, courts confronted with defense motions to suppress evidence derived from clone pagers for failure to comply with wiretap procedures have concluded that certain statutory requirements for wiretaps do not apply. For example, since clone numeric pagers do not reveal the content of any conversation or even whether any conversation actually occurred, courts have found that it is impossible to minimize clone numeric pager interceptions as is required for interceptions of wire, oral or electronic communications. See, e.g., *U.S.* v. *Bautista*, 1992 U.S. App. LEXIS 16829, 7 (4th Cir. 1992); *U.S.* v. *tutino*, 883 F.2d 1125, 1141 (2d Cir. 1989), cert. denied, 493 U.S. 1081 (1990) ("minimization requirements cannot reasonably be applied to clone beepers"); *U.S.* v. *Gambino*, 1995 U.S. Dist. LEXIS 10689, 7 (S.D.N.Y. 1995).

Furthermore, since the numbers captured from clone numeric pagers are usually manually, rather than electronically or mechanically, recorded by law enforcement officers, courts have concluded that the recordation and sealing requirements of the wiretap law have limited utility and refused to suppress for failure to comply with these requirements. *U.S.* v. *Suarez*, 906 F.2d 977, 984 (4th Cir. 1990) *U.S.* v. *Paredes-Moya*, 722 F. Supp. 1402, 1408 (N.D. Tex. 1989).

Instead of providing fodder for defense motions, the time is long overdue for Congress to apply common sense and require law enforcement to follow more appropriate procedures—no more and no less—to obtain authorization to use clone numeric pagers.

This bill would conform the requirements to obtain legal authorization for use of a clone pager to those for use of a pen register or trap and trace device. As one court recognized, "[u]nlike telephone wiretaps, duplicate paging devices reveal only numbers, not the content of conversation. In this way they are similar to pen registers." *U.S.* v. *Tutino*, supra, 883 F.2d at 1141. Specifically, the bill would authorize a Federal court to issue an order authorizing the use of a clone numeric display pager to receive the communications intended for another such pager, upon certification of an attorney for the government or law enforcement officer that the information likely to be obtained is relevant to an ongoing criminal investigation.

This new authority would be limited to clone numeric display pagers, not more sophisticated pagers that transmit and receive written or oral textual messages. The only communications obtained from, and displayed on, clone numeric display pagers are numbers dialed into a telephone for transmission to the suspect's pager—just like the information obtained from a pen register or trap and trace device.

These numbers usually are callback telephone numbers, but may also include other incidental or coded numbers. Such incidental or coded numbers are also captured by pen register or trap and trace devices. The capturing of incidental or coded numbers by pen registers prompted Congress to require in the 1994 Communications Assistance for Law Enforcement Act [CALEA] that technology "reasonably available" be used to restrict the recording or decoding of numbers to the "dialing or signaling information utilized in call processing." 18 U.S.C. §3121(c).

Tone-only paging devices are already completely exempt from the wiretap law, as amended in 1986 by the Electronic Communications Privacy Act [ECPA]. The ECPA extended the protections of Title III of the Omnibus Crime Control and Safe Streets Act of 1968 ("Title III") to unauthorized interceptions of "electronic communications." My main purpose in sponsoring ECPA was, as the Senate Report indicates, "to update and clarify Federal privacy protections and standards in light of dramatic changes in new computer and telecommunications technologies." S. Rep. No. 541, 99th Cong., 2d Sess. 1, reprinted in 1986 U.S. Code Cong. & Admin. News 3555, 3555. Alphanumeric display pagers, which visually display both numbers and letters, and sophisticated tone and voice pagers should, in my view, continue to be subject to the wiretap authorization procedures. The nature of the communication captured by numeric display pagers, however, is so akin to the information obtained by pen register and trap and trace devices, that the procedures and standards for their authorized use by law enforcement should be equalized.

As criminals use technological advances for their own ill purposes, Congress must continue, as we did with ECPA and CALEA, to give law enforcement the reasonable authority it needs to keep up, while protecting legitimate privacy interests. This bill does so, and I support its passage.

Passage of this bill will not mean the end of our work in this area, however. The judicial role in approving the use of pen register and trap and trace devices is severely limited and, in fact, relegates judges to merely a ministerial role. *U.S.* v. *Fregoso*, 60 F.3d 1314, 1320 (8th Cir. 1995); *U.S.* v. *Hallmark*, 911 F.2d 399, 402 (10th cir. 1990); In re Order Authorizing Installation of Pen Reg., 846 F. Supp. 1555, 1558–59 (M.D. Fla. 1994). The court's limited role is to confirm, first, the identity of the applicant and investigating law enforcement agency, and second, certification from the applicant that the information sought is relevant to an ongoing investigation. See 18 U.S.C. §§3121–3127.

Significantly, the judge is not authorized to review, let alone question, the basis for the relevancy determination. If the appropriate certification appears, the judge must authorize the pen register or trap and trace device. This is an anomalous limitation on the judicial role. While relevance to an ongoing criminal investigation remains an appropriate basis for use of a pen register or trap and trace device, Congress should reexamine the limitation on judicial authority to review this determination. This remains unfinished business.

Mr. LOTT. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to this bill appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 170) was read a third time and passed, as follows:

S. 170

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Clone Pager Authorization Act of 1996".

SEC. 2. WIRE AND ELECTRONIC COMMUNICATIONS.

(a) DEFINITIONS.—Section 2510(12) of title 18, United States Code, is amended—

(1) in subparagraph (B), by striking "or" at the end;

(2) in subparagraph (C), by adding "or" at the end; and

(3) by adding at the end the following:

"(D) any communication made through a clone pager (as that term is defined in section 3127)."

(b) PROHIBITION.—Section 2511(2)(h) of title 18, United States Code, is amended by striking clause (i) and inserting the following:

"(i) to use a pen register, a trap and trace device, or a clone pager (as those terms are defined for the purposes of chapter 206 (relating to pen registers, trap and trace devices, and clone pagers)); or".

SEC. 3. AMENDMENT OF CHAPTER 206.

Chapter 206 of title 18, United States Code, is amended—

(1) in the chapter heading, by striking "AND TRAP AND TRACE DEVICES" and inserting ", TRAP AND TRACE DEVICES, AND CLONE PAGERS";

(2) in the chapter analysis—

(A) by striking "and trap and trace device" each place that term appears and inserting ", trap and trace device, and clone pager";

(B) by striking "and trap and trace devices" and inserting ", trap and trace devices, and clone pagers"; and

(C) by striking "or a trap and trace device" each place that term appears and inserting ", a trap and trace device, or a clone pager";

(3) in section 3121—

(A) in the section heading, by striking "**and trap and trace device**" and inserting "**, trap and trace device, and clone pager**"; and

(B) by striking "or a trap and trace device" each place that term appears and inserting ", a trap and trace device, or a clone pager";

(4) in section 3122—

(A) in the section heading by striking "**or a trap and trace device**" and inserting "**, a trap and trace device, or a clone pager**";

(B) by striking "or a trap and trace device" each place that term appears and inserting ", a trap and trace device, or a clone pager";

(5) in section 3123—

(A) in the section heading, by striking "**or a trap and trace device**" and inserting "**, a trap and trace device, or a clone pager**";

(B) by striking subsection (a) and inserting the following:

"(a) IN GENERAL.—Upon an application made under section 3122, the court shall enter an ex parte order authorizing the installation and use of a pen register or a trap and trace device within the jurisdiction of the court, or of a clone pager for which the service provider is subject to the jurisdiction of the court, if the court finds that the attorney for the Government or the State law enforcement or investigative officer has certified to the court that the information likely to be obtained by such installation and use is relevant to an ongoing criminal investigation.";

(C) in subsection (b)(1)—

(i) in subparagraph (A), by inserting before the semicolon the following: ", or, in the case of a clone pager, the identity, if known, of the person who is the subscriber of the paging device, the communications to which will be intercepted by the clone pager";

(ii) in subparagraph (C), by inserting before the semicolon the following: ", or, in the case of a clone pager, the number of the paging device, communications to which will be intercepted by the clone pager"; and

(iii) in paragraph (2), by striking "or trap and trace device" and inserting ", trap and trace device, or clone pager";

(D) in subsection (c), by striking "or a trap and trace device" and inserting ", a trap and trace device, or a clone pager"; and

(E) in subsection (d)—

(i) in the subsection heading, by striking "OR A TRAP AND TRACE DEVICE" and inserting ", TRAP AND TRACE DEVICE, OR CLONE PAGER"; and

(ii) in paragraph (2), by inserting "or the paging device, the communications to which will be intercepted by the clone pager," after "attached,";

(6) in section 3124—

(A) in the section heading, by striking "**or a trap and trace device**" and inserting "**, a trap and trace device, or a clone pager**";

(B) by redesignating subsections (c) through (f) as subsections (d) through (g), respectively; and

(C) by inserting after subsection (b) the following:

"(c) CLONE PAGER.—Upon the request of an attorney for the Government or an officer of a law enforcement agency authorized to acquire and use a clone pager under this chapter, a Federal court may order, in accordance with section 3123(b)(2), a provider of a paging service or other person, to furnish to such investigative or law enforcement officer, all information, facilities, and technical assistance necessary to accomplish the operation and use of the clone pager unobtrusively and with a minimum of interference with the services that the person so ordered by the court accords the party with respect to whom the programming and use is to take place.";

(7) in section 3125—

(A) in the section heading, by striking "**and trap and trace device**" and inserting "**, trap and trace device, and clone pager**";

(B) in subsection (a)—

(i) by striking "or a trap and trace device" and inserting ", a trap and trace device, or a clone pager"; and

(ii) by striking the quotation marks at the end; and

(C) by striking "or trap and trace device" each place that term appears and inserting ", trap and trace device, or clone pager";

(8) in section 3126—

(A) in the section heading, by striking "**and trap and trace devices**" and inserting "**, trap and trace devices, and clone pagers**"; and

(B) by inserting "or clone pagers" after "devices"; and

(9) in section 3127—

(A) by redesignating paragraphs (5) and (6) as paragraphs (6) and (7), respectively; and

(B) by inserting after paragraph (4) the following:

"(5) the term 'clone pager' means a numeric display device that receives communications intended for another numeric display paging device;".

FORT BERTHOLD INDIAN RESERVATION ACT OF 1997

Mr. LOTT. Mr. President, I ask unanimous consent the Senate proceed to the immediate consideration of Calendar 258, S. 1079.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1079) to permit the leasing of mineral rights, in any case in which the Indian owners of an allotment that is located within the boundaries of the Fort Berthold Indian Reservation and held in trust by the United States have executed leases to more than 50 percent of the mineral estate of that allotment.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Indian Affairs, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. LEASES OF ALLOTTED LANDS OF THE FORT BERTHOLD INDIAN RESERVATION.

(a) IN GENERAL.—

(1) DEFINITIONS.—In this section:

(A) INDIAN LAND.—The term "Indian land" means an undivided interest in a single parcel of land that—

(i) is located within the Fort Berthold Indian Reservation in North Dakota; and

(ii) is held in trust or restricted status by the United States.

(B) INDIVIDUALLY OWNED INDIAN LAND.—The term "individually owned Indian land" means Indian land that is owned by 1 or more individuals.

(C) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(2) EFFECT OF APPROVAL BY SECRETARY OF THE INTERIOR.—

(A) IN GENERAL.—The Secretary may approve any mineral lease or agreement that affects individually owned Indian land, if—

(i) the owners of a majority of the undivided interest in the Indian land that is the subject of the mineral lease or agreement (including any interest covered by a lease or agreement executed by the Secretary under paragraph (3)) consent to the lease or agreement; and

(ii) the Secretary determines that approving the lease or agreement is in the best interest of the Indian owners of the Indian land.

(B) EFFECT OF APPROVAL.—Upon the approval by the Secretary under subparagraph (A), the lease or agreement shall be binding, to the same extent as if all of the Indian owners of the Indian land involved had consented to the lease or agreement, upon—

(i) all owners of the undivided interest in the Indian land subject to the lease or agreement (including any interest owned by an Indian tribe); and

(ii) all other parties to the lease or agreement.

(C) DISTRIBUTION OF PROCEEDS.—The proceeds derived from a lease or agreement that is approved by the Secretary under subparagraph (A) shall be distributed to all owners of the Indian land that is subject to the lease or agreement in accordance with the interest owned by each such owner.

(3) EXECUTION OF LEASE OR AGREEMENT BY SECRETARY.—The Secretary may execute a mineral lease or agreement that affects individually owned Indian land on behalf of an Indian owner if—

(A) that owner is decreased and the heirs to, or devisees of, the interest of the deceased owner have not been determined; or

(B) the heirs or devisees referred to in subparagraph (A) have been determined, but 1 or more of the heirs or devisees cannot be located.

(4) PUBLIC AUCTION OR ADVERTISED SALE NOT REQUIRED.—It shall not be a requirement for the approval or execution of a lease or agreement under this subsection that the lease or agreement be offered for sale through a public auction or advertised sale.

(b) RULE OF CONSTRUCTION.—This Act supersedes the Act of March 3, 1909 (35 Stat. 783, chapter 263; 25 U.S.C. 396) only to the extent provided in subsection (a).

Mr. LOTT. I ask unanimous consent the committee substitute be agreed to; the bill, as amended, be read three times, passed and the motion to reconsider be laid upon the table; and the amendment to the title be agreed to; that any statements relating thereto be printed in the RECORD at the appropriate place as if read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment was agreed to.

The bill (S. 1079), as amended, was passed.

The title was amended so as to read:

A bill to permit the mineral leasing of Indian land located within the Fort Berthold Indian Reservation in any case in which there is consent from a majority interest in the parcel of land under consideration for lease.

JOHN F. KENNEDY CENTER PARKING IMPROVEMENT ACT OF 1997

Mr. LOTT. I ask unanimous consent the Senate now proceed to the consideration of Calendar 89, H.R. 1747.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1747) to amend the John F. Kennedy Center Act to authorize the design and construction of additions to the parking garage and certain site improvements, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LOTT. I want to express my appreciation to Senator DOMENICI for his cooperation in making the adoption of this legislation, which has been pending for quite some time, possible tonight.

I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill appear at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 1747) was deemed read the third time and passed.

HISPANIC CULTURAL CENTER ACT OF 1997

Mr. LOTT. I ask unanimous consent the Senate now proceed to the consideration of S. 1417 introduced earlier today by Senator DOMENICI.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1417) to provide for the design, construction, furnishing and equipping of a center for performing arts within the complex known as the New Mexico Hispanic Cultural Center.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. DOMENICI. Mr. President, Hispanics of the Southwest and New Mexico will be celebrating an important milestone next year. 1998 is the 400th anniversary of permanent Hispanic presence in New Mexico. In 1598, Juan de Oñate arrived in New Mexico and founded the second city of the United States, San Gabriel de los Españoles. This was the first permanent Spanish settlement in New Mexico. From New Mexico, Juan de Oñate traveled across the desert to California where he founded San Francisco in 1605.

On the occasion of the 400th anniversary of Spanish presence, New Mexico will be beginning a new era of Spanish pride and cooperation with other cultures. In New Mexico, we are very proud of our cultural relations between the Indian, Spanish, and Anglo people. It is now time to pay special tribute to the Spanish people of New Mexico, the Southwest, and the United States.

In preparing for the 400th anniversary celebrations, the State of New Mexico has invested over $17.7 million toward the establishment of phase I of the New Mexico Hispanic Cultural Center. In addition, the city of Albuquerque has donated 10.9 acres and a historic 22,000-square-foot building. Twelve acres of "bosque" land near the Rio Grande have also been donated by the Middle Rio Grande Conservancy District. Private contributions are also helping to meet the Hispanic Cultural Center goals.

I am asking my colleagues to authorize funding to match these New Mexico contributions. This authorization is to build the critical Hispanic Performing Arts Center at an estimated cost of $17.8 million. I believe the people of New Mexico have done an excellent job in committing their own resources for an art gallery, museum, restaurant, ballroom, amphitheater, research center, literary arts center, and other supportive components.

To showcase the Hispanic culture for all Americans, the Hispanic Performing Arts Center is a vital component. Phase II plans include a 700-seat theater, a stage house, a 300-seat film/video center, a 150-seat black box theater, an art studio building, a culinary art building, and a research and literary arts building. The estimated cost of all phase II components is $26 million. By agreeing to authorize the Hispanic Performing Arts Center, Congress will make a significant contribution toward the phase II plan.

Not counting the land contributions, phase I and phase II design, construction, equipping, and furnishing is estimated to cost slightly more than $40 million. Major infrastructure components are included in both phases. These include an aqueduct, acequia, and pond from the Barelas Drain; parking; a plaza and courtyard, and landscaping.

Phase I is now near the bidding stage. The Hispanic Performing Arts and Film Arts—the three theaters—are estimated to cost $17.8 million, with necessary equipment—construction: $15.9 million; fixed equipment: $1.9 million. The remaining components of phase II are estimated to cost $8 million.

This multifaceted Hispanic Cultural Center is designed to showcase, share, archive, preserve, and enhance the rich Hispanic culture for local, regional, and national audiences. It is designed to be a tourist attraction as well as a great source of local pride.

The Hispanic Cultural Center will be the southernmost facility on a cultural corridor that includes the Rio Grande Nature Center, the Albuquerque Aquarium, Botanical Gardens, and the Rio Grande Zoo. Historic Old Town Albuquerque is at the center of this cultural corridor.

Antoine Predock of Albuquerque and Pedro Marquez of Santa Fe were the original design architects. Mr. Predock is an internationally recognized architect and his design will enhance the attractiveness of the center. To promote the Spanish and Southwestern themes, they have emphasized the inclusion of New Mexico architectural features such as adobe construction—like the existing historic building used as the administrative center—courtyards, portals, cottonwoods for shading, and the irrigation ditches known in New Mexico as "acequias". The site is at the corner of Fourth Street and Bridge Boulevard in Southwest Albuquerque.

Once built, the Hispanic Cultural Center will employ over 100 people. Tourism dollars are expected to increase in this part of Albuquerque, and new ancillary businesses are anticipated to complement and enhance the attractions in the historic Barelas Neighborhood of Albuquerque.

The many forms of art, culture, research, performing arts, culinary arts, literature, and other activities are expected to add important cultural connections to the roots of the local and state Hispanic people. Completion of the Hispanic Performing Arts Center will be the major facility needed to showcase live and filmed Spanish cultural events. A whole new industry of preserving, showcasing, and enhancing pride in Spanish cultural roots is a vital anticipated benefit of this New Mexico-based Hispanic institution.

Visitors are expected from California, New York, Florida, Texas, Wisconsin, Minnesota, and other States with large Hispanic populations. The New Mexico Hispanic Cultural Center and its active Hispanic Performing Arts Center are expected to become nationally known treasures of living Hispanic culture in America.

I believe that authorizing Federal funding for the Hispanic Performing Arts Center will be a significant step toward this budding national treasure in its critical formative stages. I urge my colleagues to support the funding for the Hispanic Performing Arts Center in Albuquerque, NM, in honor of the 400th anniversary of Spanish culture, and in hopes of seeing the preservation and enhancement of this culture flourish into its 500th year.

Mr. LOTT. I ask unanimous consent the bill be deemed read the third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill appear at this point in the RECORD

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1417) was read the third time and passed, as follows:

S. 1417

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1.

(a) SHORT TITLE.—This act may be cited as the Hispanic Cultural Center Act of 1997.

SEC. 2. CONSTRUCTION OF A CENTER FOR PERFORMING ARTS.

(a) FINDINGS.—Congress makes the following findings:

(1) The United States has an enriched legacy of Hispanic influence in politics, government, economic development, and cultural expression.

(2) The Hispanic culture in what is now the United States can be traced to 1528 when a Spanish expedition from Cuba to Florida was shipwrecked on the Texas coast.

(3) The Hispanic culture in New Mexico can be traced to 1539 when a Spanish Franciscan Friar, Marcos de Niza, and his guide, Estevanico, traveled into present day New Mexico in search of the fabled city of Cibola and made contact with the people of Zuni.

(4) The Hispanic influence in New Mexico is particularly dominant and a part of daily living for all the citizens of New Mexico, who are a diverse composite of racial, ethnic, and cultural peoples. Don Juan de Oñate and the first New Mexican families established the first capital in the United States, San Juan de los Caballeros, in July of 1598.

(5) Based on the 1990 census, there are approximately 650,000 Hispanics in New Mexico, the majority having roots reaching back ten or more generations.

(6) There are an additional 200,000 Hispanics living outside of New Mexico with roots in New Mexico.

(7) The New Mexico Hispanic Cultural Center is a living tribute to the Hispanic experience and will provide all citizens of New Mexico, the Southwestern United States, the entire United States, and around the world, an opportunity to learn about, partake in, and enjoy the unique Hispanic culture, and the New Mexico Hispanic Cultural Center will assure that this 400-year old culture is preserved.

(8) The New Mexico Hispanic Cultural Center will teach, showcase, and share all facets of Hispanic culture, including literature, performing arts, visual arts, culinary arts, and language arts.

(9) The New Mexico Hispanic Cultural Center will promote a better cross-cultural understanding of the Hispanic culture and the contributions of individuals to the society in which we all live.

(10) In 1993, the legislature and Governor of New Mexico created the Hispanic Cultural Division as a division within the Office of Cultural Affairs. One of the principal responsibilities of the Hispanic Cultural Division is to oversee the planning, construction, and operation of the New Mexico Hispanic Cultural Center.

(11) The mission of the New Mexico Hispanic Cultural Center is to create a greater appreciation and understanding of Hispanic culture.

(12) The New Mexico Hispanic Cultural Center will serve as a local, regional, national, and international site for the study and advancement of Hispanic culture, expressing both the rich history and the forward-looking aspirations' of Hispanics throughout the world.

(13) The New Mexico Hispanic Cultural Center will be a Hispanic arts and humanities showcase to display the works of national and international artists, and to provide a venue for educators, scholars, artists, children, elders, and the general public.

(14) The New Mexico Hispanic Cultural Center will provide a venue for presenting the historic and contemporary representations and achievements of the Hispanic culture.

(15) The New Mexico Hispanic Cultural Center will sponsor arts and humanities programs, including programs related to visual arts of all forms (including drama, dance, and traditional and contemporary music), research, literary arts, genealogy, oral history, publications, and special events such as, fiestas, culinary arts demonstrations, film video productions, storytelling presentations and education programs.

(16) Phase I of the New Mexico Hispanic Cultural Center complex is scheduled to be completed by August of 1998 and is planned to consist of an art gallery with exhibition space and a museum, administrative offices, a restaurant, a ballroom, a gift shop, an amphitheater, a research and literary arts center, and other components.

(17) Phase II of the New Mexico Hispanic Cultural Center complex is planned to include a performing arts center (containing a 700-seat theater, a stage house, and a 300-seat film/video theater), a 150-seat black box theater, an art studio building, a culinary arts building, and a research and literary arts building.

(18) It is appropriate for the Federal Government to share in the cost of constructing the New Mexico Hispanic Cultural Center because Congress recognizes that the New Mexico Hispanic Cultural Center has the potential to be a premier facility for performing arts and a national repository for Hispanic arts and culture.

(b) DEFINITIONS.—In this section:

(1) CENTER.—The term 'Center' means the Center for Performing Arts, within the complex known as the New Mexico Hispanic Cultural Center, which Center for the Performing Arts is a central facility in Phase II of the New Mexico Hispanic Cultural Center complex.

(2) HISPANIC CULTURAL DIVISION.—The term 'Hispanic Cultural Division' means the Hispanic Cultural Division of the Office of Cultural Affairs of the State of New Mexico.

(3) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(c) CONSTRUCTION OF CENTER.—The Secretary shall award a grant to New Mexico to pay for the Federal share of the costs of the design, construction, furnishing, and equipping of the Center for Performing Arts that will be located at a site to be determined by the Hispanic Cultural Division, within the complex known as the New Mexico Hispanic Cultural Center.

(d) GRANT REQUIREMENTS.—

(1) IN GENERAL.—In order to receive a grant awarded under subsection (c), New Mexico, acting through the Director of the Hispanic Cultural Division—

(A) shall submit to the Secretary, within 30 days of the date of enactment of this section, a copy of the New Mexico Hispanic Cultural Center Program document dated January 1996; and

(B) shall exercise due diligence to expeditiously execute, in a period not to exceed 90 days after the date of enactment of this section, the memorandum of understanding under paragraph (2) recognizing that time is of the essence for the construction of the Center because 1998 marks the 400th anniversary of the first permanent Spanish settlement in New Mexico.

(2) MEMORANDUM OF UNDERSTANDING.—The memorandum of understanding described in paragraph (1) shall provide—

(A) the date of completion of the construction of the Center;

(B) that Antoine Predock, an internationally recognized architect, shall be the supervising architect for the construction of the Center; or any other architect subsequently named by the state.

(C) that the Director of the Hispanic Cultural Division shall award the contract for architectural engineering and design services in accordance with the New Mexico Procurement Code; and

(D) that the contract for the construction of the Center—

(i) shall be awarded pursuant to a competitive bidding process; and

(ii) shall be awarded not later than 3 months after the solicitation for bids for the construction of the Center.

(3) FEDERAL SHARE.—The Federal share of the costs described in subsection (c) shall be 50 percent.

(4) NON-FEDERAL SHARE.—The non-Federal share of the costs described in subsection (c) shall be in cash or in kind fairly evaluated, including plant, equipment, or services. The non-Federal share shall include any contribution received by New Mexico for the design, construction, furnishing, or equipping of Phase I or Phase II of the New Mexico Hispanic Cultural Center complex prior to the date of enactment of this section. The non-Federal share of the costs described in subsection (c) shall include the following:

(A) $16,410,000 that was appropriated by the New Mexico legislature since January 1, 1993, for the planning, property acquisition, design, construction, furnishing, and equipping of the New Mexico Hispanic Cultural Center complex.

(B) $116,000 that was appropriated by the New Mexico legislature for fiscal year 1995 for the startup and operating expenses of the New Mexico Hispanic Cultural Center.

(C) $226,000 that was appropriated by the New Mexico legislature for fiscal year 1996 for the startup and operating expenses of the New Mexico Hispanic Cultural Center.

(D) $442,000 that was appropriated by the New Mexico legislature for fiscal year 1997 for the startup and operating expenses of the New Mexico Hispanic Cultural Center.

(E) $551,000 that was appropriated by the New Mexico legislature for fiscal year 1998 for the startup and operating expenses of the New Mexico Hispanic Cultural Center.

(F) A 10.9-acre lot with a historic 22,000 square foot building donated by the Mayor and City Council of Albuquerque, New Mexico, to New Mexico for the New Mexico Hispanic Cultural Center.

(G) 12 acres of "Bosque" land adjacent to the New Mexico Hispanic Cultural Center complex for use by the New Mexico Hispanic Cultural Center.

(H) The $30,000 donation by the Sandia National Laboratories and Lockheed Martin Corporation to support the New Mexico Hispanic Cultural Center and the program activities of the New Mexico Hispanic Cultural Center.

(e) USE OF FUNDS FOR DESIGN, CONSTRUCTION, FURNISHING, AND EQUIPMENT.—The funds received under a grant awarded under subsection (c) shall be used only for the design, construction, management, inspection, furnishing, and equipment of the Center.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary to carry out this section a total of $17,800,000 for fiscal year 1998 and succeeding fiscal years. Funds appropriated pursuant to the authority of the preceding sentence shall remain available until expended.

AUTHORIZING TESTIMONY, PRODUCTION OF DOCUMENTS AND REPRESENTATION BY SENATE LEGAL COUNSEL

Mr. LOTT. I ask unanimous consent the Senate proceed to the immediate consideration of Senate Resolution 147 submitted earlier today by Senators LOTT and DASCHLE.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 147) to authorize testimony, production of documents, and representation in *First American Corp., et al.* v. *Sheikh Zayed Bin Sultan Al-Nahyan, et al.*

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. LOTT. Mr. President, the civil case of First American Corporation, et al. versus Sheikh Zayed Bin Sultan Al-Nahyan, et al., pending in the District Court for the District of Columbia, presents claims arising out of the former business relationships between First American Bank and the Bank of Credit and Commerce, International, known as BCCI.

BCCI's business dealings were the subject of extensive hearings by the Subcommittee on Terrorism, Narcotics, and International Operations, of the Committee on Foreign Relations, between 1988 and 1992. Senator JOHN KERRY, who chaired that subcommittee, and former Senator Hank Brown, who was the ranking member, prepared a lengthy report documenting their findings.

The Foreign Relations Committee has received a request for a former counsel to the subcommittee, Jack Blum, to testify in this civil action about responses that the Subcommittee received to its requests for information in the course of its investigation. The Committee believes that it is appropriate to authorize the testimony requested on this subject. This resolution would accordingly authorize Mr. Blum to testify about this subject, but the resolution authorizes no other testimony by any Member or employee.

The committee has also received a request for committee records in connection with this case. In keeping with prior Senate practice, this resolution will not authorize the wholesale production of committee records, but authorizes the chairman and ranking member of the Foreign Relations Committee to produce, on a case-by-case basis, copies of selective committee records from this subcommittee investigation, where a strong basis for the request has been shown and the Senate's privileges permit.

Finally, the resolution authorizes the Senate legal counsel to provide representation in connection with the requests for testimony and documents in this proceeding.

Mr. LOTT. I ask unanimous consent the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 147) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 147

Whereas, in the case of *First American Corp., et al.* v. *Sheikh Zayed Bin Sultan Al-Nahyan, et al.*, C.A. No. 93-1309 (JHG/PJA), pending in the United States District Court for the District of Columbia, the plaintiff has requested testimony from Jack Blum, a former employee on the staff of the Committee on Foreign Relations, and the production of documents of the Committee on Foreign Relations;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2), the Senate may direct its counsel to represent Members, employees, committees, and subcommittees, of the Senate with respect to any subpoena, order, or request for testimony or documents relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, That Jack Blum is authorized to testify in the case of *First American Corp., et al.* v. *Sheikh Zayed Bin Sultan Al-Nahyan, et al.*, except concerning matters for which a privilege should be asserted, and the chairman and ranking minority member of the Committee on Foreign Relations, acting jointly, are authorized to produce records of the Committee relating to the investigation of the Subcommittee on Terrorism, Narcotics, and International Operations into the Bank of Credit and Commerce, International.

SEC. 2. That the Senate Legal Counsel is authorized to represent Jack Blum, the Committee on Foreign Relations, and any present or former Member or employee of the Senate, in connection with *First American Corp., et al.* v. *Sheikh Zayed Bin Sultan Al-Nahyan, et al.*

REGARDING PROLIFERATION OF MISSILE TECHNOLOGY FROM RUSSIA TO IRAN

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 250, Senate Concurrent Resolution 48.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 48) expressing the sense of Congress regarding proliferation of missile technology from Russia to Iran.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 48) was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, is as follows:

S. CON. RES. 48

Whereas there is substantial evidence missile technology and technical advice have been provided from Russia to Iran, in violation of the Missile Technology Control Regime;

Whereas these violations include providing assistance to Iran in developing ballistic missiles, including the transfer of wind tunnel and rocket engine testing equipment;

Whereas these technologies give Iran the capability to deploy a missile of sufficient range to threaten United States military installations in the Middle East and Persian Gulf, as well as the territory of Israel, and our North Atlantic Treaty Organization ally Turkey; and

Whereas President Clinton has raised with Russian President Boris Yeltsin United States concerns about these activities and the Russian response has to date been inadequate: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) the President should demand that the Government of Russia take concrete actions to stop governmental and nongovernmental entities in the Russian Federation from providing missile technology and technical advice to Iran, in violation of the Missile Technology Control Regime;

(2) if the Russian response is inadequate, the United States should impose sanctions on the responsible Russian entities in accordance with Executive Order 12938 on the Proliferation of Weapons of Mass Destruction, and reassess cooperative activities with Russia;

(3) the threshold under current law allowing for the waiver of the prohibition on the release of foreign assistance to Russia should be raised; and

(4) our European allies should be encouraged to take steps in accordance with their own laws to stop such proliferation.

Mr. KYL. Mr. President, I rise today to thank my colleagues for their support of Senate Concurrent Resolution 48, which was adopted by unanimous consent.

This resolution is important because over the past few months a series of increasingly troubling reports have been published indicating Russian organizations are continuing to provide missile assistance to Iran. According to these reports, Russia has supplied blueprints and components for the 2,000 kilometer range SS–4 ballistic missile, as well as a wide variety of equipment and material useful in the design and manufacture of ballistic missiles, including special metals, a wind tunnel, and missile design software.

These press accounts are corroborated by an unclassified CIA report to Congress released in June titled, "The Acquisition of Technology Relating to Weapons of Mass Destruction and Advanced Conventional Munitions," which states that, "Russia supplied a variety of ballistic missile-related goods to foreign countries [in late 1996], especially Iran."

These reports clearly make the point that the assistance provided by Russian organizations is the critical factor which has accelerated the pace of Iran's ballistic missile program and may enable Tehran to complete development of a missile, called the Shahab–3, that will have sufficient range to strike United States forces in the region and Israel in as little as 12 to 18 months. In addition, Iran is also receiving Russian assistance with the development of a second missile, called the Shahab–4, that would have enough range to reach Central Europe and could be deployed in as little as 3 years.

The resolution adopted today expresses the sense of the Congress that the President should demand that the Russian Government take concrete actions to stop governmental and nongovernmental organizations from assisting Iran's missile program. If Russia fails to respond to United States concerns, the resolution calls on the President to impose sanctions on the responsible Russian entities.

This legislation does not require new sanctions, but rather calls on the administration to enforce the substantial amount of existing sanctions law. The fact that the resolution was adopted by unanimous consent in the Senate and passed by an overwhelming vote of 414 to 8 in the House of Representatives sends a clear signal to Russia and the administration that this dangerous trade must stop now.

I am very pleased that from its inception, this resolution has enjoyed bipartisan support; 39 Senators, from both sides of the aisle, cosponsored the measure and I want to thank them for their support and also thank Representative JANE HARMAN who was the principal sponsor of the resolution in the House of Representatives and worked tirelessly on its behalf. It has been a pleasure working with Representative HARMAN over the past few months and I look forward to continuing to work closely with her to address the national security challenges facing our Nation.

Mr. LOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. Without objection, the quorum call is rescinded.

RECESS SUBJECT TO THE CALL OF THE CHAIR

The PRESIDING OFFICER. Without objection, the Senate stands in recess subject to the call of the Chair.

Thereupon, at 7:43 p.m., the Senate recessed subject to the call of the Chair.

The Senate reassembled at 8:23 p.m., when called to order by the Presiding Officer (Mr. ROBERTS).

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

SURFACE TRANSPORTATION EXTENSION ACT OF 1997

Mr. CHAFEE. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of S. 1454, introduced earlier today by Senator BOND, and others.

The PRESIDING OFFICER. The clerk will read the bill.

The assistant legislative clerk read as follows:

A bill (S. 1454) to provide a 6-month extension of highway, highway safety, and transit programs pending enactment of a law reauthorizing the Intermodal Surface Transportation Efficiency Act of 1991.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. CHAFEE. Mr. President, I want to say how much I appreciate the wonderful work on this legislation by Senator BOND, Senator WARNER, Senator BAUCUS, and others. I am pleased to join them in cosponsoring the Surface Transportation Extension Act of 1997.

Seven weeks ago, the Committee on Environment and Public Works unanimously reported out S. 1173, better known as ISTEA II. I am proud of the committee's efforts to come to an agreement on a very difficult piece of legislation. We filed the report at the end of September, and we were prepared to complete action on the bill before the end of the calendar year. Regrettably, a number of unrelated events having nothing to do with ISTEA have prevented us from completing work this year on a 6-year reauthorization bill.

As the prospects have dimmed for the enactment of a 6-year bill this year, it is clear that we cannot go home before taking care of a number of concerns. This past Tuesday, November 4, the Committee on Environment and Public Works Subcommittee on Transportation and Infrastructure held a hearing on which many of these concerns were brought to light. First of all, if Congress does nothing, a number of States will be hard-pressed to survive through the spring on their existing unobligated balances. Second, States are restricted in using their unobligated balances across Federal-aid highway, transit, and safety categories. Third, a number of Federal transportation safety programs, as well as the Federal transit program, have no funds to carry over into this fiscal year. Finally, without any relief, the Federal Highway Administration will be forced to shut down in January, which could result in 3,600 employees being furloughed.

Despite the gloomy reports of what could happen if Congress fails to act, there is a solution. Senators BOND, WARNER, BAUCUS, and I have a measure that addresses the needs of the States, the safety programs, the Federal-aid highway program, and transit. First of all, the bill before us will keep the nation's transportation system up and running until we enact the long-term reauthorization bill. It gives States the flexibility they need to continue transportation planning and construction activities. Each State is guaranteed at least 50 percent of the previous year's spending limitation to spend on any transportation project or program. To keep the States on equal footing, however, no state may spend more than 75 percent of its 1997 spending limitation.

Second, the bill provides states with flexibility to spend their unobligated balances on any highway, safety, or transit program category. To prevent important environmental programs such as the Congestion Mitigation and Air Quality Improvement Program [CMAQ] from being unfairly disadvantaged, however, the Secretary of Transportation would restore the transferred funds back to these programs when the new reauthorization bill is enacted.

Third, the bill provides funding for key ISTEA safety and transit programs. The Motor Carrier Safety Assistance Program, the State and Community Safety Grant Program, the National Driver Register, Operation Lifesaver, and the Alcohol-impaired Driving Countermeasures Program, will continue to run. Also, the Federal transit discretionary and formula programs will receive the funds they need. Fourth, the bill provides funds for the Federal Highway Administration to continue operating and assisting the States with their transportation programs.

Before closing, let me comment on what the bill before us does not do. Unlike the 6-month extension bill that was approved by the House earlier this month, this bill does not provide States with contract authority for 1 year's worth of highway construction.

Our bill gives the States until May 1 of next year to obligate the funds provided in this bill. The trouble with including funds that will not run out until next November is that there will be no pressure to enact permanent ISTEA legislation until that time, right before the 1998 elections. Pushing the decision off until next fall runs the risk of our being without a bill 1 year from now. Moreover, this measure avoids the contentious fight we would have over apportionment formulas and funding categories if we were to take up the House bill.

The bill before us is by no means perfect, but it is the optimal approach to the situation. Our hopes for an ideal outcome were dashed when we were unable to complete work on a 6-year reauthorization bill. This measure keeps the State and Federal transportation programs running, it ensures that no highway contractors are put out of work, and it continues funding for vital safety and transit programs. Most important, it will keep the momentum going to enact a 6-year bill early next year. And it does all of this without a battle over the formulas.

Again, I want to commend Senator BOND for his determination in moving this measure forward. I also want to thank Senators WARNER and BAUCUS for their excellent work. I urge all of my colleagues to join us in supporting this important measure.

Mr. ABRAHAM. Mr. President, I appreciate the hard work done by the Environment and Public Works Committee, and the compromise it represents. However, I believe the proposal sent over by the House in H.R. 2516 represented a superior short-term reauthorization proposal. Hopefully, many of these funding elements may find their way into the final ISTEA reauthorization proposal.

Mr. President, I would simply like to gain assurance from the chairman of the Environment and Public Works Committee that passage of his short-term proposal in no way obligates the Senate or its Members to support of any specific funding level or formula, and that it is simply a stop-gap measure until we can proceed to a final long-term authorization bill.

Mr. CHAFEE. Mr. President, I can definitely assure the Senator from Michigan that passage of this short-term bill in no way implies acceptance of any long-term funding level or formula.

Mr. ABRAHAM. Mr. President, I thank the chairman for his assurances, and look forward to working with him in crafting the follow-on legislation to ISTEA that will sufficiently rectify the onerous position in which donor States, like Michigan, find themselves.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the bill be considered read the third time, and passed, that the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at this point in the RECORD.

Mr. LEVIN. Mr. President, reserving the right to object.

I ask unanimous consent that the unanimous-consent request that is pending be amended in order that an amendment of mine, amendment No. 1376, be in order.

The PRESIDING OFFICER. Is there objection?

Mr. BAUCUS. Mr. President, with all due respect to my good friend from Michigan, I must object.

The PRESIDING OFFICER. Objection is heard.

Mr. LEVIN. Reserving the right to object. I have a further inquiry of my good friend from Montana. Would it be fair to say that the adoption of this short term bill would in no way prejudice efforts later on in the next session of Congress to have consideration of amendments, such as No. 1376, and other formulas which are more equitable to many of our States that have not, in our view, been treated equitably.

Mr. BAUCUS. I say to my friend that this measure about to be passed is formula neutral. It in no way would prejudice the amendment to be offered at a later date by the Senator from Michigan, or other amendments offered by other Senators who wish to accomplish objectives for their States as well.

Mr. WARNER. Mr. President, I think the Senator has made it very clear that he was referring to ISTEA I in 1991, was he not?

Mr. LEVIN. I am not referring to the ISTEA I bill.

Mr. BAUCUS. The Senator is referring to next year.

Mr. LEVIN. I thank the Chair.

Mr. CHAFEE. Mr. President, I renew my request.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The bill (S. 1454) was considered read the third time, and passed, as follows:

S. 1464

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Surface Transportation Extension Act of 1997".

SEC. 2. ADVANCE AUTHORIZATIONS.

(a) In General.—The Secretary of Transportation (referred to in this Act as the "Secretary") shall apportion funds made available under the amendment made by subsection (d)—

(1) to any State for which the State's unobligated balance, as of October 1, 1997, of Federal-aid highway apportionments subject to any limitation on obligations is less than 50 percent of the State's total fiscal year 1997 obligation authority for funds apportioned for the Federal-aid highway program; and

(2) in an amount sufficient to increase the State's unobligated balance, as of October 1, 1997, of apportionments described in paragraph (1) to an amount equal to 50 percent of the State's total fiscal year 1997 obligation authority for funds apportioned for the Federal-aid highway program.

(b) Eligible Use of Apportionments.—A State may obligate funds apportioned under subsection (a) for any project eligible for assistance under section 133, 149, 402, or 410 of title 23, United States Code, or chapter 311 of title 49, United States Code.

(c) Repayment From Surface Transportation Program Apportionment.—The Secretary shall reduce the amount that would, but for this section, be apportioned to a State under section 104(b)(3) of title 23, United States Code, for fiscal year 1998 under a law reauthorizing the Federal-aid highway program enacted after the date of enactment of this Act by the amount of any authorization of contract authority provided to a State under subsection (a).

(d) Authorization of Contract Authority.—Section 1003 of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 1918) is amended by adding at the end the following:

"(d) Advance Authorizations.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out section 2 of the Surface Transportation Extension Act of 1997 $506,273,000 for the period of January 1, 1998, through January 8, 1998.

"(e) Authorization of Contract Authority.—

"(1) Authorization.—Notwithstanding section 157(e) of title 23, United States Code, there shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out section 157 of title 23, United States Code, not to exceed $14,000,000 for the period of January 1, 1998, through January 8, 1998.

"(2) Allocation.—The Secretary shall allocate the amounts authorized under paragraph (1) to each State in the ratio that—

"(A) the amount allocated to the State for fiscal year 1997 under section 157 of that title; bears to

"(B) the amounts allocated to all States for fiscal year 1997 under section 157 of that title.

"(f) Contract Authority.—Funds authorized under subsections (d) and (e) shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.".

(e) Limitation on Obligations.—

(1) Allocation of obligation authority during certain period.—

(A) In general.—Subject to subparagraph (B), after the date of enactment of this Act, the Secretary shall allocate to each State an amount of obligation authority that is—

(i) equal to the greater of—

(I) the State's unobligated balance of Federal-aid highway apportionments subject to any limitation on obligations; or

(II) 50 percent of the State's total fiscal year 1997 obligation authority for funds apportioned for the Federal-aid highway program; but

(ii) not greater than 75 percent of the State's total fiscal year 1997 obligation authority for funds apportioned for the Federal-aid highway program.

(B) Limitation on amount.—The total of all allocations under subparagraph (A) shall not exceed $9,786,275,000.

(C) Time period for obligations of funds.—

(i) In general.—Except as provided in clause (ii), a State shall not obligate any funds for any Federal-aid highway program project after May 1, 1998, until such time as a multiyear law reauthorizing the Federal-aid highway program has been enacted or July 1, 1998 whichever is earlier.

(ii) Reobligation.—Clause (i) shall not preclude the reobligation of deobligated funds.

(iii) Distribution of remaining obligation authority.—Upon enactment of a law described in clause (i), the Secretary shall distribute to each State any remaining amounts of obligation authority for Federal-aid highways and highway safety construction programs by allocation in accordance with section 310(a) of the Department of Transportation and Related Agencies Appropriations Act, 1998 (Public Law 105–66; 111 Stat. 1425).

(iv) No contract authority made available to the States prior to July 1, 1998, shall be obligated after such date until such time as a multiyear law reauthorizing the Federal-aid highway program has been enacted.

(f) Treatment of Obligations.—Any obligation incurred under this Act, or an amendment made by this Act, shall be considered to be an obligation for Federal-aid highways and highway safety construction programs for fiscal year 1998 for the purposes of the matter under the heading "(limitation on obligations)" under the heading "Federal-Aid Highways" in title I of the Department of Transportation and Related Agencies Appropriations Act, 1998 (Public Law 105–66; 111 Stat. 1425).

(g) Funding Baseline.—Notwithstanding section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 907) and the effect of funding provided under this Act or an amendment made by this Act, the baseline prepared by the Congressional Budget Office and the Office of Management and Budget for fiscal years 1998 through 2003 for mandatory contract authority and mandatory outlays for Federal-aid highways and highway safety construction programs shall be the baseline included in the concurrent resolution on the budget for fiscal year 1998.

SEC. 3. TRANSFERS OF UNOBLIGATED APPORTIONMENTS.

(a) In General.—Notwithstanding any other provision of law, for fiscal year 1998, a State may transfer any funds apportioned to the State for any program under section 104 (including amounts apportioned under section 104(b)(3) or set aside or suballocated under section 133(d)), 144, or 402 of title 23, United States Code, granted to the State for any program under section 410 of that title, or allocated to the State for any program under chapter 311 of title 49, United States Code, that are subject to any limitation on obligations, and that are not obligated, to any other of those programs.

(b) Treatment of Transferred Funds.—Any funds transferred to another program under subsection (a) shall be subject to the provisions of the program to which the funds are transferred, except that funds transferred to the surface transportation program under section 133 of title 23, United States Code, other than paragraphs (1) and (2) of section 133(d) of that title, shall not be subject to section 133(d) of that title.

(c) Restoration of Apportionments.—

(1) In general.—As soon as practicable after the date of enactment of a law reauthorizing the Federal-aid highway program enacted after the date of enactment of this Act, the Secretary shall restore any funds that a State transferred under subsection (a) for any project not eligible for the funds but for this section to the program category from which the funds were transferred.

(2) Program category reconciliation.—The Secretary may establish procedures under which funds transferred under subsection (a) from a program category for which funds are no longer authorized may be restored to the Federal-aid highway program.

(d) Guidance.—The Secretary may issue guidance for use in carrying out this section.

SEC. 4. ADMINISTRATIVE EXPENSES.

(a) Expenses of Federal Highway Administration.—

(1) Authority to borrow.—

(A) From unobligated funds available for discretionary allocations.—If unobligated balances of funds deducted by the Secretary under section 104(a) of title 23, United States Code, for administrative and research expenses of the Federal-aid highway program are insufficient to pay those expenses for fiscal year 1998, the Secretary may borrow not to exceed $60,000,000 for those expenses from unobligated funds available to the Secretary for discretionary allocations.

(B) Requirement to reimburse.—Funds borrowed under subparagraph (A) shall be reimbursed from amounts made available to the Secretary under section 104(a) of title 23, United States Code, as soon as practicable after the date of enactment of a law reauthorizing the Federal-aid highway program enacted after the date of enactment of this Act.

(2) Authorization of contract authority.—

(A) In general.—In addition to funds made available under paragraph (1), there shall be available from the Highway Trust Fund (other than the Mass Transit Account) for administrative and research expenses of the Federal-aid highway program $151,000,000 for fiscal year 1998.

(B) Contract authority.—Funds authorized under this paragraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.

(3) Use of certain administrative funds.—Section 104(i)(1) of title 23, United States Code, is amended by inserting ", and for the period of October 1, 1997, through March 31, 1998," after "1997".

(b) Bureau of Transportation Statistics.—Section 6006 of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2172) is amended—

(1) by inserting "(a) In General.—" before "Chapter I"; and

(2) in the first sentence of subsection (b)—

(A) by striking "1996, and" and inserting "1996,"; and

(B) by inserting before the period at the end the following: ", and $12,500,000 for the period of October 1, 1997, through March 31, 1998".

SEC. 5. OTHER FEDERAL-AID HIGHWAY PROGRAMS.

(a) Federal Lands Highways.—Section 1003(a)(6) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 1919) is amended—

(1) in subparagraph (A)—

(A) by striking "1992 and" and inserting "1992,"; and

(B) by inserting before the period at the end the following: ", and $95,500,000 for the period of October 1, 1997, through March 31, 1998";

(2) in subparagraph (B)—

(A) by striking "1995, and" and inserting "1995,"; and

(B) by inserting before the period at the end the following: "and $86,000,000 for the period of October 1, 1997, through March 31, 1998"; and

(3) in subparagraph (C)—

(A) by striking "1995, and" and inserting "1995,"; and

(B) by inserting before the period at the end the following: ", and $42,000,000 for the period of October 1, 1997, through March 31, 1998".

(b) National Recreational Trails Program.—Section 1003 of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 1918) (as amended by section 2(d)) is amended by adding at the end the following:

"(e) National Recreational Trails Program.—Section 104(h) of title 23, United States Code, is amended by inserting 'and $7,500,000 for the period of October 1, 1997, through March 31, 1998' after '1997'.".

(c) Certain Allocated Programs.—

(1) Highway use tax evasion.—Section 1040(f)(1) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 101 note; 105 Stat. 1992) is amended in the first sentence by inserting before the period at the end the following: "and $2,500,000 for the period of October 1, 1997, through March 31, 1998".

(2) Scenic byways program.—Section 1047(d) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 101 note; 105 Stat. 1998) is amended in the first sentence—

(A) by striking "1994, and" and inserting "1994,"; and

(B) by inserting before the period at the end the following: ", and $7,000,000 for the period of October 1, 1997, through March 31, 1998".

(d) Intelligent Transportation Systems.—Section 6058(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2194) is amended—

(1) by striking "1992 and" and inserting "1992,"; and

(2) by inserting before the period at the end the following: ", and $56,500,000 for the period of October 1, 1997, through March 31, 1998".

(e) Surface Transportation Research.—

(1) Operation lifesaver.—

(A) In general.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out the operation lifesaver program under section 104(d)(1) of title 23, United States Code, $150,000 for the period of October 1, 1997, through March 31, 1998.

(B) Contract authority.—Funds authorized under this paragraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.

(2) Dwight david eisenhower transportation fellowship program.—

(A) In general.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out the Dwight David Eisenhower Transportation Fellowship Program under section 307(a)(1)(C)(ii) of title 23, United States Code, $1,000,000 for the period of October 1, 1997, through March 31, 1998.

(B) Contract authority.—Funds authorized under this paragraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.

(3) National highway institute.—Section 321(f) of title 23, United States Code, is amended by adding at the end the following: "There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $2,500,000 for the period of October 1, 1997, through March 31, 1998.".

(4) Education and training program.—Section 326(c) of title 23, United States Code,

is amended by adding at the end the following: "There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $3,000,000 for the period of October 1, 1997, through March 31, 1998.".

SEC. 6. EXTENSION OF HIGHWAY SAFETY PROGRAMS.

(a) NHTSA HIGHWAY SAFETY PROGRAMS.—Section 2005(1) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2079) is amended—

(1) by striking "1996, and" and inserting "1996,"; and

(2) by inserting before the period at the end the following: ", and $83,000,000 for the period of October 1, 1997, through March 31, 1998"; and

(b) ALCOHOL-IMPAIRED DRIVING COUNTERMEASURES.—Section 410 of title 23, United States Code, is amended—

(1) in subsection (c)—

(A) by striking "5" and inserting "6"; and

(B) in paragraph (3), by striking "and fifth" and inserting "fifth, and sixth";

(2) in subsection (d)(2)(B), by striking "two" and inserting "3"; and

(3) in the first sentence of subsection (j)—

(A) by striking "1997, and" and inserting "1997,"; and

(B) by inserting before the period at the end the following ", and $12,500,000 for the period of October 1, 1997, through March 31, 1998".

(c) NATIONAL DRIVER REGISTER.—Section 30308(a) of title 49, United States Code, is amended—

(1) by striking "1994, and" and inserting "1994,"; and

(2) by inserting after "1997," the following: "and $1,855,000 for the period of October 1, 1997, through March 31, 1998,".

SEC. 7. EXTENSION OF MOTOR CARRIER SAFETY PROGRAM.

Section 31104(a) of title 49, United States Code, is amended—

(1) in paragraphs (1) through (5), by striking "not more" each place it appears and inserting "Not more"; and

(2) by adding at the end the following:

"(6) Not more than $45,000,000 for the period of October 1, 1997, through March 31, 1998.".

SEC. 8. EXTENSION OF FEDERAL TRANSIT PROGRAMS.

Title III of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2087-2140) is amended by adding at the end the following:

"SEC. 3049. EXTENSION OF FEDERAL TRANSIT PROGRAMS FOR THE PERIOD OF OCTOBER 1, 1997, THROUGH MARCH 31, 1998.

"(a) ALLOCATING AMOUNTS.—Section 5309(m)(1) of title 49, United States Code, is amended by inserting ', and for the period of October 1, 1997, through March 31, 1998' after '1997'.

"(b) APPORTIONMENT OF APPROPRIATIONS FOR FIXED GUIDEWAY MODERNIZATION.—Section 5337 of title 49, United States Code, is amended—

"(1) in subsection (a), by inserting 'and for the period of October 1, 1997, through March 31, 1998,' after '1997,'; and

"(2) by adding at the end the following:

"'(e) SPECIAL RULE FOR OCTOBER 1, 1997, THROUGH MARCH 31, 1998.—The Secretary shall determine the amount that each urbanized area is to be apportioned for fixed guideway modernization under this section on a pro rata basis to reflect the partial fiscal year 1998 funding made available by section 5338(b)(1)(F).'.

"(c) AUTHORIZATIONS.—Section 5338 of title 49, United States Code, is amended—

"(1) in subsection (a)—

"(A) in paragraph (1), by adding at the end the following:

"'(F) $1,349,395,000 for the period of October 1, 1997, through March 31, 1998.'; and

"(B) in paragraph (2), by adding at the end the following:

"'(F) $369,000,000 for the period of October 1, 1997, through March 31, 1998.';

"(2) in subsection (b)(1), by adding at the end the following:

"'(F) $1,110,605,000 for the period of October 1, 1997, through March 31, 1998.';

"(3) in subsection (c), by inserting 'and not more than $1,500,000 for the period of October 1, 1997, through March 31, 1998,' after '1997,';

"(4) in subsection (e), by inserting 'and not more than $3,000,000 is available from the Fund (except the Account) for the Secretary for the period of October 1, 1997, through March 31, 1998,' after '1997,';

"(5) in subsection (h)(3), by inserting 'and $3,000,000 is available for section 5317 for the period of October 1, 1997, through March 31, 1998' after '1997';

"(6) in subsection (j)(5)—

"(A) in subparagraph (B), by striking 'and' at the end;

"(B) in subparagraph (C), by striking the period at the end and inserting '; and'; and

"(C) by adding at the end the following:

"'(D) the lesser of $1,500,000 or an amount that the Secretary determines is necessary is available to carry out section 5318 for the period of October 1, 1997, through March 31, 1998.';

"(7) in subsection (k), by striking 'or (e)' and inserting '(e), or (m)'; and

"(8) by adding at the end the following:

"'(m) SECTION 5316 FOR THE PERIOD OF OCTOBER 1, 1997, THROUGH MARCH 31, 1998.—Not more than the following amounts may be appropriated to the Secretary from the Fund (except the Account) for the period of October 1, 1997, through March 31, 1998:

"'(1) $125,000 to carry out section 5316(a).

"'(2) $1,500,000 to carry out section 5316(b).

"'(3) $500,000 to carry out section 5316(c).

"'(4) $500,000 to carry out section 5316(d).

"'(5) $500,000 to carry out section 5316(e).'.".

Mr. WARNER. Mr. President, I certainly want to commend our distinguished chairman and distinguished ranking member. The senior Senator from Montana is also ranking on the subcommittee. We express a particular appreciation to the Senator from Missouri, Senator BOND. He seemed to have had an understanding of how we could best and most equitably adopt this short-term provision. I wish to commend him for his special efforts.

I wish to also commend the staff, Mr. President. We have had extraordinary staff participation on this. I have a small piece of paper here signed by the principal Senators expressing our appreciation.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, I very much hope that the other body takes up and passes this measure because it has been our judgment that it is about the only approach that is going to allow States to continue the continuity in their highway programs until next year when we pass the full 6-year program.

This measure that we have just adopted here in the Senate is formula neutral. It is designed in a way to make sure that all of the different States who are in different situations are treated reasonably fairly. Nothing is perfect. But this is a very good effort to deal with various differences among the States. It also will provide enough funds for the Congress next year to take up the full 6-year bill in a reasonable period of time.

So I very much hope that the other body takes it up and passes this bill because it is in the States' best interests to continue that continuity of funding.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, I would also like to express our appreciation to Senator BYRD who was very actively working with us this evening. And I want to associate myself with the remarks of the distinguished Senator from Montana.

Many States have a very short period within which they can do this vital work. The Governors appeared at the hearing of our committee just a few days ago, and expressed a similar interest. It is imperative that we keep this highway program moving ahead until such time as the Congress can pass what I hope will be a 6-year bill.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I express my sincere appreciation to Chairman CHAFEE, Chairman WARNER, and the ranking member, Senator BAUCUS.

When it became clear that we were not going to pass a 6-year reauthorization of the ISTEA, or Intermodal Surface Transportation Efficiency Act, it was obvious to everybody that something had to be done to make sure that we didn't run out of safety programs; that we didn't shut the doors on the operations of the Department of Transportation; that we didn't leave the States without the authority to contract.

Finally, when I suggested that we merely extend the obligations based on a half of last year's obligation authority up to 75 percent, it was designed, as Senator BAUCUS so ably said, to be totally formula neutral. We are not going to engage in a formula battle. We have some very strong differences of opinion over formulas, and over allocations among States. That will be played out at great length on this floor I hope very early in 1998. But I have never seen anything unify this body more than the agreement by all of the Senators with whom I have spoken—and I have spoken to almost all of them—that we must do something to keep the doors open; to keep construction going; to keep safety and to keep transit programs. And the only way we can do it is to do something that is formula neutral.

This merely extends the obligational authority, and it has overwhelming support. We hope it will have support in the House so that we can send it to the President and make sure that we don't shut down operations in the very near future.

I wish to expressly thank staff which has worked night and day—some with almost no sleep: Dan Corbett, Jimmie Powell, Ann Loomis, Kathy Ruffalo, Tom Sliter, and the staff of the Banking Committee, Commerce Committee, and the Environment and Public Works Committee; and on my own personal staff, Tracy Henke who did the initial work of putting this all together.

I hope they can all get some sleep and some rest, and that we can put this measure to bed.

Mr. President, this does not open up any fights. It merely leaves in place vitally needed safety transit, Department of Transportation operations, and the ability to contract while we revisit in early 1998 the very important and very controversial formulas for allocating highway money.

I thank all Senators whose cooperation was necessary for us to bring the measure to the floor, and pass it this evening. But the agreement of all Senators shows what a high priority and what a tremendous importance we place on assuring that our citizens have adequate transit, that we have the highways, the bridges, and the roads that we need for convenience, for our economy, and, most of all, for the safety of our traveling public.

I thank the Chair.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. Mr. President, this is a very, very contentious issue. Fortunately, in our Environment and Public Works Committee we were able to report out this basic legislation 18 to 0. Then we have to do this so-called stopgap legislation, because we weren't able to consider the big bill due to a variety of factors. This bill now is a result of bipartisan cooperation. As we mentioned, Senator BAUCUS has been deeply involved in this, and of course, Senator WARNER, Senator BOND, myself, and others.

I join in the salute to the staff. They have been really terrific. I would like particularly to offer the names of those who worked so hard: Jimmie Powell, Tom Sliter, Kathy Ruffalo, Dan Corbett, Ann Loomis,' Peter Rogoff, with Senator BYRD, and Tracy Henke with Senator BOND. Every single one of those staffers was absolutely terrific.

Mr. WARNER. And add Ellen Stein to that.

Mr. CHAFEE. I certainly will.

Mr. President, let me end with a wish. We are going to come back to this, as the majority leader said, the first thing when we return in January. It is going to take every bit of good will and patience and high level of character and perseverance for us to be able to pass a bill that will have the acceptance that legislation had in our committee.

So, in closing, I thank everyone, and urge them to carry on with this same type of effort when we convene on this issue in the last part of January.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, there are two points that I want to make.

We are passing this rather significant piece of legislation because we are doing it in a bipartisan basis. I must remind all of my colleagues that when we get into partisan fights often nothing happens. We make political points but don't pass legislation.

This has been very, very cohesive and bipartisan on both sides of the aisle.

It has been an honor for me—a privilege for me—to participate with Senator WARNER, Senator CHAFEE, Senator BOND, and Senator BYRD in putting this together.

My second point is to reaffirm just how lucky we are to have such a dedicated staff who are so able and so talented. I am always in awe in seeing just how right these people are and how necessary they are.

But, for the record, the one lady who came up with the final solution is on my staff. Her name is Kathy Ruffalo.

I yield the floor.

Mr. WARNER. Mr. President, I will proceed momentarily to the Executive Calendar.

But first we want to thank the Chair. The Chair has been very indulgent, and indeed, the staff of the Senate.

But I want to further say that I hope tomorrow that the infrastructure that follows this type of legislation—the contractors, the secretaries of the various organizations throughout the States who are entrusted with the very important highway construction—would immediately look at this effort by the U.S. Senate, and bring to bear their judgment tomorrow on the other body in the hopes that we can pass this.

I particularly call on the National Governors' Association. They came forward in a hearing that I chaired last week, and were very explicit on this whole matter. It was made very clear by the contractors who also appeared at that hearing that there is a short period for certain States for construction. It is imperative that this matter go forward. We have made, as I say, in a bipartisan way, our best effort. Now, with the help of the infrastructure, I am sure that the other body will see the wisdom in this measure, and pass it.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. WARNER. Mr. President, I ask unanimous consent the Senate immediately proceed to executive session to consider the following nomination on the Executive Calendar, No. 419.

I further ask unanimous consent that the nomination be confirmed, the motion to reconsider be laid upon the table, any statements relating to the nomination appear at this point in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

The PRESIDING OFFICER (Mr. CHAFEE). Without objection, it is so ordered.

The nomination considered and confirmed is as follows:

William Dale Montgomery, of Pennsylvania, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Croatia.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

AUTHORIZING AN INTERPRETIVE CENTER AT FORT PECK DAM, MONTANA

Mr. WARNER. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 1456, introduced earlier today by Senator BAUCUS.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1456) to authorize an interpretive center at Fort Peck Dam, Montana.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. WARNER. Mr. President, I ask unanimous consent that the bill be considered read three times, the motion to reconsider be laid upon the table, and that any statements relating thereto be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1456) was read the third time and passed as follows:

S. 1456

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FORT PECK DAM INTERPRETIVE CENTER.

(a) IN GENERAL.—The Director of Fish and Wildlife shall design, construct, furnish, and equip an historical, cultural and paleontological interpretive center and museum to be located at Fort Peck Dam, Montana.

(b) COORDINATION.—In carrying out subsection (a), the Director of Fish and Wildlife shall coordinate with officials of the Bureau of Reclamation, Bureau of Land Management, U.S. Army Corps of Engineers and the Fort Peck Dam Interpretive Center and Museum.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section a total of $10,000,000.00. Funds appropriated are available until expended.

HAFFENREFFER MUSEUM RESTORATION ACT

Mr. WARNER. Mr. President, I send a bill to the desk on behalf of Senators CHAFEE and REED, re: the relocation of the Haffenreffer Museum, and ask the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1455) to provide financial assistance for the relocation and expansion of Haffenreffer Museum of Anthropology, Providence, Rhode Island.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. CHAFEE. Mr. President, I am pleased to introduce legislation to assist in the relocation and expansion of the Haffenreffer Museum of Anthropology at Brown University in Providence, RI.

In 1955, the family of Rudolf F. Haffenreffer bequeathed to Brown University the museum he had founded in Bristol, RI. The museum includes more than 100,000 objects from native peoples of the Americas, Africa, Asia, and the Pacific.

This is a teaching museum owned and supported by Brown University. It has a number of world-class holdings that attract scholars from all over the globe, and has been described by the American Association of Museums as a "superb medium- to small-sized facility with outstanding collections, excellent exhibits, and a superb program of public education and outreach."

While maintaining objects from around the world, the Haffenreffer Museum exhibits extensive archaeological materials from New England that are used to interpret prehistoric and historical cultural developments in Rhode Island and surrounding States. The legislation I introduce today authorizes $3 million to preserve these culturally important collections and to provide expanded exhibition space that will make them more accessible to schoolchildren, scholars, students, and other visitors.

In 1995, Brown University acquired from the Resolution Trust Corporation [RTC] the historic Old Stone Bank Building, built in 1854, along with the early 19th century Federal-style residence known as the Benoni-Cook House, both located in downtown Providence. The RTC took over both properties when the Old Stone Bank failed in 1993.

Prior to Brown's purchase of these sites, it was unclear how or whether they would be put to use. The funds authorized by this bill will contribute a modest portion of the estimated $15 million Brown University will spend to relocate the Haffenreffer Museum from Bristol, RI, to the bank building and the Benoni-Cook House, both of which are located on the National Register of Historic Places.

Mr. President, this in indeed a win-win project being carried out by Brown University. We will renovate, preserve, and make fine use of two historic architectural landmarks—while providing greater access to an extraordinary tool for cultural and historical education. This is a fine example of the type of assistance our Federal Government can provide to local communities to preserve and make available for future generations the significant developments of our past.

Mr. President, I encourage the support of our Senate colleagues.

Mr. REED. Mr. President, I am pleased to support the "Haffenreffer Museum Restoration Act of 1997", legislation that Senator CHAFEE and I introduced to assist in the relocation and expansion of Rhode Island's Haffenreffer Museum of Anthropology.

Currently situated in Bristol, R.I., the Haffenreffer Museum is home to one of our Nation's finest collections of Native American and other cultural artifacts from around the world. Each year, thousands of visitors enjoy the Haffenreffer's exhibits and benefit from its commitment to education, which is a tribute to the museum's close ties to the Brown University Department of Anthropology. Recognizing this effective combination, the American Association of Museums has described the Haffenreffer as a "superb medium-small facility with outstanding collections, excellent exhibits, and a superb program of public education and outreach."

In an effort to increase access to the Haffenreffer's resources, Brown University has begun preparations to relocate the museum to Providence, R.I. Toward this end, the university has acquired two structures on the National Register of Historic Places, the Old Stone Bank Building and the Benoni-Cooke House, to house the Haffenreffer in downtown Providence.

This move would preserve these historically significant buildings, while contributing to the resurgence of Providence by adding a nationally renowned museum to its growing arts and entertainment district. The new site would also allow the Haffenreffer to display more of its collection for visitors, whom the museum estimates would increase fivefold after the relocation. This development would particularly serve children, who currently make up more than half of the museum's visitors and for whom the downtown location would be more accessible.

Brown University is raising funds to restore and expand the Old Stone Bank Building and the Benoni-Cooke House, and to complete the relocation of the Haffenreffer's collection to Providence by the year 2000. The bill before the Senate today authorizes Federal cooperation in advancing these goals, increasing knowledge of Native American history, preserving architectural treasures, and promoting the revitalization of our Nation's downtown areas. I urge my colleagues to support this bill and the work needed to bring the Haffenreffer to Rhode Island's capital city.

Mr. WARNER. I ask the bill be advanced to third reading and passed and the motion to reconsider be laid upon the table, all without further action or debate. I further ask the statements by Senators CHAFEE and REED be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1455) was read the third time and passed, as follows:

S. 1455

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Haffenreffer Museum Restoration Act of 1997".

SEC. 2. RELOCATION AND EXPANSION OF HAFFENREFFER MUSEUM OF ANTHROPOLOGY.

(a) DEFINITIONS.—In this section:

(1) MUSEUM.—The term "Museum" means the Haffenreffer Museum of Anthropology at Brown University in Providence, Rhode Island.

(2) SECRETARY.—The term "Director" means the Director of the U.S. Fish and Wildlife Service.

(b) RELOCATION AND EXPANSION OF MUSEUM.—The Director shall make a grant to Brown University in Providence, Rhode Island, to pay the Federal share of the costs associated with the relocation and expansion of the Museum, including the design, construction, renovation, restoration, furnishing, and equipping of the Museum.

(c) GRANT REQUIREMENTS.—

(1) IN GENERAL.—To receive a grant under subsection (b), the Museum shall submit to the Director a proposal for the use of the grant.

(2) FEDERAL SHARE.—The Federal share of the costs described in subsection (b) shall be 20 percent.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $3,000,000, to remain available until expended.

AUTHORITY TO SIGN ENROLLED BILL

Mr. WARNER. Mr. President, I ask unanimous consent that Senator ROBERTS be authorized today to sign an enrolled bill on behalf of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR SATURDAY, NOVEMBER 8, 1997

Mr. WARNER. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 12 noon on Saturday, November 8. I further ask that on Saturday, immediately following the prayer, the routine requests through the morning hour be granted, and the Senate proceed to a period of morning business not to extend beyond the hour of 1 p.m., with Senators permitted to speak up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. WARNER. Tomorrow the Senate will be in a period of morning business from 12 noon to 1 p.m. Following morning business, the Senate intends to consider and complete action on the following: The labor-HHS. appropriations conference report, D.C. appropriations bill, the FDA reform conference report, the adoption-foster-care legislation, and any other appropriations legislation cleared for action. Therefore, Members can anticipate rollcall votes throughout Saturday's session of the Senate. However, I would expect votes would not occur before 1 p.m.

ORDERS FOR SUNDAY, NOVEMBER 9, 1997

Mr. WARNER. With respect to Sunday, I ask unanimous consent that when the Senate completes its business on Saturday, it stand in adjournment until 1 p.m. on Sunday, November 9.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL TOMORROW

Mr. WARNER. Mr. President, if there is no further business to come before the Senate, I now ask that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 8:40 p.m., adjourned until Saturday, November 8, 1997, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate November 7, 1997:

DEPARTMENT OF THE INTERIOR

DONALD J. BARRY, OF WISCONSIN, TO BE ASSISTANT SECRETARY FOR FISH AND WILDLIFE, VICE GEORGE T. FRAMPTON, JR., RESIGNED.

CENTRAL INTELLIGENCE

JOAN AVALYN DEMPSEY, OF VIRGINIA, TO BE DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE FOR COMMUNITY MANAGEMENT. (NEW POSITION)

INTERNATIONAL MONETARY FUND

ALAN GREENSPAN, OF NEW YORK, TO BE UNITED STATES ALTERNATE GOVERNOR OF THE INTERNATIONAL MONETARY FUND FOR A TERM OF FIVE YEARS. (REAPPOINTMENT)

CORPORATION FOR PUBLIC BROADCASTING

WINTER D. HORTON, JR., OF UTAH, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR PUBLIC BROADCASTING FOR A TERM EXPIRING JANUARY 31, 2002, VICE CAROLYN R. BACON, TERM EXPIRED.

DEPARTMENT OF COMMERCE

ROBERT J. SHAPIRO, OF THE DISTRICT OF COLUMBIA, TO BE UNDER SECRETARY OF COMMERCE FOR ECONOMIC AFFAIRS, VICE EVERETT M. EHRLICH.

OFFICE OF SPECIAL COUNSEL

ELAINE D. KAPLAN, OF THE DISTRICT OF COLUMBIA, TO BE SPECIAL COUNSEL, OFFICE OF SPECIAL COUNSEL, FOR THE TERM OF FIVE YEARS, VICE KATHLEEN DAY KOCH, TERM EXPIRED.

THE JUDICIARY

ROBERT T. DAWSON, OF ARKANSAS, TO BE U.S. DISTRICT JUDGE FOR THE WESTERN DISTRICT OF ARKANSAS VICE H. FRANKLIN WATERS, RETIRED.

DEPARTMENT OF JUSTICE

WILMA A. LEWIS, OF THE DISTRICT OF COLUMBIA, TO BE U.S. ATTORNEY FOR THE DISTRICT OF COLUMBIA FOR THE TERM OF FOUR YEARS VICE ERIC H. HOLDER, JR., RESIGNED.

IN THE ARMY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. WILLIAM P. TANGNEY, 4937.

CONFIRMATIONS

EXECUTIVE NOMINATIONS CONFIRMED BY THE SENATE NOVEMBER 7, 1997:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SAUL N. RAMIREZ, JR., OF TEXAS, TO BE AN ASSISTANT SECRETARY OF HOUSING AND URBAN DEVELOPMENT.

DEPARTMENT OF STATE

NANCY H. RUBIN, OF NEW YORK, FOR THE RANK OF AMBASSADOR DURING HER TENURE OF SERVICE AS REPRESENTATIVE OF THE UNITED STATES OF AMERICA ON THE HUMAN RIGHTS COMMISSION OF THE ECONOMIC AND SOCIAL COUNCIL OF THE UNITED NATIONS.

A. PETER BURLEIGH, OF CALIFORNIA, TO BE A REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE SESSIONS OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS DURING HIS TENURE OF SERVICE AS DEPUTY REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS.

BILL RICHARDSON, OF NEW MEXICO, TO BE A REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE SESSIONS OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS DURING HIS TENURE OF SERVICE AS REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS.

RICHARD SKLAR, OF CALIFORNIA, TO BE AN ALTERNATE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE SESSIONS OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS DURING HIS TENURE OF SERVICE AS REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS FOR U.N. MANAGEMENT AND REFORM.

BETTY EILEEN KING, OF MARYLAND, TO BE AN ALTERNATE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE SESSIONS OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS DURING HER TENURE OF SERVICE AS REPRESENTATIVE OF THE UNITED STATES OF AMERICA ON THE ECONOMIC AND SOCIAL COUNCIL OF THE UNITED NATIONS.

WILLIAM DALE MONTGOMERY, OF PENNSYLVANIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF CROATIA.

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

KIRK K. ROBERTSON, OF VIRGINIA, TO BE EXECUTIVE VICE PRESIDENT OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION.

TERRENCE J. BROWN, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE AN ASSISTANT ADMINISTRATOR OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT.

MARK ERWIN, OF NORTH CAROLINA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR A TERM EXPIRING DECEMBER 17, 1999.

HARRIET C. BABBITT, OF ARIZONA, TO BE DEPUTY ADMINISTRATOR OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT.

THOMAS H. FOX, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT.

UNITED STATES INFORMATION AGENCY

CHERYL F. HALPERN, OF NEW JERSEY, TO BE A MEMBER OF THE BROADCASTING BOARD OF GOVERNORS FOR A TERM EXPIRING AUGUST 13, 1999.

CARL SPIELVOGEL, OF NEW YORK, TO BE A MEMBER OF THE BROADCASTING BOARD OF GOVERNORS FOR A TERM EXPIRING AUGUST 13, 1999. (REAPPOINTMENT)

DEPARTMENT OF ENERGY

LINDA KEY BREATHITT, OF KENTUCKY, TO BE A MEMBER OF THE FEDERAL ENERGY REGULATORY COMMISSION FOR A TERM EXPIRING JUNE 30, 2002.

CURT HEBERT, JR., OF MISSISSIPPI, TO BE A MEMBER OF THE FEDERAL ENERGY REGULATORY COMMISSION FOR THE REMAINDER OF THE TERM EXPIRING JUNE 30, 1999.

DEPARTMENT OF STATE

BETTY EILEEN KING, OF MARYLAND, TO BE REPRESENTATIVE OF THE UNITED STATES OF AMERICA ON THE ECONOMIC AND SOCIAL COUNCIL OF THE UNITED NATIONS, WITH THE RANK OF AMBASSADOR.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

THE JUDICIARY

CHRISTINA A. SNYDER, OF CALIFORNIA, TO BE U.S. DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF CALIFORNIA.

JOHN M. CAMPBELL, OF THE DISTRICT OF COLUMBIA, TO BE ASSOCIATE JUDGE OF THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM OF FIFTEEN YEARS.

ANITA M. JOSEY, OF THE DISTRICT OF COLUMBIA, TO BE ASSOCIATE JUDGE OF THE SUPERIOR COURT OF THE DISTRICT OF COLUMBIA FOR THE TERM OF FIFTEEN YEARS.

DEPARTMENT OF JUSTICE

SETH WAXMAN, OF THE DISTRICT OF COLUMBIA, TO BE SOLICITOR GENERAL OF THE UNITED STATES.

THE JUDICIARY

STANLEY MARCUS, OF FLORIDA, TO BE U.S. CIRCUIT JUDGE FOR THE ELEVENTH CIRCUIT.

JEROME B. FRIEDMAN, OF VIRGINIA, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF VIRGINIA.

NORMAN K. MOON, OF VIRGINIA, TO BE U.S. DISTRICT JUDGE FOR THE WESTERN DISTRICT OF VIRGINIA.

WITHDRAWAL

Executive message transmitted by the President to the Senate on November 7, 1997, withdrawing from further consideration the following nomination:

THE JUDICIARY

JAMES S. WARE, OF CALIFORNIA, TO BE U.S. CIRCUIT JUDGE FOR THE NINTH CIRCUIT, VICE J. CLIFFORD WALLACE, RETIRED, WHICH WAS SENT TO THE SENATE ON JUNE 27, 1997.

HOUSE OF REPRESENTATIVES—*Friday, November 7, 1997*

The House met at 9 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

As we sense the conditions of our days and the time when we can achieve our ambitions and goals, make us acutely aware, O God, of the limitations that are so much a part of our lives. May we always sense Your presence giving us purpose and meaning for our existence and allowing us a spiritual objective and a devout awareness of the opportunities before us. Make us conscious of the limits of time so that we use our days in ways that honor You, O God, and may we be good stewards of the riches and the heritage of the land. Bless our work and bless our lives, we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. MCNULTY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. MCNULTY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Pursuant to clause 5, rule I, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Ohio [Mr. TRAFICANT] come forward and lead the House in the Pledge of Allegiance.

Mr. TRAFICANT led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will recognize five 1-minutes on each side.

AMERICANS WANT THE TRUTH

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, recent news reports have all Americans asking, did the Secretary of the Interior, Bruce Babbitt, enact government policy in return for a political contribution? When first pressed for the answer, Secretary Babbitt denied that any political pressure was applied to influence his decisionmaking. Now, however, after some "vision in the night," he sings a different tune and freely admits that the DNC chairman, Harold Ickes, demanded an immediate decision regarding an Indian casino application, and that a political contribution would be made to the DNC for this decision.

Well, what is it going to be, Mr. Secretary? Did you or did you not make government policy in exchange for a $286,000 donation to the DNC? You cannot have it both ways.

These are just some of the serious questions to which the American people deserve answers. Notwithstanding any other mitigating factors, an independent counsel and investigation into this scandal is clearly justified.

On behalf of all Americans, I demand the truth.

FREE LORETTA SANCHEZ

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, the Republican leadership this morning will bring up a resolution that allows the House to adjourn this weekend and not return until the end of January, and the purpose of that basically is to avoid addressing the issue of LORETTA SANCHEZ' election and the ongoing investigation.

This House should not adjourn until it ends this witch-hunt of Congresswoman LORETTA SANCHEZ' election. The Republican leadership has not been able to prove that there was any illegality involved in this election. Congresswoman SANCHEZ won her California election fair and square. The Republicans are simply wasting a lot of money, over $500,000 in taxpayer dollars, to try to prove a case that they have not been able to prove.

It is all because Republicans are trying to harass and intimidate Hispanic voters because they voted in overwhelming numbers for Democratic candidates in the last congressional election. Let us free LORETTA SANCHEZ and put an end to this witch-hunt. It is not proper for this House to adjourn until this investigation is concluded and stopped.

NO DELAY FOR IRS REFORM

(Mr. TIAHRT asked and was given permission to address the House for 1 minute.)

Mr. TIAHRT. Mr. Speaker, Americans are fond of saying that we live in the freest country in the world, and most of us believe it. That is why Congress should not delay one moment in reforming the IRS. I do not mean cosmetic changes that leave the IRS free to continue their bullying tactics, free from accountability and checks and balances that are required by the U.S. Constitution; I mean changing the way the IRS does business. That means a change in attitude, a change in their ability to turn someone's life completely upside down before he has even had his day in court, and a total change in the IRS' ability to initiate politically motivated audits.

When the IRS has too much power, our freedom is threatened. If America is to remain the freest country on the Earth, the power of the IRS must be brought under control. Our freedom is at stake.

SAY "NO" TO FAST TRACK

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEFAZIO. Mr. Speaker, the President and the Vice President are saying, if only they could get a secret vote on fast track it would pass by a 3-to-1 margin. It is only the power of big labor that is holding Democrats back.

Nothing could be further from the truth.

Fast track is still in play only because of the extraordinary pressure from the President and the Vice President, the promises of projects, fundraisers and fantasies, the arm-twisting of the Republican leaders and the lobby of the dozens of corporate CEO's who jetted into town this week in their private jets with their pockets stuffed with cash. A vote on fast track is a referendum on a failed U.S. trade policy, a policy that exports our jobs, drives down wages and destroys the environment.

The President says it is about a bridge to the 21st century. I have seen

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

that bridge from the colonias in Mexico at the American border, a bridge across sewage and toxic waste canals, from pallet shacks to state-of-the-art, U.S.-owned manufacturing plants where people are paid 80 cents an hour. That is a bridge the American worker should not be forced to cross. Say "no" to fast track.

KEEP CUTTING TAXES

(Mr. CHABOT asked and was given permission to address the House for 1 minute.)

Mr. CHABOT. Mr. Speaker, earlier this week, President Clinton told voters that if they supported a tax cut, they were selfish. He really said that. Here it is, in black and white. The President really said this.

Unfortunately, this is a common view among liberals, so while this view may sound shocking, the only thing that is really surprising is that the President would actually come out and say out loud what liberals and many folks who believe like he believes actually think. It is their attitude that they are actually doing us a favor by letting us keep more of our own money.

I find the idea that people should be scolded for thinking that they are the best judge of how to spend their own money is the perfect example of the arrogance that is so characteristic of very many elitist liberals. But at least we now know what the President really thinks. Let us continue to cut taxes and let hard-working Americans keep more of what they earn.

A SCHOOL WITHOUT PRAYER IS A SCHOOL WITHOUT GOD

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, students in Alabama are skipping school protesting the fact that they are not allowed to pray. Think about it. Even though America has guns, rape, drugs, even heroin and murder in our schools, students are not allowed to pray. Unbelievable. A school without prayer is a school without God and a nation that denies prayer is a nation that denies God; and a nation that denies God is a nation that just may welcome the devil.

Members of Congress, the Constitution may separate church and State, but the Founders never intended to separate God and the American people.

I yield back any common sense and logic we have left.

BLURTING OUT THE TRUTH TELLS ALL

(Mr. PAPPAS asked and was given permission to address the House for 1 minute.)

Mr. PAPPAS. Mr. Speaker, every once in a while a politician will commit a major blunder by doing something that is known as blurting out the truth. This occurs when the politician accidentally tells us how he really feels about an issue, and it can become very controversial if that is how people suspected all along that he really thinks. We had a wonderful example of that earlier this week.

President Clinton was campaigning in Alexandria, VA on behalf of a fellow Democrat and he told a crowd of Democrat supporters what he really thinks about those who want to keep more of what they earn. We heard that right. They are selfish. We heard that the President of the United States thinks that it is selfish to think that government takes too much of our money.

Yes, here is the vision of the liberal elite. It is morally wrong to think that people are a better judge of how to spend their own money than are the politicians. The liberal elite want to spend our money, and how dare us to think that we should be able to spend our money the way we wish.

Mr. President, thank you for blurting out the truth.

END BUSINESS AS USUAL ON DAIRY PRICES

(Mr. OBEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OBEY. Mr. Speaker, if we can cut through the partisan bloviating we have just heard for a few minutes, I would like to note something else.

I have voted against every farm bill that has been in front of this House for the last 10 years because those bills guaranteed that the dairy farmers from the upper Midwest would receive significantly lower prices than farmers in other regions of the country. This week a Federal court struck down those milk marketing orders as being arbitrary and capricious. That court is right. They ordered the USDA to no longer enforce those milk marketing orders.

Mr. Speaker, it is time to end business as usual on this issue. Congress and the USDA and major dairy organizations need to recognize that major changes must be made in the milk marketing order system. Until those changes are made, the responsible thing to do is to vote against any other farm legislation that comes to this floor.

SCHOOL CHOICE

(Mr. GUTKNECHT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUTKNECHT. Mr. Speaker, Jonathan Rauch writes on school choice in the November 10 edition of the New Republic. He says he has always found it odd that liberals have handed the issue to Republicans rather than grabbing it for themselves.

He says, and I quote:

> It is hard to get excited about improving rich suburban schools. However, for poor children trapped, the case is moral rather than merely educational. These kids attend schools which cannot protect them, much less teach them. To require poor people to go to dangerous, dysfunctional schools that better-off people fled and would never tolerate for their own children, all the while intoning pieties about "saving" public education, is worse than unsound public policy. It is repugnant public policy.

Mr. Rauch, we agree.

GRANTING MEMBERS OF THE HOUSE PRIVILEGE TO EXTEND AND REVISE REMARKS IN CONGRESSIONAL RECORD UNTIL LAST EDITION IS PUBLISHED

Mr. GOSS. Mr. Speaker, I ask unanimous consent that Members may have until publication of the last edition of the CONGRESSIONAL RECORD authorized for the first session by the Joint Committee on Printing to revise and extend their remarks and to include brief, related extraneous material on any matter occurring before the adjournment of the first session sine die.

The SPEAKER pro tempore (Mr. LAHood). Is there objection to the request of the gentleman from Florida?

There was no objection.

□ 0915

MOTION TO ADJOURN

Mr. PALLONE. Mr. Speaker, I have a privileged motion at the desk.

The SPEAKER pro tempore (Mr. LAHOOD). The Clerk will report the motion.

The Clerk read as follows:

> Mr. PALLONE moves that the House do now adjourn.

The SPEAKER pro tempore. The question is on the motion to adjourn offered by the gentleman from New Jersey [Mr. PALLONE].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. PALLONE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 38, nays 308, not voting 87, as follows:

[Roll No. 606]

YEAS—38

Andrews
Blumenauer
Bonilla
Bonior
Boucher
Clyburn
Conyers
Coyne
Delahunt
Deutsch
Doggett
Etheridge
Evans
Fazio
Filner
Frank (MA)
Gejdenson
Gephardt
Hastings (FL)
Jefferson
Johnson, E. B.
Kennelly
Lewis (GA)
Markey
McDermott
McNulty
Mink
Pallone
Pelosi
Peterson (MN)
Sabo
Smith, Adam
Thurman
Torres
Towns
Velázquez
Wise
Woolsey

NAYS—308

Abercrombie
Aderholt
Allen
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Borski
Boswell
Boyd
Brady
Brown (CA)
Brown (OH)
Bryant
Bunning
Burr
Buyer
Callahan
Calvert
Camp
Campbell
Cannon
Cardin
Castle
Chabot
Chambliss
Christensen
Clay
Clement
Coble
Coburn
Collins
Combest
Condit
Cook
Costello
Cramer
Cummings
Cunningham
Danner
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
DeLay
Diaz-Balart
Dickey
Dicks
Dooley
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emerson
English
Ensign
Eshoo
Everett
Ewing
Fattah
Fawell
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Goode
Goodlatte
Goodling
Gordon
Goss
Green
Gutierrez
Gutknecht
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jenkins
John
Johnson (CT)
Johnson (WI)
Jones
Kanjorski
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Klink
Klug
Knollenberg
Kucinich
LaHood
Lampson
Lantos
Latham
LaTourette
Lazio
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McGovern
McHale
McHugh
McInnis
McIntyre
McKeon
Meehan
Menendez
Metcalf
Mica
Miller (FL)
Minge
Moakley
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Obey
Ortiz
Oxley
Packard
Pappas
Pascrell
Pastor
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pomeroy
Portman
Poshard
Price (NC)
Quinn
Rahall
Ramstad
Redmond
Regula
Reyes
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryun
Salmon
Sanchez
Sandlin
Sanford
Sawyer
Saxton
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Sessions
Shadegg
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Stabenow
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Taylor (MS)
Thomas
Thompson
Thornberry
Thune
Tiahrt
Tierney
Traficant
Turner
Upton
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Weldon (PA)
Weygand
White
Whitfield
Wolf
Wynn

NOT VOTING—87

Ackerman
Becerra
Bono
Brown (FL)
Burton
Canady
Carson
Chenoweth
Clayton
Cooksey
Cox
Crane
Crapo
Cubin
Davis (FL)
DeLauro
Dellums
Dingell
Dixon
Doolittle
Ehrlich
Engel
Farr
Flake
Foglietta
Foley
Forbes
Gilman
Gonzalez
Graham
Granger
Greenwood
Hall (OH)
Harman
Hefner
Jackson-Lee (TX)
Johnson, Sam
Kaptur
Kasich
Kleczka
Kolbe
LaFalce
Largent
Leach
Livingston
Manton
Manzullo
McCrery
McDade
McIntosh
McKinney
Meek
Millender-McDonald
Miller (CA)
Mollohan
Neal
Oberstar
Olver
Owens
Parker
Payne
Pombo
Porter
Pryce (OH)
Radanovich
Rangel
Riggs
Riley
Rush
Sanders
Scarborough
Schiff
Serrano
Shaw
Skeen
Spratt
Stark
Tauzin
Taylor (NC)
Waxman
Weldon (FL)
Weller
Wexler
Wicker
Yates
Young (AK)
Young (FL)

□ 0940

Messrs. EHLERS, NETHERCUTT, HILL, and Mrs. JOHNSON of Connecticut changed their vote from "yea" to "nay."

Ms. PELOSI changed her vote from "nay" to "yea."

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. ENGEL. Mr. Speaker, I was necessarily absent during rollcall votes 575 and 606. If present, I would have voted "aye" on rollcall 575 and "no" on rollcall 606.

PERSONAL EXPLANATION

Ms. CARSON. Mr. Speaker, on Thursday, November 6, 1997, I was necessarily absent conducting official business in my Congressional District and was unable to cast the following rollcall votes. Had I been present, I would have voted as follows and request that this explanation appear at the appropriate place in the RECORD: "Yea" on rollcall votes 592, 595, 598, and 605; "nay" on rollcall votes 585, 586, 587, 588, 589, 590, 591, 593, 594, 596, 597, 599, 600, 601, 602, 603, and 604.

As a result of air traffic problems this morning, my return to Washington was delayed causing me to miss the first vote of the day. Had I been present, I would have voted "nay" on rollcall vote 606.

CONFERENCE REPORT ON S. 858, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1998

Mr. GOSS. Mr. Speaker, pursuant to the unanimous consent agreement of October 30, 1997 I call up the conference report on the Senate bill (S. 858) to authorize appropriations for fiscal year 1998 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. LAHOOD). Pursuant to the order of the House of October 30, 1997 the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of Tuesday, October 28, 1997, at page 23532)

The SPEAKER pro tempore. The gentleman from Florida [Mr. GOSS] and the gentleman from Washington [Mr. DICKS] each will control 30 minutes.

The Chair recognizes the gentleman from Florida [Mr. GOSS].

Mr. GOSS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report to accompany the bill (S. 858) that authorizes funds for intelligence and intelligence-related activities, and for other purposes, for fiscal year 1998.

All such conference reports are, Mr. Speaker, as this one is, a compromise that, unfortunately, represents a significant reduction in funding for intelligence activities from our authorization passed by this body in June. But these reductions, when combined with some of the actions we have taken in appropriations, will mean the intelligence community will do without some much needed resources in several areas.

That said, however, this conference report does set the stage for some work we will be doing over the next several years to ensure that this Nation has the intelligence capability it needs. Therefore, I strongly support the passage of this report.

I would like to thank the members of the committee who worked hard to craft this bill, particularly the gentleman from Washington [Mr. DICKS], the ranking member. I appreciate, as well, the fine efforts of our subcommittee chairman and the ranking member, the gentleman from California [Mr. LEWIS], and the gentleman from Florida [Mr. MCCOLLUM]. In fact, I thank all the members of the committee who played constructive roles throughout this process; and, indeed, that was every member of the committee.

Also, Mr. Speaker, special acknowledgment goes to the members of the Senate Select Committee on Intelligence for their cooperation as we came together to make tough decisions on how best to invest in the future of our intelligence community for the benefit of our country.

□ 0945

Of course, there is no way we could be here today without the dedication, professionalism and perseverance of the staffs on both sides of the aisle and on both committees. I say that because we have a good working relationship, it is bipartisan, and bicameral, and it shows.

Finally, some applause most go to the Members and the staffs of the House Committees on National Security and Appropriations for their sustaining cooperation throughout this authorization's legislative journey. It has been a good working relationship and a good product as a result.

Mr. Speaker, this bill could not be more timely. Over the last few days, much time has been spent by Members deliberating very serious issues relating to the future relationship that the United States should have with Russia and with China. Indeed, we will be debating more on China today. Significant questions have been raised regarding these countries' roles in the proliferation of weapons of mass destruction, proliferation that could result in placing our Nation at serious risk, thus comprising a direct threat to our national security.

I do not intend to get into the policy side of this debate here today. Whether we decide that sanctions should be imposed or continued on these countries is secondary, but there is a fact here that simply cannot be ignored. As a Nation, we will not be able to gauge the success or failure of our policies or know the threat without an effective intelligence community. We simply have to have the eyes and ears to let us know what is going on.

We are told that there are no Russian missiles aimed at American children as they go to bed at night. Mr. Speaker, how do we know that for sure? How can we make that statement with certainty? How long will it take to retarget such weapons? How can we know how tenuous is the chain of command in the Russian strategic rocket forces? And how are we to catch profiteers trying to steal and sell suitcase nukes, if indeed they exist? And how are we to uncover and disrupt the secret nuclear weapons programs underway in hostile rogue states we read about virtually every day in the paper and see on television every night? The answer to all of these questions is one word, "intelligence."

And then there is China, Mr. Speaker. We will soon begin the debate again on the certification of China. Hanging in the balance could be United States access to the Chinese nuclear reactor market, reportedly a $50 billion trade opportunity. Or is it an opportunity? To do this, though, we must have confidence that the Chinese have stopped proliferating weapons of mass destruction components, systems and technologies, something that the Chinese President has promised to do. How good is that promise? But how will we know? How will we know that the technology we provide has been secretly diverted to military programs or to rogue regimes? Again the answer is simple, intelligence. Intelligence is what we count on to answer these questions, and we want these questions answered.

Mr. Speaker, weapons proliferation is a sufficiently grave problem for me to argue the need for dynamic intelligence community capabilities. But there are other problems also at play. Terrorism, narcotics, and racketeering are some of the transnational issues we talk about that are endangering our Nation's well-being and for which we must have strong intelligence capability.

Also included in the need for intelligence is its crucial role supporting our military forces, our war fighters, mission one, whether they are deployed for war or for other less well-defined humanitarian or peacekeeping missions where we are doing force protection. Intelligence requirements have grown tremendously and intelligence-related technologies have revolutionized our defense and warfare doctrines.

As we know, it is intelligence that puts the smart in the smart weapons. But it goes well beyond that. Intelligence is the centerpiece of the doctrine of Dominant Battlefield Awareness, which has been endorsed by the chairman of the Joint Chiefs of Staff and by our Armed Services.

But, the Defense Department needs to make the hard decision to invest more for intelligence if it truly desires to achieve the capabilities it says it needs to support our forces. I encourage them to take that message during the next year. Indeed, I find it somewhat puzzling that if this is the direction that DOD wants to go, why are there continued efforts to, "tax" defense intelligence agencies and programs even more? Why has the Defense Reform Task Force apparently been talking about significant cuts to defense intelligence, up to 25 percent? That is a big cut. Why are those in the Joint Chiefs' office asking our commands to consider a 10-percent reduction in staffing of joint intelligence billets in the field? These types of actions do not indicate a sense of seriousness on behalf of the DOD that backs up their commitment to intelligence. Giving our war fighters the best possible informational edge is not debatable.

We also need a real commitment from Congress. As we review our intelligence capabilities over the coming year and as we look at next year's budget submission, we must keep in mind that intelligence is a vital part of our Nation's defense, not a cash cow bill-payer for it.

That brings us up to this conference report, Mr. Speaker. Let me be blunt. I do not believe that the intelligence community is sufficiently prepared to meet the demands that are being placed upon it now, much less in the future. In other words, the community simply cannot deliver all that is expected or all that is desired of it today. I think that is a shame. The fact that many forget is that we cannot turn intelligence on and off like a light switch. We cannot treat this like we are cramming for a test on a final exam. It just does not work that way. It takes time to build and maintain the proper capabilities. But that is something we have got to do.

Regardless of how this Nation responds to an issue, whether it is through diplomacy or whether it is law enforcement or whether it is military action, intelligence is the key to success and we simply must have it. Good intelligence, I think as we all know, is better than insurance. It saves lives. It prevents calamities. It heads off those nasty surprises. But like insurance, you have got to have it before the crisis happens. So now we must invest for our future.

In this conference report, we are doing that. We are doing the right thing and making the right choices, though coverage in some areas is admittedly light and I think dangerously light. I encourage my fellow Members to support this conference report.

Mr. Speaker, I reserve the balance of my time.

Mr. DICKS. Mr. Speaker, I yield myself such time as I may consume. First of all, I want to commend the gentleman from Florida [Mr. GOSS], the chairman of the committee, for the statement that he just gave. I think he hit the nail right on the head. We are not spending enough money today on intelligence. A lot of people in this House think we are spending too much money on intelligence. But I think the gentleman is absolutely right. The cuts that were made unfortunately in the Appropriations Committee, and I am a member of it and take some responsibility for it, I think are too deep and are cuts that we are going to regret because of the consequences within the intelligence community. I commend the gentleman for his statement.

Mr. Speaker, I rise in support of the conference report on the intelligence authorization bill. I want to commend again the gentleman from Florida [Mr. GOSS] on his leadership in achieving in conference an agreement that addresses many of the reservations I and other Members had with the bill the House considered in July. As I noted then, I believe that changes in the direction of complex activities should be undertaken with a clear understanding of their likely consequences. The conference report takes a more measured approach toward change, particularly in the programs of the National Reconnaissance Office, than did the House bill, and represents in that respect a better product. I want to point out that when you have these very major programs that are crucial to the ability of this country to gather intelligence, our national technical means, stability is required. One thing that we in the Congress have to be very careful about is not causing instability within the NRO. They have got a daunting challenge to modernize our national technical means. I hope that we as a Congress do not make that job more difficult.

I want those who are concerned with the amount of money spent on intelligence programs and activities to be aware that while the measure passed by the House contains slight increases to the amounts requested by the President, and authorized in fiscal year 1997, the size of those increases were reduced in conference. The legislation now before the House is 1.4 percent above last year's authorized level and 0.3 percent above the President's request. I do not consider these increases to be excessive and want to assure my colleagues that the amounts authorized by the conference report are responsive to the legitimate needs of our intelligence agencies to maintain their capabilities to collect, analyze, process and disseminate intelligence.

The bill as reported by the Permanent Select Committee on Intelligence contained a provision which would have terminated the Defense Airborne Reconnaissance Office [DARO]. Since the version of the defense authorization bill reported by the House Committee on National Security had a similar provision and that reported by the Senate Committee on Armed Services did not, the matter was reserved for resolution by the defense authorization conference.

As a conferee on that measure, I want to emphasize that the defense authorization conference report does not include the DARO termination recommended by the House. The conference agreement compels no change in DARO nor will it require that DARO cease the exercise of its critical responsibilities for strong oversight of airborne reconnaissance. The conference report does clarify that DARO's role does not include program management or budget execution. It should be understood clearly that this provision does not alter DARO's current role or responsibilities since, Department of Defense officials have stressed, DARO has not, does not and will not manage programs. Instead, all airborne reconnaissance programs are executed by the military services or by the Defense Advance Research Projects Agency [DARPA].

The conference report provides for a review of DARO by the ongoing Defense Reform Task Force, which I support. This task force could well make a recommendation and the Secretary of Defense could decide to place the airborne reconnaissance oversight function in another organizational structure or to alter the manner in which the office reports to senior DOD officials. I have every expectation, however, that the task force and the Secretary will strongly support continuation of a centralized and powerful oversight function at a senior level within the Department.

I would add that I believe that the pursuit of UAVs and airborne reconnaissance are two things that we must continue to work on and strongly support. I believe, having talked to a number of intelligence officers, that UAVs, like Predator, have tremendous potential and that we as a Congress need to do everything we can to support the agencies that are working with these unmanned aerial vehicles. I believe that they have tremendous promise and that we should not back away from them. I know that my colleagues on the other side are as interested in that as we are, but we have got to have stability there as well. If we did away with DARO and if we did away with moving forward with UAVs, what would happen is that we would fall back to the old technologies and not make the breakthroughs that I think are required for the future.

During a colloquy when the House considered the conference report on the Defense Appropriations Act, the gentleman from Florida [Mr. YOUNG] assured me that the reduction to DARO's operating budget reflected in the act was made without prejudice and that the committee would consider a reprogramming request from the Secretary to restore all or part of the funding requested for supporting the airborne reconnaissance oversight function for fiscal year 1998. The defense authorization conference report followed the budgetary allocations of the appropriations conference in this as in most other matters. I hope that the leadership of the other committees which would have to consider a reprogramming for DARO will likewise defer to the judgment of the Secretary of Defense on funding for this activity in fiscal year 1998.

In closing, I want to note an omission from this legislation about which I have great concern and disappointment. One of our primary responsibilities as members of the Permanent Select Committee on Intelligence is to ensure as best we can that the intelligence agencies have the means by which to conduct their important activities, not just in the short term but for decades into the future as well. I believe the record of the Congress in providing the resources necessary to modernize intelligence capabilities has been excellent, and there are a number of examples of that in this conference report. There is, however, one important area in which a critical investment should have been made, in my judgment, in the bill. Both intelligence committees were willing to provide the required authorization of funds, but the administration, taking a view of the future with which I disagree, refused to commit the necessary resources. I believe we will look back at this missed opportunity with great regret and that those responsible for this decision will have many occasions to wish that they had taken a more far-sighted view of the intelligence needs of the next century.

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Mr. Speaker, the reservation I just stated is not the fault of the conference committee and does not lessen my support for what is contained in this conference report. The conference agreement merits the support of the House, and I urge that it be adopted.

I want to join with the chairman complimenting the excellent staff that we have both on the Democratic and Republican side. We try to function in a bipartisan way; that is the goal that the chairman and I both share. We do have outstanding people who work every day for the House on the Permanent Select Committee on Intelligence staff, many with long tenure. I just want the House to know that we are well served by the professionalism and the ability of these people who keep confidential some of the most important information in this Government.

Mr. Speaker, I reserve the balance of my time.

Mr. GOSS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the distinguished gentleman from Washington [Mr. DICKS] for his very compelling remarks, and I think we can all see what an extraordinary job he does on this committee and what incredible leadership he gives us, what participation, and what championship of projects that he knows about and cares about deeply, and we share the same views, perhaps not the same energy level on some of them.

I think as regard to DARO, the issue is not about the capability, the issue is how we make it work best, and I know that the gentleman knows that I am committed to that.

Mr. DICKS. Mr. Speaker, will the gentleman yield?

Mr. GOSS. I yield to the gentleman from Washington briefly.

Mr. DICKS. Mr. Speaker, I think that is the point we want to make. There have been some problems. I know we are all frustrated about the UAV's, trying to bring them on more rapidly, but I do think in this particular case that the Department of Defense deserves, and after all we said to them, pull all these programs together, create an entity, get management oversight of this, we want this to be handled.

Now we got the agency created, they are starting to do the job. The problem is, like in a lot of areas of advanced technology there are problems, and not every one of these programs works perfectly the first time in many areas because they used to be classified, people did not know about it, and finally we get it right, but we would not kill the program.

Now we put it out there in the open, and people see the failures, but that is what R&D is really all about. There will be failures, but ultimately we are going to get this job done, and it is going to give us a revolutionary new capability in the reconnaissance area along with our aircraft. And I just think we have got to stay the course and support this, support DARO, and make sure they get the job done with good oversight which the chairman has provided.

Mr. GOSS. Reclaiming my time, Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from California [Mr. LEWIS], the chairman of our subcommittee.

Mr. LEWIS of California. Mr. Speaker, I very much appreciate my chairman yielding this time to me, and I want to take just a moment to express my personal deep appreciation for the work of both our chairman and the ranking member, the gentleman from Washington [Mr. DICKS].

I would further like to say that within this committee the atmosphere of growing almost nonpartisanship is a very refreshing development in the Congress, indeed an area that is so critical to the United States, our intelligence programming, to have people working together in a fashion that recognizes that the importance and strength of the country is what we are about is very, very encouraging to me. I would like to compliment our staff on both sides of the aisle for their very fine work they have done throughout developing this measure.

Stepping aside for a moment and reacting to the discussions regarding the DARO and airborne reconnaissance programs, I must say I believe this committee has done a fabulous job over some time at highlighting the importance of these reconnaissance programs, and the work of the DARO is the result of the efforts of this committee, and indeed a great deal of progress we have made in this area is a direct result of the efforts of the committee. And so I am very encouraged by the interest on both sides of the aisle and expect that there is little doubt that we have gotten the attention, the clear attention, of those in DOD that we should have in order to make further progress as we go forward.

In the area of keeping us on the cutting edge of technical capabilities which is so important to our intelligence success, I would like to mention just a few things, the first being that investment in satellite systems that utilize cutting-edge technology that are smaller and operationally more flexible, and they can be acquired within greatly reduced time lines, eventually will reduce the overall cost to these programs, and yet they are very, very important programs to us. If we do this correctly, that is by following the pattern of faster, better, cheaper, we certainly will have dividends that in turn can be applied to other areas of significance to our work.

I would mention that reinvesting some of those dividends and items that relate to downstream activities, like the processing and exploitation, analysis, as well as dissemination of our products, is a critical part of effective use of intelligence assets. I must say it is one thing to spend a good deal of money developing information; it is another thing to be able to use it in a way that means something to our interests, and those sorts of investments are very important as we go forward with developing more effective intelligence systems as well as programs.

Another area is investment in research and development to keep us on that cutting edge. There is not any question in my mind's eye that there is not another area of American Government's work that is more critical than making sure that we are technologically capable and on the edge than in the field of intelligence.

America, without any doubt, in this changing world remains the strongest country in the world, indeed the leader and the hope for democratic and free opportunities in the future. No small part of that is because of the work of the intelligence community. We always and often most hear about problems that we may have in our intelligence work because that is when ofttimes those activities and that work becomes public. Very few know about the real successes that have made a difference for freedom throughout the world, and that is the responsibility in no small part of this committee as we carry out our oversight functions, and it is my privilege to participate in the work, the very fine work, of the committee and the leadership of our chairman and our ranking member.

Mr. DICKS. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Missouri [Mr. SKELTON], who is a senior member of the Committee on Armed Services and a new member of the Permanent Select Committee on Intelligence, but one of our very, very best.

Mr. SKELTON. Mr. Speaker, I appreciate the ranking member giving me some time this morning.

The conference report before us does more for military intelligence programs and activities than the President requested. While these increases are small, I believe they reflect the fact that as the size of the Armed Forces decreases, the need for timely and reliable intelligence becomes more critical. Our military commanders cannot do their jobs, both in terms of the achievement of their objectives and the safeguarding of the lives of our service men and women without intelligence of the highest quality. We simply cannot manage safely the planned drawdown of the Defense Department without the kind of investments made by this bill.

I want to congratulate the chairman and congratulate the ranking Democrat for the work they have done to make sure that our military personnel have the support that they need in this important area. I intend to continue to do what I can to make sure that we do not slight the future investments that will need to be made to ensure that our battlefield commanders have the information necessary to achieve rapid dominance so that any armed conflict results in a decisive victory for our forces.

I believe we have taken important steps toward that end in this conference report. Much more, Mr. Speaker, needs to be done, particularly in the areas of information warfare and aerial reconnaissance. These are among the areas to which I hope the committee will devote particular attention in the next year.

It is a pleasure to serve on this committee. I salute both the chairman, the gentleman from Florida [Mr. GOSS], and the ranking Democrat, the gentleman from Washington [Mr. DICKS] for their dedicated and bipartisan work. I also want to give particular thanks to all of the staff who have devoted untold hours to producing this conference report.

Mr. GOSS. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Speaker, I rise in support of this conference report. I am sure my colleagues have all heard that information technology is vital to our future both for economic competitiveness and for national security. Information warfare, information operations, information dominance, information assurance and dominant battlefield awareness, they are all familiar phrases often invoked when defense budget priorities are discussed. Upon closer examination, however, we sometimes find that this is more rhetoric than reality. Since Rome Laboratory is in my congressional district, it is the Air Force center of excellence for information technology development, I have had the occasion to examine the rhetoric and the reality.

In a broader sense, the entire intelligence budget is geared to provide a U.S. worldwide information advantage upon which policymakers and military forces will rely heavily, yet partly because of the rise in military operations costs and the dearth of military procurement money, in recent years the intelligence budget has received only modest congressional plus-ups provided to the defense budget. This year, for instance, money appropriated for intelligence will be under, under the administration request.

Further, I understand that in the developing budget for fiscal year 1999, the Air Force initially recommended large cuts to science and technology in the magnitude of $250 million, which could fall heavily on information technology. Quite frankly, that is totally unacceptable. I have made known my strong rejection of that approach to the appropriate people, and fortunately I am finding a receptive audience in both DOD, the Department of Defense, and the White House.

One of the reasons I sought this much coveted position on this committee is to be able to deal directly with its very important subject, and I am pleased to report that our committee this year took steps to upgrade the information infrastructure budget of several agencies to improve their processing, storage and exploitation of intelligence data. For the future we are also requiring a more coherent interagency strategy and budget for information assurance, or information protection. In this regard the President's Commission on Critical Infrastructure recently publicized its conclusions that not only the defense infrastructure, but also key parts of the civilian economy are highly vulnerable to computer attack. The Commission called for greater focus and progressively increased spending to improve our protection.

Thus far, Mr. Speaker, I do not yet see the level of commitment to information technology that will maintain the country's technological advantage into the future. In fact, although the rhetoric is there, the reality seems to be somewhat questionable.

I urge my colleagues to follow the lead of this committee and the chairman and the ranking member and support this conference report and deal with this very important subject in a responsible manner.

Mr. DICKS. Mr. Speaker, I reserve the balance of my time.

Mr. GOSS. Mr. Speaker, I yield such time as he may consume to the gentleman from Nevada [Mr. GIBBONS], who is a value added member of our committee, believe me. As a decorated serviceman, the information he has given us has been extraordinary, and we welcome him in his first year.

Mr. GIBBONS. Mr. Speaker, I thank the distinguished gentleman from Florida [Mr. GOSS] for yielding this time to me, and, Mr. Speaker, I rise in very strong support of the conference report accompanying Senate Bill 858.

The gentleman from Florida [Mr. GOSS] and the ranking minority member, the gentleman from Washington [Mr. DICKS], along with their counterparts in the other body deserve a great deal of credit for an intelligence authorization bill that this Nation can be proud of and that all Members of this body should strongly support. Not only does this bill authorize the proper amount of authorization for the operation of our national intelligence activities, it also specifically authorizes funds for those tactical intelligence functions that provide direct indications and morning support to our military personnel deployed around the world. It is absolutely critical that we, the elected officials in this country, fully support those men and women we have sent into harm's way with useful intelligence.

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This bill provides the best effort possible to do just that.

Mr. Speaker, I think that it is also important to note that in terms of tactical intelligence functions, in this bill there was tremendous and close coordination between the House Permanent Select Committee on Intelligence and the House Committee on National Security. I have firsthand knowledge of this as I proudly serve on both committees.

This cooperation was so effective, in fact, that the tactical intelligence provisions addressed were actually contained in the defense authorization bill that was recently voted on by Congress.

As a former military veteran and fighter pilot, I must say that several of these provisions address issues that are very important to me personally, issues such as unmanned aerial vehicles, or UAV's. These unmanned aircraft offer a great potential for reducing the threat and danger of enemy activities and threats to our airborne reconnaissance aircrews.

However, in many Members' eyes, the Department of Defense's management of these vehicles has not proven to be overly successful. The defense and intelligence authorization bills take some bold steps in this direction, both in terms of legislation and funding actions, to improve the Department's UAV management, thus ensuring that these air vehicles have the greatest chance for success.

Although controversial to some, I believe the very responsible positions hammered out during the conference and the conference process are all fair, logical, and, most importantly, a step in the right direction, to minimize the overhead costs while maximizing the Services' responsibilities for equipping their troops. These responsible actions are reflective of the entire intelligence authorization bill.

Again, I would like to thank the chairman and the Members on the other side of the aisle for their conscious and dedicated effort in this regard. I urge all my colleagues to support this conference report.

Mr. DICKS. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. TRAFICANT] who has been largely responsible for the "buy America" provisions that have been contained in this bill over the last several years. He has been very concerned about this.

Mr. TRAFICANT. Mr. Speaker, I thank the ranking member for yielding me time, and I want to commend the chairman and ranking member for the bill.

As you know, I have questioned some of the intelligence-gathering capability of our programming here that we fund. Some of it evidently is made to the advertisement level, where I questioned why we did not learn from the CIA that Saddam Hussein had invaded Kuwait but we learned that from CNN.

I am not going to oppose this bill, because I have confidence in the people who have drafted the bill, and I understand that without adequate intelligence gathering, our national security is really threatened.

But I want to caution the Congress. When General Schwarzkopf said that he relied on intelligence as much from the media and CNN as he did from CIA and other sources, that should be cause for alarm. I honestly believe that we are spending billions of dollars in this hidden intelligence network system, and we are not getting the type of intelligence that we need to keep our great Nation free.

I believe there is a fault. I am hoping that in the next bill we will address that, we will address the reasons why a general in the Persian Gulf war relied as much on the media as he did on intelligence sources and why, in God's name, our media knows more at times about significant national and international events that affect our freedom as does our intelligence-gathering network.

So I believe you are on the right track. I appreciate the fact that even though it is a hidden budget, we can have a hidden "buy American" provision, and hopefully maybe we will at least buy a few American items that will help keep America free. I am going to support the bill.

Mr. DICKS. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, I just want to say to my friend from Ohio, Mr. TRAFICANT, that

General Schwarzkopf is a very close friend of mine. In fact, he was commanding officer of I Corps at Fort Lewis, and I went over there several times. He did come to the Permanent Select Committee on Intelligence after the war. He said that this was the best intelligence that any commanding officer had ever received.

Now, did he say, yes, there were some things we should be working on like broad area search, the dissemination of imagery, being able to find targets which could be relocated, like Scud launchers, more rapidly? Yes. But I want the gentleman to know that we are working on each one of those issues.

Last year, this Congress created NIMA. I strongly supported that. That was an initiative of the administration. We put mapping together with imagery. Today, we are able to get imagery out into the field more rapidly than we could during the gulf war.

I will also say to the gentleman that other areas of intelligence gathering provide greater insights into Iraqi plans in the gulf war. We knew exactly what was going on.

So the general had some critiques, but, overall, he said intelligence was very, very good. I think if you talked to him about it, he would say that. We are, I believe, trying to address the areas where there are problems.

I would also note that the first thing that George Bush, the President during the gulf war said at the time was that there had not been an intelligence failure with respect to the invasion of Kuwait. The intelligence community gave the President notice that it was likely there would be an invasion. The administration did not act on that warning.

It was hard to act, because our allies were giving us different information. Our allies in the region were saying that Saddam will not do it, while the intelligence community said that, it looks like he is going to do it. A decision was made to rely on the people in the region, and that proved to be wrong. But it was not an intelligence failure.

I like the fact that when you go all over the world you have CNN, and it is a good supplement to our intelligence. Having the news available all over the world is important. But it does not make up for having in place the national technical means, the tactical intelligence, the human intelligence that has to be out there in the field. I am worried, frankly, that we are downsizing to such a level that we are going to be spread so thin, especially in the human intelligence area, that we could have problems in the future. That is something we have to address. But that is going to require more effort and more resources, not less.

We thank the gentleman for his help and participation and for his support of the bill.

Mr. Speaker, I reserve the balance of my time.

Mr. GOSS. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from New Hampshire [Mr. BASS].

Mr. BASS. Mr. Speaker, I thank the distinguished chairman for yielding time to me.

Mr. Speaker, I would only follow on to my distinguished colleague's response to the gentleman from Ohio [Mr. TRAFICANT] by saying, what the media did in the gulf war was to report what was happening and what had happened. What is key to intelligence and its effective service is to analyze all sources and to try to predict and provide the best possible advice to our policymakers.

I think we have learned a lot from the gulf war, and I think the quality of the intelligence services that we are provided today are, indeed, far superior. But the fact is, it is always easy to criticize an event after the fact. It is far more difficult to deal with the complexities of the world as they exist today and to provide leaders with predictions about what is going to happen. That is the key.

But I really appreciate, Mr. Speaker, the opportunity to speak today in support of the conference report to accompany the Senate bill that authorizes funds for intelligence and intelligence-related activities. As a member of the Subcommittee on Human Intelligence, Analysis and Counterintelligence, I am particularly pleased with the bipartisan and bicameral work that we have been able to do to augment the breadth and depth of all-source analysis, as I mentioned a minute ago, in the intelligence process.

Mr. Speaker, let me describe the future role of the all-source analyst by describing the past. Last month, the Central Intelligence Agency celebrated the 50th anniversary of its creation, leading us all to reflect for a moment on the grand struggles and great victories of the OSS in World War II and the CIA in the cold war.

Our chairman, the gentleman from Florida [Mr. GOSS], has spoken publicly and eloquently about the work and sacrifices made by U.S. intelligence officers from occupied France to the Soviet Union in securing these victories, in many instances submitting themselves to grave, grave danger.

Those struggles, Mr. Speaker, are now history, and it is really a grand history. In their place has emerged a far more complicated, multipolar world with issues and threats that emanate not just from Berlin or Moscow, but from places like Kinshasa, Monrovia, and Chiang Mai.

To inform and educate our policymakers in this new world, we require an intelligence community with diverse and global foci. To make that happen, we require an analytic core that can follow everything from the T-72 tank in the sub-Sahara to the price of poppies in the Golden Triangle. We also need those analysts to identify and direct intelligence collection that is both cost effective and useful to our needs.

Mr. Speaker, I support strongly Senate bill 858, and I urge my colleagues to support us in passing this conference committee report today.

I thank the gentleman from Florida [Mr. GOSS] for his help and guidance as the chairman of this committee.

Mr. DICKS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GOSS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am going to yield back, too. Before I do, I want to just point out one other thing. Sometimes we overlook the fact that we have men and women, dedicated men and women in the intelligence community in the United States of America, who are working literally 7 days a week, night and day, to make sure our national security remains nationally secure. I think that is something that sometimes gets overlooked and sometimes gets misinterpreted in our sensationalized and instantanealized media.

I think every American should be proud of the folks in the intelligence community and the work they do, and should be thankful for them, as we are.

Mr. Speaker, having said that, I urge support of the conference report.

Ms. HARMAN. Mr. Speaker, I rise in support of the fiscal year 1998 Intelligence Authorization Conference Report.

As a member of the committee, I would like to commend the chairman, the ranking Democrat, and all of the staff for their exceptional work on this important bill.

This report achieves small gains in intelligence spending, at a time when other categories of Federal spending are decreasing. Why? Because intelligence spending is intelligent spending.

The post-cold war world is characterized by uncertainty. This makes it even more critical that we have a robust intelligence program.

One source of uncertainty is proliferation. Nations like Russia and China are selling high technology weapons and know-how to rogue nations—we wouldn't be aware of this without the resources and the efforts of our intelligence agencies.

The Congress had an opportunity to address this issue yesterday, and now the administration has an opportunity to take the steps necessary to stop it. To monitor our success in the future we need continued vigilance and continued efforts to prevent and respond to proliferation to rogue states.

Mr. Speaker, as a member of the Subcommittee on Technical and Tactical Intelligence, I want to note that too often when we think of intelligence gathering, we only think of the spies and information sources behind enemy lines. These people and sources are critically important to be sure, but we cannot forget our technical collection capabilities—the satellites and aircraft equipped with high technology sensors to observe and to listen.

Taken together, these systems comprise an architecture—a system of systems—that collects intelligence and distributes it to decisionmakers and military planners.

Because of these sentinels, our enemies know that their actions do not go unnoticed. They know we are watching.

I am proud to say that many of these technical systems are designed and manufactured in my district, and I salute the men and women who develop them. They are truly making the highest contribution to our national security.

Mr. Speaker, today we are undergoing a revolution in military affairs. Our Armed Forces rely increasingly on information so they can understand the battlefield and attack with precision and effectiveness.

It is our technical intelligence architecture—our satellites and aircraft with their sensors and processors—which collects the critical information that gives our forces an overwhelming advantage over their opponents.

Mr. Speaker, I enthusiastically support this Intelligence Authorization Conference Report, and I urge our colleagues to do so.

Mr. McCOLLUM. Mr. Speaker, I appreciate the opportunity to speak in support of the conference report to accompany Senate bill 858 that authorizes funds for intelligence and intelligence-related activities for fiscal year 1998. As chairman of the Subcommittee on Human Intelligence, Analysis and Counterintelligence, I am pleased that this report identifies and corrects some fundamental shortfalls in the investments we must make to ensure that our Nation's intelligence community can provide on the ground intelligence about the narcotics traffickers, terrorists, weapons proliferators, and rogue states that imperil our national security.

HUMAN INTELLIGENCE

Mr. Speaker, the collectors of on the ground human intelligence, or HUMINT, are working hard and working well against the plans and intentions of terrorists, traffickers, proliferators, and rogue states. In the budget request, however, our committees found a significant shortfall in the technical and other support that these collectors will need in future years to continue their fine efforts to gather HUMINT on these threats; we cannot expect these collectors to overcome the high technology employed by traffickers, for example, without technology of their own. This committee also found a lack of long-term planning in the focus and funding of collection operations; we cannot expect HUMINT collectors to perform well when funding plans are made on an ad hoc, year-to-year basis.

As the result of bipartisan and bicameral work and coordination, Mr. Speaker, our conference report does indeed begin the process of providing adequate support for the eyes and ears of the intelligence community against these new and difficult threats. On those same bases, Mr. Speaker, our report now directs the intelligence community to develop a system for projecting the long-term funding needs of these vital collection efforts so that we may continue to provide these efforts with adequate support.

ANALYSIS

Mr. Speaker, the all-source analyst stands in the center of the planning of this committee and of the intelligence community for the needs of policymakers in the 21st century. We will look to the all-source analyst to anticipate future needs for intelligence and to provide support to the policymakers and to the military. Where will the next Congo be? What are the terrorist threats in a specific country? What success is a rogue regime having in developing chemical or biological weapons? We will also look to that analyst for direction in what information about these crises we may obtain through open sources and what we must obtain through human or technical clandestine collection.

In that light, Mr. Speaker, I am particularly pleased to report that the conference report directs and begins to fund the restoration of an analyst cadre pared too lean over past years to cover the projected needs of policymakers as we pass into the next century. As our report makes clear, our committees will remain engaged in that restoration and will look to the all-source analyst to guide the intelligence community in future years.

COUNTERINTELLIGENCE

Finally, Mr. Speaker, I regret to say that the reality of the counterintelligence threat to our national security continues to play on the front pages of our newspapers: Ames, Pitts, Nicholson, Kim, and now the recent three arrests. The success of investigations and prosecutions in these cases continues to depend upon counterintelligence officers within the community who are able to think the unthinkable—that is, that Americans could engage in such treachery—and to pursue investigations carefully and successfully. Mr. Speaker, our conference report reflects bipartisan and bicameral recognition of the efforts of these counterintelligence officers and supports the means by which their vigilance may be continued.

CONCLUSION

In sum, Mr. Speaker, our conference report acknowledges and supports the focused efforts of the HUMINT collector, the crucial role of the analyst, and the difficult, but necessary, role of the counterintelligence officer. We have made surgical cuts and strategic adds necessary to the focus and the effectiveness of the intelligence community against the threats that imperil our Nation.

I once again thank Chairman GOSS for the direction and guidance he has given to both his subcommittees during the course of conference.

Ms. MILLENDER-McDONALD. Mr. Speaker, I rise to express my support for S. 858, the intelligence authorization for fiscal year 1998. However, I remain deeply concerned about allegations that have been raised regarding CIA involvement in drug trafficking in south central Los Angeles and elsewhere. A year ago next week, then Director of Central Intelligence John Deutch made an unprecedented visit to Alain Locke High School in my district to directly address the concerns raised by my constituents and me generated by these allegations. His visit illustrated a new openness to wrestling with the issues raised by press reports. Those reports, some of which have been retracted, suggested that the crack cocaine trade that has devastated whole communities was promulgated by official government activities under the aegis of the Central Intelligence Agency.

Consequently, I and my constituents eagerly await the release of the inspectors general of Justice and CIA. I understand the release of the Justice Department's inspector general is imminent. I hope that the select committee will give their content, methodologies and findings the scrutiny they deserve and in a similar spirit of openness, make themselves available to my constituents to respond to any questions these report generate. I believe such openness is critical to restoration of the credibility and public trust necessary to allow intelligence gathering activities, which by their nature are secretive, to coexist with democracy.

Mr. BISHOP. Mr. Speaker, I rise in support of the conference agreement for the Intelligence Authorization Act for fiscal year 1998. Last July, when this body considered the House version of the intelligence bill, I stood in this well and commended Chairman GOSS and the ranking Democrat, Mr. DICKS, for their efforts in producing a bipartisan measure that enhanced our Nation's intelligence collection, analytical and dissemination capabilities. Mr. Speaker, I echo those remarks today and extend them to the leadership of the Senate Intelligence Committee, Chairman SHELBY and Vice-Chairman KERREY, for their efforts in working with us to produce a conference agreement fully supportive of the men and women who comprise our intelligence community.

In the unstable world that we live in today, our Nation's military is called upon to perform more difficult tasks at an ever-increasing tempo of operations. Let us not forget that the Department of Defense has regrettably drawn down more than any other Federal agency and the reductions in personnel and dollars continue today. Intelligence acts as a force multiplier, and if we are to continue on a downward path in funding our Nation's armed services, then we need to take every step to ensure that our intelligence capabilities are sufficient to provide policymakers with the information they need to make key decisions affecting national security. The conference report before us today provides the necessary resources to ensure that our intelligence capabilities are sufficient to meet tomorrow's contingencies.

Mr. Speaker, debate over the appropriate levels of funding for intelligence activities does not always emphasize the important role of intelligence in achieving a full accounting of members of the armed services who are lost in battle. I want to ensure my colleagues, veterans and the families of the military personnel whose fate remains undetermined that this conference agreement provides the necessary resources to permit the intelligence community to continue to assist in efforts to determine the fate of those listed as missing in action. I have not forgotten you, the Congress has not forgotten you and this legislation will assist in helping to bring you home.

Mr. Speaker, let me again thank the leadership of the House and Senate intelligence committees for their work in fashioning a bill that provides critical support to all facets of our intelligence community. The military and civilian components of our intelligence apparatus are sufficiently provided for in this agreement so that they may continue to assist in providing force protection intelligence to our troops called upon to conduct noncombatant evacuations when the lives of Americans are threatened overseas. Additionally, resources are authorized that permit the intelligence community to sustain its efforts to assist in the collection and analysis of critical intelligence bearing on such difficult and challenging issues as counterterrorism, counternarcotics and counterproliferation.

I urge my colleagues to support this measure and in doing so support the men and women of the U.S. intelligence community.

Mr. GOSS. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GOSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 385, nays 36, not voting 12, as follows:

[Roll No. 607]

YEAS—385

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Campbell
Canady
Cannon
Cardin
Carson
Castle
Chabot
Chambliss
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Flake
Foglietta
Foley
Forbes
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Obey
Ortiz
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paxon
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryun
Sabo
Salmon
Sanchez
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Towns
Traficant
Turner
Upton
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Wynn
Young (AK)
Young (FL)

NAYS—36

Becerra
Bonior
Camp
Chenoweth
Conyers
Davis (IL)
DeFazio
Dellums
Duncan
Filner
Frank (MA)
Furse
Gutierrez
Hinchey
Jackson (IL)
Lofgren
McDermott
McGovern
McKinney
Miller (CA)
Minge
Oberstar
Olver
Owens
Paul
Payne
Rush
Sanders
Serrano
Tierney
Torres
Velázquez
Vento
Waters
Watt (NC)
Woolsey

NOT VOTING—12

Cooksey
Cubin
Gonzalez
Johnson, Sam
Markey
McDade
Neal
Riley
Schiff
Stark
Stokes
Yates

☐ 1050

Messrs. DeFAZIO, OBERSTAR, VENTO, and RUSH changed their vote from "yea" to "nay."

Mr. BARR of Georgia and Mr. STUPAK changed their vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GOSS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report on S. 858 just agreed to.

The SPEAKER pro tempore (Mr. LaHOOD). Is there objection to the request of the gentleman from Florida?

There was no objection.

ANNOUNCEMENT REGARDING SUSPENSIONS TO BE CONSIDERED TODAY

Mr. GOSS. Mr. Speaker, pursuant to House Resolution 305, I rise to announce the following suspensions to be considered today: H.R. 2534, H. Res. 122, H.R. 2614, S. 813, S. 1139, S. 714, H.R. 2513, S. 1377, and H.R. 2813.

CHARTER SCHOOLS AMENDMENTS ACT OF 1997

The SPEAKER pro tempore. Pursuant to House Resolution 288 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2616.

☐ 1053

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2616) to amend titles VI and X of the Elementary and Secondary Education Act of 1965 to improve and expand charter schools, with Mr. SNOWBARGER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Tuesday, November 4, 1997, the amendment printed in the House Report 105-357 offered by the gentleman from California

[Mr. Riggs], as modified, had been disposed of.

Are there further amendments to the bill?

Mr. RIGGS. Mr. Chairman, I move to strike the last word.

Mr. Chairman I am very pleased that we can be returning to work in the House on bipartisan legislation that I have coauthored and cosponsored with my good friend and colleague, the gentleman from Indiana [Mr. Roemer].

Before we begin the amendment process, I would like to remind my colleagues that this legislation, the community-designed Charter Schools Amendments Act, is designed to, first of all, carefully direct new money, any increase in Federal taxpayer spending for the startup and creation of more charter schools, to those States that provide flexibility in three key areas.

We might describe these States as those States that have strong laws on the books embracing the idea of public school choice and putting resources into expanding charter schools in order to give parents and guardians, the ultimate consumers of education, more choices in selecting the education that is appropriate for their child.

Federal taxpayer funding for charter schools is increasing dramatically. In fact, in this bill the gentleman from Indiana [Mr. Roemer] and I propose authorization of the President's budget request to double taxpayer funding from $51 million in the last fiscal year to $100 million in this fiscal year for the startup and creation of more charter schools, helping us to move toward the goal of 3,000 charter schools nationally, as the President has espoused on several occasions.

Mr. Chairman, I am sure all these ongoing discussions on the floor are related to the charter schools legislation.

Mr. Chairman, as I was about to say, we direct the new money to those States that, first of all, provide a high degree of fiscal autonomy to charter schools, States that allow for increase in the number of charter schools from year to year over the life of this legislation, and lastly, States that provide for strong, high academic accountability in the contract between the charter school and the chartering authority.

This is a program, Mr. Chairman, that has grown from $6 million of Federal taxpayer funding in 1995 to $51 million in the fiscal year just completed to, we hope, approximately $100 million in this current fiscal year just begun. There are currently over 700 charter schools operating in the 29 States, plus the District of Columbia and the Commonwealth of Puerto Rico, that have charter school laws on the books.

This legislation also assures that 95 percent of the Federal taxpayer funding for charter schools will go to the State and local level, and only 5 percent will be kept behind here in Washington for ongoing research and evaluation as to the efficacy of charter schools, and for other national activities conducted by the Department of Education.

Lastly, the legislation directs the Secretary to work with the States to ensure that charter schools receive their fair share of proportionate, that is to say, per pupil, Federal categorical aid for education, such as title I and special education funding.

Some local educational agencies have been rather lukewarm toward the idea of charter schools, and in some cases we learned through our committee hearing process, and in the testimony on our legislation, the charter schools in those communities have not been receiving their fair share of Federal education dollars.

Mr. Chairman, I am happy to bring this legislation back to the floor.

Mr. ROEMER. Mr. Chairman, will the gentleman yield?

Mr. RIGGS. I yield to the gentleman from Indiana, my coauthor and cosponsor on the bill.

Mr. ROEMER. Mr. Chairman, I just want to take this time to remind my colleagues that this is bipartisan legislation. It has been a pleasure working with my good friend, the gentleman from California [Mr. Riggs] on this very important legislation.

We have spent the last couple of days talking about foreign policy, talking about United States-China relations. It is important that we discuss how we boldly reform public education in America today.

This legislation is strongly supported by the President. President Clinton has been a strong advocate of charter schools. This came out of our committee, the Committee on Education and the Work Force, with 10 Democrats voting for it, 8 opposed to it.

This legislation is about public school choice, so our parents can send their children to good public schools, charter schools, alternative schools, magnet schools, and give them more choices and create more competition in the public school system. It is about schools that function with less bureaucracy and with less strings attached. It is about schools that try bold ideas with respect to curriculum and school days and partnerships with businesses and apprenticeship programs.

□ 1100

This is a very, very good bill. It is not the panacea, Mr. Chairman. It is not the silver bullet to solve all educational problems in America today. But it is certainly an arrow in the quiver. It is certainly one of the options to help us move forward and, in a bipartisan way, solve education problems.

So with that, I again thank the gentleman from California [Mr. Riggs] and look forward to the debate today.

The CHAIRMAN (Mr. Snowbarger). Are there further amendments?

AMENDMENT OFFERED BY MR. MARTINEZ

Mr. MARTINEZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Martinez:

Page 10, line 6, strike the semicolon and insert "and to participate in State assessments;".

Page 18, line 7, strike "(2)" and insert "(3)".

Page 19, strike lines 3 through 5 and insert the following:

"(3) To provide for the completion of the 4-year national study (which began in 1995) of charter schools and any related present or future evaluations or studies which shall include the evaluation of the impact of charter schools on student achievement and equity, including information regarding—

"(A) the number of students who applied for admission to charter schools and the number of such students who enrolled in charter schools, disaggregated on the basis of race, age, family income, disability, gender, limited English proficiency, and previous enrollment in a public school;

"(B) student achievement;

"(C) qualifications of school employees at the charter school, including the number of teachers within a charter school that have been certified or licensed by the State and the turnover of the teaching force; and

"(D) a description of the relationship between a developer (or administrator, if applicable) and any for-profit entity that is involved in the development or administration of any school.".

Mr. MARTINEZ (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MARTINEZ. Mr. Chairman, this amendment would redirect the Secretary's priority in the National Activities section toward evaluation rather than private capital generation for charter schools. The amendment would also expand upon the evaluation requirements in the bill to ensure that the important aspects of charter schools and their effectiveness on students be studied. And, also, this amendment would ensure that the present or future evaluations must look at those things that ensure that students and parents are not being denied on biased premises.

The amendment would also ensure that charter schools will enable students to meet the challenging State performance standards and participate in State assessments. We still do not have a comprehensive evaluation of charter schools because they have not been in existence that long, especially on important concerns like the kinds of services students receive, which students get enrolled and which get rejected, what the level of student achievement is in a given charter school. Nothing in current law requires that kind of detailed research information. And we need to make sure we get that information to make informed policy decisions regarding charter schools.

This amendment at least ensures some accountability for the schools and for us when we authorize this program next Congress. Strong evaluation requirements are an accountability tool. We want to give the charter schools flexibility, but we do not want to give them a lack of responsibility. In many cases, flexibility to some people means no responsibility.

Since we do not have any real requirements for evaluation under current law so we can get that broad, sweeping information, that does not give us a true and clear picture by district and by charter school on what is really going on there, good, bad or indifferent, especially with charter school student achievement, which is the claim to their big success.

We have little or no reliable data today on questions concerning equity and student achievement with charter schools. What little data we have makes it really difficult to be able to tell what is really happening in these schools or the influence that charter schools are having on our respective districts. The current law gives no direction to the Department of Education for its studies. The most recent report has no desegregated data, so it is almost meaningless.

We are not asking these charter schools anything that we would not ask of other public schools, accountability. This bill would require the Secretary, as his No. 1 priority in the completion of the bill's national activities, to enter into contracts to ensure private capital generation for charter schools. I would think that we should be supporting further evaluation of charter schools to gauge their effectiveness in educating our children, rather than forcing the Secretary to act like a Wall Street broker.

We have debated on this floor that the GAO says that there is a $112 billion need to repair to good condition, not excellent condition but just good condition, public schools in our Nation, which are attended by 90 percent of America's children. The schools are crumbling. They are too old to be wired for the 21st century technologies. They are overcrowded. It would be a slap in the face, in my estimation, for every student in the noncharter school to say that the Federal Government will help other schools but not theirs get access to that private capital by making sure that the No. 1 priority of the Secretary is to generate funds for charter schools.

The oldest charter school, as I said earlier, is only about 6 years old. And there is really much to learn about what makes a successful charter school and how effective charter schools are in increasing the academic results that we all are looking for charter schools accepting all students of all races.

We have had testimony that in certain areas that certainly is true. But is it universal? Are charter schools using certified teachers? In some cases they are not. What impact does that have on turnover of teaching forces in a charter school? What effect does a for-profit entity which is involved in the development of a charter school have on the ways the school operates for the success of its student?

All of these questions are important questions that I think must be answered. And the only method that we have to answer them is to make sure that the Secretary of Education has the mandate to go in and study these things. The current language in the bill only allows for the completion of existing 4-year charter school studies presently being completed by the Department of Education and any related subjects. This amendment would give us the information, I believe, that we truly need to gauge how charter schools are operating.

Mr. RIGGS. Mr. Chairman, I move to strike the last word, and I rise in opposition to the Martinez amendment.

Mr. Chairman, let me point out at the outset that there are aspects of the amendment of the gentleman from California [Mr. MARTINEZ] that I think have merit. He is a good friend. He is the ranking member of the subcommittee. He has made many contributions to the very positive and bipartisan work that we have done over the last year during the first session of this Congress.

I would like to, if at all possible, continue to work with the gentleman from California [Mr. MARTINEZ] on his amendment between now and the time that we might go to conference with the other body. I understand that the thrust of the amendment of the gentleman from California [Mr. MARTINEZ] is to sort of reorder the priorities under the National Activities section of the bill, and the gentleman would suggest, and I think he does this very, very sincerely, that the Secretary and the Department should give higher priority to the ongoing evaluations and studies of charter schools than assisting charter schools in accessing private capital.

However, I hasten to add that we heard anecdotal testimony during our hearings, including our field hearings in different communities around the country, that many charter schools, like a startup business, have difficulty accessing capital, sufficient capital to meet their cash-flow needs, sufficient capital to remain in business as a charter school and continue to educate the young people.

In fact, as I pointed out, one of the reasons that we have in our proposed legislation extended the life of the initial Federal taxpayer grant for charter schools from 3 years to 5 years is because many charter schools, while producing impressive academic results, showing demonstrated improvement in pupil performance at the 3-year mark, are still struggling to make ends meet financially.

That all said, I would like to submit to the gentleman that perhaps we ought to say that both these areas are high priorities for the Department. I have to also tell my colleague that the very last item in his amendment, at least the version I have, which is paragraph (D) on page 2, requiring the ongoing evaluation to include a description of the relationship between a charter school developer and any for-profit entity that is involved in the development or administration of any school, is unacceptable, for the simple reason that we on several occasions, and I think the gentleman from Indiana [Mr. ROEMER] will confirm this, we on several occasions considered, discussed, or debated the possibility of making references to for-profit entities in the legislation but at the end of the day decided to eliminate any references to for-profit entities in the name of bipartisanship.

So I would like to submit to the gentleman from California [Mr. MARTINEZ] that this should come out, because I would be happy to defend the role of for-profit entities, such as, for example, the Edison Project, the great work that they are doing.

I mentioned the other day on the floor that this, and I happen to have it with me, this Parade magazine article, where a Parade reporter, who happens to have an active teaching credential, went to different elementary schools around the country, fifth grade elementary classrooms around the country in Pullman, WA; Boston, MA; Chicago, IL; Salt Lake City, UT; and she concluded that the most impressive school she visited was the Boston Renaissance Charter School, obviously in Boston, MA. That happens to be run under a contract by the Edison Project, which, in my understanding, is a for-profit corporation.

Mr. Chairman, this lady, by the name of Bernice Kanner, goes on to say, "Reading is king at the Boston Renaissance Charter School, and of all the places I visited, this one worked best. The students, most of whom are black and come from low-income homes, pay nothing and are selected by lottery," pursuant to Massachusetts and Federal law regarding charter schools. "Parents are required to be involved in their child's education, a computer is lent to every student, and they have a longer school day and year. Students spend 1½ hours daily reading and improving their writing skills. Lessons followed a strict formula. The students read silently." She is a teacher and was substituting in this classroom and at this school. "Then I read to them and reviewed vocabulary. They answered questions in their journals from a book they had read as homework. In science, they copied terms, along with their definitions, into their journals."

Just a brief description of the kind of instruction and learning that is taking place at the Boston Renaissance Charter School run by a for-profit entity.

So I want to submit to the gentleman from California [Mr. MARTINEZ] that we can work on this amendment, but we would like to remove that reference under paragraph (D).

Mr. MARTINEZ. Mr. Chairman, could I ask the Chair to recapture part of my time so I might respond to the gentleman from California [Mr. RIGGS]?

The CHAIRMAN. The gentleman from California [Mr. MARTINEZ] cannot yield balances of time during debate under the 5-minute rule.

Mr. RIGGS. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. RIGGS. Mr. Chairman, I yield to my good friend, the gentleman from California [Mr. MARTINEZ].

Mr. MARTINEZ. Mr. Chairman, I agree with the gentleman from California [Mr. RIGGS] that there are a lot of places and instances where we can find reports of charter schools that are doing excellent things, private for-profit charter schools, as well as public charter schools. And my argument is not with that; my argument is with accountability.

I agree with the gentleman from California [Mr. RIGGS] that (D) to this amendment is not that important, that I would strike that amendment if the gentleman from California [Mr. RIGGS] would accept the rest of the language. And I agree also that the priorities of the Secretary could work hand in hand on the accountability aspects of it in generating revenues for charter schools.

The problem is that I do not think it should be exclusively the responsibility or primarily the responsibility of the Secretary of State to generate those funds, to spend all of that time just generating funds, when he could actually be spending some of that time doing the evaluation of these schools so we would have a better knowledge when we go to reauthorize this legislation.

So I would strike that if the gentleman from California [Mr. RIGGS] is willing to accept the rest of the language, strike paragraph (D).

Mr. ROEMER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise to say to our ranking member on the Democratic side that his amendment, on IDEA, is a very helpful amendment. I think the gentleman from California [Mr. RIGGS] and myself continue to work out language to make sure that charter schools, as we say very, very strongly in our bill, that charter schools will reflect the same student body that other public schools reflect and that individuals with disabilities and special-need students will have that access to charter schools.

I think that is a very helpful amendment. I think, with this amendment, there are parts of the amendment of the gentleman from California [Mr. MARTINEZ] that actually are already included in our bill. We actually say that the Department of Education's role in evaluation should be vital and should be important.

☐ 1115

We go on to say in the bill that it directs the Secretary to complete the Department's 4-year study of charter schools, which addresses many of the same things that the gentleman from California outlines in his amendment. So we do have very, very strict accountability in the bill.

Also, I think one of the key points that I would like to make is just this week I addressed, in Washington, a conference of charter school people from across the country; 800 or 900 people attended this conference. They said very specifically to me at the talk and at the conference and after my remarks that one of the biggest obstacles they face is the lack of start-up funds and the difficulty in accessing private capital for facility improvements. We want to make sure in our bill that they can overcome these kinds of obstacles.

When the Hudson Institute did their study of what charter school difficulties there are in the first year or two, they also confirmed that start-up costs and facility improvements are the single biggest hurdles to fledgling charter schools. We want to make sure that these schools have access and this amendment would strike that ability, would eliminate that ability.

Mr. Chairman, I would encourage my friend from California, we want to get his support for final passage of this bill. We want to work with the gentleman from California on his IDEA language. We want to find some ways to make sure that he understands that we have accountability in the bill and that there are areas of repetition with his amendment.

Mr. MARTINEZ. Mr. Chairman, will the gentleman yield?

Mr. ROEMER. I yield to the gentleman from California.

Mr. MARTINEZ. Mr. Chairman, I do not disagree with anything the gentleman has said except that in the bill, as it is listed now, it is a very generic reference to that. What I am saying in this amendment is that we should be more specific. That is the only difference.

MODIFICATION TO AMENDMENT OFFERED BY MR. MARTINEZ

Mr. MARTINEZ. Mr. Chairman, I ask unanimous consent to modify my amendment, and I think the modification is at the desk.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment offered by Mr. MARTINEZ:

On line 14 of the amendment insert "and" at the end, and at the end of page 2, line 2, strike "and."

The CHAIRMAN. Is there objection to the modification?

Mr. RIGGS. Mr. Chairman, reserving the right to object, I would just explain to my good friend and colleague that the one thing that we do not want to do here is impose even more reporting requirements or regulatory compliance on charter schools. That obviously goes against the whole idea of decentralizing and deregulating public schools. But the one concern we still have on this side is requiring charter schools to provide to the Department or their contractor or whoever is conducting the ongoing study. Obviously, I think we should mention to our colleagues that the Department did the first-year study in-house. That said, our concern is requiring charter schools to gather disaggregated data on family income. That is the concern.

Mr. MARTINEZ. Mr. Chairman, I agree, and I am willing to strike those two words.

PARLIAMENTARY INQUIRY

Mr. SCOTT. Parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. SCOTT. Could the Clerk rereport the amendment, please?

The CHAIRMAN. Without objection, the Clerk will rereport the modification.

There was no objection.

The Clerk read as follows:

Modification to amendment offered by Mr. MARTINEZ:

At the end of subsection (B) insert the word "and"; at the end of subsection (C) delete the word "and" and insert a period; and delete subsection (D).

The text of the amendment, as modified, is as follows:

Page 18, line 7 strike "(2)" and insert "(3)".

Page 19, strike lines 3 through 5 and insert the following:

"(3) To provide for the completion of the 4-year national study (which began in 1995) of charter schools and any related present or future evaluations or studies which shall include the evaluation of the impact of charter schools on student achievement and equity, including information regarding—

"(A) the number of students who applied for admission to charter schools and the number of such students who enrolled in charter schools, disaggregated on the basis of race, age, family income, disability, gender, limited English proficiency, and previous enrollment in a public school;

"(B) student achievement; and

"(C) qualifications of school employees at the charter school, including the number of teachers within a charter school that have been certified or licensed by the State and the turnover of the teaching force.

Mr. MARTINEZ. Mr. Chairman, I think there is a further modification to that amendment, and that would be deleting the words "family income" on the 11th line on page 1.

The CHAIRMAN. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment offered by Mr. Martinez:

In subsection (A) after the word "age", delete "family income"; at the end of subsection (B) insert the word "and"; at the end of subsection (C) delete "semicolon and" and insert a period; and delete subsection (D).

The CHAIRMAN. Is there objection to modifying the amendment?

Mr. RIGGS. Mr. Chairman, reserving the right to object, I would just ask the gentleman from California [Mr. MARTINEZ] to clarify the meaning and definition of the word "equity" on line 6.

Mr. MARTINEZ. Mr. Chairman, will the gentleman yield?

Mr. RIGGS. I yield to the gentleman from California.

Mr. MARTINEZ. The gentleman is referring to the word "equity"?

Mr. RIGGS. In the entire context.

Mr. MARTINEZ. If the word "equity" gives the gentleman a problem, fairness. Because that is what it means. That is the definition of it to mean.

Mr. RIGGS. Mr. Chairman, I apologize for going back and forth like this, but I am going to have to suggest to the gentleman that perhaps we take out those 2 words so that lines 4 through 6 would then read "studies which shall include the evaluation of the impact of charter schools on student achievement, including information regarding".

Mr. MARTINEZ. Fine.

Mr. RIGGS. Mr. Chairman, I ask unanimous consent that we can make that further modification, deleting the words "and equity" at the beginning of line 6.

Mr. MARTINEZ. Would this be the last modification?

Mr. RIGGS. Yes.

The CHAIRMAN. The Chair will entertain one unanimous-consent request on all of the modifications made thus far as opposed to a unanimous-consent request on each separate portion.

Is there objection to the unanimous-consent request to modify the amendment as has been reported?

There was no objection.

The CHAIRMAN. The amendment is modified.

The text of the amendment, as modified, is as follows:

Page 18, line 7, strike "(2)" and insert "(3)".

Page 19, strike lines 3 through 5 and insert the following:

"(3) To provide for the completion of the 4-year national study (which began in 1995) of charter schools and any related present or future evaluations or studies which shall include the evaluation of the impact of charter schools on student achievement, including information regarding—

"(A) the number of students who applied for admission to charter schools and the number of such students who enrolled in charter schools, disaggregated on the basis of race, age, disability, gender, limited English proficiency, and previous enrollment in a public school;

"(B) student achievement; and

"(C) qualifications of school employees at the charter school, including the number of teachers within a charter school that have been certified or licensed by the State and the turnover of the teaching force.

Ms. WOOLSEY. Mr. Chairman, several months ago I visited a charter school in Santa Rosa CA. I spend the morning with students in their small classes, saw the individual attention they got from their teachers, and met many of their parents. And when I left that school, I wept.

I wept, Mr. Chairman, because I want every child to go to a school where the classes are small; where each student has an individual learning plan; where parents participate almost daily. You and I know how few students have these privileges.

That is why I rise in strong support of Mr. MARTINEZ' amendment to the Charter Schools Amendment Act.

Mr. Chairman, during the hearing on charter schools in the Education Committee, we heard testimony that students with disabilities are consistently denied admission to charter schools, or, denied services once they are admitted.

This is unacceptable. Charter schools are public schools, and they are required to comply with the Individuals With Disabilities Education Act.

I know that many charter schools are started by parents and teachers who aren't familiar with IDEA and have never thought about educating a youngster with disabilities. That's why Mr. MARTINEZ' amendment is so very important.

This amendment says that when a charter school applied for Federal funds, the application must include a description of how the school will comply with the Individuals With Disabilities Education Act.

This amendment gives people who want to start a charter school a clear heads up that they have to comply with the act. It gets them to think about compliance, which, I am convinced, will give more kids the opportunity to go to a charter school.

Mr. Chairman, I voted for the Charter Schools Act in committee and I will vote for it again today.

Charter schools offer a good chance for improving public education. Classes are small in charter schools, parents are more involved in their children's education and teachers have a stronger voice in what they teach.

I want all public schools to be so lucky. But, until they are, we need to make sure that charter schools are ready and able to educate all students. Traditional public schools accept and educate all students—we must ask for nothing less from charter schools. We must pass the Martinez amendment.

The CHAIRMAN. The question is on the amendment, as modified, offered by the gentleman from California [Mr. MARTINEZ].

The amendment, as modified, was agreed to.

AMENDMENT OFFERED BY MR. SMITH OF OREGON

Mr. SMITH of Oregon. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Oregon:

Page 6, line 2, before the period, insert ", notwithstanding that such a State does not meet the requirements of section 10309(1)(A)".

page 6, line 20, before the period, insert ", notwithstanding that such an eligible applicant does not meet the requirements of section 10309(1)(A)".

Mr. SMITH of Oregon. Mr. Chairman, I would like to especially thank the gentleman from Pennsylvania [Mr. GOODLING], the chairman of the committee, and, of course, the gentleman from Indiana [Mr. ROEMER], the ranking member, and the gentleman from California [Mr. RIGGS], the subcommittee chairman, for allowing me to bring this slight amendment to this very important bill today. I especially want to thank the gentlewoman from Oregon [Ms. HOOLEY], who brought this to my attention and who will assist valiantly in the support of this amendment, I know, simply because we in Oregon do believe in charter schools.

This amendment, Mr. Chairman, simply allows Oregon to meet in their legislative process in 1999 and still continue to qualify for charter schools. We meet every 2 years in Oregon. We do support charter schools. Unfortunately, we are operating under enabling legislation in Oregon which does not conform specifically to the words of this bill. With the simple amendment, which applies only to the State of Oregon, Mr. Chairman, I would ask that you give us an extension of 2 years to continue to support charter schools in our State.

Ms. HOOLEY of Oregon. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to thank the gentleman from Pennsylvania [Mr. GOODLING], the gentleman from California [Mr. RIGGS], and the gentleman from Indiana [Mr. ROEMER] for their excellent work in bringing this legislation before us today. As many Members know, I had some concerns about this legislation, so I have had the opportunity to work closely with, again, the gentleman from Oregon [Mr. SMITH], the chairman of the Committee on Agriculture. We share the same concerns about Oregon and he has worked very hard on this issue. I want to thank the gentleman for all he has done. I am pleased that this resolution has been reached, and I appreciate the fine work of the gentleman from California [Mr. RIGGS], and to the extent that he has worked in good faith with us on this concern, I thank the gentleman very much.

I support charter schools as a means of providing expanded educational choice for parents, and I support the intentions of this legislation. This will allow us in Oregon to continue to offer parents and teachers that have previously benefited from this program an opportunity to continue benefiting. I strongly support this amendment, and I urge my colleagues to do the same.

Mr. ROEMER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this compromise amendment. I want to commend the gentlewoman from Oregon [Ms. HOOLEY] for her hard work. She has been tenacious and diligent in working with me and with the gentleman from California [Mr. RIGGS]. I want to compliment the gentleman from Oregon [Mr. SMITH] as well, too.

The purpose of this legislation that has been crafted in a delicate and bipartisan way is to make sure that we maintain the integrity of the language and not hurt existing charter schools. I think this compromise amendment makes sure that those existing schools are not hurt while some legislative bodies may not be meeting for a year or two in order to address some of the problems that they may have in their State. I strongly support this amendment and again want to commend the gentlewoman from Oregon [Ms. HOOLEY] and the gentleman from Oregon [Mr. SMITH] for their hard work.

Mr. RIGGS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I too support the amendment of the gentleman from Oregon [Mr. SMITH] and the gentlewoman from Oregon [Ms. HOOLEY]. Their amendment is very, very straightforward. It simply states that any State that has received a charter school grant prior to October 1, 1997, shall be eligible for an extension grant, as we increase the life of an initial start-up or seed money grant to States for charter schools from 3 years to 5 years. I do also want to mention that with regard to the new money, the increase in Federal taxpayer funding for charter schools in the bill over the past fiscal year level of $51 million in Federal taxpayer support for charter schools, the priority criterion in the bill is for States that have specific, and we hope, strong charter school laws on the books. I very much encourage both the gentleman from Oregon [Mr. SMITH] and the gentlewoman from Oregon [Ms. HOOLEY] to work with their constituents and certainly work with the State legislature in their home State to see if it is not possible for that State to adopt a similar law.

PREFERENTIAL MOTION OFFERED BY MR. MENENDEZ

Mr. MENENDEZ. Mr. Chairman, I move that the Committee do now rise.

The CHAIRMAN. The question is on the motion offered by the gentleman from New Jersey [Mr. MENENDEZ].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. MENENDEZ. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

PARLIAMENTARY INQUIRY

Mr. SMITH of Oregon. Mr. Chairman, parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SMITH of Oregon. Mr. Chairman, prior to this motion, there was business on the floor of the House that has not been completed. I would ask the gentleman prior to the time he makes his motion that we complete that business simply by accepting this amendment, and then the gentleman, of course, would offer his motion. He caught us in the middle of a vote.

□ 1130

Mr. Chairman, the gentleman from New Jersey caught us in the middle of offering an amendment, and the Chair did not have a chance to place the amendment.

Mr. MENENDEZ. Mr. Chairman, I withdraw my request at this time.

The CHAIRMAN. Without objection, the motion to rise is withdrawn.

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. SMITH].

The amendment was agreed to.

PREFERENTIAL MOTION OFFERED BY MR. MENENDEZ

Mr. MENENDEZ. Mr. Speaker, I move that the Committee do now rise.

The CHAIRMAN. The question is on the motion offered by the gentleman from New Jersey [Mr. MENENDEZ].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. MENENDEZ. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 71, noes 348, not voting 14, as follows:

[Roll No. 608]

AYES—71

Ackerman
Becerra
Blumenauer
Bonior
Brown (FL)
Brown (OH)
Carson
Conyers
Coyne
DeLauro
Dellums
Deutsch
Dingell
Doggett
Evans
Farr
Fazio
Filner
Frank (MA)
Furse
Gejdenson
Gephardt
Hastings (FL)
Hinchey
Hooley
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Kennedy (RI)
Kennelly
LaFalce
Lewis (GA)
Lofgren
Maloney (NY)
McCarthy (NY)
McDermott
McKinney
McNulty
Meek
Menendez
Millender-McDonald
Miller (CA)
Mink
Mollohan
Murtha
Nadler
Oberstar
Obey
Olver
Owens
Pallone
Payne
Pelosi
Peterson (MN)
Pomeroy
Rangel
Reyes
Rodriguez
Roybal-Allard
Sanchez
Sanders
Scott
Skaggs
Stark
Strickland
Stupak
Torres
Towns
Velázquez
Wise
Woolsey

NOES—348

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLay
Diaz-Balart
Dickey
Dicks
Dixon
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Everett
Ewing
Fattah
Fawell
Flake
Foley
Forbes
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinojosa
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, Sam
Jones
Kanjorski
Kasich
Kelly
Kennedy (MA)
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lowey
Lucas
Luther
Maloney (CT)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCollum
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
Meehan
Metcalf
Mica
Miller (FL)
Minge
Moakley
Moran (KS)
Moran (VA)
Morella
Myrick
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Ortiz
Oxley
Packard
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Riggs
Rivers
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Rush
Ryun
Sabo
Salmon
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan

Schaffer, Bob
Schumer
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Stokes
Stump
Sununu
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Traficant
Turner
Upton
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Weygand
White
Whitfield
Wicker
Wolf
Wynn
Young (AK)
Young (FL)

NOT VOTING—14

Bono
Cubin
DeFazio
Foglietta
Gonzalez
Johnson, E.B.
Kaptur
Riley
Schiff
Sisisky
Slaughter
Talent
Wexler
Yates

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Messrs. SAM JOHNSON of Texas, HASTERT, GALLEGLY, HOBSON, and BOB SCHAFFER of Colorado and Ms. DeGETTE changed their vote from "aye" to "no."

Mr. SKAGGS changed his vote from "no" to "aye."

So the motion was rejected.

The result of the vote was announced as above recorded.

AMENDMENTS OFFERED BY MR. PASTOR

Mr. PASTOR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Pastor:

Page 18, after line 2, insert the following.

"(g) Tribally Controlled Schools.—Each State that receives a grant under this part and designates a tribally controlled school as a charter school shall not consider payments to a school under the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2507) in determining—

"(1) the eligibility of the school to receive any other Federal, State, or local aid; or

"(2) the amount of such aid.".

Mr. PASTOR (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. PASTOR. Mr. Chairman, I rise to offer an amendment to H.R. 2616, the Charter Schools Amendments Act.

As we know, the Bureau of Indian Affairs, BIA, distributes funds to tribal schools through the Indian Student Equalization Program, or ISEP. The State of Arizona passed an amendment to its charter schools law allowing the State to deduct Federal ISEP payments from the State payment to tribal charter schools. My amendment would simply prevent the States from using this practice.

Mr. Chairman, it is my understanding the chairman has accepted my amendment.

As many of you know, the Bureau of Indian Affairs distributes funds to tribal schools through the Indian Student Equalization Program, or ISEP. The State of Arizona passed an amendment to its charter schools law allowing the State to deduct Federal ISEP payments from the State payment to tribal charter schools. My amendment would simply prevent States from using this practice. Native American schools, often among the poorest schools in the country, should not be penalized for qualifying for federal assistance. Impact Aid has a similar provision, and I simply wish to ensure that tribal charter schools are treated in the same manner.

I represent a number of tribes in Arizona, and I have seen firsthand the poverty and illiteracy that plague these reservations. These schools are among the poorest in the country, and every additional dollar is vital to the future of these children. These schools are desperate for additional resources, and I am proud to offer this amendment today.

It is my understanding that Chairman Goodling, as well as Congressman Riggs, have agreed to this amendment. I appreciate the assistance of both Mr. Riggs and Mr. Kildee, and I am pleased they have agreed to this amendment.

Mr. RIGGS. Mr. Chairman, will the gentleman yield?

Mr. PASTOR. I yield to the gentleman from California.

Mr. RIGGS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, at this point I would like to suggest to my colleagues how we on this side would like and intend to proceed through the remainder of the consideration of the charter school bill and how we propose to dispose of the pending amendments.

It is our intent on this side to accept the Pastor amendment, and we are prepared to do so at this time. We are also prepared to accept the Kingston amendment renaming the bill from the Charter Schools Amendments Act of 1997 to the Community Designed Charter Schools Act of 1997.

Mr. Chairman, we are also prepared to accept at this time the Traficant Buy America labeling provisions amendment which is also pending before the House.

It is my understanding, after talking to the gentleman from Rhode Island [Mr. Weygand] that he will offer and withdraw his amendment pending our engaging in a colloquy, and I hope that the distinguished ranking member of the subcommittee will join us in that colloquy.

Finally, Mr. Chairman, we are still trying to work out an understanding with the gentleman from California [Mr. Martinez] as to his two amendments. We hope we can accommodate his amendment with respect to applying the IDEA, Individuals with Disabilities Education Act, to a certain category of charter schools, and in exchange for doing that he might withdraw his amendment reducing the charter school grant period from 5 years to 3 years.

Mr. Chairman, that would leave us only the Clyburn and Tierney amendments to deal with.

Mr. Chairman, at this point in time I would ask unanimous consent that the Committee accept and approve the Pastor amendment, the Kingston amendment, and the Traficant amendment.

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FURTHER AMENDMENTS OFFERED BY MR. RIGGS

Mr. RIGGS. Mr. Chairman, I would like to offer the other two amendments that are part of my unanimous consent request.

The CHAIRMAN. Is the gentleman asking to offer those amendments at this point in time as his own amendments en bloc with the Pastor amendment?

Mr. RIGGS. I am, Mr. Chairman. The Kingston amendment and the Traficant amendment.

Mr. MARTINEZ. Mr. Chairman, reserving the right to object, I was just going to ask the chairman what the Kingston amendment was. I was just told what it was. It is not anything of consequence, so we will accept it.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. The Clerk will report the additional amendments.

The Clerk read as follows:

Amendments offered by Mr. Riggs:

Page 2, beginning on line 2, strike "Charter Schools" and all that follows through line 3, and insert the following: "Community-Designed Charter Schools Act".

Page 23, after line 16, insert the following:

"SEC. 10311. PROHIBITION OF CONTRACTS.

"If it has been finally determined by a court or Federal agency that any person intentionally affixed a fraudulent label bearing a 'Made in America' inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that was not made in the United States, such person shall be ineligible to receive any contract or subcontract made with funds provided pursuant to this part, pursuant to the debarment, suspension, and ineligibility procedures described in section 9.400 through 9.409 of title 48, Code of Federal Regulations.".

Mr. RIGGS (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Is there objection to the amendments being considered en bloc?

Mr. MARTINEZ. Mr. Chairman, reserving the right to object, it is very difficult to hear with all of the noise in here. I do not really mean to object, but I would like the chairman to present it to us one more time with a little more order in the Chamber so that we might hear.

The CHAIRMAN. Unanimous consent is pending on the consideration of several amendments.

The gentleman from California [Mr. MARTINEZ] has reserved the right to object, and the gentleman is recognized under that reservation of objection.

Mr. MARTINEZ. Mr. Chairman, reserving the right to object, I would ask the gentleman from California [Mr. RIGGS], if he would just go through that order again of the amendments with an explanation of what the amendments are.

Mr. RIGGS. Mr. Chairman, will the gentleman yield?

Mr. MARTINEZ. I yield to the gentleman from California.

Mr. RIGGS. Mr. Chairman, I would just like to point out, and my good friend the gentleman from Indiana [Mr. ROEMER] is also seeking recognition, but my unanimous-consent request that is now pending before the House.

Mr. Chairman, I have a unanimous-consent request pending in the Committee of the Whole pursuant to our accepting the following three amendments on this side. The unanimous-consent request is obviously that the Committee of the Whole adopt and approve the following amendments:

First, the Pastor amendment, which prohibits States that receive a charter school grant from considering payments to a school under the Tribally Controlled Schools Act in determining the eligibility of the school to receive any other Federal, State, or local aid, or the amount of such aid.

The second amendment pending is the Kingston amendment, which effectively changes the name of the bill from the Charter School Amendments Act of 1997 to the Community Design Charter Schools Act of 1997.

The third amendment is the Traficant Buy America labeling provisions amendment. I am proposing again under my unanimous-consent request that the Committee of the Whole adopt and approve those three amendments.

Mr. MARTINEZ. Mr. Chairman, under my reservation of objection, I reclaim my time and I yield to the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Mr. Chairman, I thank the gentleman from California for yielding.

I would like to try to get order, Mr. Chairman, because this is a very important bill; we are dealing with education and public school choice.

Mr. Chairman, I want to explain to my colleagues, particularly the Democrats, that most of these amendments are our amendments, and we are accommodating the Democrats with accepting the amendments, and we want to move on to accepting these amendments, working out a colloquy, working through this very important bill, and then passing it. I think we are only about 15 or 20 minutes away from passing this important legislation, and if we will get the cooperation of the body for just that amount of time, I think we are very, very close to finishing up this bipartisan legislation.

Mr. MARTINEZ. Mr. Chairman, I thank the gentleman from Indiana [Mr. ROEMER] for that statement and I totally agree with it. We are close to passing this bill. The Chairman has been totally agreeable in accepting these amendments.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to considering the amendments en bloc with the Pastor amendment?

There was no objection.

The CHAIRMAN. Is there further debate on the three amendments?

The question is on the amendments offered by the gentlemen from Arizona [Mr. PASTOR] and California [Mr. RIGGS].

The amendments were agreed to.

PREFERENTIAL MOTION OFFERED BY MS. VELÁZQUEZ

Ms. VELÁZQUEZ. Mr. Chairman, I move that the Committee do now rise.

The CHAIRMAN. The question is on the motion offered by the gentlewoman from New York [Ms. VELÁZQUEZ].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Ms. VELÁZQUEZ. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 75, noes 334, not voting 24, as follows:

[Roll No. 609]

AYES—75

Baldacci
Barrett (WI)
Becerra
Blagojevich
Blumenauer
Bonior
Brown (FL)
Brown (OH)
Conyers
Coyne
DeFazio
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Doggett
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Frank (MA)
Furse

Gejdenson
Gephardt
Hastings (FL)
Hefner
Hilleary
Hinchey
Hinojosa
Jackson (IL)
Jefferson
Kennedy (RI)
LaFalce
Lewis (GA)
Lofgren
Maloney (NY)
Markey
McDermott
McKinney
McNulty
Meek
Menendez
Millender-McDonald
Miller (CA)
Mink
Nadler
Oberstar

Olver
Owens
Pallone
Payne
Pelosi
Peterson (MN)
Pomeroy
Rangel
Rodriguez
Roybal-Allard
Sanchez
Scott
Skaggs
Smith, Adam
Spratt
Stark
Strickland
Stupak
Torres
Towns
Velázquez
Watt (NC)
Wise
Woolsey

NOES—334

Abercrombie
Aderholt
Allen
Andrews
Archer
Bachus
Baesler
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman

Bentsen
Bereuter
Berry
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Boehner
Bonilla
Borski
Boswell
Boucher
Boyd
Brady

Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Carson
Castle
Chabot
Chambliss

Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
DeLay
Diaz-Balart
Dixon
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Everett
Ewing
Fawell
Flake
Foley
Forbes
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hayworth
Hefley
Herger
Hill
Hilliard
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Inglis

Istook
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Levin
Lewis (CA)
Lewis (KY)
Lipinski
LoBiondo
Lowey
Lucas
Luther
Maloney (CT)
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDade
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
Meehan
Metcalf
Mica
Miller (FL)
Minge
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Obey
Ortiz
Packard
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Porter
Portman

Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Reyes
Riggs
Rivers
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Rush
Ryun
Sabo
Salmon
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Stabenow
Stearns
Stenholm
Stump
Sununu
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tierney
Traficant
Turner
Upton
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wolf
Wynn
Young (AK)
Young (FL)

NOT VOTING—24

Ackerman
Armey
Berman
Bono
Brown (CA)
Cubin
Dickey
Foglietta
Gonzalez
Hastert
Hastings (WA)
Hyde
Johnson, Sam
Leach
Linder
Livingston
McCrery
Oxley
Riley
Schiff
Stokes
Talent
Tiahrt
Yates

□ 1225

So the motion was rejected.

The result of the vote was announced as above recorded.

AMENDMENT NO. 4 OFFERED BY MR. WEYGAND

Mr. WEYGAND. Mr. Chairman, I offer amendment No. 4.

The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. WEYGAND:

Page 15, line 17, strike ", to the extent possible.".

Page 15, line 20, insert "to" before "each".

Page 15, line 20, insert "which has applied for a grant in accordance with the requirements of subsections (a) and (b) of section 10363" after "State".

Mr. WEYGAND. Mr. Chairman, I rise simply to provide a measure of fairness to the distribution of funds under the public charter schools program. Mr. Chairman, let me begin by saying I vigorously support the concept of charter schools, which further public education opportunity for students in the entire country.

As Lieutenant Governor of Rhode Island, I supported and advocated for the passage of Rhode Island's charter school law, a responsible approach to chartering public schools which has spawned in our small State two very successful schools thus far.

One such school is the Textron Chamber of Commerce Charter School in the city of Providence, RI. It just received a charter this summer from the Rhode Island Board of Regents.

□ 1230

The Textron Chamber of Commerce Academy targets at-risk students and offers these students access to the surrounding professional work community in Providence in after-school jobs. The employees of businesses in which the students are placed serve as professional mentors for these students. These students also receive benefits by attending the charter school.

In exchange for agreeing to achieve a 95-percent attendance record, to maintain a minimum average of C in every course of study and behave in a work-appropriate manner in school, the student receives many benefits from the school, including placement in a job with a mentor in preparation for college.

The charter also gives the governing board the responsibility to control the budget and purchasing of the school, to evaluate teachers and other professional staff, to establish graduation requirements, and to set forth educational priorities, and to exercise oversight over their bylaws.

In order to fulfill graduation requirements, the student takes traditional courses in English, history, mathematics, and science, and other important subjects, performs work internships, performs community service, and does independent study.

So what distinguishes this school from other wonderful charter schools operating throughout the United States? This school has not received one dime, not one penny, from the public charter school program. Not one Federal dollar goes to this school. Yet, it epitomizes what charter schools are supposed to be about and what this legislation was established to do.

Neither do the schools in Arkansas, Mississippi, Nevada, New Hampshire, Ohio, or Wyoming receive any such support. Yet, they have such charter schools. Schools in these States need this grant money just as much as schools in other States to assist in start-up costs. They deserve to reap the benefits of the public charter schools program.

My amendment, Mr. Chairman, would simply require that the Secretary of Education provide a portion of the funds available under this program to all States which have laws allowing the establishment of charter schools and conform to the requirements of section 10303 of this bill. The State chartering agency would still be required to complete the extensive application process to comply with all applicable requirements of the law.

Under my amendment, as reported in the bill, there is no minimum or maximum grant. The grant amounts would still be at the discretion of the Secretary of Education. The Secretary will still have the appropriate flexibility to decide which amount would be most appropriate to benefit the charter schools and the students in every State.

I applaud the Department of Education's efforts to spur further development of innovative charter schools, and I strongly support what the gentleman from California [Mr. RIGGS] has done. I think what we are trying to do here is really make those charter schools that are operating in the country the very best.

But we must recognize that we cannot simply award the money to the cream of the crop. There are charter schools that are out there that need assistance maybe in the way they have their autonomy, or their purchasing power, or their review of teachers, or their review of other professionals, or their mentoring program. That should not push them to the bottom of the barrel.

Simply because a State, like Rhode Island or Massachusetts or other States, happens to put a cap on the number of charter schools, it was done just so that we could have oversight and not to discourage charter schools. We should not be discriminated against just because we want to be sure our charter schools are the best that they can be. Unfortunately, though, Mr. Chairman, they are.

I would, though, like at this time, after conferencing with the gentleman from California [Mr. RIGGS] and our ranking member on the committee, I would like to withdraw the amendment because we have an understanding.

I would like to enter into a colloquy with both the ranking member and the chairman at this time if it is appropriate, Mr. Chairman.

Mr. Chairman, I understand, after my discussion with the gentleman from California [Mr. RIGGS], that he indeed agreed with the concept that these charter schools that operate in this fashion are de facto.

The CHAIRMAN. The time of the gentleman from Rhode Island [Mr. WEYGAND] has expired.

Mr. RIGGS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Rhode Island [Mr. WEYGAND].

Mr. WEYGAND. Mr. Chairman, I understand that the gentleman from California [Mr. RIGGS] and I both agree that charter schools that we have described here today are the essence of what is intended by this legislation, that in fact we both agree and feel that the Department of Education and the Secretary, under the discretionary fund amount of money that he has, should in fact encourage and assist financially and otherwise charter schools like this, and that my colleague and I, with our ranking member, will enter into a letter to the Secretary of Education suggesting and promoting that these charter schools, as well as in other States, like Ohio and other States, that really do meet the essence and do need some assistance, whether they are the top or bottom of the barrel, should receive funding to help them bring them and raise them to the top of the barrel, and that what we would like to see is that the Secretary of Education take a second look at the way they fund these charter schools and, indeed, to help these charter schools and to remove the stigma that is attached to maybe the overriding legislation, as in Rhode Island and Massachusetts, where they do put caps, they do in fact meet the letter of what we want to have as charter schools.

Mr. RIGGS. Mr. Chairman, reclaiming my time, the gentleman from Rhode Island [Mr. WEYGAND] is essentially correct. I do want to join with him, Mr. Chairman, in encouraging but not requiring the Department to provide funding for the start-up of charter schools in the State of Rhode Island and other States that have charter school laws on the books today but have not yet been deemed eligible and have not yet received any taxpayer funding through the Department of Education.

Mr. WEYGAND. Further, if I could add that, indeed, we should not be discriminating against States that happen to have a legislative cap in their State laws, but in fact do in all other elements encourage and promote charter schools. That should not be a discriminating kind of factor.

Mr. RIGGS. Reclaiming my time, there is no, of course, intent to discriminate against those States. There is an intent in the new legislation as to the new money, all money over and above the past fiscal year level of $51 million, to drive more money to States that have no caps or that reconsider their legislation to remove any caps that might presently exist.

I do want to point out to the gentleman. from Rhode Island [Mr. WEYGAND] that I am informed by staff that Rhode Island has twice applied to the Department for funding under the Federal Charter Schools Act and it has been turned down, obviously.

Hence the concern of the gentleman from Rhode Island [Mr. WEYGAND], which I share, because of the great work of at least one charter school that the gentleman mentioned to me, and that the Department apparently has offered the State of Rhode Island technical assistance in qualifying for Federal taxpayer charter school funding.

So I do hope we can encourage the Department to work with the State to provide Rhode Island and the other States with funding. I would point out that we are not trying to create a catch-22 here under the legislation where those States that have charter school laws on the books and are not yet receiving any funding do not receive any of the new money contemplated in the bill.

Indeed, I want to say to the Secretary and to the Department, given the fact that we have retained your sole discretion over the $51 million, and given the fact in this legislation we contemplate doubling Federal taxpayer support for charter schools across the country, I would hope that they would redouble their efforts to work with Rhode Island and the other States that have charter school laws on the books but have not yet received Federal taxpayer support for charter schools to make sure that they do receive some support from the $51 million that the Secretary will continue to control at his sole discretion over the life of the legislation. This is so-called old money.

Mr. MARTINEZ. Mr. Chairman, I move to strike the requisite number of words.

It is obvious that the whole purpose of the charter school was to improve and reform education. There are those of us in the Chamber who feel we ought to be reforming and improving education for every child in the United States. But if in this legislation or in the way the plan is structured now we have inadvertently made it harder for one State to get funds over other States because of the criteria we set in place, I think the discretionary money that the Secretary has could be used to look at those kinds of situations and remedy those.

I would certainly agree to join with my chairman, the gentleman from California [Mr. RIGGS], in sending a letter or notifying in any way the Secretary of State that he ought to really look at those kinds of situations and try to do everything he could to benefit those places.

Mr. ENSIGN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to enter into a colloquy with the gentleman from California [Mr. RIGGS], who is offering this bill.

First of all, my State, the State of Nevada, has a legislature that meets every 2 years. We have just completed that legislative session in July this year. Our State legislature passed a charter schools bill. It was not everything that I would have liked to have seen in the charter schools bill, but it did at least start us down that process.

We do have the caps. We do have some of the other things in our State where we do not quite give as much local flexibility as I would like to see. But our State did, in fact, start it down the process.

I would like to work with the chairman on this particular piece of legislation as it moves forward to try to get States like Nevada, that only meet every 2 years, that because we cannot do anything for another year and a half in our State legislature, to try to at least encourage them through this legislation to model so that there is more local control, so there are not the caps, so that our State would not be penalized under this legislation.

Mr. RIGGS. Mr. Chairman, will the gentleman yield?

Mr. ENSIGN. I yield to the gentleman from California.

Mr. RIGGS. Mr. Chairman, I would be very, very happy and, in fact, eager to work with the gentleman from Nevada [Mr. ENSIGN] and Nevada State government officials to see if, in fact, again, we cannot encourage the Department of Education to look favorably upon their funding request as to the so-called old money, the $51 million, in this bill. Again, it is only the amount over and above $51 million that will go out pursuant to the priority factors, the so-called incentives.

Furthermore, I just want to say so my colleagues understand this, because I know the gentleman from California [Mr. MARTINEZ] and the gentleman from Indiana [Mr. ROEMER] know this, I obviously come from a State that does have a very strict limit on the number of charter schools that can be created. I believe the number is 100 or 110 in the State of California today.

So, again, as to the new money in this bill, the difference between the $51 million current funding level and the $100 million authorized annually in this legislation, I am putting my own State at a competitive disadvantage. But we are doing that, again, to try to reward States that have strong charter school laws on the books that have truly embraced the charter school movement.

I am happy to work with the gentleman from Nevada [Mr. ENSIGN] for his concerns, as well as the gentleman from Rhode Island [Mr. WEYGAND] as we move forward with this legislation.

The CHAIRMAN. Does the gentleman from Rhode Island wish to withdraw his amendment?

Mr. WEYGAND. Yes, Mr. Chairman. After our colloquy with the chairman and the understanding that we will move forward in that direction, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

The CHAIRMAN. Are there further amendments?

AMENDMENT OFFERED BY MR. TIERNEY

Mr. TIERNEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TIERNEY:

Beginning on page 7, strike line 1 and all that follows through page 8, line 21.

Mr. TIERNEY. Mr. Chairman, I want to commend the committee for its work being done in focusing on public schools.

We have had debates in this Chamber recently that have been addressing some aspects or concepts that we thought have been a draining of resources from the public schools that serve this country's 90 percent of children that cannot afford and cannot go to private schools.

The public charter school bill has the potential to do what many of us have been advocating; and this is, address the needs of public schools, encourage experimentation within the public schools to help those that need improvement more than others might.

There are many successful public schools throughout this country, in particular in my district, and there are some that need some help to get the obvious improvements. They need to have engaged employees. They need to have an entrepreneurial spirit amongst their administrators. They need to have the involvement of communities, the colleges, and the businesses, parental involvement. They have to diminish the class size to make it more manageable. They have to have teacher training and retraining. And, obviously, we want to have a period of evaluation, of measurement, as to how these schools are going as they try to meet their defined mission.

We have some concerns that some of these charter schools step outside the bounds and do not concentrate enough on the public school aspect. But in the Commonwealth of Massachusetts, I think we have done some very wise things. We have set up more than one kind of charter school. In fact, we had the prudence to establish different kinds so that they can get more involved and for more people and more support for this experimental measure.

We have Horace Mann chartered schools, and we have commonwealth charter schools. Some would argue that the Horace Mann school may not be as autonomous as the commonwealth schools. But, nonetheless, the Commonwealth of Massachusetts has made that recent decision to experiment to see which is the one that they prefer to proceed with after a period of time has gone by so that they can measure performance.

In Massachusetts, we also have a cap on the number of charter schools, because that State has decided to be prudent to examine at some point in time how the progress has gone, whether or not one type or another has been better, whether or not there is some combination of the features of these schools that should be made to improve them before they move forward.

But at any expense, the State and Commonwealth of Massachusetts has made these decisions. And usually we hear the argument on the other side of the aisle how they want local governments to have some control over the direction of their educational system in the public schools.

□ 1245

That is what we have done in Massachusetts. We have experimented, we have set up alternate types. As to the money that is now granted under the charter school law, the $51 million, Massachusetts would qualify. As to the additional $49 million that this bill purports to establish, it may not, because by this legislation if the priority section remains in, we set new bars, new levels to be met. That seems to me, Mr. Chairman, a bit of a contradiction. On the one hand, in committee and here we hear that the reason we need more money is that startup charter schools do not have enough funds to start up properly. Yet we are not going to give those States that have charter schools any more money if they do not meet these new bars. If in their prudence, in their judgment, they have put a cap on the number of schools so that at the time the cap is met they can measure the performance and make any adjustments, they are not going to qualify for the additional money. If they have decided to have a variety of types of charter schools so they can get more involvement for more members of the community in some and they want to measure the performance as opposed one to the other, then they may get penalized because they may not meet another priority of what is a large or huge amount of autonomy.

Mr. Chairman, all I am saying is that Massachusetts ought to be able to qualify to the old and the new money. We ought not to be raising new bars that have the potential to disqualify them. If we are truly serious about having an experiment within the public school system, then let the Commonwealth of Massachusetts and other similarly situated States engage in that experiment, let them decide how they are doing with what types of school they put forth before they proceed further and allow them to have some portion of this additional money so that the schools they have started have those additional funds to move forward and start up in a way that will make this a productive experiment. Mr. Chairman, that is all we seek. If we eliminate the priority section of this particular proposed bill, we put all States on an even footing, we do not discriminate or penalize any and the public charter school process moves forward.

Mr. RIGGS. Mr. Chairman, I rise in opposition to the amendment. As I have said repeatedly now over the 2 days that this bill has been before the House, this bill directs the new money, the new Federal taxpayer spending above the past fiscal year level of $51 million for charter school startup, it directs this new money, $51 million, to those States that provide a high degree of fiscal autonomy to charter schools, those States that allow for increases in the number of charter schools from year to year, and incidentally I am told that the Commonwealth of Massachusetts has not reached its cap on the number of charter schools that can be created within the Commonwealth, and States that provide for strong academic accountability and improved pupil results from year to year, continuous improvement. The Tierney amendment would delete the priority section as to the new money.

I want to just make sure, because I was able, I believe, to convince the gentleman from Rhode Island [Mr. WEYGAND] and the gentleman from Nevada [Mr. ENSIGN] that the priority factors are attached only to new money. In other words, the $51 million will continue to go out from year to year to charter schools across the country the old way; that is to say, at the complete discretion of the Secretary of Education in the Department of Education. I think we could all agree that even if we are talking about $51 million or $100 million, this is a limited amount of money and therefore it needs to be targeted in some fashion.

Given what we have learned in our field hearings, and in our hearings back here in Washington about what makes a successful charter school, it is important to, in my view as the principal author of the legislation with the gentleman from Indiana [Mr. ROEMER], direct the Secretary to send money to the strongest charter schools in those States, as I have said over and over again, that have a strong charter school statute on the books.

We recognize that only a few States presently meet all three priority criteria. However, several States meet two of the three and all States meet at least one of the three criteria. Therefore, it is unlikely any State, the Commonwealth of Massachusetts, my home State of California, it is unlikely that any State will receive a complete windfall from prioritizing the new money nor will any State lose most of its charter school funding. Rather, the priorities again simply redirect the new money to those States with strong charter school laws.

This is discretionary money. The last thing we want to do, I think, is create a new Federal education entitlement. Again, if we turn this into an entitlement, even at $51 million, and therefore give a little bit of money to all who would qualify under this program as an entitlement, I think we will defeat the purpose of this bill and we will not, I think, be using the money effectively on behalf of taxpayers to start up charter schools in those States that have truly embraced the charter school movement and truly have endorsed the concept of more parental choice in public education.

Again, the current law requires the Secretary take into consideration the criteria. However, as the law is currently drafted, the Secretary will continue to have broad discretion in weighing the criteria and in determining how much to send to each State. The priority section again is simply intended to put teeth into the existing criteria and provide some guidance to the Secretary on how new money should be allocated to the States.

The Tierney amendment, well-intentioned, and to his credit he was kind enough to come by my office and visit, but his amendment I think again would defeat the purpose of our legislation. It would effectively gut the priority section in the bill. It would maintain, I think, a status quo that is being promoted by the education establishment, who fears any competition, any threat to their monopoly of financial control, and it would create a new Federal education entitlement. Therefore, I am strongly opposed to the Tierney amendment and I urge its defeat.

Mr. WEYGAND. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I recognize first of all the great work that the gentleman from California [Mr. RIGGS] has done on this. I know he is very sincere about this issue. But I know equally the gentleman from Massachusetts [Mr. TIERNEY] is, and I would like to yield to the gentleman from Massachusetts.

Mr. TIERNEY. Mr. Chairman, I also appreciate the comments that have been made. I think we are having a healthy debate here, but I want to make a note that I sense that what is being said here is there may be more than one purpose of this proposed bill. I think that there are apparently two purposes being put forward on this. One is apparently some desire to have this Congress impose upon States a necessity that they charge forward with a judgment that charter schools are already a raging success before they have had the opportunity to assess and measure the performance of their own experimental schools that have been started. I am not sure that that is a healthy aspect. I thought experimenting was about setting on a path, taking a very conscious and prudent evaluation and proceeding only after those types of measurements have been made.

The other purpose, as I understand it in this particular statute, is to make sure that startup schools that currently say they do not have sufficient funding to start up can share in some additional funding, and that is why there is more money being put into the pie. But the maybe unintended consequence of this act will be that it will now preclude them because the Secretary may come in and decide that they do not have enough autonomy in one or more types of experimental school that has been established and they do not meet the priority because they have a cap on that and when they meet that cap, although they may not be there now, they will then be precluded from getting any of those additional funds.

I note that earlier the gentleman from Georgia [Mr. KINGSTON] put forth an amendment that called this the Community Designed Charter School Act. I think that at least with respect to one of those priorities, we move against communities designing the type of charter school they will have where we attempt to impose how this Congress wants to design individual charter schools.

In Massachusetts, as I have said before, we have come together as communities and designed several different kinds of charter schools with varying degrees of autonomy, with varying degrees of numbers that they can reach before they get evaluated. That to me seems the way to go. It has more people engaged in this process, and some that were not in favor of charter schools before are now coming on board, willing to exercise that experimental nature.

I urge that we do away with the priorities and simply take the initial funding and let all States qualify so that we have better public schools, with the involvement of the entire community, and that we do not try to preclude anybody's participation.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. WEYGAND. I yield to the gentleman from California.

Mr. MILLER of California. I thank the gentleman for yielding.

Mr. Chairman, I think I concur in the remarks of the gentleman from Massachusetts, and maybe the subcommittee chairman can help me, but I do not understand what it is about the current system that is not working or not allowing for the number of charter schools that we want or the progression of charter schools that we want. My State, the State of the gentleman from California [Mr. RIGGS], has a limit of 100. I think they have looked the other way and breached that already and there are maybe over 110 schools, but the statute is still 100. But I do not understand why we are insisting on some level of growth in charter schools if the States make in their determination that they want to stage it in another fashion.

I can appreciate that a concern might be that there are those who do not like charter schools who would get a limitation put on the number of charter schools or the growth rate of charter schools at the State level, and I think that would be wrong. But I do not know that we should be telling the State how fast to grow charter schools. If they can handle 100 or handle 50 or handle 500, it would seem to me that is a legislative determination with their State departments of education about how they want to proceed in this fashion.

I think there are two big dangers here. We find something we like and we overreplicate it and we lose the integrity of what we are trying to hold on to. In many States, this is a new program but we are looking for integrity. We are looking for the opposite of what people think they find sometimes in the local schools, in terms of curriculum, accountability, and the kind of people who can teach and so forth. That is why they went to a charter school. But it seems to me if you grow like top seed, what happens around here most times is that these programs start to lose their integrity, they start to look like that which they were there to maybe replace or to renew, and all of a sudden we are back to spending people's money and now we have got GAO reports and IG reports. I do not know why we would not leave it to the States to make this determination and not get into this business of old money and new money when it comes to charter schools, because it sounds to me like most States are now seeing that this is the future.

Mr. WEYGAND. Reclaiming my time if I could, Mr. Chairman, I think what the gentleman from California has pointed out is exactly the essence of the argument of the gentleman from Massachusetts [Mr. TIERNEY]. States should have the control, which the Republican side has always said. We are trying to determine where they should be, the destiny of their school systems, and what he is proposing is just that.

Mr. OWENS. Mr. Chairman, I move to strike the requisite number of words. I rise in strong support of the Tierney amendment.

Mr. Chairman, I would like to appeal to the gentleman from California, the chairman of the subcommittee, to look at the priorities that he set as recommendations in this bill and understand that, and I am a strong supporter of this bill and I will vote for it, but I am supporting it and will vote for it because I think it is a good way to move the agenda forward, to escalate the charter school support, but I assume we are going to have to revisit this issue next year and we are going to take a closer look at charter schools and what we can do at the Federal level to make certain that this is an idea whose time has come and is not destroyed and distorted because it is handled in the wrong way.

I am in favor of maximizing the experiment now. Let us maximize it. Let us give the freedom to the States to experiment. Experiment does not mean that they can wildly go galloping off, because I do not think any State legislature is going to let that happen. I think probably Arizona has one of the freest and most permissive charter school laws, and they are beginning to rein that in. We understand there will be people who will not adhere to standards. There must be accountability. We understand that money is involved here, and there is a need to deal with restrictions on the way money is handled and the way the financing is done. There are a lot of problems that are going to have to be ironed out. But let us see it as a research and development operation at this point. We are experimenting. These are projects that can teach us a whole lot. In the future I think we need to back away from any notion that this is an idea that is going to perpetuate itself automatically by itself. We need to not romanticize the idea of charter schools and believe that nothing can go wrong. A lot of things can go wrong. Money is involved here. We are going to have to have, not a whole set of regulations but more guidance at the Federal level is going to be necessary. Just in the area of civil rights abuses. We do not want charter schools to be used to perpetuate segregation and racism. There are a number of areas that we are going to have to deal with.

I look forward to next year having a more detailed bill to look at charter schools and help promote them. But right now, why not have maximum experimentation? Why not have OERI be given notice that we want them to closely monitor charter schools? There are less than 800 charter schools now in existence out of more than 86,000 public schools. Given the fact that they are less than 1 percent, they are not going to run away out of control and take over the public school system any time soon, but they can offer invaluable lessons to the public school systems in terms of the kinds of things we can learn from them. We should be looking to learn those things from them.

□ 1300

We should not allow certain kinds of things to happen. I think we have a problem even with definitions of charter schools by some States. If charter schools are not going to be fully funded where the school gets the same amount per pupil as other public schools get, I do not think they are real charter schools. That is a problem that has developed already. We are going to go back and take a look at that.

There are a number of problems that next year we are going to have to take a close look at, but right now why not go forward and leave the community design idea there, the State design idea there, and let it at this point be fully open for experimentation; Massachusetts and any other State. New York does not even have a law yet; we are trying hard to get one.

We should be in a position to do at the bottom in the chain the things that have to be done to study them across the board, and, if we have 50 different sets of examples of State laws and for all the 16,000 school boards in the country, different variations of that, so let it be. Let us study it, let us get the best out of all of them and be able to go forward with a maximum, well-developed approach to charter schools in the future. Next year, year after and ongoing years we will be perfecting and refining this instrument, and right now I do not think we have to be so careful and so cautious that we cannot let States fully experiment.

I fully support the Tierney amendment and hope that the chairman will reconsider and let his priorities be recommendations at this point.

Mr. PETERSON of Pennsylvania. Mr. Chairman, I move to strike the requisite number of words.

First I yield to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Chairman, I thank the gentleman from Pennsylvania for yielding to me so simply I can point out that, as my colleagues know, when we draft legislation, we can always take the carrot approach or the stick approach, and what we took here was the carrot approach. We said that we wanted to direct the new money to those States that have laws on the books that allow for an increase in the number of charter schools from year to year. We did not take the stick approach and say the new money cannot go to those States that have a cap. So there is a very fundamental difference.

And the other point I wanted to make is this is all about where my colleagues think control and authority ought to be in education. We said we respect and preserve the Secretary's discretion to control $51 million, but we do not want him to control the entire $100 million authorized under the bill. We want the new money to be directed to the States, and that is all we are trying to do here is give some firm guidance to the Secretary on how that new money should be allocated to States.

Mr. PETERSON of Pennsylvania. Mr. Chairman, this has been a very interesting debate and a very important debate, but to look at the total perspective of charter schools and the establishment of them and the growth of them, we must remember that the educational establishment was not for charter schools. They have been very reluctantly agreeing to support charter schools because they have been a very successful experiment.

It is vital that we keep the priorities that this gentleman has put in this bill there because it is like fertilizing the garden. He is trying to allow charter schools to grow and not inhibit them. In my view the Tierney language will give all the control back to the establishment, to the Department, who are very reluctant to let charter schools grow naturally. Let us look at them.

State periodically reviews academic performance of charter schools. How could we not want that to be there, that we look at their performance, because do my colleagues know what is going to happen? The performance has been good, and when the performance is good, the whole concept will grow. So we must slow that down.

That is what the Tierney amendment does. State gives charters fiscal autonomy. Local control, local power, local decisions; no educational establishment wants that, and they will not give that reluctantly, they will give it very reluctantly.

Let us keep that priority in there, allow for an increase in the number of charter schools from year to year. What is wrong with that? No State is going to increase the number unless it is working in that State, unless their program is proving good. These are appropriate priorities upon the new moneys going out there as a fertilizer, as the carrot approach there.

Mr. Chairman, the Tierney amendment puts the power back in the establishment who will slow charter school growth down, who will keep it at a minimum. Do not let this thing get away from us, do not let local control takeover; that is what this argument is all about.

It is very simple. This is a very thoughtful approach of a very little bit of money. Those are appropriate priorities. Let's go over them one more time: Academic performance, and then tell the world how well they are working; fiscal autonomy, local control, very important; allow for an increase in the number of charter schools, and that will only happen if it is working well.

Let us let the bill as it is and defeat the Tierney amendment.

Mr. MARTINEZ. Mr. Chairman, I move to strike the requisite number of words.

I do not know that the last gentleman was completely accurate. I do not think this is about the establishment being against charter schools. I think this is about, this amendment is about the gentleman from Massachusetts [Mr. TIERNEY] trying to protect the State. And Mr. TIERNEY is looking down the road to 3 years, well, the year 2001, when the criteria that is established in this bill will then be for all funding under this if we by that time find out that these are excess and we go to reauthorization of it with additional funding.

Sure, and the gentleman from California [Mr. RIGGS] is right, and I understand his logic in saying there is a carrot and stick approach. We provide a direction for the charter school legislation the States will pass by putting the three characteristics in there that the State will allow the autonomy of the charter school, that the growth number of charter schools is allowed, and that they will not ensure the academic success of the students. Those are all worthwhile targets. I mean, we often do in legislation targets, but that is not the point here.

The point here is that in doing that, even though there is $51 million still remaining, discretionary money of the Secretary of State in which the gentleman's State could be funded for those charter programs that they have, he is concerned down the road in 3 years where then all will be controlled by that.

Now, the other thing is the gentleman from Pennsylvania [Mr. PETERSON] says that local control is important. Well, if local control is important, the way the charter schools bill was initially passed was to allow States to pass their own charter determining what their priorities would be. In this we are establishing the priorities for them. That is not local control, that is control from that Washington bureaucracy again that we are so alarmed with.

Mr. Chairman, I yield to the gentleman from Massachusetts [Mr. TIERNEY].

Mr. TIERNEY. Mr. Chairman, I do not know the gentleman from Pennsylvania, I do not think we have had any lengthy conversations, so I am a bit surprised to find out that he is taking what up to this point in time has been a fairly, I think, good level discussion about charter schools and how to best move forward in an inclusive manner and somehow inject it in an establishment type of argument.

Let me tell my colleagues that Massachusetts under Democratic legislation has charter schools. As I said before, we have a variety of charter schools. So the issue is not whether it is establishment or antiestablishment, the issue is how do we become more inclusive so that even those people that were mentioned that might have been resisting now get brought into the fold and move forward and put these schools on the experiment basis that work, and that is the real issue.

Nobody has raised, until the gentleman did, the issue of accountability; we did not say that we did not want accountability. In fact, to qualify as a charter school under the base legislation, there has to be an appropriate level of accountability.

Saying it again as one of these three priorities probably was not necessary; it is the other two criteria that stand the potential of having my State pay a penalty of not being eligible for those additional funds initially and for any money eventually that brings us into this discussion, and there are other States similarly situated.

So the fact of the matter is, if we want to be inclusive and we want to bring in even those folks that might have been hesitant to experiment and to get them because they have a lot to offer, and if we want to bring them in, and Massachusetts, for instance, wants to say we will have several kinds of charter schools, and we are going to get some people to participate in that we can move forward and experiment on, and if we want to have different degrees of autonomy, and we do not want to have Congress tell us what is the appropriate amount of autonomy, we want to experiment and find for ourselves what works in this State as the proper degree of autonomy, then I frankly think that that is a step forward, a step in the right direction.

I think that now we are moving to these experiments and having the public schools have the opportunity to become energized, and to do new things, and to bring everybody into the fold and to work together, and I have said it a million times here, and it bears repeating, that when we do that, when we get the parents, and the employees, and the administration, and local colleges and businesses all working together, that we experiment, we will find the model that lets those schools that might be struggling succeed if we put the resources to allow them to succeed. And that is the measure that we want to go forward.

And I do want to say for the record, and just to bring up the point of the gentleman from California [Mr. RIGGS], that I think might have misled some of us when he was speaking, this statute specifically says that in 1998, 1999, and 2000 fiscal years, the additional money will be what is distributed under these new priorities, but it also goes on to say that in succeeding fiscal years all the money will be distributed under this particular priority formula.

So there is an exposure there to States that may reach the cap at some later date, and I think that is even a stronger argument for why we do not let States proceed as they want to and make an evaluation. When it hits 50 in Massachusetts, they ought to be able to look and see what has worked and what has not worked, and then, after they have taken the requisite amount of time to do that, decide how they want to proceed and if they want to proceed.

This is not a program where anybody has the evidence or the materials that can say now the charter schools of any nature are a raging success. It is an experiment, it needs to be assessed.

Mr. ROEMER. Mr. Chairman I move to strike the requisite number of words.

Mr. Chairman, I, first of all, want to compliment the gentleman from Massachusetts [Mr. TIERNEY] for what I think is helpful contributions to a bold and brand new idea, which is charter schools. I think the gentleman from Massachusetts, first of all, is looking out for his State, which we are all sent here to do. I think the gentleman is also trying to help the committee and the body of Congress understand the impact of caps set at the State level and how those caps may serve on the one hand as a way to provide for accountability and not let charter schools grow so fast as to not have the proper amount of accountability at the local and the State level.

But on the other hand, and here is where the gentleman from California [Mr. RIGGS] and I get into this delicate balance, on the other hand we do not want to have States set an arbitrary cap that somehow will discourage the growth of these charter schools around the country. We now have about 700 charter schools in the United States. We have a goal of reaching somewhere in the vicinity of 3,000 charter schools in the United States. That is not Mr. RIGGS' goal, that is not my goal, that is President Clinton's goal of 3,000, and we certainly do not want too many States saying they are going to limit their growth to 15 and 17 and then 20.

Mr. Chairman, we want to see these charter schools grow in accountable fashions where they have autonomy over their budgets, where they have bold new ideas on curriculum and they provide public choice to parents and students. So there is a very delicate balance, and I think the gentleman from Massachusetts [Mr. TIERNEY] has helped us try to argue through in a very bipartisan and a very intelligent fashion how to try to provide a Federal incentive to have this balance, and I will yield to the gentleman in 1 second.

The other thing I would say is President Clinton, in his radio address on October 18 where he endorsed this Riggs-Roemer legislation, said this:

> I endorse bipartisan efforts in the House and Senate to help communities open 3,000 more charter schools in the coming years, and here is the key, by giving States incentives to issue more charters, more flexibility to try reforms and strengthen accountability.

Now I want to come back to that, giving States incentives to issue more charters. We are using that carrot approach here, and again the gentleman from Massachusetts [Mr. TIERNEY] says, well, there is a tension, and there is, there is a tension in this, and we are trying to find the right balance in not trying to have an unfair, arbitrary, stultifying cap that discourages more charter schools when they are growing in a State like Arizona or California, but on the same hand in a State like Massachusetts that has different tiers of these charter schools, we want to make sure that they can rise up to their cap, and hopefully the State legislature, when they get the reports of accountability and progress and success, then decide to raise that cap.

So I want to salute the gentleman for his helpful ideas to contribute to the better understanding of this new idea.

□ 1315

Last, I just want to say this, and this is my concern with the legislation. The amendment of the gentleman from Massachusetts [Mr. TIERNEY] says, "Beginning on page 7, strike line 1 and all that follows through line 21 on page 8."

When we reach page 8, we see some fairly important aspects of accountability and adding more charters that President Clinton has talked about in his radio address when he endorsed this.

On page 8 it says, "The State law regarding charter schools ensures that each charter school has a high degree of autonomy over its budget and expenditures."

We certainly think one of the exemplary features of charter schools is its flexibility, is its autonomy and putting its own budget together, is its ability not to be unfairly regulated.

Now, regulated with civil rights, absolutely; regulated with IDEA, Individuals with Educational Disabilities, absolutely; but not some of the other burdensome Federal regulations coming from Washington that think they know best.

Last, on page 8, something that would be taken out with the amendment, "The State law regarding charter schools provides for periodic review and evaluation by the authorized public chartering agency of each charter school to determine whether the school is meeting or exceeding the academic performance requirements and goals for charter schools set forth under State law or the school's charter."

The CHAIRMAN. The time of the gentleman from Indiana [Mr. ROEMER] has expired.

(By unanimous consent, Mr. ROEMER was allowed to proceed for 5 additional minutes.)

Mr. ROEMER. So I would say that the debate we have had on the cap is a very helpful one, and I applaud the gentleman's efforts in committee, and I applaud what he has tried to do with this amendment.

I think that the gentleman from California [Mr. RIGGS] and I have tried to reach a bipartisan agreement on incentives and on a balance in this tension between not slamming down the number of charter schools that may naturally grow in a State, but also providing accountability language.

The second point is, I really think on page 8 there are some helpful contributions to this legislation, and we would not want those taken out by this amendment.

Since my friend from California did ask about 3 minutes ago for time, I yield to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Chairman, I am going to be very brief because I, too, had intended to quote the President from his Saturday, October 18, radio address.

Again, I just want to stress to my colleagues, without compounding or exacerbating any disagreements that may exist within the ranks of House Democrats, but I just want to refer them again to the President's comments. "I endorse bipartisan efforts in the House to help communities open 3,000 more charter schools in the coming years by giving States incentives to issue more charters."

The amendment of the gentleman from Massachusetts [Mr. TIERNEY] would not only remove that provision from the bill but obviously run contrary to the President's endorsement of that particular provision in the legislation.

The other thing I wanted to stress very quickly is, the gentleman from Massachusetts [Mr. TIERNEY] is right when he says what we want to do is, in these so-called out-years, the subsequent years of this legislation, after we have had a transition period, direct the money to the States through the priority factors, the priority considerations.

But the gentleman from Massachusetts [Mr. TIERNEY] does not mention that we have had selection criteria for State education agencies in the Federal statute since the very beginning of this program. I do not know if the gentleman from Massachusetts [Mr. TIERNEY] objects to any of those selection criteria for State education agencies.

Furthermore, we have selection criteria for eligible applicants. That means local charter schools. Does the gentleman object to any of those selection criteria for eligible applicants, such as it says the Secretary shall take into consideration such factors as the quality of the proposed curriculum and instructional practices, the degree of flexibility afforded by the State education agency and, if applicable, the local education agency to the charter school, the extent of community support for the application, the ambitiousness of the objectives of the charter school, the quality of the strategy for assessing achievement of those objectives, and, last, the likelihood that the charter school will meet those objectives and improve educational results for students?

We have always had criteria; it has always been part of the Federal law. We are building on or adding to those selection criteria, and we are giving, again, the Secretary and the Department some direct congressional guidance as to how the new money over the $51 million will be distributed to the States.

Mr. TIERNEY. Mr. Chairman, will the gentleman yield?

Mr. ROEMER. I yield to the gentleman from Massachusetts.

Mr. TIERNEY. I was going to ask for the same 1 minute the gentleman from California [Mr. RIGGS] got. I liked that one.

Mr. Chairman, let me just say that I understand what the gentleman from Indiana [Mr. ROEMER] says when he talks about the C paragraph, the third priority. But I think, as Mr. Riggs stated, the base statute already has a number of criteria that we require be met. Amongst them are a number of accountability situations.

So I would not object if you wanted to amend my language to leave that language in there, but I think you have a sufficient amount of language on accountability.

But that is not the issue. I think we are willing, I guess, from what I hear, we do not want to regulate any other aspect, we want to regulate the pace at which States decide how fast they want to go into this limited venture.

I think that is where the mistake comes in. Yes, we want to give incentives within a reasonable degree, but the only way to give incentives is not exclusive to adding these priorities. The fact we are giving $49 million extra in funds is certainly an incentive for States to participate. They can see something going on here, and they can hear that this is something they want to get involved with.

The part I object to is, your intention to give the incentive may have the effect of disqualifying some people. I want to say there are other ways to do the incentives. I offered as part of this, grandfather in those States that have these provisions, that have charter schools, so that we do not get subject to those disqualifications, and we will all proceed along.

I understand that States do not have a statute yet, and you want to encourage them to get one, and you want to encourage them to put more schools on the books. Let us do it. If this is the way to do it, fine. But do not penalize those of us, a number of us, that already have schools that have decided we want to put a cap so we can measure. That is prudence. We should reward prudence, not penalize it. I do not think any of us want to go forward without having a moment to reflect and assess.

Mr. MILLER of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of this legislation and also in support of the amendment offered by the gentleman from Massachusetts [Mr. TIERNEY].

First let me address the legislation. I wanted to commend the gentleman from California and the gentleman from Indiana for all of their work on this legislation. I think that charter schools hold out and in fact are holding out an exciting prospect for American public education, and I think they give us an opportunity, as has already been said here a number of times this afternoon, to experiment with a number of ideas that we think will improve the education of our children. I think it allows for in many instances a much greater investment by teachers in the running of that school.

It allows us in many instances to bring people from outside and throughout the community to participate in that education, and I think it puts a lot of the decisionmaking about the utilization of resources where it belongs, at the school site, as those who are working at that site on a day-to-day basis can decide what it is that children who attend that school need and would benefit the most from.

So I would hope that this is legislation that would get strong support from the House of Representatives, and, again, I thank the two gentlemen for bringing it to the floor.

I would say, however, on this amendment that I still continue to have a problem with the cap, because I think it is an area where we are tweaking the State decisionmaking authority, where we do not need to.

Given the hunger in this country for an educational program that works, I think charter schools are going to become magnets for education policy makers at the States as they try to replicate them and reinforce the model and expand them throughout the individual States.

But I also think it is very important that the States, as we do tread this, because simply saying you want charter schools or support charter schools doesn't mean we will have successful charter schools. I think we ought to do those things that will ensure that these models are in fact successful, hopefully that they can be replicated across the State and across the country, but we ought to let the State departments of education have some say in the determination of that.

I guess they could have some say with the language in the bill, because if they needed to have more charter schools each year than they had the year before, they could say 10, 11, 12, and 13, and they would qualify for this money. If we are going to have 3,000, California has a little over 10 percent of the population, I guess we would have 300 in the next 3 years.

I do not know if our State can really ensure the integrity of this system. Tragically, we have seen in a couple of instances, and I do not think this should deter anybody from charter schools, but we have seen a couple of bad ones, and I think the States ought to have a right and the legislatures ought to have a right to stay at that pace.

I do not think the educational establishment, if people are going to use that in a pejorative sense, can stand in front of this idea and be successful. I do not think it can happen. I think it is going to grow because these schools are going to grow. I just think that the cap just does not make sense. We ought to respect the rights of the States to make that determination. Some will be too conservative, and some will be too liberal.

I will say, however, if the cap is going to be the criterion for money, then States will just decide to put whatever numbers they want in so they can have more charter schools 1 year than after the other. It will have nothing to do with the quality or credibility that you seek in the amendment.

So I think it is unnecessary, but I also think it is an improper place for us in terms of determining how the States will manage the growth of charter schools.

Mr. WEYGAND. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I yield to the gentleman from Rhode Island.

Mr. WEYGAND. Mr. Chairman, I would just like to point out one thing that I know my ranking member talked about, and that is when we are talking flexibility and making sure that charter schools, as the gentleman from California said, giving States that flexibility. Right now, we have a $51 million-$41 million split. But in the year 2001 that is not going to exist. We are going to crank down more so on the requirements to State charter school programs.

I think that is inherently bad, because what we are doing is further restricting. It is almost like a Federal mandate with regard to requirements, restricting these charter schools in a way that in most cases the Republican side has said no.

Mr. DAVIS of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to make two points to help us close on the debate here. The gentleman from Massachusetts [Mr. TIERNEY] has done an excellent job of stating the purpose of his amendment, and there are two matters over which I must take issue. The first is his attempt to strike the reference in the bill to rewarding those charter schools that exercise a high degree of autonomy as opposed to some degree of flexibility in the current law.

The whole idea of charter schools is to encourage new schools to take chances by changing the way that they go about educating children. Let me offer a specific example.

In Florida, it is very pleasing to see the number of charter schools that have found a way to reduce the cost of administration of an elementary school and take those savings and put them into a smaller class size, which is currently ranging at about 17 children per teacher, and already getting above average performance from students who were clearly performing below average in the traditional school setting.

That is the kind of innovation we want to encourage. This is not an entitlement, this is a grant program. We want to reward quality. We want to challenge schools. We want to err on the side of innovation here. So I think it is terribly important, as this argument moves into the Senate, that we jealously protect that provision of the bill that encourages a high degree of autonomy among charter schools.

Mr. TIERNEY. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Florida. I yield to the gentleman from Massachusetts.

Mr. TIERNEY. Mr. Chairman, I just want to ask one question of you, and then I will yield back for the answer in a second.

But this priority schedule that is laid out there talks about a high degree of autonomy. In the base legislation, it already establishes a charter school would have to have some degree of autonomy. Is the gentleman prepared to tell Massachusetts which level of autonomy it must decide is best for its charter schools? Because it has a couple of levels now, and it may decide to have more. When it goes to getting to that cap, women are going to stand in there and tell them if they do not pick the right one, they do not qualify.

Mr. RIGGS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Florida. I yield to the gentleman from California.

Mr. RIGGS. I thank the gentleman for yielding, and just for the opportunity to respond to the gentleman from Massachusetts [Mr. TIERNEY], because I think he raises a legitimate question.

The problem is in the underlying bill, the current statute that we are seeking to amend with this legislation. It just uses that generic phrase, "high degree of autonomy." We have gone to the next step to try to define "high degree of autonomy" as being those States that recognize a charter school as its own independent school district, its own LEA, and so that is what we are attempting to do in the legislation.

□ 1330

Mr. TIERNEY. Mr. Chairman, if the gentleman would continue to yield, basically, we have taken that determination away from the States, and they do not get a chance to try to have as much participation as possible if they cannot get it through the gentleman's formula, and that is my point.

Mr. DAVIS of Florida. Mr. Chairman, two responses. One is we should hold up a high standard of innovation, and second, we should expect, as we have in the past, common sense to be exercised by the Secretary of the Department of Education to assure that Massachusetts and other States understand what a high degree of autonomy means and it is used in a way that allows these schools to continue.

The second point I would like to make to conclude pertains to the cap. I think that there are valid concerns about how the Federal Government is affecting the ability of States to control quality with charter schools, because we know there are going to be mistakes, and we want to preserve the ability of States to move in a guarded fashion in terms of the growth of charter schools. But I think it is important to point out that the intent behind the bill is not in any way to discriminate against those States who have already embarked upon a charter school program.

So I believe there is some doubt that exists here today as to whether those States who no longer choose to grow because they are up against a cap are somehow disadvantaged by the fact that the money is set aside for those States without caps. But keep in mind the basic point that if a State is stopping to grow because of a cap, the chances it will need any additional money for start-up costs are going to be very, very limited.

So I am hopeful that as we more closely study this particular aspect of the debate we can reach some compromise in the Senate, some compromise in the conference committee to address the very valid concerns raised by the gentleman from Massachusetts [Mr. TIERNEY].

The CHAIRMAN. Is there further debate on the amendment?

The question is on the amendment offered by the gentleman from Massachusetts [Mr. TIERNEY].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. TIERNEY. Mr. Chairman, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The CHAIRMAN. Pursuant to House Resolution 288, further proceedings on the amendment offered by the gentleman from Massachusetts [Mr. TIERNEY] will be postponed.

The point of no quorum is considered withdrawn.

Are there further amendments?

AMENDMENT OFFERED BY MR. MARTINEZ

Mr. MARTINEZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARTINEZ:

Page 12, after line 11, insert the following:

(L)(i) an assurance that the charter school that is a local educational agency or the local educational agency in which the charter school is located, as the case may be, will comply with the requirements of the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) with respect to the provision of special education and related services to children with disabilities in charter schools; and

(ii) a description of how the charter school that is a local educational agency or the local educational agency in which the charter school is located, as the case may be, will ensure, consistent with such requirements, the receipt of special education and related services by children with disabilities in charter schools; and

Page 12, line 12, strike "(L)" and insert "(M)".

Mr. MARTINEZ (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MARTINEZ. Mr. Chairman, back in 1975, Congress passed the bill IDEA. It was differently named then, but it encompasses the same bill that was recently just passed earlier, that guarantees a free and appropriate education for children with disabilities. That bill was a bicameral and bipartisan bill and passed overwhelmingly in both Houses and was signed by the President with great celebration.

If the premise is and was of that bill that children with disabilities should receive a free and appropriate public education, and in that case, I am concerned that we should be concerned in every education program that we have out there, or any kind of public school that we have out there, and charter schools are public schools, I think we need to ensure that concept in those charter schools.

This amendment is doing two things. One, it is ensuring that; and the other is that it is providing an advanced warning to charter schools and people who would start charter schools that there is an extra cost involved in teaching children with disabilities. Initially, that is the reason why children with disabilities were being denied free and appropriate education, because schools did not want to undertake the various difficulties in providing that free and appropriate education for these children with disabilities.

So I offer this amendment, and as I understand, the language has been worked out with the chairman of the committee, and the chairman of the committee is willing to accept the amendment with the language that we have worked out.

Mr. RIGGS. Mr. Chairman, will the gentleman yield?

Mr. MARTINEZ. I yield to the gentleman from California.

Mr. RIGGS. Mr. Chairman, at this point we have had numerous, sort of an ongoing discussion here. I think what the gentleman has prepared is very thoughtful and I think we have reached a good bipartisan compromise, and we are prepared to accept his amendment.

Mr. MARTINEZ. Mr. Chairman, reclaiming my time, I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. MARTINEZ].

The amendment was agreed to.

Mr. MARTINEZ. Mr. Chairman, I move to strike the last word to enter into a colloquy with the Chairman. Since the gentleman from California [Mr. RIGGS] is the prime sponsor of this legislation, I would like to engage in a colloquy for the purposes of establishing a legislative history on the matter which I speak.

My concern deals with language amending section 10306 regarding the Federal formula allocations to charter schools. I would ask the gentleman from California [Mr. RIGGS] if he could please clarify the intent behind the section.

Mr. RIGGS. Mr. Chairman, will the gentleman yield?

Mr. MARTINEZ. I yield to the gentleman from California.

Mr. RIGGS. Mr. Chairman, I am happy to clarify the intent behind section 10306 in the bill.

Let me say that it is not our intent to create a disparity in funding or eligibility as to Federal categorical education funds, Federal taxpayer aid for public education between traditional public schools and charter schools within a local education agency.

Furthermore, it is not our intent to create a new formula-driven funding stream or program to charter schools, other than what they are currently eligible to receive under title I, part A of the Elementary and Secondary Education Act, and I hope this addresses the gentleman's concerns.

Mr. MARTINEZ. Mr. Chairman, I thank the gentleman for his clarifications.

AMENDMENT OFFERED BY MR. TIERNEY

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from Massachusetts [Mr. TIERNEY], on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will designate the amendment.

The Clerk designated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 164, noes 260, not voting 9, as follows:

[Roll No. 610]

AYES—164

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Boswell
Boucher
Brown (CA)
Brown (OH)
Campbell
Cardin
Clay
Clayton
Clement
Conyers
Costello
Coyne
Cramer
Cummings
Danner
DeFazio
DeGette
Delahunt
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fazio
Filner
Flake
Ford
Frank (MA)
Frost
Furse
Green
Gutierrez
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kleczka
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
LoBiondo
Lofgren
Lowey
Luther
Maloney (NY)
Manton
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McKinney
McNulty
Meehan
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Nadler
Neal
Oberstar
Olver
Ortiz
Owens
Pallone
Pascrell
Paul
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Shays
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Spratt
Stabenow
Stark
Stokes
Strickland
Stupak
Tanner
Tauscher
Thompson
Tierney
Torres
Towns
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weygand
Wise
Woolsey
Wynn

NOES—260

Aderholt
Archer
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Berman
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boyd
Brady
Brown (FL)
Bryant
Bunning

Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Crane
Crapo
Cunningham
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeLauro
DeLay
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fattah
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson, E. B.
Jones
Kanjorski
Kasich
Kelly
Kim
Kind (WI)
King (NY)
Kingston
Klink
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
Lucas
Maloney (CT)
Manzullo
Mascara
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
Meek
Metcalf
Mica
Miller (FL)
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Obey
Oxley
Packard
Pappas
Parker
Pastor
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Talent
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tiahrt
Traficant
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOT VOTING—9

Armey
Cubin
Foglietta
Gonzalez
Johnson, Sam
Riley
Scarborough
Schiff
Yates

☐ 1400

Mrs. MEEK of Florida, Mrs. CHENOWETH, and Messrs. MURTHA, MASCARA, and HOLDEN changed their vote from "aye" to "no."

Ms. MCCARTHY of Missouri, Mrs. TAUSCHER, Mrs. KENNELLY of Connectiut, and Messrs. FLAKE, ROTHMAN, MINGE, SHAYS, CLAY, CONYERS, LOBIONDO, and LUTHER changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Ms. KILPATRICK. Mr. Chairman, I rise today in opposition to H.R. 2616, the Charter Schools Act of 1997. This program, begun as a Federal grant to provide seed funds for public charter schools just 3 years ago, is a waste of taxpayer funds, does nothing for the 90 percent of school children who are in public schools, and is a further drain upon the scant resources that our public schools now have. As a former public school teacher, I believe in our public schools because our public schools work. What is truly needed is comprehensive, holistic school reform, not piecemeal, politically expedient solutions.

We all agree that our public schools need to be reformed. But we must first consider any and all changes to our charter schools as part of a comprehensive, complete review of all of our public school education programs. This review must take into consideration the fact that many of our Nation's public schools are in need of significant repair. The changes that this legislation proposes does little to improve upon the quality of not just public schools, but charter schools. There is woefully little strengthening of the oversight and accountability of our charter schools in H.R. 2616.

In the House Committee on Education and the Workforce report on H.R. 2616, "it was recently reported by the Michigan Department of Education that charter schools in its State posted substantially lower scores than other public schools on State assessment tests." If charter schools in Michigan are not working better than the regular public schools, where is the investment in education of our taxpayer's dollars? It is ironic that while Congress has not approved legislation that will address our overcrowded and dilapidated schools, we want to expand charter schools.

In summary, I support the complete and comprehensive overhaul of our Nation's public schools. I cannot support initiatives designed to further siphon off the scarce resources for our Nation's public schools, and that is why I am voting against this bill on final passage.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. GIBBONS] having assumed the chair, Mr. SNOWBARGER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2616) to amend titles VI and X of the Elementary and Secondary Education Act of 1965 to improve and expand charter schools, pursuant to House Resolution 288, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. RIGGS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 367, noes 57, not voting 9, as follows:

[Roll No. 611]

AYES—367

Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boucher
Boyd
Brady
Brown (CA)
Brown (FL)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Castle
Chabot
Chambliss
Christensen
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeGette
DeLauro
DeLay
Dellums
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Flake
Foglietta
Forbes
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefner
Herger
Hill
Hilleary
Hobson
Hoekstra
Holden
Hooley
Horn
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (RI)
Kennelly

Kildee
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klug
Knollenberg
Kolbe
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Ortiz
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paxon
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Ramstad
Rangel
Redmond
Regula
Riggs
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schumer
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tiahrt
Towns
Traficant
Turner
Upton
Velázquez
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOES—57

Abercrombie
Becerra
Blumenauer
Bonior
Boswell
Brown (OH)
Cannon
Carson
Chenoweth
Clay
Coyne
Davis (IL)
DeFazio
Delahunt
Deutsch
Dingell
Frank (MA)
Goode
Hefley
Hinchey
Hinojosa
Hostettler
Hyde
Kennedy (MA)
Kilpatrick
Klink
Kucinich
Manzullo
Markey
Martinez
McDermott
McGovern
Meehan
Meek
Mink
Moakley
Neal
Olver
Paul
Payne
Rahall
Reyes
Rivers
Roybal-Allard
Rush
Schaffer, Bob
Scott
Slaughter
Stabenow
Stokes
Stupak
Tierney
Torres
Vento
Waters
Watt (NC)
Wexler

NOT VOTING—9

Cubin
Foley
Gonzalez
Hilliard
Owens
Riley
Schiff
Thompson
Yates

□ 1422

Mr. STOKES changed his vote from "aye" to "no."

Mr. NADLER and Mr. LoBIONDO changed their vote from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. OWENS. Mr. Speaker, on rollcall vote 611, I was unavoidably detained and did not vote. Had I been present, I would have voted "aye."

MOTION TO RECONSIDER THE VOTE OFFERED BY MR. DOGGETT

Mr. DOGGETT. Madam Speaker, I move to reconsider the vote.

MOTION TO TABLE OFFERED BY MR. RIGGS

Mr. RIGGS. Madam Speaker, I move to lay on the table the motion to reconsider.

The SPEAKER pro tempore (Mrs. EMERSON). The question is on the motion to table the motion to reconsider offered by the gentleman from California [Mr. RIGGS].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DOGGETT. Madam Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 256, noes 163, not voting 14, as follows:

[Roll No. 612]

AYES—256

Aderholt
Archer
Armey
Bachus
Baesler
Baker
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Berman
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boucher
Boyd
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Combest
Cook
Cooksey
Cox
Cramer
Crane
Crapo
Cunningham
Davis (FL)
Davis (VA)
Deal
DeGette
DeLay
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Gutknecht
Hall (TX)
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, Sam
Jones
Kanjorski
Kasich
Kelly
Kim
Kind (WI)
King (NY)
Kingston
Klug
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lucas
Luther
Manzullo
Martinez
Mascara
McCarthy (NY)
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Minge
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nethercutt
Neumann
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Rahall
Ramstad
Redmond
Regula
Reyes
Riggs
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Strickland
Stump
Sununu
Talent
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Traficant
Turner
Upton
Walsh
Wamp
Watkins
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wise
Wolf
Young (AK)
Young (FL)

NOES—163

bercrombie
Ackerman
Allen
Andrews
Baldacci
Ballenger
Barrett (WI)
Becerra
Bentsen
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cummings
Danner
Davis (IL)
DeFazio
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Flake
Ford
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kleczka
Kucinich
LaFalce
Lampson
Lantos
Levin
Lewis (GA)
Lofgren
Lowey
Maloney (CT)
Maloney (NY)
Manton
Markey
Matsui
McCarthy (MO)
McDermott
McGovern
McNulty
Meehan
Meek
Miller (CA)
Mink
Moakley
Mollohan
Nadler
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rangel
Rivers
Rodriguez
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Stupak
Tanner
Thompson
Thurman
Tierney
Torres
Towns
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Wexler
Weygand
Woolsey
Wynn

NOT VOTING—14

Collins
Cubin
Ehlers
Foglietta
Gonzalez
Greenwood
Klink
Ney
Pascrell
Radanovich
Riley
Royce
Schiff
Yates

□ 1442

Ms. DUNN changed her vote from "no" to "aye."

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. FOLEY. Madam Speaker, on rollcall No. 612, I was inadvertently detained. Had I been present, I would have voted "aye."

PERSONAL EXPLANATION

Mr. EHLERS. Madam Speaker, on rollcall No. 612, I was detained in an important meeting and could not reach the floor in time to vote. Had I been present, I would have voted "aye."

GENERAL LEAVE

Mr. RIGGS. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 2616, the bill just passed.

The SPEAKER pro tempore (Mrs. EMERSON). Is there objection to the request of the gentleman from California?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 2616, CHARTER SCHOOLS AMENDMENTS ACT OF 1997

Mr. RIGGS. Madam Speaker, I ask unanimous consent that in the engrossment of the bill H.R. 2616 the Clerk be authorized to make such technical and conforming changes to the bill as will be necessary to correct such things as spelling, punctuation, cross-referencing and section numbering.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

OUR FOND FAREWELL TO THE GENTLEMAN FROM NEW YORK (MR. FLOYD FLAKE)

(Mr. QUINN asked and was given permission to address the House for 1 minute.)

Mr. QUINN. Madam Speaker, as we continue to deliberate this weekend, I ask my colleagues' indulgence to take a few moments of our time this afternoon to bid farewell to a Member of the body, a fellow New Yorker, and a dear friend to all of us here in the House. It seems this past week we welcomed the new Member from New York 13, and next week, after all of our work is finished and everything else has winded itself down, we will say goodbye, and the gentleman from New York [Mr. FLOYD FLAKE] will leave the Chamber to become a full-time pastor of the Allen A.M.E. Church in Queens, N.Y.

□ 1445

I thought it was fitting, and all of you I am sure will agree, that this afternoon we take a break to thank someone on behalf of all of us here and his constituents for almost 10½ or 11 years of service here in the U.S. Congress, who has worked on numerous different projects that have benefited everybody, not only in his district but all of our districts and people all across this Nation and beyond.

For the 9,000 members of the Allen A.M.E. Church in Queens, NY, while FLOYD FLAKE is our loss, he is their gain. I hope you will join me in bidding farewell to Congressman FLOYD FLAKE this afternoon.

Madam Speaker, it gives me a great deal of pleasure to yield to the dean of the New York delegation, the gentleman from New York, [Mr. GILMAN].

Mr. GILMAN. Madam Speaker, I wanted to thank Mr. QUINN for arranging this time for us to pay tribute to an outstanding legislator, Rev. FLOYD FLAKE. We hope one day we will be calling him Bishop FLOYD FLAKE.

Mr. Speaker, it is with a great deal of regret that I know that many of us are here to bid good-bye to FLOYD, but also we are happy to pay tribute to a colleague who is going to be sorely missed, not only by this body, but by his New York constituents, by the congressional delegation of New York, by the American people.

FLOYD FLAKE has decided to leave us to devote full-time to his first vocation, service to God, but in many ways he has served his congregation superbly throughout his 11 years in the Congress by being a constant reminder of decency, of tolerance, and of the American way. He has been a great role model for many in his community.

FLOYD brought to this Chamber a diverse background which reminded us all of the diversity of our Nation. He was a college administrator to two well-known, respected institutions, Lincoln University and Boston College. He enjoyed a successful career as a corporate marketer.

But his role as pastor of the Allen African Methodist Episcopal Church is perhaps the largest influence on FLOYD's life, and he reflected this influence every day of his tenure here.

Incidentally, that is no small congregation. It numbers in the thousands. FLOYD was going back and forth on the shuttle each and every day, each and every night when he finished his work here, to be able to service his congregation. Not only was he doing that, he worked during his career here in the Congress to achieve his Ph.D., and he did that at night as well. An outstanding demonstration of what one can do with his dedication and his motivation to even perfect his life to a greater extent.

We in our New York delegation at first were uncertain what to expect upon the first election of FLOYD FLAKE in the special election of 1986. At that time, he was replacing one of the most revered and loved members of our New York delegation, Joe Addabbo, who passed away while in office. Joe's shoes were going to be difficult ones to fill, but FLOYD certainly managed to follow on that path blazed by Joe and did not hesitate to blaze some trails of his own. Today, FLOYD FLAKE leaves us as one of our most respected and beloved colleagues.

He served on the Banking and Financial Services Committee as well as the Small Business Committee, and in those capacities, FLOYD served his constituency and the American people in an outstanding manner. His urban district depended in many ways on the financial institutions and the mom-and-pop enterprises which make up his historic constituency.

We all join together in wishing FLOYD the best of success, health, happiness, in all of his new endeavors, and we know that the Allen African Methodist Episcopal Church will be under his sterling leadership in the future, and we hope that FLOYD will find occasion to invite us all to join him during one of his Sunday services.

We extend our sincerest best wishes to his wife, Elaine, and to FLOYD's four children.

And, FLOYD, you will always be welcome back in this Chamber. God bless.

Mr. QUINN. Madam Speaker, I yield to the other leader from New York, Mr. CHARLIE RANGEL.

Mr. RANGEL. Madam Speaker, I appreciate this. We all have to agree that it is very unique for someone who has gained such a wonderful reputation in this House to find higher reasons and better causes in order to leave.

In addition to going home every night in order to take care of his parishioners, we talk about family values; but FLOYD FLAKE has really lived it, because he has four children and a wife that he shared his life with while he was here working in the Congress to improve the quality of life for other Americans.

We find it so easy to talk about improving the life of the poor, but he was on the Committee on Banking and Financial Services, and he did what he thought was the best thing he could do for poor folks. He did not just talk about poverty but, rather, thought the best thing he could do would be to remove people from poverty. And, being a part of the Committee on Banking and

Financial Services, he was able to bring community banks to allow people that lacked the sophistication to have access to the resources so they would not just be getting loans, but they would be able to go into business and provide opportunity for others.

We hear all the debate about education, whether we should support the public schools or whether we should have vouchers. He not only talked about the concept but went out and built the schools so that, indeed, people would get an education.

When you talk about the jobless and the hopeless and the homeless, he has built the schools, he has built the homes, he has provided the opportunity and, at the same time, has given them spiritual and political leadership.

There were times that some of us would doubt the wisdom of his votes, when somehow his hands made a mistake and he got on this side of the aisle when he was voting with you. But there is not anybody in this House that would ever challenge the integrity of Congressman FLOYD FLAKE. For any vote that he has ever taken in this House, you would know, in his opinion, he was doing the right thing for his constituents.

This is the greatest country that man has ever conceived, and many of us know that she can and will become better as the years go by. But the fact that we can enjoy in this body someone that came from his background, rose to gain the respect of his colleagues, can go out and be entertained as members of private corporate boards and at the same time lead thousands in prayer for a better community and a better country, it just means that those of us who have been lucky enough to get here should appreciate the fact that only in America can we rub shoulders with a person like FLOYD FLAKE and still do our duty as politicians and know that somehow, through him, we were doing God's work.

It has been a pleasure having you here, and we know we will be hearing from Pastor-Bishop-Former-Congressman FLOYD FLAKE.

Mr. QUINN. Madam Speaker, I yield to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Madam Speaker, I thank the gentleman for yielding.

Ladies and gentlemen and colleagues, you have seen a cross-section of the delegation rise in respect for this great man FLOYD FLAKE.

You know, we are 31 Members from New York State. We represent 18 million people. It is a real cross-section of America. But do you know something? In spite of our philosophical differences, our political differences, I am so proud that our delegation has never had a real confrontation.

We have stuck together, sometimes even when we did not agree with each other, for our State, and we did that because of what FLOYD FLAKE epitomizes. That man has never, ever, once tried to mislead anyone in this Chamber. He has stood up and told it like it is.

FLOYD, you are one of the greatest Americans that I have ever known. We are going to miss you dearly. You are a great, great man.

Thank you.

Mr. QUINN. Madam Speaker, I yield to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Madam Speaker, I thank the gentleman and just join with my colleagues in extending our good wishes, our sadness that he is leaving us, but our glory that we know he will be not only on the scene in southeast Queens at his Church, but on the public scene as well in years to come.

Ladies and gentlemen, you know, I came to this body 18 years ago from a little corner of the world, New York, and I did not know most of America. Serving in this body makes you a patriot. You see people from all across the country, from all different walks of life, people who come right up from the grassroots. And they are remarkable people, Democrats, Republicans, people from the Northeast, people from the Southwest, and you say to yourself, what a great people the American people are.

In my mind, there are a number of people I think of when I have that thought, and one of them is my colleague, my friend, FLOYD FLAKE. He is a unique individual. He is somebody who has broken the mold for the better so many different times, whether it be working hard for his community. My colleague CHARLIE RANGEL calls his church, which is the Allen A.M.E. Church, and I have been there and learned to wave my arms and say "Hallelujah" through Pastor FLAKE, Amen. But CHARLIE calls the Allen A.M.E. Church "the City of Allen," because FLOYD has done so much there.

Look at what he has done in this Congress. I served with FLOYD FLAKE on the Committee on Banking and Financial Services. Again, time after time after time, he was able to take idealism and mold it into a practical solution so that it was not just a speech of words in the air but practical solution that was concrete, mortar and bricks and roofs over people's heads, and better banking, so that communities would benefit from the loans that they had put into the banks, and they would come back to the community.

Now he has truly become a national leader. Some of us agree and some of us disagree with the exact prescription that FLOYD FLAKE has prescribed for our schools and for our communities, but I think there is a great deal of wisdom in what he has done.

The bottom line, though, is once again there is not a soul in this place who does not know that he has done it with intelligence and integrity and the motivation to make his community, our city, our country, a better place.

So I would say in conclusion, this is a man, a deeply spiritual man, but also a deeply practical man, and he has combined the best of spirituality and practicality to leave a real mark, a mark for the better, on this body and on the United States of America.

FLOYD, I know I speak for everybody when I say we will miss you, but we know we will be hearing from you many, many times in the future, and we will listen keenly, because what you say and what you do is a valuable model for all of us.

□ 1500

Mr. QUINN. FLOYD, we have had requests from almost everybody here to speak, and we will never get to fast track if we let everybody here speak this afternoon.

Madam Speaker, I yield to the gentleman from California [Mr. LEWIS], the delegation leader from the State of California.

Mr. LEWIS of California. Madam Speaker, I very much appreciate my colleague yielding, and I must say that as FLOYD is recognized in a special way by the 31 Members from New York, those of us who make up the 52 Members of California want you all to know that we have not just the greatest respect for the work of FLOYD FLAKE, but most importantly, we feel in our hearts the warmth that goes out to FLOYD as he continues his work, for his gentle nature has been felt across the Halls of this House from the day he arrived here. FLOYD is one of those very, very special people who cares about people most.

FLOYD, I want you to know that as you leave this House and take with you our friendship as well as our respect, you also take with you our prayers for your continued good work. I would ask as you go forward in New York that you continue to pray for those of us in this House, for we need the help of you as well as your parishioners. You are a fantastic representative of the best of this country, and God bless you for all that you have done with your life.

Mr. QUINN. Madam Speaker, I yield to the gentlewoman from California [Ms. WATERS].

Ms. WATERS. Madam Speaker, it gives me great pride to stand before this House this afternoon and say a few special words about my friend, FLOYD FLAKE. I am not pleased that he is leaving. As a matter of fact, when he first told me I was standing back near the door, and I literally slid down the wall, because I understood immediately, this House cannot afford to have this man of substance part from us at this time. We in the Congressional Black Caucus love him, need him, respect him, and we have worked with him in some very special ways. But beyond that, the Democratic Caucus will miss him, because of what he has been able to add to the debate and the discussions and the direction of this House. Well, you saw on the other side of the aisle who took this time out on the floor, so this man is not only important to the Democratic Party, but also to the Republican Party.

We are going to miss him because he became one of our fine experts on the Committee on Banking and Financial Services. If the financial institutions of America are ever going to invest in inner cities, comply with CRA, and do what we want them to do, it will be because of the work of Floyd Flake. He has shown that there is not just one way to do things, he has gotten them to do more than all of us who have beaten up on them time and time again. He has caused the development and proliferation of housing for poor people in this country, having developed capacity through nonprofits and their ability to use the resources that we have put forth so that they could take care of the poor in this Nation.

I am going to miss him, but I will see him even though he is not here. I am going up to Allen Church. He has invited me before, and I certainly expect him to invite me again. I am going up to Allen Church to be with his church family and to look at that community that he has developed up there, all around the church. You will see commercial development all around the church. You will see housing. You will literally see a community that has benefited from the knowledge, the expertise and the caring of this man.

We are going to miss you. We really do hate to see you go, but this place is a much better place because you have been here. Thank you very much.

Mr. QUINN. Madam Speaker, I yield to the minority leader, the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. I thank the gentleman from New York for calling this special event, and I am proud to rise with all of my colleagues on both sides of the aisle to honor the service and the meaning of the career of FLOYD FLAKE.

I have had a chance that many of you have not had. About a year ago I got to go to Allen Church and to FLOYD's district with FLOYD and spent about a day. We went in the old church. He now has a new structure that he showed me being built. I got to meet a lot of the families in the church, and I got to see the development that has gone on around the community through the work of the SBA and other organizations and the church that has gone on in the community.

What I would like to do in my minute today is describe for you what it is like to walk into this church with FLOYD FLAKE. All of the families feel that FLOYD FLAKE is part of their family. All of the children that we met, and on this day that we were there, they were honoring school children who had had great achievement in school. All of their families were there. And as FLOYD walked around with me, he knew the name of every child. And obviously, every child and every family knew and looked up to him as the leader of the flock.

When you see the energy among the families, when you see the achievement, when you see the cohesion of his church members, you understand why this is an extended family in this community.

Then he took me to the foundation of the new church and we walked through the mud under the foundation and saw the expanse of this building that he is building with his members. And then we drove around the community and saw all of the buildings that had been refurbished, all of the businesses that had been started, and we walked into an SBA center that he got in the community where people are coming in to find out how they can set up their little new fledgling businesses on their own in the community.

The truth is, FLOYD is leaving this great opportunity that we all have in public service, but FLOYD, let me be very honest with you and say, I not only understand what you are doing and why you are doing it, I think it is the right thing to do. Because the truth is that you in your career in your community are doing more than any of us could ever dream of doing. I just hope and pray that my service could be one fraction as important to the people that I serve as your service is right now to the people of your community. I am in awe of what you have done, and I think what you have done is extremely important, not only for your community, but for all of us to see as a model of what one human being can do as a force for good for people. We are going to miss you, we love you, and we wish you well and we will work with you in the days ahead. Thank you.

GENERAL LEAVE

Mr. QUINN. Madam Speaker, just before we yield to one last speaker and hear from FLOYD FLAKE, I would like to get rid of a technicality. I ask unanimous consent that all Members be granted 5 legislative days within which to extend their remarks on the subject of this 1-minute.

The SPEAKER pro tempore (Mrs. EMERSON). Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. QUINN. Madam Speaker, I yield to the gentleman from Georgia, the Speaker of the House [Mr. GINGRICH].

Mr. GINGRICH. Mr. Speaker, let me say that 11 years ago when a vacancy was filled in a special election, I do not think any of us could have predicted the kind of mark that that new Representative would make. Those of you who might have had the good luck a few weeks ago to see the cover of the New York Times Sunday magazine saw a remarkably dapper Member of Congress right there on the cover. And he honored all of us. And as you read the article, if you did, as I did, you came to realize that this gentleman that we have been working with, as my good friend, the gentleman from Missouri [Mr. GEPHARDT] pointed out, is a remarkable figure in his own community, a man who leads by eloquence, by energy, by intelligence, by courage, by a quiet civility that would be worth all of us studying on occasion.

I have worked with him on a number of projects. I know of no one in this House who has been more openminded in his willingness to consider anything which would help the children of his community and which would improve the chance that they would lead a better life. I know of no one who has shown more determined calm and pleasant courage in standing for what he believes in. He has honored this institution by serving it. He has strengthened his country by his public service. I have no doubt that he will take on to his chosen true field of bringing people together with God an even greater dedication, and that our country will be even stronger and those children will have an even better future because of what he does, and I just want you to know, FLOYD, that as a friend, all of us are going to miss you and we wish you well and Godspeed in your new opportunities.

Mr. QUINN. Madam Speaker, I yield to the gentleman from New York, District 6, the Honorable FLOYD FLAKE.

Mr. FLAKE. Thank you very much to the Speaker of the House, to the minority leader [Mr. GEPHARDT], who did come to the district and visit with me at the school and with our people, to all of the leadership here and all of the Members of this body.

Eleven years ago when I ran for Congress I said to the people of the Sixth District that I intend to go and stay from 10 to 12 years. When we conclude business in the next few days, it will be the end of the 11th year for me. I do not think you can come any closer to fulfilling a promise than that.

I come as the product of a family who gave birth to 13 children, grew up in Houston, TX, in SHEILA JACKSON-LEE's district, grew up in a family where my father was a janitor all of his life. My mother was a housekeeper. My father would not allow her to work, but worked two jobs, three jobs, made us work from the time we were about 6 and 7 years old.

By the time I was 6 I had my own paper route, and by the time I was 8, my mother had taught us how to cook and wash and iron and sew, so I had my own homes that I cleaned up every Saturday. By the time I was 13 I was busing tables at restaurants and waiting tables, and when I got ready to go to college, because of the size of the family, my family could not afford to give me a dime, but I told them I wanted to go, I could have gone to one of the Texas schools and run track, but chose to go away to a school where I could prepare for the ministry, having accepted the call at the age of 15.

I went to that school every morning at 5 o'clock, I was up, cooking breakfast for my fellow students. Lunch time, back serving tables. Dinner time, serving again, but also getting keys to the cafeteria so that I could clean it up at night. For 4 years in college, 3 years in seminary, that is what I did, and that is how I got through.

One of the things I realized as I was growing up was that there was no substitute for hard work. I could never have envisioned, sitting in civics classes, that a day would come when I would not be reading about Presidents, but meeting them, reading about a House that legislated for the needs of our people and the world, but being a part of this great board of directors of America and board of directors of the world. God knows I have come much further than I could have ever imagined. In 1986 when I was asked by my community to run for this office, having served in no political office before, my initial inclination was to be overwhelmed by the thought and to give an overwhelming no, but then ultimately was prevailed upon to run for the office and got elected.

I came here with two basic intentions. One of them was to treat this institution as an extension of my ministry, and those of you who have stood today, I thank you for standing, because I have tried to treat every individual here as if you were a member of my parish, not just Members of this body, but I think if you go out and speak to every guard, every security person, every dishwasher, people even in the kitchen, I could be walking down the hall and go into the kitchen just to speak to people there, because I consider this a part of my ministry.

☐ 1515

That is the way I have tried to work in this Congress. I do not think I have had cross words with many of the Members. If I did, please forgive me. But it is not my nature to do that.

I have tried to cooperate in ways across both sides of the aisle, because beyond Republican and Democrat, I see human beings. When I see human beings, my concern is about how you minister to the needs of people in general. I am fortunate to have in my background marketing analyst from Xerox, serving as dean of students at Boston University, associate dean at Lincoln University before that, and the combination of all of that came together both in my Allen experiences and in my experiences here as a part of this body.

I have sought to bring those business administrative skills to this body, to bring back to my community those resources which are necessary to demonstrate their ability, with a great deal of their own initiative and motivation, to be able to do things for themselves, in addition to the relationship of government and corporate community; how we bring that partnership of resources in a synergy that allows people to know that they can indeed invest not only in themselves, but can build their communities. That is what I have tried to do.

Allen Church was very receptive. We built our own school, which has 480 students. We have built homes. We have sold 110 homes that we built to first-time homebuyers. We have built a senior citizens complex with over 300 units it. We have bought up every vacant, boarded-up store in our community. You will not find any drug dealers around our location, because we own the property, we lease it, or we put programs in it. We have just finished a $23 million building.

I leave Members today because my church is growing so rapidly, with a membership of over 9,000 now. Just in the last month of October, we had 317 new members, in September 170, and in August 155. It is growing so fast that I must be there to minister. I have 825 full-time employees in the church. Many of them would otherwise be persons on the welfare rolls. These are people in home care, teachers, people who work in various categories of professions, a full-time chief financial officer who is my former chief of staff, a Harvard MBA who runs the program there, with a full-time staff of eight directors who run the various programs.

I thank God for a wife who not only has shown her love and commitment, but by virtue of her own training as an educator. We both earned doctorates while I was here. I have worked on my doctorate degree when I went home at night, at 10 o'clock. I would try to go to bed at midnight, up right at 5 in the morning, catch the 6:30 shuttle, or 7:30; come back, and bought all the books, because I did not have library time; wrote the dissertation on the dinner table in longhand, because I am 52 and did not learn to type. So I have not learned to use the computer yet, but I am working on that.

But I go back to the community, and knowing that I have been here. In that community, Southeast Queens, we will build two regional Federal buildings, a Federal FDA building and Federal FAA building, and the rail link, projects that bring into that community about 1,200 jobs, 500 million dollars' worth of construction.

I have tried to bring back to that community those things which change the aesthetics of the community, give people a sense of pride in living there, drive crime down, raise the economic level, and participate in the process of changing and restructuring education.

I have not come necessarily to be agreed upon on everything, but I will tell the Members one thing, I talk to the Master. I talk to God daily, two, three, four, five, six times a day, and I honestly believe that God has called me to do some things, to try to move beyond status quo.

I cannot, as an African-American coming from the background that I came from, believe that we cannot have a stake in American society, a stake brought about not just by programs. I am a firm believer in affirmative action, of course, but I also believe that we have to invest in ourselves.

So I leave the Members to go into the greater community of America. I speak at seminaries. I have been asked to come to Harvard for 2 weeks next summer. I speak to these young men and women who will be coming to pastor in those communities. I am trying to use the model that we have to demonstrate that within the communities that look so deteriorated and devastated, there are fertile fields of opportunity.

I believe that I can move, as I have done in many of the Members' districts already, and many of the districts I will be coming to, they are already on my schedule. I have even been to some of my fellow Members' districts on this side, of the dear gentleman from New York [Mr. RICK LAZIO], a prayer breakfast, and the banquets of the other dear gentleman [Mr. JACK QUINN]; and I have been to various districts, because I think it is important that if we are going to solve the problems of America, we cannot do it balkanized in our own little areas, but we have to learn how to reach out and touch each other, work with each other.

When that is done, I think we will have not only the kind of America that our foreparents intended for it to be, but we will have the kind of world that God would have us live in.

I go, believing that the Lord has called me to a greater ministry and to a greater work. I seek your prayers, and I ask that you might, as you lift your prayers, just ask the Lord to give me strength to do what I feel called to do.

I hate leaving this body, I will confess it. But I will not miss having to take that shuttle in the morning and in the evening. I have tried to go home every night. I never set up a residence here. At 52 years of age, looking relatively good, I want to maintain my health and continue to do the things that I think the Lord has called me to do.

I thank the gentleman from New York [Mr. JACK QUINN] for calling for this special time. I appreciate it.

MOTION TO ADJOURN

Mr. BECERRA. Madam Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore. The question is on the motion to adjourn offered by the gentleman from California [Mr. BECERRA].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. BECERRA. Madam Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 61, noes 348, not voting 24, as follows:

[Roll No. 613]

AYES—61

Andrews
Barrett (WI)
Becerra
Berry
Bonior
Brown (FL)
Clayton
Clyburn
Conyers
Coyne
DeFazio
DeLauro
Deutsch
Dingell
Evans
Farr
Fazio
Filner
Frank (MA)
Gejdenson
Gephardt
Hastings (FL)
Hefner
Hinchey
Jefferson
Kennedy (RI)
Kennelly
LaFalce
Lantos
Lewis (GA)
McDermott
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Mink
Obey
Olver
Owens
Pallone
Payne
Pelosi
Peterson (MN)
Rangel
Roybal-Allard
Sanchez
Serrano
Smith, Adam
Spratt
Stark
Stupak
Thurman
Torres
Towns
Velázquez
Waters
Watt (NC)
Wise
Woolsey

NOES—348

Abercrombie
Ackerman
Aderholt
Allen
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Barcia
Barr
Barrett (NE)
Bartlett
Bass
Bateman
Bentsen
Bereuter
Berman
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Boyd
Brady
Brown (CA)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clement
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLay
Diaz-Balart
Dickey
Dicks
Dixon
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Everett
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Hall (OH)
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Hostettler
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Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klug
Knollenberg
Kolbe
Kucinich
LaHood
Lampson
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntosh
McKeon
McKinney
Metcalf
Mica
Miller (FL)
Minge
Moakley
Mollohan
Moran (KS)
Moran (VA)
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
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Northup
Norwood
Nussle
Oberstar
Ortiz
Oxley
Packard
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Parker
Pascrell
Pastor
Paul
Paxon
Pease
Peterson (PA)
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Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Regula
Reyes
Riggs
Rivers
Rodriguez
Roemer
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Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Rush
Ryun
Sabo
Salmon
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Stabenow
Stearns
Stenholm
Strickland
Stump
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Tiahrt
Tierney
Traficant
Turner
Upton
Vento
Visclosky
Walsh
Wamp
Watkins
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wolf
Wynn
Young (AK)
Young (FL)

NOT VOTING—24

Ballenger
Barton
Boucher
Callahan
Cubin
Dellums
Doggett
Foglietta
Gonzalez
Hoekstra
Jones
Klink
Linder
Markey
McCollum
McIntyre
Morella
Redmond
Riley
Sanders
Schiff
Slaughter
Stokes
Yates

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Mr. PORTMAN and Mr. HILLIARD changed their vote from "aye" to "no."

Ms. MILLENDER-McDONALD and Mr. PALLONE changed their vote from "no" to "aye."

So the motion to adjourn was rejected.

The result of the vote was announced as above recorded.

ENSURING THAT COMMERCIAL ACTIVITIES OF PEOPLE'S LIBERATION ARMY OF CHINA ARE MONITORED

Mrs. FOWLER. Madam Speaker, as the designee of the chairman of the Committee on International Relations, pursuant to House Resolution 302, I call up the bill (H.R. 2647) to ensure that commercial activities of the People's Liberation Army of China or any Communist Chinese military company in the United States are monitored and are subject to the authorities under the International Emergency Economic Powers Act.

The Clerk read the title of the bill.

The text of H.R. 2647 is as follows:

H.R. 2647

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONGRESSIONAL FINDINGS.

The Congress makes the following findings:

(1) The People's Liberation Army is the principal instrument of repression within the People's Republic of China, responsible for occupying Tibet since 1950, massacring hundreds of students and demonstrators for democracy in Tiananmen Square on June 4, 1989, and running the Laogai ("reform through labor") slave labor camps.

(2) The People's Liberation Army is engaged in a massive military buildup, which has involved a doubling since 1992 of announced official figures for military spending by the People's Republic of China.

(3) The People's Liberation Army is engaging in a major ballistic missile modernization program which could undermine peace and stability in East Asia, including 2 new intercontinental missile programs, 1 submarine-launched missile program, a new class of compact but long-range cruise missiles, and an upgrading of medium-and short-range ballistic missiles.

(4) The People's Liberation Army is working to coproduce the SU-27 fighter with Russia, and is in the process of purchasing several substantial weapons systems from Russia, including the 633 model of the Kilo-class submarine and the SS-N-22 Sunburn missile system specifically designed to incapacitate United States aircraft carriers and Aegis cruisers.

(5) The People's Liberation Army has carried out acts of aggression in the South China Sea, including the February 1995 seizure of the Mischief Reef in the Spratley Islands, which is claimed by the Philippines.

(6) On July 1995 and in March 1996, the People's Liberation Army conducted missile tests to intimidate Taiwan when Taiwan held historic free elections, and those tests effectively blockaded Taiwan's 2 principal ports of Keelung and Kaohsiung.

(7) The People's Liberation Army has contributed to the proliferation of technologies relevant to the refinement of weapons-grade nuclear material, including transferring ring magnets to Pakistan.

(8) The People's Liberation Army and associated defense companies have provided ballistic missile components, cruise missiles, and chemical weapons ingredients to Iran, a country that the executive branch has repeatedly reported to Congress is the greatest sponsor of terrorism in the world.

(9) In May 1996, United States authorities caught the People's Liberation Army enterprise Poly Technologies and the civilian defense industrial company Norinco attempting to smuggle 2,000 AK-47s into Oakland,

California, and offering to sell urban gangs shoulder-held missile launchers capable of "taking out a 747" (which the affidavit of the United States Customs Service of May 21, 1996, indicated that the representative of Poly Technologies and Norinco claimed), and Communist Chinese authorities punished only 4 low-level arms merchants by sentencing them on May 17, 1997, to brief prison terms.

(10) The People's Liberation Army contributes to the People's Republic of China's failure to meet the standards the 1995 Memorandum of Understanding with the United States on intellectual property rights by running factories which pirate videos, compact discs, and computer software that are products of the United States.

(11) The People's Liberation Army contributes to the People's Republic of China's failing to meet the standards of the February 1997 Memorandum of Understanding with the United States on textiles by operating enterprises engaged in the transshipment of textile products to the United States through third countries.

(12) The estimated $2 billion to $3 billion in annual earnings of People's Liberation Army enterprises subsidize the expansion and activities of the People's Liberation Army described in this subsection.

(13) The commercial activities of the People's Liberation Army are frequently conducted on noncommercial terms, or for noncommercial purposes such as military or foreign policy considerations.

SEC. 2. APPLICATION OF AUTHORITIES UNDER THE INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT TO CHINESE MILITARY COMPANIES.

(a) DETERMINATION OF COMMUNIST CHINESE MILITARY COMPANIES.—

(1) IN GENERAL.—Subject to paragraphs (2) and (3), not later than 90 days after the date of the enactment of this Act, the Secretary of Defense, in consultation with the Attorney General, the Director of Central Intelligence, and the Director of the Federal Bureau of Investigation, shall compile a list of persons who are Communist Chinese military companies and who are operating directly or indirectly the United States or any of its territories and possessions, and shall publish the list of such persons in the Federal Register. On an ongoing basis, the Secretary of Defense, in consultation with the Attorney General, the Director of Central Intelligence, and the Director of the Federal Bureau of Investigation, shall make additions or deletions to the list based on the latest information available.

(2) COMMUNIST CHINESE MILITARY COMPANY.—For purposes of making the determination required by paragraph (1), the term "Communist Chinese military company"—

(A) means a person that is—

(i) engaged in providing commercial services, manufacturing, producing, or exporting, and

(ii) owned or controlled by the People's Liberation Army, and

(B) includes, but is not limited to, any person identified in the United States Defense Intelligence Agency publication numbered VP-1920-271-90, dated September 1990, or PC-1921-57-95, dated October 1995, and any update of such reports for the purposes of this Act.

(b) PRESIDENTIAL AUTHORITY.—

(1) AUTHORITY.—The President may exercise the authorities set forth in section 203(a) of the International Emergency Economic Powers Act (50 U.S.C. 1702(a)) with respect to any commercial activity in the United States by a Communist Chinese military company (except with respect to authorities relating to importation), without regard to section 202 of that Act.

(2) PENALTIES.—The penalties set forth in section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) shall apply to violations of any license, order, or regulation issued under paragraph (1).

SEC. 3. DEFINITION.

For purposes of this Act, the term "People's Liberation Army" means the land, naval, and air military services, the police, and the intelligence services of the Communist Government of the People's Republic of China, and any member of any such service or of such police.

The SPEAKER pro tempore. Pursuant to House Resolution 302, the gentlewoman from Florida [Mrs. FOWLER] and the gentleman from Indiana [Mr. HAMILTON] each will control 30 minutes.

The Chair recognizes the gentlewoman from Florida [Mrs. FOWLER].

GENERAL LEAVE

Mrs. FOWLER. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this measure.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Florida?

There was no objection.

Mrs. FOWLER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, today the House is considering H.R. 2647, legislation I have introduced to call attention to U.S. commercial activities of the People's Liberation Army, better known as the PLA, of China and give the President expanded authority to take action against PLA-owned enterprises doing business in the United States.

It has been well-documented that China's military-owned enterprises have been directly involved in the international proliferation of nuclear and chemical weapons technologies and of missiles and missile technologies. Recent revelations include information about the sale of ring magnets and specialized high temperature industrial furnaces, used in constructing nuclear weapons, to Pakistan; technical support for Iran's nuclear program; and missile technology sales to Iran, Syria, and Pakistan. The profits from these sales are piled back into the modernization of the PLA and fund such aggressive activities as the missile tests conducted off Taiwan in advance of the 1996 elections there and the PLA's seizure of contested islands in the South China Sea.

What many Americans do not know is that the Chinese military also operates many enterprises that deal in nonmilitary commodities, and that they profit handsomely from their activities in the United States. A report released earlier this year indicated that vast quantities of goods as varied as rattan products, toys, ski gloves, garlic, iron weight sets, men's pants, car radiators, glassware, pollock fillets, swimsuits, and much more are being sold to U.S. consumers by PLA-owned firms.

This chart that I have here will give Members an example. All those that are in the peach color are companies that have been documented by our Defense Intelligence Agency as being directly owned by the People's Liberation Army. Those in the peach color are the ones that would be affected by this legislation. The ones to the other side, in the other color, are their defense industrial base. Some of them have indirect connections also, but any Members who are interested today might want to come up and look at this chart. They would be amazed at the companies listed here.

H.R. 2647 would do two things. First, it would require the Secretary of Defense, in consultation with the Attorney General, the Director of Central Intelligence, and the Director of the FBI, to maintain a current list of Chinese military firms operating directly or indirectly in the United States. This list, consisting strictly of PLA-owned companies, would be updated regularly in the Federal register.

Second, it would give the President enhanced authority under the International Emergency Economic Powers Act, better known as IEEPA, to take action against Chinese military-owned firms if circumstances warrant, including freezing their assets or otherwise regulating these firms' activities.

Thus, if a PLA-owned firm is found to be shipping missile guidance components to a rogue state like Iran, the President would have the authority to take immediate action against a United States subsidiary of that firm which might, for example, be selling sporting goods here in the United States.

I should note that this bill would not require the President to take action under IEEPA; it would only enhance his ability to do so.

I believe that American consumers ought to know whether the products they are buying, including things like toys, sweaters, and porcelain they might purchase for the upcoming holidays, are supporting the People's Liberation Army and the kind of activities I have identified.

This legislation will help do that. It is needed both to shed light on the PLA's activities in the United States and to ensure that the President has the latitude he needs to take appropriate actions when evidence of wrongdoing arises. I hope my colleagues will support this legislation.

Madam Speaker, I reserve the balance of my time.

Mr. HAMILTON. Madam Speaker, I yield myself such time as I may consume. I rise in opposition to the bill.

Madam Speaker, the purpose of the bill is to increase, I think, the likelihood that United States sanctions against companies owned by the Chinese military will be applied. The bill's findings make a number of assertions about objectionable conduct by the People's Liberation Army. I think there is broad agreement with regard to the accuracy of those assertions.

The findings also describe a number of Chinese military commercial activities that are contrary to United States interests, or at least said to be contrary to United States interests, or in violation of Chinese Government commitments. The bill requires the Secretary of Defense to maintain a list of Chinese military companies operating in the United States, and it authorizes but it does not require the President to impose the sanctions provided for under the International Emergency Economic Powers Act, the act we generally refer to by the name IEEPA, even if that statute's threat standard has not been met.

I really oppose the bill for two reasons. First of all, the bill hands the President of the United States an extraordinary amount of authority. Currently the International Emergency Economic Powers Act, or IEEPA, authorizes the President to impose a wide array of sanctions in response to a foreign threat to the United States national security, foreign policy or economic interests. Presidents have used that authority frequently in the past. Under this bill, the President would be free to impose IEEPA sanctions on a Chinese military company without declaring a national emergency, or even determining that the company in question posed any threat to United States public safety or national security.

In other words, the bill provides no clear standards for invoking IEEPA sanctions. The bill establishes no threat standard for triggering the sanctions. The bill offers no congressional guidance to the President concerning the conduct that would justify sanctions. So far as I am aware, no existing sanctions law, and we have a number of them on the books today, offers the President anywhere near this kind of open-ended authority to impose sanctions. And so the bill has important implications beyond United States-China relations. It sets a precedent, and some view perhaps an alarming precedent, with respect to the separation of powers; it represents an extraordinary giveaway by the Congress of congressional authority to the executive to set the parameters of U.S. foreign and trade policy. I am aware, of course, that my colleagues will not be much persuaded by this argument, but I do find myself increasingly concerned about this propensity on the part of Members of the Congress and this institution to transfer authority to the President of the United States, and in this case not to give him any guidelines, not to give him any guidance, not to put any restraint or restrictions on the manner in which he uses that power. I can almost assure that sometime in the future, we in this body will be objecting very strongly to the manner in which some President, a future President, will have exercised authority under this bill, and we will complain that he has abused authority when in fact he will not have abused authority because there are not any guidelines here. That is one objection that I have to the bill.

A second objection is that I think the bill involves the danger that it poses to sensitive intelligence information. The requirement to publish a list of Chinese military companies operating directly or indirectly in the United States I am told can easily jeopardize sensitive sources. This requirement of disclosure could release classified information that should be protected, and that information could relate to sources and methods in the intelligence community. I do not think it is wise for us to take action that will only make it more difficult to collect vital intelligence on Chinese commercial interests in this country. I understand that the Chinese do a lot of things that we do not like, and I agree with much of what has been said with regard to their conduct, but I do not think we have looked at this legislation carefully enough, we have not explained why the President needs any new authority to protect public safety or national security from the Chinese military. He already has very extensive authority to do that. I do not think the sponsors of the bill have adequately explained why we should take a step that has fairly serious implications for the balance of constitutional powers, and I do not believe the sponsors of the bill have told us how they would reconcile the need to protect sensitive intelligence sources with the requirement for publishing a list of companies associated with the Chinese military.

Madam Speaker, I do not see any overriding reason to pass this bill, although I certainly understand the concerns that the sponsors of the bill have about Chinese military enterprises operating in this country and in other areas of the world.

□ 1600

But because of the two reasons that I have stated, I do urge Members to oppose the bill. I might say that the administration likewise opposes the bill.

Madam Speaker, I reserve the balance of my time.

Mrs. FOWLER. Madam Speaker, I yield myself such time as I may consume.

I just want to stress again that this bill does not require the President to do anything, it just gives him the flexibility to do so.

Madam Speaker, I yield 4 minutes to the gentleman from New York [Mr. GILMAN], the distinguished chairman of the Committee on International Relations.

Mr. GILMAN. Madam Speaker, I thank the gentlewoman from Florida for yielding this time to me.

Madam Speaker, I am pleased to rise in strong support of this measure, a bill introduced by the gentlewoman from Florida [Mrs. FOWLER] that would deny normal commercial status to the Chinese People's Liberation Army, whose enterprises subsidize China's military spending, and who promote arms proliferation activities from Iran to the streets of San Francisco.

This critically important legislation is needed to monitor and restrict the long arm of those commercial enterprises in Asia and in the United States whose activities have been directly implicated in the proliferation of weapons of mass destruction, in arms smuggling, economic espionage, use of forced labor, piracy of intellectual property and misappropriation of military-sensitive technology.

Its provisions would require the U.S. Secretary of Defense, the Attorney General and our Directors of the Central Intelligence Agency and the Federal Bureau of Investigation to publish a list of Chinese military companies that are operating in the United States, and would authorize the President to monitor, to restrict, and seize the assets of those companies.

As an original cosponsor of this measure, along with a number of my colleagues, including the distinguished chairman of the Committee on National Security, the gentleman from South Carolina [Mr. SPENCE], I would remind my colleagues that the Chinese People's Liberation Army is the main instrument of repression within China responsible for occupying Tibet since 1950, massacring hundreds of student demonstrators in Tiananmen Square in June of 1989, and running the Laogai slave labor camps.

The PLA, assisted by its money-making commercial enterprises, is engaged in a massive military buildup with most of the increase in off-budget items. Our arms control agency has estimated that its actual military spending in 1994 was more than nine times its announced budget.

We can and must ensure that the commercial enterprises supporting this massive military buildup be subjected to close scrutiny by our intelligence and law enforcement agencies, and we urge the President to use his existing authorities to restrict or ban their activities in the United States to the extent they represent a national security threat to our interests.

This measure provides the authority for the President to seize the assets of Chinese companies listed in section 2(a) of this bill. It does not mandate, does not require any such Presidential action, but it does serve to put teeth in this measure denying commercial status to these Chinese companies. If the

President were to abuse his authorities under the IEEPA, we can always restrict or eliminate the authorities provided in section 2(b) of this act.

We know that we have a problem with the Chinese military as a whole, but perhaps for foreign policy reasons the President will not want to declare an emergency. This measure will allow the President to act accordingly. If this is any giveaway of authority, it is strictly limited though to PLA companies.

Accordingly, I urge our colleagues to support this measure.

Mr. HAMILTON. Madam Speaker, I yield myself an additional minute.

I just wanted to point out the process involved in this bill. I think there were no hearings in the committee with respect to it. I am not aware that there was any consultation between the committee and the administration and no effort to talk with the administration about how they viewed this bill or to adapt the language of the bill so that it would be satisfactory to the administration.

I am not aware that the bill had any consideration in the committee, the House Committee on International Relations. This bill was not reported out by the committee, I do not believe. I think the bill came out under a waiver, if I am not mistaken.

Now, I understand that there are times when steps have to be taken in a committee to bypass normal procedures, but I must say I do not understand why that had to occur here. This is an important matter. The administration does have something to say on it, but I am not aware of any process that involved them to any degree.

Madam Speaker, I reserve the balance of my time.

Mrs. FOWLER. Madam Speaker, I yield 4 minutes to the gentleman from South Carolina [Mr. SPENCE], the chairman of the Committee on National Security.

Mr. SPENCE. Madam Speaker, I thank the gentlewoman from Florida for sponsoring this initiative.

Madam Speaker, the Communist Chinese People's Liberation Army directly controls a vast empire of commercial enterprises throughout the world. In addition, there is a parallel network of state-run defense industries under the supervision of the Commission of Science, Technology and Industry for National Defense. Such enterprises have been involved in the proliferation of weapons of mass destruction, arms smuggling, economic espionage, use of forced labor, piracy of intellectual property and misappropriation of military-sensitive technology.

As state-owned enterprises, PLA enterprises frequently operate on noncommercial terms, conducting their affairs for such nonmarket reasons as military and prestige considerations and for advancing foreign policy concerns, and even when operating for commercial motives, PLA profits subsidize the military establishment with off-budget financing. According to Karl Schoenberger, writing in Fortune magazine, off-budget military spending in 1997, including both profits from PLA enterprises and PLA arms sales, is conservatively estimated at $2 to $3 billion. Based on purchasing power parity, the Arms Control and Disarmament Agency, not known for exaggerating threats, estimated that 1994 Chinese military spending was nine times its announced budget.

To Chinese military spending is added the problems of weapons acquisition; for instance, fire sales from cash-strapped Russia. The Chinese arms proliferation problem involves what China buys as well as what it sells; is captured by its efforts to acquire the *Sovremenny*-class destroyers from Russia, which are equipped with SS-N-22 supersonic antiship missiles. These Sunburn missiles were designed to evade defenses by hugging the surface of the ocean and then popping up to come straight down on the surface of ships. They are designed for destroying American aircraft carriers and *Aegis* cruisers, especially disturbing given our Navy's presence in the Taiwan Strait.

Instead of representing a stabilizing force in a generational leadership transition in China, as some allege, that military establishment is China's chief enemy of freedom at home and abroad. The PLA is responsible for internal repression from Tibet's occupation to the Tiananmen Square massacre. It is responsible for external aggression from the seizure of Mischief Reef in the Spratley Islands to the firing of missiles to intimidate Taiwan.

The Communist Chinese military does not deserve to be treated like the world's private companies. I urge my colleagues to support this very fine piece of legislation.

Mr. HAMILTON. Madam Speaker, I reserve the balance of my time.

Mrs. FOWLER. Madam Speaker, I yield 3 minutes to the gentleman from New York [Mr. SOLOMON], the chairman of the Committee on Rules.

Mr. SOLOMON. Madam Speaker, I thank the gentlewoman from Florida for yielding this time to me, and first I want to commend her for her sponsorship of this very, very important legislation and her contribution on all of this legislation that has been before us for the last 2 days.

Madam Speaker, again we have a bill before us that brings to light a very serious problem with Communist China that has often been lost in our previous debates on China. It is especially lost when listening to the rhetoric of those who argue for the status quo called engagement with China. As my colleagues know, that word, "engagement," always gets this country of ours in trouble and always ends up with American soldiers in combat somewhere.

The problem is that we do not have true engagement or free trade with this Communist government. There is a barrier between us and them, and the barrier is the massive omnipresent Communist Chinese Government's apparatus dominated by the People's Liberation Army.

This is no ordinary army, Madam Speaker. No, it is also a vast commercial empire raking in profits of well over $2 billion a year, mostly financed by either low-interest or no-interest U.S. taxpayer dollars, 35 years in length, and sometimes with a 10-year waiver, a 10-year grace period, that may never even get paid back, and yet they keep doing this, Madam Speaker. They have got their fingers in everything, let me assure my colleagues.

Madam Speaker, half of the things people are wearing around here are probably made by firms either owned by or affiliated with the People's Liberation Army. See this shirt I am wearing here? Used to be made up in Troy, NY. Do my colleagues know where it is made now? It is made by the People's Liberation Army in China, and all the people that I represent are now out of work. We used to have several thousand seamstresses and workers up in the Hudson Valley. Today we are lucky if we have 300 left.

And what does the PLA do with these huge profits? Well, for starters it dutifully carries out the totalitarian repression of the Chinese people as ordered by the Communist Party. The PLA is the instrument of terror in China. It was the PLA that rolled the tanks in Tiananmen Square, killing a thousand people. It is the PLA that occupies Tibet.

What else does it do, Madam Speaker? Well, for starters, they fired some missiles at Taiwan last year, and they are using their annual double-digit budget increases in their military to gobble up weapons at a breathtaking pace, SU-27 fighter jets, Kilo submarines like this destroyer right here purchased from the Russian Government, armed with a deadly anti-American SS-N-22 missile that is pictured here, that is someday going to be used against U.S. soldiers and sailors stationed over in the Taiwan Straits. Just name it, the PLA is buying it.

And lastly, it is, of course, the PLA that is proliferating the endless list of deadly weapons and technology.

I urge all of my colleagues to support this legislation. I commend the gentlewoman from Florida. It is a great piece of legislation.

Mr. HAMILTON. Madam Speaker, I yield 3 minutes to the distinguished gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Madam Speaker, there is an excellent new book on the market. It is called Dereliction of Duty, and it talks about what went on in the Lyndon Johnson administration, starting about January of 1964 when he was telling the people of America that he was not going to get our Nation involved in any war in Vietnam, and yet behind the scenes was taking every step to do so.

□ 1615

That is what happens when you mislead the American people. That is what happens when you tell the American people you are doing one thing and yet another is going on.

That is what these six bills are about. I voted for them. They sound good; they feel good; they do absolutely nothing. This bill, I would say to the gentlewoman from Florida [Mrs. FOWLER], and you are my friend, does absolutely nothing.

We have had two opportunities now on this floor to do something. My friend, and I still call him my friend, although we quarrel on occasion, Mr. SOLOMON, points out that the People's Army got $2 billion in profits from goods they sold in America last year. The people of China, the nation of China, got $40 billion because of their incredible trade surplus with our Nation. On two occasions, I have tried to address that. On two occasions, you people chose not to.

It is a dereliction of duty of this Congress to mislead the American people that we are somehow getting tough with the Chinese Communists when we are not. There is a dereliction of duty of this Congress to pass six bills, put out press releases, go up there, talk to the television, go out on the quad and talk to the reporters, say we are finally getting tough with the Communists, when we are not.

The only way we are ever going to get the Chinese Communists' attention, to get them to quit forcing abortions, to get them to quit selling missiles to our enemies, to get them to quit putting American businesses out of business with slave-labor-made goods, is when we hit them in the pocketbook, and we will never hit them in the pocketbook as long as we give them most-favored-nation status, when they get 2 percent tariffs on their products coming into America and yet we allow them to charge us anything they want when we sell our products there. And those tariffs can be from 30 to 40 percent, and those tariffs are the main reason why our Nation is at a $40 billion annual trade disadvantage with the Chinese.

I say to the gentlewoman from Florida [Mrs. FOWLER], I am going to vote for her bill. It sounds nice. But if you are really serious, if the gentleman from New York [Mr. SOLOMON] is really serious about this, then let us address the trade inequity. Let us forget about the silly rules of the House. Let us forget about jurisdictions. For once, let us do what is right for America.

Mrs. FOWLER. Madam Speaker, I yield 3 minutes to the gentleman from California [Mr. ROHRABACHER].

[Mr. ROHRABACHER. Madam Speaker, I find it unfortunate that my friend, the gentleman from Mississippi [Mr. TAYLOR], would speak to us in such a condescending manner.

And I will just say this right off the bat. There have been people that have put a lot of time and effort into this issue of human rights and China. This Member in particular has spent years engaged in the issue of human rights in China. And for you to stand up here and act condescending to people who have worked so hard, like the gentlewoman from Florida [Mrs. FOWLER] and the gentleman from California [Mr. COX], who have worked and sweated and done their homework for months and even years to try to get legislation to this floor, when you, as a Member yourself, have not gone through the procedures necessary to work a piece of legislation, is a little bit too much.

I would like to commend the gentlewoman from Florida [Mrs. FOWLER] and commend the gentleman from California [Mr. COX] in particular for the hard work they have put into this legislation. And it is not just a 1-day thing with these people, it is not a 1-day thing with this Congressman. We have worked for years trying to come to grips with a challenge to the United States of America, and that challenge is something that the public has not been able to recognize because there are American businessmen over making profit of Communist dictatorship, a dictatorship run by a group of thugs that threatens our national security and threatens the well-being of the people of this country.

We have got a package of bills before us today, and we have had to work to get them to the floor and work to perfect them, that will make a difference.

For example, we are not just talking about the People's Liberation Army, we are insisting that all companies that are associated with the People's Liberation Army, that are fronts for the People's Liberation Army, that a list be made and that it be made public, and that the President be given the discretion, which, of course, our distinguished ranking member on the Committee on International Relations opposes, that the President be given the discretion to act against these companies.

I am not afraid that the civil rights of these People's Liberation Army companies might get stepped upon. We are talking about the biggest abusers of human rights in the world, people who torture Christians, who put believers in God in prison, put them in forced labor camps, use them as slave labor to produce goods that will be sold, some of those goods, sold right here in the United States of America.

We are trying to come to grips with this problem, we are trying to alert the American people to it, and I, for one, deeply appreciate the gentlewoman from Florida [Mrs. FOWLER] and especially the gentleman from California ([Mr. COX] and all the other people who put time and effort into this package.

The People's Liberation Army is providing billions of dollars, billions of dollars, of revenue, by selling products to us, to do what? As the gentleman from New York [Mr. SOLOMON] stated, to build up their armed forces in a way by selling products to us.

What will they do with these weapons? This massive buildup that we see of the Chinese military, what will they do? Some day they may use those weapons to kill Americans.

Well, we are taking steps today to see that we come to grips with this incredible challenge. I, for one, am proud of the gentleman from New York [Mr. SOLOMON], I am proud of the people involved in the effort.

One last thing about this particular bill, H.R. 2647. No, it does not do everything, but it takes a long step forward. It will alert the American people to what companies are nothing more than fronts for the military arm of the Chinese Communist regime, and it gives the President authority to act if we find them stealing our technology or acting in a way that is totally inconsistent with the security needs of our country.

So I rise in strong support of this legislation and commend my fellow colleagues who put so much time and effort into trying to do something about it. Lyndon Johnson certainly didn't do anything about it.

[Mr. HAMILTON. Madam Speaker, I yield 7 minutes to the distinguished gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Madam Speaker, I thank the distinguished ranking member for yielding me this time, and I commend the gentlewoman from Florida [Mrs. FOWLER] for her leadership on this important issue.

I just want to return to the dialog where the gentleman from California [Mr. ROHRABACHER] started his remarks. I wanted to commend the gentleman from Mississippi [Mr. TAYLOR] though, too, for his comments, because it is true, we should be doing more. But this is the very least we should do, where we can come together and hopefully get some action on the Senate side and put these bills on the President's desk. This gives us a chance to demonstrate the need for this legislation and to make a statement of our national values and concerns in our relationship with China.

As I have said over and over, I believe we will have a brilliant relationship with China, economically, diplomatically, culturally, politically, and every way, but that can only happen when the Chinese Government respects its own people, stops proliferating weapons of mass destruction to rogue states, and plays by the rule in our trade relationship.

I believe we should have engagement with China, but it must be effective engagement, that makes the trade fairer, the world safer, and people freer, and not the destructive engagement that we have now that not only coddles dictators but extends unwarranted hospitality to them.

For example, when President Clinton toasted President Jiang Zemin, he was toasting the leader of the Chinese military that at that very moment was brutally occupying Tibet, continuing its proliferation of weapons of mass destruction to rogue and unsafeguarded states, repressing dissent in China, and a military that had in the past year and a half threatened with missiles the election in Taiwan, a military that had exported illegally AK–47 type rifles into the United States, selling them at a very cheap price on the streets here, making them the weapons of choice for gangs, all of this in violation of our law, but we again looked the other way or pulled the plug on the investigation too soon.

I want to call to my colleagues' attention a photograph that we have not had on the floor in a long time, because, frankly, I think it is too sacred to bring before this body, which has over and over again rejected our appeals for a change in U.S.-China policy because of repression in China and Tibet.

But, Mr. TAYLOR, respecting and admiring your dissatisfaction with what is going on here too, because, frankly, I am dissatisfied too, it is a cluster of fig leafs that we are dealing with, but they have more to them than that. As one who has been critical of fig leaf approaches here, I do commend our colleagues for the thoughtful attention they have paid and the reasonable solutions they have come up with so they can get almost unanimous support in this body for these initiatives.

But the gentleman is right. I had the bill on this floor that would limit MFN, revoke MFN for products made by the People's Liberation Army. That is what we should be doing here today. We do not have the votes for it, the President will not sign it, it would not pass in the Senate probably, and that, I think, is the least we can do.

But I bring this photograph back today in hope that the gentleman from California [Mr. COX] and the gentlewoman from Florida [Mrs. FOWLER] and the gentleman from New York [Mr. SOLOMON] and so many others who have worked on this package, that we can be serious about what we are doing and this is not perfunctory.

This is the photograph of the lone man before the tank. We all identified with him and admired him, and we immediately forgot the cause that he was standing there for. But I bring it here today in discussion of the People's Liberation Army, because this is the People's Liberation Army. They rolled out the tanks against their own people in the streets of Beijing on June 3 and 4 of 1989.

Fast forwarding to the present, this is the same People's Liberation Army that, according to the Office of Naval Intelligence in a March 1997 report, an unclassified report, stated that discoveries after the Gulf War clearly indicate that Iraq maintained an aggressive weapons of mass destruction procurement program. A similar situation exists today in Iran with a steady flow of materials and technologies from China to Iran. This exchange is one of the most active weapons of mass destruction programs in the Third World and is taking place in a region of great strategic interest to the United States. It is in our strategic interest to stop the proliferation by the Chinese military, the People's Liberation Army, of these weapons of mass destruction to Iran.

Between June of 1989, and we can go back further than that, but just taking from then to the present, and now, the Chinese military has been engaged in the activities that many of us have described relating to Taiwan, Tibet, China itself, proliferation, et cetera.

They are the guardians of China's repressive dictatorial regime. They and the People's Armed Police, which are part of the military, stand guard atop the watch towers of the laogai, the Chinese gulag, and are executioners of prisoners, some of them for harvest of their organs for profit.

The People's Liberation Army acts with swift brutality, as evidenced in Tiananmen Square as we see here, to crush any attempt to introduce democracy or promote basic human rights in China.

Indeed, when President Jiang, the leader of that military, who got a 21-gun salute from our administration by the military of this repressive regime, when he was here, he rejected the notion of economic reform leading to political reform and stated that political conformity and economic reform are complementary to each other. I was trying to get his exact words. He rejected the notion of people's evolution, and yet this administration and many in this body continue to say that that is what is happening in China.

Recently, huge worker demonstrations in Sichuan Province were brutally repressed by the People's Armed Police. Workers, believers, intellectuals, and students are rounded up and confined to reeducation camps in a continuing attempt by the Chinese authorities to break their spirit and prevent the establishment of independent organizations.

But this is why the legislation of the gentlewoman from Florida [Mrs. FOWLER] is so necessary. Chinese military-owned companies are selling huge amounts of goods in the United States, including toys, exercise weights, camping tents, and fish for fast food restaurants. Among American companies that buy products from wholesalers or distributors who get goods from them, I will invite my colleagues to read the People's Liberation Army, where to find PLA companies in the United States, what products they sell, and who are the PLA's customers.

I think my colleagues would find this very informational and a compelling reason to support the legislation of the gentlewoman from Florida [Mrs. FOWLER]. I thank the gentlewoman for presenting it.

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Mrs. FOWLER. Madam Speaker, I thank the gentlewoman from California [Ms. PELOSI] for her support and her diligent work in this effort.

I yield 5 minutes to the gentleman from California [Mr. COX], the chairman of the Republican Policy Committee.

Mr. COX of California. Madam Speaker, I thank the author of this bill, the gentlewoman from Florida [Mrs. FOWLER], for her courage in bringing it to the floor, and for her hard work and making sure that 90 days from its passage, the Department of Defense, the CIA, the FBI and the Department of Justice will combine their resources to produce a list of People's Liberation Army fronts doing business in the United States.

The reason we are here is because we love the peoples of China, and we know the difference between the Communist government in Beijing and the people. We know that the people are not the regime. We also know that free enterprise is not communism and communism is not free enterprise, and we know that the People's Liberation Army, the largest standing military on Earth, is not a commercial enterprise. And those of us who are for free trade understand that free trade must take place between commercial actors, market forces, driven by a profit motive, and competition is what makes markets work.

The People's Liberation Army is not interested in that. The People's Liberation Army has very different aims, and we understand what armies are all about.

The money that is generated from the subsidized industries in which the People's Liberation Army is engaged as so-called profits provide off-budget financing for the People's Liberation Army to expand even more than it already has. In nominal terms, that is what they report, the People's Liberation Army has doubled its spending since the collapse of the Soviet empire. They have literally moved to fill the void created by the collapse of the Soviet Union militarily. But the Arms

Control and Disarmament Agency tells us that that is understated by a factor of probably 8 times. The People's Liberation Army is enormous, but it is also growing, and it is growing because of these rather unique and creative financial arrangements.

A good example of these financial arrangements is Poly Technologies, about which we have heard some in the course of this debate. Poly Technologies, Inc., which is engaged in everything from the sale of small arms to the latest weapons of mass destruction in the People's Liberation Army arsenal has as its chairman a PLA officer. Bao Ping is none other than Deng Xiaoping's son-in-law.

This People's Liberation Army organization, using, for example, $2.5 billion that it earned in a single Middle East arms transaction, those were its net profits in that one deal, occupies almost one full city block near Beijing's Forbidden City. Poly Plaza comprises two large gleaming white marble towers connected by a 4-story high exhibition hall and theater. Across the face of the building in gold letters in English and Chinese characters, it says, Poly Plaza. They own property all over the People's Republic of China. Luxury villas in Beijing and a large piece of the Shanghai Securities Exchange building.

They also have commercial interests in California, where they were arrested for trying to smuggle into our country 300,000 machine guns for sale to street gangs. This is the indictment. They happen to be caught because there was an FBI sting operation, and in fact, a PLA agent offered to sell the FBI officers engaged in the sting operation Red Parakeet missiles, like Stinger missiles, the Chinese call theirs Red Parakeets, which he boasted, and it is written out here in the indictment, could take a 747 out of the sky. That is the kind of enterprise that the People's Liberation Army conducts.

Fortune Magazine, as has been alluded to earlier in the debate, reports that profits from People's Liberation Army's so-called commercial enterprise, the PLA fronts, yield about $2 billion to $3 billion in hard currency off-budget financing for the People's Liberation Army. The People's Liberation Army, more than anything, is the instrument of internal repression in the People's Republic of China. We ought not to pretend that when they are using their commercial fronts to do business in the United States that it looks anything like free trade. It is not.

What this bill does is very modest. It will produce a list and it will produce it in relatively short order so that we can then know who we are dealing with. That kind of information the American people need; that kind of information this bill will provide, and I congratulate the gentlewoman from Florida.

Mrs. FOWLER. Madam Speaker, I yield 30 seconds to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Madam Speaker, I thank the gentlewoman for yielding once again and commend her for her leadership.

I wanted to join the gentleman from California [Mr. COX], and I did not have enough time to finish when I was enumerating all the kinds of products that the Chinese People's Liberation Army sells in the United States.

The point is that the point that the gentleman from California [Mr. COX] made, and that is that this subsidizes the Chinese military apparatus, the same one that brutally occupies Tibet, sells weapons of mass destruction into the Third World. The toys you buy in the United States from Poly Technologies and the rest subsidize the Chinese military.

Mr. HAMILTON. Madam Speaker, I yield 3 minutes to the distinguished gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Madam Speaker, let me begin by agreeing with everything the gentleman from California [Mr. COX] just said. All of those things really did happen. The company that shipped that container-load of AK-47's into our country is the Chinese Ocean Shipping Co. We on the Committee on National Security this year passed an amendment which would ban that company, or any state-owned shipping company, from leasing or operating an American port that used to be a military installation that has reverted back to a local community. Unfortunately, the Senators chose not to do so, and it was dropped out of the conference committee report.

I want to go back to some things that were said earlier, that this bill is great because we authorize the President to do some things. One of the things we are as Members of Congress expected to do is read the Constitution of the United States, and any Member who reads the Constitution of the United States knows that in section 1 it talks about the powers of the Members of Congress. One of those powers will be debated twice today, because it involves Article I, section 8, clause 3 of the Constitution, which clearly gives Congress, and I am quoting, "the power to regulate commerce with foreign nations."

What the gentlewoman from Florida [Mrs. FOWLER] is trying to do here is to regulate commerce with foreign nations, and I have no problem with that because she is trying to slap the Chinese for their wrongful deeds. The problem with it is we should be doing it and we should not be delegating our constitutionally mandated authority to the President.

We know they have done bad things. We know that they have tried to smuggle a container, a 40-foot container load of AK-47's into this country to sell to street gangs in this country and cause harm in this country. Let us not pretend that that is not going on. And let us not pretend that these measures that have absolutely no force at all are going to do anything about it.

I am going to say for the last time, if this Congress is serious about getting the Chinese' attention for their wrongful deeds, we have to hit them in the pocketbook. They have unlimited access to the American market in most favored nation status which a majority of Members in this body, but not me, voted for, which allows them to have market access for 2 percent. They charge American goods anywhere up to 40 percent.

We have had two separate options, two separate opportunities to level the playing field. The sponsor of this bill did not vote to do so. I hope this Congress in the next session will address that. Because if we really think that the Chinese are doing wrong things and we really want to address it, there is a means to do so. It is called trade fairness. It is called basic fairness for the American working people.

I hope just once the Committee on Ways and Means will allow the Members of this body to vote on something that will call for fairness in trade between ourselves and the People's Republic of China.

CONFERENCE REPORT ON H.R. 2264, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

Mr. LIVINGSTON submitted the following conference report and statement on the bill (H.R. 2264) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1998, and for other purposes:

CONFERENCE REPORT (H. REPT. 105-390)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2264) "making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1998, and for other purposes", having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1998, and for other purposes, namely:

TITLE I—DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

For necessary expenses of the Job Training Partnership Act, as amended, including the purchase and hire of passenger motor vehicles, the construction, alteration, and repair of buildings and other facilities, and the purchase of real property for training centers as authorized by the Job Training Partnership Act; the Stewart B. McKinney Homeless Assistance Act; the Women in Apprenticeship and Nontraditional Occupations Act; the National Skill Standards Act of 1994; and the School-to-Work Opportunities Act; $4,988,226,000 plus reimbursements, of which $3,794,735,000 is available for obligation for the period July 1, 1998 through June 30, 1999; of which $118,491,000 is available for the period July 1, 1998 through June 30, 2001 for necessary expenses of construction, rehabilitation, and acquisition of Job Corps centers; and of which $200,000,000 shall be available from July 1, 1998 through September 30, 1999, for carrying out activities of the School-to-Work Opportunities Act: Provided, That $53,815,000 shall be for carrying out section 401 of the Job Training Partnership Act, $71,017,000 shall be for carrying out section 402 of such Act, $7,300,000 shall be for carrying out section 441 of such Act, $9,000,000 shall be for all activities conducted by and through the National Occupational Information Coordinating Committee under such Act, $955,000,000 shall be for carrying out title II, part A of such Act, and $129,965,000 shall be for carrying out title II, part C of such Act: Provided further, That the National Occupational Information Coordinating Committee is authorized, effective upon enactment, to charge fees for publications, training and technical assistance developed by the National Occupational Information Coordinating Committee: Provided further, That revenues received from publications and delivery of technical assistance and training, notwithstanding 31 U.S.C. 3302, shall be credited to the National Occupational Information Coordinating Committee program account and shall be available to the National Occupational Information Coordinating Committee without further appropriations, so long as such revenues are used for authorized activities of the National Occupational Information Coordinating Committee: Provided further, That no funds from any other appropriation shall be used to provide meal services at or for Job Corps centers; Provided further, That funds provided for title III of the Job Training Partnership Act shall not be subject to the limitation contained in subsection (b) of section 315 of such Act; that the waiver described in section 315(a)(2) may be granted if a substate grantee demonstrates to the Governor that such waiver is appropriate due to the availability of low-cost retraining services, is necessary to facilitate the provision of needs-related payments to accompany long-term training, or is necessary to facilitate the provision of appropriate basic readjustment services, and that funds provided for discretionary grants under part B of such title III may be used to provide needs-related payments to participants who, in lieu of meeting the enrollment requirements under section 314(e) of such Act, are enrolled in training by the end of the sixth week after grant funds have been awarded: Provided further, That funds provided to carry out section 324 of such Act may be used for demonstration projects that provide assistance to new entrants in the workforce and incumbent workers: Provided further, That service delivery areas may transfer funding provided herein under authority of title II, parts B and C of the Job Training Partnership Act between the programs authorized by those titles of the Act, if the transfer is approved by the Governor: Provided further, That service delivery areas and substate areas may transfer up to 20 percent of the funding provided herein under authority of title II, part A and title III of the Job Training Partnership Act between the programs authorized by those titles of the Act, if such transfer is approved by the Governor: Provided further, That notwithstanding any other provision of law, any proceeds from the sale of Job Corps center facilities shall be retained by the Secretary of Labor to carry out the Job Corps program: Provided further, That notwithstanding any other provision of law, the Secretary of Labor may waive any of the statutory or regulatory requirements of titles I–III of the Job Training Partnership Act (except for requirements relating to wage and labor standards, workers rights, participation and protection, grievance procedures and judicial review, nondiscrimination, allocation of funds to local areas, eligibility, review and approval of plans, the establishment and functions of service delivery areas and private industry councils, and the basic purposes of the Act), and any of the statutory or regulatory requirements of sections 8–10 of the Wagner-Peyser Act (except for requirements relating to the provision of services to unemployment insurance claimants and veterans, and to universal access to basic labor exchange services without cost to job seekers), only for funds available for expenditure in program year 1998, pursuant to a request submitted by a State which identifies the statutory or regulatory requirements that are requested to be waived and the goals which the State or local service delivery areas intend to achieve, describes the actions that the State or local service delivery areas have undertaken to remove State or local statutory or regulatory barriers, describes the goals of the waiver and the expected programmatic outcomes if the request is granted, describes the individuals impacted by the waiver, and describes the process used to monitor the progress in implementing waivers, and for which notice and an opportunity to comment on such request has been provided to the organizations identified in section 105(a)(1) of the Job Training Partnership Act, if and only to the extent that the Secretary determines that such requirements impeded the ability of the State to implement a plan to improve the workforce development system and the State has executed a Memorandum of Understanding with the Secretary requiring such State to meet agreed upon outcomes and implement other appropriate measures to ensure accountability: Provided further, That the Secretary of Labor shall establish a workforce flexibility (work-flex) partnership demonstration program under which the Secretary shall authorize not more than six States, of which at least three States shall each have populations not in excess of 3,500,000, with a preference given to those States that have been designated Ed-Flex Partnership States under section 311(e) of Public Law 103–227, to waive any statutory or regulatory requirement applicable to service delivery areas or substate areas within the State under titles I–III of the Job Training Partnership Act (except for requirements relating to wage and labor standards, grievance procedures and judicial review, nondiscrimination, allotment of funds, and eligibility), and any of the statutory or regulatory requirements of sections 8–10 of the Wagner-Peyser Act (except for requirements relating to the provision of services to unemployment insurance claimants and veterans, and to universal access to basic labor exchange services without cost to job seekers), for a duration not to exceed the waiver period authorized under section 311(e) of Public Law 103–227, pursuant to a plan submitted by such States and approved by the Secretary for the provision of workforce employment and training activities in the States, which includes a description of the process by which service delivery areas and substate areas may apply for and have waivers approved by the State, the requirements of the Wagner-Peyser Act to be waived, the outcomes to be achieved and other measures to be taken to ensure appropriate accountability for Federal funds.

For necessary expenses of Opportunity Areas of Out-of-School Youth, in addition to amounts otherwise provided herein, $250,000,000, to be available for obligation for the period October 1, 1998 through September 30, 1999, if job training reform legislation authorizing this or similar at-risk youth projects is enacted by July 1, 1998.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

(TRANSFER OF FUNDS)

To carry out the activities for national grants or contracts with public agencies and public or private nonprofit organizations under paragraph (1)(A) of section 506(a) of title V of the Older Americans Act of 1965, as amended, or to carry out older worker activities as subsequently authorized, $343,356,000.

To carry out the activities for grants to States under paragraph (3) of section 506(a) of title V of the Older Americans Act of 1965, as amended, or to carry out older worker activities as subsequently authorized, $96,844,000.

The funds appropriated under this heading shall be transferred to and merged with the Department of Health and Human Services, "Aging Services Programs", for the same purposes and the same period as the account to which transferred, following the enactment of legislation authorizing the administration of the program by that Department.

FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

For payments during the current fiscal year of trade adjustment benefit payments and allowances under part I; and for training, allowances for job search and relocation, and related State administrative expenses under part II, subchapters B and D, chapter 2, title II of the Trade Act of 1974, as amended, $349,000,000, together with such amounts as may be necessary to be charged to the subsequent appropriation for payments for any period subsequent to September 15 of the current year.

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For authorized administrative expenses, $173,452,000, together with not to exceed $3,322,476,000 (including not to exceed $1,228,000 which may be used for amortization payments to States which had independent retirement plans in their State employment service agencies prior to 1980, and including not to exceed $2,000,000 which may be obligated in contracts with non-State entities for activities such as occupational and test research activities which benefit the Federal-State Employment Service System), which may be expended from the Employment Security Administration account in the Unemployment Trust Fund including the cost of administering section 1201 of the Small Business Job Protection Act of 1996, section 7(d) of the Wagner-Peyser Act, as amended, the Trade Act of 1974, as amended, the Immigration Act of 1990, and the Immigration and Nationality Act, as amended, and of which the sums available in the allocation for activities authorized by title III of the Social Security Act, as amended (42 U.S.C. 502–504), and the sums available in the allocation for necessary administrative expenses for carrying out 5 U.S.C. 8501–8523, shall be available for obligation by the States through December 31, 1998, except that funds used for automation acquisitions shall be available for obligation by States through September 30, 2000; and of which $40,000,000 of the amount which may be expended from said trust fund, shall be available for obligation for the period October 1, 1998 through September 30, 1999, for the purpose *of assisting States to convert their automated State employment security agency systems to be year 2000 compliant; and of which $173,452,000, together with not to exceed $738,283,000 of the amount which may be expended from said trust fund, shall be available for obligation for the period July 1, 1998 through June 30, 1999, to fund activities under the Act of June 6, 1933, as amended, including the cost of penalty mail authorized under 39 U.S.C. 3202(a)(1)(E) made available to States in lieu of allotments for such purpose, and of which $200,000,000 shall be available solely for the purpose of assisting States to convert their automated State employment security agency systems to be year 2000 complaint, and of which $196,333,000 shall be available only to the extent necessary for additional State allocations to administer unemployment compensation laws to finance increases in the number of unemployment insurance claims filed and claims paid or changes in a State law: Provided, that to the extent that the Average Weekly Insured Unemployment (AWIU) for fiscal year 1998 is projected by the Department of Labor to exceed 2,789,000 an additional $28,600,000 shall be available for obligation for every 100,000 increase in the AWIU level (including a pro rata amount for any increment less than 100,000) from the Employment Security Administration Account of the Unemployment Trust Fund: Provided further, That funds appropriated in this Act which are used to establish a national one-stop career center network may be obligated in contracts, grants or agreements with non-State entities: Provided further, That funds appropriated under this Act for activities authorized under the Wagner-Peyser Act, as amended, and title III of the Social Security Act, may be used by the States to fund integrated Employment Service and Unemployment Insurance automation efforts, notwithstanding cost allocation principles prescribed under Office of Management and Budget Circular A–87.*

ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND OTHER FUNDS

For repayable advances to the Unemployment Trust Fund as authorized by sections 905(d) and 1203 of the Social Security Act, as amended, and to the Black Lung Disability Trust Fund as authorized by section 9501(c)(1) of the Internal Revenue Code of 1954, as amended; and for nonrepayable advances to the Unemployment Trust Fund as authorized by section 8509 of title 5, United States Code, section 104(d) of Public Law 102–164, and section 5 of Public Law 103–6, and to the "Federal unemployment benefits and allowances" account, to remain available until September 30, 1999, $392,000,000.

In addition, for making repayable advances to the Black Lung Disability Trust Fund in the current fiscal year after September 15, 1998, for costs incurred by the Black Lung Disability Trust Fund in the current fiscal year, such sums as may be necessary.

PROGRAM ADMINISTRATION

For expenses of administering employment and training programs, $90,308,000, including $6,000,000 to support up to 75 full-time equivalent staff, the majority of which will be term Federal appointments lasting no more than three years, to administer welfare-to-work grants, together with not to exceed $41,285,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

PENSION AND WELFARE BENEFITS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Pension and Welfare Benefits Administration, $82,000,000, of which $3,000,000 shall remain available through September 30, 1999 for expenses of completing the revision of the processing of employee benefit plan returns.

PENSION BENEFIT GUARANTY CORPORATION

PENSION BENEFIT GUARANTY CORPORATION FUND

The Pension Benefit Guaranty Corporation is authorized to make such expenditures, including financial assistance authorized by section 104 of Public Law 96–364, within limits of funds and borrowing authority available to such Corporation, and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended (31 U.S.C. 9104), as may be necessary in carrying out the program through September 30, 1998, for such Corporation: Provided, That not to exceed $10,433,000 shall be available for administrative expenses of the Corporation: Provided further, That expenses of such Corporation in connection with the termination of pension plans, for the acquisition, protection or management, and investment of trust assets, and for benefits administration services shall be considered as non-administrative expenses for the purposes hereof, and excluded from the above limitation.

EMPLOYMENT STANDARDS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Employment Standards Administration, including reimbursement to State, Federal, and local agencies and their employees for inspection services rendered, $299,660,000, together with $993,000 which may be expended from the Special Fund in accordance with sections 39(c) and 44(j) of the Longshore and Harbor Workers' Compensation Act: Provided, That $500,000 shall be for the development of an alternative system for the electronic submission of reports as required to be filed under the Labor-Management Reporting and Disclosure Act of 1959, as amended, and for a computer database of the information for each submission by whatever means, that is indexed and easily searchable by the public via the Internet: Provided further, That the Secretary of labor is authorized to accept, retain, and spend, until expended, in the name of the Department of Labor, all sums of money ordered to be paid to the Secretary of Labor, in accordance with the terms of the Consent Judgment in Civil Action No. 91–0027 of the United States District Court for the District of the Northern Mariana Islands (May 21, 1992): Provided further, That the Secretary of Labor is authorized to establish and, in accordance with 31 U.S.C. 3302, collect and deposit in the Treasury fees for processing applications and issuing certificates under sections 11(d) and 14 of the Fair Labor Standards Act of 1938, as amended (29 U.S.C. 211(d) and 214) and for processing applications and issuing registrations under title I of the Migrant and Seasonal Agricultural Worker Protection Act, 29 U.S.C. 1801 et seq.

SPECIAL BENEFITS

(INCLUDING TRANSFER OF FUNDS)

For the payment of compensation, benefits, and expenses (except administrative expenses) accruing during the current or any prior fiscal year authorized by title 5, chapter 81 of the United States Code; continuation of benefits as provided for under the head "Civilian War Benefits" in the Federal Security Agency Appropriation Act, 1947; the Employees' Compensation Commission Appropriation Act, 1944; and sections 4(c) and 5(f) of the War Claims Act of 1948 (50 U.S.C. App. 2012); and 50 per centum of the additional compensation and benefits required by section 10(h) of the Longshore and Harbor Workers' Compensation Act, as amended, $201,000,000 together with such amounts as may be necessary to be charged to the subsequent year appropriation for the payment of compensation and other benefits for any period subsequent to August 15 of the current year: Provided, That amounts appropriated may be used under section 8104 of title 5, United States Code, by the Secretary to reimburse an employer, who is not the employer at the time of injury, for portions of the salary of a reemployed, disabled beneficiary: Provided further, That balances of reimbursements unobligated on September 30, 1997, shall remain available until expended for the payment of compensation, benefits, and expenses: Provided further, That in addition there shall be transferred to this appropriation from the Postal Service and from any other corporation or instrumentality required under section 8147(c) of title 5, United States Code, to pay an amount for its fair share of the cost of administration, such sums as the Secretary of Labor determines to be the cost of administration for employees of such fair share entities through September 30, 1998: Provided further, That of those funds transferred to this account from the fair share entities to pay the cost of administration, $7,269,000 shall be made available to the Secretary of Labor for expenditures relating to capital improvements in support of Federal Employees' Compensation Act administration, and the balance of such funds shall be paid into the Treasury as miscellaneous receipts: Provided further, That the Secretary may require that any person filing a notice of injury or a claim for benefits under chapter 81 of title 5, United States Code, or 33 U.S.C. 901 et seq., provide as part of such notice and claim, such identifying information (including Social Security account number) as such regulations may prescribe.

BLACK LUNG DISABILITY TRUST FUND

(INCLUDING TRANSFER OF FUNDS)

For payments from the Black Lung Disability Trust Fund, $1,007,000,000, of which $960,650,000 shall be available until September 30, 1999, for payment of all benefits as authorized by section 8501(d)(1) (2), (4), and (7) of the Internal Revenue Code of 1954, as amended, and interest on advances as authorized by section 9501(c)(2) of that Act, and of which $26,147,000 shall be available for transfer to Employment Standards Administration, Salaries and Expenses, $19,551,000 for transfer to Departmental Management, Salaries and Expenses, $296,000 for transfer to Departmental Management, Office of Inspector General, and $356,000 for payment into miscellaneous receipts for the expenses of the Department of Treasury, for expenses of operation and administration of the Black Lung Benefits program as authorized by section 9501(d)(5) of that Act: Provided, That, in addition, such amounts as may be necessary may be charged to the subsequent year appropriation for the payment of compensation, interest, or other benefits for any period subsequent to August 15 of the current year.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Occupational Safety and Health Administration, $336,480,000, including not to exceed $77,941,000 which shall be the maximum amount available for grants to States under section 23(g) of the Occupational Safety and Health Act, which grants shall be no less than fifty percent of the costs of State occupational safety and health programs required to be incurred under plans approved by the Secretary under section 18 of the Occupational Safety and Health Act of 1970; and, in addition, notwithstanding 31 U.S.C. 3302, the Occupational Safety and Health Administration may retain up to $750,000 per fiscal year of training institute course tuition fees, otherwise authorized by law to be collected, and may utilize such sums for occupational safety and health training and education grants: Provided, That, notwithstanding 31 U.S.C. 3302, the Secretary of

Labor is authorized, during the fiscal year ending September 30, 1998, to collect and retain fees for services provided to Nationally Recognized Testing Laboratories, and may utilize such sums, in accordance with the provisions of 29 U.S.C. 9a, to administer national and international laboratory recognition programs that ensure the safety of equipment and products used by workers in the workplace: Provided further, That none of the funds appropriated under this paragraph shall be obligated or expended to prescribe, issue, administer, or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 which is applicable to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs ten or fewer employees: Provided further, That no funds appropriated under this paragraph shall be obligated or expended to administer or enforce any standard, rule, regulation, or order under the Occupational Safety and Health Act of 1970 with respect to any employer of ten or fewer employees who is included within a category having an occupational injury lost workday case rate, at the most precise Standard Industrial Classification Code for which such data are published, less than the national average rate as such rates are most recently published by the Secretary, acting through the Bureau of Labor Statistics, in accordance with section 24 of that Act (29 U.S.C. 673), except—

(1) to provide, as authorized by such Act, consultation, technical assistance, educational and training services, and to conduct surveys and studies;

(2) to conduct an inspection or investigation in response to an employee complaint, to issue a citation for violations found during such inspection, and to assess a penalty for violations which are not corrected within a reasonable abatement period and for any willful violations found;

(3) to take any action authorized by such Act with respect to imminent dangers;

(4) to take any action authorized by such Act with respect to health hazards;

(5) to take any action authorized by such Act with respect to a report of an employment accident which is fatal to one or more employees or which results in hospitalization of two or more employees, and to take any action pursuant to such investigation authorized by such Act; and

(6) to take any action authorized by such Act with respect to complaints of discrimination against employees for exercising rights under such Act: Provided further, That the foregoing proviso shall not apply to any person who is engaged in a farming operation which does not maintain a temporary labor camp and employs ten or fewer employees.

MINE SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses for the Mine Safety and Health Administration, $203,334,000, including purchase and bestowal of certificates and trophies in connection with mine rescue and first-aid work, and the hire of passenger motor vehicles; the Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private; the Mine Safety and Health Administration is authorized to promote health and safety education and training in the mining community through cooperative programs with States, industry, and safety associations; and any funds available to the Department may be used, with the approval of the Secretary, to provide for the costs of mine rescue and survival operations in the event of a major disaster: Provided, That none of the funds appropriated under this paragraph shall be obligated or expended to carry out section 115 of the Federal Mine Safety and Health Act of 1977 or to carry out that portion of section 104(g)(1) of such Act relating to the enforcement of any training requirements, with respect to shell dredging, or with respect to any sand, gravel, surface stone, surface clay, colloidal phosphate, or surface limestone mine.

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

For necessary expenses for the Bureau of Labor Statistics, including advances or reimbursements to State, Federal, and local agencies and their employees for services rendered, $327,609,000, of which $15,430,000 shall be for expenses of revising the Consumer Price Index and shall remain available until September 30, 1999, together with not to exceed $52,848,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For necessary expenses for Departmental Management, including the hire of three sedans, and including up to $4,421,000 for the President's Committee on Employment of People With Disabilities, $152,253,000; together with not to exceed $282,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund: Provided, That no funds made available by this Act may be used by the Solicitor of Labor to participate in a review in any United States court of appeals of any decision made by the Benefits Review Board under section 21 of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 921) where such participation is precluded by the decision of the United States Supreme Court in Director, Office of Workers' Compensation Programs v. Newport News Shipbuilding, 115 S. Ct. 1278 (1995): Provided Further, That no funds made available by this Act may be used by the Secretary of Labor to review a decision under the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 901 et seq.) that has been appealed and that has been pending before the Benefits Review Board for more than 12 months: Provided further, That any such decision pending a review by the Benefits Review Board for more than one year shall be considered affirmed by the Benefits Review Board on that date, and shall be considered the final order of the Board for purposes of obtaining a review in the United States courts of appeals: Provided Further, That these provisions shall not be applicable to the review of any decision issued under the Black Lung Benefits Act (30 U.S.C. 901 et seq.)

WORKING CAPITAL FUND

The paragraph under this heading in Public Law 85-67 (29 U.S.C. 563) is amended by striking the last period and inserting after "appropriation action" the following: ": Provided further, That the Secretary of Labor may transfer annually an amount not to exceed $3,000,000 from unobligated balances in the Department's salaries and expenses accounts, to the unobligated balance of the Working Capital Fund, to be merged with such Fund and used for the acquisition of capital equipment and the improvement of financial management, information technology and other support systems, and to remain available until expended: Provided further, That the unobligated balance of the Fund shall not exceed $20,000,000.".

ASSISTANT SECRETARY FOR VETERANS EMPLOYMENT AND TRAINING

Not to exceed $181,955,000 may be derived from the Employment Security Administration account in the Unemployment Trust Fund to carry out the provisions of 38 U.S.C. 4100–4110A and 4321–4327, and Public Law 103-353, and which shall be available for obligation by the States through December 31, 1998.

OFFICE OF INSPECTOR GENERAL

For salaries and expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $42,605,000, together with not to exceed $3,645,000, which may be expended from the Employment Security Administration account in the Unemployment Trust Fund.

GENERAL PROVISIONS

SEC. 101. None of the funds appropriated in this title for the Job Corps shall be used to pay the compensation of an individual, either as direct costs or any proration as an indirect cost, at a rate in excess of $125,000.

(TRANSFER OF FUNDS)

SEC. 102. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended) which are appropriated for the current fiscal year for the Department of Labor in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: Provided, That the Appropriations committees of both Houses of Congress are notified at least fifteen days in advance of any transfer.

SEC. 103. Funds shall be available for carrying out title IV–B of the Job Training Partnership Act, notwithstanding section 427(c) of that Act, if a Job Corps center fails to meet national performance standards established by the Secretary.

SEC. 104. None of the funds made available in this Act may be used by the Occupational Safety and Health Administration to promulgate or issue any proposed or final standard regarding ergonomic protection before September 30, 1998: Provided, That nothing in this section shall be construed to limit the Occupational Safety and Health Administration from issuing voluntary guidelines on ergonomic protection or from developing a proposed standard regarding ergonomic protection: Provided further, That no funds made available in this Act may be used by the Occupational Safety and Health Administration to enforce voluntary ergonomics guidelines through section 5 (the general duty clause) of the Occupational Safety and Health Act of 1970 (29 U.S.C. 654).

SEC. 105. Section 13(b)(12) of the Fair Labor Standards Act of 1938 (29 U.S.C. 213(b)(12)) is amended by striking "water for agricultural purposes" and inserting in lieu thereof "water, at least 90 percent of which was ultimately delivered for agricultural purposes during the preceding calendar year".

This title may be cited as the "Department of Labor Appropriations Act, 1998".

TITLE II—DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

For carrying out titles II, III, VII, VIII, X, XII, XIX, and XXVI of the Public Health Service Act, section 427(a) of the Federal Coal Mine Health and Safety Act, title V of the Social Security Act, the Health Care Quality Improvement Act of 1986, as amended, and the Native Hawaiian Health Care Act of 1988, as amended, $3,618,137,000, of which $225,000 shall remain available until expended for interest subsidies on loan guarantees made prior to fiscal year 1981 under part B of title VII of the Public Health Service Act and of which $28,000,000 shall be available for the construction and renovation of health care and other facilities: Provided, That the Division of Federal Occupational Health may utilize personal services contracting to employ professional management/administrative and occupational health professionals: Provided further, That of the funds made available under this heading, $2,500,000 *shall be available until expended for facilities renovations at the Gillis W. Long Hansen's Disease Center: Provided further, That in addition to fees authorized by section 427(b) of the Health Care Quality Improvement Act of 1986, fees shall be collected for the full disclosure of information under the Act sufficient to recover the full costs of operating the National Practitioner Data Bank, and shall remain available until expended to carry out that Act: Provided further, That no more than $5,000,000 is available for carrying out the provisions of Public Law 104–73: Provided further, That of the funds made available under this heading, $203,452,000 shall be for the program under title X of the Public Health Service Act to provide for voluntary family planning projects: Provided further, That amounts provided to said projects under such title shall not be expended for abortions, that all pregnancy counseling shall be nondirective, and that such amounts shall not be expended for any activity (including the publication or distribution of literature) that in any way tends to promote public support or opposition to any legislative proposal or candidate for public office: Provided further, That $285,500,000 shall be for State AIDS Drug Assistance Programs authorized by section 2616 of the Public Health Service Act: Provided further, That notwithstanding any other provision of law, funds made available under this heading may be used to continue operating the Council on Graduate Medical Education established by section 301 of Public Law 102–408: Provided further, That, of the funds made available under this heading, not more than $6,000,000 shall be made available and shall remain available until expended for loan guarantees for loans funded under part A of title XVI of the Public Health Service Act as amended, made by non-Federal lenders for the construction, renovation, and modernization of medical facilities that are owned and operated by health centers, and for loans made to health centers under section 330(d) of the Public Health Service Act as amended by Public Law 104–299, and that such funds be available to subsidize guarantees of total loan principal in an amount not to exceed $80,000,000: Provided further, That notwithstanding section 502(a)(1) of the Social Security Act, not to exceed $103,863,000 is available for carrying out special projects of regional and national significance pursuant to section 501(a)(2) of such Act.*

MEDICAL FACILITIES GUARANTEE AND LOAN FUND

FEDERAL INTEREST SUBSIDIES FOR MEDICAL FACILITIES

For carrying out subsections (d) and (e) of section 1602 of the Public Health Service Act, $6,000,000, together with any amounts received by the Secretary in connection with loans and loan guarantees under title VI of the Public Health Service Act, to be available without fiscal year limitation for the payment of interest subsidies. During the fiscal year, no commitments for direct loans or loan guarantees shall be made.

HEALTH EDUCATION ASSISTANCE LOANS PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For the cost of guaranteed loans, such sums as may be necessary to carry out the purpose of the program, as authorized by title VII of the Public Health Service Act, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize gross obligations for the total loan principal any part of which is to be guaranteed at not to exceed $85,000,000: Provided further, That the Secretary may use up to $1,000,000 derived by transfer from insurance premiums collected from guaranteed loans made under title VII of the Public Health Service Act for the purpose of carrying out section 709 of that Act. In addition, for administrative expenses to carry out the guaranteed loan program, $2,688,000.

VACCINE INJURY COMPENSATION PROGRAM TRUST FUND

For payments from the Vaccine Injury Compensation Program Trust Fund, such sums as may be necessary for claims associated with vaccine-related injury or death with respect to vaccines administered after September 30, 1988, pursuant to subtitle 2 of title XXI of the Public Health Service Act, to remain available until expended: Provided, That for necessary administrative expenses, not to exceed $3,000,000 shall be available from the Trust Fund to the Secretary of Health and Human Services.

CENTERS FOR DISEASE CONTROL AND PREVENTION

DISEASE CONTROL, RESEARCH, AND TRAINING

To carry out titles II, III, VII, XI, XV, XVII, and XIX of the Public Health Service Act, sections 101, 102, 103, 201, 202, 203, 301, and 501 of the Federal Mine Safety and Health Act of 1977, and sections 20, 21 and 22 of the Occupational Safety and Health Act of 1970, title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980; including insurance of official motor vehicles in foreign countries; and hire, maintenance, and operation of aircraft, $2,327,552,000, of which $21,504,000 shall remain available until expended for equipment and construction and renovation of facilities, and in addition, such sums as may be derived from authorized user fees, which shall be credited to this account: Provided, That in addition to amounts provided herein, up to $59,232,000 shall be available from amounts available under section 241 of the Public Health Service Act, to carry out the National Center for Health Statistics surveys: Provided further, That none of the funds made available for injury prevention and control at the Centers for Disease Control and Prevention may be used to advocate or promote gun control: Provided further, That the Director may redirect the total amount made available under authority of Public Law 101–502, section 3, dated November 3, 1990, to activities the Director may so designate: Provided further, That the Congress is to be notified promptly of any such transfer.

In addition, $51,000,000, to be derived from the Violent Crime Reduction Trust Fund, for carrying out sections 40151 and 40261 of Public Law 103–322.

NATIONAL INSTITUTES OF HEALTH

NATIONAL CANCER INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to cancer, $2,547,314,000.

NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to cardiovascular, lung, and blood diseases, and blood and blood products, $1,531,061,000.

NATIONAL INSTITUTE OF DENTAL RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to dental disease, $209,415,000.

NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to diabetes and digestive and kidney disease, $873,860,000.

NATIONAL INSTITUTE OF NEUROLOGICAL DISORDERS AND STROKE

For carrying out section 301 and title IV of the Public Health Service Act with respect to neurological disorders and stroke, $780,713,000.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to allergy and infectious diseases, $1,351,655,000.

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to general medical sciences, $1,065,947,000.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

For carrying out section 301 and title IV of the Public Health Service Act with respect to child health and human development, $674,766.000

NATIONAL EYE INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to eye diseases and visual disorders, $355,691,000.

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

For carrying out sections 301 and 311 and title IV of the Public Health Service Act with respect to environmental health sciences, $330,108,000.

NATIONAL INSTITUTE ON AGING

For carrying out section 301 and title IV of the Public Health Service Act with respect to aging, $519,279,000.

NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

For carrying out section 301 and title IV of the Public Health Service Act with respect to arthritis and musculoskeletal and skin diseases, $274,760,000.

NATIONAL INSTITUTE ON DEAFNESS AND OTHER COMMUNICATION DISORDERS

For carrying out section 301 and title IV of the Public Health Service Act with respect to deafness and other communication disorders, $200,695,000.

NATIONAL INSTITUTE OF NURSING RESEARCH

For carrying out section 301 and title IV of the Public Health Service Act with respect to nursing research, $63,597,000.

NATIONAL INSTITUTE OF ALCOHOL ABUSE AND ALCOHOLISM

For carrying out section 301 and title IV of the Public Health Service Act with respect to alcohol abuse and alcoholism, $227,175,000.

NATIONAL INSTITUTE OF DRUG ABUSE

For carrying out section 301 and title IV of the Public Health Service Act with respect to drug abuse, $527,175,000.

NATIONAL INSTITUTE OF MENTAL HEALTH

For carrying out section 301 and title IV of the Public Health Service Act with respect to mental health, $750,241,000.

NATIONAL HUMAN GENOME RESEARCH INSTITUTE

For carrying out section 301 and title IV of the Public Health Service Act with respect to human genome research, $217,704,000.

NATIONAL CENTER FOR RESEARCH RESOURCES

For carrying out section 301 and title IV of the Public Health Service Act with respect to research resources and general research support grants, $453,883,000: Provided, That none of these funds shall be used to pay recipients of the general research support grants program any amount for indirect expenses in connection with such grants: Provided further, That $20,000,000 shall be for extramural facilities construction grants.

JOHN E. FOGARTY INTERNATIONAL CENTER

For carrying out the activities at the John E. Fogarty International Center, $28,289,000.

NATIONAL LIBRARY OF MEDICINE

For carrying out section 301 and title IV of the Public Health Service Act with respect to health information communications, $161,185,000, of which $4,000,000 shall be available until expended for improvement of information systems: Provided, That in fiscal year 1998, *the Library may enter into personal services contracts for the provision of services in facilities owned, operated, or constructed under the jurisdiction of the National Institutes of Health.*

OFFICE OF THE DIRECTOR

(INCLUDING TRANSFER OF FUNDS)

For carrying out the responsibilities of the Office of the Director, National Institutes of Health, $296,373,000, of which $40,536,000 shall be for the Office of AIDS Research: Provided, That funding shall be available for the purchase of not to exceed five passenger motor vehicles for replacement only: Provided further, That the Director may direct up to 1 percent of the total amount made available in this or any other Act to all National Institutes of Health appropriations to activities the Director may so designate: Provided further, That no such appropriation shall be decreased by more than 1 percent by any such transfers and that the Congress is promptly notified of the transfer: Provided further, That NIH is authorized to collect third party payments for the cost of clinical services that are incurred in National Institutes of Health research facilities and that such payments shall be credited to the National Institutes of Health Management Fund: Provided further, That all funds credited to the NIH Management Fund shall remain available for one fiscal year after the fiscal year in which they are deposited: Provided further, That up to $500,000 shall be available to carry out section 499 of the Public Health Service Act: Provided further, That, notwithstanding section 499(k)(10) of the Public Health Service Act, funds from the National Foundation for Biomedical Research may be transferred to the National Institutes of Health: Provided further, That $20,000,000 shall be available to carry out section 404E of the Public Health Service Act: Provided further, That of the funds available to carry out section 404E of the Public Health Service Act, not less than $7,000,000 shall be for peer reviewed complementary and alternative medicine research grants and contracts that respond to program announcements and requests for proposals issued by the Office of Alternative Medicine.

BUILDINGS AND FACILITIES

For the study of, construction of, and acquisition of equipment for, facilities of or used by the National Institutes of Health, including the acquisition of real property, $206,957,000, to remain available until expended, of which $90,000,000 shall be for the clinical research center and $16,957,000 for the Vaccine Facility: Provided, That notwithstanding any other provision of law, a single contract or related contracts for the development and construction of the clinical research center may be employed which collectively include the full scope of the project: Provided further, That the solicitation and contract shall contain the clause "availability of funds" found at 48 CFR 52.232–18: Provided further, That notwithstanding any other provision of law, a single contract or related contracts for the development and construction of the Vaccine Facility may be employed which collectively include the full scope of the project: Provided further, That the solicitation and contract shall contain the clause "availability of funds" found in 48 CFR 52.232–18.

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES

For carrying out titles V and XIX of the Public Health Service Act with respect to substance abuse and mental health services, the Protection and Advocacy for Mentally Ill Individuals Act of 1986, and section 301 of the Public Health Service Act with respect to program management, $2,146,743,000, of which $10,000,000 shall be for grants to rural and Native American projects: Provided, That notwithstanding any other provision of law, each State's allotment for fiscal year 1998 for each of the programs under subparts I and II of part B of title XIX of the Public Health Service Act shall be equal to such State's allotment for such programs for fiscal year 1997.

RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS

For retirement pay and medical benefits of Public Health Service Commissioned Officers as authorized by law, and for payments under the Retired Serviceman's Family Protection Plan and Survivor Benefit Plan and for medical care of dependents and retired personnel under the Dependents' Medical Care Act (10 U.S.C. ch. 55), and for payments pursuant to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), such amounts as may be required during the current fiscal year.

AGENCY FOR HEALTH CARE POLICY AND RESEARCH

HEALTH CARE POLICY AND RESEARCH

For carrying out titles III and IX of the Public Health Service Act, and part A of title XI of the Social Security Act, $90,229,000; in addition, amounts received from Freedom of Information Act fees, reimbursable and interagency agreements, and the sale of data tapes shall be credited to this appropriation and shall remain available until expended: Provided, That the amount made available pursuant to section 926(b) of the Public Health Service Act shall not exceed $56,206,000.

HEALTH CARE FINANCING ADMINISTRATION

GRANTS TO STATES FOR MEDICAID

For carrying out, except as otherwise provided, titles XI and XIX of the Social Security Act, $71,602,429,000, to remain available until expended.

For making, after May 31, 1998, payments to States under title XIX of the Social Security Act for the last quarter of fiscal year 1998 for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

For making payments to States under title XIX of the Social Security Act for the first quarter of fiscal year 1999, $27,800,689,000, to remain available until expended.

Payment under title XIX may be made for any quarter with respect to a State plan or plan amendment in effect during such quarter, if submitted in or prior to such quarter and approved in that or any subsequent quarter.

PAYMENTS TO HEALTH CARE TRUST FUNDS

For payment to the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as provided under sections 217(g) and 1844 of the Social Security Act, sections 103(c) and 111(d) of the Social Security Amendments of 1965, section 278(d) of Public Law 97–248, and for administrative expenses incurred pursuant to section 201(g) of the Social Security Act, $60,904,000,000.

PROGRAM MANAGEMENT

For carrying out, except as otherwise provided, titles XI, XVIII, XIX and XXI of the Social Security Act, titles XIII and XXVII of the Public Health Service Act, and the Clinical Laboratory Improvement Amendments of 1988, not to exceed $1,743,066,000 to be transferred from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds, as authorized by section 201(g) of the Social Security Act; together with all funds collected in accordance with section 353 of the Public Health Service Act and such sums as may be collected from authorized user fees and the sale of data, which shall remain available until expended, and together with administrative fees collected relative to Medicare overpayment recovery activities, which shall remain available until expended: Provided, That all funds derived in accordance with 31 U.S.C. 9701 from organizations established under title XIII of the Public Health Service Act shall be credited to and available for carrying out the purposes of this appropriation: Provided further, That $900,000 shall be for carrying out section 4021 of Public Law 105–33: Provided further, That in carrying out its legislative mandate, the National Bipartisan Commission on the Future of Medicare shall examine the impact of increased investments in health research on future Medicare costs, and the potential for coordinating Medicare with cost-effective long-term care services: Provided further, That $40,000,000 appropriated under this heading for the transition to a single Part A and Part B processing system shall remain available until expended: Provided further, That funds appropriated under this heading may be obligated to increase Medicare provider audits and implement the Department's corrective action plan to the Chief Financial Officer's audit of the Health Care Financing Administration's oversight of Medicare: Provided further, That the Secretary of Health and Human Services is directed to collect, in aggregate, $95,000,000 in fees in fiscal year 1998 from Medicare+Choice organizations pursuant to section 1857(e)(2) of the Social Security Act and from eligible organizations with risk-sharing contracts under section 1876 of that Act pursuant to section 1876(k)(4)(D) of that Act.

HEALTH MAINTENANCE ORGANIZATION LOAN AND LOAN GUARANTEE FUND

For carrying out subsections (d) and (e) of section 1308 of the Public Health Service Act, any amounts received by the Secretary in connection with loans and loan guarantees under title XIII of the Public Health Service Act, to be available without fiscal year limitation for the payment of outstanding obligations. During fiscal year 1998, no commitments for direct loans or loan guarantees shall be made.

ADMINISTRATION FOR CHILDREN AND FAMILIES

FAMILY SUPPORT PAYMENTS TO STATES

For making payments to each State for carrying out the program of Aid to Families with Dependent Children under title IV–A of the Social Security Act before the effective date of the program of Temporary Assistance to Needy Families (TANF) with respect to such State, such sums as may be necessary: Provided, That the sum of the amounts available to a State with respect to expenditures under such title IV–A in fiscal year 1997 under this appropriation and under such title IV–A as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 shall not exceed the limitations under section 116(b) of such Act: Provided further, That, notwithstanding section 418(a) of the Social Security Act, for fiscal year 1997 only, the amount of payment under section 418(a)(1) to which each State is entitled shall equal the amount specified as mandatory funds with respect to such State for such fiscal year in the table transmitted by the Administration for Children and Families to State Child Care and Development Block Grant Lead Agencies on August 27, 1996, and the amount of State expenditures in fiscal year 1994 or 1995 (whichever is greater) that equals the non-Federal share for the programs described in section 418(a)(1)(A) shall be deemed to equal the amount specified as maintenance of effort with respect to such State for fiscal year 1997 in such table.

For making, after May 31 of the current fiscal year, payments to States or other non-Federal entities under titles I, IV–D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. ch. 9), for the last three months of the current year for unanticipated costs, incurred for the current fiscal year, such sums as may be necessary.

For making payments to States or other non-Federal entities under titles I, IV–D, X, XI, XIV, and XVI of the Social Security Act and the Act of July 5, 1960 (24 U.S.C. ch. 9), for the first quarter of fiscal year 1999, $660,000,000, to remain available until expended.

LOW INCOME HOME ENERGY ASSISTANCE

For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, $1,100,000,000, to be available for obligation in the period October 1, 1998 through September 30, 1999.

For making payments under title XXVI of such Act, $300,000,000: Provided, That these funds are hereby designated by Congress to be emergency requirements pursuant to section 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985: Provided further, That these funds shall be made available only after submission to Congress of a formal budget request by the President that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act.

REFUGEE AND ENTRANT ASSISTANCE

For making payments for refugee and entrant assistance activities authorized by title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980 (Public Law 96–422), $415,000,000: Provided, That funds appropriated pursuant to section 414(a) of the Immigration and Nationality Act under Public Law 104–134 for fiscal year 1996 shall be available for the costs of assistance provided and other activities conducted in such year and in fiscal years 1997 and 1998.

CHILD CARE AND DEVELOPMENT BLOCK GRANT

(INCLUDING TRANSFER OF FUNDS)

For carrying out sections 658A through 658R of the Omnibus Budget Reconciliation Act of 1981 (The Child Care and Development Block Grant Act of 1990), in addition to amounts already appropriated for fiscal year 1998, $65,672,000; and to become available on October 1, 1998 and remain available through September 30, 1999, $1,000,000,000: Provided, That of funds appropriated for each of fiscal years 1998 and 1999, $19,120,000 shall be available for child care resource and referral and schoolaged child care activities, of which for fiscal year 1998 $3,000,000 shall be derived from an amount that shall be transferred from the amount appropriated under section 452(j) of the Social Security Act (42 U.S.C. 652(j)) for fiscal year 1997 and remaining available for expenditure: Provided further, That of the funds provided for fiscal year 1998, $50,000,000 shall be reserved by the States for activities authorized under section 658G of the Omnibus Budget Reconciliation Act of 1981 (The Child Care and Development Block Grant Act of 1990), such funds to be in addition to the amounts required to be reserved by States under such section 658G.

SOCIAL SERVICES BLOCK GRANT

For making grants to States pursuant to section 2002 of the Social Security Act, $2,299,000,000: Provided, That notwithstanding section 2003(c) of such Act, as amended, the amount specified for allocation under such section for fiscal year 1998 shall be $2,299,000,000.

CHILDREN AND FAMILIES SERVICES PROGRAMS

(INCLUDING RESCISSIONS)

For carrying out, except as otherwise provided, the Runaway and Homeless Youth Act, the Developmental Disabilities Assistance and Bill of Rights Act, the Head Start Act, the Child Abuse Prevention and Treatment Act, (including section 105(a)(2) of the Child Abuse Prevention and Treatment Act), the Family Violence Prevention and Services Act, the Native American Programs Act of 1974, title II of Public Law 95–266 (adoption opportunities), the Abandoned Infants Assistance Act of 1988, part B(1) of title IV and sections 413, 429A and 1110 of the Social Security Act; for making payments under the Community Services Block Grant Act; and for necessary administrative expenses to carry out said Acts and titles I, IV, X, XI, XIV, XVI, and XX of the Social Security Act, the Act of July 5, 1960 (24 U.S.C. ch. 9), the Omnibus Budget Reconciliation Act of 1981, title IV of the Immigration and Nationality Act, section 501 of the Refugee Education Assistance Act of 1980, and section 126 and titles IV and V of Public Law 100–485, $5,682,916,000, of which $542,165,000 shall be for making payments under the Community Services Block Grant Act, and of which $4,355,000,000 shall be for making payments under the Head Start Act: Provided, That of the funds made available for the Head Start Act, $279,250,000 shall be set aside for the Head Start Program for Families with Infants and Toddlers (Early Head Start): Provided further, That to the extent Community Services Block Grant funds are distributed as grant funds by a State to an eligible entity as provided under the Act, and have not been expended by such entity, they shall remain with such entity for carryover into the next fiscal year for expenditure by such entity consistent with program purposes.

In addition, $93,000,000, to be derived from the Violent Crime Reduction Trust Fund, for carrying out sections 40155, 40211 and 40241 of Public Law 103–322.

Funds appropriated for fiscal year 1998 under section 429A(e), part B of title IV of the Social Security Act shall be reduced by $6,000,000.

Funds appropriated for fiscal year 1998 under section 413(h)(1) of the Social Security Act shall be reduced by $15,000,000.

FAMILY PRESERVATION AND SUPPORT

For carrying out section 430 of the Social Security Act, $255,000,000.

PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE

For making payments to States or other non-Federal entities, under title IV–E of the Social Security Act, $3,200,000,000.

For making payments to States or other non-Federal entities, under title IV–E of the Social Security Act, for the first quarter of fiscal year 1999, $1,157,500,000.

ADMINISTRATION ON AGING

AGING SERVICES PROGRAMS

For carrying out, to the extent not otherwise provided, the Older Americans Act of 1965, as amended, $865,050,000: Provided, That notwithstanding section 308(b)(1) of such Act, the amounts available to each State for administration of the State plan under title III of such Act shall be reduced not more than 5 percent below the amount that was available to such State for such purpose for fiscal year 1995: Provided further, That of the funds appropriated to carry out section 303(a)(1) of such Act, $4,449,000 shall be available for carrying out section 702(a) of such Act and $4,732,000 shall be available for carrying out section 702(b) of such Act: Provided further, That in considering grant applications for nutrition services for elder Indian recipients, the Assistant Secretary shall provide maximum flexibility to applicants who seek to take into account subsistence, local customs, and other characteristics that are appropriate to the unique cultural, regional, and geographic needs of the American Indian, Alaskan and Hawaiian native communities to be served.

OFFICE OF THE SECRETARY

GENERAL DEPARTMENTAL MANAGEMENT

For necessary expenses, not otherwise provided, for general departmental management, including hire of six sedans, and for carrying out titles III, XVII, and XX of the Public Health Service Act, and the United States-Mexico Border Health Commission Act, $171,631,000, of which $500,000 shall remain available until expended, together with $5,851,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Hospital Insurance Trust Fund and the Supplemental Medical Insurance Trust Fund: Provided, That of the funds made available under this heading for carrying out title XVII of the Public Health Service Act, $1,500,000 shall be available until expended for extramural construction.

OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $31,921,000.

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, $16,345,000, together with not to exceed $3,314,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Hospital Insurance Trust Fund and the Supplemental Medical Insurance Trust Fund.

POLICY RESEARCH

For carrying out, to the extent not otherwise provided, research studies under section 1110 of the Social Security Act, $14,000,000.

GENERAL PROVISIONS

SEC. 201. Funds appropriated in this title shall be available for not to exceed $37,000 for official reception and representation expenses when specifically approved by the Secretary.

SEC. 202. The Secretary shall make available through assignment not more than 60 employees of the Public Health Service to assist in child survival activities and to work in AIDS programs through and with funds provided by the Agency for International Development, the United Nations International Children's Emergency Fund or the World Health Organization.

SEC. 203. None of the funds appropriated under this Act may be used to implement section 399L(b) of the Public Health Service Act or section 1503 of the National Institutes of Health Revitalization Act of 1993, Public Law 103–43.

SEC. 204. None of the funds appropriated in this Act for the National Institutes of Health and the Substance Abuse and Mental Health Services Administration shall be used to pay the salary of an individual, through a grant or other extramural mechanism, at a rate in excess of $125,000 per year.

SEC. 205. None of the funds appropriated in this Act may be expended pursuant to section 241 of the Public Health Service Act, except for funds specifically provided for in this Act, or for other taps and assessments made by any office located in the Department of Health and Human Services, prior to the Secretary's preparation and submission of a report to the Committee on Appropriations of the Senate and of the House detailing the planned uses of such funds.

SEC. 206. None of the funds appropriated in this Act may be obligated or expended for the Federal Council on Aging under the Older Americans Act or the Advisory Board on Child Abuse and Neglect under the Child Abuse Prevention and Treatment Act.

(TRANSFER OF FUNDS)

SEC. 207. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended) which are appropriated for the current fiscal year for the Department of Health and Human Services in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: Provided, That the Appropriations Committees of both Houses of Congress are notified at least fifteen days in advance of any transfer.

(TRANSFER OF FUNDS)

SEC. 208. The Director of the National Institutes of Health, jointly with the Director of the Office of AIDS Research, may transfer up to 3 percent among institutes, centers, and divisions from the total amounts identified by these two Directors as funding for research pertaining to the human immunodeficiency virus: Provided, That the Congress is promptly notified of the transfer.

(TRANSFER OF FUNDS)

SEC. 209. Of the amounts made available in this Act for the National Institutes of Health, the amount for research related to the human immunodeficiency virus, as jointly determined by the Director of NIH and the Director of the Office of AIDS Research, shall be made available to the "Office of AIDS Research" account. The Director of the Office of AIDS Research shall transfer from such accounts amounts necessary to carry out section 2535(d)(3) of the Public Health Service Act.

SEC. 210. Funds appropriated in this Act for the National Institutes of Health may be used to provide transit subsidies in amounts consistent with the transportation subsidy programs authorized under section 629 of Public Law 101–509 to non-FTE bearing positions including trainees, visiting fellows and volunteers.

SEC. 211. (a) The Secretary of Health and Human Services may in accordance with this section provide for the relocation of the Federal facility known as the Gillis W. Long Hansen's Disease Center (located in the vicinity of Carville, in the State of Louisiana), including the relocation of the patients of the Center.

(b)(1) Subject to paragraph (2), in relocating the Center the Secretary may on behalf of the United States transfer to the State of Louisiana, without charge, title to the real property and improvements that as of the date of the enactment of this Act constitute the Center. Such real property is a parcel consisting of approximately 330 acres. The exact acreage and legal description used for purposes of the transfer shall be in accordance with a survey satisfactory to the Secretary.

(2) Any conveyance under paragraph (1) is not effective unless the deed or other instrument of conveyance contains the conditions specified in subsection (d); the instrument specifies that the United States and the State of Louisiana agree to such conditions; and the instrument specifies that, if the State engages in a material breach of the conditions, title to the real property and improvements involved reverts to the United States at the election of the Secretary.

(c)(1) With respect to Federal equipment and other items of Federal personal property that are in use at the Center as of the date of the enactment of this Act, the Secretary may, subject to paragraph (2), transfer to the State such items as the Secretary determines to be appropriate, if the Secretary makes the transfer under subsection (b).

(2) A transfer of equipment or other items may be made under paragraph (1) only if the State agrees that, during the 30-year period beginning on the date on which the transfer under subsection (b) is made, the items will be used exclusively for purposes that promote the health or education of the public, except that the Secretary may authorize such exceptions as the Secretary determines to be appropriate.

(d) For purposes of subsection (b)(2), the conditions specified in this subsection with respect to a transfer of title are the following:

(1) During the 30-year period beginning on the date on which the transfer is made, the real property and improvements referred to in subsection (b)(1) (referred to in this subsection as the "transferred property") will be used exclusively for purposes that promote the health or education of the public, with such incidental exceptions as the Secretary may approve.

(2) For purposes of monitoring the extent to which the transferred property is being used in accordance with paragraph (1), the Secretary will have access to such documents as the Secretary determines to be necessary, and the Secretary may require the advance approval of the Secretary or such contracts, conveyances of real or personal property, or other transactions as the Secretary determines to be necessary.

(3) The relocation of patients from the transferred property will be completed not later than 3 years after the date on which the transfer is made, except to the extent the Secretary determines that relocating particular patients is not feasible. During the period of relocation, the Secretary will have unrestricted access to the transferred property, and after such period will have such access as may be necessary with respect to the patients who pursuant to the preceding sentence are not relocated.

(4)(A) With respect to projects to make repairs and energy-related improvements at the transferred property, the Secretary will provide for the completion of all such projects for which contracts have been awarded and appropriations have been made as of the date of which the transfer is made.

(B) If upon completion of the projects referred to in subparagraph (A) there are any unobligated balances of amounts appropriated for the projects, and the sum of such balances is in excess of $100,000—

(i) the Secretary will transfer the amount of such excess to the State; and

(ii) the State will expend such amount for the purposes referred to in paragraph (1), which may include the renovation of facilities at the transferred property.

(5)(A) The State will maintain the cemetery located on the transferred property, will permit individuals who were long-term-care patients of the Center to be buried at the cemetery, and will permit members of the public to visit the cemetery.

(B) The State will permit the Center to maintain a museum on the transferred property and will permit members of the public to visit the museum.

(C) In the case of any waste products stored at the transferred property as of the date of the transfer, the Federal Government will after the transfer retain title to and responsibility for the products, and the State will not require that the Federal Government remove the products from the transferred property.

(6) In the case of each individual who as of the date of the enactment of this Act is a Federal employee at the transferred property with facilities management or dietary duties:

(A) The State will offer the individual an employment position with the State, the position with the State will have duties similar to the duties the individual performed in his or her most recent position at the transferred property, and the position with the State will provide compensation and benefits that are similar to the compensation and benefits provided for such most recent position, subject to the concurrence of the Governor of the State.

(B) If the individual becomes an employee of the State pursuant to subparagraph (A), the State will make payments in accordance with subsection (e)(2)(B) (relating to disability), as applicable with respect to the individual.

(7) The Federal Government may, consistent with the intended uses by the State of the transferred property, carry out at such property activities regarding at-risk youth.

(8) Such additional conditions as the Secretary determines to be necessary to protect the interests of the United States.

(e)(1) This subsection applies if the transfer under subsection (b) is made.

(2) In the case of each individual who as of the date of the enactment of this Act is a Federal employee at the Center with facilities management or dietary duties, and who becomes an employee of the State pursuant to subsection (d)(6)(A):

(A) The provisions of subchapter III of chapter 83 of title 5, United States Code, or of chapter 84 of such title, whichever are applicable, that relate to disability shall be considered to remain in effect with respect to the individual (subject to subparagraph (C)) until the earlier of—

(i) the expiration of the 2-year period beginning on the date on which the transfer under subsection (b) is made; or

(ii) the date on which the individual first meets all conditions for coverage under a State program for payments during retirement by reason of disability.

(B) The payments to be made by the State pursuant to subsection (d)(6)(B) with respect to the individual are payments to the Civil Service Retirement and Disability Fund, if the individual is receiving Federal disability coverage pursuant to subparagraph (A). Such payments are to be made in a total amount equal to that portion of the normal-cost percentage (determined through the use of dynamic assumptions) of the basic pay of the individual that is allocable to such coverage and is paid for service performed during the period for which such coverage is in effect. Such amount is to be determined in accordance with chapter 84 of such title 5, is to be paid at such time and in such manner as mutually agreed by the State and the Office of Personnel Management, and is in lieu of individual or agency contributions otherwise required.

(C) In the determination pursuant to subparagraph (A) of whether the individual is eligible for Federal disability coverage (during the applicable period of time under such subparagraph), service as an employee of the State after the date of the transfer under subsection (b) shall be counted toward the service requirement specified in the first sentence of section 8337(a) or 8451(a)(1)(A) of such title 5 (whichever is applicable).

(3) In the case of each individual who as of the date of the enactment of this Act is a Federal employee with a position at the Center and is, for duty at the Center, receiving the pay differential under section 208(e) of the Public Health Service Act or under section 5545(d) of title 5, United States Code:

(A) If as of the date of the transfer under subsection (b) the individual is eligible for an annuity under section 8336 or 8412 of title 5, United States Code, then once the individual separates from the service and thereby becomes entitled to receive the annuity, the pay differential shall be included in the computation of the annuity if the individual separated from the service not later than the expiration of the 90-day period beginning on the date of the transfer.

(B) If the individual is not eligible for such an annuity as of the date of the transfer under subsection (b) but subsequently does become eligible, then once the individual separates from the service and thereby becomes entitled to receive the annuity, the pay differential shall be included in the computation of the annuity if the individual separated from the service not later than the expiration of the 90-day period beginning on the date on which the individual first became eligible for the annuity.

(C) For purposes of this paragraph, the individual is eligible for the annuity if the individual meets all conditions under such section 8336 or 8412 to be entitled to the annuity, except the condition that the individual be separated from the service.

(4) With respect to individuals who as of the date of the enactment of this Act are Federal employees with positions at the Center and are

not, for duty at the center, receiving the pay differential under section 208(e) of the Public Health Service Act or under section 5545(d) of title 5, United States Code:

(A) During the calendar years 1997 and 1998, the Secretary may in accordance with this paragraph provide to any such individual a voluntary separation incentive payment. The purpose of such payments is to avoid or minimize the need for involuntary separations under a reduction in force with respect to the Center.

(B) During calendar year 1997, any payment under subparagraph (A) shall be made under section 663 of the Treasury, Postal Service, and General Government Appropriations Act, 1997 (as contained in section 101(f) of division A of Public Law 104–208), except that, for purposes of this subparagraph, subsection (b) of such section 663 does not apply.

(C) During calendar year 1998, such section 663 applies with respect to payments under subparagraph (A) to the same extent and in the same manner as such section applied with respect to the payments during fiscal year 1997, and for purposes of this subparagraph, the reference in subsection (c)(2)(D) of such section 663 to December 31, 1997, is deemed to be a reference to December 31, 1998.

(f) The following provisions apply if under subsection (a) the Secretary makes the decision to relocate the Center:

(1) The site to which the Center is relocated shall be in the vicinity of Baton Rouge, in the State of Louisiana.

(2) The facility involved shall continue to be designated as the Gillis W. Long Hansen's Disease Center.

(3) The Secretary shall make reasonable efforts to inform the patients of the Center with respect to the planning and carrying out of the relocation.

(4) In the case of each individual who as of October 1, 1996, was a patient of the Center and is considered by the Director of the Center to be a long-term-care patient (referred to in this subsection as an "eligible patient"), the Secretary shall continue to provide for the long-term care of the eligible patient, without charge, for the remainder of the life of the patient.

(5)(A) For purposes of paragraph (4), an eligible patient who is legally competent has the following options with respect to support and maintenance and other nonmedical expenses:

(i) For the remainder of his or her life, the patient may reside at the Center.

(ii) For the remainder of his or her life, the patient may receive payments each year at an annual rate of $33,000 (adjusted in accordance with subparagraphs (C) and (D)), and may not reside at the Center. Payments under this clause are in complete discharge of the obligation of the Federal Government under paragraph (4) for support and maintenance and other nonmedical expenses of the patient.

(B) The choice by an eligible patient of the option under clause (i) of subparagraph (A) may at any time be revoked by the patient, and the patient may instead choose the option under clause (ii) of such subparagraph. The choice by an eligible patient of the option under such clause (ii) is irrevocable.

(C) Payments under subparagraph (A)(ii) shall be made on a monthly basis, and shall be pro rated as applicable. In 1999 and each subsequent year, the monthly amount of such payments shall be increased by a percentage equal to any percentage increase taking effect under section 215(i) of the Social Security Act (relating to a cost-of-living increase) for benefits under title II of such Act (relating to Federal old-age, survivors, and disability insurance benefits). Any such percentage increase in monthly payments under subparagraph (A)(ii) shall take effect in the same month as the percentage increase under such section 215(i) takes effect.

(D) With respect to the provision of outpatient and inpatient medical care for Hansen's disease and related complications to an eligible patient:

(i) The choice the patient makes under subparagraph (A) does not affect the responsibility of the Secretary for providing to the patient such care at or through the Center.

(ii) If the patient chooses the option under subparagraph (A)(ii) and receives inpatient care at or through the Center, the Secretary may reduce the amount of payments under such subparagraph, except to the extent that reimbursement for the expenses of such care is available to the provider of the care through the program under title XVIII of the Social Security Act or the program under title XIX of such Act. Any such reduction shall be made on the basis of the number of days for which the patient received the inpatient care.

(6) The Secretary shall provide to each eligible patient such information and time as may be necessary for the patient to make an informed decision regarding the options under paragraph (5)(A).

(7) After the date of the enactment of this Act, the Center may not provide long-term care for any individual who as of such date was not receiving such care as a patient of the Center.

(8) If upon completion of the projects referred to in subsection (d)(4)(A) there are unobligated balances of amounts appropriated for the projects, such balances are available to the Secretary for expenses relating to the relocation of the Center, except that, if the sum of such balances is in excess of $100,000, such excess is available to the State in accordance with subsection (d)(4)(B). The amounts available to the Secretary pursuant to the preceding sentence are available until expended.

(g) For purposes of this section:

(1) The term "Center" means the Gillis W. Long Hansen's Disease Center.

(2) The term "Secretary" means the Secretary of Health and Human Services.

(3) The term "State" means the State of Louisiana.

(h) Section 320 of the Public Health Service Act (42 U.S.C. 247e) is amended by striking the section designation and all that follows and inserting the following:

"SEC. 320. (a)(1) At or through the Gillis W. Long Hansen's Disease Center (located in the State of Louisiana), the Secretary shall without charge provide short-term care and treatment, including outpatient care, for Hansen's disease and related complications to any person determined by the Secretary to be in need of such care and treatment. The Secretary may not at or through such Center provide long-term care for any such disease or complication.

"(2) The Center referred to in paragraph (1) shall conduct training in the diagnosis and management of Hansen's disease and related complications, and shall conduct and promote the coordination of research (including clinical research), investigations, demonstrations, and studies relating to the causes, diagnosis, treatment, control, and prevention of Hansen's disease and other mycobacterial diseases and complications related to such diseases.

"(3) Paragraph (1) is subject to section 211 of the Department of Health and Human Services Appropriations Act, 1998.

"(b) In addition to the Center referred to in subsection (a), the Secretary may establish sites regarding persons with Hansen's disease. Each such site shall provide for the outpatient care and treatment for Hansen's disease and related complications to any person determined by the Secretary to be in need of such care and treatment.

"(c) The Secretary shall carry out subsections (a) and (b) acting through an agency of the Service. For purposes of the preceding sentence, the agency designated by the Secretary shall carry out both activities relating to the provision of health services and activities relating to the conduct of research.

"(d) The Secretary shall make payments to the Board of Health of the State of Hawaii for the care and treatment (including outpatient care) in its facilities of persons suffering from Hansen's disease at a rate determined by the Secretary. The rate shall be approximately equal to the operating cost per patient of such facilities, except that the rate may not exceed the comparable costs per patient with Hansen's disease for care and treatment provided by the Center referred to in subsection (a). Payments under this subsection are subject to the availability of appropriations for such purposes.".

SEC. 212. None of the funds appropriated in the Act may be made available to any entity under title X of the Public Health Service Act unless the applicant for the award certifies to the Secretary that it encourages family participation in the decision of minors to seek family planning services and that it provides counseling to minors on how to resist attempts to coerce minors into engaging in sexual activities.

COMPREHENSIVE INDEPENDENT STUDY OF NIH RESEARCH PRIORITY SETTING

SEC. 213. (a) STUDY BY THE INSTITUTE OF MEDICINE.—Not later than 30 days after the date of enactment of this Act, the Secretary of Health and Human Services shall enter into a contract with the Institute of Medicine to conduct a comprehensive study of the policies and process used by the National Institutes of Health to determine funding allocations for biomedical research.

(b) MATTERS TO BE ASSESSED.—The study under subsection (a) shall assess—

(1) the factors or criteria used by the National Institutes of Health to determine funding allocations for disease research;

(2) the process by which research funding decisions are made;

(3) the mechanisms for public input into the priority setting process; and

(4) the impact of statutory directives on research funding decisions.

(c) REPORT.—

(1) IN GENERAL.—Not later than 6 months after the date on which the Secretary of Health and Human Services enters into the contract under subsection (a), the Institute of Medicine shall submit a report concerning the study to the Committee on Labor and Human Resources and the Committee on Appropriations of the Senate, and the Committee on Commerce and the Committee on Appropriations of the House of Representatives.

(2) REQUIREMENT.—The report under paragraph (1) shall set forth the findings, conclusions, and recommendations of the Institute of Medicine for improvements in the National Institutes of Health research funding policies and processes and for any necessary congressional action.

This title may be cited as the "Department of Health and Human Services Appropriations Act, 1998".

TITLE III—DEPARTMENT OF EDUCATION

EDUCATION REFORM

For carrying out activities authorized by titles III and IV of the Goals 2000: Educate America Act, the School-to-Work Opportunities Act, and sections 3132, 3136, and 3141 and parts B, C, and D of title III of the Elementary and Secondary Education Act of 1965, $1,275,035,000, of which $464,500,000 for the Goals 2000: Educate America Act and $200,000,000 for the School-to-Work Opportunities Act shall become available on July 1, 1998, and remain available through September 30, 1999: Provided, That none of the funds appropriated under this heading shall be obligated or expended to carry out section 304(a)(2)(A) of *the Goals 2000: Educate America Act, except that no more than $1,500,000 may be used to carry out activities under section 314(a)(2) of that Act: Provided further, That section 315(a)(2) of the Goals 2000 Act shall not apply: Provided further, That up to one-half of one percent of the amount available under section 3132 shall be set aside for the outlying areas, to be distributed on the basis of their relative need as determined by the Secretary in accordance with the purposes of the program: Provided further, That if any State educational agency does not apply for a grant under section 3132, that State's allotment under section 3131 shall be reserved by the Secretary for grants to local educational agencies in that State that apply directly to the Secretary according to the terms and conditions published by the Secretary in the Federal Register: Provided further, That of the funds made available under section 3136, $5,000,000 shall be provided to the Hospitals, Universities, Businesses, and Schools program to develop a regional information infrastructure in the mid-Atlantic region, $7,300,000 shall be for the "I Can Learn" project to integrate technology into eighth grade algebra classrooms and $800,000 shall be provided for a distance education network involving a consortium of nine school districts and Nicolet Area Technical College: Provided further, That of the amount available for title III, part B of the Elementary and Secondary Education Act of 1965, as amended, $8,000,000 shall be awarded to continue and expand the Iowa Communication Network statewide fiber optic demonstration project.*

EDUCATION FOR THE DISADVANTAGED

For carrying out title I of the Elementary and Secondary Education Act of 1965, and section 418A of the Higher Education Act, $8,021,827,000, of which $6,553,249,000 shall become available on July 1, 1998, and shall remain available through September 30, 1999, and of which $1,448,386,000 shall become available on October 1, 1998 and shall remain available through September 30, 1999, for academic year 1998–1999: Provided further, That $6,273,212,000 shall be available for basic grants under section 1124: Provided further, That up to $3,500,000 of these funds shall be available to the Secretary on October 1, 1997, to obtain updated local-educational-agency-level census poverty data from the Bureau of the Census: Provided further, That $1,102,020,000 shall be available for concentration grants under section 1124A, $6,977,000 shall be available for evaluations under section 1501 and not more than $7,500,000 shall be reserved for section 1308, of which not more than $3,000,000 shall be reserved for section 1308(d): Provided further, That grant awards under section 1124 and 1124A of title I of the Elementary and Secondary Education Act shall be made to each State or local educational agency at no less than 100 percent of the amount such State or local educational agency received under this authority for fiscal year 1997 under Public Laws 104–208 and 105–18: Provided further, That in determining State allocations under any other program administered by the Secretary, amounts provided under Public Law 105–18, or equivalent amounts provided for in this Act, will not be taken into account in determining State allocations: Provided further, That $120,000,000 shall be available under section 1002(g)(2) to demonstrate effective approaches to comprehensive school reform to be allocated and expended in accordance with the instructions relating to this proviso in the statement of the managers on the conference report accompanying this Act: Provided further, That in carrying out this initiative, the Secretary and the States shall support only approaches that show the most promise of enabling children served by title I to meet challenging State content standards and challenging State student performance standards based on reliable research and effective practices, and include an emphasis on basic academics and parental involvement: Provided further, That such funds shall not be available for section 1503.

IMPACT AID

For carrying out programs of financial assistance to federally affected schools authorized by title VIII of the Elementary and Secondary Education Act of 1965, $808,000,000, of which $662,000,000 shall be for basic support payments under section 8003(b), $50,000,000 shall be for payments for children with disabilities under section 8003(d), $62,000,000, to remain available until expended, shall be for payments under section 8003(f), $7,000,000 shall be for construction under section 8007, and $24,000,000 shall be for Federal property payments under section 8002 of which such sums as may be necessary shall be for section 8002(j) and $3,000,000, to remain available until expended, shall be for facilities maintenance under section 8008: Provided, That section 8003(f)(2) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7709(f)(2)) is amended in clause (ii) in subclause (I) by striking "35 percent" and all that follows through the semicolon, and inserting the following: "25 percent of the total student enrollment of such agency. For purposes of this subclause, all students described in section 8003(a)(1) are used to determine eligibility, regardless of whether or not a local educational agency receives funds for these children from section 8003(b) of the Act;".

The amendment made by this proviso shall apply with respect to fiscal years beginning with fiscal year 1996: Provided further, That the Secretary of Education shall treat as timely filed, and shall process for payment, an application for a fiscal year 1998 payment from the local educational agency for Boston, Massachusetts, under section 8003 of the Elementary and Secondary Education Act of 1965 if the Secretary has received that application not later than 30 days after the enactment of this Act: Provided further, That the Secretary of Education shall forgive any overpayments established for fiscal year 1994 under section 3(d)(2)(B) of the Act of September 30, 1950 (Public Law 874—81st Congress), for any local educational agency in the State of Texas receiving funds appropriated for fiscal year 1994 under the authority of this section: Provided further, That section 8002 of the Elementary and Education Act of 1965 (20 U.S.C. 7702) is amended by adding the following new subsection:

"(j) ADDITIONAL ASSISTANCE FOR CERTAIN LOCAL EDUCATIONAL AGENCIES IMPACTED BY FEDERAL PROPERTY ACQUISITION.—

"(1) RESERVATION.—From amounts appropriated under section 8014(g) for a fiscal year, the Secretary shall provide additional assistance to meet special circumstances relating to the provision of education in local educational agencies eligible to receive assistance under this section.

"(2) ELIGIBILITY.—(A) A local educational agency is eligible to receive additional assistance under this subsection only if such agency—

"(i) received a payment under both this section and section 8003(b) for fiscal year 1996 and is eligible to receive payments under those sections for the year of application;

"(ii) provided a free public education to children described under sections 8003(a)(1)(A), (B), or (D);

"(iii) had a military installation located within the geographic boundaries of the local educational agency that was closed as a result of base closure or realignment;

"(iv) remains responsible for the free public education of children residing in housing located on federal property within the boundaries of the closed military installation but whose parents are on active duty in the uniformed services and assigned to a military activity located within the boundaries of an adjoining local educational agency; and

"(v) demonstrates to the satisfaction of the Secretary that such agency's per-pupil revenue derived from local sources for current expenditures is not less than that revenue for the preceding fiscal year.

"(3) MAXIMUM AMOUNT.—(A) The maximum amount that a local educational agency is eligible to receive under this subsection for any fiscal year, when combined with its payment under subsection (b), shall not be more than 50 percent of the maximum amount determined under subsection (b);

"(B) If funds appropriated under section 8014(g) are insufficient to pay the amount determined under subparagraph (A), the Secretary shall ratably reduce the payment to each local education agency eligible under this subsection;

"(C) If funds appropriated under section 8014(g) are in excess of the amount determined under subparagraph (A) the Secretary shall ratably distribute any excess funds to all local educational agencies eligible for payment under subsection (b) of this section,":

Provided further, That section 8014 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7714) is amended by adding the following new subsection:

"(g) ADDITIONAL ASSISTANCE FOR CERTAIN FEDERAL PROPERTY LOCAL EDUCATIONAL AGENCIES.—For the purpose of carrying out section 8002(j) there are authorized to be appropriated such sums as are necessary beginning in fiscal year 1998 and for each succeeding fiscal year.":

Provided further, That of the funds available for section 8007, the Secretary shall, under such terms and conditions he determines appropriate, first provide $1,500,000 to applicant number 11-2815 and $1,500,000 to applicant number 36–4403 for the construction of public elementary or secondary schools where the current structures are unsafe and pose serious health threats to the students, if requests for funding and construction project descriptions are submitted to the Secretary within 30 days of enactment of this Act: Provided further, That notwithstanding any deadline established by the Secretary of Education under subsection (c) of section 8005 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7705), and without regard to paragraphs (1)(A), (2), and (3) of subsection (d) of that section, the Secretary shall accept, as if timely received, an application from the Maconaquah School Corporation, Bunker Hill, Indiana, under section 8003 of that Act for fiscal year 1996 if the Secretary has received that application not later than 30 days after the enactment of this Act: Provided further, That notwithstanding any other provision of law, the Secretary of Defense shall treat any data included in an application described in the preceding proviso, and that is approved by the Secretary of Education, as data to be used in determining the eligibility of the Maconaquah School Corporation, Bunker Hill, Indiana, for, and the amount of, a payment for any of the fiscal years 1998 through 2000 under section 386 of the National Defense Authorization Act for Fiscal Year 1993: Provided further, That section 8 of Public Law 104–195 is amended by striking the period after "year" and adding the following: "or, for fiscal year 1995 or fiscal year 1996, the amount of any payment under section 8003(f) of the Elementary and Secondary Education Act of 1965": Provided further, That the Secretary of Education shall deem the local educational agency serving the Clinton County School District in Albany, Kentucky, to meet the eligibility requirements of section 8002(a)(1)(C) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702(a)(1)(C)).

SCHOOL IMPROVEMENT PROGRAMS

For carrying out school improvement activities authorized by titles II, IV–A–1 and 2, V–A and B, VI, IX, X, and XIII of the Elementary and Secondary Education Act of 1965; the Stewart B. McKinney Homeless Assistance Act; and the Civil Rights Act of 1964; $1,538,188,000, of which $1,246,300,000 shall become available on July 1, 1998, and remain available through September 30, 1999: Provided, That of the amount appropriated, $335,000,000 shall be for Eisenhower professional development State grants under title II–B of the Elementary and Secondary Education Act of which $25,000,000 shall be for professional development in reading, $350,000,000 shall be for innovative education program strategies State grants under title VI–A of said Act and $750,000 shall be for an evaluation of comprehensive regional assistance centers under title XIII of said Act: Provided further, That of the amount made available for Title IV–A–2, $350,000 shall be for the Yonkers Public Schools for innovative anti-drug and anti-violence activities.

CHILD LITERACY INITIATIVE

(INCLUDING TRANSFER OF FUNDS)

For carrying out a literacy initiative, $210,000,000, which shall become available on October 1, 1998 and shall remain available through September 30, 1999 only if specifically authorized by subsequent legislation enacted by July 1, 1998: Provided, That, if the initiative is not authorized by such date, the funds shall be transferred to "Special Education" to be merged with that account and to be available for the same purposes for which that account is available: Provided further, That the transferred funds shall become available for obligation on July 1, 1999, and shall remain available through September 30, 2000 for academic year 1999–2000.

INDIAN EDUCATION

For expenses necessary to carry out, to the extent not otherwise provided, title IX, part A of the Elementary and Secondary Education Act of 1965, as amended, and section 215 of the Department of Education Organization Act, $62,600,000.

BILINGUAL AND IMMIGRANT EDUCATION

For carrying out, to the extent not otherwise provided, bilingual, foreign language and immigrant education activities authorized by parts A and C and section 7203 of title VII of the Elementary and Secondary Education Act, without regard to section 7103(b), $354,000,000: Provided, That State educational agencies may use all, or any part of, their part C allocation for competitive grants to local educational agencies: Provided further, That the Department of Education should only support instructional programs which ensure that students completely master English in a timely fashion (a period of three to five years) while meeting rigorous achievement standards in the academic content areas.

SPECIAL EDUCATION

For carrying out the Individuals with Disabilities Education Act, $4,810,646,000, of which $4,565,185,000 shall become available for obligation on July 1, 1998, and shall remain available through September 30, 1999: Provided, That $1,500,000 of the funds provided shall be for section 687(b)(2)(G), and shall remain available until expended.

REHABILITATION SERVICES AND DISABILITY RESEARCH

For carrying out, to the extent not otherwise provided, the Rehabilitation Act of 1973, the Technology-Related Assistance for Individuals with Disabilities Act, and the Helen Keller National Center Act, as amended, $2,591,195,000.

SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES

AMERICAN PRINTING HOUSE FOR THE BLIND

For carrying out the Act of March 3, 1879, as amended (20 U.S.C. 101 et seq.), $8,186,000.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

For the National Technical Institute for the Deaf under titles I and II of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), $44,141,000: Provided, That from the amount available, the Institute may at its discretion use funds for the endowment program as authorized under section 207.

GALLAUDET UNIVERSITY

For the Kendall Demonstration Elementary School, the Model Secondary School for the Deaf, and the partial support of Galludet University under titles I and II of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.), $81,000,000: Provided, That from the amount available, the University may at its discretion use funds for the endowment program as authorized under section 207.

VOCATIONAL AND ADULT EDUCATION

For carrying out, to the extent not otherwise provided, the Carl D. Perkins Vocational and Applied Technology Education Act, the Adult Education Act, and the National Literacy Act of 1991, $1,507,698,000, of which $1,504,598,000 shall become available on July 1, 1998 and shall remain available through September 30, 1999; and of which $5,491,000 from amounts available under the Adult Education Act shall be for the National Institute for Literacy under section 384(c): Provided, That, of the amounts made available for title II of the Carl D. Perkins Vocational and Applied Technology Education Act, $13,497,000 shall be used by the Secretary for national programs under title IV, without regard to section 451: Provided further, That the Secretary may reserve up to $4,998,000 under section 313(d) of the Adult Education Act for activities carried out under section 383 of that Act: Provided further, That no funds shall be awarded to a State Council under section 112(f) of the Carl D. Perkins Vocational and Applied Technology Education Act, and no State shall be required to operate such a Council.

STUDENT FINANCIAL ASSISTANCE

For carrying out subparts 1, 3, and 4 of part A, part C and part E of title IV of the Higher Education Act of 1965, as amended, $8,978,934,000, which shall remain available through September 30, 1999.

The maximum Pell Grant for which a student shall be eligible during award year 1998–1999 shall be $3,000: Provided, That notwithstanding section 401(g) of the Act, if the Secretary determines, prior to publication of the payment schedule for such award year, that the amount included within this appropriation for Pell Grant awards in such award year, and any funds available from the fiscal year 1997 appropriation for Pell Grant awards, are insufficient to satisfy fully all such awards for which students are eligible, as calculated under section 401(b) of the Act, the amount paid for each such award shall be reduced by either a fixed or variable percentage, or by a fixed dollar amount, as determined in accordance with a schedule of reductions established by the Secretary for this purpose: Provided further, That if the Secretary determines that the funds available to fund Pell Grants for award year 1998–99 exceed the amount needed to fund Pell Grants at a maximum award of $3,000 for that award year, the Secretary may increase the income protection allowances in sections 475(g)(2)(D), and 476(b)(1)(A)(iv)(I), (II), and (III) up to the amounts at which Pell Grant awards calculated using the increased income protection allowances equal the funds available to make Pell Grants in award year 1998–99 with a $3,000 maximum award, except that the income protection allowance in section 475(g)(2)(D) may not exceed $2,200, the income protection allowance in sections 476(b)(1)(A)(iv)(I) and (II) may not exceed $4,250, and the income protection allowance in section 476(b)(1)(A)(iv)(III) may not exceed $7,250.

FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT

For Federal administrative expenses to carry out guaranteed student loans authorized by title IV, part B, of the Higher Education Act, as amended, $46,482,000.

HIGHER EDUCATION

For carrying out, to the extent not otherwise provided, parts A and B of title III, without regard to section 360(a)(1)(B)(ii), titles IV, V, VI, VII, and IX, and part A, subpart 1 of part B, and part E of title X and title XI of the Higher Education Act of 1965, as amended, part G of title XV of Public Law 102–325, the Mutual Educational and Cultural Exchange Act of 1961, and Public Law 102–423; $946,738,000, of which $13,700,000 for interest subsidies under title VII of the Higher Education Act shall remain available until expended: Provided, That funds available for part D of title IX of the Higher Education Act shall be available to fund new and noncompeting continuation awards for academic year 1998–1999 for fellowships awarded under part C of title IX of said Act, under the terms and conditions of part C: Provided further, That from the funds made available under Part A of title X of the Higher Education Act, $1,000,000 shall be awarded to the Advanced Technical Center at Mexico, Missouri for the delivery of technical education in cooperation with community colleges and State technical schools and $3,000,000 shall be for the delivery of technical education and distance learning at Empire State College in New York.

HOWARD UNIVERSITY

For partial support of Howard University (20 U.S.C. 121 et seq.), $210,000,000: Provided, That from the amount available, the University may at its discretion use funds for the endowment program as authorized under the Howard University Endowment Act (Public Law 98–480).

COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS PROGRAM

For Federal administrative expenses to carry out activities related to facility loans entered into under title VII, part C and section 702 of the Higher Education Act, as amended, $698,000.

HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING, PROGRAM ACCOUNT

The total amount of bonds insured pursuant to section 724 of title VII, part B of the Higher Education Act shall not exceed $357,000,000, and the cost, as defined in section 502 of the Congressional Budget Act of 1974, of such bonds shall not exceed zero.

For administrative expenses to carry out the Historically Black College and University Capital Financing Program entered into pursuant to title VII, part B of the Higher Education Act, as amended, $104,000.

EDUCATION RESEARCH, STATISTICS, AND IMPROVEMENT

For carrying out activities authorized by the Educational Research, Development, Dissemination, and Improvement Act of 1994, including part E; the National Education Statistics Act of 1994; section 2102 of title II, and parts A, B, I, and K and section 10601 of title X, and part C of title XIII of the Elementary and Secondary Education Act of 1965, as amended, and title VI of Public Law 103–227, $431,438,000: Provided, That of the amount provided for section 10101 of part A of title X of the Elementary and Secondary Education Act, $1,000,000 shall be awarded to the National Museum of Women in the Arts; $500,000 shall be for enhanced teacher training in reading in the District of Columbia; $5,000,000 shall be for innovative learning opportunities for at-risk children at children's museums in Philadelphia, Baltimore, Boston and museums in Chicago; $8,000,000 shall be for a demonstration of public school facilities repair and construction to the Iowa Department of Education; $350,000 shall be awarded to the White Plains City School District to expand an after school program; $100,000 shall be for the Montgomery County, Pennsylvania library network; $55,000 shall be awarded to the St. Stephen Life Center in Louisville, Kentucky; and $25,000,000 shall be available to demonstrate effective approaches to comprehensive school reform to be allocated and expended in accordance with the instructions relating to this proviso in the statement of managers on the conference report accompanying this Act: Provided further, That the funds made available for comprehensive school reform shall become available on July 1, 1998, and remain available through September 30, 1999, and in carrying out this initiative, the Secretary and the States shall support only approaches that show the most promise of enabling children to meet challenging State content standards and challenging State student performance standards based on reliable research and effective practices, and include an emphasis on basic academics and parental involvement: Provided further, That—

(1) of the amount appropriated under this heading and notwithstanding any other provision of law, the Secretary of Education may award $1,000,000 to a State educational agency (as defined in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801)) to pay for appraisals, resource studies, and other expenses associated with the exchange of State school trust lands within the boundaries of a national monument for Federal lands outside the boundaries of the monument; and

(2) the State educational agency is eligible to receive a grant under paragraph (1) only if the agency serves a State that—

(A) has a national monument declared within the State under the authority of the Act entitled "An Act for the preservation of American antiquities", approved June 8, 1906 (16 U.S.C. 431 et seq.) (commonly known as the Antiquities Act of 1906) that incorporates more than 100,000 acres of State school trust lands within the boundaries of the national monument; and

(B) ranks in the lowest 25 percent of all States when comparing the average per pupil expenditure (as defined in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801)) in the State to the average per pupil expenditure for each State in the United States.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

For carrying out subtitle B of the Museum and Library Services Act, $146,340,000.

DEPARTMENTAL MANAGEMENT

PROGRAM ADMINISTRATION

For carrying out, to the extent not otherwise provided, the Department of Education Organization Act, including rental of conference rooms in the District of Columbia and hire of two passenger motor vehicles, $341,064,000.

OFFICE FOR CIVIL RIGHTS

For expenses necessary for the Office for Civil Rights, as authorized by section 203 of the Department of Education Organization Act, $61,500,000.

OFFICE OF THE INSPECTOR GENERAL

For expenses necessary for the Office of the Inspector General, as authorized by section 212 of the Department of Education Organization Act, $30,242,000.

GENERAL PROVISIONS

SEC. 301. No funds appropriated in this Act may be used for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to overcome racial imbalance in any school or school system, or for the transportation of students or teachers (or for the purchase of equipment for such transportation) in order to carry out a plan of racial desegregation of any school or school system.

SEC. 302. None of the funds contained in this Act shall be used to require, directly or indirectly, the transportation of any student to a school other than the school which is nearest the student's home, except for a student requiring special education, to the school offering such special education, in order to comply with title VI of the Civil Rights Act of 1964. For the purpose of this section an indirect requirement of transportation of students includes the transportation of students to carry out a plan involving the reorganization of the grade structure of schools, the pairing of schools, or the clustering of schools, or any combination of grade restructuring, pairing or clustering. The prohibition described in this section does not include the establishment of magnet schools.

SEC. 303. No funds appropriated under this Act may be used to prevent the implementation of programs of voluntary prayer and meditation in the public schools.

(TRANSFER OF FUNDS)

SEC. 304. Not to exceed 1 percent of any discretionary funds (pursuant to the Balanced Budget and Emergency Deficit Control Act, as amended) which are appropriated for the Department of Education in this Act may be transferred between appropriations, but no such appropriation shall be increased by more than 3 percent by any such transfer: Provided, That the Appropriations Committees of both Houses of Congress are notified at least fifteen days in advance of any transfer.

SEC. 305. (a) Notwithstanding any other provision of Federal law, no funds provided to the Department of Education or to an applicable program (as defined in section 400(c)(10) of the General Education Provisions Act (20 U.S.C. 1221(c)(1))), in this Act or in any other Act in fiscal year 1998, may be used to field test, pilot test, implement, administer or distribute in any way, any national tests.

(b) EXCEPTION.—Subsection (a) shall not apply to the Third International Math and Science Study or the National Assessment of Educational Progress.

SEC. 306. (a) STUDY.—The National Academy of Sciences, in consultation with the National Governors Association, the National Conference of State Legislatures, the White House, the National Assessment Governing Board, and the Congress, shall conduct a feasibility study to determine if an equivalency scale can be developed that would allow test scores from commercially available standardized tests and State assessments to be compared with each other and the National Assessment of Educational Progress.

(b) REPORT OF FINDINGS TO CONGRESS.—(1) The National Academy of Sciences shall submit a written report to the White House, the Committee on Education and the Workforce in the House of Representatives, the Committee on Labor and Human Resources in the Senate, and the Committees on Appropriations of the House of Representatives and the Senate not later than September 1, 1998.

(2) The National Academy of Sciences shall submit an interim report no later than June 15, 1998.

SEC. 307(a). NATIONAL ASSESSMENT GOVERNING BOARD. Notwithstanding any other provision of law, the exclusive authority over all policies, direction, and guidelines for developing voluntary national tests pursuant to contract RJ97153001 previously entered into between the United States Department of Education and the American Institutes for Research and executed on August 15, 1997, shall be vested in the National Assessment Governing Board established under section 412 of the National Education Statistics Act of 1994 (20 U.S.C. 9011); Provided, That within 90 days after the date of enactment of this Act, the Board shall review the national test development contract in effect on the date of enactment of this Act, and modify the contract as the Board determines necessary and not inconsistent with this Act or applicable laws: Provided further, That if the contract cannot be modified to the extent determined necessary by the Board, the contract shall be terminated and the Board shall negotiate a new contract, under the Board's exclusive control, for the tests, not inconsistent with this Act or applicable laws.

(b) In carrying out its exclusive authority for developing voluntary national tests pursuant to contract RJ97153001, any subsequent contract related thereto, or any contract modification pursuant to subsection (a), the National Assessment Governing Board shall determine—

(1) the extent to which test items selected for use on the tests are free from racial, cultural or gender bias;

(2) whether the test development process and test items adequately assess student reading and mathematics comprehension in the form most likely to yield accurate information regarding student achievement in reading and mathematics;

(3) whether the test development process and test items take into account the needs of disadvantaged, limited English proficient and disabled students; and

(4) whether the test development process takes into account how parents, guardians, and students will appropriately be informed about testing content, purpose and uses.

SEC. 308. STUDY.—The National Academy of Sciences shall, not later than September 1, 1998, submit a written report to the Committee on Education and the Workforce in the House of Representatives, the Committee on Labor and Human Resources in the Senate, and the Committees on Appropriations in the House and Senate that evaluates all test items developed or funded by the Department of Education or any other agency of the Federal government pursuant to contract RJ97153001, any subsequent contract related thereto, or any contract modification by the National Assessment Governing Board pursuant to section 307 of this Act, for—

(A) the technical quality of any test items for 4th grade reading and 8th grade mathematics;

(B) the validity, reliability, and adequacy of developed test items;

(C) the validity of any developed design which links test results to student performance;

(D) the degree to which any developed test items provide valid and useful information to the public;

(E) whether the test items are free from racial, cultural, or gender bias;

(F) whether the test items address the needs of disadvantaged, limited English proficient and disabled students; and,

(G) whether the test items can be used for tracking, graduation or promotion of students.

SEC. 309. (a) STUDY—The National Academy of Sciences shall conduct a study and make written recommendations on appropriate methods, practices, and safeguards to ensure that—

(1) existing and new tests that are used to assess student performance are not used in a discriminatory manner or inappropriately for student promotion, tracking or graduation; and

(2) existing and new tests adequately assess student reading and mathematics comprehension in the form most likely to yield accurate information regarding student achievement of reading and mathematics skills.

(b) REPORT TO CONGRESS.—The National Academy of Sciences shall submit a written report to the White House, the National Assessment Governing Board, the Committee on Education and the Workforce in the House of Representatives, the Committee on Labor and Human Resources in the Senate, and the Committees on Appropriations in the House and Senate not later than September 1, 1998.

SEC. 310. (a) The Federal Government shall not require any State or local educational agency or school to administer or implement any pilot or field test in any subject or grade, nor shall the Federal government require any student to take any national test in any subject or grade.

(b) Nothing in section 309(a) shall be construed as affecting the National Assessment of Educational Progress or the Third International Math and Science Study.

SEC. 311. No Federal, State or local educational agency may require any private or parochial school student, or home-schooled individual, to take any pilot or field test developed under this Act, contract RJ97153001, or any contract related thereto, without the written consent of the parents or legal guardians of the student or individual.

SEC. 312. Notwithstanding any other provision of law, any institution of higher education which receives funds under title III of the Higher Education Act, except for grants made under section 326, may use up to 20 percent of its award under part A or part B of the Act for endowment building purposes authorized under section 331. Any institution seeking to use part A or part B funds for endowment building purposes shall indicate such intention in its application to the Secretary and shall abide by departmental regulations governing the endowment challenge grant program.

(TRANSFER OF FUNDS)

SEC. 313. Notwithstanding any other provision of the Higher Education Act, $280,000,000 of the balances of returned reserves, formerly held by the Higher Education Assistance Foundation, that are currently held in Higher Education Assistance Claims Reserves, Treasury account number 91X6192, shall be transferred to Miscellaneous Receipts of the Treasury, within 60 days of enactment of this Act.

IMPACT AID

SEC. 314. (a) IN GENERAL.—From funds made available to carry out section 3(d)(2)(B) of the Act of September 30, 1950 (Public Law 874, 81st Congress) for fiscal year 1994 that remain after making 100 percent of the payments local educational agencies are eligible to receive under such section for such fiscal year, the Secretary of Education shall make payments to applications for fiscal year 1996 pursuant to subsection (b).

(b) AWARD BASIS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary of Education shall make a payment to each applicant in an amount that bears the same relation to the total amount of remaining funds described in subsection (a) as the number of children who were in average daily attendance in the schools served by the applicant for fiscal year 1996 bears to the total number of all such children in the schools served by all applicants for such year.

(2) SPECIAL RULE.—Any applicant that had less than 200 children in average daily attendance in the schools served by the applicant for fiscal year 1996 shall receive a payment under this section for fiscal year 1996 in an amount equal to not less than $175,000.

(3) DATA.—For purposes of computing payments under this section, the Secretary of Education shall use data that—

(A) was included in each applicant's application for assistance under section 8003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703) for fiscal year 1996; and

(B) is verified by the Secretary.

(c) DEFINITION OF APPLICANT.—For purposes of this section, the term "applicant" means an applicant for assistance under section 8003 of the Elementary and Secondary Education Act of 1965 for fiscal year 1996 having 1 of the following applicant numbers for such year:

(1) 51-0904.
(2) 51-4203.
(3) 51-1903.
(4) 51-0010.
(5) 51-0811.
(6) 51-2101.

SEC. 315. Section 10304 of the Elementary and Secondary Education Act of 1965 is amended by adding at the end the following:

"(g) TRIBALLY CONTROLLED SCHOOLS.—Each State that receives a grant under this part and designates a tribally controlled school as a charter school shall not consider payments to a school under the Tribally Controlled Schools Act of 1986 (25 U.S.C. 2507) in determining—

"(1) the eligibility of the school to receive any other Federal, State, or local aid; or

"(2) the amount of such aid."

This title may be cited as the "Department of Education Appropriations Act, 1998".

TITLE IV—RELATED AGENCIES

ARMED FORCES RETIREMENT HOME

For expenses necessary for the Armed Forces Retirement Home to operate and maintain the United States Soldiers' and Airmen's Home and the United States Naval Home, to be paid from funds available in the Armed Forces Retirement Home Trust Fund, $68,669,000, of which $13,217,000 shall remain available until expended for construction and renovation of the physical plants at the United States Soldiers' and Airmen's Home and the United States Naval Home: Provided, That, notwithstanding any other provision of law, a single contract or related contracts for the development and construction at the United States Soldiers' and Airmen's Home, to include renovation of the Sheridan building, may be employed which collectively include the full scope of the project: Provided further, That the solicitation and contract shall contain the clause "availability of funds" found at 48 CFR 52.232-18 and 252.232-7007 Limitation of Government Obligation.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

DOMESTIC VOLUNTEER SERVICE PROGRAMS, OPERATING EXPENSES

For expenses necessary for the Corporation for National and Community Service to carry out the provisions of the Domestic Volunteer Service Act of 1973, as amended, $256,604,000.

CORPORATION FOR PUBLIC BROADCASTING

For payment to the Corporation for Public Broadcasting, as authorized by the Communications Act of 1934, an amount which shall be available within limitations specified by that Act, for the fiscal year 2000, $300,000,000: Provided, That no funds made available to the Corporation for Public Broadcasting by this Act shall be used to pay for receptions, parties, or similar forms of entertainment for Government officials or employees: Provided further, That none of the funds contained in this paragraph shall be available or used to aid or support any program or activity from which any person is excluded, or is denied benefits, or is discriminated against, on the basis of race, color, national origin, religion, or sex.

FEDERAL MEDIATION AND CONCILIATION SERVICE

SALARIES AND EXPENSES

For expenses necessary for the Federal Mediation and Conciliation Service to carry out the functions vested in it by the Labor Management Relations Act, 1947 (29 U.S.C. 171-180, 182-183), including hire of passenger motor vehicles; and for expenses necessary for the Labor-Management Cooperation Act of 1978 (29 U.S.C. 175a); and for expenses necessary for the Service to carry out the functions vested in it by the Civil Service Reform Act, Public Law 95-454 (5 U.S.C. chapter 71), $33,481,000, including $1,500,000, to remain available through September 30, 1999, for activities authorized by the Labor-Management Cooperation Act of 1978 (29 U.S.C. 175a): Provided, That notwithstanding 31 U.S.C. 3302, fees charged, up to full-cost recovery, for special training activities and for arbitration services shall be credited to and merged with this account, and shall remain available until expended: Provided further, That fees for arbitration services shall be available only for education, training, and professional development of the agency workforce: Provided further, That the Director of the Service is authorized to accept on behalf of the United States gifts of services and real, personal, or other property in the aid of any projects or functions within the Director's jurisdiction.

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Federal Mine Safety and Health Review Commission (30 U.S.C. 801 et seq.), $6,060,000.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

SALARIES AND EXPENSES

For necessary expenses for the National Commission on Libraries and Information Science, established by the Act of July 20, 1970 (Public Law 91-345, as amended by Public Law 102-95), $1,000,000.

NATIONAL COUNCIL ON DISABILITY

SALARIES AND EXPENSES

For expenses necessary for the National Council on Disability as authorized by title IV of the Rehabilitation Act of 1973, as amended, $1,793,000.

NATIONAL EDUCATION GOALS PANEL

For expenses necessary for the National Education Goals Panel, as authorized by title II, part A of the Goals 2000: Educate America Act, $2,000,000.

NATIONAL LABOR RELATIONS BOARD

SALARIES AND EXPENSES

For expenses necessary for the National Labor Relations Board to carry out the functions vested in it by the Labor-Management Relations Act, 1947, as amended (29 U.S.C. 141-167), and other laws, $174,661,000: Provided, That no part of this appropriation shall be available to organize or assist in organizing agricultural laborers or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2(3) of the Act of July 5, 1935 (29 U.S.C. 152), and as amended by the Labor-Management Relations Act, 1947, as amended, and as defined in section 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and including in said definition employees engaged in the maintenance and operation of ditches, canals, reservoirs, and waterways when maintained or operated on a mutual, nonprofit basis and at least 95 per centum of the water stored or supplied thereby is used for farming purposes: Provided further, That none of the funds made available by this Act shall be used in any way to promulgate a final rule (altering 29 CFR part 103) regarding single location bargaining units in representation cases.

NATIONAL MEDIATION BOARD

SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Railway Labor Act, as amended (45

U.S.C. 151–188), including emergency boards appointed by the President, $8,600,000: Provided, That unobligated balances at the end of fiscal year 1998 not needed for emergency boards shall remain available for other statutory purposes through September 30, 1999.

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

For expenses necessary for the Occupational Safety and Health Review Commission (29 U.S.C. 661), $7,900,000.

MEDICARE PAYMENT ADVISORY COMMISSION

SALARIES AND EXPENSES

For expenses necessary to carry out section 1805 of the Social Security Act, $7,015,000, to be transferred to this appropriation from the Federal Hospital Insurance and the Federal Supplementary Medical Insurance Trust Funds.

RAILROAD RETIREMENT BOARD

DUAL BENEFITS PAYMENTS ACCOUNT

For payment to the Dual Benefits Payments Account, authorized under section 15(d) of the Railroad Retirement Act of 1974, $205,500,000, which shall include amounts becoming available in fiscal year 1998 pursuant to section 224(c)(1)(B) of Public Law 98–76; and in addition, an amount, not to exceed 2 percent of the amount provided herein, shall be available proportional to the amount by which the product of recipients and the average benefit received exceeds $205,500,000: Provided, That the total amount provided herein shall be credited in 12 approximately equal amounts on the first day of each month in the fiscal year.

FEDERAL PAYMENTS TO THE RAILROAD RETIREMENT ACCOUNTS

For payment to the accounts established in the Treasury for the payment of benefits under the Railroad Retirement Act for interest earned on unnegotiated checks, $50,000, to remain available through September 30, 1999, which shall be the maximum amount available for payment pursuant to section 417 of Public Law 98–76.

LIMITATION ON ADMINISTRATION

For necessary expenses for the Railroad Retirement Board for administration of the Railroad Retirement Act and the Railroad Unemployment Insurance Act, $87,228,000, to be derived in such amounts as determined by the Board from the railroad retirement accounts and from moneys credited to the railroad unemployment insurance administration fund.

LIMITATION ON THE OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General for audit, investigatory and review activities, as authorized by the Inspector General Act of 1978, as amended, not more than $5,794,000, to be derived from the railroad retirement accounts and railroad unemployment insurance account: Provided, That none of the funds made available in any other paragraph of this Act may be transferred to the Office; used to carry out any such transfer; used to provide any office space, equipment, office supplies, communications facilities or services, maintenance services, or administrative services for the Office; used to pay any salary, benefit, or award for any personnel of the Office; used to pay any other operating expense of the Office; or used to reimburse the Office for any service provided, or expense incurred, by the Office: Provided further, That none of the funds made available in this paragraph may be used for any audit, investigation, or review of the Medicare Program.

SOCIAL SECURITY ADMINISTRATION

PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

For payment to the Federal Old-Age and Survivors Insurance and the Federal Disability Insurance trust funds, as provided under sections 201(m), 228(g), and 1131(b)(2) of the Social Security Act, $20,308,000.

SPECIAL BENEFITS FOR DISABLED COAL MINERS

For carrying out title IV of the Federal Mine Safety and Health Act of 1977, $426,090,000, to remain available until expended.

For making, after July 31 of the current fiscal year, benefit payments to individuals under title IV of the Federal Mine Safety and Health Act of 1977, for costs incurred in the current fiscal year, such amounts as may be necessary.

For making benefit payments under title IV of the Federal Mine Safety and Health Act 1977 for the first quarter of fiscal year 1999, $160,000,000, to remain available until expended.

SUPPLEMENTAL SECURITY INCOME PROGRAM

For carrying out titles XI and XVI of the Social Security Act, section 401 of Public Law 92–603, section 212 of Public Law 93–66, as amended, and section 405 of Public Law 95–216, including payment to the Social Security trust funds for administrative expenses incurred pursuant to section 201(g)(1) of the Social Security act, $16,160,000,000, to remain available until expended: *Provided*, That any portion of the funds provided to a State in the current fiscal year and not obligated by the State during that year shall be returned to the treasury.

From funds provided under the previous paragraph, not less than $100,000,000 shall be available for payment to the Social Security trust funds for administrative expenses for conducting continuing disability reviews.

In addition, $175,000,000, to remain available until September 30, 1999, for payment to the Social Security trust funds for administrative expenses for continuing disability reviews as authorized by section 103 of Public Law 104–121 and Supplemental Security Income administrative work as authorized by Public Law 104–193. The term "continuing disability reviews" means reviews and redeterminations as defined under section 201(g)(1)(A) of the Social Security Act, as amended, and reviews and redeterminations authorized under section 211 of Public Law 104–193.

For making, after June 15 of the current fiscal year, benefit payments to individuals under title XVI of the Social Security act, for unanticipated costs incurred for the current fiscal year, such sums as may be necessary.

For making benefit payments under title XVI of the Social Security Act for the first quarter of fiscal year 1999, $8,680,000,000, to remain available until expended.

LIMITATION ON ADMINISTRATIVE EXPENSES

For necessary expenses, including the hire of two passenger motor vehicles, and not to exceed $10,000 for official reception and representation expenses, not more than $5,894,040,000 may be expended, as authorized by section 201(a)(1) of the Social Security Act, from any one or all of the trust funds referred to therein: Provided, That not less than $1,600,000 shall be for the Social Security Advisory Board: Provided further, That unobligated balances at the end of fiscal year 1998 not needed for fiscal year 1998 shall remain available until expended for a state-of-the-art computing network, including related equipment and non-payroll administrative expenses associated solely with this network: Provided further, That reimbursement to the trust funds under this heading for expenditures for official time for employees of the Social Security Administration pursuant to section 7131 of title 5, United States Code, and for facilities or support services for labor organizations pursuant to policies, regulations, or procedures referred to in section 7135(b) of such title shall be made by the Secretary of the Treasury, with interest, from amounts in the general fund not otherwise appropriated, as soon as possible after such expenditures are made.

From funds provided under the previous paragraph, notwithstanding the provision under this heading in Public Law 104–208 regarding unobligated balances at the end of fiscal year 1997 not needed for such fiscal year, an amount not to exceed $50,000,000 from such unobligated balances shall, in addition to funding already available under this heading for fiscal year 1998, be available for necessary expenses.

From funds provided under the first paragraph, not less than $200,000,000 shall be available for conducting continuing disability reviews.

In addition to funding already available under this heading, and subject to the same terms and conditions, $290,000,000, to remain available until September 30, 1999, for continuing disability reviews as authorized by section 103 of Public Law 104–121, section 10203 of Public Law 105–33 and Supplemental Security Income administrative work as authorized by Public Law 104–193. The term "continuing disability reviews" means reviews and redeterminations as defined under section 201(g)(1)(A) of the Social Security Act as amended, and reviews and redeterminations authorized under section 211 of Public Law 104–193.

In addition to funding already available under this heading, and subject to the same terms and conditions, $190,000,000, which shall remain available until expended, to invest in a state-of-art computing network, including related equipment and non-payroll administrative expenses associated solely with this network, for the Social Security Administration and the State Disability Determination Services, may be expended from any or all of the trust funds as authorized by section 201(g)(1) of the Social Security Act.

In addition, $35,000,000 to be derived from administration fees in excess of $5.00 per supplementary payment collected pursuant to section 1611(d) of the Social Security Act or section 212(b)(3) of Public Law 93–66, which shall remain available until expended. To the extent that the amounts collected pursuant to such section 1616(d) or 212(b)(3) in fiscal year 1998 exceed $35,000,000, the amounts shall be available in fiscal year 1999 only to the extent provided in advance in appropriations Acts.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary for the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $10,164,000, together with not to exceed $38,260,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

In addition, an amount not to exceed 3 percent of the total provided in this appropriation may be transferred from the "Limitation on Administration Expenses", Social Security Administration, to be merged with this account, to be available for the time and purposes for which this account is available: Provided, That notice of such transfers shall be transmitted promptly to the Committee on Appropriations of the House and Senate.

UNITED STATES INSTITUTE OF PEACE

OPERATING EXPENSES

For necessary expenses of the United States Institute of Peace as authorized in the United States Institute of Peace Act, $11,160,000.

TITLE V—GENERAL PROVISIONS

Sec. 501. The Secretaries of Labor, Health and Human Services, and Education are authorized to transfer unexpended balances of prior appropriations to accounts corresponding to current appropriations provided in this Act: Provided, That such transferred balance are used for the same purpose, and for the same periods of time, for which they were originally appropriated.

Sec. 502. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Sec. 503. (a) No part of any appropriation contained in this Act shall be used, other than for normal and recognized executive-legislative relationships, for publicity or propaganda purposes, for the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, or video presentation designed to support or defeat legislation pending before the Congress or any State legislature, except in presentation to the Congress or any State legislature itself.

(b) No part of any appropriation contained in this Act shall be used to pay the salary or expenses of any grant or contract recipient, or agent acting for such recipient, related to any activity designed to influence legislation or appropriations pending before the Congress or any State legislature.

Sec. 504. The Secretaries of Labor and Education are each authorized to make available not to exceed $15,000 from funds available for salaries and expenses under titles I and III, respectively, for official reception and representation expenses; the Director of the Federal Mediation and Conciliation Service is authorized to make available for official reception and representation expenses not to exceed $2,500 from funds available for "Salaries and expenses, Federal Mediation and Conciliation Service"; and the Chairman of the National Mediation Board is authorized to make available for official reception and representation expenses not to exceed $2,500 from funds available for "Salaries and expenses, National Mediation Board".

Sec. 505. Notwithstanding any other provision of this Act, no funds appropriated under this Act shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug.

Sec. 506. Section 505 is subject to the condition that after March 31, 1998, a program for exchanging such needles and syringes for used hypodermic needles and syringes (referred to in this section as an "exchange project") may be carried out in a community if—

(1) the Secretary of Health and Human Services determines that exchange projects are effective in preventing the spread of HIV and do not encourage the use of illegal drugs; and

(2) the project is operated in accordance with criteria established by such Secretary for preventing the spread of HIV and for ensuring that the project does not encourage the use of illegal drugs.

Sec. 507. (a) Purchase of American-Made Equipment and Products.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available in this Act should be American-made.

(b) Notice Requirement.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

(c) Prohibition of Contracts With Persons Falsely Labeling Products as Made in America.—If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a "Made in America" inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds made available in this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.

Sec. 508. When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds included in this Act, including but not limited to State and local governments and recipients of Federal research grants, shall clearly state (1) the percentage of the total costs of the program or project which will be financed with Federal money, (2) the dollar amount of Federal funds for the project or program, and (3) percentage and dollar amount of the total costs of the project or program that will be financed by nongovernmental sources.

Sec. 509. (a) None of the funds appropriated under this Act shall be expended for any abortion.

(b) None of the funds appropriated under this Act shall be expended for health benefits coverage that includes coverage of abortion.

(c) The term "health benefits coverage" means the package of services covered by a managed care provider or organization pursuant to a contract or other arrangement.

Sec. 510. (a) The limitations established in the preceding section shall not apply to an abortion—

(1) if the pregnancy is the result of an act of rape or incest; or

(2) in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a physician, place the woman in danger of death unless an abortion is performed.

(b) Nothing in the preceding section shall be construed as prohibiting the expenditure by a State, locality, entity, or private person of State, local, or private funds (other than a State's or locality's contribution of Medicaid matching funds).

(c) Nothing in the preceding section shall be construed as restricting the ability of any managed care provider from offering abortion coverage or the ability of a State or locality to contract separately with such a provider for such coverage with State funds (other than a State's or locality's contribution of Medicaid matching funds).

Sec. 511. Notwithstanding any other provision of law—

(1) no amount may be transferred from an appropriation account for the Departments of Labor, Health and Human Services, and Education except as authorized in this or any subsequent appropriation Act, or in the Act establishing the program or activity for which funds are contained in this Act;

(2) no department, agency, or other entity, other than the one responsible for administering the program or activity for which an appropriation is made in this Act, may exercise authority for the timing of the obligation and expenditure of such appropriation, or for the purpose for which it is obligated and expended, except to the extent and in the manner otherwise provided in sections 1512 and 1513 of title 31, United States Code; and

(3) no funds provided under this Act shall be available for the salary (or any part thereof) of an employee who is reassigned on a temporary detail basis to another position in the employing agency or department or in any other agency or department, unless the detail is independently approved by the head of the employing department or agency.

Sec. 512. None of the funds made available in this Act may be used to enforce the requirements of section 428(b)(1)(U)(iii) of the Higher Education Act of 1965 with respect to any lender when it is made known to the Federal official having authority to obligate or expend such funds that the lender has a loan portfolio under part B of title IV of such Act that is equal to or less than $5,000,000.

Sec. 513. (a) None of the funds made available in this Act may be used for—

(1) the creation of a human embryo or embryos for research purposes; or

(2) research in which a human embryo or embryos are destroyed, discarded, or knowingly subjected to risk of injury or death greater than that allowed for research on fetuses in utero under 45 CFR 46.208(a)(2) and section 498(b) of the Public Health Service Act (42 U.S.C. 289g(b)).

(b) For purposes of this section, the term "human embryo or embryos" include any organisms, not protected as a human subject under 45 CFR 46 as of the date of the enactment of this Act, that is derived by fertilization, parthenogenesis, cloning, or any other means from one or more human gametes or human diploid cells.

Sec. 514. (a) Limitation on Use of Funds for Promotion of Legalization of Controlled Substances.—None of the funds made available in this Act may be used for any activity when it is made known to the Federal official having authority to obligate or expend such funds that the activity promotes the legalization of any drug or other substance included in schedule I of the schedules of controlled substances established by section 202 of the Controlled Substances Act (21 U.S.C. 812).

(b) Exceptions.—The limitation in subsection (a) shall not apply when it is made known to the Federal official having authority to obligate or expend such funds that there is significant medical evidence of a therapeutic advantage to the use of such drug or other substance or that Federally-sponsored clinical trials are being conducted to determine therapeutic advantage.

Sec. 515. None of the funds made available in this Act may be obligated or expended to enter into or renew a contract with an entity when it is made known to the Federal official having authority to obligate or expend such funds that—

(1) such entity is otherwise a contractor with the United States and is subject to the requirement in section 4212(d) of title 38, United States Code, regarding submission of an annual report to the Secretary of Labor concerning employment of certain veterans; and

(2) such entity has not submitted a report as required by that section for the most recent year for which such requirement was applicable to such entity.

Sec. 516. (a) Fees for Federal Administration of State Supplementary SSI Payments.—

(1) Optional state supplementary payments.—

(A) In general.—Section 1616(d)(2)(B) of the Social Security Act (42 U.S.C. 1382e(d)(2)(B) is amended—

(i) by striking "and" at the end of clause (iii); and

(ii) by striking clause (iv) and inserting the following:

"(iv) for fiscal year 1997, $5.00;

"(v) for fiscal year 1998, $6.20;

"(vi) for fiscal year 1999, $7.60;

"(vii) for fiscal year 2000, $7.80;

"(viii) for fiscal year 2001, $8.10;

"(ix) for fiscal year 2002, $8.50; and

"(x) for fiscal year 2003 and each succeeding fiscal year—

"(I) the applicable rate in the preceding fiscal year, increased by the percentage, if any, by which the Consumer Price Index for the month of June of the calendar year of the increase exceeds the Consumer Price Index for the month of June of the calendar year preceding the calendar year of the increase, and rounded to the nearest whole cent; or

"(II) such different rate as the Commissioner determines is appropriate for the State.".

(B) CONFORMING AMENDMENT.—Section 1616(d)(2)(C) of such Act (42 U.S.C. 1382e(d)(2)(C) is amended by striking "(B)(iv)" and insert "(B)(x)(II)".

(2) MANDATORY STATE SUPPLEMENTARY PAYMENTS.—

(A) IN GENERAL.—Section 212(b)(3)(B)(ii) of Public Law 93–66 (42 U.S.C. 1382 note) is amended—

(i) by striking "and" at the end of subclause (III); and

(ii) by striking subclause (IV) and inserting the following:

"(IV) for fiscal year 1997, $5.00;

"(V) for fiscal year 1998, $6.20;

"(VI) for fiscal year 1999, $7.60;

"(VII) for fiscal year 2000, $7.80;

"(VIII) for fiscal year 2001, $8.10;

"(IX) for fiscal year 2002, $8.50; and

"(X) for fiscal year 2003 and each succeeding fiscal year—

"(aa) the applicable rate in the preceding fiscal year, increased by the percentage, if any, by which the Consumer Price Index for the month of June of the calendar year of the increase exceeds the Consumer Price Index for the month of June of the calendar year preceding the calendar year of the increase, and rounded to the nearest whole cent; or

"(bb) such different rate as the Commissioner determines is appropriate for the State.".

(B) CONFORMING AMENDMENT.—Section 212(b)(3)(B)(iii) of such Act (42 U.S.C. 1382 note) is amended by striking "(ii)(IV)" and insert "(ii)(X)(bb)".

(b) USE OF NEW FEES TO DEFRAY THE SOCIAL SECURITY ADMINISTRATION'S ADMINISTRATIVE EXPENSES.—

(1) CREDIT TO SPECIAL FUND FOR FISCAL YEAR 1998 AND SUBSEQUENT YEARS.—

(A) OPTIONAL STATE SUPPLEMENTARY PAYMENT FEES.—Section 1616(d)(4) of the Social Security Act (42 U.S.C. 1382e(d)(4)) is amended to read as follows:

"(4)(A) The first $5 of each administration fee assessed pursuant to paragraph (2), upon collection, shall be deposited in the general fund of the Treasury of the United States as miscellaneous receipts.

"(B) That portion of each administration fee in excess of $5, and 100 percent of each additional services fee charged pursuant to paragraph (3), upon collection for fiscal year 1998 and each subsequent fiscal year, shall be credited to a special fund established in the Treasury of the United States for State supplementary payment fees. The amount so credited, to the extent and in the amounts provided in advance in appropriations Acts, shall be available to defray expenses incurred in carrying out this title and related laws.".

(B) MANDATORY STATE SUPPLEMENTARY PAYMENT FEES.—Section 212(b)(3)(D) of Public Law 93–66 (42 U.S.C. 1382 note) is amended to read as follows:

"(D)(i) The first $5 of each administration fee assessed pursuant to subparagraph (B), upon collection, shall be deposited in the general fund of the Treasury of the United States as miscellaneous receipts.

"(ii) The portion of each administration fee in excess of $5, and 100 percent of each additional services fee charged pursuant to subparagraph (C), upon collection for fiscal year 1998 and each subsequent fiscal year, shall be credited to a special fund established in the Treasury of the United States for State supplementary payment fees. The amounts so credited, to the extent and in the amounts provided in advance in appropriations Acts, shall be available to defray expenses incurred in carrying out this section and title XVI of the Social Security Act and related laws.".

(2) LIMITATION SO AUTHORIZATION OF APPROPRIATIONS.—From amounts credited pursuant to section 1616(d)(4)(B) of the Social Security Act and section 212(b)(3)(D)(ii) of Public Law 93–66 to the special fund established in the Treasury of the United States for State supplementary payment fees, there is authorized to be appropriated an amount not to exceed $35,000,000 for fiscal year 1998, and such sums as may be necessary for each fiscal year thereafter, for administrative expenses in carrying out the supplemental security income program under title XVI of the Social Security Act and related laws.

SEC. 517. Section 520(c)(2)(D) of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1997, is amended by striking "September 30, 1997" and inserting in lieu thereof "December 31, 1997".

SEC. 518. None of the funds made available in this Act may be used to pay the expenses of an election officer appointed by a court to oversee an election of any officer or trustee for the International Brotherhood of Teamsters.

SEC. 519. Subsection (k) of section 9302 of the Balanced Budget Act of 1997, as added by section 1604(f)(3) of the Taxpayer Relief of Act of 1997, is repealed.

TITLE VI—OTHER PROVISIONS

SEC. 601. The amount of the DSH allotment for the State of Minnesota for fiscal year 1998, specified in the table under section 1923(f)(2) of the Social Security Act (as amended by section 4721(a)(1) of Public Law 105–33) is deemed to be $33,000,000.

SEC. 602. Notwithstanding section 1923(f)(2) of the Social Security Act (42 U.S.C. 1396r–4(f)(2)) (as amended by section 4721(a)(1) of the Balanced Budget Act of 1997 (Public Law 105–33; 111 Stat. 511)), the amount of the DSH allotment for Wyoming for fiscal year 1998 is deemed to be $67,000.

PARKINSON'S DISEASE RESEARCH

SEC. 603. (a) SHORT TITLE.—This section may be cited as the "Morris K. Udall Parkinson's Research Act of 1997".

(b) FINDING AND PURPOSE.—

(1) FINDING.—Congress finds that to take full advantage of the tremendous potential for finding a cure or effective treatment, the Federal investment in Parkinson's must be expanded, as well as the coordination strengthened among the National Institutes of Health research institutes.

(2) PURPOSE.—It is the purpose of this section to provide for the expansion and coordination of research regarding Parkinson's, and to improve care and assistance for afflicted individuals and their family caregivers.

(c) PARKINSON'S RESEARCH.—Part B of title IV of the Public Health Service Act (42 U.S.C. 284 et seq.) is amended by adding at the end the following:

"PARKINSON'S DISEASE

"SEC. 409B. (a) IN GENERAL.—The Director of NIH shall establish a program for the conduct and support of research and training with respect to Parkinson's disease (subject to the extent of amounts appropriated under subsection (e)).

"(b) INTER-INSTITUTE COORDINATION.—

"(1) IN GENERAL.—The Director of NIH shall provide for the coordination of the program established under subsection (a) among all of the national research institutes conducting Parkinson's research.

"(2) CONFERENCE.—Coordination under paragraph (1) shall include the convening of a research planning conference not less frequently than once every 2 years. Each such conference shall prepare and submit to the Committee on Appropriations and the Committee on Labor and Human Resources of the Senate and the Committee on Appropriations and the Committee on Commerce of the House of Representatives a report concerning the conference.

"(c) MORRIS K. UDALL RESEARCH CENTERS.—

"(1) IN GENERAL.—The Director of NIH is authorized to award Core Center Grants to encourage the development of innovative multidisciplinary research and provide training concerning Parkinson's. The Director is authorized to award not more than 10 Core Center Grants and designate each center funded under such grants as a Morris K. Udall Center for Research on Parkinson's Disease.

"(2) REQUIREMENTS.—

"(A) IN GENERAL.—With respect to Parkinson's, each center assisted under this subsection shall—

"(i) use the facilities of a single institution or a consortium of cooperating institutions, and meet such qualifications as may be prescribed by the Director of the NIH; and

"(ii) conduct basic and clinical research.

"(B) DISCRETIONARY REQUIREMENTS.—With respect to Parkinson's, each center assisted under this subsection may—

"(i) conduct training programs for scientists and health professionals;

"(ii) conduct programs to provide information and continuing education to health professionals;

"(iii) conduct programs for the dissemination of information to the public;

"(iv) separately or in collaboration with other centers, establish a nationwide data system derived from patient populations with Parkinson's, and where possible, comparing relevant data involving general populations;

"(v) separately or in collaboration with other centers, establish a Parkinson's Disease Information Clearinghouse to facilitate and enhance knowledge and understanding of Parkinson's disease; and

"(vi) separately or in collaboration with other centers, establish a national education program that fosters a national focus on Parkinson's and the care of those with Parkinson's.

(3) STIPENDS REGARDING TRAINING PROGRAMS.—A center may use funds provided under paragraph (1) to provide stipends for scientists and health professionals enrolled in training programs under paragraph (2)(B).

(4) DURATION OF SUPPORT.—Support of a center under this subsection may be for a period not exceeding five years. Such period may be extended by the Director of NIH for one or more additional periods of not more than five years if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Director and if such group has recommended to the Director that such period should be extended.

"(d) MORRIS K. UDALL AWARDS FOR EXCELLENCE IN PARKINSON'S DISEASE RESEARCH.—The Director of NIH is authorized to establish a grant program to support investigators with a proven record of excellence and innovation in Parkinson's research and who demonstrate potential for significant future breakthroughs in the understanding of the pathogensis, diagnosis, and treatment of Parkinson's. Grants under this subsection shall be available for a period of not to exceed 5 years.

"(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section and

section 301 and title IV of the Public Health Service Act with respect to research focused on Parkinson's disease, there are authorized to be appropriated up to $100,000,000 for fiscal year 1998, and such sums as may be necessary for each of the fiscal years 1999 and 2000.".

Sec. 604. (a) Section 414(a) of the Immigration and Nationality Act (8 U.S.C. 1524(a)) is amended by striking "fiscal year 1995, fiscal year 1996, and fiscal year 1997" and inserting "each of fiscal years 1998 and 1999".

(b) The amendment made by subsection (a) shall take effect October 1, 1997.

Sec. 605. Subparagraphs (B) and (C) of section 1143(a)(2) of the Social Security Act (42 U.S.C. 1320b–13(a)(2)(B), (C)) are each amended by striking "employee" and inserting "employer, employee,".

Sec. 606. (a) Notwithstanding any other provision of law, the payments described in subsection (b) shall not be considered income or resources in determining eligible for, or the amount of benefits under, a program or State plan under title XVI or XIX of the Social Security Act.

(b) The payments described in this subsection are payments made by the Secretary of Defense pursuant to section 657 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2584).

Sec. 607. In addition to amounts otherwise made available for payment of obligations in carrying out 49 U.S.C. 5338(a), $50,000,000 shall remain available until expended and to be derived from the Highway Trust Fund: Provided, That $50,000,000 shall be paid from the Mass Transit Account of the Highway Trust Fund to the Federal Transit Administration's formula grants accounts: Provided further, That subsection (c) of section 337 of the Department of Transportation and Related Agencies Appropriations Act, 1998 is amended by inserting after "House and Senate Committees on Appropriations", the following: "and the Senate Committee on Commerce, Science, and Transportation".

Sec. 608. Clauses (i)(I) and (ii)(II) of section 403(a)(5)(A) of the Social Security Act are amended by striking "during the fiscal year" in each place it appears and inserting "during the period permitted under subparagraph (C)(vii) of this paragraph for the expenditure of funds under the grant".

EMERGENCY STUDENT LOAN CONSOLIDATION

Sec. 609. Short Title.—This section may be cited as the "Emergency Student Loan Consolidation Act of 1997".

(a) References.—Except as otherwise expressly provided, whenever in this section an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.).

(b) Definition of Loans Eligible for Consolidation.—Section 428C(a)(4) (20 U.S.C. 1078–3(a)(4)) is amended—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively; and

(2) by inserting after subparagraph (B) the following new subparagraph:

"(C) made under part D of this title, except that loans made under such part shall be eligible student loans only for consolidation loans for which the application is received by an eligible lender during the period beginning on the date of enactment of the Emergency Student Loan Consolidation Act of 1997 and ending on October 1, 1998;".

Terms of Consolidation Loans.—Section 428C(b)(4)(C)(ii) is amended—

(1) in subclause (I), by inserting after "consolidation loan" the following: "for which the application is received by an eligible lender before the date of enactment of the Emergency Student Loan Consolidation Act of 1997, or on or after October 1, 1998,";

(2) by striking "or" at the end of subclause (I);

(3) by inserting "or (II)" before the semicolon at the end of subclause (II);

(4) by redesignating subclause (II) as subclause (III), and

(5) by inserting after subclause (I) the following new subclause:

"(II) by the Secretary, in the case of a consolidation loan for which the application is received by an eligible lender on or after the date of enactment of the Emergency Student Loan Consolidation Act of 1997 and before October 1, 1998, except that the Secretary shall pay such interest only on that portion of the loan that repays Federal Stafford Loans for which the student borrower received an interest subsidy under section 428 or Federal Direct Stafford Loans for which the borrower received an interest subsidy under section 455; or".

(d) Nondiscrimination in Loan Consolidation.—Section 428C(b) is amended by adding at the end the following new paragraph:

"(6) Nondiscrimination in Loan Consolidation.—An eligible lender that makes consolidation loans under this section shall not discriminate against any borrower seeking such a loan—

"(A) based on the number or type of eligible student loans the borrower seeks to consolidate;

"(B) based on the type or category of institution of higher education that the borrower attended;

"(C) based on the interest rate to be charged to the borrower with respect to the consolidation loan; or

"(D) with respect to the types of repayment schedules offered to such borrower.".

(e) Interest Rate.—Section 428C(c)(1) is amended—

(1) in the first sentence of subparagraph (A), by striking "(B) or (C)" and inserting "(B), (C), or (D)"; and

(2) by adding at the end the following new subparagraph:

"(D) A consolidation loan for which the application is received by an eligible lender on or after the date of enactment of the Emergency Student Loan Consolidation Act of 1997 and before October 1, 1998, shall bear interest at an annual rate on the unpaid principal balance of the loan that is equal to the rate specified in section 427A(f), except that the eligible lender may continue to calculate interest on such a loan at the rate previously in effect and defer, until not later than April 1, 1998, the recalculation of the interest on such a loan at the rate required by this subparagraph if the recalculation is applied retroactively to the date on which the loan is made.".

(f) Amendments Effective for Pending Applicants.—The consolidation loans authorized by the amendments made by this section shall be available notwithstanding any pending application by a student for a consolidation loan under part D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087a et seq.), upon withdrawal of such application by the student at any time prior to receipt of such a consolidation loan.

(g) Family Contribution for Dependent Students.—

(1) Parents' available income.—Section 475(c)(1) (20 U.S.C. 1087oo(c)(1)) is amended—

(A) by striking "and" at the end of subparagraph (D);

(B) by striking the period at the end of subparagraph (E) and inserting "; and"; and

(C) by adding at the end of the following new subparagraph:

"(F) the amount of any tax credit taken by the parents under section 25A of the Internal Revenue Code of 1986.".

(2) Student contribution from available income.—Section 475(g)(2) is amended—

(A) by striking "and" at the end of subparagraph (C);

(B) by striking the period at the end of subparagraph (D) and inserting ";and"; and

(C) by inserting after subparagraph (D) the following new subparagraph:

"(E) the amount of any tax credit taken by the student under section 25A of the Internal Revenue Code of 1986.".

(h) Family Contribution for Independent Students Without Dependents Other Than a Spouse.—Section 476(b)(1)(A) (20 U.S.C. 1087pp(b)(1)(A)) is amended—

(1) by striking "and" at the end of clause (iv); and

(2) by inserting after clause (v) the following new clause:

"(vi) the amount of any tax credit taken under section 25A of the Internal Revenue Code of 1986; and".

(i) Family Contribution for Independent Students With Dependents Other Than a Spouse.—Section 477(b)(1) (20 U.S.C. 1087qq(b)(1)) is amended—

(1) by striking "and" at the end of subparagraph (D);

(2) by striking the period at the end of subparagraph (E) and inserting ";and"; and

(3) by adding at the end the following new subparagraph:

"(F) the amount of any tax credit taken under section 25A of the Internal Revenue Code of 1986.".

(j) Total Income.—Section 480(a)(2) (20 U.S.C. 1087vv(a)(2)) is amended

(1) by striking "individual, and" and inserting "individual,"; and

(2) by inserting "and no portion of any tax credit taken under section 25A of the Internal Revenue Code of 1986," before "shall be included".

(k) Other Financial Assistance.—Section 480(j) is amended by adding at the end the following new paragraph:

"(4) Notwithstanding paragraph (1), a tax credit taken under section 25A of the Internal Revenue Code of 1986 shall not be treated as estimated financial assistance for purposes of section 471(3).".

(l) In General.—Section 458(a)(1) (20 U.S.C. 1087(a)(1)) is amended by striking "$532,000,000" and inserting "$507,000,000".

(m) Construction.—Nothing in this Act or an amendment made by this Act shall be construed to prohibit the Secretary of Education from using funds that are returned or otherwise recovered by the Secretary under section 422(g) of the Higher Education Act of 1965 (20 U.S.C. 1072(g)) including the balances of returned reserve funds, formerly held by the Higher Education Assistance Foundation, that are currently held in Higher Education Assistance Foundation Claims Reserves, Treasury account number 91X6192, for expenditure for expenses pursuant to section 458 of such Act (20 U.S.C. 1087h).

TITLE VII—NATIONAL HEALTH MUSEUM

SEC. 701. SHORT TITLE.

This title may be cited as the "National Health Museum Development Act".

SEC. 702. AMENDMENTS TO THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1995.

Section 1067 of the National Defense Authorization Act for Fiscal Year 1995 (10 U.S.C. 176 note) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by adding "and" at the end;

(B) in paragraph (2), by striking "; and" and inserting a period; and

(C) by striking paragraph (3);

(2) in subsection (b)—

(A) in the subsection heading, by striking "AND SITE OF FACILITY";

(B) in paragraph (1), by striking "; and" and inserting a period;

(C) by striking paragraph (2); and

(D) by striking "Pathology—" and all that follows through "shall" in paragraph (1) and inserting "Pathology shall"; and

(3) by striking subsections (c) through (e).

SEC. 703. NATIONAL HEALTH MUSEUM SITE.

(a) SITE.—The facility known as the National Health Museum shall be located on or near the Mall on land owned by the Federal Government or the District of Columbia (or both) in the District of Columbia.

(b) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as limiting the authority or responsibilities of the National Capital Planning Commission or the Commission of Fine Arts.

(c) DEFINITION.—In this section, the term "the Mall" means—

(1) the land designated as "Union Square", United States Reservation 6A; and

(2) the land designated as the "Mall", United States Reservations 3, 4, 5, and 6.

SEC. 704. NATIONAL HEALTH MUSEUM COMMISSION.

(a) ESTABLISHMENT OF COMMISSION.—There is established a commission to be known as the National Health Museum Commission (hereafter referred to in this title as the "Commission") that shall be comprised of 8 members.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The members of the Commission shall be appointed for the life of the Commission as follows:

(A) 2 members shall be appointed by the President.

(B) 2 members shall be appointed by the Speaker of the House of Representatives.

(C) 1 member shall be appointed by the Minority Leader of the House of Representatives.

(D) 2 members shall be appointed by the Majority Leader of the Senate.

(E) 1 member shall be appointed by the Minority Leader of the Senate.

(2) PERSONS ELIGIBLE.—The members of the Commission shall be individuals who have knowledge or expertise in matters to be studied by the Commission.

(3) CHAIRPERSON.—The President shall designate 1 member as the Chairperson of the Commission.

SEC. 705. DUTIES OF THE COMMISSION.

(a) STUDY.—It shall be the duty of the Commission to conduct a comprehensive study of the appropriate Federal role in the planning and operation of the National Health Museum, as well as any other issues deemed appropriate to the development of the National Health Museum.

(b) REPORT.—Not later than 1 year after the date on which the Commission first meets, the Commission shall submit to the President and Congress a comprehensive report of the Commission's findings and conclusions, together with any recommendations of the Commission.

SEC. 706. COMMISSION ADMINISTRATION MATTERS.

(a) APPLICATION OF FACA.—The National Health Museum, Inc. shall be responsible for administering all Commission activities in accordance with the Federal Advisory Committee Act (5 U.S.C. App.)

(b) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for Level IV of the executive schedule under section 5315 of title 5, United States Code.

SEC. 707. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this section, $500,000 for fiscal year 1998, to remain available until expended.

SEC. 708. TERMINATION OF THE COMMISSION.

The Commission shall terminate 60 days after the Commission submits the report required under section 705(b).

This Act may be cited as the "Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1998".

[And the Senate agree to the same.]

JOHN EDWARD PORTER,
BILL YOUNG,
HENRY BONILLA,
DAN MILLER,
JAY DICKEY,
ROGER F. WICKER,
ANNE M. NORTHUP,
BOB LIVINGSTON,
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LOUIS STOKES,
STENY H. HOYER,
NANCY PELOSI,
NITA M. LOWEY,
ROSA L. DELAURO,
Managers on the Part of the House.
ARLEN SPECTER,
THAD COCHRAN,
SLADE GORTON,
KIT BOND,
JUDD GREGG,
LARRY E. CRAIG,
LAUCH FAIRCLOTH,
KAY BAILEY HUTCHISON,
TED STEVENS,
FRITZ HOLLINGS,
TOM HARKIN,
DANIEL K. INOUYE,
DALE BUMPERS,
HARRY REID,
HERB KOHL,
PATTY MURRAY,
ROBERT C. BYRD,
Managers on the Part of the Senate.

Joint Explanatory Statement of the Committee of Conference

The managers on the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2264) making appropriations for the Department of Labor, Health and Human Services, and Education and Related Agencies, and for other purposes, submit the following joint statement of the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

In implementing this agreement, the Departments and agencies should comply with the language and instructions set forth in House Report 105–205 and Senate Report 105–58.

In the case where the language and instructions specifically address the allocation of funds, the Departments and agencies are to follow the funding levels specified in the Congressional budget justifications accompanying the fiscal year 1998 budget or the underlying authorizing statute and should give careful consideration to the items allocating specific funding included in the House and Senate reports. With respect to the provisions in the House and Senate reports that specifically allocate funds the conferees have reviewed each and have included those in which they concur in this joint statement.

The conferees specifically endorse the provisions of the House Report (105–205) directing "* * * the Departments of Labor, Health and Human Services, and Education and the Social Security Administration and the Railroad Retirement Board to submit operating plans with respect to discretionary appropriations to the House and Senate Committees on Appropriations. These plans, which are to be submitted within 30 days of the enactment of the Act must be signed by the respective Departmental Secretaries, the Social Security Commissioner and the Chairman of the Railroad Retirement Board."

The conferees expect the Departments and agencies covered by this directive to meet with the House and Senate Committees as soon as possible after enactment of the bill to develop a methodology to assure adequate and timely information on the allocation of funds within accounts within this conference report while minimizing the need for unnecessary and duplicative submissions.

TITLE I—DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

The conference agreement appropriates $5,238,226,000, instead of $5,141,601,000 as proposed by the House and $5,260,053,000 as proposed by the Senate.

The conference agreement provides that $250,000,000 for Opportunity Areas for Out-of-School Youth is appropriated as an advance appropriation for fiscal year 1999 if job training reform legislation specifically authorizing this type of at-risk youth initiative is enacted by July 1, 1998. If such legislation is not enacted by that date, the funds will not become available. This is substantially similar to the Senate bill except that the Senate specified that the legislation must be enacted by April 1, 1998. The House bill appropriated $100,000,000 as an advance appropriation to be available for the period July 1, 1999 through June 30, 2000 if specifically authorized by subsequent legislation. The conference agreement also includes $25,000,000 for this activity for fiscal year 1998 under pilots and demonstrations.

The agreement includes language authorizing the use of demonstration funds under title III of the Job Training Partnership Act (dislocated workers) for projects that provide assistance to new entrants in the workforce and incumbent workers as proposed by the Senate. The House had no similar language. In conjunction with this, the conferees concur in the Senate Report language with respect to a manufacturing technology training demonstration project.

The agreement includes $9,000,000 for the National Occupational Information Coordinating Committee, instead of $5,000,000 as proposed by the House and $10,000,000 as proposed by the Senate. In addition, the agreement includes language proposed by the Senate that authorizes the National Occupational Information Coordinating Committee to charge fees for publications, training and technical assistance and provides that the fees collected shall be credited to the Committee and available without further appropriation for authorized activities of the Committee. The House had no similar language.

The conference agreement includes $3,000,000 under national activities to assist States in meeting the costs of joining an existing labor market exchange network for providing job seekers with access to America's Job Bank by telephone. The agreement includes $12,500,000 under pilots and demonstrations for concentrated programs serving youth who are or have been under criminal justice system supervision and $2,000,000 to support training, education, employment, and entrepreneurial opportunities to improve the economic and social health and welfare of adults on the neighbor islands of Hawaii, and in Alaska. The conferees concur in the Senate Report language concerning the Samoan/Asian Pacific Island job training program in Hawaii. The conferees urge the Department to continue funding the Vietnam Veterans Leadership program which provides training and employment services to veterans in southwestern Pennsylvania. And the conferees urge the Department to give careful consideration to a proposal from a foundation to establish a community employment alliance to create public-private partnerships to promote job opportunities for individuals making the transition from welfare to work. The conferees further encourage the Secretary to utilize the discretionary authority available to provide assistance for programs that will support the training needs of incumbent and dislocated workers in the shipbuilding industry (in southeastern Pennsylvania) where base closures have had a significant negative impact on the workforce.

The Department of Labor should continue to examine options for serving more at-risk youth through Job Corps. In addition to considering the establishment of new Job Corps centers, the Department should also consider lower-cost options such as expanding slots at existing high performing centers and constructing satellite centers in proximity to existing high-performing centers. In planning any expansion of Job Corps capacity, the Department should give priority to States that are now without a Job Corps campus and should also give priority to suitable facilities that can be provided to Job Corps at little or no cost, including facilities made available through military base closings. The conference agreement includes $4,000,000 for these purposes. The Department should include funds in its FY 1999 budget request to compete the facility expansion.

The conferees are aware that employment-related skills development is an essential component of sustained recovery from addiction. From within the funds provided for pilots and demonstrations, the conferees urge the Secretary to collaborate with treatment providers who have successfully infused employment-related skills services into their recovery programs to design a curriculum which will successfully prepare addicts to make the transition from addiction to employment.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

The conference agreement appropriates $440,200,000 as proposed by the House instead of $453,000,000 as proposed by the Senate.

STATEMENT UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

The conference agreement appropriates $3,495,928,000, instead of $3,478,928,000 as proposed by the House and $3,461,928,000 as proposed by the Senate. Included in the total is $200,000,000 for Year 2000 computer conversion costs, of which $40,000,000 is provided as an advance appropriation for fiscal year 1999. The Administration has informed the conferees that providing the funds in this manner is an appropriate way to finance these costs. The House bill included $183,000,000 for this and the Senate bill included $150,000,000; neither bill included an advance appropriation for fiscal year 1999. For unemployment insurance contingency costs, the agreement includes $196,333,000 as proposed by the House instead of $212,333,000 as proposed by the Senate.

PROGRAM ADMINISTRATION

The conference agreement appropriates $131,593,000, instead of $125,593,000 as proposed by the House and $129,593,000 as proposed by the Senate. Included in the total is $6,000,000 for administration of the new welfare-to-work program. The agreement also includes language providing that a majority of the new staff hired for this program will be limited term appointments.

EMPLOYMENT STANDARDS ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement appropriates $300,653,000 as proposed by the Senate, instead of $299,000,000 as proposed by the House. The agreement includes language proposed by the House modified to set aside $500,000 in the Office of Labor-Management Standards to begin the development of a system for the electronic filing of reports required to be filed under the Labor-Management Reporting and Disclosure Act of 1959 and for a computer database of the information for each submission by whatever means that is indexed and easily searchable by the public through the Internet. The Senate had no similar provision.

The conferees are concerned about the difficulty the public has obtaining full and complete information on these reports. Further, the conferees expect the Department to continue pursuing this project by including funding for it in future budget requests. As part of the FY 1999 hearing process, the Department should be prepared to present its multi-year implementation plan for this initiative to the Committees.

The General Accounting Office is expected to review the Department's implementation plan and other activities to determine whether these efforts will achieve the goal of improving the timeliness, accuracy and availability of the information contained in the reports filed under the Labor-Management Reporting and Disclosure Act. The General Accounting Office shall report its findings to the Appropriations Committees after it has made its review.

The conferees urge the Department to resolve by the end of the year all outstanding child labor issues relating to the Amish community. The Department needs to take into account the special needs of this community.

The conferees are agreed that the Inspectors General of both the Department of Labor and the Social Security Administration shall prepare a joint report to the House and Senate Appropriations Committees relative to the Memorandum of Understanding between the agencies providing for DOL administrative services with respect to Part B of the Black Lung program. This report shall include narrative and statistical information concerning the number of beneficiaries served, benefits disbursed, quality of services provided, and an assessment of whether the objectives of the MOU to provide enhanced services at reduced costs are being achieved. the first report shall include activity from the date the MOU was signed to the end of fiscal year 1998 and shall be due to the Committees by April 30, 1999. Subsequent reports shall be due on April 30 of each year.

OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement appropriates $336,480,000, instead of $336,205,000 as proposed by the House and the Senate.

The House and Senate Reports included directives to OSHA field officers to facilitate compliance with the new methylene chloride standard. As a matter of clarification, the conferees note that the covered facilities are engaged primarily in furniture stripping, urethane form manufacturing and urethane foam fabrication. Thus, the conferees intend the compliance assistance efforts by OSHA to extend to facilities with fewer than 150 employees in these industries.

Public Law 105-62, the fiscal year 1998 Energy and Water Development Appropriations Act, transferred responsibility for administering the Formerly Utilized Sites Remedial Action Program (FUSRAP) from the Department of Energy to the U.S. Army Corps of Engineers. The conferees are aware that the Occupational Safety and Health Administration is concerned that the transfer of FUSRAP may have resource and programmatic implications for the agency. As outlined in House Report 105-271, the conference report to accompany Public Law 105-62, fiscal year 1998 will be a year of transition as the program continues and DOE would maintain jurisdiction for safety and health within the existing contractual framework established by the Department of Energy. Any issues pertaining to the regulatory framework of the program will be identified during this transition period and will be addressed during the fiscal year 1999 budget deliberations.

MINE SAFETY AND HEALTH ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement appropriates $203,334,000, instead of $199,159,000 as proposed by the House and $205,804,000 as proposed by the Senate.

BUREAU OF LABOR STATISTICS

SALARIES AND EXPENSES

The conference agreement appropriates $380,457,000 as proposed by the House instead of $372,671,000 as proposed by the Senate.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

The conference agreement appropriates $152,535,000, instead of $152,481,000 as proposed by the House and $152,413,000 as proposed by the Senate. The conferees concur with the Senate Report language concerning Women's Bureau support for technical assistance and training on displaced homemaker programming.

The conferees recognize the extreme shortage of available skilled labor in the maritime-related industries of south Louisiana. The conferees further recognize the billions of dollars that this industry contributes to this nation's economy. In an effort to protect the integrity of this important domestic market, the conferees strongly encourage the United States Department of Labor in conjunction with the Louisiana Department of Labor to work to devise an immediate solution to this problem.

ASSISTANT SECRETARY FOR VETERANS EMPLOYMENT AND TRAINING

The conference agreement includes $181,955,000 as proposed by both the House and Senate. The agreement includes $2,000,000 for the National Veterans Training Institute within the Federal administration activity as proposed by the House.

OFFICE OF INSPECTOR GENERAL

The conference agreement appropriates $46,250,000, instead of $45,750,000 as proposed by the House and $46,750,000 as proposed by the Senate.

GENERAL PROVISIONS

JOB CORPS SALARY LIMITATION

The conference agreement includes a general provision (section 101) limiting the use of Job Corps funds to pay the compensation of an individual at a rate not in excess of $125,000 as proposed by the Senate, instead of $100,000 as proposed by the House.

ERGONOMICS-TECHNICAL

The conference agreement includes a general provision (section 104) as proposed by the House that restricts the use of funds for OSHA ergonomics standards and guidelines. The Senate bill contained essentially the same provision with only minor technical changes.

FAIR LABOR STANDARDS ACT

The conference agreement includes a general provision (section 105) proposed by the Senate modified to amend the Fair Labor Standards Act to ensure that nonprofit organizations that deliver water for agricultural purposes are exempt from the maximum hour requirements of the Act if at least 90 percent of the water delivered by these organizations during the preceding calendar year was for agricultural purposes. The House bill contained no similar provision.

TITLE II—DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Resources and Services Administration

HEALTH RESOURCES AND SERVICES

The conference agreement includes $3,618,137,000 instead of $3,607,068,000 as proposed by the House and $3,449,071,000 as proposed by the Senate.

The conference agreement does not include the legal citation for title XVI of the Public Health Service Act as proposed by the Senate. The House bill did not include the citation. The conferees have instead included bill language creating a broader authority to fund health care and other facilities construction and renovation projects.

The conference agreement includes the legal citation for the Native Hawaiian Health Care program as proposed by the Senate. The House bill did not include the citation. The conferees believe that the health care activities funded under the Native Hawaiian Health Care program can be supported at the fiscal year 1997 level under the broader consolidated health centers line if the agency feels it is appropriate.

The conferences agreement includes $2,500,000 for facilities renovations at the Gillis W. Long Hansen's Disease Center as proposed by the House. The Senate bill did not include funding for this activity. Funds are necessary to complete renovations prior to the facility's transfer to the State of Louisiana.

The conference agreement includes bill language identifying $203,452,000 for the family planning program instead of $208,452,000 as proposed by the Senate and $194,452,000 as proposed by the House.

The conference agreement earmarks in bill language $285,500,000 for the Ryan White Title II State AIDS drug assistance programs rather than $217,000,000 as proposed by the Senate and $299,000,000 as proposed by the House. Total funding for the Ryan White program has been increased 'by $153,948,000 from the fiscal year 1997 level to a total of $1,150,200,000.

The conferees commend the Department on the recent release of draft guidelines for the use of antiretroviral agents in treating HIV-infected individuals. These recommendations reflect the significant advances in treatment options for individuals with HIV disease that have resulted from the substantial investment in AIDS research. The conferees are concerned that policies adopted by some State AIDS Drug Assistance Programs (ADAP) are inconsistent with these new recommended standards of care. In particular, restricting access to recommended therapy options until late stage disease or until failure on suboptimal therapy, may actually predispose patients to failure once appropriate therapy is initiated. Therefore, the conferees direct the Secretary to work closely with State programs to ensure that ADAP policies within States are consistent with recognized standards of care.

The conferees are concerned about the wide variation in State ADAP's and Medicaid polices regarding eligibility, benefits, and formularies. The conferees are also concerned about the wide variation in State contributions to funding of ADAPs and urge that States receiving more than $1,000,000 under the targeted formula match no less than twenty percent of the Federal contribution. The conferees direct the program to use all means necessary to reduce the purchase price of AIDS drugs and encourage HRSA to accelerate the award of 1998 program grants to help address the increased program needs that have been identified in the current program year.

The conferees reiterate that Department of Veterans Affairs facilities are eligible to receive Ryan White Title I funding through local Title I health services planning councils. The conferees are concerned about recent attempts by agency contracting officials to deny funding for important HIV services provided at these facilities.

The conference agreement includes language proposed by the Senate allocating up to $6,000,000 of the funds provided for consolidated health centers for loan guarantees totaling $80,000,000 for the construction and renovation of community and migrant health centers and for the costs of developing managed care networks. The House bill provided that $4,600,000 could be used for loan guarantees totaling $53,300,000 only for the costs of developing managed care networks.

The conference agreement includes bill language designating $103,863,000 of the funds provided for the Maternal and Child Health block grant for special projects of regional and national significance (SPRANS). This designation provides $3,000,000 more for SPRANS activities than would otherwise be the case under the statutory formula. The House and Senate bills had similar provisions. The conferees intend that this amount be used for the continuation of the traumatic brain injury State demonstration projects supported last year under this authority. The conferees also expect the agency to allocate $500,000 of the SPRANS set-aside to continue the fluoridation program begun last year in States with fluoridation levels below 25 percent.

The conferees urge the agency to use SPRANS funding to initiate a one-year planning and development grant prior to a multi-year study examining research integration for children with special medical needs.

The conferees are concerned about children with special health care needs and the ability of their families to obtain sufficient and appropriate health care for them in the current rapidly changing health care environment. The Secretary is urged to develop ongoing mechanisms for providing information and services to these families. Such mechanisms should enhance family efforts to make well-informed decisions and obtain appropriate health care for their children.

The conferees concur with the Senate report language encouraging the use of block grant funds for screening infants for hearing loss.

The conferees believe there are sufficient amounts within the SPRANS set-aside to support a multi-State demonstration project on ocular screening services for young children.

Within the increase provided to the consolidated health centers line, the conferees expect the agency to allocate a sufficient amount of this increase to expand the Healthy Schools, Healthy Communities initiative. The conferees expect the agency to report to the Committees on the funding and status of the Healthy Schools, Healthy Communities initiative and other similar health centers no later than March, 1998.

The conferees encourage the agency to strengthen its primary care partnerships with metropolitan public housing authorities and public health care provider organizations.

The conferees encourage the agency to carefully examine existing models for 24-hour, bilingual community-based pediatric health clinics for high-risk, minority children which are linked with full-service pediatric hospitals which have formed public and private partnerships with foundations and local organizations to expand access to uninsured and Medicaid eligible children. The conferees further encourage the agency to work collaboratively with pediatric hospitals with extensive experience in administering community-based clinics to expand these models to areas designated by the Public Health Service as medically underserved and to improve existing models in urban areas which provide clinical and supportive services to adolescents at risk for STDs, HIV infection, and early pregnancy, provide access to low-cost preventive and pediatric treatment services for chronic illness and provide outcomes research, parenting education and child abuse and neglect prevention and education.

The conferees intend that the agency may use up to $3,000,000 of the funding provided for the National Health Service Corps (NHSC) for State offices of rural health.

The conferees are concerned about the lack of geriatric medicine and geriatric psychiatry participation in the NHSC scholarship and repayment programs. The conferees encourage the NHSC to address this problem by providing recruitment, retention, and loan repayment incentives to those entering training programs in geriatric medicine and geriatric psychiatry.

The conferees concur with language in the House report indicating that the Administration's budget request to transfer Hansen's disease research funding to the National Institutes of Health appropriation has not been approved.

The conferees are aware that the Department is continuing to consider final rulemaking for the Organ Procurement and Transplantation Network (OPTN), which is operated under contract by the United Network for Organ Sharing (UNOS). As expressed in the fiscal year 1997 conference report, the conferees appreciate the complex nature of establishing equitable organ allocation policies and expect UNOS and the Department to continue to take into consideration a number of important factors, including, but not limited to, regional success in increasing organ donation, the need to increase the supply of organs available for transplantation, the need to provide a fair system to allocate organs, the impact on access to transplants for low and middle income individuals, patient waiting times and the severity of illness of patients awaiting a transplant. The conferees expect the Department to consult with and inform the Committees on Appropriations and the Congress prior to the promulgation of any OPTN or Departmental rulemaking on organ allocation policies.

The conferees intend that funds provided for rural outreach grants be allocated for the two projects identified in the Senate report, as well as for a $750,000 telemedicine communication network linking the Melvin R. Laird Center to geographically remote sites; a $1,000,000 grant to a community health center in Franklin County, MA to establish a rural school-based health center network; and $1,500,000 to establish a technology-based ambulatory outreach demonstration that will improve the coordination and dissemination of health information to rural health sites through the use of a software package that provides on-line, real-time medical records access, education, scheduling and infrastructure linkages to a health network that includes multiple hospital and primary care sites.

The conferees intend that funding provided for rural health research be allocated for the three projects identified in the Senate report.

The conference agreement includes bill language designating a total of $28,000,000 for the construction and renovation of health care and other facilities. These funds are to be used for the facilities described in the Senate report, as well as for facilities for the Pulaski County, Kentucky health department; the Clearwater Free Clinic in Florida; the Tuskegee University Bioethics Center in Alabama; the National Center for Nanofabrication and Molecular Self-Assembly at Northwestern University, Evanston, Illinois; the Greater Houston Community Health Network in Houston, Texas; the Barbara Bush Children's Hospital of the Maine Medical Center; and construction and renovation associated with transition grants for small, rural hospitals in Iowa. The Senate bill provided $10,000,000 for facility construction; the House bill did not provide funding.

The conferees concur with language contained in the House report indicating that total administrative costs for the agency as defined in the budget justification increase by no more than one percent from 1997 to 1998.

CENTERS FOR DISEASE CONTROL AND PREVENTION

DISEASE CONTROL, RESEARCH, AND TRAINING

The conference agreement includes $2,378,552,000 instead of $2,395,737,000 as proposed by the House and $2,368,113,000 as proposed by the Senate.

The conference agreement includes bill language designating $21,504,000 for Centers for Disease Control and Prevention (CDC) buildings and facilities instead of $23,007,000 as proposed by the Senate and $20,000,000 as proposed by the House.

The conference agreement includes bill language designating $59,232,000 to be available to the National Center for Health Statistics under the Public Health Service one percent evaluation set-aside instead of $48,400,000 as proposed by the House and $70,063,000 as proposed by the Senate.

The conference agreement includes bill language designating $51,000,000 for violence against women programs financed from the Violent Crime Reduction Trust Fund as proposed by the Senate instead of $45,000,000 as proposed by the House. The conference agreement includes the legal citation for the community demonstration programs as proposed by the Senate. The House bill contained the citation only for the State block grant program.

The conferees are aware that States carried over $109,000,000 in immunization infrastructure funds from 1996 to 1997 and that $60,000,000 to $65,000,000 is estimated to be carried over at the end of calendar year 1997. The conferees urge CDC to work with the States to reduce these carryover amounts so that the resources provided by Congress can be used as intended for important immunization activities.

The conferees concur in language contained in the Senate report regarding promising research on plant-delivered oral vaccines being undertaken at the Thomas Jefferson University Center for Biomedical Research. The conferees note other promising research being conducted at the Center involving the treatment and diagnosis of hepatitis B and C viruses and glycoprocessing inhibitors. The conferees encourage the Director to give consideration to supporting these important areas of research.

The conferees concur with Senate report language indicating that funds are included within the AIDS program line to maintain and strengthen hemophilia and other hematologic program activities.

The conference agreement includes $113,671,000 for the sexually transmitted diseases program, a $7,468,000 increase over fiscal year 1997, to provide increases for both the chlamydia prevention program and the syphilis in the South initiative.

The conference agreement includes $34,097,000 over the Administration request for the following chronic and environmental disease prevention program priorities: pfiesteria; the diabetes prevention and control priorities mentioned in the House and Senate reports; cancer registries; birth defects; cardiovascular disease; limb loss; the health effects of radioactive fallout; the health effects of inadequate provision of safe drinking water in remote arctic communities; oral health activities; and prevention of iron overload diseases. The conferees urge CDC to give consideration to integrating multiple cancer registries within a single State. The conference agreement supports increases above the 1997 level for tobacco control programs.

The conferees are aware of current conditions in eastern seaboard waterways that have triggered the microorganism pfiesteria or pfiesteria-like organisms to convert into at least 24 different forms, some of which are toxic. Several of these forms have led to fish kills of over a billion in North Carolina and in the tens of thousands in Maryland. The human effects may include skin lesions, respiratory problems, memory loss, and immune system suppression. The CDC is in a unique position to lead the public health response to the emerging threat of human exposure to this newly identified estuarine toxin. The conferees have provided an increase within the chronic and environmental disease program to support the development of a multi-State plan to address the public health impact of pfiesteria and pfiesteria-like conditions in the seven most impacted States, presently Maryland, Delaware, Virginia, North Carolina, South Carolina, Georgia, and Florida. The conferees expect that the funding will be used to develop and implement a multi-State disease surveillance system that will identify and monitor health effects in people who may have been exposed to estuarine waters likely to contain pfiesteria or pfiesteria-like organisms, to initiate case-control studies when new incidents of illness purported to be due to exposure to the toxin are identified, and to develop a biological test of human exposure so that when the structure of this toxin is identified, a rapid response can be assembled between the CDC and State health departments. In distributing these funds, the conferees expect the CDC to give priority to those State health departments which have documented human health cases related to pfiesteria or pfiesteria-like conditions.

The conferees concur with the House report language regarding the need for a comprehensive cardiovascular program, with particular emphasis on risk factors and the promotion of healthy behaviors. The conferees are aware of the capabilities of a number of foundations in the areas of ischemic injury and preventive measures to reduce cardiovascular disease, and encourage CDC to include these groups in the development of its cardiovascular program.

The conferees support the recent effort by CDC to develop a national plan for addressing the large and growing public health problem of arthritis. The conferees encourage CDC to continue to expand the arthritis knowledge base necessary to better identify an appropriate public health response for the nation's leading cause of disability.

The conference agreement provides increases above the 1997 level within the infectious disease program for Lyme disease, food safety, and emerging and reemerging infectious diseases. The conferees expect the 1997 funding level for the H. pylori public education program to be maintained in 1998 to complete the project.

The conferees encouraged the CDC as part of the food safety initiative outlined in the budget request to consider supporting applied research to improve the reliability and effectiveness of electronic pasteurization to reduce food borne diseases. The conferees are particularly concerned about recent reports of *E. coli* and encourage the CDC to enhance its focus on improving public health strategies to better educate the public and improve the prevention of foodborne diseases such as *E. coli*.

The conferees concur with the Senate report language concerning the need to recognize thalassemia patients in the implementation of improved blood safety plans.

The conference agreement provides increases above the 1997 level for the following activities within the injury control program: fire injury prevention; community-based strategies against youth violence and suicide; domestic violence prevention; traumatic brain injury; suicide prevention among the elderly; and prevention of accidental injury among older Americans.

The conference agreement provides increases above the 1997 level for occupational safety and health for the following activities: intramural research at the Morgantown, West Virginia facility; the fire fighter safety initiative; and the national occupational research agenda.

The conferees are pleased with the progress made in the national health nutrition examination survey (NHANES). Within the funds made available to the National Center for Health Statistics, sufficient funds are included to fully fund this important survey at the requested level.

The conferees encourage the CDC to develop a plan of action to ascertain whether children of mothers exposed to environmental contaminants may be experiencing adverse health effects, including childhood cancers, birth defects, and neurobehavioral disorders. The conferees encourage the CDC to build upon relevant ongoing studies when formulating this plan of action.

The conferees concur with House report language indicating that CDC administrative costs as defined in the budget justification should not increase by more than one percent from 1997 to 1998.

NATIONAL INSTITUTES OF HEALTH

NATIONAL CANCER INSTITUTE

The conference agreement includes $2,547,314,000 instead of $2,513,020,000 as proposed by the House and $2,558,377,000 as proposed by the Senate.

The conferees are aware of the extraordinary research opportunities that exist in cancer genetics, preclinical models of cancer, detection technologies, developmental diagnostics and investigator-initiated research. Millions of Americans are alive today as a result of progress in cancer research. These advances have allowed Congress to address the critical role of early detection for breast and cervical cancer, colorectal cancer and prostate cancer in Medicare. While working within difficult budget constraints, the conferees have sought to respond to the cancer research challenge. Twenty-five years have passed since the passage of the National Cancer Act, and it is now time to take full advantage of the unparalleled scientific opportunities in cancer prevention, detection, and treatment.

The conferees are aware of the unique research resources available within the network of bone marrow transplantation centers that are associated with the National Bone Marrow Donor Registry. Advances in medical technology provide new opportunities to utilize these resources to clinically evaluate innovative therapies that have the potential to decrease the toxicity and side effects experienced by bone marrow donor recipients. Accordingly the conferees request the Institute to provide a report to the Committee prior to the consideration of next's year's request on a proposal to collaborate with the National Bone Marrow Donor Program and its network of transplant centers for this purpose.

The conferees encourage the Institute to participate in the hepatitis C research initiative recommended by the March 1997 consensus conference.

NATIONAL HEART, LUNG AND BLOOD INSTITUTE

The conference agreement includes $1,531.061,000 instead of $1,513,004,000 as proposed by the House and $1,539,989,000 as proposed by the Senate.

The conferees concur with the Senate report language concerning the possible development of a network of collaborative clinical centers to study the effectiveness of new clinical interventions for Cooley's anemia.

The conferees encourage the Institute to participate in the hepatitis C research initiative recommended by the March 1997 consensus conference.

NATIONAL INSTITUTE OF DENTAL RESEARCH

The conference agreement includes $209,415,000 instead of $209,403,000 as proposed by the House and $211,611,000 as proposed by the Senate.

NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES

The conference agreement includes $873,860,000 instead of $874,337,000 as proposed by the House and $883,321,000 as proposed by the Senate.

The conferees concur with the Senate report language concerning the need for iron measurement and chelation research related to Cooley's anemia.

The conferees are concerned about treatments for the consequences of *E. coli* infections and request that the Institute prepare and submit a report by January 15, 1998 outlining the present scientific consensus on medical treatments for *E. coli* and other foodborne infections and setting forth additional research that should be pursued in this area.

NATIONAL INSTITUTE OF NEUROLOGICAL DISORDERS AND STROKE

The conference agreement includes $780,713,000 instead of $763,325,000 as proposed by the House and $781,351,000 as proposed by the Senate.

The conferees understand from NIH that sufficient funds are available within the amounts provided for the Institute to expand research on Parkinson's disease.

Approximately 2,500,000 people suffer from epilepsy, a chronic brain disorder characterized by spontaneous, recurrent seizures which, in a substantial number of cases, cannot be controlled. The conferees encourage the Institute to enhance its research in the field of epilepsy to take advantage of new scientific opportunities in genetics, brain imaging and surgery, and clinical trials.

NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

The conference agreement includes $1,351,655,000 instead of $1,339,459,000 as proposed by the House and $1,359,688,000 as proposed by the Senate.

NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

The conference agreement includes $1,065,947,000 instead of $1,047,963,000 as proposed by the House and $1,058,969,000 as proposed by the Senate.

NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

The conference agreement includes $674,766,000 instead of $666,682,000 as proposed by the House and $676,870,000 as proposed by the Senate.

The conferees concur with the Senate report language indicating that the Director of the Institute should be take the lead in convening the national panel to assess the status of research-based knowledge on the effectiveness of various approaches of teaching children to read.

The conferees encourage the Institute to support research in the area of brain development, mechanisms that underlie learning and memory, the acquisition and storage of information in the nervous system, and the neural processes underlying emotional memories as they relate to intellectual development and cognitive growth.

The conferees encourage the Institute to carry out research on the prevalence, causes and treatment of vulvodynia.

NATIONAL EYE INSTITUTE

The conference agreement includes $355,691,000 instead of $354,032,000 as proposed by the House and $357,695,000 as proposed by the Senate.

NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

The conference agreement includes $330,108,000 instead of $328,583,000 as proposed by the House and $331,969,000 as proposed by the Senate.

The conferees encourage the Institute to conduct research into the physiologic and pathologic effects of exposure to the pfiesteria organism.

The conferees concur in the language in the House and Senate reports regarding the Institute's involvement in World Expo '98.

NATIONAL INSTITUTE ON AGING

The conference agreement includes $519,279,000 instead of $509,811,000 as proposed by the House and $520,705,000 as proposed by the Senate.

NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

The conference agreement includes $274,760,000 instead of $269,807,000 as proposed by the House and $272,631,000 as proposed by the Senate.

The conferees understand that the Institute has recently reduced the number of Specialized Centers of Research (SCORs) in Osteoporosis from three to one and that these centers play an important role in the translation of research findings to patient care. The conferees urge the Institute to review the impact this decision may have on osteoporosis research specifically and on the rapid transfer of research to treatment and to consider taking steps that ensure adequate support of translational research, including the restoration of funding for the full SCOR program. In addition, the conferees understand that important strides have been made with the establishment of an osteoporosis and related bone disease national clearinghouse center. The conferees encourage the Institute to continue this initiative and to give consideration to strengthening its support for the center's activities in order to allow broader information services.

NATIONAL INSTITUTE OF DEAFNESS AND OTHER COMMUNICATION DISORDERS

The conference agreement includes $200,695,000 instead of $198,373,000 as proposed by the House and $200,428,000 as proposed by the Senate.

NATIONAL INSTITUTE ON NURSING RESEARCH

The conference agreement includes $63,597,000 instead of $62,451,000 as proposed by the House and $64,016,000 as proposed by the Senate.

NATIONAL INSTITUTE OF ALCOHOL ABUSE AND ALCOHOLISM

The conference agreement includes $227,175,000 instead of $226,205,000 as proposed by the House and $228,585,000 as proposed by the Senate.

NATIONAL INSTITUTE ON DRUG ABUSE

The conference agreement includes $527,175,000 instead of $525,641,000 as proposed by the House and $531,751,000 as proposed by the Senate.

The conferees encourage the Institute to participate in the hepatitis C research initiative recommended by the March 1997 consensus conference.

NATIONAL INSTITUTE OF MENTAL HEALTH

The conference agreement includes $750,241,000 instead of $744,235,000 as proposed by the House and $753,334,000 as proposed by the Senate.

NATIONAL HUMAN GENOME RESEARCH INSTITUTE

The conference agreement includes $217,704,000 instead of $211,772,000 as proposed by the House and $218,851,000 as proposed by the Senate.

NATIONAL CENTER FOR RESEARCH RESOURCES

The conference agreement includes $453,883,000 instead of $436,961,000 as proposed by the House and $455,805,000 as proposed by the Senate.

The conferees are aware of concerns regarding shortages in the available supply of human cell cultures used in disease and drug therapy research in Federal and private sector laboratories. The conferees understand that the Coriell Institute for Medical Research is in the process of expanding its cell culture storage capacity and urge the Center to give full and fair consideration to an application from the Institute.

JOHN E. FOGARTY INTERNATIONAL CENTER

The conference agreement includes $28,289,000 instead of $27,620,000 as proposed by the House and $28,468,000 as proposed by the Senate.

NATIONAL LIBRARY OF MEDICINE

The conference agreement includes $161,185,000 instead of $161,171,000 as proposed by the House and $162,825,000 as proposed by the Senate.

The conferees understand from the NIH that they intend to provide a $7,000,000 increase for high performance computing and communications within the total provided for the Library.

OFFICE OF THE DIRECTOR

(INCLUDING TRANSFER OF FUNDS)

The conference agreement includes $296,373,000 instead of $298,339,000 as proposed by the House and $292,196,000 as proposed by the Senate.

The conference agreement includes a designation in bill language of $40,536,000 for the operations of the Office of AIDS Research. The Senate bill designated $40,266,000 for the Office; the House bill had no similar provision. The conferees understand that within the total funding for NIH provided in the conference agreement, NIH would intend to spend $1,595,453,000 on AIDS research. The conferees understand that this total may be modified depending on changing scientific opportunities and the recommendations of various advisory bodies.

The conference agreement includes a designation in bill language of $20,000,000 for the Office of Alternative Medicine. The Senate bill designated $13,000,000 for this activity. The House bill contained no similar provision. The conference agreement also includes language not included in either the House or Senate bill providing that not less than $7,000,000 of the $20,000,000 made available for the Office of Alternative Medicine shall be for peer reviewed complementary and alternative medicine research grants and contracts that respond to program announcements and requests for proposals issued by the Office. The conferees encourage the Office to use these mechanisms to solicit and support high quality clinical trials that will validate promising alternative and complementary medicine therapies. The conferees understand that the Office has existing authority to issue program announcements and requests for proposals.

The conference agreement includes bill language permitting the National Foundation for Biomedical Research to transfer funds to the National Institutes of Health. The House and Senate bills had no similar provision.

The conferees understand from the NIH that within the total funding provided for the various Institutes, centers and divisions the NIH estimates it will support $38,500,000 in funding for the pediatric research initiative. These funds are made available directly to the Institutes through the NIH Areas of Special Emphasis, which target those areas of research opportunity most likely to yield greater returns on the Federal investment in biomedical research. The conferees expect the Director to provide overall leadership for and coordination of these research activities.

The conferees understand from the NIH that within the total funding provided for the various Institutes, centers and divisions the NIH estimates it will support $22,000,000 in funding for the neurodegenerative disease initiative. These funds are allocated directly to the Institutes through the NIH Areas of Special Emphasis. The Director will provide overall leadership for and coordination of these research activities. The conferees note that the research focused on the biology of brain disorders in highlighted in the NIH Areas of Special emphasis to denote areas of high priority research that will yield a greater return on the Federal investment in biomedical research. The conferees believe that in addition to brain disorders, research in neurodegenerative disorders should receive special attention. The recent discovery of a genetic abnormality that causes some cases of Parkinson's disease demonstrates the promise of intensified research on neurodegenerative disorders.

The conferees are concerned about treatments for the consequences of E. coli and other foodborne infections and request the Director to consider using available funds for high priority research in this area.

The conferees are concerned by the delays in initiating the study on the status and funding of research on cancer among minorities and the medically underserved. The conferees expect all components of the NIH to give higher priority and full cooperation to this study as well as timely access to requested data to enable the Institute of Medicine to complete the study in an expeditious fashion. The conferees continue to place high priority on this effort and request that the Director be prepared to report on the study's progress during the hearings on the fiscal year 1999 budget request.

The conferees believe that minority programs at NIH should be supported at a level commensurate with the increases provided for NIH as a whole.

The conferees concur with House report language regarding the definition of administrative costs and the limitation of fiscal year 1998 administrative costs to no more than one percent above the fiscal year 1997 level.

BUILDINGS AND FACILITIES

The conference agreement includes $206,957,000 instead of $223,100,000 as proposed by the House and $203,500,000 as proposed by the Senate.

The conference agreement includes language not contained in either the House or Senate bills extending the proviso allowing a contract for the full scope of the NIH clinical research center to the construction of the vaccine research facility on campus.

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES

The conference agreement provides a program level of $2,196,743,000 instead of $2,201,943,000 as proposed by the House and $2,176,643,000 as proposed by the Senate. These figures include $50,000,000 in permanent appropriations for fiscal year 1998 provided in P.L. 104–121.

The conference agreement includes a provision proposed by the Senate designating $10 million for grants to rural and Native American projects. The House bill contained no similar provision.

The conference agreement includes a provision proposed by the Senate which requires that each State receive the same allotments under the mental health and substance abuse block grant programs in fiscal year 1998 as it did in fiscal year 1997. The conferees do not intend to consider future increases for the substance abuse or mental health block grants until the authorizing committees of jurisdiction, SAMHSA, and the substance abuse and mental health services communities have implemented a consensus policy regarding block grant formulas whether through legislation or existing administrative authority.

The conference agreement provides $28,000,000 for the data initiative requested by the Administration. Of this amount, $18,000,000 is provided through new appropriations, and $10,000,000 is available through the 5 percent set-aside within the substance abuse block grant for administrative activities. The conferees understand that the annual out-year costs of this proposal may exceed the $28,000,000 currently proposed and intend that all future funding for the initiative will be provided through the 5 percent administrative set-aside within the substance abuse block grant.

The conferees provide funding for this new initiative with the understanding that it must be used by the agency to improve the provision of treatment and prevention services in States with high incidence of substance abuse. Accordingly, the conferees direct SAMHSA to report to the Appropriations Committees no later than January 15, 1998 regarding its plans to require changes in service delivery to improve treatment and prevention services in such States through the State Improvement Grant and substance abuse block grant application processes. In addition, the conferees direct that the results of the data initiative be distributed to each State and that all States shall analyze their relative performance in preventing substance abuse as a component of the substance abuse block grant application. The conferees direct SAMHSA to require States with rates of substance abuse above the median for all States to provide a plan to improve their performance in preventing substance abuse as part of the block grant application.

The conferees intend that SAMHSA comply fully with the House report directive regarding monitoring of youth access to tobacco and enforcement of the Synar amendment.

The conferees concur with the Senate report directive regarding allocation of funds set aside for rural and Native American grants.

The conferees have included funds to continue and expand the supplemental demonstration and evaluation of enhanced children's services as part of the Residential Women and Children and Pregnant and Postpartum Women programs.

The conferees intend that SAMHSA comply with the Senate report directive regarding the State Incentive Grant program.

The conferees direct SAMHSA to comply with House report instructions regarding St. Elizabeth's Hospital.

The conferees have included sufficient funds for planning, implementation, and evaluation of a model initiative in San Francisco for comprehensive and community-based treatment on demand and substance abuse prevention, which has significant implications for other urban areas.

The conference agreement includes funding for the budget request to expand the Marijuana Treatment Initiative for Adolescents.

The conferees are aware of a successful public service crime prevention advertising campaign sponsored by the National Crime Prevention Council and encourage SAMHSA to give full consideration to this organization's experience during implementation of the agency's public service advertising campaign regarding youth substance abuse.

The conferees concur that SAMHSA should give priority consideration to successful community schools grantees that have been effective in providing substance abuse prevention services to at-risk youth. The agency shall provide the Committees with ninety days notice prior to terminating any Community Schools grantee funded in fiscal year 1997.

The conferees intend that SAMHSA comply with the Senate report directive regarding the submission of operational and allocation plans for fiscal year 1998.

The conference report provides $6,000,000 for high risk youth grants instead of $10,000,000 proposed by the Senate. The House bill contained no similar provision.

AGENCY FOR HEALTH CARE POLICY AND RESEARCH

HEALTH CARE POLICY AND RESEARCH

The conference agreement includes $90,229,000 instead of $101,588,000 as proposed by the House and $77,587,000 as proposed by the Senate.

The conference agreement designates $56,206,000 to be available to the Agency for Health Care Policy and Research under the Public Health Service one percent evaluation set-aside instead of $47,412,000 as proposed by the House and $65,000,000 as proposed by the Senate.

The conferees concur with language in the House report indicating that the agency's administrative costs as defined in the budget justification should not increase by more than one percent from 1997 to 1998.

HEALTH CARE FINANCING ADMINISTRATION

GRANTS TO STATES FOR MEDICAID

The conference agreement provides $71,602,429,000 for current year funding as proposed by the Senate instead of $71,530,429,000 as proposed by the House. This funding level reflects the current law estimate of the cost of the Medicaid program.

PAYMENTS TO THE HEALTH CARE TRUST FUNDS

The conference agreement provides $60,904,000,000 instead of $63,581,000,000 as proposed by both the House and the Senate. This funding level reflects the most recent estimates of the cost of this entitlement program.

PROGRAM MANAGEMENT

The conference agreement makes available $1,743,066,000 instead of $1,679,435,000 as proposed by the House and $1,719,241,000 as proposed by the Senate. An additional appropriation of $500,000,000 has been provided for this activity in the Health Insurance Portability and Accountability Act of 1996.

The conference agreement includes bill language proposed by the Senate making available to the Health Care Financing Administration (HCFA) administrative fees collected related to Medicare overpayment recovery activities. The House bill had no similar provision.

The conference agreement includes with slight modification bill language proposed by the Senate identifying $900,000 of the funds provided for the costs of the National Bipartisan Commission on the Future of Medicare. The language also directs the Commission to examine the impact health research has on Medicare costs as well as the potential for coordinating Medicare with cost-effective long-term care services. The House bill had no similar provision.

The conference agreement includes bill language identifying $40,000,000 for the transition to a single Part A and Part B processing system and makes that funding available until expended. The Senate bill contained similar language providing $54,100,000 for the Medicare Transaction System. The House bill did not provide funding for this activity. The conferees expect HCFA to refrain from obligating any additional funding for the Medicare Transaction System aside from the $40,000,000 and contract closeout activities until they have notified the Committees on Appropriations of their plan to redesign the system.

The conference agreement adds language not contained in either the House or Senate bill establishing the authority for HCFA to collect $95,000,000 in user fees for the costs of beneficiary enrollment and dissemination of information for the managed care activities now permitted under the Medicare program. This provision fulfills the intent of the Balanced Budget Act of 1997. The conferees understand that there are several activities specified in the statute and believe that HCFA's first priority for these funds should be to publish a comparative booklet to be mailed to beneficiaries describing Medicare+Choice options and comparing these options to fee-for-service Medicare and Medigap policies. The agency should determine whether it is more cost-effective to mail the booklet to each individual Medicare beneficiary or to identify shard dwellings and mail one to each household. The conferees believe that HCFA's second priority should be to contract for a toll-free number and to implement and maintain an internet site for inquiries regarding Medicare+Choice options. As a third priority, the conferees encourage the agency to operate Medicare+Choice health information fairs and to fund the future dissemination of information regarding Medicare+Choice options through local beneficiary information centers and other forms of public relations.

While the agreement provides authority to collect $95,000,000 in user fees for the Medicare+Choice Program, the conferees direct the Secretary to utilize these resources on a pro-rata basis, with the understanding that the amount may be reduced after the Appropriations Committees have the opportunity to conduct hearings to review the need for resources to implement this program.

The conference agreement does not include language contained in the Senate bill earmarking $2,000,000 of research funding for demonstration projects of Medicaid coverage of community-based attendant care services for people with disabilities which ensures maximum control by consumers to select and manage their attendant care services. The conferees are agreed, however, that $2,000,000 is included for this purpose within funds provided.

The conference agreement does not include language contained in the Senate bill directing that $50,000,000 of 1997 appropriated funds be obligated in 1997 to increase Medicare provider audits and to implement the corrective action plan to the HCFA Chief Financial Officer's audit. The House bill contained no similar provision. The Senate language could not be implemented because 1997 funds had been obligated by the time of the 1998 conference agreement. The conferees have instead included bill language allowing HCFA to use Program Management funds to increase Medicare provider audits and to implement the Department's corrective action plan to the Chief Financial Officer's audit.

The conferees are concerned about the findings of the 1996 Chief Financial Officer's audit, most specifically the reported payment error rate. In response to this concern, it is the conferees' understanding that HCFA will reallocate funds within the Peer Review Organization funding for medical and utilization review activities. Peer review organizations determine whether medical services and items provided under the Medicare program are reasonable and medically necessary and meet professionally-recognized standards of care.

The conferees concur in the language contained in the Senate report relating to continuing the telemedicine pilot sites.

The conferees strongly urge HCFA to extend the chronic ventilator-dependent unit demonstration projects that are currently operating and which have consistently produced superior clinical outcomes according to independent evaluation.

The conferees concur with Senate report language indicating that sufficient funds are included to demonstrate and evaluate model programs developed by nonprofit community and family services organizations which help vulnerable populations understand how to use managed care.

The conference agreement includes $1,000,000 within research to conduct a demonstration of residential treatment facilities at the AIDS Healthcare Foundation in Los Angeles.

The conferees concur with House report language indicating that funds have been included above the Administration's request for research and demonstrations to support the costs of studies and demonstration projects that are mandated in the Balanced Budget Act of 1997.

The conferees recognize that the forthcoming study by the Secretary of Health and Human Services regarding coverage of medical nutrition therapy by registered dietitians in the part B portion of Medicare needs to be comprehensive in documenting the value of this service for all applicable diseases or medical conditions. Separate cost estimates should be prepared for conditions for which the Secretary expects significant utilization of such services, and these costs should be prepared separately for therapy in individual as well as group settings. The conferees recommended that the Secretary take care not to exclude medical conditions such as malnutrition and obesity from the study, recognizing that obesity is the second leading preventable cause of death in the United States.

The conferees note that coronary artery disease is a leading cause of morbidity and mortality among the Medicare population and urges the agency to initiate cost-effectiveness evaluations of advanced non-invasive imaging technologies, such as coronary artery scanning by ultrafast computerized tomography, and their potential impact on lowering Medicare expenditures.

The conferees encourage HCFA to provide grants to those rural health hospitals or equivalent consortia which to date have received only first or second year grants under the rural health transition grant program.

The conferees concur with Senate report language indicating that the agreement includes $824,200,000 for Medicare contractors in 1998 as requested by the Administration. Any modification of this funding level is subject to normal reprogramming procedures.

The conferees encourage HCFA to utilize commercially available software to detect and stop Medicare billing abuse.

The conferees encourage HCFA to issue a directive to Medicare contractors regarding the extension of claims considered timely filed stating that Medicare will consider claims timely filed if received within one year from the date of the contractor's response to the request for status change to Medicare as primary payer or completion of enrollment in Part B by the Social Security Administration.

The conferees are concerned that HCFA's new Medicare payment policy for erythropoietin may negatively impact the quality of care received by patients with end-stage renal disease (ESRD), and may increase overall health care costs. The conferees urge the Secretary to carefully expedite review of the policy to ensure continued quality care for ESRD patients.

The conference agreement includes increases in Federal administration for the costs of converting computer systems to accommodate the millennium date change and the administrative burdens associated with the new agency activities mandated by the Balanced Budget Act of 1997.

ADMINISTRATION FOR CHILDREN AND FAMILIES

FAMILY SUPPORT PAYMENTS TO STATES

The conference agreement includes a provision as proposed by the Senate and not included in the House bill to correct an error in the allocation of certain child care funds in fiscal year 1997.

LOW INCOME HOME ENERGY ASSISTANCE

The conference agreement includes $1,100,000,000 in advance funding for the Low Income Home Energy Assistance Program (LIHEAP) for fiscal year 1999 instead of $1,000,000,000 as proposed by the House and $1,200,000,000 as proposed by the Senate. The conferees agree that up to 27,500,000 may be used for the leveraging incentive program.

REFUGEE AND ENTRANT ASSISTANCE

The conference agreement provides $415,000,000 for Refugee and Entrant Assistance programs as proposed by the House instead of $392,332,000 as proposed by the Senate. The conferees intend that ORR comply with the directives in the House report regarding communities with large concentrations of refugees whose cultural differences make assimilation especially difficult, refugees and communities impacted by recent changes in Federal assistance programs relating to welfare reform, and Cuban and Haitian entrants and refugees. The conferees intend that ORR comply with the directive in the Senate report regarding the Voluntary Agency Grant program.

CHILD CARE AND DEVELOPMENT BLOCK GRANT

(INCLUDING TRANSFER OF FUNDS)

The conference agreement appropriates $65,672,000 as a supplement to the fiscal year 1998 appropriation that was enacted last year, instead of $26,120,000 as proposed by the Senate and no additional funding as proposed by the House. In addition, the agreement appropriates $1,000,000,000 as an advance appropriation for fiscal year 1999 as proposed in both the House and Senate bills. The agreement further provides that of the $19,120,000 that became available on October 1, 1997 for child care resource and referral and school-aged child care activities, $3,000,000 shall be derived by transfer from funds appropriated in the welfare reform act, instead of $6,120,000 as proposed by the Senate. The House had no similar transfer provision. Lastly, the conferees are concerned about the inadequate supply of quality child care for infants. Therefore, the agreement includes language that was not in either bill that requires the States to utilize $50,000,000 above the amount required by the basic law for activities that improve the quality of child care. These new funds should supplement, not supplant, current and planned activities to increase the supply of quality child care for infants and toddlers.

The basic law requires that not less than four percent of the appropriation be used for such activities.

SOCIAL SERVICES BLOCK GRANT

The conference agreement includes $2,299,000,000 for the Social Services Block Grant program instead of $2,245,000,000 provided in the House and Senate bills. The conference agreement also includes a provision setting the amount specified for allocation under section 2003(c) of the Social Security Act at $2,299,000,000 instead of $2,245,000,000 as proposed by the Senate. The House bill included no similar provision. The conferees intended that ACF comply with the reporting directive in the House report.

CHILDREN AND FAMILIES SERVICES PROGRAMS

(INCLUDING RESCISSIONS)

The conference agreement appropriates $5,682,916,000, instead of $5,598,052,000 as proposed by the House and $5,611,094,000 as proposed by the Senate. In addition, the agreement rescinds $21,000,000 from permanent appropriations as proposed by the House and Senate.

The agreement includes a parenthetical legal citation to section 105(a)(2) of the Child Abuse Prevention and Treatment Act as proposed by the Senate. The conferees agree that within the amount provided for child abuse discretionary activities, $1,000,000 is available for carrying out activities authorized by that section.

The agreement includes an earmark of $279,250,000 for the Early Head Start program for children under the age of three, instead of Senate bill language that would have required that 10 percent of any additional Head Start funds over the fiscal year 1997 amount be used for this purpose. The House bill had no separate provision.

The agreement appropriates $93,000,000 from the Violent Crime Reduction Trust Fund as proposed by the Senate instead of $99,000,000 as proposed by the House.

The conferees concur in the Senate Report language concerning the job creation demonstration authorized under section 505 of the Family Support Act of 1988 and the language concerning the Alaska Federation of Natives, the donations of surplus property and the prekindergarten initiative for start-up costs and renovation. The conferees support continuing efforts to address the needs of families in public housing, such as American Samoans, who are in danger of becoming homeless.

The conferees strongly recommend that the Department provide sufficient resources to allow for implementation and oversight of the tribal Temporary Assistance for Needy Families (TANF) and Native Employment Works (NEW) programs.

Within the amount provided for Runaway and Homeless Youth, the conference agreement includes the fiscal year 1997 funding level for Center County Youth Services of State College and Three Rivers Youth of Pittsburgh.

ADMINISTRATION ON AGING

AGING SERVICES PROGRAMS

The conference agreement appropriates $865,050,000, instead of $815,270,000 as proposed by the House and $894,074,000 as proposed by the Senate. The agreement includes statutory earmarks of $4,449,000 for the State ombudsman program and $4,732,000 for prevention of elder abuse proposed by the Senate; the House bill included no earmarks. The agreement includes a legislative provision as proposed by the Senate that requires the Assistant Secretary for Aging when considering grant applications for nutrition services for elder Indian recipients to provide maximum flexibility to applicants who seek to take into account certain factors that are appropriate to the unique cultural, regional and geographic needs of the American Indian, Alaskan and Hawaiian native communities to be served. The House had no similar provision.

The conferees concur in Senate Report language concerning aging research and training activities; however, the conference agreement includes $2,000,000 for social research into Alzheimer's disease, as described in the Senate Report.

The conferees expect the Administration on Aging to ensure that States that have previously received or are currently grant funding for senior legal hotlines are not disqualified from competing for future grant funding.

The conferees recognize the Council of Senior Centers and Services of New York City, Inc. for its grassroots model program to detect and report inaccurate Medicare billings and strongly urge the Department to continue to work with CSCS on this effort.

In view of the regional office consideration, the conferees expect the Administration on Aging to ensure that States will experience no decline in policy and procedural direction or technical assistance and support so that the needs of the elderly continue to be met in a timely and comprehensive fashion.

OFFICE OF THE SECRETARY

GENERAL DEPARTMENTAL MANAGEMENT

The conference agreement appropriates $177,482,000, instead of $165,487,000 as proposed by the House and $180,439,000 as proposed by the Senate. The agreement includes a legal citation proposed by the Senate for the United States-Mexico Border Health Commission but does not include a legal citation proposed by the Senate for research studies under section 1110 of the Social Security Act.

The conferees concur with the Senate Report language concerning the human services transportation technical assistance program.

The conference agreement contains an increase of $3,712,000 over the President's budget request for traditional departmental management activities. These funds are not intended to be used for any other activity. Should the Secretary decide to use any part of these funds for a different purpose, she must first submit a reprogramming request to the Appropriations Committees.

The conference agreement includes $800,000 to conduct research into the possible links between chemical and biological exposures and the illnesses suffered by tens of thousands of Persians Gulf War veterans. The conferees concur in the House Report language with respect to the conduct of this research.

The conference agreement includes $800,000 to support the activities of the United States-Mexico Border Health Commission as authorized by Public Law 103–400. The Commission will assist in assessing and resolving current and potential health problems that affect the general population of the United States-Mexico border area. The conferees understand that the Secretary may utilize funds provided to the agencies of the Public Health Service to support the activities of the Commission. The conferees strongly urge the Commission to focus upon the identification, evaluation, and potential resolution of current and possible health problems affecting the population of the area. The conferees expect the Department to expend funds appropriated for this purpose for needed health assessments, research and studies conducted along and across the United States-Mexico border. The Commission should use a multidisciplinary approach in identifying and assessing health problems in the area so that a variety of viewpoints, including those from the scientific, social, consumer and patient communities, may be included. The conferees emphasize the importance of cultural sensitivity in the conduct of the Commission's activities.

The conference agreement includes $500,000 for the costs of the National Health Museum Commission. This commission is authorized in title VII of this Act.

The conference agreement includes $1,500,000 in the Office of Minority Health for an extramural construction grant for the University of Arkansas at Pine Bluff, an historically black institution, for the purpose of upgrading health-related facilities and equipment. In addition, funds are included in the Office of Minority Health for the Cook County/Rush Health Center (CORE Center) in Chicago and the north Philadelphia Cancer Awareness and Prevention Program. The funds for the CORE Center will be used for the implementation of an information technology infrastructure. The conferees instruct the Department to maintain the current level of support for Meharry Medical College to continue a cooperative agreement to support the development of an integrated health delivery system in a historically underserved community. The conferees expect the Office of Minority Health to provide no more than $1,000,000 of the total amount provided by the Department to Meharry.

The conferees intend that the minority male initiative described in the House Report be funded as a cooperative agreement and not as a consortium.

The conferees are aware of the work being carried out by the President's Advisory Commission on Consumer Protection and Quality. The conferees are concerned that the various proposals developed by the Commission may not include sufficient analysis of the potential impact of each proposal. Consequently, the conferees strongly urge the Commission to include in its report a thorough cost analysis of the Commission's recommendations.

The conferees concur with the Senate Report language concerning the need for a national public education campaign on osteoporosis.

The conferees encourage the Secretary to consider a transagency initiative that might incorporate promising telecommunications and computing technologies into a national health information infrastructure serving not only providers, payors, researchers and policymakers, but also patients, consumers and caregivers.

The conferees request that the following information regarding the Commissioned Corps of the U.S. Public Health Service be provided to the Committee on Appropriations in the Congressional budget justification on an annual basis: aggregate staffing levels by grade, rank and agency of assignment; the number of officers on detail outside the Department by their agency of assignment, including those detailed to international organizations; and total salaries paid to corps officers, including special or incentive pays.

OFFICE OF THE INSPECTOR GENERAL

The conference agreement appropriates $31,921,000 as proposed by the Senate instead of $30,921,000 as proposed by the House.

POLICY RESEARCH

The conference agreement appropriates $14,000,000 as proposed by the House instead of $9,500,000 as proposed by the Senate.

The conference agreement includes $5,000,000 for a study on the outcomes of welfare reform. The conferees recommend that this study involve state-specific surveys and data sets, survey data on the impacts of state waiver programs, and administrative data such as Food Stamp, Social Security and Internal Revenue Service records. The study should measure outcomes in both low and high economic growth areas of the country. The conferees strongly urge the Department to submit its research plan to the National Academy of Sciences to provide guidance on research design and recommend further research. The conferees further expect an interim report to be submitted to the Appropriations Committees within six months.

In addition, the agreement includes $500,000 for carrying out the HELP DESK initiative described in the Senate Report.

GENERAL PROVISIONS

TRANSFER OF HANSEN'S DISEASE FACILITY

The conference agreement includes a provision in the House bill transferring the Gillis W. Long Hansen's disease facility in Carville, Louisiana to the State of Louisiana. The Senate bill had no similar provision.

PARENTAL PARTICIPATION IN FAMILY PLANNING SERVICES

The conference agreement includes a provision in the House bill prohibiting the funding of family planning grantees unless the grantee certifies that it encourages family participation in the decision of a minor to seek family planning services and that it provides counseling to minors on resisting attempts to coerce them into engaging in sexual activities. The Senate bill had no similar provision.

INSTITUTE OF MEDICINE STUDY OF NIH PRIORITY SETTING

The conference agreement includes in modified form language contained in the Senate bill directing the Secretary of Health and Human Services to contract with the Institute of Medicine to conduct a comprehensive study of the policies and processes used by the National Institutes of Health to determine funding allocations for biomedical research. The conference agreement drops the $300,000 earmark for the study contained in the Senate language. The House bill contained no similar provision.

PARKINSON'S DISEASE RESEARCH REAUTHORIZATION ACT

The conference agreement includes in modified form (section 603) language contained in the Senate bill authorizing funding for Parkinson's disease research at the National Institutes of Health (NIH). The agreement drops Senate language directing NIH to support particular research mechanisms and authorizes up to $100,000,000 in fiscal year 1998 and such sums thereafter for these research activities. The House bill contained no similar provision. The conferees acknowledge the importance of Parkinson's disease research, but are concerned that inclusion of this language may set an unfortunate precedent for using the appropriations bill as a vehicle whenever the authorizing committees fail to act.

While currently there is no cure for Parkinson's disease, the conferees are encouraged by recent scientific advances. Scientists have for the first time identified a gene abnormality that causes some cases of Parkinson's disease and which suggests an important new link between Parkinson's and Alzheimer's. This may ultimately help prevent or delay the cell death that is responsible for degenerative brain disease. Due to these promising research discoveries and the threat of more individuals being diagnosed with Parkinson's disease in future years, the conferees urge NIH to place stronger emphasis on research in this area.

FETAL ALCOHOL SYNDROME AUTHORIZATION

The conference agreement does not include a provision in the Senate bill authorizing a program of research, public awareness, and education to help prevent fetal alcohol syndrome. The House bill contained no similar provision. This matter is one that is more appropriately considered by the authorizing committees; those committees have objected to the inclusion of the provision in the conference agreement.

REFUGEE PROGRAM EXTENSION

The conference agreement includes a provision (section 604) proposed by the Senate extending the authorization for the Refugee and Entrant Assistance programs for two years, through fiscal year 1999. The House bill contained no similar provision.

PERCHLORATE STUDY

The conferees have deleted without prejudice a provision in the Senate bill requiring the Secretary of Health and Human Services to conduct a study of the health effects of perchlorate on humans and to report the findings within nine months after enactment of the appropriations bill. The House bill contained no similar provision. The conferees believe that this is an important health issue and urge the Department to conduct such a study.

PEBES EMPLOYER STUDY

The conference agreement includes a provision (section 605) proposed by the Senate to require the Social Security Administration to provide information regarding employer contributions on all Personal Earnings and Benefit Estimates Statements (PEBESs). The conferees note that the SSA is currently redesigning the PEBES and direct the agency to expeditiously revise the PEBES to add information regarding employer contributions. This initiative should be fully implemented prior to the first mailing to all workers age 25 and over scheduled for fiscal year 2000. The House bill contained no similar provision.

MEDICAID AND SSI ELIGIBILITY FOR VIET NAMESE COMMANDOS

The conference agreement includes (section 606) language contained in the Senate bill clarifying that payments made by the United States to Viet Namese commandos imprisoned by North Viet Nam are not considered income or resources for the Supplemental Security Income and Medicaid programs for those commandos now in the United States. The House bill contained no similar provision.

ORGAN DONATION STUDY

The conference agreement deletes without prejudice the provision included in the Senate bill directing the Secretary of Health and Human Services, in consultation with the General Accounting Office, to conduct a comprehensive study of efforts underway at hospitals to improve organ and tissue procurement. The House bill contained no similar provision. The conferees encourage the Secretary to conduct such a study and to report to the Committees on best practices for identifying donors and communicating with relatives of potential donors.

SENSE OF THE SENATE ON ORGAN PROCUREMENT

The conference agreement does not include language contained in the Senate bill expressing the sense of the Senate urging hospitals through education, establishment of protocols, and assignment of staff teams to ensure that a skilled and sensitive request for organ donation is provided to eligible families. The House bill contained no similar provision. The conferees concur in the sentiment expressed by this sense of the Senate resolution.

FAMILY VIOLENCE WAIVER UNDER WELFARE REFORM

The conference agreement deletes without prejudice a provision included in the Senate bill amending the Social Security Act to clarify that the welfare reform statute does not limit the provision of waivers to victims of domestic violence. The House bill contained no similar provision.

E. COLI RESEARCH AND PUBLIC EDUCATION

The conference agreement has deleted without prejudice language included in the Senate bill earmarking $5,000,000 for research, public education and evaluation relating to the E. coli health threat. The House bill had no similar provision. The conferees have included in the statement of the managers for the National Institutes of Health and the Centers for Disease Control and Prevention language expressing their concern about the E. coli health threat and urging these agencies to strengthen their research and surveillance in this area.

MEDICAID DISPROPORTIONATE SHARE PAYMENTS

The conference agreement includes (sections 601 and 602) bill language not contained in either the House or Senate bill correcting an error in the Balanced Budget Act of 1997 which displayed incorrect information about the level of Medicaid disproportionate share hospital payments for the States of Minnesota and Wyoming. The bill corrects these errors only for fiscal year 1998. The conferees expect the authorizing committees to enact the correction on a permanent basis.

TITLE III—DEPARTMENT OF EDUCATION

EDUCATION REFORM

The conference agreement includes $1,275,035,000 for Education Reform, instead of the $1,107,165,000 proposed by the House and $1,310,035,000 as proposed by the Senate. For Goals 2000, the conference provides $491,000,000 instead of the $530,000,000 provided by the Senate and $387,165,000 provided by the House.

The conference agreement also provides $25,000,000 for parental assistance instead of $15,000,000 as proposed by the House and $30,000,000 as proposed by the Senate. The conferees agree that the increase provided will permit expansion of voluntary parent centers to additional States bringing the total number of States and Territories participating in the program to at least 52. It has been brought to the conferees' attention that many of the grantees currently receiving funding under the parental assistance program are making only minimal efforts to implement Parents as Teachers (PAT) or Home Instruction for Preschool Youngsters (HIPY) programs. The conferees urge the Department to provide at least 50 percent of each grant award for PAT or HIPY and to report to the House and Senate Appropriations Committees by April 1, 1998, on steps being taken to assure that the dollars are being spent in accordance with PAT and HIPY program requirements.

For education technology, the agreement provides $584,035,000 instead of $520,000,000 as proposed by the House and $580,035,000 as proposed by the Senate.

The President's fiscal year 1998 budget requested funding for the Technology Literacy Challenge Fund in the Education Reform account and, as in previous years, proposed to fund all other educational technology programs within the Office of Education Research and Improvement (OERI). The House bill followed this structure. The Senate bill included both the Technology Literacy Challenge Fund and the Technology Innovation Challenge Grants within the Education Reform Account with other programs being funded within OERI. The conference agreement includes all educational technology funds within the Education Reform Account including the Challenge Fund and Challenge Grants, Star Schools, Ready to Learn TV and the Telecommunications Demonstration Project for Mathematics. In funding these programs within the Education Reform account, the conferees make no determination as to the offices within the Department best suited to administer these programs, believing that this decision is best left to the Secretary.

Under the Star Schools program, the conferees have included $8,000,000 to continue and expand the Iowa Communications Network state-wide fiber optics demonstration project.

The conferees continue to be concerned by the rapid increase in funding for technology programs and the ability of LEAs to absorb these funds and spend them wisely. The conferees therefore instruct the Department of Education to continue to provide the reports relating to educational technology outlined in the Conference Report on the fiscal year 1997 Departments of Labor, Health and Human Services and Education and Related Agencies Appropriations Act.

For Technology Innovation Challenge Grants, the conference agreement includes $116,000,000, instead of $85,000,000 as proposed by the House. Included within the funds provided is $30,000,000, as proposed by the Senate, for a new competitive grants program to consortia that have developed exemplary programs to train new and current teachers, administrators and other educators to use advanced technology and to integrate education technology into teaching methods that improve instruction. The House bill contained no similar provision.

The conference agreement includes $5,000,000 for a demonstration project for hospitals, universities, businesses and schools for the Delaware Valley Region of Pennsylvania. Funds would be used for a demonstration project to develop a supercomputer infrastructure with broad-based networking applications for elementary and secondary schools, colleges, and universities with access to science and medical technology.

The conference agreement also includes $7,300,000 to allow the Secretary of Education to fund an effort to integrate technology into eighth grade algebra classrooms. The conferees believe that this level of funding will support three years of funding for the "I Can Learn" project.

The conference agreement includes $800,000 to allow the Secretary of Education to fund an initiative to provide technology training to teachers through a distance education network involving nine school districts and Nicolet Area Technical College. This level of funding will support three years of funding to support a three-tiered training program in the use of technology for all teachers in grades K through eight in the nine participating school districts.

EDUCATION FOR THE DISADVANTAGED

The conference agreement includes $8,021,827,000 for Education for the Disadvantaged, instead of the $8,204,217,000 included in the House and $7,807,349,000 as proposed by the Senate. Of the funds made available for basic grants, $1,448,396,000 becomes available on October 1, 1998 for the academic year 1998–99.

The agreement includes $6,273,212,000 for basic state grants and $1,102,020,000 for concentration grants.

The conferees have provided no funding for the targeted grants program. The House bill provided $400,000,000 for this purpose. The Senate bill contained no similar provision.

The conferees have included a provision proposed by the Senate which provides that in allocating the fiscal year 1998 appropriation for basic and concentration grants under title I, part A of the Elementary and Secondary Education Act of 1965 as amended, the Secretary shall apply a 100 percent hold harmless based on total 1997 grants, including supplemental appropriations provided under Public Law 105–18. The conferees concur with the language outlined in the Senate report regarding this issue. The House bill contained no similar provision.

The conference agreement provides $150,000,000 for comprehensive school reform, including $120,000,000 under the title I program, $26,000,000 under the fund for the improvement of education, and $4,000,000 under the regional educational laboratories. The House bill included $205,000,000 for comprehensive school reform, including $150,000,000 under the title I program, $50,000,000 under the fund for the improvement of education, and $5,000,000 under the regional educational laboratories. The Senate bill included no comparable provisions.

The conferees agree that the purpose of this initiative is to provide financial incentives for schools to develop comprehensive school reforms, based on reliable research and effective practices and including an emphasis on basic academics and parental involvement, so that all children can meet challenging state content and performance goals. The conference agreement establishes a floor of 83% of the total funds provided for local educational agencies (LEAs) eligible for title I basic grants; all LEAs may compete for the remaining funds provide under the fund for the improvement of education. The conferees believe that focusing the bulk of the incentive funding on schools eligible for title I funds will leverage systemic improvements in student achievement throughout the $8 billion title I program.

The conferees are impressed by gains in student performance in a number of schools across the country that are using new comprehensive models for school-wide change covering virtually all aspects of school operations, rather than a piecemeal, fragmented approach to reform. Examples of such comprehensive school reform models including Accelerated Schools, ATLAS Communities, Audrey Cohen College, Coalition of Essential Schools, Community for Learning, Co-NECT, Direct Instruction, Expeditionary Learning Outward Bound, High Schools That Work, Modern Red Schoolhouse, National Alliance for Restructuring Education, Paideia, Roots and Wings, School Development Program, Success for All, Talent Development High School and Urban Learning Center.

While no single school improvement plan can be best for every school, the conferees believe that more schools should be encouraged to examine successful, externally developed comprehensive school reform approaches that can be adapted in their own communities. the conference agreement includes funding under the fund for the improvement of education to enable the Department, in consultation with outside experts, to identify and disseminate information to schools about such approaches. Such approaches must be based on rigorous research and effective practices. However, schools are not restricted to using only those approaches identified by the Department are free to develop their own school-wide reform programs that are based on rigorous research and meet the criteria listed below. Further, the conferees direct that funds made available to schools under this initiative shall be used only for comprehensive school reform programs that:

(a) employ innovative strategies and proven methods for student learning, teaching, and school management that are based on reliable research and effective practices, and have been replicated successfully in schools with diverse characteristics,

(b) have a comprehensive design for effective school functioning, including instruction, assessment, classroom management, professional development, parental involvement, and school management, that aligns the school's curriculum, technology, professional development into a school-wide reform plan designed to enable all students to meet challenging state content and performance standards and addresses needs identified through a school needs assessment,

(c) provide high-quality and continuous teacher and staff professional development and training,

(d) have measureable goals for student performance and benchmarks for meeting those goals,

(e) are supported by school faculty, administrators and staff,

(f) provide for the meaningful involvement of parents and the local community in planning and implementing school improvement activities,

(g) utilize high-quality external technical support and assistance from a comprehensive school reform entity (which may be a university) with experience or expertise in school-wide reform and improvement,

(h) include a plan for the evaluation of the implementation of school reforms and the student results achieved, and

(i) identify how other resources (federal/state/local/private) available to the school will be utilized to coordinate services to support and sustain the school reform effort.

The conferees direct that the Secretary of Education allocate title I comprehensive school reform funds based on each state's relative share of prior-year title I grants under section 1124 to state educational agencies (SEAs), upon application to the Secretary. In cases where a SEA declines to apply for its formula-based allocation, the Secretary shall reallocate the funds to other states that have a need for additional funds to implement comprehensive school reform programs. The Secretary may reserve up to one percent of the funds for grants to schools supported by the Bureau of Indian Affairs and in the territories, and up to one percent of the funds to conduct national evaluation activities to assess results achieved by the implementation of comprehensive school reform in title I schools. The conferees anticipate that initial evaluation activities will include development of a plan for a third-year national evaluation, collection of baseline data, and assessment of the first-year implementation activities. The plan for a national evaluation should focus on the results achieved by schools undertaking comprehensive school reform and assess the effectiveness of various school reform initiatives in schools with diverse characteristics (urban/rural, title I/non-title I, elementary/middle school/high school, etc.). Prior to the completion of the third-year national evaluation, the Secretary shall submit an interim report to the House and Senate appropriations and authorizing committees.

The conferees direct that each SEA receiving funds under this initiative use such funds to award grants, on a competitive basis, to enable LEAs within the state to implement comprehensive school reform programs. Each SEA application to the Secretary shall describe (1) the process and selection criteria by which the SEA, using expert review, will make competitive grants to eligible LEAs, (2) how the SEA will ensure that only high quality, well-defined, and well-documented comprehensive school reform programs meeting the criteria listed above are funded, (3) how the SEA will disseminate materials developed by the Department identifying research-based comprehensive school reform models and provide technical assistance to assist LEAs and schools in evaluating, selecting, developing and implementing comprehensive school reforms, (4) how the SEA will evaluate the implementation of comprehensive school reforms and measure the results achieved in improving student academic performance, and (5) such other criteria as the Secretary may reasonably require. The conferees direct that each SEA provide assurances that the financial assistance provided shall supplement, not supplant, federal, state and local funds the LEAs and schools would otherwise receive. The conferees further direct that SEAs provide such information as the Secretary may require, including the names of the LEAs and the individual schools receiving allocations and the amount allocated to each school.

In awarding competitive grants to LEAs using title I funds, the conferees direct SEAs to make awards that are of sufficient size and scope to support the initial start-up costs for particular comprehensive reform plan selected or designed by the schools identified in the LEA application, but that are not less than $50,000 per school and renewable for two additional year after the initial award. In allocating comprehensive school reform funds under this account, the conferees encourage SEAs to award grants to LEAs that will use these funds in schools in need of improvement under section 1116(c) of part 1 of Title I of ESEA. The conferees also encourage SEAs to award grants to LEAs in different parts of the state, including rural urban and rural communities, to LEAs proposing to serve schools at different grade levels (elementary/middle/high school), and to LEAs that demonstrate a commitment to assisting schools with budget reallocation strategies necessary to ensure that comprehensive school reforms are properly implemented and sustained in the future. SEAs may reserve up to five percent of these funds for administrative, evaluation and technical assistance expenses, including expenses necessary to inform LEAs and schools about research-based comprehensive school reform approaches.

The conferees direct that each LEA application to the SEA for comprehensive school reform funds (1) identify which schools eligible for title I funds within the LEA will implement a comprehensive school reform program and the level of funding requested, (2) describe the research-based comprehensive school reform programs that such schools will implement, (3) describe how the LEA will provide technical assistance and support for the effective implementation of the comprehensive school reform programs selected by such schools, and (4) describe how the LEA will evaluate the implementation of comprehensive school reforms in such schools and measure the results achieved in improving student academic performance.

IMPACT AID

The conference agreement provides $808,000,000 for the Impact Aid programs instead of $796,000,000 as proposed by the House and $794,500,000 as proposed by the Senate. The conference agreement includes legislative provisions regarding eligibility for assistance for heavily impacted districts, the distribution of funds for Federal Property, timely filing of applications, overpayments, and construction.

SCHOOL IMPROVEMENT PROGRAMS

The conference agreement provides $1,538,188,000 for School Improvement Programs, instead of $1,507,388,000 as proposed by the House and $1,542,293,000 as proposed by the Senate. For the Eisenhower professional development activities, the agreement provides $335,000,000 instead of the $310,000,000 provided in both the House and Senate bills. The conferees have included an additional $25,000,000 to improve professional development activities relating to literacy and expect that these funds be used for teacher training which is based on reliable, replicable research to improve student performance in reading. Within the overall amount for School Improvement, the conference agreement provides $556,000,000 for Safe and Drug Free Schools, and Communities, as proposed by the House. The Senate provided $555,978,000 for this purpose.

The conferees have provided sufficient funds within the safe and drug free schools and communities, national programs to permit the Secretary of Education to establish a program to protect student victims and witnesses of violence in school. The program would provide training and technical assistance to State and local educational agencies to assist them in establishing, and implementing programs designed to protect victim of, and witnesses to, violence in elementary and secondary schools.

The conferees have also set aside $450,000 for student safety toll-free hotlines. The funds are to be provided for pilot programs to provide students in elementary and secondary schools with confidential assistance regarding school crime, violence, drug dealing, and threats to personal safety.

Also within the Safe and Drug Free Schools National Programs, the conferees have set aside $350,000 for the Yonkers School System to allow the expansion of school safety and drug prevention activities in those schools with especially severe drug and violence problems. Funds will help to expand model programs providing peer mediation at the elementary and secondary school level, the training of school personnel and parents to prevent drug use and violent behavior and other activities.

The conferees also encourage the Secretary of Education, working with the Department of Justice, to give consideration to funding comprehensive action plans that pool community, law enforcement and educational resources and stress rehabilitated role models, sustained self-sufficiency and reciprocal restitution to reduce juvenile delinquency.

The conferees agree that of the $10,500,000 provided for Arts in Education, $1,000,000 has been included to support the International Very Special Arts Festival.

The conference agreement includes $80,000,000 for Charter Schools, instead of $100,000,000 as proposed by the House and $50,987,000 as proposed by the Senate. The conferees agree that the Secretary should take appropriate steps, including issuing guidance to relevant State authorities, to enable charter schools to receive other federal funds in their first year operation. These funds include Title I and all other federal educational assistance monies, that they would otherwise receive notwithstanding the fact that the identity and characteristics of the students enrolling in the school will not be fully and completely determined until it actually opens. The conferees direct the Secretary to report to the Congress within six months on the steps taken to implement this directive. The report should also address the timing problem that accompanies the expansion of enrollment in a school's subsequent years of operation.

The conference agreement deletes language proposed by the Senate earmarking $3,000,000 for continuation costs for innovative programs for magnet schools. The conferees understand that it is the Department's intent to provide continuation costs for this purpose.

For training and advisory services the agreement provides $7,334,000, the same as the House and Senate bills. The funds are provided to continue the 10 regional desegregation centers. No funds are included for civil rights units in State education agencies.

CHILD LITERACY INITIATIVE

(INCLUDING TRANSFER OF FUNDS)

For fiscal year 1998, the conference agreement includes $85,000,000 for child literacy initiatives allocated under existing statutory authorities: Even Start Program, Eisenhower Professional Development, Fund for the Improvement of Education, and The Corporation for National and Community Service. The conferees agree that funds are to be used for child literacy initiatives consistent with applicable statutory authorities, and the goals and concepts of a child literacy initiative described in House Report 105–116. Where funds are used for training teachers how to teach reading, the conferees expect such activities to be based on reliable, replicable research.

The conference agreement includes a fiscal year 1999 advance appropriation of $210,000,000 for a child literacy initiative, instead of $260,000,000 proposed by the House and the Senate. The House proposed that if an authorization for child literacy is not enacted by April 1, 1998, funds are to be made available for Special Education for the 1999–2000 school year. The Senate bill provided funds only if specifically authorized by April 1, 1998. The conference agreement provides that if an authorization for child literacy is not enacted by July 1, 1998, funds are to be made available for Special Education State grant program for the 1999–2000 school year.

SPECIAL EDUCATION

The conference agreement includes $4,810,646,000 for Special Education, instead of the $4,428,647,000 proposed by the House and $4,958,073,000 as proposed by the Senate. Included in these funds is $3,801,000,000 for Grants to the States, instead of $3,425,911,000 proposed by the House bill and $3,941,837,000 proposed by the Senate.

The conferees are aware that the Department of Education supports an effective program of clearinghouses to collect and disseminate information for students with disabilities about education from preschool through college and graduate school. These clearinghouses, which provide valuable information to assist students with disabilities in planning successful education outcomes, reach millions of children, youth and adults with disabilities and their families and the professionals who work with them. The conferees encourage the Department to continue to support these activities.

The conferees note that both the House and Senate reports identify funding for the Easter Seal Society's Early Childhood Development Project for the Mississippi River Delta Region. The conferees endorse this project and have set aside funds as outlined in the Senate report. Within the Research and Innovation to Improve Services account, the conferees agree that sufficient funds are included for a comprehensive study of the disproportionate number of students from minority backgrounds in special education programs. The conferees direct that the Department of Education contract with the National Academy of Sciences no later than 90 days after the enactment of this Act to conduct this study. The conferees further direct that the study be completed no later than 24 months after the date on which the contract is finalized. As part of this study, the National Academy of Sciences will convene a study panel including appropriate minority representatives. The National Academy of Sciences shall be directed, as part of the contract, to consult with the House and Senate Committees on Appropriations regarding appointments to the study panel.

Included in the conference agreement is $32,523,000 for technology and media services, as proposed by the House, instead of the $32,023,000 as proposed by the Senate bill. The conferees have included within the amounts provided for this activity, $500,000 for a project to develop, refine, and disseminate information on adaptive technologies. Funds would be used to conduct research, develop state-of-the-art personnel preparation programs and for a pilot project using technology to link parents and their children with disabilities to public school districts and community service providers.

The conference agreement includes $6,000,000 for Recordings for the Blind and Dyslexic as described in the House and Senate Reports. The increase provided will finance services to an increasing number of visually impaired students and will allow the use of other funds to support the conversion of its analog tape system to a digital format.

The conference agreement also provides $1,500,000 for the Readline Program as proposed by the Senate, and endorses the language included in the Senate report.

REHABILITATION SERVICES AND DISABILITY RESEARCH

The conference agreement includes $2,591,195,000 for Rehabilitation Services and Disability Research, instead of $2,589,176,000 as proposed by the House and $2,591,286,000 proposed by the Senate.

For the National Institute for Disability and Rehabilitation Research (NIDR) the conference agreement includes $76,800,000 the same level as proposed by the House, instead of the $71,000,000 as proposed by the Senate.

The conference agreement includes $5,000,000, as proposed by the House, within the funds provided for the National Institute for Disability and Rehabilitation Research to permit the establishment of 15 model systems and a national data center for traumatic brain injury. The Senate bill provided $2,500,000 for this purpose.

The conferees also note that similar language was included in both the House and Senate reports concerning the establishment of a rehabilitation engineering research center focusing on the unique needs of landmine survivors. The conferees have included $850,000 within the amounts for the National Institute for Disability and Rehabilitation Research for this purpose.

The conferees specifically endorse the provisions of the Senate report urging the Secretary to set aside $1,000,000 to support new assisted living programs that develop state-of-the-art electronic technology.

Also included are sufficient funds within the National Institute for Disability and Rehabilitation Research for a demonstration designed to provide summer recreational and residential programs for orthopedically impaired, multiple handicapped and medically frail children and adults. Funds would be used to operate programs with progressive educational and therapeutic techniques that would maximize each individual's mobility and potential for independent living. The conferees note that the Hebrew Academy for Special Education in New York City would be especially suited for such a demonstration.

SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES

AMERICAN PRINTING HOUSE FOR THE BLIND

The conference agreement provides $8,186,000 for the American Printing House for the Blind as proposed by the House instead of $7,906,000 as proposed by the Senate.

NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

The conference agreement provides $44,141,000 for the National Technical Institute for the Deaf as proposed by the Senate instead of $43,841,000 as proposed by the House.

GALLAUDET UNIVERSITY

The conference agreement provides $81,000,000 for Gallaudet University as proposed by the Senate instead of $80,682,000 as proposed by the House.

VOCATIONAL AND ADULT EDUCATION

The conference agreement includes $1,507,698,000 for Vocational and Adult Education instead of the $1,506,975,000 as proposed by the House and $1,487,698,000 as proposed by the Senate. Included in the agreement for Vocational Education basic state grants, is $1,027,550,000, instead of the $1,035,550,000 as proposed by the House and $1,015,550,000 proposed by the Senate and for Adult Education the agreement provides $345,339,000, instead of the $340,339,000 provided in both the House and Senate bills.

The conferees also endorse language contained in the Senate report under the national programs account regarding a demonstration project to develop work force skills for this nation's expanding audio-visual communications industry.

STUDENT FINANCIAL ASSISTANCE

The conference agreement provides $8,978,934,000 for Student Financial Assistance instead of $9,046,407,000 as proposed by the House and $8,591,641,000 as proposed by the Senate. The conference agreement sets the maximum Pell Grant at $3,000 and provides a program level of $7,154,000,000 for current law Pell Grants which includes $7,058,000,000 in new appropriations and $96,000,000 in carryover funds from the previous year as authorized by law. The agreement provides an additional $286,000,000 which may be used, if not needed to fund the maximum $3,000 Pell Grant according to the latest available estimates at the time the Pell Grant schedules are published, to increase the income protection allowances

(IPAs) for independent and dependent students in the need analysis formula used for all need-based student financial assistance programs.

To the extent that Pell Grant funds are available in excess of the amount needed to fund a $3,000 maximum award at the time the Pell Grant payment schedule is issued, the Secretary may increase the IPAs above the statutory amounts previously in effect, up to the amounts established in this conference agreement. The conferees expect the Secretary to provide a full $3,000 maximum Pell Grant. However, in the event that future estimates indicate that the amounts available are not sufficient to fully fund a $3,000 maximum Pell Grant at the IPA levels in effect prior to enactment of this Act, the conference agreement requires the Secretary to reduce Pell Grant awards in accord with the award reduction provisions in this Act. These provisions have been included in each appropriations Act beginning with fiscal year 1994. The conferees wish to emphasize that if Pell Grant funds are projected to be insufficient to support the higher IPA levels permitted by this Act at the time the Pell Grant payment schedules are published, the Secretary must first reduce the IPA levels, and then, if funds are estimated to be insufficient to support a maximum $3,000 Pell Grant at the IPA levels in effect prior to enactment of this Act, reduce Pell Grant award levels below $3,000.

The conferees expect that the Secretary will use the most recent data available to update program and funding estimates and will not artificially alter such estimates for any purpose including masking a potential funding shortfall. While the conferees understand the difficulty of projecting Pell Grant costs several years in the future, they direct the Secretary to determine IPA adjustments based on the best program and funding estimates available, without regard to margins of error associated with statistical estimates. The conferees further direct the Secretary to notify the Appropriations Committees of the Pell Grant program and funding estimates, the related IPA levels to be established for award year 1998–1999, and the methodologies for calculating the above at least 15 days prior to issuing the Pell Grant payment schedule.

The legislative changes described above are included in the conference report with the full concurrence of the authorizing committees of jurisdiction. The IPA changes authorized in this conference agreement are temporary, and the conferees expect the authorizing committees of jurisdiction to establish permanent IPAs in a reauthorization of the Higher Education Act.

The conference agreement deletes two provisions proposed by the Senate and not included in the House bill making available funding for the State Student Incentive Grant program and the Education Infrastructure program from unobligated balances previously appropriated for Pell Grants. The State Student Incentive Grant program is separately funded in the conference agreement through new appropriations. The conferees have provided $135,000,000 for new capital contributions under the Perkins Loan program, the amount necessary to maintain the same new loan volume in fiscal year 1998 as was provided for fiscal year 1997.

FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT

The conference agreement provides $46,482,000 for the Federal Family Education Loan Program Account as proposed by the Senate instead of $47,688,000 as proposed by the House.

HIGHER EDUCATION

The conference agreement provides $946,738,000 for Higher Education instead of $909,893,000 as proposed by the House and $929,752,000 as proposed by the Senate. The conference agreement deletes a provision in the House bill and not included in the Senate bill which requires Byrd Scholarships to be prorated in order to fund the same number of new scholarships in fiscal year 1998 as was funded in fiscal year 1997. The conference agreement includes a provision as proposed by the Senate to permit the Department to award new and continuing Javits Fellowships. The House bill permitted the award of continuing but not new scholarships. The conference agreement includes a provision not included in either the House or Senate bills providing $3,000,000 for an education technology and distance learning center at Empire State College in New York.

The conferees have included $1,000,000 for the Advanced Technical Center at Mexico, Missouri, for the coordinated delivery of technical education in cooperation with community colleges and secondary education systems including State technical schools. Funds will be used to provide participants with high-capacity voice, video and data line connections to couple the facilities to each other and to satellite up-links. Funds will also be used for training of vocational school instructors, and community college faculty.

The conferees encourage the Department to provide the amounts suggested and to provide full and fair consideration to the potential applicants designated in the Senate report under the heading "Funding for the Improvement of Postsecondary Education".

Regarding International Education and Foreign Language Studies domestic programs, the conferees are aware of the success of the American Overseas Research Center Program and commend the Department for its support of the Centers. However, the conferees are concerned that qualified applicants were denied awards due to the overall funding limits. To support more overseas centers, the conferees urge the Secretary to allocate $100,000 for grants to additional centers to be awarded on a competitive basis.

It has been brought to the conferees attention that a problem exists in the distribution of funds to Historically Black Graduate Institutions by the Department of Education. The conferees question the wisdom of removing funds from one institution to transfer them to another institution unless a particular institution is unable to meet the prior year matching requirement. The inequities in the distribution of these funds should be addressed in the reauthorization of the Higher Education Act.

HOWARD UNIVERSITY

The conference agreement provides $210,000,000 for Howard University as proposed by the House instead of $198,000,000 as proposed by the Senate. The agreement includes a provision proposed by the House to permit Howard University to allocate funds for the endowment as authorized by law. The Senate bill designated for the endowment and made available until expended not less than $3,530,000. The conferees intend that Howard University and the Department comply with the House report directive regarding the endowment.

EDUCATION RESEARCH, STATISTICS AND IMPROVEMENT

The conference agreement includes $431,438,000 for Education Research, Statistics and Improvement, instead of the $423,252,000 as proposed by the House and $323,190,000 as proposed in the Senate. As noted in the section of this Statement on Education Reform, all of the separate technology activities formerly funded in this account are now funded as part of Education Reform.

The conferees note that section 931 of P.L. 103–227 gives the Office of Research, Statistics and Improvement the authority to renew research center grants for five additional years after the first competitive award, based on recommendations of a 1992 National Academy of Sciences review of OERI. The conferees encourage OERI to consider renewal for centers performing high quality research as indicated by the third-year external review.

For regional education laboratories, the conferees provide $56,000,000, instead of the $57,000,000 as proposed in the House bill, and $53,500,000 as proposed by the Senate. The conferees agree that $4,000,000 of this amount shall be used in accordance with the direction in House Report 105–205 regarding comprehensive school reform. Further, the conferees intend that the regional laboratory governing boards set the research and development priorities to guide the work funded and that the funds be obligated and distributed in accordance with the fiscal year 1997 allocations by December 1, 1997. The conferees further agree that $1,000,000, as proposed by House, shall be for the third year evaluation of the laboratories instead of the $42,500,000 as proposed by the Senate.

For the fund for the improvement of education (FIE), the conferees provide $108,100,000 instead of the $80,000,000 as proposed by the House and $50,000,000 as proposed by the Senate. Except as modified below, the conferees have reviewed and concur in the items identified in the House and Senate reports.

Within the funds provided, the conferees encourage the Department to conduct a competition for a project to document the educational readiness of at-risk children from birth to age six which could identify at-risk pregnant mothers who would be especially suited to document how different types of support systems promote the development and learning of young children.

Also within FIE, the conferees have included a provision which provides up to $1,000,000 to a State education agency to pay the cost of appraisals, resource studies and other expenses associated with the exchange of state trust land which lies within the boundaries of the Grand Staircase-Escalante National Monument for other lands outside of the monument. This provision would reimburse the state of Utah for certain costs associated with the exchange of this land.

Within FIE, the conferees specifically endorse the language contained in the House report (105–205) relating to the Jump Start program and the Model Youth program and have provided $225,000 for the National Student and Parent Mock Elections.

The conferees have included within the funding available for the fund for the improvement of education, $55,000 for community based projects to assist with the education and mentoring of children who are at-risk. The After School program of the St. Stephen Life Center in Louisville, Kentucky provides assistance to at-risk students with homework, tutoring, computer literacy, humanities instruction and personal finance skills, while stressing self-sufficiency, innovation, respect and quality of life for students.

The conferees have also provided $350,000 for the White Plains City School District to expand the after-school program housed in the schools and run by the City's Youth Bureau. The current program provides child care and recreational activities to low-income families. These funds will be used to add an academic component to the program including computer instructions, literacy and parenting education to parents and expansion of the program to the summer months.

The agreement includes $500,000 for a demonstration project to support public broadcasting of student performed classical music. The Young Performance series, which affords six to eighteen-year-old musicians the opportunity to air their talents, would be especially suited to carry out such a demonstration.

The conferees have included $1,000,000,000 for the National Museum of Women in the Arts for activities associated with the archiving of works by women artists. The conferees have also included $5,000,000 for programs to provide at-risk children with innovative learning opportunities in safe learning environments. Monies have been provided to the Children's Museums in Philadelphia, Baltimore, Boston and Children's museums in Chicago and the Museum of Science and Industry in Chicago to operate these programs which will include multidisciplinary cultural programming that integrates the arts and humanities with mathematics and science.

Within the funds provided for FIE, the conferees have included $8,000,000 for a demonstration of public school facilities repair and construction to be awarded to the Iowa Department of Education. Also included within the funds provided for FIE is $100,000 for a project in Montgomery County Pennsylvania to develop and install computer networking and telecommunications.

The conferees have included $500,000 for enhanced teacher training for longitudinal project "Early Interventions for Children and Reading Problems" involving nine public elementary schools in the District of Columbia. Such a project will focus upon research-based components critical to success in learning to read and spell (phonemic awareness, alphabetic and orthographic knowledge, and comprehension strategy instruction) all within a literature-rich environment. The Teacher training component will involve five activities; general coordination/training, generic teacher training, comprehension training, teacher processes and curriculum-based assessments.

The conference agreement includes $26,000,000 for comprehensive school reform, instead of $50,000,000 proposed by the House and no funding proposed by the Senate. The agreement also provides for extended availability of $25,000,000.

The conferees direct that the $25,000,000 be awarded by the Secretary of Education to SEAs for grants to LEAs, to be used in conjunction with $120,000,000 provided under title I. These funds shall be allocated based on each state's relative share of the school-age (ages 5–17) population to SEAs, upon application to the Secretary, except that the Secretary may utilize other reasonable criteria to determine state allocations. In cases where a SEA declines to apply for its formula-0based allocation, the Secretary shall reallocate the funds to other states that have a need for additional funds to implement comprehensive school reform programs. The Secretary may reserve up to one percent of the funds for grants to Indian schools and the territories, and up to one percent of the funds, that combined with the title I evaluation set-aside, shall be used for national evaluation activities.

The conferees intend that schools receiving financial assistance under this account select or develop comprehensive school reform approaches that meet the criteria outlined under title I—demonstration of innovative practices, and that requirements for state and LEA applications outlined under title I—demonstration of innovative practices also apply, except that any school within an LEA may be included in the LEA's application for financial assistance provided under this account. The conferees further agree that the Secretary shall administer the comprehensive school reform initiative as a unified program, and that each SEA and LEA may develop a consolidated application for funds provided under both this and the title I account.

In awarding competitive grants to LEAs using FIE funds, the conferees direct SEAs to make awards that are of sufficient size and scope to support the initial start-up costs for the particular comprehensive reform plan selected or designed by the schools identified in the LEA application, but that are not less than $50,000 per school and renewable for two additional years after the initial award. The conferees encourage SEAs to award grants to LEAs in different parts of the state, including urban and rural communities, and to LEAs proposing to serve schools at different grade levels (elementary/middle/high school), and to LEAs that demonstrate a commitment to assisting schools with budget reallocation strategies necessary to ensure that comprehensive school reforms are properly implemented and sustained in the future. SEAs may reserve up to five percent of these funds for administrative, evaluation and technical assistance expenses, including expenses necessary to inform LEAs and schools about research-based comprehensive school reform approaches.

The conference agreement also includes $1,000,000 that the department shall use to identify research-based approaches to comprehensive school reforms that show the most promise of meeting the objectives of this initiative, and disseminate that information to SEAs, LEAs, and schools so that they can make informed choices about what strategies will work best in their communities. In identifying such approaches, the Department shall consult with outside experts in disciplines relevant to school-wide transformation, which may include effective teaching and learning methods, child development, assessment, school finance, school organization and management, and evaluation, on whether such approaches are based on reliable research and effective practices. The Department shall report to the appropriations and authorizing committees on the process and criteria used to determine whether such approaches are based on rigorous, reliable research and effective practices.

The conference agreement includes $40,000,000 for 21st Century Community Learning Centers, instead of $50,000,000 as proposed by the House and $1,000,000 as proposed by the Senate. The conferees agree that the 21st Century Community Learning Centers program presents an excellent opportunity to engage at-risk young people in productive and constructive activities during their non-school hours. The conferees urge the Department of Education and the Corporation for National and Community Service to seek ways to use volunteers to help in the process of identifying and developing a cadre of local community volunteers to maximize and leverage community resources to the fullest extent.

For Eisenhower professional development national activities, the conferees provide $23,300,000 instead of the $21,000,000 as proposed by the House and the $25,000,000 proposed by the Senate. Included within this amount is $18,500,000 for the Board of Professional Teaching Standards, of which $16,000,000 shall be for assessment development and $2,500,000 shall be for teacher subsidies.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

The conference agreement provides $146,340,000 for the Institute of Museum and Library Services instead of $142,000,000 as proposed by the House and $146,369,000 as proposed by the Senate. The agreement provides funding under the heading "Institute of Museum and Library Services" as proposed by the Senate instead of "Libraries" as proposed by the House. The conference agreement deletes a provision of the Senate bill not included in the House bill designating $15,455,000 for national leadership grants. The conferees concur in the provisions of the Senate report regarding a project to digitize a card catalog, a project regarding an historic medical library collection, a one-of-a-kind historical library in Pennsylvania, and a demonstration of interactive Internet connections.

DEPARTMENTAL MANAGEMENT

The conference agreement includes $432,806,000 for Departmental Management, instead of the $415,270,000 as proposed by the House and $429,586,000 in the Senate.

The conferees recognize that Public Service Recognition Week has educated America as to the value of the career workforce which carries out the day-to-day operations of government. This program, which has existed for over ten years, plays an important role in educating our nation's youth and providing them with timely information about their government. The conferees urge the Secretary to support the elementary and secondary education projects of Public Service Recognition Week.

The conferees have deleted without prejudice a provision included in the Senate which provided $1,100,000 for the Millennium 2000 project.

The conferees endorse the language outlined in the Senate report regarding research programs on reading development and disability, and also concur in the directive to the Secretary of Education to consult with the Director of the National Institute of Child Health and Human Development to convene a panel to assess the current status of research and effective approaches to teaching children to read.

The conferees agree that sufficient funds are included to enable the Department to expand its Internet website in order to provide enhanced information to students on public and private student financial assistance programs pursuant to section 409(A)(1) of the Higher Education Act.

GENERAL PROVISIONS

SPACE AND TECHNOLOGY ADVISORY BOARD

The agreement does not include a provision in the House bill prohibiting the use of funds for the National Academy of Sciences, Space and Technology Advisory Board.

STRENGTHENING INSTITUTIONS ENDOWMENTS

The conference agreement includes a provision proposed by the House and not included in the Senate bill to permit grantees under Title III A and B of the Higher Education Act to use funds for the purposes of endowment as authorized under Part C of the Act.

DEFINITION OF ELIGIBLE LENDERS

The conference agreement deletes two provisions proposed by the House and not included in the Senate bill to clarify the definition of "eligible lender" for the purposes of the Federal Family Education Loan program.

STUDENT LOAN GUARANTY AGENCY RESERVE RECAPTURE

The conference agreement provides for the recapture of $282,000,000 in student loan guaranty agency reserves previously held by the Higher Education Assistance Foundation.

SCHOOL VIOLENCE

The conferees have deleted Section 305 of the Senate bill without prejudice. The conferees have indicated in this Statement that funds for elementary and secondary school witnesses and victims of violence is included in Safe and Drug Free Schools and Communities National Programs.

SCHOOL VIOLENCE HOTLINES

The agreement deletes Section 306 of the Senate bill without prejudice. The conferees have included funding for school violence hotlines in Safe and Drug Free Schools and Communities National Programs.

95% OF FUNDS TO LOCAL SCHOOLS

The conference agreement deletes section 307 as proposed by the Senate regarding certification from the Department of Education that 95 percent of the funds provided be used directly for teachers and students. The House bill contained no similar provision.

The conferees direct the Secretary of Education to provide to the Committee on Labor and Human Resources, the Committee on Education and the Workforce, and the House and Senate Committees on Appropriations by April 1, 1998, a certification that not less than 95 percent of the amount appropriated to the Department of Education is being used directly for teachers and students. If the Secretary determines that less than 95 percent of such amount is being used directly for teachers and students, the Secretary shall certify the percentage of such amount that is being used for this purpose.

SMALLER CLASS SIZE

The conference agreement deletes section 308 as proposed by the Senate requiring the Secretary of Education to conduct a study regarding enrollments. The House bill contained no similar provision.

The conferees direct the Secretary to conduct a study examining the economic, educational and societal costs of the increase in enrollment of secondary school students during the period 1998–2008; the creation of smaller class sizes for students enrolled in grades 1 through 3; and the increase in enrollments in relation to the creation of smaller class sizes. The study should also include the cost to state and local school districts. The conferees further direct the Secretary to report to the Congress within 9 months of enactment of this Act. This report should include recommendations regarding what local school districts, States and the Federal Government can do to address the issue of increased enrollments of secondary school students and the need for smaller class sizes in grades 1 through 3.

PELL GRANTS

The conference agreement deletes a provision proposed by the Senate and not included in the House bill expressing the sense of the Senate regarding Pell Grants.

TITLE IV—RELATED AGENCIES

ARMED FORCES RETIREMENT HOME

The conference agreement provides $68,669,000 for the Armed Forces Retirement Home instead of $70,277,000 as proposed by the House and $65,452,000 as proposed by the Senate. The conference agreement includes a provision not contained in the House or Senate bills which permits the Armed Forces Retirement Home to contract for planned renovation activities specified in the budget request. Due to budgetary constraints, the conferees have not included the full amount requested for capital projects but have provided legislative authority to allow the Home to contract for the completion of the requested capital activities pending future appropriations.

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

DOMESTIC VOLUNTEER SERVICE PROGRAMS, OPERATING EXPENSES

The conference agreement provides $256,604,000 for the Domestic Volunteer Service programs instead of $227,547,000 as proposed by the House and $232,604,000 as proposed by the Senate.

FEDERAL MEDIATION AND CONCILIATION SERVICE

SALARIES AND EXPENSES

The conference agreement includes the citation for the Federal Mediation and Conciliation Service proposed by the House.

NATIONAL MEDIATION BOARD

SALARIES AND EXPENSES

The conference agreement includes $8,600,000 as proposed by the Senate instead of $8,400,000 as proposed by the House.

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

SALARIES AND EXPENSES

The conference agreement provides $7,900,000 for the Occupational Safety and Health Review Commission as proposed by the House instead of $7,800,000 as proposed by the Senate.

MEDICARE PAYMENT ADVISORY COMMISSION

SALARIES AND EXPENSES

The conference agreement provides $7,015,000 for the consolidated Medicare Payment Advisory Commission. The House bill provided $3,258,000 for the Physician Payment Review Commission and $3,257,000 for the Prospective Payment Assessment Commission. The Senate bill provided $3,508,000 for the Physician Payment Review Commission and $3,507,000 for the Prospective Payment Assessment Commission. The Prospective Payment Assessment Commission and the Physician Review Commission were consolidated into the Medicare Payment Advisory Commission pursuant to section 1805 of P.L. 105–33, the Budget Reconciliation Act for 1997.

RAILROAD RETIREMENT BOARD

DUAL BENEFITS PAYMENTS ACCOUNT

The conference agreement provides $193,500,000 for dual benefits payments as proposed by the Senate instead of $194,000,000 as proposed by the House.

LIMITATION ON ADMINISTRATION

The conference agreement includes a limitation on transfers from the railroad trust funds of $87,228,000 for administrative expenses instead of $85,728,000 as proposed by the House and $87,728,000 as proposed by the Senate.

LIMITATION ON THE OFFICE OF INSPECTOR GENERAL

The conference agreement includes a limitation on transfers from the railroad trust funds of $5,794,000 for the Office of Inspector General instead of $5,000,000 as proposed by the House and $5,394,000 as proposed by the Senate. The conference agreement includes a provision by the House prohibiting the use of funds other than those provided under this heading for the Office of Inspector General. The conference agreement includes a provision proposed by the House prohibiting the use of funds for any audit, investigation or review of the Medicare program.

SOCIAL SECURITY ADMINISTRATION

SUPPLEMENTAL SECURITY INCOME PROGRAM

The conference agreement includes $16,370,000,000 for the Supplemental Security Income Program instead of $16,380,000,000 as proposed by the House and $16,417,525,000 as proposed by the Senate. The agreement deletes without prejudice a provision proposed by the Senate and not included in the House bill designating $2,225,000 for a limb loss disability return to work demonstration project.

LIMITATION ON ADMINISTRATIVE EXPENSES

The conference agreement includes a limitation of $6,409,040,000 on transfers from the Social Security and Medicare trust funds and Supplemental Security Income program for administrative activities instead of $6,418,040,000 as proposed by the House and $6,462,708,000 as proposed by the Senate. The conference agreement includes the citation for section 10203 of Public Law 105–33 as proposed by the Senate. The conference agreement includes a provision not proposed in either the House or Senate bills allowing the Social Security Administration to use unexpended fiscal year 1997 funds for fiscal year 1998 activities.

The conference agreement includes a provision proposed by the House and not included in the Senate bill requiring the Secretary of the Treasury to reimburse the trust funds from general revenues for expenditures related to union activities performed on official time. The conferees request that Social Security coordinate with the government-wide reporting effort which will be undertaken by the Office of Personnel Management in consultation with the Office of Management and Budget as required by Public Law 105–61.

The conferees support the Social Security Administration's unique, cooperative training program for Administrative Law Judges which is recognized by State Bar Associations for continuing legal education credits. The conferees encourage the Office of Hearings and Appeals to continue this training program and to expand financial support to enable greater ALJ participation.

OFFICE OF INSPECTOR GENERAL

(INCLUDING TRANSFER OF FUNDS)

The conference agreement provides $48,424,000 for the Office of Inspector General through a combination of general revenues and limitations on trust fund transfers instead of $52,424,000 as proposed by the House and $37,354,000 as proposed by the Senate.

TITLE V—GENERAL PROVISIONS

DISTRIBUTION OF STERILE NEEDLES

Both the House and Senate bills contained restrictions on the use of federal funds for the distribution of sterile needles for the injection of any illegal drug (section 505). The Senate bill repeated language from previous appropriations bills allowing the Secretary to waive the prohibition if she determined that such programs are effective in preventing the spread of HIV and do not encourage the use of illegal drugs. The House bill removed the Secretary's authority over this issue.

The conference agreement includes the House language prohibiting the use of federal funds for carrying out any program for the distribution of sterile needles or syringes for the injection of any illegal drug. This provision is consistent with the goal of discouraging illegal drug use and not increasing the number of needles and syringes in communities.

The conference agreement also includes bill language limiting the use of federal funds for sterile needle and syringe exchange projects until March 31, 1998. After that date such projects may proceed if (1) the Secretary of Health and Human Services determines that exchange projects are effective in preventing the spread of HIV and do not encourage the use of illegal drugs; and (2) the project is operated in accordance with criteria established by the Secretary for preventing the spread of HIV and for ensuring that the project does not encourage the use of illegal drugs. This provision is consistent with the goal of allowing the Secretary maximum authority to protect public health while not increasing the overall number of needles and syringes in communities.

With respect to the first criteria, the conferees expect the Secretary to make a determination based on a review of the relevant science. If the Secretary makes the necessary determination, then the conferees expect the Secretary to require the chief public health officer of the State or political subdivision proposing to use federal funds for exchange projects to notify the Secretary that, at a minimum, all of the following conditions are met: (1) a program for preventing HIV transmission is operating in the community; (2) the State or local health officer has determined that an exchange project is likely to be an effective component of such a prevention program; (3) the exchange project provides referrals for treatment of drug abuse and for other appropriate health and social services; (4) such project provides information on reducing the risk of transmission of HIV; (5) the project complies with established standards for the disposal of hazardous medical waste; and (6) the State or local health officer agrees that, as needs are identified by the Secretary, the officer will collaborate with federally supported programs of research and evaluation that relate to exchange projects.

It is hoped that the delay in implementation of the provision with regard to exchange projects will allow the authorizing committees sufficient time to conduct a complete review and evaluation of the scientific evidence, as well as any conditions proposed by the Secretary, and consider the need for legislation with regard to these programs. It is the intent of the conferees that the Appropriations Committees refrain from further restrictions on the Secretary's authority over exchange after March 31, 1998.

TECHNICAL

The conference agreement inserts the word "the" before the word "Departments" in section 516 as proposed by the House.

SALARIES AND EXPENSES REDUCTION

The conference agreement deletes section 517 of the Senate bill that would have reduced salaries and expenses appropriations for all agencies in the bill by a total of $75,500,000 to be allocated by the Office of Management and Budget. The House had no similar provision.

TEAMSTERS ELECTION

The conference agreement includes a general provision (section 518) proposed by the House that prohibits the use of funds in this Act for the election of officers of the International Brotherhood of Teamsters. The conference agreement deletes section 106 of the Senate bill which included a related provision. The conferees are aware that the U.S. District Court is currently supervising the election of IBT officers pursuant to a consent decree between the IBT and the Department of Justice. This consent decree provided, in part, a Federal government option to order supervision of the 1996 election at government expense. While the Department of Labor contributed a portion of the funding to assist the Department of Justice in financing the 1996 election supervision expenses, it is the understanding of the conferees that the cost to rerun this election is expected to be significantly less than the original election and will be partially borne by the union. No Department of Labor contribution is provided in this bill.

TOBACCO PROVISIONS

The conferees have deleted four provisions included by the Senate relating to a national tobacco settlement. The conferees concur that these matters should be debated and resolved during consideration of tobacco settlement implementing legislation. The conferees believe, however, that any national tobacco settlement should include a provision requiring public disclosure of all private attorneys' fees paid by all parties in connection with an action maintained by a State against one or more tobacco companies to recover tobacco-related costs affected by any federal tobacco settlement. Furthermore, the conferees agree that the authorizing committees with jurisdiction over the implementing legislation should consider whether the legislation should limit the rate and/or total or private attorneys' fees paid on behalf of attorneys or the plaintiffs or defendants in connection with any action maintained by a State against one or more tobacco companies to recover tobacco-related expenses. Finally, the conferees believe that tobacco growers and tobacco growing communities should be fairly compensated as part of any settlement legislation.

EDUCATION BLOCK GRANTS

The agreement deletes Section 523 of the Senate bill regarding education block grants. The House bill contained no similar provision. The conferees remain concerned by the paperwork and inefficiency associated with the need to apply for the many different federal education programs. The House and Senate Committees on Appropriations want to work with the Department of Education and the General Accounting Office to determine the true paperwork and dollar cost to localities associated with application and record keeping of these various programs.

PROHIBITION ON VOLUNTARY NATIONAL TESTING

The House bill contained a prohibition on the use of federal funds for the development, planning or administration of any national program for testing in reading or mathematics. The provision exempts the National Assessment of Educational Progress and the Third International Math and Science Study.

The House bill also contained a provision prohibiting the administration of any national tests in 4th grade and reading and 8th grade mathematics until the submission of a final report by the National Academy of Sciences.

The Senate bill contained several provisions. The first required the Office of Educational Research and Improvement to submit to the Senate Appropriations Committee a spending plan for activities under the Education Research, Statistics, and Improvement account prior to obligation.

The second gives the National Assessment Governing Board exclusive authority over the policies direction and guidelines for implementing voluntary national tests for 4th grade reading and 8th grade mathematics. The provision also required that any such tests be voluntary and that within 90 days of enactment the Board shall review the contact for the national tests and, if necessary modify or terminate and renegotiate any contracts. The provision lists the specific authorities of the board.

The third provision also expressly prohibited any State or local educational agency from requiring any private, parochial school student or home-schooled student to take any national test without the written consent of the student.

The fourth provision of the Senate bill changed the composition of the National Assessment Governing Board to add one governor, two mayors, and two business representatives and make ethnical changes to the make-up and process for appointment to the Board.

The conferees and the Administration agree that it is important to have high, voluntary standards in the basic skills of reading and math, to measure whether students are meeting these standards, and to provide that information to students, parents and teachers. The Administration has proposed voluntary national tests in order measure student achievement related to national standards. However, every state already administers a number of tests and many are concerned that an additional, national, test would be an unnecessary burden.

To address this concern, the conference agreement (sec. 305-311) states that the National Academy of Sciences will be commissioned to conduct a study of the feasibility of equating existing state and commercially available tests with other and with the National Assessment of Educational Progress. The purpose of this study is to determine whether it will be possible to use existing tests administered by states and local school districts to compare individual student performance with existing, challenging national content and performance standards. The purpose is also to determine if the same tests can be sued to compare the performance of students in different states and communities, on different tests, to each other. The NAS shall submit a report on this study to the Congress no later than June 15, 1998, and a final report no later than September 1, 1998.

The NAS will conduct this study in consultation with the National Governors' Association (NGA), the National Conference of State Legislatures (NCSL), NAGB, the Congress and the White House. While the NAS study is being conducted, NAGB will have exclusive authority over contract RJ97153001, as stated in this Act, which will be based on the same content and performance standards as are used for NAEP, and which are linked to NAEP to the maximum extent possible.

The conference agreement further provides that the National Academy of Sciences shall submit a written report by September 1, 1998 to the Committee on Education and Workforce in the House of Representatives, the Committee on Labor and Human Resources in the Senate, and the House and Senate Appropriations Committees that evaluates the technical quality, validity and reliability of developed test items on national 4th grade reading and 8th grade mathematics tests; evaluates whether test items are free from racial, cultural or gender bias; evaluates whether the test items address the needs of disadvantaged, limited English proficient and disabled students; and evaluates whether the test items can be used for tracking, graduation or promotion of students.

The conferees intend that the National Assessment Governing Board shall hold public hearings on these test development activities and on the recommendations submitted by the National Academy of Sciences. The National Assessment Governing Board shall ensure that such hearings are widely publicized, and that activities conducted to publicize such hearings communicate effectively with the broad and diverse populations that may be affected by such tests.

The Administration and the authorizing Committees of the U.S. Congress will work together to incorporate the findings from the NAS study into the reauthorization of NAEP and NAGB. The conferees understand that the Administration agrees that, where it is feasible and practical to validly and reliably equate test scores and link performance levels on State assessments and commercially available standardized tests with the National Assessment of Education Progress, then these tests may serve the same purpose as the proposed national test. To the extent that NAS study demonstrates ways in which existing tests can be equated with each other and with NAEP, or ways in which existing tests can be modified in order to facilitate such equating, the Administration and the House Committee on Education and Workforce intend to work together to implement these recommendations through the reauthorization of NAEP.

In order to inform future deliberations on the appropriate uses of tests measuring student academic performance and to prevent the misuse of such tests, particularly for minority and limited English proficient students, the conference agreement provides for a third study to be conducted by the National Academy of Sciences that makes recommendations on appropriate methods, practices, and safeguards to ensure that existing and new tests that may be used to measure student performance are not used in a discriminatory manner or inappropriately for tracking or other "high stakes" purposes. The NAS is also directed to report on ways to ensure that such tests adequately assess student reading and mathematics comprehension in the form most likely to yield accurate information regarding student achievement in reading and mathematics. The conference agreement provides that this NAS report shall be submitted to the White House, National Assessment Governing Board, the Committee on Education and the Workforce in the House of Representatives and the Committee on Labor and Human Services in the Senate, and the Committees on Appropriations in the House of Representatives and Senate not later than September 1, 1998.

The conferees encourage the National Assessment Governing Board and the National Academy of Sciences, in convening any advisory committees or expert panels needed to carry out the requirements of this Act, to take into account racial, ethnic and gender diversity and balance.

The conference agreement further provides that the federal government shall not require any state, local educational agency or school district to administer or implement any pilot or field test in any subject or grade, or require any student to take any national test in any subject or grade. In addition, no federal, state or local educational agency may require any private or parochial school student, or home-schooled student, to take any pilot or field test developed under this Act without the written consent of the parents or legal guardians.

The Conferees understand that the Administration will submit legislation for a revised school facilities initiative.

LIMITATION ON PENALTIES UNDER THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT

The agreement deletes section 521 of the House bill limiting the penalties the Secretary of Education may impose on states not providing special education services to individuals 18 years or older who are incarcerated in adult state prisons.

ABORTION FUNDING RESTRICTION

Both the House and Senate bills contain a revised version of the Hyde amendment. This updated version clarifies the intent of that amendment, approved annually since 1976 by Congress. Since 1993 the Hyde amendment has prohibited federal funding of abortions in Medicaid and other programs governed by the Departments of Labor, Health and Human Services, and Education and Related Agencies appropriations bill, except when the relevant federal agency is notified that the pregnancy is due to rape or incest or that the mother's life would be endangered if the fetus were carried to term.

A technical clarification is deemed necessary because many states are now arranging for delivery of health benefits through managed care, using federal funds to help pay for premiums for health benefits packages instead of suing them to reimburse for specific procedures after the fact. The words "managed care" in subsections 509(c) and 510(c) are intended to cover any arrangement that involves contracting for a package of health benefits, as opposed to providing reimbursement for specific procedures.

The intent of section 509 is to ensure that no federal funds are used to pay for abortions, or to contract with a provider or insurer for a package of health benefits that includes abortions, beyond those abortions specified in subsection 510(a). The amendment does not affect or apply to the use of separate state, local, or private funds, other than Medicaid matching funds, to pay for abortions or to contract for abortion coverage, so long as such coverage is contracted for separately from the federally subsidized contract. It does not bar a state or locality from contracting separately with a managed care provider or insuring organization for abortions or abortion coverage for patients who use a federal program, so long as the State's or locality's contribution of Medicaid matching funds is not used for this purpose. Federal agencies or entities of the federal government may not separately provide or contract for such abortions or abortion coverage, because they are barred from funding abortions or including abortion coverage (beyond those abortions specified in subsection 510(a)) in health benefits packages paid for in whole or in part with funds appropriated under this Act. (The conferees note that Congress has also prohibited the use of federal funds to subsidize contracts including abortion coverage, while allowing states to contract separately for abortion coverage if they choose to do so, under the State Children's Health Insurance Program P.L. 105–33).

This amendment also clarifies the intent of the Hyde amendment's "life of the mother" exception, restricting it to cases "where a woman suffers from a physical disorder, physical injury, or physical illness" that a physician has certified would "place the woman in danger of death unless an abortion is performed." Similar language has been approved repeatedly by Congress as part of a proposed ban on partial-birth abortion. The life-endangering physical condition may be one that is "caused by or arising from the pregnancy itself"—that is, it may be a life-threatening physical illness that did not preexist the woman's pregnancy.

This language is intended to prevent expansive interpretations of the "life of the mother" exception. The exception applies only if the individual woman herself suffers from "a physical disorder, physical injury, or physical illness" that would, "as certified by a physician, place the woman in danger of death unless an abortion is performed."

TITLE VI—OTHER PROVISIONS

The conference agreement includes a number of legislative provisions which the conferees have consolidated into a separate title of the bill. These provisions concern the following subjects: Parkinson's disease research, Minnesota and Wyoming Medicaid disproportionate share hospitals, refugee program authorization, Social Security personal earnings and benefit estimates, a technical correction to the Department of Transportation and Related Agencies Appropriations Act, a technical correction to the Balanced Budget Act of 1997 related to the welfare-to-work program, and Medicaid eligibility for Vietnamese commandos imprisoned by North Vietnam. Most of them are discussed in this joint statement at the places where they originally appeared in the bill.

H.R. 2169, THE DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT TECHNICAL AMENDMENT

The conference agreement includes a provision (section 607) that makes available an additional $50,000,000 in liquidating cash in fiscal year 1998 for trust fund share of expenses. This provision is necessary to provide sufficient liquidating cash in fiscal year 1998 to cover the contract authority made available for transit formula grants in the H.R. 2169, the Department of Transportation and Related Agencies Appropriations Act. This appropriation corrects an error in the fiscal year 1998 Department of Transportation and Related Agencies Appropriations Act and is scored as a mandatory appropriation in the annual budget process.

WELFARE TO WORK TECHNICAL AMENDMENT

The conference agreement includes a technical correction to the Balanced Budget Act of 1997 with respect to the welfare-to-work program. The provision corrects a drafting error with respect to the State matching requirement. This provision was not contained in either the House or the Senate bill.

STUDENT LOAN CONSOLIDATION

The conference agreement includes a new provision (section 609) of the bill which was not included in either the House or Senate bills. This provision amends the Higher Education Act to permit the consolidation of certain student loans and to clarify the treatment of education tax credits in determining the amount of Federal student financial assistance available to individual students.

TITLE VII—NATIONAL HEALTH MUSEUM

The conference agreement includes a new title VII of the bill that inserts the National Health Museum Development Act. This Act specifies that the National Health Museum shall be located on or near the Mall on land owned by the Federal government or the District of Columbia in the District of Columbia. It also establishes a commission to conduct a study of the appropriate Federal role in the planning and operation of the National Health Museum. The Commission will submit the study within one year of its first meeting and then terminate. The Museum would be the nation's central public resource for education in the health sciences. This provision was not in either the House or Senate bills.

CONFERENCE AGREEMENT

The following table displays the amounts agreed to for each program, project or activity with appropriate comparisons:

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
TITLE I - DEPARTMENT OF LABOR									
EMPLOYMENT AND TRAINING ADMINISTRATION									
TRAINING AND EMPLOYMENT SERVICES (1)									
Grants to States:									
Adult Training	895,000	1,063,990	1,042,990	955,000	955,000	+60,000	-87,990	---	D
Youth Training	126,672	129,965	129,965	129,965	129,965	+3,293	---	---	D
Summer Youth Program (2)	871,000	871,000	871,000	871,000	871,000	---	---	---	D
Dislocated Worker Assistance	1,286,200	1,350,510	1,350,510	1,350,510	1,350,510	+64,310	---	---	D
Federally administered programs:									
Native Americans	52,502	52,502	52,502	55,127	53,815	+1,313	+1,313	-1,312	D
Migrant and Seasonal Farmworkers	69,285	69,285	69,285	72,749	71,017	+1,732	+1,732	-1,732	D
Job Corps:									
Operations	1,064,824	1,127,726	1,127,726	1,127,726	1,127,726	+62,902	---	---	D
Construction and Renovation (3)	88,685	118,491	118,491	118,491	118,491	+29,806	---	---	D
Subtotal, Job Corps	1,153,509	1,246,217	1,246,217	1,246,217	1,246,217	+92,708	---	---	
Veterans' employment	7,300	7,300	7,300	7,300	7,300	---	---	---	D

(1) Forward funded except where noted.

(2) Current funded.

(3) 3 year availability.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
National activities:									
Pilots and Demonstrations	27,140	23,717	42,500	83,000	65,717	+38,577	+23,217	-17,283	D
Research, Demos, evaluation	6,196	10,196	8,196	8,196	8,196	+2,000	---	---	D
Opportunity Areas for Youth	---	250,000	---	---	---	---	---	---	D
Opportunity Areas for Youth -- Advance, FY99	---	---	100,000	250,000	250,000	+250,000	+150,000	---	D
Other	13,489	10,489	13,489	16,489	17,489	+4,000	+4,000	+1,000	D
Subtotal, National activities	46,825	294,402	164,185	357,685	341,402	+294,577	+177,217	-16,283	
Current Year: FY97/98	(46,825)	(294,402)	(64,185)	(107,685)	(91,402)	(+44,577)	(+27,217)	(-16,283)	
FY98/99	---	---	(100,000)	(250,000)	(250,000)	(+250,000)	(+150,000)	---	
Subtotal, Federal activities	1,329,421	1,669,706	1,539,489	1,739,078	1,719,751	+390,330	+180,262	-19,327	
Current Year: FY97/98	(1,329,421)	(1,669,706)	(1,439,489)	(1,489,078)	(1,469,751)	(+140,330)	(+30,262)	(-19,327)	
FY98/99	---	---	(100,000)	(250,000)	(250,000)	(+250,000)	(+150,000)	---	
Total, Job Training Partnership Act	4,508,293	5,085,171	4,933,954	5,045,553	5,026,226	+517,933	+92,272	-19,327	
Current Year: FY97/98	(4,508,293)	(5,085,171)	(4,833,954)	(4,795,553)	(4,776,226)	(+267,933)	(-57,728)	(-19,327)	
FY98/99	---	---	(100,000)	(250,000)	(250,000)	(+250,000)	(+150,000)	---	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1997	House	Senate	
Women in Apprenticeship (1)	610	647	647	3,000	1,000	+390	+353	-2,000	D
Skills Standards	7,000	7,000	7,000	9,000	8,000	+1,000	+1,000	-1,000	D
Subtotal, National activities, TES	(54,435)	(302,049)	(171,832)	(369,685)	(350,402)	(+295,967)	(+178,570)	(-19,283)	
School-to-Work (2)	200,000	200,000	200,000	200,000	200,000	---	---	---	D
Homeless Veterans (1)	---	2,500	---	2,500	3,000	+3,000	+3,000	+500	D
Total, Training and Employment Services	4,715,903	5,295,318	5,141,601	5,260,053	5,238,226	+522,323	+96,625	-21,827	
Current Year: FY97/98	(4,715,903)	(5,295,318)	(5,041,601)	(5,010,053)	(4,988,226)	(+272,323)	(-53,375)	(-21,827)	
FY98/99	---	---	(100,000)	(250,000)	(250,000)	(+250,000)	(+150,000)	---	
Subtotal, forward funded	(3,844,293)	(4,421,171)	(4,169,954)	(4,133,553)	(4,113,226)	(+268,933)	(-56,728)	(-20,327)	
Community Serv. Employment Older Americans (3)	463,000	440,200	440,200	453,000	440,200	-22,800	---	-12,800	D
FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES									
Trade Adjustment	276,100	304,700	304,700	304,700	304,700	+28,600	---	---	M
NAFTA Activities	48,400	44,300	44,300	44,300	44,300	-4,100	---	---	M
Total	324,500	349,000	349,000	349,000	349,000	+24,500	---	---	

(1) Current funded.

(2) 15-month forward funded availability.

(3) The budget request proposed transfer of this funding to the Administration on Aging.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS									
Unemployment Compensation (Trust Funds):									
State Operations	(2,115,125)	(2,204,125)	(2,115,125)	(2,115,125)	(2,115,125)	---	---	---	TF*
National Activities	(10,000)	(10,000)	(10,000)	(10,000)	(10,000)	---	---	---	TF*
Year 2000 Computer conversion	---	(200,000)	(183,000)	(150,000)	(160,000)	(+160,000)	(-23,000)	(+10,000)	TF*
Advance for FY99	---	---	---	---	(40,000)	(+40,000)	(+40,000)	(+40,000)	TF*
Contingency	(216,333)	(216,333)	(196,333)	(212,333)	(196,333)	(-20,000)	---	(-16,000)	TF*
Subtotal, Unemployment Comp (trust funds)	(2,341,458)	(2,630,458)	(2,504,458)	(2,487,458)	(2,521,458)	(+180,000)	(+17,000)	(+34,000)	
Current year	(2,341,458)	(2,630,458)	(2,504,458)	(2,487,458)	(2,481,458)	(+140,000)	(-23,000)	(-6,000)	
FY99	---	---	---	---	(40,000)	(+40,000)	(+40,000)	(+40,000)	
Employment Service:									
Allotments to States:									
Federal Funds	23,452	23,452	23,452	23,452	23,452	---	---	---	D
Trust Funds	(738,283)	(738,283)	(738,283)	(738,283)	(738,283)	---	---	---	TF*
Subtotal	761,735	761,735	761,735	761,735	761,735	---	---	---	
National Activities:									
Trust Funds (1)	(62,735)	(62,735)	(62,735)	(62,735)	(62,735)	---	---	---	TF*
Subtotal, Employment Service	824,470	824,470	824,470	824,470	824,470	---	---	---	
Federal funds	23,452	23,452	23,452	23,452	23,452	---	---	---	
Trust funds	(801,018)	(801,018)	(801,018)	(801,018)	(801,018)	---	---	---	

(1) Includes $20 million related to the Work Opportunity Tax Credit which is unauthorized for FY98.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
One Stop Career Centers	150,000	150,000	150,000	150,000	150,000	---	---	---	D
Total, State Unemployment	3,315,928	3,604,928	3,478,928	3,461,928	3,495,928	+180,000	+17,000	+34,000	
Federal Funds	173,452	173,452	173,452	173,452	173,452	---	---	---	
Trust Funds	(3,142,476)	(3,431,476)	(3,305,476)	(3,288,476)	(3,322,476)	(+180,000)	(+17,000)	(+34,000)	
Current year	(3,142,476)	(3,431,476)	(3,305,476)	(3,288,476)	(3,282,476)	(+140,000)	(-23,000)	(-6,000)	
FY99	---	---	---	---	(40,000)	(+40,000)	(+40,000)	(+40,000)	
Advances to the UI and Other Trust Funds (1)	373,000	392,000	392,000	392,000	392,000	+19,000	---	---	M

(1) Two year availability.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
PROGRAM ADMINISTRATION									
Adult Employment and Training........................	25,842	26,486	26,100	26,100	26,100	+258	---	---	D
Trust Funds....................................	(2,237)	(2,331)	(2,259)	(2,259)	(2,259)	(+22)	---	---	TF#
Youth Employment and Training........................	29,607	31,871	29,903	29,903	29,903	+296	---	---	D
Employment Security..................................	6,081	4,601	6,142	6,142	6,142	+61	---	---	D
Trust Funds....................................	(37,324)	(39,807)	(37,697)	(37,697)	(37,697)	(+373)	---	---	TF#
Apprenticeship Services..............................	16,271	17,367	16,434	16,434	16,434	+163	---	---	D
Executive Direction..................................	5,672	5,889	5,729	5,729	5,729	+57	---	---	D
Trust Funds....................................	(1,316)	(1,291)	(1,329)	(1,329)	(1,329)	(+13)	---	---	TF#
Welfare to Work......................................	---	6,200	---	4,000	6,000	+6,000	+6,000	+2,000	D
Subtotal, Program Administration................	124,350	135,843	125,593	129,593	131,593	+7,243	+6,000	+2,000	
Federal funds................................	83,473	92,414	84,308	88,308	90,308	+6,835	+6,000	+2,000	
Trust funds..................................	(40,877)	(43,429)	(41,285)	(41,285)	(41,285)	(+408)	---	---	
Subtotal, Employment & Training Administration..	9,316,681	10,217,289	9,927,322	10,045,574	10,046,947	+730,266	+119,625	+1,373	
Federal funds..............................	6,133,328	6,742,384	6,580,561	6,715,813	6,683,186	+549,858	+102,625	-32,627	
Current Year: FY97/98..................	(6,133,328)	(6,742,384)	(6,480,561)	(6,465,813)	(6,433,186)	(+299,858)	(-47,375)	(-32,627)	
FY98/99................................	---	---	(100,000)	(250,000)	(250,000)	(+250,000)	(+150,000)	---	
Trust funds................................	(3,183,353)	(3,474,905)	(3,346,761)	(3,329,761)	(3,363,761)	(+180,408)	(+17,000)	(+34,000)	
Current Year: FY97/98..................	(3,183,353)	(3,474,905)	(3,346,761)	(3,329,761)	(3,323,761)	(+140,408)	(-23,000)	(-6,000)	
FY98/99................................	---	---	---	---	(40,000)	(+40,000)	(+40,000)	(+40,000)	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
PENSION AND WELFARE BENEFITS ADMINISTRATION									
SALARIES AND EXPENSES									
Enforcement and Compliance	61,476	67,463	66,100	66,100	66,100	+4,624	---	---	D
Policy, Regulation and Public Service	11,781	13,158	12,281	12,281	12,281	+500	---	---	D
Program Oversight	3,583	3,686	3,619	3,619	3,619	+36	---	---	D
Subtotal, PWBA	76,840	84,307	82,000	82,000	82,000	+5,160	---	---	
PENSION BENEFIT GUARANTY CORPORATION									
Program Administration subject to limitation (TF) (1)	(10,330)	(10,625)	(10,433)	(10,433)	(10,433)	(+103)	---	---	TF
Termination services not subject to limitation (NA)	(125,338)	(137,376)	(137,376)	(137,376)	(137,376)	(+12,038)	---	---	NA
Subtotal, PBGC new BA	(10,330)	(10,625)	(10,433)	(10,433)	(10,433)	(+103)	---	---	
Subtotal, PBGC (Program level)	(135,668)	(148,001)	(147,809)	(147,809)	(147,809)	(+12,141)	---	---	

(1) This limitation is scored as BA in FY98; see scorekeeping summary.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
EMPLOYMENT STANDARDS ADMINISTRATION									
SALARIES AND EXPENSES									
Enforcement of Wage and Hour Standards	117,904	124,505	121,213	121,213	121,213	+3,309	---	---	D
Office of Labor-Management Standards	25,489	26,382	26,709	26,709	26,709	+1,220	---	---	D
Federal Contractor EEO Standards Enforcement	58,972	68,728	60,618	62,271	62,271	+3,299	+1,653	---	D
Federal Programs for Workers' Compensation	75,670	81,199	77,783	77,783	77,783	+2,113	---	---	D
Trust Funds (1)	(983)	(1,760)	(993)	(993)	(993)	(+10)	---	---	TF
Program Direction and Support	11,366	11,629	11,684	11,684	11,684	+318	---	---	D
Subtotal, ESA salaries and expenses	290,384	314,203	299,000	300,653	300,653	+10,269	+1,653	---	
Federal funds	289,401	312,443	298,007	299,660	299,660	+10,259	+1,653	---	
Trust funds	(983)	(1,760)	(993)	(993)	(993)	(+10)	---	---	
SPECIAL BENEFITS									
Federal employees compensation benefits	209,000	197,000	197,000	197,000	197,000	-12,000	---	---	M
Longshore and harbor workers' benefits	4,000	4,000	4,000	4,000	4,000	---	---	---	M
Subtotal, Special Benefits	213,000	201,000	201,000	201,000	201,000	-12,000	---	---	

(1) This limitation is scored as BA in FY98; see scorekeeping summary.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
BLACK LUNG DISABILITY TRUST FUND									
Benefit payments and interest on advances	961,665	960,650	960,650	960,650	960,650	-1,015	---	---	M
Employment Standards Adm. S&E	26,053	26,147	26,147	26,147	26,147	+94	---	---	M
Departmental Management S&E	19,621	19,551	19,551	19,551	19,551	-70	---	---	M
Departmental Management, Inspector General	287	296	296	296	296	+9	---	---	M
Subtotal, Black Lung Disablty. Trust Fund, apprn	1,007,626	1,006,644	1,006,644	1,006,644	1,006,644	-982	---	---	
Treasury Adm. Costs (Indefinite)	356	356	356	356	356	---	---	---	M
Total, Black Lung Disability Trust Fund	1,007,982	1,007,000	1,007,000	1,007,000	1,007,000	-982	---	---	
Total, Employment Standards Administration	1,511,366	1,522,203	1,507,000	1,508,653	1,508,653	-2,713	+1,653	---	
Federal funds	1,510,383	1,520,443	1,506,007	1,507,660	1,507,660	-2,723	+1,653	---	
Trust funds	(983)	(1,760)	(993)	(993)	(993)	(+10)	---	---	
OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION									
SALARIES AND EXPENSES									
Safety and Health Standards	11,971	12,566	12,091	12,091	12,091	+120	---	---	D
Federal Enforcement	125,907	135,689	127,166	130,606	128,886	+2,979	+1,720	-1,720	D
State Enforcement Programs	77,169	79,175	77,941	77,941	77,941	+772	---	---	D
Technical Support	17,417	17,617	17,591	17,591	17,591	+174	---	---	D
Compliance Assistance: Federal Assistance	37,351	46,285	45,725	41,734	43,729	+6,378	-1,996	+1,995	D
State Consultation Grants	34,477	35,373	34,822	35,373	35,373	+896	+551	---	D
Safety and Health Statistics	14,142	14,460	14,283	14,283	14,283	+141	---	---	D
Executive Direction and Administration	6,521	6,640	6,586	6,586	6,586	+65	---	---	D
Total, OSHA	324,955	347,805	336,205	336,205	336,480	+11,525	+275	+275	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
MINE SAFETY AND HEALTH ADMINISTRATION									
SALARIES AND EXPENSES									
Coal Enforcement	106,993	107,419	108,063	107,419	107,419	+426	-644	---	D
Metal/Non-Metal Enforcement	41,994	44,315	42,414	44,315	43,681	+1,687	+1,267	-634	D
Standards Development	1,008	1,426	1,018	1,426	1,290	+282	+272	-136	D
Assessments	3,497	3,578	3,532	3,578	3,555	+58	+23	-23	D
Educational Policy and Development	14,782	14,834	14,930	14,834	14,834	+52	-96	---	D
Technical Support	21,268	24,870	21,481	24,870	23,740	+2,472	+2,259	-1,130	D
Program Administration	7,645	9,362	7,721	9,362	8,815	+1,170	+1,094	-547	D
Total, Mine Safety and Health Administration	197,187	205,804	199,159	205,804	203,334	+6,147	+4,175	-2,470	
BUREAU OF LABOR STATISTICS									
SALARIES AND EXPENSES									
Employment and Unemployment Statistics	102,169	109,955	109,955	106,415	110,955	+8,786	+1,000	+4,540	D
Labor Market Information (Trust Funds)	(52,053)	(52,848)	(52,848)	(52,574)	(52,848)	(+795)	---	(+274)	TF*
Prices and Cost of Living	100,134	107,028	108,028	107,028	107,028	+6,894	-1,000	---	D
Compensation and Working Conditions	56,834	58,909	58,909	57,402	58,909	+2,075	---	+1,507	D
Productivity and Technology	7,263	7,248	7,248	7,336	7,248	-15	---	-88	D
Economic Growth and Employment Projections	4,640	4,728	4,728	4,686	4,728	+88	---	+42	D
Executive Direction and Staff Services	21,584	23,311	23,311	21,800	23,311	+1,727	---	+1,511	D
Consumer Price Index Revision (1)	16,145	15,430	15,430	15,430	15,430	-715	---	---	D
Total, Bureau of Labor Statistics	360,822	379,457	380,457	372,671	380,457	+19,635	---	+7,786	
Federal Funds	308,769	326,609	327,609	320,097	327,609	+18,840	---	+7,512	
Trust Funds	(52,053)	(52,848)	(52,848)	(52,574)	(52,848)	(+795)	---	(+274)	

(1) Two year availability.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
DEPARTMENTAL MANAGEMENT									
SALARIES AND EXPENSES									
Executive Direction	20,029	19,714	18,209	19,714	18,962	-1,067	+753	-752	D
Legal Services	59,911	64,813	64,813	64,813	64,813	+4,902	---	---	D
Trust Funds	(297)	(282)	(282)	(282)	(282)	(-15)	---	---	TF*
International Labor Affairs	9,465	11,095	13,095	11,095	12,095	+2,630	-1,000	+1,000	D
Administration and Management	13,904	14,259	14,043	14,259	14,151	+247	+108	-108	D
Adjudication	20,483	20,979	20,688	20,688	20,688	+205	---	---	D
Promoting Employment of People with Disabilities	4,358	4,439	4,402	4,439	4,421	+63	+19	-18	D
Women's Bureau	7,743	7,569	7,569	7,743	7,743	---	+174	---	D
Civil Rights Activities	4,535	4,598	4,580	4,580	4,580	+45	---	---	D
Chief Financial Officer	4,394	4,930	4,800	4,800	4,800	+406	---	---	D
Total, Salaries and expenses	145,119	152,678	152,481	152,413	152,535	+7,416	+54	+122	
Federal funds	144,822	152,396	152,199	152,131	152,253	+7,431	+54	+122	
Trust funds	(297)	(282)	(282)	(282)	(282)	(-15)	---	---	
VETERANS EMPLOYMENT AND TRAINING									
State Administration:									
Disabled Veterans Outreach Program	(81,993)	(80,040)	(80,040)	(80,040)	(80,040)	(-1,953)	---	---	TF*
Local Veterans Employment Program	(75,125)	(77,078)	(77,078)	(77,078)	(77,078)	(+1,953)	---	---	TF*
Subtotal, State Administration	(157,118)	(157,118)	(157,118)	(157,118)	(157,118)	---	---	---	
Federal Administration	(22,733)	(22,837)	(24,837)	(22,837)	(24,837)	(+2,104)	---	(+2,000)	TF*
National Veterans Training Institute	(2,000)	(2,000)	---	(2,000)	---	(-2,000)	---	(-2,000)	TF*
Total, Veterans Employment & Training (TF)	(181,851)	(181,955)	(181,955)	(181,955)	(181,955)	(+104)	---	---	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1997	House	Senate	
OFFICE OF THE INSPECTOR GENERAL									
Program Activities	37,480	37,345	36,345	37,345	36,845	-635	+500	-500	D
Trust Funds	(3,543)	(3,645)	(3,645)	(3,645)	(3,645)	(+102)	---	---	TF*
Executive Direction and Management	5,958	5,760	5,760	5,760	5,760	-198	---	---	D
Total, Office of the Inspector General	46,981	46,750	45,750	46,750	46,250	-731	+500	-500	
Federal funds	43,438	43,105	42,105	43,105	42,605	-833	+500	-500	
Trust funds	(3,543)	(3,645)	(3,645)	(3,645)	(3,645)	(+102)	---	---	
Total, Departmental Management	373,951	381,383	380,186	381,118	380,740	+6,789	+554	-378	
Federal funds	188,260	195,501	194,304	195,236	194,858	+6,598	+554	-378	
Trust funds	(185,691)	(185,882)	(185,882)	(185,882)	(185,882)	(+191)	---	---	
Total, Labor Department	12,172,132	13,148,873	12,822,762	12,942,458	12,949,044	+776,912	+126,282	+6,586	
Federal funds	8,739,722	9,422,853	9,225,845	9,362,815	9,335,127	+595,405	+109,282	-27,688	
Current Year: FY97/98	(8,739,722)	(9,422,853)	(9,125,845)	(9,112,815)	(9,085,127)	(+345,405)	(-40,718)	(-27,688)	
FY98/99	---	---	(100,000)	(250,000)	(250,000)	(+250,000)	(+150,000)	---	
Trust funds	(3,432,410)	(3,726,020)	(3,596,917)	(3,579,643)	(3,613,917)	(+181,507)	(+17,000)	(+34,274)	
Current Year: FY97/98	(3,432,410)	(3,726,020)	(3,596,917)	(3,579,643)	(3,573,917)	(+141,507)	(-23,000)	(-5,726)	
FY98/99	---	---	---	---	(40,000)	(+40,000)	(+40,000)	(+40,000)	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
TITLE II - DEPARTMENT OF HEALTH AND HUMAN SERVICES									
HEALTH RESOURCES AND SERVICES ADMINISTRATION									
HEALTH RESOURCES AND SERVICES									
Consolidated health centers	802,009	809,868	826,000	826,000	826,000	+23,991	---	---	D
National Health Service Corps: Field placements	37,244	37,244	37,244	37,244	37,244	---	---	---	D
Recruitment	78,166	78,166	82,756	78,166	78,166	---	-4,590	---	D
Subtotal, National Health Service Corps	115,410	115,410	120,000	115,410	115,410	---	-4,590	---	
Health Professions									
Grants to Communities for Scholarships	532	---	545	---	534	+2	-11	+534	D
Health Professions data systems	236	---	241	---	237	+1	-4	+237	D
Research on Health Professions Issues	450	---	461	---	452	+2	-9	+452	D
Nurse loan repayment for shortage area service	2,197	---	2,251	---	2,205	+8	-46	+2,205	D
Workforce Development Cluster (proposed)	---	623	---	---	---	---	---	---	D
Centers of excellence	24,714	---	27,300	---	24,798	+84	-2,502	+24,798	D
Health careers opportunity program	26,779	---	30,000	---	26,870	+91	-3,130	+26,870	D
Exceptional financial need scholarships	11,332	---	11,610	---	11,371	+39	-239	+11,371	D
Faculty loan repayment	1,061	---	1,087	---	1,065	+4	-22	+1,065	D
Fin. Assistance for disadvantaged HP students	6,718	---	6,883	---	6,741	+23	-142	+6,741	D
Scholarships for disadvantaged students	18,673	---	21,100	---	18,737	+64	-2,363	+18,737	D
Minority/Disadvantaged Cluster (proposed)	---	89,277	---	---	---	---	---	---	D
Family medicine training/departments	49,256	---	50,464	---	49,424	+168	-1,040	+49,424	D
General internal medicine and pediatrics	17,618	---	18,050	---	17,678	+60	-372	+17,678	D

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
Physician assistants	6,376	---	6,532	---	6,398	+22	-134	+6,398	D
Public health and preventive medicine	7,998	---	8,194	---	8,025	+27	-169	+8,025	D
Health administration traineeships/projects	1,095	---	1,122	---	1,099	+4	-23	+1,099	D
Primary Care Medicine & Pub Health Cluster (proposed)	---	7,700	---	---	---	---	---	---	D
Area health education centers	28,490	---	29,189	---	28,587	+97	-602	+28,587	D
Border health training centers	3,752	---	3,844	---	3,765	+13	-79	+3,765	D
General dentistry residencies	3,785	---	3,878	---	3,798	+13	-80	+3,798	D
Allied health special projects	3,832	---	3,926	---	3,845	+13	-81	+3,845	D
Geriatric education centers and training	8,881	---	9,099	---	8,911	+30	-188	+8,911	D
Rural interdisciplinary traineeships	4,153	---	4,255	---	4,167	+14	-88	+4,167	D
Podiatric Medicine	677	---	694	---	679	+2	-15	+679	D
Chiropractic demonstration grants	1,025	---	1,050	---	1,029	+4	-21	+1,029	D
Enhanced Area Health Education Cluster (proposed)	---	24,700	---	---	---	---	---	---	D
Advanced Nurse Education	12,467	---	12,773	---	12,510	+43	-263	+12,510	D
Nurse practitioners/nurse midwives	17,586	---	18,017	---	17,646	+60	-371	+17,646	D
Special projects	10,564	---	10,823	---	10,600	+36	-223	+10,600	D
Nurse disadvantaged assistance	3,865	---	3,960	---	3,878	+13	-82	+3,878	D
Professional nurse traineeships	15,941	---	16,332	---	15,995	+54	-337	+15,995	D
Nurse anesthetists	2,765	---	2,833	---	2,774	+9	-59	+2,774	D
Nurse Education / Practice Init Cluster (proposed)	---	7,700	---	---	---	---	---	---	D
Consolidated Title VII programs	---	---	---	165,000	---	---	---	-165,000	D
Consolidated Title VIII programs	---	---	---	55,000	---	---	---	-55,000	D
Subtotal, Health professions	292,818	130,000	306,513	220,000	293,818	+1,000	-12,695	+73,818	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
Other HRSA Programs:									
Hansen's Disease Services Cluster (1).............	17,094	16,469	17,094	14,424	17,094	---	---	+2,670	D
Maternal & Child Health Block Grant..............	681,000	681,000	685,000	681,000	683,000	+2,000	-2,000	+2,000	D
Healthy Start....................................	95,982	95,982	95,982	95,982	95,982	---	---	---	D
Organ Transplantation............................	2,278	3,891	2,278	2,778	2,778	+500	+500	---	D
Health Teaching Facilities Interest Subsidies.....	297	225	225	225	225	-72	---	---	D
Bone Marrow Program..............................	15,270	15,270	15,270	15,270	15,270	---	---	---	D
Rural outreach grants............................	27,796	25,092	27,796	30,092	32,592	+4,796	+4,796	+2,500	D
Emergency medical services for children...........	12,493	12,000	13,000	13,000	13,000	+507	---	---	D
Black lung clinics...............................	4,000	1,906	5,000	5,000	5,000	+1,000	---	---	D
Alzheimer's demonstration grants (2)..............	5,999	---	5,999	5,999	5,999	---	---	---	D
Payment to Hawaii, treatment of Hansen's (1)......	2,045	---	2,045	2,045	2,045	---	---	---	D
Subtotal, Other HRSA programs..................	864,254	851,835	869,689	865,815	872,985	+8,731	+3,296	+7,170	

(1) Proposed for consolidation.

(2) Proposed for transfer to AoA.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
Ryan White AIDS Programs:									
Emergency Assistance	449,943	454,943	471,663	457,943	464,800	+14,857	-6,863	+6,857	D
Comprehensive Care Programs	416,954	431,954	560,994	469,954	543,000	+126,046	-17,994	+73,046	D
AIDS Drug Assistance Program (ADAP) (NA)	(167,000)	(167,000)	(299,000)	(217,000)	(285,500)	(+118,500)	(-13,500)	(+68,500)	NA
Early Intervention Program	69,568	84,568	72,928	79,568	76,300	+6,732	+3,372	-3,268	D
Pediatric Demonstrations	36,000	40,000	37,720	45,000	41,000	+5,000	+3,280	-4,000	D
AIDS Dental Services	7,500	7,500	7,860	7,500	7,800	+300	-60	+300	D
Education and Training Centers	16,287	17,287	17,087	17,287	17,300	+1,013	+213	+13	D
Subtotal, Ryan White AIDS programs	996,252	1,036,252	1,168,252	1,077,252	1,150,200	+153,948	-18,052	+72,948	
Family Planning	198,452	203,452	194,452	208,452	203,452	+5,000	+9,000	-5,000	D
Rural Health Research	8,713	8,713	8,713	11,713	11,713	+3,000	+3,000	---	D
Health Care and Other Facilities	12,902	---	---	10,000	28,000	+15,098	+28,000	+18,000	D
Buildings and Facilities (1)	828	---	2,500	---	2,500	+1,672	---	+2,500	D
National Practitioner Data Bank	6,000	8,000	8,000	8,000	8,000	+2,000	---	---	D
User Fees	-6,000	-8,000	-8,000	-8,000	-8,000	-2,000	---	---	D
Program Management	112,929	110,949	110,949	114,429	114,059	+1,130	+3,110	-370	D
Total, Health resources and services	3,404,567	3,266,479	3,607,068	3,449,071	3,618,137	+213,570	+11,069	+169,066	

(1) Proposed for consolidation.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
MEDICAL FACILITIES GUARANTEE AND LOAN FUND:									
Interest subsidy program..........................	7,000	6,000	6,000	6,000	6,000	-1,000	---	---	M
HEALTH EDUCATION ASSISTANCE LOANS PROGRAM (HEAL):									
New loan subsidies................................	477	1,020	1,020	1,020	1,020	+543	---	---	M
Liquidating account (NA)..........................	(37,608)	(29,566)	(29,566)	(29,566)	(29,566)	(-8,042)	---	---	NA
HEAL loan limitation (NA).........................	(140,000)	(85,000)	(85,000)	(85,000)	(85,000)	(-55,000)	---	---	NA
Program management................................	2,688	2,688	2,688	2,688	2,688	---	---	---	D
Total, HEAL....................................	3,165	3,708	3,708	3,708	3,708	+543	---	---	
VACCINE INJURY COMPENSATION PROGRAM TRUST FUND:									
Post-FY88 claims (TF).............................	50,476	42,448	42,448	42,448	42,448	-8,028	---	---	M
HRSA administration (TF)..........................	3,000	3,000	3,000	3,000	3,000	---	---	---	M
Subtotal, Vaccine injury compensation trust fund	53,476	45,448	45,448	45,448	45,448	-8,028	---	---	
VACCINE INJURY COMPENSATION:									
Pre-FY89 claims (appropriation)...................	110,000	---	---	---	---	-110,000	---	---	M
Total, Vaccine injury..........................	163,476	45,448	45,448	45,448	45,448	-118,028	---	---	
Total, Health Resources & Services Admin........	3,578,208	3,321,635	3,662,224	3,504,227	3,673,293	+95,085	+11,069	+169,066	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
CENTERS FOR DISEASE CONTROL AND PREVENTION									
DISEASE CONTROL, RESEARCH AND TRAINING									
Preventive Health Services Block Grant	153,994	143,940	155,000	143,940	150,000	-3,994	-5,000	+6,060	D
Prevention Centers	8,099	8,099	8,099	8,099	8,099	---	---	---	D
Childhood immunization (1)	467,583	427,312	440,030	445,545	427,312	-40,271	-12,718	-18,233	D
HCFA vaccine purchase (NA)	372,534	437,104	437,104	437,104	437,104	+64,570	---	---	NA
Subtotal, CDC/HCFA vaccine program level	467,583	427,312	440,030	445,545	427,312	-40,271	-12,718	-18,233	
AIDS	616,790	634,266	621,790	646,790	634,266	+17,476	+12,476	-12,524	D
Tuberculosis	119,294	119,236	119,236	119,236	119,236	-58	---	---	D
Sexually Transmitted Diseases	106,203	111,171	111,171	111,171	113,671	+7,468	+2,500	+2,500	D
Chronic and Environmental Disease Prevention	166,874	191,039	228,039	203,454	217,136	+50,262	-10,903	+13,682	D
Breast and Cervical Cancer Screening	139,659	141,897	145,000	141,897	145,000	+5,341	---	+3,103	D
Infectious Diseases	87,720	112,428	118,000	112,428	115,214	+27,494	-2,786	+2,786	D
Lead Poisoning Prevention	38,181	38,154	38,200	38,200	38,200	+19	---	---	D
Injury Control	43,182	49,033	55,933	45,063	50,507	+7,325	-5,426	+5,444	D
Occupational Safety and Health (NIOSH)	141,340	148,463	148,840	148,463	152,840	+11,500	+4,000	+4,377	D
Mine Safety and Health	31,913	32,000	32,000	40,000	36,000	+4,087	+4,000	-4,000	D
Epidemic Services	69,608	69,322	69,322	69,322	69,322	-286	---	---	D

(1) Request includes bill language exempting from the excise tax vaccine purchased with appropriated funds; savings are estimated at $25 million.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
National Center for Health Statistics:									
Program Operations	37,612	18,963	37,612	18,033	26,780	-10,832	-10,832	+8,747	D
1% evaluation funds (NA)	(48,400)	(70,063)	(48,400)	(70,063)	(59,232)	(+10,832)	(+10,832)	(-10,831)	NA
Subtotal, health statistics	(86,012)	(89,026)	(86,012)	(88,096)	(86,012)	---	---	(-2,084)	
Buildings and Facilities	30,553	23,007	20,000	23,007	21,504	-9,049	+1,504	-1,503	D
Program Management	2,563	2,465	2,465	2,465	2,465	-98	---	---	D
Subtotal, Centers for Disease Control	2,261,168	2,270,795	2,350,737	2,317,113	2,327,552	+66,384	-23,185	+10,439	
Crime Bill Activities:									
Rape Prevention and Education	35,000	45,000	45,000	45,000	45,000	+10,000	---	---	D
Domestic Violence Community Demonstrations	6,000	---	---	6,000	6,000	---	+6,000	---	D
Subtotal, Crime bill activities	41,000	45,000	45,000	51,000	51,000	+10,000	+6,000	---	
Total, Disease Control	2,302,168	2,315,795	2,395,737	2,368,113	2,378,552	+76,384	-17,185	+10,439	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1997	House	Senate	
NATIONAL INSTITUTES OF HEALTH									
National Cancer Institute	2,389,065	2,217,482	2,513,020	2,558,377	2,547,314	+158,249	+34,294	-11,063	D
AIDS (NA)	---	(224,256)	---	---	---	---	---	---	NA
Subtotal, NCI	(2,389,065)	(2,441,738)	(2,513,020)	(2,558,377)	(2,547,314)	(+158,249)	(+34,294)	(-11,063)	
National Heart, Lung, and Blood Institute	1,431,830	1,404,770	1,513,004	1,539,898	1,531,061	+99,231	+18,057	-8,837	D
AIDS (NA)	---	(62,419)	---	---	---	---	---	---	NA
Subtotal, NHLBI	(1,431,830)	(1,467,189)	(1,513,004)	(1,539,898)	(1,531,061)	(+99,231)	(+18,057)	(-8,837)	
National Institute of Dental Research	197,063	190,081	209,403	211,611	209,415	+12,352	+12	-2,196	D
AIDS (NA)	---	(12,750)	---	---	---	---	---	---	NA
Subtotal, NIDR	(197,063)	(202,831)	(209,403)	(211,611)	(209,415)	(+12,352)	(+12)	(-2,196)	
National Institute of Diabetes and Digestive and Kidney Diseases	813,149	821,164	874,337	883,321	873,860	+60,711	-477	-9,461	D
AIDS (NA)	---	(12,638)	---	---	---	---	---	---	NA
Subtotal, NIDDK	(813,149)	(833,802)	(874,337)	(883,321)	(873,860)	(+60,711)	(-477)	(-9,461)	
National Institute of Neurological Disorders & Stroke	729,259	722,712	763,325	781,351	780,713	+51,454	+17,388	-638	D
AIDS (NA)	---	(25,116)	---	---	---	---	---	---	NA
Subtotal, NINDS	(729,259)	(747,828)	(763,325)	(781,351)	(780,713)	(+51,454)	(+17,388)	(-638)	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
National Institute of Allergy and Infectious Diseases.	1,257,794	634,272	1,339,459	1,359,688	1,351,655	+93,861	+12,196	-8,033	D
AIDS (NA)..	---	(678,230)	---	---	---	---	---	---	NA
Subtotal, NIAID................................	(1,257,794)	(1,312,502)	(1,339,459)	(1,359,688)	(1,351,655)	(+93,861)	(+12,196)	(-8,033)	
National Institute of General Medical Sciences........	995,471	992,032	1,047,963	1,058,969	1,065,947	+70,476	+17,984	+6,978	D
AIDS (NA)..	---	(28,160)	---	---	---	---	---	---	NA
Subtotal, NIGMS................................	(995,471)	(1,020,192)	(1,047,963)	(1,058,969)	(1,065,947)	(+70,476)	(+17,984)	(+6,978)	
National Institute of Child Health & Human Development	631,628	582,032	666,682	676,870	674,766	+43,138	+8,084	-2,104	D
AIDS (NA)..	---	(65,247)	---	---	---	---	---	---	NA
Subtotal, NICHD................................	(631,628)	(647,279)	(666,682)	(676,870)	(674,766)	(+43,138)	(+8,084)	(-2,104)	
National Eye Institute..............................	331,606	330,955	354,032	357,695	355,691	+24,085	+1,659	-2,004	D
AIDS (NA)..	---	(9,476)	---	---	---	---	---	---	NA
Subtotal, NEI..................................	(331,606)	(340,431)	(354,032)	(357,695)	(355,691)	(+24,085)	(+1,659)	(-2,004)	
National Institute of Environmental Health Sciences...	307,562	313,583	328,583	331,969	330,108	+22,546	+1,525	-1,861	D
AIDS (NA)..	---	(6,324)	---	---	---	---	---	---	NA
Subtotal, NIEHS................................	(307,562)	(319,907)	(328,583)	(331,969)	(330,108)	(+22,546)	(+1,525)	(-1,861)	
National Institute on Aging..........................	484,326	495,202	509,811	520,705	519,279	+34,953	+9,468	-1,426	D
AIDS (NA)..	---	(1,874)	---	---	---	---	---	---	NA
Subtotal, NIA..................................	(484,326)	(497,076)	(509,811)	(520,705)	(519,279)	(+34,953)	(+9,468)	(-1,426)	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
National Institute of Arthritis and Musculoskeletal and Skin Diseases	256,228	258,932	269,807	272,631	274,760	+18,532	+4,953	+2,129	D
AIDS (NA)	---	(4,310)	---	---	---	---	---	---	NA
Subtotal, NIAMS	(256,228)	(263,242)	(269,807)	(272,631)	(274,760)	(+18,532)	(+4,953)	(+2,129)	
National Institute on Deafness and Other Communication Disorders	188,273	192,447	198,373	200,428	200,695	+12,422	+2,322	+267	D
AIDS (NA)	---	(1,774)	---	---	---	---	---	---	NA
Subtotal, NIDCD	(188,273)	(194,221)	(198,373)	(200,428)	(200,695)	(+12,422)	(+2,322)	(+267)	
National Institute of Nursing Research	59,554	55,692	62,451	64,016	63,597	+4,043	+1,146	-419	D
AIDS (NA)	---	(5,360)	---	---	---	---	---	---	NA
Subtotal, NINR	(59,554)	(61,052)	(62,451)	(64,016)	(63,597)	(+4,043)	(+1,146)	(-419)	
National Institute on Alcohol Abuse and Alcoholism	211,254	208,112	226,205	228,585	227,175	+15,921	+970	-1,410	D
AIDS (NA)	---	(11,234)	---	---	---	---	---	---	NA
Subtotal, NIAAA	(211,254)	(219,346)	(226,205)	(228,585)	(227,175)	(+15,921)	(+970)	(-1,410)	
National Institute on Drug Abuse	490,113	358,475	525,641	531,751	527,175	+37,062	+1,534	-4,576	D
AIDS (NA)	---	(163,440)	---	---	---	---	---	---	NA
Subtotal, NIDA	(490,113)	(521,915)	(525,641)	(531,751)	(527,175)	(+37,062)	(+1,534)	(-4,576)	
National Institute of Mental Health	700,701	629,739	744,235	753,334	750,241	+49,540	+6,006	-3,093	D
AIDS (NA)	---	(98,510)	---	---	---	---	---	---	NA
Subtotal, NIMH	(700,701)	(728,249)	(744,235)	(753,334)	(750,241)	(+49,540)	(+6,006)	(-3,093)	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1997	House	Senate	
National Human Genome Research Institute	188,957	202,197	211,772	218,851	217,704	+28,747	+5,932	-1,147	D
AIDS (NA)	---	(2,990)	---	---	---	---	---	---	NA
Subtotal, NHGRI	(188,957)	(205,187)	(211,772)	(218,851)	(217,704)	(+28,747)	(+5,932)	(-1,147)	
National Center for Research Resources	414,049	333,868	436,961	455,805	453,883	+39,834	+16,922	-1,922	D
AIDS (NA)	---	(77,053)	---	---	---	---	---	---	NA
Subtotal, NCRR	(414,049)	(410,921)	(436,961)	(455,805)	(453,883)	(+39,834)	(+16,922)	(-1,922)	
John Fogarty International Center	26,504	16,755	27,620	28,468	28,289	+1,785	+669	-179	D
AIDS (NA)	---	(10,413)	---	---	---	---	---	---	NA
Subtotal, FIC	(26,504)	(27,168)	(27,620)	(28,468)	(28,289)	(+1,785)	(+669)	(-179)	
National Library of Medicine	150,376	152,689	161,171	162,825	161,185	+10,809	+14	-1,640	D
AIDS (NA)	---	(3,279)	---	---	---	---	---	---	NA
Subtotal, NLM	(150,376)	(155,968)	(161,171)	(162,825)	(161,185)	(+10,809)	(+14)	(-1,640)	
Office of the Director	286,081	234,247	298,339	292,196	296,373	+10,292	-1,966	+4,177	D
AIDS (NA)	---	(35,912)	---	---	---	---	---	---	NA
Subtotal, OD	(286,081)	(270,159)	(298,339)	(292,196)	(296,373)	(+10,292)	(-1,966)	(+4,177)	
Buildings and Facilities	200,000	190,000	223,100	203,500	206,957	+6,957	-16,143	+3,457	D
Office of AIDS Research	---	1,540,765	---	---	---	---	---	---	D
Total N.I.H.	12,740,843	13,078,203	13,505,294	13,692,844	13,647,843	+907,000	+142,549	-45,001	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION									
Mental Health:									
Knowledge development and application	57,964	58,032	58,032	57,964	57,964	---	-68	---	D
Mental Health Performance Partnership	275,420	275,420	275,420	275,420	275,420	---	---	---	D
Children's Mental Health	69,896	69,927	72,927	69,896	72,927	+3,031	---	+3,031	D
Grants to States for the Homeless (PATH)	20,000	20,000	23,000	20,000	23,000	+3,000	---	+3,000	D
Protection and Advocacy	21,957	21,957	21,957	21,957	21,957	---	---	---	D
Subtotal, mental health	445,237	445,336	451,336	445,237	451,268	+6,031	-68	+6,031	
Substance Abuse Treatment:									
Knowledge Development and Application	155,868	156,000	159,000	155,868	155,868	---	-3,132	---	D
Substance Abuse Performance Partnership -- (BA)	1,310,107	1,320,107	1,320,107	1,310,107	1,310,107	---	-10,000	---	D
P.L. 104-121 funding	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	---	---	---	NA
Subtotal, Substance Abuse Treatment (BA)	1,465,975	1,476,107	1,479,107	1,465,975	1,465,975	---	-13,132	---	
Total, Treatment program level	(1,515,975)	(1,526,107)	(1,529,107)	(1,515,975)	(1,515,975)	---	(-13,132)	---	
Substance Abuse Prevention:									
Knowledge Development and Application	155,869	151,000	151,000	151,000	151,000	-4,869	---	---	D
High Risk Youth Grants	---	---	---	10,000	6,000	+6,000	+6,000	-4,000	D
Subtotal, Substance abuse prevention	155,869	151,000	151,000	161,000	157,000	+1,131	+6,000	-4,000	
Program Management and Buildings and Facilities	54,431	55,500	55,500	54,431	54,500	+69	-1,000	+69	D
Data Collection	---	28,000	15,000	---	18,000	+18,000	+3,000	+18,000	D
1% evaluation funding (NA)	---	---	---	(10,000)	---	---	---	(-10,000)	NA
Total, Substance Abuse and Mental Health (BA)	2,121,512	2,155,943	2,151,943	2,126,643	2,146,743	+25,231	-5,200	+20,100	
Total, Program level	(2,171,512)	(2,205,943)	(2,201,943)	(2,176,643)	(2,196,743)	(+25,231)	(-5,200)	(+20,100)	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
RETIREMENT PAY AND MEDICAL BENEFITS FOR COMMISSIONED OFFICERS									
Retirement payments	139,299	149,217	149,217	149,217	149,217	+9,918	---	---	M
Survivors benefits	10,417	11,643	11,643	11,643	11,643	+1,226	---	---	M
Dependents' medical care	26,363	27,470	27,470	27,470	27,470	+1,107	---	---	M
Military services credits	2,556	2,409	2,409	2,409	2,409	-147	---	---	M
Total, Retirement pay and medical benefits	178,635	190,739	190,739	190,739	190,739	+12,104	---	---	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
AGENCY FOR HEALTH CARE POLICY AND RESEARCH									
Research on Health Care Systems Cost & Access:									
Federal Funds	35,650	17,170	35,573	17,170	25,214	-10,436	-10,359	+8,044	D
1% evaluation funding (NA)	(8,750)	(29,515)	(11,112)	(29,515)	(19,906)	(+11,156)	(+8,794)	(-9,609)	NA
Subtotal	(44,400)	(46,685)	(46,685)	(46,685)	(45,120)	(+720)	(-1,565)	(-1,565)	
Health Insurance & Expenditure Surveys:									
Federal Funds	224	10,000	---	10,000	---	-224	---	-10,000	D
1% evaluation funding (NA)	(38,662)	(26,300)	(36,300)	(26,300)	(36,300)	(-2,362)	---	(+10,000)	NA
Subtotal	(38,886)	(36,300)	(36,300)	(36,300)	(36,300)	(-2,586)	---	---	
Research on Health Care Outcomes & Quality:									
Federal Funds	57,963	57,600	63,785	48,187	62,785	+4,822	-1,000	+14,598	D
1% evaluation funding (NA)	---	(6,185)	---	(9,185)	---	---	---	(-9,185)	NA
Subtotal	(57,963)	(63,785)	(63,785)	(57,372)	(62,785)	(+4,822)	(-1,000)	(+5,413)	
Program Support	2,230	2,230	2,230	2,230	2,230	---	---	---	D
Total, AHCPR	143,479	149,000	149,000	142,587	146,435	+2,956	-2,565	+3,848	
Federal Funds	96,067	87,000	101,588	77,587	90,229	-5,838	-11,359	+12,642	
1% evaluation funding (non-add)	(47,412)	(62,000)	(47,412)	(65,000)	(56,206)	(+8,794)	(+8,794)	(-8,794)	
Total, Public Health Service	21,017,433	21,149,315	22,007,525	21,960,153	22,127,399	+1,109,966	+119,874	+167,246	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
HEALTH CARE FINANCING ADMINISTRATION									
GRANTS TO STATES FOR MEDICAID									
Medicaid current law benefits..........................	98,210,228	99,144,000	99,144,000	99,144,000	99,144,000	+933,772	---	---	M
State and local administration..........................	4,633,884	4,874,546	4,874,546	4,874,546	4,874,546	+240,662	---	---	M
Vaccines for Children..................................	522,904	365,104	365,104	437,104	437,104	-85,800	+72,000	---	M
Subtotal, Medicaid program level, FY 1997 / 1998	103,367,016	104,383,650	104,383,650	104,455,650	104,455,650	+1,088,634	+72,000	---	
Carryover balance..................................	-2,155,048	-4,864,228	-4,864,228	-4,864,228	-4,864,228	-2,709,180	---	---	M
Less funds advanced in prior year..............	-26,155,350	-27,988,993	-27,988,993	-27,988,993	-27,988,993	-1,833,643	---	---	M
Total, request, FY 1997 / 1998..................	75,056,618	71,530,429	71,530,429	71,602,429	71,602,429	-3,454,189	+72,000	---	
New advance 1st quarter, FY 98/99.............	27,988,993	27,800,689	27,800,689	27,800,689	27,800,689	-188,304	---	---	M
PAYMENTS TO HEALTH CARE TRUST FUNDS									
Supplemental medical insurance........................	59,456,000	63,416,000	63,416,000	63,416,000	60,739,000	+1,283,000	-2,677,000	-2,677,000	M
Hospital insurance for the uninsured.................	405,000	-52,000	-52,000	-52,000	-52,000	-457,000	---	---	M
Federal uninsured payment.............................	76,000	86,000	86,000	86,000	86,000	+10,000	---	---	M
Program management....................................	142,000	131,000	131,000	131,000	131,000	-11,000	---	---	M
Total, Payments to Trust Funds, current law.....	60,079,000	63,581,000	63,581,000	63,581,000	60,904,000	+825,000	-2,677,000	-2,677,000	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
PROGRAM MANAGEMENT									
Research, demonstration, and evaluation:									
Regular Program	(44,000)	(45,000)	(49,000)	(47,000)	(50,000)	(+6,000)	(+1,000)	(+3,000)	TF*
Medicare Contractors	(1,207,200)	(1,223,000)	(1,134,000)	(1,189,000)	(1,174,000)	(-33,200)	(+40,000)	(-15,000)	TF*
H.R. 3103 funding (non-add)	(440,000)	(500,000)	(500,000)	(500,000)	(500,000)	(+60,000)	---	---	NA
Subtotal, Contractors program level	(1,647,200)	(1,723,000)	(1,634,000)	(1,689,000)	(1,674,000)	(+26,800)	(+40,000)	(-15,000)	
State Survey and Certification	(158,000)	(148,000)	(148,000)	(158,000)	(154,000)	(-4,000)	(+6,000)	(-4,000)	TF*
Federal Administration	(327,173)	(360,434)	(350,369)	(327,173)	(367,000)	(+39,827)	(+16,631)	(+39,827)	TF*
User Fees	(-1,932)	(-1,934)	(-1,934)	(-1,932)	(-1,934)	(-2)	---	(-2)	TF*
Subtotal, Federal Administration	(325,241)	(358,500)	(348,435)	(325,241)	(365,066)	(+39,825)	(+16,631)	(+39,825)	
Total, Program management	(1,734,441)	(1,774,500)	(1,679,435)	(1,719,241)	(1,743,066)	(+8,625)	(+63,631)	(+23,825)	
Medicare Trust Fund Activity:									
Hospital Insurance TF (1)	(-12,800,000)	(-20,100,000)	(-20,100,000)	(-20,100,000)	(-20,100,000)	(-7,300,000)	---	---	NA
Supplemental Medical Insurance TF (2)	(4,000,000)	(500,000)	(500,000)	(500,000)	(500,000)	(-3,500,000)	---	---	NA
Total, Health Care Financing Administration	164,859,052	164,686,618	164,591,553	164,703,359	162,050,184	-2,808,868	-2,541,369	-2,653,175	
Federal funds	163,124,611	162,912,118	162,912,118	162,984,118	160,307,118	-2,817,493	-2,605,000	-2,677,000	
Current year, FY 1997 / 1998	(135,135,618)	(135,111,429)	(135,111,429)	(135,183,429)	(132,506,429)	(-2,629,189)	(-2,605,000)	(-2,677,000)	
New advance, 1st quarter, FY 1998 / 1999	(27,988,993)	(27,800,689)	(27,800,689)	(27,800,689)	(27,800,689)	(-188,304)	---	---	
Trust funds	(1,734,441)	(1,774,500)	(1,679,435)	(1,719,241)	(1,743,066)	(+8,625)	(+63,631)	(+23,825)	

(1) Intermediate estimates: page 40 of the 1997 Annual Report of the Board of Trustees of the Federal Hospital Insurance Trust Fund.

(2) Intermediate estimates: page 29 of the 1997 Annual Report of the Board of Trustees of the Federal Supplementary Medical Insurance Trust Fund.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
ADMINISTRATION FOR CHILDREN AND FAMILIES									
FAMILY SUPPORT PAYMENTS TO STATES (1)									
Payments to territories..............................	---	---	---	---	---	---	---	---	M
Repatriation...	---	---	---	---	---	---	---	---	M
Undistributed..	9,600,000	---	---	---	---	-9,600,000	---	---	M
Subtotal, Welfare payments.....................	9,600,000	---	---	---	---	-9,600,000	---	---	
Child Support Enforcement: (2) Net welfare reform child support appropriation....	2,158,000	---	---	---	---	-2,158,000	---	---	M
Total, Payments, FY 1997 / 1998 program level...	11,758,000	---	---	---	---	-11,758,000	---	---	
Less funds advanced in previous years.........	-4,800,000	---	---	---	---	+4,800,000	---	---	M
Total, payments, current request, FY97/98...	6,958,000	---	---	---	---	-6,958,000	---	---	
New advance, 1st quarter, FY98/99...........	607,000	660,000	660,000	660,000	660,000	+53,000	---	---	M

(1) Funds for these activities for FY98 are provided through permanent appropriations in the Personal Responsibility & Work Opportunity Reconciliation Act of 1996. The President's budget does not request funding for these programs in FY98; the Congressional justification indicates a budget amendment will be transmitted to Congress to request indefinite appropriations for these programs in FY98.

(2) Carry over funds from FY97 and the first quarter advance appropriation for FY98 are estimated to be sufficient to cover necessary costs of this program for FY98.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1997	House	Senate	
Job Opportunities and Basic Skills (JOBS)	300,000	---	---	---	---	-300,000	---	---	M
LOW INCOME HOME ENERGY ASSISTANCE									
Advance from prior year (NA)	---	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(+1,000,000)	---	---	NA
Adjustment	1,000,000	---	---	---	---	-1,000,000	---	---	D
FY 1997 / 1998 program level	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	---	---	---	
Emergency Allocation -- Advance from prior year (NA)	(300,000)	---	---	---	---	(-300,000)	---	---	NA
New Emergency Allocation (NA)	---	(300,000)	(300,000)	(300,000)	(300,000)	(+300,000)	---	---	NA
Advance funding (FY98/99)	1,000,000	1,000,000	1,000,000	1,200,000	1,100,000	+100,000	+100,000	-100,000	D
REFUGEE AND ENTRANT ASSISTANCE									
Transitional and Medical Services	246,502	227,138	230,698	227,138	230,698	-15,804	---	+3,560	D
Social Services	110,882	110,882	129,990	110,882	129,990	+19,108	---	+19,108	D
Preventive Health	4,835	4,835	4,835	4,835	4,835	---	---	---	D
Targeted Assistance	49,857	49,477	49,477	49,477	49,477	-380	---	---	D
Total, Refugee and entrant assistance (BA)	412,076	392,332	415,000	392,332	415,000	+2,924	---	+22,668	
CHILD CARE AND DEVELOPMENT BLOCK GRANT: Advance funding FY98/99	937,000	1,000,000	1,000,000	1,000,000	1,000,000	+63,000	---	---	D
Forward funding provided in prior year	(934,642)	---	---	---	---	(-934,642)	---	---	NA
Advance funding from prior year (NA)	---	(937,000)	(937,000)	(937,000)	(937,000)	(+937,000)	---	---	NA
Adjustment (current funding)	19,120	63,000	---	26,120	65,672	+46,552	+65,672	+39,552	D
Current year program level (FY97/98)	(953,762)	(1,000,000)	(937,000)	(963,120)	(1,002,672)	(+48,910)	(+65,672)	(+39,552)	
Social Services Block Grant (Title XX)	2,500,000	2,380,000	2,245,000	2,245,000	2,299,000	-201,000	+54,000	+54,000	M

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
CHILDREN AND FAMILIES SERVICES PROGRAMS									
Programs for Children, Youth, and Families:									
Head Start	3,980,546	4,305,000	4,305,000	4,305,000	4,355,000	+374,454	+50,000	+50,000	D
Consolidated Runaway, Homeless Youth Prog	---	58,602	---	58,602	---	---	---	-58,602	D
Runaway and Homeless Youth	43,653	---	43,653	---	43,653	---	---	+43,653	D
Runaway Youth -- Transitional Living	14,949	---	14,949	---	14,949	---	---	+14,949	D
Subtotal, runaway	58,602	58,602	58,602	58,602	58,602	---	---	---	
Child Abuse State Grants	21,026	21,026	21,026	21,026	21,026	---	---	---	D
Child Abuse Discretionary Activities	14,154	14,154	14,154	14,154	14,154	---	---	---	D
Abandoned Infants Assistance	12,251	12,251	12,251	12,251	12,251	---	---	---	D
Child Welfare Services	291,989	291,989	291,989	291,989	291,989	---	---	---	D
Child Welfare Training	4,000	4,000	4,000	8,000	6,000	+2,000	+2,000	-2,000	D
Adoption Opportunities	13,000	13,000	13,000	18,000	23,000	+10,000	+10,000	+5,000	D
Adoption Initiative	---	21,000	---	---	---	---	---	---	D
Family Violence (1)	62,000	---	---	---	10,000	-52,000	+10,000	+10,000	D
Social Services and Income Maintenance Research	44,000	18,043	21,000	21,000	26,000	-18,000	+5,000	+5,000	D
Community Based Resource Centers	32,835	32,835	32,835	32,835	32,835	---	---	---	D

(1) The request and the bill provide funding for this activity in the Battered Women's Shelter program.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1997	House	Senate	
Developmental disabilities program:									
State Councils	64,803	64,803	64,803	65,574	64,803	---	---	-771	D
Protection and Advocacy	26,718	26,718	26,718	27,036	26,718	---	---	-318	D
Developmental Disabilities Special Projects	5,250	5,250	---	5,250	5,250	---	+5,250	---	D
Developmental Disabilities University Affiliated	17,461	17,461	17,461	17,669	17,461	---	---	-208	D
Subtotal, Developmental disabilities	114,232	114,232	108,982	115,529	114,232	---	+5,250	-1,297	
Native American Programs	34,933	34,933	34,933	34,933	34,933	---	---	---	D
Community services:									
Grants to States for Community Services	489,600	414,720	489,600	492,600	490,600	+1,000	+1,000	-2,000	D
Community initiative program:									
Economic Development	27,332	---	30,065	27,332	30,065	+2,733	---	+2,733	D
Rural Community Facilities	3,500	---	3,500	3,500	3,500	---	---	---	D
Subtotal, discretionary funds	30,832	---	33,565	30,832	33,565	+2,733	---	+2,733	
National Youth Sports	12,000	---	14,000	12,000	14,000	+2,000	---	+2,000	D
Community Food and Nutrition	4,000	---	---	4,000	4,000	---	+4,000	---	D
Subtotal, Community services	536,432	414,720	537,165	539,432	542,165	+5,733	+5,000	+2,733	
Program Direction	143,061	143,115	143,115	138,343	140,729	-2,332	-2,386	+2,386	D
Rescission of permanent appropriations	-27,000	---	-21,000	-21,000	-21,000	+6,000	---	---	D
Total, Children & Families Services Programs	5,336,061	5,498,900	5,577,052	5,590,094	5,661,916	+325,855	+84,864	+71,822	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
VIOLENT CRIME REDUCTION PROGRAMS:									
Community Schools	12,800	12,800	---	---	---	-12,800	---	---	D
Runaway Youth Prevention	8,000	15,000	15,000	15,000	15,000	+7,000	---	---	D
Domestic Violence Hotline	1,200	1,200	1,200	1,200	1,200	---	---	---	D
Battered Women's Shelters	10,800	70,000	82,800	76,800	76,800	+66,000	-6,000	---	D
Total, Violent crime reduction programs	32,800	99,000	99,000	93,000	93,000	+60,200	-6,000	---	
Family Support and Preservation	240,000	255,000	255,000	255,000	255,000	+15,000	---	---	M
PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION ASSISTANCE									
Foster Care	3,807,143	3,540,300	3,540,300	3,540,300	3,540,300	-266,843	---	---	M
Adoption Assistance	567,888	700,700	700,700	700,700	700,700	+132,812	---	---	M
Independent living	70,000	70,000	70,000	70,000	70,000	---	---	---	M
Total, Program level: Payment to States	4,445,031	4,311,000	4,311,000	4,311,000	4,311,000	-134,031	---	---	
Less Advances from Prior Year	---	-1,111,000	-1,111,000	-1,111,000	-1,111,000	-1,111,000	---	---	M
Total, request, FY 1997 / 1998	4,445,031	3,200,000	3,200,000	3,200,000	3,200,000	-1,245,031	---	---	
New Advance, 1st quarter, FY 1998/1999	1,111,000	1,157,500	1,157,500	1,157,500	1,157,500	+46,500	---	---	M
Total, Administration for Children and Families	24,898,088	15,705,732	15,608,552	15,819,046	15,907,088	-8,991,000	+298,536	+88,042	
Current year, FY 1997 / 1998	(21,243,088)	(11,888,232)	(11,791,052)	(11,801,546)	(11,989,588)	(-9,253,500)	(+198,536)	(+188,042)	
FY 1998 / 1999	(3,655,000)	(3,817,500)	(3,817,500)	(4,017,500)	(3,917,500)	(+262,500)	(+100,000)	(-100,000)	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
ADMINISTRATION ON AGING									
Grants to States:									
Supportive Services and Centers	300,556	291,375	309,819	317,556	309,500	+8,944	-319	-8,056	D
Preventive Health	15,623	15,623	---	17,623	16,123	+500	+16,123	-1,500	D
Title VII	---	9,181	---	---	---	---	---	---	D
Nutrition:									
Congregate Meals	364,535	359,810	364,535	380,716	374,412	+9,877	+9,877	-6,304	D
Home Delivered Meals	105,339	110,064	110,064	122,064	112,000	+6,661	+1,936	-10,064	D
Frail Elderly In-Home Services	9,263	9,263	---	11,263	9,763	+500	+9,763	-1,500	D
Grants to Indians	16,057	16,057	16,057	20,057	18,457	+2,400	+2,400	-1,600	D
Aging Research, Training and Special Projects	4,000	4,000	---	10,000	10,000	+6,000	+10,000	---	D
Program Administration	14,758	14,795	14,795	14,795	14,795	+37	---	---	D
Alzheimer's Initiative	---	8,000	---	---	---	---	---	---	D
Total, Administration on Aging	830,131	838,168	815,270	894,074	865,050	+34,919	+49,780	-29,024	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
OFFICE OF THE SECRETARY									
GENERAL DEPARTMENTAL MANAGEMENT:									
Federal Funds	96,135	96,517	101,329	98,517	102,329	+6,194	+1,000	+3,812	D
Trust Funds	(5,851)	(5,851)	(5,851)	(5,851)	(5,851)	---	---	---	TF*
1% Evaluation funds (ASPE) (NA)	(20,552)	(20,552)	(20,552)	(20,552)	(20,552)	---	---	---	NA
Subtotal	(122,538)	(122,920)	(127,732)	(124,920)	(128,732)	(+6,194)	(+1,000)	(+3,812)	
Adolescent Family Life (Title XX)	14,206	14,209	14,209	19,209	16,709	+2,503	+2,500	-2,500	D
Physical Fitness and Sports	998	1,000	998	998	998	---	---	---	D
Minority health	34,584	23,100	23,100	23,600	29,100	-5,484	+6,000	+5,500	D
Office of women's health	12,495	12,500	12,500	18,500	12,495	---	-5	-6,005	D
Anti-Terrorism	13,764	10,000	7,500	13,764	10,000	-3,764	+2,500	-3,764	D
Total, General Departmental Management	178,033	163,177	165,487	180,439	177,482	-551	+11,995	-2,957	
Federal funds	172,182	157,326	159,636	174,588	171,631	-551	+11,995	-2,957	
Trust funds	(5,851)	(5,851)	(5,851)	(5,851)	(5,851)	---	---	---	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1997	House	Senate	
OFFICE OF THE INSPECTOR GENERAL:									
Federal Funds	34,790	31,921	30,921	31,921	31,921	-2,869	+1,000	---	D
H.R. 3103 funding (non-add)	(60,000)	(80,500)	(80,500)	(80,500)	(80,500)	(+20,500)	---	---	NA
Total, Office of the Inspector General	34,790	31,921	30,921	31,921	31,921	-2,869	+1,000	---	
OFFICE FOR CIVIL RIGHTS:									
Federal Funds	16,183	17,216	16,345	16,345	16,345	+162	---	---	D
Trust Funds	(3,307)	(3,314)	(3,314)	(3,314)	(3,314)	(+7)	---	---	TF*
Total, Office for Civil Rights	19,490	20,530	19,659	19,659	19,659	+169	---	---	
Federal funds	16,183	17,216	16,345	16,345	16,345	+162	---	---	
Trust funds	(3,307)	(3,314)	(3,314)	(3,314)	(3,314)	(+7)	---	---	
Policy Research	18,486	9,000	14,000	9,500	14,000	-4,486	---	+4,500	D
Total, Office of the Secretary	250,799	224,628	230,067	241,519	243,062	-7,737	+12,995	+1,543	
Federal funds	241,641	215,463	220,902	232,354	233,897	-7,744	+12,995	+1,543	
Trust funds	(9,158)	(9,165)	(9,165)	(9,165)	(9,165)	(+7)	---	---	
Public Health & Social Services Emergency Fund	15,000	---	---	---	---	-15,000	---	---	D
Total, Department of Health and Human Services	211,870,503	202,604,461	203,252,967	203,618,151	201,192,783	-10,677,720	-2,060,184	-2,425,368	
Federal Funds	210,126,904	200,820,796	201,564,367	201,889,745	199,440,552	-10,686,352	-2,123,815	-2,449,193	
Current year, FY 1997 / 1998	(178,482,911)	(169,202,607)	(169,946,178)	(170,071,556)	(167,722,363)	(-10,760,548)	(-2,223,815)	(-2,349,193)	
FY 1998 / 1999	(31,643,993)	(31,618,189)	(31,618,189)	(31,818,189)	(31,718,189)	(+74,196)	(+100,000)	(-100,000)	
Trust funds	(1,743,599)	(1,783,665)	(1,688,600)	(1,728,406)	(1,752,231)	(+8,632)	(+63,631)	(+23,825)	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
TITLE III - DEPARTMENT OF EDUCATION									
EDUCATION REFORM (1)									
Goals 2000: Educate America Act:									
State & Local Ed. Systemic Improvement Grants	476,000	603,500	370,665	500,000	464,500	-11,500	+93,835	-35,500	D
State & Local Ed. Systemic Improvement Grants (2)	---	1,500	1,500	---	1,500	+1,500	---	+1,500	D
Parental Assistance (2)	15,000	15,000	15,000	30,000	25,000	+10,000	+10,000	-5,000	D
Subtotal, Goals 2000	491,000	620,000	387,165	530,000	491,000	---	+103,835	-39,000	
School-to-work opportunities:									
School-to-Work Opportunities	199,973	200,000	200,000	200,000	200,000	+27	---	---	D
Education Technology: (2) (3)									
Technology for Education	266,965	510,000	520,000	541,000	541,000	+274,035	+21,000	---	D
Star Schools	30,000	26,000	---	30,000	34,000	+4,000	+34,000	+4,000	D
Ready to Learn Television	7,000	7,000	---	7,000	7,000	---	+7,000	---	D
Telcom Demo Project for Mathematics	1,035	2,035	---	2,035	2,035	+1,000	+2,035	---	D
Subtotal, Education technology	305,000	545,035	520,000	580,035	584,035	+279,035	+64,035	+4,000	
Subtotal, Non-Goals 2000 Ed Reform	504,973	745,035	720,000	780,035	784,035	+279,062	+64,035	+4,000	
Total	995,973	1,365,035	1,107,165	1,310,035	1,275,035	+279,062	+167,870	-35,000	
Subtotal, Forward funded	(675,973)	(803,500)	(570,665)	(700,000)	(664,500)	(-11,473)	(+93,835)	(-35,500)	

(1) Forward funded except where noted.

(2) Current funded.

(3) Star Schools, Ready to Learn, Telecommunications Demonstration, and one component of the Technology for Education were funded in the House and Senate bills in the Education Research and Statistics account.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1997	House	Senate	
EDUCATION FOR THE DISADVANTAGED (1)									
Grants to Local Education Agencies (LEAs):									
Basic Grants	6,269,712	6,187,350	6,187,850	6,269,712	6,269,712	---	+81,862	---	D
Basic Grants (2)	3,500	4,000	3,500	4,000	3,500	---	---	-500	D
Subtotal, Basic grants	6,273,212	6,191,350	6,191,350	6,273,712	6,273,212	---	+81,862	-500	
Concentration Grants	1,022,020	999,249	949,249	1,022,020	1,102,020	+80,000	+152,771	+80,000	D
Targeted Grants	---	350,000	400,000	---	---	---	-400,000	---	D
Comprehensive School Reform	---	---	150,000	---	120,000	+120,000	-30,000	+120,000	D
Subtotal, Grants to LEAs	7,295,232	7,540,599	7,690,599	7,295,732	7,495,232	+200,000	-195,367	+199,500	
Capital Expenses for Private School Children	41,119	41,119	41,119	41,119	41,119	---	---	---	D
Even Start	101,992	108,000	108,000	108,000	124,000	+22,008	+16,000	+16,000	D
State agency programs:									
Migrant	305,473	319,500	305,473	305,473	305,473	---	---	---	D
Neglected and Delinquent/High Risk Youth	39,311	40,333	39,311	40,333	39,311	---	---	-1,022	D
State School Improvement	---	8,000	---	---	---	---	---	---	D
Evaluation (2)	6,977	10,000	10,000	6,977	6,977	---	-3,023	---	D
Total, ESEA	7,790,104	8,067,551	8,194,502	7,797,634	8,012,112	+222,008	-182,390	+214,478	

(1) Forward funded except where noted.

(2) Current funded.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
Migrant education:									
High School Equivalency Program (1)	7,441	7,634	7,634	7,634	7,634	+193	---	---	D
College Assistance Migrant Program (1)	2,028	2,081	2,081	2,081	2,081	+53	---	---	D
Subtotal, migrant education	9,469	9,715	9,715	9,715	9,715	+246	---	---	
Total, Compensatory education programs	7,799,573	8,077,266	8,204,217	7,807,349	8,021,827	+222,254	-182,390	+214,478	
Subtotal, forward funded	(7,779,627)	(8,053,551)	(8,181,002)	(7,786,657)	(8,001,635)	(+222,008)	(-179,367)	(+214,978)	
IMPACT AID									
Basic Support Payments	615,500	584,000	667,000	623,500	662,000	+46,500	-5,000	+38,500	D
Payments for Children with Disabilities	40,000	40,000	40,000	80,000	50,000	+10,000	+10,000	-30,000	D
Payments for Heavily Impacted Districts (Sec. f)	52,000	20,000	62,000	52,000	62,000	+10,000	---	+10,000	D
Subtotal	707,500	644,000	769,000	755,500	774,000	+66,500	+5,000	+18,500	
Facilities Maintenance (Sec. 8008)	---	10,000	---	10,000	3,000	+3,000	+3,000	-7,000	D
Construction (Sec. 8007)	5,000	4,000	7,000	5,000	7,000	+2,000	---	+2,000	D
Payments for Federal Property (Sec. 8002)	17,500	---	20,000	24,000	24,000	+6,500	+4,000	---	D
Total, Impact aid	730,000	658,000	796,000	794,500	808,000	+78,000	+12,000	+13,500	

(1) Current funded.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
SCHOOL IMPROVEMENT PROGRAMS									
Professional development (1)	310,000	360,000	310,000	310,000	335,000	+25,000	+25,000	+25,000	D
Program innovation (1)	310,000	---	350,000	310,000	350,000	+40,000	---	+40,000	D
Safe and drug-free schools:									
State Grants (1)	530,978	590,000	531,000	555,978	531,000	+22	---	-24,978	D
National Programs	25,000	30,000	25,000	---	25,000	---	---	+25,000	D
Subtotal, Safe and drug-free schools	555,978	620,000	556,000	555,978	556,000	+22	---	+22	
Inexpensive Book Distribution (RIF)	10,265	12,000	12,000	12,000	12,000	+1,735	---	---	D
Arts in Education	9,000	9,500	9,500	10,500	10,500	+1,500	+1,000	---	D
Other school improvement programs:									
Magnet Schools Assistance	95,000	95,000	105,000	95,000	101,000	+6,000	-4,000	+6,000	D
Education for Homeless Children & Youth (1)	25,000	27,000	27,000	28,800	28,800	+3,800	+1,800	---	D
Women's Education Equity	2,000	4,000	2,000	4,000	3,000	+1,000	+1,000	-1,000	D
Training and Advisory Services (Civil Rights)	7,334	14,334	7,334	7,334	7,334	---	---	---	D
Ellender Fellowships/Close Up (1)	1,500	---	1,500	1,500	1,500	---	---	---	D
Education for Native Hawaiians	15,000	15,000	---	20,000	18,000	+3,000	+18,000	-2,000	D
Alaska Native Education Equity	8,000	8,000	---	10,640	8,000	---	+8,000	-2,640	D
Charter Schools	50,987	100,000	100,000	50,987	80,000	+29,013	-20,000	+29,013	D
Education Infrastructure	---	---	---	100,000	---	---	---	-100,000	D
Subtotal, other school improvement programs	204,821	263,334	242,834	318,261	247,634	+42,813	+4,800	-70,627	
Comprehensive Regional Assistance Centers	25,554	34,388	27,054	25,554	27,054	+1,500	---	+1,500	D
Total, School improvement programs	1,425,618	1,299,222	1,507,388	1,542,293	1,538,188	+112,570	+30,800	-4,105	
Subtotal, forward funded	(1,177,478)	(977,000)	(1,219,500)	(1,206,278)	(1,246,300)	(+68,822)	(+26,800)	(+40,022)	

(1) Forward funded.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
LITERACY INITIATIVE									
Current year	---	260,000	---	---	---	---	---	---	D
1999 advance funding	---	---	260,000	260,000	210,000	+210,000	-50,000	-50,000	D
Total, Literacy initiative	---	260,000	260,000	260,000	210,000	+210,000	-50,000	-50,000	
INDIAN EDUCATION (1)									
Grants to Local Educational Agencies	58,050	59,750	59,750	59,750	59,750	+1,700	---	---	D
Office of Indian Education	2,943	2,850	2,850	2,850	2,850	-93	---	---	D
Total, Indian Education	60,993	62,600	62,600	62,600	62,600	+1,607	---	---	
BILINGUAL AND IMMIGRANT EDUCATION									
Bilingual education:									
Instructional Services	141,700	160,000	160,000	160,000	160,000	+18,300	---	---	D
Support Services	10,000	14,000	14,000	14,000	14,000	+4,000	---	---	D
Professional Development	5,000	25,000	25,000	25,000	25,000	+20,000	---	---	D
Immigrant Education	100,000	150,000	150,000	150,000	150,000	+50,000	---	---	D
Foreign Language Assistance	5,000	5,000	5,000	5,000	5,000	---	---	---	D
Total, Bilingual and Immigrant Education	261,700	354,000	354,000	354,000	354,000	+92,300	---	---	

(1) Funding for this account for FY97 was provided in the Interior Appropriations Bill and is shown here for purposes of comparability.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
SPECIAL EDUCATION									
State grants: (1)									
Grants to States Part B	3,107,522	3,240,750	3,425,911	3,941,837	3,801,000	+693,478	+375,089	-140,837	D
Preschool Grants	360,409	374,825	388,985	378,985	373,985	+13,576	-15,000	-5,000	D
Grants for Infants and Families	315,754	323,964	340,790	350,790	350,000	+34,246	+9,210	-790	D
Evaluation	1,873	6,300	6,300	6,300	5,000	+3,127	-1,300	-1,300	D
Evaluation (2)	---	1,700	1,700	1,700	1,700	+1,700	---	---	D
Subtotal, State grants	3,785,558	3,947,539	4,163,686	4,679,612	4,531,685	+746,127	+367,999	-147,927	
IDEA National Programs (P.L. 105-17):									
State Program Improvement Grants (1)	26,988	35,200	35,200	35,200	35,200	+8,212	---	---	D
Research and Innovation to Improve Services	62,803	64,508	64,508	64,508	64,508	+1,705	---	---	D
Technical Assistance and Dissemination	34,337	35,056	35,056	44,556	44,556	+10,219	+9,500	---	D
Personnel Preparation	80,735	82,139	82,139	82,139	82,139	+1,404	---	---	D
Parent Information Centers	15,535	15,535	15,535	18,535	18,535	+3,000	+3,000	---	D
Technology and Media Services	30,023	30,023	32,523	32,023	32,523	+2,500	---	+500	D
Public telecom Info/training Dissemination	---	---	---	1,500	1,500	+1,500	+1,500	---	D
Subtotal, IDEA special programs reauthorization	250,421	262,461	264,961	278,461	278,961	+28,540	+14,000	+500	
Total, Special education	4,035,979	4,210,000	4,428,647	4,958,073	4,810,646	+774,667	+381,999	-147,427	
Subtotal, Forward funded	(3,812,546)	(3,981,039)	(4,197,186)	(4,713,112)	(4,565,185)	(+752,639)	(+367,999)	(-147,927)	

(1) Forward funded except where noted.

(2) Current funded.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
REHABILITATION SERVICES AND DISABILITY RESEARCH									
Vocational Rehabilitation State Grants................	2,176,038	2,246,888	2,246,888	2,246,888	2,246,888	+70,850	---	---	M
Client Assistance State grants........................	10,392	10,714	10,714	10,714	10,714	+322	---	---	M
Training..	39,629	39,629	39,629	39,629	39,629	---	---	---	M
Special demonstration programs........................	18,942	16,942	15,942	20,836	15,942	-3,000	---	-4,894	M
Migratory workers.....................................	1,850	2,350	2,350	2,350	2,350	+500	---	---	M
Recreational programs.................................	2,596	2,596	2,596	2,596	2,596	---	---	---	M
Protection and advocacy of individual rights (PAIR)...	7,657	7,894	9,894	7,894	9,894	+2,237	---	+2,000	M
Projects with industry................................	22,071	22,071	22,071	22,071	22,071	---	---	---	M
Supported employment State grants.....................	38,152	38,152	38,152	38,152	38,152	---	---	---	M
Independent living: State grants......................................	21,859	21,859	21,859	21,859	21,859	---	---	---	M
Centers...	42,876	44,205	44,205	46,205	45,205	+2,329	+1,000	-1,000	M
Services for older blind individuals..............	9,952	9,952	9,952	11,947	10,950	+998	+998	-997	M
Subtotal, Independent living....................	74,687	76,016	76,016	80,011	78,014	+3,327	+1,998	-1,997	
Program Improvement...................................	2,391	3,900	2,900	3,900	2,900	+509	---	-1,000	M
Evaluation..	1,587	1,587	1,587	1,587	1,587	---	---	---	M
Helen Keller National Center for Deaf-Blind Youths & Adults...	7,337	7,528	7,528	7,549	7,549	+212	+21	---	M
National Institute for Disability and Rehabilitation Research (NIDRR)....................................	69,990	71,000	76,800	71,000	76,800	+6,810	---	+5,800	M
Subtotal, mandatory programs....................	2,473,319	2,547,267	2,553,067	2,555,177	2,555,086	+81,767	+2,019	-91	
Assistive Technology..................................	36,109	36,109	36,109	36,109	36,109	---	---	---	D
Total, Rehabilitation services..................	2,509,428	2,583,376	2,589,176	2,591,286	2,591,195	+81,767	+2,019	-91	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
SPECIAL INSTITUTIONS FOR PERSONS WITH DISABILITIES									
AMERICAN PRINTING HOUSE FOR THE BLIND.................	6,680	6,680	8,186	7,906	8,186	+1,506	---	+280	D
NATIONAL TECHNICAL INSTITUTE FOR THE DEAF............	43,041	43,041	43,841	44,141	44,141	+1,100	+300	---	D
GALLAUDET UNIVERSITY..................................	79,182	79,182	80,682	81,000	81,000	+1,818	+318	---	D
Total, Special Inst for Persons with Disabilities.	128,903	128,903	132,709	133,047	133,327	+4,424	+618	+280	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1997	House	Senate	
VOCATIONAL AND ADULT EDUCATION (1)									
Vocational education:									
Basic State Grants	1,015,550	1,043,550	1,035,550	1,015,550	1,027,550	+12,000	-8,000	+12,000	D
Tech-Prep Education	100,000	105,000	105,000	100,000	103,000	+3,000	-2,000	+3,000	D
Tribally Controlled Postsecondary Vocational Institutions (2)	2,919	2,919	3,100	3,100	3,100	+181	---	---	D
National Progams: Research	13,497	20,497	13,497	13,497	13,497	---	---	---	D
Subtotal, Vocational education	1,131,966	1,171,966	1,157,147	1,132,147	1,147,147	+15,181	-10,000	+15,000	
Adult education:									
State Programs	340,339	382,000	340,339	340,339	345,339	+5,000	+5,000	+5,000	D
National programs:									
Evaluation and Technical Assistance	4,998	6,000	4,998	4,998	4,998	---	---	---	D
National Institute for Literacy	4,491	6,000	4,491	5,491	5,491	+1,000	+1,000	---	D
Subtotal, National programs	9,489	12,000	9,489	10,489	10,489	+1,000	+1,000	---	
Literacy Programs for Prisoners	4,723	---	---	4,723	4,723	---	+4,723	---	D
Subtotal, adult education	354,551	394,000	349,828	355,551	360,551	+6,000	+10,723	+5,000	
Total, Vocational and adult education	1,486,517	1,565,966	1,506,975	1,487,698	1,507,698	+21,181	+723	+20,000	
Subtotal, forward funded	(1,483,598)	(1,563,047)	(1,503,875)	(1,484,598)	(1,504,598)	(+21,000)	(+723)	(+20,000)	

(1) Forward funded except where noted.

(2) Current funded.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
STUDENT FINANCIAL ASSISTANCE									
Pell Grant -- maximum grant (NA)	(2,700)	(3,000)	(3,000)	(3,000)	(3,000)	(+300)	---	---	NA
Pell Grants -- Regular Program	5,919,000	7,635,000	7,438,000	6,910,334	7,344,934	+1,425,934	-93,066	+434,600	D
Federal Supplemental Educational Opportunity Grants	583,407	583,407	583,407	634,407	614,000	+30,593	+30,593	-20,407	D
Federal Work Study	830,000	857,000	860,000	830,000	830,000	---	-30,000	---	D
Federal Perkins loans:									
Capital Contributions	158,000	158,000	135,000	158,000	135,000	-23,000	---	-23,000	D
Loan Cancellations	20,000	30,000	30,000	23,900	30,000	+10,000	---	+6,100	D
Subtotal, Federal Perkins loans	178,000	188,000	165,000	181,900	165,000	-13,000	---	-16,900	
State Student Incentive Grants	50,000	---	---	35,000	25,000	-25,000	+25,000	-10,000	D
Total, Student financial assistance	7,560,407	9,263,407	9,046,407	8,591,641	8,978,934	+1,418,527	-67,473	+387,293	
FEDERAL FAMILY EDUCATION LOANS PROGRAM									
Federal Administration	46,482	47,688	47,688	46,482	46,482	---	-1,206	---	D

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
HIGHER EDUCATION									
Aid for institutional development:									
Strengthening Institutions	55,450	55,450	55,450	55,450	55,450	---	---	---	D
Hispanic Serving Institutions	10,800	12,000	12,000	12,000	12,000	+1,200	---	---	D
Hispanic serving institutions (Agriculture bill)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	---	---	---	NA
Subtotal, Hispanic serving institutions	(12,800)	(14,000)	(14,000)	(14,000)	(14,000)	(+1,200)	---	---	
Strengthening Historically Black Colleges (HBCUs)	108,990	113,000	120,000	108,990	118,495	+9,505	-1,505	+9,505	D
Strengthening historically black graduate insts	19,606	19,606	25,000	19,606	25,000	+5,394	---	+5,394	D
Endowment Challenge Grants, HBCU set-aside	---	2,015	---	---	---	---	---	---	D
Subtotal, Institutional development	194,846	202,071	212,450	196,046	210,945	+16,099	-1,505	+14,899	
Program development:									
Fund for the Improvement of Postsec. Ed. (FIPSE)	18,000	18,000	18,000	30,000	25,200	+7,200	+7,200	-4,800	D
Minority Teacher Recruitment	2,212	3,727	2,500	2,212	2,212	---	-288	---	D
Minority Science Improvement	5,255	5,255	5,255	5,255	5,255	---	---	---	D
International educ & foreign language studies:									
Domestic Programs	53,481	53,481	54,481	53,481	53,581	+100	-900	+100	D
Overseas Programs	5,270	5,770	5,770	5,870	5,770	+500	---	-100	D
Institute for International Public Policy	1,000	1,000	---	1,000	1,000	---	+1,000	---	D
Subtotal, International education	59,751	60,251	60,251	60,351	60,351	+600	+100	---	
Urban Community Service	9,200	---	---	4,900	4,900	-4,300	+4,900	---	D
Subtotal, Program development	94,418	87,233	86,006	102,718	97,918	+3,500	+11,912	-4,800	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
Interest Subsidy Grants for Prior Year Construction...	15,673	13,700	13,700	13,700	13,700	-1,973	---	---	D
Special grants:									
Mary McLeod Bethune Memorial Fine Arts Center.....	1,400	---	6,620	1,400	6,620	+5,220	---	+5,220	D
Federal TRIO Programs............................	499,994	525,000	532,000	525,000	529,667	+29,673	-2,333	+4,667	D
National Early Intervention Scholarships and Partn	3,600	---	---	3,600	3,600	---	+3,600	---	D
Advanced Placement Fees..........................	---	6,000	---	3,000	3,000	+3,000	+3,000	---	D
Scholarships:									
Byrd Honors Scholarships.........................	29,117	39,288	29,117	39,288	39,288	+10,171	+10,171	---	D
Presidential Honors Scholarships.................	---	132,000	---	---	---	---	---	---	D
George Bush Fellowships..........................	3,000	---	---	---	---	-3,000	---	---	D
Edmund Muskie Foundation.........................	3,000	---	---	---	---	-3,000	---	---	D
Pell Institute for International Relations........	3,000	---	---	---	---	-3,000	---	---	D
Calvin Coolidge Memorial Foundation..............	1,000	---	---	---	---	-1,000	---	---	D
Subtotal, Scholarships.........................	39,117	171,288	29,117	39,288	39,288	+171	+10,171	---	
Graduate fellowships:									
Javits Fellowships...............................	5,931	---	---	---	---	-5,931	---	---	D
Graduate Assistance in Areas of National Need.....	24,069	30,000	30,000	30,000	30,000	+5,931	---	---	D
Subtotal, Graduate fellowships.................	30,000	30,000	30,000	30,000	30,000	---	---	---	
Youth Offender Grants............................	---	---	---	15,000	12,000	+12,000	+12,000	-3,000	D
Total, Higher education........................	879,048	1,035,292	909,893	929,752	946,738	+67,690	+36,845	+16,986	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
HOWARD UNIVERSITY									
Academic Program	166,511	162,981	180,511	164,981	180,511	+14,000	---	+15,530	D
Endowment Program	---	3,530	---	3,530	---	---	---	-3,530	D
Howard University Hospital	29,489	29,489	29,489	29,489	29,489	---	---	---	D
Total, Howard University	196,000	196,000	210,000	198,000	210,000	+14,000	---	+12,000	
COLLEGE HOUSING & ACADEMIC FACILITIES LOANS PROGRAM: Federal Administration	698	1,069	698	698	698	---	---	---	D
HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING PROGRAM									
Federal Administration	104	104	104	104	104	---	---	---	D

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1997	House	Senate	
EDUCATION RESEARCH, STATISTICS, AND IMPROVEMENT (1)									
Research and statistics:									
Research	72,567	81,035	81,035	72,567	72,567	---	-8,468	---	D
Regional Education Laboratories	51,000	53,500	57,000	53,500	56,000	+5,000	-1,000	+2,500	D
Statistics	50,000	66,250	66,250	52,000	59,000	+9,000	-7,250	+7,000	D
Assessment:									
National Assessment	29,752	35,502	35,502	29,752	32,000	+2,248	-3,502	+2,248	D
National Assessment Governing Board	2,865	2,871	2,865	2,871	3,471	+606	+606	+600	D
Subtotal, Assessment	32,617	38,373	38,367	32,623	35,471	+2,854	-2,896	+2,848	
Subtotal, Research and statistics	206,184	239,158	242,652	210,690	223,038	+16,854	-19,614	+12,348	
Fund for the Improvement of Education	40,000	40,000	80,000	50,000	108,100	+68,100	+28,100	+58,100	D
International Education Exchange	5,000	5,000	---	5,000	5,000	---	+5,000	---	D
21st Century Community Learning Centers	1,000	---	50,000	1,000	40,000	+39,000	-10,000	+39,000	D
Civics Education	4,500	4,500	5,500	4,500	5,500	+1,000	---	+1,000	D
Eisenhower Professional Dvp. National Activities	13,342	30,000	21,000	25,000	23,300	+9,958	+2,300	-1,700	D
Eisenhower Regional Math & Science Ed. Consortia	15,000	15,000	15,000	15,000	15,000	---	---	---	D
Javits Gifted and Talented Education	5,000	7,000	6,000	7,000	6,500	+1,500	+500	-500	D
National Writing Project	3,100	---	3,100	5,000	5,000	+1,900	+1,900	---	D
After School Learning Centers	---	50,000	---	---	---	---	---	---	D
Total, ERSI	293,126	390,658	423,252	323,190	431,438	+138,312	+8,186	+108,248	

(1) Education Technology funded in Education Reform.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1997	House	Senate	
LIBRARIES (1)									
Public libraries:									
Services	100,636	---	---	---	---	-100,636	---	---	D
Construction	16,369	---	---	---	---	-16,369	---	---	D
Interlibrary Cooperation	11,864	---	---	---	---	-11,864	---	---	D
Library Education and Training	2,500	---	---	---	---	-2,500	---	---	D
Research and Demonstrations	5,000	---	---	---	---	-5,000	---	---	D
Institute of Museum and Library Services	---	136,369	142,000	146,369	146,340	+146,340	+4,340	-29	D
Total, Libraries	136,369	136,369	142,000	146,369	146,340	+9,971	+4,340	-29	
DEPARTMENTAL MANAGEMENT									
PROGRAM ADMINISTRATION	326,217	341,039	329,579	340,064	341,064	+14,847	+11,485	+1,000	D
OFFICE FOR CIVIL RIGHTS	54,900	61,500	55,449	57,522	61,500	+6,600	+6,051	+3,978	D
OFFICE OF THE INSPECTOR GENERAL	29,943	32,000	30,242	32,000	30,242	+299	---	-1,758	D
Total, Departmental management	411,060	434,539	415,270	429,586	432,806	+21,746	+17,536	+3,220	

(1) The library authorizing statue requires appropriations to be made to the Department of Education and then transferred to the Institute of Museum and Library Services.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
STUDENT LOANS									
New Annual Loan Volume (including consolidation):									
Federal Family Education Loans (FFEL)	(23,038,000)	(22,995,000)	(22,995,000)	(22,995,000)	(22,995,000)	(-43,000)	---	---	NA
Federal Direct Student Loans (FDSL)	(13,789,000)	(16,930,000)	(16,930,000)	(16,930,000)	(16,930,000)	(+3,141,000)	---	---	NA
Total Outstanding Loan Volume:									
Federal Family Education Loans (FFEL)	(88,864,000)	(101,148,000)	(101,148,000)	(101,148,000)	(101,148,000)	(+12,284,000)	---	---	NA
Federal Direct Student Loans (FDSL)	(23,153,000)	(36,829,000)	(36,829,000)	(36,829,000)	(36,829,000)	(+13,676,000)	---	---	NA
Total, Department of Education	28,957,978	32,069,494	32,144,189	31,966,703	32,506,056	+3,548,078	+361,867	+539,353	
Current year	(28,957,978)	(32,069,494)	(31,884,189)	(31,706,703)	(32,296,056)	(+3,338,078)	(+411,867)	(+589,353)	
1999 advance	---	---	(260,000)	(260,000)	(210,000)	(+210,000)	(-50,000)	(-50,000)	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
TITLE IV - RELATED AGENCIES									
ARMED FORCES RETIREMENT HOME									
Operations and Maintenance: TF Limitation	55,663	55,452	55,452	55,452	55,452	-211	---	---	D
Capital Program: TF Limitation	432	24,525	14,825	10,000	13,217	+12,785	-1,608	+3,217	D
Total, AFRH	56,095	79,977	70,277	65,452	68,669	+12,574	-1,608	+3,217	
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE									
Domestic Volunteer Service Programs: (1)									
Volunteers in Service to America (VISTA)	41,235	54,000	41,235	45,235	65,235	+24,000	+24,000	+20,000	D
National Senior Volunteer Corps:									
Foster Grandparents Program	77,812	85,972	84,106	85,593	87,593	+9,781	+3,487	+2,000	D
Senior Companion Program	31,244	35,449	34,669	34,368	35,368	+4,124	+699	+1,000	D
Retired Senior Volunteer Program	35,708	45,043	39,408	39,279	40,279	+4,571	+871	+1,000	D
Senior Demonstration Program	---	10,000	---	---	---	---	---	---	D
Subtotal, Senior Volunteers	144,764	176,464	158,183	159,240	163,240	+18,476	+5,057	+4,000	
Program Administration	27,850	29,836	28,129	28,129	28,129	+279	---	---	D
Total, Domestic Volunteer Service Programs	213,849	260,300	227,547	232,604	256,604	+42,755	+29,057	+24,000	
Corporation for Public Broadcasting:									
FY2000 (current request) with FY99 comparable	250,000	325,000	300,000	300,000	300,000	+50,000	---	---	D
FY99 advance with FY98 comparable (NA)	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)	---	---	---	NA
FY98 advance with FY97 comparable (NA)	(260,000)	(250,000)	(250,000)	(250,000)	(250,000)	(-10,000)	---	---	NA
Federal Mediation and Conciliation Service	32,525	33,481	33,481	33,481	33,481	+956	---	---	D
Federal Mine Safety and Health Review Comm'n	6,049	6,060	6,060	6,060	6,060	+11	---	---	D

(1) The request earmarks $38 million for America Reads. Appropriations for Americorps are included in the VA-HUD bill.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
National Commission on Libraries and Info Science.....	897	1,123	1,000	1,000	1,000	+103	---	---	D
National Council on Disability........................	1,791	1,793	1,793	1,793	1,793	+2	---	---	D
National Education Goals Panel........................	1,495	2,000	2,000	2,000	2,000	+505	---	---	D
National Commission on Cost of Higher Education.......	650	---	---	---	---	-650	---	---	D
National Labor Relations Board........................	174,661	186,434	174,661	174,661	174,661	---	---	---	D
National Mediation Board..............................	8,284	8,100	8,400	8,600	8,600	+316	+200	---	D
Occupational Safety and Health Review Comm'n..........	7,738	7,800	7,900	7,800	7,900	+162	---	+100	D
Physician Payment Review Commission (TF) (1)..........	(3,258)	(3,578)	(3,258)	(3,508)	(3,508)	(+250)	(+250)	---	TF*
Prospective Payment Assessment Commission (TF) (1)....	(3,257)	(3,579)	(3,257)	(3,507)	(3,507)	(+250)	(+250)	---	TF*
RAILROAD RETIREMENT BOARD									
Dual Benefits Payments Account........................	223,000	206,000	206,000	205,500	205,500	-17,500	-500	---	D
Less Income Tax Receipts on Dual Benefits.............	-9,000	-12,000	-12,000	-12,000	-12,000	-3,000	---	---	D
Subtotal, Dual Benefits........................	214,000	194,000	194,000	193,500	193,500	-20,500	-500	---	
Federal Payment to the RR Retirement Account..........	300	50	50	50	50	-250	---	---	M
Limitation on administration:									
Consolidated Account..............................	(87,728)	(88,800)	(85,728)	(87,728)	(87,228)	(-500)	(+1,500)	(-500)	TF*
Inspector General.................................	(5,394)	(5,400)	(5,000)	(5,394)	(5,794)	(+400)	(+794)	(+400)	TF*

(1) The conference agreement provides funding for the newly created Medicare Advisory Commission.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
SOCIAL SECURITY ADMINISTRATION									
Payments to Social Security Trust Funds..............	20,923	20,308	20,308	20,308	20,308	-615	---	---	M
Additional Administrative Expenses (1)...............	10,000	---	---	---	---	-10,000	---	---	M
SPECIAL BENEFITS FOR DISABLED COAL MINERS									
Benefit payments.....................................	625,450	581,470	581,470	581,470	581,470	-43,980	---	---	M
Administration.......................................	4,620	4,620	4,620	4,620	4,620	---	---	---	M
Subtotal, Black Lung, FY97/98 program level.....	630,070	586,090	586,090	586,090	586,090	-43,980	---	---	
Less funds advanced in prior year...............	-170,000	-160,000	-160,000	-160,000	-160,000	+10,000	---	---	M
Total, Black Lung, current request, FY97/98.....	460,070	426,090	426,090	426,090	426,090	-33,980	---	---	
New advances, 1st quarter FY98/99............	160,000	160,000	160,000	160,000	160,000	---	---	---	M

(1) No-year availability.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
SUPPLEMENTAL SECURITY INCOME									
Federal benefit payments	26,559,100	23,710,300	23,710,300	23,710,300	23,710,300	-2,848,800	---	---	M
Beneficiary services	100,000	46,000	46,000	46,000	46,000	-54,000	---	---	M
Research and demonstration	7,000	16,700	16,700	9,225	16,700	+9,700	---	+7,475	M
Administration	1,946,015	2,037,000	2,037,000	2,037,000	2,027,000	+80,985	-10,000	-10,000	D
Automation investment initiative	19,895	50,000	50,000	50,000	50,000	+30,105	---	---	D
Subtotal, SSI FY97/98 program level	28,632,010	25,860,000	25,860,000	25,852,525	25,850,000	-2,782,010	-10,000	-2,525	
Less funds advanced in prior year	-9,260,000	-9,690,000	-9,690,000	-9,690,000	-9,690,000	-430,000	---	---	M
Subtotal, regular SSI current year, FY 1997 / 1998	19,372,010	16,170,000	16,170,000	16,162,525	16,160,000	-3,212,010	-10,000	-2,525	
Additional CDR funding	25,000	75,000	75,000	120,000	75,000	+50,000	---	-45,000	D
User Fee Activities	---	35,000	35,000	35,000	35,000	+35,000	---	---	D
SSI reforms (welfare)	150,000	100,000	100,000	100,000	100,000	-50,000	---	---	D
Total, SSI, current request, FY 1997 / 1998	19,547,010	16,380,000	16,380,000	16,417,525	16,370,000	-3,177,010	-10,000	-47,525	
New advance, 1st quarter, FY98/99	9,690,000	8,680,000	8,680,000	8,680,000	8,680,000	-1,010,000	---	---	M

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
LIMITATION ON ADMINISTRATIVE EXPENSES (1)									
OASDI Trust Funds	(3,068,300)	(2,992,440)	(2,934,440)	(2,934,440)	(2,900,440)	(-167,860)	(-34,000)	(-34,000)	TF
HI/SMI Trust Funds	(846,099)	(965,000)	(965,000)	(965,000)	(965,000)	(+118,901)	---	---	TF*
Social Security Advisory Board	(1,268)	(1,600)	(1,600)	(1,268)	(1,600)	(+332)	---	(+332)	TF
SSI	(1,946,015)	(2,037,000)	(2,037,000)	(2,037,000)	(2,027,000)	(+80,985)	(-10,000)	(-10,000)	TF
Subtotal, regular LAE	(5,861,682)	(5,996,040)	(5,938,040)	(5,937,708)	(5,894,040)	(+32,358)	(-44,000)	(-43,668)	
User Fee Activities	---	(35,000)	(35,000)	(35,000)	(35,000)	(+35,000)	---	---	TF
OASDI Automation	(215,000)	(150,000)	(150,000)	(150,000)	(140,000)	(-75,000)	(-10,000)	(-10,000)	TF
SSI Automation	(19,895)	(50,000)	(50,000)	(50,000)	(50,000)	(+30,105)	---	---	TF
Subtotal, automation initative	(234,895)	(200,000)	(200,000)	(200,000)	(190,000)	(-44,895)	(-10,000)	(-10,000)	
TOTAL, REGULAR LAE	(6,096,577)	(6,231,040)	(6,173,040)	(6,172,705)	(6,119,040)	(+22,463)	(-54,000)	(-53,668)	
Additional CDR funding (2)	(160,000)	(190,000)	(145,000)	(190,000)	(190,000)	(+30,000)	(+45,000)	---	TF
SSI reforms (welfare)	(150,000)	(100,000)	(100,000)	(100,000)	(100,000)	(-50,000)	---	---	TF
TOTAL, LAE	(6,406,577)	(6,521,040)	(6,418,040)	(6,462,708)	(6,409,040)	(+2,463)	(-9,000)	(-53,668)	

(1) All trust fund limitations will be scored as BA in FY 98. Comparable adjustments for FY 97 and FY 98 displayed as scorekeeping adjustments.

(2) The request is $45 million above the authorized amount. The recommendation is for the full authorized amount.

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
OFFICE OF INSPECTOR GENERAL									
Federal Funds	6,265	10,164	10,164	6,265	10,164	+3,899	---	+3,899	D
Trust Funds	(31,089)	---	---	---	---	(-31,089)	---	---	TF
Portion treated as budget authority	---	(34,260)	(42,260)	(31,089)	(38,260)	(+38,260)	(-4,000)	(+7,171)	TFs
Total, Office of the Inspector General	37,354	44,424	52,424	37,354	48,424	+11,070	-4,000	+11,070	
Federal funds	6,265	10,164	10,164	6,265	10,164	+3,899	---	+3,899	
Trust funds	(31,089)	(34,260)	(42,260)	(31,089)	(38,260)	(+7,171)	(-4,000)	(+7,171)	
Total, Social Security Administration	36,331,934	32,231,862	32,136,862	32,203,985	32,113,862	-4,218,072	-23,000	-90,123	
Federal funds	29,894,268	25,676,562	25,676,562	25,710,188	25,666,562	-4,227,706	-10,000	-43,626	
Current year FY 1997 / 1998	(20,044,268)	(16,836,562)	(16,836,562)	(16,870,188)	(16,826,562)	(-3,217,706)	(-10,000)	(-43,626)	
New advances, 1st quarter FY 1998 / 1999	(9,850,000)	(8,840,000)	(8,840,000)	(8,840,000)	(8,840,000)	(-1,010,000)	---	---	
Trust funds	(6,437,666)	(6,555,300)	(6,460,300)	(6,493,797)	(6,447,300)	(+9,634)	(-13,000)	(-46,497)	
United States Institute of Peace	11,149	11,160	11,160	11,160	11,160	+11	---	---	D
Total, Title IV, Related Agencies	37,411,054	33,450,497	33,272,434	33,342,283	33,279,377	-4,131,677	+6,943	-62,906	
Federal Funds (all years)	30,873,751	26,793,840	26,714,891	26,748,349	26,732,040	-4,141,711	+17,149	-16,309	
Current year, FY 1997 / 1998	(20,773,751)	(17,628,840)	(17,574,891)	(17,608,349)	(17,592,040)	(-3,181,711)	(+17,149)	(-16,309)	
FY 1998 / 1999	(9,850,000)	(8,840,000)	(8,840,000)	(8,840,000)	(8,840,000)	(-1,010,000)	---	---	
FY 1999 / 2000	(250,000)	(325,000)	(300,000)	(300,000)	(300,000)	(+50,000)	---	---	
Trust funds	(6,537,303)	(6,656,657)	(6,557,543)	(6,593,934)	(6,547,337)	(+10,034)	(-10,206)	(-46,597)	
TITLE V									
Undistrubted reductions	---	---	---	-75,500	---	---	---	+75,500	D

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs FY 1997	Conference vs House	Conference vs Senate	Mand Disc
SUMMARY									
Title I - Department of Labor:									
Federal Funds	8,739,722	9,422,853	9,225,845	9,362,815	9,335,127	+595,405	+109,282	-27,688	
Current year	(8,739,722)	(9,422,853)	(9,125,845)	(9,112,815)	(9,085,127)	(+345,405)	(-40,718)	(-27,688)	
1999 advance	---	---	(100,000)	(250,000)	(250,000)	(+250,000)	(+150,000)	---	
Trust Funds	(3,432,410)	(3,726,020)	(3,596,917)	(3,579,643)	(3,613,917)	(+181,507)	(+17,000)	(+34,274)	
Current year	(3,432,410)	(3,726,020)	(3,596,917)	(3,579,643)	(3,573,917)	(+141,507)	(-23,000)	(-5,726)	
1999 advance	---	---	---	---	(40,000)	(+40,000)	(+40,000)	(+40,000)	
Title II - Department of Health and Human Services:									
Federal Funds	210,126,904	200,820,796	201,564,367	201,889,745	199,440,552	-10,686,352	-2,123,815	-2,449,193	
Current year	(178,482,911)	(169,202,607)	(169,946,178)	(170,071,556)	(167,722,363)	(-10,760,548)	(-2,223,815)	(-2,349,193)	
1999 advance	(31,643,993)	(31,618,189)	(31,618,189)	(31,818,189)	(31,718,189)	(+74,196)	(+100,000)	(-100,000)	
Trust Funds	(1,743,599)	(1,783,665)	(1,688,600)	(1,728,406)	(1,752,231)	(+8,632)	(+63,631)	(+23,825)	
Title III - Department of Education:									
Federal Funds	28,957,978	32,069,494	32,144,189	31,966,703	32,506,056	+3,548,078	+361,867	+539,353	
Current year	(28,957,978)	(32,069,494)	(31,884,189)	(31,706,703)	(32,296,056)	(+3,338,078)	(+411,867)	(+589,353)	
1999 advance	---	---	(260,000)	(260,000)	(210,000)	(+210,000)	(-50,000)	(-50,000)	
Title IV - Related Agencies:									
Federal Funds	30,873,751	26,793,840	26,714,891	26,748,349	26,732,040	-4,141,711	+17,149	-16,309	
Current year	(20,773,751)	(17,628,840)	(17,574,891)	(17,608,349)	(17,592,040)	(-3,181,711)	(+17,149)	(-16,309)	
1999 advance	(9,850,000)	(8,840,000)	(8,840,000)	(8,840,000)	(8,840,000)	(-1,010,000)	---	---	
2000 advance	(250,000)	(325,000)	(300,000)	(300,000)	(300,000)	(+50,000)	---	---	
Trust Funds	(6,537,303)	(6,656,657)	(6,557,543)	(6,593,934)	(6,547,337)	(+10,034)	(-10,206)	(-46,597)	
Title V - Undistributed reductions	---	---	---	-75,500	---	---	---	+75,500	
Total, all titles:									
Federal Funds	278,698,355	269,106,983	269,649,292	269,892,112	268,013,775	-10,684,580	-1,635,517	-1,878,337	
Current year	(236,954,362)	(228,323,794)	(228,531,103)	(228,423,923)	(226,695,586)	(-10,258,776)	(-1,835,517)	(-1,728,337)	
1999 advance	(41,493,993)	(40,458,189)	(40,818,189)	(41,168,189)	(41,018,189)	(-475,804)	(+200,000)	(-150,000)	
2000 advance	(250,000)	(325,000)	(300,000)	(300,000)	(300,000)	(+50,000)	---	---	
Trust Funds	(11,713,312)	(12,166,342)	(11,843,060)	(11,901,983)	(11,913,485)	(+200,173)	(+70,425)	(+11,502)	
Current year	(11,713,312)	(12,166,342)	(11,843,060)	(11,901,983)	(11,873,485)	(+160,173)	(+30,425)	(-28,498)	
1999 advance	---	---	---	---	(40,000)	(+40,000)	(+40,000)	(+40,000)	

						Conference vs			
	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	FY 1997	House	Senate	Mand Disc
BUDGET ENFORCEMENT ACT RECAP									
Federal Funds (all years)	278,698,355	269,106,983	269,649,292	269,892,112	268,013,775	-10,684,580	-1,635,517	-1,878,337	
Mandatory, total in bill	211,774,424	198,673,540	198,544,340	198,610,975	195,995,359	-15,779,065	-2,548,981	-2,615,616	
Less advances for subsequent years	-39,556,993	-38,458,189	-38,458,189	-38,458,189	-38,458,189	+1,098,804	---	---	
Plus advances provided in prior years	40,385,350	38,949,993	38,949,993	38,949,993	38,949,993	-1,435,357	---	---	
Adjustment for savings related to CDRs	-100,000	---	---	---	---	+100,000	---	---	
Total, mandatory, current year	212,502,781	199,165,344	199,036,144	199,102,779	196,487,163	-16,015,618	-2,548,981	-2,615,616	
Discretionary, total in bill	66,923,931	70,433,443	71,104,952	71,281,137	72,018,416	+5,094,485	+913,464	+737,279	
Less advances for subsequent years	-2,187,000	-2,325,000	-2,660,000	-3,010,000	-2,860,000	-673,000	-200,000	+150,000	
Plus advances provided in prior years	260,000	2,187,000	2,187,000	2,187,000	2,187,000	+1,927,000	---	---	
Scorekeeping adjustments:									
Trust funds considered budget authority	6,110,432	6,597,917	6,378,594	6,392,849	6,458,019	+347,587	+79,425	+65,170	
Childcare welfare reform rescission	-6,120	---	---	-6,120	-3,000	+3,120	-3,000	+3,120	
Title I advance funding, 1997/1998	1,298,239	1,298,386	1,298,239	1,298,386	1,298,386	+147	+147	---	
Title I advance funding, 1998/1999	-1,298,239	-1,298,386	-1,298,239	-1,298,386	-1,448,386	-150,147	-150,147	-150,000	
LIHEAP 1997 Contingency	300,000	---	---	---	---	-300,000	---	---	
Adjustment to balance with 1997 bill	-9,778	---	---	---	---	+9,778	---	---	
Community schools transfer	(12,800)	---	---	---	---	(-12,800)	---	---	
Adjustment for leg cap on Title XX SSBGs	120,000	---	---	-135,000	-81,000	-201,000	-81,000	+54,000	
Emer designations, child care & terrorism	-28,575	---	---	---	---	+28,575	---	---	

	FY 1997 Comparable	FY 1998 Request	House	Senate	Conference	Conference vs			Mand Disc
						FY 1997	House	Senate	
Reclassification of non-BA trust funds (1)....	3,461,970	3,271,425	3,167,466	3,167,134	3,168,466	-293,504	+1,000	+1,332	
Supplemental Child Care provision.............	1,000	---	---	---	---	-1,000	---	---	
HEAL provision................................	499	---	1,000	1,000	1,000	+501	---	---	
SSA User Fee Collection.......................	---	-35,000	-35,000	-35,000	-35,000	-35,000	---	---	
Direct Loan Administration limitation.........	-218,000	---	---	---	10,000	+228,000	+10,000	+10,000	
Pell Grant unobligated balances...............	---	---	---	-96,000	---	---	---	+96,000	
MN & WY Disproportionate Share Hospitals......	---	---	---	---	8,000	+8,000	+8,000	+8,000	
Trust Fund advances for subsequent years......	---	---	---	---	-40,000	-40,000	-40,000	-40,000	
NIH Foundation................................	---	---	---	---	1,000	+1,000	+1,000	+1,000	
Guaranty Reserve Recapture....................	---	---	---	---	-280,000	-280,000	-280,000	-280,000	
Total, discretionary, current year........	74,728,359	80,129,785	80,144,012	79,747,000	80,402,901	+5,674,542	+258,889	+655,901	
Crime trust fund........................	61,000	144,000	144,000	144,000	144,000	+83,000	---	---	
General purposes........................	74,667,359	79,985,785	80,000,012	79,603,000	80,258,901	+5,591,542	+258,889	+655,901	
Grand total, current year.................	287,231,140	279,295,129	279,180,156	278,849,779	276,890,064	-10,341,076	-2,290,092	-1,959,715	
Total amount provided in this bill........	278,698,355	269,106,983	269,649,292	269,892,112	268,013,775	-10,684,580	-1,635,517	-1,878,337	
Total 602(b) adjustments..............	8,532,785	10,188,146	9,530,864	8,957,667	8,876,289	+343,504	-654,575	-81,378	
Grand total, current year.................	287,231,140	279,295,129	279,180,156	278,849,779	276,890,064	-10,341,076	-2,290,092	-1,959,715	

(1) Reflects adjustments in scoring adopted in FY98. These adjustments are included in the FY97 comparable figures only for the purposes of comparability.

John Edward Porter,
Bill Young,
Henry Bonilla,
Dan Miller,
Jay Dickey,
Roger F. Wicker,
Anne M. Northup,
Bob Livingston,
David Obey,
Louis Stokes,
Steny H. Hoyer,
Nancy Pelosi,
Nita M. Lowey,
Rosa L. DeLauro,
Managers on the Part of the House.
Arlen Specter,
Thad Cochran,
Slade Gorton,
Kit Bond,
Judd Gregg,
Larry E. Craig,
Lauch Faircloth,
Kay Bailey Hutchison,
Ted Stevens,
Fritz Hollings,
Tom Harkin,
Daniel K. Inouye,
Dale Bumpers,
Harry Reid,
Herb Kohl,
Patty Murray,
Robert C. Byrd,
Managers on the Part of the Senate.

MAKING IN ORDER ON FRIDAY, NOVEMBER 7, 1997, OR ANY TIME THEREAFTER CONSIDERATION OF H.J. RES. 101, FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 1998

Mr. LIVINGSTON. Madam Speaker, I ask unanimous consent that the Committee on Appropriations be discharged from further consideration of H.J. Res. 101 when called up; and that it be in order at any time on Friday, November 7, 1997, or any day thereafter to consider the joint resolution in the House; and that the joint resolution be considered as read for amendment; that the joint resolution be debatable for not to exceed 1 hour, to be equally divided and controlled by myself and the gentleman from Wisconsin [Mr. Obey]; and that the previous question be considered as ordered on the joint resolution to final passage without intervening motion, except one motion to recommit with or without instructions.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

Mr. OBEY. Madam Speaker, I have no objection. Free at last, free at last.

The SPEAKER pro tempore. Without objection, the request is agreed to.

There was no objection.

MAKING IN ORDER ON FRIDAY, NOVEMBER 7, 1997, OR ANY DAY THEREAFTER CONSIDERATION OF CONFERENCE REPORT ON H.R. 2264, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

Mr. LIVINGSTON. Madam Speaker, I share the sentiment of the gentleman from Wisconsin [Mr. Obey].

Madam Speaker, I ask unanimous consent that it be in order at any time on Friday, November 7, 1997 or any day thereafter, to consider a conference report on the bill, H.R. 2264, that all points of order against the conference report and against its consideration be waived, and that the conference report be considered as read when called up.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

ENSURING THAT COMMERCIAL ACTIVITIES OF PEOPLE'S LIBERATION ARMY OF CHINA ARE MONITORED

Mr. HAMILTON: Madam Speaker, I yield back the balance of my time.

Mrs. FOWLER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, given the litany that we have heard this afternoon of recent PLA-driven misdeeds, the People's Liberation Army clearly should be placed on constant notice that this President have the flexibility to take immediate action against their enterprises and assets that are in this country, and this bill, I just want to remind my colleagues, would give the President the ability to target specific PLA-owned firms doing business in the United States when these kinds of activities occur.

Now, let me stress again, it does not require the President to do anything, it only gives him the flexibility to do so, because in the past it has taken extraordinary emergencies like the Iraqi invasion of Kuwait or the Iranian seizure of American diplomats to trigger the provisions of IEPA. I do not think the President should have to wait until a crisis of that magnitude develops to be able to signal in a clear way that we disapprove of PLA misdeeds in the case of Chinese military-owned firms which would be clearly identified beforehand. Under this legislation, he would have the flexibility to act immediately.

I think it is high time that we put the PLA on notice that their actions will be under close scrutiny by this government and that their enterprises and assets may be subject to increased regulation or seizure if the President so determines.

Madam Speaker, I yield back the balance of my time.

Mr. SNOWBARGER. Mr. Speaker, I rise in strong support of H.R. 2647, to monitor and restrict the commercial activities of the Chinese Peoples Liberation Army, or PLA.

China's Government imposes restrictions and barriers to companies that wish to enter its market—just as other countries do whose markets are beginning to develop. It is a fact of life that American and other foreign firms operating in China must pay for the privilege. We should do what we can to ensure that this payment is not going to the Peoples Liberation Army.

The PLA is heavily engaged in commercial activities. The PLA also maintains a vast industrial empire. These factories do more than make weapons. Up to 80 percent of its operation is engaged in civilian production—particularly for the export market. Each company is diversified as well. Norinco—North China Industries Group—makes both toys and rifles.

The hard currency earned by such enterprises is then used for buying high-technology weapons systems and financing Chinese espionage. PLA commercial enterprises have also been involved in smuggling fully automatic AK–47's into the United States to supply drug gangs.

I believe that free and voluntary commerce is an effective method of opening up a society. Furthermore, I see such commerce as the acts of individual Americans and foreigners, not as the actions of nations. However, the armed forces of a totalitarian regime is not your garden-variety customer or merchant. The American economy should not be a tool in China's efforts to build its military.

Finally, I would like to relay a more personal note regarding the importance of restricting the PLA's commercial activities in the United States. A constituent of mine is the attorney for a Missouri family. The family's son had been given an SKS carbine as an inexpensive, first hunting gun. The gun was so poorly made that it discharged, with the safety on, when the butt struck the ground. The young man was killed. The family obtained a judgment against Norinco for its gross negligence. Unfortunately, it has proven impossible to enforce that judgment against the Chinese military in China. This is not just an issue of guns. It is virtually impossible to enforce liability against a subsidiary of the PLA for any defective product it may produce.

Please join me in supporting this important legislation. The right of people to engage in free and voluntary commerce is very important to me. However, there is a difference between businesses and armies—especially armies that are aiming intercontinental ballistic missiles at our citizens. This measure is vital to our country's national security.

The SPEAKER pro tempore. All time for debate has expired.

The bill is considered read for amendment, and pursuant to House Resolution 302, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mrs. FOWLER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were— yeas 408, nays 10, not voting 15, as follows:

[Roll No. 614]

YEAS—408

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Buyer
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fawell
Fazio
Flake
Foglietta
Foley
Forbes
Ford
Fossella
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Morella
Murtha
Myrick
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NAYS—10

Brown (CA)
Dicks
Hamilton
Houghton
Lofgren
Moran (VA)
Nadler
Paul
Pickett
Skaggs

NOT VOTING—15

Blumenauer
Burton
Callahan
Cubin
Fattah
Filner
Gonzalez
Klug
McCollum
McDermott
Quinn
Riley
Schiff
Shadegg
Yates

□ 1706

Ms. WATERS, Mr. ROEMER, and Mr. BERMAN changed their vote from "nay" to "yea."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. FILNER. Mr. Speaker, due to an official meeting, I was unable to be present for the vote on rollcall No. 614. Had I been here, I would have voted "yes."

CONFERENCE REPORT ON H.R. 2264, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1998

Mr. PORTER. Mr. Speaker, pursuant to the previous order of the House, I call up the conference report on the bill (H.R. 2264) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1998, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. LATOURETTE). Pursuant to the previous order of the House, the conference report is considered as having been read.

(For conference report and statement, see prior proceedings of the House of today.)

The SPEAKER pro tempore. The gentleman from Illinois [Mr. PORTER] and the gentleman from Wisconsin [Mr. OBEY] each will control 30 minutes.

The Chair recognizes the gentleman from Illinois [Mr. PORTER].

GENERAL LEAVE

Mr. PORTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report to accompany H.R. 2264 and that they may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PORTER. I yield myself such time as I may consume.

Mr. Speaker, I am proud to bring to the floor today the conference report on fiscal year 1998 appropriations bill for the Departments of Labor, Health and Human Services, and Education, and related agencies.

As is normally the case, in the recent past, this bill has been through a long, torturous process from inception to the completion. The bill was on the floor for over 40 hours, and we had an unprecedented number of amendments offered. We have been almost 2 months in conference.

I feel constrained to add, Mr. Speaker, that virtually all of the issues that have delayed the timely consideration of this bill are authorizing in nature and have nothing to do with the funding activities of the departments and agencies covered by this bill. Our work on dollar issues was completed long ago.

My experience over the last several years has given me a new appreciation for the rules of the House that prohibit legislating on appropriation bills, and the delay we faced speaks to the need to enforce it more stringently.

Mr. Speaker, with that said, I want to outline the remarkable policy initiatives we have achieved in this bill.

The bill contains a revision of the Hyde amendment to ensure that no Federal funds are used to purchase health plans that pay for abortions except in the case of rape, incest, or endangerment of the life of the mother.

I am particularly proud that this signal achievement was accomplished by negotiation among the parties rather than the rancorous and divisive debates that have characterized this issue in the past and other issues during consideration of this bill.

I want to commend the gentleman from Illinois [Mr. HYDE], the distinguished chairman of the Committee on the Judiciary, and the gentlewoman from New York [Mrs. LOWEY] for their work on this issue, as well as their staff members Howard Wolfson, Brad Close, and my own staff member, Rob Bradner.

The conference report incorporates a revision of the Goodling amendment negotiated by the chairman, the gentleman from Pennsylvania [Mr. GOODLING]. I believe that he will be speaking on the substance of this agreement, and I will leave the description of it to him.

Goals 2000 State grants are funded at $464 million below last year's level.

The conference report prohibits OSHA from issuing any standards on ergonomics and prohibits the enforcement of any volunteer guideline relating to ergonomics under the general duty. Again, this divisive issue was resolved by negotiation within the committee. I want to commend the gentleman from Texas [Mr. BONILLA] and the ranking member of both the subcommittee and the full committee, the gentleman from Wisconsin [Mr. OBEY], for their work in resolving this issue.

The conference report prohibits the expenditure of any further Federal funds for a new election for the International Brotherhood of Teamsters.

The conference report prohibits the use of Federal funds for needle exchange programs for 6 months and provides conditions for the administration of such programs if the Secretary of Health and Human Services permits them.

I want to thank the gentleman from Mississippi and member of the subcommittee [Mr. WICKER] and the gentlewoman from California [Ms. PELOSI], a member of the subcommittee, and the gentleman from Illinois [Mr. HASTERT] for their work on this issue. While not all who worked on compromises are pleased with the final results, they all deserve our thanks for their hard work.

The conference report freezes funding for the National Labor Relations Board. In real terms, this funding level represents a cut in funding below fiscal year 1997. The gentleman from Arkansas [Mr. DICKEY] has been a particularly strong advocate in this area.

The conference report prohibits implementation of NLRB regulations regarding single site bargaining units. If implemented, this regulation would create a huge number of new organizing drives in small businesses and service sectors.

□ 1715

The conference report continues the shift of funding and emphasis within OSHA away from enforcement and toward compliance assistance. Compliance assistance increases by $6.4 million, or 17 percent, while enforcement increases by $3 million, only 2.3 percent.

Mr. Speaker, the bill provides increases for programs that fund Federal education mandates or Federal responsibilities. Special education is increased by $775 million, an increase of 19 percent. This funding helps offset the mandates Federal law has placed on local school districts. The bill also provides $805 million for Impact Aid to offset the additional costs and lost tax base resulting from Federal installations.

High priority programs are funded. NIH is increased by $907 million, an increase of 7.1 percent. This level will assure that the medical and economic benefits of biomedical research will continue. Within this funding level NIH will be able to increase funding for diabetes, Parkinson's disease, cancer, coronary/heart disease, and others at rates greater than the overall increase for NIH.

Other high priority items such as CDC, infectious disease control, breast and cervical cancer screening, TRIO, programs to prevent violence against women and health professionals training, are all increased.

Pell grants, essentially a Federal voucher for college, are increased to a maximum of $3,000 and the Secretary of Education is given discretion to allow more independent students to qualify for student aid. The conference report increases the income protection allowances for all students receiving Federal financial aid.

The bill includes an absolute prohibition on the use of human embryos in federally funded research, an initiative of the gentleman from Arkansas [Mr. DICKEY] and the gentleman from Mississippi [Mr. WICKER].

In addition, the conference report also includes the Student Loan Consolidation Act. This bill passed the House October 21 as H.R. 2535. The bill would allow the consolidation of both direct and guaranteed loans and it exempts education tax credits from the calculation of student aid.

Mr. Speaker, there are many other provisions in this conference report that commend it to a broad spectrum of Members of the House. Probably the factor that I am most proud of is that from its inception to this very minute, this has been a bipartisan bill. I believe this conference report shows the benefit of this House following the instructions of the voters and putting aside partisan bickering and getting on with the business of governing. Mr. Speaker, I would urge the Members to support this conference report.

Mr. Speaker, I want to add at this point some additional personal comments. The passage of this bill is never easy and the fact that we are now about to complete action on it is testimony to the hard work of many, many people.

As I mentioned during the passage of the bill in the House, this bill has been supported, shaped and its progress furthered by the work of the members of the subcommittee: the gentleman from Wisconsin [Mr. OBEY], my ranking member, and the gentleman from Louisiana [Mr. LIVINGSTON], the chairman of the committee. I have only the highest respect and admiration for them and for the work they accomplished in fashioning this bill.

I want to spend a moment expressing my gratitude and that of the committee for one of our very best staffers who is leaving after this session to take another job. I am referring to Sue Quantius who is on the floor with us today.

Sue is leaving the committee to take a position with the Association of American Universities. She has been with the committee since 1989 and has been assigned to the Labor–HHS subcommittee the entire time. Prior to that time she worked for the Senate Appropriations Committee and for the Office of Management and Budget. She has served our country with extreme dedication and distinction for all of this time.

With our subcommittee, her responsibilities have primarily been with various health programs that we fund, including most especially the National Institutes of Health and the Centers for Disease Control and Prevention. As Members know, I have had a particular interest in NIH over the years. Since I have been chairman, Sue has been a great help to me, especially with regard to NIH. Mr. Speaker, she has done absolutely magnificent work. I just do not know how we are going to replace her. We are all going to miss her very, very much. We wish her the very best of everything as she undertakes her new responsibilities. I hope that she will continue to stay in touch with all of us.

Finally, I want to express my thanks to the staff of the gentleman from Wisconsin, including Cheryl Smith, Mark Mioduski and Scott Lilly, his able staff director. As always, we have had the work of the full committee staff, headed by Jim Dyer, that has been invaluable to us.

I want to express my appreciation in addition to Sue Quantius; to my own subcommittee staff, Mike Myers, Bob Knisley, Tony McCann as well as Julie

Debolt and Dr. David Sander of my own staff. Without the assistance of each of these individuals and their support and the support of many more, we would not have been able to achieve this conference report which will, I believe, be passed and signed into law by the President.

Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I yield myself 8½ minutes. Before I get into the bill, I would simply like to take a moment to also, from the minority side of the aisle, extend our best wishes to Sue Quantius as she leaves to pursue other opportunities in life. As the subcommittee chairman indicated, Sue has been with our subcommittee for 9 years. She has worked for four full committee chairmen during that time, including myself and the gentleman from Louisiana [Mr. LIVINGSTON]. The gentleman from Illinois kindly left out that Sue had the great misfortune to begin her public service by serving as an intern on the Commission on Administrative Review, which was a reform commission which I chaired. We got half of our package through, the ethics package, but the other half of the package, the administrative changes in the House, were abruptly interrupted by a resounding "no" vote on the rule, and it took about 10 years for most of those recommendations to be adopted on a piecemeal basis. That was an ignominious beginning to a distinguished career. I simply want to say that her work on biomedical research, on health issues in general and other issues has been superb. The public has been greatly served. Sue is another one of those persons about whom the public never hears much but without whom Government simply would not work. I appreciate the work that she has done for all of us.

Mr. Speaker, one of my closest friends in politics is a man from Ireland by the name of John Hume. John Hume has noted on many occasions that politics is supposed to be the settlement of fiercely held differences by peaceful means. As people know, I do not shrink from political fights or arguments, and I do not shrink from fights on substance. But I prefer not to have them. I think that we are all, or we all ought to be, happiest on this House floor when we are pursuing politics not as war but as a method by which we accomplish important things for the people we represent.

This bill more than any other bill that the Congress passes does that. This bill affects more human beings, more families in this country than any other bill that we touch. I think it is worthy of note to compare the atmosphere in which this bill was debated just 2 years ago with the atmosphere in which it is being debated today. Two years ago, this bill attempted to cut key programs for education and health and worker protection by some $6 billion. Those efforts to cut programs such as education and health and worker training were a principal reason that the Government was shut down. Two years ago, education was cut in this bill by $3.5 billion, worker protection by almost 15 percent, job training for unemployed workers by almost 30 percent. Assistance to low-income folks in order to heat their homes in the dead of winter was cut by about a third.

Today, in contrast, we do not have a Government shutdown. We do not have partisan warfare on this bill. The gentleman from Illinois is right. This bill has been pursued in a bipartisan way with a bipartisan coalition producing very positive results. This bill is $5.8 billion above last year for key programs in it. The National Institutes of Health is increased by 7 percent. That means research that we do on all of the diseases that human beings fear, whether it is cancer or heart disease or Alzheimer's or Parkinson's or you name it. We are trying to make steady progress in attacking all of the diseases that plague mankind. Education is up by 12 percent, over $3 billion. Pell grants have a 24-percent increase. Pell grants are the major program outside of student loans that help working-class kids get a decent education beyond high school.

We have provided a $300 increase in the maximum grant for independent students and for dependent students. Special education services for disabled children, up by 18 percent in this bill. We have bilingual education increased by 35 percent in this bill. We have the most important education reform effort since title I, $150 million for comprehensive school reform to give local schools the tools to do the job locally in improving the operation of their schools so that they can raise student performance to meet high standards.

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On education testing, we have a slightly different proposition from the original committee proposition. The administration can proceed with development of tests. It prevents field-testing in the first year, which originally would have been allowed by the original committee agreement. It prevents test administration for 1 year, in contrast to the original committee bill that would have had a permanent prohibition on testing without new authorization.

Worker protection, workers' rights to organize, to bargain for decent wages, to work in decent working conditions are all protected in contrast to the very sharp reductions made in those programs in past years, at least the attempts that were made.

We have a needle exchange program in here that may be controversial, but which will save lives, which may proceed after March 31 of next year.

This bill repeals the $50 billion ripoff that was being provided in the tax bill for the tobacco industry.

It provides a $100 million increase for low-income heating assistance program, a 10-percent increase.

Cuts in family planning are fully restored.

Goals 2000, we reached a compromise at last year's freeze level.

So, Mr. Speaker, I would say that this bill is worthy of the tradition left to this House by people like Bill Natcher and Silvio Conte who worked for years to make this a bipartisan product. It is, I think, something that Members can be proud of because the fight in the budget, after all, is not really about how much we spend, it is where we spend it, and at least on this side of the aisle, and I think a good many Members on that side of the aisle, as well, recognized that we need to put more of our funds into education, into health, into jobs, into job training, into worker protection.

That is what this bill does. It is, I think, a progressive effort to meet the Nation's needs, and I make no apology for the funding that we spend in it. It is spent on the people we represent for their most important long-term needs as families, and I would urge Members to support this bill.

Mr. PORTER. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. LIVINGSTON], the chairman of the full committee.

Mr. LIVINGSTON. Mr. Speaker, I believe very strongly that this bill represents the essence of what is good legislation and a great legislative process. The fact is that we looked at this bill a very long time ago, some 6 months ago, and could tell that there was no way on God's Green Earth that this bill was going to pass without bipartisan support. There were Members on both sides who had problems with this bill, and there was a possibility that, if framed in an inappropriate manner, that the bill would never get signed into law, that we could end up in closure of government and repeat all the mistakes that have been made in the past with respect to issues involved in this bill.

Fact is we went through prolonged debate and through the incredible leadership of the chairman, the gentleman from Illinois [Mr. PORTER], and ranking minority member of the full committee and the subcommittee, the gentleman from Wisconsin [Mr. OBEY], we were able to wend through the minefield of all of the obstacles and all of the hurdles that could have imploded this bill and prevented our ability to be here today.

For our Members in the minority, the gentleman from Wisconsin [Mr. OBEY] has listed a number of items of great importance to members of his party and to people throughout this country. In fact, there is lots more money for medical research and for education preferences.

But for our conservative friends, let me say also that following the allocation of money within the budget agreement, we were able to stop national education testing in its tracks with an agreement negotiated between President Clinton and the gentleman from Pennsylvania [Mr. GOODLING]. We expanded the traditional Hyde language to make sure no Federal funds were used to purchase health plans that would pay for abortions. There are additional prohibitions on the needle distribution exchange program so that the authorizers are able to get involved over the next 6 months and take further action. There is a prohibition on the use of human embryos for federally-funded research. There is a prohibition on the expenditure of Federal funds for a new Teamsters election. There is a prohibition on issuance of new OSHA standards on ergonomics. There is a freeze on funding for the NLRB, the National Labor Relations Board.

My conservative friends have had many objections about this bill, and many of their objections have been answered and have been recognized and codified into law in this bill.

Does it satisfy everybody? Of course not. But this is a bill which spends tens of billions of dollars on important projects still eliminates 7 programs that were unnecessary and concentrates the resources on those areas where we need them. I commend the people that have worked on this bill, and I urge the adoption of the conference report.

Mr. OBEY. Mr. Chairman I yield myself 30 seconds.

Mr. Speaker, I was remiss in not also indicating my profound appreciation for the way that the gentleman from Illinois [Mr. PORTER] has handled this bill as well as the gentleman from Louisiana [Mr. LIVINGSTON]. We have certainly disagreed, sometimes vehemently, many times on many issues, but we have always tried to keep in mind that our obligation was in the end to bridge those differences, and in the case of Mr. PORTER we are dealing with a subcommittee chairman who not only feels his strong sense of obligation, but knows this bill and knows the programs in it, and that was always an invaluable help.

Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. STOKES].

Mr. STOKES. Mr. Speaker, I rise in support of the conference report on H.R. 2264, and I want to commend our chairman, the gentleman from Illinois [Mr. PORTER], and our ranking member, the gentleman from Wisconsin [Mr. OBEY], for their leadership in producing this conference agreement.

This measure represents the true spirit of bipartisan effort to craft a workable compromise on fiscal year 1998 funding for this bill. For example, the measure funds a youth opportunity areas initiative, which is urgently needed to address the continuing double-digit unemployment among our Nation's most disadvantaged youth. In many instances these young people have given up on themselves. I strongly believe that we must do all that we can to help ensure that all of our Nation's young people are equipped with the knowledge and the skills that they need to compete in and remain in the work force.

For undergraduate historically black colleges and universities, the bill provides $118.5 million. The HBCU is a national resource, and this investment would help to strengthen the infrastructure at these vital institutions of higher education.

For the health professions education and training, the conference measure provides $293 million. The funds are urgently needed to help ensure an adequate supply of health care providers. I know that the portion of the funds that are invested in training minorities and other individuals from disadvantaged backgrounds will help to address the continuing shortage of health care providers in our Nation's inner cities and rural communities, and it would help also to address the continuing disparity in minority health.

Mr. Speaker, the $529.7 million provided for the trio programs and the $7.3 billion in support of the Pell grant program would help to ensure the students will not only enter college, but more importantly, they will have access to support services they need in order to help ensure their retention and graduation.

I am pleased that the conference report is not excessively overburdened with major legislative provisions.

On the issue of national testing, I am encouraged that we have been able to reach an interim position, and I look forward to working closely with the authorizers on this very important matter.

Mr. Speaker, I urge my colleagues to join me in voting yes on the conference report on H.R. 2264.

Mr. PORTER. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. WICKER], a valued member of our subcommittee.

Mr. WICKER. Mr. Speaker, I thank the gentleman from Illinois for yielding the time.

I want to commend the chairman of the subcommittee as well as the ranking member of this subcommittee for the hard work and negotiation and the lengthy time that they put into this very important legislation. I support it. I hope we have strong support from both sides of the aisle for this legislation.

Mr. Speaker, it is not the type of bill that I would have written had I been writing it in a vacuum. It might not be a better bill if I wrote it, but it would be a different bill. But just think about this, Mr. Speaker, this is the first conference report on Labor HHS appropriation that we have had in 3 years, and I think it is better for this House and for the Senate and for the process to work its will rather than to go with continuing resolutions and resolve the issues that way.

I think the leadership is to be commended for pushing this through and for us finally getting to this stage for the first time in 3 years of actually being able to have a conference committee report a bill and for us to vote on it.

I commend the gentleman from Louisiana [Mr. LIVINGSTON], and Mr. Livingston spoke about the things that were achieved for conservatives. I think members of my party should realize that Mr. LIVINGSTON is himself a conservative, and he has worked hard for those issues that are important on our side of the aisle.

It has already been mentioned that this bill before us today contains the Goodling language that stops national testing. It contains an expansion of the Hyde amendment; a moratorium for the first 6 months of this fiscal year on needle exchange programs funded by taxpayer funds, which will allow the Congress to work its will on an authorizing piece of legislation next year; a prohibition on the use of human embryos for federally-funded research, again a very important issue to conservatives around this Nation.

The bill also contains important modifications in the law with regard to OSHA to make sure that we protect American jobs at the same time that we are protecting and looking out for workers' health and safety, and in addition a freeze on funding for the National Labor Relations Board and a host of other issues that are important to conservatives.

This is a contentious bill. Any time we talk about the Department of Labor, the subgroups there, NLRB, OSHA, and then throw in HHS with needle exchanges and the entire issues of Federal education policy, we are going to have a contentious bill. But I commend the leadership for moving us in the right direction. I commend the bill to conservatives, and I hope on my side of the aisle we will have a tremendous vote in favor of the bill.

And then let us not lose sight of the fact that we are doing important things to prevent disease and to protect the health of Americans in this legislation.

Mr. OBEY. Mr. Speaker, I yield 3 minutes to the distinguished gentlewoman from California [Ms. PELOSI], a member of the subcommittee.

Ms. PELOSI. Mr. Speaker, I thank the distinguished ranking member for his leadership on this bill and for yielding me the time.

I rise in support of the Labor-HHS conference report. In particular I commend the gentleman from Illinois [Mr. PORTER] and the gentleman from Wisconsin [Mr. OBEY] for negotiating an excellent bipartisan bill, a bill in which the subcommittee can take considerable pride.

This conference report is a refreshing change from last 2 years when the bill had been the focus of deep ideological disputes and a vehicle for sending objectionable legislative riders to the President. Thankfully, thanks to the leadership also of our chairman of the full committee, the gentleman from Louisiana [Mr. LIVINGSTON], as well as the gentleman from Illinois [Mr. PORTER] and the gentleman from Wisconsin [Mr. OBEY], we have returned to the bipartisan tradition which has historically characterized this bill. As our former chairman Mr. Natcher would say, this is a good bill.

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While this is a good bill, it is good because of the excellent work again, as I said, of the gentleman from Illinois [Mr. PORTER] and the gentleman from Wisconsin [Mr. OBEY], who fought very hard to forge this bipartisan legislation. We were given many difficult challenges by the Committee on the Budget, so that many problems that, ironically, it may have forced this responsible bipartisan bill.

I want to thank the gentleman from Wisconsin [Mr. OBEY] in particular for doing such an excellent job in reflecting progressive values in these negotiations.

With regard to labor programs, the bill makes significant investments in job training, Job Corps, Job Youth and adult training. At the same time, the bill adequately funds worker protection programs, and, unlike, the last 2 years, does not include riders designed to weaken the protection of American workers.

I am particularly pleased under an agreement negotiated by the gentleman from Illinois [Chairman PORTER] and the gentleman from Wisconsin [Mr. OBEY], OSHA will be able to continue its important work in developing an ergonomic standard and will be able to assist business in the next year to adopt important changes in work environment designed to prevent repetitive stress injuries.

With regard to health, the bill is a significant improvement over the budget agreement. In addition, the bill provides huge increases in AIDS drug assistance programs, and also will make a difference between life and death for thousands of Americans living with HIV disease.

I am also particularly pleased with the compromise in the legislation about the needle exchange program which the gentleman from Illinois [Mr. PORTER] addressed in his remarks. This compromise, I think, will enable the needle exchange programs which are part of a HIV prevention program and which do not increase the use of drugs to proceed, and it retains for the Secretary the discretion, unless Congress works its will between now and next spring, to lift the prohibition on needle exchange programs, as long as, as I say, they are part of a program to prevent HIV and drug abuse.

With regard to education, I am pleased that so many of the President's important education priorities have been accommodated in this bill. I am particularly pleased with the funding for the bilingual education and the investment and support services and professional development to improve the quality of these programs. I am also pleased with the high priority placed on direct financial assistance to students for higher education.

For all these reasons, this is a great bill, and I urge my colleagues to support it.

Mr. PORTER. Mr. Speaker, I am very pleased to yield 2½ minutes to the gentlewoman from Kentucky [Mrs. NORTHUP], the newest member of our subcommittee team, who has done an absolutely outstanding job, the best of any freshman I have ever seen.

Mrs. NORTHUP. Mr. Speaker, I am pleased to have an opportunity to speak about this bill and to have served on this subcommittee. I want to also thank the subcommittee chair and the ranking member and the other members of the subcommittee that have worked so hard on this bill.

Many of the benefits of this bill, the appropriations that we have made, have been discussed previously, but I would just like to say that one of the reasons this is such a tough bill is because education and health are intrinsically different than anything else we spend our money for.

It is one thing to be dispassionate about road construction or military buildup, but it is impossible to be dispassionate about our children. Moms and dads across this country feel passionately and emotionally about the schools that their children attend and whether or not they learn and how much they learn and whether they are prepared for the future.

This world is changing. The world our children will know will be different than the world that we have known, and they have to be prepared in different ways and for different experiences. The way they will be pioneers in their lives will be different than the way we are pioneers in our lives. So as our schools are grappling with change, it is difficult for their moms and dads and for all of us to pick the best of what we have and make sure we continue that and prepare it in new ways for new worlds.

We are also confused and not certain about what the Federal role is going to be in an educational system that has largely heretofore been a state responsibility and organization. Assuming that will continue and that we will expect schools to succeed locally, we are looking for the way that the best Federal investment can be made in our schools.

So I want to say that education is different. It is different than road construction. The fact that there is an unpatched pothole is not very emotional, but if your child goes to school and does not learn to read, that is very emotional.

I want to in particular thank you, Mr. Chairman, and the subcommittee chairman, for your commitment to the blind community and the deaf community. I have served very closely with the blind community in Louisville. We happen to be the home for the American Printing House for the Blind. My husband and I have been very involved in this community, and we recognized here in this bill the importance of continued access that the blind community needs to those services. So I wanted to thank the gentlemen in particular for that.

Mr. Speaker, I recommend this bill to the rest of the Members.

Mr. OBEY. Mr. Speaker, I yield 3½ minutes to the distinguished gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I thank the ranking member for yielding me time.

Mr. Speaker, I rise in support of the conference report and to congratulate and thank both the chairman, the gentleman from Illinois [Mr. PORTER], with whom I have served on this committee for, I suppose, all of my career on the committee, which is from 1983 to date, and also to congratulate the gentleman from Wisconsin [Mr. OBEY].

Mr. Speaker, in many ways this is a bill that is not difficult from the standpoint that almost every member of Congress and the overwhelming majority of Americans probably believe it is the most important bill that we consider in this House on an annual basis as it affects themselves, their families, their children, the education of this Nation, as well as their children, the health care of themselves and this Nation.

Our former chairman, Mr. Natcher, used to say that if you take care of the health of your people and provide for the education of your children, you will continue to live in the strongest and best nation on Earth. He was correct. He said this was the People's House and that this was the people's bill. He was also correct in that.

But it is also a very difficult bill, because the priorities within the bill are agreed by all to be principal priorities, and, therefore, the allocation of resources between them is difficult.

Both the gentleman from Illinois (Chairman PORTER) and the ranking member, the gentleman from Wisconsin [Mr. OBEY], are always under a great deal of pressure, and the supplicants or the lobbyists or the interests that are represented in this bill are all good, and, therefore, it is very difficult to say no.

This bill, I think, represents a good piece of legislation, of which the American public can be proud. It was forged in a bipartisan basis, sometimes contentious, because there are strong differences on many issues. But this bill as it relates to education, unlike, frankly, some previous bills in previous Congresses, reflects a commitment to invest in the future of our country by investing in our children.

Head Start is increased, critically important, to make sure that our disadvantaged children have an opportunity to be competitive, both in education and in the marketplace. It is important that they be partners as America completes in the global marketplace.

Chapter I, that tries to ensure that those same children and others who may have been disadvantaged in life will not be disadvantaged in terms of the focus of this Congress and of the education establishment, in making sure that we make a special effort to give them the capacity to learn, to work and to compete.

So, Mr. Speaker, I am pleased to rise in support of this conference report, which reflects a compromise, testing having been one of the more difficult items, block grants as opposed to categorical expenditures being another. But they were debated, sometimes hotly, strongly held views, but ultimately, through the leadership of the gentleman from Illinois [Mr. PORTER] and the gentleman from Wisconsin [Mr. OBEY], and I might also say the chairman of our committee, the gentleman from Louisiana [Mr. LIVINGSTON], who has done such an outstanding job leading the Committee on Appropriations through this difficult process, we have a bill of which we can all be proud and which we can enthusiastically support.

Mr. PORTER. Mr. Speaker, I am very pleased to yield 3 minutes to the gentleman from Pennsylvania [Mr. GOODLING], the very able chairman of the Committee on Education and the Workforce.

Mr. GOODLING. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I would first like to thank the chairman and the ranking member, the subcommittee chairman, and all the conferees for their hard work on a report that is always very difficult. I am sure I helped make it even more difficult. The national testing issue did not make it any easier for them. However, it was one of the most important policy battles I think we have had to fight. We all want quality education, high academic standards, for all of our children, and we believe parents and local governments can best do that.

I want to thank the 295 Members and particularly the Speaker and the gentleman from South Carolina [Mr. GRAHAM] for all of their help and their support, and particularly the staffs, the staff of the Appropriations Committee, the staff of my committee. If we had to pay all the overtime that they would have earned, we would be out of money for the rest of the year, I suppose.

I also want to talk just a little bit about some of the other good things that are there as far as I am concerned. I want to thank the gentleman from Illinois [Chairman PORTER] and the gentleman from Wisconsin [Mr. OBEY] for keeping their commitment to increase funding for special ed in the conference report. The agreement continues to make great strides toward meeting our obligations to State and local school districts through a near $700 million increase to the Individuals with Disabilities Education Act.

I am pleased the report provides increases to other high-priority programs such as Even Start and Chapter 2 education and block grants to the States.

I want to thank the appropriators for including the Emergency Student Loan Consolidation Act, which will mean an awful lot to parents and students.

Finally, the bill makes important changes to the need analysis formula in the Higher Education Act, which ensures that students and families who qualify for new higher education tax credits will not be penalized in the Federal Government's determination of eligibility and student financial aid.

I thank again all who put this appropriations bill together. It is a very important bill, and I am sure it will receive overwhelming support.

Mr. Speaker, I'd first like to thank the chairman, the ranking member, and other conferees for their hard work on the conference report. The Labor, HHS bill is never an easy task. And the national testing issue did not make it any easier.

I am pleased to announce that, we have finally reached an agreement on testing. I wish to thank the Chairman and Ranking member and many other members of Congress for their input and hard work on this important matter. It was truly a team effort.

Three months ago when members of the House decided to fight the President's plan to give new federal tests to our school children, we started with children in mind. From the beginning, we believed that a new federal test would do nothing to help our children. If more testing were the answer to the problems in our schools, testing would have solved them a long time ago.

Everyone in this body supports high standards and accountability. No question about that. But we all agree new federal tests created by Washington bureaucrats are not the answer.

Most importantly the conference report stops the Department of Education's plans for new national tests for one year. As a result, this House—not the White House—now controls this issue.

This agreement stops the President's plan in its tracks for one year by prohibiting pilot testing, field testing, implementation, administration, and implementation of new national tests.

The White House acknowledges that Congress will now play a very large role in deciding if, how, and when any new national tests will be implemented, if at all.

The Administration recognizes that existing commercial tests now used in the states may very well fit their purposes and provide the kind of information we need to adequately assess our students. We have agreed to have the National Academy of Sciences study this issue and report back to us next fall.

A few other key points of the conference agreement are: The existing test development contract entered into by the Department of Education will be transferred out of the Department to the National Assessment Governing Board; the National Academy of Sciences will study the technical quality of the test items already developed by the Department and recommend safeguards against tests being used in an inappropriate manner; no student is required to take any national test in any subject or grade; the Committee on Education and the Workforce will hold several hearings on the National Assessment Governing Board and the National Assessment of Educational Progress during the first half of 1998. At that time, the President will have an opportunity to have his testing proposal fully debated, and Congress will have the opportunity to work its will.

This is a clear victory. It affirms the 295–125 vote last month prohibiting funds for new federal tests. I thank each of those 295 members who voted for the the Goodling Amendment and stood with us in our negotiations with the White House.

On other matters, I want to thank Chairman PORTER and Mr. OBEY for keeping their commitment to increase funding for special education in this conference report. This agreement continues to make great strides toward meeting our obligations to States and local school districts through a nearly $700 million increase to the Individuals with Disabilities Education Act Grants to States.

Second, I am pleased that the conference report provides increases to other high-priority programs, such as Even Start and Chapter 2 education block grants to States.

Third, I want to thank the appropriators for including the Emergency Student Loan Consolidation Act. This bill passed the House by a voice vote on October 21st, but stalled in the Senate until today. The bill will help thousands of students who have been unable to obtain a consolidation loan due to the Department of Education's shutdown of their direct loan consolidation processing center.

Finally, this bill makes important changes to the need analysis formula in the Higher Education Act which will ensure that students and families who qualify for the new higher education tax credits will not be penalized in the Federal Government's determination of eligibility for student financial aid.

Mr. OBEY. Mr. Speaker, I yield 3 minutes to the distinguished gentlewoman from New York [Mrs. LOWEY], also a member of the subcommittee.

Mrs. LOWEY. Mr. Speaker, I am proud of this conference report. The committee, under the strong leadership of the gentleman from Illinois, Chairman PORTER and the ranking member, the gentleman from Wisconsin [Mr. OBEY], along with our Senate colleagues, succeeded in producing a bill which reflects our shared priorities.

We worked very hard on this bill, and this bill truly reflects a real bipartisan effort. Again, I want to thank the chairman and the ranking member for creating the atmosphere and the commitment among all of us to work together.

I also want to thank the staffs on both sides who have been so very helpful and cooperative in reaching our goals.

Mr. Speaker, this conference report recognizes the clear need for an increased investment in our children's education. I am pleased that we were able to provide $3.2 billion more than last year in funds for education. In particular, I am pleased that $40 million in new funds have been provided to keep our schools open after hours in order to provide a safe haven for our youth and to improve reading and other academic skills.

We increased the maximum Pell grant by $300 per student and overall Pell funding by $1.4 billion. The bill also includes language expanding the eligibility of independent and dependent students for Pell grants. In addition, we were able to restore funding to the SSIG student aid program which helps so many young people get that education.

We made a number of significant increases in health programs. We were able to provide the National Institutes of Health with a 7 percent increase over last year. This will allow the National Institutes of Health to increase funding for breast cancer research and other dreaded diseases so that advances in prevention and treatment will continue.

Funding for AIDS drug assistance has been increased by $119 million more than last year. This will help to provide life-sustaining medicine to AIDS patients across the country.

I am also very pleased that we provided $268 million for job training. In part, these funds will help to assist those on welfare so they can better obtain decent-paying jobs.

While I am disappointed that the Hyde amendment restricting access to abortion for low-income women is still in this bill, I am very pleased that we were able to prevent a radical expansion of this prohibitive restriction.

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The bill also repeals the $50 billion tuberculosis giveaway.

Of course, there are some programs that I wish we could have expanded even more: Worker protection, title I education, and Centers for Disease Control are among those programs. However, on balance, I believe that this is a very good bill that meets so many of the important needs of our constituents, and I urge my colleagues on both sides of the aisle to support this bill.

Mr. PORTER. Mr. Speaker, I yield 1½ minutes to the gentleman from Indiana [Mr. SOUDER].

Mr. SOUDER. Mr. Speaker, I want to thank the chairman for yielding me this time.

Compromise is probably not my greatest strength, and while there are many good things in this bill, there are many things that I not only dislike, I detest, but that is kind of the rule of how compromise works, and I appreciate working with the gentleman from Illinois [Mr. PORTER], the gentleman from Wisconsin [Mr. OBEY], with the gentleman from Louisiana [Mr. LIVINGSTON] and all of the others on this committee.

When asked at the press conference today, "It's not a disappointment then, in the end?", Mr. McCurry was asked about the national testing, and he said, "Well, I mean in a perfect world we would have gotten our plan as it was designated by the Secretary of Education and the President, but it's not a perfect world when you have a Republican Congress, to say the very least." And that is an accurate statement about how things work.

I appreciate the time we had to debate it and to air our differences. I think we have made progress on some of the issues for the movement conservatives, particularly on testing. We held a number of other issues. I probably will not say this too many times in my career, but I intend to vote for a Labor-HHS appropriations bill, and I appreciate the process we went through. I think it is a reasonable compromise given the differences we have between the House and the Senate and the President, and I thank the leadership for that.

Mr. OBEY. Mr. Speaker, I yield 3 minutes to the distinguished gentlewoman from Connecticut [Ms. DELAURO], also a member of the subcommittee.

Ms. DELAURO. Mr. Speaker, I rise in support of this conference report, and I would like to thank Chairman PORTER and Ranking Member OBEY for their hard work and their bipartisan spirit. I am pleased that it contains a substantial increase for health research at the NIH, for disease prevention work at the Centers for Disease Control, and for important educational programs such as Head Start and IDEA.

I am especially proud that the conference report includes a substantial increase in funding for quality care, child care for children under the age of 3. New research has shown that the early years are a critical time of intellectual, emotional, moral, and physical development, which prepare a child to be healthy and productive in later life. We cannot afford to waste these critical learning years.

This conference report includes a $50 million increase in the child care and development block grant for States to improve the quality of care for our youngest children. It also includes $69 million more than the President requested to expand the Early Start, zero to 3 program, within Head Start. These funds will give thousands of additional children an opportunity to have the very best start in life.

I am pleased that the bill includes funding to improve our schools and hold our students to the highest standards, including the $200 million for whole school reform, to assist our least successful students in meeting educational goals. I have the experience of New Haven, CT and the Kolmer model of schools to point to as how whole school reform can work and does work.

Throughout this process, we have at times faced the possibility that the bipartisanship would be undermined by controversial riders regarding abortion, parental consent for contraceptives, needle exchange and other issues. I am glad to say that none of these controversial riders are in this bill.

I am pleased to support this conference report, and I urge my colleagues to join me in voting for its passage.

Mr. OBEY. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Texas [Mr. BENTSEN].

Mr. BENTSEN. Mr. Speaker, I rise in support of this bill, and I agree, I think it is a very good compromise. When we look at the levels of funding in this bill, it underscores that in a period of balancing budgets and a decline in discretionary spending what some of the priorities of the Government are, and I think this is a victory in many areas.

In particular, I want to commend the chairman of the subcommittee and the ranking member for the increase in the National Institutes of Health funding by 7 percent. It was not too long ago in 1995 when this House passed a budget that would have cut NIH funding by 5 percent in real terms. So this is a step in the right direction.

Given the fact that the House may or may not in the next couple of days take up the issue of trade, it is important that we continue to put funds into biomedical research and what the NIH does, because that is an area where America leads the world.

Second of all, from what I can tell from the bill, it does not make the changes that were proposed in the immunization funding or that would have affected the carryover funds. That is terribly important to my State of Texas and my home city of Houston, which could have been adversely affected by cutting back on the carryover funding that is used a great deal in the city of Houston which has an expanding immunization program, particularly for the indigent, and I appreciate the fact that the committee was wise enough not to cut those funds back.

I want to commend again the chairman and the ranking member. This is a good bill. I intend to support it, and I hope my colleagues will do so.

Mr. PORTER. Mr. Speaker, I yield 1½ minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding me this time.

I see that Sue Quantius is back. As I said, the chairman and I have been on this subcommittee I think just about the same time. I think he has been on maybe a session before me. Sue Quantius, I am not sure how long Sue has been with us, but I know she worked on the Senate side.

I mentioned the health care of our people, and I know it is a particular interest of the chairman, and our expert on the committee is Sue Quantius. She has done an outstanding job; she is one of the most knowledgeable people in Washington on health care issues and particularly on NIH funding and NIH resources, objectives, and responsibilities. I want to rise, as I know the chairman has, and as I know the gentleman from Wisconsin [Mr. OBEY] has, in thanking her for the service that she has given.

The American public and this House ought to be very proud of the staff of the Committee on Appropriations. It is arguably the most bipartisan, nonpartisan staff on Capitol Hill. To the great credit of the gentleman from Louisiana [Mr. LIVINGSTON], our chairman, when he became chairman, most of the staff stayed because we all on both sides of the aisle perceive them as very true professionals who know their subject, who work hard, have great talent and great commitment to the product of this committee and to this country.

Sue, on behalf of myself and all of us on this side of the aisle, and I know the gentleman from Wisconsin [Mr. OBEY] has already done that, and I know our present chairman in office has done that, but I want to join them and say thank you and to wish you Godspeed. Your next endeavor, your next employer is a very fortunate entity indeed. Thank you very much.

Mr. OBEY. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Texas [Mr. EDWARDS].

Mr. EDWARDS. Mr. Speaker, 2 years ago I met a young Army soldier in my district who had missed the birth of his first child because he was serving our Nation in Desert Storm. He then missed the birth of his second child because he was doing his duty, as his Nation called him to do, in Bosnia.

There is nothing this Congress can do to make up for the sacrifice of that young Army soldier. But what I am deeply grateful for is that through the leadership of Chairman PORTER and Ranking Member OBEY, this Nation has made a commitment through the Impact Aid Program to see that that young soldier when he is serving thousands of miles away from his family, serving his country, he or she can be sure that his or her sons and daughters will receive a firstclass education. It seems to me that that is a moral duty of this Congress. It is also the right thing to do to ensure a strong national defense, because all of the technology in the world, without the best and brightest soldiers and marines and Navy pilots and sailors, will not ensure our Nation's defense.

So I want to thank, not only for the whole effort of this tremendous piece of legislation, but in particular, I want to thank the gentleman from Wisconsin [Mr. OBEY] and the gentleman from Illinois [Mr. PORTER] for their outstanding leadership and not forgetting those young children and military families who may not ever see their parents at graduation because their parents may end up giving the ultimate sacrifice in time of war.

This is a great bill, and particularly on impact aid. I say thank you.

Mr. OBEY. Mr. Speaker, I yield 30 seconds to the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Speaker, let me join my friend from Texas in complimenting the gentleman from Illinois [Mr. PORTER] and our ranking member the gentleman from Wisconsin [Mr. OBEY]. I represent a district that has Whiteman Air Force Base and Fort Leonard Wood, both of whom are areas that are heavily impacted by the Federal Government, the Federal reservations, and impact aid is so important for those children. We have to take care of the families of the people in uniform and this is a wonderful way to do it. So I join my friend from Texas [Mr. EDWARDS] in complimenting them and thanking this committee for the effort.

Mr. PORTER. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, as we wind up this first session of the 105th Congress, all of us I think are pretty well exhausted. We have had little sleep night after night, especially during the last week. We have been in intense negotiations for hours and hours on end. Nerves are frazzled. We say things we may not mean. We make accusations that are perhaps unfounded. We even raise questions about the processes of democracy so that we can have things come out our way. It is a time when Republicans sometimes are fighting it out with Democrats, the White House is fighting it out with the Congress, the Senate is fighting it out with the House, authorizers are opposite appropriators, committee chairmen are against other committee chairmen, and often things get a bit out of hand.

Several of the bills, there are four that remain, including this one, have been subject to intense negotiations. This conference report has certainly been one of them. But in the end, Mr. Speaker, all of us believe in the processes of democracy that allow us to work with one another and to find the middle, the place where the American people are. Compromise in my judgment is not at all a bad word, it is exactly what our Founders envisioned for us. It was their intent that we had to cooperate with one another, work together as Americans, and find how we can best reflect the values of the American people.

□ 1815

So, Mr. Speaker, I believe that this bill truly does represent, through bipartisan work, through true compromise, through honest negotiation, exactly what the American people expect of us.

I am very proud that this year we have managed to work together and managed to work through a very, very difficult process, and still come out with great respect for one another. I have tremendous respect for my colleague, the gentleman from Wisconsin [Mr. OBEY]. I think we do work well together. That is a very positive thing.

I believe we have fashioned a bill that really does reflect the values of this country, and have done so in a very strong, bipartisan fashion, in the true traditions of the democracy of this great land we all are privileged to live in and to serve.

Mr. Speaker, I would commend this bill to each of the Members. I think we have done the best job that possibly could have been done. I thank everyone for their willingness to work together.

Mr. OBEY. Mr. Speaker, I yield myself the balance of my time.

The SPEAKER pro tempore (Mr. LATOURETTE). The gentleman from Wisconsin [Mr. OBEY] is recognized for 3½ minutes.

Mr. OBEY. Mr. Speaker, I simply would like to do two things. First of all, the gentleman from Illinois, Chairman PORTER, was gracious enough to mention the contributions made by all our staffers on both sides on the committee.

I would also like to add, in addition to my staffers who have already been cited by the chairman, I would also like to add Christina Hamilton, from my personal office, who worked very hard on this bill.

I would also like to express our best wishes to a very dedicated staffer who has worked for the gentlewoman from California [Ms. PELOSI] for the past 10 years on this bill. Dr. Steve Morin is moving back to San Francisco. We will miss his expertise on many health and labor programs, most notably, his great work on the issues relating to AIDS, and trying to minimize the terrible damage that that disease causes, and giving researchers the resources they need to search for a cure.

I think this is a very progressive bill, and I would point out once again, if I could have had my way, this bill would have at least $5 billion more in this devoted to education and health and worker protection. But this bill is $900 million above the bill as it left the House. That is not bad, under these circumstances.

I again congratulate each and every member of the subcommittee, and the gentleman from Illinois [Mr. PORTER] and the gentleman from Louisiana [Mr. LIVINGSTON], and all of the Members on my side of the aisle, for working so hard to both define their views and to resolve their differences.

Mr. ENGEL. Mr. Speaker, I am rising today to clarify an amendment offered by Representative CAROLYN MCCARTHY and myself that was included in the Labor-HHS-Education appropriations bill. The amendment added $100,000 to the Department of Education's Program Administration account so that the Department can expand its web site to include information for all public and private scholarship and financial aid programs.

It is my understanding that the committee report includes explicit language stating that the conferees have agreed that the funds are specifically included to enable the Department to expand its web site to provide this information, pursuant to Section 409A(1) of the Higher Education Act. This provision states that the Department of Education shall award a contract to maintain a computerized database of all private and public student financial assistance programs. Our amendment is geared to help the Department fulfill this goal.

I thank the Committee chairmen and staff for working with us on this matter to help ensure that the Department will receive the funding it needs for this important project.

Mr. BEREUTER. Mr. Speaker, this Member is pleased that the fiscal year 1998 Labor, Health and Human Services Appropriations Act conference report contains several provisions regarding important rural health programs which benefit rural communities across the nation, as well as continued funding for the Ellender Fellowships. In addition, this Member would like to commend the distinguished gentleman from Louisiana [Mr. LIVINGSTON], the Chairman of the Committee on Appropriations, the distinguished gentleman from Wisconsin [Mr. OBEY], the ranking member of both the full Committee and the Subcommittee on Labor, Health and Human Services, and Education and the distinguished gentleman from Illinois (Mr. Porter), the Chairman of the Subcommittee, for their work on these important issues.

Regarding rural health funding, this Member would like to specifically mention two programs which this Member strongly supports and has expressed this support together with other members of the House Rural Health Care Coalition to the Subcommittee. These programs are Rural Outreach Grants, and the National Health Service Corps.

This conference report includes $32.6 million for Rural Outreach Grants, which is an increase of $4.8 million above the fiscal year 1997 level and $7.6 million above the amount requested by the President. This important program support projects that provide health services to rural populations not currently receiving them and that enhance access to existing services.

The National Health Service Corps receives $115.4 million in this conference report, which is equivalent to both the fiscal year 1997 level and the amount requested by the President. One of the top health care concerns in rural America is the shortage of physicians and other health professionals due to the difficulties rural areas have in attracting and retaining primary health care professionals. The National Health Service Corps program addresses this need by providing scholarships to, and repays loans of, primary care professionals in exchange for obligated services in a Health Professional Shortage Area.

The program also provides matching grants to states for a loan repayment program. These incentives for health professionals and physicians to serve in rural areas are greatly needed.

This Member is also pleased that this conference report includes $1.5 million for Ellender fellowships. Earlier this year, this Member testified before the subcommittee regarding this important program. This amount is the same as the fiscal year 1997 level, even though the President's budget did not include any funds for the extraordinary valuable citizen education program for American high school students. The Ellender Fellowships are used to enable low-income students to participate in the highly successful Washington Close Up program.

Each year the Close Up foundation awards thousands of Ellender Fellowships, which included 3,942 students during the 1995–1996 school year. Nationally, since 1971 over 480,000 students and teachers have participated in the Washington Close Up Program. Almost 95,000 of those participants received full or partial fellowships.

Again, Mr. Speaker, this Member commends the distinguished gentleman from Louisiana [Mr. LIVINGSTON], the Chairman of the Committee on Appropriations, the distinguished gentleman from Wisconsin [Mr. OBEY], the ranking member of both the full committee and the subcommittee, and the distinguished gentleman from Illinois [Mr. PORTER], for their continued support of these important programs.

Mr. OBEY. Mr. Speaker, I yield back the balance of my time.

Mr. PORTER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

Pursuant to clause 7 of rule XV, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 352, nays 65, not voting 16, as follows:

[Roll No. 615]

YEAS—352

Abercrombie
Ackerman
Allen
Andrews
Armey
Baesler
Baker
Baldacci
Ballenger
Barcia
Barrett (NE)
Barrett (WI)
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cardin
Carson
Castle
Chambliss
Christensen
Clay
Clayton
Clement
Clyburn
Combest
Condit
Cook
Cooksey
Costello
Coyne
Cramer
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Foglietta
Foley
Forbes
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gilman
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hayworth
Hefner
Herger
Hilliard
Hinchey
Hinojosa
Hobson
Holden
Hooley
Horn
Houghton
Hoyer
Hulshof
Hunter
Hyde
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Latham
LaTourette
Lazio
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Ney
Northup
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Payne
Pease
Pelosi
Peterson (PA)
Pickering
Pickett
Pitts
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)

Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rogan
Rogers
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Schumer
Scott
Serrano
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Sununu
Tanner
Tauscher
Tauzin
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tierney
Torres
Towns
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Walsh
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (AK)

NAYS—65

Aderholt
Archer
Bachus
Barr
Bartlett
Barton
Blunt
Brady
Bryant
Cannon
Chabot
Chenoweth
Coble
Coburn
Collins
Conyers
Cox
Crane
Crapo
Doolittle
Everett
Goode
Goodlatte
Hastings (WA)
Hefley
Hill
Hilleary
Hostettler
Hutchinson
Inglis
Istook
Johnson, Sam
Jones
Largent
Manzullo
McIntosh
Mica
Moran (KS)
Neumann
Norwood
Paul
Paxon
Peterson (MN)
Petri
Pombo
Radanovich
Rohrabacher
Royce
Ryun
Salmon
Sanford
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Snowbarger
Stearns
Stump
Stupak
Talent
Taylor (MS)
Tiahrt
Wamp
Weldon (FL)

NOT VOTING—16

Blumenauer
Cubin
Flake
Frank (MA)
Gillmor
Gonzalez
Hoekstra
Klug
Leach
McCollum
McDermott
Quinn
Riley
Schiff
Yates
Young (FL)

□ 1839

The Clerk announced the following pair:

On this vote:

Mr. Quinn for, with Mr. McCollum against.

Messrs. BRYANT, BARTON of Texas, and EVERETT changed their vote from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF CERTAIN RESOLUTIONS IN PREPARATION FOR ADJOURNMENT OF FIRST SESSION SINE DIE

Ms. PRYCE of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 105-391) on the resolution (H. Res. 311) providing for consideration of certain resolutions in preparation for the adjournment of the first session sine die, which was referred to the House Calendar and ordered to be printed.

NOTICE OF INTENTION TO DISCHARGE H.R. 2631, DISAPPROVING CANCELLATIONS TRANSMITTED BY THE PRESIDENT

Mr. PACKARD. Mr. Speaker, pursuant to section 1025(d) of the Congressional Budget Act of 1974, as amended, I hereby give notice of my intention to offer a motion to discharge H.R. 2631.

The form of the motion is as follows:

Mr. PACKARD moves to discharge the Committee on Appropriations from further consideration of the bill, H.R. 2631, disapproving cancellations transmitted by the President on October 6, 1997, regarding Public Law 105-45.

CONFERENCE REPORT S. 1026, EXPORT-IMPORT BANK REAUTHORIZATION ACT OF 1997

Mr. CASTLE submitted the following conference report and statement on the Senate bill (S. 1026) to reauthorize the Export-Import Bank of the United States.

CONFERENCE REPORT (H. REPT. 105-392)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1026), to reauthorize the Export-Import Bank of the United States, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Export-Import Bank Reauthorization Act of 1997".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Extension of authority.
Sec. 3. Tied aid credit fund authority.
Sec. 4. Extension of authority to provide financing for the export of nonlethal defense articles or services the primary end use of which will be for civilian purposes.
Sec. 5. Clarification of procedures for denying credit based on the national interest.
Sec. 6. Administrative Counsel.
Sec. 7. Advisory Committee for sub-Saharan Africa.
Sec. 8. Increase in labor representation on the Advisory Committee of the Export-Import Bank.
Sec. 9. Outreach to companies.
Sec. 10. Clarification of the objectives of the Export-Import Bank.
Sec. 11. Including child labor as a criterion for denying credit based on the national interest.
Sec. 12. Prohibition relating to Russian transfers of certain missiles to the People's Republic of China.

SEC. 2. EXTENSION OF AUTHORITY.

(a) IN GENERAL.—Section 7 of the Export-Import Bank Act of 1945 (12 U.S.C. 635f) is amended by striking "until" and all that follows through the end period and inserting "until the close of business on September 30, 2001.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on September 30, 1997.

SEC. 3. TIED AID CREDIT FUND AUTHORITY.

(a) EXPENDITURES FROM FUND.—Section 10(c)(2) of the Export-Import Bank Act of 1945 (12 U.S.C. 635i–3(c)(2)) is amended by striking "through" and all that follows through "1997".

(b) AUTHORIZATION.—Section 10(e) of such Act (12 U.S.C. 635i–3(e)) is amended by striking the first sentence and inserting the following: "There are authorized to be appropriated to the Fund such sums as may be necessary to carry out the purposes of this section.".

SEC. 4. EXTENSION OF AUTHORITY TO PROVIDE FINANCING FOR THE EXPORT OF NONLETHAL DEFENSE ARTICLES OR SERVICES THE PRIMARY END USE OF WHICH WILL BE FOR CIVILIAN PURPOSES.

Section 1(c) of Public Law 103–428 (12 U.S.C. 635 note; 108 Stat. 4376) is amended by striking "1997" and inserting "2001".

SEC. 5. CLARIFICATION OF PROCEDURES FOR DENYING CREDIT BASED ON THE NATIONAL INTEREST.

Section 2(b)(1)(B) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(1)(B)) is amended—

(1) in the last sentence, by inserting ", after consultation with the Committee on Banking and Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate," after "President"; and

(2) by adding at the end the following: "Each such determination shall be delivered in writing to the President of the Bank, shall state that the determination is made pursuant to this section, and shall specify the applications or categories of applications for credit which should be denied by the Bank in furtherance of the national interest.".

SEC. 6. ADMINISTRATIVE COUNSEL.

Section 3(e) of the Export-Import Bank Act of 1945 (12 U.S.C. 635a(e)) is amended—

(1) by inserting "(1)" after "(e)"; and

(2) by adding at the end the following:

"(2) The General Counsel of the Bank shall ensure that the directors, officers, and employees of the Bank have available appropriate legal counsel for advice on, and oversight of, issues relating to personnel matters and other administrative law matters by designating an attorney to serve as Assistant General Counsel for Administration, whose duties, under the supervision of the General Counsel, shall be concerned solely or primarily with such issues.".

SEC. 7. ADVISORY COMMITTEE FOR SUB-SAHARAN AFRICA.

(a) IN GENERAL.—Section 2(b) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)) is amended by inserting after paragraph (8) the following:

"(9)(A) The Board of Directors of the Bank shall take prompt measures, consistent with the credit standards otherwise required by law, to promote the expansion of the Bank's financial commitments in sub-Saharan Africa under the loan, guarantee, and insurance programs of the Bank.

"(B)(i) The Board of Directors shall establish and use an advisory committee to advise the Board of Directors on the development and implementation of policies and programs designed to support the expansion described in subparagraph (A).

"(ii) The advisory committee shall make recommendations to the Board of Directors on how

the Bank can facilitate greater support by United States commercial banks for trade with sub-Saharan Africa.

"(iii) The advisory committee shall terminate 4 years after the date of enactment of this subparagraph.".

(b) REPORTS TO CONGRESS.—Within 6 months after the date of enactment of this Act, and annually for each of the 4 years thereafter, the Board of Directors of the Export-Import Bank of the United States shall submit to Congress a report on the steps that the Board has taken to implement section 2(b)(9)(B) of the Export-Import Bank Act of 1945 and any recommendations of the advisory committee established pursuant to such section.

SEC. 8. INCREASE IN LABOR REPRESENTATION ON THE ADVISORY COMMITTEE OF THE EXPORT-IMPORT BANK.

Section 3(d)(2) of the Export-Import Bank Act of 1945 (12 U.S.C. 635a(d)(2)) is amended—

(1) by inserting "(A)" after "(2)"; and

(2) by adding at the end the following:

"(B) Not less than 2 members appointed to the Advisory Committee shall be representative of the labor community, except that no 2 representatives of the labor community shall be selected from the same labor union.".

SEC. 9. OUTREACH TO COMPANIES.

Section 2(b)(1) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(1)) is amended by adding at the end the following:

"(I) The President of the Bank shall undertake efforts to enhance the Bank's capacity to provide information about the Bank's programs to small and rural companies which have not previously participated in the Bank's programs. Not later than 1 year after the date of enactment of this subparagraph, the President of the Bank shall submit to Congress a report on the activities undertaken pursuant to this subparagraph.".

SEC. 10. CLARIFICATION OF THE OBJECTIVES OF THE EXPORT-IMPORT BANK.

Section 2(b)(1)(A) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(1)(A)) is amended in the first sentence by striking "real income" and all that follows to the end period and inserting: "real income, a commitment to reinvestment and job creation, and the increased development of the productive resources of the United States".

SEC. 11. INCLUDING CHILD LABOR AS A CRITERION FOR DENYING CREDIT BASED ON THE NATIONAL INTEREST.

Section 2(b)(1)(B) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(1)(B)), as amended by section 5, is amended in the next to the last sentence by inserting "(including child labor)" after "human rights".

SEC. 12. PROHIBITION RELATING TO RUSSIAN TRANSFERS OF CERTAIN MISSILES TO THE PEOPLE'S REPUBLIC OF CHINA.

Section 2(b) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)) is amended by adding at the end the following:

"(12) PROHIBITION RELATING TO RUSSIAN TRANSFERS OF CERTAIN MISSILE SYSTEMS.—If the President of the United States determines that the military or Government of the Russian Federation has transferred or delivered to the People's Republic of China an SS–N–22 missile system and that the transfer or delivery represents a significant and imminent threat to the security of the United States, the President of the United States shall notify the Bank of the transfer or delivery as soon as practicable. Upon receipt of the notice and if so directed by the President of the United States, the Board of Directors of the Bank shall not give approval to guarantee, insure, extend credit, or participate in the extension of credit in connection with the purchase of any good or service by the military or Government of the Russian Federation.".

And the House agree to the same.

JAMES A. LEACH,
MICHAEL N. CASTLE,
DOUGLAS BEREUTER,
JOHN J. LAFALCE,
FLOYD H. FLAKE,
Managers on the Part of the House.

ALFONSE D'AMATO,
ROD GRAMS,
CHUCK HAGEL,
PAUL SARBANES,
CAROL MOSELY-BRAUN,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The Managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1026) to reauthorize the Export-Import Bank of the United States, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

SECTION 1—SHORT TITLE: TABLE OF CONTENTS

Present Law

No provision.

Senate bill

The Senate bill (sec. 1) titles this Act the "Export-Import Bank Reauthorization Act of 1997."

House amendment

No provision.

Conference agreement

The conference agreement is the Senate provision.

SECTION 2—EXTENSION OF AUTHORITY

Present law

The charter of the Export-Import Bank of the United States (Eximbank), which expired on September 30, 1997, was extended by continuing resolution through November 7, 1997.

Senate bill

The Senate bill (sec. 2) extends the charter of Eximbank for four years through September 30, 2001.

House amendment

The House amendment (sec. 1) has an identical provision.

Conference agreement

The conference agreement extends the Eximbank's charter through September 30, 2001.

SECTION 3—TIED AID CREDIT FUND AUTHORITY

Present law

Eximbank's authority to use the Tied Aid Credit Fund pursuant to section 10 of the Export-Import Bank Act of 1945 (Eximbank Act) expired on September 30, 1997.

Senate bill

The Senate bill (sec. 3) extends Eximbank's authority to use the Tied Aid Credit Fund for four years through September 30, 2001.

House amendment

The House amendment (sec. 2) has a similar provision extending Eximbank's authority to use the Tied Aid Credit Fund through September 30, 2001.

Conference agreement

The conference agreement extends Eximbank's authority to use the Tied Aid Credit Fund through September 30, 2001.

SECTION 4—EXTENSION OF AUTHORITY TO PROVIDE FINANCING FOR THE EXPORT OF NONLETHAL DEFENSE ARTICLES OR SERVICES THE PRIMARY END USE OF WHICH WILL BE FOR CIVILIAN PURPOSES

Present law

Eximbank's authority pursuant to section 2(b)(6)(I)(i) of the Eximbank Act to provide finance for dual-use items (i.e nonlethal defense articles or services the primary end use of which will be for civilian purposes) expired on September 30, 1997.

Senate bill

The Senate bill (sec. 4) extends Eximbank's authority to finance the export of dual-use items for four years through September 30, 2001.

House amendment

The House amendment (sec. 3) has an identical provision.

Conference agreement

The conference agreement extends the Eximbank's authority to finance the export of dual-use items through September 30, 2001.

SECTION 5—CLARIFICATION OF PROCEDURES FOR DENYING CREDIT BASED ON THE NATIONAL INTEREST

Present law

Section 2(b)(1)(B) of the Eximbank Act provides that the President of the United States may instruct Eximbank to deny an application for credit for non-financial or non-commercial considerations only in cases where the President determines that such action would clearly and importantly advance United States policy in such areas as international terrorism, nuclear proliferation, environmental protection, and human rights.

Senate bill

No provision.

House amendment

The House bill (sec. 4) amends section 2(b)(1)(B) of the Eximbank Act to provide that (1) the President, when considering whether to deny Eximbank credit based on the national interest, must consult with the Committee on Banking and Financial Services of the House of Representatives and Committee on Banking, Housing and Urban Affairs of the Senate and (2) the determination to deny credit must be delivered to the President of Eximbank in writing, state that the determination is made pursuant to this section, and specify the applications, or categories of applications for credit which should be denied by the Bank in furtherance of the national interest.

Conference agreement

The conference agreement is the House provision.

SECTION 6—ADMINISTRATIVE COUNSEL

Present law

No provision.

Senate bill

No provision.

House amendment

The House amendment (sec. 5) amends section 3(e) of the Eximbank Act to instruct the General Counsel of Eximbank to designate an attorney to serve as Assistant General Counsel for Administration whose sole or primary duty shall consist of providing directors, officers and employees of the Bank with appropriate legal counsel for advice on, and oversight of, issues relating to ethics, conflicts of interest, personnel matters, and other administrative law matters.

Conference agreement

The conference agreement is the House provision with an amendment limiting the authority of the Assistant General Counsel for Administration to personnel matters and other administrative law matters.

SECTION 7—ADVISORY COMMITTEE FOR SUB-SAHARAN AFRICA

Present law

No provision.

Senate bill

No provision.

House amendment

The House amendment (sec. 6) amends section 2(b) of the Eximbank Act to instruct the Eximbank Board of Directors to (1) take prompt measures, consistent with the credit standards otherwise required by law, to promote the expansion of Eximbank's financial commitments to sub-Saharan Africa, (2) establish and use an advisory committee, to exist for a duration of 4 years, to advise the Board on implementation of this expansion of credit and recommend to the Board on how Eximbank can facilitate greater support by U.S. commercial banks for trade with sub-Saharan Africa, and (3) report to the Congress within 6 months after enactment of this Act, and annually for 4 years thereafter, on steps the Board has taken to implement this provision and any recommendations of the advisory committee.

Conference agreement

The conference agreement is the House provision.

SECTION 8—INCREASE IN LABOR REPRESENTATION ON THE ADVISORY COMMITTEE OF THE EXPORT-IMPORT BANK

Present law

Section 3(d)(2) of the Eximbank Act establishes an Advisory Committee, which is to consist of 15 members broadly representative of production, commerce, finance, agriculture, labor, services, and State government, no fewer than three of which shall be representative of the small business community.

Senate bill

No provision.

House amendment

The House amendment (sec. 7) amends section 3(d)(2) of the Eximbank Act to require that no fewer than two of the members of the Advisory Committee be representative of the labor community.

Conference agreement

The conference agreement is the House amendment, with an amendment requiring that no two representatives of the labor community appointed to the Advisory Committee shall be selected from the same labor union.

SECTION 9—OUTREACH TO COMPANIES

Present law

Section 2(b)(1)(E)(i)(I) of the Eximbank Act instructs Eximbank to encourage the participation of small business in international commerce by developing a program which gives fair consideration to making loans and providing guarantees for the export of goods and services by small business.

Senate bill

The Senate bill (sec. 5) amends section 2(b)(1) of the Eximbank Act to instruct the Chairman of the Bank to enhance Eximbank's capacity to provide information about Eximbank's programs to small and rural companies which have not previously participated in Eximbank's programs, and to report within 1 year on actions taken pursuant to this provision.

House amendment

The House amendment (sec. 8) amends section 2(b)(1) of the Eximbank Act to instruct the Chairman of the Bank to design and implement a program to provide information about Bank programs to companies which have not yet participated in its programs, and to report within 1 year on actions taken pursuant to this provision.

Conference agreement

The conference agreement is the Senate provision.

SECTION 10—CLARIFICATION OF THE OBJECTIVES OF THE EXPORT-IMPORT BANK

Present law

No provision.

Senate bill

No provision.

House amendment

The House amendment (sec. 9) amends section 2(b)(1) of the Eximbank Act to instruct Eximbank and its Board of Directors to prescribe regulations and implement procedures to ensure that, in selecting from among firms to which to provide financial assistance, Eximbank gives preference to any firm that has shown a commitment to reinvestment and job creation in the United States.

Conference agreement

The conference agreement amends section 2(b)(1)(A) of the Eximbank Act to state that it is the policy of the United States to foster the expansion of exports, thereby contributing to a commitment to reinvestment and job creation in the United States.

SECTION 11—INCLUDING CHILD LABOR AS A CRITERION FOR DENYING CREDIT BASED ON THE NATIONAL INTEREST

Present law

No provision.

Senate bill

No provision.

House amendment

The House amendment (sec. 13) amends section 2 of the Eximbank Act to prohibit Eximbank from providing assistance in support of exports to entities that employ children in a manner that would violate United States law regarding child labor if the entity were located in the United States or has not made a binding commitment to not employ children in such manner.

Conference agreement

The conference agreement amends the "Chafee Amendment" in section 2(b)(1)(B) of the Eximbank Act to identify child labor as a human right that could serve as the basis for a Presidential determination to deny applications for credit for non-financial or noncommercial considerations.

SECTION 12—PROHIBITION RELATING TO RUSSIAN TRANSFERS OF CERTAIN MISSILES TO THE PEOPLE'S REPUBLIC OF CHINA

Present law

No provision.

Senate bill

No provision.

House amendment

The House amendment (sec. 12) amends section 2(b) of the Eximbank Act to require the President, if made aware that Russia has transferred or delivered to the People's Republic of China an SS–N–22 or SS–N–26 missile system, to notify Eximbank which, upon receipt of such notification, shall discontinue financing exports to Russia.

Conference agreement

The conference agreement amends section 2(b) of the Eximbank Act to require the President, upon determining that the Russian Government or military has transferred or delivered to the People's Republic of China an SS–N–22 missile system and that the transfer or delivery represents a significant and imminent threat to the security of the United States, to notify Eximbank which, upon receipt of such notification and if so directed by the President, shall discontinue providing finance in connection with the purchase of any good or service by the Russian Government or military.

For purposes of this provision, the definition of "Russian Government or military" shall include state-owned enterprises.

PREFERENCE IN EXPORT-IMPORT BANK ASSISTANCE FOR EXPORTS TO CHINA TO BE PROVIDED TO COMPANIES ADHERING TO CODE OF CONDUCT

Present law

No provision.

Senate bill

No provision.

House amendment

The House amendment (sec. 10) amends section 2 of the Eximbank Act to instruct the Board of Directors, when determining whether to provide financial support for exports to the People's Republic of China, to give preference to entities that the Board determines have established and are adhering to a code of conduct set forth in the provision.

Conference agreement

The conference agreement is no provision.

The Committee urges the Government of the United States, consistent with the primary mission of export finance to protect and expand jobs in the United States by supporting exports that would not otherwise go forward, to promote efforts among recipients to respect internationally recognized human and worker rights. These would include a recipient's good faith effort to provide a safe and healthy workplace; avoid child and forced labor; avoid discrimination based on race, gender, national origin, or religious beliefs; respect freedom of association, the right to organize and bargain collectively; pay not less than a country's minimum wage required by local law, provide all legally mandated benefits; obey all applicable environmental laws; comply with international standards regarding illicit payments; respect free expression; encourage good corporate citizenship and make a positive contribution to the communities in which the entity operates; and encourage similar behavior by partners and suppliers.

Especially regarding China, the Committee expects the Government to carefully consider the business practices of those entities receiving financing. The Committee believes that promoting and recognizing good corporate citizenship will ensure that a "constructive engagement" policy towards China indeed promotes democracy and human rights.

RENAMING OF THE U.S. EXPORT-IMPORT BANK

Present law

The first section of the Eximbank Act names Eximbank the "Export-Import Bank of the United States."

Senate bill

No provision.

House amendment

The House amendment (sec. 11) amends the first section of the Eximbank Act to rename Eximbank to the "United States Export Bank."

Conference agreement

The conference agreement is no provision.

JAMES A. LEACH,
MICHAEL N. CASTLE,
DOUGLAS BEREUTER,
JOHN J. LAFALCE,
FLOYD H. FLAKE,
Managers on the Part of the House.
ALFONSE D'AMATO,
ROD GRAMS,
CHUCK HAGEL,
PAUL SARBANES,
CAROL MOSELEY-BRAUN,
Managers on the Part of the Senate.

LEGISLATIVE PROGRAM

(Mr. BONIOR asked and was given permission to address the House for 1 minute.)

Mr. BONIOR. Mr. Speaker, I ask for this time for the purpose of inquiring of the majority leader, the gentleman from Texas [Mr. ARMEY], as to the schedule for this evening and for the remainder of the weekend.

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, I thank the gentleman from Michigan [Mr. BONIOR] for yielding.

Mr. Speaker, I am pleased to announce that we have had our last vote for the evening. We will continue with the bill making continuing appropriations through Sunday. As my friend, the gentleman from Michigan [Mr. BONIOR], has pointed out, we have agreement on both sides that we will be able to do this without another recorded vote. I would like to express my appreciation for that consideration.

The House will meet at noon tomorrow to consider the following suspensions: H.R. 2534, agriculture research bill; House Resolution 122, visually-impaired currency; H.R. 2614, Reading Excellence Act; S. 813, Veterans Cemetery Protection Act; S. 1377, a bill making technical corrections to the American Legion Act; S. 1139, Small Business Administration reauthorization; S. 713, Homeless Veterans Act; H.R. 2513, line item veto fix; H.R. 2813, waive time limitation on awarding Medals of Honor; H.R. 2631, a bill regarding military construction appropriations line item vetoes; H.R. 1129, the Microenterprise Act; and House Concurrent Resolution 22, a resolution regarding religious persecution in Germany.

Of course, other suspensions may be added with the required 1-hour notice from the floor.

I should mention to the Members that we hope to have additional appropriations work before us tomorrow. And while we are here, we would obviously work as late as is necessary for the necessary work to be completed that we have before us tomorrow while we wait for appropriations conference reports.

I cannot tell my colleague with any degree of certainty how late we will be tomorrow night, certainly no later than is necessary to complete the work. We would reconvene at 2 on Sunday, and we would expect on Sunday before we adjourn to have completed our work so that we might adjourn sine die.

Mr. BONIOR. Reclaiming my time, could the distinguished majority leader, the gentleman from Texas [Mr. ARMEY], tell us when he anticipates the fast track legislation to come before this body?

□ 1845

Mr. ARMEY. I would expect that to be sometime on Sunday.

Mr. BONIOR. I also might ask the gentleman if it is indeed possible, as many Members have requested the opportunity to have a chance to speak at special orders this evening, if special orders will be part of the day's proceedings.

Mr. ARMEY. I thank the gentleman for that request. That one has been a difficult one. I have thought on this throughout the day off and on, understanding the gentleman's desire. I also have been concerned and am concerned for the staff of the House. It has been a tough week, it will continue to be, their working on Saturday and Sunday, and it had been my intention to adjourn the House in their interest and that of their families.

Mr. BONIOR. Let me, if I might, ask the gentleman from Texas to reconsider that, because let me make the case that with respect to fast track, a highly controversial, momentous piece of legislation, probably one of the most important bills that we will have faced, certainly in this Congress, the Committee on Rules has only allowed 2 hours of debate on this bill. We have hundreds of Members who want to speak on this issue. We are boxed in a situation which the gentleman knows is a difficult situation. People need to be able to express themselves on this, and so we ask the opportunity on this side of the aisle to engage in special orders this evening for those who want to discuss this or any other issue.

We even ask that the Committee on Rules, which we understand will go back and come out with another rule, expand that debate time. It is not only on our side. The gentleman is going to have tens, if not hundreds of Members on his side of the aisle, certainly 100 members on his side of the aisle, who will not have an opportunity to speak on this. We cannot put together a cogent argument, we cannot put together a rational debate when we are given 30 seconds or a minute. I would ask my friend from Texas to reconsider the time on the bill in general debate, and I would also ask him to allow special orders without going ahead and adjourning this evening.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, as the gentleman from Michigan knows, I am sympathetic to his cause, but let me just cite to the gentleman the traditional rule that has been made in order on other GATT agreements. In 1988 there were 2 hours of debate only. In 1993 there was 1 hour of debate only. With the 1 hour that will be extended on the rule and 2 hours of general debate, it gives 3 hours on the issue. I know that there are some on the gentleman's side that thought that that was not enough. There were also a number, including some Democrats on the Committee on Ways and Means, that thought that that was ample time. But traditionally that is the amount of time.

Keep in mind this is not the agreement. When the agreement comes back, the gentleman and I and others will probably have about 8 hours to debate that agreement and even to amend it, as the gentleman knows.

Mr. BONIOR. The gentleman from New York to whom I will yield in a second, the distinguished ranking member of the Committee on Ways and Means, requested 8 hours. I think the gentleman understands quite well that it is not just Members on our side of the aisle. We are going to have many Members on his side of the aisle who are going to want to speak and who will not be able to speak on this issue.

Mr. ARMEY. If the gentleman will yield further, perhaps I could offer something on this.

I do appreciate the gentleman from Michigan's point about the special orders. I am sure the gentleman from Michigan would understand the natural concern I have had with respect to the members of the floor staff and their families, but I understand the gentleman's point, there are some folks on this side of the aisle who are interested, and I would not preempt their right to have the special order opportunities this evening.

Mr. BONIOR. I thank the gentleman.

Mr. RANGEL. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from New York.

Mr. RANGEL. Mr. Speaker, I would like to make a special appeal to my friend, the leader of the New York delegation, a leader in the House, and the chairman of the Committee on Rules. Under the rule, the Democrats that are in opposition to the fast track would have only 30 minutes. I know that the gentleman wants to stick by the tradition in how they have handled these things before, but I cannot begin to tell him the number of Members that are asking just to be heard to express themselves. There is a frustration that exists in the House where I truly believe that people do want to hear the debate. But in addition to this, I think that people want to explain their vote. Whether they vote for it, whether they vote against it, they want to have an opportunity to explain through whatever way to their constituents why they are voting that way on a subject matter which I truly do not believe is that well known to the American people. I know it is extraordinary action to take a review of the decision that the full committee has made, but in view of the fact that he has said more than once that senior members of the Committee on Ways and Means have said this is appropriate time, I can tell the gentleman that senior members of the Committee on Ways and Means have asked for a half-hour themselves to be able to debate. I hope whomever they are, they will stand up, because we are catching the devil trying to allocate time. The gentleman would do this House a great service if he could be more flexible in tradition of the Committee on Rules.

Mr. PEASE. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Indiana.

Mr. PEASE. I thank the gentleman from Michigan for yielding. As the majority leader and minority leader are aware, the leadership of the freshman Democrats and the freshman Republicans, once the schedule for the weekend was announced, conferred and would like to offer as a service to our colleagues, in light of the fact that most of us return home on weekends and do not have a church home here in Washington, a joint service provided by the freshman Democrats and the freshman Republicans at 1 o'clock Sunday in 1100 Longworth for Members and their families.

Mr. FAZIO of California. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from California, the Caucus chair.

Mr. FAZIO of California. I thank the gentleman for yielding. I simply wanted to add my voice to those on this side who have a desire to have more time to debate this issue. There is no question that both caucuses, the caucus and the conference are divided on this but Members feel deeply about it and want to be able to make their case directly to their colleagues and to their constituents. I do not think the rule, as I have heard it described, is an adequate amount of time, and so I want to make that statement, because I support the request that has been made by the whip.

HOUR OF MEETING ON SATURDAY, NOVEMBER 8, 1997

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon tomorrow.

The SPEAKER pro tempore (Mr. LATOURETTE). Is there objection to the request of the gentleman from Texas?

There was no objection.

ADJOURNMENT FROM SATURDAY, NOVEMBER 8, 1997, TO SUNDAY, NOVEMBER 9, 1997

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Saturday, November 8, 1997, it adjourn to meet at 2 p.m. on Sunday, November 9, 1997.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

AUTHORIZING SPEAKER TO DESIGNATE TIME FOR RESUMPTION OF PROCEEDINGS ON REMAINING MOTIONS TO SUSPEND RULES CONSIDERED MONDAY, SEPTEMBER 29, 1997

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the Speaker be authorized to designate a time not later than November 9, 1997, for resumption of proceedings on the seven remaining motions to suspend the rules originally debated on September 29, 1997.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 1998

Mr. LIVINGSTON. Mr. Speaker, pursuant to the order of the House of today, I call up the joint resolution (H.J. Res. 101) making further continuing appropriations for the fiscal year 1998, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the joint resolution.

The text of the joint resolution is as follows:

H.J. RES. 101

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 106(3) of Public Law 105–46 is further amended by striking "November 7, 1997" and inserting in lieu thereof "November 9, 1997", and each provision amended by sections 122 and 123 of such public law shall be applied as if "November 9, 1997" was substituted for "October 23, 1997".

The SPEAKER pro tempore. Pursuant to the order of the House of today, the gentleman from Louisiana [Mr. LIVINGSTON] and the gentleman from Wisconsin [Mr. OBEY] each will control 30 minutes.

The Chair recognizes the gentleman from Louisiana [Mr. LIVINGSTON].

GENERAL LEAVE

Mr. LIVINGSTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Joint Resolution 101 and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. LIVINGSTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the second fiscal year 1998 continuing resolution expires tonight. Currently, 7 of the 13 appropriations bills have been enacted into law and two others are pending at the White House. We have just adopted the conference report on the Labor-HHS bill, leaving three appropriations bills left to finish in the House. Because these remaining bills will not be enacted into law by tonight, it is necessary now to proceed with an extension of the current short-term continuing resolution so that the Government can continue to operate.

The joint resolution now before the House merely extends the provisions of the initial continuing resolution until November 9, or for 2 more days, while we wrap up our work. The basic funding rate would continue to be the current rate. We retain the provisions that lower or restrict those current rates that might be at too high a level and would therefore impinge on final funding levels. Also, the traditional restrictions such as no new starts and 1997 terms and conditions are retained. The expiration date of November 9 should give us time to complete our work.

Mr. Speaker, I urge the adoption of the joint resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. OBEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I frankly have misgivings and mixed feelings about this continuing resolution. People who know me know that I have a black Irish soul and that I often worry about the downside of life, but even I, until 2 days ago, was very optimistic that we would be able to get out of here with all of our work done on the appropriation bills without the need for a continuing resolution. Indeed, up until 2 days ago, I think we were on that track.

□ 1900

But then something happened, because all of a sudden the flexibility which we thought we saw on the part of that side of the aisle and this side of the aisle all of a sudden seemed to disappear, and now we have heard disturbing rumors about the linkage of fast track legislation with the remaining appropriation bills. And I must say that I find it disconcerting to go into a conference on the State-Justice-Commerce appropriation bill today and to discover that the conferees are being told that they must begin the conference without knowing what the language is that we will be asked to vote on issues such as the census, for instance.

Now, I happen to be in a peculiar position. I have supported the Republican Party position on the issue of sampling on the census, but it is apparent to me that there is a deal or near deal between the Republican leadership and the White House on that language, and yet rank-and-file Members on neither side of the aisle have so far been given access to whatever that language is.

Now, regardless of one's position on the issue, Members have a right to know what it is, and it seems to me that we would not have this CR before us if games were not being played. We were, in fact, told that one Member of the leadership today indicated that the language on the census could not be made public until the vote on fast track because it would, quote, cost votes on fast track.

Now, I do not know which side of the aisle is likely to be sold out on that issue, whether it is our side of the aisle or their side of the aisle, but somebody apparently is, and it seems to me that what is happening is very simple. These other appropriation bills are being stalled out in terms of our getting any full information until fast track votes have been achieved.

Now, that greatly complicates the appropriations process, it greatly adds to the mistrust in this place, and it is, in my view, the only reason why we even have this CR before us tonight. The issues on appropriation bills were easily resolvable before they became linked to the fast track train, and it just seems to me that rank-and-file Members need to know that we are in the position of needing yet another CR not because of any failure of the Committee on Appropriations to do its work, or certainly not because of any failure of the chairman of the Committee on Appropriations, or to see to it that these appropriations bills are done, but simply because people at higher levels are linking things that ought not be linked, and, as a result, this committee once again is prevented from doing its business in a timely fashion.

I find that very much regrettable and very much not in the public interest, and I am tempted to call a roll call on this because of that, but in the interests of accommodating the Members who would finally like to get out of here, and get a decent meal, and get some sleep, I will withhold. But I do not think Members ought to be fooled. There is very clearly linkage that certain parties are trying to establish on these issues, and I think that is unfortunate because it gets in the way of our ability to deal with these bills straight up and on the square.

Mr. LIVINGSTON. Mr. Speaker, is the gentleman from Wisconsin prepared to yield back the balance of his time?

Mr. OBEY. Mr. Speaker, I yield back the balance of my time.

Mr. LIVINGSTON. Mr. Speaker, in the interests of staff throughout the House and my own desire to end this long week and engage in further discussions on additional bills tomorrow, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LATOURETTE). Pursuant to the order of the House today, the joint resolution is considered read for amendment.

Pursuant to the order of the House today, the previous question is ordered.

The question is on engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time, and passed, and a motion to reconsider was laid on the table.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, the pending business is the question of the Speaker's approval of the Journal of the last day's proceedings.

Pursuant to clause 1, rule I, the Journal stands approved.

DESIGNATION OF HON. STEVEN C. LATOURETTE TO ACT AS SPEAKER PRO TEMPORE ON TODAY

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC.
November 7, 1997.

I hereby designate the Honorable STEVEN C. LATOURETTE to act as Speaker pro tempore to sign enrolled bills and joint resolutions on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the designation is agreed to.

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

FAILED TRADE POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon [Mr. DEFAZIO] is recognized for 5 minutes.

Mr. DEFAZIO. Mr. Speaker, last evening and this morning on television, I heard the President and the Vice President say that if there were a secret vote on the extension of fast track authority, they knew that they would win by a 2- or 3-to-1 margin, because in their hearts the 80 percent of the Democratic caucus which is opposing their misbegotten trade policy would change their minds if they were not being pressured by Big Labor.

I saw the face of Big Labor here today on the Hill, people in their local union jackets with their ball caps, puzzling over maps of the Capitol, looking worried, going office to office, and I stopped to talk to some of them.

That is not what is pressuring or pushing the Democrats on this side of the aisle. We are standing on principle. We have a failed and failing trade policy in this country, a $160 billion trade deficit, a huge and growing trade deficit with Mexico, United States jobs going south of the border to United States-owned firms exporting their capital, exporting their jobs, to access 80-cents-an-hour labor in the maquilladora area; people living in pallet shacks, walking over bridges, I guess the President would call them the bridges to the 21st century, to these beautiful state-of-the-art United States-built manufacturing plants. Eighty cents an hour; is that the future that we want to push American workers toward? I think not. That is a failed trade policy.

In fact, nothing could be further from the truth than what the President and the Vice President said today. If a secret vote were held when the pressure was off from the White House, and all the deals they are cutting, and the arm-twisting from the Republican leaders and the CEOs, the dozens of chief executive officers of the Fortune 500 companies who jetted into town this week in the luxury of their private jets to twist arms and offer their own deals to Members of Congress, we would beat fast track 2 or 3 to 1.

The White House has turned into a virtual trading bazaar. I cannot believe what I am hearing from my colleagues; offers from the White House of guaranteed $150,000 fund-raisers before the end of the year to replace any money you might lose from your friends in labor after you sell out the American working people. You know, deals of bridges, deals of military projects that no one wants and haven't been funded, pork; pork is available.

Every member of the White House Cabinet is calling, burning up the lines. They have got a so-called war room here somewhere on Capitol Hill, I do not know where it is, where the 1 or 2 dozen Democrats supporting this are working the phones with intelligence, things are caught on the floor, two members of the Cabinet and to the White House and the President and the Vice President. They are busing people down to the White House. They are offering them the sun, the moon, the stars, and they can offer it. You know why? Because they offered it to everybody for their vote on NAFTA, and they never delivered it. So they can give it away twice. Is it not beautiful? It is a little bit like Lucy and the football.

How many times are Members of Congress going to hear the siren song of President Clinton, and now Vice President Gore, on these issues; the promises that they will fix it all later, or we will have side agreements that take care of the environment and labor, do not worry.

And then people buy that, and then, oops, did I ever talk to you before? Do I know you? And now they need us again 3 years later, and suddenly we have got these great deals, side agreements on labor and the environment, because the Republicans will not let us have anything to do with labor and environment in this bill, and they need the Republican votes.

Well then they maybe ought to get all their votes on that side of the aisle.

But what really made me angry was to hear the President question the motivation of people on this side of the aisle while he is offering people fundraisers, while he is offering people bridges, while he is offering people other projects.

We have a failed trade policy in this country, and perhaps, just perhaps, this weekend the American people will be well-served by this body. We will begin to question up or down votes on trade policy, no amendments allowed, whatever your concerns or perspectives are, giving up our prerogative as Members of the House of Representatives to perpetuate and continue policies that are piling up huge and growing trade deficits.

You know, someday those bills are going to come due. The U.S. is a trillion dollars in debt overseas, growing at the rate of $160 billion a year. Someday someone is going to say, we are not so sure of the U.S. economy and the U.S. dollar anymore. We want our money back.

What is going to happen to future generations? We are at the point trade with the deficit where we were with the U.S. fiscal deficit about 10 years ago.

□ 1915

People are saying, oh, it does not matter. Is it not nice they want to lend us that money and run a deficit? We are losing jobs, prosperity. We need a new policy, and we have an opportunity to get it this weekend if we defeat fast track.

INDIVIDUAL REINVESTMENT ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. SAXTON] is recognized for 5 minutes.

Mr. SAXTON. Mr. Speaker, I listened carefully to my friend from Oregon talk very articulately about the needs of middle-class Americans, and I agree. The middle-class American family has many needs; the need to, of course, provide for current-day living expenses, the need to provide for the futures of their kids and save money for that, the need to provide for safe retirement programs for themselves, the need to provide housing, et cetera.

We did something good for middle-class America this year, because we put in place an Individual Retirement Account Program extension to help them save for those things, because, you see, today, under the Tax Code, the norm is that when we earn money, we are taxed on that income, and then when we put that money away for some future use and we earn income in the form of interest or dividends or capital gains, we are taxed again. So on a lot of America's income, we are not taxed just once, we are taxed twice, once when we earn it and once when it earns some income for us.

So, wisely enough, on a bipartisan basis for middle-class American families, we decided this year to expand the IRA program, and, as far as it went, it was good, and it is good.

This year, the eligibility level or the income total amount that a family can earn is not any longer $40,000; it is twice that, it is $80,000. It used to be, last year, that if a spouse was a homemaker, that spouse could not take the full $2,000 provision in the way of a deduction and put that money away tax-free. Henceforth, he or she will be able to do that.

We also permitted withdrawal without penalty for first-time home buyers, and that was certainly a great expansion. We also put in place a little provision to help save for our children's higher education, and that was good. So we did some pretty neat expansions.

But let me say it seems to me that that only goes partway to where we need to be. The IRA program is good, it has been proven good for middle-class American families, and has been proven to help people save. It has encouraged savings throughout our society, and it seems to me that in all the talk that is going on around here about tax reform, that we ought to look at how we can help even more.

Now, the $2,000 limit we are still living with today was established decades ago, and decades ago $2,000 was a lot of money. It is still a lot of money, but it was multiple times as much money in real terms back when it was established.

Some time ago, I introduced a bill to increase that $2,000 amount by $500 a year for 10 years, so that 10 years from the time my program would be adopted, the amount that we could save, put away each year in our IRA and have as a deduction, would be $7,000. Built on top of the $2,000 that we have now, $500 a year for 10 years, 2 plus 5 is 7. I think that is real progress.

We also proposed that middle-class America, yes, middle-class America fits within $80,000, but when you have got a couple of folks working, say they are both schoolteachers, and say the combined income is $100,000; today they do not even qualify under the expanded program that we put in place this year.

So I suggest we increase that not to $80,000, as we already have, but to $100,000, so hard-working families whose mom and dad go out and make $50,000 apiece working hard can also qualify.

In addition, we might want to consider there are some other worthwhile needs we need to save for and can withdraw from the program without penalty. Retirement is one currently, higher education is one currently, and first-time home buyer is one currently, with different little ramifications along the way.

Unemployment is a need we have traditionally saved for, and we might want to consider adding unemployment as a provision we could withdraw for without penalty.

Adoption is another one, obviously, that folks on both sides of the aisle talk about as being a very worthwhile activity. So we might want to look and talk among ourselves about some other things that we could withdraw from the fund for penalty-free.

So, the individual retirement account bill I think is a very worthwhile bill to consider in terms of expansion. I call the new bill that I introduced the Individual Reinvestment Act, or IRA. The Individual Reinvestment Act.

Let me also say, Mr. Speaker, that as chairman of the Joint Economic Committee, I know that throughout our society not only would individuals who save under this program benefit, but our entire economy and our entire society would also benefit under the program, because one of the things that is absolutely necessary for economic growth across the board is the ability to have access to capital.

When people in small businesses or people in medium-sized businesses or people in large businesses want to expand their business, they have to borrow, and having those funds available in institutions to be borrowed is very important. This bill will help expand the pool of money available to us as well.

So, Mr. Speaker, thank you very much for this time. I urge everybody to give this matter very serious consideration.

OPPOSITION TO FAST TRACK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. LIPINSKI] is recognized for 5 minutes.

Mr. LIPINSKI. Mr. Speaker, I rise tonight in opposition to fast track. There are many, many, many reasons to oppose fast track. Certainly one reason you could oppose it is because of the hypocrisy of President Clinton and Vice President GORE when they spoke about pressure being put on individuals to oppose fast track.

The hypocrisy is that it has been the President, the Vice President, and the Republican leadership that have been putting pressure on individuals in this body to support fast track. That is where the pressure has been coming from, that is where the intimidation has been coming from, and, as I say, that would be one reason to vote against fast track right off the bat, the hypocrisy of the Clinton administration.

You could also vote against fast track because none of our trade policies over the last 15 to 20 years have done anything whatsoever to improve the standard of living or the working conditions of foreign workers. Our trade policy has done nothing to improve the environmental conditions in foreign nations where we have signed trade agreements. Those would be more reasons for voting against fast track.

But to me, the most important reason for voting against fast track is the fact that it will continue the downward slide of the standard of living of all American working people.

Twenty years ago, the standard of living of the American working man and woman was tops in the world. Because of the trade policy that we have followed in these 20 years, there has been an erosion in that standard of living. NAFTA accelerated that erosion considerably.

If we support fast track tomorrow or on Sunday in this House of Representatives, we simply are saying to the American working man and woman that we do not care about your standard of living. We do not care if your standard of living falls down by 25 percent, 50 percent, 75 percent. All we care about is what profits the corporations in this Nation and in other nations of the world can make at the expense of American working men and women.

With the economy that we have in this country, the large economy, the strong economy, the prosperous economy, every nation in the world wants to get into this economy, wants to trade with this economy. Because of that, we should be in a position to negotiate trade agreements that are totally and completely advantageous to the American working man and woman.

That is what we should be doing. That is what we could be doing. And if we can defeat fast track in this body this weekend, then we can start to turn things around and start rebuilding the American dream for the American working man and woman.

ERADICATION OF DISEASE, A NEW NATIONAL GOAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. GEKAS] is recognized for 5 minutes.

Mr. GEKAS. Mr. Speaker, today I have introduced legislation that would create a Presidential-congressional type of commission for the investigation of ways and means on the part of the American people, through their elected officials and through their institutions, to commit themselves to a new national goal.

Mr. Speaker, during the 20th century the main goal of the United States was necessarily to throw back the aggressive totalitarian governments that tried to dominate the 20th century and also to defeat communism as a world power or global entity.

In those attempts, the United States was successful, and today we find ourselves, after the Berlin Wall, as the only superpower left and with no really visible goal in front of us.

The bill that I introduced allows our fellow Members, who would serve on a commission, along with others to be appointed by the President and the Senate, to fashion a new national goal, which is to eradicate disease from the face of the Earth.

Now, this may sound lofty and unattainable, and it probably is not within our means to totally eradicate every vestige of disease known to mankind. But if we have that as a national goal, knowing that the United States already leads in biomedical research, in the production of methodologies of health care, of pharmaceuticals, of new ways of producing medical devices, the whole host of things that benefits the human condition, if we make that our goal for the next century, then not only will humankind be better off throughout the world, but the economy of the United States, the enterprise of the United States, the leadership of the United States will continue in wondrous ways for the benefit of our people, because when we talk about an attempt, a bold attempt, to eradicate disease from the face of the Earth, are we not talking about trade between countries on matters that would lead to new products in health care, new medicines, new ways of treating disease? Would we not have our hospitals and our medical colleges and our universities honed in on the great goal that we are going to be articulating?

This is so important to me personally and, I believe, to our country, to focus our energies, our innate initiatives that have served us so well over the years, into this goal of humanitarian capacity in such a way that it benefits every strata of our society; not just the health care community, but everyone in the community who, in one way or another, will have to come into contact with the health care system and with those things that benefit humanity.

I have had discussions about this with individuals at the National Institutes of Health, with people in the medical universities, with newsmen and media people who have more than a passing interest in this kind of issue, and have found a warm reception in every one of those projections.

□ 1930

So I would invite my colleagues to join with me in this bill. We would create this commission, we all would have input as to the ways and means that they would adopt for achieving this national goal, and then when our time is completed in the Congress of the United States, we will have laid the groundwork for a 21st century replete with American accomplishment.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundegran, one of its clerks, announced that the Senate had passed without amendment joint resolutions of the House of the following titles:

H.J. Res. 91. Joint resolution granting the consent of Congress to Apalachicola-Chattahoochee-Flint River Basin Compact.

H.J. Res. 92. Joint resolution granting the consent of Congress to Alabama-Coosa-Tallapoosa River Basin Compact.

H.J. Res. 101. Joint resolution making further continuing appropriations for the fiscal year 1998, and for other purposes.

The message also announced that the Senate has passed a bill of the following title, in which the concurrence of the House is requested:

S. 738. An act to reform the statutes relating to Amtrak, to authorize appropriations for Amtrak, and for other purposes.

NAFTA IS NOT GOOD FOR AMERICA

The SPEAKER pro tempore (Mr. BRADY). Under a previous order of the House, the gentleman from Ohio [Mr. KUCINICH] is recognized for 5 minutes.

Mr. KUCINICH. Mr. Speaker, for those who have been following the debate over fast track, I would just like to review a few facts. First of all, fast track is legislation which provides for expedited congressional consideration. It is called fast track because it is a way to force through Congress an up-or-down vote on a major trade package. Those who are interested in the history of this should remember that fast-track authority was first granted by the Congress in 1974. It gave the President the ability to move along trade agreements.

In 1994, fast track expired, after the approval of NAFTA and the Uruguay round of the General Agreement on Tariffs and Trade, also known as GATT.

What is happening now is that the President is asking for renewed fast-track authority and wants to expand NAFTA and the free trade zone to Chile and the other South American countries, and he wants trade agreements with even more countries as well, using the fast-track legislation.

We must keep in mind that fast track does not provide for any amendments, so that this Congress has no ability to change the terms of the fast-track agreement and, therefore, to have an impact on American trade policy. The reason why so many of us in Congress are concerned about this issue is this: I would like to look at the effect that NAFTA has had, because we are really talking about expanding NAFTA here, at northeastern Ohio.

Now, I am from the State of Ohio, I am in the 10th Congressional District in Ohio, and I represent an area that includes the city of Cleveland and surrounding suburbs. My constituents include auto workers, steel workers, and their families. They are very dependent on the auto industry and the steel industry for jobs. These are people who have fought for this country, who believe in this country, who have given much to this country, who helped to build this country through building the major industries with their labor. Americans secured its freedom through our strategic industrial base of steel, automotive and aerospace, and the people in Cleveland have been an important part of that.

But when a report came out a few months ago on NAFTA, it was learned once and for all how the people of Cleveland and how communities like ours across the United States have been adversely affected by NAFTA. We found out that U.S. exports to Mexico have been inconsequential, a little over $1 billion in the 3 years covered by the study, that Mexico was not the consumer market that everyone said it would be. We were promised that there was going to be expanded trade with Mexico.

Well, the fact of the matter is, workers in Mexico who are making 90 cents an hour cannot buy cars made in the United States that cost $16,000. The truth is that Mexico has become increasingly an export platform for vehicles sold in the United States. U.S. auto imports from Mexico are more than 10 times the value of U.S. exports to Mexico. And most importantly, the U.S. auto trade deficit has grown since NAFTA by about 400 percent to $14.6 billion, from $3.6 billion.

Mr. Speaker, the business of politics is a very complex business, as those of us who have been in politics for a while understand, and even those who have the best of intentions often are not able to get to their goals that they have stated in promises in order to achieve support for their proposals.

There were many promises made to secure support for NAFTA years ago, a few short years ago, and those promises moved votes in this House. Those promises caused people to have hope that somehow NAFTA that we are voting on in the next 2 days, an agreement that would expand NAFTA, that NAFTA would benefit the constituencies which we represent. People were promised that NAFTA would create 200,000 new U.S. jobs. All of us remember that promise.

The fact is, Mr. Speaker, that the United States has lost more than 430,000 jobs due to NAFTA. For example, Kodak will cut 14,000 jobs and shift production to Mexico. The U.S. people were promised that the United States would inspect imported food for pesticides. Well, we know, the truth is that inspections of illegal pesticides on imported food have actually decreased, and we have seen the consequences with the great strawberry scare of a few months ago where school children in a few States were adversely affected by the pesticides which were put on strawberries.

Mr. Speaker, NAFTA has not produced benefits for the American people. It has increased the trade deficit; it puts downward pressure on wages, and I am hopeful that within 4 hours NAFTA will be soundly defeated through us defeating fast track and coming back with a plan to make our trade agreements in this country fairer to the American workers and to their families.

SPECIAL ORDER IN MEMORY OF JOHN STURDIVANT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. POSHARD] is recognized for 5 minutes.

Mr. POSHARD. Mr. Speaker, I rise today to express my sorrow over the passing of John Sturdivant. His death is a great loss not only to the American Federation of Government Employees, but to civil servants across the country. John Sturdivant demonstrated dedication and courage throughout his entire life, as he battled against Government downsizing, excessive privatization, restrictions on political activity by Government employees and, ultimately, leukemia. Through all of these challenges, he remained a devoted champion of workers everywhere, and his efforts will be long remembered and sorely missed.

John Sturdivant leaves behind him a legacy of victories and improvements that will continue to benefit the employees he represented even though he can no longer speak for them. During a period of relentless attacks on Federal workers, through Government downsizing and budget pressures, John fought to preserve jobs and spoke out for the interests of working families everywhere. He struggled against two wasteful Government shutdowns, and tirelessly advocated for improved conditions, pay raises and better retirement benefits for those he represented. John Sturdivant was instrumental in bringing about Hatch Act reforms which enable Federal employees to contribute money, attend fundraisers and volunteer for campaign work. In short, he was a great friend for workers and a great voice for change, and his passing leaves us missing a powerful and passionate ally.

SECRETARY BABBITT'S ABUSE OF POWER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nevada [Mr. GIBBONS] is recognized for 5 minutes.

Mr. GIBBONS. Mr. Speaker, I stand before you today in disbelief, in fact in total disgust. I stand here before you in an effort to seek the truth in campaign fund-raising allegations involving the Secretary of Interior, Mr. Bruce Babbitt, a serious abuse of power.

I am here to inform my colleagues of the mounting evidence that Secretary Babbitt potentially misused his administrative position to influence the outcome of a 1995 Department of Interior decision regarding an Indian gaming permit to a group of Chippewa Indians in Wisconsin, all that in exchange for political contributions to the Democratic National Committee.

Allow me to set the stage. Three groups of Wisconsin Chippewa Indians recently filed a lawsuit charging that the Clinton administration bowed to improper political pressure when the Interior Department rejected their application for a gaming permit in 1995.

So what was the reason for this otherwise unexplainable denial? Well, other tribes opposing their application donated more than $270,000 to the Democratic National Committee soon after their proposal was rejected. The rival tribes were trying to prevent competition to their lucrative gaming interests located some 20 miles from Minneapolis and St. Paul, MN.

Now, Mr. Paul Eckstein, an attorney and old friend of Mr. Babbitt, recently testified before a Senate Governmental Affairs panel on campaign fund-raising hearings that he met with Secretary Babbitt on July 14, 1995, after being told by another Interior Department official that the casino planned by 3 Wisconsin Chippewa tribes was being disapproved. Eckstein proceeded to tell the Senate Governmental Affairs Committee that Mr. Babbitt's response was that Deputy White House Chief of Staff, Harold Ickes, had directed him to issue the decision that day. In a 1996 letter to Senator JOHN MCCAIN, a Republican of Arizona, the Interior Secretary denied making the comment about Ickes. But last month, Mr. Babbitt again recanted, acknowledging that he did, in fact, make the remarks to Mr. Eckstein simply to get the lawyer out of his office.

Well, the contradiction in Secretary Babbitt's responses troubles me almost as much as the act of trading favors for campaign money. The blatant misuse of administrative power for monetary gain is a serious offense. If no other inconsistencies were uncovered beyond this, this would still warrant the appointment of an independent counsel.

At issue in this case is whether Secretary Babbitt's decision to deny the application was influenced by the promise of political contributions and whether his actions came as a result of an order from higher up in the administrative ladder.

Mr. Speaker, it is not my intent to stand here before the House in an attempt to influence the outcome of this case, nor to comment on any more specific details of the event that precipitated this matter. However, the apparent seriousness of the allegations of this wrongdoing and underlying facts clearly dictate further investigations into this matter.

I have in my office investigative reports, many from major news publications on this subject, that confirm in precise detail the pervasive, serious and potentially unlawful conduct of Secretary Babbitt's 1995 decision.

The likelihood that government policy was made in return for a political donation in this case clearly brings into question whether criminal misconduct occurred in fund-raising efforts for the 1996 Federal election.

Mr. Speaker, I stand before you today to inform you of major malfunctions in the campaign fund-raising machine for the 1996 election, and I am also here to inform my colleagues of my intent to pursue this matter further.

In fact, I would like to report on Friday of last week I sent a letter to the Attorney General, lauding the Justice Department's decision to open a 30-day initial review into how Secretary Babbitt handled the application for an Indian gaming permit back in 1995. But this is not enough. In this same letter I expressed my earnest sense of urgency on behalf of the American people in pushing forth with the appointment of an independent counsel to investigation this scandal.

SHADY DEALS TO JAM FAST TRACK THROUGH CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. BROWN] is recognized for 5 minutes.

Mr. BROWN of Ohio. Mr. Speaker, I appreciate the opportunity to address the House for a few minutes this evening.

I read earlier today a story on the AP wire about some of the deals that have been made between the White House and Members of Congress on the fast track legislation which we were going to consider today, but has been pushed back until Sunday, frankly because Speaker GINGRICH and the President do not have enough votes with the deals they are making to jam this bill through the Congress of the United States.

What troubled me today, and I would like to share for a moment one of those deals that was mentioned in the AP wire story. I will quote:

> A Member of Congress announced his support for a fast track trade bill Friday after the White House circulated a 7-point memo promising continued support for the tobacco price support program and immunity from health-related lawsuits for tobacco farmers.
>
> The paper also promised reform of import duty rules that farmers say encourages imports of foreign tobacco. Lobbyists said the moves were aimed at garnering the Congressmen's support.

This deal is troubling for a whole bunch of reasons, Mr. Speaker. As the ranking Democrat on the Subcommittee on Health and Environment on the Committee on Commerce, the subcommittee that, under the leadership before of the gentleman from California [Mr. WAXMAN] and other Members of Congress brought forward many of the problems with tobacco, many of the issues with tobacco executives and some of the problems, particularly with teenaged smoking, and I am particularly concerned about this deal that the President has purportedly made, according to the AP wire story, with some Members of Congress in order to get their votes for the fast track legislation.

Immediately, upon reading this story, I called the White House to ask for a copy of this 7-point memo that was about tobacco, about protecting tobacco, that would bring in the support from Members of Congress for the fast track bill.

□ 1945

The White House has still refused to send this memo. For whatever reason, they have not felt obligated to send this memo, even though next week this Subcommittee on Health and Environment and the full Committee on Commerce will be holding a hearing on tobacco.

So what troubles me, and I think what troubles people across this country, is that on a trade issue, an issue that has nothing to do with tobacco, we are seeing a deal cut by a President that has gone around the country and a Vice President that has gone around the country talking about the evils of teenaged smoking, something I agree with.

On the one hand, the President and the Vice President have excoriated the tobacco companies, have talked about how the tobacco companies market to children, and on the other hand, on an unrelated trade deal, the administration seems to have cut a deal on tobacco in order to get the vote of one Member of Congress.

Mr. Speaker, I called the White House and could not get a copy of this memo. So we placed calls to the American Cancer Society, the Coalition for Tobacco-Free Kids, the Heart Association, and several other public health groups to try to get a copy of this memo. Nobody has been able to, except supposedly this Congressman that has made this deal with the President.

I think, Mr. Speaker, that when the American people find out about this, that on a trade deal, on an unrelated trade deal, the President of the United States and the Vice President of the United States, both people who have led the charge against teenage smoking, and I admire them for that, I respect them for that, I applaud them for that, they have turned around and cut a deal in order to get an unrelated fast track trade bill through the Congress, I think that the American people will be outraged when they hear this, when they hear that this kind of deal has been cut simply to get a vote on the floor of Congress on an unrelated trade bill.

Again, Mr. Speaker, the President and the Vice President have led this country admirably, have moved forward in a very positive way in exposing the evils of teenage smoking. They have, through our subcommittee and through other committees in Congress, helped to lead the charge in eradicating smoking among teenagers, and have played a very positive role in helping people stop smoking in this country. Yet, they turn around and do this.

I think, Mr. Speaker, that we will see a torrent of calls to the White House wanting to know more about this deal, wanting to know what exactly has happened. When does this kind of deal-making stop?

IN RECOGNITION OF DAVID E. LARKIN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. PORTMAN] is recognized for 5 minutes.

Mr. PORTMAN. Mr. Speaker, I rise today to recognize the remarkable work of David E. Larkin on behalf of Cincinnati's Dan Beard Council of the Boy Scouts of America.

David's achievements in Greater Cincinnati Scouting are both extraordinary and numerous, and I would like to cite just a few examples.

He has provided outstanding leadership, motivation, and direction in the development of the Dan Beard Council's Executive Board, one of the most philanthropic youth service organizations in the Greater Cincinnati and Northern Kentucky area.

More than 1,000 "at risk" young people in the Greater Cincinnati area have had the opportunity to experience the cherished values of Scouting thanks to Challenge Camp, which David created.

David's imagination and creativity brought into being "The Scout Family Jamboree," an event attracting some 45,000 attendees showcasing not only Scouting, but many community activities and events.

Through his exceptional leadership and global vision, David has provided the catalyst for the approval of a comprehensive $14.5 million Camp Re-Development Capital Campaign to construct a 25-acre lake, Cub World, and Boy Scout camp to serve the Dan Beard Council well into the 21st century.

David has provided the leadership, quality standards, the means and methods necessary to expand the scouting program in Southwest

Ohio and Northern Kentucky to annually involve a record 65,000 youth and adults.

David's work in Scouting has also enabled him to be involved in other vital community programs. He has worked to enrich the relationships of scouting with the United Way and Community Chest, which has helped increase awareness and funding for these highly worthwhile service organizations. In addition, David has successfully initiated a positive alliance between the Boy Scouts and the Greater Cincinnati, Northern Kentucky Schools and educational institutions, resulting in expansive growth in "Learning for Life" and Career Explorer programs.

David has been asked to be the new Chief Executive of the Atlanta Boy Scout Council, and will soon be leaving the Cincinnati Dan Beard Council, on which he has so ably served. We in Cincinnati will certainly hate to lose David, but his selfless dedication and tireless work on behalf of Scouting and our community will not be forgotten. We wish him the best.

TRANSFER OF SPECIAL ORDER TIME

Mr. DAVIS of Illinois. Mr. Speaker, I ask unanimous consent to claim the special order time of the gentleman from Illinois [Mr. POSHARD].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

THE RECIPROCAL TRADE AGREEMENT AUTHORITIES ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. DAVIS] is recognized for 5 minutes.

Mr. DAVIS of Illinois. Mr. Speaker, I rise today in opposition to fast track. Mr. Speaker, the labor movement has always been the home of the American worker. It has been the safe haven for the American dream. But today we are in a time of conflict. There are contemptuous winds blowing in the direction of the American worker.

I have always believed that democracy vests its rights in the living person: one person, one vote. However, the economic markets recognize only money, not people: one dollar, one vote. These markets give no choice to the workers or their families. When the market seeks solely to make a profit, it is an instrument of oppression. It is an instrument which allows the few to monopolize society's resources, leaving the less fortunate without health care, jobs, and other means of livelihood.

Some say that the opponents of fast track would stop United States participation in the global economy and threaten our Nation's jobs. Supporters say fast track helps our country stay competitive and maintain a strong economy by ending unfair trade barriers imposed by foreign governments.

Throughout my public career I have always been an advocate for equality and fairness, but I recognize the difference between fairness and laissez faire-ness. This trade agreement will only consider corporate interest deals, while efforts to improve the conditions of workers' rights are muffled.

According to a University of Illinois study, the city of Chicago lost 80,000 manufacturing jobs between the years 1980 and 1990. These jobs were jobs that enabled workers to purchase homes, pay college tuition, participate in the American dream. At present, my district has recently lost five industries to other countries, leaving 704 workers unemployed and jobless.

Mr. Speaker, markets are important institutions, and they have an essential place in any democratic society, as long as these markets function within the framework of democratically determined rules and public safeguards.

I am in support of American competitiveness and want a democratically fair playing ground for all of our country's companies. But there is nothing democratic about giving jobs to other countries. There is nothing democratic about reducing American workers' benefits and wages. There is nothing democratic about environmental deregulation, and there is nothing democratic about ignoring the rights of thousands of workers for the approval of a few companies.

A. Phillip Randolph once said:

> At the banquet table of life, there are no reserved seats. You get what you can take, and you keep what you can hold. If you can't take anything, you won't get anything, and if you can't hold anything, you won't keep anything.

A. Phillip Randolph was so right. So today let us take back workers' rights, so that the American workers can hold onto their lives and hold on and make real the American dream.

ON THE USE OF THE DRUG MYOTROPHIN FOR SUFFERERS OF LOU GEHRIG'S DISEASE, AND A CAUTIONARY NOTE ON USE OF THE INTERNET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. DUNCAN] is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, sometime in the next couple of weeks, the Food and Drug Administration has told my office that it will make a decision about the drug called myotrophin. This is the only drug currently available that gives some hope to the victims in the advanced stages of the deadly illness we all know as Lou Gehrig's disease.

As almost everyone knows, this is a horrible nerve disorder that slowly robs victims of their ability to walk, talk, move freely, and eventually even to eat, swallow, and breathe on their own. There is no cure. The disease has always been fatal. But now, finally, there is a drug, myotrophin, that gives victims of Lou Gehrig's disease some small sliver of hope.

Unfortunately, this drug has not been approved by the Food and Drug Administration. There is no question that this drug is absolutely safe, but the FDA questions if it actually improves quality of life.

The patients and doctors who have worked in the experimental trials are convinced it does improve and extend the lives of these victims. Demonstrating that improvement to an absolute mathematical statistical certainty is going to be a very long, arduous task. Thousands of people will be robbed of their only hope in the meantime.

An advisory committee of the FDA voted to reject final approval of the drug until more evidence is gathered. Sometime in the next couple of weeks the FDA will make the final decision on whether these sufferers will be allowed to use this drug.

The drug is safe, Mr. Speaker. There is some disagreement about its effectiveness, but many doctors and patients believe in myotrophin and want to use it. They should be allowed to do so. The FDA should not play God. They should not take away the last hope these people have. If this is still a free country, these victims of Lou Gehrig's disease should be allowed to use this drug if they and their doctors feel that they should.

Mr. Speaker, I want to move to an unrelated but also very important subject. Last week, last Friday, on the ABC program "20/20," Barbara Walters helped present what she described as the most important hour ever shown on national television. This was a program attempting to alert parents to the horrible, sick, warped things that millions of children are being exposed to on the Internet. There are all types of pornography which cannot be totally effectively blocked, and, even worse, sexual predators preying on children over the Internet.

I know that for some reason there are some people who worship computers today and are greatly offended if anyone even implies that anyone or anything should restrict their use in even the slightest way. I also know that computers do wonderful and miraculous things and have greatly enhanced our quality of life. But I also know there is a down side to becoming totally, completely dependent on and controlled by computers and the Internet. We started out controlling the computers, and now they seemingly control us.

Mr. Speaker, I simply happen to believe that we should worship God, not Bill Gates. We have allowed far too much power to be concentrated in the hands of one man and one company, so I applaud the Justice Department for taking on Mr. Gates and Microsoft, although probably the government will lose in the end.

I heard on the national news a few months ago that the Massachusetts Division of Motor Vehicles was going totally online and hoped that they didn't have to see a live customer 10 years from now.

I heard a leading Washington sports columnist on the radio a few days ago say that when people called him to get his e-mail address and found out they were talking to him in person, they frequently, quickly hung up.

The Washington Post this week had a story about how the Internet was drawing some families closer together, because college students would have conversations over their computers that they would never have in person.

I read an article recently by a Harvard professor who said, we are allowing the electronic media to isolate us from each other, and that membership in all sorts of organizations, good organizations, is rapidly declining.

We worried about our children spending too many hours in front of television screens, so now we have placed them in front of computer screens that oftentimes have things on them far worse than what is on television.

With each passing year we seem to be talking less and less with each other. People do not know their next-door neighbors. They tell us that more and more people are working out of their homes. We are spending less and less time with our fellow live human beings, and more and more time in front of television and computer screens.

I sometimes wonder how much human contact there will be 50 or 100 years from now. On the 20/20 program they reported about the 11-year-old boy in New Hampshire who was murdered while selling door to door for his school. He was killed by a 15-year-old boy whose mind was warped and filled with rage after a homosexual relationship with an adult he met over the Internet.

And then we have the year 2000 problem which Newsweek said is going to cost us $1 trillion in litigations and software costs and other expenses simply because these computers cannot realize that we will change from 1999 to the year 2000.

This is crazy. It will cause everything to cost more.

I am not saying that we should do away with computers. I know that frequently, when someone disagrees, they resort to childish sarcasm because that is easier and simpler than arguing on the merits.

I know that some will be sarcastic about what I have said tonight.

Again, Mr. Speaker, I am not saying, throw out our computers, but I am saying, do not get addicted to them, either. Do not go crazy over them. Do not let them get out of control and destroy the lives of innocent children. Be alert that there are dangers, and spend less time in front of screens and more time talking to and helping each other.

TRANSFER OF SPECIAL ORDER TIME

Mr. SHERMAN. Mr. Speaker, I ask unanimous consent to claim the time of the gentleman from California [Mr. FILNER].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

WE MUST LOOK A GIFT HORSE IN THE MOUTH WITH REGARD TO TURKEY'S FUNDING OF CHAIR AT UCLA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. SHERMAN] is recognized for 5 minutes.

Mr. SHERMAN. Mr. Speaker, I rise today to focus on a generous gift to my alma mater, but looking at the history of Troy, I have learned that sometimes one must look a gift horse in the mouth.

The Government of Turkey has offered over $1 million to fund a chair at my alma mater, UCLA, in the study of Ottoman and Turkish history. While the generosity of such an offer should be noted, I note the concern in the academic community and concern among those of us concerned with international relations for the academic integrity and historical accuracy of the academic work that will be done by the occupant of this chair.

Our concern for history is based on history. The Turkish Government has endowed other chairs at other American universities, and the occupants of those chairs have sought not to report and analyze history, but to rewrite it and cover it up.

Mr. Speaker, as a Jewish American, I am very concerned with those who would want to cover up the history of genocide, or claim that the Holocaust against the Jewish people did not occur or did not occur on a massive scale. But as an American and as a citizen of the world, I am equally concerned about attempts to cover up and deny other genocides.

I am certainly concerned that the occupant of this chair at UCLA may feel or may be pushed toward trying to deny the great massacres at Smyrna, or the genocide of the Armenian people that occurred in the first two or three decades of this century.

□ 2000

Those of us concerned with history must remember that those who forget history are doomed to repeat it, and those of us concerned with avoiding genocide must remember, never forget and never again. Indeed, the history of the Ottoman Empire and the Republic of Turkey are two subjects of academic study. But that study should be unbiased and uninfluenced.

I would suggest that UCLA look at a number of academics who have studied the history of Anatolia, the history of the Caucasus, who have established their academic freedom and their academic independence. For example, Marjorie Housepian Dolkin or Speros Vrionis would make excellent occupants of this new chair in Turkish and Ottoman history, and their academic independence would be beyond question. Whoever occupies any chair looking at the modern history of Turkey should look not only at the promise of this nation, but also some of its misdeeds as well.

Last week, I had a chance to talk to Kathyrn Cameron Porter and to talk also with several others who, along with her, are fasting to protest the Turkish Government's imprisonment of Leyla Zana, a duly elected member of the Turkish Parliament who has been arrested for addressing a committee of this House of Representatives.

As an American, I am offended that someone would be imprisoned for giving us their views. And as a graduate of UCLA, I want to make sure that any review of modern Turkish history is complete and full and focuses on some of the human rights abuses, including the imprisonment of Ms. Zana.

I look forward to UCLA expanding upon its reputation as one of America's and one of the world's great universities and look forward to UCLA doing so by looking at all aspects of Turkish history and the history of the Ottoman Empire.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. KASICH] is recognized for 5 minutes.

Mr. KASICH. Mr. Speaker, pursuant to section 251(b)(2)(C) of the Deficit Control Act of 1985, as amended by the Balanced Budget Act of 1997 (P.L. 105–33), when an appropriation specifies an amount for "Continuing Disability Reviews" under the "Limitation on Administrative Expenses" account for the Social Security Administration, the allocation to the Committee on Appropriations and the aggregate budget totals shall be adjusted for the additional budget authority and resulting outlays subject to limits set forth in that act.

On July 28, 1997, an additional $245 million in budget authority and $232 million in outlays was provided upon the reporting of the appropriations bill for the Departments of Labor, Health and Human Services, Education and related agencies for fiscal year 1998 (H.R. 105–2264).

The conference report on H.R. 105–2264 has been filed and contain $290 million in budget authority and $273 million in outlays for continuing disability reviews. These amounts are within the limits established for fiscal year 1998. Therefore, the allocation to the Appropriations Committee and the aggregate budget totals for fiscal year 1998 are

Ohio and Northern Kentucky to annually involve a record 65,000 youth and adults.

David's work in Scouting has also enabled him to be involved in other vital community programs. He has worked to enrich the relationships of scouting with the United Way and Community Chest, which has helped increase awareness and funding for these highly worthwhile service organizations. In addition, David has successfully initiated a positive alliance between the Boy Scouts and the Greater Cincinnati, Northern Kentucky Schools and educational institutions, resulting in expansive growth in "Learning for Life" and Career Explorer programs.

David has been asked to be the new Chief Executive of the Atlanta Boy Scout Council, and will soon be leaving the Cincinnati Dan Beard Council, on which he has so ably served. We in Cincinnati will certainly hate to lose David, but his selfless dedication and tireless work on behalf of Scouting and our community will not be forgotten. We wish him the best.

TRANSFER OF SPECIAL ORDER TIME

Mr. DAVIS of Illinois. Mr. Speaker, I ask unanimous consent to claim the special order time of the gentleman from Illinois [Mr. POSHARD].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

THE RECIPROCAL TRADE AGREEMENT AUTHORITIES ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. DAVIS] is recognized for 5 minutes.

Mr. DAVIS of Illinois. Mr. Speaker, I rise today in opposition to fast track. Mr. Speaker, the labor movement has always been the home of the American worker. It has been the safe haven for the American dream. But today we are in a time of conflict. There are contemptuous winds blowing in the direction of the American worker.

I have always believed that democracy vests its rights in the living person: one person, one vote. However, the economic markets recognize only money, not people: one dollar, one vote. These markets give no choice to the workers or their families. When the market seeks solely to make a profit, it is an instrument of oppression. It is an instrument which allows the few to monopolize society's resources, leaving the less fortunate without health care, jobs, and other means of livelihood.

Some say that the opponents of fast track would stop United States participation in the global economy and threaten our Nation's jobs. Supporters say fast track helps our country stay competitive and maintain a strong economy by ending unfair trade barriers imposed by foreign governments.

Throughout my public career I have always been an advocate for equality and fairness, but I recognize the difference between fairness and laissez faire-ness. This trade agreement will only consider corporate interest deals, while efforts to improve the conditions of workers' rights are muffled.

According to a University of Illinois study, the city of Chicago lost 80,000 manufacturing jobs between the years 1980 and 1990. These jobs were jobs that enabled workers to purchase homes, pay college tuition, participate in the American dream. At present, my district has recently lost five industries to other countries, leaving 704 workers unemployed and jobless.

Mr. Speaker, markets are important institutions, and they have an essential place in any democratic society, as long as these markets function within the framework of democratically determined rules and public safeguards.

I am in support of American competitiveness and want a democratically fair playing ground for all of our country's companies. But there is nothing democratic about giving jobs to other countries. There is nothing democratic about reducing American workers' benefits and wages. There is nothing democratic about environmental deregulation, and there is nothing democratic about ignoring the rights of thousands of workers for the approval of a few companies.

A. Phillip Randolph once said:

> At the banquet table of life, there are no reserved seats. You get what you can take, and you keep what you can hold. If you can't take anything, you won't get anything, and if you can't hold anything, you won't keep anything.

A. Phillip Randolph was so right. So today let us take back workers' rights, so that the American workers can hold onto their lives and hold on and make real the American dream.

ON THE USE OF THE DRUG MYOTROPHIN FOR SUFFERERS OF LOU GEHRIG'S DISEASE, AND A CAUTIONARY NOTE ON USE OF THE INTERNET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. DUNCAN] is recognized for 5 minutes.

Mr. DUNCAN. Mr. Speaker, sometime in the next couple of weeks, the Food and Drug Administration has told my office that it will make a decision about the drug called myotrophin. This is the only drug currently available that gives some hope to the victims in the advanced stages of the deadly illness we all know as Lou Gehrig's disease.

As almost everyone knows, this is a horrible nerve disorder that slowly robs victims of their ability to walk, talk, move freely, and eventually even to eat, swallow, and breathe on their own. There is no cure. The disease has always been fatal. But now, finally, there is a drug, myotrophin, that gives victims of Lou Gehrig's disease some small sliver of hope.

Unfortunately, this drug has not been approved by the Food and Drug Administration. There is no question that this drug is absolutely safe, but the FDA questions if it actually improves quality of life.

The patients and doctors who have worked in the experimental trials are convinced it does improve and extend the lives of these victims. Demonstrating that improvement to an absolute mathematical statistical certainty is going to be a very long, arduous task. Thousands of people will be robbed of their only hope in the meantime.

An advisory committee of the FDA voted to reject final approval of the drug until more evidence is gathered. Sometime in the next couple of weeks the FDA will make the final decision on whether these sufferers will be allowed to use this drug.

The drug is safe, Mr. Speaker. There is some disagreement about its effectiveness, but many doctors and patients believe in myotrophin and want to use it. They should be allowed to do so. The FDA should not play God. They should not take away the last hope these people have. If this is still a free country, these victims of Lou Gehrig's disease should be allowed to use this drug if they and their doctors feel that they should.

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Our concern for history is based on history. The Turkish Government has endowed other chairs at other American universities, and the occupants of those chairs have sought not to report and analyze history, but to rewrite it and cover it up.

Mr. Speaker, as a Jewish American, I am very concerned with those who would want to cover up the history of genocide, or claim that the Holocaust against the Jewish people did not occur or did not occur on a massive scale. But as an American and as a citizen of the world, I am equally concerned about attempts to cover up and deny other genocides.

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Those of us concerned with history must remember that those who forget history are doomed to repeat it, and those of us concerned with avoiding genocide must remember, never forget and never again. Indeed, the history of the Ottoman Empire and the Republic of Turkey are two subjects of academic study. But that study should be unbiased and uninfluenced.

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COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. KASICH] is recognized for 5 minutes.

Mr. KASICH. Mr. Speaker, pursuant to section 251(b)(2)(C) of the Deficit Control Act of 1985, as amended by the Balanced Budget Act of 1997 (P.L. 105–33), when an appropriation specifies an amount for "Continuing Disability Reviews" under the "Limitation on Administrative Expenses" account for the Social Security Administration, the allocation to the Committee on Appropriations and the aggregate budget totals shall be adjusted for the additional budget authority and resulting outlays subject to limits set forth in that act.

On July 28, 1997, an additional $245 million in budget authority and $232 million in outlays was provided upon the reporting of the appropriations bill for the Departments of Labor, Health and Human Services, Education and related agencies for fiscal year 1998 (H.R. 105–2264).

The conference report on H.R. 105–2264 has been filed and contain $290 million in budget authority and $273 million in outlays for continuing disability reviews. These amounts are within the limits established for fiscal year 1998. Therefore, the allocation to the Appropriations Committee and the aggregate budget totals for fiscal year 1998 are being raised by $45 million in budget authority and $41 million in outlays as shown on the attached table.

These adjustments shall apply while the legislation is under consideration and shall take effect upon enactment of the legislation.

Committee on Appropriations

[Dollars in millions]

Discretionary	Current allocation		Change		Revised allocation	
	BA	O	BA	O	BA	O
General Purpose	$520,120	$549,837	+45	+41	$520,165	$549,878
Violent Crime Reduction Trust Fund	5,500	3,592			5,500	3,592
Total	525,620	553,429	+45	+41	525,665	553,470

The aggregate levels for budget authority and outlays for fiscal year 1998 are increased as follows:

[Dollars in millions]

Current aggregates:	
BA	$1,387,183
O	1,372,461
Change:	
BA	+$45
O	+41
Revised aggregates:	
BA	1,387,228
O	1,372,502

BUMBLEBEE BRIGADE FLIES ON

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. GUTKNECHT) is recognized for 5 minutes.

Mr. GUTKNECHT. Mr. Speaker, experts tell us that the bumblebee should not be able to fly. They tell us that the bee's body is too heavy and its wings are too small. Washington experts, with similar assuredness, told us that the budget could not be balanced, entitlements were too large, taxes were too low. Experts can be wrong.

Just a few years ago, the experts said that the Republicans could not take control of Congress. It had not been done, after all, in 40 years. Well, the voters proved them wrong in 1994, when they sent a new majority here to Washington. I was a member of that new class of representatives, that I like to call the Bumblebee Brigade, because we did not know what we could not do.

As we reach the end of this session of Congress, let us see how the hive is doing. In 1995, Republicans swarmed onto Capitol Hill with the promise to reform Congress and vote on 10 historic bills within our first 100 days. We called that promise the Contract with America. The experts told us that we were too ambitious and that it could not be done. Instead of listening to them, we kept our promises, and today almost all of that Contract has been signed into law.

Those same experts told us that we could not reform welfare. Well, once again, they were wrong. We passed the Personal Responsibility and Work Opportunity Act last summer. By converting much of the program into block grants and requiring work, we have nudged more than one million families off welfare rolls and onto payrolls. Today we are saving money. But more importantly, Mr. Speaker, we are saving people.

The critics told us we could not cut taxes while we were balancing the budget. On this issue, too, they were wrong. This summer, we passed the Taxpayer Relief Act, providing American families with their first tax cut in 16 years. We also encouraged investment and savings by slashing capital gains taxes by more than 30 percent.

Despite this, the experts have continued to criticize this Republican Congress. But as John Adams said, "Facts are stubborn things." The truth sometimes stings. The critics say that "business as usual" is still the rule on Capitol Hill and nothing has changed in the last 2½ years. The facts say otherwise. We cut congressional committee staffs by one-third, passed term limits for the Speaker of the House and committee chairmen, opened congressional hearings to the public, forced Congress to get a three-fifths vote before hiking taxes, and made it live by the laws it passes. And that was all done on just the first day of the 104th Congress.

Shortly thereafter, we cut congressional spending by 10 percent, banned lobbyists from giving gifts to Members of Congress, and rescinded more than $9 billion in 1995 spending agreed to under the old majority.

Critics say that Government spending has not changed since 1995. The fact is that in the 7 years before the GOP Congress, Government spending grew by an average of 5.3 percent per year. In the last 2 years, however, spending has grown by an average of only 3.1 percent. In the 20 years before a GOP majority, Congress spent an average of $1.21 for every dollar it took in. Today that number is $1.01.

The critics have been especially rough on our balanced budget agreement, saying that it does too little to entitlement programs and assumes a future of tall clover, balancing the budget with rosy economic forecasts. The fact is that Government spending slows the rate of growth of entitlement spending by over $400 billion over the next 10 years. Rather than relying on pie-in-the-sky economics, the agreement actually assumes that the economy, which has been growing at an average of 2.7 percent in the last 5 years, will actually slow down and grow by only 2.1 percent over the next 5 years.

The critics say that we have gotten off track in our plan to balance the budget. Once again, they were wrong. In our 7-year balanced budget plan, we estimated that we would collect about $1.43 trillion in revenue in 1996 and $1.45 trillion in 1997. Similarly, we projected spending $1.59 trillion in 1996 and $1.62 trillion in 1997. Because of the strong economy, however, we have actually taken in $149 billion more than we expected. And the sweeter news is that in the last 2 years we have actually spent $48 billion less than our projections.

To put it another way, for 2 years Congress has had $149 billion more to spend than it planned. But unlike previous Congresses, we held the line on spending and came in $48 billion under our goals. Does anyone seriously believe that if a Democratic Congress found itself with nearly $150 billion in unexpected revenue it would spend $48 billion less than its budget targets?

Teddy Roosevelt once said, "It is not the critic who counts." Similarly, the bumblebee really does not care what the experts or critics say about how he is flying. He just flies and goes about his business. He simply does not know any better.

Since we buzzed into Washington to begin our work in 1995, the stock market has doubled, interest rates have dropped by 25 percent, and 6.4 million new jobs have been created. Above all, this year the deficit stands at $23 billion, the lowest it has been in more than 20 years.

If the critics can continue to ignore the facts, we will just have to ignore the critics. To paraphrase the old Arab proverb, "Dogs may bark in the night, but the bumblebee brigade flies on."

TRIBUTE TO JOHN N. STURDIVANT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. RUSH] is recognized for 5 minutes.

Mr. RUSH. Mr. Speaker, tonight, I rise to give tribute to the late John N. Sturdivant, President of the American Federation of Government Employees. John died last week, after a heroic battle with leukemia.

Family, friends, and co-workers said farewell to John Sturdivant this week at a memorial service. He will be deeply missed.

John Sturdivant dedicated his life to working people, especially government workers. As leader of AFGE—178,000 members representing one-third of our Federal workforce—

John fought tirelessly to transform the union into a dynamic advocate for the working and middle class Americans who make up the D.C. and Federal workforce.

John led a vigorous national campaign for pay raises, better benefits, and working conditions. He worked hard with legislators at all levels, to encourage "locality pay." This promotes a salary system that makes sure that Federal workers are paid at a comparable level with private sector workers.

John was at the forefront of a struggle that my constituents who are public service and Federal workers face daily: the fight against privatization. He also fought for the use of "official time," and was a champion of the struggle to protect Federal workers' retirement benefits.

We will remember John Sturdivant for many contributions. He championed the right of Federal workers to have a voice in politics. Working in a bipartisan manner, John Sturdivant worked to secure reforms to the Hatch Act. These changes now allow Federal workers to contribute money, attend fundraisers and do volunteer election work such as staffing phone banks.

I have worked closely during my years in public service with AFGE. It will be hard for the union to replace John. But I know that his example, courage, and leadership have made the union and the entire labor movement stronger.

I offer my deepest sympathy to John Sturdivant's companion Peggy Potter, his daughter, Michelle, his mother, Mrs. Ethiel Jessie, and his brothers.

I thank you for this chance to remember an outstanding American, an outstanding African-American labor leader, and an outstanding human being truly committed to social justice for all.

RECOGNIZING 50TH ANNIVERSARY OF FLEMINGTON JEWISH COMMUNITY CENTER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PAPPAS] is recognized for 5 minutes.

Mr. PAPPAS. Mr. Speaker, in just a few weeks, congregants of the Flemington Jewish Community Center in Flemington, New Jersey, and many of their friends will gather to celebrate several significant milestones in their faith and in their community. On November 23, the Flemington Jewish Community Center will celebrate its 50th anniversary at a gala dinner dance at the Martinsville Inn in Martinsville, NJ.

Over the past 50 years, the community center has inspired, educated, counseled, and guided countless numbers of the Jewish faithful. While the dinner will recognize the 50 years that center has been located at its present location in Flemington, it is important to note that the group itself was in existence for many years before gathering throughout the community. This year also marks a significant time for the entire Jewish community, as it marks the 50th anniversary of the State of Israel.

The celebration will also recognize another notable occurrence. It was over 10 years ago that Rabbi Evan Jaffe, a native of Denver, was chosen as the spiritual leader of the Flemington Jewish Community Center. During the decade that he has spent in New Jersey, the rabbi has become an instrumental and active leader in the Jewish community throughout the State.

Aside from the spiritual leadership he has demonstrated throughout his years at the synagogue, he has distinguished himself by service to the community by serving the elder members of the faith at the Edison State Nursing Home and the Greenbrook Regional Center. Additionally, he serves as the Jewish chaplain to Jewish inmates in Hunterdon and Somerset Counties. He is also the vice president of the Jewish Family Service of Somerset, Hunterdon, and Warren Counties and serves as chaplain at both the Hunterdon Medical Center and the Hagedorn Geriatric Center.

Beyond the celebration of High Holy Days and weekly services, the center has truly become a center for the faithful of the community to gather for cultural, social, and educational purposes. The tremendous amount of work, planning, and dedication of those who persevered to establish the center so many years ago lives on today. What began with a few families, business people, and farmers has evolved into a comprehensive center which continues to grow each year. Today, this facility serves over 230 families throughout Hunterdon County and the surrounding areas, and each year that number continues to grow.

Throughout the years, the Community Center and Rabbi Jaffe in particular have proved to be a place of comfort for those in times of sorrow and have been an instrumental part of the joy and happiness of many families and individuals. Whether it was the newfound joy of a child or the sorrow experienced while grieving the death of a loved one, the spirit, support, and faith he provides and they provide to congregants is invaluable.

The center is a place where both young and old can learn about the history of the Jewish faith, its traditions and customs. It is a place of learning and enrichment and serves as a focal point for young people to gather the knowledge and maintain the traditions that have been handed down to them.

Not too long ago, I was fortunate enough to have been invited to a special service at the Flemington Jewish Center. It was a moving celebration of the bar and bat mitzvahs of a number of severely disabled community residents. Many of the young people being honored were unable to speak, see, or to stand. Yet, the joy and meaning of the event was clearly understood by each and every one of them, their families, and all who participated that day.

It was the commitment of Rabbi Jaffe who made the effort to visit these individuals weekly, often in institutional settings, to help them to learn the portion of the Torah which they were to share with the congregation. The outpouring of love and pride that day is something I will not soon forget.

Recently, I was fortunate to have the opportunity to travel to Israel. The Jewish federations of the five counties in my district made this possible, including many of the members of the Flemington Jewish Center. While I have always been a staunch supporter of Israel, I came away even clearer about the needs of the region, the tenuous balance the Israeli people are trying to maintain, and the absolute need for a lasting peace.

The United States must remain strong in its resolve to support the efforts of the Israeli people. They have succeeded through determination, resolve, hard work, and know-how to facilitate an independent and flourishing nation and to remain connected to the Jewish people throughout our country and countries around the world.

So, Mr. Speaker, I look forward to joining with the friends, families, and members of the Flemington Jewish Community Center as they celebrate their faith, history, stories, traditions, and values. This upcoming 50th anniversary dinner will allow us the opportunity to fondly recall the past, celebrate all that has been accomplished, and continue to look ahead to the future.

For the last 50 years, the Flemington Jewish Community Center has served the faithful and the community at large very well. If the spirit, dedication, and faith of those who founded and continue to be a part of the center are any indication of what the future holds, this community can only grow stronger. So today, I would like to wish the Flemington Jewish Community Center and Rabbi Jaffe a hearty mazeltov.

□ 2015

NO MORE COMPLACENCY: RELIGIOUS PERSECUTION IS REAL

The SPEAKER pro tempore [Mr. BRADY]. Under a previous order of the House, the gentleman from Kansas [Mr. MORAN] is recognized for 5 minutes.

Mr. MORAN of Kansas. Mr. Speaker, with Thanksgiving around the corner and this session hopefully coming soon to an end, it is probably useful to remind ourselves that unfortunately we often take the freedoms we have been granted and enjoy in this country for granted. In the United States we do not have to worry about being arrested just for going to church. No one tries to stop us from praying in our own homes.

In this country you might get into an argument with your neighbor over the relationship between church and State, but he or she does not kidnap your children, brainwash them and sell them into slavery just to punish you for your faith.

But that is a scenario that is not alien to Christians in the Sudan, where in the course of civil war and a campaign of terror millions of Sudanese Christians have been killed or displaced, and they are not alone. It has been estimated that more Christians have died for their faith in the 20th century than in the previous 19 centuries combined. The Roman emperors at their worst could not have imagined the magnitude of persecution that goes on today. That is not to say that Christians are the only victims of religious persecution in today's world. Far from it. But what I find disturbing is the complacent and even dismissive reaction that many Americans have to the plight of those persecuted because of their Christian faith. It is as if we believe Christianity enjoys a comfortable station over the world, that it is universally embraced by the establishment, but Christianity is a threat to the status quo.

In the Sudan, China, Saudi Arabia, Vietnam and many other countries, the establishment knows that. In those countries, the establishment does not embrace Christianity, it intends to crush it. Whether targeting individual Christians or enforcing sweeping laws banning all forms of Christian expression, these regimes share a common goal and a common crime, the violation of a fundamental, God-given human right.

In Saudi Arabia it is illegal to wear a cross or even to pray privately in homes. Preaching the gospel to Muslims in Iran is punishable by death, and so is the act of conversion. In China, where Protestants and Catholics have been named principal threats to stability, earlier this year 100 church leaders were arrested in just 3 months.

In Cuba, the arrest of a Pentecostal pastor last year led to Castro's government ordering the closing of all of the country's home churches, estimated at as many as 10,000. In Pakistan, Christians can be accused of blasphemy, a capital offense. In Uzbekistan, Christians have been warned that they will forfeit their registration if they evangelize.

In Vietnam, where many restrictions on Christians were lifted earlier this decade, the Communist Party government has slid backward to repressive policies, including arrest, imprisonment and so-called reeducation.

No matter how thankful we may be for our freedoms, we must not be lulled into complacency about the situation faced by so many Christians and others persecuted for their religious practices and convictions. As a Nation that has become powerful in large part because we jealously guard our individual freedoms, we have a responsibility to project the ideals of freedom around the globe. The responsibility belongs to individuals and advocacy groups, to businesses and to churches, but it also belongs to this our Government.

While we have taken steps to recognize all religious persecution as a serious problem and to monitor its prevalence, we need to take the next step and develop clear-cut, specific responses to persecution once it is identified. The solution may not be readily apparent but the crisis demands our full attention.

FAST TRACK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. HUNTER] is recognized for 5 minutes.

Mr. HUNTER. Mr. Speaker, as we stand on the eve of the debate on fast track that is the giving of a major part of our constitutional power to the President and the Vice President and his negotiating team to negotiate trade arrangements with other nations, I think it is important for us to look at what the Founding Fathers said about the unfettered use of so-called free trade. In short, Mr. Speaker, they were not for it.

I want to start with James Madison. James Madison said it should never be forgotten that the great object of the Convention was to provide by a new Constitution a remedy for the defects of the existing one and that among these defects was out of a power to regulate foreign commerce, that in all nations this regulating power embraced the protection of domestic manufacturers by duties and restrictions on imports. That means that James Madison believed that it was important for a nation, particularly the United States, to have the right to regulate goods coming into the United States and to establish tariffs so that American companies and American workers would not be hurt. Thomas Jefferson, who was a free trader before 1812, after he became a President became a pragmatist, and he said, "The prohibiting duties we lay on all articles of foreign manufacture which prudence requires us to establish at home, with a patriotic determination to use no foreign articles which can be made within ourselves without regard to difference in price, secure us against a relapse into foreign dependency."

Thomas Jefferson realized that we could become dependent on foreign products. And what would he say today to look at this $3 billion balance of trade deficit that we have each week that we have to either borrow or sell capital goods to pay for, this massive foreign debt that we have accumulated as a function of our trade deficit?

Daniel Webster said, "My object is and has been with the protective policy, the true policy of the United States that the labor of the country is properly provided for. I am looking not for such a law as will benefit capitalists, they can take care of themselves, but for a law that will induce capitalists to invest their capital in such a way as to occupy and employ American labor." That meant that Daniel Webster wanted to have tariffs and regulate trade so that American companies would invest in the United States instead of moving to Guadalajara or moving to other places that are offshore and using other workers from other countries to make goods that then would be sold back into the United States.

And our own Abraham Lincoln, the founder of my party, the Republican Party, said in the platform, "We commend that policy of national exchanges which secures to the working man liberal wages, to agriculture remunerative prices, to mechanics and manufacturers an adequate reward for their skill, labor and enterprise and to the Nation commercial prosperity and independence."

And that other great Republican who, with Abraham Lincoln, is on Mount Rushmore, Teddy Roosevelt, said in 1911, "I can put my position on the tariff in a nutshell. I believe in such measure of protection as will equalize the cost of production here and abroad, that is, will equalize the cost of labor here and abroad. I believe in such supervision of the workings of the law as to make it certain that protection is given to the man we are most anxious to protect, the laboring man."

Mr. Speaker, I am a Republican, I am a capitalist, I think I have got a 13 percent AFL–CIO rating, but I understand that it is important for Americans to make good wages. We have driven wages down, and the record of NAFTA, the trade agreement that we allowed President Clinton to make with Mexico and Canada, has been disastrous for us. We had a $3 billion trade surplus over Mexico when we negotiated NAFTA. Today we have got a $19 billion annual loss. Today we have a $20 billion annual loss with Canada. That same bright team that President Clinton has sent forth through the world to negotiate trade treaties has given us this year with China a $52 billion trade loss.

This team is a losing team, Mr. Speaker, and the idea that this Congress is going to give away the constitutional duty that was given to us by the Founding Fathers to a losing team which will negotiate us down the drain to the point where we have American industry having to move offshore to compete with the other industries that are employing people at $2.38 an hour, $1.50 an hour, $1.75 an hour to displace Americans, the Americans who carry our flag in wartime, the Americans that pay our taxes, the Americans that pay our wages, that idea is not consistent with the classic idea of being a good Republican.

We should defeat this fast track, Mr. Speaker. We should keep that duty, that obligation to regulate trade within this House of Representatives where as Alexander Hamilton said, the people govern.

FAST TRACK AUTHORITY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from New Jersey [Mr. PALLONE] is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, I want to spend some time tonight initially talking about the fast track legislation which we are likely to be voting on either tomorrow or Sunday. I am very much opposed to the fast track legislation for a number of reasons, and I wanted to use part of the hour tonight to outline some of those reasons and begin with a local situation in Monmouth County, which is one of the two counties that I represent in the State of New Jersey, because I think it illustrates the types of problems that I have with fast track by reference to NAFTA. Many of those who are opposed to fast track and who will be voting against fast track legislation, if it comes up over this weekend, are doing so because of the experience with NAFTA.

I want to comment on why Congress really should resist the pressure being put on us to grant the fast track authority, to expand NAFTA and essentially put even more Americans out of work. If I could give an example from central New Jersey, from Monmouth County, my home county, of how these trade agreements can affect the jobs and the lives of highly skilled American workers. On September 9, most of the 240 people who work at the Allied Signal plant in Eatontown, NJ, in Monmouth County were informed of the decision to close what is a defense technology manufacturing plant. They were told that the plant would be phased out in 1998, with a complete shutdown expected by March 1999. The company told the Allied Signal workers in Monmouth County, NJ, that in the short run, the jobs would be going to Tucson, AZ. But I believe, and I know that everyone at the plant believes, that the jobs ultimately will be moved to Mexico. The reason is squarely because of NAFTA.

Allied Signal is one of the many companies with a history of relocating production facilities to Mexico. NAFTA has greatly facilitated the flight of manufacturing jobs south where corporations can take advantages of low wages, substandard labor rights, and weak environmental protection and enforcement. The recent experience with Allied Signal shows everything that is wrong in corporate America today; namely, corporations abruptly turning their backs on the workers and the communities that have made them profitable.

Ironically, the hard-working folks at Allied Signal are involved in the kind of high tech work needed to protect our national security, for the United States to maintain its technological edge over our adversaries and for the protection of our Nation and our allies. Yet the security of the very same defense workers who have helped to make America the world's superpower are now being abandoned in the search for higher profits and lower wages. The workers of Allied Signal and many other such plants have lived up to their end of the bargain but their employers have not.

Mr. Speaker, if I could just talk about this plant a little bit. The plant is productive. Its employees are productive. It has won commendations from other major firms with which it has contracted, such as McDonnell Douglas. The employees of Allied Signal deserve much of the credit for this fine track record and they deserve a much better fate than this betrayal by the company to which they have devoted so much of their time, energy and talent and dedication. The union representing the employees of Allied Signal, Local 417 of the IUE, the Electronics Workers Union, has organized a petition drive and is enlisting the help of their affiliates, and they are also organizing demonstrations, they have over the past couple of months, to publicize the movement of their work to Mexico.

Mr. Speaker, the move of this facility is an example, in my opinion, of the negative effects fast track agreements like NAFTA are having on America's working men and women, an example that hits very close to home for me. The loss of quality manufacturing jobs is felt not only by the workers and their immediate families, their buying power is diminished, meaning that the store, the small businesses, the small business owners throughout the area also feel the pinch. Fast track deals do not include standards to protect workers and consumers. They do not give those of us in Congress who were elected by our constituents back home to do a job to look out for their interest, to fix what is wrong. Since NAFTA was passed, more than 420,000 American workers have lost their jobs. That trend continues and will only get worse if we do not stop these unfair trade deals.

□ 2030

Mr. Speaker, I want to particularly salute the men and women of the IEUE in central New Jersey for refusing to accept the loss of these Allied Signal jobs without a fight, and, although they have an uphill fight, their effort to mobilize solidarity among union ranks and to educate the wider public about the negative effects of these trade deals will go a long way to derailing fast track and putting our trade policy on the right track.

I believe, Mr. Speaker, that it is highly unlikely that the fast track legislation will pass. I hope it will not. I will do whatever I can to stop it. But I want to say that one of the reasons why the opponents of fast track are likely to succeed and should succeed is because of the fact that there have been so many examples around the country like Allied Signal and Eatontown, and many of the workers have joined together and said, look, we have had enough, we cannot have this type of thing continue with the expansion of fast track authority.

And, Mr. Speaker, I wanted to use Allied Signal as an example, but I also wanted to talk in general about fast track and the environment, because one of the major reasons that I oppose the fast track relates not only to labor concerns and worker concerns here in the United States, but also to environmental concerns.

We were, those of us, and I was not, those of us who were asked by the administration to support NAFTA a few years ago, were told that if they did, there would be adequate addressing in NAFTA of their concerns on the environment, and there would be adequate enforcement if environmental problems arose. But the reality is with NAFTA that none of that happened. There has not been any environmental enforcement, there has not been any real impact to try to protect the environment.

And if I can just give an example, most of the commitments that were made by the administration then were put into what is called an environmental side agreement, a side agreement to NAFTA that was supposedly going to protect the environment. What we found out since NAFTA began is that these side agreements are, in effect, unenforceable, and so any suggestion pursuant to the fast track legislation that is likely to come this week that somehow there will be environmental provisions contained therein or their side agreements will be enforcemental on protective environmental concerns, there is no reason to believe that, because it did not happen with NAFTA.

More than 3 years ago, the Commission on Environmental Compliance, the CEC, was established under NAFTA for environmental cooperation. This was the North American Agreement for Environmental Cooperation, the environmental side agreement to NAFTA. The CEC could be considered to be the sort of EPA equivalent under NAFTA. Yet of the 10 enforcement cases submitted to the CEC, the Commission on Environmental Compliance, under NAFTA, only one has resulted in an investigation.

Enforcement cases submitted to the CEC have included wetland pollution in Alberta, Canada; water pollution from livestock farming in Quebec; untreated sewage discharges into the Magdalena River in Sonora, Mexico; a massive bird die-off in the Silver Reservoir in Mexico; and dynamiting of a coral reef, imagine that, in a protected natural reserve in Cozumel, Mexico, for the construction of a cruise ship pier.

Now, although it was submitted almost 2 years ago, a final decision on this last case, the Cozumel pier case, the one case which the CEC has agreed to investigate, is being delayed pending a vote by the CEC members. Of the remaining nine cases, four have been rejected, one has been withdrawn, two have been objected to by the Canadian Government, and two are still pending review.

So this is all nonsense. There is not going to be any enforcement. Anybody who has brought to the attention of the CEC, this Commission that was set up under NAFTA for environmental concerns, anybody who brought any concerns to them has basically been told go away, or somehow has been swept under the rug.

In fact, the Wall Street Journal recently wrote, and I quote, that both supporters and opponents of NAFTA agree that the side agreements, not only the environmental side agreements, but all the side agreements, the labor side agreement, have had little impact, mainly because the mechanisms that created them have almost no enforcement power. Our experience with NAFTA has proven that environmental side agreements are not enforceable, and that is why environmental groups, even groups that support NAFTA, are solidly united in opposition to fast track.

Last time there were a number of environmental groups who supported NAFTA. This time they are all unanimously opposed to fast track because they realize that these environmental side agreements have been completely ineffective.

Let me talk a little bit more about what the President and the Vice President have told us in terms of, in trying to address the concerns that people like myself and others who have concerns about the environment, in trying to address our concerns in the context of fast track. The President and the Vice President have stated that the negotiating objectives outlined in the administration's fast track legislation would include specific references to the environment.

Let me say that all that is simply window dressing. None of that means a thing.

It is not enough to simply make the environment a negotiating objective. In order for fast track to truly address environmental concerns, it would have to clearly set environmental protection guidelines for all parties involved. It would be critical that fast track require that environmental concerns be directly addressed in negotiated trade agreements rather than allowing environmental protection to be negotiated separately in these unenforceable side agreements, the experience of which we had in NAFTA. They cannot possibly adequately protect the health and safety of American families.

And agreements negotiated under fast track should also be required to include enforcement mechanisms that will serve to hold governments to set environmental protection standards. None of this is being proposed with the fast track legislation that we are going to see possibly this weekend.

Again the inadequacy of the environmental side agreement to NAFTA and its protection of the United States-Mexican border environment serves as a disturbing example of the ineffectiveness of the environmental side agreements that the administration has proposed. The number of factories along the already heavily polluted United States-Mexico border has increased by 20 percent since NAFTA went into place, yet little is being done to insure that these new facilities are complying with environmental standards. The health and safety of American families are being put at risk by the 44 tons of hazardous waste that are illegally dumped by these border facilities every day.

Free trade agreements, I should say, also create pressure on neighboring governments to relax environmental regulations in an effort to lure manufacturers across borders, thereby allowing these companies to profit by polluting and abusing natural resources. We had this underlying problem that, in effect, what NAFTA has done and, in effect, what the free trade agreements will do if there is not adequate protection, which this legislation does not do, is that they basically create a ratcheting down so that environmental laws, environmental protection became less and less because of the competition between the countries and between the companies, each country, in effect, trying to provide less and less environmental protection in order to lure jobs and companies.

Rather than entering into trade agreements that directly undermine U.S. efforts on the environment, these agreements should establish a level playing field among neighboring countries that requires all parties involved to adequately protect the environment, natural resources and human health, but this is not happening, Mr. Speaker. This is not happening with the fast track legislation that we may see tomorrow or Sunday or perhaps at some later time.

It is not just the environment. Another major issue that has come to the forefront, an area that is not being adequately addressed, is that of food. There are tremendous food safety problems that have resulted from the NAFTA experience.

Many of my colleagues have highlighted; I wanted to mention Ms. DELAURO of Connecticut, one of my colleagues who put out a dear colleague just a couple of days ago which she calls fast track stomachache, and she points out that each year overburdened American Customs inspectors allow more than 3 million trucks carrying produce from Mexico to cross the United States-Mexico border without inspection. Less than 1 percent of all trucks crossing the border are stopped and thoroughly inspected. Canadian beef is not properly inspected at the United States border for dangerous chemicals. More than 200 cases of the potentially fatal hepatitis-A have been associated with strawberries imported from Mexico. But NAFTA's regulations have denied us the chance to change the situation.

Under section 7171(a), the gentlewoman from Connecticut [Ms. DELAURO] writes, an increase in inspections of meat, produce and other perishables are considered a restraint on trade. So the continued absence of inspections only encourages importers to continue to cut corners, jeopardizing our food safety to guarantee larger profits for themselves.

Again, whether it is the environment, human health, food safety, labor laws, none of these, none of these are being protected, none of these are being addressed under NAFTA, and there is absolutely no reason to believe that they will be addressed under the fast track agreement that we are being asked to consider either tomorrow or Sunday.

Now, I wanted to get into some of the labor issues as well because in the same way that I am concerned about the impact of fast track on the environment and food safety, I am also concerned about the impact on labor, on wages, on people's ability to retain their jobs, going back to Allied Signal and the example I used again from my home county of Monmouth County, NJ.

Public Citizen, which is a watchdog group, put out a publication just a few days ago where they point out how the labor side agreements, or the labor side agreement under NAFTA, that those have also not been enforceable and have not managed to protect a single worker essentially under NAFTA, and there is no reason to believe that the experience would be any different with fast track.

I wanted to just use a couple examples from the document called Deals for NAFTA, Votes to Bait and Switch, which Public Citizen put out this month. There are many examples of broken promises in this document, but just to give a few examples here this evening:

One of the promises that were made with those who were concerned about displaced workers pursuant to NAFTA related to assistance for harmed workers. In other words, the idea is if you lost your job because of NAFTA, you were going to be made whole in some fashion. There is absolutely, the whole history of this effort called trade adjustment assistance for harmed workers has been one of failure.

Just to give an example, this program was created, as I said, to hold harmless workers, and it is estimated that more than 400,000 Americans have been laid off due to NAFTA. The NAFTA-implementing legislation created the Transitional Adjustment Assistance Program. To date only one-third of NAFTA job loss victims are being certified as potential recipients of benefits under this program, and as of mid-October 1997, 144,691 workers have been certified as eligible for assistance. So of the 400,000 that we estimate have lost their jobs under NAFTA, only 144,000 have been certified to even receive assistance.

Now, that does not mean that they are even going to get any assistance. Essentially you have to show that you are directly impacted in some way to qualify, and the reality is that many of these workers have had a very difficult time getting any kind of benefits under these workers training programs, under this hold harmless program.

The other thing that was promised pursuant to NAFTA again by the administration was an effort to protect and promote labor rights in Mexico. In other words, some of us were concerned about protecting workers here; others were concerned about what would happen to workers in Mexico. President Clinton promised to use existing trade laws to take action if Mexico's policies denied internationally recognized workers' rights, but not only did the administration not fulfill its promise in this regard, which required issuance of an executive order, but it has since taken steps in its fast track proposal to ensure that neither President Clinton nor any future President has the authority to do so.

So what we have been seeing in Mexico is that not only are labor laws not respected or not enforced, but, in fact, what has been happening is that the actual, the protections and the wages for Mexican workers have actually gotten less, and the amount of money that they are making, the minimum wage, has not only not risen, it has moved in the opposite direction. Between 1993 and the first quarter of 1997, productivity in Mexico manufacturing rose by over 38 percent while real hourly wages for production workers fell 21 percent.

□ 2045

The national average minimum wage fell by 20.43 percent during the first 4 years and 9 months of NAFTA.

So the labor side agreement, the environmental side agreement, it has really been effectively worthless. There is absolutely no reason to believe that anything would be any different with the fast-track legislation that we are considering.

If I could just summarize in a way some of the concerns, it is not that those of us who are opposed to fast track are opposed to free trade. I do not see it as a vote on free trade at all. What we are concerned with, though, is we do not want to negotiate away in one fell swoop, if you will, any ability on our part, on Congress' part, if you will, to protect the American workers, to protect the environment.

We want to reserve the right, if you will, to look at the agreements that would be negotiated individually and to make sure that there are adequate protections of the environment, adequate labor protections, adequate food safety protections, in those agreements.

The problem is that if you simply pass fast track, in effect you are giving the administration a blank check to extend NAFTA without Congress having the opportunity to seriously address the problems that have been raised with NAFTA.

If we look at our trade deficit, if we look at what is happening, the United States trade deficit with Mexico has skyrocketed. In the auto sector alone the deficit has jumped from $3 billion to $15 billion. A number of jobs have already been lost because of NAFTA. Drug trafficking, violent crime in our border regions has increased, and I already talked about the public health, of course.

So what those of us who are opposed to fast track are saying is the experience with NAFTA tells us we cannot simply give the administration the blank check that they are looking for with fast track. We have to have input into the trade agreements that are being negotiated, and, if we do not, we believe that there will be more tragic consequences that result in the same way that the tragic consequences have resulted from what has happened with NAFTA and the experience of NAFTA over the last few years.

TURKISH STUDIES CHAIR AT UCLA

Mr. Speaker, I wanted to just talk briefly about a few other issues. First of all, I should say that my colleague from California [Mr. SHERMAN], touched on two issues that I wanted to mention briefly also this evening. He mentioned that the University of California at Los Angeles, UCLA, is establishing a Turkish Studies Chair, funded I may add, by the Government of Turkey. I wanted to join the gentleman in expressing my serious concern about this unfortunate use of a major prestigious university as a vehicle of indoctrination by another country.

In my home State of New Jersey, we had a similar situation where Princeton University set up a study program that was financed by the Government of Turkey. As a result, the information that was coming out of the study program essentially denied the Armenian genocide. There has been a history with the Ottoman Empire and the Republic of Turkey to basically deny that the Armenian genocide ever occurred.

My concern, and I know that of Mr. SHERMAN as well, is that by establishing these chairs or these Turkish study programs in different parts of the country, in my case at Princeton, in his case at UCLA, the Turkish Government is using these study programs to basically deny history and deny the facts of the Armenian genocide. In fact, it is really a brazen opportunity, if you will, a brazen attempt by a foreign government, to manipulate an American university for the denial of the historically verified genocide of the Armenian Nation.

The Turkish Government is not setting up scholarships. These are propaganda and propaganda alone. It would be like a German Government that had not acknowledged the Holocaust funding a Nazi studies program at an American university. Of course, the difference is that Germany at least accepts responsibility and apologizes for the Holocaust of the Jewish people. The Turkish Government, still defying the historical record, denies that the Armenian genocide ever happened.

I just wanted to join this evening with the Armenian community in the United States in appealing to the officials at UCLA, in the same way that I did at Princeton University about a year ago, and ask the board of regents to stop the effort of filling the heads of young Americans with revisionist propaganda in the name of so-called scholarship.

This is something that we have seen happen more and more where the Turkish Government has been financing these study programs or chairs at various American universities in order to basically deny the Armenian genocide.

PLIGHT OF THE KURDISH PEOPLE

I know Mr. SHERMAN also mentioned earlier this evening, and another of my colleague from California, BOB FILNER, has basically spearheaded this effort, there has been a group of Kurdish Americans who have been fasting on the steps of the Capitol, on the main steps of the Capitol now for a number of days, probably more than a few weeks, in order to highlight, if you will, the ongoing tragedy in the mountains of Kurdistan, where, again, the Turkish Government, which is, of course denying the Armenian genocide and continues to, is also basically trying to essentially obliterate, not only individually by killing Kurds in Turkey, but also by denying Kurds the ability to speak their language, to learn about their culture, to go to school in Kurdish, and this fast, conducted by supporters of the Turkish people on the Capitol steps, includes the human right activist Cameron Porter, who is the spouse of one of our colleagues, the distinguished gentleman from Illinois [Mr. JOHN PORTER].

I just want to say these fasters deserve tremendous credit for the dedication, courage and perseverance. It has been getting cold lately here in Washington, but that has not deterred them.

Last Friday I joined with a group of my colleagues, members from both sides of the aisle, to visit with the fasters and supporters. I know Congressman SHERMAN and Congressman FILNER were out there with me. Every day as we pass by these people sacrificing for the causes of peace and human rights, the sight of these protestors on the Capitol steps is a reminder to all people of conscious of the plight of the Kurds and the governments that hold them down, most notably the Government of the Republic of Turkey.

In particular, Mr. Speaker, as we come into the Capitol to cast votes on legislation, sent here to do a job by the constituents who elected us, I hope we will remember one of our fellow elected legislators who does not have the opportunity to represent her constituents, Mrs. Leyla Zana, one of the most prominent victims of Turkey's cruel, irrational anti-Kurd cruel policies.

Leyla Zana was elected to a seat in the Turkish Parliament in 1991 representing her hometown. She was elected with 80 percent of the total vote, and she became the first Kurd to break the ban on the Kurdish language in the Turkish Parliament, for which she was later tried and convicted. She had uttered the following words: "I am taking this Constitutional oath for the brotherhood of the Turkish and Kurdish peoples."

On May 17, 1993, she and one of her colleagues addressed the Helsinki Commission of the U.S. Congress. The testimony was used against her in a court of law. On March 2, 1994, her constitutional immunity as a member of Parliament was revoked and she was arrested, taken into custody, tried in a one-sided mockery of justice, convicted, and sentenced to 15 years in prison.

Leyla Zana, who is 35 years old and the mother of two children, is well into the third year of her 15 year sentence at a prison in Ankara, the Turkish capital.

Leyla Zana's pursuit of Democratic change by nonviolent means was honored by the European Parliament, which unanimously awarded her the 1995 Sakharov Peace Prize. She has received major consideration for the Nobel Peace Prize. More than 150 Members of this House, my colleagues, have written to President Clinton on her behalf, and I hope a majority of the Members of this House will join with the European Parliament in defending the human and civil rights of this brave woman, and I might remind my colleagues, a fellow Parliamentarian, a fellow elected official. We owe her our moral support and to urge our ambassador in Ankara to raise Mrs. Zana's case with the Turkish authorities at the highest levels.

Mr. Speaker, I just want to share with the Members of this body and anyone watching this some of the basic goals of Ms. Lasagna, of the fasters outside this building, and of the repressed Kurdish people of Turkey. The Kurdish identity must be recognized. The use of the Kurdish language in conversation and in writing should be legalized. All cultural rights should be conceded. Kurdish political parties must be given full constitutional rights and a general amnesty for all political prisoners must be granted.

Mr. Speaker, we often hear from our own administration and other apologists for Turkey about what a great democracy the Republic of Turkey is. Yet this is how a duly elected representative of that so-called democracy is being treated for the crime of speaking her language and defending the rights of her people.

Mr. Speaker, this cannot go on. For many years we have witnessed a clear pro-Turkish tilt on the part of the State Department. We often hear about strategic importance of Turkey and its pivotal location, and I do not discount those arguments completely. But we have to balance those factors against some other very important considerations.

Turkey continues to spend billions of dollars in obtaining sophisticated weapons systems, not only from the United States, but from France, Russia and elsewhere. Much of this military hardware is then used to repress and terrorize the Kurdish people, citizens of Turkey who should be extended the protection of their country's armed forces and not be victimized by those armed forces.

Meanwhile, Turkey does not have a strong industrial base, and is lacking in infrastructure in many key areas. So why is Turkey, our ally, throwing so much of its limited resources on sophisticated weapons to use against its Kurdish residents, when it could be investing in better schools, health care and other services that could help put Turkey on a par with the western nations it seeks to be associated with?

About half of the worldwide Kurdish community lives within the borders of the Republic of Turkey, where their treatment is an absolute affront to basic fundamentals of human rights.

At least one-quarter of the population of Turkey is Kurdish. Yet in Turkey, the Kurds are subjected to a policy of forced assimilation which is essentially written into the Turkish Constitution. To date, 3,134 Kurdish villages have been destroyed and more than 3 million of their residents have been forced to become refugees, either in Kurdistan or abroad.

Mr. Speaker, I would venture to say that in many ways what we are seeing happen in Kurdistan today is in some ways the prelude to the same type of genocide that occurred by the Turks against the Armenian people 80-some years ago.

While the situation for the Kurdish people in such nations as Iraq, Iran and Syria is also deplorable, I wish to draw particular attention to the situation in Turkey for some basic reasons. Turkey is, after all, a military ally of the United States, a member of NATO. As such, it has received billions of dollars in military and economic assistance, courtesy of the American taxpayers. In addition, Turkey aspires to participate in other major western organizations and institutions, such as the European Union.

Mr. Speaker, I believe most Americans would be frankly appalled to know a country that has received so much in the way of American largesse is guilty of so many breaches of international law and simple human decency. I have joined with many of my colleagues in denouncing Turkey's illegal blockade of Armenia, its failure to acknowledge responsibility for the Armenian genocide of 1915 through 1923, its ongoing illegal occupation of Cyprus and its threatening military maneuvers in the Aegean Sea.

The brutal treatment of the more than 15 million Kurds living within Turkish borders offers a major argument for cutting back on military and economic aid to Turkey, or to at least attach very stringent conditions to provisions of this aid.

If Turkey wants the benefits of inclusion in Western institutions that are supposed to be founded on the defense of democracy and human rights, then that country should start living up to the agreements it has signed.

Again, the situation in Kurdistan is just another example of the type of treatment that Turkey has done historically with the Armenian people and other peoples, and it must stop.

TRIBUTE TO RAVI SHANKAR

Mr. Speaker, I would like to do one more thing tonight, if I could. This is because of a couple of events that are going to occur this weekend, both at the Embassy of India and also at the Kennedy Center with regard to the legendary sitar virtuoso and composer, Ravi Shankar. I just wanted to make a tribute to Ravi Shankar this evening before the House.

On this Sunday, November 9, at the Kennedy Center Concert Hall, Ravi Shankar, the legendary sitar virtuoso and composer, will perform in concert with his daughter. Ravi Shankar is India's most esteemed musical ambassador and a singular phenomenon in the classical music worlds of both East and West.

His pioneering work in bringing Indian music to the West has helped to cultivate an unprecedented audience, making him an important and respected cultural influence for over 40 years. As a performer, composer, teacher, and writer, he has obtained a level of admiration and respect, both in India and in the West, that is unique in the annals of the history of music.

Mr. Speaker, two quotes from musicians representing widely different points on the musical spectrum, both of whom have been friends and collaborators with Ravi Shankar, show the profound reach of his enigmatic genius.

The great classical violinist Yehudi Menuhin said, "Ravi Shankar has brought me a precious gift and through him I have added a new dimension to my experience of music." To me, his genius and humanity can only be compared to that of Mozart." George Harrison, the former Beatle, said, "Ravi Shankar is the Godfather of World Music."

□ 2100

To honor his 75th birthday, a four CD boxed set, entitled "Ravi in Celebration" has been issued. And Ravi Shankar has not stopped creating spiritually powerful new music. His latest CD, "Chants of India," produced by George Harrison, offers a new approach to the traditional and Vedic and Upanishad hymns.

Pandit Ravi Shankar has been honored throughout the world, by the leaders in the realms of politics and the arts. In India, he has received the Nation's highest civilian awards. He was awarded an honorary doctorate from Harvard University. He has the distinction of being a Commandeur de l'Ordre des Lettres in France, he was presented with the Praemium Imperial Prize of the Japan Art Association by the Japanese Royal Family, among many other distinctions and honors. That list of awards will grow tomorrow, Saturday, November 8, when Ravi Shankar is honored by the U.S. Asia Foundation and the Indian American Forum for Political Education with the Light of Asia Award at a reception by India's Ambassador to the United States, the Honorable Naresh Chandra.

Mr. Speaker, the occasion of India's 50th anniversary of independence and democracy gives us an opportunity to reflect on the great contributions by Indians and people of Indian descent. For decades, in virtually every part of the world, Ravi Shankar's music has held audiences spellbound. Further, his artistic genius is matched with an abiding devotion to building bridges of friendship and understanding across the cultural and political gulfs that have divided people.

Maestro Shankar's concert on Sunday with his daughter Anoushka is being held in tribute to the 50th anniversary of India, a country to which he remains devoted. But, as is always the case when Ravi Shankar performs, Sunday evening's concert will transcend the boundaries of culture and language. Ravi Shankar is a great international artist with the power to move his audience with his unparalleled genius and vision. I am very pleased tonight to be able to take a couple of minutes to pay tribute to this man.

Mr. Speaker, I would like to request to yield the balance of my time to the gentleman from Mississippi [Mr. TAYLOR], and I guess then he could yield to the gentleman from Indiana [Mr. VISCLOSKY].

POWERFUL ARGUMENTS AGAINST FAST TRACK

Mr. TAYLOR of Mississippi. Mr. Speaker, if I may, I would like 5 minutes of that time, and I hope you will tell me when my time is up, because I would like to yield the balance to my other colleague.

I want to begin by thanking the gentleman from New Jersey [Mr. PALLONE] for being so generous with his time. I want to compliment him, a very active member of the Democratic Party, and compliment the previous speaker, the gentleman from California [Mr. HUNTER], also a very active member of the Republican Party, for their very articulate remarks against giving President Clinton fast track authority to negotiate new free trade agreements with other countries.

Mr. Speaker, we have a constitutional crisis in our country. In addition to everything that the gentleman from California [Mr. HUNTER] said, which was on the mark, and everything that the gentleman from New Jersey [Mr. PALLONE] said that was on the mark of why this trade agreement is bad, it is bad because it violates the Constitution of the United States.

Apparently, there are a number of Congressmen who, after working very hard to get here, decided that they do not want to do their job. The first time that Congress gave away their constitutional responsibility was on the War Powers Act. If we look at Article I, Section 8 of the Constitution, it very clearly gives to Congress and Congress alone the power to declare war. Our Founding Fathers did that because they grew up in an era where one king or one queen could decide for everyone that the Nation's youth would go off and die, and they wanted to change that. So they saw to it that the people's representatives and only the people's representatives by a majority vote could make that decision.

When Congress gave the President the War Powers Act, it was the first time they gave away their constitutionally mandated responsibilities.

The second time they did that was just last year when the majority in Congress voted to pass the line-item veto. It was espoused at the time as something to cut the pork out of the budget, but they failed to mention that it was a budget that Congress put together. It was in effect saying that we cannot help ourselves.

I voted against that, and I predicted at the time that all that it would be used to do is cut the defense budget. Thus far, Mr. Speaker, I am 90 percent right, because 90 percent of all of the things that have been vetoed by the President of the United States are defense related, and none of them contained any pork.

Either tomorrow or Sunday, this body will once again have to make a decision as to whether or not we want to keep our constitutionally mandated duties or give them to the President of the United States. I am going to vote to keep those duties that I want the citizens of south Mississippi to have, and I think that more than half of my Democratic colleagues, for a variety of reasons, will vote to do so. So I really want to address my talk tonight to my Republican colleagues and those people who consider themselves to be Republicans.

Mr. Speaker, almost on an hourly basis my Republican colleagues come to the House floor and say that President Clinton cannot be trusted. And they point to some things that would certainly give a great deal of credibility to their arguments. I hope that they are saying what they mean, and that they will mean what they say, because they will be asked either tomorrow or Sunday to give away their constitutionally mandated responsibility as espoused in Article I, Section 8, clause 3 of the Constitution to regulate commerce. They will be giving that, if they vote for fast track, to the man they say cannot be trusted. It is a very powerful argument for every Republican in this Congress to vote against fast track.

Mr. PALLONE is right when he talks about people being hurt. I represent $\frac{1}{435}$th of this country. In that $\frac{1}{435}$th of this country, 5 factories have been closed. The people who want to give the President fast track authority tout it as being somehow a way to smack the unions about. Not one of those factories was a union factory, not one. What it was was a place that in most instances employed women who had found themselves, either through the death of their husband or the separation from their husband as the sole earners of their family, they had been stuck with the responsibility of raising children and they were the only ones who were making a living. Ninety percent of the people who lost their jobs as a result of NAFTA were the women in those factories, not the union, "union thugs," that were told were opposed to it.

It is even worse than that, because the gentleman from New Jersey [Mr. PALLONE] comes from a very populous State, and maybe in a populous State like New Jersey the retraining that he talks about makes some sense, because maybe there is something else for those people to do. But I can assure my colleagues in Neely, Mississippi, in Wiggins, Mississippi, in Lumberton, Mississippi, and the other small towns of Mississippi that have had their only factory shut down as a result of NAFTA, there is nothing else for those people to do. It is simply not fair, and it is simply naive for Congress to imagine that there is additional opportunities for these people.

The only thing that Congress should know is that in a microcosm, the good people of America have been hurt and in a microcosm our Nation has gone from a trade surplus to a trade deficit with both Mexico and NAFTA as a result of the last Free Trade Agreement.

So, Mr. Speaker, since we will have very, very little opportunity to speak on this in the next couple of days, and since apparently the Speaker of the House has seen to it that this vote will take place on a weekend when most congressional offices will be closed, and therefore, there will be no one at the phones to answer those phones when citizens want to call up and encourage their Congressman to vote against this, I want to take this opportunity to speak on it and have my remarks put in the RECORD.

AMERICA'S LOST VALUE: HARD WORK IS REWARDED

Mr. VISCLOSKY. Mr. Speaker, I appreciate the recognition and I appreciate the gentleman from New Jersey as well as the gentleman from Mississippi yielding time to me, and I would also start out by associating myself with the remarks made by both the gentleman from New Jersey as well as the gentleman from Mississippi on the proposed fast track authority that we in this Chamber will be voting on sometime Sunday.

Mr. Speaker, we live in a global economy and we are engaged in a global competition. I know this and so do the tens of thousands of working Americans that I represent. The people I represent in northwest Indiana are not afraid of competition. They embrace it, because they work hard and do their job better than anyone else in the world. The steel workers and other working men and women I represent are happy to trade their products in the world's markets, but in trading their products, they do not want to trade away a living wage.

For half a century, the people of America, at the cost of thousands of lives and trillions of dollars, have fought and worked to export the unique American value of democracy. As we look back on history and at the world today, we can see we have achieved success in doing so. But as we stand here today, we must think about exporting another important American value, the value that hard work is rewarded. This is a value that I was taught growing up in Gary, Indiana. I was taught that if one studied in school and worked hard in life, one would be rewarded with a living wage that would allow you to get married, buy a house, have children, send them to school, and then enjoy an economically secure retirement.

But in today's debate on fast track, instead of working to export the American value of hard work globally, we are diminishing the value of work for all. The competition that will arise from the trade strategy we are debating today will not result in a race to the top, but in a drop to the bottom. And my fundamental concern is that if we in this House and others in this government do not export the value of labor and reward hard work in America, no one else will.

I find it interesting that prior to the adoption of NAFTA 3 years ago, a local industry told me that they supported the agreement because it would be good for us. Prior to NAFTA, the same industry had a trade surplus with Mexico. Since NAFTA, that industry has a trade deficit with Mexico 20 times as large. But they have never complained. Why? Because their bottom line has not changed, and in fact, it has increased. They invest overseas, paying people less and make more money. Unfortunately, the thousands of employees they have left stranded in places like Gary, Indiana; New Chicago, Indiana, have no recourse. In abrogating their responsibility, the responsibility to fairly reward hard work, these corporate citizens of the United States of America have dashed the American dream of many of the people we represent.

We must not take the world economy as we find it and adapt to it, as so many people have suggested we do. We must make the world economy adapt to our fundamental American economic principle that hard work pays. It pays in the form of a living wage to working people.

It might not happen this year; it might not happen next year, it might not happen in 20 years, but if it happens 50 years from now, our grandchildren will look back and say that we today here in this place did not break our covenant with the next generation of American citizens.

I would ask all of my colleagues to join with me in opposing giving President Clinton his fast track authority.

□ 2115

THE BENEFITS FOR THE UNITED STATES OF SUPPORTING FAST TRACK AUTHORITY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Arizona [Mr. KOLBE] is recognized for 60 minutes as the designee of the majority leader.

Mr. KOLBE. Mr. Speaker, tonight I come here to this House, along with my colleague, the gentlewoman from Connecticut, to talk about an issue that we believe is so critical to the future of this country; that is, trade.

In the end, though, trade is not really about statistics. It is not really about numbers. It is not, in a sense, even about jobs. It is about the opportunities for jobs. It is about the opportunities that American consumers have to make choices. It is about getting lower prices for goods and better quality, of having competition. Yes, it is about American leadership. It is about our place in the world. It is whether the United States is going to lead on trade or whether we are going to follow on trade.

The fact of the matter is there are very few countries in the world that benefit as much from trade as the United States of America does. I would just like to begin with this one chart, which shows how American businesses and American workers have benefited by the fact that U.S. exports have increased more than 3,000 percent in the last 35 years.

It is not that far back to 1961, when we look at the value of U.S. exports, they were less than $100 billion, around $50 billion. It did not reach $100 billion until about 1973. Then it has simply taken off since then. The most steep rise is in the last 2 years, the last 4 years, since 1993. Even as Americans continue to worry about trade deficits, we continue to have a very substantial growth in exports.

What does that mean? Does exports mean something to other than just a number on a chart, other than a line on a chart? It means a great deal. It means a lot about the growth. Growth, of course, means something about the jobs that are available to Americans.

This chart demonstrates the difference between jobs in the total civilian employment, which has been rising, this red line down here, which has been rising fairly steadily. But if we look at the export-related jobs as an index, this is on an index basis, we can see that the export-related jobs are growing much more rapidly.

In other words, the great economy that this country is enjoying today, the tremendous benefits that we all enjoy from having a low unemployment rate, from having the ability to have a second car, from rising incomes and wages, the vast majority of that has come from export-related jobs.

These are not jobs that are poor-paying jobs, they are better, much better, on average than the jobs that we have in the United States that are service economy jobs. Export manufacturing and service-related jobs pay, on average, about 16 percent more than a job that is totally or solely domestic-oriented.

So I would point out to my colleagues who have engaged in this debate about fast track, and whether or not the United States should continue to promote more jobs, that the bottom line really is that there really is not much choice. Our growth, our future, depends on creating these kinds of jobs so that our children and grandchildren will have jobs in the future. That is really what it is all about.

I know tonight we are going to want to talk a little bit, my colleague and I, a little bit about what fast track really means, and what it really means for America. But I think these charts right here demonstrate why trade is so important for America.

We, more than any other country in the world, have benefited from the tremendous increase that we have had in trade. Let me just show one more chart here that I think is very interesting, because we often hear that it is only the Boeings, it is only the Cargills, or Chryslers or General Motors that benefit from trade. But the fact is that small- and medium-size companies account for, in dollar volume, 30 percent of all of our exports. And if we look at it in terms of numbers of companies, 96 percent of the companies that are trading overseas are companies that have less than 500 employees.

So it is the small- and medium-sized businesses. Yes, they do not sell as much as Boeing. No, they do not sell as much as Ford, Chrysler, or IBM. But they, too, benefit from trade. Ninety-six percent of our companies with under 500 employees are the ones that are engaged in trade overseas. So it is not just the large companies, it is small companies as well, and it is in middle America, it is in the towns of Iowa and in the streets of Connecticut, and yes, in my State of Arizona, where people benefit because they have the ability to engage in trade overseas.

Mr. Speaker, I yield to the gentlewoman from Connecticut, Mrs. NANCY JOHNSON, an individual who serves on the Committee on Ways and Means and has been instrumental in helping to carry this argument to the American people, and who I know has some thoughts about this.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I would like to have the gentleman put the chart back up that shows just how much of America's economy depends on exports, that first one. The U.S. exports have increased 3,000 percent in the last 35 years. I do not think most of the people in America are conscious that 30 percent of our economic growth is the result of exports.

We saw in the gentleman's next chart how the number of jobs associated with exports is growing far more rapidly than the number of jobs associated with domestic sales. That is what fast track is all about. It is about whether or not we are going to be at the table to negotiate new markets for our exports.

I was thinking, as my friend and colleague, the gentleman from Mississippi, Mr. GENE TAYLOR, spoke about the jobs lost in his district to international competition, about the jobs lost in my district to international competition, and nothing is more agonizing than to see a factory close or a business fail, because that is not just a business failure, that is people out of work.

But competitiveness has nothing to do with fast track. Those factories closing has nothing to do with fast track. In fact, if we do not negotiate access to new markets, if we cannot get American goods into new markets, far more factories will close because the issue is twofold.

The first issue is competitiveness; the second issue is open markets. We have to be competitive. You go down to your grocery store, you go down to your drugstore, you go down to the hardware, you go down to the department store. Any store in every American community has imports and domestically-made products.

America has to be able to sell the highest-quality, the lowest-cost product right here in their own hardware stores and department stores and grocery stores and pharmacies, and they also have to be able to sell the highest-quality, lowest-cost product in every other nation in the world in order for us to succeed.

Americans, I think, sometimes do not realize that of the 21 top technologies in the world, the most sophisticated technologies, as the Department of Commerce defines them, we are the low cost-high quality producer in 20 of those 21 top technologies. That is why we saw American exports increasing 3,000 percent. That is why we saw the line going up steeply in recent years.

It is because in recent years we have recognized that to be strong, to hire our people, to pay good wages, to have a rising standard of living, we have to be the most competitive Nation in the world. That means we have to have the highest-quality, lowest-cost product both here and abroad.

We are proving we can do it. In my district we are shipping sophisticated machine tools all over the world. We are shipping top quality airplane engines all over the world. But we are also shipping sophisticated lock systems all over the world. We are shipping Lego toys made in my district all over South America. We are number one in many, many, many product lines, and because of that, we are shipping all over the world.

When we see those charts that show that more and more of America's economic well-being depends on her sending goods abroad, and when we see the number of jobs associated with producing those products to sell abroad, it tells us that we have to have markets to sell into. The only way we get markets to sell into is being at the negotiating table to open those markets. That is all fast track negotiating authority is all about. It is just giving our government the authority to be at the table, to make the deal, to open other people's markets to American-made products.

I want American inventions to produce American jobs to make American products to sell in every market in this world. We cannot get there unless America is at the table negotiating to open markets for American inventions made by American workers shipped by American companies into every market. That is what fast track authority is about. It is about negotiating market opportunities for American products.

Remember, 96 percent of the world's consumers are in other countries. Only 4 percent of the world's consumers are here. So if we want to see more goods sold, and we want to see a rising standard of living in America, we have to not only have competitive products to sell into those markets, but we have to have trade agreements that open those markets to American products.

Mr. KOLBE. Reclaiming my time, Mr. Speaker, I think the gentlewoman has made a very good point, and one I think we need to explore a little bit more. The gentlewoman serves, of course, on the Committee on Ways and Means, which has the primary jurisdiction over trade issues.

I have listened to a lot of these discussions that have gone on on the floor here, and I think there has been a lot of misinformation about what fast track really is about. So before we come back to some of these figures on trade, maybe we ought to just talk a little bit about what fast track really means.

Fast track is a process. A lot of people right now are talking about, oh, we do not want to get into another agreement. We may not get into another agreement. That is down the road. But fast track says whether or not we are ever going to be at the table talking about these trade arrangements and trade agreements. Because the fact of the matter is, the world is moving ahead on trade. Whether we are there or not, they are going on and moving ahead.

We have scheduled, and I am sure the gentlewoman knows, we have scheduled in this coming year talks in Geneva, where the World Trade Organization is located, and we are one of the 150-plus members now of the World Trade Organization. Talks are scheduled to go on on intellectual property. We are the leading exporter in the world of intellectual property. We are talking about computer software, we are talking about all the elements of movies and records and tapes and CDs, all those things in which we are a tremendous exporter of that intellectual property.

Now, the rules governing that and protecting our intellectual property and making sure we can trade that overseas, those are going to be decided. If we are not able to sit in those negotiations, we are going to be out of it.

Mrs. JOHNSON of Connecticut. Mr. Speaker, if the gentleman will yield further, we often talk about America as the entrepreneurial society. We talk about ourselves as inventive, as creative. There is absolutely no question but that we invent more new products in America than any other nation.

We are an inventive Nation. Consequently, we invent a lot of great ideas and great products that other countries say, "Hey, great product. We are not going to put the research and development in it, they already did it. We are going to just counterfeit it, copycat it, produce it, and undercut them in price," because, of course, they did not have to carry the costs of research and development.

We are the most inventive Nation. We create the most new products. We want the whole world trading community to have a high standard of protecting inventions, protecting patents, protecting copyrights, because those are American jobs. If we are not at the table to make sure that that standard is high and that other nations have to come into compliance promptly, then other nations who want the standard low and compliance to take many, many years will win.

And who loses? The inventive Nation that creates the new products, because we are not protected against other countries counterfeiting our products, copy-catting our products, back-engineering our products, and then undercutting us in the market.

□ 2130

So invention means we want to be at that table to drive the American standard of intellectual property rights protection, as we call it, to be the international standard. And that is why we need to be there, we need negotiating authority. We have to drive those decisions to recognize the high standard that invention and creativity and American ingenuity have always created for the market and ought to be protected worldwide.

Mr. KOLBE. Reclaiming my time, I appreciate what the gentlewoman from Connecticut has just said. As she well knows, at the other end of the technology sale, you might say, is agriculture, that we have a very technologically innovative agricultural industry. At the other end is agriculture.

We are, again, the largest exporter of agricultural products in the world. Those talks are scheduled to take place in the year 1999 in Geneva. And the question is, Will the United States be there pounding on the table, hammering at the door, demanding that other countries, Europe in particular, which has very high protective tariffs against our agricultural products, which we can and would love to sell to Europe and the rest of the world, whether we are going to be able to get those tariffs lowered, whether we are going to be able to sell more of our products overseas, more wheat, more soybeans, more of the grains and the rice and all the specialized products?

Mrs. JOHNSON of Connecticut. More dried milk if you are a dairy State.

Mr. KOLBE. And more dried milk if you are a dairy State. That is exactly right.

So whether it is high technology at one end or whether it is agriculture at the other end, those talks are very vital to us.

And then finally, in the year 2000, investment services. The gentlewoman from Connecticut [Mrs. JOHNSON] comes from a State where this is extraordinarily important. Insurance and investment and brokerage services, those are absolutely vital. Financial services are absolutely vital. The United States again is the leader.

And we have gotten the World Trade Organization to agree that these are the three areas that are going to be the next areas for discussion for lowering the barriers to our trade in goods and services with the rest of the world.

And now, if we turn away from fast track, if we deny fast track to the President, and I think we need to explain exactly what that means "fast track," but if we deny that, we are saying to the rest of the world, we are not going to be at the table, we are not going to be discussing this or negotiating on behalf of the United States.

I wonder if the gentlewoman from Connecticut [Mrs. JOHNSON] would just, since people might be wondering, what does she mean when she says "fast track"? If I have somebody out there asking this question, I wonder how the gentlewoman from Connecticut [Mrs. JOHNSON] would answer: So why do we need fast track in order to sit down at the table and negotiate with the world, with the European Union, or with any other country?

Mrs. JOHNSON of Connecticut. This is why we need fast track. Really, it is so very simple. We think of sitting down together as a family and we have a dispute and a problem, and one kid wants one thing, one kid wants another thing, one kid wants another thing, dad wants another thing, mom has another opinion. And we get together and decide, we are going to do this much because Jenny wants it; we are going to do this to consider Don's concerns; we are going to do this to consider the twins' interest, and mom and dad. And we get a package, and we all agree. It is not everything Jennifer wanted. It is not everything Don wanted. It is not everything mom wanted. It is not everything dad wanted. And the twins are kind of miffed because they did not get X, Y, or Z. But they all got something and they all could see that, while they got something, the other member of the family got something; and, so, this agreement was good for everyone. It was not everything anyone wanted, but it was something everybody wanted and would serve everybody's interest.

Now, everyone has to commit to that agreement. If they do not commit to that agreement, it falls apart. Well, when we go to negotiate with 10 other countries or 20 other countries about how agriculture products are going to move in the world market, everyone has to trust that everyone at the table means what they say and is going to deliver on the agreement.

And so, at the end, and this is always the way it is in international agreements, it is the way it is in families, it is the way it is at any level of negotiations, whether it is union or whether it is not union or wherever it is, at the end, there are a lot of things we can agree on, and then there are some things that are hard, and at the end there are a few things that are very, very hard.

And people have to make hard decisions about what is most important to them, what is most important to you, and then you strike the deal that you know is in the end best for everybody and will serve everybody. It is at that point, it is at that point when we put the final nail in the deal, the final seal on the passage, that everyone has to know everyone who is part of that deal will be able to deliver.

If our President does not have fast track authority, then he will not be able to deliver. The other countries that are parliamentary democracies automatically can deliver because their prime minister can just do whatever he has negotiated. Our prime minister, our President, has to bring the package back and we have to pass new law.

Now, can the new fast track bill that came out of the Committee on Ways and Means, on which I serve, recognizing that we do want that negotiator to commit to something that we will not pass? It is true we could defeat it, but we want them to agree to something that will serve our interest and that we can support.

So in the new legislation, we have structured a lot of consultation, a lot of involvement by elected Members of the House and Senate, so that, at the end, that deal will be struck in a way that will not only be in America's interest but broadly supported by America's representatives.

Mr. KOLBE. I think my colleague has given an excellent example of exactly how fast track works when she is talking about countries and how it relates to the same kind of thing with families.

The bottom line in a government setting is that no one wants to go into a negotiation and put their cards on the table and get the best deal if they do not know at the end that the deal is a done deal.

Now, they recognize that they have to go back to their countries and get approval of it. But they do not expect to take that agreement back to the country and have it picked apart, amended, changed, and added to. And that is exactly what would happen if we did not have fast track authority. It becomes like any other bill that is introduced in Congress; it gets amended, it gets changed.

Now, fast track does allow the Congress a very significant role in the whole process of this negotiation. We are involved, and my colleague's committee particularly is involved, in the consultation throughout all of these negotiations so that at every step of the way we know how the negotiations are going and we can say, this is not going to fly, Ambassador Barshevski, who is our trade representative, this is not going to fly if you bring this back, or, you need to add this to it, or, you need to do that. So we do have a role as the process goes forward.

We have used this fast track, I think the gentlewoman from Connecticut [Mrs. JOHNSON] can correct me if I am wrong, but we have used this fast track procedure for more than 20 years now since, I think, 1974 when we first added it after the Tokyo Round, because we found at that point that trade was becoming not the simple thing of just lowering tariffs, but there were other things that had to be done. There were nontariff barriers, complex issues that had to be dealt with, and these discussions became much more complicated than they had been before.

So we went to this process of fast track. And every President since Richard Nixon, that means Jimmy Carter, Ronald Reagan, George Bush, and President Clinton, well, not President Clinton, he has not had fast track authority given to him, but every President up to President Clinton has had fast track authority granted to that President. Now we have been without it for 3 years, and we have not been able to engage in the kind of serious negotiations that we would like.

I do not know if my colleague would agree, but I think we would find ourselves at a tremendous disadvantage if we do not have this fast track authority.

Mrs. JOHNSON of Connecticut. One of the things I think is not being noticed, and of course it is because most Americans do not have time to notice, they are busy and we are not at the table, but let me tell my colleagues what happens when we do not have fast track authority, because it is happening to us now.

We do not have fast track authority, so we cannot negotiate with a lot of the South American countries that have traditionally bought American products, like to buy American products, are disposed toward doing business with us, but in the last couple of years have been making deals with other people because we are not positioned, we do not have the negotiating authority that they can trust.

So, recently, Canada negotiated a very good trade agreement with Chile. It meant that there would be no Chilean tariffs on their communications equipment. That dropped an 11 percent tariff under Chilean law on Canadian communications equipment. Not long ago, we lost, an American company lost a very big deal in Chile, not because they were not the top quality producer, not because they were not the lowest cost producer, but because when we added their price of their quality product and the 11 percent tariff, they were higher cost than the Canadian company that was higher priced but did not have the 11 percent tariff.

So our failure to have negotiating authority is already losing us customers in South American nations. And if that happens too much, we lose jobs. We do not just lose customers, we lose jobs.

Mr. KOLBE. I appreciate what the gentlewoman from Connecticut [Mrs. JOHNSON] is saying. And I think that is important, that we keep in mind that we really are not just talking about some kind of abstract thing, we are talking about people who are out there in American companies every day, union people, nonunion people, working, making widgets, making all kinds of manufactured goods, providing all kinds of services, and these goods are being sold overseas.

My colleague talked about the example in Chile. And I would like to point out in a kind of an aggregate or macroeconomic sense the kinds of opportunities that we lose if we are not able to engage in these trade negotiations. Here is just a list of some of them.

For example, the Latin American trade negotiations have roughly a $300 billion import market. That is exports from the United States, imports into Latin America. The President of the United States called all the Latin American countries, all the countries of the western hemisphere, together for a summit, as my colleague knows, in December of 1994. And we made a commitment. We got a commitment to come to a free-trade agreement with all the American countries of Latin America, Central America, North America by the year 2005.

These are countries that heretofore had been largely closed. Many of them were not democracies. They had import substitution kinds of economies. They were completely closed. They were poor economies. They were not doing well. We did not have many markets there. But now the world is changing, and these countries are changing, they are growing, they have growing economies and growing hunger for American exports. And there is a tremendous opportunity out there. And the question is, are we going to try to sit down with those countries and negotiate a trade agreement for the Latin American countries, $300 million worth? That is just the first one here.

The agricultural negotiations that we talked about earlier with the World Trade Organization are worth roughly $600 billion in the global market.

Mrs. JOHNSON of Connecticut. $600 billion.

Mr. KOLBE. $600 billion that we are talking about that are available.

Mrs. JOHNSON of Connecticut. Our whole economy produces $1.5 trillion of goods each year. So $600 billion is more than a third of our whole economy.

Mr. KOLBE. Here we go here with WTO, the procurement negotiations. We are talking about government buying goods, whether it is some countries are not completely privatized, they have state-owned aircraft industries, or, of course, we are talking about defense industries and other things, telephones and telecommunications. We are talking about a trillion-dollar global market that is available to us there that, again, if we are not going to engage in these procurement negotiations, which is also scheduled to take place in Geneva, it does not mean we will not be able to sell anything. I do not think any of us would try and suggest that nothing is going to be sold. But we will not have the access to this market that other countries will have that are going to have the rules that they are going to devise these rules.

Mrs. JOHNSON of Connecticut. Can we make that a little clearer. A lot of countries have state-owned, state-operated companies that produce telephone equipment, transportation equipment, energy, and we are moving in the world toward privatizing those companies and letting anyone in the world compete.

If we are not allowed to compete, we do not get those jobs, we do not get that production. If we are allowed to compete, we have to be very good to get the deal. But we need to be able to be there at the table, and if we are not at the table, then those countries who like having that government control, even if it produces a higher-cost product for their people and lower quality, they like the control.

So if we are not there to push them and say, open that market, let us have a chance, let everybody have a chance, and it will make your industries better and raise the standard of living for your people, if we are not there to do that, then at the table we only have those countries who want a lower standard. And that is bad not only for our country, but for the world.

□ 2145

Mr. KOLBE. The gentlewoman is absolutely right. Just two more that I would like to point out when we talk about fast track, the lost opportunities really pile up. Here we have got the world trade negotiations on services which are worth $1.2 trillion. Finally we have got the Asia Pacific, this is the APEC. Again President Clinton has made a commitment with the Asian countries that we are going to try to have a free trade agreement by 2010 that is worth $1.7 trillion. The bottom line is we add all these up and we have a cumulative effect of nearly $5 trillion, just in these areas of negotiations.

These are not just fantasy. These are not wannabes, these are not maybes. These are things that are scheduled to occur, negotiations on these kinds of trade opportunities. We will lose, not all, but we will lose a significant part of this if we are not able to have a trade agreement that favors us, that gets the things that we need in order to have access to these markets. I think the gentlewoman would agree with that.

Mrs. JOHNSON of Connecticut. They are scheduled to occur and they are going to occur. These negotiations are going to go on whether we pass fast track or whether we do not pass fast track. Just last year, just in one year, we lost $2.3 billion due to copyright piracy; that is, people just outright counterfeiting American products, copycatting our products, ignoring our copyrights. That is just one year, $2.3 billion. These negotiations are going to go on. Who is going to be at the table? We are going to be at the table, too. But at the end when the deal has to be done at the end, when those hard decisions are made, those countries who pirate our products, who make a fortune off our research and development, who steal American jobs from our people, they are going to be able to do that final deal, and we are not. The deal they strike is going to be for a lower level of protection and many, many more years for countries to come into conformance. If we are at the table, we can say, "Uh-uh."

People who invent the idea have the right to own that idea, and their employees have the right to the jobs to produce that product, and we have the right to support our people as a result of our inventiveness, and we will set that standard higher and we will require compliance sooner if we are there to drive the final deal. If we are not, it will be our loss.

Mr. KOLBE. The gentlewoman has made a point that suggests something that I think is very curious in this debate that we have been having about trade and about fast track. I know the gentlewoman has talked to many businesses and plant managers and supervisors all over her district as I do throughout Arizona and around this country when I travel. American business is not afraid to compete. We are able to compete. We want to compete. They want to get out there and compete. It strikes me as very curious that some of our colleagues here in Congress seem to be a lot more fearful of this competition than our own businesses and, frankly, I think our own workers are. I have never met a worker in one of my factories in Arizona that was not willing to compete. They know they can make good products. All they want to do is have a fair shot at selling that product overseas. That is what these trade negotiations are all about.

I just note, point out to the gentlewoman here, when we talk about the U.S. and its role in trade, it is overwhelming. Our trade, our value of our goods and services that we export in 1996 is $849 billion. That is about a sixth of our total GDP, and it is a huge amount. This is just the exports, not the import side of it. Compare that to other countries like Germany at 609 and Japan at 468. We are so far and away the biggest exporter in the world that we still dominate the world. Yet some people would say, gosh, we are afraid of this, we are afraid of trying to expand these markets. If we do not have fast track, I can tell the gentlewoman that the happiest people in the world are going to be the European countries when it comes to the agricultural negotiations. They have been resisting opening up their markets for years and they will be delighted that the United States will not be there in Geneva pounding on the table insisting that those negotiations be opened up.

Mrs. JOHNSON of Connecticut. They will be delighted. And yet just in Connecticut, just Connecticut, manufacturing has increased. Connecticut manufacturing exports, $500 million more just during the first half of 1997 over the first half of 1996, $500 million, a half a billion dollars more in manufactured exports went out the door from Connecticut plants in just the first half of 1997. If you are expanding production at that rate, you are hiring people. And if you are selling abroad, your wages are higher than domestic companies. So in Connecticut, we are selling more abroad, the jobs we are creating in that sector, not all jobs. I absolutely acknowledge that, but more and more jobs are associated with exports and those jobs on average pay 16 percent more. So if you want your kids to do well, you want to live in a State that exports a lot so your kids can get into exporting industries so they can have the opportunity to have higher paying jobs and good livings.

Mr. KOLBE. I think that the gentlewoman has suggested something that I think is indicative of the problem that we face in trying to make this appeal on trade and make the sale. I am sometimes puzzled as to why it is so difficult for us to make this case. I think one of the reasons is that whenever there is a plant that closes or moves some of its operations to an offshore setting, which by the way is not necessarily bad because they may be sourcing many of the materials from this country itself, but when they move that down there, if a plant closes in Missouri and they move the assembly plant to Mexico, that is a big headline and 200 jobs get lost because a plant moved to Mexico, or as we have seen this last week where Fruit of the Loom announced it is going to move some of its, where they manufacture underwear, they are going to move some of that to Mexico and to some of the Caribbean countries and jobs are going to be lost. Yes, I agree that is tough. That is tough for the people who are losing those jobs. But what never makes the headlines is the fact that on that same day, all over the country, hundreds of companies hired new people, one, or two, or 20 or 50 because they got some contract to sell some product into Mexico or to China or to Germany or elsewhere. There is never a story about that, because we do not see it. It is not visible. You do not open a factory just to sell to another country. But when you close a factory and move it to another country, it is a different story.

Yet the fact is the doomsayers that we hear from people who are against fast track, who are against this kind of opportunities, these trade opportunities for America say that they do not trust us, they do not believe that Americans can compete, businesses believe they can compete and since 1993, since the last time we had fast track authority for the NAFTA agreement and the GATT agreement, we have created 12 million new jobs in this country.

I want to talk a little bit in the remaining time about NAFTA, because that is one of the things, the North American Free-Trade Agreement, that Members sometimes say, "Oh, this is just all about NAFTA." We know that fast track is not about NAFTA, but it is a curious thing that since the North American Free-Trade Agreement went into place, we have, as the gentlewoman knows, we have provisions in that legislation that is called trade adjustment assistance where a job that is lost, is certified it is lost because the factory moved a job or a plant or closed the plant and moved it overseas because of the trade agreement, they qualify for special assistance. A total of 125,000 jobs have been certified as having been lost because of that. You say 125,000 jobs seems like a lot, but when you remember that during that same time we created 12 million new jobs, you begin to see, well, maybe we benefited a lot from this because a lot of these new jobs were coming because we were selling more wheat to Mexico, we were selling more automobiles to Mexico, we were selling more petroleum drilling equipment to Mexico, and so forth. So the bottom line is that the numbers of the aggregate numbers are overwhelmingly in favor of trade. We are at the lowest unemployment level that this country has had in years. We are at the highest wage growth, personal income growth that we have had in years. This comes because we have had trade. I know the gentlewoman has worked hard on these issues in Connecticut with some of her companies and trying to encourage more trade and exports. I think we agree that that really is the future for the people that we represent to be able to have these opportunities for trade.

Mrs. JOHNSON of Connecticut. One of the hardest things today and all of us feel it in every one of our districts, it is really hard to see plants that really are not producing a top quality good gradually have to lay people off and go under. But that has nothing to do with negotiating authority. It has to do with the fact that consumers today demand very high-quality products at a reasonable cost and they have a choice of products from all over the world. For America to be competitive and American companies to be successful, they have to be the best and the lowest cost in their own local market, around the Nation and across the seas. The exciting thing is that they have risen to this challenge. It took years to do it but I can tell the gentleman, I represent the best workers in the world. They do top quality work individually, they work together well as a team, they day in and day out, you walk into any factory in my district and they can tell you stories about how the latest move that some group in that factory has made to identify by thinking, by working together, to identify a way to cut costs, improve quality, improve productivity together, same men and women, same hours, same equipment, thinking smart, working as a team, and doing a far better job than we used to do. It is truly exciting and we are frankly in so many areas absolutely the best. So we are competitive. One of the things that makes me saddest in this whole trade debate is the idea that somehow trade policy sends jobs abroad. Any American company could establish their factory here or abroad 10 years ago, 5 years ago, 1 year ago, today. They will have that right tomorrow, they will have that right 10 years from now. If they were going to go to the lowest wage company, because some of my friends say to me, "Well, gee how can we compete with 25 cents an hour?" We have been competing with 25 cents an hour. We do compete with 25 cents an hour, and we win. Why? Because we are far better. We produce a far better product at a reasonable cost. So that is not the issue. Companies establish plants abroad for only two reasons: First, to feed their high-technology production capability here in America, and sometimes because trade laws force them sometimes to sell in a market, you have to be there.

I had a company in Connecticut that had a plant in Mexico because under the old rules, they had to produce in Mexico to sell in Mexico. As soon as we passed NAFTA, they closed their plant in Mexico and came home. Why? Because they could produce better here. Now with the free-trade agreement, they could sell into Mexico without having a factory in Mexico.

Mr. KOLBE. So despite the fact that the wages they would have had to pay in Mexico, or they did pay in Mexico were a fraction, maybe a tenth of the amount.

Mrs. JOHNSON of Connecticut. Much lower. Because Connecticut is a high-cost State, and they pay high wages.

Mr. KOLBE. So they were paying a tenth as much in Mexico. They moved the production back to Connecticut. The answer is because of the productivity that they have.

Mrs. JOHNSON of Connecticut. You bet they did. Because it was a better work force, and a higher quality product.

Mr. KOLBE. And more capital investment and more technology. That is, of course, what countries like the United States have. That is the advantage that we have.

Let me just tell the gentlewoman my example that I always use is the copper industry in my own State. Copper was riding high back in the 1960's and 1970's and right up to 1982 when the world copper price collapsed. Half the mines in Arizona closed as a result of that. The other half were struggling selling copper at below the market price, so they were losing money with every pound of copper that they were selling. They knew that in order to stay competitive, they had to make some big changes. What they did was they put a tremendous investment in capital into those mines. We now have the most technologically advanced copper mines in the world in Arizona. Everything is computer controlled, they use robots, they use all kinds of things. The bottom line is yes, there is half the people working in the copper industry in Arizona but there is still a copper industry and they are producing more copper today than they were in 1982 with less than half of the number of people. The result is they can compete and they can outproduce in copper Chile, which is a medium-priced country in terms of wages, Zambia which is at 25 cents an hour or Zaire or Guinea or those other countries which are at the very rock bottom there. We can still beat them because we have much more productivity. Being able to invest in capital and in technology and have a well-trained work force is really the key to being able to compete.

□ 2200

But I have not found any American companies that are afraid of that. They all want to be able to do that.

Mrs. JOHNSON of Connecticut. Well, I agree they are able to compete, but they have to be able to get into a market.

Mr. KOLBE. They have to get into a market. They cannot do it if we do not——

Mrs. JOHNSON of Connecticut. Right.

Mr. KOLBE. Agreements with other countries and let them in.

Mrs. JOHNSON of Connecticut. Right, under the old rules, Mexico had tariffs of 20, 30 percent on a lot of it.

Mr. KOLBE. In some cases it was as much as 100 percent.

Mrs. JOHNSON of Connecticut. Right, so if you had 100 percent tariffs, I do not care how good you were producing in the United States, you could not sell in Mexico with 100 percent tariffs.

Now, under NAFTA, Mexican tariffs have come way, way down. Yes, American tariffs have come down a little bit, too, but they were low to begin with. Now they are a little lower. Mexican tariffs were high to begin with. Now they are down low. Some of them are completely wiped out. One-half are wiped out. Others are there, but they are much smaller. So now you can sell into Mexico, and you can compete. You do not have to be there to produce.

So lower tariffs means jobs stay in America.

I gave you earlier that example of the Canadian company that got the big deal in Chile, though the American producer was lower cost and higher quality. But we did not have the tariff relief. We had to pay 11 percent tariffs. So we lost the deal. If we had the same tariff relief that Canada had had, if we had been able to be at the table and negotiate those tariffs down like Canada did, we would have gotten that order, and those orders feed jobs.

So what is sad about this fast track deal is that those who oppose fast track think they are protecting American jobs when actually you protect American jobs by being at the negotiating table, opening markets and driving international standards to American standards, because American standards are higher in every area than most of the rest of the world.

So if we can open markets, we can compete. If we open markets, our competitive companies go in, sell goods, and that allows them to hire and create jobs.

So if you care about the jobs of your kids, you have to be in lots of markets, because remember, again, 96 percent of the consumers are outside the United States. So if your kids are going to have jobs, you have got to be able to sell into all the markets of the world, and that is what we are talking about. We are talking about letting the President be at that table with a power to negotiate agreements that are good for American producers. And if they are good for American producers, they are good for American workers because they will sell American goods and create American jobs and pay American salaries to good, solid Americans to sell American products made by American people.

It is exciting. It has meant that we are a very prosperous Nation. It will bring prosperity to our children, and without fast track the possibility of a continual rise in our economic growth is truly, truly compromised.

I do not want to be too pessimistic, but one could paint rather grim scenarios about economic growth without fast track.

Mr. KOLBE. Well, I think the gentlewoman is absolutely right, and I think we do not want to be apocalyptic about that, and certainly the world will go on, and the United States will continue to trade, but we will trade on much more difficult terms and not as well as we would do if we have trade agreements, and those can only come about if we have fast track authority to allow the President to negotiate those trade agreements.

We have been talking a bit this evening about NAFTA, and I just want to take a minute to talk about it, because if you listen to some of the opponents of fast track authority, you would think that the North American Free Trade Agreement, or NAFTA as it is called, that links the United States, Mexico and Canada in a free trade agreement is the only agreement we have ever negotiated under using the fast track authority. But the fact is we have had four other critical agreements, and those are the 1979 Tokyo Round of GATT talks, General Agreement on Trade and Tariffs; the 1985 U.S.-Israel Free Trade Agreement; the 1988 U.S.-Canada Free Trade Agreement; and the 1994 Uruguay Round of GATT talks. Now in that last round, of course, GATT became the World Trade Organization, so we talk now about WTO.

But those four rounds, all of which made significant breakthroughs for the United States in the areas of not just of tariff barriers, but of allowing us access to different markets, were absolutely critical for us.

Now, I want to just focus for a moment on the North American Free Trade Agreement in Mexico because a lot of people shy away from this and say, oh, we should not talk about that, and it is very important to understand that this fast track authority is not about Mexico, it is not about NAFTA, it is about allowing the President of the United States authority to negotiate all kinds of trade arrangements.

But I still take on the issue of NAFTA and confront it head on because I believe that when the book is written, and I think some of it is already being written, it will be demonstrated that the North American Free Trade Agreement has been a good agreement for not just Mexico, but for the United States as well.

Yes, it is true that we had a trade surplus before NAFTA, and today we have a trade deficit with Mexico. But it was not NAFTA that caused that. It was the collapse of the Mexican peso, where all of a sudden after the collapse of the Mexican peso that had nothing to do with NAFTA and everything to do with some ill-founded policies that were followed by the previous administration in Mexico and the mishandling of a currency devaluation, the collapse of that peso, the result of that is that suddenly anybody trying to buy something when they are in Mexico from another country is going to pay a lot more in dollar terms, and anybody outside of Mexico buying something in Mexico is going to pay a lot less. And so the Mexican exports to the United States went up, and U.S. imports to Mexico or exports to Mexico went down by comparison.

But let me just give a couple of facts to show why I think we can say that NAFTA has worked in terms of leveling out the dips and making it less of a slide than would otherwise be the case, because in 1982 we had a similar, almost equal, amount of devaluation of the Mexican currency. When that occurred in 1982, U.S. exports to Mexico dropped 49 percent; repeat that, 49 percent our exports dropped, and it took us 7 years for us to restore the level of exports to Mexico that we had before 1982.

In 1995, when the peso was devalued, that time about the same amount of devaluation, that time we had a 9.4-percent drop in U.S. exports to Mexico, and it took us 1 year to get back up over the level of exports that we had before that time.

And so I think we can see that the NAFTA agreement, the reason for that, people say, well, so what does NAFTA have to do with that? Why was that the case? Well, what happened in 1982 was that when you did not have an agreement, when they have a peso devaluation, a country tries to trade itself out of that, they slap on import quotas, the hundred percent tariffs, licensing requirements, all the things that make it impossible for an American exporter to get their products into Mexico while they are able to export, take advantage of the peso devaluation and export to the United States.

With NAFTA, Mexico, and with other free trade agreements, the other countries cannot do that. They are not able to resort to that kind of thing in order to what I would call beggar thy neighbor approach, and so as a result of that, Mexico was, although our exports to Mexico dropped, those that were able to get the money, to get their hands on the cash in Mexico, were still able to buy. And so our exports to Mexico did continue. They dipped, but within 1 year we were back up over where we had been before.

So I would say, quite frankly, to my colleagues who decry the North American Free Trade Agreement, the NAFTA agreement, I would say, you are wrong, it has worked, it has done precisely as we wanted.

And I will yield, and we only have just about 5 more minutes, and we are going to close up, and I will yield to you, and then I will end.

Mrs. JOHNSON of Connecticut. Let me just mention that one of the big issues in the NAFTA negotiations was the failure of Mexico to enforce their own labor laws. They look good on paper, but they did not enforce them, and we have learned something from those NAFTA negotiations.

In those negotiations we made what is called a side agreement, and as a result of that, Mexican investment in enforcement of their own labor laws has increased 250 percent. In other words, we forced them to try to start enforcing their own laws, which were good on paper and lousy in reality, and in this new fast track authority we specifically include the right for the United States to negotiate the enforcement of domestic laws in labor and environment because lots of countries have good-sounding laws, but they do not enforce them, and that does make it harder for us to compete. So we have now expanded this negotiating authority to include enforcement of domestic laws because we did learn from those negotiations in Mexico the need for that breadth.

So this time we are not only asking for the President to have negotiating authority, but we are asking for that authority to reflect the experience that we have in what defends America's interest and what strengthens our own future and creates opportunity for our people.

Mr. KOLBE. I think the gentlelady's comments are right on target, and I think they summarize exactly why America needs to have fast track authority, why the President of the United States needs fast track authority, why we need to be able to pursue opportunities.

Opportunities for trade means opportunities for jobs for Americans. It means opportunities for American consumers. It means opportunities for our children and opportunities for the future. None of us in this body should be afraid of the future. The American people are not afraid of the future.

And this issue about fast track is not a partisan issue. It is an issue about whether we are going to lead, lead for ourselves and lead with the rest of the world.

And Republicans and Democrats alike have spoken out strongly on the issue of free trade, and I would like to simply end tonight with some quotations that I think very well express the importance of why we need to have these kinds of trade agreements.

The current Secretary of the Treasury, Bob Rubin, said this: We are now at a crossroads. The question before Congress is whether to grant the President fast track so that we can continue to open markets, expand trade and raise standards of living here at home, or to refuse and watch as U.S. workers and businesses lose out in access to the opportunities in the global economy.

Brent Scowcroft was a White House national security adviser in President Reagan and President Bush's administration, and he said this: We cannot say we will lead on NATO and regional security, but not on trade. We cannot say we will lead on democracy and human rights, but not on trade. And we cannot say we will lead on the environment, but not on trade.

Senator Dole, Robert Dole, the former majority leader and Republican Presidential nominee this last campaign, said, global trade is inevitable and Presidential fast track authority is indispensable if America is to lead the community of nations into the next century.

And finally, the President of the United States, President Clinton, has said this: We owe it to the working men and women of America and around our entire country to level the playing field for trade so that when our workers are given a fair chance, they can and they do outcompete anyone anyplace in the world.

My colleagues, I appreciate my colleague from Connecticut participating with us this evening. I think it is very clear where the merits of this argument lie. We are confident about America's future, and I think we are confident that fast track authority will lead us into a brighter future for our children.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MENENDEZ (at the request of Mr. GEPHARDT), for Tuesday, November 4, on account of election day in his home State of New Jersey.

Ms. MCKINNEY (at the request of Mr. GEPHARDT), after 2:30 p.m., Wednesday, November 5, and on Thursday, November 6, on account of business in the district.

Ms. CARSON (at the request of Mr. GEPHARDT), for Thursday, November 6, on account of official business in the district.

Mr. YATES (at the request of Mr. GEPHARDT), for Thursday, November 6, after 5:30 p.m., and Friday, November 7, after 11 a.m., on account of personal reasons.

Mr. MICA (at the request of Mr. ARMEY), for Thursday, November 6, until 6:30 p.m., on account of accompanying the President to the Bush Library dedication.

Mr. PORTMAN (at the request of Mr. ARMEY), for Thursday, November 6, until 6:30, on account of attending the dedication of the George Bush Presidential Library.

Mr. QUINN (at the request of Mr. ARMEY), for today, after 3:30, until 6 p.m., November 8, on account of attending a funeral.

Mr. GILLMOR (at the request of Mr. ARMEY), from today, 5 p.m., and for Saturday and Sunday, on account of personal reasons.

Mr. FORBES (at the request of Mr. ARMEY) for Thursday, November 6, until 6:30 p.m., on account of attending the dedication of the George Bush Presidential Library.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DEFAZIO) to revise and extend their remarks and include extraneous material:)

Mr. DEFAZIO, for 5 minutes, today.
Mr. LIPINSKI, for 5 minutes, today.
Mr. MCNULTY, for 5 minutes, today.
Mrs. CLAYTON, for 5 minutes, today.
Mr. POSHARD, for 5 minutes, today.
Mr. TRAFICANT, for 5 minutes, today.
Mr. FILNER, for 5 minutes, today.
Mr. SHERMAN, for 5 minutes, today.
Mr. LAFALCE, for 5 minutes, today.
Mr. TOWNS, for 5 minutes, today.
Mr. FAZIO, for 5 minutes, today.
Ms. KAPTUR, for 5 minutes, today.
Mr. SANDERS, for 5 minutes, today.
Ms. FURSE, for 5 minutes, today.
Mr. HOYER, for 5 minutes, today.
Mr. RUSH, for 5 minutes, today.
Mr. KUCINICH, for 5 minutes, today.

(The following Members (at the request of Mr. GIBBONS) to revise and extend their remarks and include extraneous material:)

Mr. SAXTON, for 5 minutes, each day, today and November 9.
Mr. GUTKNECHT, for 5 minutes, today.
Mr. GEKAS, for 5 minutes, today.
Mr. GIBBONS, for 5 minutes, today.
Mr. PORTMAN, for 5 minutes, today.
Mr. RIGGS, for 5 minutes, today.
Mr. KASICH, for 5 minutes, today.
Mr. DUNCAN, for 5 minutes, today.
Mr. PAPPAS, for 5 minutes, today.
Mr. MORAN, for 5 minutes, today.
Mr. SANFORD, for 5 minutes, today.

The following Member (at his own request) to revise and extend his remarks and include extraneous material:

Mr. DUNCAN, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. HANSEN, and to include therein extraneous material, notwithstanding the fact that it exceeds 2 pages of the RECORD and is estimated by the Public Printer to cost $3,334.00.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2367. An act to amend title 38, United States Code, to provide a cost-of-living adjustment in the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans.

H.J. Res. 101. Joint resolution making further continuing appropriations for the fiscal year 1998, and for other purposes.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on this day present to the President, for his approval, a bill and a joint resolution of the House of the following titles:

H.R. 2367. An act to amend title 38, United States Code, to provide a cost-of-living adjustment in the rates of disability compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for survivors of such veterans.

H.J. Res. 101. Joint resolution making further continuing appropriations for the fiscal year 1998, and for other purposes.

ADJOURNMENT

Mr. KOLBE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 13 minutes p.m.), under its previous order, the House adjourned until tomorrow, Saturday, November 8, 1997, at 12 noon.

NOTICE OF ADOPTION OF AMENDMENTS TO REGULATIONS

U.S. CONGRESS,
OFFICE OF COMPLIANCE,
Washington, DC, October 31, 1997.

Re notice of adoption of amendments under section 204 of the Congressional Accountability Act of 1995.

Hon. NEWT GINGRICH,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to section 304 of the Congressional Accountability Act of 1995 (the "Act"), 2 U.S.C. §1384, I am transmitting on behalf of the Board of Directors the enclosed notice of adoption of amendments to regulations under section 204 of the Act, together with a copy of the adopted amendments, for publication in the Congressional Record.

Section 304 specifies that the enclosed notice and amendments be published on the first day on which both the House of Representatives and the Senate are in session following this transmittal, and that the notice and amendments be referred to the appropriate committee or committees of the House and Senate for consideration of whether the amendments should be approved.

Sincerely,

GLEN D. NAGER,
Chair of the Board.

Enclosure.

OFFICE OF COMPLIANCE—THE CONGRESSIONAL ACCOUNTABILITY ACT OF 1995: EXTENSION OF RIGHTS AND PROTECTIONS UNDER THE EMPLOYEE POLYGRAPH PROTECTION ACT OF 1988

NOTICE OF ADOPTION OF AMENDMENTS TO REGULATIONS AND SUBMISSION FOR APPROVAL

Summary: The Board of Directors ("Board") of the Office of Compliance has adopted amendments to the Board's regulations implementing section 204 of the Congressional Accountability Act of 1995 ("CAA"), 2 U.S.C. §1314, and is hereby submitting the amendments to the House of Representatives and the Senate for publication in the CONGRESSIONAL RECORD and for approval. The CAA applies the rights and protections of eleven labor and employment and public access laws to covered employees and employing offices within the Legislative Branch, and section 204 applies rights and protections of the Employee Polygraph Protection Act of 1988 ("EPPA"). Section 204 will go into effect with respect to the General Accounting Office ("GAO") and the Library of Congress ("Library") on December 30, 1997, and these amendments extend the coverage of the Board's regulations under section 204 to include GAO and the Library. The amendments also make minor corrections to the regulations.

The Board has also adopted amendments to bring GAO and the Library within the coverage of the Board's regulations under sections 205 and 215 of the CAA, which apply the rights and protections, respectively, of the Worker Adjustment and Retraining Notification Act and the Occupational Safety and Health Act of 1970. To enable the House and Senate to consider and act on the amendments under sections 204, 205, and 215 separately, if the House and Senate so choose, the Board adopted the amendments under these three sections by three separate documents and is submitting the Notices for the amendments under sections 205 and 215 together with this Notice to the House and Senate for publication and approval.

For further information contact: Executive Director, Office of Compliance, John Adams Building, Room LA 200, Washington, D.C. 20540-1999. Telephone: (202) 724-9250 (voice), (202) 426-1912 (TTY).

SUPPLEMENTARY INFORMATION

1. Background and Purpose of this Rulemaking

The background and purpose of this rulemaking were described in detail in a Notice of Proposed Rulemaking published by the Board on September 9, 1997, at 143 CONG. REC. S9014 (daily ed. Sept. 9, 1997) ("NPRM"), and will be summarized here briefly. The CAA, enacted on January 23, 1995, applies the rights and protections of eleven labor and employment and public access laws to covered employees and employing offices in the Legislative Branch. Section 204 of the CAA, 2 U.S.C. §1314, applies the rights and protections of the Employee Polygraph Protection Act of 1988 ("EPPA") by providing, generally, that no employing office may require a covered employee to take a lie detector test where such a test would be prohibited if required by an employer under paragraph (1), (2), or (3) of section 3 of the EPPA, 29 U.S.C. §2002(1), (2), (3).

For most employing offices and covered employees, section 204 became effective on January 23, 1996, and the Board published interim regulations on January 22, 1997 and final regulations on April 23, 1996 to implement section 204 for those offices and employees. 142 CONG. REC. S260-62, S262-70) (daily ed. Jan. 22, 1996) (Notices of Adoption of Regulation and Submission for Approval and Issuance of Interim Regulations); 142 CONG. REC. S3917-24, S3924 (daily ed. Apr. 23, 1996) (Notices of Issuance of Final Regulations). However, with respect to GAO and the Library, section 204 will become effective on December 30, 1997, and the purpose of this rulemaking is to adopt regulations to implement section 204 with respect to GAO and the Library as well.

2. Description of Amendments

In the NPRM, the Board proposed that coverage of the existing regulations under section 204 be extended so that the same regulatory provisions would apply to GAO and the Library and their employees as now apply to other employing offices and covered employees. No comments were received, and the Board has adopted the amendments as proposed.

In the Board's regulations under section 204, the scope of coverage is established by the definitions of "employing office" in section 1.2(i) and "covered employee" in section 1.2(c), and the amendments add GAO and the Library and their employees into these definitions. In addition, as proposed in the NPRM, the amendments make minor corrections to the regulations.[1]

Recommended method of approval. The Board adopted three identical versions of the amendments, one amending the regulations that apply to the Senate and employees of the Senate, one amending the regulations that apply to the House of Representatives and employees of the House, and one amending the regulations that apply to other covered employees and employing offices, and the Board recommends, as it did in the NPRM: *(1)* that the version amending the regulations that apply to the Senate and employees of the Senate be approved by the Senate by resolution, *(2)* that the version amending the regulations that apply to the House and employees of the House be approved by the House by resolution, and *(3)* that the version amending the regulations that apply to other covered employees and employing offices be approved by the Congress by concurrent resolution.

Signed at Washington, D.C., on this 31st day of October, 1997.

GLEN D. NAGER,
Chair of the Board,
Office of Compliance.

The regulations implementing section 204 of the CAA, issued by publication in the CONGRESSIONAL RECORD on April 23, 1996 at 142 CONG. REC. S3917-24 (daily ed. Apr. 23, 1996), are amended by revising section 1.2(c) and the first sentence of section 1.2(i) to read as follows:

"*Sec. 1.2 Definitions*

* * * * *

"(c) The term *covered employee* means any employee of (1) the House of Representatives; (2) the Senate; (3) the Capitol Guide Service; (4) the Congressional Budget Office; (5) the Office of the Architect of the Capitol; (6) the Office of the Attending Physician; (7) the Office of Compliance; (8) the General Accounting Office; or (9) the Library of Congress.

* * * * *

"(i) The term *employing office* means (1) the personal office of a Member of the House of Representatives or of a Senator; (2) a committee of the House of Representatives or the Senate or a joint committee; (3) any other office headed by a person with the final authority to appoint, hire, discharge, and set the terms, conditions, or privileges of the employment of an employee of the House of Representatives or the Senate; (4) the Capitol Guide Board, the Congressional Budget Office, the Office of the Architect of the Capitol, the Office of the Attending Physician, and the Office of Compliance; (5) the General Accounting Office; or (6) the Library of Congress. * * *".

U.S. CONGRESS,
OFFICE OF COMPLIANCE,
Washington, DC, October 31, 1997.

Re Notice of adoption of amendments under section 205 of the Congressional Accountability Act of 1995.

Hon. NEWT GINGRICH,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to section 304 of the Congressional Accountability Act of 1995 (the "Act"), 2 U.S.C. §1384, I am transmitting on behalf of the Board of Directors the enclosed notice of adoption of amendments to regulations under section 205 of the Act, together with a copy of the adopted amendments, for publication in the Congressional Record.

Section 304 specifies that the enclosed notice and amendments be published on the first day on which both the House of Representatives and the Senate are in session following this transmittal, and that the notice and amendments be referred to the appropriate committee or committees of the House and Senate for consideration of whether the amendments should be approved.

Sincerely,

GLEN D. NAGER,
Chair of the Board.

Enclosure.

OFFICE OF COMPLIANCE

The Congressional Accountability Act of 1995: Extension of Rights and Protections Under the Worker Adjustment and Retraining Notification Act.

NOTICE OF ADOPTION OF AMENDMENTS TO REGULATIONS AND SUBMISSION FOR APPROVAL

Summary: The Board of Directors ("Board") of the Office of Compliance has adopted amendments to the Board's regulations implementing section 205 of the Congressional Accountability Act of 1995 ("CAA"), 2 U.S.C. §1315, and is hereby submitting the amendments to the House of Representatives and the Senate for publication in the Congressional Record and for approval. The CAA applies the rights and protections of eleven labor and employment and public access laws to covered employees and employing offices within the Legislative Branch, and section 205 applies rights and protections of the

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[1] In the definitions of "employing office" and "covered employee," the references to the Office of Technology Assessment and to employees of that Office are removed, as that Office no longer exists.

Worker Adjustment Retraining and Notification Act ("WARN Act"). Section 205 will go into effect with respect to the General Accounting Office ("GAO") and the Library of Congress ("Library") on December 30, 1997, and these amendments extend the coverage of the Board's regulations under section 205 to include GAO and the Library. The amendments also make a minor correction to the regulations.

The Board has also adopted amendments to bring GAO and the Library within the coverage of the Board's regulations under sections 204 and 215 of the CAA, which apply the rights and protections, respectively, of the Employee Polygraph Protection Act of 1988 and the Occupational Safety and Health Act of 1970. To enable the House and Senate to consider and act on the amendments under sections 204, 205, and 215 separately, if the House and Senate so choose, the Board adopted the amendments under these three sections by three separate documents and is submitting the Notices for the amendments under sections 204 and 215 together with this Notice to the House and Senate for publication and approval.

For further information contact: Executive Director, Office of Compliance, John Adams Building, Room LA 200, Washington, D.C. 20540-1999. Telephone: (202) 724-9250 (voice), (202) 426-1912 (TTY).

SUPPLEMENTARY INFORMATION

1. Background and Purpose of this Rulemaking

The background and purpose of this rulemaking were described in detail in a Notice of Proposed Rulemaking published by the Board on September 9, 1997, at 143 Cong. Rec. S9014 (daily ed. Sept. 9, 1997) ("NPRM'), and will be summarized here briefly. The CAA, enacted on January 23, 1995, applies the rights and protections of eleven labor and employment and public access laws to covered employees and employing offices in the Legislative Branch. Section 205 of the CAA, 2 U.S.C. §1315, applies the rights and protections of the Worker Adjustment and Retraining Notification Act ("WARN Act") by providing, generally, that no employing office shall be closed or a mass layoff ordered within the meaning of section 3 of the WARN Act, 29 U.S.C. §2102, until 60 days after the employing office has provided written notice to covered employees.

For most covered employees and employing offices, section 205 became effective on January 23, 1996, and the Board published interim regulations on January 22, 1997 and final regulations on April 23, 1996 to implement section 205 for those offices and employees. 142 Cong. Rec. S270–74) (daily ed. Jan. 22, 1996) (Notice of Adoption of Regulation and Submission for Approval and Issuance of Interim Regulations); 142 CONG. REC. S3949–52 (daily ed. Apr. 23, 1996) (Notice of Issuance of Final Regulations). However, with respect to GAO and the Library, section 205 will become effective on December 30, 1997, and the purpose of this rulemaking is to adopt regulations to implement section 205 with respect to GAO and the Library as well.

2. Description of Amendments

In the NPRM, the Board proposed that coverage of the existing regulations under section 205 be extended so that the same regulatory provisions would apply to GAO and the Library and their employees as now apply to other employing offices and covered employees. No comments were received, and the Board has adopted the amendments as proposed.

In the Board's regulations implementing section 205, the scope of coverage is established by the definition of "employing office" in section 639.3(a)(1), which, by referring to the definition of "employing office" in section 101(9) of the CAA, 2 U.S.C. §1301(9), includes all covered employees and employing offices other than GAO and the Library. The amendments add to this regulatory provision a reference to section 205(a)(2) of the CAA, which, for purposes of section 205, adds GAO and the Library into the definition of "employing office." In addition, as proposed in the NPRM, the amendments make a minor correction to the regulations.[1]

Recommended method of approval. The Board adopted three identical versions of the amendments, one amending the regulations that apply to the Senate and employees of the Senate, one amending the regulations that apply to the House of Representatives and employees of the House, and one amending the regulations that apply to other covered employees and employing offices, and the Board recommends, as it did in the NPRM, *(1)* that the version amending the regulations that apply to the Senate and employees of the Senate be approved by the Senate by resolution, *(2)* that the version amending the regulations that apply to the House and employees of the House be approved by the House by resolution, and *(3)* that the version amending the regulations that apply to other covered employees and employing offices be approved by the Congress by concurrent resolution.

Signed at Washington, D.C., on this 31st day of October, 1997.

GLEN D. NAGER,
Chair of the Board,
Office of Compliance.

The regulations implementing section 205 of the CAA, issued by publication in the CONGRESSIONAL RECORD on April 23, 1996 at 142 CONG. REC. S3949–52 (daily ed. Apr. 23, 1996), are amended by revising the title at the beginning of the regulations and the introductory text of the first sentence of section 639.3(a)(1) to read as follows:

"APPLICATION OF RIGHTS AND PROTECTIONS OF THE WORKER ADJUSTMENT AND RETRAINING NOTIFICATION ACT

* * * * *

"*§639.3 Definitions.*

"(a) *Employing office.* (1) The term "employing office" means any of the entities listed in section 101(9) of the CAA, 2 U.S.C. §1301(9), and either of the entities included in the definition of "employing office" by section 205(a)(2) of the CAA, 2 U.S.C. §1315(a)(2), that employs—

"(1) * * *".

U.S. CONGRESS,
OFFICE OF COMPLIANCE,
Washington, DC, October 31, 1997.

Re notice of adoption of amendments under section 215 of the Congressional Accountability Act of 1995.

Hon. NEWT GINGRICH,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to section 304 of the Congressional Accountability Act of 1995 (the "Act"), 2 U.S.C. §1384, I am transmitting on behalf of the Board of Directors the enclosed notice of adoption of amendments to regulations under section 215 of the Act, together with a copy of the adopted amendments, for publication in the Congressional Record.

Section 304 specifies that the enclosed notice and amendments be published on the first day on which both the House of Representatives and the Senate are in session following this transmittal, and that the notice and amendments be referred to the appropriate committee or committees of the House and Senate for consideration of whether the amendments should be approved.

Sincerely,

GLEN D. NAGER,
Chair of the Board.

Enclosure.

OFFICE OF COMPLIANCE

The Congressional Accountability Act of 1995: Extension of Rights and Protections Under the Occupational Safety and Health Act of 1970.

NOTICE OF ADOPTION OF AMENDMENTS TO REGULATIONS AND SUBMISSION FOR APPROVAL

Summary: The Board of Directors ("Board") of the Office of Compliance has adopted amendments to the Board's regulations implementing section 215 of the Congressional Accountability Act of 1995 ("CAA"), 2 U.S.C. §1341, and is hereby submitting the amendments to the House of Representatives and the Senate for publication in the CONGRESSIONAL RECORD and for approval. The CAA applies the rights and protections of eleven labor and employment and public access laws to covered employees and employing offices within the Legislative Branch, and section 215 applies rights and protections of the Occupational Safety and Health Act of 1970 ("OSHAct"). Section 215 will go into effect with respect to the General Accounting Office ("GAO") and the Library of Congress ("Library") on December 30, 1997, and these amendments extend the coverage of the Board's regulations under section 215 to include GAO and the Library. The amendments also make minor corrections and changes to the regulations.

The Board has also adopted amendments to bring GAO and the Library within the coverage of the Board's regulations under sections 204 and 205 of the CAA, which apply the rights and protections, respectively, of the Employee Polygraph Protection Act of 1988 and the Worker Adjustment and Retraining Notification Act. To enable the House and Senate to consider and act on the amendments under sections 204, 205, and 215 separately, if the House and Senate so choose, the Board adopted the amendments under these three sections by three separate documents and is submitting the Notices for the amendments under sections 204 and 205 together with this Notice to the House and Senate for publication and approval.

For further information contact: Executive Director, Office of Compliance, John Adams Building, Room LA 200, Washington, D.C. 20540-1999. Telephone: (202) 724-9250 (voice), (202) 426-1912 (TTY).

SUPPLEMENTARY INFORMATION

1. Background and Purpose of this Rulemaking

The background and purpose of this rulemaking were described in detail in a Notice of Proposed Rulemaking published by the Board on September 9, 1997, at 143 CONG. REC. S9014 (daily ed. Sept. 9, 1997) ("NPRM"), and will be summarized here briefly. The CAA, enacted on January 23, 1995, applies the rights and protections of eleven labor and employment and public access laws to covered employees and employing offices in the Legislative Branch. Section 215 of the CAA, 2 U.S.C. §1341, applies the rights and protections of the Occupational Safety and Health Act of 1970 ("OSHAct") by providing, generally, that each employing office and each covered employee must comply with the provisions of section 5 of the OSHAct, 29 U.S.C. §654.

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[1] The title at the beginning of the regulations is being corrected.

For most covered employees and employing offices, section 215 became effective on January 1, 1997, and the Board adopted regulations published on January 7, 1997 to implement section 215 for those offices and employees. 143 Cong. Rec. S61-70 (Jan. 7, 1997) (Notice of Adoption and Submission for Approval). However, with respect to GAO and the Library, section 215 will become effective on December 30, 1997, and the purpose of this rulemaking is to adopt regulations to implement section 215 with respect to GAO and the Library as well.

2. Description of Amendments

In the NPRM, the Board proposed that coverage of the existing regulations under section 215 be extended so that the same regulatory provisions would apply to GAO and the Library and their employees as would apply to other employing offices and covered employees. No comments were received, and the Board has adopted the amendments as proposed.

In the Board's regulations implementing section 215, the scope of coverage is established by the definitions of "covered employee" in section 1.102(c) and "employing office" in section 1.102(i) and by the listings in sections 1.102(j) and 1.103 of entities that are included as employing offices if responsible for correcting a violation of section 215 of the CAA, and the amendments add GAO and the Library and their employees into these definitions and listings. In addition, in the provisions of the Board's regulations that cross-reference the Secretary of Labor's regulations under the OSHAct, the amendments correct several editorial and technical errors and incorporate recent changes in the Secretary's regulations, and the amendments make other typographical and minor corrections to the Board's regulations.[1]

Recommended method of approval. The Board adopted three identical versions of the amendments, one amending the regulations that apply to the Senate and employees of the Senate, one amending the regulations that apply to the House of Representatives and employees of the House, and one amending the regulations that apply to other covered employees and employing offices, and the Board recommends, as it did in the NPRM, *(1)* that the version amending the regulations that apply to the Senate and employees of the Senate be approved by the Senate by resolution, *(2)* that the version amending the regulations that apply to the House and employees of the House be approved by the House by resolution, and *(3)* that the version amending the regulations that apply to other covered employees and employing offices be approved by the Congress by concurrent resolution. The Board's regulations under section 215 have not yet been approved by the House and Senate, and, if the regulations remain unapproved when the amendments come before the House and Senate for consideration, the Board recommends that the House and Senate approve the amendments together with the regulations.

Signed at Washington, D.C., on this 31st day of October, 1997.

Glen D. Nager,
Chair of the Board,
Office of Compliance.

The regulations implementing section 215 of the CAA, adopted and published in the Congressional Record on January 7, 1997 at 143 Cong. Rec. S61, 66-69 (daily ed. Jan. 7, 1997), are amended as follows:

1. Extension of coverage.—By revising sections 1.102(c), (i), and (j) and 1.103 to read as follows:

"*§1.102 Definitions.*

*   *   *   *   *

"(c) The term *covered employee* means any employee of (1) the House of Representatives; (2) the Senate; (3) the Capitol Guide Service; (4) the Capitol Police; (5) the Congressional Budget Office; (6) the Office of the Architect of the Capitol; (7) the Office of the Attending Physician; (8) the Office of Compliance; (9) the General Accounting Office; and (10) the Library of Congress.

*   *   *   *   *

"(i) The term *employing office* means: (1) the personal office of a Member of the House of Representatives or of a Senator; (2) a committee of the House of Representatives or the Senate or a joint committee; (3) any other office headed by a person with the final authority to appoint, hire, discharge, and set the terms, conditions, or privileges of the employment of an employee of the House of Representatives or the Senate; (4) the Capitol Guide Board, the Congressional Budget Office, the Office of the Architect of the Capitol, the Office of the Attending Physician, and the Office of Compliance; (5) the General Accounting Office; or (6) the Library of Congress."

*   *   *   *   *

"(j) The term *employing office* includes any of the following entities that is responsible for the correction of a violation of section 215 of the CAA (as determined under section 1.106), irrespective of whether the entity has an employment relationship with any covered employee in any employing office in which such violation occurs: (1) each office of the Senate, including each office of a Senator and each committee; (2) each office of the House of Representatives, including each office of a Member of the House of Representatives and each committee; (3) each joint committee of the Congress; (4) the Capitol Guide Service; (5) the Capitol Police; (6) the Congressional Budget office; (7) the Office of the Architect of the Capitol (including the Senate Restaurants and the Botanic Garden); (8) the Office of the Attending Physician; (9) the Office of Compliance; (10) the General Accounting Office; and (11) the Library of Congress.

*   *   *   *   *

"*§1.103 Coverage.*

"The coverage of Section 215 of the CAA extends to any "covered employee." It also extends to any "covered employing office," which includes any of the following entities that is responsible for the correction of a violation of section 215 (as determined under section 1.106), irrespective of whether the entity has an employment relationship with any covered employee in any employing office in which such a violation occurs:

"(1) each office of the Senate, including each office of a Senator and each committee;

"(2) each office of the House of Representatives, including each office of a Member of the House of Representatives and each committee;

"(3) each joint committee of the Congress;

"(4) the Capitol Guide Service;

"(5) the Capitol Police;

"(6) the Congressional Budget Office;

"(7) the Office of the Architect of the Capitol (including the Senate Restaurants and the Botanic Garden);

"(8) the Office of the Attending Physician;

"(9) the Office of Compliance;

"(10) the General Accounting Office; and

"(11) the Library of Congress.".

2. Corrections to cross-references.—By making the following amendments in Appendix A to Part 1900, which is entitled "References to Sections of Part 1910, 29 CFR, ADOPTED AS OCCUPATIONAL SAFETY AND HEALTH STANDARDS UNDER SECTION 215(d) of the CAA":

(a) After "1910.1050 Methylenedianiline." insert the following:

"1910.1051 1,3-Butadinene.
"1910.1052 Methylene chloride.".

(b) Strike "1926.63—Cadmium (This standard has been redesignated as 1926.1127)." and insert instead the following:

"1926.63 [Reserved]".

(c) Strike "Subpart L—Scaffolding", "1926.450 [Reserved]", "1926.451 Scaffolding.", "1926.452 Guardrails, handrails, and covers.", and "1926.453 Manually propelled mobile ladder stands and scaffolds (towers)." and insert instead the following:

"Subpart L—Scaffolds

"1926.450	Scope, application, and definitions applicable to this subpart.
"1926.451	General requirements.
"1926.452	Additional requirements applicable to specific types of scaffolds.
"1926.453	Aerial lifts.
"1926.454	Training.".

(d) Strike "1926.556 Aerial lifts.".

(e) Strike "1926.753 Safety Nets.".

(f) Strike "Appendix A to Part 1926—Designations for General Industry Standards" and insert instead the following:

"APPENDIX A TO PART 1926—DESIGNATIONS FOR GENERAL INDUSTRY STANDARDS INCORPORATED INTO BODY OF CONSTRUCTION STANDARDS".

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

5806. A letter from the Acting Administrator, Food and Consumer Service, transmitting the Service's final rule—Commodity Supplemental Food Program—Caseload Assignment (RIN: 0584-AC60) received October 27, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

5807. A letter from the Acting Assistant Secretary for Command, Control, Communications, and Intelligence, Department of Defense, transmitting a report describing the support services other than telecommunications provided to the White House by the Department of Defense through the White House Communications Agency for the 4th quarter of FY 1997, pursuant to Public Law 104—201, section 912; to the Committee on National Security.

5808. A letter from the Secretary of Health and Human Services, transmitting the Department's report entitled "Model Comprehensive Program for the Treatment of Substance Abuse, Metropolitan Area Treatment Enhancement System (MATES)" for

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[1] In the definition of "employing office" in section 1.102(i), "the Senate" is stricken from clause (1) and "of a Senator" is inserted instead, and "or a joint committee" is stricken from that clause, for conformity with the text of section 101(9)(A) of the CAA, 2 U.S.C. §1301(9)(A). In section 1.102(j), "a violation of this section" is stricken and "a violation of section 215 of the CAA (as determined under section 1.106)" is inserted instead, for consistency with the language in section 1.103 of the regulations.

Fiscal Year 1996, pursuant to Public Law 102—321, section 301 (106 Stat. 419); to the Committee on Commerce.

5809. A letter from the Director, Administration and Management, Department of Defense, transmitting the Department's final rule—Defense Special Weapons Agency Privacy Program [DSWA Instruction 5400.11B] received October 22, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform and Oversight.

5810. A letter from the Board Members, Railroad Retirement Board, transmitting the Board's annual report on the Program Fraud Civil Remedies Act for fiscal year 1997, pursuant to 31 U.S.C. 3810; to the Committee on Government Reform and Oversight.

5811. A letter from the Acting Assistant Secretary (Civil Works), Department of the Army, transmitting a letter stating that an emergency exists at Devils Lake, North Dakota, pursuant to Public Law 93—288, section 102; to the Committee on Transportation and Infrastructure.

5812. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule— Miscellaneous Educational Revisions (RIN: 2900–AI69) received October 27, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

5813. A letter from the Acting Administrator, Food and Consumer Service, transmitting the Service's final rule—Food Distribution Programs—Reduction of the Paperwork Burden (RIN: 0584–AB27) received October 14, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Agriculture and Education and the Workforce.

5814. A letter from the Secretary of Health and Human Services, transmitting the Department's "Major" final rule—Medicare Program; Revisions to Payment Policies and Adjustments to the Relative Value Units Under the Physician Fee Schedule, Other Part B Payment Policies, and Establishment of the Clinical Psychologist Fee Schedule for Calendar Year 1998 [BPD–884–FC] (RIN: 0938–AH94) received October 30, 1997, pursuant to 5 U.S.C. 801(a)(1)(A); jointly to the Committees on Commerce and Ways and Means.

5815. A letter from the Chair of the Board, Office of Compliance, transmitting notice of adoption of amendments to regulations under section 205 of the Congressional Accountability Act of 1995 for publication in the Congressional Record, pursuant to Public Law 104—1, section 303(b) (109 Stat. 28); jointly to the Committees on House Oversight and Education and the Workforce.

5816. A letter from the Chair of the Board, Office of Compliance, transmitting notice of adoption of amendments to regulations under section 215 of the Congressional Accountability Act of 1995 for publication in the Congressional Record, pursuant to Public Law 104—1, section 303(b) (109 Stat. 28); jointly to the Committees on House Oversight and Education and the Workforce.

5817. A letter from the Chair of the Board, Office of Compliance, transmitting notice of adoption of amendments to regulations under section 204 of the Congressional Accountability Act of 1995 for publication in the Congressional Record, pursuant to Public Law 104—1, section 303(b) (109 Stat. 28); jointly to the Committees on House Oversight and Education and the Workforce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SMITH of Texas: Committee on the Judiciary. H.R. 2578. A bill to amend the Immigration and Nationality Act to extend the visa waiver pilot program, and to provide for the collection of data with respect to the number of non-immigrants who remain in the United States after the expiration of the period of stay authorized by the Attorney General (Rept. 105–387). Referred to the Committee of the Whole House on the State of the Union.

Mr. BURTON: Committee on Government Reform and Oversight. Gulf war veterans' illnesses: VA, DOD, continue to resist strong evidence linking toxic causes to chronic health effects (Rept. 105–388). Referred to the Committee of the Whole House on the State of the Union.

Mr. GEKAS: Committee on the Judiciary. House Joint Resolution 95. Resolution granting the consent of Congress to the Chickasaw Trail Economic Development Compact (Rept. 105–389). Referred to the House Calendar.

Mr. LIVINGSTON: Committee of Conference. Conference report on H.R. 2264. A bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1998, and for other purposes (Rept. 105–390). Ordered to be printed.

Mr. PRYCE of Ohio: Committee on Rules. House Resolution 311. Resolution providing for consideration of certain resolutions in preparation for the adjournment of the first session sine die (Rept. 105–391). Referred to the House Calendar.

Mr. LEACH: Committee of Conference. Conference report on S. 1026. An act to reauthorize the Export-Import Bank of the United States (Rept. 105–392). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of Rule X and clause 4 of Rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. BALLENGER (for himself, Mr. Hall of Texas, Mr. Stenholm, Mr. Norwood, Mr. Barrett of Nebraska, Mr. Paul, Mr. DeLay, Mr. Bob Schaffer, Mr. Hoekstra, Mr. Graham, Mr. Istook, Mr. Fawell, and Mr. Boehner):

H.R. 2864. A bill to require the Secretary of Labor to establish a program under which employers may consult with State officials respecting compliance with occupational safety and health requirements; to the Committee on Education and the Workforce.

By Mr. FOX of Pennsylvania:

H.R. 2865. A bill to amend the Federal Election Campaign Act of 1971 to prohibit any individual from making a contribution to a candidate for election for Federal office which is not accompanied by a written certification that the contribution consists solely of personal funds of the individual; to the Committee on House Oversight.

By Mr. CALVERT (for himself, Mr. Pombo, Mr. McKeon, Mr. Radanovich, Mr. Gilchrest, Mr. Horn, Mr. Royce, Mr. Rohrabacher, Mr. Bilbray, and Mr. Gallegly):

H.R. 2866. A bill to amend the Federal Election Campaign Act of 1971 to require candidates for election for the House of Representatives or the Senate to raise at least 50 percent of their contributions from individuals residing in the district or State involved, and for other purposes; to the Committee on House Oversight.

By Mr. GILMAN:

H.R. 2867. A bill to amend the Foreign Assistance Act of 1961 to target assistance to support the economic and political independence of the countries of the South Caucasus and Central Asia; to the Committee on International Relations.

By Mr. PAUL:

H.R. 2868. A bill to amend the Federal Food, Drug, and Cosmetic Act to allow consumers greater access to information regarding the health benefits of foods and dietary supplements; to the Committee on Commerce.

By Mr. BALLENGER (for himself, Mr. Hall of Texas, Mr. Stenholm, Mr. Norwood, Mr. Barrett of Nebraska, Mr. Paul, Mr. DeLay, Mr. Bob Schaffer, Mr. Hoekstra, Mr. Graham, Mr. Istook, Mr. Fawell, Mr. Greenwood, and Mr. Boehner):

H.R. 2869. A bill to amend the Occupational Safety and Health Act of 1970 to exempt safety and health assessments, audits, and reviews conducted by or for an employer from enforcement action under such Act; to the Committee on Education and the Workforce.

By Mr. PORTMAN (for himself, Mr. Kasich, and Mr. Hamilton):

H.R. 2870. A bill to amend the Foreign Assistance Act of 1961 to facilitate protection of tropical forests through debt reduction with developing countries with tropical forests; to the Committee on International Relations.

By Mr. BALLENGER (for himself, Mr. Hall of Texas, Mr. Stenholm, Mr. Norwood, Mr. Barrett of Nebraska, Mr. Paul, Mr. DeLay, Mr. Bob Schaffer, Mr. Hoekstra, Mr. Graham, Mr. Istook, Mr. Fawell, and Mr. Boehner):

H.R. 2871. A bill to amend the Occupational Safety and Health Act of 1970 to provide for the establishment of advisory panels for the Secretary of Labor; to the Committee on Education and the Workforce.

By Mr. FOX of Pennsylvania:

H.R. 2872. A bill to amend the Internal Revenue Code of 1986 to allow employers a credit for a portion of the expenses of providing dependent care services to employees, and for other purposes; to the Committee on Ways and Means, and in addition to the Committee on Appropriations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BALLENGER (for himself, Mr. Hall of Texas, Mr. Stenholm, Mr. Norwood, Mr. Barrett of Nebraska, Mr. Paul, Mr. DeLay, Mr. Bob Schaffer, Mr. Hoekstra, Mr. Graham, Mr. Istook, Mr. Fawell, and Mr. Boehner):

H.R. 2873. A bill to amend the Occupational Safety and Health Act of 1970; to the Committee on Education and the Workforce.

By Mr. ACKERMAN (for himself, Mr. Coburn, Mr. Abercrombie, Mr. Bartlett of Maryland, Mr. Becerra, Mr. Bishop, Mr. Bono, Mr. Brown of Ohio, Mr. Burton of Indiana, Mr. Clyburn, Mr. Cook, Mr. Cramer, Mr. DeFazio, Mr. Dellums, Mr. Deutsch, Ms. Eshoo, Mr. Farr of California, Mr. Fazio of California, Mr. Foglietta, Mr. Ford, Mr. Frank of Massachusetts, Mr. Frost, Mr. Graham, Mr.

Green, Mr. Gutierrez, Mr. Hefner, Mr. Hinchey, Mr. Hoyer, Mr. Jefferson, Ms. EDDIE BERNICE Johnson of Texas, Ms. Kaptur, Mrs. Kelly, Mr. Kennedy of Rhode Island, Ms. Kilpatrick, Mr. Kind of Wisconsin, Mr. Kucinich, Mr. LaFalce, Mr. Lampson, Mr. Lazio of New York, Mr. Lewis of Georgia, Mrs. Lowey, Mrs. McCarthy of New York, Ms. McKinney, Mr. McNulty, Mrs. Meek of Florida, Mr. Menendez, Mr. Miller of California, Mr. Nadler, Mr. Ortiz, Mr. Owens, Mr. Pallone, Mr. Paxon, Ms. Rivers, Mr. Rodriguez, Ms. Ros-Lehtinen, Mr. Rothman, Mr. Sanders, Mr. Sawyer, Mr. Schumer, Mr. Serrano, Mr. Sherman, Ms. Slaughter, Mr. Tanner, Mr. Taylor of Mississippi, Mr. Thompson, Mr. Turner, Ms. Velázquez, Mr. Walsh, Mr. Waxman, and Mr. Wexler):

H.R. 2874. A bill to provide for prompt disclosure to insured individuals of their medical conditions after undergoing medical examinations necessary to qualify for insurance coverage; to the Committee on Commerce, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BALLENGER (for himself, Mr. Hall of Texas, Mr. Stenholm, Mr. Norwood, Mr. Barrett of Nebraska, Mr. Paul, Mr. DeLay, Mr. Bob Schaffer, Mr. Hoekstra, Mr. Graham, Mr. Istook, Mr. Fawell, and Mr. Boehner):

H.R. 2875. A bill to amend the Occupational Safety and Health Act of 1970; to the Committee on Education and the Workforce.

By Mr. ANDREWS:

H.R. 2876. A bill to promote food safety through continuation of the Food Animal Residue Avoidance Database program operated by the Secretary of Agriculture; to the Committee on Agriculture.

By Mr. BALLENGER (for himself, Mr. Hall of Texas, Mr. Stenholm, Mr. Norwood, Mr. Barrett of Nebraska, Mr. Paul, Mr. DeLay, Mr. Bob Schaffer, Mr. Hoekstra, Mr. Graham, Mr. Istook, Mr. Fawell, Mr. Greenwood, and Mr. Boehner):

H.R. 2877. A bill to amend the Occupational Safety and Health Act of 1970; to the Committee on Education and the Workforce.

By Mr. ANDREWS (for himself and Mr. Menendez):

H.R. 2878. A bill to amend the Elementary and Secondary Education Act of 1965 to establish a loan program and a bond guarantee program to assist local educational agencies in the construction, reconstruction, and renovation of public elementary and secondary schools; to the Committee on Education and the Workforce.

By Mr. BALLENGER (for himself, Mr. Hall of Texas, Mr. Stenholm, Mr. Norwood, Mr. Barrett of Nebraska, Mr. Paul, Mr. DeLay, Mr. Bob Schaffer, Mr. Hoekstra, Mr. Graham, Mr. Istook, Mr. Fawell, Mr. Greenwood, and Mr. Boehner):

H.R. 2879. A bill to amend the Occupational Safety and Health Act of 1970; to the Committee on Education and the Workforce.

By Mr. ANDREWS:

H.R. 2880. A bill to amend title 23, United States Code, to encourage States to require background checks requested in connection with the Brady Handgun Violence Prevention Act; to the Committee on Transportation and Infrastructure.

By Mr. BALLENGER (for himself, Mr. Hall of Texas, Mr. Stenholm, Mr. Norwood, Mr. Barrett of Nebraska, Mr. Paul, Mr. DeLay, Mr. Bob Schaffer, Mr. Hoekstra, Mr. Graham, Mr. Istook, Mr. Fawell, Mr. Greenwood, and Mr. Boehner):

H.R. 2881. A bill to amend the Occupational Safety and Health Act of 1970; to the Committee on Education and the Workforce.

By Mr. BONO:

H.R. 2882. A bill to amend chapter 1 of title 9 of the United States Code to permit each party to certain contracts to accept or reject arbitrations as a means of settling disputes under the contracts; to the Committee on the Judiciary.

By Mr. BURTON of Indiana (for himself, Mr. Armey, Mr. Horn, and Mr. Sessions):

H.R. 2883. A bill to amend provisions of law enacted by the Government Performance and Results Act of 1993 to improve Federal agency strategic plans and performance reports; to the Committee on Government Reform and Oversight.

By Mr. CRANE:

H.R. 2884. A bill to amend the Internal Revenue Code of 1986 to limit the tax rate for certain small businesses, and for other purposes; to the Committee on Ways and Means.

By Mr. DAVIS of Virginia:

H.R. 2885. A bill to authorize the establishment of a Cold War memorial; to the Committee on Resources.

By Mr. DOOLITTLE:

H.R. 2886. A bill to provide for a demonstration project in the Stanislaus National Forest, California, under which a private contractor will perform multiple resource management activities for that unit of the National Forest System; to the Committee on Resources.

By Mr. EVANS (for himself, Mr. Filner, Mr. Mascara, Mr. Reyes, and Mr. Rodriguez):

H.R. 2887. A bill to amend title 38, United States Code, to require certain contracts of the Department of Veterans Affairs to be subject to the same procurement law applicable to other departments and agencies of the Federal Government; to the Committee on Veterans' Affairs.

By Mr. FAWELL (for himself and Mr. Andrews):

H.R. 2888. A bill to amend the Fair Labor Standards Act of 1938 to exempt from the minimum wage recordkeeping and overtime compensation requirements certain specialized employees; to the Committee on Education and the Workforce.

By Mr. GEKAS:

H.R. 2889. A bill to establish a commission to recommend a strategy for the global eradication of disease; to the Committee on Commerce.

By Mr. GOODLING (for himself and Mr. Gekas):

H.R. 2890. A bill to amend title 18, United States Code, to provide a mandatory minimum prison sentence for certain wiretapping or electronic surveillance offenses by Federal officers or employees; to the Committee on the Judiciary.

By Mr. GRAHAM (for himself and Mr. Ehrlich):

H.R. 2891. A bill to amend the Fair Labor Standards Act of 1938 to provide a limited overtime exemption for employees performing emergency medical services; to the Committee on Education and the Workforce.

By Mr. HALL of Ohio (for himself, Mr. Smith of New Jersey, and Mr. Hunter):

H.R. 2892. A bill to amend title 18, United States Code, with respect to the dissemination of indecent material on cable television; to the Committee on the Judiciary.

By Mr. HASTINGS of Washington:

H.R. 2893. A bill to amend the Native American Graves Protection and Repatriation Act to provide for appropriate study and repatriation of remains for which a cultural affiliation is not readily ascertainable; to the Committee on Resources.

By Mr. HERGER (for himself and Mr. Pombo):

H.R. 2894. A bill to amend the Endangered Species Act of 1973 to enable Federal agencies responsible for the preservation of threatened species and endangered species to rescue and relocate members of any of those species that would be taken in the course of certain reconstruction, maintenance, or repair of Federal or non-Federal manmade flood control levees; to the Committee on Resources.

By Mr. KILDEE:

H.R. 2895. A bill to provide for the establishment of the National Lighthouse Museum; to the Committee on Transportation and Infrastructure.

By Ms. KILPATRICK (for herself, Mr. Frost, and Ms. Millender-McDonald):

H.R. 2896. A bill to authorize the Secretary of Defense to make military helicopters and their crews available to State and local law enforcement agencies to assist in law enforcement and rescue operations; to the Committee on National Security.

By Mr. LEWIS of Georgia (for himself, Mr. Yates, Mr. Stark, Mrs. Maloney of New York, Mr. Davis of Illinois, and Mr. Faleomavaega):

H.R. 2897. A bill to amend the Internal Revenue Code of 1986 to impose an excise tax on persons who operate vending machines that dispense tobacco products; to the Committee on Ways and Means.

By Mr. LUTHER (for himself, Mr. Kasich, Mr. Dellums, and Mr. Foley):

H.R. 2898. A bill to limit production of the B-2 bomber; to the Committee on National Security.

By Mr. MALONEY of Connecticut (for himself and Mr. Shays):

H.R. 2899. A bill to amend the Harmonized Tariff Schedule of the United States to provide for reduced duty treatment for certain fully assembled bicycle wheels; to the Committee on Ways and Means.

By Mrs. MALONEY of New York (for herself, Ms. Slaughter, Mr. Walsh, Ms. Norton, Mr. Sanders, Ms. Jackson-Lee, Mr. Brown of California, Ms. Eddie Bernice Johnson of Texas, Mr. Yates, Ms. Christian-Green, Mr. Dellums, Mrs. Mink of Hawaii, Mr. Pascrell, Ms. Millender-McDonald, and Mr. Engel):

H.R. 2900. A bill to provide for research to determine the extent to which the presence of dioxin, synthetic fibers, and other additives in tampons and similar products used by women with respect to menstruation pose any risks to the health of women, including risks relating to cervical cancer, endometriosis, infertility, ovarian cancer, breast cancer, immune system deficiencies, pelvic inflammatory disease, and toxic shock syndrome, and for other purposes; to the Committee on Commerce.

By Mr. MCDADE (for himself, Mr. Klug, and Ms. Eshoo):

H.R. 2901. A bill to improve cellular telephone service in selected rural areas and to achieve equitable treatment of certain cellular license applicants; to the Committee on Commerce.

By Mr. MCDERMOTT (for himself, Mr. Bartlett of Maryland, Mr. Klug, Mrs. Thurman, Mrs. Tauscher, Mr. Miller of California, and Mr. Waxman):

H.R. 2902. A bill to amend the Internal Revenue Code of 1986 to apply the energy credit to small wind turbines; to the Committee on Ways and Means.

By Mr. MORAN of Kansas (for himself, Mr. Tiahrt, Mr. Ryun, and Mr. Snowbarger):

H.R. 2903. A bill to provide relief from unfair interest and penalties on refunds retroactively ordered by the Federal Energy Regulatory Commission; to the Committee on Commerce.

By Mr. NADLER:

H.R. 2904. A bill to make an exception to the United States embargo on trade with Cuba for the export of medicines or medical supplies, instruments, or equipment, and for other purposes; to the Committee on International Relations.

By Mr. NADLER:

H.R. 2905. A bill to provide for comprehensive reform for managed health care plans; to the Committee on Ways and Means, and in addition to the Committees on Commerce, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. NEUMANN:

H.R. 2906. A bill to authorize and direct the Director of the Office of Management and Budget to reduce nondefense discretionary spending limits by two percentage points for each of fiscal years 1999 through 2002; to the Committee on the Budget.

By Mr. NEUMANN:

H.R. 2907. A bill to require the destruction of the United States stockpile of landmines other than self-destructive landmines and to prohibit the acquisition of such landmines in the future; to the Committee on National Security, and in addition to the Committee on International Relations, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. NUSSLE:

H.R. 2908. A bill to amend title XVIII of the Social Security Act to repeal the restriction on payment for certain hospital discharges to post-acute care imposed by section 4407 of the Balanced Budget Act of 1997; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PALLONE (for himself, Mr. Campbell, Mr. Franks of New Jersey, Mr. Andrews, Mr. Pascrell, Mr. Saxton, Mr. Payne, Mr. Waxman, Mr. Smith of New Jersey, Mr. Rothman, Mr. Pappas, Mrs. Roukema, Mr. LoBiondo, Mr. Menendez, and Mr. Frelinghuysen):

H.R. 2909. A bill to amend the Federal Power Act to establish requirements regarding the operation of certain electric generating facilities, and for other purposes; to the Committee on Commerce.

By Mr. PALLONE (for himself, Mr. Sanders, and Mr. Allen):

H.R. 2910. A bill to reduce the risk of mercury pollution through use reduction, increased recycling, and reduction of emissions into the environment, and for other purposes; to the Committee on Commerce, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. POMBO (for himself and Mr. Herger):

H.R. 2911. A bill to amend the Endangered Species Act of 1973 to improve the ability of individuals and local, State, and Federal agencies to prevent natural flood disasters; to the Committee on Resources.

By Mr. RAHALL (for himself, Mr. Poshard, Mr. Mollohan, Mrs. Clayton, Ms. Kilpatrick, Mr. McIntyre, Mr. Frost, Mr. Costello, Mr. Clement, Mr. Baesler, Mr. Aderholt, Mr. Boucher, and Mr. Cramer):

H.R. 2912. A bill to amend the Balanced Budget Act of 1997 to reinstate payment under Medicare for home health services consisting of venipuncture solely for the purpose of obtaining a blood sample, and to require the Secretary of Health and Human Services to study potential fraud and abuse under the Medicare Program with respect to such services; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. RAMSTAD:

H.R. 2913. A bill to amend the Internal Revenue Code of 1986 to clarify the mortgage subsidy bond benefits for residences located in disaster areas; to the Committee on Ways and Means.

By Mr. SAXTON (for himself, Mr. Abercrombie, Mr. LoBiondo, Mr. Evans, Mrs. Lowey, Mr. Hinchey, Mr. Kennedy of Rhode Island, Mr. Kildee, Mr. Goss, Mr. Faleomavaega, Mr. Sanders, Mr. Dellums, Mr. Shays, Mrs. Morella, Mr. Underwood, Mr. Serrano, Ms. Woolsey, Mr. Ehlers, Ms. Pryce of Ohio, Mr. Smith of New Jersey, Mr. Ackerman, Mr. Davis of Virginia, Ms. Rivers, Mr. DeFazio, Mr. Franks of New Jersey, Mr. Gilchrest, Mr. Yates, Ms. Eshoo, Ms. Pelosi, Ms. Millender-McDonald, Mr. Fawell, Mrs. Meek of Florida, Mr. Barrett of Wisconsin, Ms. Norton, and Mr. Moran of Virginia):

H.R. 2914. A bill to improve the governmental environmental research and information by organizing a National Institute for the Environment, and for other purposes; to the Committee on Science.

By Mr. Dan SCHAEFER of Colorado:

H.R. 2915. A bill to extend certain programs under the Energy Policy and Conservation Act and the Energy Conservation and Production Act; to the Committee on Commerce.

By Mr. Bob SCHAFFER (for himself, Mr. Skaggs, and Mr. McInnis):

H.R. 2916. A bill to provide for the conveyance of an unused Air Force housing facility in La Junta, Colorado, to the City of La Junta; to the Committee on National Security.

By Mr. SHAYS:

H.R. 2917. A bill to temporarily increase the number of visas available for backlogged spouses and children of lawful permanent resident aliens and to provide for certain limitations on the adjustment of status of nonimmigrants physically present in the United States to permanent residence; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey:

H.R. 2918. A bill to amend the Internal Revenue Code of 1986 to increase the amount of the deduction allowed for meals and entertainment expenses; to the Committee on Ways and Means.

By Mr. SMITH of New Jersey:

H.R. 2919. A bill to establish grant programs and provide other forms of Federal assistance to pregnant women, children in need of adoptive families, and individuals and families adopting children; to the Committee on Education and the Workforce, and in addition to the Committees on National Security, Banking and Financial Services, Ways and Means, Commerce, Government Reform and Oversight, and Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SOLOMON (for himself, Mr. Quinn, Mr. Hastings of Washington, Mr. Metcalf, Mr. LaFalce, Mr. Hill, Mr. McHugh, Mr. Camp, Mr. Paxon, Mr. Upton, Mr. Pomeroy, Mr. Oberstar, Mr. Baldacci, Mr. Nethercutt, Mrs. Chenoweth, Mr. Crapo, Mr. Allen, and Mr. Smith of Texas):

H.R. 2920. A bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to modify the requirements for implementation of an entry-exit control system; to the Committee on the Judiciary.

By Mr. TAUZIN (for himself, Mr. Markey, and Mr. Boucher):

H.R. 2921. A bill to amend the Communications Act of 1934 to require the Federal Communications Commission to conduct an inquiry into the impediments to the development of competition in the market for multichannel video programming distribution; to the Committee on Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TRAFICANT (for himself, Mr. Murtha, Mr. Bilbray, and Mr. Rohrabacher):

H.R. 2922. A bill to amend title 10, United States Code, to authorize the Secretary of Defense to assign members of the Armed Forces, under certain circumstances and subject to certain conditions, to assist the Immigrantion and Naturalization Service and the United States Customs Service in the performance of border protection functions; to the Committee on National Security.

By Mr. WALSH (for himself, Mr. McHugh, Mr. King of New York, Mrs. Maloney of New York, Mr. Kildee, Mr. Forbes, Mr. Boehlert, Mr. Lazio of New York, and Mr. Fossella):

H.R. 2923. A bill to establish programs regarding early detection, diagnosis, and interventions for newborns and infants with hearing loss; to the Committee on Commerce.

By Mr. YOUNG of Alaska:

H.R. 2924. A bill to amend the Alaskan Native Claims Settlement Act to provide for selection of lands by certain veterans of the Vietnam era and by the Elim Native Corporation; to the Committee on Resources.

By Mr. HOYER (for himself and Mr. Hyde):

H.R. 2925. A bill to establish felony violations for the failure to pay legal child support obligations, and for other purposes; to the Committee on the Judiciary.

By Mr. LIVINGSTON:

H.J. Res. 101. A joint resolution making further continuing appropriations for the fiscal year 1998, and for other purposes; to the Committee on Appropriations. The Committee on Appropriations discharged; considered and passed.

By Mr. LANTOS (for himself, Mr. Gilman, Mr. Ackerman, Mr. Blunt, Mr. Brown of Ohio, Mr. Campbell, Mr. Cardin, Mr. Chabot, Mr. Davis of Florida, Mr. Engel, Mr. Filner, Mr. Foley, Mr. Fox of Pennsylvania, Mr. Frank of Massachusetts, Mr. Frost, Mr. Gejdenson, Mr. Hastings of Florida, Ms. Harman, Mr. Horn, Mr. Hyde, Mr. King of New York, Mr. Leach, Mr. Levin, Mr. Lewis of Georgia, Mrs. Lowey, Mr. Manzullo, Mr. Menendez, Mr. Nadler, Ms. Pelosi, Ms. Ros-Lehtinen, Mr. Rothman, Mr. Royce, Mr. Schumer, Mr. Sherman, Mr. Smith of New Jersey, Mr. Wexler, Mr. Yates, Mr. McHugh, and Mr. Berman):

H.J. Res. 102. A joint resolution expressing the sense of the Congress on the occasion of the 50th anniversary of the founding of the modern State of Israel and reaffirming the bonds of friendship and cooperation between the United States and Israel; to the Committee on International Relations.

By Mr. LANTOS (for himself, Mr. Porter, Mr. Smith of New Jersey, Mr. Abercrombie, Ms. Brown of Florida, Mr. Brown of Ohio, Mr. Cardin, Mr. Hall of Ohio, Mr. Leach, Mr. Maloney of Connecticut, Mr. McDermott, Mr. Meehan, Mr. Menendez, Ms. Norton, Mr. Snyder, and Ms. Pelosi):

H. Con. Res. 185. Concurrent resolution expressing the sense of the Congress on the occasion of the 50th anniversary of the signing of the Universal Declaration of Human Rights and recommitting the United States to the principles expressed in the Universal Declaration; to the Committee on International Relations.

By Mr. BROWN of Ohio:

H. Con. Res. 186. Concurrent resolution commending all who served with the United States Navy Asiatic Fleet throughout the Far East from 1910 to 1942, especially those sailors and marines who put their lives on the line for this Nation during the earliest days of our involvement in World War II; to the Committee on National Security.

By Ms. EDDIE BERNICE JOHNSON of Texas (for herself, Ms. Granger, Mr. Turner, Mr. Sandlin, Mr. Hinojosa, Mr. Stenholm, Mr. Green, Mr. Doggett, Mr. Edwards, Ms. Jackson-Lee, Mr. Ortiz, Mr. Lampson, Mr. Frost, Ms. Kilpatrick, Ms. Norton, Ms. Christian-Green, Mr. Gutierrez, Mrs. Morella, Mr. Combest, Mr. Bonilla, Mr. Brady, Mr. Paul, Mr. Smith of Texas, Mr. Archer, Mr. Barton of Texas, Mr. Thornberry, Mrs. Johnson of Connecticut, and Mr. Rodriguez):

H. Con. Res. 187. Concurrent resolution expressing the sense of Congress that the museum to be known as "The Women's Museum: An Institute for the Future", in Dallas, Texas, should be designated as a Millennium Project for the United States; to the Committee on Education and the Workforce.

By Mr. PAPPAS (for himself, Mr. Bilirakis, Mrs. Maloney of New York, Mr. Klink, Mr. Ackerman, Mr. Andrews, Mr. Cunningham, Mr. Filner, Ms. Hooley of Oregon, Mr. Ney, Mr. Manton, Ms. Rivers, Mr. Sherman, Mr. Pombo, Mr. LoBiondo, Mrs. Roukema, Mr. Frelinghuysen, Mr. Smith of New Jersey, Mr. Porter, Mrs. Johnson of Connecticut, and Mr. Fossella):

H. Con. Res. 188. Concurrent resolution expressing the sense of the Congress regarding Turkey's claim of sovereignty to the islets in the Aegean Sea called Imia by Greece and Kardak by Turkey; to the Committee on International Relations.

By Mr. SANDERS:

H. Con. Res. 189. Concurrent resolution revising the congressional budget for the United States Government for fiscal year 1998 with respect to the appropriate budgetary levels for Social Security and national defense for fiscal years 1999 through 2002 in order to maintain the level of administrative expenses for Social Security by taking into account anticipated inflation; to the Committee on the Budget.

By Mr. UNDERWOOD (for himself, Mr. Abercrombie, Mr. Faleomavaega, Mr. Filner, and Mrs. Mink of Hawaii):

H. Res. 312. A resolution urging the President to authorize the transfer of ownership of one the bells taken from the the town of Balangiga on the island of Samar, Philippines, which are currently displayed at F.E. Warren Air Force Base, to the people of the Philippines; to the Committee on International Relations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

220. The SPEAKER presented a memorial of the Legislature of the Territory of Guam, relative to Resolution No. 186 requesting the 105th Congress to amend certain Sections of the Organic Act of Guam, Title 48 United States Code, to mandate the establishment and independent election of the position of the Attorney General; to the Committee on Resources.

221. Also, a memorial of the Legislature of the Territory of Guam, relative to Resolution No. 85 requesting the 105th Congress to amend the Organic Act by adding a new Section 6 to confirm that the adoption of a Constitution establishing local government shall not preclude or prejudice the further exercise in the future by the people of Guam of the right of self-determination regarding the ultimate political status of Guam; to the Committee on Resources.

222. Also, a memorial of the Legislature of the State of California, relative to Assembly Joint Resolution 17 memorializing the President and the Congress to maintain the existing restrictions on trucks from Mexico and other foreign nations entering California and continue efforts to assure full compliance by the owners and drivers of those trucks with all highway safety, environmental, and drug enforcement laws; to the Committee on Transportation and Infrastructure.

223. Also, a memorial of the Senate of the State of Michigan, relative to Senate Rsolution No. 69 memorializing the Congress of the United States to provide for the distribution of the Leaking Underground Storage Tank Trust Fund's proceeds to the states for cleanup projects determined by the states; jointly to the Committees on Commerce and Ways and Means.

224. Also, a memorial of the Legislature of the State of California, relative to Assembly Joint Resolution 18 commending the local, national, and international efforts of the National Committee on the United Nations to promote the universal adoption of the United Nations Convention on the Elimination of All Forms of Discrimination Against Women, and urging the United State Senate to ratify CEDAW; jointly to the Committees on International Relations and the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions of the following titles were introduced and severally referred, as follows:

By Ms. CARSON:

H.R. 2926. A bill for the relief of Adela T. Bailor; to the Committee on the Judiciary.

By Mr. MATSUI:

H.R. 2927. A bill for the relief of Wayne R. Hultgren; to the Committee on National Security.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 59: Mr. Thune, Mr. Bereuter, Mr. Lewis of Kentucky, Mr. Hunter, Mr. Duncan, and Mr. Mica.

H.R. 76: Mr. Duncan.

H.R. 80: Mr. Neumann.

H.R. 100: Mr. Hinojosa.

H.R. 135: Mr. Gilman, Mr. Taylor of Mississippi, Mr. Dicks, Mr. Hall of Texas, Mr. Peterson of Minnesota, Mr. Poshard, Mr. Sisisky, Mr. Skelton, Mr. Snyder, Mr. Hall of Ohio, Mr. John, Mr. Visclosky, Mr. Boyd, and Mr. Goode.

H.R. 145: Mr. Brown of California.

H.R. 164: Mr. Walsh.

H.R. 192: Mr. Salmon.

H.R. 306: Mr. McDade, Mr. Clyburn, and Mr. Maloney of Connecticut.

H.R. 414: Mr. Salmon.

H.R. 586: Mr. Price of North Carolina.

H.R. 616: Mr. Calvert, Mr. Clement, Ms. McCarthy of Missouri, Ms. Norton, Mr. Cramer, Ms. Kilpatrick, Mr. Evans, Mr. Sandlin, Mr. Frelinghuysen, Mr. Torres, Ms. Furse, Mrs. Tauscher, Mr. Vento, Mr. Graham, and Mrs. Chenoweth.

H.R. 634: Mr. Istook.

H.R. 676: Mrs. Morella and Mr. Payne.

H.R. 677: Mr. Salmon.

H.R. 692: Mr. Hastings of Washington.

H.R. 715: Mrs. Kelly and Mr. Engel.

H.R. 738: Mr. Schumer.

H.R. 758: Mr. Bono and Mr. Smith of Michigan.

H.R. 768: Mr. Strickland.

H.R. 815: Mr. Price of North Carolina.

H.R. 843: Mr. McGovern.

H.R. 851: Mr. Brown of California.

H.R. 900: Mr. Forbes and Mr. Johnson of Wisconsin.

H.R. 971: Mr. Andrews.

H.R. 991: Ms. DeGette.

H.R. 1005: Mr. Neumann.

H.R. 1018: Mr. Pascrell.

H.R. 1061: Mr. Sandlin and Ms. Eddie Bernice Johnson of Texas.

H.R. 1114: Mr. Goss and Mr. Boyd.

H.R. 1117: Mrs. Lowey and Ms. Eshoo.

H.R. 1121: Mr. Graham.

H.R. 1146: Mr. Norwood.

H.R. 1159: Mr. Sandlin.

H.R. 1165: Mrs. McCarthy of New York.

H.R. 1173: Mr. MARTINEZ.

H.R. 1231: Mr. GRAHAM.

H.R. 1240: Ms. CARSON.

H.R. 1329: Mr. PASCRELL.

H.R. 1376: Mr. PALLONE and Mr. CLYBURN.

H.R. 1404: Mr. STRICKLAND.

H.R. 1415: Mr. FORD, Mr. WOLF, Mr. BLUMENAUER, Mr. STOKES, and Mr. POMBO.

H.R. 1438: Mr. SALMON.

H.R. 1500: Mr. HALL of Ohio and Mr. MOAKLEY.

H.R. 1507: Mr. SHAYS.

H.R. 1524: Mr. CALLAHAN and Mr. MANTON.

H.R. 1560: Ms. DANNER, Mr. ALLEN, Mr. FRELINGHUYSEN, and Mr. MILLER of California.

H.R. 1625: Mr. BATEMAN, Mr. DOOLITTLE, Mr. HUTCHINSON, Mr. TAYLOR of North Carolina, Mr. ISTOOK, Mr. BRADY, Mr. CHABOT, Mr. BURTON of Indiana, Mr. CANNON, Mr. MICA, and Mr. MCCRERY.

H.R. 1671: Mr. ADAM SMITH of Washington.

H.R. 1689: Mr. ORTIZ and Mr. CRANE.

H.R. 1711: Mr. HOBSON, Mr. FOLEY, and Mr. POMBO.

H.R. 1736: Mr. LEWIS of Georgia, Mr. PAYNE, Mr. LANTOS, Mr. ACKERMAN, MRS. MALONEY of New York, Mr. FROST, Mrs. MORELLA, and Mrs. THURMAN.

H.R. 1766: Mr. DUNCAN.

H.R. 1812: Mr. NEUMANN and Mr. SALMON.

H.R. 1858: Mr. KLINK and Mr. RODRIGUEZ.

H.R. 1909: Mr. KOLBE.

H.R. 1972: Mrs. THURMAN.

H.R. 1975: Mr. RUSH.

H.R. 1987: Ms. SLAUGHTER, Mr. GEJDENSON, Mr. LEWIS of Georgia, Mr. LANTOS, and Mr. OWENS.

H.R. 2038: Mr. NORWOOD.

H.R. 2062: Mr. MANZULLO.

H.R. 2069: Mr. LUTHER.

H.R. 2077: Ms. FURSE.

H.R. 2085: Mr. LUTHER.

H.R. 2094: Ms. FURSE and Mr. ALLEN.

H.R. 2116: Mr. SANDLIN.

H.R. 2143: Ms. FURSE.

H.R. 2174: Ms. RIVERS, Mr. ADAM SMITH of Washington, and Mrs. THURMAN.

H.R. 2229: Mr. CALVERT.

H.R. 2250: Mr. SANDLIN.

H.R. 2254: Mr. RUSH and Mr. KUCINICH.

H.R. 2263: Mr. UNDERWOOD.

H.R. 2273: Mr. HASTINGS of Florida.

H.R. 2305: Ms. PRYCE of Ohio, Mr. WATT of North Carolina, Mr. STOKES, Mrs. CLAYTON, Mr. SAWYER, Mr. BALLENGER, Mr. OXLEY, Mr. HEFNER, Mr. TRAFICANT, Mr. ETHERIDGE, Mr. GILLMOR, Mr. PRICE of North Carolina, Mr. BROWN of Ohio, Mr. TAYLOR of North Carolina, Mr. LATOURETTE, Mr. STRICKLAND, Mr. KASICH, Ms. KAPTUR, and Mr. KUCINICH.

H.R. 2331: Mr. OBERSTAR.

H.R. 2340: Mr. CALVERT.

H.R. 2359: Mr. ENGEL and Mr. BLUMENAUER.

H.R. 2365: Mr. WALSH and Mr. NADLER.

H.R. 2380: Mr. SALMON.

H.R. 2391: Mr. HINCHEY, Ms. CHRISTIAN-GREEN, Mr. SANDLIN, Mr. FALEOMAVAEGA, and Mr. BONIOR.

H.R. 2397: Ms. EDDIE BERNICE JOHNSON of Texas, Mr. SPRATT, Mr. TAYLOR of Mississippi, and Mr. CALVERT.

H.R. 2400: Mr. THOMPSON, Mr. RANGEL, Mr. LEWIS of Kentucky, Mrs. LINDA SMITH of Washington, and Mr. OWENS.

H.R. 2408: Mr. CUMMINGS.

H.R. 2431: Mrs. MALONEY of New York, Mr. ANDREWS, Mr. HILL, Mr. FORBES, and Mr. FRANKS of New Jersey.

H.R. 2432: Mr. HEFNER.

H.R. 2450: Mrs. THURMAN.

H.R. 2451: Mr. MCDERMOTT.

H.R. 2456: Mr. FOSSELLA, Mr. FAWELL, and Mr. KLECZKA.

H.R. 2459: Mr. CARDIN, Mr. WATT of North Carolina, Mrs. KENNELLY of Connecticut, Mr. KILDEE, Mr. MEEHAN, Mr. LEVIN, Mr. LEWIS of California, and Mr. HINOJOSA.

H.R. 2481: Mr. RAHALL.

H.R. 2497: Mr. MICA, Mr. BATEMAN, Mr. BURTON of Indiana, Mr. WALSH, Mr. POMBO, and Mr. HEFLEY.

H.R. 2499: Mr. WAXMAN, Mr. FILNER, Mr. HASTINGS of Florida, Mrs. JOHNSON of Connecticut, and Mr. CUNNINGHAM.

H.R. 2503: Mr. GRAHAM.

H.R. 2525: Mr. ABERCROMBIE, Ms. EDDIE BERNICE JOHNSON of Texas, and Mr. GUTIERREZ.

H.R. 2527: Mr. ALLEN and Mr. FATTAH.

H.R. 2536: Mr. SAWYER.

H.R. 2560: Mr. HORN, Mr. FOLEY, Mr. MALONEY of Connecticut, Mr. DEUTSCH, Mr. BLILEY, Mr. COOK, Mr. BERRY, Ms. ESHOO, Mr. KUCINICH, Mr. WAXMAN, Ms. HARMAN, Mr. PALLONE, Mr. MANTON, Mr. CALVERT, Mr. SANDLIN, and Mr. NEAL of Massachusetts.

H.R. 2568: Mr. CRAPO, Mr. NEAL of Massachusetts, and Mr. LEWIS of Kentucky.

H.R. 2593: Mr. DUNCAN, Mr. SHERMAN, and Mr. CANADY of Florida.

H.R. 2597: Mr. STARK.

H.R. 2602: Mr. OLVER.

H.R. 2611: Mr. BONILLA, Mr. BONO, Mr. BRADY, Mr. BURTON of Indiana, Mr. COOK, Mr. GOODE, Mr. HASTINGS of Washington, Mr. HOSTETTLER, Mr. HYDE, Mr. JONES, Mr. KASICH, Mr. LEACH, Mr. LINDER, Mrs. MYRICK, Mr. PARKER, Mr. POMBO, Mr. SKEEN, Mr. SOLOMON, Mr. ABERCROMBIE, Mr. ADERHOLT, Mr. BARTLETT of Maryland, Mr. BUNNING of Kentucky, Mr. DICKEY, Mr. GILCHREST, Mr. TIAHRT, Mr. WATTS of Oklahoma, Mr. SHAYS, Mr. ENSIGN, Mrs. FOWLER, Mr. HERGER, Mr. MCDADE, Mr. PETERSON of Pennsylvania, Mr. SMITH of New Jersey, Mr. STEARNS, Mr. TALENT, Mr. THORNBERRY, and Mr. YOUNG of Alaska.

H.R. 2631: Mr. GILMAN.

H.R. 2635: Mrs. LOWEY, Ms. LOFGREN, Ms. SLAUGHTER, Ms. ROYBAL-ALLARD, Mr. RUSH, Mr. FARR of California, Mr. MCDERMOTT, Mr. SHERMAN, and Mr. ENGEL.

H.R. 2639: Mr. HALL of Ohio.

H.R. 2648: Mr. GRAHAM.

H.R. 2704: Mr. BONIOR.

H.R. 2713: Mr. ABERCROMBIE and Mr. CUMMINGS.

H.R. 2714: Mr. FROST.

H.R. 2715: Mr. BONO, Mrs. CHENOWETH, and Mr. WELLER.

H.R. 2719: Ms. WATERS.

H.R. 2740: Mr. SOLOMON, Mr. HAYWORTH, Mr. TIAHRT, Mrs. CHENOWETH, Mr. PICKERING, Mr. BALLENGER, Mrs. MYRICK, Mr. TRAFICANT, Mr. WALSH, Mr. CAMP, Mr. SESSIONS, Mr. GOODLING, Mr. POMBO, Mr. BOB SCHAFFER, and Mr. DOOLITTLE.

H.R. 2748: Mr. LAHOOD.

H.R. 2754: Mr. HINCHEY and Ms. FURSE.

H.R. 2760: Mr. PICKETT.

H.R. 2761: Mr. GEJDENSON and Mr. BLAGOJEVICH.

H.R. 2775: Mr. GEKAS, Mr. MASCARA, Mr. HOLDEN, Mr. BORSKI, and Mr. MURTHA.

H.R. 2783: Mr. REDMOND and Mr. STRICKLAND.

H.R. 2786: Mr. BEREUTER and Mr. TIAHRT.

H.R. 2791: Mr. PETERSON of Minnesota, Mr. FROST, and Mr. ENGEL.

H.R. 2805: Mr. BLUMENAUER.

H.R. 2810: Mr. DINGELL.

H.R. 2821: Mr. KINGSTON, Mr. BLUNT, Mr. GRAHAM, and Mr. WELDON of Florida.

H.R. 2824: Mr. LARGENT.

H.R. 2829: Mr. CALVERT, Ms. DELAURO, Mr. DIXON, Mr. EDWARDS, Mr. ENGEL, Mr. HAMILTON, Mr. KINGSTON, Mr. MCDADE, Mr. MICA, Mr. MORAN of Virginia, Ms. PELOSI, Mr. REDMOND, Mr. SAWYER, Mr. STARK, Mr. TAUZIN, Mr. TAYLOR of Mississippi, Mr. TORRES, Mr. UPTON, and Mr. WAXMAN.

H.R. 2837: Mr. BARR of Georgia.

H.R. 2863: Mr. CUNNINGHAM.

H.J. Res. 66: Mr. CLEMENT, Mr. SHERMAN, Mr. BROWN of Ohio, Mr. KENNEDY of Massachusetts, Mr. WEXLER, Mr. WAXMAN, Mr. FAWELL, and Mr. BALDACCI.

H. Con. Res. 22: Mr. ROGAN.

H. Con. Res. 37: Mr. POMBO.

H. Con. Res. 121: Mr. CRAMER, Mr. CARDIN, Mr. FROST, Mr. ADAM SMITH of Washington, and Mr. KLECZKA.

H. Con. Res. 152: Mr. FOX of Pennsylvania and Mr. MCNULTY.

H. Con. Res. 170: Mr. CALVERT.

H. Con. Res. 181: Mrs. KELLY, Mr. KUCINICH, Mr. COYNE, Mr. PAYNE, Mr. ANDREWS, Mr. ACKERMAN, Mr. MCNULTY, Mr. KENNEDY of Rhode Island, Mrs. LOWEY, Ms. PELOSI, Mr. MEEHAN, Mr. FILNER, Mr. PALLONE, Mr. WELDON of Pennsylvania, Mr. WEYGAND, Mr. BLAGOJEVICH, Mr. BROWN of Ohio, Mr. CUNNINGHAM, Mr. MANTON, Mr. FAZIO of California, and Mr. CALVERT.

H. Con. Res. 183: Mr. GRAHAM.

H. Res. 16: Mr. BISHOP.

H. Res. 26: Mr. HINCHEY.

H. Res. 144: Ms. DANNER, Mr. ALLEN, Mrs. KELLY, Mr. FRELINGHUYSEN, Mr. POSHARD, Mr. MILLER of California

H. Res. 172: Mr. DEFAZIO.

H. Res. 211: Mr. GIBBONS, Mr. GRAHAM, Mr. JONES, Mr. PICKERING, Mr. EHRLICH, and Mr. EVERETT.

H. Res. 224: Mr. BARRETT of Wisconsin, Mr. GOODLING, and Mrs. TAUSCHER.

H. Res. 251: Mr. REYES and Ms. WOOLSEY.

H. Res. 267: Mr. ETHERIDGE.

H. Res. 279: Mr. HORN, Mr. LAMPSON, Mr. MEEHAN, Mr. PAYNE, Mr. MILLER of California, and Mr. NEAL of Massachusetts.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the clerk's desk and referred as follows:

27. The SPEAKER presented a petition of the Racine Taxpayers Association, Inc., relative to a resolution indorsing Representative Mark Neumann's Debt Reduction Bill and charging the Congress to swiftly pass it; to the Committee on the Budget.

EXTENSIONS OF REMARKS

CANCER AWARENESS MONTH

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. SHIMKUS. Mr. Speaker, I rise today to recognize October as Breast Cancer Awareness Month. It is my hope the awareness of breast cancer will continue throughout the year.

Last year 182,000 women were diagnosed with this horrendous disease. Breast cancer affects young and old—regardless of race, religion, or economic status. The women affected are our mothers, sisters, wives, and friends.

It is through brave women such as Helen Gibbons, Sammye Fark, Sandra Rank, Mary Dreas, and Lynda Long that I have learned about breast cancer. And most importantly the devastating effects it has on these women and their families. While the medical community has made great advances in the detection and treatment of this disease—chances of survival increase dramatically if breast cancer is caught early. That is why I encourage women over 40 to have regular mammograms and for all women to do a self breast exam once a month.

Even through October has ended, we all must continue to keep the spotlight on this devastating disease.

IN HONOR OF LUCRETIA L. STOICA

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. KUCINICH. Mr. Speaker, I rise today to honor Ms. Lucretia Stoica, who will receive an honorary lifetime membership in the Northeast Ohio Chapter of the Fulbright Association.

As a young child, Ms. Stoica moved to Romania, where she grew up and completed her university studies. Following World War II, Lucretia returned to Cleveland and joined the staff of the organization now known as the International Services Center. During her 41 years of service to the International Services Center, Ms. Stoica served as a case worker, deputy director, and executive director, a position she held for 26 years. As part of her professional activities, Ms. Stoica wrote for the Voice of America, defended aliens in immigration and deportation hearings at Ellis Island, and volunteered for the Immigration and Naturalization Service.

Over the years, Ms. Stoica received numerous civic and professional awards from various organizations, educational institutions, public officials, and nationality groups. In addition, she served on the boards and committees of the Ohio Arts Council, Greater Cleveland Round Table, Cleveland Bicentennial Commission, Zonta International and the Nationality Movement.

With great pleasure, I will be present on November 7, 1997, as my friend, Lucretia Stoica, receives this much deserved recognition for her tireless commitment to her community and country.

My fellow colleagues, please join me in congratulating Ms. Lucretia Stoica.

A MEMORIAL DAY FOR THE VICTIMS OF RUSSIAN COMMUNISM

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. GILMAN. Mr. Speaker, the Congress of Russian-Americans has strongly supported the transformation of the Russian Federation into a prosperous and democratic society based on a market economy since Russia became independent in 1991 upon the dissolution of the Soviet Union. In fact, the Congress of Russian-Americans has joined the Government of the United States and numerous private organizations in directly supporting that transformation through humanitarian donations and cultural and educational contacts.

Now, as we approach November 7, a day that was celebrated by the former Soviet regime in honor of the Communist coup in Russian in 1917, and is now noted as a Day of Forgiveness and Reconciliation by the Russian Federation, the board of directors of the Congress of Russian-Americans has issued a statement calling for November 7 to be honored instead as a Memorial Day for Victims of Communism.

Mr. Speaker, we are all aware of the many millions of people of Russian, Ukrainian, and other ethnic backgrounds who suffered and died at the hands of Vladimir Lenin and Joseph Stalin during the Communist dictatorship over Russia and its neighbors. I believe that the Congress of Russian-Americans makes a compelling point in suggesting that the Russian Government should take the opportunity every November 7 to remember those in Russia who died tragic and horrible deaths at the hands of the Bolshevik, Soviet dictatorship. I commend the following statement by the board of directors of the Congress of Russian-Americans to the attention of all my colleagues.

NOVEMBER THE 7TH——MEMORIAL DAY FOR THE VICTIMS OF COMMUNISM

On the 7th November of 1917, in defiance of the people's will, bolsheviks brutally seized power in Russia: during the elections to the Constitutional Assembly, they received less that 25% of the vote. Lenin's program to bring about Russia's defeat in WWI (sponsored and financed by the German General Staff), led to the downfall of the new-born Russian democracy, to Russia's disintegration, and to a long and bloody Civil War.

Immediately after the November putsch, Lenin introduced mass terror tactics and executions by firing squad on the basis of social standing that resulted in the physical annihilation of Russian Orthodox clergy, the intelligentsia, the officer corps, and *millions* of workers and farmers. The genocide that began on November 7, 1917, was continued and "perfected" by Stalin. It resulted in a loss of over 100 million of Russian and other lives, led to today's poverty, and, facilitated by the destruction of Orthodox ethics, to the universal spread of crime and corruption.

This is why November 7th is not a holiday for the Russian people!

It is the Memorial Day for the Victims of Communist Genocide!

Although after 1991 marxism ceased to serve as the official ideology and communism has lost its significance, communists remain active and are attempting to return to power, while communism still has not been condemned for what it is: an inhuman and anti-people doctrine that brought Russia to a dead end. *Communism must be denounced*, just as Nazism was in postwar Germany.

As a first step in this direction, Lenin must be exposed as a betrayer of Russia. His mummy, which still lies in honored repose beside the Kremlin walls and disgraces Moscow and all of the Russian people, must be removed (together with all his statues throughout Russia).

We call upon the government of the Russian Federation to replace the November 7th "celebration" with a national Memorial Day for Victims of Communism, to remove all communist regalia, to restore to cities, districts, and streets their traditional historical names, and to assign proper names to towns and streets built after 1917.

We believe, that the Russian people, having overcome numerous difficulties in their thousand-year old history, will survive the after effects of communism as well as the chaos of the present "Troubled Times," that they will resurrect Orthodox ethics, and then will rebuild the economy of the richest country on earth. The commemoration of November 7th, as the Memorial Day for Victims of Communism must become a Russian tradition for ages to come.—National Board of Directors, Congress of Russian-Americans.

UNITED STATES-CARIBBEAN TRADE PARTNERSHIP ACT

SPEECH OF

HON. MIKE McINTYRE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. MCINTYRE. Mr. Speaker, I rise today to voice my opposition to H.R. 2644, the United States-Caribbean Trade Partnership Act.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

NAFTA parity for 24 Caribbean Basin countries will have a disastrous effect on the American worker and our domestic textile and apparel industry.

Since 1994, 250,000 American apparel workers have lost their jobs to Mexico and Caribbean nations. The negative effects of prior Caribbean trade agreements can be witnessed in the 7th Congressional District of North Carolina. Converse, which has the largest domestic shoe plant in the United States and is located in my hometown of Lumberton, NC., has experienced job loss as a direct result of the terms of the Caribbean Basin Initiative. In the 6 years since rubber footwear from the Caribbean became duty-free, imports of such products have increased from 200,000 pairs a year to 12 million. This increase in unfair competition has resulted in a loss of 600 jobs at the Converse plant in Lumberton.

American industries such as Converse that comply with labor laws, minimum wage requirements, health codes, and environmental laws cannot and should not be expected to compete with foreign industries who pay their workers below the cost of living, use child labor, and pollute the environment. H.R. 2644 gives foreign competition an unfair advantage over America's domestic industries.

Supporters of H.R. 2644 state that Caribbean nations have been placed at a disadvantage by NAFTA and need parity with NAFTA. Yet, the countries' imports of apparel to the United States have increased by 63 percent since they enacted NAFTA. Last year apparel imports from the Caribbean totaled $6.1 billion compared with $3.6 billion from Mexico. Caribbean countries are not suffering under the terms of NAFTA.

Developing strong trade relationships are important to America's economic future. Yet, our success will depend not on the quantity, but the quality of those trade agreements. The agreement before us today is neither fair not reciprocal. The bill will open the United States market to Caribbean exports, but does not require Caribbean countries to open their markets to the United States. This legislation is not a trade agreement. It is a foreign subsidy to 24 Caribbean countries—a subsidy of jobs at the expense of American workers and their families.

As the 105th Congress looks for solutions to provide additional economic opportunities for our citizens, it is imperative that we not lose any more of our current jobs as a result of the Caribbean Basin Initiative. I urge my colleagues to stand up for the American worker and vote "no" on H.R. 2644.

ALABAMA-COOSA-TALLAPOOSA RIVER BASIN COMPACT

SPEECH OF

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. GEKAS. Mr. Speaker, pursuant to unanimous consent granted on November 4, 1997 during debate on House Joint Resolution 92, I introduce the report on that joint resolution from the Congressional Budget Office which was not available at the time of the filing of the committee report.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, November 4, 1997.

Hon. HENRY J. HYDE,
Chairman, Committee on the Judiciary,
U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.J. Res. 92, a joint resolution granting the consent of Congress to the Alabama-Coosa-Tallapoosa River Basin Compact.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Gary Brown.

Sincerely,

JUNE E. O'NEILL, *Director.*

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

H.J. Res. 92.—Granting the consent of Congress to the Alabama-Coosa-Tallapoosa River Basin Compact

SUMMARY

H.J. Res. 92 would grant congressional consent to the Alabama-Coosa-Tallapoosa River Basin (ACT Basin) Compact. The compact would establish the ACT Basin Commission, which would determine an allocation formula for apportioning the surface waters of the ACT basin between the states of Alabama and Georgia. The commission would consist of state and federal representatives.

Provisions in the compact that could have an impact on the federal budget include: an authorization of appropriations for a federal commissioner to attend meetings of the commission and for employment of personnel by the commissioner, an authorization for federal agencies to conduct studies and monitoring programs in cooperation with the commission, and a requirement that the federal government comply with the water allocation formula once it has been adopted by the commission (to the extent that doing so would not conflict with other federal laws).

CBO estimates that enacting H.J. Res. 92 would result in new discretionary spending of less than $500,000 in fiscal year 1998, and about $8 million over the 1998–2002 period, assuming appropriations consistent with its provisions. The compact also would increase direct spending; hence, pay-as-you-go procedures would apply to the legislation. But CBO estimates that enacting H.J. Res. 92 would increase direct spending by less than $500,000 a year, beginning in fiscal year 1999.

The resolution does not contain any intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 (UMRA) and any costs resulting from the compact would be borne voluntarily by Alabama and Georgia as a result of the agreement.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

Implementing H.J. Res. 92 would affect both spending subject to appropriation and direct spending. CBO estimates that enacting H.J. Res. 92 would result in new spending subject to appropriation of less than $500,000 in 1998, about $3 million in 1999, $2 million in 2000, and $1 million a year thereafter. CBO estimates that the compact would increase direct spending, beginning in 1999, by reducing offsetting receipts from recreation fees and federal hydropower operations, but any such changes would likely be insignificant. The costs of this legislation fall within budget function 300 (natural resources and environment). The estimated budgetary effects of H.J. Res. 92 are shown in the following table.

[By fiscal year, in millions of dollars]

	1998	1999	2000	2001	2002
SPENDING SUBJECT TO APPROPRIATION					
Spending Under Current Law:					
Estimated Authorization Level[a]	25	25	25	25	25
Estimated Outlays	26	26	25	25	25
Proposed Changes:					
Estimated Authorization Level	(b)	3	2	1	1
Estimated Outlays	(b)	3	2	1	1
Spending Under H.J. Res. 92:					
Estimated Authorization Level[a]	25	28	27	26	26
Estimated Outlays	26	29	27	26	26
CHANGES IN DIRECT SPENDING					
Estimated Authorization Level[a]	0	(b)	(b)	(b)	(b)
Estimated Outlays	0	(b)	(b)	(b)	(b)

[a] The 1998 level is the amount appropriated in that year for programs conducted by the U.S. Army Corps of Engineers in the ACT basin. The amounts shown for subsequent years reflect assumed continuation of the current-year funding level, without adjustment for inflation. Alternatively, if funding were increased to cover anticipated inflation, funding under current law would gradually grow from $25 million in 1998 to $28 million in 2002.

[b] Less than $500,000.

BASIS OF ESTIMATE

Spending Subject to Appropriation

For purposes of this estimate, CBO assumes that (1) the compact is approved in the next few months, (2) a commission is formed in 1998, (3) all amounts estimated to be authorized by the legislation will be appropriated, and (4) a new plan for allocating water among the states will be approved in fiscal year 1999. New discretionary spending would be necessary for expenses of a federal commissioner to participate in the ACT commission, for conducting studies and monitoring activities in coordination with the commission, and for operating federal facilities in the river basin in a manner consistent with the new allocation plan.

Federal Commissioner. CBO estimates that the cost of sending the federal commissioner to meetings of the commission and of funding a personal staff will be less than $500,000 a year beginning in 1998. The commissioner would serve without compensation. General expenses of the commission would be paid by the states of Alabama and Georgia.

Studies and Monitoring. CBO estimates that the compact would result in new spending subject to appropriation of about $2 million in fiscal year 1999 and about $1 million in 2000 for completing an environmental impact statement of options for allocating water in the ACT basin, for developing a plan for monitoring water levels and quality in the basin, and for conducting additional studies. Additional spending of less than $500,000 a year beginning in 2000 would occur for implementing, operating, and maintaining programs and equipment for monitoring the basin.

Beginning in 1991, the Congress has appropriated to the U.S. Army Corps of Engineers (the Corps) an average of almost $2 million a year—about $13 million in total—for studying the long-term needs for water and availability of water resources in the ACT and Apalachicola-Chattahoochee-Flint (ACF) basins. An additional $5 million was provided to the Corps in 1997 for conducting a preliminary environmental impact statement regarding options for allocating water in the ACT and ACF basins.

Federal Facilities. Based on information from the Corps, CBO estimates that operating federal facilities in the ACT basin in a manner that complies with a new water allocation plan may result in additional discretionary spending of about $1 million a year, beginning in 1999. We expect that these annual costs could range from near zero to $2 million a year, depending on whether a new allocation plan is adopted and whether it results in a significant change in water use in the river basin.

Most of the expense of implementing a new water allocation plan would be for operating and maintaining channels for navigation because the cost of that activity is highly dependent on water flows. Under current law, CBO estimates that the Corps will spend about $9 million in 1998 for navigation-related activities in the ACT basin. CBO anticipates that the cost of other major activities in the basin would not change significantly as a result of the compact. The cost of operating and maintaining hydropower facilities is not likely to change significantly as a result of minor changes in water flows. Moreover, any major flood control activities in the basin would likely require further authorization by Congress.

DIRECT SPENDING

CBO anticipates that the compact would have an impact on direct spending by reducing the amount of receipts returned to the Treasury from recreation facilities operated by the Corps and the Department of the Interior in the ACT basin. A new water allocation plan could affect receipts from recreation areas by directly or indirectly changing water levels at lakes and other recreation areas so that their use is reduced. This type of impact would be most likely in years when total water supplies were already low, for example, because of below-average rainfall. CBO estimates that the impact on receipts from recreation elements would be less than $500,000 annually, beginning in 1999.

The compact could also affect receipts from hydropower operations, but CBO estimates that the net impact on hydropower revenues from any likely water allocation plan would be insignificant. A new plan could affect power operations by limiting the amount of water that can flow through federal power-generating facilities. This could affect the amount of power that can be produced and sold. However, CBO estimates that any impact on hydropower receipts is likely to be insignificant because federal law requires that, to the extent market conditions permit, hydropower operations cover expenses. In the case of limits on power production, the price of power could be increased to offset any reduction in the quality of power produced and sold.

PAY-AS-YOU-GO CONSIDERATIONS

The Balanced Budget and Emergency Deficit Control Act of 1985 specifies pay-as-you-go procedures for legislation affecting direct spending or receipts. CBO estimates that enacting H.J. Res. 92 would increase direct spending by less than $500,000 a year, beginning in 1999. Enacting the legislation would not affect governmental receipts.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.J. Res. 92 would give the consent of the Congress to an agreement mutually entered into by two states, Alabama and Georgia. The resolution contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995, and any costs to the states resulting from the compact would be borne voluntarily as a result of the agreement.

Estimate prepared by: Federal Costs: Gary Brown; Impact on State, Local, and Tribal Governments: Leo Lex.

Estimate approved by: Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.

SHAME IN SAIPAN: EXPLOITATION OF WORKERS IN THE GARMENT INDUSTRY

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. LANTOS. Mr. Speaker, I would like to call to the attention of all Members of the House the appalling labor conditions that exist in the garment industry in the Commonwealth of the Northern Mariana Islands [CNMI].

These islands, which were under Japanese control during World War II and were occupied by the United States in 1944, have been governed by a covenant with the United States since 1986. The covenant grants United States citizenship to the residents of the Marianas, but the United States agreed not to extend United States immigration laws there, responding to fears that excessive immigration might result. The Federal minimum wage was also not extended to the Mariana Islands.

Mr. Speaker, a recent congressionally mandated report notes that, "Ironically, CNMI policies have resulted in aliens becoming a majority of the island's population. . . . The garment industry takes full advantage of the immigration and minimum wage exception privileges, as well as privileged exceptions to the Federal trade laws, to ship products partially manufactured in the islands into the United States market even though the islands are outside the customs territory of the United States."

The worst aspect of these developments has been the increasing practice by which Chinese bonded and indentured workers are imported into the factories of the Marianas, unprotected by labor laws, under contracts which prevent these workers from practicing their religions, engaging in political activity, or even marrying. Ample documentation exists that the barracks in which these workers are housed are as squalid as anywhere in the world, but ironically apparel produced in these sweatshops comes into the United States labeled "Made in the USA". According to the Federal Government, "the average landed value of CNMI garment shipments to the United States is now at a rate of $625 million annually."

Mr. Speaker, it is totally unacceptable for manufacturing to take place on what is American soil under these deplorable conditions. There is a new administration that will soon take office in Saipan, and President Clinton is to be commended for insisting that the CNMI live up to United States labor and human rights standards in order to continue receiving the preferences and aid it receives under the covenant. I hope that all Members will support legislation that will correct these inequities.

IN HONOR OF THE 125TH ANNIVERSARY OF THE FIRST BAPTIST CHURCH IN CLANTON, AL

HON. BOB RILEY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. RILEY. Mr. Speaker, it gives me great pleasure to rise today to pay tribute to the 125th anniversary of the First Baptist Church in Clanton, AL. For 125 years, the First Baptist Church has offered spiritual guidance to the community of Clanton. The church was organized on November 5, 1872, with Rev. J.A. Mullins and Rev. P.H. Lundy serving as the church's first ministers. From a small beginning of only 10 members, the membership grew to 70 in 1886 and then to 1,470 in 1996.

First Baptist Church has made great strides during these 125 years in the spreading of the good news to mankind. The Sunday School has always been a very strong part of the teaching ministry of the church since the first mention of a Sunday School in 1877. Last year, the records show that 959 children and adults were enrolled in Sunday School.

In addition to Sunday School, the Baptist Young People's Union was formed for Sunday night training. Currently, it is known as Discipleship Training. Whatever the name, the organization has always taught Baptist doctrine, leadership courses, and Bible study. The enrollment was up to 251 in 1996.

Mr. Speaker, let me share with you the ways in which First Baptist Church mission programs have brought the ministry of the church into the community. It was the ladies of the church who began the mission programs by forming Ladies Aid Society, which is now known as the Women's Missionary Union. Recognizing the need for mission study for all ages, Mission Friends, Girl's Auxiliary, and Acteens were also organized. For the men in the congregation, the Brotherhood organization began which sponsors the boys' groups like the Lads, Crusaders, and Challengers.

First Baptist Church also started three missions in the community: The West End Baptist Church in 1948, the Northwide Baptist Church in 1954, and Lomax Baptist Church in 1958. All three are now active, growing churches in Clanton.

Mr. Speaker, in addition to its distinguished mission program, the First Baptist Church has always maintained an excellent music program. There are three Children's Choirs, a Youth Choir, and an Adult Sanctuary Choir. Programs of special music are performed on many occasions and have included hand bells. In 1995, a church orchestra was formed. Most recently, the outstanding "Living Pictures" was presented in 1997.

Mr. Speaker, First Baptist Church has been very successful in reaching out to the young and old alike. The youth ministry is also a vital program which emphasizes Bible teaching, recreation, retreats, youth camps, youth week, and person soul winning. For the older members of the congregation, the fellowship of the Keenagers meet each month for lunch and an inspirational message. Trips to places of special interest are taken regularly. For those who are not physically able to attend services, a

Homebound Ministry is provided which provides church literature on each of their monthly visits.

Under the current leadership of Dr. Michael, new ideas have been promoted including greeters for each service, prayer partners during worship services, and a worship service for children ages 4 to 6.

Finally, Mr. Speaker, in honor of this anniversary of the First Baptist Church in Clanton, let me share with you the church's invaluable vision which has been and will continue to be: "As a unconditional love in accomplishing our mission for Jesus."

10-YEAR ANNIVERSARY FOR THE CITY OF SANTA CLARITA

HON. HOWARD P. "BUCK" McKEON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. McKEON. Mr. Speaker, today I rise to commemorate the 10th anniversary of the founding of the city of Santa Clarita, CA. The city of Santa Clarita encompasses 45 square miles within the Santa Clarita Valley and is situated just 35 miles north of downtown Los Angeles. The population is estimated at 141,000 and is consistently rated by the FBI as one of the top five safest cities of its size in the Nation. The city was incorporated on December 15, 1987, as a general law city, and operates under a council-manager form of government. Five members are elected to the city council at large on a nonpartisan basis, with members serving overlapping terms.

Santa Clarita was founded by a group of community leaders who led the charge for a local based government where area residents could attend meetings in Santa Clarita. Their vision was for a city that embodied the best of each community while encouraging cutting edge commercial and retail industry to locate in Santa Clarita. Today, that vision is a reality as evidenced by a May 1997 Wall Street Journal article which named Santa Clarita as the west coast's fastest growing retail market.

As you can see, Mr. Speaker, Santa Clarita has accomplished much since its founding 10 years ago. Having been so fortunate to not only represent this wonderful community in Congress, but having served as both a city council member and mayor, I am proud to rise today and mark this special day in Santa Clarita's history. I join the residents of Santa Clarita, CA, in the pride we share for this wonderful city on its 10th anniversary.

CONGRATULATIONS TO THE MINNEAPOLIS COMMUNITY DEVELOPMENT AGENCY AND THE MINNEAPOLIS PUBLIC HOUSING AUTHORITY

HON. MARTIN OLAV SABO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. SABO. Mr. Speaker, I rise today to pay tribute to the Minneapolis Community Development Agency and the Minneapolis Public Housing Authority. These agencies are celebrating 50 years of exceptional service to the citizens and businesses of Minneapolis, MN.

The Minneapolis Housing and Redevelopment Authority [MHRA] was established on November 5, 1947, for the purpose of eliminating urban blight and developing low-cost housing for Minneapolis residents. The MHRA developed its first locally financed renewal project in 1950; built, owned, and managed its first public housing units in 1952; developed its first federally assisted project in 1955; and over the next three decades, built and managed nearly 8,000 units of public housing and implemented hundreds of redevelopment projects, providing affordable housing, commercial and industrial development sites.

In 1981, the MHRA merged with the Minneapolis Industrial Development Commission and the development division of the city coordinator's office to create the Minneapolis Community Development Agency [MCDA], a new streamlined agency to coordinate city development resources. In 1991, the Minneapolis Public Housing Authority [MPHA] separated from the MCDA, creating two independent agencies.

Mr. Speaker, the MCDA and the MPHA have made significant and lasting contributions to the quality of life in Minneapolis in the areas of housing, economic development, and the arts, and continue to forge new traditions in community building. These agencies have received numerous awards and recognitions of their outstanding achievements in the areas of housing and economic development, including a 1971 award from the Department of Housing and Urban Development naming the MHRA the most outstanding urban renewal agency in the Nation, the first such award ever presented. Congratulations to these two agencies and best wishes for continued success in their efforts to make Minneapolis an outstanding city in which to live, work, and play.

TRIBUTE TO JOHN N. STURDIVANT

HON. FRANK R. WOLF

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. WOLF. Mr. Speaker, and distinguished colleagues, today I rise to acknowledge the work of John N. Sturdivant, president of the American Federation of Government Employees, who died October 28 after a long battle with leukemia.

I admired Mr. Sturdivant for his committed advocacy on behalf of the Federal worker. Having first-hand knowledge of how very difficult it can be at times to be an outspoken friend of the Federal worker, I rise to commend his convictions and integrity in championing the national service of the Federal employee.

All too often, hard working and dedicated Federal employees become the target of unfair treatment from both the Government and citizens they serve. Nevertheless, their work is essential and vital to our constituents. Mr. Sturdivant recognized their value to this country and thus dedicated his career to their advocacy.

Mr. Speaker, in closing I want to extend my sympathy and prayers to the family and friends of Mr. Sturdivant as we mourn the loss of this friend of the Federal worker.

CHARLES BLACK: A LIFETIME OF SERVICE

HON. RODNEY P. FRELINGHUYSEN

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. FRELINGHUYSEN. Mr. Speaker, today I rise to pay tribute to a truly outstanding individual, my constituent Charles Black. On November 6, Charlie's family and many friends and colleagues will honor him upon his retirement from General Public Utilities [GPU] after 32 years of service to the company. He has left an indelible mark upon Morris County, NJ, having devoted countless hours to helping make it one of America's finest places to live.

Charles Black was born in Quakertown, PA, in the fall of 1938. During his summers in between college semesters, Charlie worked various jobs, from employment as a button setter at a blouse factory to getting his first start at a power company in New Jersey. In 1960, perhaps the most important year of Charlie's life, he earned his bachelor of arts degree in business administration from Gettysburg College. That year, he also married the former Joyce Hoffmann, and then began his service with the U.S. Air Force.

Charlie Black's commitment to service started with his commitment to duty and honor with the U.S. Air Force. In fact, Charlie continues to be active with the U.S. Air Force in the reserve program, as a liaison officer commander with the U.S. Air Force Academy, and as chairman of my own 11th Congressional District Academy Review Board for prospective nominees to our Nation's service academies.

Starting with Jersey Central Power & Light Co. in 1965, Charlie has served as GPU's director of communications since 1983. This position made him a visible figure in the community, as GPU serves approximately 2 million people in New Jersey and Pennsylvania, and facilitated the beginning of his long-standing service to his community. Over the last 15 years, it was a rare occasion for me to be at a charitable event in Morris County in which Charlie was not involved. He has always been there when called upon, and, although, much has been made this year on promoting voluntarism, it has been people like Charlie Black has been a stalwart of our Nation's volunteer efforts throughout his life.

Over the years, Charlie Black's name has been synonymous with the County College of Morris Foundation, on which he served as a past president of the board of directors, so it comes as no surprise that the County College of Morris is regarded as one of the finest county colleges in the Nation. Charlie also served on the boards of directors of the Morris County United Way and the Dope Open Golf Tournament, offering a helping hand to those in need.

Although Charlie has been active on behalf of many wonderful organizations, he has been invaluable to me in his commitment to promoting and preserving the important mission at the Army Armament Research, Development and Engineering Center at Picatinny Arsenal which employees 4,000 people in New Jersey. When Picatinny was listed on a preliminary list for closure during the 1995 base realignment and closure process, I looked to Charlie to be a leader on my Picatinny Working Group which was a key element in recognizing the arsenal's importance to the region's economy, the identities of surrounding communities and promoting the incredible "smart" weapons being developed by Picatinny's engineers. Charlie was also a founding member of the Picatinny defense fund, and served as the organization's vice president. His work in getting the Picatinny defense fund established ensures that Picatinny Arsenal's mission will continue to be well defended in the future.

Just this past May, Charlie's commitment to Picatinny and the U.S. Air Force intertwined when he worked along with Mary Mulholland, as he so often did, to plan a luncheon honoring Secretary of the Air Force Sheila Widnall after she toured Picatinny Arsenal. Needless to say, Charlie and Mary's luncheon for Secretary Widnall was a remarkable success. Unfortunately, Charlie could not attend the luncheon because he was wearing one of his many hats and had to deliver a speech for GPU in New Orleans.

Mr. Speaker, shortly, Charlie and his wife Joyce Black will be moving to Arizona to enjoy life in retirement. But anyone who knows Charlie knows that he won't be at rest for too long—he will be contributing to the enrichment of his new community in no time. I only hope that the State of Arizona knows what an exemplary citizen they are gaining. Good luck Charlie and Joyce.

COMMENDING THE LUBOML EXHIBITION PROJECT

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. NADLER. Mr. Speaker, I rise today to commend and call attention to a project of passion and nobility, a project dedicated to the preservation of a world lost to us. It was a world of happiness and light. A world of families and children, of community and spirituality. It was the world of the Polish town of Luboml. In 1942, it was from this Earth untimely ripped—destroyed by an evil that marched across Europe leaving death in its path. More than 4,000 members of Luboml's Jewish population were killed by the Nazi barbarians. Only 51 survived.

Now, thanks to the efforts of a New York businessman, Aaron Ziegelman, we are able to get a glimpse of this lost world. Mr. Ziegelman, who was born in Luboml, came to this country in 1938 at the age of 10. When he, his mother, and his sister left for America, more than 50 residents of the town came out to bid them farewell; only one of those residents survived the Holocaust. Mr. Ziegelman has made it his mission to keep alive the memory of those who perished: the memory not only of their deaths, but of their lives.

In 1994, Mr. Ziegelman initiated the Luboml Exhibition Project. So far, the project has collected nearly 2,000 photographs and artifacts from more than 100 families and from archives from around the world. These include a hand-embroidered matzo cover; a photograph of three young girls smiling for the camera; a picture of Luboml's bustling market day; a group portrait of the "Luboml bicycling club"; a school identification card; a photo of an ice skating party. As Mr. Ziegelman said, "Before they were victims, they were people," and therein lies the deepest sense of tragedy.

Seeing life breathed into this perished world, one cannot help thinking of the hundreds, or even thousands, of towns just like Luboml. Towns where families were torn apart, where children were not allowed to grow into adults, where vibrant lives were cut short. Considering Luboml, this quintessential 20th-Century tragedy once again takes on a more concrete, more personal resonance. Thanks to the work of Mr. Ziegelman, we are once again reminded of the fundamental belief we are voicing when we say, "Never Again."

ON THE 96TH ANNIVERSARY OF THE A.J. McCLUNG YMCA CHAPTER COLUMBUS, GA

HON. MAC COLLINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. COLLINS. Mr. Speaker, on Friday, November 21, 1997, the citizens of Columbus, GA will celebrate 96 years of service provided by the A.J. McClung Chapter of the Young Men's Christian Association. They will gather to honor an institution that was founded in 1901 and is recognized as the oldest serving minority YMCA in the Nation. Also, they will honor the man for which it was later named—Arthur J. McClung, mayor pro tem, city of Columbus and the longest serving director of the branch.

This is an institution rich in history. Originally known as the Ninth Street Branch YMCA, it was founded through the efforts of a small prayer group led by Mr. W.E. Clark, Mr. S.W. Yarbrough, Prof. S.R. Marshall, and Dr. R.H. Cobb. Professor Marshall and Dr. Cobb both served terms as chairman of the board of management during its early years. The variety of activities and the number of boys and young men served rapidly outgrew the original small frame building on Ninth Street.

In 1907, two prominent Columbus brothers, George Foster Peabody and Royal Canfield Peabody, provided the funds to build a then-modern facility that included a dormitory, indoor swimming pool, gymnasium, game room, cafeteria, and office space. In 1925 the Army and Navy YMCA of Fort Benning and local citizens contributed funds to make additional improvements to the facility. Mr. Booker T. Washington was the guest speaker at the dedication which also featured renowned soloist Gertrude "Ma" Rainey.

After many years of service to the community, the Ninth Street YMCA Branch was destroyed when the roof collapsed from a rare Columbus snowstorm. While a new facility was being built, Dr. S.P. Charleston generously provided a building he owned on Shepherd Drive to continue the mission of service provided by the YMCA.

On Sunday, November 21, 1965, the new facility was dedicated as the Brookhaven Boulevard Branch YMCA. In 1978 the facility was renamed in honor of Arthur J. McClung who provided years of leadership and service to the YMCA and the community as a whole. In 1986, the board of managers elected to become an independent association known as the A.J. McClung Young Men's Christian Association, Inc.

There have been many changes throughout the years—facilities, locations, programs, board members and executive directors—but the primary mission and purpose of the A.J. McClung YMCA has remained constant. And that is to improve the quality of life of all people. In addition to its exercise and recreational facilities, the A.J. McClung YMCA provides programs seeking to prevent heart disease, juvenile delinquency, substance abuse, AIDS, school dropouts, and youth unemployment. The institution also promotes positive attitudes and values among young people.

The citizens of Columbus and Fort Benning, GA and Phenix City, AL have given generously of their time and energies to the A.J. McClung YMCA over its 96 year history. I would like to recognize the fine men who have served as chairman of the board of management. They include: Dr. E.H. Mayer, 1901–02; Prof. S.R. Marshall, 1903–04; Dr. R.H. Cobb, 1905–09; Dr. E.J. Turner 1909–12; Prof. M.H. Spencer 1912–14; Dr. R.H. Cobb, 1914–22; Dr. M.L. Taylor, 1922–25; Dr. E.J. Turner, 1925–26; Dr. R.H. Cobb, 1926–30; Dr. F. Coffee, 1930–32; Prof. F.R. Lampkin, 1939–45; Mr. M.R. Ashworth, 1945–52; Mr. Steve Knight, 1952–53; Mr. Sandy D. Allen, 1953–60; Atty. Albert W. Thompson, 1961–69; Mr. Samuel Byrd, 1970–71; Mr. Lorenzo Manns, 1972–80; Dr. Henry L. Cook, 1981–83; Mr. Robert L. Anderson, 1984–87; Mr. Scott Wise, 1987–89; Mr. Spurgeon A. Glenn, Jr., 1989–90; Mr. Robert L. Anderson, 1990–92; Mr. James Walker, 1992–present.

I also want to recognize those fine individuals who have served as director of the institution. They include A.Z. Kelsey, A.G. Randall, Joseph Allen, T.B. Neely, R.D. Kelsey, G.F. Rivers, J.L. Johnson, Henry Byrd, H.R. Williams, Joseph Rholta, L.J. Johnson, K.D. Reddick, H.R. Williams, O.R. Bryant, E.E. Farley, D.D. Moody, Theodore Rutherford, G.F. Rivers, W.S. Douglass, W.R. Bennett, Jr., Arthur J. McClung, W.T.L. Vann, Wane A. Hailes, and Ira Flowers, the present director.

Mr. Speaker, I join in congratulating the A.J. McClung Young Men's Christian Association Chapter on its 96 years of service to the communities of Columbus, Fort Benning, and Phenix City. Also, I salute the dedication and contributions of Mayor Pro Tem Arthur J. McClung to the citizens of Columbus and the YMCA named in his honor. I wish them all the best in the years to come.

TRIBUTE TO MIKE NASH

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. BONIOR. Mr. Speaker, the United States was founded under the principles of life, liberty, and the pursuit of happiness for all. Throughout our history, everyday citizens have become our heroes while they worked to protect our inalienable rights. Mike Nash, an advocate for Vietnam veterans, was one of those heroes. On May 25, 1997, Mike Nash died, but his legacy will live throughout the ages.

Mike Nash was a decorated U.S. Army veteran who fought for his country in Vietnam from 1969 through 1970. His experience in Vietnam forever changed his life. In 1987, Mike joined Chapter 154 of the Vietnam Veterans of America and served the organization at the national level and local level. His calm demeanor and tenacious spirit made him a driving force in the fight for veterans causes.

As a prominent member of the Michigan and national chapters of Vietnam Veterans of America, Mike spent his free time counseling veterans and working to find veterans who were missing in action in Vietnam. Last year Mike traveled to Vietnam to search for information on MIA's. As Mike once said, "As long as proof remains that even one MIA is still alive, we will try to find him." His passion to find missing veterans was fueled by the completeness of his family. He was so thankful to be with his wife, June and their two daughters, Jacquelyn, and Jessica. He hoped that someday, missing veterans would one day be reunited with their loved ones.

Mike Nash was a tireless advocate for Vietnam Veterans: to all who knew him, a friend; to June, Jacquelyn, and Jessica, he was a husband and father. Mike lived his life caring and serving other people. I am honored to have had the opportunity to call Mike my friend. We will all miss Mike's advocacy for Vietnam Veterans, but most of all we will miss his friendship.

HONORING SELECT MEMBERS OF THE WILCOX COUNTY COMMISSION

HON. EARL F. HILLIARD

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. HILLIARD. Mr. Speaker, I come before you today to honor some select members of the Wilcox County Commission for their support of the historic Gee's-Bend Ferry project in Wilcox County, Alabama.

Commission Chairman Darryl Perryman, Vice-Chairman John Clyde Riggs, and County Commissioners David Wright, and Lena Powell have shown an extraordinary amount of foresight, sound judgment, and compassion in fully supporting the plight of the residents of Gee's-Bend Alabama by reestablishing the ferry boat service which has unfairly divided their community since the days of segregation and Jim Crow rule. These public servants understood that you can not explain–away why the citizens of Gee's-Bend must wait up to 2 hours for an ambulance to take them to the hospital, or for their children to ride to and from school, or just to go to the grocery store or the bank.

Mr. Speaker, I feel this Congress owes these aforementioned County Commission Members a hearty "thank you" and a resounding "job well done." I myself, am gratified by their unselfish service.

HONORING TRESSLER ADOPTION SERVICES

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. GEKAS. Mr. Speaker, I rise today to recognize Tressler Adoption Services of York, PA, which celebrates 25 years of doing the most rewarding work—creating families. I cannot say enough about the people who open their homes and hearts to those children who are given up for adoption, and I have the utmost respect for those professionals who spend their time and energy finding the right match for both parents and children.

The good people at Tressler have been placing children with loving families in Pennsylvania, Maryland, and Delaware for the last quarter of a century, believing that every child deserves a caring, stable environment in which to grow and develop as a human being. It is this belief that has made Tressler somewhat unique in the field of adoption services, focusing on placing older children and children with special needs, rather than the much sought after newborn adoptees.

Tressler's success has been nothing short of magnificent. In their 25 years of service, Tressler has placed nearly 2,500 children of American descent, giving them what you and I take for granted—a home with parents, who couldn't love them any more than if they were their natural parents.

Their mission—to help create a stable, caring environment by providing the adoption services that place children in loving homes, preparing families for the adoption experience, and offering ongoing support for all families involved in their program—deserves both our recognition and respect.

I also want to specifically thank Mrs. Barbara Holtan, director of adoption services, and her staff at Tressler for their compassion and dedication.

Mr. Speaker, in honor of all of the years of Tressler's service to the families and adopted children of central Pennsylvania, I want to reaffirm our commitment as a nation that we will do all that we can to provide children with a loving, stable, and emotionally secure family life. Tressler has set a high standard to meet during their next quarter century, and I am confident that they will continue to push their benchmark ever higher.

DR. JAMES H. BILLINGTON'S COMMENTS ON THE 100TH ANNIVERSARY OF THE OPENING OF THE THOMAS JEFFERSON BUILDING OF THE LIBRARY OF CONGRESS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. LANTOS. Mr. Speaker, this week marks the centenary of the opening of the Thomas Jefferson building of the Library of Congress. This magnificent edifice has now served the American people and the U.S. Congress for 100 years.

This is an anniversary that should be noted, remembered, and appreciated by all of us here in the Congress, who benefit from the excellent facilities and the outstanding staff of the Library, and it is an anniversary that all Americans should join with us in celebrating. All Americans are blessed with the outstanding collection of materials housed in the Library, but we are also fortunate to be able to enjoy the beauty of the Thomas Jefferson building, which is one of the finest public buildings in our Nation. This building reflects the best of American architecture, art, engineering, and construction.

Mr. Speaker, on this important anniversary of the opening of the Thomas Jefferson building, I ask that a short article of Dr. James H. Billington, the Librarian of Congress, be placed in the RECORD, and I urge my colleagues to read it. The article by Dr. Billington appeared in the October/November issue of Civilization, a magazine published by the Library of Congress which provides information and background about the incredible resources our National Library possesses. Mr. Speaker, Civilization is only one of the many creative innovations that Dr. Billington has contributed since he became Librarian of Congress 10 years ago this September.

Mr. Speaker, I invite my colleagues to join me in celebrating a century of service to the American people of the Thomas Jefferson building and to join me in commending Dr. Billington on his decade of outstanding service to our Nation as Librarian of Congress.

A GLORIOUS MOMENT FOR MR. MAX WEST

(By Dr. James H. Billington)

On a rainy Monday, November 1, 1897, the "largest, costliest, and safest" library building in the world opened its doors to the public without ceremony. In a front-page story that day, the Washington Evening Star noted that "the rain did not come amiss to the bookworms" who rushed to the Library's new building but "rather served to heighten their enjoyment [of] the literary feast provided for them."

The first volume requested after the doors were opened, reported the Star, was "'Roger Williams' Year Book' of so recent a date that it had not been received. . . . The first book applied for and given out was 'Martha Lamb's History of New York City' and the gentleman [reader] . . . bore the name of Max West."

The new Italian Renaissance building housed 1 million books, 55,000 maps and other items that had been carted across the street from the Capitol, which had been the Library's overcrowded home for 97 years.

The new structure was not only the most modern library building in existence, it was also a unique architectural feat. The Library's glittering dome, plated with 23-carat gold leaf, capped an elaborately decorated facade and a spectacular marble interior adorned by murals, frescoes and statuary created by more than 40 leading American artists.

For months prior to the official opening, newspapers and popular magazines carried effusive articles about the new Library. Few visitors were disappointed. Senator Justin Morrill of Vermont, one of the Library's chief supporters in Congress, felt that its "grandeur and felicitous finish" would be likely to remain long unrivaled "in this or any other country." Speaker of the House Joseph G. Cannon called it the best public building in Washington. Architecture critic Montgomery Schuyler praised the structure as a "national possession, an example of a great public building monumentally conceived, faithfully built, and worthily adorned." On November 25, 1897, more than 4,700 people visited the Library during special Thanksgiving Day tours.

The new building—today one of the Library's three major buildings on Capitol Hill and named the Thomas Jefferson Building after the Library's chief founder—was completed at a time of considerable optimism and national pride. The election of William McKinley in 1896 had seemed to inaugurate a period of domestic tranquillity. Prosperity was returning after the great Wall Street panic of 1893. There was unfinished business: The Civil War and Reconstruction had brought black Americans emancipation but nothing close to equality, and reformers decried child labor, slums and extremes of wealth and poverty. Nevertheless, all 45 states (Oklahoma, Arizona and New Mexico were still territories) were now linked by telegraph and transcontinental railroads; the population, swollen by European immigration, had reached 76 million; the country boasted steel mills and farms second to none; the telephone was beginning to take hold in the cities; the first automobiles had appeared. New land-grant colleges, notably in the Midwest, were producing future managers, engineers and teachers, and Andrew Carnegie's philanthropy had begun to build hundreds of local public libraries. Progress was in the air.

This November, we plan to mark the 100th birthday of this glorious building without great fanfare but with deep gratitude to our forebears. There will be a gathering of members of Congress and other friends and benefactors of the Library, and a new brass plaque honoring Senator Morrill will be unveiled. Curators will make fresh additions to "American Treasures," our permanent rotating exhibition of great artifacts and published works from the Library's collections.

And, as we look back to the 1890s, we also will note certain differences in the 1990s. Visitors to the exhibition halls have to come and go through security gates—a necessity, sadly, on Capitol Hill these days. On the bright side, more than 60 images of the "American Treasures," which range from the original rough draft of the Declaration of Independence to Thomas Edison's first copyrighted motion picture, have been digitized and made available to people across the nation on the Internet, along with 350,000 other unique items of Americana from the Library's collections and our entire electronic card catalog with 27 million entries. The Library now serves not only people who come to Washington. Thanks to new technology, the Library's most useful resources are becoming accessible on-line to all Americans every where. That is progress.

HONORING DISTINGUISHED CITIZEN JOHN N. STURDIVANT

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. GILMAN. Mr. Speaker, today I join with my colleagues in honoring the memory of a man who diligently strove to serve the best interests of his fellow citizen. John N. Sturdivant, who passed away October 28, admirably and selflessly worked, in his role as president of the American Federation of Government Employees, on the behalf of the workers that make this Government function.

President Sturdivant headed a group that represented over one-third of those workers employed by the Federal Government. This number compares to that of the constituency that each of us here in this House is elected to represent. President Sturdivant knew he held the livelihoods of thousands of people in his hands, and he did everything he could to better their lives.

The Washington Post called John Sturdivant a "true man of the people." As his record shows, this could not be more correct. President Sturdivant continuously worked to increase pay, extend retirement benefits, and to make sure that his union did not stand idle as the Government, out of necessity, began to reshape itself in the post-cold-war era.

Perhaps one of his most memorable acts as president of the AFGE was his opposition to the Government shutdowns of 1995 and 1996. I joined in with President Sturdivant in criticizing these actions and strongly called for the reopening of our Government. President Sturdivant had the best interests of those he represented, as well as that of the United States, in mind when he vocalized his opposition to this event.

I had the pleasure and honor over the years of having worked with John Sturdivant. As a member of the House Government Reform and Oversight Committee, I know just how strongly and passionately President Sturdivant cared for those who elected him to fight for them. His advocacy led to numerous improvements in the benefits earned by hardworking Federal employees.

While achievements for his union are his most prominent legacy, President Sturdivant was accomplished in other areas as well. In sitting on the executive board of the AFL–CIO, he reached one of the highest ranks ever achieved by an African-American in the history of that organization. A graduate of Antioch College, President Sturdivant studied law at George Washington University, and was a veteran of the U.S. Air Force.

Mr. Speaker, John Sturdivant was a distinguished citizen who will be sorely missed. I join with my colleagues in extending condolences to the Sturdivant family, their friends, and the AFGE.

THE PROMISE KEEPERS

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. SHIMKUS. Mr. Speaker, sometimes people become so carried away by the media and spectacle of an event that they miss the basic message or main point of the effort.

In the wake of the hype and hoopla of the October 4 Promise Keepers' rally, I want to praise the basic message of the Promise Keepers as one of support for the fundamental American values upon which our Nation was founded.

It's a bold message. It's a message of individual responsibility. A message of family values. A message of acceptance of their commitments to the most basic fabric of our country, our families. The Promise Keepers call for a return to these commitments.

These men recognize that through fulfilling their most important commitments, those to their wives and children and to God, all of America benefits.

Mr. Speaker, I applaud the message of Promise Keepers and those who strive to fulfill it.

IN HONOR OF BERTRAM F. DOYLE

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. KUCINICH. Mr. Speaker, I rise today to honor the memory of Mr. Bertram F. Doyle for his many years of service and countless contributions to his community and his country.

Bertram Doyle was born in Cleveland and raised in Euclid, Ohio. After graduating from Shaw High School in East Cleveland, Mr. Doyle enrolled at Cleveland College of Western Reserve University, where he earned a bachelor's degree in business.

During World War II, the Marines assigned Mr. Doyle the crucial duty of operating the combat telephone. He played an instrumental role in two of the most important battles of the war, Bougainville Island and Iwo Jima. In 1946, Bertram Doyle was discharged from the Marines, having achieved the rank of staff sergeant.

Bertram Doyle served his community through his involvement with Democratic politics and his participation in various charitable organizations. Mr. Boyle served as an administrative assistant to both the Ohio Department of Transportation district director and the Ohio auditor, as well as Democratic ward leader in Seven Hills, OH. Mr. Doyle also belonged to the Holy Name Society at St. Columbkille Catholic Church and American Legion Breckville Post 196 and volunteered at the Deaconness Hospital.

Mr. Doyle leaves behind a wife, three sons, and five grandchildren. He will be greatly missed.

TRIBUTE TO SYBIL BRAND

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. BERMAN. Mr. Speaker, I am honored to pay tribute to Sybil Brand, a woman of extraordinary compassion and a keen sense of social justice. Now in her 90's, Mrs. Brand has devoted her life to helping people in need. We would all do well to emulate her example.

Born in Chicago, Mrs. Brand moved with her family to Los Angeles when she was only 2. Her involvement in charitable service began at the tender age of 12, when she and her friends made diapers for patients at Childrens' Hospital. The material was donated by her father, A.W. Morris. In her teens, Mrs. Brand volunteered as a nurse's aid in the orthopedic ward of the hospital, bringing gifts and cheer to children with disabilities.

These early acts of charity led to the work that would make Mrs. Brand both beloved and honored throughout in southern California. Nearly 40 years ago, she was appointed to the Institutional Inspection Committee of the Public Welfare Commission. She was appalled at the overcrowded conditions, and skillfully used her position to lobby for change.

She spoke to law enforcement and elected officials and worked hard to get the voters to approve funding for another facility. Due primarily to her efforts, the Sybil Brand Institute was constructed to house female prisoners in Los Angeles. Mrs. Brand is the only living woman to have a correctional institute bear her name.

Mrs. Brand has received hundreds of commendations from civic and charitable organizations, including her selection as Woman of the Year by the cities of Beverly Hills and Los Angeles and by the Friars Club Charity Foundation. In recognition of her 50 years of service to the people of Los Angeles and her 90th birthday, the Los Angeles County Board of Supervisors in May 1992, honored Mrs. Brand at a ceremony held in the Grand Hall of the Music Center.

I ask my colleagues to join me and the Chaplain's Eagles of the Los Angeles Probation Department in saluting Sybil Brand, who has worked tirelessly to make this a better world. She is an extraordinary example of what one dedicated individual can accomplish. We thank her for her service to the human family.

THE INTRODUCTION OF THE NATIONAL URBAN WATERSHED MODEL RESTORATION ACT

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Ms. NORTON. Mr. Speaker, today, I introduce the National Urban Watershed Model Restoration Act, a bill which will establish a new approach to restoring urban waters. This pilot program, to be administered by the Environmental Protection Agency [EPA], will serve as a national model for the restoration of urban watersheds and community environments. To achieve more focused and rapid action, the new program will integrate the various regulatory and nonregulatory programs of the EPA with other Federal, State, and local programs to restore and protect the Anacostia River and promote community risk reduction. EPA is to coordinate its efforts with other Federal partners, particularly the U.S. Army Corps of Engineers. In addition to addressing a major local environmental concern, this model program will provide a framework for urban communities around the Nation to work toward sustainable community redevelopment and to meet national environmental goals.

Under the new program, EPA shall allocate a total of $750,000 per year over the next 4 fiscal years to implement the provisions of the model program. EPA may authorize no less than $400,000 per year in the form of grants, which are to be matched on a 75–25 basis with other Federal funds and State, local, and private contributions.

The Anacostia River has been my top environmental priority since coming to Congress in 1991. I realize that restoring a river requires a long-term commitment. I am committed to whatever time and effort it takes to restore the river that runs through our neighborhoods. I am particularly pleased that all of the regional Members of Congress whose districts encompass the Anacostia River, Representatives CONNIE MORELLA, STENY HOYER, and ALBERT WYNN, recognize the importance of this effort and have become original cosponsors of this legislation.

WELCOME DR. STEPHEN CHEN

HON. BENNIE G. THOMPSON

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. THOMPSON. Mr. Speaker, today, I rise to join others in welcoming Dr. Stephen Chen to Washington, DC. He has recently assumed the position of Taiwan's top representative in Washington, replacing D. Jason Hu.

Representative Chen comes to Washington with impeccable diplomatic credentials. Prior to this appointment, he served as Deputy Secretary-General to President Lee Teng-hui of the Republic of China [ROC]. Dr. Chen is a distinguished career diplomat. He served at the Embassy of the ROC in Manila in 1953, and has held a number of diplomatic posts throughout the world. In the sixties, he was stationed in Brazil and in the early seventies he held various consular posts in the United States.

Representative Chen is married to Madam Rose Te Chen, has two sons and one daughter. I am told he speaks several languages fluently, and I know that he speaks and understands the English language and its nuances and idioms quite well.

Representative Chen will undoubtedly have a challenging job in Washington, but I believe he will strive hard to strengthen the good relations between Washington and Taipei.

I extend to Dr. Chen and his family the very best wishes for a productive and worthwhile experience during their Washington tenure.

RURAL INDIANA

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, November 5, 1997, into the CONGRESSIONAL RECORD.

RURAL INDIANA COMMUNITIES

The Ninth Congressional District consists of 20 full counties and part of one other. It takes over 6 hours to drive from southwestern Spencer County to eastern Union County. With the exception of the counties in the Louisville metropolitan area, principally Clark and Floyd, it is among the most rural congressional districts in the country.

The Ninth District is made up of plowed fields, rolling hills, celebrated woodlands, and small to moderate-sized communities. Few people traverse the highways and byways of southern Indiana more frequently than I have in recent years. I feel quite at home among the farms, along the back roads, as well in the bustling towns. I get immense pleasure from the beauty of rural southern Indiana, and especially enjoy the variety of court house squares. Yet despite the attractiveness of the area, many worry about the future of our rural communities.

RURAL ECONOMIES

Some of our rural Indiana counties are growing rapidly, often with robust growth associated with recreation, new or expanding industries, tourism, and retirement. Other counties are not growing at all and are having difficulty generating new jobs. They confront the basic problem of keeping their young people at home. The people of southern Indiana are generally less affluent than the rest of the State. We have several of the poorest counties in the State.

Rural America tends to be comparatively poor. It has great natural resources but that does not show up in the personal income of rural Americans. No rural district today in the U.S. House of Representatives is ranked in the top 100 in terms of median family income; most are in the bottom 100.

APPROACH TO ISSUES

The population of southern Indiana tends to be white, older, and moderate to conservative, especially on the social issues. There is always a strong emphasis on values, particularly self-reliance, and a deep skepticism by rural Hoosiers of life in the urban areas. They tend to view urban areas as the center of crime and drug activity, and not a very good place to raise a family. They have very strong ties to family, church, and community, and a strong desire to strive for a better life. The quality of life in rural Indiana compares favorably with many other areas of the country, and rural Hoosiers seem to be aware of it. As one of them said to me, "I really do not know where I would rather live."

People in southern Indiana are fiscally prudent and want their representatives to be in the mainstream on economic and social issues. They are independent and often split their ballots. This unpredictability is one reason why public officials pay particular attention to rural Indiana.

At the same time it is clear that over the years political clout nationwide has shifted to the suburbs. Merely one in five Americans today lives in small towns or the countryside. Only 57 districts out of 435 in the U.S. House of Representatives could be considered rural—13 percent of the House. Most of these rural districts are in the South or in the Midwest.

Public officials, of course, love to identify themselves with smalltown America. President Eisenhower identified with Abilene Kansas; Jimmy Carter with Plains Georgia; Ronald Reagan with Dixon Illinois; and President Clinton with a place called Hope.

JOBS

There is great economic diversity in southern Indiana. On the one hand there are energetic, growing rural areas, and on the other there are rural communities that are isolated and struggling. Some of them seem locked in time and there is little movement in or out of the communities. Even a modest change like the addition of a new restaurant or shopping area can cause excitement in the community.

The common concern in the rural areas of Indiana, in my experience, is jobs. Many have confronted chronically high rates of unemployment and underemployment and there is constant demand for more high-paying jobs. Rural Hoosiers worry about the disappearance of family farms, layoffs in some manufacturing plants, and the challenges facing schools and cultural institutions like the libraries.

Not nearly as many people in these rural communities live on farms as one might think. Most of the small communities have a light industry or two to supply the jobs, and manufacturing is the largest source of employment in southern Indiana. The counties tend to have a higher percentage of people over age 65, often more than double the national average.

In the future, the viability of rural Indiana may very well depend on the number of people who are fed up with the pace and stress of living in the city. Many of them will move out of the urban areas into the rural areas. Computers may have an impact on rural Indiana, increasing the ability of people to live where they want to, not where they have to. Also, as the number of retired Americans increases, rural Indiana could very well experience a comeback.

I have always found Hoosiers who live in urban areas wanting to support and help the rural communities of our state. There is, of course, a special appeal to communities which are attached closely to the land and which have a social cohesion and solid anchors of home and church. But it is also true that Indiana will prosper much more if the farm and small factory towns can do well. If they do not do well they will drag the rest of the state down.

CONCLUSION

Small towns have always played a very large part in Indiana's view of itself. They are communities where common goals can be reconciled with rugged individualism. They are nurturing places that produce state and national leaders. The problems of the communities seem more manageable than those in the urban areas, and in many ways the communities have a mythical appeal.

Rural communities may be less affluent and face problems of unemployment, but generally I find rural Hoosiers content with their way of life. They have a sense of place and self, of where they come from, who they are, and what they want for their family and community. I am not at all pessimistic about the future of rural southern Indiana. New growth in these communities may well sustain the vitality and the viability of rural Indiana.

TOBACCO INDUSTRY REGULATION

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. LIPINSKI. Mr. Speaker, I rise today to oppose an agreement that was recently made between the tobacco industry and the FDA. The settlement addresses several issues, including the FDA's authority to regulate tobacco, advertising and promotion, youth access to tobacco products, environmental tobacco smoke, and immunity for the tobacco industry from future law suits.

Mr. Speaker, I am hesitant to enact legislation that will restrict the FDA's authority to regulate tobacco. More importantly, this enactment concerns me because it would give the tobacco industry a bailout from future liability. I cannot support legislation that does not include stringent safeguards aimed at protecting our Nation's youngsters from becoming addicted to nicotine; protecting our children should be our main concern.

I would like to enter into the RECORD a resolution adopted by the City Council of the City of Chicago, forwarded to me by the Honorable Edward M. Burke from the State of Illinois:

Whereas, The United States Congress will vote on a $385.5 billion proposed nationwide tobacco accord; and

Whereas, The Chicago City Council has been informed of this event by Alderman Edward M. Burke; and

Whereas, Cigarette makers and 40 state attorneys general agreed to a proposed accord aimed at helping to protect young people from the dangers of smoking in June of 1997; and

Whereas, Under the proposed settlement, cigarette companies would pay annual fines of $80 million for every percentage point that smoking by young people failed to drop below 30 percent over a five-year period, 50 percent over seven years and 60 percent over 10 years; and

Whereas, Annual payments would be capped at $2 billion under the proposed agreement; and

Whereas, Along with paying penalties for smoking by young people, tobacco companies under the proposal agreed to settle lawsuits by states and smokers and to impose broad restrictions on tobacco advertising; and

Whereas, In return, the plan which requires approval by the United States Congress, would provide the industry protection against certain types of lawsuits and punitive damages; and

Whereas, The members of the Illinois Congressional Delegation must vote on the proposed nationwide tobacco accord; and

Whereas, Critics of the proposed accord, including members of Congress and public health experts, have objected to the proposed settlements as a bailout of an outlaw industry that does not go far enough toward reducing addiction to nicotine; now, therefore

Be it Resolved, That we, the Major and members of the Chicago City Council assembled this tenth day of September, 1997, do hereby call upon the Illinois Congressional Delegation to vote against the proposed nationwide tobacco accord; and

Be it Further Resolved, That a suitable copy of this resolution be presented to the members of the Illinois Congressional Delegation.

A TRIBUTE TO ARTHUR (ART) H. COX

HON. JOHN T. DOOLITTLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. DOOLITTLE. Mr. Speaker, I would like to take this time to remember Arthur H. Cox, a man who served his community and his country with unparaleled distinction.

Art began his life of public service in the Air Force during World War II. He continued to serve his country with honor during the Korean war and ultimately retired from the Air Force Reserves as a lieutenant colonel.

For Art, however, public service did not only mean serving one's country; it also meant serving one's community. To that end, Art significantly contributed to the enhancement of all of the communities in which he, his wife, Yvonne, and their six children, Craig, Bryan, John, Dennis, Kevin, and Anne lived.

As a young man, Art was elected the Mayor of the City of Pomona, and served as the youngest mayor in the State of California. His service was distinguished by four successful terms.

While in Southern California, Art also worked tirelessly as the leader of numerous local agencies and organizations. He served as director of the Los Angeles County Sanitation District, director of the Los Angeles County Watershed Commission, president of the Los Angeles Area D Civil Defense, director of the Metropolitan Water District of Southern California, president of the Pomona Valley Municipal Water District, and chairman of the Pomona Valley Stadium Commission.

After moving to Auburn in 1974, Art continued to be an effective and dedicated community leader. Over the past 20 years, Art served both as mayor and councilman of the city of Auburn, president of the Auburn Area Chamber of Commerce, vice chairman of the Auburn Area Chamber of Commerce Economic Development Committee, chairman of the Placer County Office of Education Personnel Commission, and member of the Auburn Faith Community Hospital Board.

Art's contribution to the Auburn business community was also exemplary. He served as executive vice president of Heart Federal Savings and Loan, manager of the Heart of California Corp., and was a real estate, life insurance, and securities broker throughout his business career.

While Art's accomplishments and years of service to his country and community are exceptional, perhaps Art's greatest achievement was fulfilling his role as a husband of 50 years and father to his six children.

Art was always a shining example of community service and family devotion to those blessed to have known him. His integrity, humanity, and stalwart dedication to family, country, and community are rare assets and are worthy of our recognition today.

Last Sunday, surrounded by his loving and devoted family at his home in Auburn, Art Cox passed away. While everyone who knew him is saddened by his death, his spirit and enthusiasm for life will live on with us forever.

Mr. Speaker, as a tribute to Art and his lifetime's worth of accomplishments, I would ask that you join me, our fellow colleagues, and the citizens of Placer County in remembering Art and extending our heartfelt appreciation for his tireless efforts, unmatched commitment, and impassioned service, toward making his community and country a better place for us all to live.

IN HONOR OF THE 125th ANNIVERSARY OF THE FIRST BAPTIST CHURCH IN CLANTON, AL

HON. BOB RILEY

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. RILEY. Mr. Speaker, it gives me great pleasure to rise today to pay tribute to the 125th anniversary of the First Baptist Church in Clanton, AL. For 125 years, the First Baptist Church has offered spiritual guidance to the community of Clanton. The church was organized on November 5, 1872, with Rev. J.A. Mullins and Rev. P.H. Lundy serving as the church's first ministers. From a small beginning of only 10 members, the membership grew to 70 in 1886 and then to 1,470 in 1996.

First Baptist Church has made great strides during these 125 years in the spreading of the good news to mankind. The Sunday school has always been a very strong part of the teaching ministry of the church since the first mention of a Sunday school in 1877. Last year, the records show that 959 children and adults were enrolled in Sunday school.

In addition to Sunday school, the Baptist Young People's Union was formed for Sunday night training. Currently, it is known as discipleship training. Whatever the name, the organization has always taught Baptist doctrine, leadership courses, and Bible study. The enrollment was up to 251 in 1996.

Mr. Speaker, let me share with you the ways in which First Baptist Church mission programs have brought the ministry of the church into the community. It was the ladies of the church who began the mission programs by forming Ladies Aid Society, which is now known as the Women's Missionary Union. Recognizing the need for mission study for all ages, Mission Friends, Girl's Auxiliary, and Acteens were also organized. For the men in the congregation, the Brotherhood organization began which sponsors the boys' groups like the Lads, Crusaders, and Challengers.

First Baptist Church also started three missions in the community: the West End Baptist Church in 1948, the Northside Baptist Church in 1954, and Lomax Baptist Church in 1958. All three are now active, growing churches in Clanton.

Mr. Speaker, in addition to its distinguished mission program, the First Baptist Church has always maintained an excellent music program. There are three children's choirs, a youth choir, and an adult sanctuary choir. Programs of special music are performed on many occasions and have included hand bells. In 1995, a church orchestra was formed. Most recently, the outstanding "Living Pictures" was presented in 1997.

Mr. Speaker, First Baptist Church has been very successful in reaching out to the young and old alike. The youth ministry is also a vital program which emphasizes Bible teaching, recreation, retreats, youth camps, youth week, and person soul winning. For the older members of the congregation, the fellowship of the Keenagers meet each month for lunch and an inspirational message. Trips to places of special interest are taken regularly. For those who are not physically able to attend services, a homebound ministry is provided which provides church literature on each of their monthly visits.

Under the current leadership of Dr. Michael, new ideas have been promoted including greeters for each service, prayer partners during worship services, and a worship service for children ages 4 to 6.

Finally, Mr. Speaker, in honor of this anniversary of the First Baptist Church in Clanton, let me share with you the church's invaluable vision which has been and will continue to be: "As a family of Christians, we seek to reach people for Christ, exercise Biblical faith, and practice unconditional love in accomplishing our mission for Jesus."

SAM CASALE AND GLENN MILLER: GOOD MUSIC AND MEMORIES

HON. FRANK A. LoBIONDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. LoBIONDO. Mr. Speaker, I rise today to pay tribute to Mr. Sam Casale, a resident of Turnersville, NJ, for his involvement with the Glenn Miller Orchestra in the 1940's, and for his tireless efforts to convince the U.S. Postal Service to issue a Glenn Miller stamp.

Because of his strong advocacy over the years, Mr. Casale's dream has now been realized: the Postal Service recently issued a Glenn Miller Postage stamp as part of its series featuring American composers, musicians, and singers. What is more, Mr. Casale was given the honor of designing the second-day cancellation postmark which will be issued from the Egg Harbor Post Office, located in the Second Congressional District.

Sam Casale first heard Glenn Miller's distinctive brass and woodwind sound as a high school student. Like many others in that era, he was taken by such Miller hits as "In the Mood," "Chattanooga Choo Choo," and "Moonlight Serenade." Glenn Miller was a household name in the United States by 1939, and his band was a coast-to-coast sensation.

At age 17, Mr. Casale was able to become a part of the excitement when he was hired by the Miller Orchestra as a band boy. From that vantage point, he was able to watch Miller's artistry, professionalism, and—as Mr. Casale is quick to point out—Miller's good moral judgment.

Mr. Casale's big moment with the orchestra came in Atlantic City, minutes before a live radio performance. Miller, who was running late, had not yet shown up at the bandstand. With the broadcast about to go on the air, band members asked Casale, himself a clarinet player, to start the orchestra. With a swing of his arm, the band started their first number; at that moment, Miller walked on stage, greeting young Mr. Casale with a smile and an "OK" sign as he took control of his band.

Glenn Miller, of course, went on to join the Army Air Corps in World War II and aided the Allied war effort as a morale-building band leader. Although Miller died in the service of his country in 1944, Sam Casale's efforts in preserving his memory will ensure that our generation will never forget Glenn Miller's contribution to American music.

INTRODUCTION OF CHARITY IRA'S

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mrs. KENNELLY of Connecticut. Mr. Speaker, today, Mr. CRANE, Ms. DANNER, Mrs. EMERSON, Mrs. THURMAN, Mrs. LOWEY, Mr. LIPINSKI, Mr. RAMSTAD, Mr. YATES, and I are introducing legislation to allow charitable contributions from Individual Retirement Accounts. Our charitable IRA rollover proposal would allow individuals who have reached age 59½ to donate IRA assets to a charity without incurring income tax.

You may have heard from charities in your district recently that they are often approached by individuals who have accumulated large IRA's and wish to make a charitable donation but are effectively precluded from doing so by the unique tax laws that apply to IRA's. We want to change this.

Our legislation would allow an individual to donate his/her IRA to charity without incurring any income tax consequences. The IRA would be donated to the charity without ever taking it into income and paying tax on it. Similarly, because current law IRA's represent previously untaxed income, there would be no charitable deduction. IRA rollovers to qualifying charitable deferred gifts would receive similar treatment.

This minor change in tax law could provide a valuable new source of philanthropy for our Nation's charities. I would urge my colleagues to cosponsor.

A TRIBUTE TO M.B. "DUKE" RUDMAN

HON. RALPH M. HALL

OF TEXAS

HON. JIM TURNER

OF TEXAS

HON. MAX SANDLIN

OF TEXAS

HON. PETE SESSIONS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. HALL of Texas. Mr. Speaker, my colleagues and I rise today to call the attention of our colleagues to the remarkable life of an east Texas oil pioneer and philanthropist who was recently honored as one of 50 worldwide recipients of the State of Israel's 50th Anniversary Award.

Mr. M.B. "Duke" Rudman was born 87 years ago in Bonham, TX, and while drilling thousands of wildcat oil wells from North Dakota to Texas and from California to Florida during 60 years in the oil business, he also gained quite a reputation for his devotion to health and fitness and his work as a motivational speaker.

But none of his lifetime accomplishments have proven as rewarding as his civic and philanthropic activities. He has said many times that he wants to be remembered more for what he has done for others, not for anything he has done for himself.

He is 1 of 50 persons worldwide to receive the 50th Anniversary Award for his lifetime of extraordinary efforts on behalf of the State of Israel. He will take part in a November 22 gala at the United Nations in New York to celebrate the 50th anniversary of the November 1947 U.N. vote that partitioned the land of Israel.

Last Sunday was M.B. "Duke" Rudman Day in Tyler and Smith County, TX. Many of his east Texas friends and neighbors gathered in Tyler to recognize his contributions to Israel and to his native Texas. They made it clear that Israel's progress as a nation and a democracy could not have happened without people like Duke Rudman. He has helped fund student educations and purchased a fleet of 83 ambulances for that nation's emergency personnel in addition to a host of other philanthropic endeavors.

Mr. Rudman is well known throughout east Texas for his association with the oil industry. He attended Kemper Military Academy and the University of Oklahoma. He moved to east Texas in 1931 during the oil boom and relocated to Dallas in 1942. Wherever he has gone, he has endeavored to help communities prosper. Recently, he donated land to the city of Tyler for a public park.

Those of us who know Duke Rudman are gratified that he is finally receiving the praise and recognition that he has forever shunned. He says he gets more pleasure from helping others than do those he has helped.

East Texas. American patriot. Friend of Israel. Duke Rudman's goodwill toward his fellow man throughout his lifetime reflects his generosity and his love for the human race. We are proud to know him and to call him our friend.

CAMPAIGN FINANCE REFORM

HON. RON KIND

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. KIND. Mr. Speaker, another day has gone by and still no campaign finance reform.

While most are looking at yesterday's election results in terms of who won and who lost, I read a more interesting, and troubling result from those elections. In the race for Virginia Governor we saw two very capable candidates, the highest level of spending in Virginia history, a fairly clean campaign and still voter turnout that was the lowest in many years. We have to ask ourselves, why are voters increasingly turned off by the election process? In races where you have an especially negative race it is easy to understand why voters are not going to the polls. But in this case it was a clean race, the race included a meaningful discussion of real issues and each party spent millions of dollars trying to get their message to the voters. There must be another answer.

I believe it is clear that the voters have grown frustrated with the current big money political system. The public believes that Government is for sale to the highest bidder, and their vote doesn't matter. It is our responsibility to restore the faith of the public in our democratic system.

One way to begin that process is to clean up our own house, and eliminate the influence of big money in politics. Campaign finance reform is needed now more than ever. Clearly no one can argue that the problem of low voter turnout in Virginia would be solved by spending more money. It is time to pass campaign finance reform and send a clear signal to the people of this country, that this Government is not for sale, that their vote does count, and that this Government belongs to the people not the special interests.

The people are expressing this displeasure by staying home on election day. We must pass campaign finance reform before we adjourn this year. For all our sake, we cannot accept "no" as an answer.

222D ANNIVERSARY OF THE BIRTH OF THE UNITED STATES MARINE CORPS

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. SPENCE. Mr. Speaker, I ask that my colleagues and all citizens of this Nation join me in congratulating the men and women of our U.S. Marine Corps as they celebrate the 222d anniversary of the birth of the corps this Monday, November 10.

In commemoration of this event, I would like to include for the record a description of the creation of the Marine Corps in 1775 and a brief summary of the history of the Marines "from the Halls of Montezuma" to the evacuation of American citizens from strife-ridden Sierra Leone.

U.S. MARINE CORPS HERITAGE

On Friday, 10 November 1775, Col. Benedict Arnold stood on the banks of the St. Lawrence River and looked in frustration across a mile of storm-whipped water at the objective—Quebec. It was critical that Arnold's army execute the crossing before British reinforcements arrived.

Outside Boston on that same day, Gen. George Washington and his army were encamped at Cambridge. Although reasonably provisioned, there were shortages of blankets, uniforms, and powder.

In Philadelphia that same Friday morning, the President of the Congress, John Hancock, convened the Second Continental Congress to consider the situations near Quebec and Cambridge. Major items of discussion focused on relieving pressure from Arnold's army by securing Nova Scotia and replenishing Washington's army with the captured supplies.

The success of the Nova Scotia plan called for the creation of two battalions of marines from Washington's army. Accordingly, the Continental Congress resolved that two battalions of marines would be raised and they "be able to serve to advantage by sea when required." The new battalions would be distinguished as the First and Second Battalions of American marines.

General Washington considered the decision to raise the marine battalions from his army impractical. Congress relieved Washington of this responsibility and ordered the marine battalions to be created independently of the army.

The expedition to Nova Scotia was eventually abandoned, but Congress refused to abandon the resolution to form two new marine battalions. The Continental Congress continued to maintain the idea of a corps of marines. During the subsequent decades and centuries, Congress has continued to nurture and support America's marines.

In the aftermath of World War II, Congress directed the maintenance of a versatile and efficient marine force. Congress resolved that a highly mobile and alert force of Marines should always be in position to impede a full-scale enemy aggression, while the American Nation is given time to mobilize its vast defense machinery. This capability remains the hallmark of today's Marine Corps.

Throughout their 222-year history, the U.S. Marine Corps has lived up to its reputation as America's most efficient force. Characterized by its amphibious, expeditionary, and combined arms capabilities, the Marine Corps has followed congressional direction that it "remain most ready when the Nation is least ready."

Since their creation in 1775, the marines have served our Nation in virtually ever clime and place:

They were with John Paul Jones and Gen. George Washington during the American Revolution.

They stormed the shores of Tripoli in 1805, and raised the United States flag for the first time in the Eastern Hemisphere.

They were the first United States troops to enter the capital and to occupy the Halls of Montezuma in Mexico City during the Mexican War.

They were at Bull Run and New Orleans during the Civil War, in Cuba and the Philippines during the Spanish-American War, and in China during the Boxer Rebellion.

They fought at Belleau Wood, Soisson, St. Michiel, and the Argonne during World War I.

They pioneered the concept of close air support in Nicaragua as marine aviators flew the first air missions in support of infantry forces.

They confirmed the legitimacy of amphibious warfare at Guadalcanal, Bougainville, Tarawa, Saipan, Iwo Jima, and Okinawa during their World War II island campaign in the Pacific.

They executed the classic amphibious assault at Inchon, and became the first military organization to conduct helicopter operations in battle.

They destroyed seven enemy divisions at the Chosin Reservoir during the war in Korea.

They added to their lineage the names Da Nang, Hue City, Phu Bai, and Khe Sanh during the war in Vietnam.

They supported our Nation's interests in Beirut, Grenada, and Panama.

They embraced the techniques of vertical short takeoff, landing high-performance aircraft, and new concepts such as maritime prepositioned shipping.

They demonstrated their quick response, combat readiness, and logistical sustainability during the gulf war.

They demonstrated the capabilities of versatile forces in humanitarian assistance operations by distributing food to the starving people of Somalia.

Thus far in 1997, our marines have conducted or contributed to 14 operations beyond normal readiness training. The most recent of these was Operation Noble Obelisk, during which our marines assisted in the evacuation of more than 2,500 American citizens from Sierra Leone in late May and early June.

It is with these events in mind, that I say, "Happy Birthday, marines."

MARJORY STONEMAN DOUGLAS WILDERNESS AND ERNEST F. COE VISITOR CENTER DESIGNATION ACT

SPEECH OF

HON. PORTER J. GOSS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. GOSS. Mr. Speaker, I rise in support of S. 931, which would designate the Marjory Stoneman Douglas Wilderness Area and the Ernest F. Coe Visitor Center in the Florida Everglades.

The Everglades National Park—A unique national treasure—celebrates its 50th anniversary this year. As we celebrate this important milestone, it is fitting that we recognize the contributions of both of these individuals. As anyone familiar with the everglades knows, Marjory Stoneman Douglas had dedicated her life to the everglades. Her landmark Book, "The Everglades: River of Grass" brought attention to the unique everglades ecosystem and helped set in motion the tremendous restoration efforts now underway.

Mrs. Douglas, who celebrated her 107th birthday on April 7, was awarded the Presidential Medal of Freedom for her efforts.

Ernest F. Coe helped lead the charge to establish the Everglades National Park and is widely regarded as the park's "father."

Coe's dedication and leadership in this area led to the authorization of the park in 1943 by Congress and the dedication by President Truman in 1947.

Over the years, the everglades and its surrounding ecosystem have fallen victim to neglect and misunderstanding. Congress and the State of Florida have supported action to save the everglades, and have worked to ensure that a coordinated, effective restoration program moves forward.

The ongoing south Florida initiative promises to combine existing programs with new targeted efforts to address many immediate and long-term needs of the everglades, including: fresh water supply and timing, wildlife protection, pollution prevention, Florida Bay improvements, and more.

As we continue to work on the larger issue of everglades restoration, I believe S. 931 offers us the opportunity to recognize the contributions of two individuals that have done so much for this national treasure and I strongly encourage my colleagues to support it.

NATIONAL WILDLIFE REFUGE SYSTEM VOLUNTEER AND COMMUNITY PARTNERSHIP ACT OF 1997

SPEECH OF

HON. NEIL ABERCROMBIE

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. ABERCROMBIE. Mr. Speaker, I rise in strong support of H.R. 1856. This bill was unanimously reported from the Resources Committee and the amendment before the House improves its benefits to wildlife even more.

The bill's sponsor, the gentleman from New Jersey, has done yeoman service for wildlife in this country by introducing this legislation and expeditiously bringing it before the House. The amendment does three things: it promotes volunteer programs on wildlife refuges; it protects wildlife habitat by reauthorizing the highly successful North American Wetlands Conservation Act; and it improves the management of nongame species of wildlife by reauthorizing a program of Federal matching grants for such activities.

Mr. Speaker, this bill is about protecting wildlife habitat and enhancing the management of both game and nongame wildlife. We have long since reached a point where Government cannot provide all the know-how and resources adequately to protect our wildlife. By establishing a pilot program to encourage partnerships between wildlife refuges and private organizations, we create a win-win situation for wildlife. Local citizens get an opportunity to gain firsthand experience with wildlife while enjoying the simple pleasure of volunteer service. For their part, wildlife refuges get expertise from the local community, as well as goods and services that would not otherwise be available to them.

In the 7 years of its existence, the North American Wetlands Act has resulted in the protection of more than 10 million acres of wetlands in the United States, Canada, and Mexico. $208 million in Government funds for this voluntary, nonregulatory program have been matched by more than $420 million in non-Federal funds, conserving valuable habitat for migratory birds and many nonmigratory species as well.

Last, the amendment reauthorizes the Partnerships for Wildlife Act, which provides matching grants for nongame wildlife conservation and appreciation. A permanent source of funding, like we have for sportfish and game conservation, is sorely needed for nongame species. The States currently estimate their unmet needs for nongame management and conservation at over $300 million annually. I hope that we have the opportunity to give permanent funding for nongame species serious consideration next session. In the meantime, we will continue doing what we can for nongame species under the Partnerships for Wildlife Program.

This is sound legislation to benefit wildlife through nonregulatory programs that leverage scarce Federal resources. I urge the House to support H.R. 1856.

SAN MATEO COUNTY, CA—CENTER OF THE BIOSICENCE INDUSTRY

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. LANTOS. Mr. Speaker, it is my privilege today to call to the attention of my colleagues in the Congress the significance of the biotechnology industry in San Mateo County, CA. A part of the impetus for my remarks today is the release of a recent report, "Bioscience in San Mateo County: An Industry Study," which was prepared by the Bay Area Bioscience Center in cooperation with SAMCEDA, the San Mateo County Economic Development Association.

The bioscience research industry in San Mateo County was ushered into our area in 1976, when the founders of Genentech, a pioneer and major biotech firm, rented space and began operations in the city of South San Francisco. Today, San Mateo County is home to nearly 100 bioscience companies employing over 10,000 men and women. In the past 15 years, San Mateo County has become one of the world's most important centers for the research and the commercialization of bioscience research and development.

The economic benefit to our local communities from bioscience companies is significant. Bioscience companies pay high wages, provide steady employment, and are environmentally clean operations. The members of its work force are well-educated and involved in their residential communities.

To win the benefits of this vibrant bioscience industry in our communities, economic development initiatives to support local bioscience companies have been undertaken by dozens of cities, counties, and States throughout the United States, as well as by Canada and many European countries. Often these recruitment efforts have targeted San Mateo County and other northern California companies with a variety of incentives. Although San Mateo County is the fortunate birthplace of the bioscience industry, there continues to be fierce competition for the industry's future growth.

In the 1950's and 1960's, California's civic and business leadership advanced the State economically by anticipating and encouraging the growth of the aerospace and the electronics industries. The basic elements of that long-term technology development strategy helped create a prosperous Silicon Valley and, more recently, benefited our State's growing bioscience industry.

According to the report "Bioscience in San Mateo County: "An Industry Study," few foreign countries and only one other State (Massachusetts) can match the extent of San Mateo County's booming bioscience activity. From industry leaders like Genetech and PE Applied Biosystems Division to promising young companies like Tularik and Arris Pharmaceuticals, the county has established itself as a locale of choice for bioscience companies. One of the principal reasons for this success is the high quality of life that we enjoy on the San Francisco Peninsula.

Ironically, this same success of San Mateo County in establishing its preeminence for the bioscience industry has also created challenges to county leaders in the effort to maintain preeminence in the bioscience industry. This report is a blueprint to assist local officials, business leaders, and the citizens of San Mateo County in considering what steps should be taken to ensure that the county can benefit from the continued growth of this valued industry.

Mr. Speaker, I ask that the executive summary of this report be placed in the CONGRESSIONAL RECORD. I think that it will be useful for our colleagues in the Congress to examine this report because it provides an excellent example of cooperative local efforts to deal with the problems of attracting industry for the benefit of a community. It is my hope that the information and recommendations contained in this report can provide a focus for discussion as well as a working tool for economic development by San Mateo County officials, public utilities companies, development authorities, and the national bioscience industry.

EXECUTIVE SUMMARY

During the last fifteen years, Sam Mateo County has become a locale of choice for the economically promising bioscience industry. To help ensure that the county maintains its prominence, the San Mateo County Economic Development Association (SAMCEDA) and several local bioscience companies asked the Bay Area Bioscience Center to conduct a Bioscience Business Environment Survey and to offer recommendations for maintaining the competitive advantages currently afforded the industry by the county.

This first-ever look at the scope of the dynamic and growing bioscience industry in San Mateo County comes at a time when the country's business community is implementing a county-wide economic development strategic plan for the retention, expansion and attraction of business through public/private partnerships. The information and recommendations contained herein are intended to provide a focus for discussion as well as a working tool for economic development efforts by county officials, public utilities, developers and the bioscience industry itself.

Selected information and recommendations are summarized on the following pages:

EMPLOYMENT

Forty survey participants expect to create 1,100 new jobs in 1997. This expansion represents a highly impressive overall employment growth rate of 15 percent.

The total operating budget of 32 bioscience companies in 1995 was more that $1.4 billion, including an estimated $470 million in salaries and benefits.

REAL ESTATE AND CONSTRUCTION

More than 3.7 million square feet of office, laboratory and distribution space is currently being utilized by the surveyed firms.

The rental expense incurred in San Mateo County by survey respondents for the years 1996 and 1997 is expected to be $71 million, a 48% increase over the $46.7 million two year total for 1994 and 1995.

Survey participants invested $138 million in new construction in San Mateo County for the two years 1994 and 1995, not counting tenant improvements paid for by landlords. The same companies plan to devote $186 million for construction spending in 1996 and 1997, an increase of 35%.

Facilities growth is not limited to a few large companies: More than 70% of the survey respondents planned to expand their facilities in the two year period 1996 and 1997, pending favorable financing and regulatory conditions.

RECOMMENDATIONS

Develop an incubator initiative in San Mateo County to assist bioscience entrepreneur in their startup operations. The high cost of doing business, and in particular the challenge of finding affordable wet-lab space, is a significant deterrent to new bioscience company formation in the county. A life sciences incubator would help ensure the county's continuing preeminence in bioscience for years to come.

Conduct a comparative analysis of the county's tax and regulatory policies vis-a-vis other leading bioscience counties in California and the nation, and initiate reforms as appropriate.

Establish within SAMCEDA a bioscience industry liaison position that will oversee all issues related to the growth of a strong bioscience industry in San Mateo County, and help implement the recommendations in this report.

Support continued efforts in education reform, particularly in improving the math and science curricula.

Work with high schools and community colleges to develop a school-to-work initiative such as a tech-prep or apprenticeship (work-based learning) program to train entry-level bioscience technical.

Expand the county's existing community and four-year college efforts to train bioscience laboratory technicans, with particular emphasis on providing minority students with access to the high-growth bioscience industry.

Work with the scientific, academic and industrial communities to increase teachers' familiarity with commercial applications of science and science-related careers for students, especially in bioscience and biotechnology. This may be done in many ways, including workshops for teachers, teacher education programs or career-oriented video presentations.

Promote lifelong training for local bioscience workers in a manner that is accessible to the workers and that offers relevant courses developed in cooperation with bioscience companies.

PROUD OF EAST TENNESSEE

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. DUNCAN. Mr. Speaker, I have lived in east Tennessee all my life. It is one of the most beautiful parts of our country, but what makes it really special is the people who live there.

We now have many thousands of wonderful people who have moved in from other parts of Tennessee, other States, and even many from other countries. Most of them love east Tennessee, too.

But I have to say that to me, native east Tennesseans are pretty special, unique people. Our part of the country was settled primarily by poor Scotch-Irish mountain farmers.

They and their descendants have always been proud, thrifty, hard-working, neighborly kind of people.

They have always been fiercely patriotic in time of war, but fiercely independent in times of peace. They have never really liked big government or having distant bureaucrats tell them what to do.

Maybe it has something to do with a heritage of moonshine whiskey, but they have never cared much for Federal revenue agents, and I once was told that the Federal court for east Tennessee had the lowest conviction rate in IRS cases in the entire country.

For many years I have been teased about my east Tennessee accent. Sometimes people have called us hicks and hillbillies. Once, when I was in college, a man in New York said to me in much amazement: "Your're from Tennessse, and you're wearing shoes?"

Perhaps because we have been teased and ridiculed and made fun of, we have been a little defensive at times. But I also think this has made us a little bit more loyal to each other.

At any rate, we have now become a secret that has been discovered. East Tennessee has become one of the most popular places to move to in the whole country.

Invariably, the people who have moved in tell that it was not only the beauty of our area that attracts them, but also the kindness of the people, their friendliness, their honesty, their work ethic, and so on.

I could say much more, because I am very proud of east Tennessee. It is home to me. It means family and friends and everything that is important and good to me.

I am just a visitor in Washington and even if someday I had to move to another part of our great Nation on a full-time basis, I would still tell people I was from east Tennessee.

I could go on and on, but what really prompted all this was a letter I read today in the Knoxville News-Sentinel from one of my constituents, and friend, John Mark Hancock.

In this letter, Mark, a seventh-generation east Tennessean, expresses far better than I have some of the great things about living where we do.

Because I was so touched by what he wrote, I wanted to call it to the attention of my colleagues and other readers of the RECORD.

EDITOR, the News-Sentinel: I am blessed. As a seventh-generation native East Tennessean on both sides of my family, I am truly blessed for having had the opportunity to live and grow up in this area.

Many times in life we find ourselves chasing after things that are fleeting in both our personal and professional relationships, namely love and money.

In doing so, we take for granted all the little things that are so much more important—like walking, talking, seeing, hearing, touching, smelling and moving about this wonderful region of our planet.

I had the distinct pleasure and the wonderful opportunity to take my 3-year-old niece, Katie, to the Museum of Appalachia's Fall Homecoming this year.

As most of us know, it is a celebration of the fierce determination and independence of our ancestors who settled this area. It was satisfying to see the wonderment in the eyes of a new generation as we enjoyed the day together.

Listening to the strains of "Orange Blossom Special" wafting over the serene countryside, having traveled and lived all over the United States, I got a tear in my eye and a lump in my throat.

My heart and soul filled with pride upon hearing those sweet melodious tunes. They are from deep within our culture, and we should never forget what they mean to us.

That same weekend, I was privileged to witness another big University of Tennessee Volunteer football victory at the largest stadium in America. The pride in excellence of achievement, both athletically and academically, that my alma mater represents, is another part of our tremendous heritage.

The next day, I attended the harvest celebration at Dollywood and was again reminded of the bluegrass and gospel music that was born in these hills, mountains and valleys. Lyrics from "Will the Circle be Unbroken?" and "Wildwood Flower" pierced the crisp air.

It is truly a time for thanksgiving and prayerful reflection to know that there are some things in life that money cannot buy, like peace of mind and security. We race through life so rapidly oftentimes that we don't give ourselves the chance to take inventory.

The lessons our forefathers taught us in not ever giving up our faith in God and in ourselves are ones to be cherished and preserved.

In trusting love more than fear, we can love both ourselves and our neighbors. The people who settled this land knew what a great legacy they were leaving to us. The great English bard, Shakespeare, said that love looks with the heart and not with the eyes.

We must take to heart our beautiful ability to blend with nature and fulfill the dreams of those who have gone before us. Be appreciative of living and working in the richest area of the world, rich in resources and lore, for this is worth more than anything else.

Living in East Tennessee, we are all truly blessed.

JOHN MARK HANCOCK,
Knoxville.

INTRODUCING THE BULLETPROOF VEST PARTNERSHIP GRANT ACT OF 1997

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. VISCLOSKY. Mr. Speaker, I—along with our distinguished colleague from New Jersey, Mr. LOBIONDO, and over 80 of our other House colleagues—am pleased to introduce the Bulletproof Vest Partnership Grant Act of 1997.

I was inspired to introduce this legislation when I learned that gang members in Northwest Indiana had the protection of bulletproof vests, but that many police departments simply could not afford to buy them for their officers. In fact, figures from the U.S. Department of Justice indicate that approximately 150,000 law enforcement officers—or 25 percent of the Nation's 600,000 State and local officers—do not have access to bulletproof vests.

The legislation I am introducing today would form a partnership with State and local law enforcement agencies in order to make sure that every police officer who needs a bulletproof vest gets one. It would do so by authorizing up to $25 million per year for a new grant program within the U.S. Department of Justice. The program would provide 50–50 matching grants to State and local law enforcement agencies to assist in purchasing bulletproof vests and body armor for their officers.

These grants would be targeted to jurisdictions where most officers do not currently have access to vests, and they are designed to be free of the red tape that often characterizes other grant programs. In order to make sure that no community is left out of the program, the matching requirement could be waived for jurisdictions that demonstrate financial hardship in meeting their half of the match.

This bipartisan bill has been endorsed by the Fraternal Order of Police, the National Sheriff's Association, the International Union of Police Associations, the Police Executive Research Forum, the International Brotherhood of Police Officers, and the National Association of Police Organizations.

Far too many police officers are needlessly killed each year while serving to protect our citizens. Since 1980, 1,182 police officers have been feloniously killed by a firearm. According to the Federal Bureau of Investigation, 42 percent of those officers could have been saved if they had been wearing bulletproof vests.

Bulletproof vests are so effective in protecting law enforcement officers from death and injury that the lives of more than 2,000 police officers have been saved because they were wearing them. The FBI says that the risk of fatality to officers from a firearm while not wearing body armor is 14 times higher than for officers wearing body armor. One study indicates that between 1985 and 1994, no police officer who was wearing a bulletproof vest was killed by a gunshot that penetrated the officer's vest.

Mr. Speaker, if we are going to ask our law enforcement officials to risk their lives every day in the line of duty, it is incumbent upon us to give them every bit of protection possible. While no piece of equipment can save the life of every officer, having a bulletproof vest often means the difference between life and death. I would like to thank Mr. LOBIONDO, and my other colleagues who have already co-sponsored this important legislation, and I urge you and the rest of our colleagues to support it as well.

TRIBUTE TO DR. FRED KRINSKY

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. BERMAN. Mr. Speaker, I am honored to pay tribute to Dr. Fred Krinsky, a rabbi, professor of political science and fanatic Dodger fan—Brooklyn and Los Angeles—who died last month at the age of 73. Despite being diagnosed with insulin-dependent diabetes at the age of 8, Dr. Krinsky lived a life of extraordinary energy and achievement. He never wavered in his desire to bring together people of diverse backgrounds and to foster the growth of Judaism in areas with small but devoted Jewish communities.

Born in Poland, Dr. Krinsky came with his family to the United States when he was 3. He grew up in Brooklyn, which explains his passion for the Dodgers. "Passion" is too weak a word: Dr. Krinsky spent much of his life in agony over the fact that Dodger catcher Mickey Owen dropped a crucial third strike in the 1941 World Series against the New York Yankees.

Dr. Krinsky received his master's and doctorate degrees in political science at the University of Pennsylvania. He was also ordained as a rabbi through a private Orthodox Yeshiva in Brooklyn. Dr. Krinsky taught at Syracuse University from 1947 to 1960 and the University of Southern California from 1960 to 1972. He moved to Los Angeles 2 years after the Dodgers, but he always insisted it was mere coincidence.

Dr. Krinsky was an ardent Zionist who led several trips to Israel. His class on Middle Eastern politics at Pomona College, where he was chair and chair emeritus in government from 1972 to 1997, was one of the most popular on campus. Former students would return to hear the magic of his words and the wisdom of his views. Dr. Krinsky firmly believed that only through dialog could Israelis and Arabs—and Jewish-Americans and Arab-Americans—resolve their differences over the Middle East.

Dr. Krinsky's legacy includes four reform congregations in southern California and a fifth in Scottsdale, AZ. In each case he was the founding rabbi.

I ask my colleagues to join me today in saluting Fred Krinsky, whose courage and humanity were an inspiration to us all. He will be sorely missed by his family and friends.

TRIBUTE TO SERGEANT RICH GRAY

HON. FRANK A. LoBIONDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. LOBIONDO. Mr. Speaker, today I am joining with my colleague PETER VISCLOSKY of Indiana in introducing the Bulletproof Vest Partnership Grant Act of 1997. This bill will create a new U.S. Department of Justice grant program which will assist State and local law enforcement agencies in providing their officers with the protection of bullet-resistant vests.

Mr. Speaker, since the introduction of the material used in vests, the lives of more than 2,000 officers have been saved because they were wearing protective vests or other body armor. Nonetheless, I was dismayed—but not surprised—to learn that 25 percent of our Nation's police officers are on the streets without vests due to a lack of available funding. This underscores the need to provide those resources for our States and localities so that they may purchase critically needed vests. To me its simple—when you get your badge and gun, you should get your vest too.

I owe my level of interest and involvement on this issue to my friend Sgt. Rich Gray of the Pleasantville Police Department. It was Sgt. Gray who first brought this issue to my attention several years ago soon after he founded *Vest-A-Cop Inc.* and was working intensely to get the program moving. *Vest-A-Cop* is a nonprofit organization dedicated to the objective of outfitting all full-time duly sworn law enforcement officers in Atlantic County, NJ. Not only is Sgt. Gray well on his way to being successful in reaching that goal after working diligently to secure funding from a variety of sources, but last year his tireless efforts resulted in Governor Whitman signing into law a bill which would create a funding source to buy protective vests for every police officer in the State.

Rich Gray is not only an exceptional police officer and dedicated president of the Vest-A-Cop organization, but is a model citizen in other ways as well. He regularly organizes the Millville Harley-Davidson & Pleasantiville Police Department Toy Run—an effort dedicated to providing toys and canned goods to the needy in Atlantic County—as well as other worthy community projects.

For all his duty- and civic-minded devotion and commitment, I am taking this opportunity to publicly recognize thank Sgt. Rich Gray. He is a model citizen and personal friend and I am proud to work with him on this important issue.

HONORING REVEREND M. KEITH COOKSEY AND TRUE VINE BAPTIST CHURCH

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. BENTSEN. Mr. Speaker, I rise to congratulate Rev. M. Keith Cooksey on his installment as pastor of the True Vine Baptist Church of Houston. Reverend Cooksey will add to True Vine's great tradition of impassioned sermons and providing spiritual nourishment and community service.

Born and raised in Houston, Reverend Cooksey attended Isaac Elementary, Fleming Junior High, and Kashmere High School in Houston before graduating from Texas Southern University in 1986. He is currently pursuing his masters in education from TSU.

Reverend Cooksey began his ministry in 1992. He delivered his first sermon at St. Matthew Baptist Church in Houston in 1993. He joins the True Vine Baptist Church after being ordained while serving as Minister of Christian Education for First Baptist Church Greens Bayou. He has attended Southwestern Extension Seminary and College of Biblical Studies, and plans to pursue his Master of Divinity in 1998 from Southwestern Theological Seminary of Houston.

Reverend Cooksey joins a wonderful family at True Vine Baptist Church, which is dedicated to meeting the diverse needs of our community. For years True Vine has drawn parishioners from across the State with its inspired sermons, and now is also recognized for its leadership to young people. The pastors and parishioners of True Vine Baptist know that it is not enough just to tell young people to feel better about themselves. To build a sense of self-worth and a commitment to service, opportunities, and activities must be available to our young people.

Pastors Jesse Johnson, Jr., and Harry Jackson know that simple instruction and guidance from the church can make a huge difference in young people's lives. Pastor Johnson likes to tell of a story about a young boy who wanted to become a doctor, but was not showing the discipline and drive needed to fulfill that dream. Johnson told the young boy that only by possessing focus and a sense of purpose can one succeed in life. Reverend Cooksey will now add to that legacy by designing and implementing programs to enhance the education and spiritual needs of the young people of our community.

The congregation of True Vine Baptist Church are building a better future for Houston by instilling a sense of purpose and duty to the community. Reverend Cooksey will only add to a church dedicated to building a congregation of good citizens, one member at a time.

Mr. Speaker, I congratulate Reverend Cooksey as he joins the True Vine Baptist Church family. I wish him continued success in providing vital leadership and spiritual guidance to all in our community.

TRIBUTE TO AN INDISPENSABLE VISION NOVEMBER 5, 1997

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. OWENS. Mr. Speaker, on previous occasions I have applauded President Clinton's assertion that this is an indispensable Nation. It is important, however, that this belief go forward with great humility. The United States is not the only indispensable Nation, and we are not the only people whose leaders have an indispensable vision. Dr. Tadahiro Sekimoto, the chairman of the board of NEC Corp., has demonstrated that he also has a unique and profound vision of the leadership needed for a new century of global peace, progress, and prosperity. I am submitting for the RECORD a portion of a speech made by Dr. Sekimoto calling for a world leadership summit:

CALLING WORLD LEADERS TO ACTION TO ADDRESS THE NEW ROLES AND RESPONSIBILITIES OF THE GLOBAL CORPORATION IN THE NEW CENTURY

As we approach the start of a new millennium, it is—I believe—time for those of us in positions of global stewardship to help illuminate the way to a new century of peace, progress, and prosperity for all.

GREAT CHANCE

During the half century that I have been in the information technology industry, I have been privileged to be an eye-witness to its creation of astounding change, perhaps the most dramatic of which has been the world's rapid advance toward a global society characterized by the accelerated movement of labor, goods, technology and capital across frontiers.

Some call this new episode the "Information Age". It is dramatically transforming—largely for the better—most aspects of daily life in most parts of the world. But perhaps even more important, it is leading to a new society that will be based on an ability to understand and respond to the need and wishes of individuals everywhere in the world.

ALSO GREAT CHALLENGES

With the expansion of this new global information economy and society will come radically new roles for our world institutions, including companies like mine. But what are these new roles going to be? How will they transform our multinational giants, the successful management of which challenges us greatly even today? What will this enterprise be like in the future? What should it be like?

By no means do I believe that I have a crystal-clear vision of the future. But I have begun trying to understand it and its urgent demands. And in my mind, the most compelling new responsibility of the 21st century global corporation is balancing economic growth—necessary in order to extend peace and prosperity throughout the world—with the protection of planet Earth's very fragile ecosystem.

More effective management of competition's chaotic expansion is the second most serious new responsibility that globalization is requiring us to assume. And I believe that cooperation at all levels—including those of global, regional, national, local and corporate—is the essential element here. World institutions will simply have to invent and engage in novel forms of collaboration at the same time they compete. In the business world we refer to this more contemporary and useful way of operating as the "complementarian" model where sometimes we compete, sometimes we cooperate, and more often we do both.

The third most serious challenge at the start of the next millennium is, in my view, figuring out how world institutions—including corporations—can most effectively manage their new roles and work together for the betterment of the global village. The perceptive business executive knows what his organization's "global citizenship" responsibilities are today. But who will they be in the decade ahead as globalization broadens and informs more and more aspects of our lives?

One answer is that the 21st century global corporation can no longer be parochial; its mission of service must encompass its entire community because to paraphrase Adam Smith, it too—just like other world institutions—exists to serve and strengthen its societies.

So the multinational's notion of corporate stewardship will have to change—as it already has in some more enlightened U.S. companies. Increasingly, all of us business leaders are going to have to expand our philanthropy considerably beyond where we are accustomed to giving. If, for instance, our contributions have been exclusively economic, we might need to move into social, technical, and cultural spheres as well.

We may also have to shift the emphases of our corporate good-citizenship efforts in terms of both geography and services provided. Instead of staying inside our comfortable local communities and simply continuing our work to support disabled people, the arts, sports, and the like, we might have to look at transferring some of our attention to the globe's poorest nations and help them build farms and highways as well. The World Bank, with its recently-begun metamorphosis, may be showing us the way.

NEW MANAGEMENT STRATEGIES ARE ESSENTIAL

Despite these and other seriously demanding challenges—to which I have given decades of thought—I believe strongly in mankind's ability to successfully manage globalization and the resultant Information Age for the benefit of humanity, both our generation and the generations that follow us. Some multinational corporations have already started creating and employing different, more suitable management strategies for the future, and I am gratified to report that mine is one of them.

The highly complex nature of our business as a leading international IT supplier and multi-media pioneer has required us to learn how to operate much more efficiently and effectively. For instance, in recent decades we have successfully situated many corporate functions, including R&D and manufacturing, in what we consider the optimum location in the world. In like manner, we have bought and sold in the world's most suitable markets—wherever they are. And this concept, to which we refer simply as "mesh globalization", has given us a strong competitive edge.

In the process of deploying mesh globalization throughout our company—and puzzling over what the 21st century might require of us in terms of new management strategies—we were struck by the growing need to recognize both the needs of the group, or the whole, and the more personalized focus of the new era. But how to join the two seemingly divergent positions in compatible fashion. From the Greek words holos, meaning "whole", and on, signifying "individual", I coined the term "holonic" to indicate the need to harmonize the two.

So today we are successfully employing "holonic" management to assure the prosperity of the corporation as a whole while simultaneously respecting and honoring the sovereignty of the individual—whether that individual is a company subsidiary, a company employee, or a member of one of the hundreds of communities around the globe in which we operate. And this more sympathetic complementary strategy has become another competitive advantage for us.

Experience has taught us that one of the keys to employing it profitably is the sharing of information. Another is establishing and nurturing a culture—of the team or the subsidiary of the corporation—so that members have a meaningful concept around which to rally and with pride produce something they consider significant.

In fact these two notions—the sharing of information and the development of mutually-engaging culture—have become so important, at least from our observation, that we have added them to the three resources we have historically identified and valued: People, property, and money.

MY CALL TO ACTION—A NEW DIALOGUE FOR THE NEW CENTURY

Now you know something of my thought about the expansion of globalization and my efforts to position my company and my country advantageously for it. This leads me to share with you my great interest in building on the wisdom of world leaders from essential disciplines by bringing us together to identify vastly more creative ways to help all people achieve their desired goals in the new century.

It used to be that the complementary and productive partnerships between and among business and financial leaders, elected politicians, and government officials—Japan's "Iron Triangle"—was sufficient to assure prosperity and peace. The now seriously-outdated nature of this limited collaboration has inspired us to consider an expansion—actually a doubling of the size of the groups to include distinguished heads of labor, academia, and the media as well.

I refer to this new alliance as the "neo-hexagon". And I am issuing invitations to neo-hexagon leaders throughout the world, in developing as well as developed countries, to join me in a dialogue—a global conference—focused on identifying best management practices for the 21st century and preparing our organizations and our societies for the better tomorrow that our grandchildren and their great grandchildren deserve. I look forward to welcoming you there.

HONORING THE IWO JIMA MEMORIAL, THE MARINE CORPS AND THE AIR FORCE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. SOLOMON. Mr. Speaker, as all of you in the House know, I am proud of my years in the Marine Corps and of what that distinguished branch of the military has done throughout our history and what it has meant to me personally. At the same time, I would hope it is also recognized that I have always been a fierce supporter of each and every branch of the military and of our courageous veterans who put their lives in harms way for this great nation and all it stands for. In fact, those of us who have worn the uniform are becoming fewer and farther between in this Congress and it is imperative that we all bind together and continue to bolster our national defense and look out for our brothers and sisters who have served. That is so important.

And you know, Mr. Speaker, I have always been able to count on the camaraderie and loyalty among members of the military, regardless of whether they're Marines, Air Force, Army or Navy. That's because there is a mutual respect and honor for one another. And it's time for each of us to recognize that honor and solemn respect once again. This time it is in relation to the placement of a memorial and museum honoring the deserving members of the U.S. Air Force. I am an enthusiastic supporter of that memorial, having voted to allow its creation and having pledged my support to help raise funds to build it. The problem is, Mr. Speaker, the Air Force Memorial Foundation, in large part because of flawed and fraudulent information and procedures related to placing this monument, has insisted on building this facility on the hand-picked hallowed ground that has been home to the Iwo Jima Monument for nearly fifty years. That monument has come to represent so much to so many people around this country and the world and in many ways, is one of the most famous monuments in our history. I would hope that those who have served in uniform and are in a position to impact the placement of the proposed Air Force Memorial would stand down and leave this site with honor and grace in respect to the Marine Corps, Marines, their loved ones, and all Americans who recognize the sanctity of this solemn memorial. I appeal to them to take heed of former Secretary of the Navy, James Webb, Jr.'s, advice and commend to everyone the following column that was printed in the Washington Post today. The eloquence and heartfelt manner in which Mr. Webb expressed himself is indeed powerful and sincere and constitutes the most compelling argument as to why this hallowed ground should be preserved as is that I have come across to date. His account is all you need read to understand the deep significance of this renowned monument to so many.

[From the Washington Post, Nov. 5, 1997]

JAMES H. WEBB JR.—WRONG PLACE FOR THE AIR FORCE MEMORIAL

Earlier this year I had the sad honor of burying my father, Col. James H. Webb, Sr., U.S. Air Force (retired). His grave sits on a gentle hill in Section 51 of the Arlington National Cemetery, just next to the small park on which stands the nation's most famous military landmark, the Marine Corps War Memorial.

Between his grave and the sculpture of the Marines raising the flag at Mount Suribachi on Iwo Jima, the Air Force Memorial Foundation proposes to build a large and intrusive memorial of its own. It is deeply unfortunate that the location of this proposed memorial promises nothing but unending controversy. And I have no compunction in saying that the foundation's methods in lobbying for this site would have puzzled and offended my Air Force father, just as it does both of his Marine Corps-veteran sons.

Until late this summer, few among the general public even knew that this site, which is within 500 feet of the Iwo Jima statue, had been approved by the National Capital Planning Commission (NCPC). The Air Force's first choice had been a place near the Air and Space Museum, a logical spot that would provide the same dignity, synergy and visitor population that benefit the Navy Memorial's downtown Washington location. Later, deciding on Arlington Ridge, the Air Force during hearings erroneously maintained that the Marine Corps posed no objection to the erection of a memorial so near to its own. The Marine Corps had yet to take an official position, and no Marine Corps witnesses were called to discuss the potential impact.

Once the NCPC decision became publicly known, it was met with a wide array of protest, including that of citizen groups and a formal objection from the Marine Corps. Despite a lawsuit and several bills having been introduced in Congress to protect the site, the Air Force is persisting.

This is not simply a Marine Corps issue or a mere interservice argument. Nor is it a question of whether the Air Force should have a memorial. Rather, it is a matter of the proper use of public land, just as important to our heritage as are environmental concerns. We have witnessed an explosion of monuments and memorials in our nation's capital over the past two decades. New additions should receive careful scrutiny. Their placement, propriety and artistic impact concern all Americans, particularly those who care about public art, through which continuing generations will gain an understanding of the nation's journey.

The mood around the heavily visited "Iwo" is by design contemplative, deliberately serene. The site was selected personally just after World War II by Marine Commandant Gen. Lemuel C. Shepherd Jr., who was concerned that the statue required "a large open area around it for proper display." Dozens of full-dress official ceremonies take place each year at the base of the hallowed sculpture. Even casual ballplaying is forbidden on the parkland near it. It is, for many Americans, truly sacred ground.

To put it simply, the proposed Air Force memorial would pollute Arlington Ridge, forever changing its context.

The main argument in favor of this location—that it is within a mile of Fort Myer, where the first-ever military flight occurred in 1908—is weak, as all the services have extensive aviation capabilities that might be traced to that flight. The Air Force also argues that since the "above-ground" aspect of its memorial would be 28 feet lower than the top of the flagpole on the Iwo Jima statue, it will not interfere with the grandeur of the Marine Corps memorial. What Air Force officials take pains to avoid discussing is that if one discounts the flagpole, their memorial would actually be higher, wider and far deeper. Some 20,000 square feet of below-the-ground museums and interactive displays are planned, enough floor space for 10 average-sized homes.

The Air Force plan for an extensive three-story museum and virtual-reality complex at its proposed memorial is a clear departure in context from this quiet place. During the period leading up to America's bicentennial commemoration, the Marine Corps itself considered constructing a visitor center and museum on the land adjacent to the Iwo Jima memorial. It abandoned this plan because such facilities would be inconsistent with the purpose and the impact of the monument itself. It is not without irony that the land the Marine Corps deliberately left open is now being pursued by the Air Force for the very purpose that was earlier rejected.

Existing federal law precludes this sort of intrusion. Title 40 of the U.S. Code states in section 1907 that "a commemorative work shall be so located as to prevent interference with, or encroachment upon, any existing commemorative work and to protect, to the maximum extent possible, open space and existing public use." There can be no clearer example of the intentions of such law than the case of the Marine Corps War Memorial.

The puzzling question is why the Air Force leadership argues so vociferously that its memorial will not negatively affect the Iwo Jima memorial.

I grew up in the presence of some of the finest leaders our Air Force has ever produced, leaders who would never have considered dissembling before a political body about whether the Marine Corps concurred in a proposal that might diminish the impact of its most cherished memorial—leaders who in this situation would have shown the public, and particularly the Marine Corps, great deference, knowing that its open support was vital. Indeed, leaders who remembered that the very mission in the battle of Iwo Jima, carried out at a cost of 1,000 dead Marines for every square mile of territory taken, was to eliminate enemy fighter attacks on Air Force bombers passing overhead and to provide emergency runways for Air Force pilots who had flown in harm's way.

It is now up to Congress to enforce the law and assist the Air Force in finding a memorial site that will honor its own without taking away from the dignity of others.

APALACHICOLA-CHATTAHOOCHEE-FLINT RIVER BASIN COMPACT

SPEECH OF

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. GEKAS. Mr. Speaker, pursuant to unanimous consent granted on November 4, 1997 during debate on House Joint Resolution 91, I introduce the report on that joint resolution from the Congressional Budget Office which was not available at the time of the filing of the committee report:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, November 4, 1997.

Hon. HENRY J. HYDE,
Chairman, Committee on the Judiciary,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.J. Res. 91, a joint resolution granting the consent of Congress to the Apalachicola-Chattahoochee-Flint River Basin Compact.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Gary Brown, who can be reached at 226-2860.

Sincerely,

JUNE E. O'NEILL.

Enclosure

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

SUMMARY

H.J. Res. 91 would grant congressional consent to the Apalachicola-Chattahoochee-Flint River Basin (ACF Basin) Compact. The compact would establish the ACF Basin Commission, which would determine an allocation formula for apportioning the surface waters of the ACF basin among the states of Alabama, Florida, and Georgia. The commission would consist of state and federal representatives.

Provisions in the compact that could have an impact on the federal budget include: an authorization of appropriations for a federal commissioner to attend meetings of the commission and for employment of personnel by the commissioner, an authorization for federal agencies to conduct studies and monitoring programs in cooperation with the commission, and a requirement that the federal government comply with the water allocation formula once it has been adopted by the commission (to the extent that doing so would not conflict with other federal laws).

CBO estimates that enacting H.J. Res. 91 would result in new discretionary spending of less than $500,000 in fiscal year 1998, and about $12 million over the 1982–2002 period, assuming appropriations consistent with its provisions. The compact also would increase direct spending; hence, pay-as-you-go procedures would apply to the legislation. But CBO estimates that enacting H.J. Res. 91 would increase direct spending by less than $500,000 a year, beginning in fiscal year 1999.

The resolution does not contain any intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 (UMRA) and any costs resulting from the compact would be borne voluntarily by Alabama, Florida, and Georgia as a result of the agreement.

ESTIMATED COST OF THE FEDERAL GOVERNMENT

Implementing H.J. Res. 91 would effect both spending subject to appropriation and direct spending. CBO estimates that enacting H.J. Res. 91 would result in new spending subject to appropriation of less than $500,000 in 1998, about $4 million in 1999, $3 million in 2000, and $2 million a year thereafter. CBO estimates that the compact would increase direct spending, beginning in 1999, by reducing offsetting receipts from recreation fees and federal hydropower operations, but any such changes would likely be insignificant. The costs of this legislation fall within budget function 300 (natural resources and environment). The estimated budgetary effects of H.J. Res. 91 are shown in the following table.

[By fiscal year, in millions of dollars]

	1998	1999	2000	2001	2002
Spending subject to appropriation—					
Spending Under Current Law:					
Estimated Authorization Level[1]	31	31	31	31	31
Estimated Outlays	32	32	31	31	31
Proposed Changes:					
Estimated Authorization Level	(2)	4	3	2	2
Estimated Outlays	(2)	4	3	2	2
Spending Under H.J. Res. 91:					
Estimated Authorization Level[1]	31	35	34	33	33
Estimated Outlays	32	36	34	33	33
Changes in direct spending—					
Estimated Budget Authority	0	(2)	(2)	(2)	(2)
Estimated Outlays	0	(2)	(2)	(2)	(2)

[1] The 1998 level is the amount appropriated in that year for programs conducted by the U.S. Army Corps of Engineers in the ACF basin. The amounts shown for subsequent years reflect assumed continuation of the current-year funding level, without adjustment for inflation. Alternatively, if funding were increased to cover anticipated inflation, funding under current law would gradually grow from $31 million in 1998 to $35 million in 2002.

[2] Less than $500,000.

BASIS OF ESTIMATE

Spending Subject to Appropriation

For purposes of this estimate, CBO assumes that (1) the compact is approved in the next few months, (2) a commission is formed in 1998, (3) all amounts estimated to be authorized by the legislation will be appropriated, and (4) a new plan for allocating water among the states will be approved in fiscal year 1999. New discretionary spending would be necessary for expenses of a federal commissioner to participate in the ACF commission, for conducting studies and monitoring activities in coordination with the commission, and for operating federal facilities in the river basin in a manner consistent with the new allocation plan.

Federal Commissioner.

CBO estimates that the cost of sending the federal commissioner to meetings of the commission and of funding a personal staff with be less than $500,000 a year beginning in 1998. The commissioner would serve without compensation. General expenses of the commission would be paid by the states of Alabama, Florida, and Georgia.

Studies and Monitoring.

CBO estimates that the compact would result in new spending subject to appropriation of about $2 million in fiscal year 1999 and about $1 million in 2000 for completing an environmental impact statement of options for allocating water in the ACF basin, for developing a plan for monitoring water levels and quality in the basin, and for conducting additional studies. Additional spending of less than $500,000 a year beginning in 2000 would occur for implementing, operating, and maintaining programs and equipment for monitoring the basin.

Beginning in 1991, the Congress has appropriated to the U.S. Army Corps of Engineers (the Corps) an average of almost $2 million a year—about $13 million in total—for studying the long-term needs for water and availability of water resources in the ACF and Alabama-Coosa-Tallapossa (ACT) basins. An additional $5 million was provided to the Corps in 1997 for conducting a preliminary environmental impact statement regarding options for allocating water in the ACF and ACT basins.

Federal Facilities.

Based on information from the Corps, CBO estimates that operating federal facilities in the ACF basin in a manner that complies with a new water allocation plan may result in additional discretionary spending of about $2 million a year, beginning in 1999. We expect that these annual cost could range from near zero to $4 million a year, depending on whether a new allocation plan is adopted and whether it results in a significant change in water use in the river basin.

Most of the expense of implementing a new water allocation plan would be for operating and maintaining channels for navigation because the cost of that activity is highly dependent on water flows. Under current law, CBO estimates that the Corps will spend about $14 million in 1998 for navigation-related activities in the ACF basin. CBO anticipates that the cost of other major activities in the basin would not change significantly as a result of the compact. The cost of operating and maintaining hydropower facilities is not likely to change significantly as a result of minor changes in water flows. Moreover, any major flood control activities in the basin would likely require further authorization by Congress.

Direct Spending

CBO anticipates that the compact would have an impact on direct spending by reducing the amount of receipts returned to the Treasury from recreation facilities operated by the Corps and the Department of the Interior in the ACF basin. A new water allocation plan could affect receipts from recreation areas by directly or indirectly changing water levels at lakes and other recreation areas so that their use if reduced. This type of impact would be most likely in years when total water supplies were already low, for example, because of below-average rainfall. CBO estimates that the impact on receipts from recreation elements would be less than $500,000 annually, beginning in 1999.

The compact could also affect receipts from hydropower operations, but CBO estimates that the net impact on hydropower revenues from any likely water allocation plan would be insignificant. A new plan could affect power operations by limiting the amount of water that can flow through federal power-generating facilities. This could affect the amount of power that can be produced and sold. However, CBO estimates that any impact on hydropower receipts is likely to be significant because federal law requires that, to the extent market conditions permit, hydropower operations cover expenses. In the case of limits on power production, the price could be increased to offset any reduction in the quantity of power produced and sold.

PAY-AS-YOU-GO CONSIDERATIONS

The Balanced Budget and Emergency Deficit Control Act of 1985 specifies pay-as-you-go procedures for legislation affecting direct spending or receipts. CBO estimates that enacting H.J. Res. 91 would increase direct spending by less than $500,000 a year, beginning in 1999. Enacting the legislation would not affect governmental receipts.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.J. Res. 91 would give the consent of the Congress to an agreement mutually entered into by three states, Alabama, Florida, and Georgia. The resolution contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995, and any costs to the states resulting from the compact would be borne voluntarily as a result of the agreement.

Estimated prepared by: Federal costs, Gary Brown, impact on State, local, and tribal governments, Leo Lex.

Estimated approved by: Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.

THE PRINTED CIRCUIT INVESTMENT ACT OF 1997

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. CRANE. Mr. Speaker, I rise today to introduce the Printed Circuit Investment Act of 1997 and to encourage my colleagues to support this legislation.

This simple and straightforward bill will allow manufacturers of printed wiring boards and printed wiring assemblies, known as the interconnecting industry, to depreciate their production equipment in 3 years rather than the 5 years in current law. Printed wiring boards are those ubiquitous little green boards loaded with tiny wires and microchips which are the nerve centers of electronic items from television sets to computers to mobile phones.

The interconnecting industry, as with so much of the electronics industry, has changed dramatically in just the last decade. While the industry was once dominated by large companies, the industry now consists overwhelmingly of small firms, with many of them located in my home State of Illinois. The rapid pace of technological advancement today makes interconnecting manufacturing equipment obsolete in 18 to 36 months—tomorrow's advances will further reduce that time to obsolescence. This makes the interconnecting industry very capital intensive. In fact, capital expenditures totaled $2.1 billion in 1996 and are expected to be $2.3 billion this year. Considering that this is an industry dominated by small U.S. firms competing in ever more competitive world markets, clearly we need a Tax Code that more clearly reflects reality.

The depreciation rules found in the Tax Code, of course, have not kept pace with the realities of this dynamic market. The industry currently relies on tax law passed in the 1980's, which was based on 1970's era electronics technology. U.S. competitors in Asia, however, enjoy much more favorable tax treatment as well as direct Government subsidies. We must remove the U.S. Tax Code as an obstacle to growth in this industry. The Printed Circuit Investment Act will take a step in that direction. Quite frankly though, I view this as a very modest step and would like to provide much more generous tax relief to these businesses, considering the fierce competition from foreign countries.

Mr. Speaker, the Printed Circuit Investment Act of 1997 will provide modest tax relief to the interconnecting industry and the 250,000 Americans whose jobs rely on the success of this industry. I urge my colleagues to join me in providing this relief by cosponsoring the bill.

DRUG CRISIS IN MEXICO

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. GILMAN. Mr. Speaker, the Washington Post this week has been running a series of front-page articles documenting the effects of the overwhelming quantities of drugs pouring across our border with Mexico. The Post series has highlighted the terrible threat of corruption also in our own law enforcement ranks, breakdowns in cooperation at the working level between the United States and Mexico, and the spread of drug-related crime and drug gangs in our cities and among our immigrant communities.

I have long been deeply concerned about the escalating drug crisis in Mexico and the United States. In recent meetings with Mexico's Foreign Minister, attorney general, and Ambassador to the United States, I delivered a frank, critical message as a long-time friend of Mexico.

On the positive side, we should recognize that President Zedillo's move to quickly remove the corrupt drug czar, Gen. Jose Gutierrez, sent an important signal that even the highest officials can not betray Mexico's trust with impunity. The Mexican Government has also greatly improved its cooperation with refueling on our counternarcotics missions, especially for maritime deployments to interdict drugs along the transit route currently favored by narcotics traffickers.

However, grave problems persist in our counternarcotics efforts with Mexico which both countries are simply going to have to face and work harder to fix. The drug trade in all its facets threatens us equally. We must not let ourselves be divided in fighting this scourge. Because of this, President Zedillo's reported statements that the United States—as a consumer of illicit drugs—should make reparations for the damage caused to Mexico by the drug trade were especially troubling. We can not accept that assertion. We know empirically that the narcotics traffickers have been dumping drugs onto our streets and using supply to create the increased demand that lines their pockets with criminal wealth.

Our DEA agents who put their lives on the line in Mexico must be allowed to carry arms to defend themselves from deadly thugs. They must have the right to protect themselves as they help Mexico fight the scourge of illicit drugs. This matter should not be turned into a target of anachronistic rhetoric.

Despite President Zedillo's apparent good intentions, the organized crime units and other antidrug infrastructure and critically needed improvements seem to be moving slowly. Some 234 individuals dismissed for drug-related corruption have been reinstated on appeal. Recycling antidrug personnel unfortunately seems far too commonplace in Mexico. Moreover, compared to previous years, seizure rates especially for the cocaine which has been pouring into the United States from Mexico, are disappointing and distressing.

No major cartel leader has been arrested in Mexico since the March 1 certification. Also, despite 23 pending requests for extradition of Mexican nationals on narcotics offenses, Mexico has not extradited a single Mexican—as opposed to dual—national to the United States on narcotics charges since certification. Finally, only 16 out 48 helicopters in the possession of the Mexican Army that we provided to Mexico are in operation. Those helicopters that are operating are primarily conducting surveillance missions and have not made any drug seizures.

The situation is not encouraging. As the Washington Post articles point out, drugs are breeding addiction and its attendant misery, violence, and corruption on both sides of our border with Mexico. We must redouble our Nation's commitment to reinforce every legitimate effort to combat this well-armed, wealthy, and ruthless underworld. It is essential that to be effective, our war on drugs must have the cooperation of our neighbors and the international community.

HONORING AMBASSADOR SHYAMULA B. COWSICK OF INDIA

HON. BILL McCOLLUM

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. McCOLLUM. Mr. Speaker, I am here today to honor the outgoing Deputy Chief of Mission of India, Ambassador Shyamula Cowsick. Over the past 2 years, I have had the pleasure of working closely with the Ambassador on improving relations between our two nations. The Ambassador has always been available to provide special briefings and materials as we worked through issues. Her involvement allowed the two nations to make historic progress at the legislative, executive, and non-governmental levels through an explosion of contacts and ongoing dialogues. Her special insight was valuable in that it allowed her to bridge the cultural and political gap that frequently confronts policy makers. As co-chair of the Congressional Caucus on India and Indian-Americans, it has been my pleasure to work with Ambassador Cowsick, and I am sure that my colleagues will join me in wishing her continued success.

FIRST BOOKS: THE JOYS OF READING

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. FILNER. Mr. Speaker, I rise today to honor a unique educational program—a partnership between the YMCA's Childcare Resource Service and KPBS Television in San Diego. The First Books program, part of the nationwide ready to learn campaign, will provide 200 free books each month to children from low-income families.

The First Books program has a simple goal: to promote literacy in homes where books may not be readily available. They plan to make reading books more pleasurable and entertaining by connecting them to public television programming.

Children in 25 different San Diego day care programs will receive free books from the First Books program. The YMCA's Childcare Resource Center staff, led by Director Nan Mitchell, hopes to extend the joy of books to the parents and teachers through monthly workshops designed to teach ways of making learning fun by combining books and public television.

Providing books to children in homes where books are not always available is a proven way to build a firm foundation for future generations of schoolchildren. When one member of a family reads, it inspires the whole family.

The First Books program will make sure that the children of working parents who strive to make ends meet, are not left behind, but will be involved in fun activities with books to make sure they are ready to learn.

Research tells us that reading to our children from a very young age supports their development and enhances their learning. The adults who read with them—whether it be their parents or childcare providers—share in unlocking the wonders of imagination that books foster.

This program ensures all children will have the opportunity to discover the delight of books. Books are many children's most cherished possessions and provide long-lasting memories. I salute KPBS and the Childcare Resource Service for introducing all children to this magical world.

PERSONAL EXPLANATION

HON. JOHN A. BOEHNER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. BOEHNER. Mr. Speaker, I inadvertently voted "no" on rollcall No. 570, the United States-Caribbean Trade Partnership Act (H.R. 2644). I want the record to reflect that I strongly support this legislation and should have voted "yes."

VERNON E. HALL: UPON HIS RETIREMENT FROM THE PORT OF LOS ANGELES

HON. JANE HARMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Ms. HARMAN. Mr. Speaker, I rise today to congratulate Vernon E. Hall, who will be honored today by his friends, family, and colleagues in San Pedro, CA. Vern is retiring after 27 years of dedicated service to the Port of Los Angeles.

Vern Hall has served as Director of Development for the Port of Los Angeles since May of 1995. Prior to that time, Vern served as Chief Harbor Engineer since 1988. He is responsible for the activities of the Port's development divisions which include Engineering, Construction Management and Environmental Management, as well as numerous consultants and contractors engaged in the planning, design, permitting and construction of Port terminals and supportive infrastructure. Hall, during his Port career, was responsible for numerous capital development projects and programs, ranging from the West Channel/Cabrillo Beach Recreational Complex to the $650 million Pier 300/400 Implementation Program. He has contributed to most of the significant Port development projects undertaken in the last 20 years either as an engineer, project manager or supervising chief engineer.

Vern is a product of Los Angeles City Schools in San Pedro: Leland Street Elementary, Dana Junior High and San Pedro High School. Since graduating from UCLA in 1958, Vern has performed professional services for the California Division of Highways as a Highway Engineer, the United States Navy as an Engineering Officer, and, since 1970, the Port of Los Angeles.

Vern has dedicated much of his professional life to the Port of Los Angeles and the San Pedro community. I am proud to join his friends, family and colleagues in extending my sincere admiration and appreciation to Vernon E. Hall.

Congratulations Vern.

H.R. 2840 THE REGULATORY RIGHT-TO-KNOW ACT OF 1997

HON. TOM BLILEY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. BLILEY. Mr. Speaker, today I am introducing H.R. 2840, the Regulatory Right-to-Know Act of 1997. The Regulatory Right-to-Know Act of 1997 provides an important tool to understand the magnitude and impact of Federal regulatory programs on our economy. Recently, the President and Congress devoted a great deal of time and effort in preparing and debating the first balanced budget for the Federal Government in 28 years. This budget determines how much money the American people's Government will collect and where it will spend these funds. The budget for fiscal year 1997 is approximately $1.6 trillion.

However, the Federal budget fails to take into account the full impact of Federal programs on our economy. The Federal Government also imposes tremendous costs on the private sector, State and local governments and, ultimately, the public through ever-increasing Federal regulations. Some recent estimates place the compliance costs from Federal regulatory programs at over $680 billion annually and project substantial growth even without new legislation. These costs are often hidden in increased prices for goods and services, loss of international competitiveness in the global economy, lack of investment in private sector job growth, and pressure on the ability of State and local governments to fund essential services, such as crime prevention and education.

The benefits of Federal programs are no doubt substantial. Lack of accountability and regulatory reform, however, has left many Federal programs inefficient or marginally productive. Unlike the private sector, where freedom of contract and free market competition drive price and quality, Federal programs are only accountable through the political process. Moreover, historically, both Congress and the executive branch have driven growth in Federal regulatory programs, creating layer upon layer of bureaucracy at great cost and with diminishing returns for the American people. If Congress and the executive branch do not take concrete steps to reform these programs, the United States will surely decline in the world economy. Consequently, the quality of life for our children will also decline.

The Regulatory Right-to-Know Act of 1997 is an important management tool to evaluate the cumulative impacts of regulatory programs through an accounting of national expenditures and statements of corresponding benefits for each regulatory program. The cumulative impact of regulatory costs must be debated at the same level that taxing and spending are debated; after all, they are all derived from the same two sources—the private sector and the American people. Rule-by-rule evaluations are insufficient to capture cumulative impacts or manage national expenditures. Moreover, a national debate that focuses solely on the $1.6 trillion Federal budget without accounting for the additional $680 billion in annual regulatory costs is an incomplete and uninformed debate that leads to poor national policy and mismanagement of resources.

What is needed is an accounting tool that allows the Federal Government to fully understand the cumulative impact of Federal programs. The Regulatory Right-to-Know Act would provide such a tool. The bill requires the President to provide an accounting statement every 2 years respecting the costs of regulation to the private sector and State and local governments, and Federal Government costs by program or program element. The President would also provide quantitative or qualitative statements of corresponding benefits. Such an accounting offers the opportunity for comprehensive analyses of impacts on our economy through an associated report. The bill also provides for input from the public and opportunities to identify areas for regulatory reform.

Citizens for a Sound Economy and the U.S. Chamber of Commerce agree that the American taxpayers and business have the right-to-know the costs and benefits of Federal regulations, and, therefore, have endorsed the Regulatory Right-to-Know Act of 1997. I would like to submit letters of endorsement for the Regulatory Right-to-Know Act of 1997 from Citizens for a Sound Economy and the U.S. Chamber of Commerce into the RECORD.

The legislation changes no regulatory standard or program. It will, however, provide vital information to Congress and the executive branch so they may fulfill their obligation to ensure wise expenditure of limited national economic resources in all regulatory programs.

The letters follow:

NOVEMBER 4, 1997.

Hon. THOMAS J. BLILEY,
Chairman, Committee on Commerce, U.S. House of Representatives, Washington, DC.

DEAR CHAIRMAN BLILEY: On behalf of Citizens for a Sound Economy (CSE), a 250,000-member consumer advocacy and research organization, I would like to express my strong support for the "Regulatory Right-to-Know Act of 1997." This legislation would help establish a more effective approach toward regulation through increased public accountability and much-needed public dialogue concerning the costs and benefits of regulation.

Americans currently face an estimated regulatory burden of $680 billion annually. Increased accountability and a better understanding of the regulatory process would improve Federal regulations by providing Congress, the administration, and Federal agencies the necessary information to more carefully assess regulations.

CSE will work to ensure that regulatory process became law. The Regulatory Right-to-Know Act of 1997 is an important step toward a more reasonable regulatory process. By providing the public and the government more consistent information about the costs and benefits of regulations, the Regulatory Right-to-Know Act will allow regulatory agencies to make more informed decisions while avoiding excessive or unnecessary burdens on consumers.

Sincerely,

MATT KIBBE,
Vice President for Public Policy.

CHAMBER OF COMMERCE,
OF THE UNITED STATES OF AMERICA,
November 3, 1997.

HON. TOM BLILEY,
Chairman, House Committee on Commerce, U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The U.S. Chamber of Commerce supports your proposed legislation to make permanent the regulatory accounting statement of the cumulative costs and benefits of federal regulatory programs.

A proliferation of federal regulations has occurred in recent years. Estimates now place the total cost of federal regulations on American taxpayers and the regulated community in excess of $700 billion annually. These costs are particularly onerous for small businesses that simply do not have the resources to comply with the increasing number of demands imposed upon them. According to the U.S. Small Business Administration, the proportionate cost of regulatory compliance for small business is almost three times that for large companies.

American taxpayers and businesses deserve to know the total costs and benefits of federal regulations. Adoption of your legislation would inject greater accountability into the regulatory process and facilitate better evaluation of regulatory programs. It would also help in allocating limited resources where the needs are the greatest. Requiring an annual regulatory accounting statement has strong bipartisan congressional support. It is time that it was made permanent.

The U.S. Chamber of Commerce—the world's largest business federation with an underlying membership of more than three million businesses and organizations of every size, section and region—applauds your efforts and urges expeditious adoption of this common sense, good government proposal.

Sincerely,

R. Bruce Josten.

POLITICAL FREEDOM IN CHINA ACT OF 1997

SPEECH OF

HON. DAVE WELDON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. WELDON of Florida. Mr. Speaker, I rise today in strong support of H.R. 2358, the Political Freedom in China Act of 1997. This legislation puts the U.S. Congress firmly on record as supporting the spread of democracy throughout the world.

This bill contains language authored by Representative LINDA SMITH which expresses the sense of Congress that the Chinese Government should be condemned for its practice of executing prisoners and selling their organs for transplants. As a cosponsor of Representative SMITH's House Concurrent Resolution 180, I am glad this language was included in this bill. Any Chinese official directly involved in these executions and operations should be barred from entering the United States. The language also urges American law enforcement officials to prosecute those who are illegally marketing and selling these organs in the United States.

Mr. Speaker, as a physician I am outraged that people have reportedly paid as much as $30,000 for the kidneys of executed prisoners at People's Liberation Army medical facilities. Chinese prisoners are being killed for profit and this outrage must stop.

I urge my colleagues to support this legislation.

CONGRATULATIONS TO MT. ZION MISSIONARY BAPTIST CHURCH

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. VISCLOSKY. Mr. Speaker, it is my great pleasure to congratulate Mt. Zion Baptist Church in Hammond, IN, as it prepares to celebrate its 78th anniversary on Sunday, November 16, 1997. I would also like to take this opportunity to commend Rev. Doctor A.R. Burns and the members of 78th Anniversary Committee, Yvonne Alexander, Shirley Sheppard, Ruby Peppers, Paul Lewis, Leo Harwell, and Jennifer Collins, for the hard work they have put forth in organizing this special event. The anniversary festivities will begin with a church service at 4 p.m., and will feature an exciting program of guest speakers.

A church of very modest beginnings, Mt. Zion was founded in 1919 by a group of Christian believers who desired to establish Hammond's first African-American Baptist Church. The African-American population in Hammond was small at that time, however, and the few people who began the church had meager resources. Therefore, a small, rented storefront building became the first home of the Mount Zion Missionary Baptist Church. The parishioners worshiped at this humble location for several months under the leadership of Reverend Phelps of Gary, IN.

As its parishioners experienced financial difficulties brought about by a lack of job opportunity in Hammond, Mt. Zion struggled to support a minister and find an adequate place of worship. As a result, the church was moved to several locations and was led by a variety of pastors. However, in spite of the trials they faced, the small group of parishioners continued to grow and prosper. Within a year of its founding, Mr. Zion had already established a senior choir and became officially organized by Reverend Jackson of Indianapolis, IN. In 1921, Rev. William Davis, of Morgan Park, IL, became pastor of Mt. Zion, and he brought with him a vision of a larger, revitalized parish. Although Reverend Davis passed away in October of 1945, he donated the first $25 toward a $4,000 building fund, and, thus, laid the groundwork for the young minister, Rev. A.R. Burns, to fulfill his dream.

Reverend Burns, who began his pastorship at Mt. Zion in December of 1945, led the parish in purchasing lots for a new church at 1027 Kenwood Street. In 1949, the parish moved from the basement structure they had been occupying for several years to the new Mt. Zion church, which then became known as "The Friendly Place of Worship." In addition to fulfilling Reverend Davis' dream, Reverend Burns followed his own dream of establishing a quality housing facility for the elderly. This dream became a reality in 1983, as a beautiful $6 million, seven-story, 128-unit building was completed at 940 Kenwood Street. The first tenants moved into the Mt. Zion Pleasant View Plaza in June 1983.

Mr. Speaker, I ask you and my other distinguished colleagues to join me in congratulating the Mt. Zion Missionary Baptist Church parishioners as they prepare to celebrate the 78th anniversary of their parish. The many obstacles the Mt. Zion congregation has overcome to successfully guide and serve others in its community is truly inspirational.

TRIBUTE TO J.M. "SAGE" REAGOR ON THE OCCASION OF HIS RETIREMENT

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. GILLMOR. Mr. Speaker, I rise today to pay tribute to an outstanding citizen of Ohio. J.M. "Sage" Reagor will retire on November 12, 1997.

I have known Sage Reagor for longer than either one of us wants to admit. He is a man of integrity and of honor. His quick wit and eternal optimism are his hallmarks.

Sage Reagor served his country in the U.S. Navy from 1942–43 and again from 1950–52. He graduated summa cum laude from Texas Christian University in 1955 with a bachelor of arts degree. He received a masters in Business Administration from Georgia State University in 1968.

He began his professional career with the Humble Oil and Refining Co. as a draftsman in 1948. From 1953 to 1969, Sage Reagor held various positions with the Sinclair Pipeline Co., Sinclair Oil & Gas, the Sinclair Refining Co. and Sinclair Oil Corp.

After a 2-year stint with B.P. Inc., Sage Reagor moved to Standard Oil of Ohio. While at Standard Oil, Sage established and managed the company's first State government affairs department. For the next 14 years, his department grew from a one-man operation to over 30 professionals in four departments.

Sage Reagor tried retirement once before. In 1985 he retired from Standard Oil, only to return to the work force when he affiliated with Governmental Policy Group, Inc. of Columbus, Ohio. Given Sage's track record, I am confident that in his second go at retirement, he will be as active as ever.

Mr. Speaker, J.M. "Sage" Reagor is a gentleman who embodies all that corporate America can and should be. I ask my colleagues to join me in wishing him well as he enters his second retirement. Maybe he will finally get it right this time.

CLARIFYING U.S. POLICY TOWARDS JERUSALEM, H.R. 2832

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. GILMAN. Mr. Speaker, today, along with Speaker GINGRICH, I introduced legislation clarifying United States policy with respect to Jerusalem as the capital of Israel. H.R. 2832 is a compendium of four important provisions that flow from Public Law 104–45, the Jerusalem Embassy Relocation Act. That legislation became law 2 years ago this week. Many of us attended the Rotunda ceremony that celebrated the passage of that landmark legislation, and which, regrettably, was the last time most of us saw Israeli Prime Minister Yitzbak Rabin before he was gunned down by an assassin. The law makes a statement of policy that "Jerusalem should remain an undivided city . . . recognized as the capital of . . . Israel; and the U.S. Embassy . . . should be established in Jerusalem no later than May 31, 1999."

In furtherance of those requirements, this bill has four basic provisions: first, it would authorize $25 million in fiscal year 1998 and $75 million in fiscal year 1999 for the construction of an embassy in Jerusalem. For those who may be unaware, in January 1989, the United States signed a 99-year lease with the Government of Israel at $1 per year for a 14 acre site in southwest Jerusalem. With the negotiations actively discussing going to final status talks, parallel activity needs to keep pace with these developments to ensure that a U.S. Embassy in Jerusalem is not going to be an afterthought.

Second, no funds appropriated by the act may be expended for the operation of the Consulate General or other diplomatic facilities in Jerusalem unless it comes under the supervision of the United States Ambassador to Israel. This provision is a follow-on measure to previous congressional achievements that list the United Stats consulate in Jerusalem under the "Israel" heading in the United States Government booklet listing embassies, consulates, and their personnel.

Third, that no funds appropriated by the act may be used for the publication of official Government documents that list countries and their capital cities unless the publication identifies Jerusalem as the capital of Israel. This provision is necessary to for the implementation of Public Law 104–45, and to ensure consistency of U.S. policies.

Fourth, this bill requires that for those born in Jerusalem seeking a United States passport or other official document listing their birth, the place of birth shall be listed, upon request, as Jerusalem, Israel. Today, on passports of citizens born in the United States, the city of one's birth is listed. For those citizens who are naturalized the country of birth is listed. If you are an Israeli, born in Tel Aviv, your passport says Israel. But if you are an Israeli born in Jerusalem your United States passport says Jerusalem, not Israel. The option for individuals born in Jerusalem to have the place of birth in their passports listed as Jerusalem, Israel should be made available. It is a simple case of fairness, and of righting a wrong.

Mr. Speaker, I want to commend your ongoing leadership on this most important of issues. The congressional certification of Jerusalem as Israel's capital must continue to be one of our highest priorities. Accordingly, I urge our colleagues to co-sponsor this measure at their earliest possible opportunity.

H.R. 2832

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. UNITED STATES POLICY WITH RESPECT TO JERUSALEM AS THE CAPITAL OF ISRAEL.

(a) AUTHORIZATION OF APPROPRIATIONS.—Of the amounts authorized to be appropriated for fiscal years 1998 and 1999 for "Security and Maintenance of Buildings Abroad,", $25,000,000 for the fiscal year 1998 and $75,000,000 for the fiscal year 1999 are authorized to be appropriated for the construction of a United States Embassy in Jerusalem, Israel.

(b) LIMITATION ON USE OF FUNDS FOR CONSULATE IN JERUSALEM.—None of the funds authorized to be appropriated by this Act should be expended for the operation of a United States consulate or diplomatic facility in Jerusalem unless such consulate or diplomatic facility is under the supervision of the United States Ambassador to Israel.

(c) LIMITATION ON USE OF FUNDS FOR PUBLICATIONS.—None of the funds authorized to be appropriated by this Act may be available for the publication of any official government document which lists countries and their capital cities unless the publication identifies Jerusalem as the capital of Israel.

(d) RECORD OF PLACE OF BIRTH AS ISRAEL FOR PASSPORT PURPOSES.—For purposes of the registration of birth, certification of nationality, or issuance of a passport of a United States citizen born in the city of Jerusalem, the Secretary of State shall, upon the request of the citizen, record the place of birth as Israel.

INTERNAL REVENUE SERVICE RESTRUCTURING AND REFORM ACT OF 1997

SPEECH OF

HON. JOEL HEFLEY

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. HEFLEY. Mr. Speaker, today we are taking yet another step in giving the taxpayers of this country a few more rights in their battle with the IRS.

First I want to thank JIM TRAFICANT for pursuing one of these issues from day one. This bill will shift the burden of proof from the taxpayer to the IRS. I know what it's like to come out for something when everybody else thinks your crazy for doing it, and I know how gratifying it is when you can finally see your ideas be accepted by the body as a whole. We have you to thank for that provision.

I'm excited about another provision in this bill as well. Back about 8 years ago, I introduced legislation that would expand taxpayers rights. The last provision of that bill that is not yet law is in this bill. Finally the IRS will have to pay taxpayers interest at the same rate the taxpayer has to pay the IRS. No, it's not a big thing to do, but it is the right thing to do, and I thank the sponsors of this bill for including it.

But don't think that we're done with IRS reform. We need to do even more to force the IRS to justify their lifestyle audits. This bill takes a first step, but doesn't go far enough.

What's more, should a taxpayer actually win a court case against the IRS, they may never get paid. I think that if the IRS, with all the power of the Federal Government behind them, loses to a taxpayer in tax court, then they should not get any appeals, and they should pay the taxpayer within 90 days of the judgment against them. Again, it's the right thing to do.

Overall this legislation is another step towards restoring some of the rights the taxpayers of this country should have had all along.

INTRODUCTION OF CLINTON ADMINISTRATION'S TEACHER TRAINING LEGISLATION

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. KILDEE. Mr. Speaker, I am proud to introduce President Clinton's proposal for the reauthorization of title V, the teacher training title of the Higher Education Act. This important legislation has two important purposes: First, to improve the quality of teacher education programs in America's colleges and universities, and second, to provide schools in communities where the need is greatest of a new infusion of highly-qualified teachers.

I have said on many occasions that education is a capital investment. It is truly an investment in our future strength. Surely nothing could be more important than investing in our children by investing in the men and women who will teach them. All across America there are efforts underway to raise standards for student performance, but these efforts will be dramatically diminished if our teachers do not have the knowledge and skills to teach to those high standards.

The Federal Government currently addresses the professional development of teachers already in the classroom through efforts such as the Eisenhower Professional Development Program. Unfortunately, there is no similar Federal commitment in the education and training of new teachers. Simply put, we do little to recruit, prepare, and then support new classroom teachers.

Over the next decade we will experience a student enrollment boom that will bring more students than ever before into our classrooms. The result is that we will need to hire more than 2 million teachers. At the same time, shortages of qualified teachers will intensify in many areas of the country, and most especially in our Nation's most needy communities. Central cities with large concentrations of low-income students will need to hire approximately 345,000 teachers. An additional 207,000 teachers will be needed in isolated, and often poor, rural areas.

When schools face shortages of qualified teachers, they are forced to hire teachers who lack full certification, or who do not have any teacher training at all. Every year, 50,000 people who lack the training for their jobs enter the teaching profession. More than one-quarter of newly-hired teachers begin teaching without having full met State standards.

Shortages of qualified teachers often result in educators teaching outside their subject areas. Over one-third of public school teachers who teach the primary subjects do not have even a college minor in the field they are teaching. For students in high-poverty urban and rural schools—the very students who need the best teachers—the problem is even worse. Almost half of their teachers have neither a major nor a minor in the field they are teaching.

Of the 2 million teachers we will need to hire over the next 10 years, 1 million will be newly-prepared teachers. They will be called upon to teach all students to high standards. It is imperative, therefore, that their training be second to none.

Unfortunately, many teacher education programs do not sufficiently prepare teachers well for the challenges of today's classrooms, and especially for the demands and challenges of our high-poverty classrooms. Many teachers experience too little clinical training. They lack in-depth knowledge of their area of concentration and of effective classroom practices. Many teacher preparation programs do not prepare teachers to use technology to facilitate student learning. And, once new teachers enter the classroom, they are all too often left without the support they need to ease the transition from student to teacher.

The President's title V proposals address these challenges in a targeted, coherent way. The legislation would authorize $67 million for fiscal year 1999 for two programs focused on recruitment, preparation, and support for new teachers.

The Lighthouse Partnerships program seeks both to identify and disseminate widely the best practices in teacher preparation and to ensure that K–12 schools are actively involved with colleges in the preparation of new teachers. The program would identify higher education institutions that currently prepare teachers well, institutions that have already done the hard work of reforming their teacher education programs and have a track record of collaboration with K–12 schools. These institutions would partner with other teacher preparation institutions that want to restructure their programs. The result would be a dramatic change in teacher preparation and a new commitment to high-quality teacher education. The program places a special emphasis on preparing new teachers for the challenges of our Nation's high-poverty urban and rural classrooms.

The second part of the administration's proposal is the Recruiting New Teachers for Underserved Areas Program. This program would increase the number and diversity of teachers in the high-poverty areas that need them most. Partnerships between institutions of higher education and K–12 schools would work together to determine the schools' needs for teachers, such as the need for teachers in specific subject areas or the need for a more diverse teaching force. The partners would then work collaboratively to design programs to attract, prepare, and retain teachers to meet those needs. Prospective teachers would receive support services and scholarships if they agreed to teach in underserved areas for at least 3 years.

Mr. Speaker, everyone in this Chamber knows that our future depends upon the quality of the education our children receive. The quality of that education, in turn, depends upon establishing and maintaining a teaching force of the highest quality. The President's teacher training proposals constitute a prudent investment in our teachers, our children, and our Nation. As the ranking Democrat on the Postsecondary Education Subcommittee, I look forward to working with my colleagues on both sides of the aisle to enact strong teacher recruitment and preparation legislation that adheres to the President's proposals in this area.

INTERNAL REVENUE SERVICE RESTRUCTURING AND REFORM ACT OF 1997

SPEECH OF

HON. DAVE WELDON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Mr. WELDON of Florida. Mr. Speaker, I rise today in strong support of H.R. 2676, the Internal Revenue Restructuring and Reform Act. This legislation is a positive first step toward fundamental tax reform. It shifts the responsibility of proving one's case in a tax liability dispute from an individual to the IRS. For too long, the burden of proof in such cases has rested upon the American taxpayer. H.R. 2676 will ensure that the taxpayer is innocent until proven guilty. Now, the excessive powers of the runaway IRS are brought under control.

This bill contains several important provisions that will help Americans deal with the giant IRS bureaucracy. It extends confidentiality privileges, like those afforded to an attorney-client relationship, to non-lawyers who assist taxpayers with tax advice. It helps guarantee that powerful government officials cannot pressure the IRS to target particular taxpayers. H.R. 2676 is a vote for the American people and against the abuses of the IRS.

I am proud to support this important legislation, but it is only a first step in the critical process of tax reform. We in the Congress must not rest until the tax code is made fairer, flatter, and simpler for the American taxpayer. Americans pay too much in taxes, and are forced to spend too much of their time filing out their returns. A flat tax would both reduce the tax burden on working Americans and make the process of paying taxes much simpler. The surest way to bring the IRS under control is to make it less important. A flat tax will help us reach this important goal. I urge my colleagues to support the bill and to continue the quest for fundamental tax reform.

MINNESOTA STATE UNIVERSITY STUDENT ASSOCIATION CELEBRATES ITS 30TH ANNIVERSARY

HON. JIM RAMSTAD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. RAMSTAD. Mr. Speaker, the Minnesota State University Student Association [MSUSA] was formed in 1967 as a informal coalition of student leaders representing their peers at the State universities in Minnesota—Bemidji, Mankato, Metropolitan (Twin Cities), Moorhead, St. Cloud, Southwest (Marshall) and Winona. A branch campus in Akita, Japan, opened in 1990. Today, the association has evolved into an independent nonprofit corporation, funded and operated by students, and serving more than 60,000 students.

Over the last 30 years, MSUSA has encouraged students to become active participants in the decisions that affect them, working on behalf of many important causes. State university students have worked to establish child care facilities and stabilize State tuition. They have advocated increased work-study wages, simplified student transfers between State universities, improved cultural diversity and made great strides toward fairer State and Federal financial aid programs, including those in the most recent Higher Education Act reauthorization.

I am particularly grateful for the input and support MSUSA gave me with my legislation to provide greater protection for sexual assault victims on campus. This legislation was included in the 1992 Higher Education Act reauthorization, and it is now the law of the land.

Many admirable and worthwhile programs are sponsored by this student association. MSUSA's various legislative liaisons have given students the opportunity to voice their concerns at critical points in the decision-making process. The Monitor, the association's newspaper, has the largest circulation of any State system newspaper. The MSUSA Penny Fellowship was founded in 1987 to encourage State university students to perform volunteer public and community service internships.

In closing, Mr. Speaker, I would like to recognize the current leadership of MSUSA: Francis Klinkner, State chair from Mankato State University, Garret Melby Aanerud, vice chair from Moorhead State University; Heidi deRuyter, treasurer and operations officer from Moorhead State University; and Frank X. Viggiano, executive director. I extend my heartfeld congratulations and wish them continued success on this important anniversary.

CONGRATULATIONS TO IVY TECH STATE COLLEGE

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. VISCLOSKY. Mr. Speaker, it is my great pleasure to congratulate Ivy Tech College for ranking first out of 25 Indiana colleges and universities offering technical education programs. This honor, which is being awarded to Ivy Tech State College for the second consecutive year, is a tremendous honor for the northwest Indiana Ivy Tech campuses, as well as the communities they serve.

Ivy Tech is a major provider of technical education in northwest Indiana. The college continues to build upon its success by keeping abreast of the technological needs of northwest Indiana. Within the past year, Ivy Tech has added several new specialities and programs in accordance with the demand for specific business and health care technologies. Ivy Tech currently offers a physical therapist assistant program, which was developed in cooperation with the Methodist hospitals, to meet the demand for physical therapist assistants in hospitals and other healthcare settings. In addition, Ivy Tech has developed a banking and financial management speciality, in conjunction with Bank One, to enhance the education and skill level of banking employees, as well as others interested in the banking and financial services industries. Ivy Tech's East Chicago, IN, campus currently offers a new speciality in construction technology to assist in developing the skills of individuals interested in steel framing and other areas of construction.

These new fields, along with Ivy Tech's many other programs, will not only enhance the employment potential of area residents, but improve the region's potential to provide the jobs and services necessary for long-term economic stability. Perhaps the best indicator that Ivy Tech's efforts have been successful is their increased enrollment. Within the past two years, the college has shown a steady rise in student enrollment at all three of its northwest Indiana campuses, located in Gary, East Chicago, and Valparaiso. Ivy Tech attributes this growth to its success in generating a greater public awareness of its capability in the area of technology, as well as the partnerships it has forged in providing the region with a more highly skilled workforce.

The northwest Indiana Ivy Tech campuses relish the honor of this first place ranking because it reinforces the college's standing commitment to providing Indiana residents with state-of-the-art technical education programs. Today, more than ever before, training in technology is at the forefront of education across the country.

Mr. Speaker, I ask you and my other distinguished colleagues to join me in congratulating Ivy Tech State College on the outstanding recognition it has received. The quality educational programs this institution has offered over the years, have provided a wealth of opportunity for many in northwest Indiana.

BILL TO INCREASE PAY OF U.S. CAPITOL POLICE

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. TRAFICANT. Mr. Speaker, today I, along with my colleague ROBERT NEY of Ohio, are introducing legislation to increase the pay scale and benefit package for the U.S. Capitol Police department. The bill establishes a pay scale and benefit packages for the U.S. Capitol Police equivalent to that of the Uniformed Division of the U.S. Secret Service. Recently enacted legislation Public Law 105–61 made the Uniformed Division one of the higher paid Federal law enforcement agencies.

Given the fact that the duties and responsibilities of the U.S. Capitol Police are similar to that of the Uniformed Division of the Secret Service, it is only fitting and proper that Congress take action to ensure that U.S. Capitol Police officers are compensated in the same fashion.

Since coming to Congress in 1985, I have been impressed with the professionalism, dedication and integrity of the fine men and women who serve in the U.S. Capitol Police department. Without question, the U.S. Capitol Police department is one of the best trained and highest performing law enforcement agency in the country.

Day in and day out, the U.S. Capitol Police put their lives on the line to protect Members of Congress, Government officials, foreign dignitaries and the thousands of American citizens who visit the U.S. Capitol. Despite the many challenges and varied threats facing them every hour of every day, the U.S. Capitol Police force does an excellent job. They have a remarkable record of protecting the Capitol and those who work and visit there.

What I find most impressive about the Capitol Police is the fact that you don't read about incidents at the Capitol in the newspaper. That's because the Capitol Police is one of the premier law enforcement agencies in preventing crimes from taking place. Each and every day, talented Capitol Police officers apprehend dangerous individuals trying to get into the Capitol complex.

Most of the time Members of Congress aren't aware of the Capitol Police and the job that they do. That's because, when done properly, good law enforcement usually goes unnoticed. The fact that there are virtually no incidents at the U.S. Capitol complex is a testament to the high competency of the Capitol Police.

The bottom line is the Capitol Police deserve to be compensated at a level commensurate with the job they perform. They certainly deserve to be compensated at the same level of the fine men and women of the Uniformed Division of the U.S. Secret Service. As noted above, the duties of the Uniformed Division are similar to that of the Capitol Police.

Under our legislation, the starting annual salary for a U.S. Capitol Police private class 1 would rise from $30,445 to $31,292. the salary for a veteran U.S. Capitol Police private would also rise from $41,671 to $45,041.

I am proud to introduce this important legislation, and I urge all of my colleagues to support it.

THE NUCLEAR WASTE POLICY ACT OF 1997

SPEECH OF

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 29, 1997

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1270 to amend the Nuclear Waste Policy Act of 1982:

Mr. DAN SCHAEFER of Colorado. Mr. Chairman, the manager's amendment makes a number of noncontroversial changes to H.R. 1270, reflecting the views of the Committee on Commerce, Committee on Resources, and Committee on Transportation and Infrastructure.

First, the amendment directs DOE to use highway and rail routes that minimize transportation through populated areas, to the maximum extent practicable. This provision was offered by Representative SAWYER of Ohio in the Commerce Committee, and incorporated into the manager's amendment at his request. The Transportation and Infrastructure Committee has no objection to this change.

Second, the amendment directs the Secretary of Transportation to establish procedures for the selection of preferred rail routes for transportation of nuclear waste to the interim storage facility and repository. DOT is directed to consult with State emergency response officials in the development of these preferred rail routes. This provision was included in the manager's amendment at the request of Representative MCCARTHY of Missouri, and incorporates the views of the Transportation and Infrastructure Committee. Both Representative MCCARTHY and the Transportation and Infrastructure Committee have indicated a desire to make some revisions to this language, and I will work with them in conference to that end.

Third, the amendment makes technical changes to provisions governing emergency response training.

Fourth, the amendment deletes section 207 of the bill, which provides for the development of private interim storage facilities. This provision was included at the request of our colleagues from Utah. In recent years, there has been interest in development of private interim storage facilities. H.R. 1270 as reported by the Commerce Committee included a provision that directed the NRC to review license applications "at the earliest practicable date, to the extent permitted by applicable provisions of law and regulation." Section 207 also directed DOE to encourage efforts to develop private storage facilities by providing requested information and assistance.

The deletion of section 207 does not modify NRC's existing responsibility to review license applications and issue licenses for private interim storage facilities. In the same manner, the deletion of section 207 does not diminish DIE's obligation to provide information and assistance to the developers of private storage facilities.

Fifth, the amendment clarifies that nothing in H.R. 1270 affects the application of Federal rail and highway laws. This provision was included in the manager's amendment at the request of the Transportation and Infrastructure Committee.

Sixth, the amendment adds separability provisions to assure if a part of H.R. 1270 is held invalid, the remainder is not invalid. This provision is identical to the provisions in the current Nuclear Waste Policy Act of 1982.

Seventh, the amendment provides for establishment of training standards for emergency responders. This language is important to assure that firefighters are adequately trained to respond to transportation accidents.

I urge my colleagues to support the manager's amendment.

PERSONAL EXPLANATION

HON. LINCOLN DIAZ-BALART

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. DIAZ-BALART. Mr. Speaker, on rollcall No. 571, I was inadvertently recorded as an "aye." It was my intention to vote "no" on that measure. I ask that the RECORD reflect my intentions.

BETHEL EDUCATIONAL CENTER—PREPARING OUR CHILDREN FOR THE 21ST CENTURY

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. BARCIA. Mr. Speaker, all parents want their children to grow and learn in an uplifting and positive environment. In many communities local churches have provided a secure and loving place for children, particularly for those families who have both parents in the workforce. In 1997, the Reverend Harold C. Huggins envisioned and founded a center where the children of Saginaw could receive educational challenges and a caring environment. Two decades later, the Bethel Educational Center in Saginaw, MI, continues to provide high quality educational child care services and provide a positive and safe environment for the children. This weekend, the Bethel Educational Center is celebrating its 20th anniversary, focusing on "Preparing Our Children for the 21st Century."

The Bethel Educational Center continues to effectively prepare the children of Saginaw for our competitive global economy. The program received country-wide attention for their curriculum which consists of reading readiness, hands-on computer training, mathematics and science activities, dramatic play, creative art, music, Spanish lessons, gross and fine motor skills development, and health and nutrition. Full daycare is provided for infants and children through 5 years and a latchkey program is furnished for those parents with elementary schoolchildren.

The Reverend Huggins organized a series of meetings in 1977 with members of the Bethel African Methodist Episcopal Church to discuss providing a positive setting and a safe place for parents to leave their children. The Bethel Day Care Center was organized and granted a license certificate by the State of Michigan Day Care Licensing Agency shortly thereafter.

The members of the church decided that the church pastor would be responsible for running the center and a nine-member board would oversee the operation. The committee wanted the program to focus on child development by providing for intellectual, educational, physical, and social needs for preschool age children. Not only does the congregation provide moral support and strong Christian beliefs, they also provide financial support and other resources for the exceptional program.

Many in the community have played a role in making this program the success it is today, including Rev. Clarence G. Robinson, Dillon L. Bowman, and P. David Saunders. The first director, Ethel Shaw, left big shoes to fill but future directors Iris Sprowl, Carolyn Byas, Pauline Lawrence, Jacqueline Eichelberger, Rudein Glass, Erman McKinney, Michael Times, and the current director, Natasha Burns, carried on her tradition of devoted and progressive leadership.

Mr. Speaker, the Bethel Educational Center has been a strong foundation for the children and the community. I urge you and your colleagues to join me in recognizing the outstanding contributions to the community and congratulating them on 20 years of dedication, caring, and success.

MacBRIDE PRINCIPLES OF ECONOMIC JUSTICE ACT OF 1997, H.R. 2833

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. GILMAN. Mr. Speaker, today, I am pleased to introduce along with Speaker GINGRICH, the Federal MacBride principles bill, H.R. 2833 a very important anti-discrimination measure dealing with employment practices in Northern Ireland. This bill includes these important employment requirements as conditions for receipt by any grantee of U.S. taxpayer contributions to the International Fund for Ireland [IFI].

Fair employment for Catholics in Northern Ireland is an issue that for many years has concerned me, as well as millions of Irish here in America, and all around the globe.

I was pleased in the 104th Congress to not only hold congressional hearings on this subject matter in our International Relations Committee, but also to lead the effort for the first ever congressional passage of these same MacBride fair employment principles as part of our U.S. contribution to the IFI.

This bill, which we introduce today, incorporates all of the changes made in the MacBride principles, that is, principles of economic justice as defined and passed by the last Congress as part of the U.S. contribution to the IFI in the foreign aid authorization bill. Recently, that bill was vetoed for other unrelated reasons, and the MacBride principles never became law. We have yet another chance with this new bill to make these principles the law of the land.

Earlier this year the House again passed similar language when the State Department authorization bill was before this body.

The purpose of the bill is not complex. It treats those in Northern Ireland who would receive any United States foreign taxpayer assistance, the very same as the many United States employers doing business in Northern Ireland. Today, many of these American firms there in the north of Ireland voluntarily comply with the MacBride fair employment principles. In fact, the record for those complying companies has been one of substantial increased investment there.

These principles serve as a set of guidelines for fair employment by establishing a code of corporate conduct, which explicitly does not require quotas, nor any form of reverse discrimination.

These fair employment principles have been endorsed by both political parties during the last Presidential campaign in their party platforms, and have wide bi-partisan support here in the Congress.

The MacBride principles campaign has been the most effective and meaningful effort by Irish America, and their many allies around the world, against the systemic and long-standing anti-Catholic discrimination in employment practices in Northern Ireland.

I have long been pleased to work with the Irish National Caucus, the AOH, and other outstanding Irish-American groups, and the American labor movement, in this very important cause.

Much more still needs to be done to address a serious, continuing problem in Northern Ireland, where Catholics are still twice as likely to be unemployed as that of their Protestant counterparts. This is unfair and must change if sustained peace and justice are ever to take a firm and lasting hold in Northern Ireland. No United States tax dollars ought to go to Northern Ireland to help maintain this clearly unsatisfactory "status quo". Our bill helps ensures that will not occur.

Support for these fair employment principles has been passed into law in 16 States, including my own State of New York. Many American cities and towns have also passed laws or resolutions on the principles.

Indeed, the U.S. Congress allowed support for the principles to become law for the District of Columbia on March 16, 1993.

We must do more, and codify these principles into Federal law this year, especially as they concern U.S. Foreign assistance.

Accordingly, we urge our colleagues concerned about lasting peace and justice in Northern Ireland to support the bill which, the Speaker and I have introduced here today.

H.R. 2833

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "MacBride Principles of Economic Justice Act of 1997".

SECTION 2. AMENDMENTS TO ANGLO-IRISH AGREEMENT SUPPORT ACT OF 1986.

(a) IN GENERAL.—

(1) PURPOSES.—Section 2(b) of the Anglo-Irish Agreement Support Act of 1986 (Public Law 99–415; 100 Stat. 947) is amended by adding at the end the following new sentences: "United States contributions should be used in a manner that effectively increases employment opportunities in communities with rates of unemployment significantly higher than the local or urban average of unemployment in Northern Ireland. In addition, such contributions should be used to benefit individuals residing in such communities.".

(2) CONDITIONS AND UNDERSTANDING.—Section 5(a) of such Act is amended—

(A) in the first sentence—

(i) by striking "The United States" and inserting the following:

"(1) IN GENERAL.—The United States";

(ii) by striking "in this Act may be used" and inserting the following: "in this Act—

"(A) may be used"'

(iii) by striking the period and inserting "; and"; and

(iv) by adding at the end the following:

"(B) should be provided to individuals or entities in Northern Ireland which employ practices consistent with the principles of economic justice."; and

(B) in the second sentence, by striking "The restrictions" and inserting the following:

"(2) ADDITIONAL REQUIREMENTS.—The restrictions".

(3) PRIOR CERTIFICATIONS.—Section 5(c)(2) of such Act is amended—

(A) in subparagraph (A), by striking "in accordance with the principle of equality" and all that follows and inserting "to individuals and entities whose practices are consistent with principles of economic justice; and"; and

(B) in subparagraph (B), by inserting before the period at the end the following: "and will create employment opportunities in regions and communities of Northern Ireland suffering from high rates of unemployment".

(4) ANNUAL REPORTS.—Section 6 of such Act is amended—

(A) in paragraph (2), by striking "and" at the end;

(B) in paragraph (3), by striking the period and inserting "; and"; and

(C) by adding at the end the following new paragraph:

"(4) the extent to which the practices of each individual or entity receiving assistance from United States contributions to the International Fund has been consistent with the principles of economic justice.".

(5) REQUIREMENTS RELATING TO FUNDS.—Section 7 of such Act is amended by adding at the end the following:

"(c) PROHIBITION.—Nothing included herein shall require quotas or reverse discrimination or mandate their use.".

(6) DEFINITIONS.—Section 8 of such Act is amended—

(A) in paragraph (1), by striking "and" at the end;

(B) in paragraph (2), by striking the period at the end and inserting "; and "; and

(C) by adding at the end the following new paragraph:

"(3) the term 'principles of economic justice' means the following principles:

"(A) Increasing the representation of individuals from underrepresented religious groups in the workforce, including managerial, supervisory, administrative, clerical, and technical jobs.

"(B) Providing adequate security for the protection of minority employees at the workplace.

"(C) Banning provocative sectarian or political emblems from the workplace.

"(D) Providing that all job openings be advertised publicly and providing that special recruitment efforts to made to attract applicants from underrepresented religious groups.

"(E) Providing that layoff, recall, and termination procedures do not favor a particular religious group.

"(F) Abolishing job reservations, apprenticeship restrictions, and differential employment criteria which discrimination on the basis of religion.

"(G) Providing for the development of training programs that will prepare substantial numbers of minority employees for skilled jobs, including the expansion of existing programs and the creation of new programs to train, upgrade, and improve the skills of minority employees.

"(H) Establishing procedures to assess, identify, and actively recruit minority employees with the potential for further advancement.

"(I) Providing for the appointment of a senior management staff member to be responsible for the employment efforts of the entity and, within a reasonable period of time, the implementation of the principles described in subparagraphs (A) and through (H).".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect 180 days after the date of the enactment of this Act.

IN RECOGNITION OF DAVID E. LARKIN

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. PORTMAN. Mr. Speaker, I rise today to recognize the remarkable work of David E. Larkin on behalf of Cincinnati's Dan Beard Council of the Boy Scout of America.

David's achievements in Greater Cincinnati Scouting are both extraordinary and numerous, and I would like to cite just a few examples.

He has provided outstanding leadership, motivation, and direction in the development of the Dan Beard Council's Executive Board, one of the most philanthropic youth service organizations in the Greater Cincinnati and Northern Kentucky areas.

More than 1,000 "at risk" young people in the Greater Cincinnati area have had the opportunity to experience the cherished values of Scouting thanks to Challenge Camp, which David created.

David's imagination and creativity brought into being the Scout Family Jamboree, an event attracting some 45,000 attendees showcasing not only Scouting, but many community activities and events.

Through his exceptional leadership and global vision, David has provided the catalyst for the approval of a comprehensive $14.5 million Camp Re-Development Capital Campaign to construct a 25-acre lake, Cub World, and Boy Scout camp to serve the Dan Beard Council well into the 21st century.

David has provided the leadership, quality standards, the means and methods necessary to expand the Scouting program in Southwest Ohio and Northern Kentucky to involve a record 65,000 youth and adults annually.

David's work in Scouting has also enabled him to be involved in other vital community programs. He has worked to enrich the relationships of Scouting with The United Way and Community Chest, which has helped increase awareness and funding for these highly worthwhile service organizations. In addition, David has successfully initiated a positive alliance between the Boy Scouts and the Greater Cincinnati, Northern Kentucky schools and educational institutions, resulting in expansive growth in "Learning for Life" and Career Explorer programs.

David has been asked to be the new chief executive of the Atlanta Boy Scout Council, and will soon be leaving the Cincinnati Dan Beard Council, on which he has so ably served. We in Cincinnati will certainly hate to lose David, but his selfless dedication and tireless work on behalf of Scouting and our community will not be forgotten. We wish him the best.

HONORING ALEX GALLIONE

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mrs. ROUKEMA. Mr. Speaker, I rise to congratulate Alex Gallione on being named as the honoree for Spectrum for Living Development Inc.'s Annual Dinner. This well-deserved honor recognizes Mr. Gallione for his years of selfless dedication and leadership on behalf of the disabled. Mr. Gallione is chairman of the Spectrum Board of Trustees and—as a member of the spectrum Advisory Board—I am acutely aware of the countless contributions he has made to our community. Under his guidance, Spectrum has become one of the largest organizations serving the disabled in New Jersey, offering residential facilities, job training, physical therapy, educational programs, recreation, and many other services. The thousands of individuals who have been served by this public-private partnership are extremely grateful to Mr. Gallione for making these opportunities available.

It is inspiring to know that a man with as many accomplishments as Mr. Gallione comes from a modest background. Born and raised in Englewood, NJ, he joined the Navy and served in World War II. He went to work for the Post Office after his discharge. During a 32-year career, he advanced to a number of prestigious assignments, including postmaster of Englewood, general manager of the large Kearney Mail Facility and general manager of the Bulk and Foreign Mail Service Center.

Mr. Gallione has long been deeply concerned about the needs of the disabled, leading him to become an outspoken advocate for their interests. In 1985, he successfully led the effort for passage of the New Jersey Development Disabilities Act. He has served on a number of panels including the State Human Service Advocacy Committee, Governor's Task Force for the Disabled, the Division of Development Disabilities Advisory Council and the Developmental Disabilities Constituency Committee. At the county level, he cofounded the Bergen County Coalition of Citizens with Disabilities and is a former chairman of the advisory board for the Office of the Disabled. He has also served on the Bergen County Human Services Advisory Committee, the Division of Aging Advisory Council, and the Housing Authority Task Force on Affordable Housing.

Mr. Gallione founded the Alliance for the Betterment of Citizens with Disabilities in 1995. This statewide organization is dedicated to serving individuals with both physical and development disabilities.

Mr. Gallione's proudest accomplishment was the founding of Spectrum for Living Development Inc. in 1977, along with a group of parents of adult children with multiple disabilities. Under his leadership, Spectrum has grown to become one of the largest providers of services for the disabled in the State.

Spectrum offers a wide variety of specialized services for the disabled, including a 52-client residential facility in Closter; group homes for half a dozen individuals each in Northvale, Norwood, Bergenfield, Paramus, Wayne, Hillsdale and Glen Rock; and a 21-unit apartment building in River Vale. The residences offer varying degrees of support, from the supervised apartments in River Vale to full day-to-day support in Closter. Speech, occupational and physical therapy, psychological services, remedial education, social work, recreational opportunities, and vocational programs are all available.

Even the most disabled individuals living at Spectrum facilties are encouraged to achieve a maximum degree of independent living, sense of independence and community involvement. Residents participate in elections, hear from political speakers, participate in community shopping, social recreation, and other activities.

Spectrum also operates adult training centers in Hackensack, North Haledon, and Westwood. The centers provide training in work activities, personal awareness, and community awareness. Occupational, physical and speech therapies are available, along with appropriate medical care. In addition, disabled individuals can sell arts and crafts items, woodshop products, T-shirts, balloons, holiday gift items, and other articles through Spectrum From the Heart, a retail shop in River Vale. For those ready to enter the world of work outside the training centers, Spectrum offers a work program that includes job placement, training, and supervision.

In addition to residential and training facilities, Spectrum offers case managers and counselors who can assist families of the disabled in their own homes. The organization can provide in-home overnight care of the disabled in order to offer relief for family members who normally care for them, and can take the disabled into its group homes on a temporary basis for the same purpose.

Mr. Gallione is a dedicated civic leader and his activities have not been limited to helping the disabled. He has served his community as a former president of the Northvale Lions Club, a former chairman of the Northvale Recreation Committee and—helping instill his sense of leadership in young people—a former member of the Northvale Boy Scouts Commission.

Mr. Gallione is the father of three adult sons, Alexander, James and Jeff. His wife of 48 years, Ann, died in 1995 and he has since married the former Florence Canonica. He has lived in Northvale for 43 years.

Alex Gallione is clearly a leading citizen among leading citizens. His compassion for those in need has touched countless lives and has allowed the disabled to live with respect and dignity. He is an outstanding humanitarian who deserves our recognition and our deepest gratitude.

TRIBUTE TO POLICE OFFICER TOM HARWOOD

HON. JERRY WELLER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. WELLER. Mr. Speaker, I rise today to honor Police Officer Tom Harwood, who has been named U.S. Police Officer of the Year by the International Association of Chiefs of Police. The International Association of Chiefs of Police is the oldest law enforcement advocacy group in existence and has members in 92 countries.

Officer Harwood was born and raised in Kankakee, IL, and has worked at the Grant Park, IL, police station for 9 years. He presently lives in Bourbonnais, IL, with his wife, Paula, and their two children, Thomas, Jr., and Victoria.

Officer Harwood's selection was based on several factors, but chief among them was the professional performance displayed while injured in the line of duty. On September 29, 1996, Officer Harwood had just stopped one of two suspicious cars which had been speeding in the village. After stopping the car and attempting to identify its occupants, the second car turned around, ran into Officer Harwood and eventually crashing into the police car. Despite his injuries, Officer Harwood rose to his feet, handcuffed the two male occupants of the cars, locked the two female occupants of the cars into the caged seat of the squad car, and then radioed for backup. Officer Harwood managed to remain conscious until help arrived.

There are no words to adequately describe the supreme sacrifice made by brave officers like Mr. Harwood who patrol our communities everyday in defense of our families, freedom, and children's safety. Our local law enforcement walk down the alleys the rest of us would never consider. I urge this body to identify and recognize other police officers in their communities whose actions have clearly made a difference to their community's well being and safety.

95TH ANNIVERSARY OF THE NEW BETHEL BAPTIST CHURCH

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Ms. NORTON. Mr. Speaker, I rise today to memorialize in the official record of this body the extraordinary history of one the District's leading congregations, the New Bethel Baptist Church, organized in 1902 by former members of the Salem Baptist Church. Today, New Bethel's pastor for the past 28 years is my distinguished predecessor Walter E. Fauntroy, who ably served the people of the District of Columbia for 19 years. The opportunity to offer this tribute today is a real personal honor.

The group met first in the home of Brother Benjamin Graves under the guidance of Dr. W. Bishop Johnson, Pastor of the Second Baptist Church. The membership grew and purchased a building on 15th Street, NW. Under the leadership of the Revs. Alfred A. Agerton, Samuel Washington and Richard L. Holmes, the church experienced steady growth.

In 1903, the Rev. William D. Jarvis accepted the call to the pastorate, and the church embarked on a 37 year journey of spiritual growth and prosperity. In February 1915, the first worship service was held in the building at 9th and S Streets, NW which had been purchased from the Grace M.E. Church. Before Dr. Jarvis' retirement on October 1, 1940, the church had grown to 600 in number and had become a fixture in the community.

In May 1941, the Rev. C. David Foster, of Philadelphia, PA, was unanimously called to the pastorate. Under his leadership, the church grew spiritually, numerically and financially, and the building underwent extensive renovation.

On January 19, 1959, the Rev. Walter E. Fauntroy, a son of the church who had served as supply pastor, received a unanimous call from the members to serve as pastor. For thirty-eight years, he has responded to the spiritual needs of the congregation and the rapidly-changing dynamics of the community. Existing organizations have been revitalized and new ones have been created. The position of full-time Assistant Pastor was established, and a ministerial staff was implemented. A tithing program was launched, and in 1973, New Bethel constructed the C. David Foster House, an eight-story building with 75 units for low- and moderate-income families of the Shaw area and other displaced persons.

In 1977 the old structure at 9th and S Streets was razed, and the new edifice constructed on the site was dedicated and entered in 1982. Today, guided by the pastor's 5-year plan, the church continues its mission of service to church members and to the Shaw community.

Mr. Speaker, I ask that this body join me in saluting the pastor and members of the New Bethel Baptist Church on the occasion of their 95th Anniversary with its theme—Christians Committed to Serve.

A TRIBUTE TO BENJAMIN S. ADAMOWSKI

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. LIPINSKI. Mr. Speaker, I rise today to pay tribute to the memory of an outstanding civic leader from the city of Chicago.

Mr. Benjamin S. Adamowski, a Chicago native and former political leader in Illinois, dedicated his life to serving the citizens of the land of Lincoln. Mr. Adamowski began his political career in 1930 as the Democratic candidate for the 25th senatorial district in Illinois. He represented the largest senatorial district in the State of Illinois for five consecutive terms. Mr. Adamowski forged a close relationship with the late Mayor Richard J. Daley and Federal Judge Abraham Lincoln Marovitz. This triumvirate from Chicago emerged in the 1950's as the most powerful and respected leaders in Illinois.

However, the relationship between Daley and Adamowski soured in 1955. Mr. Adamowski severed ties with the Democratic Party and its leader over differences of opinion on their slate of candidates. Consequently, Adamowski switched political parties and won election as Cook County States Attorney. He served only one term but remained a fixture in Chicago politics and the Policy-American community. Later, Mr. Adamowski renewed ties with Richard J. Daley and served as an confidant to the late mayor.

Throughout his life, Ben Adamowski was a voracious reader, a student of history, and most importantly a dignified leader. The Policy-American statesman from the Northwest side was a crusader for preserving the history of illinois including an extensive collection of Abraham Lincoln memorabilia that recently was donated to the Chicago Public Library. It is only fitting that a man who helped to shape Chicago history be recognized and honored.

The political career of Mr. Adamowski is a fine example of an extraordinary civic leader. Mr. Speaker, I salute Benjamin S. Adamowski for his profound influence in the city of Chicago. I hope that Adamowski's passion for history, political prestige, and civil leadership will forever linger in the minds of Chicago politicians in the years to come.

INTRODUCTION OF THE MIGRATORY BIRD TREATY REFORM ACT

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. YOUNG of Alaska. Mr. Speaker, today I am introducing—along with our colleagues JOHN TANNER, CLIFF STEARNS, JOHN DINGELL, and CURT WELDON—a new and improved Migratory Bird Treaty Reform Act.

This legislation is a revised version of H.R. 741, which I introduced on February 12, 1997. It is the product of many months of extended discussions with a number of conservation and hunting groups.

This new legislation addresses concerns raised by the Clinton administration and other witnesses during the May 15 subcommittee hearing. For instance, the original bill codified the various prohibitions on the manner and methods of taking migratory birds that had been embodied in regulations over the years. During our hearing, both the Fish and Wildlife Service and the National Wildlife Federation testified that this provision would restrict the Service's ability to respond to changing conservation and management needs. The Service is now grappling with a huge population explosion of snow geese and their permanent destruction of thousands of acres of Arctic tundra. In the next few months, the Service may recommend ways to stop this destruction, and has indicated that it is considering the use of electronic calls, unplugged shotguns, and intentional baiting. Since it was not my intention to deny the Service the flexibility to respond to this type of emergency, I have deleted the codification of existing regulations from this revised bill.

Second, I have modified my solution to the problems caused by strict liability in baiting cases by establishing a knows or reasonably should have known standard that is reflected in the 1978 Federal District Court decision known as the Delahoussaye case.

Under current law, if you are hunting over a baited field, whether you know it or not, you are guilty. There is no defense and there is no opportunity to present evidence in your case. It does not matter whether there was a ton of grain or a few kernels, whether this feed served as an attraction to migratory birds, or even how far the bait is from the hunting site.

This interpretation—if you were there, you are guilty—is fundamentally wrong. It violates one of our most basic constitutional protections that a person is innocent until proven guilty.

The language in the bill is identical to the Delahoussaye case, it has been effectively utilized throughout the fifth circuit, it has not imperiled any migratory bird populations, and it has resulted in numerous baiting convictions. A representative of the U.S. Fish and Wildlife Service indicated earlier this year that the Service could support the statutory codification of the Delahoussaye decision.

This is not a radical proposal. Nevertheless, there will be a few Fish and Wildlife Service law enforcement agents who will oppose the elimination of strict liability. They will oppose it because currently there is nearly a 100-percent conviction rate in baiting cases since there is not an opportunity for the defendant to provide any evidence to oppose the charge. There is no need to provide intent or knowledge. If the bait is present and the hunter is there, guilt is established beyond a reasonable doubt.

In addition, those who oppose the changes will suggest that the Fish and Wildlife Service will be unable to prosecute individuals for hunting over bait in the future, an assertion that is simply not true. If a preponderance of evidence so demonstrates, the defendant will be found guilty. This standard is far less stringent than beyond a reasonable doubt applied in all other criminal cases. Further, the Service has never challenged or attempted to overturn the Delahoussaye decision during the past 20 years.

Moreover, it shouldn't matter whether there are only a handful or hundreds of people who have been prosecuted for unknowingly hunting over a baited field. Frankly, I was angry when I heard the testimony of a retired Fish and Wildlife Service agent who responded to this question from the subcommittee chairman: "Have I ever charged someone for hunting over bait and I truly believed they didn't know the area was baited? Yes, but they were very few and far between." Since this agent had the option of just issuing a warning to these individuals, I am aghast that he chose to cite them anyway.

Third, our bill includes a number of refinements and modifications dealing with soil stabilization practices, accepted agricultural operations and procedures, and the alteration of a crop or other feed for wildlife management purposes. In addition, the bill stipulates that the State fish and wildlife agencies will decide, in consultation with USDA State research, education, and extension services and the U.S. Fish and Wildlife Service, what type of agricultural methods are accepted in a particular area. For instance, it may be appropriate to sow winter wheat for soil stabilization purposes in Maryland, but no one would suggest such a practice in Arizona. These recommendations, which are contained in section 3 of the bill, are the product of many months of careful deliberation by the International Association of Fish and Wildlife Agencies' Ad Hoc Committee on Baiting. This committee has representatives from each of the migratory flyways, Ducks Unlimited, the National Wildlife Federation, and the North American Wildlife Enforcement Officers Association.

Finally, the revised bill deletes the section of H.R. 741 that would have required that all fines and penalties collected under the Migratory Bird Treaty Act be deposited into the Migratory Bird Conservation Fund. I have been persuaded to allow these moneys to remain in the North American Wetlands Conservation Fund so that they can be used to buy essential wetlands habitat in Canada, Mexico, and the United States. It has been demonstrated to me that each dollar paid into this fund is matched with at least $3 of private donations.

In the past few weeks, I have shared copies of this legislation with a number of hunting and conservation groups. I am pleased to report that Ducks Unlimited, the International Association of Fish and Wildlife Agencies, the International Foundation for the Conservation of Natural Resources, the Izaak Walton League, the National Rifle Association, Safari Club International, the Wildlife Legislative Fund of America, and the Wildlife Management Institute all have indicated they support the fundamental objectives of this legislation. While several groups have indicated they would prefer that baiting problems be alleviated through a regulatory solution, there was a consensus that the Delahoussaye decision should be codified in law. I am hopeful that the U.S. Fish and Wildlife Service will issue new proposed baiting regulations before the end of this year. Otherwise, I will vigorously pursue the passage of this bill.

Mr. Speaker, the fundamental purpose of this legislation is to provide clear guidance to hunters, landowners, law of enforcement officials, wildlife managers, and courts on what the restrictions are on the taking of migratory birds. This proposed legislation will not weaken the restrictions on the method and manner of taking migratory birds, nor will it weaken the protection of the resource. It will, however, allow individuals to have their day in court. It is patently wrong to convict hunters who do not know that a field or water is baited, for a few kernels of corn in a sunflower field, bait that is over a mile from the hunting site, or some grain found on the bottom of a pond or river.

I want to again thank my distinguished colleagues for joining with me in this effort, and I urge a careful review of the new Migratory Bird Treaty Reform Act. It is a long overdue solution to a problem that regrettably continues to unfairly penalize law-abiding hunters in this country.

H.R. 2709, THE IRAN MISSILE PROLIFERATION SANCTION ACT OF 1997

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. GILMAN. Mr. Speaker, on October 23, along with 17 original cosponsors I introduced H.R. 2709, the Iran Missile Proliferation Sanctions Act of 1997, imposing sanctions on foreign persons who transfer items contributing to Iran's efforts to acquire, develop, or produce ballistic missiles. This legislation is intended to provide additional leverage to the administration to address ongoing assistance by Russian entities, research facilities, and other business entities for Iran's medium and long range missile program.

On Friday, October 24, the International Relations Committee marked up this bill and ordered it reported to the House by voice vote. As of October 30, a total of 117 Members had signed on as cosponsors.

After the committee filed its report on this legislation on Tuesday, November 4, it prevented other Members from being included as cosponsors. Were it not for the untimely filing of this report, the following 100 Members would have been listed as cosponsors of this vitally important legislation:

Representatives Horn, Stabenow, Talent, Sandlin, Lampson, Dunn, Kelly, Gejdenson, Whitfield, B. Frank, Rivers, Goode, Dickey, Doyle, Skelton, Boyd, Manton, Scarborough, Waxman, Strickland.

Representatives Tony Hall, Forbes, Poschard, Metcalf, Adam Smith, Rogan, Danner, Sanchez, Fowler, McCarthy, Evans, McCrery, DeGette, Upton, Allen, Watts, McIntosh, Bentsen, Cummings.

Representatives Stokes, Sawyer, Diaz-Balart, Coble, Clyburn, McInnis, Blumenauer, Stump, Hunter, Hobson, Levin, McDade, Turner, Doc Hastings, Gibbons, Furse, John, Tauscher, Aderholt, Lofgren.

Representatives Dan Miller, Lantos, White, Wicker, Linder, Kleczka, Stearns, Linda Smith, McCollum, Brady, Bliley, Bass, Paxon, Souder, Joe Kennedy, Condit, Bunning, Ryun, Crapo, Cramer.

Representatives Rush, Ney, Delahunt, Roybal-Allard, Christensen, Charles Taylor, Hulshof, Pryce, Jackson-Lee, Shimkus, Forbes, Robert Scott, Yates, Portman, Ensign, Riggs, Bunning, Filner, Bryant, Nussle.

TRIBUTE TO GABOR VARSZEGI ON HIS BEING HONORED FOR ENDOWING THE J. AND O. WINTER RESEARCH FUND FOR HOLOCAUST STUDIES

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. LANTOS. Mr. Speaker, I am honored to pay tribute to my dear friend, Hungarian businessman Gabor Varszegi, for his generous contribution of $100,000 to support a research fund at the Rosenthal Institute for Holocaust Studies at the City University of New York.

Gabor's exemplary act of altruism will allow for the financial backing of many valuable Holocaust-related research projects. His donation will greatly assist the continuing efforts of the Rosenthal Institute and a myriad of worthy historical scholars in their collective crusade to make sure that the lessons of the Holocaust will be remembered eternally. In recognition of Gabor's devotion to this cause, he will be awarded the Graduate School's President's Medal at the City University on November 18, 1997. Mr. Speaker, I join the City University of New York in honoring Gabor Varszegi and paying tribute to him on this special occasion.

Gabor Varszegi is an outstanding example of a highly successful post-Communist businessman in Hungary. He first achieved great success as Hungary moved into the post-Communist era by establishing a 1-hour film processing business in Hungary, FOTEX, Ltd., one of the first 1-hour film processing companies in Eastern Europe. FOTEX has now expanded to include a wide variety of enterprises in a host of nations.

Notwithstanding Mr. Varszegi's great entrepreneurial achievements, he has never forgotten his roots as the son of Holocaust survivors. His outstanding generosity and commitment to furthering important Holocaust-related research led to his establishment of the J. and O. Winter Research Fund at the Rosenthal Institute in 1991, which his recent gift will permanently endow. This valuable scholarly resource, named after Mr. Varszegi's late parents, has provided backing to a number of important undertakings which address not only the events of the Holocaust but its causes and its significance as well.

Research done through the research fund includes studies on: Sites of Memory: Vienna, the Past in the Present, the Jewish People's History in Heves County, the Rescue of Jews Across the Hungarian-Romanian Border Between 1940–1944, Remembering the Martyrs of Hidegseg, Teaching About the Holocaust at the Secondary School Level, Remarks on the Rise of Political Anti-Semitism in Romania, and the Holocaust as Topic in Hungarian and Israeli Novels.

As a result of Mr. Varszegi's generous gift, as well as the fine efforts of my dear friend Prof. Randolph L. Braham, the administrator of the J. & O. Winter Research Fund, and other outstanding faculty members at the Rosenthal Institute and the Graduate School and University Center at CUNY, this substantive work will continue for generations to come.

Mr. Speaker, I invite my colleagues to join me in paying tribute to Gabor Varszegi for his devotion to the cause of Holocaust remembrance. His actions reflect a genuine understanding of the words of Patrick Henry: "I have but one lamp by which my feet are guided and that is the lamp of experience. I know no way of judging of the future but by the past." Mr. Varszegi is providing the oil which lights this lamp that will illuminate the steps of all of us as we seek to build a world that is more just, more humane and more respectful of the human rights of all men and women. I invite my colleagues to join me in applauding him and his praiseworthy endeavors.

CONGRATULATIONS TO THE WILLIAM F. HALLORAN ALTERNATIVE SCHOOL

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. PAYNE. Mr. Speaker, I rise today to congratulate and recognize the accomplishments of the William F. Halloran Alternative School in Elizabeth, NJ, for their designation as a 1997 blue ribbon school. The criteria for being chosen as a blue ribbon school includes several conditions of effective schooling such as leadership, parental involvement, organization, teaching and student environment, and community support. The criteria for designation also includes indicators of success such as student performance, positive attendance rates, good student retention or graduation rates, postsecondary pursuits of students and previous awards given to the school, teachers, or students. This highly competitive and prestigious designation is one of the top honors awarded to any school by the U.S. Department of Education. The William F. Halloran Alternative School has been granted this honor because they have generated an excitement about learning and a commitment to educational excellence that has allowed them to meet the above criteria for a blue ribbon school.

The William F. Halloran Alternative School offers a gifted and talented program that attracts the best and brightest students from Elizabeth and also has a special education program for students who are identified as communications handicapped. The school emphasizes the performing arts and curriculum that promotes diversity awareness for all students and faculty. All students are encouraged to become skilled in current technology and are able to take advantage of afterschool tutoring. In addition, students participate in ministudies and clubs designed to develop their special talents, such as visual or performing arts or physical education.

Teachers at the William F. Halloran Alternative School participate in a program called Team Teaching that is designed to offer inclass support to students who need extra help. Staff are also encouraged to become involved in professional development programs so they remain updated and attend teacher conferences.

Mr. Speaker, the William F. Halloran Alternative School is an example of the positive achievements occurring in our public schools. They should be commended for their commitment to enhancing community and parental involvement in our schools. It is my hope that the William F. Halloran Alternative School will serve as a model for other schools in our area of New Jersey and across the country for educational excellence.

HELPING EMPOWER LOW-INCOME PARENTS [HELP] SCHOLARSHIPS AMENDMENTS OF 1997

SPEECH OF

HON. HOWARD P. "BUCK" McKEON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. McKEON. Mr. Speaker, as a member of the Education and Workforce Committee, I rise in strong support of H.R. 2746, the Help Scholarships Act.

In the 105th Congress, our education agenda centers around four important priorities—sending more dollars directly to the classroom, returning control of education to local communities, bolstering academics, and increasing parental involvement by providing more choices.

H.R. 2746 is an essential component of our education agenda because it provides low-income parents with choices normally reserved for well-to-do families—to be able to send their children to the best schools of their choosing.

Additionally, H.R. 2746 maintains the primary role that States and local communities play in our education system. Before Federal funds can be used for school choice programs, State governments must enact legislation establishing a choice program in their State.

Therefore, it is my hope that following passage of the Help Scholarship Act, all 50 States will quickly pass enabling legislation so that our country's neediest students have an opportunity to attend the school that is best for them.

Again, I urge my colleagues to vote in favor of H.R. 2746.

LEGISLATION TO HELP PRESERVE AND ENHANCE OUR NATIONAL PARK SYSTEM

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. KILDEE. Mr. Speaker, our Nation's parks are among our Nation's greatest treasures and an integral part of our national heritage. We have an obligation to protect them for future generations to enjoy, learn from, and experience.

Unfortunately, in recent years we have failed to take proper care of our parks. The cover of the U.S. News & World Report's July 21, 1997, edition was entitled "Parks in Peril." This magazine focused on overcrowded parks, crumbling historic structures, limited access to collections, and increased pollution. Over the past 20 years, annual funding for our national parks has decreased by $635 million. And yet during that same period, our national parks served approximately 40 million more annual visitors than they did in 1978. While it is incumbent upon Congress to appropriate adequate funds for the operation of our national parks, the backlog of natural and cultural resource protection needs, together with other needs for transportation improvements and building repairs, is now so great that we need to find innovative and aggressive funding sources for renewing and enhancing our national parks

That is why I have introduced legislation to create National Park Bonds. These bonds will be sold to the general public, in the same way war bonds were sold during World War II. My legislation will set up a National Park Capital Improvement Fund within the Department of Treasury. The Capital Improvement Fund will be secured by existing national park entrance, special use, and concession fees. My legislation also requires the Department of Treasury to work with the Department of Interior to set up a program for disseminating the bonds. The National Park Bonds will have competitive interest rates, reach maturity in no longer than 20 years, and be fully guaranteed by the Federal Government.

The National Park Bonds will be focused towards the billions of dollars in backlogged construction and renovation needs in our parks including: new infrastructure, wildlife protection and preservation, development of transportation systems, scientific assessments and research, and the development of educational and interpretation programs. The bonds would not go to any new land acquisition projects.

Mr. Speaker, National Park Bonds would give all of our Nation's citizens the opportunity to invest in the preservation and enhancement of our National Park System.

WILLIAM HUDSON ON FAST TRACK

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. GEKAS. Mr. Speaker, as we reach the final phase of our consideration of legislation on fast-track trade legislation, I rise to bring to the attention of my colleagues the recently published remarks on that topic. William J. Hudson, the chairman and CEO of AMP, Inc., a major electrical connection device manufacturer located in Harrisburg, PA, in my congressional district, makes a cogent argument for the passage of fast-track authority. I hope his remarks are read and followed by this Congress.

FAST TRACK: RENEW THE PROMISE

(By William J. Hudson)

A family quarrel in public isn't always a bad thing. When the quarreling family members are the Congress and the President of the United States, the result could well be a salutary demonstration of democracy at work. If Congress passes a fast track bill this fall, it will give the world just such a demonstration.

Now that the Senate Finance Committee and the House Committee on Ways and Means have approved solid versions of a fast track bill that the White House can support, we have a clear signal that the Administration and the leaders of the House and Senate are working together to get this critical legislation approved. Let us hope they succeed. The first test should come later this fall when Congress votes on the fast-track, more formally, the "Reciprocal Trade Agreement Authorities Act of 1997".

If they do anything but pass it, the result will be far worse than the embarrassment of a public quarrel. It will be the public crippling of America as leader, the economic leader the world has depended upon for the past 50 years. To understand why, one needs to know a little about fast-track and a little recent history.

Fast-track is a promise. It is a promise that the Congress gives to the President and, by extension, to all of America's trading partners. The promise is this: If the President pursues Congressionally prescribed objectives with America's trading partners, and if his negotiators consult closely with Congress, then Congress will give any resulting agreement special treatment: an up or down vote—no amendments—in a definite period of time. That promise is the essence of fast-track.

There was a time when America's trading partners felt it was up to the Administration to determine when it needed "fast-track" authority. Those were the halcyon days before the summer of 1994 when the Clinton Administration and Congress failed in the effort to agree on a fast-track bill. More importantly, it was before Chile decided that, unless the U.S. Administration had the fast-track promise in its pocket—unless America could negotiate with one voice—there was no point in negotiating at all. In the fall of 1995, Chile broke off the NAFTA accession negotiations with the United States. It continued talks with Canada and Mexico, however, concluding separate agreements with those two countries.

The world will never be the same again, at least not for U.S. trade negotiators. Countries will no longer give them the benefit of the doubt. From now on, any trade negotiation with the United States must be one that Congress supports from the beginning with fast-track, or it won't happen.

Our company, AMP Incorporated, has its headquarters in Harrisburg, Pennsylvania, but we produce in twenty-five countries and sell into over 100. Approximately 54 percent of our 1996 earnings came from sales outside the United States, and that figure is rising. To a significant degree our future depends upon increased cooperation among governments, the kind of cooperation that is expressed in trade agreements. That is one reason why we belong to the Pacific Basin Economic Council, because PBEC is dedicated to increased trade and commercial cooperation throughout the Pacific Region.

The opponents of fast track like to talk about the record, as if somehow it were damaging. The reverse is true. The record is one of startling success. Here in the United States, the pursuit of more open global trade and investment policies has given us an export boom, record growth, enviably low unemployment, and an economy that is consistently rated the world's most competitive.

Abroad the story is even more startling. In East Asia, for example, over 371 million people were lifted out of poverty in the two decades from 1975 to 1995. That wasn't all due to trade. But open trade and investment policies, and the development strategies they made possible, were important parts of the story.

Whether one's focus is on the U.S. economy or on developments abroad, the results of the liberal trade policies of the past decades have been astoundingly positive. Nothing, however, is automatic. The world can't produce good economic results with bad economic policies. Both good policies and strong economies require international cooperation. And that means fast track. On behalf of the U.S. Member Committee of PBEC, I urge every Member of Congress and every Senator to renew the promise of fast-track now.

CAMPAIGN FINANCE REFORM

HON. RON KIND

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. KIND. Mr. Speaker, another day and still no campaign finance reform.

This week saw another reason why we need to change the current system. The Republican National Committee spent $800,000 in the race to replace former Representative, Susan Molinari. This money came from unregulated soft money contributions to the national parties. In a race like the one in New York, this amount of money made a significant difference in the outcome of the election. We need to fix the system that allows any party to come into a race at the last minute and buy an election with unregulated soft money.

If the House adopted a ban on soft money, like the one in the Bipartisan Freshman Campaign Reform bill, we would allow races to be decided by local candidates and their supporters, not by the parties or the special interests in Washington. That is how we will restore the public's faith in our electoral system and actually see voter participation increase, rather than the decline we have seen over the past several years.

Mr. Speaker, the time is now to move forward on a vote on campaign finance reform. The people of my district refuse to take "no" for an answer.

LEO PINCKNEY SALUTED FOR DEDICATION TO BASEBALL

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. WALSH. Mr. Speaker, I want to pay tribute today to Leo Pinckney, who has been making the 100-mile trip from Auburn, NY to Cooperstown for Baseball Hall of Fame inductions most of his life. An avid baseball fan and an active participant in professional baseball in central New York, Mr. Pinckney is a community legend in the upstate region of Cayuga County and we are very proud of the role he played in the commemoration of 1996's Baseball Hall of Fame Game.

That was when Leo Pinckney participated in the first pitch with Hall of Fame inductees Jim Bunning and Earl Weaver.

The event marked an official Hall of Fame congratulations to Leo, a former sports editor of the Auburn Citizen daily newspaper, for attending his 50th induction weekend.

Leo Pinckney was instrumental in returning professional baseball to Auburn in 1958 by helping to establish the Auburn Astros. Today, he is the President of the successors, the Auburn Doubledays.

Mr. Pinckney was President of the New York-Penn League from 1985–1992 and he now serves on the League Board of Directors. One of its divisions is named after him.

We are very proud of Leo Pinckney in central New York and happy for him that he has been so honored by professional baseball.

THE 40TH ANNIVERSARY OF THE INCORPORATION OF PACIFICA, CALIFORNIA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. LANTOS. Mr. Speaker, on November 22 of this year, Mr. Speaker, the city of Pacifica, CA, will celebrate the 40th anniversary of its incorporation. I am delighted and honored to call this anniversary to the attention of my colleagues here in the Congress, and I invite them to join me in congratulating the citizens and the city leaders of Pacifica on this noteworthy occasion.

Although the city of Pacifica is only 40 years old, the area is one of the most important historical areas in the State of California. In November 1769, a group of 63 Spanish explorers under the leadership of Don Gaspar de Portola climbed the mountain now known as Sweeney Ridge which lies within the boundaries of the city of Pacifica. They were the first Europeans to view the glorious panorama of the San Francisco Bay. It is noteworthy, Mr. Speaker, that the birthplace of de Portola—Balaguer, Spain, in the region of Catalonia—became a sister city of Pacifica in 1970.

Through the tireless efforts of many local Pacificans as well as other concerned citizens of our peninsula, coupled with the consistent and long-term effort of a number of us here in the Congress, Sweeney Ridge—the Plymouth Rock of the west coast—was included within the Golden Gate National Recreation Area in 1984. Eighteen acres of land in Pacifica at the Portola discovery site have been designated a national historical landmark.

Mr. Speaker, lime pits beside Calera Creek in what is now Pacifica were exploited to provide whitewash which was used for the Presidio of San Francisco in 1776. As early as 1785, crops were planted in San Pedro Valley in Pacifica at the outpost of Mission Delores. Two years later, willow fences were built to keep grizzly bears from the surrounding mountains away from the crops. In 1839 Don Francisco Sanchez was given a Mexican land grant by the Governor of the Mexican State of Alta California with boundaries similar to the present city boundaries of Pacifica. In 1846, Don Francisco moved to what is now called the Sanchez Adobe, which still stands on Linda Mar Boulevard. Throughout the first century of its history, this building was used as a home, hotel, bordello, speakeasy, bootleg saloon, hunting lodge, and artichoke packing shed. The building was acquired in 1947 by San Mateo County, and it is currently maintained as a county museum and park.

Pacifica remained an agricultural area until this century. In 1907 a quarry was opened in what is now Pacifica to provide stone for the rebuilding of the city of San Francisco following the devastating earthquake of 1906. At about that same time, the Ocean Shore Railroad was extended into the area, and the development of housing in the Pacifica area began. The Little Brown Church, Anderson's Shore, and the San Pedro School—which later became city hall—also date from this period.

After World War II, growth accelerated in an effort to meet the housing needs of the many young families moving to the peninsula. On November 22, 1957, 10 communities—Edgemar, Pacific Manor, Manor Village, Westview, Sharp Park, Fairway Park, Vallemar, Rockaway Beach, Linda Mar, and Pedro Point—were jointed together and incorporated as the city of Pacifica.

The name given the new city is the Spanish word for "peace"—"pacifica." Although the area has a long and distinguished Spanish heritage, the name of the city does not derive from the early Spanish settlers or explorers of that area. It was the product of a contest held in 1957 to find an appropriate name for the newly incorporated city. The winning name was derived from an 80-foot statue by sculptor Ralph Stackpole, which was created as the theme symbol for the Golden Gate International Exposition held on Treasure Island in 1939–1940. Although the 80-foot statue was destroyed after the Exposition, two of the sculptor's working models have been saved and both are now in Pacifica—one is over the front stairs of the Pacifica City Hall and the other is in the city council chambers.

"Wisdom in Progress" is the slogan adopted when the city was incorporated, and that phrase has indeed marked the development of Pacifica since its establishment. The city has constructed a fishing pier, an important facility for visitors and residents to enjoy the ocean. Pacifica has also fostered a number of important projects to establish and improve the outstanding quality of life its fortunate residents enjoy.

Mr. Speaker, I invite the Congress to join with me today in extending congratulations and best wishes to the 40,000 residents of Pacifica on the important 40th anniversary of the founding of this excellent city.

VETERANS' COMPENSATION COST-OF-LIVING ADJUSTMENT ACT OF 1997

SPEECH OF

HON. SANFORD D. BISHOP, JR.

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 31, 1997

Mr. BISHOP. Mr. Speaker, I rise today in strong support of H.R. 2367, a bill to increase the rates of compensation for veteran's with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain veterans. This bill will strengthen our Nation's efforts to continue to provide veterans with a suitable quality of life. I would like to commend Chairman STUMP, Congressman EVANS, and the Veteran's Committee for continued dedication, leadership, and hard work on these measures and others affecting the veterans' community.

America's veterans have stood as the vanguards of freedom and prosperity. So many of them have put their lives in harm's way so that the guiding principles that we hold so dear remain protected. Just as they fought on the front lines protecting the security of our great Nation, we must lead the charge in the battle for their well being and security.

This measure will direct the Secretary of Veteran's Affairs to compute and provide increases in the monthly rates of disability compensation and dependency and indemnity compensation, effective December 1, 1997. The rates will be increased by the same percentage as Social Security. This increase will help our disabled veterans and their families offset the cost of inflation as measured by the Consumer Price Index. Since the COLA is assumed in the budget resolution baseline, the bill would have no budgetary effect relative to the baseline as modified by the Balanced Budget Act of 1997.

Again, I would like to commend the committee for its dedication, leadership, and vision in passing H.R. 2367. This bill will allow us to continue to fortify this Nation's commitment to provide our veterans with a better quality of life. More importantly, we owe our veterans no less than the dedication and commitment that they have given to protecting the noble ideals and principles of this great Nation. Once more, I express my strong support for this bill, and I urge my colleagues to take a stand on behalf of veterans and support this important bill.

PERSONAL EXPLANATION

HON. DAVE WELDON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. WELDON of Florida. Mr. Speaker, due to the recent death of my father and my attendance at his funeral services, I was unable to cast votes on many issues considered during the week of October 27, 1997. Had I been present for the votes, I would have voted as follows:

Tuesday, October 28, 1997: Rollcall 532, "No"; rollcall 533, "Yes"; rollcall 534, "Yes".

Wednesday, October 29, 1997: Rollcall 535, "No"; rollcall 536, "Yes"; rollcall 537, "Yes"; rollcall 538, "Yes"; rollcall 539, "Yes"; rollcall 540, "Yes"; rollcall 541, "Yes"; rollcall 542, "Yes"; rollcall 543, "Yes"; rollcall 544, "Yes".

Thursday, October 30, 1997: Rollcall 545, "Yes"; rollcall 546, "No"; rollcall 547, "No"; rollcall 548, "No"; rollcall 549, "Yes"; rollcall 550, "No"; rollcall 551, "No"; rollcall 552, "No"; rollcall 553, "No"; rollcall 554, "No"; rollcall 555, "Yes"; rollcall 556, "No"; rollcall 557, "Yes"; rollcall 558, "Yes"; rollcall 559, "Yes"; rollcall 560, "Yes"; rollcall 561, "Yes"; rollcall 562, "Yes"; rollcall 563, "Yes"; rollcall 564, "Yes"; rollcall 565, "Yes".

Friday, October 31, 1997: Rollcall 566, "Yes"; rollcall 567, "Yes".

CHARTER SCHOOLS AMENDMENTS ACT OF 1997

SPEECH OF

HON. HOWARD P. "BUCK" McKEON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2616) to amend titles VI and X of the Elementary and Secondary Education Act of 1965 to improve and expand charter schools:

Mr. McKEON. Mr. Chairman, I rise in strong support of H.R. 2616, the Charter Schools Amendments Act.

H.R. 2616 is one of a series of critical education bills House Republicans have scheduled for consideration during this Congress.

H.R. 2616 builds upon our goals of returning control to our local communities and increasing parental choice by providing additional resources to assist States in creating new, innovative charter schools.

During the last year, I attended several hearings throughout the country on charter schools. During our visits, committee members heard from parents, teachers, administrators, and students who credited the success of their schools because they no longer operate under burdensome education rules regulations.

One principal stated her view of the charter school process as, "a waiver of all waivers. We don't have to apply for waivers any more. We dream those big dreams, set those high standards, and we meet those missions."

I was struck most, however, by the enthusiasm and interest shown by the parents and students.

Parents felt empowered by their newfound ability to fully participate in their children's education. For example, many serve on decisionmaking boards, monitor and assist in classes, and help maintain school grounds.

Likewise, students expressed a new sense of responsibility and achievement not found at their old public schools. Many of the schools provided these students with individual attention, smaller classrooms, and original programs.

H.R. 2616 builds on these types of successes by carefully targeting funds to those States which emphasize autonomy, open the doors for new charter schools, and demand accountability.

In closing, I want to thank my colleague and fellow subcommittee chairman, Mr. Riggs, for his outstanding work in bringing this important legislation to the floor.

And, I urge all my colleagues to join me in voting for the Charter Schools Amendments Act.

INTERNAL REVENUE SERVICE RESTRUCTURING AND REFORM ACT OF 1997

SPEECH OF

HON. DIANA DeGETTE

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 5, 1997

Ms. DEGETTE. Mr. Speaker, due to a technical error I was omitted as a cosponsor of H.R. 2676, the Internal Revenue Service Restructuring and Reform Act of 1997, but wanted the fact that I was an early supporter of this legislation known as a matter of record.

I am a strong supporter of the IRS restructuring and reform bill. I think the time has come to significantly restructure the Internal Revenue Service [IRS]. Recently, incidents of abuse within the IRS have been spotlighted at congressional hearings proving what many of us have suspected all along: that certain divisions within the IRS believe that a taxpayer is guilty until proven innocent.

This bill is really quite historic. It will provide a major overhaul of the IRS, and give citizens who become involved in disputes with the IRS 28 new protections designed to enhance taxpayer rights. One of the most important things this bill will do is to strengthen the rights of taxpayers by placing the burden of proof in certain disputed cases, on the IRS, rather than on the taxpayer.

I am such a strong supporter of this legislation because, even in the relatively short time I have been in office, I have already encountered dozens of constituents who are involved in disputes with the IRS. In a surprisingly large number of these cases, my constituents ended up seeking my assistance because they had cooperated fully with the IRS, but were getting nowhere. In fact, oftentimes their efforts to settle the problem were being stymied by the very agency with whom they were trying to comply.

I have one constituent by the name of Craig Dietz, a public school teacher in Denver, whose story is indicative of the kind of problems so many of us have had with the Internal Revenue Service. Earlier this year, Craig received a letter from the IRS stating that he owed over $500 from income he received as a nonemployee of the Jewish Center in Columbus, OH. Not only has Craig never worked for the Jewish Center in Columbus, he has never even been to Ohio.

When he notified the IRS of their mistake, they responded with a very long and technical letter telling him it was his responsibility to contact the Jewish Center in Ohio, which he consequently did and received confirmation that there was no record of his employment. After receiving this information, the IRS still continued to pursue the case, and it was at this point that Craig contacted my office. Shortly after my office got involved, the IRS closed the case.

Throughout this entire ordeal, Craig was not able to speak to an actual person at the IRS in order to state his case in person because his repeated calls were never returned. It took 6 months of hassle and aggravation, and might have taken much longer without intervention, to settle what was a relatively simple mistake on the part of the IRS. This is just one example of the stories I have heard of honorable citizens who simply want to rectify a bad situation and move on.

We need to make sure that honest taxpayers are not unduly persecuted. This bill will provide some relief to a very serious problem and open the doors to a new era of taxpayer rights.

TRIBUTE TO MIRIAM JACKSON

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mrs. LOWEY. Mr. Speaker, I rise today to honor the memory of Miriam Jackson, an extraordinary woman who devoted her life to community service and social justice.

Miriam possessed an unusual combination of qualities. She was, first, a vigorous and forceful advocate, quick to stand up for principle, to express a point of view, and to fight for a cause.

It was this steely resolve in the face of challenge and adversity which allowed her to run for county-wide office despite overwhelming odds, to delve into campaigns, and to confront the most daunting community problems with an unflinching determination to succeed.

And it was undoubtedly this same resolve which enabled Miriam to become one of only two women ever to chair a major political party in Westchester County.

Miriam was also a profoundly tender woman. She forged deep and meaningful relationships with countless individuals, whom she treated almost as adopted children. With time, this circle of friends and admirers grew to cross every imaginable boundary. A proud and observant Jew, Miriam counted as her closest friend a Roman Catholic nun, Sister Miriam Therese Peppin. And Miriam delighted always in pulling young people under her wing, while preserving decades-old relationships with their elders.

There was no admission requirement to this privileged court, save for a warm heart, a ready laugh, and an engaging personality. And from her friends, Miriam would withhold nothing: neither love, nor support, nor effort—nor a bit of pointed, well-phrased, and somewhat more than friendly advice.

There was a great tenderness also at the heart of her politics. This was a woman who identified at the most basic level with the least fortunate among us—who struggled to uplift the downtrodden, to achieve fairness for the victims of prejudice, to bring peace in times of strife, and, in her later years, to secure dignity for the elderly.

Miriam stood instinctively at the side of the underdog and recognized always that our character as individuals and as a community was measured by our compassion.

Miriam's legacy includes a host of Westchester leaders, ranging from city council members to party officials to Members of Congress. It includes a stronger network of community services, especially Meals-on-Wheels of New Rochelle, which Miriam co-founded with her very close friend, Sister Miriam, and the Hugh Doyle Senior Center to which Miriam Jackson was totally devoted. It includes the city of New Rochelle itself, blessed by her presence since she moved there in 1931. And it includes two remarkable granddaughters whose lives honor Miriam's values and spirit.

Mr. Speaker, Miriam Jackson knew great tragedy in her life. More than 30 years ago, she lost her only child and, in 1992, she mourned the death of her beloved husband, Murray. But Miriam refused to surrender to grief.

Her heart was large enough to accept and draw meaning from even the most painful experience and generous enough to share that meaning with others. In the end, she was a source of unbridled joy and inspiration to those who knew her or knew of her.

We are poorer now for Miriam Jackson's passing, but forever richer for her life.

FDA'S "DOUBLE STANDARD" ON CFC INHALERS COULD LEAVE ASTHMA PATIENTS GASPING FOR AIR

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. SMITH of New Jersey. Mr. Speaker, when most of us think about the Food and Drug Administration [FDA], we envision an agency that works diligently to expand the universe of safe and effective medications. So when I discovered that the FDA was actually proposing to reduce the number of proven medicines available to treat asthma and cystic fibrosis patients, I knew Congress had to act on behalf of patients. As a legislator representing thousands of asthma patients, and as a father of two daughters with asthma, I am appalled that FDA might ban medicines patients need to survive.

On March 6, 1997, the FDA initiated the first stage of a plan to phase-out the use of chlorofluorocarbons [CFC's] in metered-dose inhalers [MDI's], which are used by asthma and cystic fibrosis patients to breathe. This action was taken ostensibly to protect the ozone layer, despite the fact that less than 1 percent of all ozone-depleting substances in the atmosphere are caused by metered-dose inhalers.

In fact, the amount of CFC's that the EPA allows to be released from automobile air conditions over 1 year is about the same as 14 years of metered-dose inhaler emissions. If you combined all sources of CFCs allowed by the EPA in 1 year, it would equal 64 years of MDI emissions. And yet the only CFC products targeted for elimination this year are inhalers.

It is also interesting to note, Mr. Speaker, that while the FDA and EPA are rushing to eliminate CFC inhalers, they continue to allow the use of variety of CFC products, including bear-repellent pepper sprays, document preservation sprays, and certain fire extinguishers. This is clearly a case of misplaced priorities—how can historical document sprays be considered more essential than products that protect our children's lives? And while American children and senior citizens will have their treatment regimens disrupted by the FDA's plan, nations like China and Indonesia will be pumping tons of CFC's into the atmosphere from hair sprays and air conditioners until the year 2010.

Not surprisingly, the FDA's plan has generated a fire storm of opposition from patients, respiratory therapists, and physicians: nearly 10,000 letters in opposition have been received to date by the FDA. A coalition of stakeholder organizations reviewed the FDA proposal in May and concluded that the FDA's approach banning therapeutic classes was "flawed and must be re-evaluated." The patient and provider organizations also stated that the FDA plan "has the potential to disrupt therapeutic regimens * * * and limit physician treatment options."

It is important to institute a transition strategy that will eventually eliminate the use of CFC's. However, the FDA's proposal is deeply flawed and should be scrapped in favor of a plan that puts patients—not international bureaucrats—first.

To ensure that the interests of patients are upheld throughout the formation of our country's MDI transition strategy, my colleague and friend from Florida, Congressman CLIFF STEARNS and I introduced legislation—H.R. 2221—that will temporarily suspend the FDA's proposed framework until a new proposal can be crafted. We have also urged the conferees working on the FDA reform bill—H.R. 1411—to include legislative language protecting the rights of 30 million respiratory patients to maintain access to the medications they need to survive.

Earlier today, I was honored to meet Tommy Farese. Tommy, who is 9 years old, and lives in Spring Lake, NJ., has had asthma since the age of 2. One of the asthma inhalers Tommy uses to breathe—Proventil—would be eliminated under the FDA plan in favor of a non-CFC version that has not been approved by the FDA for use by children. Unless the FDA's proposal is changed, Tommy could lose access to the medicine he needs to breathe and live. Why should Tommy, and 5 million kids like him, have to face this dilemma?

In my view, any plan to remove safe and effective medications from the marketplace needs to place the interests of children like Tommy Farese first and foremost. Sadly, the FDA plan fails in this regard. Indeed, the FDA plan presumes that CFC-free inhalers serve all patient subpopulations—such as children and the elderly—equally well, despite the fact that children have special needs and many drug therapies are not interchangeable.

Mr. Speaker, I call upon the FDA to stop their proposed ban of asthma inhalers and put forward a new proposed rule only after Congress reconvenes. In addition, I urge the conferees to H.R. 1411 to include legislative language that will stop the FDA from implementing this terribly flawed and environmentally marginal proposal. If the FDA insists on moving forward with their antipatient plan anyway, Congress should debate and pass the Sterans-Smith bill—HR 221—to allow asthma patients like Tommy Farese retain access to their medicine.

KENT L. HUBER

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. BARCIA. Mr. Speaker, the people of Bay County suffered a tremendous loss this week with the unfortunate accident that took the life of Kent L. Huber, a gentleman who was a professional pilot who offered his skills to those in need. Memorial services are being held tomorrow, and I want to extend my deepest sympathies to his wife Sue Carol, their four daughters, and friends.

This tragedy reminds us of the limits that each of us face. We may take every day, every month, and every year for granted, even though we never know how many more we truly have remaining. We keep thinking that we can correct tomorrow, what we should have corrected today. Given enough time, we might remember to appreciate what people did for us, or people might forget what we did to them.

I am sure that Kent Huber was fortunate enough to not have had those regrets because of the way he lived his life. We all have demands on our time, and carefully guard whatever portion we have for ourselves. Kent Huber was most generous with his free moments, making sure that people who needed air transport for medical care had the benefit of his services. As a pilot for the national organization Wings of Mercy, he often provided transport, just as he did this past Sunday when he brought someone back from the Mayo Clinic. He also each Fourth of July offered a round-trip flight to Mackinac Island as a grand prize at the Bay City Fireworks Festival.

His family was very important to him, especially his concern for children. He carried this special love forward in his service on the Bangor Township Board of Education, where he devoted himself to improving the stepping stone of education for children.

Mr. Speaker, the loss of a loved one is a tragedy for any family. The loss of a caring, committed individual like Kent is a devastating one for the community. Kent Huber will be missed by all of us who knew him, and by those who benefited from his willingness to give so unselfishly of himself. I ask you and all of our colleagues to join me in offering our heartfelt sympathies to his family, and our wishes that the way Kent Huber lived his life will serve as a sterling example for others in our community.

JOINT RESOLUTION—NAVY ASIATIC FLEET

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. JONES. Mr. Speaker, I am pleased to rise today to introduce legislation commending the sailors and marines who served in the U.S. Navy Asiatic Fleet. I commend the actions of Senator WARNER who first heard and responded to the call of these forgotten heroes with his introduction of Senate Joint Resolution 30.

While many of my colleagues may not be familiar with the efforts waged by the Asiatic Fleet, I am here today to tell you of their critical role in American security interests. From the early 1900's until just after Pearl Harbor, the fleet sailed courageously across the coastal waters between China and the Philippines, as well as in Russian waters and on the straits and narrows of Malaysia and Indonesia during this very dynamic period in history.

The Asiatic Fleet had originally been established in August 1910 as a successor of the Asiatic Station, to protect American lives and property in the Philippines and in China. The Asiatic Fleet sailed the seas in defense of American interests in the Southeast Asian waters until 1942.

In the final years of the Asiatic Fleet operations, these sailors and marines distinguished themselves by defending against the tidal wave of Japanese aggression. Fighting against the larger modern Japanese naval forces were the fleet's 3 cruisers, 13 WWI-vintage destroyers, 29 submarines, and a handful of gunboats and patrol aircraft. In all, the fleet lost 22 ships. 1,826 were killed and over 500 were said to be placed in prison camps. Sadly, many of these sailors taken prisoner were beaten, tortured, and killed in the most gruesome of manners.

Regrettably, Congress and the American people have never risen to recognize the valiant actions of this Asiatic Fleet, the precursor to today's 7th Fleet. I rise today dedicated to granting long overdue recognition of the heartbreaking struggles of the fleet that fought alone against the overwhelming modern Japanese Navy. It is altogether fitting and appropriate that this Nation pause and reflect upon the noble actions of these fine sailors and marines of the Asiatic Fleet.

It is for these reasons that today I will join my colleague in the Senate, Senator WARNER, to introduce a resolution calling for the recognition of the 56th anniversary of the sinking of the Asiatic Fleet's flagship, the U.S.S. *Houston.* This resolution supports the efforts of the Senate to designate March 1, 1998 as the "United States Navy Asiatic Fleet Memorial Day." I call upon my colleagues to join me today in this effort to give these forgotten heroes Congress' support for long awaited recognition.

The battles fought by the U.S.S. *Houston* in her service to the Asiatic Fleet are best told in the Dictionary of American Naval Fighting Ships. I would ask that the history of the U.S.S. *Houston* be printed following my remarks.

DICTIONARY OF AMERICAN NAVAL FIGHTING SHIPS

VOLUME III—NAVY DEPARTMENT, OFFICE OF THE CHIEF OF NAVAL OPERATIONS, NAVAL HISTORY DIVISION, WASHINGTON

With the outbreak of war between China and Japan in 1932, *Houston* got underway 31 January for Shanghai to protect American lives and property. She landed Marine and Navy gun platoons to help stabilize the situation and remained in the area, with the exception of a good will cruise to the Philippines in March and one to Japan in May 1933, until being relieved by *Augusta* 17 November 1933. The cruiser sailed to San Francisco to join the Scouting Force, and for the years preceding World War II participated in Fleet Problems and maneuvers in the Pacific. During this period *Houston* made several special cruises. President Roosevelt came on board 1 July 1934 at Annapolis, Md., for a cruise of almost 12,000 miles through the Caribbean and to Portland, Oreg., by way of Hawaii. *Houston* also carried Assistant Secretary of the Navy Henry L. Roosevelt on a tour of the Hawaiian Islands, returning to San Diego 15 May 1935. After a short cruise in Alaskan waters, the cruiser returned to Seattle and embarked the President again 3 October 1935 for a vacation cruise to the Cerros Islands, Magdalena Bay, Cocos Islands, and Charleston, S.C. *Houston* also celebrated the opening of the Golden Gate bridge at San Francisco 28 May 1937, and carried President Roosevelt for a Fleet Review at the same city 14 July 1938.

Houston became flagship of the U.S. Fleet 19 September 1938, when Rear Admiral Bloch broke his flag on board her, and maintained that status until 28 December; when she returned to the Scouting Force. Continuing the now-familiar routine of training exercises, she got underway for Fleet Problem 20, 4 January 1939 from San Francisco, sailed to Norfolk and Key West, and there embarked the President and the Chief of Naval Operations, Admiral Leahy, for the duration of the problem. She arrived Houston, Tex., 7 April for a brief visit before returning to Seattle, where she arrived 30 May.

Assigned as flagship Hawaiian Detachment, the cruiser arrived Pearl Harbor after her post-overhaul shakedown 7 December 1939, and continued in that capacity until returning to Mare Island 17 February 1940. Sailing to Hawaii, she departed 3 November for the Philippine Islands as the world situation grew darker. Arriving Manila, 19 November 1940, she became flagship of Admiral Hart, Commander Asiatic Fleet.

As the war crisis deepened, Admiral Hart deposed his fleet in readiness. On the night of the Pearl Harbor attack, *Houston* got underway from Penay Island with fleet units bound for Darwin, Australia, where she arrived 28 December 1941 by way of Balikpapan and Surabaya. After patrol duty she joined the ABDA (American-British-Dutch-Australian) naval force at Surabaya. Air raids were frequent in the area, and *Houston's* gunners splashed four planes 4 February as Admiral Doorman, RNN, took his force to engage Japanese reported to be at Balikpapan, *Houston* took one hit, disabling her No. 3 turret, and cruiser *Marblehead* was so damaged that she had to be sent out of the battle area. Doorman was forced to abandon his advance.

Returning to Australia, *Houston* departed 15 February with a small convoy to reinforce the garrison on Timor. Before the day was out, the group was forced to beat off numerous air attacks, and next morning the Japanese attacked in full force. During this defensive action, *Houston* distinguished herself by driving off nearly the entire raid without damage to her transports.

Receiving word that the major Japanese invasion force was approaching Java protected by a formidable surface unit, Admiral Doorman resolutely determined to meet and seek to destroy the main convoy. Sailing 26 February with *Houston*, HMAs *Perth*, HNMS *De Ruyter*, HMS *Exeter*, JNMS *Java* and 10 destroyers, be met the Japanese support force under Admiral Takagi consisting of 4 cruisers and 13 destroyers. In the Battle of the Java Sea which followed, Doorman's forces fought valiantly, but were doomed by lack of air cover and communication difficulties. The ships met for the first time in the late afternoon, and as Japanese destroyers laid smoke the cruisers of both fleets opened fire. After one ineffective torpedo attack the Japanese light cruisers and destroyers launched a second at 1700, this attack sinking *Kortenaer*, *Exeter* and destroyer *Electra* were hit by gunfire, *Electra* fatally, and at 1730 Admiral Doorman turned south toward the Java coast, not wishing to be diverted from his main purpose, the destruction of the convoy itself. With dogged fighting spirit he dodged another torpedo attack and followed the coastline, during which time *Jupiter* was sunk, either by mine or internal explosion. Then *Encounter* was detached to pick up survivors from *Kortenaer*, and the American destroyers, their torpedoes expended, were ordered back to Surubaya. Now with no destroyer protection, Doorman's four remaining ships turned north again in a last gallant attempt to stop the invasion of Java.

At 2300 the same night, the cruisers again encountered the Japanese surface group. On parallel courses the opposing units opened fire, and the Japanese launched a devastating torpedo attack 30 minutes later. *De Ruuter* and *Java* caught in a spread of 12 torpedoes, exploded and sank, carrying their captains and Admiral Doorman down with them.

Before losing contact with *Perth* and *Houston*, Doorman had ordered them to retire. This was accomplished, but the next day the two ships steamed boldly into Banten Bay, hoping to damage the Japanese invasion forces there. The cruisers were almost torpedoed as they approached the bay, but evaded the nine torpedoes launched by destroyer *Fubuki*. The cruisers than sank one transport and forced three others to beach. A destroyer squadron blocked Sunda Strait, their means of retreat, and on the other hand large cruisers *Mogami* and *Mikuma* stood dangerously near. The result was foreordained, but *Houston* and *Perth* fought valiantly. *Perth* came under fire at 2336 and in an hour had been sunk from gunfire and torpedo hits. *Houston* then fought alone, her guns blazing at the enemy all around her, a champion at bay. Soon after midnight she took a torpedo and began to lose headway. During this time *Houston*'s gunners scored hits on three different destroyers and sank a minesweeper, but suffered three more torpedo explosions in quick succession. Captain Rooks was killed by a bursting shell at 0030 and as the ship came to a stop Japanese destroyers swarmed over her machine gunning the decks. A few minutes later the gallant *Houston*, her name written imperishably in the records of heroism, rolled over and sank, her ensign still flying.

Houston's fate was not known by the world for almost 9 months, and the full story of her courageous fight was not fully told until after the war was over and her survivors were liberated from prison camps. Captain Rooks received posthumously the Medal of Honor for this extraordinary heroism.

In addition to two battle stars, *Houston* was awarded the Presidential Unit Citation.

TRIBUTE TO THE HONORABLE PHILLIP LEWIS SOTO

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. TORRES. Mr. Speaker, today I rise to pay tribute to a great American who has passed on from the California sociopolitical scene. A true friend of mine who I shall miss after a long illness.

Phil Soto was born on March 3, 1926 in the east LA neighborhood of Boyle Heights. During World War II, he served as a bombardier in the South Pacific, flying B–17's and B–29's. After the war, he helped found the GI Forum, a foundation that serves veterans of Mexican American heritage.

In 1948, Phil married Nell Manuel Garcia and began a family. He started his career in the television repair business in the San Gabriel Valley community of La Puente, where he was active in little league and local civic issues. In 1956, Phil helped manage the city of La Puente city-hood campaign. In 1958 he was elected to the La Puente City Council where he served until 1962. He was a local campaign manager for the John F. Kennedy 1960 Presidential campaign.

In the 1950's Phil Soto helped organize labor initiatives with the International Brotherhood of Electrical Workers and the United Farm Workers, working closely with the late Caesar Chavez. One of the many accomplishments of Phil Soto was to petition the Attorney General to release Caesar Chavez after he was arrested and beaten by police during the union's early organizing days. When the Attorney General refused, Phil rode a bus to Delano, CA, and spent the night in jail with Mr. Chavez to guarantee his protection. On a later occasion, he spent another night in jail with Dolores Huerta, the current UFW president.

In 1962, Phil was elected to the 50th District of the California Assembly; the first of two members of Latino heritage elected to serve in the assembly in the 20th century; the other being John Moreno.

As a California Assemblyman, Phil Soto was a pioneer and role model for future Latino community leaders and elected officials. Through his dedication to the principles of the Democratic Party, he became a champion of the rights of farm workers and human rights. He also fought to improve the quality of life for all Californians through his support of public education, water projects, and other public works projects. Phil was the first of many leaders to help define the role of Latinos in modern California politics.

In 1966, Governor Ronald Reagan's Republican sweep and Phil and Nell's opposition to the growing war in Vietnam left Phil without an assembly seat. But the call to public service remained strong and Phil accepted an appointment from President Johnson to help establish economic development and job training programs in east Los Angeles. During this time, he implemented the programs he had fought for during his legislative career.

In 1968, Phil Soto's commitment to labor, jobs and his advocacy for Latino rights and equality was recognized by the Robert Kennedy Presidential primary campaign in California and he was asked to serve as a key adviser.

In his later years, Phil played the role of teacher, role model, and senior adviser for a new generation of Latino leaders and elected officials. One early race was the unsuccessful city election in east Los Angeles, which, had it been successful, would have resulted in the election of his wife Nell and future State Senator Richard Polanco to the east Los Angeles City Council. In 1988, he successfully helped elect his wife to the Pomona City Council and secure an appointment to the board of directors of the air quality management district.

Mr. Speaker, I ask my colleagues assembled here to join with me in paying condolences to his survivors, Nell his wife and a Pomona City Council member, sons; Phil IV, Robert, Michael, Patrick, Tom, and daughter Anna.

"TAXPAYER VICTORIES"

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 6, 1997

Mr. PACKARD. Mr. Speaker, I rise in support of the American Taxpayer. I am proud of the accomplishments of my Republican colleagues, under the leadership of Speaker GINGRICH, to provide meaningful tax relief for hard-working American's.

This year has truly been historic. The Republican-led Congress has given the parents of 41 million children under 17 a child tax credit. We have created education savings accounts to allow parents to begin saving for their children's education. We have cut the capital gains tax rate to encourage savings and investment, creating more jobs. And we have slashed the oppressive death tax rate so that family farms and businesses can stay in the family.

Mr. Speaker, I have read the letters and taken the calls from my constituents and I know our work to help the American taxpayer is still not done. The people of the 48th Congressional District Add their voice to the rest of America's in calling for more tax relief and a complete overhaul of the overburdensome IRS code.

Over the next several months, Republicans in Congress will continue to work on behalf of families and the hardworking parents that keep them together. This week, in several places across the Nation, Republican victories at the polls once again proved that taxes are the issue voters care about.

Mr. Speaker, we worked hard this year to give taxpayers their first tax cut in sixteen years. As we begin to prepare our agenda for 1998, lets make it another tax cutting year and lets win another victory for America's families.

CONCERNING THE DISTINGUISHED CAREER OF DAVID J. McCARTHY

HON. ELEANOR HOLMES NORTON

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Ms. NORTON. Mr. Speaker, I rise to sing well deserved praises for David J. McCarthy, Jr., who is retiring from the Georgetown University Law Center as professor and former dean after 37 years. Every Member of this body knows well that Georgetown is among the Nation's top law schools. Not every Member knows how the law school got that way. Great law schools do not just happen. They are made, not born.

One of those who made it happen was Dave McCarthy. Dave was dean at a critical moment for the Law Center in this century from 1975 to 1983. During Dave's tenure, the law Center firmly established itself as the first-rate institution it has been known to be ever since.

After his service as dean, Dave McCarthy remained at the Law Center as Carmack Waterhouse Professor of State and Local Government. Dave was a graduate of the Law Center he later was to lead and, as a student, was managing editor of the Georgetown Law Journal. In addition to his law degree, Dave earned an L.L.M. and was awarded an honorary doctorate by Georgetown. His career has been enriched by abundant other activities as well, including service as Chair of the American Association of Law Schools Accreditation Committee, on the Citizens Choice National Commission on the IRS, and the Individual Taxpayer, and on the Executive Committee of the D.C. Pretrial Services Agency.

David McCarthy's service to Georgetown University, to the profession, and to this community has been exemplary. I know that the House of Representatives would want to join me in saluting David J. McCarthy.

INTRODUCTION OF THE MEDICARE VENIPUNCTURE FAIRNESS ACT

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. RAHALL. Mr. Speaker, I rise today to introduce a bill titled the Medicare Venipuncture Fairness Act of 1997, to reinstate payment under Medicare for home health services consisting of venipuncture based solely on blood monitoring, and to require the Secretary of Health and Human Services to study the appropriate use of venipuncture under the Medicare Program. This essential Medicare home health benefit was denied in the recently passed Balanced Budget Act, and will affect literally thousands of vulnerable Medicare beneficiaries.

Over the past 3 weeks, I have received more than 234 letters from concerned Medicare patients, or their family members and caregivers in my District expressing their grave concern over the devastating impact this provision will have on seriously ill and disabled seniors.

As I introduce this legislation today, I am pleased to be joined in sponsoring the bill by my friends and distinguished colleagues, Representatives POSHARD, MOLLOHAN, CLAYTON, KILPATRICK, MCINTYRE, FROST, COSTELLO, CLEMENT, BAESLER, ADERHOLT, BOUCHER, and CRAMER.

Of the 38 million Medicare recipients in the United States, we know that approximately 4 million receive some type of home health benefit—this is the only number HCFA has available. Speaking of HCFA—the Health Care Financing Administration, it is useful and telling to note that while the agency claims the venipuncture prohibition was put into law to fight fraud and abuse in the Medicare home health benefit, there are no studies or reports that exist, either from HCFA, the HHS Inspector General or the General Accounting Office [GAO], linking blood monitoring in home care to fraud, waste, or abuse. Removing blood monitoring as a qualifying service for the Medicare home health benefit was a vast overreaction—indeed it was a solution in search of a problem in my view.

Mr. Speaker, if we start down that slippery slope of denying or withdrawing services because some unscrupulous provider decides to defraud or abuse the system, we will have to terminate nearly every federally supported benefit program that exists today.

Another important point to remember is that the need for blood monitoring does not automatically result in eligibility for home health care. An individual must meet all of the very detailed and specific eligibility requirements for home health care and services must be prescribed by a physician. Currently, nearly 1 million home health beneficiaries need blood monitoring.

In rural communities where nearly 38 percent of residents are unserved by public transportation, Medicare beneficiaries who need blood monitoring will face special problems. In these areas, travel by the elderly, sick or disabled seniors is nearly impossible. Ambulance services would cost as much as $250 a trip—much, much more costly than paying for blood monitoring at home. Moreover, if these beneficiaries cannot get proper blood monitoring services, they will end up in institutions like hospitals or nursing homes at a much higher cost to Medicare.

One of the senior citizens from my congressional district who wrote to me says that he suffers from Black Lung disease, is confined to a wheelchair on 24-hour oxygen, and suffers from heart problems for which he takes medication plus blood thinners. How vulnerable can you get? How can this man or his caregiver get to a doctor's office or a laboratory for timely and medically necessary blood monitoring?

My colleagues, it is one thing to penalize unscrupulous providers by cutting off reimbursement under Medicare, but to penalize the sick, disabled elderly who have not committed fraud or abused the system is quite another. The 234 Medicare beneficiaries in my district who have contacted me concerning this loss in their benefit, are confused and afraid—confused because they've done nothing wrong, afraid because they can't get to an outside facility, physician, or laboratory to get blood samples taken. They do not know what will happen to them, the stability of their health, or their peace of mind. They believe their ability to remain in their own homes, as opposed to a hospital or nursing home, hangs in the balance.

In the name of fairness, I urge my colleagues to cosponsor the Medicare Venipuncture Fairness Act so that we can rectify this injustice to Medicare beneficiaries. The legislation not only repeals the provision in the BBA that denies home health services based solely on blood monitoring, but mandates a study to look at past abuses in the benefit and to recommend standards for the appropriate use of venipuncture services.

Time is of the essence. I call upon my colleagues to join with me quickly so that we can defeat this proposal before it becomes effective on February 5, 1998, leaving thousands of needy Americans without a vital health care benefit.

If you wish to cosponsor, please call me or Mrs. Kyle on my staff at X53452.

COMMENDATION OF BUTLER HIGH SCHOOL GOLDEN TORNADO MARCHING BAND

HON. PHIL ENGLISH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. ENGLISH of Pennsylvania. Mr. Speaker, on Thanksgiving this year, the New York's Macy's parade will step off, headed by a band from Pennsylvania's 21st District.

The Butler High School Golden Tornado Marching Band is the proud representative of the Butler Area School District, and the community of Butler. The community, located 40 miles north of Pittsburgh, supports the band with over $84,000 in new uniforms, 10 buses, 2 equipment trucks, and a van to transport the band to its performances.

The band, led by Mr. Vincent James Sanzotti, has four directors, a dance team advser, and a twirler adviser. They provide not only the technical skills, but that important, intangible ingredient of leadership and inspiration that are so necessary to success.

Mr. Sanzotti and his colleagues are privileged to work with the youth of Butler. This year the band has 367 young men and women in its ranks. Day in, day out, these kids practice, and practice hard. That determined work has paid off with a long, winning tradition. The Golden Tornado has won a slew of first place awards in competitions and parades over the years. It has even been featured in four different Pittsburgh Steelers performances.

Mr. Speaker, I am proud of the Butler Golden Tornado Marching Band, and the fact that they will be leading the Macy's parade. Our televisions often carry stories of youths in trouble. On Thanksgiving Day our television sets will show 367 Butler teenagers who are making music, not trouble.

IN HONOR OF DESPINA MARANGOS

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mrs. MALONEY of New York. Mr. Speaker, I rise today to pay tribute to Despina Marangos, one of my constituents who represents the hard-working spirit of a first generation American, on her 80th birthday.

Despina Marangos was born in Bethlehem, PA, on November 14, 1917. Despina's parents, Zaharias Kyriacou from Cyprus and Chrisanthy Protoulis from Lesvos, Greece, had entered the United States through Ellis Island in the early 1900's.

When Despina moved to New York at age six and enrolled in P.S. 116, her English language skills were limited. yet she graduated as valedictorian of her class and went on to attend Julia Richman High school where she was an honor student.

Despina's devotion to her family and community was evident in her willingness to act as an interpreter. Her devotion to her family was further exhibited during the Depression when Despina entered the work force at an early age to work with her mother in the garment industry.

At age 20, Despina met Pantelis John Maragos from Cyprus. They were married just before her 21st birthday on November 6, 1938, at Zodoho Pygi Greek Orthodox Church in the Bronx. Despina and Pantelis celebrated their 59th wedding anniversary just yesterday.

Despina continued to work until her daughter, mary Ann, was born in 1943. but, during World War II, Pantelis was sent overseas with the Navy. Despina was forced to move in with her parents and take a job at a defense plant in Long Island City. She worked nights and cared for her child during the day.

After the war, Pantelis returned and their son, John Zaharias, was born in 1950. Despina continued to enrich her life with reading, helping her children and caring for her aging parents. She also found time to be a den mother and an officer in the Women's Auxiliary and in the Parents' Association.

In 1959, a new phase of Despina's life began when she went back to work for the Christmas season at Macy's. Her work was so exemplary that Macy's retained her for 30 years. Since retiring, she has remained active in the retiree chapter of her union, Macy's Local 1S, and in the senior center she and Pantelis attend, where she is a board member.

As grandparents, Despina and Pantelis often travel with their granddaughters, Cindy and Denise. Even with Pantelis recovering from a stroke a year ago, they still make short trips. They are both working hard on his recovery and look forward to the day they can travel freely again.

Mr. Speaker, I ask that my colleagues rise with me in this tribute to Despina Marangos, the daughter of immigrants who has combined the best of her hellenic heritage with the opportunities America has provided.

THE TROPICAL FOREST CONSERVATION ACT

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. PORTMAN. Mr. Speaker, today I am pleased to introduce with my colleagues, the gentleman from Ohio, Mr. KASICH, and the gentleman from Indiana, Mr. HAMILTON, the Tropical Forest Conservation Act of 1998. The purpose of this bipartisan legislation is to rechannel existing resources to facilitate debt for nature swaps with lesser developed countries that contain some of the world's most biologically diverse tropical forests. Now is the time for action.

Despite all of the controversy over global warming, there is a consensus that tropical forests provide a wide range of benefits to citizens of the United States and people around the world. Tropical forests harbor a major share of the Earth's biological resources, which provide the ingredients for life-saving medicines and the genetic sources to revitalize agricultural crops that supply most of the world's food. They play a critical role as carbon sinks in reducing greenhouse gases in the atmosphere and moderating potential global climate change. And these forests regulate hydrological cycles on which far-flung agricultural and coastal resources depend. In short, tropical forests are essential to sustaining life, treating deadly diseases, and preserving the agricultural economy.

Tragically, over half of the tropical forests on Earth have disappeared and the rapid rate of deforestation and degradation of these sensitive ecosystems continues unabated. In the past year alone, more than 30 million acres of tropical forests were lost. Such a record cannot continue without a dramatic impact on our environment for our generation and those to come.

Many of these biologically rich environments are located in less developed countries with significant amounts of U.S. debt. These countries have urgent needs for investment and capital for development and have allocated a significant amount of their forests to logging concessions. Poverty and economic pressures on the populations of developing countries have, over time, resulted in clearing of vast areas of forest for conversion to agriculture, which is often unsustainable in the poor soils underlying tropical forests. Mounting debts put more pressure on countries to sell off or convert their tropical forests for other uses.

The Tropical Forest Conservation Act addresses the underlying causes of tropical deforestation and gives countries tangible incentives to protect their tropical forests.

The act builds upon the framework of President Bush's Enterprise for the Americas Initiative [EAI]. Under EAI, up to $154 million was provided to environmental trust funds in Latin American countries to protect tropical rain forests through debt for nature swaps.

The Tropical Forest Conservation Act amends the Foreign Assistance Act of 1961 to provide the President authority to: First, reduce debt owned to the United States that is outstanding as of January 1, 1997, as a result of concessional loans; second, to reduce any amount owed to the United States outstanding as of January 1, 1997, as a result of any credits extended under title I of the Agricultural Trade Development and Assistance Act of 1954; and third, to sell to any eligible purchaser, or reduce or cancel, any loan made before January 1, 1997, to any eligible country or any agency under the Export-Import Bank Act of 1945. Appropriations are authorized for these purposes for fiscal years 1999, 2000 and 2001.

The bill initially targets specific countries and gives the President discretion over time to designate countries that meet the criteria for designation. It facilitates debt for nature swaps in those developing countries that have tropical forests with the greatest degree of biodiversity and under the most severe threat. Such countries must also meet the criteria established by Congress under the EAI, including, among other things, that the government must be democratically elected, has not repeatedly provided support for acts of international terrorism, is not failing to cooperate on international narcotics control matters, and does not engage in a consistent pattern of gross violations of internationally recognized human rights.

Each beneficiary country will establish a tropical forest fund. Amounts deposited in the fund will be used to preserve, maintain, and restore tropical forests in those countries. There is accountability in the process—such funds shall be administered and overseen by U.S. Government officials, environmental nongovernmental organizations active in the beneficiary country, and scientific or academic organizations.

The goal of the Tropical Forest Conservation Act of 1998 is to help protect the planet's remaining storehouses of biological diversity. These forests have a direct impact on U.S. taxpayers—on the air we breath, the food we eat and the medicines that are developed to cure disease. Action is needed now in these developing countries to address the underlying causes of deforestation and environmental degradation so that these important ecosystems can be preserved before it is too late.

This legislation has strong support in the environmental community, including Conservation International, the Nature Conservancy, and the World Wildlife Fund strongly support this legislation.

We look forward to working with our colleagues on a bipartisan basis and with the administration to protect these invaluable resources.

TRIBUTE TO HENRY KUIPER

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. HUNTER. Mr. Speaker, I rise today to recognize the extraordinary service and dedication of a constituent in my district, Mr. Henry "Hank" Kuiper of El Centro, CA. Hank is a devoted member of this community serving the city of El Centro for the past 12 years, 3 of these as mayor. He is soon retiring and I would like to take a moment to commend his dedicated service in local government and community programs.

Hank's involvement and accomplishments extend well beyond his 12 year tenure with the city council. Aside from being a member of the small business community, he also served as a member of the Joint Powers Insurance Authority, Air Pollution Control Board, Citizens Advisory Committee—Centinela State Prison, Border Trade Alliance, Free Trade Commission, and was appointed by Secretary of Interior Bruce Babbitt to the Colorado River Flood Way Task Force.

Hank is a symbol of commitment and dedication to his fellow citizens and community. He has pledged a great share of his life to the service of others and he has surely made El Centro a better place to live. Today, let us honor him for his unwavering contributions. Mr. Hank Kuiper is well deserving and I wish him great happiness in his future endeavors.

HONORING THE CITIZENS ADVICE BUREAU

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. ENGEL. Mr. Speaker, today I rise to praise the Citizens Advice Bureau, an organization started in the Bronx 25 years ago which has helped thousands of people to make a better life.

The CAB is a multiservice organization founded by clergy, community activists, and social workers who were concerned about the rising level of poverty and the massive housing loss the Bronx was suffering. From a single office it has expanded to 20 offices serving an area with a population of 600,000.

It was a pioneer in the consumer protection field, entitlements and advocacy for senior citizens. In its initial years, it worked for affordable housing and tenant protection. In the late 1980's, CAB was one of the first Bronx organizations to implement an AIDS services program. In the 1990's, its transitional housing program and family relocation services enabled more than 1,000 families to stabilize their lives and secure permanent housing. Its eviction prevention program has kept 10,000 families in permanent housing.

The CAB now works to provide immigrants with help and guidance. Every year more than 1,500 young people participate in its early childhood development programs, summer camp, and teen programs.

The Homeless Outreach Team patrols 24 hours a day, 7 days a week in streets, highways, and parks to find and help homeless people. Because of their efforts not a single homeless person has died in the Bronx during the past two winters.

The CAB helps those in need, making the Bronx a better place for people of all ages. It deserves thanks from all of us.

HELPING EMPOWER LOW-INCOME PARENTS [HELP] SCHOLARSHIPS AMENDMENTS OF 1997

SPEECH OF

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 4, 1997

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I would like to address the comments made earlier in this debate by the gentleman from California [Mr. MARTINEZ]. I would refer the House to the RECORD on this matter, for the gentleman misquoted my remarks and blatantly mischaracterized by comments which were clearly made in support of competitive schools and free-market economics.

Observations previously expressed by me on the House floor were obviously directed at those Government-owned schools which are absolutely terrified by school choice. Without question, this excludes the majority of education institutions in America today which embrace competition and are competitive. In fact, they compete very well. I would suggest the gentleman visit Colorado and see for himself how charter schools, intradistrict choice, and post-secondary enrollment options have resulted in more opportunities for schoolchildren. Perhaps these kinds of schools exist in his State too.

Mr. Speaker, never have I equated America's public schools with a Communist legacy, as the gentleman from California suggested. In fact, I have never before mentioned both in one speech.

Any comments I have made regarding Government monopolies were plainly an indication that centrally planned economies found in other countries are models of failure. In fact the Communist legacy was a failure because that party's economic policies guaranteed mediocrity. The purpose of this observation was also plainly meant as a warning to avoid allowing our Federal Government to trample on our federalist traditions and restrain competitiveness with respect to educating children.

Quite the contrary, our Government should resist such tendencies of some bureaucracies to limit competition and establish monopolies. That was the clear point of my speech which was properly received by the majority of our colleagues.

It is regrettable that anyone would misinterpret these remarks as anything other than an admonition against Government monopolies and in favor of competitive schools which again constitute the vast majority of American institutions.

I hereby reaffirm my strong support for a thriving public education system. I restate my rejection of increased Federal intrusion in local school settings, and I fully approve of the innovations in public education that are improving education qualify for America's schoolchildren.

Mr. Speaker, we should resent any suggestions to the contrary and regard them as malicious in intent, certainly reckless in use. At these times, we do well to call upon the faculties of statesmanship and honor than invective.

The American people demand full and honest debate by their Representative in Congress, on the topics which matter most. Useful dialog should be encouraged through intellectual discourse, not suppressed by partisan sniping, as is the effect of the mischaracterizations made by the gentleman from California.

Our devotion, instead should be toward the American children who have a right to expect first-rate learning opportunities. Perhaps today's lesson is one on the difference between statesmanship and imprudence.

FREEDOM OF SPEECH, FREEDOM OF THE PRESS

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. FARR. Mr. Speaker, I want to address the House for a time about the sanctity of one of America's most treasured rights: the freedom of speech.

Freedom of speech is central to most every other right that we hold dear in the United States and serves to strengthen the democracy of our great country.

It is unfortunate, then, when actions occur that might be interpreted as contrary to this honored tenet.

Currently there is a dispute between journalists in my district and the new owners of the Monterey County Herald newspapers. All employees of the newspaper were required to reapply for their jobs when the new owners took over the paper. Several of the employees—some of them prize-winning journalists—were not rehired.

This action has left many in the community feeling that the newspaper is acting unfairly toward the reporters and fearing that it will affect the tenor of the news reported. Further there are suspicions that the owners may be engaging in antiunion efforts, casting further pall on the ability of the paper to serve the reading public.

I urge every American—no matter the position they hold in this society of ours—to carefully consider the actions they take when those actions concern the dissemination of public information. Freedom of speech and freedom of the press are much too powerful rights to be lost to squabbles over the union or nonunion status of employees. They are too basic to the structure and fabric of American life to fall victim to bottom line dollar equations.

I know the fired employees and the new owners of the Herald continue to negotiate over this matter. I am hopeful that the two sides can come to a mutually satisfactory arrangement that leaves the journalists reporting, the paper profiting, and the reading public informed.

IN RECOGNITION OF NATIONAL CHEMISTRY WEEK

HON. TIM ROEMER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. ROEMER. Mr. Speaker, November 2 to 8, 1997 is the 10th celebration of National Chemistry Week. I rise, today, in recognition of the members of the American Chemical Society who are volunteering their time this week to increase the public's understanding about the important role chemistry plays in the success of this Nation and in our everyday lives. Through hands-on activities, chemical demonstration programs, and a variety of other events, kids of all ages will learn and do chemistry.

The feature activity of the week is a national effort to test water hardness in local neighborhoods. Children are receiving copies of a Planet Chemistry activities booklet through their schools that allows them to be part of the national effort. They then go out and get a water sample from their local stream, lake, or well and use the test strip included in the booklet to determine the hardness of the water, and report their results through the ACS site on the Web. The test strips were produced by a company in my district, Environmental Test Systems of Elkhardt, IN. I am proud to tell you that 2.6 million of these strips distributed in 650,000 copies of the booklet allowed this project to get children all over the country involved.

Volunteer chemists and chemical engineers of the ACS St. Joseph Valley Section in my home district also scheduled events, such as panel discussions and hand-on educational demonstrations, to highlight chemistry for their neighbors. Efforts like these are planned in almost every congressional district throughout the Nation.

Our ability to improve the living standards of citizens in America and around the globe depends upon our understanding of sciences like chemistry. Our food, clothing, houses, cars, medicines, defense—all the things we can see, taste, touch, or smell—depend on modern chemistry. Additionally, those involved in the chemistry field represent the type of skilled, high quality workers that are essential to this Nation's competitiveness.

So please join me, and the 152,000 chemists and chemical engineers of the American Chemical Society, in highlighting the fact that every single thing in our lives is in some way a result of chemistry in action.

THE TROPICAL RAINFOREST CONSERVATION ACT OF 1998

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. HAMILTON. Mr. Speaker, today Mr. PORTMAN, Mr. KASICH, and I are introducing, the Tropical Rainforest Conservation Act of 1998. The purpose of this bill is to facilitate the protection of tropical rainforests through debt reduction with developing countries with tropical rainforests.

It is the established policy of the United States to seek the protection of the world's tropical rainforests, which provide a wide range of benefits to humankind. In spite of international assistance programs to conserve forest resources, tropical deforestation continues unabated.

Debt reduction can reduce economic pressures on developing countries and result in increased protection for tropical rainforests. This bill will revitalize U.S. "debt-for-nature" programs, giving priority to countries that have rainforests with the highest level of biodiversity and under the most severe threat.

HONORING WESTCHESTER-PUTNAM AFFIRMATIVE ACTION PROGRAM

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. ENGEL. Mr. Speaker, the Westchester-Putnam Affirmative Action Program is a nonprofit, nonpartisan, interracial organization dedicated to providing job training and finding employment in the construction trades for minorities, women, and the economically disadvantaged. It is comprised of representatives of the construction trades, building contractors, minority and women's groups and is celebrating its 25th anniversay as a successful force for bringing minorities, women, and others into the construction trade.

It has placed more than 4,000 such people in construction related jobs throughout Westchester and Putnam Counties. It administers the only federally approved hometown plan to achieve compliance for the Executive order requiring minimum goals for the employment of women and minorities in the bicounty area.

I am proud to say that all of its placements are from among the poor, bringing these people in the mainstream of productivity.

W-PAAP is celebrating by paying tribute to the Joseph T. Jackson Training Center and the man it was named after. The late Joseph T. Jackson was the first black master mechanic in the Nation.

Also being honored are those who helped make W-PAAP a success: the NYS Department of Labor, Westchester County, Con Edison, the contractors and labor unions, and original board members Virginia Monahan, Orial Redd, Napoleon Holmes, and Thomas Green.

The success of W-PAAP is an inspiration to all and I give them my congratulations for all they have accomplished.

TRIBUTE TO NOVATO COUNCILMEMBER ERNEST J. GRAY

HON. LYNN C. WOOLSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Ms. WOOLSEY. Mr. Speaker, I rise to day to pay tribute to an outstanding public servant, Mr. Ernest J. Gray. Mr. Gray is retiring as councilmember for the city of Novato after 20 years of outstanding service. I wish I could join his family, friends, and colleagues in celebrating his distinguished career.

Mr. Gray is the city's longest serving councilmember. During his tenure, he served as Novato's mayor for four terms—more often than any other member of the council. Prior to joining the city council, he served on the Novato Planning Commission.

Ernie Gray's devotion to the community is admirable. He has been a member of the Blue Ribbon Task Force on the Homeless, the Highway 101 Corridor Action Committee, the Human rights Commission, and was involved with the Community Development Block Grant. And, he has worked tirelessly to complete the reuse of Hamilton Air Force Base.

Mr. Speaker, it is my great pleasure to pay tribute to Ernie Gray. His service to the residents of Novato will be greatly missed. I wish him the best in his retirement from public office.

INTRODUCTION OF LEGISLATION TO PROHIBIT OSHA FROM USING PENALTY QUOTAS

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. BALLENGER. Mr. Speaker, over the past 3 years, the Subcommittee on Workforce Protections has held numerous hearings on issues surrounding OSHA, the Occupational Safety and Health Administration. While these hearings have considered a great many issues, time after time we have returned to the fundamental question: What is the purpose of OSHA? Is it to enforce rules that it has issued against supposedly recalcitrant employers? Or is it to promote workplace safety by whatever means that are most effective?

Consider these two quotes, from testimony the Subcommittee on Workforce Protections received from two recent directors of OSHA, one in the Bush administration, the second from the director of OSHA in the first Clinton administration.

> Congress, for years, measured OSHA's effectiveness by the number of inspections completed, the number of serious citations issued, the number of dollar penalties collected, the number of willful violations issued and the number of criminal cases referred to the Justice Department for prosecution. Are these the appropriate measures to determine the effectiveness of this Act? Or should the question be: "Are hazards in the workplace being abated? Are injury rates being reduced?" That really is the crux of the issue: what is the most effective approach to achieving hazard abatement and injury reduction. Again, we are talking about changing long standing, systemic problems with the agency. Because the agency's success was measured for years by its punitive activity, it has become organized accordingly.

(Testimony of Dorothy Strunk, Subcommittee on Workforce Protections, March 8, 1995).

> Many employers have complained that OSHA inspectors care less about worker safety than they do about meeting perceived "quotas" for citations and penalties. While OSHA has never used quotas, it has in the past used citations and penalties as performance measures. I have put a stop to this practice.

(Testimony of Joe Dear, Subcommittee on Workforce Protections, March 8, 1995).

My legislation would simply make the Clinton administration's commitment part of the law. It makes clear that OSHA's purpose is to improve safety and health for employers and employees—not just enforcement.

Why is this legislation necessary if the Clinton administration has already stated it agrees with the policy? First, as the above statement indicates, OSHA's focus on enforcement numbers is long standing and systemic. Saying that the agency will change its personnel policies does not necessarily effectuate real change. Second, despite the Clinton administration's promise to change, the leadership of the agency continues to focus on enforcement measures as the purpose of the agency. Earlier this year, the acting assistant secretary for OSHA told all OSHA offices to increase the number of inspections in 1997, and to increase the number of large penalty cases. Third, putting this provision in the statute will help to assure employers and employees that OSHA's mission is not to collect money for the Federal Government, but to promote safety and health. I view this change as a small step, but in conjunction with other steps I am proposing, helpful to redirecting OSHA away from its focus on enforcement, rather than on safety and health.

CONGRATULATING DOZIER T. ALLEN, JR.

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. VISCLOSKY. Mr. Speaker, it is my distinct pleasure to congratulate Calumet Township Trustee, Dozier T. Allen, Jr., on his 30-year anniversary as an elected public official. Dozier will be honored for his years of dedicated service to the communities of northwest Indiana at an anniversary celebration, which will be entitled "Tribute to a Statesman." The event will be held on Thursday evening, November 20, 1997, at the Genesis Convention Center in Gary, IN. Dozier's family and friends, as well as many prominent community leaders, will attend this special event.

A native of Gary, IN, Dozier Allen began his political career in 1967, with his election to the post of Gary City councilman-at-large. With this election, he earned recognition for being the first Gary-born African-American to serve as councilman-at-large, and during his 5 years in this position, Dozier faithfully served several council committees, including Ordinance, Building and Grounds, Public Welfare, Police and Fire, and Housing and Urban Planning. Through his active participation in these committees, Dozier was instrumental in passing many important city ordinances and resolutions. Some such initiatives resulted in securing more money from the State of Indiana for education in Gary, securing Federal assistance for drug rehabilitation initiatives, and the annexation of Calumet Township to Gary.

While still a councilman-at-large, Dozier won the 1971 election for Calumet Township Trustee. Since then, he has been elected to seven consecutive 4-year terms, during which he has hired and managed over 500 employees, and effectively administered over $300 million to assist more than 1.4 million impoverished families. During Dozier's 25-year stewardship, the Township Trustee's office has had an impeccable record. As township trustee, Dozier has also devoted much of his time to serving on several prestigious councils and committees, including: the Indiana Township Association's Metro Committee; the Governor's Indiana Metropolitan Poor Relief Council; the Lake County Welfare Board; the Lake County Mental Health Board; and the Indiana Township Trustee Association, of which he is still a member. During his distinguished political career, Dozier has earned the distinction of being elected to a major executive public office longer than any African-American citizen in the history of Indiana.

Dozier expressed his devotion to public service long before his election to office, however. He first served his country in combat during the Korean war. For his outstanding service in the National Guard, Dozier received a Bronze Star, a United Nations Service Medal, a National Defense Service Medal, a Good Conduct Medal, and an honorable discharge. Upon returning from the war in 1954, Dozier immediately became involved in the Gary young adult branch of the NAACP, and he actively participated in the elections of countless black public officials. In 1960, Dozier was one of the founders of Muigwithania, the first local African-American organization to have an independent impact on electing black public officials. Since that time, he has probably supported more campaigns for Gary citizens to become elected officials than any other person.

Dozier's humanitarian efforts have also positively impacted the community he serves. Over the years, Dozier has served as a board member or officer in countless organizations, always making a serious effort to contribute in a productive manner. In 1972, as a charter board member of the National Association for Sickle Cell Disease, Dozier successfully raised over $18,000 locally. Sensitive and compassionate in the face of human suffering, health and human service initiatives have always been a priority for Dozier. Other successful fundraising efforts in which Dozier participated, including raising over $12,000 for the National Civil Rights Hall of Fame in 1982–83, and over $10,000 for the Poor People Hunger Revival in 1985, which replenished exhausted township funds. In recognition of his outstanding community service efforts, Dozier has received many awards, including: the Serenity House Appreciation Award; the Martin Luther King Jr. Drum Major Award; the Indiana Township Trustees' Association's Distinguished Service Award; the Indiana Department of Mental Health Outstanding Service Award; the American Red Cross Outstanding Service Award; the John F. Kennedy Leadership Award; and the NAACP Humanitarian Award.

Mr. Speaker, I ask you and other distinguished colleagues to join me in commending Dozier T. Allen on his years of outstanding service to the communities of northwest Indiana. The hard work and leadership he has displayed, while positively impacting the lives of many, is truly admirable.

NOTING THE SUCCESS OF NASA'S SEMAA PROJECT

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. STOKES. Mr. Speaker, as we approach the 21st century, we are hearing reports that America's students are continuing to perform poorly in math and science. These skills will be critical in the highly technical society to which we are moving. I want to bring to the attention of my colleagues an exciting program that addresses this challenge. The program is enjoying great success in my home district, the 11th Congressional District of Ohio.

In 1993, the National Aeronautics and Space Administration [NASA] Lewis Research Center in Cleveland, OH, joined with Cuyahoga Community College in launching the Science, Engineering, Mathematics and Aerospace Academy [SEMAA]. The program was created to increase the number of under-represented and under-served students interested in science, mathematics, engineering, and technology careers. At the same time, SEMAA focuses on increasing the success rate of these students through innovative activities and programs.

I have had the opportunity of witnessing firsthand the success of this unique initiative. Students are placed in settings where they are allowed to imagine themselves on the surface of Mars, or flying across country in the mobile aeronautics laboratory. The students are not only developing strong math, science, and other technical skills, but they are also developing good leadership and communication skills.

For these reasons, the SEMAA program is being hailed as a great success. When it was first introduced, program heads set as a goal serving 1,000 students each program year. I am pleased to report that in its 4th program year, SEMAA served 1,939 students, nearly double the original goal.

Mr. Speaker, I am grateful that NASA Administrator Dan Goldin supports the SEMAA initiative. In my congressional district, a team of three individuals play critical roles in guaranteeing the program's success. I want to recognize these individuals, each of whom has a strong background in education. The individuals are: Dr. R. Lynn Bondurant, Jr.; Mr. John Hairston; and Dr. Jerry Sue Thornton.

Dr. Bondurant is the education programs officer in the external programs division at NASA Lewis Research Center. In this position, he is responsible for creating and implementing new educational programs, including SEMAA. He also recently completed a mobile aeronautics education laboratory. Prior to his employment at NASA Lewis, Lynn was a junior high school principal and curriculum coordinator. I should also note that Dr. Bondurant was the first education officer at the National Air and Space Museum. He is the recipient of numerous awards including NASA's Exceptional Service and Leadership Medals; and the Challenger Seven Award from the Challenger Center.

Mr. Speaker, Mr. John Hairston serves as director of external programs at NASA Lewis Research Center. His responsibilities include the development and implementation of outreach, educational and informational programs that contribute to scientific literacy and highlight Lewis Research Center's expertise in research and technology. Prior to joining NASA, John spent 27 years with the Cleveland city schools where he now serves as a board member. He, too, has received NASA's Outstanding Leadership and Exceptional Achievement Medals. John is also a member of the Ohio Aerospace Council.

Dr. Jerry Sue Thornton is president of Cuyahoga Community College in Cleveland, OH. Under her leadership, the college serves 60,000 students annually through more than 70 degree programs. She has been instrumental in spearheading the implementation of unique programs to meet the needs of Cleveland students, including the SEMAA project and other technology initiatives. In addition to leading Cuyahoga Community College, Dr. Thornton is a board member of the Greater Cleveland Growth Association, Applied Industrial Technologies, and the Cleveland Foundation, just to name a few. She has also written for several publications, including books, book chapters and professional articles.

Mr. Speaker, I salute Dr. Bondurant, Mr. John Hairston, and Dr. Jerry Sue Thornton for their efforts in ensuring the success of the SEMAA program. On behalf of the students and parents within the 11th Congressional District, I applaud their commitment to educational excellence. In my opinion, the SEMAA project should be duplicated in congressional districts across the United States. It is my hope that this will be one of our goals for the future.

HONORING THE SERVICE OF ALASKA VIETNAM ERA NATIVE VETERANS

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. YOUNG of Alaska. Mr. Speaker, I am pleased to introduce legislation on behalf of numerous Alaska Native veterans who answered the call of their country to serve, fight, and preserve the rights of all citizens of the United States during the Vietnam war. Many of these same Alaska Native veterans continue to serve their country by becoming involved in their communities, and in local and State government. Others continue to serve their country by their enlistment in the Alaska National Guard, a reserve component of the Army.

Alaska Natives, who were in service to their country during the Vietnam war, missed their opportunity to apply for a Native allotment under the Native Allotment Act. Many were in war zones and others had not received their application from the Bureau of Indian Affairs [BIA]. It is my firm belief that our Alaska Native Vietnam veterans merit the same rights as other Alaska Natives under this act. It is morally wrong of our country, of which our Alaska Native veterans are first class citizens, to deny them the basic right afforded to other Alaska Native citizens under this act. This legislation will correct this inequity and give them the opportunity to apply for their allotment under the Native Allotment Act.

I think it is appropriate that I offer this legislation prior to our national observance of Veterans Day, November 11, 1997. My legislation respectivefully requests of this administration not to tarnish the service of our Alaska Vietnam era Native veterans and to grant them the same rights to apply for their Native allotment.

Another provision in this bill would restore land to the Elim Native Corp. By Executive Order 2508, January 3, 1917, President Woodrow Wilson set aside the Norton Bay Reservation "for use of the United States Bureau of Education and the natives of indigenous Alaskan race", including adjacent islands within 3 miles of the coast. This area contained 350,000 acres.

In 1919, Congress mandated that the withdrawal of public lands for use as Indian reservations could only be made by an act of Congress (43 U.S.C. 150, 41 Stat. 34). Congress in 1927 declared that no changes could be made in the boundaries of Executive Order reservations for the use of Indians except by an act of Congress (25 U.S.C. 398d, 44 Stat. 1347). The 1927 act is applicable to Alaska (70 I.D. 166 (1963)). After the 1927 act, President Herbert Hoover issued Executive Order 5207 which revoked approximately 50,000 acres of land from the Norton Bay Reservation for use of homesteading by ex-servicemen of World War I. No ex-servicemen applied for any land within the old Norton Bay Reservation.

When I brought this issue before the 102d Congress, the Secretary of Interior agreed that Elim was entitled to the 50,000 acres. See April 21, 1992, letter from deputy Assistant Secretary for Land and Minerals Management to Chairman MILLER. The administration is ignoring the fact that only Congress can revoke reservation lands. Therefore, it is my lawful belief that Elim Native Corp. is entitled to the 50,000 acres and that the administration should disregard Executive Order 5207 issued by President Hoover and restore the 50,000-acre Elim entitlement.

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECETARY,
Washington, DC, April 21, 1992.

Hon. George Miller,
Chairman, Committee on Interior and Insular Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This responds to your request for the Department of the Interior's (the Department's) views on eight proposed amendments to H.R. 3157, the "Alaska Land Status Technical Corrections Act of 1991," a bill which would amend the Alaska Native Claims Settlement Act (ANCSA).

On February 24, 1991, the Department submitted written testimony on H.R. 3157, as introduced. The issues raised in our testimony still are of concern to the Department. This letter sets forth only the Department's concerns with the eight proposed amendments. The proposed amendments will be discussed in the same order and have been given the same headings as those submitted with your letter requesting our views.

RATIFICATION OF LAND TRANSFERS TO CASWELL AND MONTANA CREEK

This proposed amendment involves the Cook Inlet Region, Inc. (CIRI) and the

Caswell and Montana Creek Native Groups, all of whom entered into a settlement agreement in 1982. Pursuant to the settlement, CIRI conveyed approximately 11,000 acres to each group with the understanding that the conveyances satisfied their entitlements under section 12(b) of ANCSA. The Department was not a party to the settlement agreement. The purpose of the proposed amendment is to ratify the transfers and satisfy the Department's ANCSA land transfer obligations to the two groups and CIRI.

The conveyances to Caswell and Montana Creek were made by CIRI from lands received from the State of Alaska under Paragraph II and Appendix C, Part 1.A. (Kashwitna Pool) of the Terms and Conditions for Land Consolidation and Management in the Cook Inlet Area (ratified by Section 12(b) of the Act of January 2, 1976, 43 U.S.C. 1611 n.).

Conveyances from Appendix C are debited from CIRI's entitlement under Section 12(c) of the ANCSA. The Terms and Conditions provided for methods of satisfying entitlements that are somewhat different from the normal procedures, i.e., ordinarily, the United States conveys land directly to groups but, by virtue of special legislation affecting CIRI, land is conveyed to the regional corporation and it then reconveys to village corporations and groups. In order to avoid a double charge for the Caswell/Montana Creek group entitlements, we recommend the following language by adding at the end of the proposed amendment: "The ratification of the conveyances made by CIRI in this section shall not be a basis for or generate a claim by CIRI, or either of the groups named herein, for additional conveyances of land or money or any other thing of value against either the State of Alaska or the United States."

ELIM NATIVE CORPORATION LAND CONVEYANCE

Under this proposed amendment, 50,000 acres of land would be withdrawn, subject to valid existing rights, for selection by the Elim Native Corporation. These lands were excluded in 1929 by Executive Order from the original Elim reserve. Elim was one of five native corporations that elected to take lands set aside in reserve for the benefit of Natives instead of participating in the ANCSA land selection process. Pursuant to its election, Elim received patent to 297,982 acres on September 14, 1979—the lands that were included in the Elim reserve on the date of entitlement under the ANCSA. Elim did not appeal the decision to convey and accepted the patent.

We suggest that proposed amendment tie authority for conveyance of additional acreage to some existing entitlement. Moreover, the proposed amendment presents a problem in that about 11,440 acres of the described lands proposed for conveyance to Elim have been validly selected by the Native village of Koyuk. This would leave only 38,560 acres for Elim instead of the 50,000 they desire. If the proposed amendment is included in H.R. 3157, it should include clear Congressional intent and guidance as to which entity will receive the 11,440 acres, and a proviso that the conveyance is in full satisfaction of Elim's entitlement under Section 19(b) of the ANCSA.

* * * * *

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

RICHARD ROLDAN,
Deputy Assistant Secretary,
Land and Minerals Management.

HOUSE OF REPRESENTATIVES—*Saturday, November 8, 1997*

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. PEASE].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
November 8, 1997.

I hereby designate the Honorable EDWARD A. PEASE to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

From the scriptures we read what is required of us, and that is, to do what is just, to love mercy, and to live in humble fellowship with You, our God and our creator. So let us by Your grace, O God, keep this requirement at the center of our thoughts and at the heart of our prayers so that we will be the people You would have us be. We know too that as we attempt to walk the road of justice while hearing the various claims for truth, we are supported by Your promises which we read in the book of Psalms: "Be of good courage and he shall strengthen your heart, all you that trust in God." Bless us this day and every day we pray, amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. BROWN of Ohio. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. BROWN of Ohio. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 345, nays 56, not voting 32, as follows:

[Roll No. 616]

YEAS—345

Ackerman
Aderholt
Allen
Andrews
Armey
Bachus
Baesler
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Berman
Berry
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady
Brown (FL)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Carson
Chabot
Chambliss
Chenoweth
Christensen
Clayton
Clement
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Coyne
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Eshoo
Etheridge
Evans
Ewing
Farr
Fawell
Flake
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefner
Herger
Hilleary
Hinojosa
Hobson
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kleczka
Klink
Knollenberg
Kolbe
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lipinski
Livingston
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHale
McHugh
McInnis
McIntyre
McKeon
McKinney
Meehan
Metcalf
Mica
Millender-McDonald
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pappas
Parker
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Radanovich
Rahall
Rangel
Redmond
Regula
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Roybal-Allard
Royce
Rush
Ryun
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schumer
Sensenbrenner
Serrano
Shadegg
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Stark
Stearns
Stenholm
Stokes
Stump
Sununu
Talent
Tanner
Tauscher
Tauzin
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tierney
Towns
Traficant
Turner
Upton
Vento
Wamp
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Wexler
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (FL)

NAYS—56

Abercrombie
Baldacci
Becerra
Bilbray
Bonior
Borski
Brown (CA)
Brown (OH)
Clay
Clyburn
DeFazio
Delahunt
Dickey
English
Ensign
Everett
Fazio
Filner
Fox
Gephardt
Gutierrez
Gutknecht
Hastings (FL)
Hefley
Hill
Hilliard
Hulshof
Johnson, E. B.
Kingston
Kucinich
Lewis (GA)
LoBiondo
Markey
McNulty
Meek
Menendez
Miller (CA)
Oberstar
Pallone
Pascrell
Pickett
Ramstad
Sabo
Schaffer, Bob
Scott
Sessions
Spratt
Strickland
Stupak
Taylor (MS)
Thompson
Velázquez
Visclosky
Waters
Weller
Yates

NOT VOTING—32

Archer
Bereuter
Blumenauer
Castle
Costello
Cox
Cubin
Fattah
Foglietta
Gillmor
Gonzalez
Harman
Hinchey
Hoekstra
Kennedy (MA)
Klug
Maloney (NY)
McDade
McDermott
McIntosh
Neumann
Quinn
Riley
Rothman
Schiff
Shaw
Stabenow
Taylor (NC)
Torres
Walsh
Weygand
Young (AK)

□ 1232

Mr. HILLIARD changed his vote from "yea" to "nay."

Mr. SOUDER changed his vote from "nay" to "yea."

So the Journal was approved.

□This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore [Mr. PEASE]. Will the gentleman from New York [Mr. SOLOMON] come forward and lead the House in the Pledge of Allegiance.

Mr. SOLOMON led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 1747. An act to amend the John F. Kennedy Center Act to authorize the design and construction of additions to the parking garage and certain site improvements, and for other purposes.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1377. An act to amend title I of the Employee Retirement Income Security Act of 1974 to encourage retirement income savings.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 170. An act to provide for a process to authorize the use of clone pagers, and for other purposes;

S. 1079. An act to permit the mineral leasing of Indian land located within the Fort Berthold Indian Reservation in any case in which there is consent from a majority interest in the parcel of land under consideration for lease;

S. 1417. An act to provide for the design, construction, furnishing and equipping of a Center for Performing Arts within the complex known as the New Mexico Hispanic Cultural Center and for other purposes.

S. 1455. An act to provide financial assistance for the relocation and expansion of Haffenreffer Museum of Anthropology, Providence, Rhode Island.

S. 1456. An act to authorize an interpretive center at Fort Peck Dam, Montana; and

S. Con. Res. 48. Concurrent resolution expressing the sense of the Congress regarding proliferation of missile technology from Russia to Iran.

The message also announced that pursuant to Public Law 105–56, the Chair, on behalf of the majority leader, announces the appointment of the following individuals as members of the Panel to Review Long-Range Air Power: Samuel D. Adcock, of Virginia, and Merrill A. McPeak, of Oregon.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will now recognize ten 1-minutes on each side of the House.

ALLEGED WRONGDOINGS OF SECRETARY BABBITT

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, Americans deserve the truth and they deserve an answer. Did the Secretary of the Interior Bruce Babbitt wield political power in exchange for the promise of a campaign contribution? Did the order to do so come from the White House? These are very serious questions that the American people deserve to have answered.

Well, let us ask Secretary Babbitt. First he says, "No." Then he says, "Yes, I did it, but I was only doing as I was told." Now the answer approved by the White House is, "I don't know." Well, how many scandals and how many allegations of criminal wrongdoing will the executive branch of this Government respond to with, "I don't know"? Well, maybe this Congress should instruct the Centers for Disease Control to investigate the rampant selective loss of memory in this administration.

However, Mr. Speaker, I am here to say enough is enough. American people deserve the truth. I urge Attorney General Reno to appoint an independent counsel to investigate the alleged wrongdoings of Secretary Bruce Babbitt.

VOTE AGAINST FAST TRACK

(Mr. PALLONE asked and was given permission to address the House for 1 minute.)

Mr. PALLONE. Mr. Speaker, I urge my colleagues to vote against giving the President fast track authority in order to ensure that new trade agreements advance the interests of U.S. workers as well as the health and safety of all Americans.

My opposition to fast track is based on our experience with NAFTA, which I believe has been a dismal failure. In 3 years since NAFTA was implemented, the U.S. trade deficit with Mexico has skyrocketed, leading to the loss of hundreds of thousands of U.S. jobs. Environmental problems along the border with Mexico have gotten worse. Drug trafficking has increased. The public health in the United States has been threatened by the importation of tainted food.

The President made all kinds of promises with NAFTA a few years ago and is making more promises now. But these promises in the form of NAFTA side agreements on the environment and labor have not been kept. I urge my colleagues to vote against fast track. Do not be led astray by false promises again.

MIDDLE-CLASS TAXPAYERS NEED IRA EXPANSION

(Mr. SAXTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAXTON. Mr. Speaker, I have spoken on a number of previous occasions on the need to expand IRA accounts. Today I would like to cite the need for middle-class parents to save for college education as an important reason for further IRA expansion.

Earlier this year, I introduced a bill to expand IRA income caps and deductions to permit penalty-free withdrawals for a number of purposes, including college education. And I am very pleased that the tax bill we passed last summer lifted some of the income caps to benefit more middle-income families.

Although good progress has been made in the expansion of IRA eligibility for college expenses, much more is needed. The main problem is that IRA deduction ceilings remain, and have remained so for some decades, at $2,000. It is inadequate. The solution is to increase IRA deduction. My legislation would increase it $500 annually for 10 years, ending up with a $7,000 cap. Perhaps a more aggressive schedule could even be kept and it would be possible if current budget trends do result in a budget surplus.

GLOBAL CORPORATE TRADE THREATENS NATIONAL SOVEREIGNTY

(Mr. KUCINICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KUCINICH. Mr. Speaker, Congress is being asked to give away our national sovereignty in the name of global corporate trade. Fast track legislation furthers the role of the World Trade Organization, an intertribunal of unelected, unaccountable trade experts with the authority to overrule the U.S. Congress, to overrule our national, State, and local laws. The WTO can overrule laws which include job creation legislation, consumer health and safety protections, and environmental protections.

The fast track vote is a vote on the preservation of our national sovereignty, our ability to determine our own destiny. Fast track is an assault on our American political traditions and foundations. It establishes the right of the citizenry to have democratically elected officials be able to make the laws here and the standards we live by.

Fast track gives the World Trade Organization the right to overrule this Congress. We begin these sessions of Congress with the Pledge of Allegiance to the flag and to the country for which it stands. And if we are to remain one Nation, under God, indivisible, we must stand for liberty and justice and we must reject fast track.

UNITED STATES IS EXPORTING JOBS

(Mr. BALLENGER asked and was given permission to address the House for 1 minute.)

Mr. BALLENGER. Mr. Speaker, while we are playing around with fast track, our neighbors to the north are eating our economic lunch and stealing our job growth. Let me give my colleagues a couple quotes, first from the Washington Post. "Because of a recent free-trade pact between Canada and Chile that lowered tariffs between the two countries, Caterpillar is beginning to lose sales in Chile to a small Canadian competitor.

"If Caterpillar finds that it is seriously disadvantaged in Latin America by the absence of free-trade agreements, the company would consider shifting production out of the United States and into the region, or to places such as Canada or Mexico that already have duty-free arrangements with much of Latin America."

Some other U.S. companies are investigating whether their Canadian subsidiaries and plants should now handle their business with Chile in order to profit from tariff breaks.

Ford Motor Co. says it is beginning to examine the feasibility of shipping its popular F-series pickup trucks to Chile from Canada. More than 50 Canadian-Chilean joint ventures are already operating, and some of those are already shipping to other Latin American countries.

Mr. Speaker, as the AFL–CIO sticks its head in the sand, we are exporting jobs.

FAST TRACK SHIPS JOBS OVERSEAS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, I am opposed to fast track. When American workers are serving Mexican tomatoes and Canadian beef at Burger King and Bob Evans, something is very wrong. The American workers are not dumb. They are fed up, they are sick and tired of unemployment compensation, sick and tired of retraining, sick and tired of promises. They are sick and tired of politics. They are busted, disgusted, and cannot be trusted to vote for cerebral politicians who continue to ship their jobs overseas.

Now, as far as I am concerned, I listened to all this "bridge to the 21st century" business. I say the bridge to the 21st century is turning into another bridge over the River Kwai. Beam me up. Bridge this, Mr. President.

□ 1245

SUPPORT H.R. 1129, MICROCREDIT FOR SELF-RELIANCE ACT

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, I urge the House today to support H.R. 1129, the Microcredit for Self-Reliance Act which is up on suspension today. Microcredit is one of the universally recognized U.S. programs that has produced incredibly significant and positive results. This bill introduced by the gentleman from New York [Mr. HOUGHTON] and the gentleman from Ohio [Mr. HALL] will continue the great work that has been done using this economic assistance plan.

Microcredit provides small loans to people who want to start a business but would not be able to secure normal financing. It has worked well in Africa where it has been successfully used in many countries. It is especially effective in promoting women's rights and family development. I would also like to recognize our own U.S. microcredit programs initiated by groups like Results of Miami, which has helped so many young women start their own businesses.

Minorities in the United States benefit greatly from microcredit programs. In my hometown of Miami, Jamaican-Americans have started Caribbean food product stores, Haitians have opened acrylic nail shops which are so popular, Cuban-Americans have set up mom and pop hardware stores. It has been a success in Miami. It can succeed in your town, and we can export it across the oceans.

HANDSHAKES DEFEAT CAMPAIGN FINANCE REFORM 1–0

(Mr. SNYDER asked and was given permission to address the House for 1 minute.)

Mr. SNYDER. Mr. Speaker, in June of 1995 in a very famous handshake, the President and the Speaker of this House shook hands and committed themselves to campaign finance reform. I can speak since then on the commitment of our President to campaign finance reform. I know he would support that bill because in Arkansas he took it to the streets to get signatures on campaign finance reform for Arkansas and was successful.

What has happened since then? Nothing. We have had no bills come to the floor of this House for a vote. Here we are halfway through the session at the end of the year, we are going to adjourn probably tomorrow and what is the final score, Mr. Speaker? The final score is handshakes 1, campaign finance reform nothing. That is a poor record for this Congress. It is a poor record for the Republican leadership of this Congress. Next year we need to do better.

IRS REFORM

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, polls have shown that the American people no longer trust their government to do, quote-unquote, the right thing most of the time. In fact, just over the last 3 decades this country has changed so dramatically in that regard. Under President John F. Kennedy, approximately 7 out of 10 Americans trusted their government. Now only 1 out of 10 Americans do. Only 1 out of 10 Americans trust their government to any degree of satisfaction. This is deeply disturbing. I think restoring trust in government must be a top priority for this Congress.

Mr. Speaker, I believe that the corruption, the politicization and the general abuse of the IRS plays a major role in this change of attitude on the part of the American citizens. When a government agency has the power to bully citizens, to operate with virtually no accountability and to make a mockery of our constitutional right to due process, it is no wonder that the citizens have grown to distrust their own government. I believe that if IRS reform is not passed in this Congress, many Americans will consider the 105th Congress to be an overall failure.

FAST TRACK

(Mr. STUPAK asked and was given permission to address the House for 1 minute.)

Mr. STUPAK. Mr. Speaker, every Member of this House should oppose fast track because of labor standards, environmental standards and human rights. But there is another very valid reason, that of food safety and pesticide use in foreign countries on food coming into this country.

Since the last fast track legislation, NAFTA, it limited our right to make border inspections of imported food. So what has happened? Food imports are up, inspections are down. What will happen with this new fast track deal is more countries will be shipping their food into this country. We have not addressed the infrastructure to provide a safety net to protect American citizens from food coming into this country. That is why in 1997 we have had 3 major outbreaks of disease in this country from imported food.

What do they tell you when you go to foreign countries, Latin America and South America? Do not eat the food, do not drink this, do this, get a hepatitis shot. So what are we going to do? Have more food come into this country and less inspections. Over 3.3 million trucks every day cross our borders into this country, many of them carrying food products. That is 9,000 trucks per day. One percent is inspected. Let us not risk our families' health. Vote no on fast track.

TAXES, LIBERALS, AND BUREAUCRATS

(Mrs. CHENOWETH asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. CHENOWETH. Mr. Speaker, Mr. Clinton's recent remarks that he thinks taxpayers who are in favor of tax cuts are selfish is a truly stunning remark to me. It is stunning to think that that is how the President and his liberal allies think about those who think that Government can get by on a little bit less so that families can have a little bit more. But one point that is often missed about the tax dollars that are sent to Washington, DC, is the much more fundamental point of who gets to spend your dollars. The liberal elite is uncomfortable with the idea that you should get to decide what to do with your money. They think that the politicians who claim to adhere to a higher moral standard have a higher claim on your money and that they can use your money in better ways than you can and more fairly and more in line with the liberal vision of the elite. That is why they have a government knows best attitude and, incredibly, a boundless faith in the Federal bureaucrats in Washington to do the right thing.

Do the right thing? Mr. Speaker, I do not think so.

FAST TRACK

(Mr. BROWN of Ohio asked and was given permission to address the House for 1 minute.)

Mr. BROWN of Ohio. Mr. Speaker, tomorrow we will vote on fast track, expanding the North American Free Trade Agreement to dozens of other countries. NAFTA cost tens of thousands of American jobs. So does fast track. NAFTA threatens the safety of our food supply. So does fast track. NAFTA weakens our environmental laws. So does fast track.

To get fast track through Congress, Speaker GINGRICH and President Clinton are wheeling and dealing like we have never seen before: deals on the census, on family planning, on health care and campaign contributions. Let us reject the wheeling and dealing by Speaker GINGRICH and President Clinton. Vote no on fast track.

IRS REFORM

(Mrs. KELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KELLY. Mr. Speaker, for years citizens have been complaining about the IRS. Honest citizens faced with an audit, a problem, confusing changes in the Tax Code and bewildering instructions about their tax return have cried out for reform to their representatives in Washington, radio talk show hosts and newspapers across the country. But nothing seems to change. To add insult to injury, the IRS responds to all these complaints by defending its actions, assuring citizens everywhere that the IRS is improving, the IRS is reforming itself and honest taxpayers have nothing to fear from an audit. If this is not the perfect example of an arrogant bureaucracy that is out of touch, I would like to see a better one. Arrogant, out of touch and unaccountable, these are the hallmarks of a Government that abuses its power, a Government which makes ordinary citizens feel powerless and fearful.

Mr. Speaker, the IRS must change big time, not cosmetic changes that mean business as usual but a top-to-bottom overhaul that does not put honest taxpayers in the same boat as tax cheats. The IRS needs to give taxpayers the respect they deserve.

FAST TRACK

(Mr. STRICKLAND asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STRICKLAND. Mr. Speaker, I hope the American people are watching the proceedings that are happening in this Chamber this weekend, because if they watch what they will see is a monumental battle being fought out between a Democratic administration in conjunction with the Republican leadership versus the working class American family. The multinational corporations, with the support of our Democratic President and our Republican leadership, are taking sides against America's working families. How are they doing this? They are cutting deals that in my judgment are shameful. They are contributing to the cynicism that Americans feel about what happens in this Chamber.

We are supposed to come here, Mr. Speaker, as representatives of the people, to vote on the basis of principle, to follow our own conscience, and to do what we believe in our heart is best for our constituents. But this weekend multinational corporations in conjunction with a Democratic President and a Republican leadership are selling out the American people.

CAN PUBLIC OFFICIALS BEHAVING IN UNETHICAL MANNER BE TRUSTED WITH NEW LAW?

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, when was the last time you heard the argument that changing the law or passing a new law will make people who break the law honest? Well, yesterday, if you count what we hear in this Chamber. The fact is the DNC, friends of the White House, and close aides in this administration have been caught redhanded doing things that they know are illegal: Taking foreign money, laundering money, laundering union money, raising money on Government property, shaking down Indian tribes for money, raising money at Buddhist temples, covering for political operatives who have fled from this country, selling the Commerce Department trade missions, selling access to the White House and on and on. All these things are wrong, they are illegal, and they are dishonest.

My suspicion is that the same people who have been caught behaving in an unethical, illegal, and dishonest manner are not going to suddenly become public officials who can be trusted with a new law. What do you think?

MONEY BELONGS TO THOSE WHO EARN IT

(Mr. ROYCE asked and was given permission to address the House for 1 minute.)

Mr. ROYCE. Mr. Speaker, on Monday the President called taxpayers selfish for wanting to keep more of what they earn. Recently the Democrat leader in the Senate, TOM DASCHLE, said that Americans were not overtaxed. The President's deputy press secretary said that support of tax relief was based on selfishness.

Stop the presses, Mr. Speaker. To say that people are shocked would be an understatement. Claiming that most people are undertaxed and calling Americans selfish is exactly the kind of mindset that make people furious at Washington, DC politicians who just do not get it.

I have a news flash for them. When people work hard to earn more, they are not doing it for Washington. They are doing it to feed their children, enrich their lives and pursue their own happiness. This is the way it should be. Why do the defenders of big government and the status quo have such a problem with it? They are in Washington to represent their constituents, not tell them how much of their own money they can keep.

Americans are overtaxed. The Tax Foundation found that Americans spend more on taxes than food, shelter, and clothing combined.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. PEASE). Members are reminded not to refer to statements by Members of the other body during remarks in this Chamber.

PRIVATE GOLF CLUBS USE TAX LOOPHOLE TO PRACTICE DISCRIMINATION

(Mr. TOWNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TOWNS. Mr. Speaker, this week Congress did a great service for this Nation by passing the Internal Revenue Service reform legislation. However, in our celebration, I must inform my colleagues that there is more work that needs to be done. We must eliminate a little known tax loophole for private clubs that profit from practicing discrimination.

This chart details four private golf clubs identified by HBO's "Real Sport with Bryant Gumbel." They have $9 million in taxpayers funds while excluding African-Americans. Each year these 501(c)(7) clubs act as nonprofit organizations that are exempt from paying corporate taxes to the Federal Government.

□ 1300

This is just the tip of the iceberg, Mr. Speaker. I am offering legislation today that will end this, and I hope the Members of this body will join me.

IT IS UNFAIR TO FORCE PARENTS TO SEND THEIR CHILDREN TO BAD SCHOOLS

(Ms. DUNN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DUNN. Mr. Speaker, last week, right on this House floor, I was disappointed to hear a distinguished Member of the other side of the aisle say that education savings accounts and school choice would operate at the expense of public schools. I would like to respond to that accusation. The key point is this:

We believe absolutely, based on 200 years of evidence, that competition forces excellence, it forces improvement in quality, and it forces innovation. In many parts of our country it is very important to improve the public school system.

Second, we believe it is unfair to force parents who love their children to send them to a bad school simply because they cannot afford to send them someplace else.

While some continue to defend failed schools and ask for more money and create more Washington Federal programs, we have a better idea. We favor giving parents more choice. Now, some parents have unlimited choices as to where they can send their children to school, but some do not. They do not because they are poor or they face other financial constraints, and so sometimes they have no choice but to send their child to a bad school where they are not even safe.

All we want to do is give them a chance at a truly great education.

SCARING SENIORS

(Mr. GREEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GREEN. Mr. Speaker, there is a special place in hell for people in groups who scare seniors to raise money. Senior citizens all over the country receive dozens of letters a week, mass mailings from supposedly nonpartisan groups that confuse and frighten seniors in asking for their money to save Medicare and Social Security, letters like this one from some group called the United Senior' Association.

This last week I had a senior citizen calling me after he got this letter and literally crying because he could not afford to send the money, and he wanted to make sure he could still have Medicare. After a while I think senior citizens groups and senior citizens become convinced the sky is falling from some of these groups.

I represent a blue collar district, and I know that our seniors cannot afford to send $10, $15, $20 to these groups in Washington, DC or Virginia. While many of these groups are run by partisan groups, some by Democrats, some by Republicans, Republicans are not amused. In fact, I saw a dear colleague this week from my colleague the gentleman from California [Mr. THOMAS]. He had his own problems with these mailing list groups on the subject of Medicare private contracting. Admittedly, he and I come from different points of view, but we share the same problem from some of these groups.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1366 AND H.R. 600.

Mr. PETERSON of Minnesota. Mr. Speaker, I ask unanimous consent to remove my name as a cosponsor of H.R. 1366 and of H.R. 600.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from Minnesota?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

A first group of such rollcall votes, if postponed, will be taken after debate has concluded on H.R. 2631, and a second group of such rollcall votes, if later postponed, will be taken after the debate has been concluded on those remaining motions to suspend the rules.

AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION REAUTHORIZATION ACT OF 1997

Mr. SMITH of Oregon. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2534) to reform, extend, and repeal certain agricultural research, extension, and education programs, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2534

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Agricultural Research, Extension, and Education Reauthorization Act of 1997".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—COORDINATION, PLANNING, AND DEFINITIONS REGARDING AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION

Sec. 101. Priorities and management principles for federally supported and conducted agricultural research, education, and extension.
Sec. 102. Principal definitions regarding agricultural research, education, and extension.
Sec. 103. Consultation with National Agricultural Research, Extension, Education, and Economics Advisory Board.
Sec. 104. Relevance and merit of federally funded agricultural research, extension, and education.
Sec. 105. Expansion of authority to enter into cost-reimbursable agreements.
Sec. 106. Evaluation and assessment of agricultural research, extension, and education programs.

TITLE II—REFORM OF EXISTING RESEARCH, EXTENSION, AND EDUCATION AUTHORITIES

Subtitle A—Smith-Lever Act and Hatch Act of 1887

Sec. 201. Adoption of short titles for Smith-Lever Act and Hatch Act of 1887.
Sec. 202. Consistent matching funds requirements under Hatch Act of 1887 and Smith-Lever Act.

Sec. 203. Plans of work to address critical research and extension issues and use of protocols to measure success of plans.

Subtitle B—National Agricultural Research, Extension, and Teaching Policy Act of 1977

Sec. 211. Plans of work for 1890 land-grant colleges to address critical research and extension issues and use of protocols to measure success of plans.
Sec. 212. Matching funds requirement for research and extension activities at 1890 land-grant colleges, including Tuskegee University.
Sec. 213. International research, extension, and teaching.
Sec. 214. Task force on 10-year strategic plan for agricultural research facilities.

Subtitle C—Food, Agriculture, Conservation, and Trade Act of 1990

Sec. 231. Agricultural genome initiative.

Subtitle D—National Research Initiative

Sec. 241. Waiver of matching requirement for certain small colleges and universities.

Subtitle E—Other Existing Laws

Sec. 251. Findings, authorities, and competitive research grants under Forest and Rangeland Renewable Resources Research Act of 1978.

TITLE III—EXTENSION OR REPEAL OF RESEARCH, EXTENSION, AND EDUCATION INITIATIVES

Subtitle A—Extensions

Sec. 301. National Research Initiative under Competitive, Special, and Facilities Research Grant Act.
Sec. 302. Equity in Educational Land-Grant Status Act of 1994.
Sec. 303. Education grants programs for Hispanic-serving institutions.
Sec. 304. General authorization for agricultural research programs.
Sec. 305. General authorization for extension education.
Sec. 306. Grants and fellowships for food and agricultural sciences education.
Sec. 307. Grants for research on the production and marketing of alcohols and industrial hydrocarbons from agricultural commodities and forest products.
Sec. 308. Policy research centers.
Sec. 309. Human nutrition intervention and health promotion research program.
Sec. 310. Pilot research program to combine medical and agricultural research.
Sec. 311. Food and nutrition education program.
Sec. 312. Animal health and disease continuing research.
Sec. 313. Animal health and disease national or regional research.
Sec. 314. Grant program to upgrade agricultural and food sciences facilities at 1890 land-grant colleges.
Sec. 315. National research and training centennial centers.
Sec. 316. Supplemental and alternative crops research.
Sec. 317. Aquaculture research and extension.
Sec. 318. Rangeland research.
Sec. 319. Federal agricultural research facilities.
Sec. 320. Water quality research, education, and coordination.
Sec. 321. National genetics resources program.
Sec. 322. Agricultural telecommunications program.
Sec. 323. Assistive technology program for farmers with disabilities.
Sec. 324. National Rural Information Center Clearinghouse.
Sec. 325. Critical Agricultural Materials Act.

Subtitle B—Repeals

Sec. 341. Aquaculture research facilities.
Sec. 342. Agricultural research program under National Agricultural Research, Extension, and Teaching Policy Act Amendments of 1981.
Sec. 343. Livestock product safety and inspection program.
Sec. 344. Generic authorization of appropriations.

TITLE IV—NEW RESEARCH, EXTENSION, AND EDUCATION INITIATIVES

Subtitle A—Partnerships for High-Value Agricultural Product Quality Research.

Sec. 401. Definitions.
Sec. 402. Establishment and characteristics of partnerships.
Sec. 403. Elements of grant making process.
Sec. 404. Authorization of appropriations and related provisions.

Subtitle B—Precision Agriculture

Sec. 411. Definitions.
Sec. 412. Competitive grants to promote precision agriculture.
Sec. 413. Reservation of funds for education and information dissemination projects.
Sec. 414. Precision agriculture partnerships.
Sec. 415. Miscellaneous provisions.
Sec. 416. Authorization of appropriations.

Subtitle C—Other Initiatives

Sec. 421. High-priority research and extension initiatives.
Sec. 422. Organic agriculture research and extension initiative.
Sec. 423. United States-Mexico joint agricultural research.
Sec. 424. Competitive grants for international agricultural science and education programs.
Sec. 425. Food animal residue avoidance database program.
Sec. 426. Development and commercialization of new biobased products.
Sec. 427. Thomas Jefferson Initiative for Crop Diversification.
Sec. 428. Integrated research, education, and extension competitive grants program.
Sec. 429. Research grants under Equity in Educational Land-Grant Status Act of 1994.

TITLE V—MISCELLANEOUS PROVISIONS

Sec. 501. Role of Secretary of Agriculture regarding food and agricultural sciences research, education, and extension.
Sec. 502. Office of Pest Management Policy.
Sec. 503. Food Safety Research Information Office and national conference.
Sec. 504. Nutrient composition data.
Sec. 505. Availability of funds received or collected on behalf of National Arboretum.
Sec. 506. Retention and use of Agricultural Research Service patent culture collection fees.
Sec. 507. Reimbursement of expenses incurred under Sheep Promotion, Research, and Information Act of 1994.
Sec. 508. Designation of Kika de la Garza Subtropical Agricultural Research Center, Weslaco, Texas.
Sec. 509. Sense of Congress regarding Agricultural Research Service emphasis on in field research regarding methyl bromide alternatives.
Sec. 510. Sense of Congress regarding importance of school-based agricultural education.
Sec. 511. Sense of Congress regarding designation of Department Crisis Management Team.

TITLE I—COORDINATION, PLANNING, AND DEFINITIONS REGARDING AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION

SEC. 101. PRIORITIES AND MANAGEMENT PRINCIPLES FOR FEDERALLY SUPPORTED AND CONDUCTED AGRICULTURAL RESEARCH, EDUCATION, AND EXTENSION.

(a) PRIORITY SETTING PROCESS.—Section 1402 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3101) is amended—

(1) by inserting "(a) PURPOSES.—" before "The purposes"; and

(2) by adding at the end the following new subsection:

"(b) PRIORITY SETTING PROCESS.—Consistent with subsection (a), the Secretary shall establish priorities for agricultural research, extension, and education activities conducted or funded by the Department. In establishing such priorities, the Secretary shall solicit and consider input and recommendations from the Advisory Board and persons who conduct or use agricultural research, extension, or education.".

(b) MANAGEMENT PRINCIPLES.—Such section is further amended by adding after subsection (b), as added by subsection (a)(2), the following new subsection:

"(c) MANAGEMENT PRINCIPLES.—To the maximum extent practicable, the Secretary shall ensure that agricultural research, education, and extension activities conducted or funded by the Department are accomplished in a manner that—

"(1) integrates agricultural research, education, and extension functions to better link research to technology transfer and information dissemination activities;

"(2) encourages multi-State and multi-institutional programs to address relevant issues of common concern and to better leverage scarce resources; and

"(3) achieves agricultural research, education, and extension objectives through multi-institutional and multifunctional approaches and by conducting research at facilities and institutions best equipped to achieve those objectives.".

(c) CLERICAL AMENDMENT.—The heading of such section is amended by inserting ", **PRIORITIES, AND MANAGEMENT PRINCIPLES**" after "**PURPOSES**".

SEC. 102. PRINCIPAL DEFINITIONS REGARDING AGRICULTURAL RESEARCH, EDUCATION, AND EXTENSION.

(a) FOOD AND AGRICULTURAL SCIENCES.—Paragraph (8) of section 1404 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103) is amended to read as follows:

"(8) FOOD AND AGRICULTURAL SCIENCES.—The term 'food and agricultural sciences' means basic, applied, and developmental research, extension, and teaching activities in food and fiber, agricultural, renewable natural resources, forestry, and physical and social sciences, including (but not limited to) activities relating to the following:

"(A) Animal health, production, and well-being.

"(B) Plant health and production.

"(C) Animal and plant germ plasm collection and preservation.

"(D) Aquaculture.

"(E) Food safety.

"(F) Soil and water conservation and improvement.

"(G) Forestry, horticulture, and range management.

"(H) Nutritional sciences and promotion.

"(I) Farm enhancement, including financial management, input efficiency, and profitability.

"(J) Home economics.

"(K) Rural human ecology.

"(L) Youth development and agricultural education, including 4-H.

"(M) Expansion of domestic and international markets for agricultural commodities and products, including agricultural trade barrier identification and comprehension.

"(N) Information management and technology transfer related to agriculture.

"(O) Biotechnology related to agriculture.".

(b) REFERENCES TO TEACHING OR EDUCATION.—Paragraph (14) of such section is amended by striking "the term 'teaching' means" and inserting "TEACHING AND EDUCATION.—The terms 'teaching' and 'education' mean".

(c) APPLICATION OF DEFINITIONS TO AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION.—Such section is further amended by striking the section heading and all that follows through the matter preceding paragraph (1) and inserting the following:

"SEC. 1404. PRINCIPAL DEFINITIONS REGARDING AGRICULTURAL RESEARCH, EDUCATION, AND EXTENSION.

"When used in this title or any other law relating to any research, extension, or education activities of the Department of Agriculture regarding the food and agricultural sciences (unless the context requires otherwise):".

(d) IN-KIND SUPPORT.—Such section is further amended by adding at the end the following new paragraph:

"(18) IN-KIND SUPPORT.—The term 'in-kind support', with regard to a requirement that the recipient of funds provided by the Secretary match all or some portion of the amount of the funds, means contributions such as office space, equipment, and staff support.".

(e) CONFORMING AMENDMENTS.—Such section is further amended—

(1) by striking "the term" in paragraphs (1), (2), (3), (5), (6), (7), (10) through (13), and (15), (16), and (17) and inserting "The term";

(2) in paragraph (4), by striking "the terms" and inserting "The terms";

(3) in paragraph (9), by striking "the term" the first place it appears and inserting "The term";

(4) by striking the semicolon at the end of paragraphs (1) through (7) and (9) through (15) and inserting a period; and

(5) in paragraph (16)(F), by striking "; and" and inserting a period.

SEC. 103. CONSULTATION WITH NATIONAL AGRICULTURAL RESEARCH, EXTENSION, EDUCATION, AND ECONOMICS ADVISORY BOARD.

Subsection (d) of section 1408 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123) is amended to read as follows:

"(d) CONSULTATION.—

"(1) AS AFFECTING ADVISORY BOARD.—In carrying out this section, the Advisory Board shall solicit opinions and recommendations from persons who will benefit from and use federally funded agricultural research, extension, education, and economics.

"(2) AS AFFECTING SECRETARY.—To comply with a provision of this title or any other law that requires the Secretary to consult or cooperate with the Advisory Board or that authorizes the Advisory Board to submit recommendations to the Secretary, the Secretary shall—

"(A) solicit the written opinions and recommendations of the Advisory Board; and

"(B) provide a written response to the Advisory Board regarding the manner and extent to which the Secretary will implement recommendations submitted by the Advisory Board.".

SEC. 104. RELEVANCE AND MERIT OF FEDERALLY FUNDED AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION.

(a) REVIEW OF RELEVANCE AND MERIT.—Subtitle K of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 is amended by inserting before section 1463 (7 U.S.C. 3311) the following new section:

"SEC. 1461. RELEVANCE AND MERIT OF FEDERALLY FUNDED AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION.

"(a) REVIEW OF COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE.—

"(1) PEER REVIEW OF RESEARCH GRANTS.—The Secretary shall establish procedures that provide for scientific peer review of each agricultural research grant administered, on a competitive basis, by the Cooperative State Research, Education, and Extension Service of the Department.

"(2) MERIT REVIEW OF EXTENSION AND EDUCATION.—The Secretary shall establish procedures that provide for merit review of each agricultural extension or education grant administered, on a competitive basis, by the Cooperative State Research, Education, and Extension Service. The Secretary shall consult with the Advisory Board in establishing such merit review procedures.

"(b) REQUESTS FOR PROPOSALS: REQUEST AND CONSIDERATION OF INPUT.—When formulating a request for proposals involving an agricultural research, extension, or education activity to be funded by the Secretary on a competitive basis, the Secretary shall solicit and consider input from the Advisory Board and users of agricultural research, extension, and education regarding the request for proposals for the preceding year. If an agricultural research, extension, or education activity has not been the subject of a previous request for proposals, the Secretary shall solicit and consider input from the Advisory Board and users of agricultural research, extension, and education before publication of the first request for proposals regarding the activity.

"(c) SCIENTIFIC PEER REVIEW OF AGRICULTURAL RESEARCH.—

"(1) PEER REVIEW PROCEDURES.—The Secretary shall establish procedures that ensure scientific peer review of all research activities conducted by the Department of Agriculture.

"(2) REVIEW PANEL REQUIRED.—As part of the procedures established under paragraph (1), a review panel shall verify, at least once every three years, that each research activity of the Department and research conducted under each research program of the Department have scientific merit and relevance. If the research activity or program to be reviewed is included in the research, educational, and economics mission area of the Department, the review panel shall consider—

"(A) the scientific merit and relevance of the activity or research in light of the priorities established pursuant to section 1402(b) ; and

"(B) the national or multi-State significance of the activity or research.

"(3) COMPOSITION OF REVIEW PANEL.—A review panel shall be composed of individuals with scientific expertise, a majority of whom are not employees of the agency whose research is being reviewed. To the extent possible, the Secretary shall use scientists from colleges and universities to serve on the review panels.

"(4) SUBMISSION OF RESULTS.—The results of the panel reviews shall be submitted to the Advisory Board.

"(5) APPLICABILITY OF OTHER LAWS.—The Federal Advisory Committee Act (5 U.S.C. App.) and title XVIII of this Act (7 U.S.C. 2281 et seq.) shall not apply to a review panel.

"(d) MERIT REVIEW OF COLLEGE AND UNIVERSITY RESEARCH AND EXTENSION ACTIVITIES.—

"(1) LAND-GRANT INSTITUTIONS.—Effective beginning October 1, 1998, to be eligible to obtain agricultural research or extension funds from the Secretary for an activity, a land-grant college or university shall—

"(A) establish a process for merit review of the activity; and

"(B) review the activity in accordance with the process.

"(2) 1994 INSTITUTIONS.—Effective beginning October 1, 1998, to obtain agricultural extension funds from the Secretary for an activity, each 1994 Institution (as defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (Public Law 103–382; 7 U.S.C. 301 note)) shall—

"(A) establish a process for merit review of the activity; and

"(B) review the activity in accordance with the process.".

(b) REPEAL OF PROVISIONS FOR WITHHOLDING FUNDS.—

(1) SMITH-LEVER ACT.—Section 6 of the Smith-Lever Act (7 U.S.C. 346) is repealed.

(2) HATCH ACT OF 1887.—Section 7 of the Hatch Act of 1887 (7 U.S.C. 361g) is amended by striking the last paragraph.

(3) NATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING POLICY ACT OF 1977.—The National Agricultural Research, Extension, and Teaching Policy Act of 1977 is amended—

(A) in section 1444 (7 U.S.C. 3221)—

(i) by striking subsection (f); and

(ii) by redesignating subsection (g) as subsection (f);

(B) in section 1445(g) (7 U.S.C. 3222(g)), by striking paragraph (3); and

(C) by striking section 1468 (7 U.S.C. 3314).

SEC. 105. EXPANSION OF AUTHORITY TO ENTER INTO COST-REIMBURSABLE AGREEMENTS.

Section 1473A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319a) is amended in the first sentence by inserting "or other colleges and universities" after "institutions".

SEC. 106. EVALUATION AND ASSESSMENT OF AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION PROGRAMS.

(a) EVALUATION.—The Secretary shall conduct a performance evaluation to determine whether agricultural research, extension, and education programs conducted or funded by the Department of Agriculture result in public benefits that have national or multi-State significance.

(b) GUIDELINES FOR PERFORMANCE MEASUREMENT.—The Secretary shall develop practical guidelines for measuring the performance of agricultural research, extension and education programs evaluated under subsection (a).

TITLE II—REFORM OF EXISTING RESEARCH, EXTENSION, AND EDUCATION AUTHORITIES

Subtitle A—Smith-Lever Act and Hatch Act of 1887

SEC. 201. ADOPTION OF SHORT TITLES FOR SMITH-LEVER ACT AND HATCH ACT OF 1887.

(a) SMITH-LEVER ACT.—The Act of May 8, 1914 (commonly known as the Smith-Lever Act; 7 U.S.C. 341 et seq.), is amended by adding at the end the following new section:

"SEC. 11. SHORT TITLE.

"This Act may be cited as the 'Smith-Lever Act'.".

(b) HATCH ACT OF 1887.—The Act of March 2, 1887 (commonly known as the Hatch Act of 1887; 7 U.S.C. 361a et seq.), is amended by adding at the end the following new section:

"SEC. 10. SHORT TITLE.

"This Act may be cited as the 'Hatch Act of 1887'.".

(c) COORDINATION WITH OTHER AMENDMENTS.—For purposes of executing amendments made by provisions of this Act (other than this section), this section shall be treated as having been enacted immediately before the other provisions of this Act.

SEC. 202. CONSISTENT MATCHING FUNDS REQUIREMENTS UNDER HATCH ACT OF 1887 AND SMITH-LEVER ACT.

(a) HATCH ACT OF 1887.—Subsection (d) of section 3 of the Hatch Act of 1887 (7 U.S.C. 361c) is amended to read as follows:

"(d) MATCHING FUNDS.—

"(1) REQUIREMENT.—Except as provided in paragraph (4), no allotment shall be made to a State under subsections (b) and (c), and no payments of such allotment shall be made to a State, in excess of the amount which the State makes available out of non-Federal funds for agricultural research and for the establishment and maintenance of facilities for the performance of such research.

"(2) FAILURE TO PROVIDE MATCHING FUNDS.—If a State fails to comply with the requirement to provide matching funds for a fiscal year under paragraph (1), the Secretary of Agriculture shall withhold from payment to the State for that fiscal year an amount equal to the difference between—

"(A) the amount that would be allotted and paid to the State under subsections (b) and (c) (if the full amount of matching funds were provided by the State); and

"(B) the amount of matching funds actually provided by the State.

"(3) REAPPORTIONMENT.—The Secretary shall reapportion amounts withheld under paragraph (2) for a fiscal year among the States satisfying the matching requirement for that fiscal year. Any reapportionment of funds under this paragraph shall be subject to the matching requirement specified in paragraph (1).

"(4) EXCEPTION.—Paragraph (1) shall not apply to funds provided to a State from the Regional research fund, State agricultural experiment stations.".

(b) SMITH-LEVER ACT.—Section 3 of the Smith-Lever Act (7 U.S.C. 343) is amended—

(1) in subsection (c)2, by striking "That payments" and all that follows through "*Provided further,*"; and

(2) by striking subsections (e) and (f) and inserting the following new subsections:

"(e) MATCHING FUNDS.—

"(1) REQUIREMENT.—No allotment shall be made to a State under subsections (b) and (c), and no payments of such allotment shall be made to a State, in excess of the amount which the State makes available out of non-Federal funds for cooperative extension work.

"(2) FAILURE TO PROVIDE MATCHING FUNDS.—If a State fails to comply with the requirement to provide matching funds for a fiscal year under paragraph (1), the Secretary of Agriculture shall withhold from payment to the State for that fiscal year an amount equal to the difference between—

"(A) the amount that would be allotted and paid to the State under subsections (b) and (c) (if the full amount of matching funds were provided by the State); and

"(B) the amount of matching funds actually provided by the State.

"(3) REAPPORTIONMENT.—The Secretary shall reapportion amounts withheld under paragraph (2) for a fiscal year among the States satisfying the matching requirement for that fiscal year. Any reapportionment of funds under this paragraph shall be subject to the matching requirement specified in paragraph (1).

"(f) MATCHING FUNDS EXCEPTION FOR 1994 INSTITUTIONS.—There shall be no matching requirement for funds made available to 1994 Institutions pursuant to subsection (b)(3).".

(c) TECHNICAL CORRECTIONS.—

(1) RECOGNITION OF STATEHOOD OF ALASKA AND HAWAII.—Section 1 of the Hatch Act of 1887 (7 U.S.C. 361a) is amended by striking "Alaska, Hawaii,".

(2) ROLE OF SECRETARY OF AGRICULTURE.—Section 3 of the Smith-Lever Act (7 U.S.C. 343) is amended—

(A) in subsection (b)(1), by striking "Federal Extension Service" and inserting "Secretary of Agriculture";

(B) in subsection (c)1, by striking "Federal Extension Service" and inserting "Secretary of Agriculture";

(C) in subsection (d), by striking "Federal Extension Service" and inserting "Secretary of Agriculture"; and

(D) in subsection (g)(1), by striking "through the Federal Extension Service".

(3) REFERENCES TO REGIONAL RESEARCH FUND.—The Hatch Act of 1887 is amended—

(A) in section 3 (7 U.S.C. 361c)—

(i) in subsection (b)(1), by striking "subsection 3(c)(3)" and inserting "subsection (c)3"; and

(ii) in subsection (e), by striking "subsection 3(c)3" and inserting "subsection (c)3"; and

(B) in section 5 (7 U.S.C. 361e), by striking "regional research fund authorized by subsection 3(c)(3)" and inserting "Regional research fund, State agricultural experiment stations".

SEC. 203. PLANS OF WORK TO ADDRESS CRITICAL RESEARCH AND EXTENSION ISSUES AND USE OF PROTOCOLS TO MEASURE SUCCESS OF PLANS.

(a) SMITH-LEVER ACT.—Section 4 of the Smith-Lever Act (7 U.S.C. 344) is amended—

(1) by striking "SEC. 4." and inserting the following:

"SEC. 4. ASCERTAINMENT OF ENTITLEMENT OF STATE TO FUNDS, TIME AND MANNER OF PAYMENT, STATE REPORTING REQUIREMENTS, AND PLANS FOR WORK.

"(a) ASCERTAINMENT OF ENTITLEMENT.—";

(2) in the last sentence, by striking "Such sums" and inserting the following:

"(b) TIME AND MANNER OF PAYMENT; RELATED REPORTS.—The amount to which a State is entitled"; and

(3) by adding at the end the following new subsections:

"(c) REQUIREMENTS RELATED TO PLAN OF WORK.—Each extension plan of work for a State required under subsection (a) shall contain descriptions of the following:

"(1) The critical short-term, intermediate, and long-term agricultural issues in the State and the current and planned extension programs and projects targeted to address such issues.

"(2) The process established to consult with extension users regarding the identification of critical agricultural issues in the State and the development of extension programs and projects targeted to address such issues.

"(3) The efforts made to identify and collaborate with other colleges and universities within the State and other States that have unique capacity to address the identified agricultural issues in the State and current and emerging efforts to work with these other institutions and States.

"(4) The manner in which research and extension, including research and extension activities funded other than through formula funds, will cooperate to address the critical issues in the State, including the activities to be carried out separately, the activities to be carried out sequentially, and the activities to be carried out jointly.

"(5) The education and outreach programs already underway to convey currently available research results that are pertinent to a critical agricultural issue, including efforts to encourage multi-county cooperation in the dissemination of research results.

"(d) EXTENSION PROTOCOLS.—The Secretary of Agriculture shall develop protocols to be used to evaluate the success of multi-State, multi-institutional, and multidisciplinary extension activities and joint research and extension activities in addressing critical agricultural issues identified in the plans of work submitted under subsection (a). The Secretary shall develop the protocols in consultation with the National Agricultural Research, Extension, Education, and Economics Advisory Board and land-grant colleges and universities.

"(e) TREATMENT OF PLANS OF WORK FOR OTHER PURPOSES.—To the extent practicable, the Secretary shall consider plans of work submitted under subsection (a) to satisfy other appropriate Federal reporting requirements.".

(b) HATCH ACT OF 1887.—Section 7 of the Hatch Act of 1887 (7 U.S.C. 361g), as amended by section 104(b), is further amended—

(1) by striking "SEC. 7." and inserting the following:

"SEC. 7. DUTIES OF SECRETARY, ASCERTAINMENT OF ENTITLEMENT OF STATE TO FUNDS, AND PLANS FOR WORK.

"(a) DUTIES OF SECRETARY.—";

(2) by striking "On or before" and inserting the following:

"(b) ASCERTAINMENT OF ENTITLEMENT.—On or before";

(3) by striking "Whenever it shall appear" and inserting the following:

"(c) EFFECT OF FAILURE TO EXPEND FULL ALLOTMENT.—Whenever it shall appear"; and

(4) by adding at the end the following new subsections:

"(d) PLAN OF WORK REQUIRED.—Before funds may be provided to a State under this Act for any fiscal year, plans for the work to be carried on under this Act shall be submitted by the proper officials of the State and approved by the Secretary of Agriculture.

"(e) REQUIREMENTS RELATED TO PLAN OF WORK.—Each research plan of work for a State required under subsection (d) shall contain descriptions of the following:

"(1) The critical short-term, intermediate, and long-term agricultural issues in the State and the current and planned research programs and projects targeted to address such issues.

"(2) The process established to consult with users of agricultural research regarding the identification of critical agricultural issues in the State and the development of research programs and projects targeted to address such issues.

"(3) The efforts made to identify and collaborate with other colleges and universities within the State and other States that have unique capacity to address the identified agricultural issues in the State and current and emerging efforts (including regional efforts) to work with these other institutions and States.

"(4) The manner in which research and extension, including research and extension activities funded other than through formula funds, will cooperate to address the critical issues in the State, including the activities to be carried out separately, the activities to be carried out sequentially, and the activities to be carried out jointly.

"(f) RESEARCH PROTOCOLS.—The Secretary of Agriculture shall develop protocols to be used to evaluate the success of multi-State, multi-institutional, and multidisciplinary research activities and joint research and extension activities in addressing critical agricultural issues identified in the plans of work submitted under subsection (d). The Secretary shall develop the protocols in consultation with the National Agricultural Research, Extension, Education, and Economics Advisory Board and land-grant colleges and universities.

"(g) TREATMENT OF PLANS OF WORK FOR OTHER PURPOSES.—To the extent practicable, the Secretary shall consider plans of work submitted under subsection (d) to satisfy other appropriate Federal reporting requirements.".

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on October 1, 1998.

(2) DELAYED APPLICABILITY.—With respect to a particular State, the Secretary of Agriculture may delay the applicability of the requirements imposed by the amendments made by this section until not later than October 1, 1999, if the Secretary finds that the State will be unable to meet such requirements by October 1, 1998, despite the good faith efforts of the State.

Subtitle B—National Agricultural Research, Extension, and Teaching Policy Act of 1977

SEC. 211. PLANS OF WORK FOR 1890 LAND-GRANT COLLEGES TO ADDRESS CRITICAL RESEARCH AND EXTENSION ISSUES AND USE OF PROTOCOLS TO MEASURE SUCCESS OF PLANS.

(a) EXTENSION AT 1890 INSTITUTIONS.—Section 1444(d) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3221(d)) is amended—

(1) by striking "(d)" and inserting the following:

"(d) ASCERTAINMENT OF ENTITLEMENT TO FUNDS; TIME AND MANNER OF PAYMENT; STATE REPORTING REQUIREMENTS; AND PLANS FOR WORK.—

"(1) ASCERTAINMENT OF ENTITLEMENT.—";

(2) in the last sentence, by striking "Such sums" and inserting the following:

"(2) TIME AND MANNER OF PAYMENT; RELATED REPORTS.—The amount to which an eligible institution is entitled"; and

(3) by adding at the end the following new paragraphs:

"(3) REQUIREMENTS RELATED TO PLAN OF WORK.—Each extension plan of work for an eligible institution required under this section shall contain descriptions of the following:

"(A) The critical short-term, intermediate, and long-term agricultural issues in the State in which the eligible institution is located and the current and planned extension programs and projects targeted to address such issues.

"(B) The process established to consult with extension users regarding the identification of critical agricultural issues in the State and the development of extension programs and projects targeted to address such issues.

"(C) The efforts made to identify and collaborate with other colleges and universities within the State and other States that have unique capacity to address the identified agricultural issues in the State and current and emerging efforts (including regional research efforts) to work with these other institutions and States.

"(D) The manner in which research and extension, including research and extension activities funded other than through formula funds, will cooperate to address the critical issues in the State, including the activities to be carried out separately, the activities to be carried out sequentially, and the activities to be carried out jointly.

"(E) The education and outreach programs already underway to convey currently available research results that are pertinent to a critical agricultural issue, including efforts to encourage multi-county cooperation in the dissemination of research results.

"(4) EXTENSION PROTOCOLS.—The Secretary of Agriculture shall develop protocols to be used to evaluate the success of multi-State, multi-institutional, and multidisciplinary extension activities and joint research and extension activities in addressing critical agricultural issues identified in the plans of work submitted under this section. The Secretary shall develop the protocols in consultation with the Advisory Board and land-grant colleges and universities.

"(5) TREATMENT OF PLANS OF WORK FOR OTHER PURPOSES.—To the extent practicable, the Secretary shall consider plans of work submitted under this section to satisfy other appropriate Federal reporting requirements.".

(b) AGRICULTURAL RESEARCH AT 1890 INSTITUTIONS.—Section 1445(c) of such Act (7 U.S.C. 3222(c)) is amended—

(1) by striking "(c)" and inserting the following:

"(c) PROGRAM AND PLANS FOR WORK.—

"(1) INITIAL COMPREHENSIVE PROGRAM OF AGRICULTURAL RESEARCH.—"; and

(2) by adding at the end the following new paragraphs:

"(2) PLAN OF WORK REQUIRED.—Before funds may be provided to an eligible institution under this section for any fiscal year, plans for the work to be carried on under this section shall be submitted by the research director specified in subsection (d) and approved by the Secretary of Agriculture.

"(3) REQUIREMENTS RELATED TO PLAN OF WORK.—Each research plan of work required under paragraph (2) shall contain descriptions of the following:

"(A) The critical short-term, intermediate, and long-term agricultural issues in the State in which the eligible institution is located and the current and planned research programs and projects targeted to address such issues.

"(B) The process established to consult with users of agricultural research regarding the identification of critical agricultural issues in the State and the development of research programs and projects targeted to address such issues.

"(C) Other colleges and universities in the State and other States that have unique capacity to address the identified agricultural issues in the State.

"(D) The current and emerging efforts to work with these other institutions and States to build on each other's experience and take advantage of each institution's unique capacities.

"(E) The manner in which research and extension, including research and extension activities funded other than through formula funds, will cooperate to address the critical issues in the State, including the activities to be carried out separately, the activities to be carried out sequentially, and the activities to be carried out jointly.

"(4) RESEARCH PROTOCOLS.—The Secretary of Agriculture shall develop protocols to be used to evaluate the success of multi-State, multi-institutional, and multidisciplinary research activities and joint research and extension activities in addressing critical agricultural issues identified in the plans of work submitted under paragraph (2). The Secretary shall develop the protocols in consultation with the Advisory Board and land-grant colleges and universities.".

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on October 1, 1998.

(2) DELAYED APPLICABILITY.—With respect to a particular eligible institution (as described in sections 1444(a) and 1445(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3221(a), 3222(a))), the Secretary of Agriculture may delay the applicability of the requirements imposed by the amendments made by this section until not later than October 1, 1999, if the Secretary finds that the eligible institution will be unable to meet such requirements by October 1, 1998, despite the good faith efforts of the eligible institution.

SEC. 212. MATCHING FUNDS REQUIREMENT FOR RESEARCH AND EXTENSION ACTIVITIES AT 1890 LAND-GRANT COLLEGES, INCLUDING TUSKEGEE UNIVERSITY.

(a) IMPOSITION OF REQUIREMENT.—Subtitle G of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 is amended by inserting after section 1448 (7 U.S.C. 3222c) the following new section:

"SEC. 1449. MATCHING FUNDS REQUIREMENT FOR RESEARCH AND EXTENSION ACTIVITIES AT ELIGIBLE INSTITUTIONS.

"(a) DEFINITIONS.—In this section:

"(1) ELIGIBLE INSTITUTION.—The term 'eligible institution' means a college eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321 et seq.) (commonly known as the Second Morrill Act), including Tuskegee University.

"(2) FORMULA FUNDS.—The term 'formula funds' means the formula allocation funds distributed to eligible institutions under sections 1444 and 1445.

"(b) DETERMINATION OF NON-FEDERAL SOURCES OF FUNDS.—Not later than September 30, 1999, each eligible institution shall submit to the Secretary a report describing for fiscal year 1999 the sources of non-Federal funds available to the eligible institution and the amount of funds generally available from each such source.

"(c) MATCHING FORMULA.—Notwithstanding any other provision of this subtitle, the distribution of formula funds to an eligible institution shall be subject to the following matching requirements:

"(1) In fiscal year 2000, the institution shall provide matching funds from non-Federal sources in an amount equal to not less than 30 percent of the formula funds to be distributed to the eligible institution.

"(2) In fiscal year 2001, the institution shall provide matching funds from non-Federal sources in an amount equal to not less than 45 percent of the formula funds to be distributed to the eligible institution.

"(3) In fiscal year 2002, and each fiscal year thereafter, the institution shall provide matching funds from non-Federal sources in an amount equal to not less than 50 percent of the formula funds to be distributed to the eligible institution.

"(d) LIMITED WAIVER AUTHORITY.—Notwithstanding subsection (f), the Secretary may waive the matching funds requirement under subsection (c)(1) for fiscal year 2000 if the Secretary determines with regard to a particular eligible institution, based on the report received under subsection (b), that the eligible institution will be unlikely to satisfy the matching requirement. The waiver of the matching requirements for subsequent fiscal years is not permitted.

"(e) USE OF MATCHING FUNDS.—Under terms and conditions established by the Secretary, matching funds provided as required by subsection (c) may be used by an eligible institution for research, education, and extension activities.

"(f) REDISTRIBUTION OF FUNDS.—Federal funds that are not matched by an eligible institution in accordance with subsection (c) for a fiscal year shall be redistributed by the Secretary to eligible institutions satisfying the matching funds requirement for that fiscal year. Any redistribution of funds under this subsection shall be subject to the applicable matching requirement specified in subsection (c) and shall be made in a manner consistent with sections 1444 and 1445, as determined by the Secretary.".

(b) CONFORMING AMENDMENT.—Section 1445(g) of such Act (7 U.S.C. 3222(g)) is amended—

(1) by striking paragraph (2); and

(2) by redesignating paragraph (4) as paragraph (2).

(c) REFERENCES TO TUSKEGEE UNIVERSITY.—Such Act is further amended—

(1) in section 1404 (7 U.S.C. 3103), by striking "Tuskegee Institute" in paragraphs (10) and (16)(B) and inserting "Tuskegee University";

(2) in section 1444 (7 U.S.C. 3221)—

(A) by striking the section heading and "SEC. 1444." and inserting the following:

"SEC. 1444. EXTENSION AT 1890 LAND-GRANT COLLEGES, INCLUDING TUSKEGEE UNIVERSITY."; and

(B) in subsections (a) and (b), by striking "Tuskegee Institute" both places it appears and inserting "Tuskegee University"; and

(3) in section 1445 (7 U.S.C. 3222)—

(A) by striking the section heading and "SEC. 1445." and inserting the following:

"SEC. 1445. AGRICULTURAL RESEARCH AT 1890 LAND-GRANT COLLEGES, INCLUDING TUSKEGEE UNIVERSITY."; and

(B) in subsections (a) and (b)(2)(B), by striking "Tuskegee Institute" both places it appears and inserting "Tuskegee University".

SEC. 213. INTERNATIONAL RESEARCH, EXTENSION, AND TEACHING.

(a) INCLUSION OF TEACHING.—Section 1458 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3291) is amended—

(1) in the section heading, by striking "**RESEARCH AND EXTENSION**" and inserting "**RESEARCH, EXTENSION, AND TEACHING**";

(2) in subsection (a)—

(A) in paragraph (1)—

(i) by striking "related research and extension" and inserting "related research, extension, and teaching"; and

(ii) in subparagraph (B), by striking "research and extension on" and inserting "research, extension, and teaching activities addressing";

(B) in paragraphs (2) and (6), by striking "education" and inserting "teaching";

(C) in paragraph (4), by striking "scientists and experts" and inserting "science and education experts";

(D) in paragraph (5), by inserting "teaching," after "development,";

(E) in paragraph (7), by striking "research and extension that is" and inserting "research, extension, and teaching programs"; and

(F) in paragraph (8), by striking "research capabilities" and inserting "research, extension, and teaching capabilities"; and

(3) in subsection (b), by striking "counterpart agencies" and inserting "counterpart research, extension, and teaching agencies".

(b) FULL PAYMENT OF FUNDS MADE AVAILABLE FOR CERTAIN BINATIONAL PROJECT.—Such section is further amended by adding at the end the following new subsection:

"(d) FULL PAYMENT OF FUNDS MADE AVAILABLE FOR CERTAIN BINATIONAL PROJECTS.—Notwithstanding any other provision of law, the full amount of any funds appropriated or otherwise made available to carry out cooperative projects under the arrangement entered into between the Secretary and the Government of Israel to support the Israel-United States Binational Agricultural Research and Development Fund shall be paid directly to the Fund.".

(c) CONFORMING AMENDMENT.—The subtitle heading of subtitle I of title XIV of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3291 et seq.) is amended to read as follows:

"Subtitle I—International Research, Extension, and Teaching".

SEC. 214. TASK FORCE ON 10-YEAR STRATEGIC PLAN FOR AGRICULTURAL RESEARCH FACILITIES.

(a) TRANSFER OF EXISTING PROVISION.—Section 4 of the Research Facilities Act (7 U.S.C. 390b)—

(1) is transferred to the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3101 et seq.);

(2) is redesignated as section 1473B;

(3) is inserted after section 1473A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319a); and

(4) is amended in subsection (f), by striking "Notwithstanding section 2(1), in" and inserting "In".

(b) CONFORMING REPEAL.—The Research Facilities Act (7 U.S.C. 390 et seq.) is repealed.

Subtitle C—Food, Agriculture, Conservation, and Trade Act of 1990

SEC. 231. AGRICULTURAL GENOME INITIATIVE.

(a) ESTABLISHMENT AND PURPOSE OF INITIATIVE.—Section 1671 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5924) is amended by striking the section heading and subsection (a) and inserting the following:

"SEC. 1671. AGRICULTURAL GENOME INITIATIVE.

"(a) PROGRAM REQUIRED.—The Secretary of Agriculture shall conduct a research initiative for the purpose of—

"(1) supporting basic and applied research and technology development in the area of genome structure and function in support of agriculturally important species, with a particular focus on research projects that will yield scientifically important results that will enhance the usefulness of many agriculturally important species;

"(2) studying and mapping agriculturally significant genes to achieve sustainable and secure agricultural production;

"(3) ensuring that current gaps in existing agricultural genetics knowledge are filled;

"(4) identifying and developing a functional understanding of genes responsible for economically important traits in agriculturally important species, including emerging plant and animal diseases causing economic hardship;

"(5) ensuring the future genetic improvement of agriculturally important species;

"(6) supporting the preservation of diverse germplasm; and

"(7) ensuring the preservation of biodiversity to maintain access to genes that may be of importance in the future.".

(b) COMPETITIVE GRANTS.—Subsection (b) of such section is amended by striking "subsection (c)" and inserting "subsection (a)".

(c) GRANT TYPES AND PROCESS; PROHIBITION ON CONSTRUCTION.—Subsection (c) of such section is amended to read as follows:

"(c) GRANT TYPES AND PROCESS; PROHIBITION ON CONSTRUCTION.—Paragraphs (6), (7), and (11) of subsection (b) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i) shall apply with respect to the making of grants under this section.".

(d) MATCHING FUNDS.—Subsection (d) of such section is amended to read as follows:

"(d) MATCHING OF FUNDS.—

"(1) GENERAL REQUIREMENT.—If a grant under this section is to the particular benefit of a specific agricultural commodity, the Secretary shall require the recipient of the grant to provide funds or in-kind support to match the amount of funds provided by the Secretary in the grant.

"(2) WAIVER.—The Secretary may waive the matching funds requirement specified in paragraph (1) with respect to a research project if the Secretary determines that—

"(A) the results of the project, while of particular benefit to a specific agricultural commodity, are likely to be applicable to agricultural commodities generally; or

"(B) the project involves a minor commodity, deals with scientifically important research, and the grant recipient would be unable to satisfy the matching funds requirement.".

(e) AUTHORIZATION OF APPROPRIATIONS.—Subsection (g) of such section is amended by striking "fiscal years 1996 and 1997" and inserting "fiscal years 1998 through 2002".

Subtitle D—National Research Initiative

SEC. 241. WAIVER OF MATCHING REQUIREMENT FOR CERTAIN SMALL COLLEGES AND UNIVERSITIES.

Subsection (b)(8)(B) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i) is amended—

(1) by striking "the cost" and inserting "the cost of"; and

(2) by adding at the end the following new sentence: "The Secretary may waive all or a portion of the matching requirement under this subparagraph in the case of a smaller college or university (as described in subsection (c)(2)(C)(ii) of section 793 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 2204f)) if the equipment to be acquired costs not more than $25,000

and has multiple uses within a single research project or is usable in more than one research project.".

Subtitle E—Other Existing Laws

SEC. 251. FINDINGS, AUTHORITIES, AND COMPETITIVE RESEARCH GRANTS UNDER FOREST AND RANGELAND RENEWABLE RESOURCES RESEARCH ACT OF 1978.

(a) Findings.—Section 2 of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1641) is amended by striking "Sec. 2." and subsection (a) and inserting the following:

"SEC. 2. FINDINGS AND PURPOSE.

"(a) Findings.—Congress finds the following:

"(1) Forests and rangelands, and the resources of forests and rangelands, are of strategic economic and ecological importance to the United States, and the Federal Government has an important and substantial role in ensuring the continued health, productivity, and sustainability of the Nation's forests and rangelands.

"(2) Over 75 percent of the productive commercial forest land in the United States is in private ownership, with some 60 percent owned by small nonindustrial private owners. These 10,000,000 nonindustrial private owners are critical to providing both commodity and noncommodity values to the citizens of the United States.

"(3) The National Forest System manages only 17 percent of the Nation's commercial timberlands, with over half of the standing softwoods inventory located on those lands. Dramatic changes in Federal agency policy during the early 1990's have significantly curtailed the management of this vast timber resource, causing abrupt shifts in the supply of timber from public to private ownership. As a result of these shifts in supply, some 60 percent of total wood production in the United States is now coming from private forest lands in the southern United States.

"(4) At the same time that pressures are building for the removal of even more land from commercial production, the Federal Government is significantly reducing its commitment to productivity-related research regarding forests and rangelands, which is critically needed by the private sector for the sustained management of remaining available timber and forage resources for the benefit of all species.

"(5) Uncertainty over the availability of the United States timber supply, increasing regulatory burdens, and the lack of Federal Government support for research is causing domestic wood and paper producers to move outside the United States to find reliable sources of wood supplies, which in turns results in a worsening of the United States trade balance, the loss of employment and infrastructure investments, and an increased risk of infestations of exotic pests and diseases from imported wood products.

"(6) Wood and paper producers in the United States are being challenged not only by shifts in Government policy, but also by international competition from tropical countries where growth rates of trees far exceed those in the United States. Wood production per acre will need to quadruple from 1996 levels for the United States forestry sector to remain internationally competitive on an ever decreasing forest land base.

"(7) Better and more frequent forest inventorying and analysis is necessary to identify productivity-related forestry research needs and to provide forest managers with the current data necessary to make timely and effective management decisions.".

(b) High Priority Forestry Research and Education.—Subsection (d) of section 3 of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1642) is amended to read as follows:

"(d) High Priority Forestry and Rangelands Research and Education.—The Secretary may conduct, support, and cooperate in forestry and rangelands research and education that is of the highest priority to the United States and to users of public and private forest lands and rangelands in the United States. Such research and education priorities include the following:

"(1) The biology of forest organisms and rangeland organisms.

"(2) Functional characteristics and cost-effective management of forest and rangeland ecosystems.

"(3) Interactions between humans and forests and rangelands.

"(4) Wood and forage as a raw material.

"(5) International trade, competition, and cooperation.".

(c) Forest Inventory and Analysis.—Section 3 of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1642) is amended by adding at the end the following new subsection:

"(e) Forest Inventory and Analysis.—

"(1) Program required.—In compliance with existing statutory authority, the Secretary shall establish a program to inventory and analyze, in a timely manner, public and private forests and their resources in the United States.

"(2) Annual state inventory.—Not later than the end of each full fiscal year beginning after the date of the enactment of this subsection, the Secretary shall prepare for each State, in cooperation with the State forester for the State, an inventory of forests and their resources in the State. For purposes of preparing the inventory for a State, the Secretary shall measure annually 20 percent of all sample plots that are included in the inventory program for that State. Upon completion of the inventory for a year, the Secretary shall make available to the public a compilation of all data collected for that year from measurements of sample plots as well as any analysis made of such samples.

"(3) Five-year reports.—At intervals not greater than every five full fiscal years after the date of the enactment of this subsection, the Secretary shall prepare, publish, and make available to the public a report, prepared in cooperation with State foresters, that—

"(A) contains a description of each State inventory of forests and their resources, incorporating all sample plot measurements conducted during the five years covered by the report;

"(B) displays and analyzes on a nationwide basis the results of the annual reports required by paragraph (2); and

"(C) contains an analysis of forest health conditions and trends over the previous two decades, with an emphasis on such conditions and trends during the period subsequent to the immediately preceding report under this paragraph.

"(4) National standards and definitions.—To ensure uniform and consistent data collection for all public and private forest ownerships and each State, the Secretary shall develop, in consultation with State foresters and Federal land management agencies not under the jurisdiction of the Secretary, and publish national standards and definitions to be applied in inventorying and analyzing forests and their resources under this subsection. The standards shall include a core set of variables to be measured on all sample plots under paragraph (2) and a standard set of tables to be included in the reports under paragraph (3).

"(5) Protection for private property rights.—The Secretary shall obtain written authorization from property owners prior to collecting data from sample plots located on private property pursuant to paragraphs (2) and (3).

"(6) Strategic plan.—Not later than 180 days after the date of the enactment of this subsection, the Secretary shall prepare and submit to Congress a strategic plan to implement and carry out this subsection, including the annual updates required by paragraph (2) and the reports require by paragraph (3), that shall describe in detail—

"(A) the financial resources required to implement and carry out this subsection, including the identification of any resources required in excess of the amounts provided for forest inventorying and analysis in recent appropriations Acts;

"(B) the personnel necessary to implement and carry out this subsection, including any personnel in addition to personnel currently performing inventorying and analysis functions;

"(C) the organization and procedures necessary to implement and carry out this subsection, including proposed coordination with Federal land management agencies and State foresters;

"(D) the schedules for annual sample plot measurements in each State inventory required by paragraph (2) within the first five-year interval after the date of the enactment of this subsection;

"(E) the core set of variables to be measured in each sample plot under paragraph (2) and the standard set of tables to be used in each State and national report under paragraph (3); and

"(F) the process for employing, in coordination with the Department of Energy and the National Aeronautics and Space Administration, remote sensing, global positioning systems, and other advanced technologies to carry out this subsection, and the subsequent use of such technologies.".

(d) Forestry and Rangelands Competitive Research Grants.—Section 5 of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 16442) is amended—

(1) by striking the section heading and "Sec. 5." and inserting the following:

"SEC. 5. FORESTRY AND RANGELANDS COMPETITIVE RESEARCH GRANTS.

"(a) Competitive Grant Authority.—"; and

(2) by adding at the end the following new subsections:

"(b) Emphasis on Certain High Priority Forestry Research.—The Secretary may use up to five percent of the amounts made available for research under section 3 to make competitive grants regarding forestry research in the high priority research areas identified in section 3(d).

"(c) Emphasis on Certain High Priority Rangelands Research.—The Secretary may use up to five percent of the amounts made available for research under section 3 to make competitive grants regarding rangelands research in the high priority research areas identified in section 3(d).

"(d) Priorities.—In making grants under subsections (b) and (c), the Secretary shall give priority to research proposals in which—

"(1) the proposed research will be collaborative research organized through a center of scientific excellence;

"(2) the applicant agrees to provide matching funds (in the form of direct funding or in-kind support) in an amount equal to not less than 50 percent of the grant amount; and

"(3) the proposed research will be conducted as part of an existing private and public partnership or cooperative research effort and involves several interested research partners.".

TITLE III—EXTENSION OR REPEAL OF RESEARCH, EXTENSION, AND EDUCATION INITIATIVES

Subtitle A—Extensions

SEC. 301. NATIONAL RESEARCH INITIATIVE UNDER COMPETITIVE, SPECIAL, AND FACILITIES RESEARCH GRANT ACT.

Subsection (b)(10) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i(b)(10)) is amended by striking "1997" and inserting "2002".

SEC. 302. EQUITY IN EDUCATIONAL LAND-GRANT STATUS ACT OF 1994.

Sections 533(b) and 535 of the Equity in Educational Land-Grant Status Act of 1994 (Public Law 103–382; 7 U.S.C. 301 note) are amended by striking "2000" each place it appears and inserting "2002".

SEC. 303. EDUCATION GRANTS PROGRAMS FOR HISPANIC-SERVING INSTITUTIONS.

Section 1455(c) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3241(c)) is amended by striking "fiscal year 1997" and inserting "each of the fiscal years 1997 through 2002".

SEC. 304. GENERAL AUTHORIZATION FOR AGRICULTURAL RESEARCH PROGRAMS.

Section 1463 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3311) is amended in subsections (a) and (b) by striking "1997" each place it appears and inserting "2002".

SEC. 305. GENERAL AUTHORIZATION FOR EXTENSION EDUCATION.

Section 1464 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3312) is amended by striking "1997" and inserting "2002".

SEC. 306. GRANTS AND FELLOWSHIPS FOR FOOD AND AGRICULTURAL SCIENCES EDUCATION.

Section 1417(j) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3152(j)) is amended by striking "1997" and inserting "2002".

SEC. 307. GRANTS FOR RESEARCH ON THE PRODUCTION AND MARKETING OF ALCOHOLS AND INDUSTRIAL HYDROCARBONS FROM AGRICULTURAL COMMODITIES AND FOREST PRODUCTS.

Section 1419(d) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3154(d)) is amended by striking "1997" and inserting "2002".

SEC. 308. POLICY RESEARCH CENTERS.

Section 1419A(d) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3155(d)) is amended by striking "fiscal years 1996 and 1997" and inserting "each of fiscal years 1996 through 2002".

SEC. 309. HUMAN NUTRITION INTERVENTION AND HEALTH PROMOTION RESEARCH PROGRAM.

Section 1424(d) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3174(d)) is amended by striking "fiscal years 1996 and 1997" and inserting "each of fiscal years 1996 through 2002".

SEC. 310. PILOT RESEARCH PROGRAM TO COMBINE MEDICAL AND AGRICULTURAL RESEARCH.

Section 1424A(d) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3174a(d)) is amended by striking "fiscal year 1997" and inserting "each of fiscal years 1997 through 2002".

SEC. 311. FOOD AND NUTRITION EDUCATION PROGRAM.

Section 1425(c)(3) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3175(c)(3)) is amended by striking "and 1997" and inserting "through 2002".

SEC. 312. ANIMAL HEALTH AND DISEASE CONTINUING RESEARCH.

Section 1433(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3195(a)) is amended in the first sentence by striking "1997" and inserting "2002".

SEC. 313. ANIMAL HEALTH AND DISEASE NATIONAL OR REGIONAL RESEARCH.

Section 1434(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3196(a)) is amended by striking "1997" and inserting "2002".

SEC. 314. GRANT PROGRAM TO UPGRADE AGRICULTURAL AND FOOD SCIENCES FACILITIES AT 1890 LAND-GRANT COLLEGES.

Section 1447(b) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222b(b)) is amended by striking "and 1997" and inserting "through 2002".

SEC. 315. NATIONAL RESEARCH AND TRAINING CENTENNIAL CENTERS.

Section 1448 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222c) is amended—

(1) in subsection (a)(1), by striking "and 1997" and inserting "through 2002"; and

(2) in subsection (f), by striking "1997" and inserting "2002".

SEC. 316. SUPPLEMENTAL AND ALTERNATIVE CROPS RESEARCH.

Section 1473D(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319d(a)) is amended by striking "1997" and inserting "2002".

SEC. 317. AQUACULTURE RESEARCH AND EXTENSION.

Section 1477 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3324) is amended by striking "1997" and inserting "2002".

SEC. 318. RANGELAND RESEARCH.

Section 1483(a) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3336(a)) is amended by striking "1997" and inserting "2002".

SEC. 319. FEDERAL AGRICULTURAL RESEARCH FACILITIES.

Section 1431 of the National Agricultural Research, Extension, and Teaching Policy Act Amendments of 1985 (Public Law 99–198; 99 Stat. 1566) is amended by striking "1997" and inserting "2002".

SEC. 320. WATER QUALITY RESEARCH, EDUCATION, AND COORDINATION.

Section 1481(d) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5501(d)) is amended by striking "1997" and inserting "2002".

SEC. 321. NATIONAL GENETICS RESOURCES PROGRAM.

Section 1635(b) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5844(b)) is amended by striking "1997" and inserting "2002".

SEC. 322. AGRICULTURAL TELECOMMUNICATIONS PROGRAM.

Section 1673(h) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5926(h)) is amended by striking "1997" and inserting "2002".

SEC. 323. ASSISTIVE TECHNOLOGY PROGRAM FOR FARMERS WITH DISABILITIES.

Section 1680 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5933) is amended—

(1) in subsection (a)(6)(B), by striking "1997" and inserting "2002"; and

(2) in subsection (b)(2), by striking "1997" and inserting "2002".

SEC. 324. NATIONAL RURAL INFORMATION CENTER CLEARINGHOUSE.

Section 2381(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 3125b(e)) is amended by striking "1997" and inserting "2002".

SEC. 325. CRITICAL AGRICULTURAL MATERIALS ACT.

Section 16(a) of the Critical Agricultural Materials Act (7 U.S.C. 178n(a)) is amended by striking "1997" and inserting "2002".

Subtitle B—Repeals

SEC. 341. AQUACULTURE RESEARCH FACILITIES.

Section 1476 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3323) is repealed.

SEC. 342. AGRICULTURAL RESEARCH PROGRAM UNDER NATIONAL AGRICULTURAL RESEARCH, EXTENSION, AND TEACHING POLICY ACT AMENDMENTS OF 1981.

Subsection (b) of section 1432 of the National Agricultural Research, Extension, and Teaching Policy Act Amendments of 1981 (Public Law 97–98; 7 U.S.C. 3222 note) is repealed.

SEC. 343. LIVESTOCK PRODUCT SAFETY AND INSPECTION PROGRAM.

Section 1670 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5923) is repealed.

SEC. 344. GENERIC AUTHORIZATION OF APPROPRIATIONS.

Sections 897 and 898 of the Federal Agriculture Improvement and Reform Act of 1996 (Public Law 104–127; 110 Stat. 1184) are repealed.

TITLE IV—NEW RESEARCH, EXTENSION, AND EDUCATION INITIATIVES

Subtitle A—Partnerships for High-Value Agricultural Product Quality Research

SEC. 401. DEFINITIONS.

For the purposes of this subtitle:

(1) ELIGIBLE PARTNERSHIP.—The term "eligible partnership" means a partnership consisting of a land-grant college or university and other entities specified in paragraph (1) of subsection (b) of section 402 that satisfies the eligibility criteria contained in such subsection.

(2) SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

SEC. 402. ESTABLISHMENT AND CHARACTERISTICS OF PARTNERSHIPS.

(a) ESTABLISHMENT BY GRANT.—

(1) IN GENERAL.—The Secretary may make grants to an eligible partnership to coordinate and manage research and extension activities to enhance the quality of high-value agricultural products.

(2) AWARDING OF GRANTS.—Grants under paragraph (1) shall be awarded on a competitive basis.

(b) CRITERIA FOR AN ELIGIBLE PARTNERSHIP.—

(1) PRIMARY INSTITUTIONS IN PARTNERSHIP.—The primary institution involved in an eligible partnership shall be a land-grant

college or university, acting in partnership with other colleges or universities, nonprofit research and development entities, and Federal laboratories.

(2) PRIORITIZATION OF RESEARCH ACTIVITIES.—An eligible partnership shall prioritize research and extension activities in order to—

(A) enhance the competitiveness of United States agricultural products;

(B) increase exports of such products; and

(C) substitute such products for imported products.

(3) COORDINATION.—An eligible partnership shall coordinate among the entities comprising the partnership the activities supported by the eligible partnership, including the provision of mechanisms for sharing resources between institutions and laboratories and the coordination of public and private sector partners to maximize cost-effectiveness.

(c) TYPES OF RESEARCH AND EXTENSION ACTIVITIES.—Research or extension supported by an eligible partnership may address the full spectrum of production, processing, packaging, transportation, and marketing issues related to a high-value agricultural product. Such issues include—

(1) environmentally responsible—

(A) pest management alternatives and biotechnology;

(B) sustainable farming methods; and

(C) soil conservation and enhanced resource management;

(2) genetic research to develop improved agricultural-based products;

(3) refinement of field production practices and technology to improve quality, yield, and production efficiencies;

(4) processing and package technology to improve product quality, stability, or flavor intensity;

(5) marketing research regarding consumer perceptions and preferences;

(6) economic research, including industry characteristics, growth, competitive analysis; and

(7) research to facilitate diversified, value-added enterprises in rural areas.

SEC. 403. ELEMENTS OF GRANT MAKING PROCESS.

(a) PERIOD OF GRANT.—The Secretary may award a grant under this subtitle for a period not to exceed five years.

(b) PREFERENCES.—In making grants under this subtitle, the Secretary shall give preference to proposals that—

(1) demonstrate linkages with—

(A) agencies of the Department of Agriculture;

(B) other related Federal research laboratories and agencies;

(C) colleges and universities; and

(D) private industry; and

(2) guarantee matching funds in excess of the amounts required by subsection (c).

(c) MATCHING FUNDS.—An eligible partnership shall contribute an amount of non-Federal funds for the operation of the partnership that is at least equal to the amount of grant funds received under this subtitle.

(d) LIMITATION ON USE OF GRANT FUNDS.—Funds provided under this subtitle may not be used for the planning, repair, rehabilitation, acquisition, or construction of a building or facility.

SEC. 404. AUTHORIZATION OF APPROPRIATIONS AND RELATED PROVISIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such funds as may be necessary to carry out this subtitle for each of the fiscal years 1998 through 2002.

(b) LIMITATION ON ADMINISTRATIVE COSTS.—Not more than four percent of the funds appropriated to carry out this subtitle may be retained by the Secretary to pay administrative costs incurred by the Secretary to carry out this subtitle.

Subtitle B—Precision Agriculture

SEC. 411. DEFINITIONS.

For purposes of this subtitle:

(1) PRECISION AGRICULTURE.—The term "precision agriculture" means an integrated information- and production-based farming system that is designed to increase long-term, site specific and whole farm production efficiencies, productivity, and profitability while minimizing unintended impacts on wildlife and the environment by—

(A) combining agricultural sciences, agricultural inputs and practices, agronomic production databases, and precision agriculture technologies to efficiently manage agronomic and livestock production systems;

(B) gathering on-farm information pertaining to the variation and interaction of site-specific spatial and temporal factors affecting crop and livestock production;

(C) integrating such information with appropriate data derived from field scouting, remote sensing, and other precision agriculture technologies in a timely manner in order to facilitate on-farm decisionmaking; or

(D) using such information to prescribe and deliver site-specific application of agricultural inputs and management practices in agricultural production systems.

(2) PRECISION AGRICULTURE TECHNOLOGIES.—The term "precision agriculture technologies" includes—

(A) instrumentation and techniques ranging from sophisticated sensors and software systems to manual sampling and data collection tools that measure, record, and manage spatial and temporal data;

(B) technologies for searching out and assembling information necessary for sound agricultural production decision making;

(C) open systems technologies for data networking and processing that produce valued systems for farm management decisionmaking; or

(D) machines that deliver information based management practices.

(3) ADVISORY BOARD.—The term "Advisory Board" means the National Agricultural Research, Extension, Education, and Economics Advisory Board established under section 1408 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123).

(4) AGRICULTURAL INPUTS.—The term "agricultural inputs" includes all farm management, agronomic, and field applied agricultural production inputs, such as machinery, labor, time, fuel, irrigation water, commercial nutrients, feed stuffs, veterinary drugs and vaccines, livestock waste, crop protection chemicals, agronomic data and information, application and management services, seed, and other inputs used in agriculture production.

(5) ELIGIBLE ENTITY.—The term "eligible entity" means—

(A) a State agricultural experiment station;

(B) a college or university;

(C) a research institution or organization;

(D) a Federal or State government entity or agency;

(E) a national laboratory;

(F) a private organization or corporation;

(G) an agricultural producer or other land manager; or

(H) a precision agriculture partnership referred to in section 414.

(6) SYSTEMS RESEARCH.—The term "systems research" means an integrated, coordinated, and iterative investigative process, which considers the multiple interacting components and aspects of precision agriculture systems, including synthesis of new knowledge regarding the physical-chemical-biological processes and complex interactions with cropping, livestock production practices, and natural resource systems, precision agriculture technologies development and implementation, data and information collection and interpretation, production scale planning, production-scale implementation, and farm production efficiencies, productivity, and profitability.

SEC. 412. COMPETITIVE GRANTS TO PROMOTE PRECISION AGRICULTURE.

(a) GRANTS AUTHORIZED.—The Secretary of Agriculture may make competitive grants, for periods not to exceed five years, to eligible entities to conduct research, education, or information dissemination projects for the development and advancement of precision agriculture. Such grants shall be limited to those projects that the Secretary determines are unlikely to be financed by the private sector in the absence of a grant under this section. The Secretary shall make such grants in consultation with the Advisory Board.

(b) PURPOSE OF PROJECTS.—Research, education, or information dissemination projects supported by a grant under subsection (a) shall address one or more of the following:

(1) The study and promotion of components of precision agriculture technologies using a systems research approach that would increase long-term, site-specified and whole farm production efficiencies, productivity, profitability.

(2) The improvement in the understanding of agronomic systems, including, soil, water, land cover (including grazing lands), pest management systems, and meteorological variability.

(3) The provision of training and educational programs for State cooperative extension services agents, and other professionals involved in the agricultural production and transfer of integrated precision agriculture technology.

(4) The development, demonstration, and dissemination of information regarding precision agriculture technologies and systems and the potential benefits of precision agriculture as it relates to increased long-term farm production efficiencies, productivity, profitability, and the maintenance of the environment, and improvements in international trade into an integrated program to educate agricultural producers and consumers, including family owned and operated farms.

(c) GRANT PRIORITIES.—In making grants to eligible entities under subsection (a), the Secretary, in consultation with the Advisory Board, shall give priority to research, education, or information dissemination projects designed to accomplish the following:

(1) Evaluate the use of precision agriculture technologies using a systems research approach to increase long-term site-specific and whole farm production efficiencies, productivity, profitability.

(2) Integrate research, education, and information dissemination components in a practical and readily available manner so that the findings of the project will be made readily usable by farmers.

(3) Demonstrate the efficient use of agricultural inputs, rather than the uniform reduction in the use of agricultural inputs.

(4) Maximize the involvement and cooperation of precision agriculture producers, certified crop advisers, State cooperative extension services agents, agricultural input machinery, product and service providers, nonprofit organizations, agribusiness, veterinarians, land-grant colleges and universities, and Federal agencies in precision agriculture systems research projects involving on-farm research, education, and information dissemination of precision agriculture.

(5) Maximize collaboration with multiple agencies and other partners that include leveraging of funds and resources.

(d) Matching Funds.—The amount of a grant under this section to an eligible entity (other than a Federal agency) may not exceed the amount which the eligible entity makes available out of non-Federal funds for precision agriculture research and for the establishment and maintenance of facilities necessary for conducting precision agriculture research.

SEC. 413. RESERVATION OF FUNDS FOR EDUCATION AND INFORMATION DISSEMINATION PROJECTS.

Of the funds made available for grants under section 412, the Secretary of Agriculture shall reserve a portion of such funds for grants for projects regarding precision agriculture related to education or information dissemination.

SEC. 414. PRECISION AGRICULTURE PARTNERSHIPS.

In carrying out this subtitle, the Secretary of Agriculture, in consultation with the Advisory Board, shall encourage the establishment of appropriate multi-state and national partnerships or consortia between—

(1) land-grant colleges and universities, State agricultural experiment stations, State cooperative extension services, other colleges and universities with demonstrable expertise regarding precision agriculture, agencies of the Department of Agriculture, national laboratories, agribusinesses, agricultural equipment and input manufacturers and retailers, certified crop advisers, commodity organizations, veterinaries, other Federal or State government entities and agencies, or nonagricultural industries and nonprofit organizations with demonstrable expertise regarding precision agriculture; and

(2) agricultural producers or other land managers.

SEC. 415. MISCELLANEOUS PROVISIONS.

(a) Prohibition on Use of Funds for Certain Purposes.—The Secretary of Agriculture may not make a grant under section 412 for the planning, repair, rehabilitation, acquisition, or construction of a building or facility.

(b) Application of Other Laws.—The Federal Advisory Committee Act (5 U.S.C. App.) and title XVIII of the Food and Agriculture Act of 1977 (7 U.S.C. 2281 et seq.) shall not apply to a panel or board created for the purpose of reviewing applications or proposals submitted under this subtitle.

SEC. 416. AUTHORIZATION OF APPROPRIATIONS.

(a) Authorization of Appropriations.—There are hereby authorized to be appropriated to carry out this subtitle $40,000,000 for each of the fiscal years 1998 through 2002.

(b) Administrative Costs.—Not more than 3 percent of the amount appropriated under this subtitle may be retained by the Secretary to pay the administrative costs incurred by the Secretary in carrying out this subtitle.

(c) Availability of Funds.—Funds made available under paragraph (a) shall be available for obligation for a two-year period beginning on October 1 of the fiscal year for which the funds are made available.

Subtitle C—Other Initiatives

SEC. 421. HIGH-PRIORITY RESEARCH AND EXTENSION INITIATIVES.

Section 1672 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5925) is amended to read as follows:

"SEC. 1672. HIGH-PRIORITY RESEARCH AND EXTENSION INITIATIVES.

"(a) Competitive Specialized Research and Extension Grants Authorized.—The Secretary of Agriculture, in consultation with the National Agricultural Research, Education, Extension, and Economics Advisory Board, may make competitive grants to support research and extension activities in the high-priority research and extension areas specified in subsection (e).

"(b) Grant Types and Process; Prohibition on Construction.—Paragraphs (6), (7), and (11) of subsection (b) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i) shall apply with respect to the making of grants under this section.

"(c) Matching Funds Required.—

"(1) In general.—The Secretary shall require the recipient of a grant under this section to provide funds or in-kind support from non-Federal sources in an amount at least equal to the amount provided by the Federal Government.

"(2) Waiver authority.—The Secretary may waive the matching funds requirement specified in paragraph (1) with respect to a research project if the Secretary determines that—

"(A) the results of the project, while of particular benefit to a specific agricultural commodity, are likely to be applicable to agricultural commodities generally; or

"(B) the project involves a minor commodity, deals with scientifically important research, and the grant recipient would be unable to satisfy the matching funds requirement.

"(d) Partnerships Encouraged.—Following the completion of a peer review process for grant proposals received under this section, the Secretary may give priority to those grant proposals found to be scientifically meritorious that involve the cooperation of multiple institutions.

"(e) High-Priority Research and Extension Areas.—

"(1) Brown citrus aphid and citrus tristeza virus research and extension.—Research and extension grants may be made under this section for the purpose of—

"(A) developing methods to control or eradicate the brown citrus aphid and the citrus tristeza virus from citrus crops grown in the United States; or

"(B) adapting citrus crops grown in the United States to the brown citrus aphid and the citrus tristeza virus.

"(2) Ethanol research and extension.—Research and extension grants may be made under this section for the purpose of carrying on or enhancing research on ethanol derived from agricultural crops as an alternative fuel source.

"(3) Aflatoxin research and extension.—Research and extension grants may be made under this section for the purpose of identifying and controlling aflatoxin in the food and feed chains.

"(4) Mesquite research and extension.—Research and extension grants may be made under this section for the purpose of developing enhanced production methods and commercial uses of mesquite.

"(5) Prickly pear research and extension.—Research and extension grants may be made under this section for the purpose of investigating enhanced genetic selection and processing techniques of prickly pears.

"(6) Deer tick ecology research and extension.—Research and extension grants may be made under this section for the purpose of studying the population ecology of deer ticks and other insects and pests which transmit Lyme disease.

"(7) Red meat safety research and extension.—Research and extension grants may be made under this section for the purpose of developing—

"(A) intervention strategies that reduce microbial contamination on carcass surfaces;

"(B) microbiological mapping of carcass surfaces; and

"(C) model hazard analysis and critical control point plans.

"(8) Grain sorghum ergot research and extension.—Research and extension grants may be made under this section for the purpose of developing techniques for the eradication of sorghum ergot.

"(9) Animal waste and odor management research and extension.—Research and extension grants may be made under this section for the purpose of—

"(A) identifying, evaluating, and demonstrating innovative technologies for animal waste management and odor control; and

"(B) conducting information workshops to disseminate the results of such research.

"(10) Fire ant research and extension.—Research and extension grants may be made under this section for the purpose of control, management, and eradication of fire ants.

"(11) Wheat scab research and extension.—Research and extension grants may be made under this section to a consortium of land-grant colleges and universities for the purpose of understanding and combating diseases of wheat and barley caused by *Fusarium graminearum* and related fungi (commonly known as wheat scab).

"(12) Peanut market enhancement research and extension.—Research and extension grants may be made under this section for the purpose of evaluating the economics of applying innovative technologies for peanut processing in a commercial environment.

"(13) Dairy financial risk management research and extension.—Research and extension grants may be made under this section for the purpose of providing research, development, or education materials, information, and outreach programs regarding risk management strategies for dairy producers and for dairy cooperatives and other processors and marketers of milk.

"(14) Cotton research and extension.—Research and extension grants may be made under this section for the purpose of improving pest management, fiber quality enhancement, economic assessment, textile production, and optimized production systems for short staple cotton.

"(15) Methyl bromide research and extension.—Research and extension grants may be made under this section for the purpose of—

"(A) developing and evaluating chemical and nonchemical alternatives, and use and emission reduction strategies, for pre-planting and post-harvest uses of methyl bromide; and

"(B) transferring the results of such research for agricultural producer use.

"(16) Water quality and aquatic ecosystem research and extension.—Research and extension grants may be made under this section for the purpose of investigating the impact on aquatic food webs, especially commercially important aquatic species and their habitats, of microorganisms of the genus *Pfiesteria* and other microorganisms that are a threat to human or animal health.

"(17) POTATO RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of developing and evaluating new strains of potatoes which are resistant to blight and other diseases, as well as insects. Emphasis may be placed on developing potato varieties that lend themselves to innovative marketing approaches.

"(18) WOOD UTILIZATION RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of developing new uses for wood from underutilized tree species as well as investigating methods of modifying wood and wood fibers to produce better building materials.

"(19) LOW-BUSH BLUEBERRY RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of evaluating methods of propagating and developing low-bush blueberry as a marketable crop.

"(20) FORMOSAN TERMITE ERADICATION RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of—

"(A) conducting research for the control, management, and possible eradication of Formosan termites in the United States; and

"(B) collecting data on the effectiveness of research projects conducted under this paragraph.

"(21) SWINE WASTE MANAGEMENT AND ODOR CONTROL RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of investigating the microbiology of swine waste and developing improved methods to effectively manage air and water quality in animal husbandry.

"(22) WETLANDS UTILIZATION RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of better utilizing wetlands in diverse ways to provide various economic, agricultural, and environmental benefits.

"(23) WILD PAMPAS GRASS CONTROL AND ERADICATION RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of control, management, and eradication of wild pampas grass.

"(24) PATHOGEN DETECTION AND LIMITATION RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of identifying advanced detection and processing methods to limit the presence of pathogens, including hepatitis A and *E. coli* 0157:H7, in domestic and imported foods.

"(25) FINANCIAL RISK MANAGEMENT RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of providing research, development, or education materials, information, and outreach programs regarding financial risk management strategies for agricultural producers and for cooperatives and other processors and marketers of any agricultural commodity.

"(26) ORNAMENTAL TROPICAL FISH RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of meeting the needs of commercial producers of ornamental tropical fish and aquatic plants for improvements in the areas of fish reproduction, health, nutrition, predator control, water use, water quality control, and farming technology.

"(27) SHEEP SCRAPIE RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of investigating the genetic aspects of scrapie in sheep.

"(28) ANIMAL WASTE MANAGEMENT AT RURAL/URBAN INTERFACES.—Research and extension grants may be made under this section for the purpose of identifying, evaluating, and demonstrating innovative technologies to be used for animal waste management (including odor control) in rural areas adjacent to urban or suburban areas in connection with waste management activities undertaken in urban or suburban areas.

"(29) GYPSY MOTH RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of developing biological control, management, and eradication methods against nonnative insects, including *Lymantria dispar* (commonly known as the Gypsy Moth), that contribute to significant agricultural, economical, or environmental harm.

"(30) DAIRY EFFICIENCY, PROFITABILITY, AND COMPETITIVENESS RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of improving the efficiency, profitability, and competitiveness of dairy production on farms that are heavily dependent on manufacturing uses of milk.

"(31) ANIMAL FEED RESEARCH AND EXTENSION.—Research and extension grants may be made under this section for the purpose of maximizing nutrition management for livestock, while limiting risks, such as mineral bypass, associated with livestock feeding practices.

"(32) FORESTRY RESEARCH AND EXTENSION.—Research and extension grants may be made under this section to develop and distribute new, high-quality, science-based information for the purpose of improving the long-term productivity of forest resources and contributing to forest-based economic development by addressing such issues as forest land use policies, multiple-use forest management, including wildlife habitat development, improved forest regeneration systems, and timber supply, and improved development, manufacturing, and marketing of forest products.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of the fiscal years 1998 through 2002 such sums as may be necessary to make grants under this section in each of the high-priority research and extension areas specified in subsection (e).

"(g) USE OF TASK FORCES.—

"(1) ESTABLISHMENT.—To facilitate the making of research and extension grants under this section in a high-priority research and extension area specified in subsection (e), the Secretary may appoint a task force to make recommendations to the Secretary.

"(2) LIMITATION ON COSTS.—The Secretary may not incur costs in excess of $1,000 in any fiscal year in connection with each task force established under this subsection.

"(3) APPLICATION OF OTHER LAWS.—The Federal Advisory Committee Act (5 U.S.C. App.) and title XVIII of the Food and Agriculture Act of 1977 (7 U.S.C. 2281 et seq.) shall not apply to a task force established under this subsection.".

SEC. 422. ORGANIC AGRICULTURE RESEARCH AND EXTENSION INITIATIVE.

The Food, Agriculture, Conservation, and Trade Act of 1990 is amended by inserting after section 1672 (7 U.S.C. 5925) the following new section:

"SEC. 1672A. ORGANIC AGRICULTURE RESEARCH AND EXTENSION INITIATIVE.

"(a) COMPETITIVE SPECIALIZED RESEARCH AND EXTENSION GRANTS AUTHORIZED.—The Secretary of Agriculture, in consultation with the National Agricultural Research, Education, Extension, and Economics Advisory Board, may make competitive grants to support research and extension activities regarding organically grown and processed agricultural commodities for the purpose of—

"(1) facilitating the development of organic agriculture production and processing methods;

"(2) evaluating the potential economic benefits to producers and processors who use organic methods; and

"(3) exploring international trade opportunities for organically grown and processed agricultural commodities.

"(b) GRANT TYPES AND PROCESS, PROHIBITION ON CONSTRUCTION.—Paragraphs (6), (7), and (11) of subsection (b) of the Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i) shall apply with respect to the making of grants under this section.

"(c) MATCHING FUNDS REQUIRED.—

"(1) IN GENERAL.—The Secretary shall require the recipient of a grant under this section to provide funds or in-kind support from non-Federal sources in an amount at least equal to the amount provided by the Federal Government.

"(2) WAIVER AUTHORITY.—The Secretary may waive the matching funds requirement specified in paragraph (1) with respect to a research project if the Secretary determines that—

"(A) the results of the project, while of particular benefit to a specified agricultural commodity, are likely to be applicable to agricultural commodities generally; or

"(B) the project involves a minor commodity, deals with scientifically important research, and grant recipient would be unable to satisfy the matching funds requirement.

"(d) PARTNERSHIPS ENCOURAGED.—Following the completion of a peer review process for grant proposals received under this section, the Secretary may give priority to those grant proposals found to be scientifically meritorious that involved the cooperation of multiple institutions.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of the fiscal years 1998 through 2002 such sums as may be necessary to make grants under this section.".

SEC. 423. UNITED STATES-MEXICO JOINT AGRICULTURAL RESEARCH.

Subtitle I of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 is amended by inserting after section 1458 (7 U.S.C. 3291) the following new section:

"SEC. 1459. UNITED STATES-MEXICO JOINT AGRICULTURAL RESEARCH.

"(a) RESEARCH AND DEVELOPMENT PROGRAM.—The Secretary may provide for an agricultural research and development program with the United States/Mexico Foundation for Science, which will focus on binational problems facing agricultural producers and consumers in the two countries, in particular pressing problems in the areas of food safety, plant and animal pest control, and the natural resources base on which agriculture depends.

"(b) ADMINISTRATION.—Grants under the research and development program shall be awarded competitively through the Foundation.

"(c) MATCHING REQUIREMENTS.—The provision of funds to the Foundation by the United States Government shall be subject to the condition that the Government of Mexico match, on at least an equal ratio, any funds provided by the United States Government.

"(d) LIMITATION ON USE OF FUNDS.—Funds provided under this section may not be used for the planning, repair, rehabilitation, acquisition, or construction of a building or facility.".

SEC. 424. COMPETITIVE GRANTS FOR INTERNATIONAL AGRICULTURAL SCIENCE AND EDUCATION PROGRAMS.

Subtitle I of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3291 et seq.) is amended by inserting after section 1459, as added by section 423, the following new section:

"SEC. 1459A. COMPETITIVE GRANTS FOR INTERNATIONAL AGRICULTURAL SCIENCE AND EDUCATION PROGRAMS.

"(a) COMPETITIVE GRANTS AUTHORIZED.—The Secretary may make competitive grants to colleges and universities in order to strengthen United States economic competitiveness and to promote international market development.

"(b) PURPOSE OF GRANTS.—Grants under this section shall be directed to agricultural research, extension, and teaching activities that will—

"(1) enhance the international content of the curricula in colleges and universities so as to ensure that United States students acquire an understanding of the international dimensions and trade implications of their studies;

"(2) ensure that United States scientists, extension agents, and educators involved in agricultural research and development activities outside of the United States have the opportunity to convey the implications of their activities and findings to their peers and students in the United States and to the users of agricultural research, extension, and teaching;

"(3) enhance the capabilities of colleges and universities to do collaborative research with other countries, in cooperation with other Federal agencies, on issues relevant to United States agricultural competitiveness;

"(4) enhance the capabilities of colleges and universities to provide cooperative extension education to promote the application of new technology developed in foreign countries to United States agriculture; and

"(5) enhance the capability of United States colleges and universities, in cooperation with other Federal agencies, to provide leadership and educational programs that will assist United States natural resources and food production, processing, and distribution businesses and industries to compete internationally, including product market identification, international policies limiting or enhancing market production, development of new or enhancement of existing markets, and production efficiencies.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.".

SEC. 425. FOOD ANIMAL RESIDUE AVOIDANCE DATABASE PROGRAM.

(a) CONTINUATION OF PROGRAM.—The Secretary of Agriculture shall continue operation of the Food Animal Residue Avoidance Database program (referred to in this section as the "FARAD program") through appropriate colleges or universities.

(b) ACTIVITIES.—In carrying out the FARAD program, the Secretary of Agriculture shall—

(1) provide livestock producers, extension specialists, scientists, and veterinarians with information to prevent drug, pesticide, and environmental contaminant residues in food animal products;

(2) maintain up-to-date information concerning—

(A) withdrawal times on FDA-approved food animal drugs and appropriate withdrawal intervals for drugs used in food animals in the United States, as established under section 512(a) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360b(a));

(B) official tolerances for drugs and pesticides in tissues, eggs, and milk;

(C) descriptions and sensitivities of rapid screening tests for detecting residues in tissues, eggs, and milk; and

(D) data on the distribution and fate of chemicals in food animals;

(3) publish periodically a compilation of food animal drugs approved by the Food and Drug Administration;

(4) make information on food animal drugs available to the public through handbooks and other literature, computer software, a telephone hotline, and the Internet;

(5) furnish producer quality-assurance programs with up-to-date data on approved drugs;

(6) maintain a comprehensive and up-to-date, residue avoidance database;

(7) provide professional advice for determining the withdrawal times necessary for food safety in the use of drugs in food animals; and

(8) engage in other activities designed to promote food safety.

(c) GRANTS.—The Secretary of Agriculture, in consultation with the National Agricultural Research, Education, Extension, and Economics Advisory Board, may make grants to colleges and universities to operate the FARAD program. The term of a grant shall be three years, with options to extend the term of the grant triennially.

SEC. 426. DEVELOPMENT AND COMMERCIALIZATION OF NEW BIOBASED PRODUCTS.

(a) BIOBASED PRODUCT DEFINED.—For purposes of this section, the term "biobased product" means a product suitable for food or nonfood use that is derived in whole or in part from renewable agricultural and forestry materials.

(b) COOPERATIVE AGREEMENTS FOR BIOBASED PRODUCTS.—The Secretary of Agriculture may enter into cooperative agreements with private entities described in subsection (c), under which the facilities and technical expertise of the Agricultural Research Service may be made available to operate pilot plants and other large-scale preparative facilities for the purpose of bringing technologies necessary for the development and commercialization of new biobased products to the point of practical application. Cooperative activities may include research on potential environmental impacts of a biobased product, methods to reduce the cost of manufacturing a biobased product, and other appropriate research.

(c) ELIGIBLE PARTNERS.—The following entities shall be eligible to enter into a cooperative agreement under this section:

(1) A party that has entered into a cooperative research and development agreement with the Secretary under section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a).

(2) A recipient of funding from the Alternative Agricultural Research and Commercialization Corporation established under section 1658 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 5902).

(3) A recipient of funding from the Biotechnology Research and Development Corporation.

(4) A recipient of funding from the Secretary under a Small Business Innovation Research Program established under section 9 of the Small Business Act (15 U.S.C. 638).

(d) SOURCE OF FUNDS.—To carry out this section, the Secretary may use—

(1) funds appropriated to carry out this section; and

(2) funds available for cooperative research and development agreements (as described in subsection (b)).

(e) SALE OF DEVELOPED PRODUCTS.—The Secretary shall authorize the private partner or partners in a cooperative agreement consistent with this section to sell new biobased products produced at a pilot plant under the agreement for the purpose of determining the market potential for the products.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 427. THOMAS JEFFERSON INITIATIVE FOR CROP DIVERSIFICATION.

(a) INITIATIVE REQUIRED.—The Secretary of Agriculture shall provide for a research initiative (to be known as the "Thomas Jefferson Initiative for Crop Diversification") for the purpose of conducting research and development, in cooperation with other public and private entities, on the production and marketing of new and nontraditional crops needed to strengthen and diversify the agricultural production base of the United States. The initiative shall include research and education efforts regarding new and nontraditional crops designed—

(1) to identify and overcome agronomic barriers to profitable production;

(2) to identify and overcome other production and marketing barriers; and

(3) to develop processing and utilization technologies for new and nontraditional crops.

(b) PURPOSES.—The initiative is established—

(1) to develop a focused program of research and development at the regional and national level to overcome barriers to development of new crop opportunities for farmers and related value-added enterprise development in rural communities; and

(2) to ensure a broad-based effort encompassing research, education, market development, and support of entrepreneurial activity leading to increased agricultural diversification.

(c) ESTABLISHMENT OF INITIATIVE.—The Secretary shall coordinate the initiative through a nonprofit center or institute that will coordinate research and education programs in cooperation with other public and private entities. The Secretary shall administer research and education grants made under this section.

(d) REGIONAL EMPHASIS.—The Secretary shall support development of multi-State regional efforts in crop diversification. Of funding made available to carry out the initiative, 50 percent shall be used for regional efforts centered at land-grant colleges and universities in order to facilitate site-specific crop development efforts.

(e) ELIGIBLE GRANTEE.—The Secretary may award funds under this section to colleges or universities, nonprofit organizations, or public agencies.

(f) ADMINISTRATION.—

(1) GRANTS AND CONTRACTS.—Grants awarded through the initiative shall be selected on a competitive basis. The recipient of a grant

may use a portion of the grant funds for standard contracts with private businesses, such as for test processing of a new or nontraditional crop.

(2) Terms.—The term of a grant awarded through the initiative may not exceed five years.

(3) Matching funds.—The Secretary shall require the recipient of a grant awarded through the initiative to contribute an amount of funds from non-Federal sources at least equal to the amount provided by the Federal Government.

(g) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 428. INTEGRATED RESEARCH, EDUCATION, AND EXTENSION COMPETITIVE GRANTS PROGRAM.

(a) Purpose.—It is the purpose of this section to authorize the Secretary of Agriculture to establish an integrated research, education, and extension competitive grant program to provide funding for integrated, multi-functional research, education, and extension activities.

(b) Competitive Grants Authorized.—Subject to the appropriation of funds to carry out this section, the Secretary may award grants to colleges and universities (as defined in section 1404(4) of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3103(4))) on a competitive basis for integrated research, education, and extension projects in accordance with the provisions of this section.

(c) Criteria for Grants.—Grants under this section shall be awarded to address priorities in United States agriculture, determined by the Secretary in consultation with the National Agricultural Research, Extension, Education, and Economics Advisory Board, which involve integrated research, education, and extension activities.

(d) Matching of Funds.—

(1) General requirement.—If a grant under this section is to the particular benefit of a specific agricultural commodity, the Secretary shall require the recipient of the grant to provide funds or in-kind support to match the amount of funds provided by the Secretary in the grant.

(2) Waiver.—The Secretary may waive the matching funds requirement specified in paragraph (1) with respect to a grant if the Secretary determines that—

(A) the results of the project, while of particular benefit to a specific agricultural commodity, are likely to be applicable to agricultural commodities generally; or

(B) the project involves a minor commodity, deals with scientifically important research, and the grant recipient would be unable to satisfy the matching funds requirement.

(e) Authorization of Appropriations.—There is authorized to be appropriated such sums as may be necessary for each of the fiscal years 1998 through 2002 to carry out this section.

SEC. 429. RESEARCH GRANTS UNDER EQUITY IN EDUCATIONAL LAND-GRANT STATUS ACT OF 1994.

The Equity in Educational Land-Grant Status Act of 1994 (Public Law 103-382; 7 U.S.C. 301 note) is amended by adding at the end the following new section—

"SEC. 536. RESEARCH GRANTS.

"(a) Research Grants Authorized.—The Secretary of Agriculture may make grants under this section on the basis of a competitive application process (and in accordance with such regulations that the Secretary may promulgate) to a 1994 Institution to assist the 1995 Institution to conduct agricultural research that addresses high priority concerns of tribal, national, or multi-state significance.

"(b) Requirements.—Grant applications submitted under this section shall certify that the research to be conducted will be performed under a cooperative agreement with at least one other land-grant college or university (exclusive of another 1994 Institution).

"(c) Authorization of Appropriation.—There are authorized to be appropriated such sums as may be necessary to carry out this section for each of the fiscal years 1998 through 2002. Amounts appropriated shall remain available until expended.".

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. ROLE OF SECRETARY OF AGRICULTURE REGARDING FOOD AND AGRICULTURAL SCIENCES RESEARCH, EDUCATION, AND EXTENSION.

The Secretary of Agriculture shall be the principal official in the executive branch responsible for coordinating all Federal research and extension activities related to food and agricultural sciences.

SEC. 502. OFFICE OF PEST MANAGEMENT POLICY.

(a) Objective.—The establishment of an Office of Pest Management Policy pursuant to this section is intended to provide for the effective coordination of agricultural policies and activities within the Department of Agriculture related to pesticides and of the development and use of pest management tools, while taking into account the effects of regulatory actions of other government agencies.

(b) Establishment of Office; Principal Responsibilities.—The Secretary of Agriculture shall establish in the Department of Agriculture an Office of Pest Management Policy, which shall be responsible for—

(1) the development and coordination of Department of Agriculture policy on pest management and pesticides;

(2) the coordination of activities and services of the Department, including research, extension, and education activities, regarding the development, availability, and use of economically and environmentally sound pest management tools and practices;

(3) assisting the Department in fulfilling its responsibilities related to pest management or pesticides under the Food Quality Protection Act of 1996 (Public Law 104-170; 110 Stat. 1489), the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.), the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), or other law; and

(4) performing such other functions as may be required by law or prescribed by the Secretary.

(c) Interagency Coordination.—In support of its responsibilities under subsection (a), the Office of Pest Management Policy shall provide leadership to ensure coordination of interagency activities with the Environmental Protection Agency, the Food and Drug Administration, and other Federal and State agencies.

(d) Outreach.—The Office of Pest Management Policy shall consult with agricultural producers that may be affected by pest management or pesticide-related activities or actions of the Department or other agencies as necessary in carrying out the Office's responsibilities under this section.

(e) Director.—The Office of Pest Management Policy shall be under the direction of a Director appointed by the Secretary who shall report directly to the Secretary or a designee of the Secretary.

(f) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 503. FOOD SAFETY RESEARCH INFORMATION OFFICE AND NATIONAL CONFERENCE.

(a) Food Safety Research Information Office.—

(1) Establishment and purpose.—The Secretary of Agriculture shall establish a Food Safety Research Information Office at the National Agricultural Library. The Office shall provide to the research community and the general public information on publicly funded, and to the extent possible, privately funded food safety research initiatives for the purpose of—

(A) preventing unintended duplication of food safety research; and

(B) assisting the executive and legislative branches of the Government and private research entities to assess food safety research needs and priorities.

(2) Cooperation.—The Office shall carry out paragraph (1) in cooperation with the National Institutes of Health, the Food and Drug Administration, the Centers for Disease Control and Prevention, public institutions, and on a voluntary basis, private research interests.

(b) National Conference.—Not later than 120 days after the date of the enactment of this Act, the Secretary shall sponsor a conference to be known as the "National Conference on Food Safety Research", for the purpose of beginning the task of food safety research prioritization. The Secretary shall sponsor annual workshops in each of the subsequent four years after the conference so that priorities can be updated or adjusted to reflect changing food safety concerns.

(c) Food Safety Report.—With regard to the study and report to be prepared by the National Academy of Sciences on the scientific and organizational needs for an effective food safety system, the study shall include recommendations to ensure that the food safety inspection system, within the resources traditionally available to existing food safety agencies, protects the public health.

SEC. 504. NUTRIENT COMPOSITION DATA.

(a) In General.—The Secretary of Agriculture shall update, on a periodic basis, nutrient composition data.

(b) Report.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report that describes—

(1) the method the Secretary will use to update nutrient composition data, including the quality assurance criteria that will be used and the method for generating the data; and

(2) the timing for updating the data.

SEC. 505. AVAILABILITY OF FUNDS RECEIVED OR COLLECTED ON BEHALF OF NATIONAL ARBORETUM.

Section 6(b) of the Act of March 4, 1927 (20 U.S.C. 196(b)), is amended by striking "Treasury" and inserting "Treasury. Amounts in the special fund shall be available to the Secretary of Agriculture, without further appropriation,".

SEC. 506. RETENTION AND USE OF AGRICULTURAL RESEARCH SERVICE PATENT CULTURE COLLECTION FEES.

All funds collected by the Agricultural Research Service of the Department of Agriculture in connection with the acceptance of microorganisms for deposit in, or the distribution of microorganisms from, the Patent Culture Collection maintained and operated by the Agricultural Research Service shall be credited to the appropriation supporting the maintenance and operation of the Patent Culture Collection. The collected funds shall be available to the Agricultural Research Service, without further appropriation or fiscal-year limitation, to carry out its responsibilities under law (including international treaty) with respect to the Patent Culture Collection.

SEC. 507. REIMBURSEMENT OF EXPENSES INCURRED UNDER SHEEP PROMOTION, RESEARCH, AND INFORMATION ACT OF 1994.

Using funds available to the Agricultural Marketing Service, the Service may reimburse the American Sheep Industry Association for expenses incurred by American Sheep Industry Association between February 6, 1996, and May 17, 1996, in preparation for the implementation of a sheep and wool promotion, research, education, and information order under the Sheep Promotion, Research, and Information Act of 1994 (7 U.S.C. 7101 et seq.).

SEC. 508. DESIGNATION OF KIKA DE LA GARZA SUBTROPICAL AGRICULTURAL RESEARCH CENTER, WESLACO, TEXAS.

(a) DESIGNATION.—The Federal facilities located at 2413 East Highway 83, and 2301 South International Boulevard, in Weslaco, Texas, and known as the Subtropical Agricultural Research Center, shall be known and designated as the "Kika de la Garza Subtropical Agricultural Research Center".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal facilities referred to in subsection (a) shall be deemed to be a reference to the "Kika de la Garza Subtropical Agricultural Research Center".

SEC. 509. SENSE OF CONGRESS REGARDING AGRICULTURAL RESEARCH SERVICE EMPHASIS ON IN FIELD RESEARCH REGARDING METHYL BROMIDE ALTERNATIVES.

It is the sense of Congress that, of the Agricultural Research Service funds made available for a fiscal year for research regarding the development for agricultural use of alternatives to methyl bromide, the Secretary of Agriculture should use a substantial portion of such funds for research to be conducted in real field conditions, in particular pre-planting and post-harvest conditions, so as to expedite the development and commercial use of methyl bromide alternatives.

SEC. 510. SENSE OF CONGRESS REGARDING IMPORTANCE OF SCHOOL-BASED AGRICULTURAL EDUCATION.

It is the sense of Congress that the Secretary of Agriculture and the Secretary of Education should collaborate and cooperate in providing both instructional and technical support for school-based agricultural education.

SEC. 511. SENSE OF CONGRESS REGARDING DESIGNATION OF DEPARTMENT CRISIS MANAGEMENT TEAM.

(a) FINDINGS.—Congress finds the following:

(1) The Department of Agriculture plays a crucial role in ensuring that the United States is a world leader in maintaining the most affordable, abundant, wholesome, and safe food supply for its citizens.

(2) It is in the best interest of consumers, producers, processors, retailers, government officials, and other interested parties to ensure that any crisis that may affect the operation of the Department or the production of a safe and wholesome food supply is addressed in an effective manner.

(3) Unforeseen circumstances, including natural disaster, personnel management problems, threats to public health, and trade disruptions, have the potential to undermine the operation of the Department and the Nation's ability to efficiently provide a safe, affordable, abundant, and wholesome food supply.

(4) Department of Agriculture employees, consumer confidence, and the food production sector have been adversely impacted as a result of the challenges associated with Federal agencies' ability to respond to incidents in a coordinated and timely fashion.

(5) An effective response to crises, emergencies, and similar situations depends upon the timely and efficient coordination of Federal, State, and local government agencies.

(6) It is in the best interests of the Nation to ensure that whenever a crisis occurs the appropriate Federal agencies coordinate their activities.

(7) The Department of Agriculture should take the lead in ensuring a safe and wholesome supply of food for the Nation because of its broad and diverse relationship with consumers and the food production sector.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of Agriculture should—

(1) designate a Crisis Management Team within the Department of Agriculture, which would be composed of senior departmental personnel with strong subject matter expertise selected from each relevant agency of the Department and would be headed by a team leader with strong management and communications skills;

(2) upon establishment of such a Crisis Management Team, direct that the Crisis Management Team—

(A) develop a department-wide crisis management plan, taking into account similar plans developed by other government agencies and other large organizations;

(B) develop detailed written procedures for implementing the crisis management plan;

(C) conduct periodic reviews and revisions of the crisis management plan and procedures;

(D) ensure compliance with crisis management procedures by departmental personnel;

(E) coordinate the Department's information gathering and dissemination activities concerning issues managed by the Crisis Management Team;

(F) ensure that all employees of the Department are familiar with the crisis management plan and procedures and are encouraged to bring information regarding crises or potential crises to the attention of team members;

(G) ensure that departmental spokespersons convey accurate, timely, and scientifically sound information that is easily understood by the target audience; and

(H) cooperate and coordinate with other Federal agencies, States, local governments, industry, and public interest groups; and

(3) seek to enter into cooperative agreements with other Federal departments and agencies that have related programs or activities to help ensure consistent, accurate, and coordinated dissemination of information throughout the executive branch in the event of a crisis.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Oregon [Mr. SMITH] and the gentleman from Texas [Mr. STENHOLM] each will control 20 minutes.

The Chair recognizes the gentleman from Oregon [Mr. SMITH].

Mr. SMITH of Oregon. Mr. Speaker, I yield myself such time as I may consume.

Today, Mr. Speaker, I rise in support of H.R. 2534, the Agricultural Research, Extension, and Education Reauthorization Act of 1997. In doing so I would like to offer my gratitude and congratulations to three of my colleagues who serve on the Committee on Agriculture; first, the gentleman from Texas [Mr. COMBEST], who chairs the Subcommittee on Forestry, Resource Conservation and Research; the gentleman from Texas [Mr. STENHOLM], the committee's ranking minority member; and the gentleman from California [Mr. DOOLEY], the ranking Democrat on the Subcommittee on Forestry, Resource Conservation and Research. These three gentleman have shown a deep commitment to the importance of agricultural research and to America's farmers and ranchers, and we would not be here today, Mr. Speaker, were it not for their fine efforts.

After several subcommittee hearings, this bill, which passed the Committee on Agriculture by unanimous vote on Wednesday, October 29, is the first comprehensive overhaul of agricultural research programs since 1977. The last 2 decades have brought sweeping changes to agricultural trade, production and Government's approach to agriculture, culminating in the reforms accomplished in the last session of Congress commonly called the freedom to farm bill.

Today agricultural research is more important than ever in transforming to a market economy, in securing new markets for American farm products overseas, and ensuring that we continue to produce the world's highest quality food and fiber at competitive prices.

Consider for a moment the tremendous successes we have achieved as a result of agricultural research. The boll weevil has been virtually eliminated throughout the American South as a result of highly successful research programs. Throughout the Southern States, cotton production has been restored to profitability benefiting not just farmers who grow cotton, but American textile manufacturers and consumers who depend upon high-quality American cotton.

Agricultural research is also yielding new genetically modified organisms with great potential for American farmers, consumers and our environment. BT corn, which incorporates pesticide properties at genetic levels, allows farmers to combat corn root rot and corn borers without applying additional pesticides. Round-Up ready soybeans, which are resistant to common herbicide, allow Round-Up to be applied to the plant.

In each instance agricultural research has yielded better crops that save farmers and consumers money and allow for less application of pesticides and herbicides on the farm.

As I have the pleasure to recount to many foreign government officials with whom I met recently, these genetically modified organisms, which are the result of agricultural research, give the United States a real and distinct competitive advantage in the international marketplace. These and other advances indicate agricultural research's enormous potential for the farmer, the consumer and the environment.

H.R. 2534 lives up to this challenge. In addition to reauthorizing numerous agricultural research programs through the year 2002, the bill includes reform provisions to ensure peer and merit review of all USDA and U.S. research programs, provides for greater accountability in the development of Federal research priorities, and greater dependence on cost-sharing through requirements for matching funds.

Mr. Speaker, I am delighted to bring the Agricultural Research, Extension and Education Reauthorization to the full House with two technical amendments. First, as a result of jurisdictional concerns, section 231 of the bill is removed, which would have authorized the Secretary to establish a national agricultural weather information system. Second, a new section which has been added to the bill which names the Subtropical Agricultural Research Center in Weslaco, TX, after our former colleague and chairman of the House Committee on Agriculture, the Honorable Kika de la Garza.

I urge my colleagues to support this very worthwhile bill.

Mr. Speaker, I reserve the balance of my time.

Mr. STENHOLM. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of the bill, H.R. 2534, as amended, the Agricultural Research, Extension and Education Reauthorization Act of 1997. I am pleased to report that this bill is the result of a bipartisan effort in the House Committee on Agriculture and incorporates suggestions from both the providers and the users of agricultural research.

The bill, as amended, will provide for the continuation of our Nation's historic commitment to agricultural research and productivity. It was through this commitment that our Nation developed an agricultural sector that is the undisputed technological leader of the world. Our commitment to agricultural research has allowed us to produce more food on less land. As a result producers have the option of devoting environmentally sensitive land to other uses.

Among the provisions of this bill, as amended, is language to do the following: Increase merit review of federally funded agricultural research and extension, improve mechanisms for feedback from users of agricultural technology, and expand open competition for grant funds. In addition, we have included in the committee reported bill a provision that was inadvertently left out in the committee which would rename the Weslaco Agricultural Research Station as the Kika de la Garza Subtropical Agricultural Research Center.

H.R. 2534, as amended, stretches every Federal dollar by directing many grant programs to require matching funds from non-Federal sources. Additionally, this legislation places new emphasis on genetics and biotechnology, research cooperation and the development of new crops.

As we look toward a future with greater reliance on international competition and exports, it is even more critical that we maintain our Nation's leadership in agricultural research. The modest reforms and the priorities in this legislation will help to ensure continued U.S. leadership in both agricultural research and production well into the next century.

I urge all Members to support H.R. 2534, as amended.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of Oregon. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. COMBEST], who is chairman of the Subcommittee on Forestry, Resource Conservation and Research of the Committee on Agriculture.

Mr. COMBEST. Mr. Speaker, I rise today in support of H.R. 2534, the Agricultural Research, Extension, and Education Reauthorization Act of 1997, and I, as the gentleman from Oregon [Mr. SMITH], would like to thank several of my colleagues as well, certainly beginning with the chairman of the committee Mr. SMITH, the gentleman from Texas [Mr. STENHOLM], the ranking member of the full committee, and the gentleman from California [Mr. DOOLEY], ranking member on the subcommittee, for their work and cooperation in bringing this bill to the floor. This bill has been a bipartisan effort from the start, and I have enjoyed working with all parties involved.

As chairman of the subcommittee with jurisdiction over ag research programs, I held four hearings this summer to hear testimony from researchers who are involved in ag research, and farmers and others who the research is intended to benefit. We attempted to craft this bill to reflect some of their recommendations. This bill also reflects many recommendations of the Department of Agriculture.

Mr. Speaker, I believe it is critical that we maintain a strong public and private research effort in order for American agriculture to continue to be profitable and competitive in the global economy of the future. It is not by accident that Americans enjoy the most abundant and affordable supply of food and fiber of any country in the world. More people are fed and clothed today from crops grown with increased efficiency and limited resources. Research efforts have led to a sixfold increase in agricultural productivity over the last 4 decades. Almost 50 years ago the number of people fed by 1 farmer was 15. Today 1 farmer is able to feed 96 other people. Research into farming techniques and improved seed nutrition and nutrients have underwritten the success story of American agriculture.

Further, agricultural research is even more critical to support growing populations in the areas of the world which suffer from malnutrition. World demand for food is expected to double by the year 2025.

I have said from the start that all the components of our ag research system do an excellent job and are to be commended for their hard work. However, in today's farm policy and budget environment, it is very critical that we ensure that the Government maintains a strong role in ag research to support our farmers and ranchers. I have approached this reauthorization effort with a goal of striving to improve current research efforts and accomplish more with the same or fewer dollars than we have had in the past. This will require research to be conducted in the most efficient manner possible and avoid any duplication of efforts.

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This bill accomplishes some good and necessary reforms. Frankly, I would have liked to have accomplished even more reform in some of our research programs, but this bill represents the will of our subcommittee and the will of the full committee, and I urge my colleagues to support the bill.

Mr. STENHOLM. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. DOOLEY].

Mr. DOOLEY of California. Mr. Speaker, I want to compliment the gentleman from Texas [Mr. COMBEST], the chairman of the subcommittee which had jurisdiction, and thank him for his work and his willingness to work with myself and other members of the minority to putting forth, I think, a research bill, H.R. 2334, which really is going to position this country to move forward to ensure that the U.S. agriculture is on the leading edge of technology.

Just last year when we modified and made major changes in our farm programs, where we were moving Government more and more out of the business of farming, we are going to be requiring our farmers to be relying more on the marketplace in order to achieve their financial benefits.

This change in our farm policy is going to require an even greater investment in research, because all of us in agriculture fully understand that we are, in fact, in an international marketplace and the only way we can be competitive is by being on the leading edge of technology.

Thus, the investments that we make in agriculture research are ensuring that our farmers will have the tools to assure they can be competitive, to assure they can be profitable.

This bill embodies what I think are some modest reforms in our agriculture research program. It ensures we will have greater participation by stakeholders to participate. It will ensure that the research grants that are being offered will be subject to greater peer review and merit review. It will ensure that we maintain an infrastructure through our land grant colleges and other educational institutions that can provide us with the highest quality in agriculture research.

Importantly also, it moves forward in a new area of providing the authorization for funding for the plant genome research program. I think all of us understand the benefits that can be derived not only to agriculture but to consumers and our economy by further understanding the intricacies and opportunities with plant genome research.

There is more that can be done though, and I hope we will find a way that we can ensure that even greater competition on the allocation of our Federal dollars occurs so we can assure that our taxpayers get the greatest return from the Federal investment they are making in agriculture research.

Mr. SMITH of Oregon. Mr. Speaker, I yield 1 minute to the gentleman from New Mexico [Mr. SKEEN] the chairman of the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies of the Committee on Appropriations.

Mr. SKEEN. Mr. Speaker, I thank the gentleman for yielding me time. I appreciate the time.

What I am rising to say is, this is a good bill coming out of the House of Representatives. I appreciate the fact that we have had a lot of cooperation and the ability to work together with the gentleman from Oregon [Mr. SMITH].

However, I do want to say that the companion bill in the Senate is a problem. It creates $1.2 billion in entitlement spending, and we will certainly want to watch what happens. What the outcome of the conference will be is important, because I think this is a misuse of the process and it is an abuse of this particular category of bill.

Mr. Speaker, we will take a long hard look and see what the Senate comes up with. Maybe we can twist a few ears over there.

Mr. STENHOLM. Mr. Speaker, I yield 2 minutes to the gentlewoman from North Carolina [Mrs. CLAYTON].

Mrs. CLAYTON. Mr. Speaker, I thank the gentleman for yielding me time.

I also want to compliment the bipartisan leadership that brought this bill forward, and particularly the gentleman from Oregon [Mr. SMITH], the gentleman from Texas (Mr. STENHOLM), the gentleman from Texas [Mr. COMBEST], and the gentleman from California [Mr. DOOLEY].

I also want to speak to the value of the research components, both in the research area and the extension area, and some of the expansion of education programs, not only those that are reauthorized, but some of the new initiatives and new ways of ensuring not only that we have a new reform but that we include new research items.

Particularly I am interested in bringing to your attention the inclusion of pfisteria. That has indeed been a troublesome bacteria that has plagued our waterways, both our fish and human areas. I am also appreciative in the land grant colleges, that there was the opportunity for the 1890 colleges to participate.

However, I have a concern. I have the concern that there is the potential, not through the bill we have passed, indeed, I voted for that bill and will encourage people to vote for this one as well, but in the conference activity. I hope that we do not attempt to use that savings, all of that savings, not to go for food needs of hungry people, particularly those persons for food stamps who were denied food stamps through the welfare reform. A lot of people are suffering out there; also food stamp mothers who need those programs.

The potential of using $1.3 billion away from that, I think, is far too much. So I am urging the conferees not to allow that to happen. I support this bill, and I look forward to voting for the bill, I look forward to voting for the conference report that certainly has a better distribution of moneys coming from food stamps, savings from food stamps. It should not be dissipated out of that area; it should be included in that area.

Mr. SMITH of Oregon. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. EWING], who is also the chairman of the Subcommittee on Risk Management and Speciality Crops of the Committee on Agriculture.

Mr. EWING. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I rise in support of H.R. 2534, the Agricultural Research Extension and Education Reauthorization Act of 1997.

Mr. Speaker, this is the first comprehensive overhaul of agricultural research programs in 20 years. I think that is quite an achievement. The legislation is a critical step forward in meeting the increased demand for food in our world.

The bill improves the ability and capacity of participants in the U.S. food and agricultural sector to meet consumer needs for high-quality, safe, nutritious, affordable, and convenient food and other agricultural products and services.

The bill also will help American producers, the farmers of America, produce in a global market and compete. Innovative and meaningful research is vital to ensure that the United States remains at the forefront of producing the world's highest quality food.

This bill creates many exciting new programs; for instance, the Food Genome Research Initiative, which is fundamental in developing new and improved uses of crops, improving their productivity and efficiency, and generating high-quality, safe, and more affordable food products.

H.R. 2534 also establishes an Animal Waste Management Research Initiative, which will help address waste disposal issues faced by both the farm community and urban interests as well. Agricultural research continues to play a critical role in spurring our Nation's expanding economy. This legislation will help keep it that way for years to come.

Mr. Speaker, in closing, I want to thank the gentleman from Oregon [Mr. SMITH], our chairman; the ranking member, the gentleman from Texas [Mr. STENHOLM]; the gentleman from California [Mr. DOOLEY]; and, of course, the gentleman from Texas [Mr. COMBEST], for the fine work they have done on this legislation.

Mr. STENHOLM. Mr. Speaker, I yield 2½ minutes to the gentleman from California [Mr. FARR].

Mr. FARR of California. Mr. Speaker, I thank the gentleman for yielding me time.

Mr. Speaker, I rise in strong support of H.R. 2534, the Agricultural Research Extension and Education Reauthorization Act. I would like to thank the hard work that others have mentioned of the gentleman from Texas [Mr. COMBEST], the subcommittee chair; of the gentleman from California [Mr. DOOLEY] on our side; of the gentleman from Texas [Mr. STENHOLM]; and our chairman, the gentleman from Oregon [Mr. SMITH]. It is a great day for Willamette, Mr. Chairman.

Frankly, if you thank these people, you have got to thank their staffs, because they are the ones that have done such hard work on this important piece of legislation. It is not only important to America, but it is certainly important to California agriculture.

The farmers in my district are the most productive specialty crop growers in the world. They produce $2.5 billion worth of fresh row crops, vegetables, and horticultural crops each year. Mr. Speaker, I represent not only the salad bowl, but the flower bowl of the country. The agriculture industry is the backbone of the communities in my district, and they do this without Federal price supports.

This is a highly competitive field of agriculture. Research is one of the few ways that the Federal Government can help my farmers. I feel this legislation will help not just my farmers but all the farmers to be competitive into the next century.

I especially want to bring to your attention the language that I offered that was adopted in the markup that will greatly affect some of the farmers in my district and others in other parts of the country.

A high priority in the field of research is in the form of extension grants which will expedite the development of alternatives to methyl bromide. A fundamental change in the manner research is conducted in the Agricultural Research Service will help to avert the possible negative impacts on the American production as research will be directed to areas of greatest need as the phaseout date gets closer.

Mr. Speaker, the bill also contains an initiative for organic farming that will help this niche market continue to grow. We have barely begun to tap the full potential of the organic farming systems. This initiative will provide grants to facilitate the development of organic agriculture production, processing, and potential economic benefits associated with both domestic and foreign markets.

As we go to conference, I would like to echo the words stated earlier on the issue of the food stamps. We need to restore the food stamps, particularly to the children that have been affected and cut off by them. I am confident my colleagues will recognize the merit of this issue, and I look forward to their support.

Mr. STENHOLM. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. Hall].

Mr. HALL of Ohio. Mr. Speaker, I want to thank the gentleman for yielding me time, and certainly his great work in the whole agriculture field across this country; and the chairman of the committee, the gentleman from Oregon [Mr. Smith], for his wonderful work; and the other members and staff.

I have no objection to this bill, certainly, going forward at this point, but I just want to say that I hope we are all perfectly clear that this budget-neutral bill will go to a conference with the Senate measure, S. 1150, that contains over $1.2 billion in new spending, offset by savings from prohibiting States from double-billing the Federal Government for food stamp administrative costs.

I do not have a problem with the offset, but it is, nevertheless, a huge amount of money coming out of the food stamp program. I understand that some of these funds may be needed for agriculture programs. However, in the final conference agreement, it is imperative that a substantial amount of savings be used to address what is perhaps the most pressing hunger problem facing the country today, and that is the need to restore food stamp benefits to the very poor refugees and legal immigrant families with children, especially those not receiving any SSI.

There is a strong consensus on this point among the religious community, the antihunger community, and the immigrant community. So it will be difficult to support a final conference agreement that does not put a substantial amount of the Senate bill's administrative savings back into feeding hungry people, in particular vulnerable groups of legal immigrants and refugees who lost access to food stamps and now face real hardship.

I think many of my colleagues will be with me, hopefully, in sharing this view. I do know just in food in general, being at an emergency food bank in my hometown of Dayton, OH, food is down across the country in almost every food bank and warehouse across this land. We really need to address this issue in a better way, and I hope we can do it through this bill.

Mr. SMITH of Oregon. Mr. Speaker, I yield 1 minute to the gentleman from Kentucky [Mr. Lewis], a member of the committee.

Mr. LEWIS of Kentucky. Mr. Speaker, I rise today in support of H.R. 2534, the agricultural research reauthorization bill. I would like to thank the gentleman from Oregon [Mr. Smith]; the gentleman from Texas, [Chairman Combest]; and the ranking member, the gentleman from California [Mr. Dooley], and the committee staff for their hard work on this important bill.

I am particularly pleased that this bill includes the essential part of legislation that I authored, the Precision Agricultural Research Education and Information Dissemination Act.

Several new technologies make up precision agriculture. These include global positioning satellites, digital field mapping, grid soil sampling, and the list continues to grow as technology develops. If our farmers are to remain the most productive and most efficient growers and producers in the world, precision technology must be made available to them. This technology is just as revolutionary as moving from the horse to the tractor or from the plow to conservation tillage.

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Let us not deny our farmers the opportunity to remain the best in the world, and I urge my colleagues to bring our farmers into the 21st century by voting yes on this bill.

Mr. STENHOLM. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. Serrano].

Mr. SERRANO. Mr. Speaker, I thank the gentleman for yielding and for his excellent work in this area.

Mr. Speaker, I rise on behalf of a growing number of folks on both sides of the aisle who are caught in a very delicate situation. We feel good about the bill before us and terrified of what may be coming out of the Senate in a conference report, and trying to figure out how best to deal with this situation and how best to begin to send a message here today that that has to be dealt with and dealt with carefully.

We are concerned about the food stamp issue, and that is an issue that makes us the most nervous.

With that in mind, I would like to respectfully inform my colleagues that I will be calling for a recorded vote on this bill in the hope that that will begin a conversation to ensure that our fears will not be founded when it comes back from the Senate.

Mr. SMITH of Oregon. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. LaHood] a member of the committee.

Mr. LaHOOD. Mr. Speaker, I stand in the well today to encourage my colleagues to support H.R. 2534, the Research and Extension Reauthorization Act. The bill fulfills a commitment the Republican Congress made over 2 years ago to our Nation's farmers and ranchers. In return for a more market-oriented Federal farm policy, Congress would enact a more farmer-friendly Tax Code and increase our investment in agriculture research as we head into the 21st century.

The Federal Government must continue to lead the way in market developments and in finding new ways to utilize America's grown products.

Mr. Speaker, upon passage today, we will have delivered on our promises.

I want to thank the gentleman from Texas [Mr. Combest], the chairman of the subcommittee, who I know was here earlier, and the gentleman from California [Mr. Dooley], the ranking member, who I also see in the Chamber, for their leadership on this important issue, and also the gentleman from Oregon [Mr. Smith], the chairman of the committee,.

Strong agricultural research programs have enabled America's farmers and ranchers to produce the highest quality food and fiber in the world at competitive prices. H.R. 2534 updates and modernizes our research programs so that American farmers will maintain their competitive edge in an increasingly global market. From the start, I was committed to passing an agricultural research bill that does more with our research dollars in an ever-increasing tight budget environment.

This country has for many years been referred to as the "breadbasket" to the world. We could not talk about America and her greatness without first acknowledging the role that the family farm has played, and we are the most productive country in the world. The family farm is largely responsible for these unprecedented accomplishments.

I urge all of my colleagues to support this important bill. We had the good fortune of having folks from our community in the agriculture research lab testify and offer testimony, and our home community of Peoria has an agriculture research lab and benefits immensely, as well as the University of Illinois, and I encourage all Members to support this important legislation.

Mr. STENHOLM. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. PETERSON].

Mr. PETERSON of Minnesota. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I too rise in strong support today of the Agriculture Research Extension and Education Reauthorization Act of 1997. As has been said by others, we are moving into a new era in agriculture, and research is going to be a more and more important component of our agriculture policy in this country. We in the upper Midwest and particularly in the northern part which I represent are very concerned about some specific issues with scab on wheat and barley where we have a cooperative effort in this bill to start putting more of a focus on that particular issue, and that is something we are very interested in, along with all of the other parts of this legislation.

I, too, want to commend the gentleman from Texas [Mr. COMBEST], the subcommittee chairman, the gentleman from California [Mr. DOOLEY], the ranking member of the subcommittee, and also the gentleman from Oregon [Mr. SMITH], the chairman of the full committee, and the gentleman from Texas [Mr. STENHOLM], the ranking member of the full committee, and I urge my colleagues to support this legislation so that we can move it ahead and see if we can get a conference on this and pass this into law.

Mr. SMITH of Oregon. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. KINGSTON].

Mr. KINGSTON. Mr. Speaker, I thank the chairman of the Committee on Agriculture for allowing me to speak on a bill that they have worked very hard on and has lots of good merits. I think the House bill should be passed, as is, by both bodies. I do not feel that way about the potential Senate bill, and even though I have not seen or read the Senate bill in its entirety, I have a lot of concerns about what is coming out of the Senate side of this bill.

Making research mandatory, for example, puts research funding at the tune of $780 million on the same level with Social Security, VA payments, Medicare and Medicaid, and unlike making a decision to postpone research on certain kinds of plants and animals, one cannot postpone payments on Social Security, and I do not think that the Senate bill is right in trying to make research mandatory.

I also have concerns about the $300 million Fund for America, which would allow the Secretary of Agriculture to have a pot of money that could be used to reward or punish friends and enemies accordingly. I do not think that is a proper thing, that we need to put more politics in it.

I am also concerned about what this bill could do in terms of an unfunded mandates to Medicaid to our States. I have a lot of concerns about it, but I do want to emphasize, Mr. Speaker, I think the House bill is the model which we need to pass. I do not think the Senate bill is. I am very concerned that the Senate took a good and proper fundamental use of taxpayers' money and a fundamental jurisdiction of the Committee on Agriculture, and they have politicized it.

What I urge our Members to do as this bill goes to conference is to stick to our guns; do not accept the Senate bill, do not accept the Senate amendments, do not increase spending, do not increase unfunded mandates, and do not create more mandatory entitlement programs.

Mr. STENHOLM. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. BROWN].

Mr. BROWN of California. Mr. Speaker, I thank the gentleman for yielding this time to me.

I want to say, just in a general way, that I appreciate the work that the chairman of the committee has done on this bill in moving it forward. I think it is basically a good bill and I would like to see it enacted.

Now, I have heard, as apparently others have, that there are some problems having to do with the Senate bill, and I am sure the gentleman has heard some of these; in fact, I think I heard some remarks just as I was walking in with regard to that, and I would earnestly like to ask the chairman to give full consideration to this, because if we have a situation in which the Governors, as I understand they have continued to find objections to this, and a large number of our welfare agencies have objections to the Senate language, it is going to cause some difficulty, as the gentleman would know, for many of the Democrats to vote for the bill. I want to see this bill passed very solidly, as the gentleman knows.

So I would just call that to the gentleman's attention, and if he can in any way ameliorate the impact of that Senate language, why, it would be very much appreciated by me and I am sure by many others on this side, and we will see if we cannot emerge with a bill that we can all support and which I know will be good for agriculture.

Mr. STENHOLM. Mr. Speaker, I have no additional speakers on this side, and I yield myself the remainder of the time.

The controversy that has been talked about on both sides of the aisle concerning the Senate bill will have to be resolved in conference, as all legislation is resolved in conference. Getting us to the floor today was not an easy endeavor, and the gentleman from Texas [Mr. COMBEST], the chairman of the subcommittee, and the gentleman from California [Mr. DOOLEY], the ranking member, and all members of their subcommittee did an excellent job of resolving some very, very strong differences; and as they have stated, they were not totally satisfied with their work, as I would agree with them, but they have done the best they could do. I commend the gentleman from Oregon [Mr. SMITH], chairman of the full committee, for his leadership in bringing us to this point.

Now we are asking our colleagues in the House to join with us in passing this bill so that we might go to the Senate and resolve those issues, of which there are several. But one of which I would speak particularly to is the administrative cost of the food stamp program of $1.25 billion. Those moneys, and the Senate has agreed, those dollars should be reserved for the Committee on Agriculture to be spent on food, hunger, nutrition.

I happen to agree very strongly myself with the comments of the gentleman from Ohio [Mr. HALL] and the gentleman from New York [Mr. SERRANO], but there are differences of opinion in this, and I believe we can work them out in a conference.

Yes, the States are very opposed to this. They would much rather control the expenditure of those funds, if there are any funds there, which also has yet to be resolved. I understand that. But I would hope that all of our colleagues in this body would stay with the House Committee on Agriculture and with the Senate on this provision and work it out in a satisfactory way.

I particularly want to acknowledge, as the gentleman from Oregon [Mr. SMITH] did earlier, and the gentleman from New Mexico [Mr. SKEEN], that we have had a very good working relationship on this bill between the appropriators on the House side and the House Committee on Agriculture. That is something that we have not had as good a relationship in years past as we now have.

I will just say in concluding that this Member will do everything on our part, working with Members on my side on appropriations and on the Committee on Agriculture, to work in the conference to see that we satisfy a majority of the House Members in resolving this issue. I would hope that all of our colleagues would join with us today in passing this legislation at this moment today so that we might get to that conference and work those out in the same spirit of cooperation that has brought us here today.

Mr. Speaker, I yield back the balance of my time.

Mr. SMITH of Oregon. Mr. Speaker, I yield myself the remainder of my time.

Mr. Speaker, make no mistake about this. This bill has nothing to do with the criticism that we have heard from several Members. This bill, as we call it, is a very clean reauthorization bill of the research title, which has not been reauthorized for some many years now. The subcommittee and the full committee I think found that there were few differences on this bill, but when there were, we resolved them so that we will have unanimous support from both Democrats and Republicans from the Committee on Agriculture, and as we should from this House of Representatives, because we were very careful to make sure that Members' concerns were answered in committee, as we have always done.

This committee, my colleagues will find, if they have not found already, is very concerned about its bipartisanship, and it is very concerned about bringing regions of this great Nation together on agriculture, which we have been very successful in doing. And here again, we come before the House with a unanimous effort.

Now, the issues that have been discussed indeed are very difficult issues. Any time there is $1.25 billion at stake, Members become very anxious about where they are spent, how they are spent, and on which priorities they may be spent. We hear all of those concerns.

The conference committee will be made up of Republicans and Democrats, most of whom we see here today. So Members' concerns have been heard, and our job now is to try to sit down in this very short time with the Senate and see if there is any way that we can take care of the concerns that we have in the House and complement them with the Senate.

So I urge my colleagues to support this bill. It is an important position that we take now. There is about 2.8 billion dollars' worth of research here that is authorized, reauthorized. It is essential to this Nation if we are indeed going to be competitive throughout the world.

Mr. SOUDER. Mr. Speaker, I support H.R. 2534, the Agricultural Research, Extension, and Education Reauthorization Act for 1997.

I have had the opportunity to meet with farmers, producers, and processors from northeast Indiana, as well as Dean Vic Lechtenberg of Purdue University's School of Agriculture. They have emphasized that the excellent research and extension education system of our land grant universities and the USDA has allowed U.S. agriculture to provide the lowest cost and highest quality food supply in the world.

As you know, agriculture is an extremely important industry, not only to my home State of Indiana, but many other parts of the country as well.

In the 1996 farm bill, we made great strides in bringing agriculture production into a new era of technological competitiveness. As American agriculture relies more on world markets, it is imperative that its technology and human resources continue to be strong.

Without superb technology and an outstanding education system, U.S. producers and processors will be unable to compete effectively with other nations where labor and other costs are less.

There is little doubt that our agricultural industry will need the necessary tools to compete in the global market with technology based research.

The passage of this legislation will provide State cooperative extension service systems and State university agricultural research programs the necessary tools to help direct this country in the future and allow it to continue to be a world leader in agriculture.

As we work toward making sure that our Nation's books are balanced, we must not do so at the expense of a safe, dependable, and abundant food supply.

We simply must maintain agricultural research and funding at adequate levels to ensure that American agriculture can remain competitive. For these reasons, I encourage my colleagues to support this very important bill.

Mr. SMITH of Oregon. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oregon [Mr. SMITH] that the House suspend the rules and pass the bill, H.R. 2534, as amended.

The question was taken.

Mr. SERRANO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

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GENERAL LEAVE

Mr. SMITH of Oregon. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the bill just considered.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from Oregon?

There was no objection.

SENSE OF HOUSE REGARDING TACTILE CURRENCY FOR BLIND AND VISUALLY IMPAIRED

Mr. BAKER. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 122) expressing the sense of the House of Representatives regarding tactile currency for the blind and visually impaired.

The Clerk read as follows:

H. RES. 122

Whereas currency is used by virtually everyone in everyday life, including blind and visually impaired persons;

Whereas the Federal reserve notes of the United States are inaccessible to individuals with visual disabilities;

Whereas the Americans with Disabilities Act enhances the economic independence and equal opportunity for full participation in society for individuals with disabilities;

Whereas most blind and visually impaired persons are therefore required to rely upon others to determine denominations of such currency;

Whereas this constitutes a serious impediment to independence in everyday living;

Whereas electronic means of bill identification will always be more fallible than purely tactile means;

Whereas tactile currency already exists in 23 countries worldwide; and

Whereas the currency of the United States is presently undergoing significant changes for security purposes: Now, therefore, be it

Resolved, That the House of Representatives—

(1) endorses the efforts recently begun by the Bureau of Engraving and Printing to upgrade the currency for security reasons; and

(2) strongly encourages the Secretary of the Treasury and the Bureau of Engraving and Printing to incorporate cost-effective, tactile features into the design changes, thereby including the blind and visually impaired community in independent currency usage.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Louisiana [Mr. BAKER] and the gentleman from New York [Mr. FLAKE] each will control 20 minutes.

The Chair recognizes the gentleman from Louisiana [Mr. BAKER].

Mr. BAKER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this legislation has a very noncontroversial purpose, which intends to update our currency to include tactile markings. This is a change which I believe will be certainly of value to all Americans.

It is important to recognize the efforts of the Secretary of the Treasury and the Bureau of Engraving and Printing in this general area of improvement. As our currency is constantly updated for security purposes, a new low-vision feature has been added in the form of a high-contrast, large numeral denoting the denomination of the bill. This change is already helping many Americans with vision difficulty.

House Resolution 122 takes these efforts one step further by initiating the incorporation of tactile marking in our currency. This relatively minor change will have significant impact not only on individuals who have vision problems, but on all Americans that are visually impaired.

Mr. Speaker, I want to express my appreciation to Chairman LEACH and subcommittee chairman, the gentleman from Delaware [Mr. CASTLE] for their support and assistance with the resolution; also, the ranking member, the gentlemen from New York, Mr. LAFALCE and Mr. FLAKE for their support and courtesy in facilitating this.

I also want to express my appreciation to the American Academy of Ophthalmology and the National Federation of the Blind for their technical assistance in drafting this proposal.

I want to mention in connection with this resolution that I am particularly pleased to have worked with the Federation. They have been a leading force in our country in helping all of us acquire a more rational understanding of blindness. That has certainly been the case as we worked together on this particular matter. The Federation notes that although the visually impaired are currently able to use and handle their money, this additional step will facilitate safer and more secure transactions.

It is important, Mr. Speaker, that we examine and move forward in designing different forms of currency for use in the decades ahead. In that process, it will be important to consult with experts who have relevant knowledge, such as those in the Federation. This will ensure that the conversion of our currency occurs in a manner that is both cost-conscious and beneficial to everyone.

Mr. Speaker, I reserve the balance of my time.

Mr. FLAKE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of the resolution offered by the gentleman from Louisiana [Mr. BAKER]. To the extent that the Bureau of Engraving and Printing can accommodate the visually impaired during the future redesigns of currency, it should do so.

The availability of technology and materials exist today to do a great number of things with respect to the issue of anticounterfeiting. I would hope that the same technology may be used to make our visually impaired citizens more comfortable in their everyday business transactions.

Indeed, we have seen at newsstands and stores there have been technological advances which have allowed those who are salespersons and others to be able to function, even though they are, in many instances, visually impaired. It is only right that we give this opportunity to all of the citizens of this Nation. It is right, it is fair, it is appropriate.

I also recognize that we must not diminish the general market acceptance of our currency. Therefore, I would not expect radical designs under the resolution which the gentleman from Louisiana [Mr. BAKER] has presented. Nevertheless, I support the idea and the effort of this well-intentioned resolution.

I would hope that this body would see fit to pass it, because I think it is the right thing to do for those of our citizens who are visually impaired and can benefit greatly by our response to their needs today.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BAKER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I wish to express my appreciation to the gentleman from New York for his courtesies and support.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Louisiana [Mr. BAKER] that the House suspend the rules and agree to the resolution, House Resolution 122.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

VETERANS' CEMETERY PROTECTION ACT OF 1997

Mr. MCCOLLUM. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 813) to amend chapter 91 of title 18, United States Code, to provide criminal penalties for theft and willful vandalism at national cemeteries.

The Clerk read as follows:

S. 813

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Cemetery Protection Act of 1997".

SEC. 2. SENTENCING FOR OFFENSES AGAINST PROPERTY AT NATIONAL CEMETERIES.

(a) IN GENERAL.—Pursuant to its authority under section 994 of title 28, United States Code, the United States Sentencing Commission shall review and amend the Federal sentencing guidelines to provide a sentencing enhancement of not less than 2 levels for any offense against the property of a national cemetery.

(b) COMMISSION DUTIES.—In carrying out subsection (a), the Sentencing Commission shall ensure that the sentences, guidelines, and policy statements for offenders convicted of an offense described in that subsection are—

(1) appropriately severe; and

(2) reasonably consistent with other relevant directives and with other Federal sentencing guidelines.

(c) DEFINITION OF NATIONAL CEMETERY.—In this section, the term "national cemetery" means a cemetery—

(1) in the National Cemetery System established under section 2400 of title 38, United States Code; or

(2) under the jurisdiction of the Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, or the Secretary of the Interior.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida [Mr. MCCOLLUM] and the gentleman from New York [Mr. NADLER] each will control 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. MCCOLLUM].

GENERAL LEAVE

Mr. MCCOLLUM. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the Senate bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. MCCOLLUM. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the House passed H.R. 1532, the Veterans Cemetery Protection Act, on June 23, 1997. The legislation instructed the Sentencing Commission to review and amend its guidelines to provide a sentencing enhancement for any offense against property of a national cemetery.

Under the House approach, the Sentencing Commission was directed to increase a sentence by at least four levels if property of the national cemetery was injured or defaced, and by at least six levels if such property was stolen or unlawfully sold.

The Senate recently passed S. 813, which is the bill before us today, its version of the Veterans Cemetery Protection Act, with an amendment. The Senate version differs slightly from the House-passed version. It directs the Sentencing Commission to increase the penalties for these crimes by at least two levels, not the four- and six-level enhancements which the House bill required.

Although I am somewhat disappointed that the Senate has chosen to lower the enhancement levels, I am heartened by the fact that the Senate version still retains a specific direction to the Sentencing Commission to increase penalties. Moreover, the Senate-passed bill also contains language which instructs the Commission to carefully review its entire sentencing structure regarding these crimes and ensure that penalties are appropriately severe.

By passing this legislation, the U.S. Congress sends a clear message to criminals who would desecrate or destroy property at a national cemetery that the United States will not tolerate such disrespect of its veterans. Such cowardly crimes can only be perpetrated by persons who choose to ignore the sacrifice of those men and women who have served proudly and bravely in the U.S. Armed Forces.

This issue strikes a national nerve, and I am grateful to the gentleman from California [Mr. CALVERT] for his dedication and concern for our veterans. As the prime sponsor of this bill, and I am going to recognize him in a minute, he deserves a lot of applause.

I also want to thank the gentleman from Hawaii [Mr. ABERCROMBIE] for his continued efforts to ensure the passage of this legislation. The House version, H.R. 1532 was introduced on May 6, 1997, just over 6 months ago, and today the bill has 250 cosponsors.

Many of our veterans gave their lives to protect our cherished traditions and freedoms, and when their gravesites are desecrated by foul words and pictures, it offends the dignity and sense of honor shared by all Americans. I can think of no better gift to give our Nation's heroes for this Veterans Day than to pass the Veterans Cemetery Protection Act, and underscore our intolerance of vandalism and theft at our national cemeteries.

Mr. Speaker, I reserve the balance of my time.

Mr. NADLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill will impose stiffer penalties for thefts and acts of vandalism that involve a national cemetery. When someone desecrates a gravesite or steals a headstone, that is an especially vile crime, especially vile when it is a national cemetery where heroes of the United States are buried. It deserves appropriate punishment. So I commend the authors of this bill. I hope it will become law soon. I urge unanimous adoption.

Mr. Speaker, I yield back the balance of my time.

Mr. McCOLLUM. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. CALVERT], the author of this bill on the House side.

Mr. CALVERT. I thank the gentleman for yielding me the time, Mr. Speaker.

Mr. Speaker, the time has finally come. For over a year I have worked hard to introduce a certain piece of legislation which I think overcomes all our differences, goes beyond party affiliation, and shows the American people that when all is said and done, that this Congress is one, that it can be united.

Today especially as we go into Veterans Day weekend, and Tuesday, November 11, as Members know, is Veterans Day, I cannot think of any legislation which comes at a more appropriate time than that of the Veterans Cemetery Protection Act, introduced with my colleague, the gentleman from Hawaii [Mr. ABERCROMBIE].

Mr. Speaker, whenever a young man or woman enters the military, which some do voluntarily, they do so in order to protect our country and guard us against the uncertainties of the world. Sometimes they make the ultimate sacrifice. Over 1 million Americans have died fighting this country's wars. That is why it sickens me when I hear of ingrates and degenerates desecrating our national cemeteries.

In June of 1996, Riverside National Cemetery in California, the second largest in the Nation next to Arlington Cemetery in Virginia, fell prey to a thief who stole bronze markers from 128 graves, and later sold them for a profit. Horribly, this theft was discovered on Fathers Day by family members who had come to pay their respects.

On April 19 vandals spray-painted racist and profane words on cemetery walls at the National Memorial Cemetery of the Pacific in Hawaii, located in the district of my colleague, the gentleman from Hawaii [Mr. ABERCROMBIE].

Mr. Speaker, enough is enough. The Veterans Cemetery Protection Act would stiffen criminal penalties for theft and malicious vandalism at cemeteries. S. 813, the companion bill to my H.R. 1532, as amended, would stiffen criminal penalties for theft and malicious vandalism at national cemeteries.

S. 813 will require the U.S. Sentencing Commission to review and amend the sentencing guidelines to enhance penalties resulting from national cemetery desecrations and theft. The bill ensures that the sentences, guidelines, and policy statements for the offenders convicted of an offense are appropriately severe and reasonably consistent with other relevant directives and with other Federal sentencing guidelines.

S. 813 seeks to protect the 114 VA national cemeteries, along with other cemeteries under the jurisdiction of the Secretary of the Army, the Secretary of the Navy, the Secretary of the Air Force, and the Secretary of Interior.

Joseph Frank, National Commander of the American Legion, stated, "Deliberate acts of vandalism against the final resting place of American fallen comrades must not be tolerated." According to the Paralyzed Veterans of America News, "Demeaning and degrading the final resting place of veterans who have made the ultimate sacrifice for the Nation and their loved ones strikes at all veterans and all Americans." This bill addresses their concerns.

The Veterans Cemetery Protection Act has received the endorsement and support of numerous veterans and military organizations. I wish to recognize and thank the men and women of the Noncommissioned Officers Association of the United States of America, the Paralyzed Veterans of America, the American Legion, the Fleet Reserve Association, the Enlisted Association of the National Guard, the Veterans of Foreign Wars, the Disabled American Veterans, the Blinded Veterans Association, AmVets, and others who have expressed their support for this legislation.

Let there be no doubt, this is the Congress' gift to them and those who have gone before them. I wish to thank over 245 Members of this House of Representatives who have cosponsored this bill.

I would especially like to thank the gentleman from Hawaii [Mr. ABERCROMBIE] and his staff members, Lee-Ann Adams and Vivian Wolf for their support and leadership on this issue, the gentleman from Florida [Mr. McCOLLUM] and his staff member, Nicole Nason, for their help and guidance in making S. 813 a reality; to the gentleman from Illinois [Mr. HYDE] and his staff for passing this measure out of the Committee on the Judiciary in an expeditious manner; and to the gentleman from Texas [Mr. ARMEY] and his floor staffer, Siobhan McGill, for their help in bringing S. 813 to the floor; and to my own staff, especially Nelson Garcia, who led on this issue.

I would like to thank my fellow colleagues from the Inland Empire, the gentlemen from California, Mr. BROWN, Mr. LEWIS, and Mr. BONO, for their help in the early stages of this bill. Being so close to Veterans Day, I solemnly ask my colleagues to put all our differences aside, accept Senate bill, S. 813, and pass the Veterans Cemetery Protection Act.

Let this be a gift of Congress to our Nation's veterans.

Mr. McCOLLUM. Mr. Speaker, I reserve the balance of my time.

Mr. NADLER. Mr. Speaker, I ask unanimous consent to reclaim my time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. NADLER. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Hawaii [Mr. ABERCROMBIE].

Mr. ABERCROMBIE. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, despite the subject matter, which I am sure the gentleman from California [Mr. CALVERT] has explicated very clearly, this is in fact a happy day. That is to say that with the passage of the bill today, the Senate bill, S. 813, we will have addressed a very, very serious matter in a timely fashion, which is to say that the President will have the opportunity, hopefully, to sign this bill, perhaps as early as Veterans Day, upcoming Veterans Day.

Mr. Speaker, I rise today then to urge my colleagues to support passage of S. 813, the Veterans Cemetery Protection Act, as amended by the Senate Committee on the Judiciary. The gentleman from California [Mr. CALVERT] and I first introduced this bill in the House, and I am happy that we were able to work with the Senate to bring their version to the floor today for passage.

As I indicated, it is appropriate that we are able to take up this bill as Veterans Day approaches. This bill instructs the U.S. Sentencing Commission to significantly increase criminal penalties for theft and willful vandalism at national cemeteries.

First, Mr. Speaker, I would like to take some time to thank the gentleman from California [Mr. CALVERT], who gave me the opportunity to work with him on this requisite piece of legislation. It has indeed been a pleasure to work with him, and I am pleased that together we have been successful in our effort to move this bill through Congress.

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I might say as well, Mr. Speaker, that I have had an opportunity to work with the gentleman from California [Mr. CALVERT] as the ranking member on his subcommittee and the Committee on Resources previous to this, and it has been an extraordinarily enjoyable time for me, legislatively and personally, to be associated with him.

I would also like to sincerely thank the gentleman from Arizona [Mr. STUMP] and the gentleman from Illinois [Mr. HYDE] for recognizing the need for this legislation and for working with us, the gentleman from California [Mr. CALVERT] and myself, and giving us their support in moving this issue forward. The gentleman from California [Mr. CALVERT] has been extraordinarily patient in this endeavor, and I very much appreciate it.

I would likewise like to thank the gentleman from Florida [Mr. MCCOLLUM], who has also made a significant contribution to this bill, and I would like to extend my personal gratitude to him. I have had the opportunity to work with him in other areas as well, juvenile justice for one. And I appreciate the opportunity to extend to him my personal congratulations in helping to get this forward and extend to him my personal thanks.

On April 19, 1997, Mr. Speaker, seven Oahu cemeteries on the Island of Oahu in the State of Hawaii, including the National Cemetery of the Pacific at Punchbowl and the Hawaii Veterans Cemetery, were vandalized. Vandals used red spray paint to write racist and profane words on grave markers and cemetery and chapel walls. It is obvious that nothing is, in fact, sacred to the people who committed this act. Strict penalties must be enacted to send the message that we will not allow this type of behavior to continue unchecked.

As we have heard from the gentleman from California [Mr. CALVERT], this was not the only desecration of a national cemetery to occur in the country. Unfortunately, this type of crime is on the rise. On May 18, 1997, the New Jersey National Cemetery was also vandalized just prior to Memorial Day. These acts are an insult to the veterans who gave their lives to ensure our freedoms and to their families. Further, it is an affront to all men and women who have served or are presently serving in our Nation's Armed Forces.

I regret to say, Mr. Speaker, but it is entirely apropos that, unfortunately, just yesterday, and I arrived a little too late to know whether the gentleman from California [Mr. CALVERT] entered this into the RECORD, but there was a Scripps Howard News Service story just yesterday, "Vandalism Rising At Veterans Cemeteries." Coincidental, Mr. Speaker, of course, to the passage of the bill today, but very pertinent in terms of asking the Members to support it. The story says, in part, "Lawmakers hope President Clinton will sign the bill into law on Veterans Day, on Tuesday."

I want to indicate that under the sentencing guidelines which I mentioned, in case it has not been made a part of the RECORD, it gives guidelines to the judges, directing them to increase the penalties for convictions of theft and vandalism at the national cemeteries. The measure before us would set prison terms for up to 10 years for anyone convicted of vandalism causing more that $1,000 damage and up to 15 years for thefts at the national cemeteries.

I would like to conclude, Mr. Speaker, by indicating that today we are voting to send that message that we will not forget the sacrifices made by those who made the ultimate sacrifice and that we will not tolerate further desecration of our Nation's cemeteries.

Mr. McCOLLUM. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I rise today in strong support of the Veterans Cemetery Protection Act. I commend the gentleman from California [Mr. CALVERT] and the gentleman from Hawaii [Mr. ABERCROMBIE] and the gentleman from Florida [Mr. MCCOLLUM] for bringing this measure to the floor at this time.

This bill tightens penalties for any offence against properties of national veterans' cemeteries. Current statutes do not include any sentencing guidelines for theft, vandalism, or desecration of national cemeteries, only generic provisions against damaging Federal property.

In the wake of several incidents of theft, vandalism, and desecration, as has been enumerated by our colleagues today, at national cemeteries last year in California, Hawaii, New Jersey, and other States, I think it is appropriate that we penalize those who have perpetrated these acts of crime to deter this kind of reprehensible behavior. We owe no less to those who gave so much for all of us.

Accordingly, I urge our colleagues to join in support of this worthy measure.

Mr. NADLER. Mr. Speaker, I yield back the balance of my time.

Mr. McCOLLUM. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. MCCOLLUM] that the House suspend the rules and pass the Senate bill, S. 813.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

AMERICAN LEGION INCORPORATION TECHNICAL CORRECTION

Mr. McCOLLUM. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1377) to amend the act incorporating the American Legion to make a technical correction.

The Clerk read as follows:

S. 1377

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the Act entitled "An Act to Incorporate the American Legion", approved September 16, 1919 (41 Stat. 285; 36 U.S.C. 45) is amended by striking "December 22, 1961" and inserting "February 28, 1961".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida [Mr. MCCOLLUM] and the gentleman from New York [Mr. NADLER] each will control 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. MCCOLLUM].

GENERAL LEAVE

Mr. McCOLLUM. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on S. 1377, the Senate bill under consideration.

The SPEAKER pro tempore (Mr. PEASE). Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. McCOLLUM. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 1377. This is a very simple bill. The purpose of the bill is to expand the American Legion membership eligibility dates for Vietnam-era veterans. It merely changes the dates within the confines of the American Legion Charter.

Under this bill, the commencement date of the Vietnam Conflict in the American Legion Charter will be defined as February 28, 1961, instead of the current date, which is December 22, 1961. February 28 is the date that United States Army advisers first accompanied South Vietnamese troops on patrols.

This modification tracks strictly the dates which the Veterans Administration uses in awarding benefits to Vietnam veterans. I wish to emphasize that the bill even changes the American Legion Charter and has no effect on any benefits paid to Vietnam veterans or any other effect. This bill will have no cost.

Mr. Speaker, I reserve the balance of my time.

Mr. NADLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from Florida [Mr. MCCOLLUM] has adequately explained this bill. It is a very simple bill. It does something we certainly should do, to enable those American veterans who served in the Armed

Forces after February 28, 1961, when the first American troops accompanied South Vietnamese troops on patrol, but prior to December 22, 1961, which is the current date in the current legislation in the incorporating charter of the American Legion, to enable them to join the American Legion. This does track the change Congress made for veterans' benefits. I hope that this bill is unanimously approved.

Mr. Speaker, I reserve the balance of my time.

Mr. McCOLLUM. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I am pleased to rise in strong support of S. 1377, the American Legion Membership Eligibility Act, which changes the date from which those persons may qualify for veterans' benefits through association with their service during the Vietnam war.

At present, anyone in the service on or before December 22, 1961, qualifies. This bill modifies that date of eligibility to February 28, 1961, and in so doing, codifies the Veterans Administration practice of using the earlier dates and expands the number of veterans eligible for various benefits and for membership in the American Legion.

Accordingly, I urge my colleagues to join in supporting this legislation, which provides eligibility assistance to our veterans who served in the Vietnam war and who seek recognition by the American Legion.

I thank the gentleman from Florida [Mr. McCOLLUM] for yielding me the time. I want to commend the gentleman for bringing this measure to the floor at this time.

Mr. HYDE. Mr. Speaker, I also rise in support of S. 1377. I have introduced an identical bill, H.R. 2835, which expands the Vietnam-era eligibility dates for membership in the American Legion. It is very significant that the House is voting on this veterans bill on the eve of November 11th, Veterans Day. Hopefully this great Nation can remember its veterans throughout the year, not only in November. The American Legion, founded September 16, 1919, is a great service organization and is well deserving of our full support. I urge a favorable vote on this important legislation.

Mr. NADLER. Mr. Speaker, I yield back the balance of my time.

Mr. McCOLLUM. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. McCOLLUM] that the House suspend the rules and pass the Senate bill, S. 1377.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

DISAPPROVING CANCELLATIONS TRANSMITTED BY PRESIDENT OCTOBER 6, 1997

Mr. PACKARD. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2631) disapproving the cancellations transmitted by the President on October 6, 1997, regarding Public Law 105-45.

The Clerk read as follows:

H.R. 2631

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress disapproves of cancellations 97-4, 97-5, 97-6, 97-7, 97-8, 97-9, 97-10, 97-11, 97-12, 97-13, 97-14, 97-15, 97-16, 97-17, 97-18, 97-19, 97-20, 97-21, 97-22, 97-23, 97-24, 97-25, 97-26, 97-27, 97-28, 97-29, 97-30, 97-31, 97-32, 97-33, 97-34, 97-35, 97-36, 97-37, 97-38, 97-39, 97-40, and 97-41 as transmitted by the President in a special message on October 6, 1997, regarding Public Law 105-45.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. PACKARD] and the gentleman from North Carolina [Mr. HEFNER] each will control 20 minutes.

The Chair recognizes the gentleman from California [Mr. PACKARD].

GENERAL LEAVE

Mr. PACKARD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. PACKARD. Mr. Speaker, I rise today in strong support of the resolution of disapproval of the President's line item veto of the fiscal year 1998 military construction appropriations bill.

I would first like to thank the gentleman from New Mexico [Mr. SKEEN], the gentleman from Kentucky [Mr. WHITFIELD], and the gentleman from Kentucky [Mr. LEWIS] for their leadership on this resolution. They are the ones who initiated the resolution, and without them it would not be possible for us to have this debate and action today.

Many of us have different reasons, Mr. Speaker, for supporting this resolution. First, some of us, myself included, are strong supporters of the line item veto. I continue to be even though we are asking for this disapproval resolution to be passed. This group may have the best reason of all to support this resolution of disapproval.

The President must use this new power very carefully, fairly, and responsibly. Otherwise, the line item veto becomes an abusive and dangerous power in the hands of the President.

□ 1415

Second, those strongly opposed to giving this power to the President in the first place and have argued that it is unconstitutional, you should vote for this resolution on principle alone. Your reasoning? The President should not have the line-item veto power in the first place and therefore he should not use it in this instance.

Third, some of us have had to explain to our service men and women back home why their needs have been found less important than those of others and why they will not be getting the help they need this year. If you have any military construction projects in your State, and most States do, you should vote for this resolution.

Mr. Speaker, regardless of what category each of our Members would fall into, they should share the responsibility to ensure that the President uses his new authority fairly, carefully, and responsibly. The line-item veto authority can only be effective if it is used properly to cut wasteful and unneeded spending. This resolution is being considered in this House today because the President used his line-item veto authority in this instance carelessly and casually and then admitted that he made several mistakes.

Congressional Quarterly reported on October 31 the following: "The White House issued a veto threat, even as it acknowledged that it had used erroneous data as the basis for striking 18 of the 38 projects from the law."

In the White House press briefing shortly after the veto, OMB Director Franklin Raines said these exact words: "I believe that the great majority, if not the overwhelming majority, of these projects can make a contribution to our national defense."

Mr. Speaker, the fact is our committee did not pork up the appropriations bill, and because of that this administration is finding it harder and harder to defend its cancellations. My subcommittee produced a responsible and frugal bill. There is not a single project in the bill that was not completely scrubbed and carefully scrutinized by my committee, the authorizing committee and the Pentagon. Each and every project included was done with the full support and endorsement of the Defense Department. The facts are each of these projects meet a validated military requirement. Each of these projects is executable in this fiscal year, and this bill is within the amounts provided for defense under the budget agreement signed by the President.

Mr. Speaker, nobody should claim that this bill contains unnecessary spending or is laden with pork. In fact, the contrary is true. Let me remind my colleagues that the bill we produced this year was $610 million less than last year's enacted level. This is a 7 percent cut. Out of an $11.2 billion budget level 2 years ago, the fiscal year 1998 appropriations bill is $2 billion less. That reduction is over 20 percent in 2 years. The fact is if every other spending bill in the Congress was cut proportionately, we would not only have a balanced budget right now but a surplus of several billion dollars.

Mr. Speaker, when the President finds wasteful and unnecessary spending, he has now the authority to cancel that spending, and he should use it. But when the President uses this power to cancel spending not because it is wasteful but for political or other reasons, Congress should exercise its authority to disapprove of his actions. Today this Congress has the opportunity to correct the mistakes the President has admitted making.

Mr. Speaker, as chairman of the subcommittee that authored the appropriations bill, I now ask my colleagues to support this resolution of disapproval not just to provide the much needed resources for our service men and women but to ensure that the line-item veto power is used fairly, carefully, and responsibly in the future. The entire Republican and Democratic leadership team supports this resolution of disapproval. I strongly urge every Member of this body to do the same.

Mr. Speaker, let me at this time also thank some of the very key people that have been so instrumental not only in the movement of this bill but also of helping us in this resolution of disapproval. The gentleman from Colorado [Mr. HEFLEY], the chairman of the authorizing subcommittee, we have worked very closely with him; the gentleman from Florida [Mr. GOSS], the gentleman from New York [Mr. SOLOMON], all of them have helped me. But more than anyone else, of course, is the gentleman from North Carolina [Mr. HEFNER], the ranking member and the former chairman of this subcommittee. He has been absolutely remarkable in his efforts to put together a good bill and to also help us to get bipartisan support in this resolution of disapproval. The gentleman from Texas [Mr. ORTIZ], the ranking member of the authorizing committee, also was very important in helping to craft and work with us on this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. HEFNER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just like to speak about this particular bill. I was chairman of this subcommittee for quite a few years. In many instances we would pass this bill on a voice vote. We have prided ourselves in being a very bipartisan subcommittee. I would be remiss if I did not say that I think we have the finest staff on both sides, Democrats and Republicans, the finest staff anywhere in this House. They have done a remarkable job year after year after year to make sure that these projects are scrubbed, to make sure that there are no lightning rods in these bills. We have made a real effort to do the best that we could for our troops, our men and women in the service, and to help our Nation's defense by having people that would resign and reup and keep our military strong, and to keep our families intact where they would have a decent place to live and exist.

I would say the gentleman from California [Mr. PACKARD] made my speech. I had a nice speech here. I would be happy to send all the Members copies. But I would say this. I have the privilege of serving on two committees. I serve on the Subcommittee on Military Construction that I was chairman of for a lot of years. The gentleman from California [Mr. PACKARD] and I have been very good friends for many years. I would say that I do not know of a finer, more dedicated Member in this House than the gentleman from California.

I also serve on the Subcommittee on National Security. I can equally say the same thing for the gentleman from Florida [Mr. YOUNG] who has been instrumental in adding health issues into the defense budget and a remarkable person in his own right. If we had the camaraderie in all the House that we have on this Subcommittee on Military Construction, I think life would be a little more pleasant for all of us.

Mr. Speaker, this is a bill that should not have been vetoed. I did not support the line-item veto. When the line-item veto bill was up, I stood in this well and I predicted what would happen on the line-item veto. I stick by those predictions. This is just the first part of the terrible things that can happen under line-item veto. I think some of my colleagues that voted for line-item veto would have a tendency to rethink at this point in time. This is a good bill. There are no lightning rods in it, there is no Lawrence Welk, there are no bicycle paths. This is a bill that stresses the quality of life for our men and women in service and training facilities.

The argument that was made that some of these projects were not ready to go, we have prided ourselves in making sure that any project that we fund would be ready to go in that fiscal year. For that reason, I strongly support the override of this bill and compliment the gentleman from Colorado [Mr. HEFLEY], all the Members on the Democratic side, the gentleman from California [Mr. PACKARD], and all the staff for putting this bill together. I would strongly urge a unanimous vote on overriding this veto.

Let me make one other point. In talking to people, they have said, "Well, I voted for line-item veto. I feel a little bit hypocritical about voting to override one of the first line items that was passed here." When Members signed up to support line-item veto, they did not sign up to support every time that a President, be he Democrat or Republican that would veto, they signed up to give the President some discretion to scrub the bills and make sure that there was no pork and waste in them. I do not think it is a bit hypocritical for anyone that supported line-item veto to support the override of this bill.

Mr. Speaker, I urge that everybody vote with us on overriding this line-item veto.

Mr. Speaker, I reserve the balance of my time.

Mr. PACKARD. Mr. Speaker, I yield 3 minutes to the gentleman from Colorado [Mr. HEFLEY], the chairman of the authorizing subcommittee.

Mr. HEFLEY. Mr. Speaker, I thank the gentleman from California, chairman of the Appropriations Subcommittee on Military Construction, for yielding me this time.

Mr. Speaker, we are going to hear a certain sameness or similarities between what each of us that have worked so hard on these bills have to say, I think. I think that is because there has never probably in the history of the Congress been two appropriation/authorization committees that have worked closer together or have worked in a more bipartisan spirit than these committees have. I appreciate from the gentleman from California [Mr. PACKARD]) and the gentleman from North Carolina [Mr. HEFNER] so much the ability for us to work together like we have. We had the same criteria. We worked hard on that criteria. We struggled to make sure that everything absolutely met that criteria. I think we were all absolutely dumbfounded when the President chose to veto these particular bills.

Let me sum it up again. All of these projects would address validated requirements of the military services. We did not invent any of these projects. We did not come up out of our head and say, "Oh, that would be nice to do." These are things we demanded that the military prove their need for before we put them in. They are based on information provided by the military departments when the legislation was being developed. All of the projects are executable in 1998—33 of the 38 canceled projects, 85 percent of them, are actually in the President's 5-year defense program. One in four were programmed by the administration for the fiscal year 2000 military construction program. The military construction appropriations and authorization bills were both within the limits established by the budget agreement. There is no wasteful or excessive spending here.

The White House and the Department of Defense both admit mistakes were made in the exercise of the line-item veto on the military construction propositions bill. To keep faith with the men and women in uniform and to improve their working conditions, their training environments and to enhance unit readiness, I believe the House should override the President's vetoes in this case.

The Line-Item Veto Act provides a process for reconsideration. As the gentleman from North Carolina [Mr. HEFNER] said, innate in supporting the line-item veto, and I supported the line-item veto and I still support it, but innate in that process is the ability of this body to disagree with what the President's thoughts were by vetoing them. That is what I ask us to do today. Let us disagree with the President. The President and the White House have already admitted mistakes were made. I do not think he is out there struggling for Members to sustain this veto particularly. Let us band together and have a very strong vote to override these vetoes.

Mr. HEFNER. Mr. Speaker, I yield 7 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, no Member of this House in the last 2 years has offered more amendments to cut military spending than I have. I think that we spend an obscene amount on military spending. I think it ought to be cut back deeply. Last year I offered an amendment to this bill to cut a number of projects out which were not on the administration's 5-year plan. I had originally expected to oppose this resolution because I felt that justice might best be served by making the White House and the Congress live with the consequences of their action on the line-item veto. But I think the manner in which the White House has handled these line-item vetoes in recent weeks is an affront to responsible government and deserves the type of public repudiation that this resolution provides. It is true that Members of Congress sometimes add items to legislation that are inconsistent with the overall purposes of that legislation and items that serve purposes too narrow to warrant the use of public funds. The same I would say can be said of many of the proposals contained in each of the budgets of each of the six Presidents I have served under.

The question which the line-item veto raises was whether or not wiser decisions about the use of public funds could be made if the executive were given significant additional powers with respect to Government spending. I believe the experience we have had with the Clinton White House this fall answers the question. The President's exercise of the line-item veto has been objectionable for the following reasons in my view.

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First, staff incompetence. With respect to military construction, the first appropriation bill on which the line item was fully exercised, fully one-third of the projects vetoed failed to meet the criteria established by the White House in the first place.

Second, executive arrogance. The criteria established by the White House displayed wanton disregard for the constitutional role of the Congress in making decisions about spending. They were not narrow-purpose items, they were of limited public use. In fact, the overwhelming majority were contained in the administration's own 5-year construction plans. The purpose of the veto, therefore, was clearly a matter of insisting on administration priorities in spending over those of the Congress. The White House may want the Government to work that way, but the Founding Fathers did not.

Third, political dealmaking. The White House has made it very clear from the outset that its use of the line-item veto is a matter of political discretion rather than objective policy. The Defense appropriation bill which contained nearly half of all discretionary spending and, in my view, more than half of the items that might have demanded the most scrutiny in an objective application of the line-item veto, that bill was the subject of the first administration offer with regard to the line-item veto. On that bill conferees were told by the White House that they would exempt the defense appropriation bill from line-item vetoes altogether if the Congress added more money to fund the very questionable Dual Use Program which gives Government research grants to private for-profit corporations.

Fourth is the blatant disregard for eliminating the most wasteful items. While the White House has at times been willing to exercise the line-item veto on items where a clear public purpose was beyond dispute, they willfully neglected to use the veto in numerous instances where lack of a clear public purpose was beyond dispute.

What we clearly have here is an effort on the part of the White House to leverage greater political power to the executive branch carried on under the guise of imposing fiscal restraint. But what the executive branch wants under this administration is no different than we have seen under previous administrations. They not only want more power, but they also very often want more money. And line item vetoes are being used to leverage in some cases more spending and to give the executive branch more leverage on nonspending items as well. I believe that is illegitimate.

The President is the most powerful office in the world, and as Americans we should be proud of that, but the President should not be too powerful. We elect him to be a President, not a king. In my lifetime the greatest abuse of powers of government have come from the executive branch. If the Congress does not maintain its constitutional responsibility to be a coequal branch of Government, we risk having a Government which increasingly abuses its own citizenry and in which decisions about policy and resources are dominated by unelected staff elites or only marginally subject to popular will.

Mr. Speaker, I reserve the balance of my time.

Mr. PACKARD. Mr. Speaker, I truly appreciate the statement that the gentleman from Wisconsin just made.

Mr. Speaker, I yield 2 minutes to the gentleman from New Mexico [Mr. SKEEN], chairman of the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies of the Committee on Appropriations.

Mr. SKEEN. Mr. Speaker, I rise in support of the passage of H.R. 2631, the military construction line-item veto disapproval bill. Passage of this legislation is necessary to correct the mistakes that were made during the President's vetoes of 38 projects included in the bill which passed the House by a wide margin in July and in September.

I thank the leadership for allowing this bill to come to the floor for passage, and I am especially appreciative of the chairman, the gentleman from California [Mr. PACKARD], and the gentleman from North Carolina [Mr. HEFNER], the ranking member, for their work in shepherding this legislation on the floor.

One of my colleagues from Florida [Mrs. FOWLER] has titled this bill the military construction line-item integrity bill as this legislation restores integrity to the line item-veto process by ensuring the decisions are made on the basis of fact and not mistakes. The Office of Management and Budget has acknowledged that mistakes were made which led to the President's line-item vetoes, and passage of the legislation would allow those mistakes to be corrected.

This bill has broad bipartisan support, and just yesterday the National Guard Association of the United States endorsed this bill. So I ask all of my colleagues in the House of Representatives to support the legislation to ensure that our laws are based on factual information, not mistakes and erroneous information.

Mr. HEFNER. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Speaker, I rise in strong support of this motion of disapproval and commend the gentleman from California [Mr. PACKARD] and the gentleman from North Carolina [Mr. HEFNER] and others for their work

Mr. Speaker, I rise today I to express my support for H.R. 2631, the military construction veto disapproval. I have the privilege of representing Dyess Air Force Base in Abilene. TX. One of the 38 projects stricken from the military construction projects was in my district so I have a very personal interest in this legislation, but I believe that the President made the decision to strike many of projects in the bill based on poor advice and inaccurate information.

One of the reasons the President gave for vetoing these projects was that they did not meet a so-called "quality of life" requirement. I don't know what the President's definition of quality of life is, but I do know this: these 38 projects which were eliminated included facilities to provide a safe working place for the men and women we entrust with the defense of our Nation.

In the case of the squadron operations facility to be built at Dyess Air Force Base, there are currently no existing facilities to house the 13th Bomb Squadron. Without this facility, the men and women of the 13th Bomb Squadron will be denied the tools they need to do their jobs.

How does this add to their quality of life or their ability to discharge their duties? Quality of life involves a great deal more than housing and child care facilities and gymnasiums, although those are very important. I cannot imagine how the quality of work life could be much worse than importing 500 to 1,000 men and women to do a job without any facilities in which to house that work.

The projects line-item vetoed by the President were included in the military construction bill because they are essential to the mission of our military. Most of these projects were included in the 5-year plans of the military services so that the money for these projects will be spent eventually. These projects were considered by four different congressional committees with expertise in the area of national security and were reviewed by the Pentagon. The House and the Senate voted by overwhelming majorities to approve the Military Construction Appropriation Act.

Yet the President and his staff acting in haste crafted a new criteria for military construction projects—quality of life. While I do not oppose the use of quality of life as a consideration for determining the merit of a project, it should not be the only criteria, and it should be clearly defined and fairly applied. In the case of the 13th Bomb Squadron Operations Facility and many of the other projects canceled by the President, it was not. The President incorrectly substituted his judgment for that of the Congress and the Pentagon. I urge my colleagues to support our men and women in uniform by voting to override the President's line-item veto to restore these projects.

Mr. HEFNER. Mr. Speaker, I yield 2½ minutes to the gentleman from Texas [Mr. ORTIZ], who has done yeoman work on this bill and also on the authorization bill.

Mr. ORTIZ. Mr. Speaker, I rise today to strongly support H.R. 2631, the Military Construction Line Item Veto Integrity Act before this House today. As my colleagues know, we have done so much work these last few months. We have had some very interesting hearings trying to address the needs that we address when we had those hearings and included in the bills and in some of these items that were vetoed.

Now, the administration has admitted that they made some mistakes when they line item vetoed some of these projects. This is why today I strongly request my colleagues to vote in favor of this legislation.

As my colleagues know, during these hearings that we had in reference to the military construction appropriations bills and the authorization bill, we traveled, and we saw the need. I wonder if my colleagues know that some of our pilots are getting out of the military after they serve 5, 6 years, and after we pay a million dollars to train our pilots they get out, and do my colleagues know why? It is because we have housing problems that now we are beginning to address in this bill today.

They tell me, as my colleagues know, we train, and then we are deployed two, three different times a year, and at the same time when we are fighting to keep peace in these countries where we are assigned, we have to worry about our families. Why? Because the plumbing does not work, because the electricity does not work, and then we expect our service people to stay when they have to serve under these conditions. They get better job offers in the outside.

But let us not forget that included in this bill also, there is a pay raise for service men and women who serve, as my colleagues know, in the military.

Again, I want Members to also remember that this has to lead back on pension. We will one of these days regret that because we did not do what the servicemen, people, needs were never addressed, that they are going to be getting out of the military, and this is going to cost more money.

This is why I urge my colleagues to vote to override this bill today. It is a good bill, it is good for America.

Mr. PACKARD. Mr. Speaker, I yield 1 minute to the gentleman from Kentucky [Mr. WHITFIELD].

Mr. WHITFIELD. Mr. Speaker, I wanted to take this opportunity to commend the chairman, the gentleman from California [Mr. PACKARD], the gentleman from New Mexico [Mr. SKEEN], the gentleman from North Carolina [Mr. HEFNER], and all the others who have worked on this effort.

Mr. Speaker, I simply say that I rise in strong support of this resolution to disapprove the President's line-item veto of the fiscal year 1998 military construction appropriations bill.

I rise in strong support of the resolution to disapprove the President's line-item veto of the fiscal year 1998 military construction appropriations bill.

Congressman SKEEN and I introduced resolutions disapproving the line-item veto of these 38 military construction projects. One of those projects—the construction of two vehicle maintenance shops totaling $9.9 million—was to be built at Fort Campbell, KY, located in my congressional district.

But whether or not you have a project eliminated by this veto should not be your only concern. What should concern you is the process.

Under the provisions of the Line Item Veto Act, the disapproval resolution is the only means we have to register our objection or dissatisfaction with the programs or projects targeted for elimination or the manner in which they were selected. I am very pleased that Chairman PACKARD and Ranking Member HEFNER support us in this effort.

Depending on which report you read, as many as 18 projects proposed for elimination in this line-item veto proposal should never have been included on the list, including the vehicle maintenance shops at Fort Campbell.

As a matter of fact, in testimony before the House National Security Committee on October 22, 1997, Maj. Gen. Clair F. Gill, Deputy Assistant Secretary of the Army for Budget, testified that the Fort Campbell project is 90-percent design complete, not zero percent as had been reported to the President. Since the President used the design status to determine which projects should be eliminated, he acted based on erroneous information. The bottom line is a mistake was made, and the vehicle maintenance shops at Fort Campbell should not have been included in the list of vetoed projects.

I voted to give the President line-item veto authority, and I still believe it is an appropriate means to further reduce unnecessary spending.

But the decisions on which projects or programs should be eliminated should be based on the criteria defined in the line-veto message. That did not happen in this case.

Two units at Fort Campbell are scheduled to receive the new vehicle maintenance shops. The 235 soldiers assigned to those units currently work in facilities constructed over 50 years ago that were built to last for only five years. They are too small and improperly designed for efficient and safe maintenance activities. They have old and faulty electrical wiring which caused a fire in October 1991, destroying one building; they have inoperable and unserviceable vehicle exhaust systems; and they have inadequate lighting and are combustible. The current buildings contain asbestos and lead-based paint and they have no oil/water separators. Any way you look at it, the current maintenance facilities are deficient from an environmental, safety, and operational standpoint.

The soldiers who work in these buildings are responsible for repairing and maintaining 400 pieces of equipment each month. The work they perform is critical in terms of maintaining a premier fighting force like the 101st Airborne Division which is expected to fully deploy to any location throughout the world in only 76 hours.

Please join Congressman SKEEN and me in support of the disapproval resolution. The Senate has already voted 69 to 30 to reject this veto, and the House must take similar action. We need to protect the line-item veto process, and we need to restore funds to projects which met the President's criteria and did not belong on any veto list.

Mr. HEFNER. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Speaker, I thank the gentleman for yielding this time to me, and I rise in strong support of this legislation and suggest to my colleagues that this issue is not solely about 38 projects, as meritorious as those projects may be. It is about the proper balance between the Congress of the United States and the Executive.

I did not support the line-item veto. I supported the enhanced rescission alternative of the gentleman from Texas [Mr. STENHOLM], which allowed the President to take out projects that the President thought were either fraud or wasteful or untimely or against the policy of the administration.

In this instance the administration acted far too broadly and far beyond those constraints. This legislation, therefore, in my opinion, seeks to address balancing the responsibilities of this Congress, which under article I of the Constitution of the United States is to set the policies for this Nation and the executive's authority to carry out, but also to ensure that those policies are perceived by the administration as not to be wasteful or against policy. In my opinion, this veto went so broadly as to substitute the judgment of the administration for that of the Legislature, and that is not appropriate under the Constitution of the United States.

Therefore, I urge my colleagues not just because these 38 projects themselves have merit, but more importantly so that the proper balance between the executive and legislative branches of Government is focused upon by both the administration and by the Congress, and I want to congratulate the gentleman from California [Mr. PACKARD] for his leadership and the gentleman from North Carolina [Mr. HEFNER] for his leadership in bringing this matter before the Congress in a context which does not need to be critical of the administration, but simply to say as we try out this new procedure, and it is brand new, we need to make sure that we do so in a context that is judicious and proper.

Mr. PACKARD. Mr. Speaker, I yield such time as he may consume to the gentleman from Idaho [Mr. CRAPO].

Mr. CRAPO. Mr. Speaker, I stand in strong support of this Line Item Veto Cancellation Act.

Mr. Speaker, I thank the distinguished gentleman for yielding to me and I rise to express my support for H.R. 2631, the Line Item Veto Cancellation Act.

As a long-time supporter of the line-item veto, I was particularly disappointed to see the President make a misinformed decision in canceling funding for 38 military construction projects, including 2 in my home State of Idaho. Based on faulty and outdated information provided by the Department of Defense, President Clinton eliminated needed funds for a B–1B bomber avionics facility for low-altitude navigation and an F–15C squadron building for planning and briefing combat crews at Mountain Home Air Force Base.

Both of these projects were among the Air Force's top priorities and were a part of the President's 1999 and 2000 Pentagon budgets. The 366th Composite Wing at Mountain Home Air Force Base represents one of our Nation's premier rapid-deployment forces in times of an emergency. Even Defense Secretary Cohen has reflected on the critical role of the 366th Wing in our national security structure and acknowledged that "it must maintain peak readiness to respond rapidly and effectively to diverse situations and conflicts." For service at home and in the Middle East, Central America, and Europe, the men and women of Mountain Home Air Force Base have answered the call of their country; it is only right and proper that the Commander-in-Chief recognize this important commitment.

Providing the President with line-item veto authority was an important goal of the last Congress, and I was pleased to assist in that effort. However, this power is significant and must be practiced with great care and attention. It is my hope that the President understands this and will only exercise the veto in appropriate cases.

At this time, I would like to express my appreciation to Chairman PACKARD, Representative SKEEN, Representative HEFLEY, and the House leadership on both sides of the aisle for considering this measure today to overturn the President's vetoes. The Senate has already voted overwhelmingly to overturn the President's actions, so I hope that we can also send a strong message to the White House this afternoon by passing this measure with a veto-proof majority.

Mr. PACKARD. Mr. Speaker, I yield 1 minute to the gentlewoman from Florida [Mrs. FOWLER].

Mrs. FOWLER. Mr. Speaker, as my colleagues know, I voted for the line-item veto in 1995, and I remain a strong supporter of it when it is used properly. Unfortunately that is not the case here.

Now we have two problems. Problem one, the President vetoed worthwhile projects, not the kind of wasteful pork-barrel spending that we intended to eliminate with the line-item veto; and problem two, the administration now admits it vetoed dozens of projects by mistake. Now they say they want to work with Congress to restore the funding.

Mr. Speaker, there is only one way to correct these mistakes, and that is through this override process. When the President vetoes worthwhile projects by mistake, we have an obligation and a responsibility to correct those mistakes.

I urge my colleagues to support the resolution.

Mr. Speaker, I rise in strong support of the resolution.

I voted for the line-item veto in 1995, and remain a strong supporter of it when it is used properly. Unfortunately, that is not the case here.

We have two problems. First, the day after the President used the line-item veto, his budget director said this about the vetoed projects:

"The great majority, if not the overwhelming majority, of these projects can make a contribution to our national defense."

Problem 1. He vetoed worthwhile projects, not the kind of wasteful, pork-barrel spending we intended to eliminate with the line-item veto.

Problem 2. The Administration now admits it vetoed dozens of projects by mistake. They say they want to work with Congress to restore funding.

Mr. Speaker, there is only one way to correct these mistakes and that is through this override process.

When the President vetoes worthwhile projects by mistakes, we have an obligation and a responsibility to correct those mistakes.

I urge my colleagues to support the resolution.

Mr. HEFNER. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. REYES].

Mr. REYES. Mr. Speaker, I rise this morning in strong support of this bill.

I rise today in support of this bill to restore the military construction projects which were vetoed from the military construction appropriations bill.

Although I was not a Member of Congress when the line-item veto authority was passed and I do not necessarily support the line-item veto which I believe unfairly shifts the balance of power in this government, I understand that the purpose of the line-item veto is, basically, to eliminate wasteful and unnecessary spending—pork.

The projects included in the military construction bill were not pork. As a Member of the House National Security Committee's Subcommittee on Military Facilities and Installations, I know how well each of the projects was vetted. All projects had to meet a need of the military and construction had to begin before the end of the next fiscal year. Even the Pentagon knows how important these projects are because most were included in its outyear budget plans.

When the President used his line-item veto on the military construction bill, his criteria included:

1. That the project could not make an immediate contribution to quality of life, or

2. That the project could not begin in fiscal year 1998.

First, in regard to the ability to begin construction in fiscal year 1998, both the military construction appropriations and authorizing subcommittees reviewed all the projects closely and verified with the military services that construction on each project could begin next year. The administration also has now admitted projects were vetoed based on incorrect information.

Second, many members of the House National Security Committee, including myself, find odd that the criteria did not include safety of our men and women in uniform and our civilian personnel. Many of the projects vetoed were, in fact, included in the original military construction bill for safety reasons.

For example, Congress has included an ammunition supply area to be located on McGregor Range at Fort Bliss. The soldiers of Fort Bliss fire live ordnance on McGregor Range which is about 20 miles from the main post. Some of the live ordnance is now stored on the range, however, much is still stored on the main post and must be transported to the range for use by the troops. On post, the ammunition is stored in buildings which do not comply with regulations designed to protect human safety and the environment. To deliver the ammunition to the range, soldiers transport the ordnance over public highways through low income and minority areas of El Paso.

Another project included in the bill for safety reasons is a project to renovate launch complex facilities on White Sands Missile Range. Our soldiers and civilians, currently working in this launch complex, are testing, among other munitions, antiballistic missiles to protect our troops in the field and the people of this nation. The 200 men and women who perform these tests, however, are working in unsafe and generally deplorable conditions. They face daily hazards relating to the absence of fire suppression systems and are potentially exposed to the dangerous hanta virus because of rat infestation under the buildings. without the renovations to the launch complex, their health and safety are at risk and activities relating to many of this nation's future offensive and defensive weapon systems will be jeopardized.

I urge you to vote yes on this bill to help protect the lives and health of our soldiers, sailors, airmen, Marines, and civilian personnel.

Mr. HEFNER. Mr. Speaker, I yield 1 minute to the gentleman from Colorado [Mr. SKAGGS].

Mr. SKAGGS. Mr. Speaker, as an appropriator and opponent of the Line-Item Veto Act, my comments will be somewhat counterintuitive.

You bet there is a mistake that needs to be corrected here. It was our mistake in passing the Line-Item Veto Act.

You bet we should be concerned for the prerogatives of the legislative branch; we gave them away.

Until we suffer the consequences of our profoundly foolish act in passing the line-item veto bill to begin with, it will be a continuing invitation for just the kind of abuse of executive power that the gentleman from Wisconsin [Mr. OBEY] and others have pointed to.

We did this to ourselves. The only way we are going to come to our senses about our mistake is to have to suffer the consequences of that mistake.

We should vote no on this bill to force ourselves to live with what we did until we realize that we have it in our power to restore our constitutional rights. We gave them away. We cannot blame the President for taking advantage of that mistake.

Mr. PACKARD. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. SOLOMON], the chairman of the Committee on Rules.

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Mr. SOLOMON. Mr. Speaker, first let me strongly commend the gentleman from California [Mr. PACKARD], the gentleman from Colorado [Mr. HEFLEY], the gentleman from Texas [Mr. ORTIZ], the gentleman from New Mexico [Mr. SKEEN], and everyone else for bringing this legislation to the floor.

Let me say, Mr. Speaker, this is both a pro-defense and a pro-line item veto vote here today. The previous speaker is a good friend, a former Marine, but he is also the most outspoken opponent of the line-item veto, and I think he protests too much.

As a chief proponent of the line-item veto in this House, I am proud to say as chairman of one of the committees charged with the oversight of the line-item veto bill, I assure Members that such an action would be fully consistent with the intent of the line-item veto.

The line-item veto was written to give any President, regardless of party, the authority to highlight, in his opinion, questionable spending. Likewise, the law protects Congress' ability to defend its spending decisions and priorities by providing for this expedited procedure we have before us today.

Moving a bill which utilizes these procedures is in no way undermining the intent nor taints our strong support of the line-item veto.

Let me just tell Members something: If this does not pass today, we lower the level of spending by almost $300 million, almost half a billion dollars. That lowers all the defense spending. We fight hard to maintain that level of spending.

I want everybody to come over here, those who supported the line-item veto, like I did, and I want you to vote to override the President. That is our prerogative as Members of this House.

Mr. HEFNER. Mr. Speaker, I yield 1 minute to the gentleman from Virginia [Mr. PICKETT].

Mr. PICKETT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of H.R. 2631, and I would urge everyone who supports our military to likewise support this legislation.

When this legislation originally passed, over 400 people in this body voted in favor of it, and I ask all 400 of them to vote the same way today. The reference is made that these projects are somehow wasteful and are pork-barrel kind of projects simply because they were not included in the President's budget.

Mr. Speaker, each year I visit each of the military bases in my district and talk personally with the commanding officers and ask them what their priorities are and why their No. 1 priority is in fact their No. 1 priority.

In the case of my project that is in this bill, it is because it is a matter of safety, safety for our military people. This item is fully justified by all of the criteria that are established for military construction projects. It has met all these requirements, and I would say that the President made a grave mistake in striking this provision.

Mr. PACKARD. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana, Mr. HOSTETTLER.

Mr. HOSTETTLER. Mr. Speaker, I rise in strong support of this bill of disapproval.

In 1995, the future years Defense plan showed that a chemical and biological testing facility was planned to be built at the Crane Naval Surface Warfare Center in fiscal year 1998—which is the Navy's designated agent for servicing and upgrading the chemical and biological weapon detection equipment deployed with the fleet.

Since Crane is in the district I represent, I spoke to the Navy about this construction.

I learned that the workload in this area was increasing dramatically and that the current facility would be hard put to handle the increase.

In 1996, this program slipped to fiscal year 1999.

This spring, I noticed that this project had slipped in the future years Defense plan to fiscal year 2000.

I found this disturbing in light of the hearings our committee was having.

For instance, on March 19, 1997, the Commander in Chief for the U.S. Central Command, General Peay, testified before the National Security Committee that, quote "The situation has worsened during the past twelve months, with Iraq, Iran and others in the Middle East aggressively . . . advancing their chemical and biological research and development plans."

The Joint Warfighting Science and Technology Plan identified the capability for standoff detection of chemical weapons as, quote "our single and most pressing need . . . critical to protecting our fielded forces."

The Chemical and Biological Testing facility was planned, necessary, and executionable.

The Congress was right to advance this project for our sailors.

The President made an error in vetoing it.

We should do the right thing again.

Mr. PACKARD. Mr. Speaker, I yield 1 minute to the gentleman from South Carolina [Mr. SPENCE], the chairman of the Committee on National Security.

Mr. SPENCE. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of H.R. 2631, which restores funding for the 38 military construction projects canceled by the President last month.

By any definition, the projects canceled by the administration are not pork and they are not wasteful. The Committee on National Security recently conducted a hearing on the administration's proposed cancellations, and the record is clear.

First, each of the proposed cancellations meets a validated military requirement. Second, each of the 38 projects is executable in this fiscal year. Third, nearly all these projects, 85 percent, are in the administration's own defense program. Fourth, the $287 million associated with these projects is well within the limits established by the budget agreement.

In addition, the administration readily admits that mistakes were made in the President's extensive exercise of the line-item veto on the military construction appropriations bill.

Mr. Speaker, I voted for the line-item veto. However, the veto power was given as a tool to be used to prevent unnecessary spending. Even the President does not contend that these projects were unnecessary.

Mr. HEFNER. Mr. Speaker, I yield 1½ minutes to the gentleman from Minnesota [Mr. MINGE].

Mr. MINGE. Mr. Speaker, I feel somewhat like the skunk at the garden party. I rise to support the line-item veto.

This body in 1996 talked long and hard about how we were going to share the sacrifice across the country to make the tough decisions to balance the budget. Indeed, there is light at the end of the tunnel now, and that is very encouraging. But the fact of the matter is, we cannot expect to reach the end of that tunnel, nor can we expect to maintain our resolve to balance the budget, unless the sacrifice is truly shared.

We have not yet developed in this House or in Congress clear rules that avoid situations where one part of the country feels that another part of the country is walking away with special projects or special opportunities. There have been attempts to do this, but, continuously, whether it be by report language or earmarks in appropriations bills or other bills, the principle is violated.

I have worked with Senator MCCAIN and others to try to raise the standards in this respect. I know there are many others in this body that share that feeling. Otherwise, the line-item veto would not have passed by such an overwhelming majority.

Mr. Speaker, I think that it is incumbent upon us to work with the White House to try to establish clear standards for, first, the use of the line-item veto, and, second, for our appropriations process, so that in the months ahead we do not see the line-item veto being exercised.

Mr. PACKARD. Mr. Speaker, I am embarrassed almost to yield only 30 seconds to my next four speakers, the first of which is the gentleman from Florida [Mr. GOSS], a member of the Committee on Rules.

Mr. GOSS. Mr. Speaker, I rise in strong support of this disapproval bill.

Mr. Speaker, I want to commend the gentleman from California, Chairman PACKARD, for his very hard work, but most especially for his using the line-item process properly.

The gentleman from Colorado [Mr. SKAGGS] got up and said we are here to condone the President's mistakes. Nothing could be further from the truth. We are here to correct the President's mistake with this.

Mr. Speaker, I rise in support of the bill. As one of the House's five majority conferees who secured final passage of the line-item veto, I am pleased to see the process we devised working. When the President first made use of his new line-item veto authority, naysayers and critics rushed to judgment and declared a falling sky. Those of us who support the line-item veto have repeatedly attempted to remind our colleagues that we did not go forward blindly in approving the line-item veto—that we carefully and painstakingly considered mechanisms to ensure that Congress would remain an integral part of the process. Today's consideration of a disapproval resolution on the President's cancellations from the fiscal year 1998 military construction spending bill underscores that fact. In this specific case, as all of us now know, the President has admitted making mistakes in applying the line-item veto to the military construction bill. By passing this disapproval resolution, we are giving the President a chance to correct those mistakes. We all know that there are lower priority and wasteful projects in spending bills that come out of the Congress. That's why we passed the line-item veto. But in this case, most of what the President chose to cancel through the line-item veto were projects that he himself has asked for. I am very concerned that we not continue to make funding for our troops the easy target for spending cuts. National defense funding has already taken a disproportionate share of major hits under this President. For more than one reason the MilCon cancellations were a mistake; here's our chance to right that wrong.

Mr. HEFNER. Mr. Speaker, I yield 30 seconds to the distinguished gentleman from Virginia [Mr. SISISKY].

Mr. SISISKY. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I would just say, I am a member of the Subcommittee on Military Construction. I even had the chairman of the subcommittee, the gentleman from Colorado, to go down to look at this project.

Let me just quickly tell you what was vetoed: A project that costs $19.9 million in a figure for 1961; it would pay for itself, Navy figures, 2 years, 1 month, and deliver back to the taxpayers $169 million in savings in 25 years. The computer printout, everything was there. It was vetoed. It should not have been vetoed. There were never questions asked by the Department of Defense. I would ask that we pass this bill.

Mr. Speaker, in responding to the President's decision to veto certain projects added to the fiscal year 1998 military construction appropriations bill—like Paul Harvey, I cannot pass up an opportunity to tell you "the rest of the story."

The waterfront improvements project at Norfolk Naval Shipyard is not a pork barrel project.

It's not part of some fly-by-night scheme to add wasteful, unnecessary spending to the benefit of only me or my district.

It was done in full light of day by authorizers and appropriators, first in the House and then in conference agreement with the Senate.

This project has been in the works since 1995. It is needed to make Norfolk Naval Shipyard more effective, efficient, and competitive.

The Project replaces and refurbishes antiquated wharf and berthing areas.

It demolishes two old buildings, along with shipways 1 and 2.

This area would then be used to install modern ship support systems, electric distribution systems, transformers, communications upgrades, steam and water distribution systems, sanitary sewer facilities, compressed air distribution systems, salt water fire protection facilities, railroads, and crane rails.

In short, these are the utilities and equipment necessary to run a modern industrial facility.

And that is a quality of life issue for civilian workers. And you know what? Sailors work there too.

So much for when the White House said "the project would not improve quality of life for military service members and their families."

The White House also said that, "architectural and engineering design of this project has not started."

Again, not true. Anyone who bothered to check would have known the project had reached 35 percent design back in April of 1996.

Since there are no new buildings, the design issues are not all that complicated.

In fact, the design issues focused primarily on plans for demolition and asbestos removal.

The last time I checked, that was a very serious quality of life issue for sailors and civilian employees.

But I don't think anybody from OMB ever bothered to check.

Frankly, I think OMB wanted to shoehorn all 38 projects into their arbitrary criteria, come hell or high water, my mind's made up, don't confuse me with the facts.

I would like to know who misled the President about this, though.

Still, I have to confess, on one thing they were right: This project was not in the fiscal year 1998 budget.

It is in the Navy's 5-year plan for 2001. But if the project will be funded in a few years anyway, what's the big deal?

The big deal is money.

The longer we delay the project, the longer this part of the yard will be unable to play an effective part in the yard's ship repair mission.

The longer we delay, the longer the yard must wait to consolidate functions in the highly classified controlled industrial area.

The longer the yard maintains obsolete facilities, the greater their O&M and overhead costs.

The Navy's economic analysis shows return on investment for this project takes place in 2 years.

Let me say it again: This project pays for itself in 2 years.

Once you do this project, it saves approximately $10 million per year in the first 2 years.

Once you sort through all the numbers, over the standard 25-year cycle, this project saves over $169 million. I repeat: $169 million.

My question to the White House is: Why delay it 4 years?

I have never heard of anything more penny-wise and pound-foolish.

The sooner we do it, the sooner we can put the money we save to a far better use; the sooner we can give sailors and civilian employees a safer, more productive working environment.

And the sooner we can refocus attention on the partnership that Congress and the President should have when it comes to protecting our national security.

I ask the House to override this veto.

Mr. PACKARD. Mr. Speaker, I yield 30 seconds to the gentleman from Montana [Mr. HILL].

Mr. HILL. Mr. Speaker, I think nothing is more important today than working to support the morale of our men and women in uniform. The President vetoed a renovation project at Malmstrom Air Force Base for a dining hall; Mr. Speaker, a dining hall that, without repairs, will not meet the local civilian health standards.

The President's veto said that the health and safety of these men and women does not matter. Today we can say that it does matter and that we care, and we can do that by supporting this resolution.

Mr. PACKARD. Mr. Speaker, I yield 30 seconds to the gentleman from South Dakota [Mr. THUNE.]

Mr. THUNE. Mr. Speaker, I, too, support the line-item veto, but I think what is instructive about all this is, when the White House uses it inappropriately, as it has in this case by its own admission, that it is up to us to appropriately use our powers to correct the deficiencies in their process. That is what we are doing here today. It will restore an important project, one that is very valid and legitimate at Camp Rapid in South Dakota.

Mr. Speaker, I thank the gentleman for yielding me time, and I encourage my colleagues to support this resolution.

Mr. PACKARD. Mr. Speaker, I yield 30 seconds to the gentleman from Indiana, [Mr. BUYER.]

Mr. BUYER. Mr. Speaker, I compliment the gentleman for bringing up this bill. These are great bipartisan projects.

In particular, I want to thank the chairman. The gentleman was just down in Mayport Naval Air Station in Florida with me, and we actually went and saw one of the items that the President line item vetoed.

I wanted to share with Members, we have two Aegis cruisers down there. They had to shut them off, shut off the electronics, and they took tugboats and shoved these multimillion-dollar ships into the mud itself.

These are the types of projects the President line item vetoed, but he said if it is for social spending in the military, that is OK.

Mr. HEFNER. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, when I was chairman of the Subcommittee on Military Construction, many years ago, before the disaster struck a couple of years ago, I visited from California to Montana and States all over this Nation. I have been into residences where these people are living on the bases, our men and women. The gentleman from California [Mr. PACKARD] and I went to Fort Bragg, NC, and saw the conditions that the people were living in there.

We have young men and women that are called upon to operate the most sophisticated weapons on the face of the Earth, and some of them are living in World War II facilities.

Now, it is not every time that you put something in military construction that relates directly to quality of life, but if you have got a training center that was vetoed in this bill that is critical to training our troops that is in dangerous condition, just the facility, then that is something that adds to retention and quality of life for our men and women in the service.

This is not the place to debate the line item veto, but I stood in the well here and predicted that this sort of thing was going to happen, and it is going to get worse. It makes no difference whether it is a Republican President or Democrat President; when you start having the line item veto show up in political areas and being used as a political weapon, this is a disaster for the American people.

Mr. Speaker, I would urge every Member to send a message early on, to send a message and vote unanimously in support of this bill.

I want to congratulate and thank all the Members and the staff people. I would strongly urge everyone to vote in support of this legislation.

Mr. PACKARD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I, too, want to thank all of those who have participated, not only in this debate, but in helping to make this a successful bill and successful effort.

Mr. Speaker, I yield the balance of my time to the gentleman from Louisiana [Mr. LIVINGSTON], the chairman of the Committee on Appropriations, to close.

The SPEAKER pro tempore. The gentleman from Louisiana [Mr. LIVINGSTON] is recognized for 2 minutes.

Mr. LIVINGSTON. Mr. Speaker, we gave the President the line-item veto to help him help us trim the budget and cut down the cost of Government and eliminate wasteful and unnecessary programs. That was a good idea.

We did not expect that he would come back on one of the first bills in the appropriations cycle and use sloppy and inadequate staff work and cut meaningful, worthwhile projects. But that is exactly what he did.

I want to commend my friend, the gentleman from California [Mr. PACKARD], and the gentleman from North Carolina [Mr. HEFNER] for their foresight and vision in making sure that we enforce this system.

The President has a significant new power. He should use it wisely. He used it unwisely in this instance. Witness the Utah project, which was a good system to provide for the people that were training for the Olympics, or all the other projects that have been mentioned here today. These were worthwhile projects to improve the quality of life for military personnel. They should not have been struck. They should not have been used as an example by the President to flex his power, which was given to him for worthy purposes and a good cause.

It is up to us to remedy that mistake. He made the mistake. He tried to cover up on it by saying, oh, he would cure the mistake with a future budget request. That is not good enough.

□ 1500

The way he pays for the mistake is for us to disapprove these cancellations. We should do it today.

Mr. COLLINS. Mr. Speaker, today the House votes to sustain or override the President's line-item veto of vital projects contained in the fiscal year 1998 military construction appropriations bill. I want to share with my colleagues, and submit for the CONGRESSIONAL RECORD, an editorial appearing in one of the leading newspapers in my district, the Clayton News/Daily. I agree with Publisher Neely Young and Editor Tom Kerlin that giving the line-item veto to the President of the United States is an excellent method to control wasteful Federal spending and programs and was proper.

I supported and voted for the bill that gave this power to the President. However, Mr. Speaker, I disagree when the President uses that power to deny funding to military construction projects that Congress has deemed vital to our national defense. I refer specifically to the President's decision to cut funds for a combat rescue operations facility located at Moody Air Force Base near Valdosta, GA.

The President said he vetoed funds for this facility because the personnel comprising these rescue units had not yet relocated to Moody Air Force Base. More thorough research would have shown the President these units have been in operation at Moody AFB since April of this year and are using rented trailers while awaiting construction funds. Our military personnel deserve better.

Mr. Speaker, I still support the President having line-item veto authority to eliminate wasteful Federal spending. Providing permanent operations facilities for our military personnel is not a waste of Federal tax dollars, and I will vote to override the President's veto of this bill.

[From the Clayton News-Daily]

OPINION—BIPARTISAN OPPOSITION

Since the idea was first seriously broached, we have said the line-item veto was the perfect tool for controlling pork barrel spending by the federal government. We still believe that is true.

However, a move Monday by President Clinton in striking out the appropriations for a combat rescue operations facility for

Moody Air Force Base in south Georgia is a bad example of the new power in the hands of the Executive Branch of our federal government.

In using his veto, Clinton said he did so because the money for military construction is not needed since the two units slated to use the facility have not yet been moved from Patrick Air Force Base in Florida.

That comes as news to the Sen. Max Cleland, who asked that the spending bill be attached to the 1998 military construction spending bill. It's also a revelation to the base commander at Moody AFB. Cleland said the two units, the 41st and 71st rescue squadrons, have been at Moody since April. Officials at the installation near Valdosta confirmed that the move has been completed and the units are operating out of rented trailers.

The Pentagon announced plans in early 1996 to relocate the two rescue squadrons to Moody. The relocation has brought 680 military personnel to the base, although many of them are deployed with U.S. troops to various trouble spots like Bosnia.

"I am very disappointed by this veto," said Cleland. "There is no rhyme or reason to it. Of all the projects that were included in the bill, this one made the most sense. It was my top priority for Georgia."

Sen. Paul Coverdell, R-Ga., called the veto "an arbitrary, uninformed exercise of executive power" and vowed to work with other Georgia lawmakers to overturn it.

Rep. Sanford Bishop of Albany, whose district includes the base, said the facility is essential "to maintain high readiness for this important rescue unit."

Cleland says he "support(s) the line-item veto as a way to cut out pork and reduce the deficit," but added "this facility is not pork. It is a critical project. If facilities to accommodate a pararescue facility are not essential, I do not know what is."

We agree with Cleland and Coverdell on this one. We wonder if Clinton got bad information, misinterpreted the information, or if he just didn't do his homework.

Either way he has managed to attain bipartisan opposition over the issue—something he can ill afford to do.

Mr. HILLEARY. Mr. Speaker, I rise today in strong support of H.R. 2631, a bill disapproving the cancellations of 38 military construction projects. I want to thank both distinguished Chairman HEFLEY and Chairman PACKARD for their hard work in producing two solid bills.

I voted for the line-item veto and have no problem seeing the President use it. However, it must be used properly and wisely. These 38 vetoed projects were not the famous $600 hammers and $1200 toilet seats the Pentagon has purchased in the past. That is what the line item was developed for.

At Arnold Engineering Development Center [AEDC] in Tullahoma, TN, a new $9.9 million air dryer facility for the propulsion wind tunnel was eliminated by President Clinton. The wind tunnel performs advanced testing which requires dry air for simulating flight conditions. It is a critical element for ensuring accurate test results.

This cancellation will affect advanced aerospace testing for the F–22, the joint strike fighter, missiles and other state of the art flight designs. All of which require dry air for high-altitude testing. The air dryer is vital to the performance and safety for both aircraft and personnel. Any further delays in advanced wind tunnel testing for aerospace programs will certainly demand cost overruns.

The existing facility was built in 1959 and does not have the capacity to provide continuous dry air flow needed to complete aerospace testing. A major failure of the current dryer would result in an estimated 26-weeks of lost test time. Furthermore, for every 20 hours of wind tunnel testing, it must shut down for 12 hours. Delaying construction will lead to additional costs of $1.2 million per year.

This project meets the President's so called criteria, although it is a bit vague. The new air dryer is in the President's 5-year defense budget. Architectural and engineering designs for the project were underway and construction could begin in fiscal year 1998.

The White House, the Pentagon, the Air Force, and the Office of Management Budget [OMB], have all stated on the record that crucial project data was in fact outdated and led to misinformation. The end result was that legitimate and essential military construction projects were terminated based on bad data and an inconsistent, if not, arbitrary selection process without a clear set of criteria.

AEDC relies some of the most sophisticated technologies in the world to test aerospace systems before flight. They are using antiquated 1950's technology and infrastructure to test 1990's advanced aerospace programs worth billions of dollars.

The bottom line is that this project is critical. It is critical in maintaining a portion of our military superiority. It is important, relevant and a validated military requirement for a sound infrastructure. I think that after you look at this project, you too will agree it is not what the line item veto was designed for.

I hope my colleagues on both sides of the aisle will join me in supporting this resolution of disapproval.

Mr. COOK. Mr. Speaker, as a cosponsor of H.R. 2631, I want to thank Chairman PACKARD and Mr. SKEEN for their work in getting this measure to the floor today. Many of the projects being restored will improve the quality of life for our servicemen and women. I am particularly grateful that it will restore funding for a project of vital importance to my constituents in Salt Lake City, the Olympic Village. the $12 million in construction funds for Fort Douglas will allow the military reserves to relocate in time for the University of Utah to acquire the land and complete construction of the Olympic Village for the 2002 Winter Games. Salt Lake City may be the host city for the 2002 Winter Olympics—but these are America's games.

This bill is the first step toward overturning the President's veto and I hope my colleagues will join me in supporting this measure.

Mr. BONILLA. Mr. Speaker, today this Congress has a unique opportunity. A chance to right a wrong, a chance to stand up for America, a chance to show you care to the men and women of our military and the communities which support them. A few short weeks ago, President Clinton vetoed essential military construction projects without properly consulting our military, without consideration of the impact of these vetoes on the lives and well being of our military, without consideration of the long term security interests of America. This has been going on for far too long and today we finally have an opportunity to say enough to this White House.

I have the honor and privilege of representing some of the most patriotic communities in America. Two of these communities, Del Rio and El Paso, are home of two of our finest military installations, Laughlin Air Force Base and Fort Bliss. I can say without exaggeration that Laughlin is the finest little base in the Air Force and Fort Bliss' vastness is an unmatched national security asset. Therefore I, along with each and every citizen of Del Rio and El Paso, was shocked when the President chose to veto essential projects in these communities. Today's legislation provides us with an opportunity to stand up for our military, to improve our military quality of life, to show we value our military efforts.

I want to personally tell the people of Del Rio and El Paso that this Congress will not abandon you, this Congress will not abandon our military. Today we will demonstrate our complete and total rejection of the President's dangerous and irresponsible cuts. Today we can stand united with the people of Del Rio and El Paso and reject the President's assault on our military and these communities. My colleagues, I urge you, join me in standing united with the good people of Del Rio and El Paso and turn back this President's attack on our military. Vote "yes" on H.R. 2631.

Mr. LEWIS of Kentucky. Mr. Speaker, I rise today to voice my opposition to the President's use of the line-item veto on the military construction appropriations bill.

Now, I support the concept of the line-item veto. It's a tool Presidents should have as long as deficit spending continues. But my support doesn't mean that I must agree with its use in every instance.

On these specific vetoes, the administration has admitted that projects were mistakenly vetoed. One such mistake was in my district.

The President vetoed a qualified training range at Fort Knox. This range is an insightful, cost-effective efficient answer for arms training. It saves valuable training dollars and hours by creating one range that will meet training standards for 11 different weapons.

This project saves money, time, and reduces risk to soldiers. In fact, it fulfills Secretary West's stated goal of "pursuing innovative ideas to increase efficiency."

However, the President did not consider this goal when using his line-item veto authority. Instead, he considered factors that don't hold up under close scrutiny.

According to the President, he vetoed those projects that were not included in his original budget request, those for which design work had not been completed, and those that, in his view, would provide no substantial contribution to improving the lives of soldiers.

His first reason is far-fetched because this range was included in his 5 year military construction plan. Getting beyond this fact, his original argument still doesn't stand up. Congress added many more projects than the 38 vetoed. Why didn't the President veto all of them? After all, none of them were included in his budget request.

His second reason is simply wrong. Construction is scheduled to begin next summer if the funding is approved. Furthermore, design work on this project is well underway.

Finally, to suggest this would have made no substantial contribution to the lives of soldiers is misinformed. The Army agrees that this project is needed to correct shortfalls in mandatory training. To even suggest this would not have contributed to the lives of soldiers reveals the sharp philosophical differences between the President and myself on this issue—the importance of investing in those Americans upon which our national defense rests.

Let's not put the lives of our soldiers at risk because of mistakes. The process allows us to override this veto. I urge my colleagues to do just that.

The SPEAKER pro tempore [Mr. EWING]. All time has expired.

The question is on the motion offered by the gentleman from California [Mr. PACKARD] that the House suspend the rules and pass the bill, H.R. 2631.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. PACKARD. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

Without objection, the minimum time for electronic voting on the motion to suspend the rules and pass the bill, H.R. 2534, postponed earlier today, will be 5 minutes.

There was no objection.

The vote was taken by electronic device, and there were—yeas 352, nays 64, not voting 18, as follows:

[Roll No. 617]

YEAS—352

Abercrombie
Ackerman
Aderholt
Allen
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Boyd
Brady
Brown (FL)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Castle
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (IL)
Davis (VA)
Deal
DeFazio
Delahunt
DeLauro
DeLay
Dellums
Diaz-Balart
Dicks
Dingell
Dixon
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Eshoo
Etheridge
Evans
Everett
Farr
Fattah
Fawell
Fazio
Flake
Foley
Forbes
Ford
Fossella
Fowler
Fox
Frelinghuysen
Frost
Furse
Gallegly
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gilman
Gingrich
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
LaFalce
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy (NY)
McCollum
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntyre
McKeon
McNulty
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Neal
Nethercutt
Ney
Northup
Norwood
Oberstar
Obey
Olver
Ortiz
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Radanovich
Rahall
Rangel
Redmond
Regula
Reyes
Riggs
Rodriguez
Roemer
Rogan
Rogers
Ros-Lehtinen
Ryun
Sabo
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Serrano
Sessions
Shadegg
Shaw
Shimkus
Shuster
Sisisky
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Stokes
Stump
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Traficant
Turner
Velázquez
Visclosky
Wamp
Watkins
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)
Ramstad
Rivers
Rohrabacher
Rothman
Roukema
Roybal-Allard
Royce
Rush
Salmon
Sanchez
Sanford
Sensenbrenner
Shays
Sherman
Skaggs
Smith (MI)
Stark
Strickland
Stupak
Towns
Upton
Vento
Waters
Waxman
Wexler

NAYS—64

Andrews
Barrett (WI)
Boswell
Brown (CA)
Brown (OH)
Carson
Chabot
Conyers
Davis (FL)
DeGette
Deutsch
Dickey
Doggett
Dooley
Duncan
Engel
Ensign
Ewing
Filner
Frank (MA)
Franks (NJ)
Ganske
Greenwood
Harman
Johnson (WI)
Kind (WI)
LaHood
Leach
Luther
Markey
McCarthy (MO)
McKinney
Meehan
Miller (FL)
Minge
Nussle
Owens
Petri
Poshard

NOT VOTING—18

Ballenger
Blumenauer
Cubin
Foglietta
Gillmor
Gonzalez
Kennedy (MA)
Klug
McDermott
McIntosh
Myrick
Neumann
Quinn
Riley
Schiff
Taylor (NC)
Walsh
Yates

□ 1525

Ms. ROYBAL-ALLARD and Messrs. ROTHMAN, EWING, DICKEY, MARKEY, STUPAK, WAXMAN, and RUSH Rush changed their vote from "yea" to "nay."

Mr. HALL of Texas and Mr. BRADY changed their vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION REAUTHORIZATION ACT OF 1997

The SPEAKER. The pending business is the question of suspending the rules and passing the bill, H.R. 2534, as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Oregon (Mr. SMITH) that the House suspend the rules and pass the bill, H.R. 2534, as amended, on which the yeas and nays are ordered.

This will be a five-minute vote.

The vote was taken by electronic device, and there were—yeas 291, nays 125, not voting 18, as follows:

[Roll No. 618]

YEAS—291

Aderholt
Allen
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berry
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady
Brown (CA)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Ensign

Etheridge
Evans
Everett
Ewing
Farr
Fawell
Foley
Ford
Fossella
Fowler
Fox
Frelinghuysen
Frost
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gilman
Gingrich
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, Sam
Jones
Kanjorski
Kasich
Kelly
Kennelly
Kim
Kind (WI)
King (NY)
Kingston
Klink
Knollenberg
Kolbe
LaFalce
LaHood
Lampson
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Luther
Maloney (CT)
Manzullo
Mascara
McCarthy (NY)
McCollum
McCrery
McDade
McHugh
McInnis
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Minge
Mollohan
Moran (KS)
Morella
Nethercutt
Ney
Northup
Norwood
Nussle
Olver
Ortiz
Oxley
Packard
Pappas
Parker
Pastor
Paxon
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Radanovich
Rahall
Ramstad
Redmond
Regula
Reyes
Riggs
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Ryun
Salmon
Sandlin
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shimkus
Shuster
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Traficant
Turner
Upton
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wise
Wolf
Young (AK)
Young (FL)

NAYS—125

Abercrombie
Ackerman
Andrews
Barrett (WI)
Becerra
Berman
Blagojevich
Boehlert
Bonior
Borski
Brown (FL)
Brown (OH)
Campbell
Carson
Clay
Conyers
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Engel
Eshoo
Fattah
Fazio
Filner
Flake
Forbes
Frank (MA)
Franks (NJ)
Furse
Gejdenson
Gutierrez
Harman
Hastings (FL)
Hilliard
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kleczka
Kucinich
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Maloney (NY)
Manton
Markey
Martinez
Matsui
McCarthy (MO)
McGovern
McHale
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Mink
Moakley
Moran (VA)
Murtha
Nadler
Neal
Oberstar
Obey
Owens
Pallone
Pascrell
Paul
Payne
Pelosi
Rangel
Rivers
Rothman
Roybal-Allard
Royce
Rush
Sabo
Sanchez
Sanders
Sanford
Sawyer
Schumer
Scott
Serrano
Shays
Sherman
Skaggs
Slaughter
Snyder
Stark
Stokes
Strickland
Tierney
Torres
Towns
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Woolsey
Wynn

NOT VOTING—18

Ballenger
Blumenauer
Cubin
Foglietta
Gillmor
Gonzalez
Kennedy (MA)
Klug
McDermott
McIntosh
Myrick
Neumann
Quinn
Riley
Schiff
Taylor (NC)
Walsh
Yates

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Ms. EDDIE BERNICE JOHNSON of Texas and Mr. DAVIS of Florida changed their vote from "yea" to "nay."

Mr. GREEN and Mr. LUTHER changed their vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. SMITH of Oregon. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 1150), to ensure that federally funded agricultural research, extension, and education address high-priority concerns with national or multistate significance, to reform, extend, and eliminate certain agricultural research programs, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. EWING). Is there objection to the request of the gentleman from Oregon?

Mr. HOYER. Mr. Speaker, reserving the right to object, I ask the gentleman from Oregon [Mr. SMITH], is this on the bill we just passed? I voted for the bill that we just passed. But there is a lot of concern, as my colleague knows. And I presume we are going to conference on this bill.

Is that correct, Mr. Chairman?

Mr. SMITH of Oregon. Mr. Speaker, I cannot hear the gentleman from Maryland [Mr. HOYER]. How did he vote?

Mr. HOYER. I voted "aye" on the bill.

Mr. SMITH of Oregon. Good.

Mr. HOYER. I know the gentleman from Oregon [Mr. SMITH] thinks that is good. The chairman or the ranking member of the Committee on Appropriations does not think it is good. The reason he does not think it is good is because we on the Committee on Appropriations are concerned that there is already a done deal and the Committee on Appropriations is going to be in a bad strait as a result.

Mr. SMITH of Oregon. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Oregon.

Mr. SMITH of Oregon. I say to the gentleman from Maryland [Mr. HOYER] that there has been no negotiation with the Senate, the other body. There has been not one word from me or anyone in the House or on the Committee on Agriculture or by the staff. We have been awaiting the passage of a clean bill, which all should support. We have heard the questions raised from some as we debated the bill.

I understand the issues. Both parties will be, of course, represented in the conference. And I understand the concern of the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. I thank the gentleman from Oregon [Mr. SMITH].

Under those circumstances, I will not object.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

Mr. BECERRA. Mr. Speaker, reserving the right to object, I would like to yield to the chairman, the gentleman from Oregon [Mr. SMITH], to ask a couple of questions with regard to the conference that the committee would have on this bill.

The question I have is, if we are going to conference, my understanding is there is a large difference between the Senate version and the House version in one critical respect, that the Senate version extracts $1.2 billion in savings from food stamp programs through administrative accounts, and my understanding from the Senate bill is that none of that money was put back into food stamps.

On this side, some of my colleagues are concerned that none of the money, that $1.2 billion, will be used to restore food stamp programs, $27½ billion that was cut last year.

Mr. SMITH of Oregon. Mr. Speaker, will the gentleman yield?

Mr. BECERRA. I yield to the gentleman from Oregon.

Mr. SMITH of Oregon. Mr. Speaker, the gentleman from California is correct, the House bill is an authorization of $2.8 billion to various States regarding agricultural research, which has come unanimously from the Committee on Agriculture.

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The Senate bill has an additional $1.25 billion, and frankly I am not exactly sure how they want to distribute it. But I have heard, as I mentioned, from many people, including the gentleman from California, regarding his concern. He will have representatives on the conference committee. So will we. To try to suggest to him what will be finally decided by the conference committee, I cannot. All I can say to the gentleman is if this bill does not pass and the gentleman objects, then he has no possibility of gaining anything that he wants out of the conference committee.

Mr. BECERRA. Reclaiming my time, my understanding is we are operating under martial law which allows any bill to come to the floor under a unanimous-consent request. Most of us who opposed the bill right now on suspension are not opposed to this House bill. What we are opposed to is the preconferencing that we are aware of that has already been undertaken on this bill with the Senate which did not include funding for food stamps, at least not to any measurable degree. The concern on the part of a number of us is that the $1.2 billion that will be taken out of food stamps will not be used to any measurable degree to go back to food stamps. Otherwise, I think he would find that virtually with a unanimous vote, this bill would go through if there were some assurance that there would be money invested in food stamps to restore some of the $27.5 billion that we cut from food stamps last year.

Mr. SMITH of Oregon. If the gentleman will yield further, I am sorry the gentleman missed the debate. He could have responded in exactly that way instead of at this late date. But let me say to the gentleman as I have responded to the gentleman from Maryland, there has been no preconferencing of this bill. Beyond that, it is very difficult for me to predict what will occur in a conference committee. I can tell the gentleman that his side will be represented and I have heard his concerns. I reiterate. If the gentleman does not allow this bill to pass, he will have no chance to increase funding for his concerns at all. If he allows this bill to go forward, he will have a chance in the conference, and if he does not like it, he merely defeats the conference report.

Mrs. CLAYTON. Mr. Speaker, will the gentleman yield?

Mr. BECERRA. I yield to the gentlewoman from North Carolina.

Mrs. CLAYTON. Mr. Speaker, I want to say that I voted for the bill but I also support the cause for I know why 125 did not. I voted for the bill because nothing in the bill itself says it is going to take any of that money to use it in any way. But because people have the lack of trust in the conferencing process, they are now expressing their will now. Not because of the bill. I guess if the chairman and the ranking member could assure that in that process that those moneys that have been allocated to food, $1.2 billion, would not be deviated or given to other things, I think that kind of advocacy or opportunity for advocacy would reassure people here that what is now clean would later become convoluted and taking away much needed resources from people who need it who are hungry.

Mr. SMITH of Oregon. If the gentleman will yield further, just as I have not preconferenced with the Senate nor do I want to preconference with this body, the point is that I have listened, as has the ranking member on the Committee on Agriculture who no doubt will be on the conference committee. We understand the gentlewoman's concerns and we will take them to the conference.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. BECERRA. Further reserving the right to object, I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, I do not want to arbitrarily cut this off, but at the same time I do not want the House to engage in needless conversation when this proposition is going to be objected to, and I am going to object. The fact is that we have been told by a lobbyist on good authority that he has already been told what number he is going to get under the conference agreement. It seems to me that there may not have been a preconference, but it appears to me that there is a pretty good idea of what is likely to happen once that conference takes place.

I do not want this House to be in a position where Members, regardless of which side of the issue they are on, find the committee coming back in the dead of night with a done deal and having this bill pass with virtually nobody on the floor.

To try to help save Members from that, I do object.

The SPEAKER pro tempore (Mr. EWING). Objection is heard.

AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION REAUTHORIZATION ACT OF 1997

(Mr. SMITH of Oregon asked and was given permission to address the House for 1 minute.)

Mr. SMITH of Oregon. Mr. Speaker, I think the point is here, and I can speak for the gentleman from Texas, neither he nor I have discussed, or preconferenced this bill with the Senate or with any lobbyist.

The gentleman has on his shoulders now the rejection of $2.8 billion of research to agriculture throughout the United States, which I think is a horrible thing to do. I am sorry that he objected. He will have to answer for his objection.

Mr. OBEY. Mr. Speaker, I ask unanimous consent——

Mr. SMITH of Oregon. I object.

The SPEAKER pro tempore. Objection is heard.

Mr. OBEY. Mr. Speaker, that is fine. The gentleman can live with the objection. I was trying to do him a favor. Forget it. No, I do not want to speak now. If the gentleman does not want to work it out, then I object.

REQUEST TO ADDRESS THE HOUSE

Ms. KAPTUR. Mr. Speaker, I ask unanimous consent to address the House.

The SPEAKER pro tempore. For 1 minute?

Ms. KAPTUR. I hope for at least 3 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Ohio to address the House for 1 minute?

Mr. SMITH of Oregon. Mr. Speaker, I reserve the right to object. I would like to ask the gentlewoman what subject she would like to discuss.

Ms. KAPTUR. Mr. Speaker, if the gentleman will yield, I would like to ask the chairman a question or two.

Mr. SMITH of Oregon. I suppose that that is in order, Mr. Speaker, but since the issue is no longer before us, there was an objection made, then we cannot go forward, so this issue is dead. So I object.

The SPEAKER pro tempore. Objection is heard.

REQUEST TO SPEAK OUT OF ORDER

Ms. KAPTUR. Mr. Speaker, I ask unanimous consent to speak out of order for 1½ minutes.

The SPEAKER pro tempore. Objection has just been heard to that request.

Ms. KAPTUR. Who objected to that?

Mr. SMITH of Oregon. I did.

Ms. KAPTUR. Mr. Speaker, it is obvious to the membership that something is going on here. Something is going on here that should trouble the membership.

REQUEST TO SPEAK OUT OF ORDER

Mr. STENHOLM. Mr. Speaker, I ask unanimous consent to speak out of order for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Ms. KAPTUR. I object.

The SPEAKER pro tempore. Objection is heard.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two

Houses on the amendment of the Senate to the bill (H.R. 2264) "An Act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1998, and for other purposes."

READING EXCELLENCE ACT

Mr. GOODLING. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2614) to improve the reading and literacy skills of children and families by improving in-service instructional practices for teachers who teach reading, to stimulate the development of more high-quality family literacy programs, to support extended learning-time opportunities for children, to ensure that children can read well and independently not later than third grade, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2614

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Reading Excellence Act".

TITLE I—READING GRANTS

SEC. 101. AMENDMENT TO ESEA FOR READING GRANTS.

The Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) is amended by adding at the end the following:

"TITLE XV—READING GRANTS

"SEC. 15101. PURPOSE.

"The purposes of this title are as follows:

"(1) To teach every child to read in their early childhood years—

"(A) as soon as they are ready to read; or

"(B) as soon as possible once they enter school, but not later than 3d grade.

"(2) To improve the reading skills of students, and the in-service instructional practices for teachers who teach reading, through the use of findings from reliable, replicable research on reading, including phonics.

"(3) To expand the number of high-quality family literacy programs.

"(4) To reduce the number of children who are inappropriately referred to special education due to reading difficulties.

"SEC. 15102. DEFINITIONS.

"For purposes of this title:

"(1) ELIGIBLE PROFESSIONAL DEVELOPMENT PROVIDER.—The term 'eligible professional development provider' means a provider of professional development in reading instruction to teachers that is based on reliable, replicable research on reading.

"(2) ELIGIBLE RESEARCH INSTITUTION.—The term 'eligible research institution' means an institution of higher education at which reliable, replicable research on reading has been conducted.

"(3) FAMILY LITERACY SERVICES.—The term 'family literacy services' means services provided to participants on a voluntary basis that are of sufficient intensity in terms of hours, and of sufficient duration, to make sustainable changes in a family (such as eliminating or reducing welfare dependency) and that integrate all of the following activities:

"(A) Interactive literacy activities between parents and their children.

"(B) Equipping parents to partner with their children in learning.

"(C) Parent literacy training, including training that contributes to economic self-sufficiency.

"(D) Appropriate instruction for children of parents receiving parent literacy services.

"(4) READING.—The term 'reading' means the process of comprehending the meaning of written text by depending on—

"(A) the ability to use phonics skills, that is, knowledge of letters and sounds, to decode printed words quickly and effortlessly, both silently and aloud;

"(B) the ability to use previously learned strategies for reading comprehension; and

"(C) the ability to think critically about the meaning, message, and aesthetic value of the text.

"(5) READING READINESS.—The term 'reading readiness' means activities that—

"(A) provide experience and opportunity for language development;

"(B) create appreciation of the written word;

"(C) develop an awareness of printed language, the alphabet, and phonemic awareness; and

"(D) develop an understanding that spoken and written language is made up of phonemes, syllables, and words.

"(6) RELIABLE, REPLICABLE RESEARCH.—The term 'reliable, replicable research' means objective, valid, scientific studies that—

"(A) include rigorously defined samples of subjects that are sufficiently large and representative to support the general conclusions drawn;

"(B) rely on measurements that meet established standards of reliability and validity;

"(C) test competing theories, where multiple theories exist;

"(D) are subjected to peer review before their results are published; and

"(E) discover effective strategies for improving reading skills.

"SEC. 15103. GRANTS TO READING AND LITERACY PARTNERSHIPS.

"(a) PROGRAM AUTHORIZED.—The Secretary may make grants on a competitive basis to reading and literacy partnerships for the purpose of permitting such partnerships to make subgrants under sections 15104 and 15105.

"(b) READING AND LITERACY PARTNERSHIPS.—

"(1) COMPOSITION.—

"(A) REQUIRED PARTICIPANTS.—In order to receive a grant under this section, a State shall establish a reading and literacy partnership consisting of at least the following participants:

"(i) The Governor of the State.

"(ii) The chief State school officer.

"(iii) The chairman and the ranking member of each committee of the State legislature that is responsible for education policy.

"(iv) A representative, selected jointly by the Governor and the chief State school officer, of at least 1 local educational agency that has at least 1 school that is identified for school improvement under section 1116(c) in the geographic area served by the agency.

"(v) A representative, selected jointly by the Governor and the chief State school officer, of a community-based organization working with children to improve their reading skills, particularly a community-based organization using volunteers.

"(B) OPTIONAL PARTICIPANTS.—A reading and literacy partnership may include additional participants, who shall be selected jointly by the Governor and the chief State school officer, which may include—

"(i) State directors of appropriate Federal or State programs with a strong reading component;

"(ii) a parent of a public or private school student or a parent who educates their child or children in their home;

"(iii) a teacher who teaches reading; or

"(iv) a representative of (I) an institution of higher education operating a program of teacher preparation in the State; (II) a local educational agency; (III) an eligible research institution; (IV) a private nonprofit or for-profit eligible professional development provider providing instruction based on reliable, replicable research on reading; (V) a family literacy service provider; (VI) an adult education provider; (VII) a volunteer organization that is involved in reading programs; or (VIII) a school or a public library that offers reading or literacy programs for children or families.

"(2) AGREEMENT.—The contractual agreement that establishes a reading and literacy partnership—

"(A) shall specify—

"(i) the nature and extent of the association among the participants referred to in paragraph (1); and

"(ii) the roles and duties of each such participant; and

"(B) shall remain in effect during the entire grant period proposed in the partnership's grant application under subsection (e).

"(3) FUNCTIONS.—Each reading and literacy partnership for a State shall prepare and submit an application under subsection (e) and, if the partnership receives a grant under this section—

"(A) shall solicit applications for, and award, subgrants under sections 15104 and 15105;

"(B) shall oversee the performance of the subgrants and submit performance reports in accordance with subsection (h);

"(C) if sufficient grant funds are available under this title—

"(i) work to enhance the capacity of agencies in the State to disseminate reliable, replicable research on reading to schools, classrooms, and providers of early education and child care;

"(ii) facilitate the provision of technical assistance to subgrantees under sections 15104 and 15105 by providing them information about technical assistance providers; and

"(iii) build on, and promote coordination among, literacy programs in the State, in order to increase their effectiveness and to avoid duplication of their efforts; and

"(D) shall ensure that each local educational agency to which the partnership makes a subgrant under section 15104 makes available, upon request and in an understandable and uniform format, to any parent of a student attending any school selected under section 15104(a)(2) in the geographic area served by the agency, information regarding the qualifications of the student's classroom teacher to provide instruction in reading.

"(4) FISCAL AGENT.—The State educational agency shall act as the fiscal agent for the reading and literacy partnership for the purposes of receipt of funds from the Secretary, disbursement of funds to subgrantees under sections 15104 and 15105, and accounting for such funds.

"(c) PRE-EXISTING PARTNERSHIP.—If, before the date of the enactment of the Reading Excellence Act, a State established a consortium, partnership, or any other similar body, that includes the Governor and the chief State school officer and has, as a central part of its mission, the promotion of literacy for children in their early childhood years through the 3d grade, but that does not satisfy the requirements of subsection (b)(1), the State may elect to treat that consortium, partnership, or body as the reading and literacy partnership for the State notwithstanding such subsection, and it shall be considered a reading and literacy partnership for purposes of the other provisions of this title.

"(d) Multi-State Partnership Arrangements.—A reading and literacy partnership that satisfies the requirements of subsection (b) may join with other such partnerships in other States to develop a single application that satisfies the requirements of subsection (e) and identifies which State educational agency, from among the States joining, shall act as the fiscal agent for the multi-State arrangement. For purposes of the other provisions of this title, any such multi-State arrangement shall be considered to be a reading and literacy partnership.

"(e) Applications.—A reading and literacy partnership that desires to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and including such information as the Secretary may require. The application—

"(1) shall describe how the partnership will ensure that 95 percent of the grant funds are used to make subgrants under sections 15104 and 15105;

"(2) shall be integrated, to the maximum extent possible, with State plans and programs under this Act, the Individuals with Disabilities Education Act, and, to the extent appropriate, the Adult Education Act;

"(3) shall describe how the partnership will ensure that professional development funds available at the State and local levels are used effectively to improve instructional practices for reading and are based on reliable, replicable research on reading;

"(4) shall describe—

"(A) the contractual agreement that establishes the partnership, including at least the elements of the agreement referred to in subsection (b)(2);

"(B) how the partnership will assess, on a regular basis, the extent to which the activities undertaken by the partnership and the partnership's subgrantees under this title have been effective in achieving the purposes of this title;

"(C) what evaluation instruments the partnership will use to determine the success of local educational agencies to whom subgrants under sections 15104 and 15105 are made in achieving the purposes of this title;

"(D) how subgrants made by the partnership under such sections will meet the requirements of this title, including how the partnership will ensure that subgrantees will use practices based on reliable, replicable research on reading; and

"(E) how the partnership will, to the extent practicable, make grants to subgrantees in both rural and urban areas;

"(5) shall include an assurance that each local educational agency to whom the partnership makes a subgrant under section 15104—

"(A) will carry out family literacy programs based on the Even Start family literacy model authorized under part B of title I to enable parents to be their child's first and most important teacher, and will make payments for the receipt of technical assistance for the development of such programs;

"(B) will carry out programs to assist those kindergarten students who are not ready for the transition to 1st grade, particularly students experiencing difficulty with reading skills;

"(C) will use supervised individuals (including tutors), who have been appropriately trained using reliable, replicable research on reading, to provide additional support, before school, after school, on weekends, during non-instructional periods of the school day, or during the summer, for students in grades 1 through 3 who are experiencing difficulty reading; and

"(D) will carry out professional development for the classroom teacher and other appropriate teaching staff on the teaching of reading based on reliable, replicable research on reading; and

"(6) shall describe how the partnership—

"(A) will ensure that a portion of the grant funds that the partnership receives in each fiscal year will be used to make subgrants under section 15105; and

"(B) will make local educational agencies described in section 15105(a)(1) aware of the availability of such subgrants.

"(f) Peer Review Panel.—

"(1) Composition of peer review panel.—

"(A) In general.—The National Institute for Literacy, in consultation with the National Research Council of the National Academy of Sciences, the National Institute of Child Health and Human Development, and the Secretary, shall convene a panel to evaluate applications under this section. At a minimum the panel shall include representatives of the National Institute for Literacy, the National Research Council of the National Academy of Sciences, the National Institute of Child Health and Human Development, and the Secretary.

"(B) Experts.—The panel shall include experts who are competent, by virtue of their training, expertise, or experience, to evaluate applications under this section, and experts who provide professional development to teachers of reading to children and adults, based on reliable, replicable research on reading.

"(C) Limitation.—Not more than ⅓ of the panel may be composed of individuals who are employees of the Federal Government.

"(2) Payment of fees and expenses of certain members.—The Secretary shall use funds reserved under section 15109(b)(2) to pay the expenses and fees of panel members who are not employees of the Federal Government.

"(3) Duties of panel.—

"(A) Model application forms.—The peer review panel shall develop a model application form for reading and literacy partnerships desiring to apply for a grant under this section. The peer review panel shall submit the model application form to the Secretary for final approval.

"(B) Selection of applications.—

"(i) Recommendations of panel.—

"(I) In general.—The Secretary shall receive grant applications from reading and literacy partnerships under this section and shall provide the applications to the peer review panel for evaluation. With respect to each application, the peer review panel shall initially recommend the application for funding or for disapproval.

"(II) Priority.—In recommending applications to the Secretary, the panel shall give priority to applications from States that have modified, are modifying, or provide an assurance that not later than 1 year after receiving a grant under this section the State will modify, State teacher certification in the area of reading to reflect reliable, replicable research, except that nothing in this Act shall be construed to establish a national system of teacher certification.

"(III) Ranking of applications.—With respect to each application recommended for funding, the panel shall assign the application a rank, relative to other recommended applications, based on the priority described in subclause (II), the extent to which the application furthers the purposes of this part, and the overall quality of the application.

"(IV) Recommendation of amount.—With respect to each application recommended for funding, the panel shall make a recommendation to the Secretary with respect to the amount of the grant that should be made.

"(ii) Secretarial selection.—

"(I) In general.—Subject to clause (iii), the Secretary shall determine, based on the peer review panel's recommendations, which applications from reading and literacy partnerships shall receive funding and the amounts of such grants. In determining grant amounts, the Secretary shall take into account the total amount of funds available for all grants under this section and the types of activities proposed to be carried out by the partnership.

"(II) Effect of ranking by panel.—In making grants under this section, the Secretary shall select applications according to the ranking of the applications by the peer review panel, except in cases where the Secretary determines, for good cause, that a variation from that order is appropriate.

"(iii) Minimum grant amounts.—Each reading and literacy partnership selected to receive a grant under this section shall receive an amount for each fiscal year that is not less than $100,000.

"(g) Limitation on Administrative Expenses.—A reading and literacy partnership that receives a grant under this section may use not more than 3 percent of the grant funds for administrative costs.

"(h) Reporting.—

"(1) In general.—A reading and literacy partnership that receives a grant under this section shall submit performance reports to the Secretary pursuant to a schedule to be determined by the Secretary, but not more frequently than annually. Such reports shall include—

"(A) the results of use of the evaluation instruments referred to in subsection (e)(4)(C);

"(B) the process used to select subgrantees;

"(C) a description of the subgrantees receiving funds under this title; and

"(D) with respect to subgrants under section 15104, the model or models of reading instruction, based on reliable, replicable research on reading, selected by subgrantees.

"(2) Provision to peer review panel.—The Secretary shall provide the reports submitted under paragraph (1) to the peer review panel convened under subsection (f). The panel shall use such reports in recommending applications for funding under this section.

"SEC. 15104. LOCAL READING IMPROVEMENT SUBGRANTS.

"(a) In General.—

"(1) Subgrants.—A reading and literacy partnership that receives a grant under section 15103 shall make subgrants, on a competitive basis, to local educational agencies that have at least 1 school that is identified for school improvement under section 1116(c) in the geographic area served by the agency.

"(2) Role of local educational agencies.—A local educational agency that receives a subgrant under this section shall use the subgrant in a manner consistent with this section to advance reform of reading instruction in any school selected by the agency that—

"(A) is identified for school improvement under section 1116(c) at the time the agency receives the subgrant; and

"(B) has a contractual association with 1 or more community-based organizations that have established a record of effectiveness with respect to reading readiness, reading instruction for children in kindergarten through 3d grade, and early childhood literacy.

"(b) GRANT PERIOD.—A subgrant under this section shall be for a period of 3 years and may not be revoked or terminated on the ground that a school ceases, during the grant period, to be identified for school improvement under section 1116(c).

"(c) APPLICATIONS.—A local educational agency that desires to receive a subgrant under this section shall submit an application to the reading and literacy partnership at such time, in such manner, and including such information as the partnership may require. The application—

"(1) shall describe how the local educational agency will work with schools selected by the agency under subsection (a)(2) to select 1 or more models of reading instruction, developed using reliable, replicable research on reading, as a model for implementing and improving reading instruction by all teachers and for all children in each of the schools selected by the agency under such subsection and, where appropriate, their parents;

"(2) shall select 1 or more models described in paragraph (1), for the purpose described in such paragraph, and shall describe each such selected model;

"(3) shall demonstrate that a person responsible for the development of each such model, or a person with experience or expertise about such model and its implementation, has agreed to work with the applicant in connection with such implementation and improvement efforts;

"(4) shall describe—

"(A) how the applicant will ensure that funds available under this title, and funds available for reading for grades kindergarten through grade 6 from other appropriate sources, are effectively coordinated and, where appropriate, integrated, with funds under this Act in order to improve existing activities in the areas of reading instruction, professional development, program improvement, parental involvement, technical assistance, and other activities that can help meet the purposes of this title; and

"(B) the amount of funds available for reading for grades kindergarten through grade 6 from appropriate sources other than this title, including title I of this Act (except that such description shall not be required to include funds made available under part B of title I of this Act unless the applicant has established a contractual association in accordance with subsection (d)(2) with an eligible entity under such part B), the Individuals with Disabilities Education Act, and any other law providing Federal financial assistance for professional development for teachers of such grades who teach reading, which will be used to help achieve the purposes of this title;

"(5) shall describe the amount and nature of funds from any other public or private sources, including funds received under this Act and the Individuals with Disabilities Education Act, that will be combined with funds received under the subgrant;

"(6) shall include an assurance that the applicant—

"(A) will carry out family literacy programs based on the Even Start family literacy model authorized under part B of title I to enable parents to be their child's first and most important teacher, will make payments for the receipt of technical assistance for the development of such programs;

"(B) will carry out programs to assist those kindergarten students who are not ready for the transition to 1st grade, particularly students experiencing difficulty with reading skills;

"(C) will use supervised individuals (including tutors), who have been appropriately trained using reliable, replicable research on reading, to provide additional support, before school, after school, on weekends, during non-instructional periods of the school day, or during the summer, for students in grades 1 through 3 who are experiencing difficulty reading; and

"(D) will carry out professional development for the classroom teacher and other teaching staff on the teaching of reading based on reliable, replicable research on reading;

"(7) shall describe how the local educational agency provides instruction in reading to children who have not been determined to be a child with a disability (as defined in section 602 of the Individuals with Disabilities Education Act), pursuant to section 614(b)(5) of such Act, because of a lack of instruction in reading; and

"(8) shall indicate the amount of the subgrant funds (if any) that the applicant will use to carry out the duties described in section 15105(b)(2).

"(d) PRIORITY.—In approving applications under this section, a reading and literacy partnership shall give priority to applications submitted by applicants who demonstrate that they have established—

"(1) a contractual association with 1 or more Head Start programs under the Head Start Act under which—

"(A) the Head Start programs agree to select the same model or models of reading instruction, as a model for implementing and improving the reading readiness of children participating in the program, as was selected by the applicant; and

"(B) the applicant agrees—

"(i) to share with the Head Start programs an appropriate amount of their information resources with respect to the model, such as curricula materials; and

"(ii) to train personnel from the Head Start programs;

"(2) a contractual association with 1 or more State- or federally-funded preschool programs, or family literacy programs, under which—

"(A) the programs agree to select the same model or models of reading instruction, as a model for implementing and improving reading instruction in the program's programs, as was selected by the applicant; and

"(B) the applicant agrees to train personnel from the programs who work with children and parents in schools selected under subsection (a)(2); or

"(3) a contractual association with 1 or more public libraries providing reading or literacy services to preschool children, or preschool children and their families, under which—

"(A) the libraries agree to select the same model or models of reading instruction, as a model for implementing and improving reading instruction in the library's reading or literacy programs, as was selected by the applicant; and

"(B) the applicant agrees to train personnel, including volunteers, from such programs who work with preschool children, or preschool children and their families, in schools selected under subsection (a)(2).

"(e) USE OF FUNDS.—

"(1) IN GENERAL.—Subject to paragraph (2), an applicant who receives a subgrant under this section may use the subgrant funds to carry out activities that are authorized by this title and described in the subgrant application, including the following:

"(A) Making reasonable payments for technical and other assistance to a person responsible for the development of a model of reading instruction, or a person with experience or expertise about such model and its implementation, who has agreed to work with the recipient in connection with the implementation of the model.

"(B) Carrying out a contractual agreement described in subsection (d).

"(C) Professional development (including training of volunteers), purchase of curricular and other supporting materials, and technical assistance.

"(D) Providing, on a voluntary basis, training to parents of children enrolled in a school selected under subsection (a)(2) on how to help their children with school work, particularly in the development of reading skills. Such training may be provided directly by the subgrant recipient, or through a grant or contract with another person. Such training shall be consistent with reading reforms taking place in the school setting.

"(E) Carrying out family literacy programs based on the Even Start family literacy model authorized under part B of title I to enable parents to be their child's first and most important teacher, and making payments for the receipt of technical assistance for the development of such programs.

"(F) Providing instruction for parents of children enrolled in a school selected under subsection (a)(2), and others who volunteer to be reading tutors for such children, in the instructional practices based on reliable, replicable research on reading used by the applicant.

"(G) Programs to assist those kindergarten students enrolled in a school selected under subsection (a)(2) who are not ready for the transition to 1st grade, particularly students experiencing difficulty with reading skills.

"(H) Providing additional support for students, enrolled in a school selected under subsection (a)(2), in grades 1 through 3, who are experiencing difficulty reading, before school, after school, on weekends, during non-instructional periods of the school day, or during the summer using supervised individuals (including tutors), who have been appropriately trained using reliable, replicable research on reading.

"(I) Carrying out the duties described in section 15105(b)(2) for children enrolled in a school selected under subsection (a)(2).

"(J) Providing reading assistance to children who have not been determined to be a child with a disability (as defined in section 602 of the Individuals with Disabilities Education Act), pursuant to section 614(b)(5) of such Act, because of a lack of instruction in reading.

"(2) LIMITATION ON ADMINISTRATIVE EXPENSES.—A recipient of a subgrant under this section may use not more than 3 percent of the subgrant funds for administrative costs.

"(f) TRAINING NON-RECIPIENTS.—A recipient of a subgrant under this section may train, on a fee-for-service basis, personnel are from schools, or local educational agencies, that are not receiving such a subgrant in the instructional practices based on reliable, replicable research on reading used by the recipient. Such a non-recipient school may use funds received under title I of this Act, and other appropriate Federal funds used for reading instruction, to pay for such training, to the extent consistent with the law under which such funds were received.

"SEC. 15105. TUTORIAL ASSISTANCE SUBGRANTS.

"(a) In General.—

"(1) Subgrants.—A reading and literacy partnership that receives a grant under section 15103 shall make subgrants on a competitive basis to—

"(A) local educational agencies that have at least 1 school in the geographic area served by the agency that—

"(i) is located in an area designated as an empowerment zone under part I of subchapter U of chapter 1 of the Internal Revenue Code of 1986; or

"(ii) is located in an area designated as an enterprise community under part I of subchapter U of chapter 1 of the Internal Revenue Code of 1986; or

"(B) in the case of local educational agencies that do not have any such empowerment zone or enterprise community in the State in which the agency is located, local educational agencies that have at least 1 school that is identified for school improvement under section 1116(c) in the geographic area served by the agency.

"(2) Applications.—A local educational agency that desires to receive a subgrant under this section shall submit an application to the reading and literacy partnership at such time, in such manner, and including such information as the partnership may require. The application shall include an assurance that the agency will use the subgrant funds to carry out the duties described in subsection (b) for children enrolled in 1 or more schools selected by the agency and described in paragraph (1).

"(b) Use of Funds.—

"(1) In general.—A local educational agency that receives a subgrant under this section shall carry out, using the funds provided under the subgrant, each of the duties described in paragraph (2).

"(2) Duties.—The duties described in this paragraph are the provision of tutorial assistance in reading to children who have difficulty reading, using instructional practices based on the principles of reliable, replicable research, through the following:

"(A) The promulgation of a set of objective criteria, pertaining to the ability of a tutorial assistance provider successfully to provide tutorial assistance in reading, that will be used to determine in a uniform manner, at the beginning of each school year, the eligibility of tutorial assistance providers, subject to the succeeding subparagraphs of this paragraph, to be included on the list described in subparagraph (B) (and thereby be eligible to enter into a contract pursuant to subparagraph (F)).

"(B) The promulgation, maintenance, and approval of a list of tutorial assistance providers eligible to enter into a contract pursuant to subparagraph (F) who—

"(i) have established a record of effectiveness with respect to reading readiness, reading instruction for children in kindergarten through 3d grade, and early childhood literacy;

"(ii) are located in a geographic area convenient to the school or schools attended by the children who will be receiving tutorial assistance from the providers; and

"(iii) are capable of providing tutoring in reading to children who have difficulty reading, using instructional practices based on the principles of reliable, replicable research and consistent with the instructional methods used by the school the child attends.

"(C) The development of procedures (I) for the receipt of applications for tutorial assistance, from parents who are seeking such assistance for their child or children, that select a tutorial assistance provider from the list described in subparagraph (B) with whom the child or children will enroll, for tutoring in reading; and (II) for considering children for tutorial assistance who are identified under subparagraph (D) and for whom no application has been submitted, provided that such procedures are in accordance with this paragraph and give such parents the right to select a tutorial assistance provider from the list referred to in subparagraph (B), and shall permit a local educational agency to recommend a tutorial assistance provider from the list under subparagraph (B) in a case where a parent asks for assistance in the making of such selection.

"(D) The development of a selection process for providing tutorial assistance in accordance with this paragraph that limits the provision of assistance to children identified, by the school the child attends, as having difficulty reading, including difficulty mastering essential phonic, decoding, or vocabulary skills. In the case of a child included in the selection process for whom no application has been submitted by a parent of the child, the child's eligibility for receipt of tutorial assistance shall be determined under the same procedures, timeframe, and criteria for consideration as is used to determine the eligibility of a child whose parent has submitted such an application. Such local educational agency shall apply the provisions of subparagraphs (F) and (G) to a tutorial assistance provider selected for a child whose parent has not submitted an application pursuant to subparagraph (C)(I) in the same manner as the provisions are applied to a provider selected in an application submitted pursuant to subparagraph (C)(I).

"(E) The development of procedures for selecting children to receive tutorial assistance, to be used in cases where insufficient funds are available to provide assistance with respect to all children identified by a school under subparagraph (D) that—

"(i) gives priority to children who are determined, through State or local reading assessments, to be most in need of tutorial assistance; and

"(ii) gives priority, in cases where children are determined, through State or local reading assessments, to be equally in need of tutorial assistance, based on a random selection principle.

"(F) The development of a methodology by which payments are made directly to tutorial assistance providers who are identified and selected pursuant to subparagraphs (C) (D), and (E) that is selected for funding. Such methodology shall include the making of a contract, consistent with State and local law, between the tutorial assistance provider and the local educational agency carrying out this paragraph. Such contract—

"(i) shall contain specific goals and timetables with respect to the performance of the tutorial assistance provider;

"(ii) shall require the tutorial assistance provider to report to the parent and the local educational agency on the provider's performance in meeting such goals and timetables; and

"(iii) shall contain provisions with respect to the making of payments to the tutorial assistance provider by the local educational agency.

"(G) The development of procedures under which the local educational agency carrying out this paragraph—

"(i) will ensure oversight of the quality and effectiveness of the tutorial assistance provided by each tutorial assistance provider who is identified and selected by a parent in an application submitted pursuant to subparagraph (C) that is selected for funding;

"(ii) will remove from the list under subparagraph (B) ineffective and unsuccessful providers (as determined by the local educational agency based upon the performance of the provider with respect to the goals and timetables contained in the contract between the agency and the provider under subparagraph (F));

"(iii) will provide to each parent of a child identified under subparagraph (D) who requests such information for the purpose of selecting a tutorial assistance provider for the child, in a comprehensible format, information with respect to the quality and effectiveness of the tutorial assistance referred to in clause (i); and

"(iv) will ensure that each school identifying a child under subparagraph (D) will provide upon request, to a parent of the child, assistance in selecting, from among the tutorial assistance providers who are included on the list described in subparagraph (B), the provider who is best able to meet the needs of the child.

"(c) Definition. For the purposes of this section the term "parent" or "parents" includes a legal guardian or legal guardians of the child.

"SEC. 15106. PROGRAM EVALUATION.

"(a) In General.—From funds reserved under section 15109(b)(1), the Secretary shall conduct a national assessment of the programs under this title. In developing the criteria for the assessment, the Secretary shall receive recommendations from the peer review panel convened under section 15103(f).

"(b) Submission to Peer Review Panel.—The Secretary shall submit the findings from the assessment under subsection (a) to the peer review panel convened under section 15103(f).

"SEC. 15107. INFORMATION DISSEMINATION.

"(a) In General.—From funds reserved under section 15109(b)(2), the National Institute for Literacy shall disseminate information on reliable, replicable research on reading and information on subgrantee projects under section 15104 or 15105 that have proven effective. At a minimum, the institute shall disseminate such information to all recipients of Federal financial assistance under titles I and VII of this Act, the Head Start Act, the Individuals with Disabilities Education Act, and the Adult Education Act.

"(b) Coordination.—In carrying out this section, the National Institute for Literacy—

"(1) shall use, to the extent practicable, information networks developed and maintained through other public and private persons, including the Secretary, the National Center for Family Literacy, and the Readline Program;

"(2) shall work in conjunction with any panel convened by the National Institute of Child Health and Human Development and the Secretary and any panel convened by the Office of Educational Research and Improvement to assess the current status of research-based knowledge on reading development, including the effectiveness of various approaches to teaching children to read, with respect to determining the criteria by which the National Institute for Literacy judges reliable, replicable research and the design of strategies to disseminate such information; and

"(3) shall assist any reading and literacy partnership selected to receive a grant under section 15103, and that requests such assistance—

"(A) in determining whether applications for subgrants submitted to the partnership meet the requirements of this title relating to reliable, replicable research on reading; and

"(B) in the development of subgrant application forms.

"SEC. 15108. STATE EVALUATIONS.

"(a) In General.—Each reading and literacy partnership that receives a grant under this title shall reserve not more than 2 percent of such grant funds for the purpose of evaluating the success of the partnership's subgrantees in meeting the purposes of this title. At a minimum, the evaluation shall measure the extent to which students who are the intended beneficiaries of the subgrants made by the partnership have improved their reading.

"(b) Contract.—A reading and literacy partnership shall carry out the evaluation under this section by entering into a contract with an eligible research institution under which the institution will perform the evaluation.

"(c) Submission.—A reading and literacy partnership shall submit the findings from the evaluation under this section to the Secretary and the peer review panel convened under section 15103(f). The Secretary and the peer review panel shall submit a summary of the findings from the evaluations under this subsection to the appropriate committees of the Congress, including the Education and the Workforce Committee of the House of Representatives.

"SEC. 15109. AUTHORIZATION OF APPROPRIATIONS; RESERVATIONS FROM APPROPRIATIONS; SUNSET.

"(a) Authorization.—There are authorized to be appropriated to carry out this title $260,000,000 for fiscal years 1998, 1999, and 2000.

"(b) Reservations.—From amount appropriated under subsection (a), the Secretary—

"(1) shall reserve 1.5 percent of the amount appropriated under subsection (a) for each fiscal year to carry out section 15106(a);

"(2) shall reserve $5,075,000 to carry out sections 15103(f)(2) and 15107, of which $5,000,000 shall be reserved for section 15107; and

"(3) shall reserve $10,000,000 to carry out section 1202(c).

"(c) Sunset.—Notwithstanding section 422(a) of the General Education Provisions Act, this title is repealed, effective September 30, 2000, and is not subject to extension under such section.".

TITLE II—AMENDMENTS TO EVEN START FAMILY LITERACY PROGRAMS

SEC. 201. RESERVATION FOR GRANTS.

Section 1202(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6362(c)) is amended to read as follows:

"(c) Reservation for Grants.—

"(1) Grants authorized.—From funds reserved under section 15109(b)(3), the Secretary shall award grants, on a competitive basis, to States to enable such States to plan and implement, statewide family literacy initiatives to coordinate and integrate existing Federal, State, and local literacy resources consistent with the purposes of this part. Such coordination and integration shall include funds available under the Adult Education Act, Head Start, this part, part A of this title, and part A of title IV of the Social Security Act.

"(2) Consortia.—

"(A) Establishment.—To receive a grant under this subsection, a State shall establish a consortium of State-level programs under the following laws:

"(i) This title.

"(ii) The Head Start Act.

"(iii) The Adult Education Act.

"(iv) All other State-funded preschool programs and programs providing literacy services to adults.

"(B) Plan.—To receive a grant under this subsection, the consortium established by a State shall create a plan to use a portion of the State's resources, derived from the programs referred to in subparagraph (A), to strengthen and expand family literacy services in such State.

"(C) Coordination with title xv.—The consortium shall coordinate its activities with the activities of the reading and literacy partnership for the State established under section 15103, if the State receives a grant under such section.

"(3) Reading instruction.—Statewide family literacy initiatives implemented under this subsection shall base reading instruction on reliable, replicable research on reading (as such terms are defined in section 15102).

"(4) Technical assistance.—The Secretary shall provide, directly or through a grant or contract with an organization with experience in the development and operation of successful family literacy services, technical assistance to States receiving a grant under this subsection.

"(5) Matching requirement.—The Secretary shall not make a grant to a State under this subsection unless the State agrees that, with respect to the costs to be incurred by the eligible consortium in carrying out the activities for which the grant was awarded, the State will make available non-Federal contributions in an amount equal to not less than the Federal funds provided under the grant.".

SEC. 202. DEFINITIONS.

Section 1202(e) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6362(e)) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(2) by inserting after paragraph (2) the following:

"(3) the term 'family literacy services' means services provided to participants on a voluntary basis that are of sufficient intensity in terms of hours, and of sufficient duration, to make sustainable changes in a family (such as eliminating or reducing welfare dependency) and that integrate all of the following activities:

"(A) Interactive literacy activities between parents and their children.

"(B) Equipping parents to partner with their children in learning.

"(C) Parent literacy training, including training that contributes to economic self-sufficiency.

"(D) Appropriate instruction for children of parents receiving parent literacy services.".

SEC. 203. EVALUATION.

Section 1209 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6369) is amended—

(1) in paragraph (1), by striking "and" at the end;

(2) in paragraph (2), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(3) to provide States and eligible entities receiving a subgrant under this part, directly or through a grant or contract with an organization with experience in the development and operation of successful family literacy services, technical assistance to ensure local evaluations undertaken under section 1205(10) provide accurate information on the effectiveness of programs assisted under this part.".

SEC. 204. INDICATORS OF PROGRAM QUALITY.

(a) In General.—The Elementary and Secondary Education Act of 1965 is amended—

(1) by redesignating section 1210 as section 1212; and

(2) by inserting after section 1209 the following:

"SEC. 1210. INDICATORS OF PROGRAM QUALITY.

"Each State receiving funds under this part shall develop, based on the best available research and evaluation data, indicators of program quality for programs assisted under this part. Such indicators shall be used to monitor, evaluate, and improve such programs within the State. Such indicators shall include the following:

"(1) With respect to eligible participants in a program who are adults—

"(A) achievement in the areas of reading, writing, English language acquisition, problem solving, and numeracy;

"(B) receipt of a high school diploma or a general equivalency diploma;

"(C) entry into a postsecondary school, job retraining program, or employment or career advancement, including the military; and

"(D) such other indicators as the State may develop.

"(2) With respect to eligible participants in a program who are children—

"(A) improvement in ability to read on grade level or reading readiness;

"(B) school attendance;

"(C) grade retention and promotion; and

"(D) such other indicators as the State may develop.".

(b) State Level Activities.—Section 1203(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6363(a)) is amended—

(1) in paragraph (1), by striking "and" at the end;

(2) in paragraph (2), by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(3) carrying out section 1210.".

(c) Award of Subgrants.—Paragraphs (3) and (4) of section 1208(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6368) are amended to read as follows:

"(3) Continuing eligibility.—In awarding subgrant funds to continue a program under this part for the second, third, or fourth year, the State educational agency shall evaluate the program based on the indicators of program quality developed by the State under section 1210. Such evaluation shall take place after the conclusion of the startup period, if any.

"(4) Insufficient progress.—The State educational agency may refuse to award subgrant funds if such agency finds that the eligible entity has not sufficiently improved the performance of the program, as evaluated based on the indicators of program quality developed by the State under section 1210, after—

"(A) providing technical assistance to the eligible entity; and

"(B) affording the eligible entity notice and an opportunity for a hearing.".

SEC. 205. RESEARCH.

The Elementary and Secondary Education Act of 1965, as amended by section 204 of this Act, is further amended by inserting after section 1210 the following:

"SEC. 1211. RESEARCH.

"(a) IN GENERAL.—The Secretary shall carry out, through grant or contract, research into the components of successful family literacy services, to use—

"(1) to improve the quality of existing programs assisted under this part or other family literacy programs carried out under this Act or the Adult Education Act; and

"(2) to develop models for new programs to be carried out under this Act or the Adult Education Act.

"(b) DISSEMINATION.—The National Institute for Literacy shall disseminate, pursuant to section 15107, the results of the research described in subsection (a) to States and recipients of subgrants under this part.".

TITLE III—FUNDS FOR FEDERAL WORK-STUDY PROGRAMS

SEC. 301. USE OF WORK-STUDY FUNDS FOR TUTORING AND LITERACY.

Section 443 of the Higher Education Act of 1965 (42 U.S.C. 2753) is amended—

(1) in subsection (b)(2)—

(A) by striking "and" at the end of subparagraph (A)

(B) by redesignating subparagraph (B) as subparagraph (C); and

(C) by inserting after subparagraph (A) the following new subparagraph:

"(B) in academic year 1998 and succeeding academic years, an institution shall use at least 2 percent of the total amount of funds granted to such institution under this section for such academic year in accordance with subsection (d); and"; and

(2) by adding at the end the following new subsection:

"(d) TUTORING AND LITERACY ACTIVITIES.—

"(1) USE OF FUNDS.—In any academic year to which subsection (b)(2)(B) applies, an institution shall use the amount required to be used in accordance with this subsection to compensate (including compensation for time spent in directly related training and travel) students—

"(A) employed as a reading tutor for children who are in preschool through elementary school; or

"(B) employed in family literacy projects.

"(2) PRIORITY FOR SCHOOLS.—An institution shall—

"(A) give priority, in using such funds, to the employment of students in the provision of tutoring services in schools that—

"(i) are identified for school improvement under section 1116(c) of the Elementary and Secondary Education Act of 1965; or

"(ii) are selected by a local educational agency under section 15104(a)(2) of such Act; and

"(B) ensure that any student compensated with such funds who is employed in a school selected under section 15104(a)(2) of the Elementary and Secondary Education Act of 1965 is trained in the instructional practices based on reliable, replicable research on reading used by the school pursuant to such section 15104.

"(3) FEDERAL SHARE.—The Federal share of the compensation of work study students compensated under this subsection may exceed 75 percent.

"(4) WAIVER.—The Secretary may waive the requirements of this subsection if the Secretary determines that enforcing such requirements would cause a hardship for students at the institution.

"(5) RETURN OF FUNDS.—Any institution that does not use the amount required under this subsection, and that does not request and receive a waiver from the Secretary under paragraph (4), shall return to the Secretary, at such time as the Secretary may require for reallocation under paragraph (6), any balance of such amount that is not used as so required.

"(6) REALLOCATION.—The Secretary shall reallot any amounts returned pursuant to paragraph (5) among institutions that used at least 4 percent of the total amount of funds granted to such institution under this section to compensate students employed in tutoring and literacy activities in the preceding academic year. Such funds shall be reallotted among such institutions on the same basis as excess eligible amounts are allocated to institutions pursuant to section 442(c). Funds received by institutions pursuant to this paragraph shall be used in the same manner as amounts required to be used in accordance with this subsection.".

TITLE IV—REPEALS

SEC. 401. REPEAL OF CERTAIN UNFUNDED EDUCATION PROGRAMS.

(a) ADULT EDUCATION ACT.—The following provisions are repealed:

(1) BUSINESS, INDUSTRY, LABOR, AND EDUCATION PARTNERSHIPS FOR WORKPLACE LITERACY.—Section 371 of the Adult Education Act (20 U.S.C. 1211).

(2) ENGLISH LITERACY GRANTS.—Section 372 of the Adult Education Act (20 U.S.C. 1211a).

(3) EDUCATION PROGRAMS FOR COMMERCIAL DRIVERS.—Section 373 of the Adult Education Act (20 U.S.C. 1211b).

(4) ADULT LITERACY VOLUNTEER TRAINING.—Section 382 of the Adult Education Act (20 U.S.C. 1213a).

(b) CARL D. PERKINS VOCATIONAL AND APPLIED TECHNOLOGY EDUCATION ACT.—The following provisions are repealed:

(1) BUSINESS-LABOR-EDUCATION PARTNERSHIP FOR TRAINING.—Part D of title III of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2391 et seq.).

(2) SUPPLEMENTARY STATE GRANTS FOR FACILITIES AND EQUIPMENT AND OTHER PROGRAM IMPROVEMENT ACTIVITIES.—Part F of title III of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2395 et seq.).

(3) COMMUNITY EDUCATION EMPLOYMENT CENTERS AND VOCATIONAL EDUCATION LIGHTHOUSE SCHOOLS.—Part G of title III of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2396 et seq.).

(4) DEMONSTRATION PROGRAMS.—Part B of title IV of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2411 et seq.).

(5) CERTAIN BILINGUAL PROGRAMS.—Subsections (b) and (c) of section 441 of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2441).

(c) COMMUNITY SCHOOL PARTNERSHIPS.—The Community School Partnership Act (contained in part B of title V of the Improving America's Schools Act of 1994 (20 U.S.C. 1070 note) is repealed.

(d) EDUCATIONAL RESEARCH, DEVELOPMENT, DISSEMINATION, AND IMPROVEMENT ACT OF 1994.—Section 941(j) of the Educational Research, Development, Dissemination, and Improvement Act of 1994 (20 U.S.C. 6041(j)) is repealed.

(e) ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965.—The following provisions are repealed:

(1) INNOVATIVE ELEMENTARY SCHOOL TRANSITION PROJECTS.—Section 1503 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6493).

(2) SCHOOL DROPOUT ASSISTANCE.—Part C of title V of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7261 et seq.).

(3) IMPACT AID PROGRAM.—Section 8006 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7706) is repealed.

(4) SPECIAL PROGRAMS AND PROJECTS TO IMPROVE EDUCATIONAL OPPORTUNITIES FOR INDIAN CHILDREN.—Subpart 2 of part A of title IX of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7831 et seq.).

(5) SPECIAL PROGRAMS RELATING TO ADULT EDUCATION FOR INDIANS.—Subpart 3 of part A of title IX of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7851 et seq.).

(6) FEDERAL ADMINISTRATION.—Subpart 5 of part A of title IX of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7871 et seq.).

(7) AUTHORIZATION OF APPROPRIATIONS.—Section 9162(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7882(c)).

(8) DE LUGO TERRITORIAL EDUCATION IMPROVEMENT PROGRAM.—Part H of title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8221 et seq.).

(9) EXTENDED TIME FOR LEARNING AND LONGER SCHOOL YEAR.—Part L of title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8351).

(10) TERRITORIAL ASSISTANCE.—Part M of title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8371).

(f) FAMILY AND COMMUNITY ENDEAVOR SCHOOLS.—The Family and Community Endeavor Schools Act (42 U.S.C. 13792) is repealed.

(g) GOALS 2000: EDUCATE AMERICA ACT.—Subsections (b) and (d)(1) of section 601 of the Goals 2000: Educate America Act (20 U.S.C. 5951) are repealed.

(h) HIGHER EDUCATION ACT OF 1965.—The following provisions are repealed:

(1) STATE AND LOCAL PROGRAMS FOR TEACHER EXCELLENCE.—Part A of title V of the Higher Education Act of 1965 (20 U.S.C. 1102 et seq.).

(2) NATIONAL TEACHER ACADEMIES.—Part B of title V of the Higher Education Act of 1965 (20 U.S.C. 1103 et seq.).

(3) CLASS SIZE DEMONSTRATION GRANT.—Subpart 3 of part D of title V of the Higher Education Act of 1965 (20 U.S.C. 1109 et seq.).

(4) MIDDLE SCHOOL TEACHING DEMONSTRATION PROGRAMS.—Subpart 4 of part D of title V of the Higher Education Act of 1965 (20 U.S.C. 1110 et seq.).

(5) SMALL STATE TEACHING INITIATIVE.—Subpart 3 of part F of title V of the Higher Education Act of 1965 (20 U.S.C. 1115).

(6) EARLY CHILDHOOD EDUCATION TRAINING.—Subpart 5 of part F of title V of the Higher Education Act of 1965 (20 U.S.C. 1117 et seq.).

(7) GRANTS TO STATES FOR WORKPLACE AND COMMUNITY TRANSITION TRAINING FOR INCARCERATED YOUTH OFFENDERS.—Part E of title X of the Higher Education Act of 1965 (20 U.S.C. 1135g).

(i) HIGHER EDUCATION AMENDMENTS OF 1992.—Part E of title XV of the Higher Education Amendments of 1992 (20 U.S.C. 1070 note) is repealed.

(j) REHABILITATION ACT OF 1973.—The following provisions are repealed:

(1) CAREER ADVANCEMENT TRAINING CONSORTIA.—Subsection (e) of section 302 of such Act (29 U.S.C. 771a(e)).

(2) VOCATIONAL REHABILITATION SERVICES FOR INDIVIDUALS WITH DISABILITIES.—Section 303 of such Act (29 U.S.C. 772).

(3) LOAN GUARANTEES FOR COMMUNITY REHABILITATION PROGRAMS.—Section 304 of such Act (29 U.S.C. 773).

(4) COMPREHENSIVE REHABILITATION CENTERS.—Section 305 of such Act (29 U.S.C. 775).

(5) SPECIAL DEMONSTRATION PROGRAMS.—Subsections (b) and (e) of section 311 of such Act (29 U.S.C. 777a(b) and (e)).

(6) READER SERVICES FOR INDIVIDUALS WHO ARE BLIND.—Section 314 of such Act (29 U.S.C. 777d).

(7) INTERPRETER SERVICES FOR INDIVIDUALS WHO ARE DEAF.—Section 315 of such Act (29 U.S.C. 777e).

(8) COMMUNITY SERVICE EMPLOYMENT PILOT PROGRAMS FOR INDIVIDUALS WITH DISABILITIES.—Section 611 of such Act (29 U.S.C. 795).

(9) BUSINESS OPPORTUNITIES FOR INDIVIDUALS WITH DISABILITIES.—Part D of title VI of the Rehabilitation Act of 1973 (29 U.S.C. 795r).

(10) CERTAIN DEMONSTRATION ACTIVITIES.—

(A) TRANSPORTATION SERVICES GRANTS.—Subsection (a) of section 802 of such Act (29 U.S.C. 797a(a)).

(B) PROJECTS TO ACHIEVE HIGH QUALITY PLACEMENTS.—Subsection (b) of section 802 of such Act (29 U.S.C. 797a(b)).

(C) EARLY INTERVENTION DEMONSTRATION PROJECTS.—Subsection (c) of section 802 of such Act (29 U.S.C. 797a(c)).

(D) TRANSITION DEMONSTRATION PROJECTS.—Subsection (d) of section 802 of such Act (29 U.S.C. 797a(d)).

(E) BARRIERS TO SUCCESSFUL REHABILITATION OUTCOMES FOR MINORITIES.—Subsection (e) of section 802 of such Act (29 U.S.C. 797a(e)).

(F) STUDIES, SPECIAL PROJECTS, AND DEMONSTRATION PROJECTS TO STUDY MANAGEMENT AND SERVICE DELIVERY.—Subsection (f) of section 802 of such Act (29 U.S.C. 797a(f)).

(G) NATIONAL COMMISSION ON REHABILITATION SERVICES.—Subsection (h) of section 802 of such Act (29 U.S.C. 797a(h)).

(H) MODEL PERSONAL ASSISTANCE SERVICES SYSTEMS.—Subsection (i) of section 802 of such Act (29 U.S.C. 797a(i)).

(I) DEMONSTRATION PROJECTS TO UPGRADE WORKER SKILLS.—Subsection (j) of section 802 of such Act (29 U.S.C. 797a(j)).

(J) MODEL SYSTEMS REGARDING SEVERE DISABILITIES.—Subsection (k) of section 802 of such Act (29 U.S.C. 797a(k)).

(11) CERTAIN TRAINING ACTIVITIES.—

(A) DISTANCE LEARNING THROUGH TELECOMMUNICATIONS.—Subsection (a) of section 803 of such Act (29 U.S.C. 797b(a)).

(B) TRAINING REGARDING IMPARTIAL HEARING OFFICERS.—Subsection (d) of section 803 of such Act (29 U.S.C. 797b(d)).

(C) RECRUITMENT AND RETENTION OF URBAN PERSONNEL.—Subsection (e) of section 803 of such Act (29 U.S.C. 797b(e)).

(k) STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.—Subtitle A of title VII of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421 et seq.) is repealed.

(l) TECHNOLOGY-RELATED ASSISTANCE FOR INDIVIDUALS WITH DISABILITIES ACT OF 1988.—Subtitle B of title II of the Technology-Related Assistance for Individuals With Disabilities Act of 1988 (29 U.S.C. 2241 et seq.) is repealed.

(m) NATIONAL LITERACY ACT OF 1991.—Section 304 of the National Literacy Act of 1991 (20 U.S.C. 1213c note) is repealed.

(n) AUTHORIZATION OF APPROPRIATIONS FOR INDIAN EDUCATION.—Section 9162(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7882(b)) is amended to read as follows:

"(b) SUBPART 4.—For the purpose of carrying out subpart 4 of this part, there are authorized to be appropriated to the Department of Education such sums as may be necessary for fiscal year 1995 and each of the four succeeding fiscal years.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from California [Mr. MARTINEZ] each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, I rise in support of H.R. 2614, the Reading Excellence Act. The issue of literacy has been one of my main interests since I came to this body. Over the years I have had an opportunity to work in a bipartisan manner with many members of the committee to develop legislation directed at improving the literacy of our Nation's citizens no matter what their age. While the Even Start Program, the Family Literacy Program, is high on my literacy list of achievements, I would also include changes to the Adult Education Act and the National Literacy Act.

Today we have an opportunity to support a refinement and an improvement of all existing literacy programs, the Reading Excellence Act, which will help ensure that individuals of all ages have literacy skills they need to lead productive lives. Over the years what has been missing from our efforts has been a focus of preventing reading difficulties from developing in the first place. The bill addresses this problem.

As Members know, there was a budget agreement. The budget agreement said that the President will have a literacy bill. It is our responsibility then as an authorizing committee, we did not participate in the budget agreement, but it is our responsibility then to make sure that whatever that literacy bill is, it is a well thought out literacy bill and a bill that will work. And so having that in mind, I looked at the President's bill and then I decided on what areas we should really concentrate on if we are going to improve literacy in this country.

□ 1600

The general outline then became, one, make sure that the teachers have the help they need to effectively teach reading based on reliable, replicable research, including phonics.

Now I want to make sure that what everyone should understand, we are not dictating any one way of teaching reading. Anybody that does that is asking for trouble. If they are going to teach whole language and nothing else, I will guarantee my colleagues it will be a disaster. If they are going to teach look-see, which they tried in the 1960's, that is really going to be a disaster. But what we are saying is that they should use reading readiness, reading based on reliable, replicable research, including phonics.

The second idea then would be reading readiness of the child. No first grade child should fail. It is the adult that fails, not the child. No first grade child should ever be socially promoted. That is a disaster for a child. So it is the adult that failed, not the child, so we have to find a way to deal with that issue, and what we do then is say that if a child is not ready for first grade, do not push them into first grade; that the kindergarten teacher certainly knows whether they are or are not reading-ready. If they are not, then give them the kind of effort that they need to make sure that they are reading-ready in the first place.

Second, we know that the parents are the first and most important teacher, and if they are not capable, they do not have the literacy skills themselves, then we should make sure that they do.

Third, we say that reading readiness of the child beyond first grade will be dealt with mentors and with help from outside, helping the teacher, not bringing in expensive people doing their own thing, but having people from the college work program spend more of their time helping in the community rather than emptying trash cans.

Next we say that title I schools are the most in need since we have a very little bit amount of money. Those title I schools that need the help the most would be the people who would be able to get these grants.

So we talk about reading readiness of the child, we talk about preparation of the teacher, we talk about tutorial assistance, we talk about college work-study help, and we talk about those schools most in need.

Now what I want to point out is that it is not a new program. We are trying to improve the existing literacy programs that are out there. Second, I want to again make sure my colleagues understand what we are saying is it is the budget agreement that made the decision that there would be a literacy program, and our committee is trying to make sure it is the best.

Having given that outline, the subcommittee chairman, the gentleman from California [Mr. RIGGS], with the help of the gentleman from California [Mr. MARTINEZ] and others went to work and filled in this outline to make sure that we would have something that could be accepted by all, and I believe we have come up with that initiative.

Mr. Speaker, I reserve the balance of my time.

Mr. MARTINEZ. Mr. Speaker, I yield myself such time as I might consume.

Let me start out by saying that during the early part of this session, the President's America Reads legislation was introduced by the ranking member, the gentleman from Missouri [Mr. CLAY], myself and many other of our Democratic colleagues. That initiative focused on the use of community-based volunteer efforts that would provide additional assistance to children after school, on weekends and during the summer, with the goal of ensuring that all children can read independently by the end of the third grade. I want to commend the President for his leadership in not only putting forth this legislation, but for realizing the need to involve community-based organizations and volunteers in the goal of increased literacy for children.

Mr. Speaker, due to the budget agreement which was struck between President Clinton and congressional leaders, Republicans and Democratic Members of the Committee on Education and the Workforce and the administration have engaged in many months of negotiations with the collective aim of producing a bipartisan literacy initiative that combines the ideas of the President and our committee colleagues. In these many months we have produced what I believe is a very balanced and truly bipartisan agreement which is before us today.

Through the coupling of the President's ideas and those of the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from California [Mr. RIGGS], we have produced a bill that will positively impact the efforts of our country's educators in teaching children to read. This legislation, through both efforts to improve professional development of teachers in reading and the utilization of community-based organizations in the mobilization of volunteer tutors, will enable us to ensure that children will read independently by the end of the third grade. This is truly a goal which all of us can support.

This bill provides the much needed assistance for teachers to receive professional development in teaching children to read more effectively, and it will ensure that professional development is based on reliable, replicable research; in other words, proven methods of reading instruction.

During our committee's hearings on childhood literacy, we heard a large amount of testimony that what the teachers who teach reading want the most is professional development giving them effective strategies in instructing children to read. This bill will enable school districts to begin to fulfill that need.

In addition, this bill includes the priority of the President stated in his America Reads legislation to provide additional help to children learning to read through volunteer tutoring before and after school, on weekends and during the summer.

Huge success stories have happened across the country in communities which are already using the America Reads volunteer structure to ensure literate children, and this bill allows these successes to continue and grow in number. This will mean that more children who are struggling with one of the most basic and necessary components of our society will get the extra help outside the classroom that they so desperately need.

This legislation also includes provisions allowing for tutorial assistance grants. As Members know, this section of the bill has generated a significant amount of controversy and has been the object of numerous negotiation sessions between the Members over the last few weeks, including right up to the minute that this bill was presented on the floor. These negotiations have added what I believe is the key missing component of accountability, both educational and financial results. This is accomplished through the insistence that local educational agencies which provide tutorial education assistance grants must enter into contracts with tutorial assistance providers. This contracting authority includes specific goals, outcomes and timetables for student achievement, which gives local education agencies the tools to ensure that this program will help those children most in need. So I believe that this section of the bill is vastly improved and now a positive addition to the overall program.

I strongly believe that the legislation before us today will truly help children to read independently by the end of the third grade and grasp the essential literacy components necessary for employment in our technologically advanced society. I also believe that Members of both parties should feel confident that this legislation balances the two very important needs in assuring childhood literacy, strong professional development for reading teachers and additional tutoring assistance before and after school, on weekends and during the summer.

I urge all Members to support this important legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. GOODLING. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. RIGGS], the subcommittee chairman who helped put the meat on the skeleton that I provided.

Mr. RIGGS. Mr. Speaker, I thank the gentleman from Pennsylvania for yielding this time to me, and the first thing I want to do is recommend to my colleagues that this is important legislation deserving of their support. I have had several of my Republican colleagues ask me if this is legislation that I intend to support, and the answer to that is an emphatic yes. And if I can just back up for a moment and sort of walk my colleagues through the process, my colleagues will recall that the bipartisan agreement to balance the budget sets aside $260 million for a new Federal literacy initiative. I suspect that most people, obviously, in this Chamber supported that agreement, voted for it on an overwhelmingly bipartisan basis. We then set about crafting the details of that initiative fleshing it out, if my colleagues will, and had a spirited, bipartisan give and take as to the proper approach in spending that money.

The President wanted his America Reads initiative, which would have led to a tremendous expansion of AmeriCorps, the National Service Corps Corp., and on our side of the aisle we insisted that a majority of the money be used for teacher training and to provide parents and guardians of children who have reading difficulties, who are consistently reading below grade level and behind their peers, with tutorial assistance grants. Our legislation would invest this Federal taxpayer money in family literacy as well, trying to help illiterate or semiliterate parents obtain literacy skills so that they can work with their children, because, after all, that parent is that child's first and best teacher.

We also use the money for college work program tutors. These are young people who are at institutions of higher learning, and in the process of obtaining a higher education, a college education, are getting assistance through the college work/study program, and we think that these young people are in an ideal position to fulfill their obligations under the college work/study program by helping young people learn to read better. So we want a lot of the college students participating in the college work/study program to serve as reading tutors and mentors to young people.

We also put a lot of the money into basic grants to States to improve teacher training, helping the, if my colleagues will, the teachers learn to teach better. We heard repeatedly during the course of our hearings both here in Washington, at the two literacy summits that I conducted in my congressional district, from veteran, experienced classroom teachers the need to improve their teaching skills. We had teachers, colleagues, tell us in the course of the hearings that they had never received the proper instruction in teaching reading, if my colleagues can imagine, and I know that speaks volumes about traditional teacher education at colleges and universities.

We would like to address that problem. Perhaps we can address it in a bigger way when we get around to the reauthorization of the Higher Education Act. But at least here in this bill we have made a start by providing grants to States and local school districts in those school districts that have the most glaring need. It is documented by the fact they have the most title I students, they have the most so-called school improvement sites, and it is at those schools and with those students that we want to help teachers, classroom teachers, reading specialists, obtain the best training based on reliable, replicable research in order do a better job teaching our young people.

And lastly, as I said, we also provide money for parents and legal guardians to obtain tutorial assistance for their children in those instances where a child needs more intensive, one-on-one type of reading instruction from a tutor that they are not able to obtain during the course of a school day, and we say that those grants can be used by parents and guardians to obtain tutoring services from a list of approved and recommended tutors by the local school districts.

So I think what we have crafted here is a good, balanced bill, one that fulfills the obligation that we have on the authorizing committee to come up with the details of the authorizing legislation to spend the $260 million set-aside for the budget agreement.

Mr. Speaker, I rise in support of H.R. 2614, the Reading Excellence Act.

As a parent and former school board member, I have been alarmed over recent statistics on the number of children experiencing reading difficulties.

I am particularly saddened because I know that poor reading skills are a sign of impending academic difficulties of a much broader nature which can diminish the ability of such children to grow into productive, contributing members of society.

We know, for instance, that 50 percent of our current adult population read at the bottom two of five levels of literacy. Not surprisingly, 43 percent of those in the lowest literacy level live in poverty; 17 percent are receiving food stamps, and 70 percent are unemployed or underemployed. In addition, more than two-thirds of unwed parents, school dropouts, and those arrested have below average literacy levels. We need to act now to prevent the same type of statistics for future generations.

Over the August recess, I had the opportunity to hold two literacy summits in my congressional district. These summits were attended by individuals with a wide range of involvement in literacy activities—from those individuals working with preschool children, to teachers in elementary school, to family literacy providers, to programs working with adults.

What I found was a general agreement among summit participants that there is a need to improve the teaching of reading in our country and to provide teachers with current research on how children learn to read.

Today, millions of children are on the path toward a life of illiteracy and underachievement. This legislation provides hope for these children by giving them the opportunity to obtain the reading skills necessary to lead productive lives.

H.R. 2614 responds to the concerns raised by my constituents and other individuals who testified before our committee or who contacted us to discuss this topic. It not only focuses on providing training to teachers based on the most reliable, replicable research on reading, it calls for the dissemination of such information to all teachers in Federal programs with a strong focus on improving the reading skills of children. This will ensure these teachers, as well as those directly assisted under this act will have the tools necessary to effectively teach reading to some of the Nation's most disadvantaged school children.

In addition, Mr. Speaker, this legislation will act as a companion to our recently enacted reform of the Individuals with Disabilities Education Act by seeking to ensure that children who are identified as not being disabled but still being unable to read will receive assistance to become literate.

Among these children are those who have historically been placed in special education under the Individuals with Disability Education Act. Prior to this year's amendments to IDEA, many children with reading problems were identified as learning disabled when their real problem was simply not being taught to read.

Being spared special education will save those children years of misguided assistance, but it will not solve the problem that led to the special education referral in the first place, that is, not being able to read. The Reading Excellence Act will ensure that these children, and others, are provided the reading instruction necessary to become literate.

This legislation also focuses on expanding the number of family literacy programs and providing assistance to children so they can be their child's first and most important teacher. I commend the chairman for all of his work on the issue of family literacy. I believe this approach to be one of the more effective approaches to helping to break the cycle of illiteracy in many families.

Another important aspect of this legislation is a provision which will expand quality tutoring assistance for economically disadvantaged children. We have worked with our Democrat colleagues to strengthen accountability under these grants and make other clarifying changes outlined by Chairman GOODLING. Specifically, this act would allow local educational agencies to compete for funds to provide tutorial assistance grants [TAG's]. These grants would be targeted to parents with children who have significant reading difficulties and attend a school which is within an empowerment zone or enterprise community. Using these funds, parents could choose, from among a list of qualified providers, a tutor who they feel is best suited to help their children learn to read.

To ensure that tutors are able to provide high quality services, the act requires the local education agency to compile and maintain a list of qualified tutors. To be placed on this list, tutors must have a proven track record in reading readiness, early childhood literacy and reading instruction for children in grades K–3 and must commit to providing instruction based upon reliable teaching methods—such as phonics-based instruction—that have produced results supported by replicable research.

Mr. Speaker, we have the opportunity to make a significant difference in the future of many children who currently are unable to read. I urge my colleagues to seize upon this opportunity and support the Reading Excellence Act.

Mr. MARTINEZ. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. ROEMER].

Mr. ROEMER. Mr. Speaker, I, first of all, salute the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from California [Mr. RIGGS] for their hard work and commitment to this bipartisan bill. I also want to recognize our ranking member, the gentleman from California [Mr. MARTINEZ], and Mr. MILLER for strongly negotiating through the process our commitment to different new provisions to strengthen, I think, an existing program. So I think both sides here have worked together to craft a very, very strong bill.

Yesterday we worked in a bipartisan way to pass new ideas with a charter school bill for public choice and public education. Today we are working in a bipartisan way to strengthen the existing literacy program.

I rise in strong support of this bill, both for policy reasons and for some very, very substantive reasons which are included in this bill. First of all, in the policy reasons, again, we are not recreating the wheel, we are not coming up with a brand new program here, we are trying to find ways to improve the existing program and work with parents and teachers and volunteers and professionals to solve one of the most vexing and heartbreaking problems in America today: illiteracy.

□ 1615

It hurts businesses, costing them billions of dollars when they do not get the right kinds of employees coming out of our high schools that can read. It hurts parents who cannot read appropriately to their children. It certainly hurts children's self-esteem when they fall behind.

This bill comes up with new ideas to fix an existing problem and to improve an existing program.

What are these ideas? First of all, we focus on young children, in the kindergarten and the first grade. Next year, in the Head Start Program, we hope to move it even further, closer to 2 and 3 and 4 years old and earlier in their education.

Second, we stress family literacy, encouraging the parent to work as the child's first teacher and encouraging parents to develop literacy skills.

Third, we require States to have a professional development program for teachers. Teachers have to learn new ways. When the first way they are teaching the child doesn't work, they have to be able to teach in alternative ways.

Fourth, we encourage community-based programs, reading programs, and we require commitment from colleges that participate in the college work-study program to work as volunteers.

This is a comprehensive way to address literacy. We are doing it in a bipartisan way. We are fixing an old program with new ideas. I strongly encourage Members on both the Republican side and the Democratic side to vote for and pass this bipartisan program.

Mr. GOODLING. Mr. Speaker, I yield 2 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA], a very active member of our committee in this area, a former teacher, and very helpful in putting the legislation together.

Mrs. ROUKEMA. Mr. Speaker, I certainly thank the chairman for yielding me time.

Mr. Speaker, I want to congratulate the chairman and ranking member for this wonderful contribution on an issue that is so essential for all Americans. This is a bill that deserves enthusiastic support.

Mr. Speaker, I do not think there is another issue that bothers the American people as much as the question of education and how it affects their families. This represents real progress with this legislation.

Studies have shown, I might as well repeat this, it has been stated, but studies have shown that 40 percent of the Nation's fourth graders are below basic reading skills. That is something that has to be improved.

I know there are those here that want to give volunteer help through AmeriCorps. That is not the issue here today, because there is not a principal or educator in this country who would turn away volunteers. But they would also say that the most important essential need is that we train, have real reading training for teachers in the classroom. That is what this bill does. It gives that assistance to the classroom teacher and gives that training.

Mr. Speaker, I think the bill, of course, also helps lower-income parents and gives them the opportunity to gain remedial assistance, which of course we also know is important.

I would like to say, especially to my conservative friends, fellow fiscal conservative friends, I might say, because I am one of those too, I want us to know that 95 percent of the funding authorized in this legislation is driven right down into the classroom. It is not eaten up in bureaucratic overhead and administration. I think that is important for all of us to know.

Finally, I will conclude with my own commitment, as a teacher, a mother, in saying that without reading, there is no learning, and without learning, there is no education; without education, our Nation cannot compete in this increasingly competitive global economy.

Mr. Speaker, I thank the chairman and all the members of the committee for this very fine contribution.

Mr. Speaker, I rise in strong support of the Reading Excellence Act and commend the gentleman from Pennsylvania, Chairman GOODLING, for his strong leadership in this area.

Among the many laudable sections of the budget and tax cut package this Congress approved in July was an additional $260 million to enhance literacy. Heaven knows we need it.

Recent studies have shown that 40 percent of the Nation's fourth graders possess below-basic reading skills. Now thee are many societal and educational reasons for this—but time will not allow a complete discussion here.

Quite frankly, I have been a bit puzzled by the President's approach to this new literacy program. He proposed to spend the $260 million to send an army of barely trained paid volunteers from Americorps in to low-income schools to serve as reading tutors.

Mr. Speaker, there is not a principal in this country who would turn away new volunteers at his or her school.

That's what this bill does: gives the assistance to those in the best position to make a difference—the classroom teacher.

The legislation Mr. GOODLING and our Education Committee approved emphasizes helping teachers to teach reading. This bill is grounded in the basics, and ensures that reliable and replicable research on reading techniques, such as phonics, actually reaches the classroom.

Our bill also will give lower-income parents the opportunity to gain remedial assistance for their children from trained and approved reading tutors.

To do all this, the bill creates a new system, which allows for reading and literacy partnerships—a State entity—to compete for literacy grants to use toward innovative reading programs.

Now let me close with a few words for my fellow fiscal conservatives. I want you to know that 95-percent of the funding authorized by this legislation is driven right into the classroom. It is not eaten up in bureaucratic overhead and administration.

It would add that this legislation also repeals 67 unfunded Federal Department of Education programs.

As a member of the Education Committee since coming to Congress, I have said that we need to undertake a clear-eyed evaluation of every educational program on the books, determine what works and fully-fund them and get rid of the rest. This legislation moves us in that direction.

Mr. Speaker, as a former teacher, mother of three and grandmother of five there is no more fundamental reform we can adopt to give the next generation a successful future.

Without reading, there is no learning. Without learning, there is no education. Without education, our Nation cannot compete in an increasingly competitive global economy.

We must do this for our children and our children's children. I thank the chairman and urge support for this legislation.

Mr. MARTINEZ. Mr. Speaker, I yield 3 minutes to the gentleman from Martinez, California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I thank the gentleman from California [Mr. MARTINEZ] for yielding to me, from Martinez, and I thank him for his work on this legislation, and I want to thank our chairman, the gentleman from Pennsylvania [Mr. GOODLING], and the gentleman from Missouri [Mr. CLAY] and the gentleman from California [Mr. RIGGS] and, again, the gentleman from California [Mr. MARTINEZ] for all of the effort to bring this legislation to the floor and to make it a true bipartisan effort.

There have been very intensive negotiations around this legislation. I think those negotiations have been intense because, as the gentleman from New Jersey just said, we believe this is one of the most important subjects that we confront as members of the Committee on Education and the Workforce, and that is our ability to improve the outcomes for our young children in school to learn to read so that they can read to learn for the rest of their lives.

As so many have already said here today, we are not doing a very good job in that effort. I think this legislation starts to turn us around in that. In terms of the emphasis that it places on the professional development of teachers, it is clear that we have got to have competent, capable teachers in that classroom, spending time with those children to help them learn to read.

It is clear that we have got to get the parents of these children involved in reading to their children and encouraging their children and rewarding their children for reading competency. It is also very clear that we have got to call upon additional volunteers to come to our schools and to spend time with the children.

I notice today in Roll Call magazine some of our colleagues in the U.S. Senate spending time on Capitol Hill. Senator DURBIN from Illinois was pictured at Brent School, reading to a young man, trying to encourage that young man to improve his reading proficiency so he could have a successful education.

Mr. Speaker, I spent an awful lot of time with young adolescents in my local high schools where I teach a couple of classes for young children and young students in the continuation high school and also in a honors class at another high school. Every Monday morning, we talk about some of these issues. And I cannot tell you the sadness the young people express and how cheated they feel that they cannot read to grade level and how angry they are about social promotions and being told that they are doing fine, they are getting C's, and they will be OK, and now to realize as they are 10th and 11th graders, that they really cannot read.

It has got to stop. We have got to make this a determinant of your ability to proceed in education. We have got to bring the resources. This bill does that. It allows us to go out and to contract with tutors, to bring additional emphasis and resources on those children that are having difficulty.

Hopefully, schools will get better at identifying those children and the problems they have, and we can start to eliminate the great number of children who are falling behind their reading proficiency at grade level. We will be able to identify those problems and get those children up to grade level so they can have a successful education.

Unless we do that, Mr. Speaker, we simply are not going to improve the American education experience for millions of children that we need as competent children, as capable children, and as graduates of an education system that allows them to take their place in American society.

I would hope that the House would overwhelmingly pass this bipartisan legislation to improve America's reading education.

Mr. GOODLING. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. PETERSON], a valuable member of the committee.

Mr. PETERSON of Pennsylvania. Mr. Speaker, I thank the chairman and commend him and the leaders on both sides of the committee for the hard work they have done on this very important issue.

I do not think there is any issue facing America that is more important to our future than to somehow improve our educational system to where every Johnny and Susie when they leave school are good readers.

I will have to be honest, I was not excited when I saw the budget agreement that called for another new reading literacy program, but I am pleased with the work that has been done with existing programs and in streamlining this one to get the money to our schools.

But I will say this: I do not think we will solve the literacy problem in this country just with Federal initiatives. We need a commitment from our school boards and our superintendents and principals that no child will leave their school without good reading skills, and, without that commitment, no State or Federal money will solve this problem. We need that commitment at the local level.

But I come to the floor today to support the Reading Excellence Act. This act brings only successful components of education together, the school, the teacher, the parents, and, most importantly, the child.

This focuses on providing teachers and tutors with better tools. The Reading Excellence Act provides parents with the ability to better their child's opportunity to make the grade in reading. Through the tutorial assistance grants, Johnny and Susie's parents will be able to pick from a list of programs in order to find the right program for the needs of their children. I think that is one of the most important parts of this bill. When we stop and think about it, where did we learn to read? It was a combination of school and home and family members.

Another important aspect of this bill is where children are having difficulties as a result of a family environment. This act provides literacy assistance to the child's parents, allowing them to become their child's first and foremost teacher. It directs the funds to the local level, where only true educational reform happens. This measure strengthens our teachers and their teaching methods.

Finally, we ensure that parents remain the key element in the education equation, providing them with literacy assistance, allowing them, the parents, the decision process for their child, ensuring that parents become the premier teachers.

With this bill we only provide tools, but we still need the commitment of the school superintendents and directors back home that no child will leave their school without good literacy skills.

Mr. MARTINEZ. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. OWENS], a long time proponent of reading from his library background.

Mr. OWENS. Mr. Speaker, I want to congratulate the ranking member of the Subcommittee on Early Childhood, Youth, and Families, the gentleman from California [Mr. MARTINEZ], and the chairman of the subcommittee, the gentleman from California [Mr. RIGGS], and the gentleman from Pennsylvania [Chairman GOODLING], and all the others who have negotiated this piece of legislation.

There were some serious differences, and for a moment I thought maybe the children of America would be denied this small effort because of those differences, and I do not think it is good to do that and wait another year while the inaccuracy of the teaching of reading goes forward.

I was shocked to learn that most of the teachers in our schools have never been trained to teach reading. There was an article on the New York Times editorial page which said the overwhelming majority of teachers have never been taught to teach reading and there is a need to have some kind of instruction on how to do that. It will improve the job.

So the children who will benefit from this need it now. We cannot hesitate and wait. We should go on and do all we can. So this is one more small effort to improve education in America.

It is just that, a small effort. This is like dipping from the lake of inadequacy with a teacup. This is a small program. It is $200 million. It may sound like a lot of money out there, but a nuclear submarine costs more than $2 billion.

If we are really going to deal with the problem of teaching reading, we ought to try to make an impact on the schools of education with some kind of Federal program in the future. I do not know whether it costs as much as a nuclear submarine or not, probably not, but it would require a bigger effort than this one.

This is a good effort. It is a good pilot program, and it ought to go forward. It brings in a lot of different elements, all of which I think ought to be brought in. Common sense dictates that you should use what you have at hand, and this is a good commonsense effort.

But in order to really deal with the problem, I hope that these pilot programs and these good commonsense efforts are only a prelude to this Congress going ahead in the future to deal with the overwhelming problem of inadequate and substandard education in America.

The war against substandard education cannot be fought by some rifle corps going out. That helps. This is a little operation where we are sending out a few platoons to deal with the problem. We need a real war on substandard education.

A real war means you deal with basic problems, like school construction. School construction is a basic problem out there. We need $120 billion to deal with the infrastructure of schools all across America. Even if you do not get nearly that much, we ought to do better than we have done so far.

To say we are going to teach reading better and make efforts to teach reading or to improve technological instruction or provide more technology in the schools, when the kids are still up against the problem where the boilers are breaking down in the schools and they have to go to school and bundle up in order to stay warm, and that does not just happen in Washington, D.C., there are a number of schools all across America that have problems in terms of heat.

So we should see this as a wonderful prelude, as an indication that the Congress cares. But we are just beginning to deal with the bigger problem. We are just beginning to fight the war. These are little patrols that we are sending out to reconnoiter, to scout out the problem. The problem is much bigger, and beyond this program on reading, which is about $200 million, $210 million, we need to have a comprehensive approach to education, stimulated and guided by the Congress of the United States, despite the fact that the primary responsibility for education is at the local level.

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Mr. Speaker, we can provide the leadership, we can provide the stimulation. We will never be responsible for education. That is a matter for the States, but we can go beyond the 8 percent of education expenditures and move on to a more important role in leading the fight to really wage a war against substandard education in America. This is the beginning, but let us get ready to fight a bigger war next year.

Mr. GOODLING. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. PAUL], another important member of our committee.

Mr. PAUL. Mr. Speaker, I appreciate the opportunity to express my opposition to the Reading Excellence Act, which creates yet another unconstitutional, ineffective, $260 million new Federal education program.

I do not challenge the motivation of those who today bring this bill to the floor. The supporters of this bill claim that by passing the Reading Excellence Act, the Federal Government will, quote, enable every child to learn to read, end of quote.

Now, this is certainly a noble goal, but before Congress creates yet another Federal program, perhaps we should consider that over the past 60 years Congress has created a plethora of social programs, each one promising to bring to an end all the social ills. These programs have not only failed to create the promised utopia, but in many cases worsened the very problems they were created to solve.

Nowhere is the Federal Government's failure to improve the lives of the American people through the welfare state more dramatically illustrated than in education. In 1963, when Federal spending on education was less than $900,000, the average scholastic achievement test score was approximately 980. Thirty years later, when Federal education spending ballooned to $19 billion, the average score fell to 902.

Furthermore, according to the National Assessment of Education Progress Survey, only 37 percent of America's 12th graders were actually able to read at a 12th grade level. Despite this history of failed Federal programs, Congress is once again planning to solve a social problem it helped create through an increase in Federal power.

Mr. Speaker, it is ironic that the reason we are considering this bill is because the budget agreement, which was supposed to end the era of big government, calls for the creation of a Federal literacy program. Obviously, the budget does not end big government, but preserves and expands unconstitutional State interference in areas where the Federal Government has neither legitimacy nor competence.

Rather than returning money and authority to the States and the people, commensurate with the 10th amendment, this bill creates another complex bureaucratic process, laden with rules, regulations, and State mandates. Under this bill, States receiving a literacy grant must establish a reading and literacy partnership, the markup of which is dictated by the Federal Government. The partnership must then apply for a grant to the Secretary of Education, explaining how they would comply with all of the bill's mandates. The grants are then approved by a Peer Review Panel, a group of experts chosen by the National Institute for Literacy and other federally funded organizations. States receiving grants under this program would then have to distribute those grants to Local Education Agencies [LEA's] who submit a plan to the States' reading and literacy partnership. Among the information that States would be required to submit is a description of how subgrants made by the partnership would achieve the goals of the act, a description of how the partnership would evaluate subgrantees, and a description of how states will guarantee that a portion of the funds will be used to provide tutorial assistance grants.

Those receiving Federal literacy funds may only use them for federally defined purposes. Thus, this legislation creates another bureaucratized program rooted in pseudo-federalism, whereby States have the right to spend money on federally defined goals and within the limitations set by Congress—provided, of course, they jump through all the congressionally constructed Federal hoops.

Recipients of Federal literacy funds must base their programs on reliable, replicable research, defined as research meeting scientific standards of peer-review. While none question the value of research into various educational methodologies it is doubtful that the best way to teach reading can be totally determined through laboratory experiments. Learning to read is a complex process, involving many variables, not the least of which are the skills and abilities of the individual child. Many effective techniques may not be readily supported by reliable, replicable research. Therefore, this program may end up preventing the use of many effective means of reading instruction. The requirement that recipients of Federal funds use only those reading techniques based on reliable, replicable research, which in practice means those methods approved by the federally funded experts on the Peer Review Panel, ensures that a limited number of reading methodologies will, in essence, be stamped with Federal approval.

Furthermore, this bill mandates that schools participating in the Federal literacy programs must make available to parents assurance of teacher qualifications. It is probably a good idea that local schools make this information available to parents, but it is not the role of the Federal Government to dictate local schools implement everything we in Congress think is a good idea. In addition, this provision seems to have been motivated by a desire to start Congress down the road to establishing a national system to certify teachers.

Due to the unfortunate influence of the Federal Government, the teaching methodologies funded under this program will become the methodologies used in every classroom in the Nation. Thus, this bill represents another step toward imposing a national curriculum. Supporters of this bill will respond that the Federal Government is merely encouraging the use of sound instructional techniques. Setting aside the question of whether or not techniques based on reliable, replicable research can really lead one to discover the best means of educating children, the Constitution prohibits the Federal Government from any interference in the methodologies by which children are educated. This constitutional prohibition on Federal interference in education contains no exception for techniques based on reliable, replicable, research.

Mr. Speaker, another indication that this bill will move America toward a national curriculum is that the bill creates a Federal definition of reading, thus making compliance with Federal standards the goal of education.

Furthermore, the Reading Excellence Act requires each grantee to evaluate the success of their programs. Of course, the most effective way to evaluate the success of the various literacy projects reviewing Federal funds is to administer a uniform test to the students participating in those programs. Thus, despite the overwhelming congressional rejection of national testing just last month, Congress is now considering authorizing the creation of a de facto national reading exam.

Another reason to oppose this bill is that it increases Federal support for a so-called family literacy services. One of the hallmark of totalitarianism is State-control of child rearing. Despite the language that participation in these programs is voluntary, these programs enable government-funded social workers to subtly coerce parents to cede control of their child to the State.

Mr. Speaker, the Reading Excellence Act represents another unconstitutional intrusion on the rights of States, local communities, and parents to educate children free from Federal interference. It also takes several large steps down the dangerous road toward a national curriculum. Therefore, I urge my colleagues to reject this bill, and instead support measures such as educational tax credit that will empower parents to provide effective literacy instruction for their children.

Mr. GOODLING. Mr. Speaker, I yield 2 minutes to the gentleman from Delaware [Mr. CASTLE], another important member of the committee, who helped turn things around in Delaware.

Mr. CASTLE. Mr. Speaker, let me thank all of those who worked on this legislation.

I am pleased to see almost near harmony with respect to support of this. I cannot imagine anything as important as teaching young people, and even older people for that matter, how to read. It is significant, be it the simple act of being able to read traffic signs or being able just to get around, to reading manuals, to higher education, or the simple pleasures of being able to read a book and to escape to some fantasy as a result of that reading is one of the tremendous necessities and pleasures in the life of anybody in this world, and we want our American citizens to be able to do it.

The President, I think, was on the right track to recognize the power and importance of literacy when he announced his literacy initiative, but I think his focus was a little bit misguided in terms of having volunteers, who are certainly a very important component in ascertaining a level of reading in children, but we have to go beyond that, I believe. My office indeed has been involved as volunteers in the everybody wins program, where staff go to Tyler Elementary right up the street here and read with their children to whom they are assigned once a week, and it makes a huge difference as far as the kids are concerned.

But the problem is more fundamental than trying to get children to like reading. It rests in the fact that many children simply cannot translate the written word into the spoken word. They lack basic decoding and literacy skills. Scarce Federal dollars should be focused on the most basic solution to the literacy problem.

For a problem like this, I think teacher training is imperative. Reading teachers need to learn the best methods for teaching reading based on reliable, replicable research. By giving children the basic building blocks of literacy, learning how to sound out the written word, they will be well on their way to becoming literate adults, and that is exactly what this legislation does, as has been described today.

Under this bill, States, through reading and literacy programs, will compete for literacy grants to use for innovative, in-service reading programs for classroom teachers and related reading activities based on the best research available, and I cannot think of anything which is better to do.

Instilling in our young people the ability to read is absolute. This legislation helps do that, and I am again very thankful for all of those who put it together and hope that we all can support it.

Mr. GOODLING. Mr. Speaker, I yield 2 minutes to the gentlewoman from Kentucky [Mrs. NORTHUP], who worked hard in the State legislature to improve education.

Mrs. NORTHUP. Mr. Speaker, I rise and am pleased to rise in support of the Reading Excellence Act. While we are all concerned about new Federal programs, the budget agreement set aside $260 million for a new literacy program. What we could have had is another feel-good, unproven, sounds-good program, the kind of program that has failed our children so badly.

Mr. Speaker, 44 percent of the U.S. students in elementary school do not read at a basic level. Thirty-two percent of college graduates also have failed to reach this basic level. This may be the most important bill that we pass regarding our children and their success in school, because what it does, finally and most importantly, is focus on the proven ways of teaching children how to read.

We know today that the latest scientific research shows that 60 to 70 percent of all children read any way you teach them, but the other children need a very systemic, phonics-based approach to reading if they are ever going to read and be good readers.

We furthermore know that science has shown us that children that do not read by the end of third grade will always have a bigger struggle in reaching that basic level. Their opportunity to be good readers is much more difficult if they do not learn to read by the end of third grade.

Reading opens doors and failure to read slams those doors shut. So what we need is to make sure that we use the kind of scientifically proven method to teach our children, one that has not been in our schools so often in the past. This phonics-based approach is what teachers will learn as a result of this funding. We will also give parents the opportunity to provide tutorial service for their children, their choice based on the most recommended types of tutoring and reading approach.

It also endorses family literacy, so we are giving our children an opportunity to go to schools that teach the right kind of reading and parents who can help those children in the same way. I support this bill.

Mr. MARTINEZ. Mr. Speaker, I yield myself the balance of my time to say that everybody has said repeatedly that reading is so important to our way of life, even the basics for reading to fill out an application for employment, or reading instructions for toys that we put together for our children. Yet I have seen in my lifetime so many people that have even graduated from high school that have been functionally illiterate. Anything that we can do to improve the ability for children to read at an early age and to go on to higher education and better themselves by learning to read and read well is something that we have done that is worthwhile.

Mr. Speaker, I yield back the balance of my time.

Mr. GOODLING. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I think it is very important that we be careful when we say that we wish schools the way they were when we were kids. But we have to understand, schools must be much better than they were when we were children. Why? Because we are in the 21st century.

When I went to a two-room, eighth grade elementary school, most children did not go beyond eighth grade. They went on to work. Many were not very literate. They did not have to be. It was easy to get a job, it was easy to support a family. They did not have to be as literate as they must be today.

So what we have tried to do with this legislation is take the mandate from the budget agreement and see whether we could create something that would give teachers the opportunity to be the best reading teachers there are; to give parents an opportunity to be the child's first and most important teacher; to make sure children do not fail or get socially promoted in first grade.

Mr. Speaker, this is a small program to improve the existing program. We are not out there trying to create some magnificent program that will end all illiteracy in this country. We are trying to make all of our programs better programs so that every child has an opportunity for quality education. They must have it if we are going to succeed in a very competitive 21st century. We cannot have 40 percent of our children unable to read properly.

Reading readiness, reading skills. At one time one was literate if one could read at a sixth grade level. Now one is functionally illiterate if one cannot read and comprehend at the twelfth grade level. The only thing I want from the old schools is discipline. Everything else I want to be better.

Mr. Speaker, I rise in support of H.R. 2614, the Reading Excellence Act, which would authorize the Education Department to make grants to State reading and literacy partnerships.

Under the bill a State's reading and literacy partnership would consist of the Governor and chief State school officer, the chairmen and ranking members of each State legislative committee with jurisdiction over education, and a representative of a school district with at least one school in a title I school improvement program.

While the bill will allow State partnerships they must include in their applications an assurance that they would give subgrants only to those school districts that have family literacy programs based on Even Start, implement programs to assist kindergarten students who are not ready to make the transition to first grade, use supervised individuals to provide additional support before and after school and during the summer, and have a professional development program for the teaching of reading. Most important, the bill would require applications to describe how the state would send 95% of its funds to the local level.

The bill requires that State partnerships make subgrants on a competitive basis to school districts that have more than one school in a title I school improvement program.

This bill will be good for the children of Houston and good for the State of Texas because it will help to focus resources on the critical area of literacy and reading.

Reading is the most fundamental of skills that all children must master in order to do well in all subjects. I am a strong supporter of education, and feel that this measure will offer greater incentives to States and school districts to strengthen and develop reading programs. I urge my colleagues to support this bill.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. COBLE). All time has expired.

The question is on the motion offered by the gentleman from Pennsylvania [Mr. GOODLING] that the House suspend the rules and pass the bill, H.R. 2614, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GOODLING. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 2614.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

LINE-ITEM VETO FIX

Mr. THOMAS. Mr. Speaker, I move that the House suspend the rules and pass the bill (H.R. 2513), to amend the Internal Revenue Code of 1986 to restore and modify the provision of the

Taxpayer Relief Act of 1997 relating to exempting active financing income from foreign personal holding company income and to provide for the nonrecognition of gain on the sale of stock in agricultural processors to certain farmers' cooperatives, as amended, and table the bill, H.R. 2444.

The Clerk read as follows:

H.R. 2513

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXEMPTION FOR ACTIVE FINANCING INCOME.

(a) Exemption From Foreign Personal Holding Company Income.—Section 954 of the Internal Revenue Code of 1986 (as amended by subsection (d)) is amended by adding at the end the following new subsection:

"(h) Special Rule for Income Derived in the Active Conduct of Insurance Businesses and Banking, Financing, or Similar Businesses.—

"(1) In general.—For purposes of subsection (c)(1), foreign personal holding company income shall not include income which is—

"(A) derived in the active conduct by a controlled foreign corporation of a banking, financing, or similar business, but only if—

"(i) the corporation is predominantly engaged in the active conduct of such business, and

"(ii) such income is derived from transactions with customers located within the country under the laws of which the corporation is created or organized,

"(B) received from a person other than a related person (within the meaning of subsection (d)(3)) and derived from the investments made by a qualifying insurance company of its reserves or of 80 percent of its unearned premiums (as both are determined in the manner prescribed under paragraph (4)), or

"(C) received from a person other than a related person (within the meaning of subsection (d)(3)) and derived from investments made by a qualifying insurance company of an amount of its assets equal to—

"(i) in the case of property, casualty, or health insurance contracts, one-third of its premiums earned on such insurance contracts during the taxable year (as defined in section 832(b)(4)), and

"(ii) in the case of life insurance or annuity contracts, 10 percent of the reserves described in subparagraph (B) for such contracts.

"(2) Predominantly engaged.—For purposes of paragraph (1)(A), a controlled foreign corporation shall be deemed predominantly engaged in the active conduct of a banking, financing, or similar business only if—

"(A) more than 70 percent of its gross income is derived from such business from transactions with customers which are located within the country under the laws of which the corporation is created or organized, or

"(B) the corporation is—

"(i) engaged in the active conduct of a banking business and is an institution licensed to do business as a bank in the United States (or is any other corporation not so licensed which is specified by the Secretary in regulations), or

"(ii) engaged in the active conduct of a securities business and is registered as a securities broker or dealer under section 15(a) of the Securities Exchange Act of 1934 or is registered as a Government securities broker or dealer under section 15C(a) of such Act (or is any other corporation not so registered which is specified by the Secretary in regulations).

"(3) Principles for determining insurance income.—Except as provided by the Secretary, for purposes of paragraphs (1) (B) and (C)—

"(A) in the case of any contract which is a separate account-type contract (including any variable contract not meeting the requirements of section 817), income credited under such contract shall be allocable only to such contract, and

"(B) income not allocable under subparagraph (A) shall be allocated ratably among contracts not described in subparagraph (A).

"(4) Methods for determining unearned premiums and reserves.—For purposes of paragraph (1)(B)—

"(A) Property and casualty contracts.—The unearned premiums and reserves of a qualifying insurance company with respect to property, casualty, or health insurance contracts shall be determined using the same methods and interest rates which would be used if such company were subject to tax under subchapter L.

"(B) Life insurance and annuity contracts.—The amount of the reserve of a qualifying insurance company for any life insurance or annuity contract shall be equal to the greater of—

"(i) the net surrender value of such contract (as defined in section 807(e)(1)(A)), or

"(ii) the reserve determined under paragraph (5).

"(C) Limitation on reserves.—In no event shall the reserve determined under this paragraph for any contract as of any time exceed the amount which would be taken into account with respect to such contract as of such time in determining foreign statement reserves (less any catastrophe, deficiency, or similar reserves).

"(5) Amount of reserve.—The amount of the reserve determined under this paragraph with respect to any contract shall be determined in the same manner as it would be determined if the qualifying insurance company were subject to tax under subchapter L, except that in applying such subchapter—

"(A) the interest rate determined for the foreign country in which such company is created or organized and which, except as provided by the Secretary, is calculated in the same manner as the Federal mid-term rate under section 1274(d) shall be substituted for the applicable Federal interest rate,

"(B) the highest assumed interest rate permitted to be used in determining foreign statement reserves shall be substituted for the prevailing State assumed interest rate, and

"(C) tables for mortality and morbidity which reasonably reflect the current mortality and morbidity risks in the foreign country shall be substituted for the mortality and morbidity tables otherwise used for such subchapter.

"(6) Definitions.—For purposes of this subsection—

"(A) Qualifying insurance company.—The term 'qualifying insurance company' means any entity which—

"(i) is subject to regulation as an insurance company by the country under the laws of which the entity is created or organized,

"(ii) derives at least 50 percent of its net written premiums from the insurance or reinsurance of risks located within such country, and

"(iii) is engaged in the active conduct of an insurance business and would be subject to tax under subchapter L if it were a domestic corporation.

"(B) Life insurance or annuity contract.—For purposes of this section and section 953, the determination of whether a contract issued by a controlled foreign corporation is a life insurance contract or an annuity contract shall be made without regard to sections 72(s), 101(f), 817(h), and 7702 if—

"(i) such contract is regulated as a life insurance or annuity contract by the country under the laws of which the corporation is created or organized, and

"(ii) no policyholder, insured, annuitant, or beneficiary with respect to the contract is a United States person.

"(C) Noncancellable accident and health insurance contracts.—A noncancellable accident and health insurance contract shall be treated for purposes of this subsection in the same manner as a life insurance contract except that paragraph (4)(B)(i) shall not apply.

"(D) Located.—

"(i) In general.—The determination of where a customer is located shall be made under rules prescribed by the Secretary.

"(ii) Special rule for qualified business units.—Gross income derived by a corporation's qualified business unit (within the meaning of section 989(a)) from transactions with customers which are located in the country in which the qualified business unit both maintains its principal office and conducts substantial business activity shall be treated as derived from transactions with customers which are located within the country under the laws of which the controlled foreign corporation is created or organized.

"(E) Customer.—

"(i) In general.—The term 'customer' means, with respect to any controlled foreign corporation, any person which has a customer relationship with such corporation.

"(ii) Exception for related, etc. persons.—A person who is a related person (as defined in subsection (d)(3)), an officer, a director, or an employee with respect to any controlled foreign corporation shall not be treated as a customer with respect to any transaction if a principal purpose of such transaction is to satisfy any requirement of this subsection.

"(7) Anti-abuse rules.—For purposes of applying this subsection and subsection (c)(2)(C)(ii), there shall be disregarded any item of income, gain, loss, or deduction with respect to any transaction or series of transactions one of the principal purposes of which is qualifying income or gain for the exclusion under this section, including—

"(A) any change in the method of computing reserves or any other transaction or series of transactions a principal purpose of which is the acceleration or deferral of any item in order to claim the benefits of such exclusion through the application of this subsection, and

"(B) organizing entities in order to satisfy any same country requirement under this subsection.

"(8) Coordination with other provisions.—

"(A) Section 901(k).—

"(i) In general.—The amount of qualified taxes (as defined in section 901(k)(4)) to which paragraphs (1) and (2) of section 901(k) do not apply by reason of paragraph (4) of such section 901(k) shall be reduced by an amount which bears the same ratio to such qualified taxes as the amount of income from the active conduct of a securities business which is not subpart F income solely by reason of this subsection, subsection (c)(2)(C)(ii), and subsection (e)(2)(C) bears to the total income from the active conduct of a securities business by a controlled foreign corporation which is not subpart F income. The determination under the preceding sentence shall be made by treating all members of an affiliated group as 1 corporation. For purposes of this clause, the term 'subpart F income' has the meaning given such term by section 952(a) but determined without regard to section 952(c) and paragraphs (3) and (4) of subsection (b) of this section.

"(ii) Election not to have subsection and certain other provisions apply.—Clause (i) shall not apply for any taxable year of a foreign corporation if such corporation (and all members of the affiliated group of which such corporation is a member) elect not to have this subsection, subsection (c)(2)(C)(ii), and subsection (e)(2)(C) apply for such taxable year.

"(B) Treatment of income to which section 953 applies.—Subparagraphs (B) and (C) of paragraph (1) shall not apply to investment income allocable to contracts that insure related party risks or risks located in a foreign country other than the country in which the qualifying insurance company is created or organized.

"(9) Application.—This subsection, subsection (c)(2)(C)(ii), and subsection (e)(2)(C) shall apply only to the first full taxable year of a foreign corporation beginning after December 31, 1997, and before January 1, 1999, and to taxable years of United States shareholders with or within which such taxable year of such foreign corporation ends."

(b) Special Rules for Dealers.—Section 954(c)(2)(C) of such Code is amended to read as follows:

"(C) Exception for dealers.—Except as provided by regulations, in the case of a regular dealer in property (within the meaning of paragraph (1)(B)), forward contracts, option contracts, or similar financial instruments (including notional principal contracts and all instruments referenced to commodities), there shall not be taken into account in computing foreign personal holding income—

"(i) any item of income, gain, deduction, or loss (other than any item described in subparagraph (A), (E), or (G) of paragraph (1)) from any transaction (including hedging transactions) entered into in the ordinary course of such dealer's trade or business as such a dealer, and

"(ii) if such dealer is a dealer in securities (within the meaning of section 475), any interest or dividend or equivalent amount described in subparagraph (E) or (G) of paragraph (1) from any transaction (including any hedging transaction or transaction described in section 956(c)(2)(J)) entered into in the ordinary course of such dealer's trade or business as such a dealer in securities, but only if employees of the dealer which are located in the country under the laws of which the dealer is created or organized (or in the case of a qualified business unit described in section 989(a) which both maintains its principal office and conducts substantial business activity in a country, employees of such unit which are located in such country) materially participate in such transaction.".

(c) Exemption From Foreign Base Company Services Income.—Paragraph (2) of section 954(e) of such Code (as amended by subsection (d)) is amended by striking "or" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", or", and by adding at the end the following:

"(C)(i) a transaction by the controlled foreign corporation if the income from the transaction is not foreign personal holding company income by reason of subsection (h), or

"(ii) a transaction by the controlled foreign corporation if subsection (c)(2)(C)(ii) applies to such transaction.".

(d) Repeal of Canceled Provisions.—Section 1175 of the Taxpayer Relief Act of 1997, and the amendments made by such section, are hereby repealed, and the Internal Revenue Code of 1986 shall be applied and administered as if such section (and amendments) had never been enacted.

SEC. 2. NONRECOGNITION OF GAIN ON SALE OF STOCK TO CERTAIN FARMERS' COOPERATIVES.

(a) In General.—Part III of subchapter O of chapter 1 of the Internal Revenue Code of 1986 (relating to nontaxable exchanges) is amended by inserting after section 1042 the following new section:

"SEC. 1042A. SALES OF STOCK TO CERTAIN FARMERS' COOPERATIVES.

"(a) Nonrecognition of Gain.—If—

"(1) the taxpayer elects the application of this section with respect to any sale of qualified agricultural processor stock,

"(2) the taxpayer purchases qualified replacement property within the replacement period, and

"(3) the requirements of subsection (c) are met with respect to such sale,

then the gain (if any) on such sale which would be recognized as long-term capital gain shall be recognized only to the extent that the amount realized on such sale exceeds the cost to the taxpayer of such qualified replacement property. The preceding sentence shall not apply to a sale by an eligible farmers' cooperative.

"(b) Limitation.—

"(1) In general.—If subsection (a) applies to the sale of any stock by the taxpayer in a qualified agricultural processor, the aggregate amount of gain taken into account by the taxpayer under subsection (a) with respect to stock in such processor shall not exceed the amount of the limitation under paragraph (2) which is allocated to such sale by the eligible farmers' cooperative.

"(2) Allocation.—The amount allocated under this paragraph by any cooperative with respect to stock acquired by such cooperative during any taxable year of such cooperative shall not exceed $75,000,000.

"(3) Aggregation rules.—All eligible farmers' cooperatives which are under common control (within the meaning of subsection (a) or (b) of section 52) shall be treated as 1 cooperative for purposes of paragraph (2), and the limitation under such paragraph shall be allocated among such cooperatives in such manner as the Secretary shall prescribe.

"(c) Requirements To Qualify for Nonrecognition.—A sale of qualified agricultural processor stock meets the requirements of this subsection if—

"(1) Sale to eligible farmers' cooperative.—Such stock is sold to an eligible farmers' cooperative.

"(2) Special rule for certain cooperatives.—

"(A) In general.—In the case of a sale of such stock to an eligible farmers' cooperative described in subparagraph (B), the processor purchased, during at least 3 of the 5 most recent taxable years of such processor ending on or before the date of the sale, more than one-half of the agricultural or horticultural products to be refined or processed by such processor from such cooperative or farmers who are members of such cooperative.

"(B) Cooperatives described.—A cooperative is described in this subparagraph with respect to any sale if, for any taxable year ending before the date of such sale—

"(i) such cooperative had gross receipts of more than $1,000,000,000, or

"(ii) such cooperative sold more than a de minimis amount of specialty produce.

"(C) Specialty produce.—For purposes of subparagraph (B), the term 'specialty produce' means any agricultural or horticultural product other than wheat, feed grains, oil seeds, cotton, rice, cattle, hogs, sheep, or dairy products.

"(D) Special rules.—

"(i) Gross receipts.—For purposes of subparagraph (B)(i), rules similar to the rules of paragraph (2), and subparagraphs (B) and (C) of paragraph (3), of section 448(c) shall apply.

"(ii) Predecessor.—Any reference in this paragraph to a cooperative or processor shall be treated as including a reference to any predecessor thereof.

"(3) Cooperative must hold 100 percent of stock after sale.—The eligible farmers' cooperative owns, immediately after the sale, all of the qualified agricultural processor stock of the corporation.

"(4) Written statement and holding period.—Requirements similar to the requirements of paragraphs (3) and (4) of section 1042(b) are met.

"(d) Definitions.—For purposes of this section—

"(1) Qualified agricultural processor stock.—The term 'qualified agricultural processor stock' means stock (other than stock described in section 1504(a)(4)) issued by a qualified agricultural processor.

"(2) Qualified agricultural processor.—The term 'qualified agricultural processor' means a domestic C corporation substantially all of the assets of which are used in the active conduct of the trade or business of refining or processing agricultural or horticultural products in the United States.

"(3) Eligible farmers' cooperative.—The term 'eligible farmers' cooperative' means an organization to which part I of subchapter T applies and which is engaged in the marketing of agricultural or horticultural products.

"(4) Replacement period.—The term 'replacement period' means the period which begins 3 months before the date on which the sale of qualified agricultural processor stock occurs and which ends 12 months after the date of such sale.

"(5) Qualified replacement property.—

"(A) In general.—Except as provided in subparagraph (B), the term 'qualified replacement property' has the meaning given such term by section 1042(c)(4).

"(B) Exception.—The term 'qualified replacement property' shall not include any security issued by the taxpayer or by any corporation controlled by the taxpayer immediately after the purchase. For purposes of the preceding sentence, the term 'control' has the meaning given such term by section 304(c) (determined by substituting '10 percent' for '50 percent' each place it appears in paragraph (1) thereof).

"(e) Special Rules.—

"(1) In general.—Except as otherwise provided in this subsection, rules similar to the rules of paragraphs (5) and (6) of section 1042(c), subsections (d), (e), and (f) of section 1042, section 1016(a)(22), and section 1223(13) shall apply for purposes of this section.

"(2) CERTAIN PROVISIONS NOT TO APPLY.—

"(A) RECOGNITION ON COMPLETE LIQUIDATION.—Section 332 shall not apply to the liquidation into the cooperative or any related person of a qualified agricultural processor if the cooperative or related person acquired the stock in such processor in a sale to which subsection (a) applied.

"(B) DEEMED SALE ELECTION NOT AVAILABLE.—No election may be made under section 338(h)(10) with respect to a sale to which subsection (a) applies.

"(f) RECAPTURE OF TAX BENEFIT WHERE LACK OF CONTINUITY.—

"(1) IN GENERAL.—If there is a recapture event during any taxable year with respect to any sale to an eligible farmers' cooperative to which this section applied, such cooperative's tax imposed by this chapter for such taxable year shall be increased by an amount equal to—

"(A) the recapture percentage of the amount allocated under subsection (b) to such sale, multiplied by

"(B) the highest rate of tax imposed by section 11 for such taxable year.

"(2) RECAPTURE EVENT.—For purposes of this subsection, a recapture event shall be treated as occurring in any taxable year if—

"(A) any portion of such taxable year is within the 3-year period beginning on the date on which the eligible farmers' cooperative acquired stock in a qualified agricultural processor in a sale to which this section applied and, as of the close of such portion, there is a decrease in the direct or indirect percentage ownership of such stock held by such cooperative which was not previously taken into account under this subsection, or

"(B) such taxable year is one of the first 5 taxable years ending after the date of such sale and is the third of such taxable years during which one-half or less of the agricultural or horticultural products refined or processed by the qualified agricultural processor are purchased from the eligible farmers' cooperative or farmers who are members of such cooperative.

"(3) RECAPTURE PERCENTAGE.—For purposes of this subsection, the term 'recapture percentage' means—

"(A) in the case of a recapture event described in paragraph (2)(A), the percentage equal to a fraction—

"(i) the numerator of which is the percentage decrease described in paragraph (2)(A), and

"(ii) the denominator of which is the percentage which the qualified agricultural processor stock acquired by the cooperative in a sale to which this section applied bears to all qualified agricultural processor stock in the processor, and

"(B) in the case of a recapture event described in paragraph (2)(B), 100 percent.

In no event shall the recapture percentage for any taxable year exceed 100 percent minus the sum of the recapture percentages for all prior taxable years.

"(4) EXCEPTIONS TO PURCHASE REQUIREMENT.—The purchase requirement of paragraph (2)(B) shall be treated as met for any taxable year if the Secretary determines that such requirement was not met due to 1 or more of the following: flood, drought, or other weather-related conditions, environmental contamination, disease, fire, or other similar extenuating circumstances prescribed by the Secretary.

"(g) COORDINATION WITH SECTION 1042.—No election may be made under this section with respect to any sale if an election is made under section 1042 with respect to such sale.

"(h) REGULATIONS.—The Secretary shall prescribe such regulations as are appropriate to carry out this section, including regulations which treat 2 or more sales which are part of the same transaction as 1 sale."

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 26(b) of such Code is amended by striking "and" at the end of subparagraph (P), by striking the period at the end of subparagraph (Q) and inserting ", and", and by adding at the end the following new subparagraph:

"(R) section 1042A(f) (relating to recapture of tax benefit where lack of continuity in certain agricultural processors)."

(2) The table of sections for part III of subchapter O of chapter 1 of such Code is amended by inserting after the item relating to section 1042 the following new item:

"Sec. 1042A. Sales of stock to certain farmers' cooperatives."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales after December 31, 1997.

SEC. 3. DISPOSAL OF PALLADIUM AND PLATINUM IN NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL REQUIRED.—(1) During fiscal year 1998, the President shall dispose of not more than 130,000 troy ounces of palladium and not more than 20,000 troy ounces of platinum contained in the National Defense Stockpile so as to result in receipts to the United States in an amount equal to $17,000,000 during fiscal year 1998.

(2) During each of the fiscal years 1999 through 2002, the President shall dispose of not more than 60,000 troy ounces of palladium contained in the National Defense Stockpile so as to result in receipts to the United States in an amount equal to $4,000,000 during each of the fiscal years 1999 through 2002.

(b) DEPOSIT OF RECEIPTS.—Notwithstanding section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h), funds received as a result of the disposal of materials under subsection (a) shall be deposited into the general fund of the Treasury for the purpose of deficit reduction.

(c) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding palladium or platinum contained in the National Defense Stockpile.

(d) TERMINATION OF DISPOSAL AUTHORITY.—The disposal authority provided in subsection (a) shall terminate with regard to a fiscal year specified in such subsection on the date on which the total amount of receipts to the United States during that fiscal year from the disposal of materials under such subsection equals the amount specified in such subsection for that fiscal year.

(e) DEFINITION.—The term "National Defense Stockpile" means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

SEC. 4. RECOVERY OF COSTS OF HEALTH CARE SERVICES.

(a) AUTHORITIES.—Section 904 of the Foreign Service Act of 1980 (22 U.S.C. 4084) is amended—

(1) in subsection (a)—

(A) by striking "and" after "employees,", and

(B) by inserting before the period ", and (for care provided abroad) such other persons as are designated by the Secretary of State";

(2) in subsection (d), by inserting ", subject to subsections (g) through (i)" before "the Secretary"; and

(3) by adding at the end the following new subsections:

"(g)(1)(A) In the case of a covered beneficiary who is provided health care under this section and who is enrolled in a covered health benefits plan of a third-party payer, the United States shall have the right to collect from the third-party payer a reasonable charge amount for the care to the extent that the payment would be made under such plan for such care under the conditions specified in paragraph (2) if a claim were submitted by or on behalf of the covered beneficiary.

"(B) Such a covered beneficiary is not required to pay any deductible, copayment, or other cost-sharing under the covered health benefits plan or under this section for health care provided under this section.

"(2) With respect to health care provided under this section to a covered beneficiary, for purposes of carrying out paragraph (1)—

"(A) the reasonable charge amount (as defined in paragraph (9)(C)) shall be treated by the third-party payer as the payment basis otherwise allowable for the care under the plan;

"(B) under regulations, if the covered health benefits plan restricts or differentiates in benefit payments based on whether a provider of health care has a participation agreement with the third-party payer, the Secretary shall be treated as having such an agreement as results in the highest level of payment under this subsection;

"(C) no provision of the health benefit plan having the effect of excluding from coverage or limiting payment of charges for certain care shall operate to prevent collection under subsection (a), including (but not limited to) any provision that limits coverage or payment on the basis that—

"(i) the care was provided outside the United States,

"(ii) the care was provided by a governmental entity,

"(iii) the covered beneficiary (or any other person) has no obligation to pay for the care,

"(iv) the provider of the care is not licensed to provide the care in the United States or other location,

"(v) a condition of coverage relating to utilization review, prior authorization, or similar utilization control has not been met, or

"(vi) in the case that drugs were provided, the provision of the drugs for any indicated purpose has not been approved by the Federal Food, Drug, and Cosmetic Administration;

"(D) if the covered health benefits plan contains a requirement for payment of a deductible, copayment, or similar cost-sharing by the beneficiary—

"(i) the beneficiary's not having paid such cost-sharing with respect to the care shall not preclude collection under this section, and

"(ii) the amount the United States may collect under this section shall be reduced by application of the appropriate cost-sharing;

"(E) amounts that would be payable by the third-party payer under this section but for the application of a deductible under subparagraph (D)(ii) shall be counted towards such deductible notwithstanding that under paragraph (1)(B) the individual is not charged for the care and did not pay an amount towards such care; and

"(F) the Secretary may apply such other provisions as may be appropriate to carry out this section in an equitable manner.

"(3) In exercising authority under paragraph (1)—

"(A) the United States shall be subrogated to any right or claim that the covered beneficiary may have against a third-party payer;

"(B) the United States may institute and prosecute legal proceedings against a third-party payer to enforce a right of the United States under this section; and

"(C) the Secretary may compromise, settle, or waive a claim of the United States under this section.

"(4) No law of any State, or of any political subdivision of a State, shall operate to prevent or hinder collection by the United States under this section.

"(5) If collection is sought from a third-party payer for health care furnished a covered beneficiary under this section, under regulations medical records of the beneficiary shall be made available for inspection and review by representatives of the third-party payer for the sole purpose of permitting the third-party payer to verify, consistent with this subsection that—

"(A) the care for which recovery or collection is sought were furnished to the beneficiary; and

"(B) except as otherwise provided in this subsection, the provision of such care to the beneficiary meets criteria generally applicable under the covered health benefits plan.

"(6) The Secretary shall establish (and periodically update) a schedule of reasonable charge amounts for health care provided under this section. The amount under such schedule for health care shall be based on charges or fee schedule amounts recognized by third-party payers under covered health benefits plans for payment purposes for similar health care services furnished in the Metropolitan Washington, District of Columbia, area.

"(7) The Secretary shall establish a procedure under which a covered beneficiary may elect to have subsection (h) apply instead of this subsection with respect to some or all health care provided to the beneficiary under this section.

"(8) Amounts collected under this subsection, under subsection (h), or under any authority referred to in subsection (i), from a third-party payer or from any other payer shall be deposited in the Treasury as a miscellaneous offsetting receipt.

"(9) For purposes of this section:

"(A) The term 'covered beneficiary' means a member or employee (or family member of such a member of employee) described in subsection (a) who is enrolled under a covered health benefits plan.

"(B)(i) Subject to clause (ii), the term 'covered health benefits plan' means a health benefits plan offered under the Federal Employees Health Benefits Program under chapter 89 of title 5, United States Code.

"(ii) Such term does not include such a health benefits plan (such as a plan of a staff-model health maintenance organization) as the Secretary determines pursuant to regulations to be structured in a manner that impedes the application of this subsection to individuals enrolled under the plan. To the extent practicable, the Secretary shall seek to disseminate to members of the Service and designated employees described in subsection (a) who are eligible to receive health care under this section the names of plans excluded under this clause.

"(C) The term 'reasonable charge amount' means, with respect to health care provided under this section, the amount for such care specified in the schedule established under paragraph (6).

"(D) The term 'third-party payer' means an entity that offers a covered health benefits plan.

"(h)(1) In the case of an individual who—

"(A) receives health care pursuant to this section; and

"(B)(i) is not a covered beneficiary (including by virtue of enrollment only in a health benefits plan excluded under subsection (g)(9)(B)(ii)), or

"(ii) is such a covered beneficiary and has made an election described in subsection (g)(7) with respect to such care,

the Secretary is authorized to collect from the individual the full reasonable charge amount for such care.

"(2) The United States shall have the same rights against such individuals with respect to collection of such amounts as the United States has with respect to collection of amounts against a third-party payer under subsection (g), except that the rights under this subsection shall be exercised without regard to any rules for deductibles, coinsurance, or other cost-sharing.

"(i) Subsections (g) and (h) shall apply to reimbursement for the cost of hospitalization and related outpatient expenses paid for under subsection (d) only to the extent provided in regulations. Nothing in this subsection, or subsections (g) and (h), shall be construed as limiting any authority the Secretary otherwise has with respect to obtaining reimbursement for the payments made under subsection (d).".

(b) EFFECTIVE DATE.—(1) The amendments made by subsection (a) shall apply to items and services provided on and after January 1, 1998.

(2) In order to carry out such amendments in a timely manner, the Secretary of State is authorized to issue interim, final regulations that take effect pending notice and opportunity for public comment.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of State $2,000,000 to offset the costs of carrying out the amendments made by this section. Amounts appropriated under this subsection shall remain available until expended.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. THOMAS] and the gentlewoman from Connecticut [Mrs. KENNELLY], each will control 20 minutes.

The Chair recognizes the gentleman from California [Mr. THOMAS].

Mr. THOMAS. Mr. Speaker, I rise in support of H.R. 2513, which would restore and modify the two tax provisions in the Taxpayer Relief Act of 1997 that was subject to a Presidential line-item veto earlier this year.

The first provision applies to the income earned abroad by companies engaged in providing financial services, and the second one that was line item vetoed applies to the sale of farmer cooperatives of stock in a corporation that owns agricultural processing assets.

President Clinton, by virtue of his line item power, canceled these two provisions, stating several objections. In short, the committee, working with the administration, with groups who were affected on the outside, and with Members who thought these were worthy projects, have now corrected the concerns of the administration, and as modified and presented here today, the two incentives are supported by the administration and by all known interested parties.

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It should also be noted that in revising the two provisions, they have been narrowed, it will be significantly reducing their revenue cost.

Frankly, Mr. Speaker, we believe that in the changes that were made, since H.R. 2513 actually saves money, there is no need to have a revenue or a spending offset. Suffice it to say this is not the time, nor do we have the time, to argue the way in which we determined budgetary matters. So what we have done is made sure that there are some spending offsets which are available.

We are indebted to the Committee on the Budget. The gentleman from Ohio [Mr. KASICH] has graciously provided in the bill two offsets, as I understand them. One is the disposal of some palladium and platinum in the national defense stockpile, and second, the recovery of costs of health care services for foreign service personnel. That is about the limit of my knowledge of these offsets.

Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. HOBSON], a member of the Committee on the Budget, to explain these offsets in some detail.

Mr. HOBSON. Mr. Speaker, I rise in support of the bill. The Joint Tax Committee estimates that the enactment of these two provisions will reduce Federal receipts by $72 million between 1998 through 2002. The two tax procedures are paid for by two other offsets as required by pay-go procedures.

The first offset requires the U.S. Embassies to recover costs they incur by providing medical care to Federal employees overseas from the employee's health insurance provider when the employee is a participant in the Federal Employees Health Benefit Plan. This offset is going to provide $40 million, according to CBO.

The second offset would sell 33 million dollars' worth of commodities, specifically platinum and palladium, that have been identified by the Department of Defense as being in excess to the national security. This would be the second amount and would complete the amount of money necessary to do this which is required under the current legislation relating to the line-item veto.

Mrs. KENNELLY of Connecticut. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am very appreciative to be talking about this bill today. It is a bill which I have worked for, for a number of years. In fact, my interest in it has dated back to 1986, when we did the large tax reform. This bill contains a modified version of the following two tax provisions that were contained in the recently enacted Taxpayer Relief Act of 1997. They were canceled by the President under his line-item veto.

The first one was a temporary exemption under subpart F of financial services income. The second part, and these two pieces are linked together in the override, is a nonrecognition of gain on certain sales of processing facilities to farmers' cooperatives.

The bill is bipartisan, and it is a compromise that addresses the concerns of the President of the United States in his line-item veto. The administration does not object to the provisions contained in the bill before us today.

I have been a supporter of this provision of the bill that modifies subpart F for active financial services income for the following reasons:

U.S. companies with active businesses overseas generally are not required to pay tax on the income from these businesses until the income is repatriated back to the United States. This treatment is called deferral.

The only active businesses not receiving the benefits of deferral are financial services businesses, because they derive much of their income in the form of dividends, interest, and capital gains that are subject to concurrent taxation under subpart F.

Prior to 1986, active financial service businesses were eligible for the benefits of deferral. The 1986 Tax Reform Act denied the benefits of deferral to active financial service businesses out of concern that these businesses could utilize tax havens to avoid all taxation. The moneys in question had to stay within the countries where the business was being done.

The bill reinstates pre-1986 treatment for financial businesses, but it contains many restrictions to limit the potential abuses that led to the enactment of the 1986 restrictions. When the President and his people at the White House looked as this bill, they were afraid that the same kind of abuses would happen as were thought to happen before 1986. Interestingly enough, these things did not happen, but the same concerns were there when they were looking at the budget, and therefore that was the reason for the override.

The floor consideration of this bill has been delayed because of concerns by the Committee on the Budget that it was not paid for as required under the pay-go rules, as the gentleman from California [Mr. THOMAS] has suggested and the Member from the Committee on the Budget has suggested do not, in fact, exist.

The bill now contains two noncontroversial spending cuts to pay for the tax provisions. I do not object to the financing mechanism contained in the bill, but I do believe that the waiver of the pay-go requirement contained in the bill as reported by the Committee on Ways and Means was the better way to go. But to be on the safe side, they do have two places to pay for it here today, and on which the Member of the Committee on the Budget has said that these are good ways to have it happen.

One of these two provisions, as I said, would provide fair and, I have not used this word in a long time, but a level playing field for our companies who are doing business in foreign countries. Generally U.S. companies with active businesses overseas are allowed to defer U.S. tax on the income from their businesses until that income comes back to the United States.

Unfortunately, U.S. financial service companies, like a large number of insurance companies headquartered in my district of Connecticut, and the many securities dealers represented from all over these States, as well as our own banking industry, have not been eligible to benefit from the general rules because they derive much of their income, as I said, from dividends, interest, and capital gains.

Even though many foreign countries exempt income earned abroad from tax altogether, and our companies are forced to compete with these companies that are not taxed, they not only are not taxed, many of these companies are subsidized. I have been interested in the whole situation of us being able to compete abroad in these financial industries of banking, insurance, securities.

Over the years I have seen things develop. We are making some progress. I remember 1 year going to talk about trade in a country, and it was a very lovely meeting, and everybody was being very polite to each other in a diplomatic manner. We were told, do not worry about it, of course we want your insurance companies to come in and compete. Of course we know you have some of the best products. Do not think too much about it, we want to open up our business to you.

That night I went back to the hotel where we were staying, not having enough reading material with me, there was a copy of the Constitution of that country in the hotel room, and I happened to take the time to read it. Now this was called really bored, but I did this. And in the Constitution of that country, I looked, and I could not believe my eyes, having heard this discussion during the meeting during the day. I read right there, anybody who tries to sell insurance from another country and not from this country will be criminally prosecuted.

So we have come a long way in our financial services in competition. Of course, as now we are in the midst of fast-track debate and all the things that many of us are concerned about on both sides of the question, one thing we have to say, not only that we can be proud of our financial services, not only can we be proud of our regulation of our securities, of the fine products we sell in insurance, of our banking that is renowned around the world for its regulation, honesty, and good business practices, but we can say if we are over there competing, there is no question about the environment or there is no question about not paying properly, because you have to be well-educated to do these services in the proper fashion that we do it. Really, this is an area that we should be very proud of, that we can compete in internationally.

Mr. Speaker, I hope soon we can find a permanent solution to this financial service industry so we can compete more effectively overseas. But in the meantime I say, Mr. Speaker, that this is an issue that has been before us for a number of years. It is an issue that a number of us have worked on.

Each time when we try to get a little ways, then we find something else that is in our way. I think what has happened in the presentation of this bill today, coming up in the fashion that it has, is that we have all parties having studied this very carefully, really sanitized it, then having it go to the President and to the White House and to the administration, and once again being looked at in a very proper and wonderful fashion, in a bipartisan fashion, and we are here today to finally say to our financial industries, we do not want to handicap you. We do not want to have you deal abroad with one hand tied behind your back. We are proud of our financial industries, and we are very delighted today that we have this bill on the floor before us.

Mr. Speaker, I reserve the balance of my time.

Mr. THOMAS. Mr. Speaker, it is my pleasure and privilege, actually, to yield 7 minutes to the gentleman from Missouri [Mr. HULSHOF], a freshman on the Committee on Ways and Means, who has now run the virtual gamut of emotions, as he was the original author of the provision which was line-item vetoed by the President, an historical point he probably does not wish to remember, and then worked diligently and, quite frankly, brilliantly to produce the compromise that now stands before us, moving from triumph to tragedy and soon to triumph.

Mr. HULSHOF. Mr. Speaker, I thank the gentleman for yielding me the time. I thank him for that reminder of how it is we came to this point.

In fact, if the gentleman will indulge me as a point of personal privilege, when I was sworn in on this floor on January 7, my parents were here, of course, and proud Papa remarked to one of the newspaper people that his son was going to be in the history books someday.

And I had to call him in that first week in August and say, Dad, you were right, your prophecy has come true. I have made it in the history books. I am the first ever victim of the line item veto. I just thought history would taste a little sweeter than this.

We have come full circle, hopefully. I certainly support H.R. 2513, the new and improved version. I know that there are colleagues of mine that will be speaking to the subpart F, and in support. So what I want to do is focus primarily on the farmer cooperative provision.

I would be remiss unless I provided kudos to the gentleman from Texas [Mr. STENHOLM], who coauthored this provision with me. I am happy to have worked with the gentleman from Texas [Mr. STENHOLM] in trying to resurrect this provision. I think we have a good provision.

As the gentleman pointed out, this was part of the Taxpayer Relief Act of 1997. We made it through the House, through the Senate, back through conference, and ultimately to the President's desk, and when the President actually vetoed this provision, he said that it was a well-intentioned provision, but that it was overbroad, that it was vague, and looked forward to working with the gentleman from Texas [Mr. STENHOLM] and myself in trying to craft a measure that could pass muster. So we have been able to do that. We stayed the course, and I think again have a good bill.

Let me briefly talk about the goal of the legislation as far as it relates to the farmer co-ops. With the enactment of the farm bill in the last Congress, and as we move toward a balanced budget, toward the year 2002, Federal spending for agriculture programs will be unable to stay at the same level that they have been in decades past.

Having come from a family farm, I think I know firsthand that if our Nation's farmers and our rural communities are to remain economically viable, if they are going to remain self-reliant, then we in Congress have a duty to reach out to them as we can to help them remain self-sufficient.

I do not think there is any controversy that a company, a U.S. company, is more profitable as it vertically integrates. The same is true in agriculture. It is widely acknowledged that the most profitable sector of agriculture is in the refining and processing of agriculture products.

If Members will allow me to demonstrate, this is a chart, a blowup that we used back in Missouri's Ninth Congressional District, but it is applicable to all American farmers. But just a couple of quick examples.

In the State of Missouri, from 1 acre of corn you can generally count on about 135 bushels of corn from that single acre. If you take that corn to the grain elevator, the average price you will receive is about $405 from that single acre of corn.

But if you take that raw product of corn and you add value to it, if you turn corn into ethanol, which is a corn-based fuel, there are about 378 gallons of ethanol and ethanol byproducts that come forth from the processing of the corn from 1 acre, which is about $800, which is about twice the amount, as you add value to the corn.

Obviously, corn going into cereal, over 6,700 boxes of corn flakes come from 1 acre of corn, with a profit margin of about $13,000. The same thing is true with soybeans. An acre of soybeans in Missouri will generally yield about 40 bushels per acre; again, about $350 per bushel. But if you take that acre of soybeans and turn it into vegetable oil or to soybean meal or to soy diesel or to any other value-added product, you are allowing farmers to reap the profits and the rewards of the value-added side of the processing of this raw product.

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Now, some of my colleagues talk about trying to complicate the Tax Code, and I want to briefly talk to those individuals, because what we want to do is try to make sure we have a fairer code.

Why do we need this particular provision? Right now, if we were a corporation and we wanted to acquire a processing facility owned by another corporation, we would look to the Internal Revenue Code, section 368. And assuming that we were selling this processing plant at $100 million, the amount of capital gains would be approximately $35 million. Well, under section 368, that amount of gain can be deferred. That amount of gain would be deferred.

Similarly, an ESOP provision, employee stock ownership plan; section 1042 of the code would allow a deferral of that $35 million in gains, so that there would be no gain. A section of the code is available for those that participate in employee stock ownership plans, such that they would not have any gain, that the gain would be deferred. Even foreign corporations have a section of the code whereby they get some preferential treatment.

And then we have farmer cooperatives. What we are trying to do is allow farmers who belong to farmer cooperatives to participate on the same level playing field. And right now they are not there. So what we have done through this section of the code is to allow the seller of a processing facility to defer that gain as long as that gain is reinvested as long as that gain is not reinvested in other assets that are owned by the seller.

We want to make sure, and the White House told us that they want to the make sure, that this provision would not be used for sham transactions or the avoidance of tax liability. That was not the intent of the legislation. So we have cracked down and tightened up, and we put restrictions in to accomplish the goal, and that is to help those farmers who participate and our members of farmer cooperatives to allow them to reap the benefits of value-added agriculture.

Again, we took the President up on his offer to work with the White House. And I commend those with Treasury and the White House. I also, again, commend the gentleman from Texas [Mr. STENHOLM] for his steadfastness in working out this provision. I think it is a good bill, and I would urge my colleagues to support H.R. 2513.

I thank the gentleman from California [Mr. THOMAS] for yielding me the time.

Mr. THOMAS. Mr. Speaker, I once again congratulate the gentleman from Missouri [Mr. HULSHOF].

Mrs. KENNELLY of Connecticut. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. STENHOLM]. My colleague has, of course, worked very hard with the gentleman from Missouri [Mr. HULSHOF] on this bill, and we are all pleased at the outcome.

Mr. STENHOLM. Mr. Speaker, I thank the gentlewoman from Connecticut [Mrs. KENNELLY] for yielding me the time and appreciate her efforts and the gentleman from California [Mr. THOMAS], the gentleman from Texas [Mr. ARCHER], and ranking member, the gentleman from New York [Mr. RANGEL], who have worked very hard to bring this legislation to the point in which we have it today.

I, too, commend my colleague from Missouri [Mr. HULSHOF] for his tenacity on the Committee on Ways and Means, which had the jurisdiction over this, what started out to be noncontroversial but got to be somewhat controversial.

When President Clinton announced his decision to veto the provision providing a tax deferral to sales of agricultural processing facilities to farmer cooperatives, I was extremely disappointed. But at the same time, he indicated a willingness to continue to work for legislation to help farmer cooperatives become vertically integrated.

I continue to believe that the original provision was effectively structured and that the veto was based on misinformation and a misunderstanding of the challenges facing farmers in the current world market. I do not believe for a moment that the original provision was a narrow tax benefit that should have been subject to the line-item veto, and I believe the fact that we are here today indicates that there is now a general consensus of all that that was true.

I want to make it clear that this legislation before us is not my preferred position or my preferred option. The gentleman from Missouri [Mr. HULSHOF] and I agreed, though, that this compromised language because it was the only way to enact the provision after the veto was used on the original language which was included in the Taxpayer Relief Act.

The compromise legislation which is before us does not include all the improvements I would have liked or Mr. HULSHOF would have liked and falls short of our original legislation. I am concerned that it places several restrictions on sales of agricultural processing facilities to farmer cooperatives that do not apply to transactions with corporate agribusinesses. These restrictions also continue to leave cooperatives at a competitive disadvantage against corporate agribusinesses.

However, as I have said, we were forced to add these restrictions to go after the administration's and others' objections to the original legislation. These reservations notwithstanding, I am very pleased that this compromise offers significant opportunities over current law for cooperatives comprised of individual family farmers to compete with corporate agriculture in the ever growing world marketplace. In that regard, I believe that a good deal. The original intent of the legislation has now been restored.

It is important for all of us in this body and for others to remember that even the largest cooperatives are comprised of thousands of small and midsized farmers who have come together to farm these cooperatives. In an effort to be competitive with the phaseout of Federal farm programs, it is imperative that farmers develop new strategies for remaining financially viable. Strengthening cooperatives grants individual farmers the opportunity to increase their income, provide better risk management, capitalize on new market opportunities, and compete more effectively in a changing global economy.

While not as thorough as our original legislation, this compromise begins the process of leveling the playing field by giving farmers and their cooperatives tax treatments similar to that for other types of corporate business, employee stock ownership plans, and worker cooperatives. when it comes to the purchase of processing and refining facilities.

I am pleased that the administration has moved from the original line-item veto to a position of greater understanding for the needs of small farmers and their cooperatives. We have a victory in compromise. Farmers will gain admission into markets they were excluded from absent this agreement. It is not as sweet a victory as we had hoped, but it is a testament to our democratic government which reinforces balance and compromise.

I have appreciated the support and advice and counsel of the National Council of Farmer Cooperatives, which has endorsed this compromise as a significant improvement over current law. Based on the advice of the National Council and other agricultural groups who have concluded that half a loaf offered by this bill is better than no loaf at all, I intend to vote for this bill and continue to work toward greater equity for family farmers and their cooperatives and encourage my colleagues on both sides of the aisle to do the same.

Mrs. KENNELLY of Connecticut. Mr. Speaker, I have no further speakers, and I yield back the balance of my time.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

I want to congratulate my friend, the gentleman from Texas [Mr. STENHOLM], on his comments. We began our legislative careers together. We were both Members of the 96th Congress and shared Committee on Agriculture seats together. I believe his analysis is absolutely correct.

My hope is that the process that produced this compromise also created a learning curve so that the need to be as innovative as possible in a market that has removed subsidies need not be hindered by the kind of activity that was engaged in by this administration and, indeed, any administration who now has the ability to go in and specifically make changes. That is a significant new power. I hope they understand it takes significant new knowledge and, hopefully, extensive consultation as well.

Mr. Speaker, it is my pleasure to yield 4 minutes to the gentleman from Illinois [Mr. WELLER], a member of the Committee on Ways and Means, for the other portion of this combined bill dealing with financial services in companies that have income earned abroad.

Mr. WELLER. Mr. Speaker, I stand here in strong support of H.R. 2513. First let me begin my remarks just by commending the gentleman from Texas [Mr. ARCHER] and his staff for their tireless efforts to resolve the challenges that we faced with this first ever line-item veto of a tax provision.

I also want to commend my colleagues on both sides of the aisle that are members of this committee for their bipartisan effort to make this a successful effort, as well, because as my friend, the gentleman from Texas [Mr. STENHOLM], says, this is a victory. It is a victory for agriculture, it is a victory for the financial sector, and it is also an effort to bring about some tax fairness for agriculture and for the financial services sector.

Particularly, I also want to commend my friend, the gentleman from Missouri [Mr. HULSHOF], in his freshman year, who has shown his tenacity and also his ability as a first-term legislator to be able to get his job done. I know he serves as president of the freshman class. And maybe he should be freshman legislator of the year for what he achieved and for what is happening today, because my colleague has done a terrific job, working in a bipartisan way, to get the job done and helping bring this legislation to the floor.

I also know the portion of legislation that he and the gentleman from Texas [Mr. STENHOLM] have worked tirelessly to move forward is important to Illinois agriculture as well as agriculture throughout the country.

It is my understanding that portion of the legislation will benefit 4,000 cooperatives throughout the country, benefiting 2 million farmer-owners of these 4,000 cooperatives. We know that when we add value-added to agriculture, that creates jobs not just on the farm but in town as well. And that is an important piece of legislation.

I would like to speak briefly to the other half of this legislation, an issue that is important to Chicago and important to the Chicago south suburbs, because it addresses the taxation of the financial services sector, insurance, securities, and banking.

If we look, as we now recognize, we are in a global economy, we looked at how our institutions here in the United States are able to compete overseas, we have seen some of the challenges that we have been facing. If we look at banks alone 20 years ago, there were many American institutions in the top 20 institutions in the world. Today we are lucky to have one American bank in the top 20 in assets worldwide.

This legislation is so very, very important. And I have enjoyed working with my friend, the gentlewoman from Connecticut [Mrs. KENNELLY], who has been a real leader on this issue over the years, and I have enjoyed working with her in a bipartisan way to bring about tax fairness and an issue of treating our financial services sector the same way we do others.

What this legislation does is, it puts financial services on parity with other sectors of our economy, puts financial services at parity when it comes to tax treatment with manufacturing, for example, and will allow us to create more jobs here at home while our financial services sector sells services overseas. That is what this is all about, creating jobs in Illinois and throughout this country as we work to give our financial services sector a better way of competing by bringing them to parity with our manufacturing sector as well.

Most importantly, though, is I want to point out that this has been a bipartisan effort. It has been an effort where Republicans and Democrats have worked together, where the administration has worked with the Congress. We have been able to address all concerns, and we produced a good bill, a bipartisan bill, a bill that helps agriculture, that creates jobs in towns and rural communities, but also gives the same advantages to compete overseas that our manufacturers have to our financial services sector as well. And that is what it is all about, creating jobs here at home as we sell products and services overseas.

Mr. Chairman, I thank you for the opportunity to speak to this bill. I do ask for bipartisan support for H.R. 2513.

Mr. NEAL of Massachusetts. Mr. Speaker, I rise in support of H.R. 2513. I commend Chairman ARCHER of the Committee on Ways and Means and the ranking member of the committee, Mr. RANGEL, for bringing this important measure to the floor today. This bill would promote the international competitiveness of the U.S. financial services industry by conforming its tax treatment to that of all other U.S. industries, and even more significantly to that of foreign competitors operating throughout the world.

Title I of this measure is intended to replace the provision of the Taxpayers Relief Act of 1997 vetoed by the President on August 11 that was designed to change the antideferral rules of subpart F of the Internal Code that discriminates against the U.S. financial services industry by requiring current taxation of active financing income by foreign affiliates of U.S. banks, securities firms, and insurance and finance companies. I am pleased that the Committee on Ways and Means has been able to bring some rationality to the international taxation of U.S. financial service firms. Financial service companies are real businesses that deserve a fair international tax regime every bit as much as U.S. manufacturers. This bill begins the process of treating the two equally.

This bill is just a 1-year solution, but I hope it will form the basis of a permanent resolution of these issues. In order to pass a bill in such a short time period, Treasury had to restrict some classes of income so that the bill would not be susceptible to abuse. I hope that in the year to come the Treasury will study international operations of financial services firms and review some of the provisions that were excluded from this bill.

Finally, I am concerned by the Treasury's insistence that securities firms and banks forfeit some of their foreign tax credits in order to qualify for this new income-deferral provision. Foreign tax credits and income deferral have always coexisted because each serves a different purpose.

I believe that an effective foreign tax credit system is the U.S. industry's defense against international double taxation. I believe that foreign income taxes incurred in the conduct of an active business abroad should be credited in the United States. As we work towards a permanent income-deferral provision for financial services firms, I urge the Treasury to recognize the dealer exception from section 901(k) as a necessary and appropriate part of our tax system.

I urge my colleagues to support H.R. 2531. The enactment of this measure will move us toward the goal of eliminating the inequitable treatment of the financial services industry under current laws and enhance the ability of a vital sector of our economy to compete in the global marketplace.

Mr. POMEROY. Mr. Speaker, I rise today in support of H.R. 2513, which will provide farmer cooperatives with a tool to help them compete in the industrializing world of agriculture.

Cooperatives play a vital role in helping farmers market and process their crops and livestock and in securing farm supplies and other services at reasonable costs. The cooperative way of doing business in rural America simply makes sense.

North Dakota has a long history with cooperatives, reaching back to the early part of this century. In the past 5 years, farmers and communities have worked together to create 20 new farmer cooperatives in North Dakota.

Last year, Congress decided to eliminate the farm program which will leave farmers without a mechanism to recoup losses when the growing season is poor. One of the self-help mechanisms available to assist farmers in maintaining and increasing their incomes in farming is through the development and success of farmer cooperatives.

The success of agriculture ebbs and flows according to many circumstances outside the control of farmers. For instance, weather, disease, global market prices, and the economy all influence a producer's decisions. However, even with these influences on agriculture, the quality of the producer's goods increase and prices for consumers generally stay the same. Cooperatives benefit the farming community by allowing members to amass capital and maximize economic returns by enhancing the value of what farmers produce.

Farmers need bargaining tools in order to regain some influence over the prices they receive. With market concentration increasing, agricultural producers are finding fewer and fewer buyers for their products. Many farmers can only sell their product to a single processing company, and are forced to accept the price the company offers them. With empowered bargaining or vertical integration, farmers would have a greater opportunity to prosper and to share in the end-use profits their goods sometimes bring to others.

H.R. 2513 will provide for the nonrecognition of gain on the sale of stock in agricultural processors to eligible farmers' cooperatives. This provision will have the effect of encouraging agricultural processing facilities to work cooperatively with farmer cooperatives to maximize the work and profits of producers. The price paid to farmers for farm commodities represents less than 25 percent of the cost of the final product purchased by the consumer. It is imperative for the American farmer to increase his ownership stake in processing and refining in order to survive in an increasingly competitive market. Allowing farmers to become vertically integrated in their products will enable them to better adjust to fluctuations in commodity prices.

Mr. CRANE. Mr. Speaker, today, I want to express my support for H.R. 2513, legislation containing two important tax provisions, versions of which were contained in the landmark Taxpayer Relief Act of 1997. The provisions in question were line item vetoed by President Clinton on August 11, and today, we are endeavoring to pass slightly modified versions of the original proposals.

One provision of the bill relates to the sale of stock of a corporation that owns a processing facility of any cooperative which is engaged in marketing agriculture or horticultural products. This matter is of great concern and interest to the farm community in this country and it is hoped this version of the proposal can now be enacted.

The other item in this legislation, and the provision to which I would like to devote the bulk of my remarks, relates to foreign affiliates of U.S. financial services companies. Under the language contained in H.R. 2513, these affiliates including banks, securities firms, and insurance and finance companies would not be taxed by the United States on their active trade or business income until that income is repatriated to the U.S. parent company or shareholders. In other words, this bill would equalize the treatment of income earned by U.S.-based financial services companies operating abroad with the active income earned by most other U.S.-based companies operating in international markets. As chairman of the Ways and Means Subcommittee on Trade, even more important to me is the fact that the bill will level the playing field for the U.S. financial services industry vis a vis their foreign competitors.

As one of the Members who worked to include this provision in the Taxpayer Relief Act, I was disappointed with the President's line item veto. Therefore, I very much would like to make progress in this effort to remove a competitive obstacle imposed by our international tax rules on the overseas operations of U.S. financial services firms. Language in H.R. 2513 is intended to replace the vetoed provision of the Taxpayers Relief Act that was designed to reform the antideferral rules of subpart F of the Internal Revenue Code. In vetoing this measure, the President stated that the "primary purpose of the provision was proper," but the manner in which it was written would have left room for abuses.

Although I disagree with the decision of the President to veto this important provision, I am pleased he recognized that reform of the antideferral rules of subpart F represents sound and prudent tax policy. Subsequent to the veto, the financial services firms affected by this bill have worked intensely and closely with the Treasury and the Committee on Ways and Means to address the concerns raised, and I applaud the cooperative effort to come up with an interim solution.

However, I must express my disappointment and concern that the bill, at the Treasury's insistence, unjustly singles out securities dealers. As currently drafted H.R. 2513 will force securities dealers to forfeit tax credits on foreign withholding taxes to which they are entitled under current law in order to obtain the benefits granted to other sectors of the financial services industry. These foreign tax credits are crucial to the role U.S. securities firms and banks play as global equities dealers, without which such dealers will not be able to remain competitive overseas.

When we adopted section 901(k) of the code in 1997, we did so to forestall abusive trafficking in credits for foreign withholding taxes. We excluded some securities dealers from section 901(k) because those dealers, in the legitimate, ordinary course of their businesses, would almost by necessity run afoul of the simple rules for identifying transactions with trafficking potential. At the same time, we gave the Treasury authority to deal with any abuses by dealers. I have not heard of any evidence that Treasury has in fact identified any problems with section 901(k) to date. Therefore, I frankly must conclude that Treasury's insistence on this trade-off in the current bill reflects an ulterior motive to overturn the dealer exception in section 901(k), although we recently approved that exception by enacting it.

Foreign tax credits and tax deferral for certain active overseas income have coexisted and should continue to do so, because each serves a different purpose. Foreign tax credits provide essential protection against double taxation of overseas income for U.S. businesses. Deferral does not provide such protection, but rather treats active overseas income of financial services firms consistently with such income of U.S. industrial firms, and helps to level the playing field with respect to their foreign competitors. It is my firm belief that foreign tax credits and deferral are independent provisions of our international tax regime, and their co-existence is consistent with sound international tax policy.

Since the bill before us today would be effective for only 1 year, I strongly urge the Treasury to continue to work together with the securities and banking industries to reach a fair and lasting agreement on a permanent solution that can be enacted next year.

Mr. Speaker, I urge my colleagues to vote for H.R. 2513. This legislation represents sound policy that will enhance the ability of the financial services industry to compete in the global marketplace.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume to simply ask Members for their support on this bipartisan effort on H.R. 2513.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. THOMAS] that the House suspend the rules and pass the bill, H.R. 2513, as amended, and lay on the table H.R. 2444.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, the bill, H.R. 2513, as amended, was passed.

H.R. 2444 was laid on the table.

The title of the bill, H.R. 2513, was amended so as to read: "A bill to amend the Internal Revenue Code of 1986 to restore and modify the provision of the Taxpayer Relief Act of 1997 relating to exempting active financing income from foreign personal holding company income and to provide for the nonrecognition of gain on the sale of stock in agricultural processors to certain farmers' cooperatives, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on H.R. 2513.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

WAIVING TIME LIMITATION ON AWARDING MEDAL OF HONOR TO ROBERT R. INGRAM

Mrs. FOWLER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2813) to waive time limitations specified by law in order to allow the Medal of Honor to be awarded to Robert R. Ingram of Jacksonville, FL, for acts of valor while a Navy Hospital Corpsman in the Republic of Vietnam during the Vietnam conflict.

The Clerk read as follows:

H.R. 2813

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORITY FOR AWARD OF MEDAL OF HONOR TO ROBERT R. INGRAM FOR VALOR DURING THE VIETNAM CONFLICT.

(a) WAIVER OF TIME LIMITATIONS.—Notwithstanding the time limitations specified in section 6248 of title 10, United States Code, or any other time limitation with respect to the awarding of certain medals to persons who served in the naval service, the President may award the Medal of Honor under section 6241 of that title to Robert R. Ingram of Jacksonville, Florida, for the acts of valor referred to in subsection (b).

(b) ACTION DESCRIBED.—The acts of valor referred to in subsection (a) are the actions of Robert R. Ingram on March 28, 1966, as a Hospital Corpsman Third Class in the Navy serving in the Republic of Vietnam with Company C of the First Battalion, Seventh Marines, during a combat operation designated as Operation Indiana.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from Florida [Mrs. FOWLER] and the gentleman from Pennsylvania [Mr. MCHALE] each will control 20 minutes.

The Chair recognizes the gentlewoman from Florida [Mrs. FOWLER].

□ 1715

Mrs. FOWLER. Mr. Speaker, I yield myself such time as I may consume.

I am very pleased that the House is today considering H.R. 2813, legislation I have introduced that would waive the statute of limitations to enable the Defense Department to award Mr. Robert R. Ingram of Jacksonville, FL, a Congressional Medal of Honor. I want to thank especially both the chairman and the ranking Democrat of the House Committee on National Security and the staff there who helped expedite committee consideration of this bill and the gentleman from Arkansas [Mr. BERRY], who has been profoundly interested in this matter and whose assistance was instrumental in helping bring this measure to the floor today.

Mr. Speaker, this legislation was requested by the Defense Department and the award is long overdue. It was not made earlier only as a result of a very unfortunate oversight. In fact, Corpsman Ingram's fighting companions thought that the recommendation for his Congressional Medal of Honor had been made long ago and were shocked to learn only recently that the award had never been made.

Today we must move to correct that error. I want to read to Members the details of what happened that day and why he should be awarded this medal. Corpsman Ingram was serving with Company C, First Battalion, Seventh Marines, against elements of a North Vietnam aggressor in Quang Ngai Province, Republic of Vietnam, on March 28, 1966.

Corpsman Ingram accompanied a Marine point platoon as it dispatched an outpost of an NVA battalion. The momentum of the attack rolled off a ridge line down a tree covered slope to a small paddy in a village beyond. A village tree line suddenly and without any warning exploded in fire against the Marine platoon. There was an intense hail of automatic rifle fire from approximately 100 North Vietnamese regulars. In mere moments the platoon ranks were decimated. Oblivious to the slaughter and danger around him, Corpsman Ingram crawled through a hail of bullets to reach a downed Marine. As he administered aid, a bullet went through the palm of his hand. Calls for corpsmen continued across the ridge. Bleeding, Corpsman Ingram moved across the battlefield, collecting ammunition from the dead and administering aid to the wounded as he went. Receiving two more wounds, one in the knee and one in his face that he immediately knew was life threatening, he looked for a way off the ridge, but again heard the call for corpsmen. Again he answered, knowing that he was facing sure death. Though severely wounded three times, he gathered magazines, resupplied and encouraged those capable of returning fire, rendered aid to those incapable of movement until he finally reached the right flank of the platoon. While addressing the head wound of another corpsman, he sustained his fourth bullet wound. Even with those wounds for the next 2 to 3 hours, Corpsman Ingram still encouraged and doctored his Marines.

Enduring the pain from his many wounds and disregarding his own life, Corpsman Ingram's intrepid actions saved many that day. By his indomitable fighting spirit, daring initiative and unfaltering dedication to duty, Corpsman Ingram earned the Medal of Honor during that action in Operation Indiana in March 1966. He demonstrated conspicuous gallantry and intrepidity above and beyond the call of duty.

I commend him for his enormous courage, and I look forward to passage of this bill so that he can finally receive this Nation's highest award for valor, which he so richly deserves.

Mr. Speaker, I reserve the balance of my time.

Mr. MCHALE. Mr. Speaker, I yield myself such time as I may consume. I am very pleased to join with the gentlewoman from Florida [Mrs. FOWLER] in presenting a much overdue recommendation to this House.

In the Marine Corps we call him Doc. He is the corpsman who administers to our needs both in peace and in wartime. In 2 days, we will celebrate the 222d birthday of the U.S. Marine Corps. I can tell the Speaker that there is no more courageous chapter in Marine Corps history than that which has been written by the corpsmen who have been attached. Whether you are reading the history of Iwo Jima or the battles in Vietnam up through the conflicts that took place in the Persian Gulf 6 years ago, corpsmen are by our sides when we need them.

In this case, I hope all who are present in the Chamber heard the words that were just read by the gentlewoman from Florida [Mrs. FOWLER]. Doc Ingram was shot 4 times in the service of his country. Over a period of several hours, having received wounds that were life threatening, under circumstances that were almost impossible to imagine, this brave sailor, wounded 4 times and bleeding, continued to minister to the Marines around him and while he was wrapping a bandage around the head of another corpsman was shot a final time. I cannot imagine valor of that magnitude. 30 years later, we have the opportunity to correct an injustice. That brave young sailor, that friend of Marines, that man who went in harm's way for our Nation and shed his blood in the process is finally being recognized today as a man who earned, is not being given, but earned the Congressional Medal of Honor.

In 2 days, we celebrate that birthday of the Marine Corps. As someone who has been proud to be a marine for 25 years, I am equally proud of the corpsmen who have served so bravely with us.

Mr. Speaker, I yield 3 minutes to the gentleman from Arkansas [Mr. BERRY], who along with the gentlewoman from Florida [Mrs. FOWLER] directly produced the opportunity that we have today.

Mr. BERRY. Mr. Speaker, I am pleased to join my colleagues, the gentlewoman from Florida and the gentleman from Pennsylvania in this effort. On March 28, 1966, Corpsman Robert Ingram accompanied his Marine platoon as it approached an outpost of the North Vietnamese aggressor. As they approached the tree line, suddenly and without any warning, there was an explosion of gunfire against the platoon. Approximately 100 North Vietnamese were attacking. Disregarding the danger and slaughter around him, Corpsman Ingram crawled through a hail of bullets to reach a downed marine. As he was administering aid, a bullet went through the palm of his hand. While he was treating other downed Marines and collecting magazines to return fire, he received three additional bullet wounds, including one penetrating his sinus cavity. His actions saved many lives that day.

In 1995, former First Lieutenant Jim Fulkerson and others who served together in the war were working to set up a reunion for the platoon. They were shocked to learn in preparing for the reunion that Corpsman Ingram had never received the Medal of Honor. His companions all understood that a recommendation had been made and assumed that it was made. The Department of Defense agrees that Corpsman Ingram's actions qualify him for the Medal of Honor that day in March 1966. Now, over 30 years later, the House of Representatives has the opportunity to see appropriate recognition is given to Corpsman Ingram's display of valor. It is because of the efforts made by his platoon members that this has gotten where it is today. I also commend the gentlewoman from Florida for her work on this important matter. This is a fitting thing that the Congress will do.

Mr. MCHALE. Mr. Speaker, I yield 3 minutes to the gentlewoman from Florida [Ms. BROWN].

Ms. BROWN of Florida. Mr. Speaker, as a member of the Committee on Veterans' Affairs and Representative of the Florida Third Congressional District, I am so proud today to honor one of Jacksonville's own, Robert Ingram.

This Tuesday is Veterans Day. Our annual celebration of the commitment and sacrifices made by our Nation's veterans. There are more than 26 million veterans today, many of whom served during times of conflict. Many veterans live in my home State of Florida. We are proud to have them there. We are proud of their service and proud of their civic action.

I also want to recognize for Veterans Day the many women veterans who have contributed to our Nation's security and preserved the American way of life. Last month, the Women in Military Service Memorial was dedicated in honor of more than 1 million women who have served this great country. I urge everyone to visit this great special place when they are in Washington.

Our veterans face many challenges. I urge the President to speedily designate and the other body confirm a Secretary of Veterans Affairs. I want to say a special thank you to all veterans, and today I want to honor one in particular. As my colleague from Florida has explained, Mr. Robert Ingram performed incredible acts of courage, honor, and bravery while he was a marine stationed in Vietnam. We ask so much of our young men and women when they are placed into conflict, particularly in conflict that was so unpopular.

Corpsman Ingram gave medical attention to other soldiers, even after he himself was injured with a bullet wound in his hand. He suffered even more wounds to his knees and face, yet continued to help others as they called on him. He continued to administer medical aid to others after receiving a total of 4 bullet wounds.

The Medal of Honor is awarded for bravery and courage, acts beyond the call of duty. Robert Ingram has had an incredible fighting spirit to stay alive, to help his brothers in combat and to serve our great Nation. I am very proud today to honor a man from Jacksonville and the great State of Florida. He deserves this Medal of Honor and should not be a victim of administrative error or oversight. I urge my colleagues to support this bill and salute this great veteran.

Mr. MCHALE. Mr. Speaker, I yield myself such time as I may consume. For the past 222 years, the Navy and the Marine Corps have established a partnership forged in steel and tempered in blood. Some 30 years ago, Suicide Charlie, Charlie 17, one of the most distinguished companies in the entire U.S. Marine Corps, faced incredible odds on a battlefield in Vietnam. Doc Ingram stepped forward under fire when needed by his country. And despite 4 serious life threatening bullet wounds, he continued to care for his fellow marines, his fellow sailors and for his country. Some 30 years later, we correct an injustice. Mr. Speaker, I hope sincerely that Doc Ingram is watching as we speak today. I hope he realizes how much he is beloved by his country.

Doc, if you are watching, happy birthday, and semper fidelis.

Mr. Speaker, I yield back the balance of my time.

Mrs. FOWLER. Mr. Speaker, I yield myself such time as I may consume. I too just want to again say how privileged I feel today to be a part of this honoring of Doc Ingram. I know he is in Jacksonville today, watching this on television, and I know he understands with what honor and regard we Members of the Congress hold his actions. We are so pleased that here today we can commend his valor and bravery. This is due to the people he saved, who really came forward and said, this award is long overdue, they were surprised it had not been given. Those men that he saved that day will never forget that their lives were saved because of his actions.

That is what those people in our military do every day of their lives. They are out there sacrificing their lives for others. It is a great day when we can commend one. I want to again say how proud I am to be a part of this.

Thank you, Doc Ingram, for all you have done.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. CALVERT). The question is on the motion offered by the gentlewoman from Florida [Mrs. FOWLER] that the House suspend the rules and pass the bill, H.R. 2813.

The question was taken.

Mr. McHALE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 412, nays 0, not voting 21, as follows:

[Roll No. 619]

YEAS—412

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Foglietta
Foley
Forbes
Ford
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (CA)
Miller (FL)
Minge
Mink
Moakley
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Nadler
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauscher
Tauzin
Taylor (MS)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Towns
Traficant
Turner
Upton
Velázquez
Vento
Visclosky
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOT VOTING—21

Blumenauer
Clayton
Cubin
Flake
Frank (MA)
Gillmor
Gonzalez
Holden
Klug
McDermott
McIntosh
Myrick
Neumann
Riley
Ros-Lehtinen
Sanders
Schaffer, Bob
Schiff
Taylor (NC)
Walsh
Yates

□ 1750

Messrs. SMITH of Texas, BARTLETT of Maryland, and COMBEST and Mrs. LOWEY changed their vote from "nay" to "yea".

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

WAIVING REQUIREMENT OF CLAUSE 4(b) OF RULE XI WITH RESPECT TO CONSIDERATION OF CERTAIN RESOLUTIONS REPORTED BY COMMITTEE ON RULES

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 105-394) on the resolution (H. Res. 314) waiving a requirement of clause 4(b) of rule XI with respect to consideration of certain resolutions reported from the Committee on Rules, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PRIVILEGES OF THE HOUSE—DISMISSAL OF CONTEST IN 46TH DISTRICT OF CALIFORNIA

Mr. GEPHARDT. Mr. Speaker, I rise to a question of the privileges of the House, and I send to the desk a privileged resolution (H. Res. 315) pursuant to rule IX and ask for its immediate consideration.

The SPEAKER pro tempore (Mr. CALVERT). The Clerk will report the resolution.

The Clerk read as follows:

> Whereas, the election contest concerning the 46th District of California should be dismissed as there is no credible evidence to show that the outcome of the election is different than the election of Congresswomen LORETTA SANCHEZ.
>
> Whereas, State of California authorities should continue their investigation into questionable registration activities; and
>
> Whereas, the Committee on House Oversight should examine voter registration procedures; and now therefore be it
>
> Resolved, that the contest in the 46th District of California is dismissed.

The SPEAKER pro tempore. The resolution presents a question of the privileges of the House.

MOTION TO TABLE OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Speaker, I offer a motion to table.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

> Mr. SOLOMON moves to lay the resolution on the table.

The SPEAKER pro tempore. The question is on the motion to table offered by the gentleman from New York [Mr. SOLOMON].

PARLIAMENTARY INQUIRY

Mr. HOYER. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HOYER. Mr. Speaker, I was told by the majority leader that we would have time to debate this resolution. I was also told by the Speaker that we would have time to debate this resolution.

Am I correct that voting for this motion made by the Chairman of the Committee on Rules will obviate the representations of the Speaker and the majority leader?

The SPEAKER pro tempore. This is not a debatable motion.

The question is on the motion to table offered by the gentleman from New York [Mr. SOLOMON].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. WISE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 215, noes 193, answered "present" 2, not voting 24, as follows:

[Roll No. 620]

AYES—215

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cunningham
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell

Foley
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gilman
Gingrich
Goodlatte
Goss
Graham
Granger
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
King (NY)
Kingston
Knollenberg
Kolbe
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade

McHugh
McInnis
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Nethercutt
Ney
Northup
Norwood
Nussle
Oxley
Packard
Pappas
Parker
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Rogan
Rogers
Rohrabacher
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump

Sununu
Talent
Tauzin
Thomas
Thornberry
Thune
Tiahrt

Traficant
Upton
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller

White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NOES—193

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Bonior
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Carson
Clay
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Foglietta
Forbes
Ford
Frost
Furse
Gejdenson
Gephardt
Goode
Gordon

Green
Gutierrez
Hall (OH)
Hall (TX)
Hamilton
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McGovern
McHale
McIntyre
McKinney
McNulty
Meehan
Meek
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler

Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Poshard
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson
Thurman
Tierney
Torres
Towns
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
Weygand
Wise
Woolsey
Wynn

ANSWERED "PRESENT"—2

Sanchez
Wamp

NOT VOTING—24

Blumenauer
Borski
Clayton
Cubin
Flake
Frank (MA)
Gillmor
Gonzalez

Goodling
Holden
Klug
Lantos
Manton
McDermott
McIntosh
Myrick

Neumann
Riley
Ros-Lehtinen
Sanders
Schiff
Taylor (NC)
Walsh
Yates

□ 1813

Mr. CRAPO changed his vote from "no" to "aye."

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FAST TRACK

(Mr. PASCRELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PASCRELL. Mr. Speaker, I have in my left hand a document which is the bill we will be voting on tomorrow. It is called the reciprocal trade agreement, not unlike the reciprocal trade agreement in the early 1930's. The only problem is that our trade policies have not been reciprocal in particularly the last 3 years.

NAFTA has caused job losses in the hundreds of thousands for the last 34 months. In our area in north Jersey, approximately 15,000 jobs have been lost since NAFTA's inception. And in Mexico and Canada, it is graphic evidence that NAFTA is not working over the long haul. We have tripled, we have quadrupled the imbalance in trade with Mexico, 2½ times the imbalance in trade with Canada. This is not a record of accomplishment but rather of failure. Please vote "no" on fast track.

Mr. Speaker, today I rise to discuss a matter of great importance to my district and to the Nation as a whole—the issue of the renewal of fast-track trade negotiating authority.

As the debate moves to a close, and as supporters and detractors of the measure voice their positions, I rise today for the purpose of clarification. And to share the conclusions that I have come to regarding this important issue.

The measure seeks to extend fast-track authority for 4 years. As such, it sets our national trade policy as we approach—and then enter—the 21st century.

No one doubts the fact that we live in a global economy—and that nation's are more interconnected then ever before. No one doubts that if we are to retain our preeminent position in the world—we must lead from strength—both economically and morally.

And for me, global leadership in the arena of international trade means that fair trade should not be subordinated to the notion of free trade.

We must trade with other nations on equal footing—and not sacrifice American jobs to those earning a lower wage—particularly when that nation has not yet achieved our level of social, economic, and environmental development.

The bill that I am holding—the Reciprocal Trade Agreement Authorities Act of 1997—commonly referred to as fast track—states very clearly its objectives and scope.

Section 102(b)7(B) of the bill states that:

> The principle negotiating objectives of the United States is to ensure that foreign governments do not derogate from or waive existing domestic environmental, health, safety, or labor measures . . . as an encouragement to gain competitive advantage in international trade.

The key word in this section is "existing." No country that fast track is designed to facilitate trade with, has adequate existing environmental and labor structures. Nothing in the legislation before us enables the United States to negotiate for higher standards. That is unacceptable and workers, business owners, and consumers in the United States have paid the price for this disparity in standards.

And, just as importantly, the fast-tract authority that past Presidents have had—including President's Bush and Reagan—allowed them to negotiate weak side agreements for labor and the environment; this measure does not even allow that.

Basically, we are throwing up our hands and saying let those with whom we trade improve on their own—and in their own time.

We are saying: Let them pay their workers a bowl of rice a day, let them not give their workers the right to organize, let their factories dump sewage into the rivers, let them pollute the air, let them ship tainted food across our borders to be consumed at dinner tables across the country, and on and on and on.

And make no mistake about it—this debate is not about labor versus business or Republican versus Democrat—this debate is about jobs. Its about the environment and environmental degradation. Its about consumer safety in areas like imported food. Its about the viability of small businesses who struggle to be competitive. And finally its about consumers who today are paying more now than ever before for imported apparel at the clothing store.

The proponents of fast track argue that the administration deserves this ability based on what they perceive as a successful NAFTA policy. They point to the creation of 311,000 new jobs.

I take exception to this figure and cite an alternative one from the Economic Policy Institute which states that 600,000 jobs have been lost during NAFTA's first 34 months.

In northern New Jersey alone, statistics show that approximately 15,000 jobs have been lost since 1993. Many companies in my district specifically point to NAFTA as the proximate cause of their reduction in business. In fact, the small businesses who have contacted me have had to cut jobs—and have not created a single new one since 1993.

Trade policy needs to be inclusive regarding these important elements, not exclusive. Labor and environmental provisions need to be in the core agreement. If we do not lead from the high ground we will relinquish all that we have accomplished in our long progress to achieving the society that we now live in.

The argument that this fast-track legislation represents forward progress rings hollow to my ears and to many of my colleagues. I urge my colleagues to vote "no" on this flawed measure.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken form the Speaker's table and, under the rule, referred as follows:

S. 170. An act to provide for a process to authorize the use of clone pagers, and for other purposes; to the Committee on the Judiciary.

S. 1079. An act to permit the mineral leasing of Indian land located within the Fort Berthold Indian Reservation in any case in which there is consent from a majority interest in the parcel of land under consideration for lease; to the Committee on Resources.

S. 1455. An act to provide financial assistance for the relocation and expansion of Haffenreffer Museum of Anthropology, Providence, Rhode Island; to the Committee on Resources.

S. 1456. An act to authorize an interpretive center at Fort Peek Dam, Montana; to the Committee on Resources.

ENROLLED BILLS SIGNED

Mr. THOMAS, from the Committee on House Oversight, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 2264. An act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1998, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 858. An act to authorize appropriations for fiscal year 1998 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

ADJOURNMENT

Mr. ARMEY. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore. The question is on the motion to adjourn offered by the gentleman from Texas [Mr. ARMEY].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DOGGETT. Mr. Speaker, on that, I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 233, nays 170, not voting 30, as follows:

[Roll No. 621]

YEAS—233

Abercrombie
Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bereuter
Berman
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boucher
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Conyers
Cook
Cooksey
Cox
Crane
Crapo
Cunningham
Davis (FL)
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Ensign
Everett
Ewing
Fawell
Foley
Forbes
Fossella
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Gekas
Gibbons
Gilchrest
Gilman
Goodlatte
Goodling
Goss
Graham
Granger
Greenwood
Gutknecht
Hall (OH)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hinchey
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jenkins
John
Johnson, Sam
Jones
Kanjorski
Kasich
Kelly
Kim
King (NY)
Kingston
Klink
Knollenberg
Kolbe
LaFalce
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCollum
McCrery
McDade
McHugh
McInnis
McKeon
Meek
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Murtha
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Owens
Oxley
Packard
Pappas
Parker
Pastor
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Riggs
Rogan
Rogers
Rohrabacher
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stump
Sununu
Talent
Tauzin
Taylor (MS)
Thomas
Thornberry
Thune
Tiahrt
Towns
Traficant
Upton
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wolf
Young (AK)
Young (FL)

NAYS—170

Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Becerra
Bentsen
Berry
Bilbray
Bishop
Blagojevich
Bonior
Boswell
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Cardin
Carson
Clay
Clement
Clyburn
Condit
Costello
Coyne
Cramer
Cummings
Danner
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fazio
Filner
Foglietta
Ford
Frost
Furse
Gejdenson
Gephardt
Goode
Gordon
Green
Hall (TX)
Hastings (FL)
Hefner
Hilliard
Hinojosa
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kaptur
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kind (WI)
Kucinich
Lampson
Lantos
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McGovern
McHale
McIntyre
McKinney
McNulty
Meehan
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Nadler
Neal

Oberstar
Obey
Olver
Pallone
Pascrell
Payne
Pelosi
Peterson (MN)
Pomeroy
Poshard
Price (NC)
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sandlin
Sawyer
Schaffer, Bob
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stenholm
Stokes
Strickland
Stupak
Tanner
Tauscher
Thompson
Thurman
Tierney
Torres
Turner
Velázquez
Vento
Visclosky
Wamp
Waters
Watt (NC)
Wexler
Weygand
Wise
Woolsey
Wynn

NOT VOTING—30

Blumenauer
Borski
Clayton
Cubin
Flake
Frank (MA)
Ganske
Gillmor
Gonzalez
Gutierrez
Harman
Holden
Kleczka
Klug
Manton
McCarthy (NY)
McDermott
McIntosh
Myrick
Neumann
Riley
Ros-Lehtinen
Sanders
Schiff
Skelton
Smith (MI)
Taylor (NC)
Walsh
Waxman
Yates

☐ 1831

Mr. MINGE changed his vote from "yea" to "nay."

So the motion to adjourn was agreed to.

The result of the vote was announced as above recorded.

Accordingly (at 6 o'clock and 33 minutes p.m.), under its previous order, the House adjourned until tomorrow, Sunday, November 9, 1997, at 2 p.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports and amended reports concerning the foreign currencies and U.S. dollars utilized for official foreign travel during the 4th quarter of 1996, and the 1st, 2nd and 3rd quarters of 1997, by various committees, U.S. House of Representatives, pursuant to Public Law 95-384, as well as a consolidated report of foreign currencies and U.S. dollars utilized for Speaker-authorized official foreign travel in the 3rd quarter of 1997, are as follows:

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON NATIONAL SECURITY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1996

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Visit to Korea and Japan, December 13–19, 1996:											
Delegation expenses	12/16	12/19	Japan						455.07		455.07
Committee total									455.07		455.07

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

FLOYD SPENCE, Chairman, Oct. 30, 1997.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Ralph Regula	3/26	3/28	Estonia		857.00		(3)				857.00
	3/28	3/29	Latvia[4]				(3)				
	3/29	3/30	Krakow, Poland		346.00		(3)				346.00
	3/30	4/2	Warsaw, Poland		526.00		(3)				526.00
	4/2	4/4	Czech Republic		524.00		(3)				524.00
Committee total					$2,253.00						$2,253.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.
[4] No per diem.

BOB LIVINGSTON, Chairman, Oct. 29, 1997.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON BANKING AND FINANCIAL SERVICES, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Mark Foley	6/13	6/16	Haiti		[3] 651.60		542.45				[3] 1,194.05
Sean Peterson	9/21	9/25	Hong Kong		607.08		4,372.45				4,979.53
Committee total					1,258.68		4,914.90				6,173.58

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Amended.

JIM LEACH, Chairman, Oct. 29, 1997.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON NATIONAL SECURITY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Visit to Japan, Korea, and Thailand, Jan. 13–20, 1997:											
Delegation expenses	1/13	1/15	Japan				890.92		1,806.29		2,697.21
	1/17	1/20	Thailand						3,298.34		3,298.34
Committee total							890.92		5,104.63		5,995.55

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

FLOYD SPENCE, Chairman, Oct. 30, 1997.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON RULES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 1 AND MAR. 31, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Deborah Pryce	2/17	2/18	Italy		242.00		(3)				242.00
	2/18	2/20	Germany		546.00		(3)				546.00
Committee total					788.00						788.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.

J. MOAKLEY, Oct. 25, 1997.

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON RULES, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Gerald Solomon	3/26	3/28	Estonia		857.00		(3)				857.00
	3/28	3/29	Latvia[4]								
	3/29	3/30	Krakow, Poland		346.00		(3)				346.00
	3/30	4/2	Warsaw, Poland		526.00		(3)				526.00
	4/2	4/4	Czech Republic		524.00		(3)				524.00
Hon. Porter Goss	3/26	3/28	Estonia		857.00		(3)				857.00
	3/28	3/29	Latvia[4]								
	3/29	3/30	Krakow, Poland		346.00		(3)				346.00
	3/30	4/2	Warsaw, Poland		526.00		(3)				526.00
	4/2	4/4	Czech Republic		524.00		(3)				524.00
Codel Solomon	3/26	3/28	Estonia						1,777.32		1,777.32
Control room costs	3/28	3/29	Latvia[4]						2,689.46		2,689.46
	3/29	3/30	Krakow, Poland						1,622.41		1,622.41
	3/30	4/2	Warsaw, Poland						2,940.93		2,940.93
	4/2	4/4	Czech Republic						1,528.00		1,528.00
Jim Doron	3/26	3/28	Estonia		857.00		(3)				857.00
	3/28	3/29	Latvia[4]				(3)				
	3/29	3/30	Krakow, Poland		346.00		(3)				346.00
	3/30	4/2	Warsaw, Poland		526.00		(3)				526.00
	4/2	4/4	Czech Republic		524.00		(3)				524.00
Committee total					6,759.00				10,558.12		17,317.12

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amont expended.
[3] Military air transportation.
[4] No per diem.

J. MOAKLEY, Oct. 25, 1997.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON AGRICULTURE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Paul Unger	8/17	8/29	France		644.17		560.51				1,204.68
Committee total					644.17		560.51				1,204.68

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currenty is used, enter amount expended.

BOB SMITH, Chairman, Oct. 29, 1997.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON COMMERCE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Sue Sheridan	8/3	8/8	Germany		1,122.00		1,028.95				2,150.95
Dennis Fitzgibbons	8/3	8/9	Germany		1,122.00		1,062.65				2,184.65
Catherine Van Way	7/31	8/10	Germany		1,683.00		1,062.65				2,745.65

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON COMMERCE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1997—Continued

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Dennis Fitzgibbons	8/16	8/25	Australia		[4]300.00		6,806.45				7,106.45
Hon. Eliot Engel	8/8	8/10	Taiwan		532.00		(3)				532.00
	8/10	8/13	China		753.00		(3)				753.00
	8/13	8/14	Thailand		217.00		(3)				217.00
	8/14	8/18	India		1,424.00		(3)				1,424.00
	8/18	8/19	Jordan		251.00		(3)				251.00
	8/19	8/22	Israel		1,075.00		(3)				1,075.00
Committee total					8,479.00		9,960.70				18,439.70

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Military air transportation.

[4] Private travel from Aug. 22–25, 1997.

TOM BLILEY, Chairman, Oct. 27, 1997.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON NATIONAL SECURITY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Visit to Italy, Bosnia, and Hungary, June 28–July 2, 1998:											
Hon. Paul McHale	6/28	6/29	Italy		75.00						75.00
	6/29	6/29	Bosnia								
	6/29	7/01	Hungary		494.00						494.00
	7/01	7/02	Italy		284.00						284.00
Commercial airfare							4,271.45				4,271.45
Visit to Korea and Vietnam, Aug. 12–18, 1997:											
Hon. Lane Evans	8/12	8/12	Korea								
	8/12	8/18	Vietnam		1,470.00						1,470.00
Commercial airfare							5,101.30				5,101.30
Hon. Paul McHale	8/12	8/12	Korea								
	8/12	8/18	Vietnam		1,764.00						1,764.00
Commercial airfare							5,101.30				5,101.30
George O. Withers	8/12	8/12	Korea								
	8/12	8/18	Vietnam		1,764.00						1,764.00
Commercial airfare							5,101.30				5,101.30
Visit to Thailand, Vietnam, and Australia, Aug. 18–29, 1997:											
Hon. Floyd D. Spence	8/18	8/21	Thailand		651.00						651.00
	8/21	8/23	Vietnam		588.00						588.00
	8/23	8/29	Australia		1,556.00						1,556.00
Hon. Solomon P. Ortiz	8/18	8/21	Thailand		651.00						651.00
	8/21	8/23	Vietnam		588.00						588.00
	8/23	8/29	Australia		1,556.00						1,556.00
Hon. Tillie Fowler	8/18	8/21	Thailand		651.00						651.00
	8/21	8/23	Vietnam		588.00						588.00
	8/23	8/29	Australia		1,556.00						1,556.00
Hon. Howard "Buck" McKeon	8/18	8/21	Thailand		217.00						217.00
	8/21	8/23	Vietnam		588.00						588.00
	8/23	8/29	Australia		1,556.00						1,556.00
Commercial airfare							784.00				784.00
Hon. Lindsey Graham	8/18	8/21	Thailand		651.00						651.00
	8/21	8/23	Vietnam		588.00						588.00
	8/23	8/29	Australia		1,556.00						1,556.00
Dr. Andrew K. Ellis	8/18	8/21	Thailand		651.00						651.00
	8/21	8/23	Vietnam		588.00						588.00
	8/23	8/29	Australia		1,556.00						1,556.00
Mr. Peter M. Steffes	8/18	8/21	Thailand		651.00						651.00
	8/21	8/23	Vietnam		588.00						588.00
	8/23	8/29	Australia		1,556.00						1,556.00
Delegation expenses	8/23	8/29	Australia				3,834.00		2,432.00		6,266.00
Visit to Argentina and Brazil, Aug. 17–18, 1997:											
Hon. Patrick J. Kennedy	8/17	8/17	Argentina								
	8/18	8/18	Brazil								
Visit to United Kingdom, Hungary, Italy, and Germany, Aug. 24–Sept. 2, 1997:											
Hon Ike Skelton	8/24	8/29	United Kingdom		1,038.00						1,038.00
	8/27	8/29	Hungary		494.00						494.00
	8/29	8/31	Italy		445.00						445.00
	8/31	9/2	Germany		285.00						285.00
Commercial airfare							3,261.35				3,261.35
Visit to Panama, Aug. 25–27, 1997:											
Hon. Jim Gibbons	8/25	8/27	Panama		155.60						155.60
Visit to South Africa, Sept. 19–22, 1997:											
Hon. Curt Weldon	9/19	9/22	South Africa		700.00						700.00
Commercial airfare							6,272.65				6,272.65
Committee total					28,099.60		33,727.35		2,432.00		64,258.95

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. Dollar equivalent; if U.S. currency is used, enter amount expended.

FLOYD SPENCE, Chairman, Oct. 30, 1997.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON RESOURCES, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Donna Christian-Green	6/29	7/2	Haiti		669.00						669.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON RESOURCES, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1997—Continued

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
	9/5	9/8	Haiti		669.00						669.00
Committee total					1,338.00						1,338.00

[1] Per diem constitutes lodging meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

DON YOUNG, Chairman, Oct. 27, 1997.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON RULES, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Louise Slaughter	8/17	8/19	England		886.00		(3)				886.00
	8/20	8/22	France		882.00		(3)				882.00
	8/23	8/25	Spain		828.00		(3)				828.00
Tony Hall	8/29	9/1	Korea		1,085.00		(3)				1,085.00
	9/2	9/3	Japan		339.00		(3)				339.00
Committee total					4,020.00						4,020.00

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Military air transportation.

J. MOAKLEY, Oct. 25, 1997.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Bob Borski	8/18	8/20	England		886.00		(3)				886.00
	8/20	8/23	France		882.00		(3)				882.00
	8/23	8/26	Spain		828.00		(3)				828.00
Hon. Bill Lipinski	8/18	8/20	England		886.00		(3)				886.00
	8/20	8/23	France		882.00		(3)				882.00
	8/23	8/26	Spain		828.00		(3)				828.00
Hon. Bob Clement	8/18	8/20	England		886.00		(3)				886.00
	8/20	8/23	France		882.00		(3)				882.00
	8/23	8/26	Spain		828.00		(3)				828.00
Hon. Bud Cramer	8/18	8/20	England		886.00		(3)				886.00
	8/20	8/23	France		882.00		(3)				882.00
	8/23	8/26	Spain		828.00		(3)				828.00
Hon. Pat Danner	8/18	8/20	England		886.00		(3)				886.00
	8/20	8/23	France		882.00		(3)				882.00
	8/23	8/26	Spain		828.00		(3)				828.00
Hon. Tim Holden	8/18	8/20	England		886.00		(3)				886.00
	8/20	8/23	France		882.00		(3)				882.00
	8/23	8/26	Spain		828.00		(3)				828.00
Hon. Eddie Bernice Johnson	8/18	8/20	England		886.00		(3)				886.00
	8/20	8/23	France		882.00		(3)				882.00
	8/23	8/26	Spain		828.00		(3)				828.00
Hon. Steve LaTourette	8/18	8/20	England		886.00		(3)				886.00
	8/20	8/23	France		882.00		(3)				882.00
	8/23	8/26	Spain		828.00		(3)				828.00
Hon. Juanita Millender-McDonald	8/18	8/20	England		886.00		(3)				886.00
	8/20	8/23	France		882.00		(3)				882.00
	8/23	8/26	Spain		828.00		(3)				828.00
Jim Miller	8/18	8/20	England		886.00		(3)				886.00
	8/20	8/23	France		882.00		(3)				882.00
	8/23	8/26	Spain		828.00		(3)				828.00
Mary Moll	8/18	8/20	England		886.00		(3)				886.00
	8/20	8/23	France		882.00		(3)				882.00
	8/23	8/26	Spain		828.00		(3)				828.00
David Schaffer	8/18	8/20	England		886.00		(3)				886.00
	8/20	8/23	France		882.00		(3)				882.00
	8/23	8/26	Spain		828.00		(3)				828.00
Mary Walsh	8/18	8/20	England		886.00		(3)				886.00
	8/20	8/23	France		882.00		(3)				882.00
	8/23	8/26	Spain		828.00		(3)				828.00
Dianne Rogers	8/18	8/20	England		886.00		(3)				886.00
	8/20	8/23	France		882.00		(3)				882.00
	8/23	8/26	Spain		828.00		(3)				828.00
Jennifer Laptook	8/18	8/20	England		886.00		(3)				886.00
	8/20	8/23	France		882.00		(3)				882.00
	8/23	8/26	Spain		828.00		(3)				828.00
Colleen Corr	8/18	8/20	England		886.00		(3)				886.00
	8/20	8/23	France		882.00		(3)				882.00
	8/23	8/26	Spain		828.00		(3)				828.00
Hon. John Duncan	8/18	8/20	England		692.00		(3)				692.00
	8/20	8/23	France		882.00		(3)				882.00
	8/23	8/26	Spain		828.00		(3)				828.00
Commercial airfare							1,300.00				1,300.00
Jim Coon	8/19	8/20	England		692.00		(3)				692.00
	8/20	8/23	France		588.00		(3)				588.00
Commercial airfare							2,563.15				2,563.15
Hon. Steve Horn	8/22	8/23	France		294.00		(3)				294.00
	8/23	8/26	Spain		828.00		(3)				828.00
Hon. Bob Filner	8/18	8/19	Mexico		243.00						243.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1997—Continued

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Commercial airfare							635.17				635.17
Committee total					46,583		4,498.32				51,081.32

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.

BUD SHUSTER, Chairman, Oct. 30, 1997.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON WAYS AND MEANS, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 1 AND SEPT. 30, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Mac Collins	8/9	8/11	Turkey		774.00		(3)				774.00
	8/12	8/14	Georgia		1,152.00		(3)				1,152.00
Committee total					1,926.00						1,926.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.

BILL ARCHER, Chairman, Oct. 30, 1997.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO HONG KONG, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JUNE 28 AND JULY 2, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purpcses		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Christopher Cox	6/28	7/2	Hong Kong	22,747	[3]2,939.00					22,747	2,939.00
Hon. Jennifer Dunn	6/28	7/2	Hong Kong	22,747	[3]2,939.00					22,747	2,939.00
Hon. John Porter	6/28	7/2	Hong Kong	22,747	[3]2,939.00					22,747	2,939.00
Hon. Marcy Kaptur	6/28	7/2	Hong Kong	22,747	[3]2,939.00					22,747	2,939.00
Hon. Thomas J. Manton	6/28	7/2	Hong Kong	22,747	[3]2,939.00					22,747	2,939.00
Hon. Jim McDermott	6/28	7/2	Hong Kong	22,747	[3]2,939.00					22,747	2,939.00
C. Dean McGrath	6/28	7/2	Hong Kong	20,919	2,703.00					20,919	2,703.00
Michael Wessel	6/28	7/2	Hong Kong	20,919	2,703.00					20,919	2,703.00
Committee total					23,040,00						23,040.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Includes pre-paid hotel costs at U.S. $560 per day.

CHRIS COX, August 1, 1997.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO NATO SUMMIT, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JULY 6 AND JULY 9, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Benjamin Gilman	7/6	7/7	Czech Republic		300.00						300.00
	7/7	7/9	Spain		284.00						284.00
Hon. Sam Gejdenson	7/6	7/7	Czech Republic		300.00						300.00
	7/7	7/9	Spain		284.00						284.00
Hon. Gerald Solomon	7/7	7/9	Spain		284.00						284.00
Hon. Norman Sisisky	7/7	7/9	Spain		284.00						284.00
Hon. Stephen Rademaker	7/7	7/9	Spain		284.00						284.00
Hon. Brett O'Brien	7/7	7/9	Spain		284.00						284.00
Committee total					2,304.00						2,304.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

BEN GILMAN, Sept. 17, 1997.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO CHILE, ARGENTINA AND BRAZIL, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN AUG. 12 AND AUG. 20, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Richard A. Gephardt	8/13	8/15	Chile		288.00		[3] 3,532.95				3,820.95
	8/15	8/17	Argentina		546.00		[4] 1,113.10		[4] 760.93		2,420.03
	8/17	8/19	Brazil	624.25	575.88					624.25	575.88
Michael Wessel	8/13	8/15	Chile		534.00		[3] 3,532.95				4,066.95
	8/15	8/17	Argentina		546.00						546.00
	8/17	8/19	Brazil	601.46	554.85					601.46	554.85
Committee total					3,044.73		8,179.00		760.93		11,984.66

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Includes commercial airfare transportation costs for entire trip.
[4] These expenditures were made on behalf of the entire delegation.

RICHARD A. GEPHARDT, Sept. 18, 1997.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO NEPAL AND CHINA, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN AUG. 6 AND AUG. 15, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Frank R. Wolf		8/16	United States				6,509.95				6,509.95
	8/8	8/9	Nepal		[3]1,050.00						1,050.00
	8/9	8/13	China				380.00		235.00		615.00
	8/15		United States								
Charles E. White		8/16	United States				6,509.95				6,509.95
	8/8	8/9	Nepal		1,050.00						1,050.00
	8/14		United States								
	8/9	8/13	China				380.00		235.00		615.00
Committee total					2,100.00		13,779.90		470.00		16,349.90

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Airline ticket prices for return flights are under review. Any savings resulting from a reduction in airfare will be returned to the U.S. Treasury.

FRANK R. WOLF, Sept. 15, 1997.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO AFRICA, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN AUG. 21 AND AUG. 31, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Jim Kolbe	8/21	8/23	Ivory Coast		424.00		(3)				424.00
Hon. Bernard Sanders	8/21	8/23	Ivory Coast		424.00		(3)				424.00
Hon. William Jefferson	8/21	8/23	Ivory Coast		424.00		(3)				424.00
Hon. Scott Klug	8/21	8/23	Ivory Coast		424.00		(3)				424.00
Hon. Jim Greenwood	8/21	8/23	Ivory Coast		424.00		(3)				424.00
Hon. Steve Chabot	8/21	8/23	Ivory Coast		424.00		(3)				424.00
Hon. Melvin Watt	8/21	8/23	Ivory Coast		424.00		(3)				424.00
Hon. Karen Thurman	8/21	8/23	Ivory Coast		424.00		(3)				424.00
Everett Eissenstat	8/21	8/23	Ivory Coast		424.00		(3)				424.00
Ron Lasch	8/21	8/23	Ivory Coast		424.00		(3)				424.00
Meredith Broadbent	8/21	8/23	Ivory Coast		424.00		(3)				424.00
Hon. Jim Kolbe	8/23	8/25	South Africa		512.00		(3)				512.00
Hon. Bernard Sanders	8/23	8/25	South Africa		512.00		(3)				512.00
Hon. William Jefferson	8/23	8/25	South Africa		512.00		(3)				512.00
Hon. Scott Klug	8/23	8/25	South Africa		512.00		(3)				512.00
Hon. Jim Greenwood	8/23	8/25	South Africa		512.00		(3)				512.00
Hon. Steve Chabot	8/23	8/25	South Africa		512.00		(3)				512.00
Hon. Melvin Watt	8/23	8/25	South Africa		512.00		(3)				512.00
Hon. Karen Thurman	8/23	8/25	South Africa		512.00		(3)				512.00
Everett Eissenstat	8/23	8/25	South Africa		512.00		(3)				512.00
Ron Lasch	8/23	8/25	South Africa		512.00		(3)				512.00
Meredith Broadbent	8/23	8/25	South Africa		512.00		(3)				512.00
Hon. Jim Kolbe	8/25	8/26	South Africa		207.00		(3)				207.00
Hon. Bernard Sanders	8/25	8/26	South Africa		207.00		(3)				207.00
Hon. William Jefferson	8/25	8/26	South Africa		207.00		(3)				207.00
Hon. Scott Klug	8/25	8/26	South Africa		207.00		(3)				207.00
Hon. Jim Greenwood	8/25	8/26	South Africa		207.00		(3)				207.00
Hon. Steve Chabot	8/25	8/26	South Africa		207.00		(3)				207.00
Hon. Melvin Watt	8/25	8/26	South Africa		207.00		(3)				207.00
Hon. Karen Thurman	8/25	8/26	South Africa		207.00		(3)				207.00
Everett Eissenstat	8/25	8/26	South Africa		207.00		(3)				207.00
Ron Lasch	8/25	8/26	South Africa		207.00		(3)				207.00
Meredith Broadbent	8/25	8/26	South Africa		207.00		(3)				207.00
Hon. Jim Kolbe	8/26	8/28	Zimbabwe		468.00		(3)				468.00
Hon. Bernard Sanders	8/26	8/28	Zimbabwe		468.00		(3)				468.00
Hon. William Jefferson	8/26	8/28	Zimbabwe		468.00		(3)				468.00
Hon. Scott Klug	8/26	8/28	Zimbabwe		468.00		(3)				468.00
Hon. Jim Greenwood	8/26	8/28	Zimbabwe		468.00		(3)				468.00
Hon. Steve Chabot	8/26	8/28	Zimbabwe		468.00		(3)				468.00
Hon. Melvin Watt	8/26	8/28	Zimbabwe		468.00		(3)				468.00
Hon. Karen Thurman	8/26	8/28	Zimbabwe		468.00		(3)				468.00
Everett Eissenstat	8/26	8/28	Zimbabwe		468.00		(3)				468.00
Ron Lasch	8/26	8/28	Zimbabwe		468.00		(3)				468.00
Meredith Broadbent	8/26	8/28	Zimbabwe		468.00		(3)				468.00
Committee total					17,721.00						17,721.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.

JIM KOLBE, Sept. 29, 1997.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO NORWAY, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN SEPT. 6 AND SEPT. 8, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Jack Quinn	9/6	9/8	Norway		224.00		1,497.65				1,721.65
Dan Skopec	9/6	9/8	Norway		224.00		1,497.65				1,721.65
Committee total					448.00		2,995.30				3,443.30

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JACK QUINN.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO INDIA, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN SEPT. 12 AND SEPT. 15, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Hon. Christopher Cox	9/12	9/15	India		575.00						575.00
Hon. Jon D. Fox	9/12	9/15	India		575.00						575.00
Hon. Sue Myrick	9/12	9/15	India		575.00						575.00
Hon. Michael R. McNulty	9/12	9/15	India		575.00						575.00
Hon. Frank Pallone	9/12	9/15	India		575.00						575.00
Hon. Sherrod Brown	9/12	9/15	India		575.00						575.00
C. Dean McGrath	9/12	9/15	India		575.00						575.00
Committee total					4,025.00						4,025.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

CHRIS COX, Oct. 8, 1997.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL TO HAITI, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JUNE 29 AND JULY 2, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Carl LeVan	6/29	7/2	Haiti	1,705.00	101.00					1,705	101.00
					250.00						250.00
Committee total					351.00						351.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

D. CARL LeVAN, Jr., Aug. 1, 1997.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, TRAVEL TO IRELAND AND NORTHERN IRELAND, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN AUG. 2 AND AUG. 7, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Mary McD. Noonan	8/2	8/3	Ireland	143.73	209.00						209.00
	8/3	8/5	Northern Ireland	—	476.00						476.00
	8/5	8/7	Ireland	287.46	418.00						418.00
Commercial airfare							4,273.95				4,273.95
Committee total					1,103.00		4,273.95				5,376.95

[1] Per diem constitutes constitues lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

MARY McD. NOONAN, Sept. 5, 1997.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, TRAVEL TO TAIWAN, CHINA, THAILAND, INDIA, JORDAN AND ISRAEL, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN AUG. 8 AND AUG. 22, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Chaplain James Ford	8/8	8/10	Taiwan		532.00						532.00
	8/10	8/13	China		753.00						753.00
	8/13	8/14	Thailand		217.00						217.00
	8/14	8/18	India		1,424.00						1,424.00
	8/18	8/19	Jordan		251.00						251.00
	8/19	8/22	Israel		1,075.00						1,075.00
Committee total					4,252.00						4,252.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expanded.

JAMES D. FORD, Sept. 9, 1997.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, TRAVEL TO GERMANY, AUSTRIA, BOSNIA, FRANCE AND THE UNITED KINGDOM, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN AUG. 30 AND SEPT. 11, 1997

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Gardner G. Peckham	9/1	9/1	Germany		200.00						200.00
	9/1	9/2	Austria	2,814.32	221.00						221.00
	9/2	9/7	Bosnia		1,755.00						1,755.00
	9/7	9/9	France	3,432.80	560.00						560.00
	9/9	9/11	United Kingdom	436.30	692.00						692.00
Commercial airfare	8/30	9/1					2,322.05				2,322.05
					[3] −475.00						−475.00
Committee total					2,953.00		2,322.05				5,275.05

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

[3] Excess per diem, returned to U.S. Treasury.

GARDNER G. PECKHAM, Sept. 29, 1997.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SAXTON: Joint Economic Committee. Report of the Joint Economic Committee on the 1997 Economic Report of the President (Rept. 105–393). Referred to the Committee of the Whole House on the State of the Union.

Mr. LINDER: Committee on Rules. House Resolution 314. Resolution waiving a requirement of clause 4(b) of clause of rule XI with respect to consideration of certain resolutions reported from the Committee on Rules, and for other purposes (Rept. 105–394). Referred to the House Calendar.

Mr. GEKAS: Committee on the Judiciary. H.R. 1544. A bill to prevent Federal agencies from pursuing policies of unjustifiable nonacquiescence in, and relitigation of, precedents established in the Federal judicial circuits; with an amendment (Rept. 105–395). Referred to the Committee of the Whole House on the State of the Union.

Mr. GEKAS: Committee on the Judiciary. House Joint Resolution 96. Resolution granting the consent and approval of Congress for the State of Maryland, the Commonwealth of Virginia, and the District of Columbia to amend the Washington Metropolitan Area Transit Regulation Compact (Rept. 105–396). Referred to the House Calendar.

Mr. GOODLING: Committee on Education and the Workforce. H.R. 1625. A bill to ensure that workers have sufficient information about their rights regarding the payment of dues or fees to labor organizations and the uses of employee dues and fees by labor organizations; with an amendment (Rept. 105–397). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2259. A bill to provide for a transfer of land interests in order to facilitate surface transportation between the cities of Cold Bay, AK, and King Cove, AK, and for other purposes (Rept. 105–398). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows

By Mr. TOWNS:

H.R. 2928. A bill to amend the Internal Revenue Code of 1986 to deny the exemption from income tax for social clubs found to be practicing prohibited discrimination; to the Committee on Ways and Means.

By Mr. PORTER:

H.R. 2929. A bill to reform Social Security by creating individual Social Security retirement accounts; to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, and the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GILMAN (for himself, Mr. Horn, Ms. Stabenow, Mr. Talent, Mr. Sandlin, Mr. Lampson, Ms. Dunn of Washington, Mrs. Kelly, Mr. Gejdenson, Mr. Whitfield, Mr. Frank of Massachusetts, Ms. Rivers, Mr. Goode, Mr. Dickey, Mr. Doyle, Mr. Skelton, Mr. Boyd, Mr. Manton, Mr. Scarborough, Mr. Waxman, Mr. Strickland, Mr. Hall of Texas, Mr. Forbes, Mr. Poshard, Mr. Metcalf, Mr. Adam Smith of Washington, Mr. Rogan, Ms. Danner, Ms. Sanchez, Mrs. Fowler, Mr. Holden, Mr. Evans, Mr. McCrery, Ms. DeGette, Mr. Upton, Mr. Filner, Mr. Allen, Mr. Watts of Oklahoma, Mr. McIntosh, Mr. Bentsen, Mr. Cummings, Mr. Stokes, Mr. Sawyer, Mr. Diaz-Balart, Mr. Coble, Mr. Clyburn, Mr. McInnis, Mr. Blumenauer, Mr. Stump, Mr. Hunter, Mr. Hobson, Mr. Levin, Mr. McDade, Mr. Turner, Mr. Hastings of Washington, Mr. Gibbons, Ms. Furse, Mr. John, Mrs. Tauscher, Mr. Aderholt, Ms. Lofgren, Mr. Miller of Florida, Mr. Lantos, Mr. White, Mr. Wicker, Mr. Linder, Mr. Kleczka, Mr. Stearns, Mrs. Linda Smith of Washington, Mr. McCollum, Mr. Brady, Mr. Bliley, Mr. Bass, Mr. Paxon, Mr. Souder, Mr. Kennedy of Massachusetts, Mr. Condit, Mr. Bunning of Kentucky, Mr. Ryun, Mr. Crapo, Mr. Cramer, Mr. Rush, Mr. Ney, Mr. Delahunt, Ms. Roybal-Allard, Mr. Christensen, Mr. Taylor of North Carolina, Mr. Hulshof, Ms. Pryce of Ohio, Ms. Jackson-Lee, Mr. Shimkus, Mr. Scott, Mr. Yates, Mr. Portman, Mr. Ensign, Mr. Riggs, Mr. Bryant, Mr. Nussle, Mrs. McCarthy of New York, Mr. Tierney, Mr. Inglis of South Carolina, Mr. Davis of Virginia, Mr. Barcia of Michigan, Mr. Kingston, Mr. Hinchey, Mr. Goodlatte, Mr. Fossella, Mr. LaHood, Ms. Eshoo, Mr. Tiahrt, Mr. Matsui, Ms. Slaughter, Mrs. Myrick, Mr. Lewis of Kentucky, Mr. McDermott, Mr. Andrews, Mr. Radanovich, Mr. Sabo, Mr. Cook, Mr. Pickett, Mr. Gekas, and Mr. Stenholm):

H.R. 2930. A bill to impose certain sanctions on foreign persons who transfer items contributing to Iran's efforts to acquire, develop, or produce ballistic missiles; to the Committee on International Relations.

By Mr. TRAFICANT (for himself, Mr. Murtha, Mr. McDade, Mr. Hefner, Mr. Borski, and Mr. Weldon of Pennsylvania):

H.R. 2931. A bill to redesignate the naval facility located in Gricignano d'Aversa, Italy, and known as the Naples Support Site, as the "Thomas M. Foglietta Support Site"; to the Committee on National Security.

By Mr. BORSKI:

H.R. 2932. A bill to require the Secretary of Housing and Urban Development to carry out a demonstration program to determine the effectiveness of establishing fair market rentals, for purposes of the tenant-based rental assistance program under section 8 of the United States Housing Act of 1937, by smaller geographic areas; to the Committee on Banking and Financial Services.

By Mr. DREIER (for himself and Mr. Jefferson):

H.R. 2933. A bill to amend the Internal Revenue Code of 1986 to reduce employer and employee Social Security taxes to the extent there is a Federal budget surplus; to the Committee on Ways and Means, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HAYWORTH (for himself, Mr. Redmond, Mr. McInnis, and Mr. Cannon):

H.R. 2934. A bill to repeal the Bennett Freeze thus ending a gross treaty violation with the Navajo Nation and allowing the Navajo Nation citizens to live in habitable dwellings and raise their living conditions, and for other purposes; to the Committee on Resources.

By Mr. ACKERMAN (for himself, Mrs. Morella, Mr. Andrews, Mr. Barrett of Wisconsin, Mr. Blagojevich, Mr. Castle, Mr. Davis of Virginia, Mr. Engel, Mr. Filner, Mr. Flake, Mr. Kennedy of Rhode Island, Mr. Lipinski, Mrs. Lowey, Mr. McDermott, Mr. McGovern, Ms. McKinney, Mr. Manton, Mr. Martinez, Mr. Miller of California, Mr. Owens, Mr. Pascrell, Mrs. Roukema, Mr. Scott, Mr. Stark, Mr. Wexler, Ms. Woolsey, and Mr. Yates):

H.R. 2935. A bill to amend the Omnibus Crime Control and Safe Streets Act to ensure that States have in effect a law that requires a background check to be conducted in connection with the purchase of a handgun from a licensed firearms dealer; to the Committee on the Judiciary.

By Mr. BACHUS (for himself, Ms. Danner, Mr. Pickering, Mr. Blunt, Mr. Coble, and Mrs. Emerson):

H.R. 2936. A bill to prohibit the Secretary of Transportation from imposing certain requirements relating to the unloading of cargo tank vehicles in liquefied compressed gas service; to the Committee on Transportation and Infrastructure.

By Mr. BAKER (for himself and Mr. Dreier):

H.R. 2937. A bill to provide for the recognition of digital and other forms of authentication as an alternative to existing paperbased methods, to improve efficiency and soundness of the Nation's capital markets and the payment system, and to define and harmonize the practices, customs, and uses applicable to the conduct of electronic authentication, and for other purposes; to the Committee on Commerce, and in addition to the Committees on Government Reform and Oversight, the Judiciary, Science, and Banking and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BILIRAKIS (for himself, Mr. Davis of Florida, Mr. Young of Florida, Mrs. Thurman, Mr. Boyd, and Mr. Mica):

H.R. 2938. A bill to prohibit the Secretary of Health and Human Services from treating any Medicaid-related funds recovered as part of State litigation from one or more tobacco companies as an overpayment under the Medicaid Program; to the Committee on Commerce.

By Mr. BRADY (for himself, Mr. Kasich, Mr. Turner, Mr. DeLay, Mr. Smith of Oregon, Mr. Stenholm, Mr. Boehner, Mr. Peterson of Minnesota, Mr. Sessions, Mr. Paxon, Mr. Burton of Indiana, Mr. Rodriguez, Ms. Granger, Mr. Condit, Mr. Pickering, Mr. Hill, Mr. Goode, Ms. Dunn of Washington, Mr. Smith of Texas, Mr. Snowbarger, Mr. Canady of Florida, Mr. Salmon, Mr. Redmond, Mr. McIntosh, Mr. Rogan, Mr. Scarborough, Mr. Inglis of South Carolina, Mr. Bob Schaffer, Mr. Pitts, Mr. Thornberry, Mr. Green, Mr. Nussle, Mr. Doolittle, Mr. Pombo, Mr. Istook, Mr. Hall of Texas, Mrs. Myrick, Mr. Cook, Mr. Souder, Mr. Cooksey, Mr. Sam Johnson, Mr. Combest, Mr. Bonilla, Mr. Blunt, Mr. Herger, Mr. Hutchinson, Mr. Minge, Mr. Barton of Texas, Mrs. Chenoweth, Mr. Paul, Mr. Klug, Mr. English of Pennsylvania, Mr. John, Mr. Coburn, Mr. Tiahrt, Mr. Lucas of Oklahoma, Mr. Peterson of Pennsylvania, Mr. Sandlin, Mr. Weldon of Florida, Mr. Tauzin, Mr. Fox of Pennsylvania, Mr. Sununu, Mr. Pappas, Mr. Romero-Barcelo, Mr. Royce, Mr. Ortiz, Mr. McIntyre, and Mr. Lampson):

H.R. 2939. A bill to provide for the periodic review of the efficiency and public need for Federal agencies, to establish a Commission for the purpose of reviewing the efficiency and public need of such agencies, and to provide for the abolishment of agencies for which a public need does not exist; to the Committee on Government Reform and Oversight.

By Mr. DREIER (for himself and Mrs. Myrick):

H.R. 2940. A bill to enhance competition and consumer choice in the delivery of financial products and services; to the Committee on Banking and Financial Services, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. BRADY:

H.R. 2941. A bill to permit States to condition use of State funds for purchase of prescription drugs for minors under certain Federal State matching programs upon parental consent; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. COBLE:

H.R. 2942. A bill to amend title 49, United States Code, to permit an individual to operate a commercial motor vehicle solely within the borders of a State if the individual has passed written and driving tests to operate the vehicle that meet such minimum standards as may be prescribed by the State, and for other purposes; to the Committee on Transportation and Infrastructure.

By Mr. CUMMINGS (for himself and Ms. Norton):

H.R. 2943. A bill to amend title 5, United States Code, to increase the amount of leave time available to a Federal employee in any year in connection with serving as an organ donor, and for other purposes; to the Committee on Government Reform and Oversight.

By Mr. CUMMINGS (for himself, Mr. Frost, Mr. Bonior, Mr. Filner, and Mr. Clyburn):

H.R. 2944. A bill to amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies, subject to a reduction of a 50 percent if the recipient dies during the first 15 days of such month, and for other purposes; to the Committee on Ways and Means.

By Mr. DUNCAN (for himself and Mr. Hansen):

H.R. 2945. A bill to amend the Land and Water Conservation Fund for purposes of establishing a Community Recreation and Conservation Endowment with certain escrowed oil and gas revenues, to the Committee on Resources.

By Mr. FORBES (for himself, Mr. LoBiondo, Mr. Ackerman, Mr. Towns, Mr. Clay, Mr. Delahunt, and Mr. Lazio of New York):

H.R. 2946. A bill to provide veterans benefits to individuals who serve in the U.S. merchant marine during a period of war; to the Committee on Veterans' Affairs.

By Mr. GIBBONS:

H.R. 2947. A bill to encourage and to assist in the permanent settlement of all litigation and other claims to the waters of the Walker River Basin, NV, and to conserve and stabilize the water quantity and quality for fish habitat and recreation in the Walker River Basin, consistent with the Walker River Decree issued by the U.S. district court for the District of Nevada; to the Committee on Resources.

By Mr. GOODLING:

H.R. 2948. A bill to amend title VII of the Civil Rights Act of 1964 to establish provisions with respect to religious accommodation in employment, and for other purposes; to the Committee on Education and the Workforce.

By Mr. HULSHOF (for himself and Ms. Danner):

H.R. 2949. A bill to authorize the Secretary of the Army to carry out a project to protect and enhance fish and wildlife habitat of the Missouri River and the middle Mississippi River; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HUNTER:

H.R. 2950. A bill to prohibit United States assistance to the Republic of Panama if a defense sit or military installation built or formerly operated by the United States has been conveyed by the Government of the Republic of Panama to any foreign government-owned entity, and for other purposes: to the Committee on International Relations, and in addition to the Committees on Banking and Financial Services, National Security, and Intelligence (Permanent Select), for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. JOHNSON of Connecticut (for herself and Mrs. Thurman):

H.R. 2951. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income certain amounts received as scholarships by an individual under the National Health Service Corps Scholarship Program; to the Committee on Ways and Means.

By Mr. KENNEDY of Massachusetts:

H.R. 2952. A bill to amend the Public Health Service Act to authorize a national program to reduce the threat to human health posed by exposure to contaminants in the air indoors, and for other purposes; to the Committee on Commerce.

By Mr. KENNEDY of Massachusetts (for himself, Mr. Regula, Mr. Martinez, Mrs. Morella, Mrs. Maloney of New York, Mr. Barrett of Wisconsin, Mr. Weygand, and Mr. Lipinski):

H.R. 2953. A bill to require criminal and abusive work history background checks for nurse and home health aides in nursing facilities, home health agencies, and hospice programs under the Medicare and Medicaid Programs, and for other purposes; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LaFALCE:

H.R. 2954. A bill to establish minimum standards of fair conduct in franchise sales and franchise business relationships, and for other purposes; to the Committee on the Judiciary.

By Mr. LaFALCE (for himself, Mr. Conyers, Mr. McHugh, Mr. Houghton, Mr. Quinn, Mr. Bereuter, Ms. Furse, Mr. Stupak, Mr. Peterson of Minnesota, and Mr. Walsh):

H.R. 2955. A bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to clarify and improve the requirements for the development of an automated entry-exit control system, to enhance land border control and enforcement, and for other purposes; to the Committee on the Judiciary, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LUTHER:

H.R. 2956. A bill to provide for a biennial budget process and a biennial appropriations process and to enhance oversight and the performance of the Federal Government; to the Committee on the Budget, and in addition to the Committee on Rules, and Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. MALONEY of New York (for herself, Mr. Towns, Mr. Nadler, Mr. Berman, and Mr. Manton):

H.R. 2957. A bill to provide for development and implementation of certain plans to reduce risks to the public health and welfare caused by helicopter operations; to the Committee on Transportation and Infrastructure.

By Mr. McHALE:

H.R. 2958. A bill to reauthorize the Delaware and Lehigh Navigation Canal National Heritage Corridor Act, and for other purposes; to the Committee on Resources.

By Mr. NADLER:

H.R. 2959. A bill to provide a civil claim for individuals who are victims of crimes motivated by actual or perceived race, color, gender, religion, national origin, ethnicity, sexual orientation, or physical or mental disability; to the Committee on the Judiciary.

By Mr. NORWOOD (for himself, Mr. Ganske, Mr. Sessions, Mr. Edwards, Mr. Paul, and Mr. Towns):

H.R. 2960. A bill to amend title I of the Employee Retirement Income Security Act of 1974 to clarify the preemption of State law by such title with respect to causes of action for damages for personal or financial injury or wrongful death resulting from failures to provide benefits under employee welfare benefit plans providing health care benefits; to the Committee on Education and the Workforce.

By Mr. OLVER:

H.R. 2961. A bill to permit the Administrator of the Environmental Protection Agency to enter into cooperative research and development agreements for environmental protection; to the Committee on Science.

By Mr. RANGEL (for himself and Mr. Stark):

H.R. 2962. A bill to amend title XVIII of the Social Security Act to provide for a wraparound payment under the Medicare Program for community health center services to account for reductions in payments attributable to individuals covered under managed care plans; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ROTHMAN (for himself, Mr. Hyde, and Mr. Conyers):

H.R. 2963. A bill to establish a youth mentoring program; to the Committee on Education and the Workforce.

By Ms. SANCHEZ (for herself, Mr. Torres, Mr. Martinez, and Mr. Snyder):

H.R. 2964. A bill to provide for reviews of criminal records of applicants for participation in shared housing arrangements, and for other purposes; to the Committee on the Judiciary.

By Mr. SANDLIN:

H.R. 2965. A bill to reduce the amount of the annual contribution of the United States to the North Atlantic Treaty Organization security investment program; to the Committee on International Relations.

H.R. 2966. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for employment taxes paid by employees and self-employed individuals, and for other purposes; to the Committee on Ways and Means.

By Mr. SCHUMER:

H.R. 2967. A bill to amend the title XXVII of the Public Health Service Act and other laws to assure the rights of enrollees under managed care plans; to the Committee on Commerce, and in addition to the Committees on Education and the Workforce, Ways and Means, and Government Reform and Oversight, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SMITH of New Jersey (for himself and Mr. Stearns):

H.R. 2968. A bill to require the Secretary of Health and Human Services to take no further action on proposed regulation relating to the use of chlorofluorocarbons in metered-dose inhalers; to the Committee on Commerce.

By Mr. SOUDER:

H.R. 2969. A bill to amend the Housing and Community Development Act of 1974 to authorize States to use community development block grant amounts provided for nonentitlement areas to offset the costs of State charity tax credits; to the Committee on Banking and Financial Services.

H.R. 2970. A bill to amend the National Historic Preservation Act for purposes of establishing a national historic lighthouse preservation program; to the Committee on Resources.

By Mr. SOUDER (for himself and Mr. Solomon):

H.R. 2971. A bill to amend the Internal Revenue Code of 1986 to impose a flat tax only on the earned income of individuals and on business taxable income, and for other purposes; to the Committee on Ways and Means.

By Mr. STARK:

H.R. 2972. A bill to direct the Secretary of Health and Human Services to establish a continuous quality improvement program for providers that furnish services under the Medicare Program to individuals with end stage renal disease, and for other purposes; to the Committee on Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TANNER (for himself, Mr. Cunningham, Mr. Chambliss, Mr. Peterson of Minnesota, Mr. Young of Alaska, Mr. Dingell, Mr. Baker, Mr. McCrery, Mr. Saxton, Mr. Clement, Mr. John, Mr. Cramer, Mr. Jefferson, Mr. Bonior, Mr. Boehlert, Mr. Gilchrest, Mr. McHugh, Mr. Cooksey, Mr. Watkins, Mr. Frank of Massachusetts, Mr. Abercrombie, Mr. Castle, and Mrs. Johnson of Connecticut):

H.R. 2973. A bill to amend the Act popularly known as the Federal Aid in Fish Restoration Act, authorizing assistance to the States for fish restoration and management projects, and for other purposes; to the Committee on Resources, and in addition to the Committees on Transportation and Infrastructure, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. TRAFICANT:

H.R. 2974. A bill to authorize certain military construction projects for fiscal year 1999 for the 910th Airlift Wing at Youngstown, OH; to the Committee on National Security.

By Mr. VENTO:

H.R. 2975. A bill to establish the Federal Housing Corporation to provide mortgage credit to families, communities, and markets underserved by the conventional mortgage markets and ensure the stability of the national system for mortgage finance, and for other purposes; to the Committee on Banking and Financial Services.

By Mr. ARMEY:

H.J. Res. 103. Joint resolution waiving certain enrollment requirements with respect to certain specified bills of the 105th Congress; to the Committee on House Oversight.

By Mr. CHRISTENSEN:

H. Con. Res. 190. Concurrent resolution authorizing the use of the rotunda of the Capitol for the congressional Christmas celebration; to the Committee on House Oversight.

By Ms. ESHOO (for herself, Mrs. Mink of Hawaii, Mr. Abercrombie, Mr. Faleomavaega, Ms. Roybal-Allard, Mr. Matsui, and Mr. Underwood):

H. Con. Res. 191. Concurrent resolution condemning all prejudice against Asian and Pacific Islander Americans in the United States, and supporting political and civic participation by these persons throughout the United States; to the Committee on the Judiciary.

By Mrs. KELLY (for herself and Ms. Millender-McDonald):

H. Res. 313. Resolution expressing the sense of the House of Representatives regarding Government procurement access for women-owned businesses; to the Committee on Government Reform and Oversight.

By Mr. GEPHARDT:

H. Res. 315. Resolution relating to a question of the privileges of the House; considered and laid on the table.

By Ms. SANCHEZ:

H. Res. 316. Resolution recognizing and honoring former South Vietnamese commandos for their heroism, sacrifice, and service during the Vietnam conflict; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII.

Mr. ROTHMAN introduced a bill (H.R. 2976) for the relief of Alexandre Malofienko, Olga Matsko, and their son, Vladimir Malofienko; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 68: Mr. Bonior, Mr. Coyne, Mr. Cummings, Ms. Danner, Mr. Farr of California, Mr. Filner, Mr. Hastings of Florida, Mr. McIntyre, Mr. Sanders, Mr. Towns, Mr. Underwood, and Mr. Vento.

H.R. 104: Mr. Radanovich.

H.R. 107: Mr. Payne.

H.R. 135: Mr. Cunningham, Mr. Boehlert, and Mrs. Emerson.

H.R. 164: Mr. Johnson of Wisconsin, Mr. Sandlin, Mr. Kennedy of Massachusetts, and Mr. Price of North Carolina.

H.R. 306: Mr. Hall of Ohio and Mr. Rangel.

H.R. 519: Mr. Farr of California.

H.R. 611: Ms. Kilpatrick.

H.R. 725: Mr. Fazio of California.

H.R. 806: Ms. Furse.

H.R. 902: Mr. Gingrich, Mr. Burr of North Carolina, Mr. Franks of New Jersey, Mr. Salmon, Mr. Upton, and Mr. Whitfield.

H.R. 1023: Mr. Houghton.

H.R. 1038: Mr. Frank of Massachusetts.

H.R. 1043: Mr. Sherman.

H.R. 1054: Mr. McCrery, Mr. McGovern, and Mr. Neal of Massachusetts.

H.R. 1070: Ms. Millender-McDonald.

H.R. 1126: Mr. Johnson of Wisconsin.

H.R. 1165: Mr. Johnson of Wisconsin.

H.R. 1241: Mr. Watts of Oklahoma.

H.R. 1319: Mr. Salmon.

H.R. 1322: Mr. Packard.

H.R. 1354: Mr. LaTourette.

H.R. 1362: Mr. Deutsch.

H.R. 1375: Ms. Brown of Florida and Mr. Davis of Virginia.

H.R. 1382: Mr. Fattah and Mr. Kucinich.

H.R. 1453: Ms. Furse.

H.R. 1521: Mr. Radanovich.

H.R. 1614: Mr. Coyne.

H.R. 1625: Mr. McInnis and Mr. Bryant.

H.R. 1631: Ms. Stabenow.

H.R. 1689: Mr. Salmon and Mr. Neal of Massachusetts.

H.R. 1891: Mrs. Emerson, Mr. Hayworth, Mr. Crane, Mr. Upton, Mr. Camp, and Mr. Neal of Massachusetts.

H.R. 1995: Ms. Rivers, Mr. Kildee, Mr. Evans, Ms. Waters, Mr. Delahunt, Mr. Hefner, Mr. Bonior, Mr. Serrano, Mr. Cardin, Mrs. Morella, Ms. Harman, Mr. Lewis of Georgia, Mrs. Kennelly of Connecticut, Mr. Sanders, Mr. Murtha, Mr. Pomeroy, Mr. Owens, Mr. Abercrombie, Ms. Velázquez, Mr. Brown of Ohio, and Mr. Moakley.

H.R. 2023: Mr. Kucinich.

H.R. 2029: Mr. Scarborough.

H.R. 2139: Mr. Strickland, Ms. Woolsey, and Mr. Cook.

H.R. 2183: Mr. Ewing.

H.R. 2186: Mr. Hansen, Ms. Lofgren, Mr. Packard, and Mr. Cook.

H.R. 2202: Mr. Johnson of Wisconsin.

H.R. 2275: Mr. Frost, Mr. Filner, Mr. McHugh, Mr. Evans, Mrs. Kelly, Mrs. Mink of Hawaii, Mr. Ackerman, Mr. Sandlin, Mrs. Tauscher, and Ms. DeLauro.

H.R. 2305: Mr. Portman.

H.R. 2348: Mr. Stark, Mr. Royce, Mr. Packard, Mr. Radanovich, Mr. Campbell, Mr. Bilbray, Mr. Hunter, Mr. Pombo, Mr. Kim, Mr. McKeon, Mrs. Tauscher, Mr. Bono, Mr. Cunningham, Ms. Sanchez, Mr. Herger, Mr. Doolittle, Ms. Eshoo, Mr. Thomas, Mr. Becerra, Mr. Calvert, Mr. Horn, Mr. Lantos, Mr. Rohrabacher, Mr. Brown of California, and Mr. Gallegly.

H.R. 2349: Mr. Herger, Mr. Doolittle, Ms. Eshoo, Mr. Thomas, Mr. Becerra, and Mr. Calvert.

H.R. 2356: Mr. Dreier.

H.R. 2391: Mr. Rahall.

H.R. 2396: Ms. Lofgren, Mr. LaFalce, Mrs. McCarthy of New York, Mr. McGovern, Ms. Christian-Green, Mr. Frank of Massachusetts, and Mr. Wexler.

H.R. 2456: Mr. Ortiz.

H.R. 2483: Mr. Schiff, Mr. Salmon, and Mr. Sununu.

H.R. 2490: Mr. Radanovich.

H.R. 2492: Mr. Kucinich.

H.R. 2497: Mr. Radanovich.

H.R. 2499: Ms. Carson.

H.R. 2503: Mr. Conyers.

H.R. 2515: Mr. Radanovich.

H.R. 2527: Mr. Johnson of Wisconsin.

H.R. 2579: Mr. Upton, Mr. Paul, Mr. Cunningham, Mr. Peterson of Pennsylvania, Mr. Snowbarger, and Mr. McIntosh.

H.R. 2590: Mr. Sanders.

H.R. 2593: Ms. Woolsey, Mr. Kleczka, Mr. Hall of Texas, Mr. Hansen, and Mr. Bilbray.

H.R. 2596: Mr. LaHood, Mr. Manzullo, Mr. Petri, Mr. Minge, Mr. Calvert, and Mr. Foley.

H.R. 2598: Mr. Sununu.

H.R. 2625: Mr. Hastert, Mr. Chambliss, Mr. Wamp, and Mr. Burton of Indiana.

H.R. 2631: Mr. Calvert.

H.R. 2667: Mr. Calvert.

H.R. 2730: Mr. Bryant, Mr. Duncan, Mr. Gordon, Mr. Clement, Mr. Wamp, Mr. Jenkins, and Mr. Ford.

H.R. 2783: Mr. LoBiondo.

H.R. 2791: Mr. Pappas.

H.R. 2796: Mr. Watts of Oklahoma, Mr. Vento, Mr. Gutierrez, Mr. Burr of North Carolina, Ms. McKinney, Mr. Kennedy of Rhode Island, Mr. Gejdenson, Mr. McIntyre, Mr. Mascara, Mr. Calvert, and Ms. Pryce of Ohio.

H.R. 2802: Mr. Tierney.

H.R. 2820: Mr. Towns and Mr. Stupak.

H.R. 2821: Mr. Ewing.

H.R. 2829: Mr. Baker, Mr. Boehner, Mr. Bryant, Mr. Burr of North Carolina, Mr. Cunningham, Mr. Goodling, Mr. Greenwood, Mr. Lewis of California, Mr. Nethercutt, Mr. Packard, Mr. Pombo, Mr. Riggs, Mr. Rogers, Mr. Rush, Mr. Salmon, Mr. Solomon, Mr. Wamp, Mr. Weldon of Florida, Mr. Wicker, and Mr. Young of Florida.

H.R. 2849: Ms. McCarthy of Missouri.

H.R. 2850: Mr. Foley and Mr. Towns.

H.R. 2854: Mr. Bentsen and Mr. Barrett of Wisconsin.

H.R. 2864: Mr. Goodling.

H.R. 2869: Mr. Goodling.

H.R. 2870: Ms. Furse.

H.R. 2871: Mr. Goodling.

H.R. 2873: Mr. Goodling.

H.R. 2875: Mr. Goodling.

H.R. 2877: Mr. Goodling.

H.R. 2879: Mr. Goodling.

H.R. 2881: Mr. Goodling.

H.R. 2909: Ms. Furse and Mr. Sherman.

H.R. 2912: Mr. Jenkins and Mr. Hilliard.

H.R. 2920: Mr. Houghton.

H.R. 2925: Mr. Conyers.

H.J. Res. 71: Mr. Packard.

H. Con. Res. 125: Ms. Furse.

H. Con. Res. 148: Mr. Menendez and Mr. Engel.

H. Con. Res. 174: Mrs. Kelly, Mr. Poshard, and Mr. Calvert.

H. Con. Res. 183: Mr. Radanovich.

H. Res. 171: Ms. Velázquez, Mr. Waxman, and Mr. McGovern.

H. Res. 267: Mr. Calvert.

H. Res. 268: Mr. Calvert.

H. Res. 281: Mr. Fawell and Mr. Porter.

H. Res. 310: Mr. Watts of Oklahoma.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 600: Mr. Peterson of Minnesota.

H.R. 1366: Mr. Peterson of Minnesota.

SENATE—*Saturday, November 8, 1997*

The Senate met at 12 noon and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Gracious Lord, You have created us to know, love, and serve You. Thanksgiving is the memory of our hearts. You have shown us that gratitude is the parent of all other virtues. Without gratitude, we miss the greatness You intended and often become proud and self-centered. Thanksgiving is the thermostat of our souls, opening us to the inflow of Your spirit and the realization of even greater blessings.

We want to live this day with an attitude of gratitude for all of the gifts of life: for intellect and emotion, will, strength, fortitude, and courage. We are privileged to live in this free land so richly blessed by You.

Thank You Father for the women and men of this Senate and for all who work with them to lead this Nation. May this Saturday session be productive, bring resolution to conflicts, and the completion of unfinished legislation. Through our Lord and Saviour. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, the distinguished Senator from Idaho, is recognized.

Mr. CRAIG. Thank you, Mr. President.

SCHEDULE

Mr. CRAIG. Mr. President, today there will be a period for the transaction of morning business until 1 p.m. Following morning business, the Senate will consider the Labor-HHS appropriations conference report. The leader anticipates 90 minutes of debate and a rollcall vote on the adoption of the conference report. Therefore, the first vote today will occur at approximately 2:30 p.m.

Following that vote, the Senate may be asked to consider an appropriations matter to be offered by the chairman and ranking member shortly after the vote at 2:30. Therefore, additional votes can be expected during Saturday's session of the Senate.

Since these are hopefully the last few days of the session for the 1st session of the 105th Congress, many items are in the process of being cleared for consideration by the Senate. Some of those items include the FDA reform conference report, the adoption/foster care legislation and Executive Calendar nominations. Therefore, the cooperation of all Senators would certainly be appreciated.

Mr. President, let me say briefly that the adoption/foster care legislation, I understand, is now nearly cleared. It is an effort that I, along with Senator CHAFEE and Senator ROCKEFELLER—and a good many others—Senator COATS, Senator DEWINE have worked on cooperatively with our staffs over the last several months. We think we have an excellent agreement that will reform the foster care system of our country, stop us from warehousing children, move them into adoption, and grant them an opportunity for a permanent and loving home. We hope that can move before we adjourn this 1st session of the 105th Congress.

Mr. President, with all of the other considerations, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HUTCHINSON). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THOMAS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—CONFERENCE REPORT ACCOMPANYING H.R. 2264

Mr. THOMAS. Mr. President, I ask unanimous consent that at 1 p.m. today, the Senate begin consideration of the conference report to accompany H.R. 2264, the Labor-HHS appropriations bill. I further ask unanimous consent that there be 90 minutes for debate, equally divided between the chairman and the ranking member. Finally, I ask unanimous consent that at the expiration or yielding back of time, the Senate proceed to vote on the adoption of the conference report, with no intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 1 p.m., with Senators permitted to speak therein for up to 10 minutes each.

Mr. THOMAS. Mr. President, I would like to speak in morning business.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

NATIONAL PARKS

Mr. THOMAS. Mr. President, I want to take the time that we have available this morning while we are waiting for these important closing activities—I hope closing activities—to talk a little bit about an issue that I feel very strongly about and that I think most people do, and that is our national parks and our national parks plan.

I am chairman of the Subcommittee on National Parks, and we have spent almost this entire year working on a program to help strengthen the parks. Certainly, the National Park System is truly one of our treasures.

The Park System is the custodian of some of America's most important natural and cultural resources and provides, of course, a legacy for our children and our grandchildren.

The Park System today consists of about 374 units which are visited annually by millions of people. They stretch all the way from Acadia in Maine to American Samoa in the Pacific islands and provide a unique opportunity.

I, of course, am particularly selfishly interested in parks because I come from Wyoming. We have the first national park which recently celebrated its 125th anniversary—Yellowstone. We also of course have Teton Park. But the whole country has a park system that we are extremely proud of.

Unfortunately, that System is and has been under considerable stress. At the time that we have showed unusual interest in it as Americans, and have increased our visitations, the park has had increasing difficulties. We are believed to have somewhere near $8 billion in unfunded and unrealized infrastructure repairs of various kinds. That is a great deal of money.

We also have had some stress in terms of management in many of those things. So we worked this year and intend, as a matter of fact, to have some field hearings in November; particularly we have one set for Denver and one for San Francisco, and we hope then to have one later in Florida near the Everglades, to try and bring in as much information as we can get on the issues and how they affect people.

The issues are broken down, as you might imagine, into several categories. One of them is finance. That is one of the basic ones, of course. As I mentioned, we have an overwhelming amount of unfunded programs: $2.2 billion in road and bridge repair; $1.5 billion in buildings and maintenance; $800 million in natural resource management kinds of things. They are the kinds of things that are very difficult to manage in an annual budget.

So we are looking for some ways to do this a little bit differently. We are looking at a number of things. One would be to extend the temporary program for fees, where fees have been raised in a number of the parks, about 100 I think out of the 375 parks. They have been very low. And it has been $10 a car at Yellowstone for a whole carload of people for a week. I think it has now gone to $20. And, frankly, we found very little resistance to that, particularly if people believe the money they are spending going to that park will be used to make that park a better place to visit.

In addition to fees, of course, it will be our responsibility, Mr. President, as Members of Congress, to keep the appropriations growing some for that. We had an increase in appropriations this year. We need to continue to do that.

In addition to entrance fees, we are looking at ways for people to contribute, private individuals to contribute to parks. Many want to do that. There are park foundations in individual parks. We need to find some ways for Americans who chose to, to be able to contribute more to the maintenance of parks.

We are also looking at a way for corporate investment as well, without commercializing parks. We do not want "Pepsi-Cola" painted up on the wall of Yosemite. But there isn't any reason why there cannot be corporate donations made. For example, one of the corporations made a donation to build the walkway around Old Faithful. It is a wonderful addition. And there is a very small and unobtrusive sign there that indicates the sponsors of that. I think that is a good idea. I think we can continue to do that.

One of the things we are looking at is a way for bonding. Interestingly enough, the larger parks, like Yosemite, like Yellowstone are basically small cities. They have to have sewers, they have to have streets, they have to have housing, the kinds of things that take long-term investment. And it is very difficult to do it, as I mentioned a moment ago, out of annual appropriations.

So we are trying to find a way that the park could do some bonding in the private sector. I do not know whether these can be Government bonds, I do not know whether they can be tax-free bonds or taxable bonds. But in order to do that, we have a couple of problems I hope we can overcome.

One is the scoring system here in the budget of the United States. As you know, we do not have a capital budget. And so if you issue 300 million dollars' worth of bonds, that would all go into the annual budget. That is a difficult thing. We will have to try and overcome that. We hope that there are some ways to do it.

The other thing, of course, that is necessary to do bonding is to have a dependable and steady stream of revenue to pay off the bonds. We think we can do that. So those are a couple of the ways that we are seeking to do some things that would be good for parks.

In addition, many of the larger parks, as you know, the services—let me go back and say, I think most people would agree that the main purpose of a park is to maintain the resources, whether it be cultural or whether it be natural resources.

But the second and equally important part of it is to have a pleasant visit for Americans, who own those parks. To do that, by and large, we have had concessions that have been run by the private sector. I certainly support that idea. I think that is the way to do it. We have, unfortunately, kind of gotten out of sync in terms of doing the sort of contracting that is necessary.

We went through a while, a big debate a couple years ago as to whether the Government ought to own the facilities. I think we have overcome that and decided that is not what we want to do. So we need to go back to longer term contracts for some very large facilities.

I think there is about $700 million in gross revenue that comes from concessions in the whole Park System, which is a very sizable amount.

On the other hand, parks are not all big-profit operations because Glacier Park, for example, in Montana is only opened a portion of the year. And the season is rather shortened. So we have to deal with questions like: How long should the contract be for sizable investments? Should there be the right of renewal? Should there be some sort of proprietary ownership in these facilities at the time the contract exchange comes? So we are working with those things. I am positive that we can find some solutions.

I also want you to know that one of, I think, the key issues we are talking about with concessions—I mentioned to you this is a large commercial business. It is a commercial business. We think we ought to take a look at the idea of contracting with an asset manager out of the private sector who is a professional at managing hospitality things to do this. That is not really the role of a park ranger in terms of training and background.

As you know, Mr. President, I have been working as hard as I can to see if we can't move these commercial functions of the Government over into the private sector, at least give them an opportunity to bid on it. So that is one of the things that we are seeking to do.

I do not think that we are going to solve the financial problem out of the concessions by any means. But we ought to be able to do two things. We ought to be able to have good facilities that are kept up; and we ought to be able to have a small stream of revenue come to the parks. We think that might be one of the possibilities for doing something with the bonding revenue.

We are looking at improved management. The Park Service, after all, is a large agency, I think, with some of the most dedicated employees of any agency in the country. The people you talk to that work for the Park Service are really, really dedicated to doing what they do. They like to preserve the parks. They like to work in the parks. But they did not always have the opportunity, for instance, to be trained.

We are going to look at some university exchanges where folks could get some additional training and help them do their jobs. But I think more than anything it has become a large agency, and what we need is a strategic plan.

Any business of that size, any operation of that size needs a strategic plan that has some forward ideas as to how to solve problems. Frankly, that is kind of why we are where we are. There has not been any plans presented to the Congress. And the Congress has not taken the initiative to prepare plans to accommodate these problems that we now have, and problems of increased visitation. The highways, for example, in Yelowstone Park are way behind in preparation and care. So we need a strategic plan in the agency.

Probably at least as important then is each park, and each park manager, needs to have a strategic plan that contributes to the overall plan and one with measurable objectives and measurable goals so that you do not just have a plan that everybody thinks is wonderful but you have one that at the end of the year you can take a look at the plan and say you accomplished what you were going to or you did not. If you did not, there ought to be a reason why you did not. So we think we can do some good there.

Let me tell you that we are working very closely with the Park Service. And a new park director is now in place, Bob Stanton. His background as a career park official has been that he was the head of the parks here in this area. It was the first time, by the way, that the park director has been approved by the Senate. That was just changed so it is an appointment that has to be approved. So we are working with him. The Secretary of the Interior has talked favorably about some of the changes that need to be made.

Finally, one of the things we are doing is trying to take a look at the criteria for new parks. I think it is fairly well defined in terms of setting aside things that are important either historically or culturally or from a natural resource standpoint.

But, unfortunately—I think unfortunately—we have continued to add more parks that do not necessarily fit that criteria. They are often recommended by Members of Congress who have an equivalent of a State or a county park in their area that they would like to have the Federal Government pay for. So they move it into the Park Service when it could just as well be a State park. And we find ourselves short of money to handle the 375 parks we have now, and continuing to increase with parks that may or may not fit the criteria.

So we are not as concerned about the criteria. I believe it exists there. But we are concerned and hopefully will change the process in which the criteria moves through the Congress so that there is an opportunity to do that.

So, Mr. President, these are the things that we are doing. We have purposely worked on it all this session. We did not intend to bring a bill this session, but we do intend to have one prepared for January. I think it is one of the things that most Americans are supportive of. Not everybody is going to be supportive of every proposal we have to do it, but I think there is general support for strengthening parks. There needs to be.

Certainly we have more and more people wanting to participate in them. So you have to recognize that as caring. So we will be moving forward on that. I think it is something that Congress ought to undertake, and be very proud to undertake.

There is great controversy over many of the environmental issues that go around. But there is not much controversy over this one. If we talk about what are the needs, are we going to try and fulfill those needs, most everybody says yes. Now, when you get to how you do it, obviously, there will be differences of view and debate. That is why we are here.

But, Mr. President, I am excited about this opportunity. We call our plan "Vision 2020," so that we can take a look at parks so that our kids, 20 years from now, and others, will be able to enjoy them with the same intensity that we have been able to.

We look forward to having our proposition ready by January. I hope many of the Members of the Senate will join with us in seeking to resolve this important question and problem.

Mr. President, I thank you for the time and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WYDEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WYDEN. I ask unanimous consent I be allowed to proceed for up to 15 minutes in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE HOLDS

Mr. WYDEN. Mr. President, I rise today to take a few minutes to discuss the effort here in the Senate to eliminate the secrecy with which the Senate so often conducts business. Through a procedure that certainly isn't known to most Americans, it is possible for one U.S. Senator to unilaterally block this Senate from considering a piece of legislation or a nomination. This process is known as a hold. Certainly as we have seen in the last few days, a hold is an extraordinary power in the last few hours of a session in the U.S. Senate. In fact, it is fair to say in the last few hours of a session, a hold is essentially unbeatable.

Now, originally a hold was intended as a courtesy to a Senator. If the Senator couldn't be present at a particular time—there was an illness in the family, this sort of thing—they could put a hold on a measure or nomination, and that way, as a courtesy, the Senate would make sure it was brought up shortly thereafter when that Senator could be there.

But what has happened over the years is that the hold has been abused. At one point here fairly recently there were more than 40 holds on individuals, nominees, pieces of legislation, and it was all done in secret—all of it. At a time when the American people are so skeptical of the way business is done in Washington, DC, and so often understandably skeptical, the secret hold, the unilateral power of one Senator to block a bill or nomination and do it all in secret is something that is being abused, and abused especially at the end of a session of the U.S. Senate.

Senator GRASSLEY and I, on a bipartisan basis, have tried to eliminate the secrecy that surrounds these holds. We have said we are not quarreling with the proposition of a Member of the U.S. Senate to have this extraordinary power. Members of the Senate, under all other circumstances, are accountable to their constituents. But in this case they aren't accountable because they can exercise this power in secret.

Senator GRASSLEY and I offered what we don't think is exactly a radical idea, which is that when a Senator uses this power, it would be publicly disclosed. We said if a Senator uses this power, they should have to disclose the use of that hold in the CONGRESSIONAL RECORD within 48 hours of exercising their hold. That way, the U.S. Senate would know who is exercising this power, the American people would know who is exercising this power. If a Member of the U.S. Senate is doing the bidding of a powerful set of interests, it would be possible for everybody to know what exactly was taking place. So Senator GRASSLEY and I were able in the last weeks of the session to attach an anti-Senate-secrecy amendment so that when the use of the hold is applied, the American people would know who was blocking this body from considering a bill or nomination.

Now, as I understand it, there are discussions underway, in effect behind closed doors, behind closed doors without public debate, there is discussion of dropping an effort to end Senate secrecy. I will tell you, that doesn't pass the smell test. Killing a plan to end Senate secrecy behind closed doors isn't the way this body ought to be doing business. Certainly what we have seen in the last few weeks since Senator GRASSLEY and I prevailed on our proposal here in the Senate to end secrecy, is that there has been an explosive proliferation of the use of holds once again. There are countless bills and nominations that certainly deserve consideration. You can argue whether they deserve majority support, but they certainly deserve open debate, and they can't be brought to this floor because one Senator has secretly said no. One Senator has secretly said, "No, I will not allow discussion" of that particular topic.

The irony of all of this, Mr. President, is that often even Senators don't know when a hold has been placed in their name. I have had a number of Senators tell me since I've come to the Senate that they have been approached about holds. They were told they had a hold on a measure. It turned out the staff had put a hold on it without their even knowing about it. So it is one thing for an elected official, a Member of the U.S. Senate with an election certificate to exercise this extraordinary power; it is quite another to have those who are not elected exercise it. It highlights, again, how much this process has been abused of late.

I thought that the minority leader, Senator DASCHLE, captured the spirit of this situation the other day in his morning briefing with the press. Amid what reads on the transcript like pretty raucous laughter, the minority leader walked reporters through the variety of holds that there were on dozens of nominees at that time. In fact, he said, "If you don't have a hold, you ought to feel lonesome." The minority leader was pressed by reporters about who might be placing some of the holds, but the minority leader said he didn't know who was placing these holds. Some have said eventually you can find out who is exercising the hold. But I can tell my colleagues here in the U.S. Senate that even the minority leader is on record as saying he doesn't know who is placing these secret holds.

This secrecy, in my view, Mr. President, is not in keeping with the proud traditions of the U.S. Senate, and it is not in keeping with the fundamental spirit of openness and accountability that is at the heart of our democratic process. I sought to serve in the U.S. Senate because I wanted to be in a position to influence policy on issues that are important to Oregonians and the people of this country. I value the extraordinary opportunity that I have been given by my constituents to serve and to use the power that they have given me on behalf of them and the American people. But it is time to say that power must be accompanied by responsibility. That responsibility is to be straight with the American people, to tell them about the actions and the policies that they are taking. It certainly is not in line with the spirit of openness and accountability for the American people to allow one Senator in secret to unilaterally block from this floor even the consideration of a bill or nomination.

I am one who simply feels that public business ought to be done in public. Some might think that is a little bit quaint at this time in American history. But I think it is time to bring some sunshine to the process for debating these issues. I am very proud and very grateful that Senator GRASSLEY has joined me in this effort. I think it is very unfortunate that there appears now to be an effort behind closed doors to kill our proposal to end Senate secrecy. That will be unfortunate if it takes place. If it takes place, I want every Member of the U.S. Senate to know that Senator GRASSLEY and I will be back on this floor pressing the case again.

It's not going to threaten the deliberative approach that this body rightly takes to consideration of issues, to have openness and accountability in the way that the Senate does business. Senator GRASSLEY and I aren't saying get rid of the hold; we are not saying the hold ought to be abolished and a power that a Senator now has be diminished. We are simply saying that power should be accompanied by responsibility. Rights should be accompanied by responsibility.

Now, I was very gratified when the proposal Senator GRASSLEY and I offered in the U.S. Senate was approved by this body. I have been appreciative of the fact that the Senate majority leader, TRENT LOTT, has been willing to work with me on this matter and has indicated that he certainly doesn't want to see Senate secrecy and see important decisions made without accountability. And I felt that the Senate was moving in the right direction when, initially, our proposal was voted on, and favorably so, by the U.S. Senate.

But I am concerned that the bill that will come before the Senate, the D.C. appropriations bill, will not contain the legislation that Senator GRASSLEY and I offered to end Senate secrecy. I am concerned that our proposal may just disappear behind closed doors, without any public debate, without any explanation at all, and that our proposal may be put aside with the very secrecy that we sought to end.

So I tell my colleagues, Mr. President, that this fight is not going to end today. The D.C. appropriations bill is an important part of the Senate's work and it needs to be completed. But this Senator wants to be clear that we will be back, and we will be back, in my view, with even more support from the American people, given the fact that, in recent weeks, there were more than 40 holds—40 holds—on nominees and individual pieces of legislation, and even the Senate minority leader could not tell the American people who was exercising those holds.

Mr. President, it's time for additional openness and accountability in the U.S. Senate. In my view, continuing these secret practices cheapens the currency of democracy. The Senate can maintain its proud traditions with having openness and accountability, and each Member of the U.S. Senate will still be able to fight for their constituents and do the work they were sent here to do.

So I am still hopeful that the D.C. appropriations bill, when it comes back, will contain the legislation that Senator GRASSLEY and I authored to end the secrecy in the way business is done in the Senate. But if it's not, if our provision is not, I want to assure the Members of the U.S. Senate that we will be back, we will be back on a bipartisan basis. I don't believe it's possible for any Senator, at a town hall meeting in their home State, to justify these secret holds. I don't think it passes the smell test. I think it's wrong. If we don't prevail on it today, Mr. President, we will be back.

I yield the floor.

Ms. MOSELEY-BRAUN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois [Ms. MOSELEY-BRAUN] is recognized.

Ms. MOSELEY-BRAUN. Mr. President, I ask unanimous consent to proceed as in morning business for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

FAST-TRACK LEGISLATION

Ms. MOSELEY-BRAUN. Mr. President, today's economic reality is that trade is global. Whether we enter into new international trade agreements or not, we cannot turn back the clock on the pace of globalization of our economy.

Nor should we want to. In open and free trade lies the potential of increased trade, and with increased trade and constructive interaction among the peoples of the world, the prospect of job creation, and an improved standard of living worldwide is created.

Americans, who have enjoyed the highest standard of living in the world, need not fear our ability to compete and win in this new global economy. To the contrary, we have every interest in preparing ourselves to meet and master the challenges of this new era.

Economic growth through trade can produce better jobs, increased prosperity, and a continuation of the high standard of living and opportunity that define the American dream. In the last 4 years, exports have accounted for one out of every three jobs created in the U.S. economy. Moreover, the strength of our economy is reflected in the fact that the United States is the No. 1 exporting nation in the world.

Our trade competitors, in recognition of the trends already evident in this new global economy, have formed regional trading alliances and relations to meet U.S. competition in world markets. Europe is beginning to trade as a European Community; an agreement among the Association of Southeast Asian Nations, known as ASEAN, augments Asian competition; and the United States entered into the NAFTA, in order to begin the formation of a regional trading arrangement in our hemisphere.

I believe that trade liberalization can have positive effects for our American economy. I do not believe, however, that it is advisable at this time to resort to the fast-track procedure to get there.

At the outset, I want to remind my colleagues and the public at large that what is at issue with this debate is not whether we will embrace trade liberalization, but how we will do so, and under what conditions. For constitutional, policy, and practical reasons I cannot support S. 1269, given the current lack of consensus in this Congress on trade policy objectives. I believe that this legislative proposal, as currently constituted, leaves too many questions unanswered regarding the balance that needs to be struck in the interest of American business and the American people.

Section 8 of article 1 of the Constitution gives to Congress the commercial power: "Congress shall have the power to . . . regulate commerce with foreign nations, and among the several states, . . . and to lay and collect duties, imports and excises" The Framers of the Constitution very clearly made it our responsibility to make commercial agreements, to set tariff levels, and to pass the laws necessary to implement legislation for trade agreements that are not self-executing. This power was put into the hands of the Congress, after no small amount of debate, as a check and balance on the President's authority to make treaties and to conduct foreign policy.

The concept of checks and balances lies at the heart of our constitutional system of government. The separation of powers, and the checks and balances it provides, was, and is, a defense against the tyranny that concentration of power invites. In fact, some of the Framers of the Constitution argued that the powers vested in one branch of the Government could only be exercised by that branch. In 1789, James Madison proposed an amendment to our Constitution which explicitly stated as much: "the legislative, executive and judiciary powers vested by the Constitution in the respective branches of the government of the United States shall be exercised according to the distribution therein made, so that neither of said branches shall assume or exercise any of the powers peculiar to either of the other branches." (The House adopted Madison's proposed amendment, while the Senate, for reasons lost to history, rejected it.)

While it is still a matter of scholarly debate to what extent the separation of powers exists as a doctrine or as a concept within our Constitution, the fact that we are engaging in this debate at all is witness to the fact that this bill calls upon the legislature to transfer a good part of its constitutional authority, in regards to commercial treaties, to the Executive.

That is not to suggest that the fast-track authority has been a failure, or that the Executive should never be entrusted to assume such authority as the Constitution makes our responsibility. An early Secretary of the Treasury, Albert Gallatin, speaking to those instances in which "shared" authority might be appropriate, noted that, "it is evident that where the Constitution has lodged the power, there exists the right of acting, and the right of direction". . . . but he went on to address the accommodation that might be appropriate between the branches of government in this regard: "the opinion of the executive, and where he has a partial power, the application of that power to a certain object will ever operate as a powerful motive upon our deliberations. I wish it to have its full weight, but I feel averse to a doctrine which would place us under the sole control of a single force impelling us in a certain direction, to the exclusion of all the other motives of action which should also influence us." (Gallatin, 7 Annals of Congress 1121–22 (1798))

The bill before us would effectively preclude the Congress from informing the Executive of "all the other motivations of action," and even limits the time for debate. No amendments to trade agreements negotiated under the fast-track authority are permitted, and only 20 hours of debate are allowed. Given the momentous changes which are taking place in this new and global economy, this restriction on congressional input seems to me unwise and unnecessary, and should not be allowed to become routine practice.

Part of the lingering bitterness over the NAFTA, I suspect, arises from the fact that it was presented to the Congress under the same kind of fast-track procedures as are at issue now. Now, it is true that the claims on both sides of that debate, of a great "sucking sound" on the one hand, or of unprecedented job creation, on the other, did not materialize. What we have seen, in fact, is a mix of results, some better than predicted, some very much worse, but none fully realized, or more importantly, shared with the American people.

My home State of Illinois, for example, is a great exporting State, the fifth largest in our country; 425,000 Illinois jobs are directly related to exports, and Illinois manufacturing exports have grown by 53 percent since 1993. Illinois' agricultural sector has also benefited from increased exports of corn and soybeans.

On the other hand, the losses of manufacturing jobs have been significant enough to give more credence than I would have liked to the dire predictions of the debate over NAFTA. Other States have had different experiences, and one need only reflect on the impact on wheat imports, for example, to conclude that we have yet to reach closure on the long term effects that increased liberalization will create.

And yet, despite that history and despite the absence of a clear trade policy architecture that can command broad support both in Congress and across our Nation generally, S. 1269 would again mute the voice of the Congress concerning the architecture and objectives of our trade policy. Without the ability to amend such agreements as may be reached in the future, or to even enjoy normal parliamentary rights, we are left to that "sole control of a single force impelling us in a certain direction," which Mr. Gallatin feared.

We need a trade policy framework that will represent the interests of all of the American people, and that will best advantage our business sector in its global competitive challenge. Unfortunately, despite the best efforts of our President and his first rate economic and trade team, we do not yet have such a framework.

I am particularly concerned about the issue of child labor. American business cannot compete fairly with nations that allow labor costs to be artificially depressed by the exploitation of children. In 1994, the U.S. Department of Labor issued a startling report entitled "By the Sweat and Toil of Children—the Use of Child Labor in U.S. Manufactured and Mined Imports." That report found that in textiles manufacturing, food processing, furniture making, and a host of other export-directed activities, children are employed for long hours in abysmal conditions, and are paid very low wages. They have few, if any legal rights, can be fired without recourse, and are often abused. They are hired by our foreign competitors to minimize labor costs. The International Labor Organization reports that 25 million children, world wide, are so engaged.

In the Philippines, for example, the Labor Department Report stated that in the wood and rattan furniture industry, children working in factories received 15 to 25 pesos per day—approximately 61 cents to $1. About 29 percent of the children were unpaid or compensated with free food; the rest were paid on a piece rate basis. About 48 percent of the children work between 15 to 25 hours a week, while another 13 percent work more than 50 hours for less than minimum wage.

The report stated that children who work in the garment industry in Thailand work 12-hour days in shops where they earn as little as five cents for sewing 100 buttons. Furthermore, they reported that in Cairo in Egypt's small family-operated textile factories, 25 percent of the workers were under the age of 15. Seventy-three percent of the children worked in excess of 12 hours per day and earned an average of $8 per month.

These are just a few examples of countries that employ children. Clearly, it is in the interest of every modern business and every industrialized nation to develop new international standards to help end child labor. Lower wages and extremely poor working conditions can lower manufacturers' costs in the short term, but they create long-term economic and geopolitical problems, not just for the country that exploits its children, but for the United States, as well.

When foreign industries artificially depress their labor costs by exploiting children, how can a U.S. worker compete? We must level the playing field for American workers. And more importantly, we must put our Nation on record that child labor must end. The United States must realize that it is an enlightened business policy to eliminate abusive child labor. Free-trade agreements should contain clear provisions against the use of abusive child labor.

Child labor should be designated an unfair trade practice, but S. 1269 does not make it so. Without such minimal ground rules with respect to child labor, our trade policy will be at cross purposes with our trade and larger foreign policy and national security objectives. We will have created a two-tier system in which U.S. companies will be prohibited from exploiting children here at home, while foreign firms, and U.S. companies, which leave to take advantage of the lower labor costs on foreign soil, will be permitted to exploit children so they can gain competitive advantage over those who play by our domestic rules. Such a system does nothing to benefit American business, creates incentives for the loss of U.S. jobs, and leaves us all with the shame of complicity in child abuse.

Finally, it is important to note that the Executive has the ability and the authority to negotiate trade agreements even in the absence of the fast-track procedure. It is my understanding that some 200 trade agreements have been concluded without it. Fast-track has only been used five times since 1974, for the GATT Tokyo round in 1979, the United States-Israel Free-Trade Area Agreement in 1985, the United States-Canada Free-Trade Agreement in 1988, NAFTA in 1992, and the Uruguay round of the GATT in 1994.

Instead of closing off debate about the proper purposes and architecture of free trade, we ought to encourage open and full debate with the American people about it. Trade is inevitably a more and more important aspect of our economic landscape, and indeed, as American business achieves the kind of market access in the world community that its capacity will allow, more and more U.S. workers will see the benefits of liberalization. Even today, those businesses which have benefited from the increased access accorded by NAFTA and GATT are enthusiastic about the prospects for real economic growth from this sector. We should be optimistic about our prospects overall, because American goods and services are seen by the rest of the world as providing the excellence they want. But we will see only fractiousness and retreat, if we fail to achieve consensus about the rules of our foray into this global economic competition.

I have a sense that trade, and its impacts, not only on our economy, but on our foreign policy as well, will come more and more to dominate the debate in our country about our future course and direction. If we are to be mindful of the ancient warning that "all wars start with trade" then we should redouble our resolve to make certain that our policy is based on consensus among our people regarding its direction, its objectives, its ground rules. We do not have such consensus yet. We should not shut off the debate which is the only way to get that consensus.

PUBLIC UTILITY HOLDING COMPANY ACT REPEAL

Mr. LOTT. Mr. President, I would like to state my strong support for S. 621, and express my disappointment that a few Senators have prevented this body from considering the bill this year. A bipartisan majority of Senators supports PUHCA repeal, and I will bring it to the floor for consideration and passage early next year.

Both Chairmen D'AMATO and MURKOWSKI, along with Senators DODD and SARBANES, deserve great credit for helping to move this legislation forward. It is unfortunate that their efforts on both sides of the aisle were unsuccessful this session. They know—as do the other 20 cosponsors of S. 621—that repealing PUHCA would remove an outdated regulatory burden that restricts the operations of a handful of electric and gas utilities.

Mr. President, PUHCA was enacted in 1935 to eliminate holding company abuses of that time, and it was quite successful. In the last six decades, however, Congress and the States have enacted a whole spectrum of securities, antitrust and utility regulatory statutes that make it impossible for those abuses to occur again. Even the Securities and Exchange Commission, the agency tasked to enforce PUHCA, has said that PUHCA is no longer needed and should be repealed.

Now, long past its usefulness, PUHCA stands in the way of competition. While some argue that PUHCA should only be repealed as a part of comprehensive restructuring legislation, I believe that incremental steps toward competition are responsible and realistic accomplishments for the 105th Congress. Repealing PUHCA should be the first incremental step.

Mr. President, crafting comprehensive restructuring legislation requires Congress to consider a whole host of difficult issues—stranded cost recovery, State versus Federal authority, renewable resources, public power subsidies, environmental impacts. The list goes on and on. There is no consensus among Senators on these issues, but there is an overwhelming amount of support for PUHCA repeal.

Instead of searching for the perfect total package, let's focus on the incremental steps toward competition that we can agree on. PUHCA is the biggest single Federal obstacle to the advancement of retail competition, and it should be repealed now. Several States have already adopted or are in the process of adopting retail competition plans without comprehensive utility restructuring legislation. We can't allow the Federal Government to block progress in the States. Without PUHCA repeal, retail competition in the States simply cannot flourish.

Mr. President, now is the time for PUHCA repeal. Although the few opponents of S. 621 have prevented the Senate from considering the bill this year, I will bring it to the floor early next year. I hope that my colleagues on both sides of the aisle will join me in repealing this outdated and burdensome Federal obstacle to competition in the utility industry.

KEEP HIGH TECHNOLOGY FREE FROM WASHINGTON INTERFERENCE

Mr. ABRAHAM. Mr. President, I rise to urge my colleagues to join me in fighting to ensure that our high technology industries, and the Internet in particular, remain as free as possible from Government regulation and taxation.

America's high-technology, information age industries embody America's entrepreneurial spirit. In this sphere, initiative and inventiveness are joined as thousands of people work to create new ways of generating and transferring technology, information and commerce. The high technology sector is crucial to our economy, crucial to our workers and crucial to our way of life. It must remain as free as possible so that it may continue to grow, employing ever more Americans in good jobs, generating commerce and employment throughout our Nation and constantly reviving our spirit of independence and innovation.

Mr. President, we first must keep in mind, in my view, that the hi-tech, information age industry is crucial to our economy. This industry is growing very quickly. A 1997 study by the Business Software Industry found that the American software industry has grown two and a half times faster than the overall economy from 1990 to 1996, and that software industry employment will grow 5.8 percent per year between now and 2005. In 1982, according to the Federal Trade Commission [FTC], computer products were found on the desks of only 5 percent of American workers; only 4 percent of American households contained personal computers. By 1992 the figures surged to 45 percent and 31 percent, respectively. Currently, 40 percent of American homes contain PCs. Between 1972 and 1992, research intensive industries grew an average of twice the rate of overall GDP growth, with computers, semiconductors and software leading the group.

Hi-tech industries are serving as engines of economic expansion, creating many spin-off jobs. Economist Larry Kudlow reports that the hardware and software industries combined account for about one third of real economic growth. Overall, electronic commerce is expected to grow to $80 billion by the year 2000. The FTC reports that, from 1985 to 1995, the worldwide number of hardware vendors increased from 120 to 350, and the number of service providers—programmers, consultants, maintenance and systems operators—increased from 1,715 to 30,000. Not only hi-tech, but supporting hi-tech has become booming business.

To judge the dynamism of this sector of our economy, and of the Internet in particular, we should consider the fact that the Internet grew from four linked sites in 1969 to become the first ubiquitous, interactive advanced communications network. 15 million households are now connected to the Internet, with 43 million expected by the year 2000.

Mr. President, we all have benefited from this tremendous growth, and we will continue to benefit from the hi-tech industry, so long as we continue to allow it to expand and innovate. Affordable world-wide communications and information transfer have changed our world for the better. Consumers now have far more choices, and benefit from greater competition among sellers. Workers have seen their opportunities increase as well in our expanding economy. Perhaps most benefited has been American small business. During a time in which it is increasingly difficult to deal with Government bureaucracies, regulations and so forth, in one sector of our economy an individual can still work nights and weekends in his garage and end up running his own company. This sector offers minimal barriers to entry and a convenient, cost-effective distribution. That sector is, of course, that of high technology.

Increased opportunity—to shop, to work, to start one's own business—has been supplemented by an overall increase in freedom thanks to the open availability of information on the Internet and the freeing up of new opportunities, for example through telecommuting, to enrich our lives without sacrificing our careers.

All of this is possible, Mr. President, because we have a vital, growing and free hi-tech industry in America. And our hi-tech industry has succeeded because in it Americans are able to respond quickly and efficiently to technical and marketing challenges, unencumbered by any preconceptions imposed by regulation relating to its development or from inappropriate Government charges on its business.

We are a freer, more prosperous and more open country because of our free high technology industry. To the greatest extent possible, we should keep that industry free from Washington rules, regulations and taxes for the sake of our consumers, our small businesses and our workers.

Mr. President, a number of issues have found their way before Congress that might severely affect our high technology sector. For example, Local Exchange Carriers [LECs] have contended that increasing Internet traffic could soon exceed the current phone system's capacity. To fund new infrastructure, the LECs have argued that a user fee should be paid by companies that provide Internet access. But this user fee could make consumers reluctant to use the Internet, particularly if it is not used to fund product improvements. What is more, access charges would only suppress Internet development, leaving us all with inadequate infrastructure.

In response to this situation I joined with Senator LEAHY to propose Senate Resolution 86, a nonbinding sense of the Senate resolution urging cooperation between Internet providers and the local phone companies. That resolution also calls for a rejection of access fees as a means of solving the dispute.

Encryption also has been the subject of significant debate. More and more, Mr. President, businesses are encrypting electronic mail messages sent interoffice and intraoffice. These businesses seek to protect themselves against industrial espionage or recreational hackers. In addition, on-line commercial transactions, such as wiring money or purchasing and selling products, require encryption to ensure security.

Currently, there are no limits on the strength of encryption products for domestic purposes. The same is true for importation. However, exportation of encryption is tightly controlled.

Many in the law enforcement community are concerned about the proliferation of strong encryption products, particularly should they fall into the hands of criminals. But this technology already exists, Mr. President. We will not make ourselves safer by exposing businesses to industrial espionage, sabotage and the loss of commerce. That is why I supported Senator BURNS' bill to maintain business' right to develop and use strong encryption.

As important as restrictions on development, Mr. President, have been proposals to tax commerce on the Internet. Over the last 2 years, several States and localities have passed or interpreted laws to permit taxation of Internet sales and use.

The result, Mr. President, would be double taxation of Internet commerce and a stifling of Internet use. S. 442, recently voted out of the Commerce Committee, will stop this trend by imposing a 6-year moratorium on subnational taxes on communications or transactions that occur through the Internet or online service, and access or use of the Internet or online services.

This moratorium would apply to all Internet and interactive computer services, but not to property, income or business license taxes. In essence, it prohibits sales and use taxes unless the retailer has a physical presence in the taxing State. It would keep Government from piling on taxes that will strangle the infant Internet commerce industry in its cradle. It also will allow the States to come up with a rational system by which to tax Internet commerce.

Another area in which governmental action has threatened our hi-tech, information age industry has been immigration. I am proud that we pushed back efforts during the last Congress to radically reduce the numbers of immigrants coming legally into this country. I firmly believe that immigration is the American way, and because I know that legal immigration is crucial to our hi-tech industry.

For example, 40 percent of Cypress Semiconductor's top-level management is foreign-born. Chief Financial Officer Manny Hernandez is from the Philippines, vice president of research and development Tony Alvarez is from Cuba. And this immigrant-driven company employs 1,800 people in the United States.

Immigrants give America an entrepreneurial edge. In 1995 12 percent of the "Inc." 500—a compilation of the fastest growing corporations in America—were started by immigrants. They also give us an edge in innovation. Immigrants make up nearly a third of all Ph.D.'s involved with research and development in science and engineering—the basis for innovation and economic growth.

Immigrants also fill needed roles, particularly in the engineering field. The CATO Institute reports that over 40 percent of our engineering Ph.D.'s are foreign-born, yet the unemployment rate in that field is only 1.7 percent. Clearly there is a gap in engineering in America that is being filled by immigrants.

I am pleased, then, Mr. President, that we did not close the door on immigrants seeking to come to this country to make a contribution and seek a better life. And I hope we will continue to keep the door open, so that we may live up to our heritage as a nation of immigrants, and so that we may continue to prosper.

Finally, Mr. President, abusive class action lawsuits have caused significant harm to high technology companies, as they have to much of the American economy. Some suits, alleging malfeasance on the part of company directors, have been brought within hours after a drop in a company's stock price.

Not long ago, this body successfully overrode the President's veto of legislation to reform securities litigation in this country. That bill will provide that discovery be stayed whenever a motion to dismiss is pending in a securities action. Discovery costs have been estimated to account for 80 percent of the costs of defending a lawsuit in this kind of action, and that is too much, particularly when the suit may be dismissed as without merit.

The bill also would create a modified system of proportionate liability, such that each codefendant in a securities action is generally responsible for only the share of damages that defendant caused. This should prevent companies from being joined to a lawsuit solely because of their deep pockets.

In addition, under this legislation, plaintiffs now must state facts with particularly, and state facts that give rise to a strong inference of intent on the part of the defendant. This should end the too-common practice of filing cases on the basis of few or no hard, relevant facts.

Finally, the bill contains a safe harbor provision protecting forward-looking predictive statements from liability.

Mr. President, we must go further, particularly in the area of legal reform, to protect our hi-tech industry from unwarranted interference. S. 1260, which I have cosponsored, would limit the conduct of securities class actions under State law. But even this is not enough.

Hi-tech and other companies are hit with all sorts of abusive lawsuits, not just securities litigation. That is why I am working for broader litigation reforms. I offered an amendment last Congress that would have expanded the joint and several liability provision of the product liability bill to cover all civil lawsuits. I also have introduced my own bill to protect small businesses from frivolous lawsuits. And I am working with Senator McCONNELL to provide needed reforms to our civil justice system. It is my belief that we can make substantial progress in this area in the near future.

Finally, Mr. President, I would just like to note that, while antitrust laws must apply to new industries as they have to the old, we should not allow antitrust laws to become an excuse for excessive regulation. Hi-tech is a dynamic sphere of economic activity. Over-zealous Government regulation from Washington, by whatever means, will only hurt consumers, producers and workers. I think most hi-tech CEOs would agree that producers and consumers in the free market economy—not bureaucrats and politicians in Washington—should determine winners and losers in the high tech industry.

Frivolous lawsuits, unnecessary regulation and onerous taxation. Mr. President, all these actions threaten our high technology, information age industry. It is my hope that we can work together to lessen the chance that they will be imposed on an industry that is central to our economic well-being.

Mr. KYL addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona [Mr. KYL] is recognized.

UNANIMOUS-CONSENT AGREEMENT

Mr. KYL. Mr. President, I realize that the debate on the Labor-HHS conference report is supposed to begin at 1 o'clock.

I ask unanimous consent that Senator FAIRCLOTH and I each have 10 minutes as in morning business, subject to only Senator SPECTER changing that if he needs to during the course of our presentations. And, Mr. President, in addition, I ask that the Senator from Minnesota, Mr. GRAMS, have 5 minutes following Senator FAIRCLOTH.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

MEDICARE BENEFICIARY FREEDOM TO CONTRACT ACT

Mr. KYL. Mr. President, I wanted to give a report to my colleagues on the status of the Medicare Beneficiary Freedom To Contract Act, the so-called Medicare private contracting issue, which has been before both the Senate and House for several weeks now following the adoption of the Balanced Budget Act, which contained in it a provision which makes it much more difficult for physicians to serve patients who want to contract outside of Medicare.

Let me briefly tell you what the problem is, the legislative status, and the resolution—at least as of now—that we have been able to accomplish.

The issue is whether or not physicians can serve both Medicare patients and people under private contracts who are 65 years of age. Once a person turns 65, of course, they are eligible for Medicare, and most of the services they can obtain are paid for by Medicare. But occasionally, either there is a service that is not covered by Medicare, or even sometimes services that are covered by Medicare that a patient would prefer to obtain from a physician outside of the Medicare Program.

For example, a constituent of mine had a condition that required the aid of a specialist in her small community. There were none available, except one person who was no longer taking Medicare patients. By the way, Mr. President, this is a common situation, because Medicare, especially for specialists, does not reimburse even up to their level of costs. So while many physicians don't want to dump their existing Medicare patient load and they want to continue to serve those patients they have been serving for a long time, they are not anxious to take on new Medicare patients. In this case, she went to the physician. He said he would be happy to take care of her, but he wasn't taking anymore Medicare patients. Her response was, "Well, I will just pay you directly. You bill me, and I will pay you. That way Medicare will save some money, and I will get the treatment I need, and you won't have to take new Medicare patients." He found that the Federal Government would have deemed that to be a violation of law and, therefore, he would have been precluded from providing the services.

It was in response to that kind of a problem that we created a piece of legislation that would allow patients who are 65 years of age to have the right to go to the physician of their choice and to be treated outside of the Medicare Program, if that is their choice. We passed that legislation here in the Senate. It became part of the Balanced Budget Act. And, before the act was finalized, the President indicated his desire to veto that legislation if that provision were retained. As a result, some changes were made, the most important of which was to add a provision to the act which makes it virtually impossible for patients to actually have the benefit of that freedom of choice. The provision was that a physician providing such services had to opt out of all Medicare treatment 2 years in advance.

In other words, patients still had the right to go to a physician. But any physician that provided those services could not provide any Medicare services for a period of 2 years. That meant that it was virtually impossible then for physicians to serve these particular patients.

In an effort to try to resolve that, we introduced the Medicare Beneficiary Freedom of Contract Act. It has almost 50 cosponsors in the Senate, well over 100 cosponsors in the House version sponsored by the chairman of the House Ways and Means Committee, BILL ARCHER. We hoped that we would have the opportunity to get that passed before the end of this legislative session this year. It was not to be. People in the House of Representatives did not feel that they wanted to go forward with it under the constraints of time. There were some other issues. As a result, we did not push it as an amendment to one of the appropriations bills or other vehicles by which we could have done that here in the Senate.

Instead, I sought to proceed in a way that would enable us to ensure that we would make progress early next year on getting this issue resolved. Yesterday, I met with the President's nominee to head HCFA, Nancy-Ann Minn Deparle. She gave me a series of assurances of ways that they want to continue to work on this problem. I also received a phone call from Secretary Shalala providing the same assurances that we will be able to sit down and work with the administration to try to resolve this issue so that early next year we will be able to pass legislation that will solve this problem of Medicare-private contracting.

In addition to that, I received some assurances from Nancy-Ann Minn Deparle that the law that goes into effect on January 1 would not affect the provision of services not covered by Medicare. It would not affect the provision of service only partially covered by Medicare—on Medicare, for example, a second mammography beyond the annual mammography covered by Medicare. It would not affect the provision of care under the Medicare Plus Choice Plan, the Medical Savings Account option, and it would not affect the ability of other physicians in a group practice to treat Medicare beneficiaries when a patient makes a private contract with one of the group practitioners.

We worked on some of the other problems relating to this in addition to try to develop legislation next year that will be approved by the House and Senate and the administration. I will report more on the progress of this after a while.

I would like to introduce into the RECORD two items that came to my attention this morning. One, a copy of three letters that were published.

Mr. SPECTER. Mr. President, if my colleague will yield, I inquire: How much time does the Senator intend to use?

Mr. KYL. I am finishing right now.

I ask unanimous consent to have printed in the RECORD the text of three letters carried in the New York Times on Friday, November 7, and a copy of an editorial in the San Francisco Chronicle, and the date is November 6, 1997.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 7, 1997]

HEALTH CARE IS TOO IMPORTANT FOR PARTISANSHIP

To the Editor:

"Move Under Way to Try to Block Health Care Bills" (front page, Nov. 4) points up that health care reform is again being treated as a partisan issue rather than the bipartisan issue it should be. The health care system is in critical condition.

Costs are rising at twice the rate of inflation and will double in the next 10 years. The number of uninsured—estimated to be between 41 million and 44 million—is increasing by a million a year, and the quality of care continues to erode.

Competition and managed care have been promoted as solutions, yet the marketplace has done little to stem long-term cost, quality and coverage problems, which show no sign of abating.

Opponents of reform being considered in Congress contend that the proposals would increase costs even more and drive more people out of health coverage.

Yet without change in the way we deliver and pay for health care, costs will rise more rapidly and the number of uninsured will grow larger.

Partisan posturing only aggravates the problems for all Americans.

HENRY E. SIMMONS, M.D.,
Pres., Natl. Coalition on Health Care.

KYL PROPOSAL ISN'T NEW

To the Editor:

"Republican Health-Care Mistakes" (editorial, Nov. 5) overlooks that the wording of the bill sponsored by Senator Jon Kyl, which would allow Medicare patients to pay doctors more than Government-set rates, would only preserve and codify the status quo.

The Medicare law and its amendments never forbade contracting between physicians and beneficiaries outside of Medicare. It was the heavy hand of the Health Care Financing Administration that articulated the draconian regulations forbidding outside contracting. A 1992 court decision (Stewart v. Sullivan) was moot on the subject of outside contracting, effectively allowing it.

Consequently, we have already had Medicare outside contracting without all of the hazards you predict: illegal double billing of both the patient and Medicare, a two-tier system of care and unequal bargaining between physician and patient. You propose to fix the functional status quo with one that decrees loss of individual freedom of choice at a moment when life and death decisions may be crucial.

ROBERT L. SOLEY, M.D.

COMPETENT AT 65

To the Editor:

Re "Republican Health-Care Mistakes" (editorial, Nov. 5): You miss the point of the Kyl amendment. There are 65-year-olds more than able to negotiate on their own behalf and who feel demeaned when the Government robs them of the right. Why deny them the same rights that they had the year before they turned 65?

The low regard for the integrity of physicians your editorial expresses is offensive. In spite of all the chaos in the health care sector, the primary reward of the physicians I speak with comes from helping patients.

Do you really think the typical physician is bent on defrauding people?

HERBERT S. GROSS, M.D.,
Clinical Professor of Psychiatry,
University of Maryland.

[From the San Francisco Chronicle, Nov. 6, 1997]

FREEDOM OF CHOICE ON MEDICAL CARE

The Balanced Budget Act of 1997 was supposed to give elderly patients greater freedom of choice on medical care. But it stopped short of offering genuine choice. Here's the situation.

Under current rules, doctors are prohibited—criminally prohibited—from charging Medicare patients more than the amounts permitted by the government, even if the patients are willing to pay the money out of their own pocket. These restrictions have kept Medicare patients from being able to use their own money to see doctors—even specialists—as they choose.

This restriction is all the more onerous for patients because so many doctors have become disenchanted with Medicare, which reimburses at about 70 percent of the rate of private insurers. As a result, some senior citizens have trouble finding a doctor willing to take them.

Recognizing the problems with the restrictions, Congress recently voted to allow Medicare beneficiaries the option to privately contract with doctors for any service at any price—with one caveat.

And that caveat, insisted upon by the Clinton administration, is a whopper that effectively undermines the patient's freedom of choice. The Clinton-pushed amendment to the bill provides that any physician who enters into such a private contract cannot receive any Medicare reimbursement for two years. Those new rules go into effect January 1.

Senator Jon Kyl, R-Ariz., has introduced legislation (S. 1194) that would get rid of the two-year restriction on doctors who enter into the private contracts. His plan to open up choices for Medicare patients has encountered intense opposition from powerful groups, notably the American Association of Retired Persons.

Defenders of the status quo argue that Medicare patients have no shortage of choices. "The idea that doctors don't take Medicare patients is fallacious," said Representative Pete Stark, D-Hayward, a longtime advocate of universal health care. Stark maintains that a private-payment option would create a two-tiered system—"boutique health care" for the wealthy, while Medicare would be left to tend to the poorest and the sickest.

There is a little problem with the all-is-well premise of those who oppose the Kyl bill. If Medicare really did offer satisfactory choice and service for beneficiaries, then none of them would want or need to dig any deeper into their pockets for medical care.

This issue also involves a matter of privacy—which is why the American Psychiatric Association strongly supports the Kyl bill. Medicare covers 50 percent of the cost of psychotherapy, but some patients would rather pay the full freight in order to avoid the government's ability to review their claims, said the APA's Jay Butler.

Medicare patients deserve a chance to decide for themselves what kind of care they want, and whether they are willing to pay for it.

Mr. KYL. With that, Mr. President, I will complete this at another time since I know Senator SPECTER wants to move forward.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, I thank my distinguished colleague from Arizona. I had sought a time determination because we have 90 minutes on the bill and are scheduled to vote at 2:30. The way our colleagues work, people will be ready to depart for trains and planes at 2:29.

So if the clerk will report now, I know that there are other Senators who wish to speak and there will be time to speak during the 90-minute time. Then by unanimous consent we can go into morning business. But I request that we proceed at this time to the consideration of the conference report on Labor-HHS and Education.

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, EDUCATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1998—CONFERENCE REPORT

The PRESIDING OFFICER. Under the previous order, the clerk will report the conference report to accompany H.R. 2264.

The bill clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2264), have agreed to recommend and do recommend to their respective Houses this report, signed by majority of the conferees.

The Senate proceeded to consider the conference report.

(The conference report is printed in the House proceedings of the RECORD of November 7, 1997.)

Mr. SPECTER. Mr. President, parliamentary inquiry. I ask for confirmation from the Chair that we are now on the conference report having begun at 1:05 with the 90-minute time limit so that we will vote no later than 2:35.

The PRESIDING OFFICER. The Senator is correct.

Mr. SPECTER. I thank the Chair.

Mr. President, it is with great pleasure for me personally that I address the Senate on the conference report on the appropriations bill for the Departments of Labor, Health and Human Services, and Education.

It has been a long, tortuous road to come to this position where if the Senate acts favorably on this conference report, it may then be presented to the President with the expectation that it will be signed into law.

There are 13 appropriations bills which run the U.S. Government, and the appropriations bill on these three departments is the largest one in the Federal Government, downsizing of some $277 billion, and it is now larger even than the appropriations bill for the Department of Defense.

This bill has had a very, very difficult process in coming through conference with a tremendous number of obstacles and difficulties confronting the legislative process at every step of the way.

The process that this conference report has come to the floor with would perhaps constitute a textbook on legislative process except that it has been so extraordinary. That has been occasioned by the fact that there are so many so-called riders or legislative provisions on the appropriations bill which have enormously complicated the work of the conferees in trying to work out an enormous number of complicated problems.

The most vexing of all of the issues—and it had a lot of competition—was the issue on so-called testing. There has been a generalized agreement that it would be desirable to test fourth graders on reading and eighth graders on mathematics but a great deal of disagreement as to how that testing ought to be carried out. There has been widespread sentiment expressed that the Federal Government ought not to be intrusive in the educational process. Then the problem arises as to just how this test would be worked out.

When the bill came to the floor of the Senate, the excellent work was done by Senator COATS of Indiana, Senator GREGG of New Hampshire, with the assistance of former Secretary of Education Bill Bennett. In the hands of those three individuals, with the established record in the education field, great knowledge on testing, and all being very zealous to keep out Federal intrusion but to limit any testing approach to absolute necessity and to State control, it was the expectation of this body that when Senator COATS, Senator GREGG, and former Secretary Bennett agreed on a process, that it would satisfy even those most diligent in objecting to Federal testing. The Senate passed that amendment by a vote of 87 to 13, which is a very, very strong show of support in this body.

The House of Representatives enacted a provision that there should be no funds on testing. When we came to the issue of conference a week ago Wednesday, a meeting occurred attended by the top leadership of the Republican Party of the House and the Senate, attended by the Speaker; by the House majority leader; by the No. 3 in rank in the House of Representatives, Mr. DELAY; the chairman of the House Appropriations Committee, Mr. LIVINGSTON; and the chairman of the House Appropriations Subcommittee, my counterpart, Congressman JOHN PORTER. And on the Senate side, we had our own majority leader. We had the chairman of the Appropriations Committee. And I was present.

We agreed on a number of items. One of the foremost of those items on which there was agreement was the issue of testing. There was one party present who disagreed. That was the chairman of the authorizing committee in the House, my colleague from Pennsylvania, Congressman GOODLING. But aside from Congressman GOODLING's dissent, there was agreement at that meeting.

A week ago Thursday the conferees met and hammered out quite a number of other complicated issues and came to agreement on a conference report. That night the agreement was repudiated, and we were back to square one with respect to the testing issue, which held up this bill until further negotiations were undertaken by the President and by Congressman GOODLING. The testing issue has finally been resolved. A key part of the agreement on testing is that the matter will be submitted to the House-Senate authorizers early next year.

This is one illustration as to what ought to be done by the authorizing committees so that the matters are not put on appropriations bills and bog down the appropriators.

There was plenty of time during 1997 to have this issue of testing taken up by the authorizers. It really is a matter for the authorizers to make the congressional determination about what testing ought to be instead of tacking it onto an appropriations bill where it really does not belong. It is grafted onto the appropriations bill with this language, "No funds shall be expended for testing." That is the way many, many substantive matters were grafted onto the appropriations bill. "No funds shall be expended for" purpose A, B, or C.

When it became apparent to me that this issue was going to be one in the appropriations process after this bill was on the floor for initial consideration by the Senate, I scheduled a hearing. At the hearing, we heard both sides of the issue. The Secretary of Education came forward to articulate the administration's position on why there should be testing. We invited Congressman GOODLING to present his views about why there should be no testing. After having had the benefit of that information, we then were in the position to proceed as best we could on that limited record to make the judgment on testing.

We had in the conference many other complex issues that we finally worked out. We had the amendment offered by the distinguished Senator from Washington, Senator MURRAY, on the issue of not restricting welfare benefits to women who had been victims of domestic violence. That is a substantive matter that would be better considered by the authorizers. But it passed in the U.S. Senate by a vote of 98 to 1. At least, in my judgment, and the judgment of 97 other Senators, it had a very important public policy purpose, to give special consideration on welfare benefits and other matters for women who had been victims of domestic violence. Senator MURRAY was gracious to not press her amendment in conference, on an arrangement where the House of Representatives authorizing subcommittee made a commitment to take up the issue early next year. I was delighted to join Senator MURRAY as a cosponsor on that matter.

That is one illustration of how we moved ahead to focus on money matters without that kind of a substantive provision.

PRIVILEGE OF THE FLOOR

Mr. President, at this time I ask unanimous consent that Mr. Jim Sourwine and Ellen Murray, detailees to the committee, be granted floor privileges during the consideration of the conference report accompanying H.R. 2264.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. President, the conference agreement accompanying the Labor, Health and Human Services, and Education bill for fiscal year 1998 that is before the Senate today totals $80.4 billion in discretionary budget authority. Mandatory spending totals $196.4 billion, a decrease of $16 billion from the fiscal 1997 levels, for a net decrease in the bill of $10.3 billion.

The conference agreement both keeps faith with the budget agreement and addresses the health and education priorities of the Senate. The protected programs in the budget deal account for nearly half of the total increases in the bill, and $3.3 billion of the increase is for education.

I want to take this opportunity to thank the distinguished Senator from Iowa, Senator HARKIN, for his hard work and support in bringing this bill through the conference and to the floor. I also want to thank Congressman JOHN PORTER, the distinguished chair of the House Subcommittee, Congressman DAVID OBEY, ranking minority member, and Congressman BOB LIVINGSTON, chair of the House full committee for dedicating their time and energy in getting this bill to this stage. This has not been an easy process. We confronted many difficult decisions, choices, and tradeoffs. National testing was one of them, but finally through hard work, persistence, and a great deal of give and take, we were able to work out this agreement.

The programs funded within the subcommittee's jurisdiction provide resources to improve the public health, strengthen medical research, assure a quality education for America's children, and offer opportunities for individuals seeking to improve job skills. I'd like to mention several important accomplishments of this bill.

MEDICAL RESEARCH

Few things are more important than a person's health and few things are feared more than cancer, heart disease, Alzheimer's or some other serious physical disorder. Medical research into understanding, preventing, and treating the disorders that afflict men and women in our society is the best means we have for protecting our health and combating disease. The conference agreement contains nearly $13.7 billion for the National Institutes of Health to support medical research that is being conducted at institutions throughout the country. This is an increase of $907 million above the fiscal year 1997 level and is consistent with the commitment I made earlier this year to increase funding for NIH by 7.1 percent and with the overwhelming endorsement of medical research by the Senate during consideration of the budget resolution. These funds will be critical in catalyzing scientific discoveries that will lead to new treatments and cures for a whole host of diseases.

FAMILY PLANNING

For the family planning program, the bill recommends $203.4 million to support primary health care services at more than 4,000 clinics nationwide. This amount represents an increase of $5 million over the 1997 appropriation. Over 85 percent of family planning clients are women at or below 150 percent of the poverty level and these additional funds will help to ensure that these low-income women have access to quality health services.

ADOLESCENT FAMILY LIFE

The bill recommends $19.2 million, an increase of $5 million more than appropriated in fiscal year 1997 for the only Federal program focused directly on the issue of adolescent sexuality, pregnancy, and parenting.

AIDS

This bill contains an estimated $3.380 billion for research, education, prevention, and services to confront the AIDS epidemic, including a $154 million increase for Ryan White CARE Act programs. The bill also provides $285.5 million for state AIDS drug assistance programs, an increase of $118.5 million over the President's request and the 1997 appropriation. Finally, within this amount, and estimated $1.596 billion is provided for AIDS research supported by the National Institutes of Health. The bill provides that these funds will continue to be distributed and coordinated by the director of the NIH Office of AIDS Research [OAR].

SUBSTANCE ABUSE

Substance abuse continues to plague our society with recent statistics showing many teenagers reporting regular use of marijuana and alcohol. The conference agreement includes over $2.395 billion to support the research, prevention, and treatment programs of the Departments of Health and Human Services and Education. This is an increase of $72.1 million over the 1997 appropriated levels for these programs.

JUVENILE CRIME INITIATIVES

The conference agreement includes $30 million for new programs to assist communities in preventing juvenile crime. Funds include: $12.5 million for youth offender demonstration training grants supported by the Department of Labor; $12 million for youth offender education grants supported by the Department of Education; and $6 million for at-risk youth substance abuse prevention grants supported by the Department of Health and Human Services.

HEAD START

To enable all children to develop and function at their highest potential, the agreement includes $4.355 billion for the Head Start Program, an increase of $374.4 million over last years appropriation. This increase will provide services to an additional 36,000 children bringing the total amount of kids served in fiscal year 1998 to 836,000. This brings us closer to the goal of enrolling 1 million children in Head Start by the year 2002. Within the total, $279 million is targeted for Early Head Start, which provides Head Start services to infants and toddlers ages 0 to 3. This is an increase of $70 million over 1997.

VIOLENCE AGAINST WOMEN

The bill includes $154 million to support the programs authorized by the Violence Against Women Act. This is an increase of $31 million for programs to provide assistance to women who have been victims of abuse and to initiate and expand prevention programs, to begin to reduce the number of women who are forced to confront the horrors of abuse. Included is: $86.8 million for battered women's shelters; $45 million for rape prevention; $15 million for runaway youth prevention; $6 million for domestic violence community demonstrations; and $1.2 million for the domestic violence hotline.

LIHEAP

The bill maintains the $1 billion appropriated in last year's bill for the upcoming winter's Low Income Home Energy Assistance Program [LIHEAP]. In addition, the recommendation provides an advance appropriation of $1.1 billion for the 1998–1999 LIHEAP winter program, an increase of $100 million over this year's level. The bill also provides additional emergency appropriations of $300 million. LIHEAP is a key program for low-income families in Pennsylvania and other cold weather States in the Northeast. Funding supports grants to States to deliver critical assistance to low-income households to help meet higher energy costs.

AGING PROGRAMS

For programs serving the elderly, the bill before the Senate recommends $1.988 billion, an increase of $65.5 million over the fiscal year 1997 appropriation. Included is: $440.2 million for the community service employment program which will provide more part-time employment opportunities for the low-income elderly; $9 million more for supportive services and senior centers; $17 million more for congregate and home-delivered nutrition services; and $18.4 million more for the national senior volunteer corps. Also the bill provides a 7.2 percent increase for research into the causes and cures of diseases such as Alzheimer's disease and other aging related disorders, funds to continue geriatric education centers, and the Medicare insurance counseling program.

SCHOOL TO WORK

The agreement includes $400 million for school to work programs within the Departments of Labor and Education. These important programs help improve the transition from school to work for those students who do not plan to attend 4-year institutions.

EDUCATION

To enhance this Nation's investment in education, the conference report before the Senate contains $29.74 billion in discretionary education funds, an increase of $3.25 billion over last year's funding level. Specifically, education reform programs have been funded at $1.275 billion, an increase of $279 million over the previous year's funding level, including $491 million for Goals 2000, $541 million for the technology literacy challenge fund and technology innovative challenge grants.

For programs to educate disadvantaged children, the bill recommends nearly $8 billion, $201 million more than the amount appropriated in fiscal year 1997. These funds will provide services to approximately 7 million schoolchildren. The bill also includes $124 million for the Even Start Program, an increase of $22 million over the 1997 appropriation. Even Start provides educational services to low-income children and their families.

For impact aid programs, the bill includes $808 million, an increase of $78 million over the 1997 appropriation. Included in the recommendation is: $50 million for payments for children with disabilities, an increase of $10 million over last year's funding level; $623.5 million for basic support payments, an increase of $8 million; and $24 million for payments for Federal property, an increase of $6.5 million.

Consistent with the budget agreement the bill provides $354 million to assist in the education of immigrant and limited-English proficient students. This recommendation is an increase of $92.3 million over the 1997 appropriation and will provide instructional services to approximately 60,000 children. Within the funds provided, $25 million has been included for professional development to improve teacher training programs.

One of the largest increases recommended in this bill is the additional $746 million for special education programs to help local education agencies meet the requirement that all children with disabilities have access to a free, appropriate public education, and all infants and toddlers with disabilities have access to early intervention services. The $4.8 billion for special education programs will serve an estimated 4.95 million children at a cost of $662 per child.

To improve post-secondary education opportunities for low-income first-generation college students, the committee recommendation provides $530 million for the TRIO program, a $30 million increase over the 1997 appropriation. These additional funds will assist in more intensive outreach services for low income youth.

For student aid programs, the bill provides $8.97 billion, an increase of $1.418 million over the 1997 appropriation. Pell grants, the cornerstone of student financial aid, have been increased by $300 for a maximum grant of $3,000. The supplemental educational opportunity grants program has also been increased by $31 million, and the work study and Perkins loans programs have been maintained at their 1997 level.

In keeping with the budget agreement, the bill also provides $295 million for child literacy initiatives. The committee has provided $85 million of this amount to enhance literacy activities in existing programs in fiscal year 1998. The balance, $210 million, is available on an advanced funded basis. This will give the authorizing committee's adequate time to work out the specifics of this new program.

JOB TRAINING

In this Nation, Mr. President, we know all too well that unemployment wastes valuable human talent and potential, and ultimately weakens our economy. The bill before us today provides $5.23 billion for job training programs, $518 million over the 1997 level. Increases include: $92 million more for the Job Corps; $60 million more for adult training; and $64 million more for retraining dislocated workers. These funds will help improve job skills and readjustment services for disadvantaged youth and adults. The bill also reserves $250 million for opportunity areas for out of school youth grants if this new program proposed in the budget is authorized by July 1, 1998.

WORKPLACE SAFETY

The bill provides $1.070 billion for worker safety programs, an increase of $45 million above 1997. While progress has been made in this area, there are still far too many work-related injuries and illnesses. The funds provided will continue the programs that inspect business and industry, assist employers in weeding out occupational hazards and protect workers' pay and pensions.

CLOSING

There are many other notable accomplishments in this conference agreement, but for the sake of time, I mentioned just several of the key highlights, so that the Nation may grasp the scope and importance of this bill.

In closing, Mr. President, I again want to thank Senator HARKIN and his staff and the other Senators on the subcommittee for their cooperation in a very tough year.

In summary, Mr. President, this bill is one of enormous importance for America, for many reasons, and I shall detail only a few. My own personal opinion is that there is no priority higher in America today than health care and education. There are matters of tremendous concern—the crime problem, something that I spent a good part of my professional life on as a prosecuting attorney, the problem of environmental protection, the issue of economic development and our infrastructure of highways, grave difficulties of foreign policy around the world: In the Mideast, Bosnia, NATO, China, Africa and Latin America, and the fast track issue—but no issues rank higher than the health of Americans or the education of Americans.

The National Institutes of Health is the crown jewel of the Federal Government, with NIH having made miraculous advances in combating Alzheimer's disease, breast cancer, cervical cancer, prostate cancer, heart disease, mental illness, you name it, the men and women at NIH are on the firing line doing extraordinary work. We have been able to add to the NIH budget some $907 million this year, which is a 7.1 percent increase, bringing the total for the National Institutes of Health to $13.647 billion, almost $13.65 billion.

Senator HARKIN, my distinguished ranking member, and I have worked on a bipartisan basis in the subcommittee. My experience in Congress has demonstrated to me that the only way to get anything meaningful done in Washington is to work on a bipartisan basis. With the help of our staffs, Senator HARKIN and I on this subcommittee have consolidated or eliminated some 134 programs to save $1.5 billion, which we have allocated to the health issues and to education issues.

I had a talk with Dr. Varmus earlier this week on the occasion of the dedication of a building at NIH to our former colleague, the distinguished Senator from Oregon, Mr. Hatfield, who did such outstanding work for NIH on so many matters in his capacity as chairman of the Appropriations Committee. On Tuesday I again asked Dr. Varmus, as I have asked him and others at NIH, "How much would you be able to appropriately use on medical research?" I asked him this question because, in a Federal budget of $1.7 trillion, we could assess our priorities in a way to appropriate more for the National Institutes of Health. Yes, $13.65 billion is a lot of money, but it is not a lot of money in the context of a Federal budget of $1.7 trillion. Dr. Varmus told me that they would like to grant about a third of the applications, that they now grant something in the high twenties, and in addition to that there are other items they need in the way of equipment. I said, "You ought to make a list and tell us what it is you need." He said, "We have made a list, but we haven't told you what it is because we can't."

That is a reference to the Office of Management and Budget, which intercepts these estimates by the NIH and does not present them to Congress so the administration can maintain control over requests which are made by the various departments.

In our appropriations process next year, I intend to do my best to get that list and find out what Dr. Varmus and the National Institutes of Health would really like to have. It might be an interesting occasion for a subpoena. Our subcommittee never ever issues subpoenas. I know that takes our Committee staff by surprise to think of our doing that. But I think Congress would be prepared to make appropriation allocations for what could be effectively used by the National Institutes of Health.

Mr. President, in addition, we have some almost $30 billion for programs in the Department of Education, which is an increase of $3.3 billion above 1997. On this subject, I compliment President Clinton for his leadership on education. His last State of the Union speech highlighted education, and there was a real advocacy and leadership by the President on education when this matter came up. From time to time the President is subject to a critical comment or two, and I think it appropriate to note his leadership and his important work in getting this increase in education.

The bill also includes $1.1 billion in advance funds for LIHEAP, low-income home energy assistance, largely for senior citizens, Americans who, without this assistance, may have to make a choice between heating and eating. We have $1.15 billion for the Ryan White care program on a drugs issue, $861 million for programs for senior citizens under the Older Americans Act, $826 million for community health centers, $145 million for the breast and cervical cancer screening program for the Centers for Disease Control, $5.2 billion for employment and training programs of the Department of Labor, including $871 million for summer youth job programs, $1.24 billion for the Job Corps, and $1.35 billion for dislocated worker assistance.

I might add a special note to the success by Governor Ridge of Pennsylvania and Mayor Rendell of Philadelphia, along with my distinguished colleague, Senator SANTORUM, and the Pennsylvania delegation in reopening the Philadelphia Navy Yard for shipbuilding on a very good arrangement where we will have retraining funds.

Mr. President, there is a great deal more I could say on the subject, but I note my distinguished colleague, Senator HARKIN, has some important comments to make, so I yield to him at this time.

The PRESIDING OFFICER (Mr. HAGEL). The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, I thank the chairman and my good friend, Senator SPECTER, for yielding this time.

I especially wish to thank Senator SPECTER, our chairman, and his staff for the skill they have demonstrated and the cooperation which they have given us in putting this bill together and working out the many compromises that were necessary to come up with this very bipartisan conference agreement. It took a lot of staff meetings, a lot of give and take, but the result is one that merits the support of all Senators.

This conference report, I believe, is the most important bill we will pass this year after the balanced budget agreement. It includes a number of very important advances.

First, the agreement significantly expands our Nation's commitment to quality education for our children. We have provided the largest increase for special education in our history. I repeat that. We have provided the largest increase for special education in our history. We have made college more affordable by increasing the maximum Pell grant to $3,000, the highest ever. We have expanded support to make sure schoolchildren have access to computers and other technology and for training teachers on how to use this technology. Computers in the classroom are of little value if the teachers do not know how to use them.

I am especially pleased that the conference committee agreed to my proposals to place greater emphasis on making sure that every American child enters school ready to learn. The agreement before us increases Head Start funding by $374 million. That is $50 million more than the President requested, and, more significantly, I believe this bill doubles the Early Head Start Program, that is, the birth-to-2-year-old program, at $279 million, so we have doubled the early intervention program for Early Head Start.

The conference agreement also provides an 11-percent increase in funding to $350 million for the early intervention program for infants and toddlers with disabilities under part H of IDEA, the Individuals with Disabilities Education Act. That is an 11 percent increase for that part H.

Finally, the conference report includes an additional $50 million for the child care and development block grant to increase the quality of child care for infants. We all know that these are front-end investments that will pay dividends for us in the future.

Mr. President, as most of my colleagues know, our subcommittee has worked for many years to combat fraud, waste and abuse in the Medicare Program. A recent audit by the HHS inspector general found that somewhere in the neighborhood of $23 billion was lost last year alone just to this problem of fraud, waste and abuse. I am pleased to say that the agreement before us significantly expands our efforts to stop this Medicare waste. Coupled with mandatory increases, our bill provides a full 25-percent increase in support for audits and other fraud-fighting activities, from $440 million to $550 million.

In addition, we have included bill language that provides Medicare greater resources to more aggressively target problem providers who are bilking the system. We need to do even more, including, at long last, to get to competitive bidding in Medicare just like they have gotten in the Veterans Administration. But the reforms in this will save Medicare and the taxpayers billions of dollars.

One major concern I have about this bill is our inability to adequately address our health services and training needs and simultaneously provide generous increases for health research. I am pleased that we have included nearly $1 billion additional for NIH, a total of over $13.5 billion, for medical research. But I am concerned that most health services programs received small or no funding increases. We just cannot continue to have this battle between the challenge to adequately fund biomedical research, which we have to meet, and the lack of increased funding for health services programs and training.

Now, I will not go into it at length here—I have given many speeches on the floor about this—but I feel strongly that the money we provide for biomedical research must come from outside of the discretionary pot of money we have.

Mr. President, during this session of the Congress, the Senate went on record 99 to nothing to double the funding for NIH over the next 5 years—99 to nothing. In other words, 99 Senators stood up and voted and said, yes, we should double funding for NIH in the next 5 years.

Now, if we did that within the constraints of the balanced budget agreement, with the pot of money that our committee has, at the end of this 5-year period of time there wouldn't be one penny for any other discretionary health program. In other words, the Senate has said 99 to nothing we want to double NIH funding. OK, if we do it through our Appropriations Committee, through the discretionary money that we have, there will not be anything left for any other health program. There would be no Centers for Disease Control, no Ryan White funding, no health training funding, nothing. That would all have to be zeroed out, and we still would not have enough money to double NIH funding.

So if we are really serious, and I hope we are, about doubling NIH funding over the next 5 years, then we have to find some source of funding that is outside of the normal appropriations process.

I am also concerned that our agreement does not adequately assure that the rerun of the Teamsters election will be supervised. I think that is vitally important. This bill does not adequately assure that. I am hopeful that is eventually what will happen. It is a commitment that we cannot back away from. I am hopeful that we can take some steps, when the Congress comes back in January and February, to make sure that the next Teamster election is in fact supervised.

But overall, as I have said, this is a very good agreement. It is a bipartisan agreement that deserves our support.

I again compliment Senator SPECTER and his staff and mine for a job well done. I want to specifically thank Craig Higgins, Betilou Taylor, Jim Sourwine, Dale Cabaniss, and Jack Chow of the majority staff and Marsha Simon and Ellen Murray of my staff. In addition, I want to thank Bev Schroeder, Laura Hessburg, and Peter Reinecke of my personal staff for their contributions.

Mr. President, I urge all Senators give wholehearted support to this conference agreement.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. HARKIN. Mr. President, I know the Senator from North Carolina was wishing to speak.

Mr. FAIRCLOTH. I was hoping Senator SPECTER would yield time.

Mr. HARKIN. I will yield you time for Senator SPECTER. How much time does the Senator want?

Mr. FAIRCLOTH. About 5 minutes.

Mr. HARKIN. The Senator has 5 minutes.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. FAIRCLOTH. I thank the Senator for his work on this bill. He has eliminated funding for national testing as well as funds for Teamsters elections. He has preserved my amendment that would require the Education Secretary to certify that 90 percent of the funds from education go to students and teachers.

(The remarks of Mr. FAIRCLOTH pertaining to the introduction of S. 1458 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. Who seeks recognition?

Mr. GORTON. Mr. President, will the Senator from Pennsylvania yield me 5 or 6 minutes?

Mr. SPECTER. I will be delighted to yield to my distinguished colleague, Senator GORTON.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, I am going to vote enthusiastically for this bill, the result of countless hundreds of hours of work on the part of the chairman and the ranking minority member, other members, and their staffs. It does make many, many decisions that are important for the future of our country.

I am, however, deeply disappointed that one element in the bill that passed the Senate of the United States is not included in this bill, an element that was vitally important and provided a vitally necessary reform for our schools. For decades now, Washington, DC, has assumed increasing control over our local schools. Washington, DC has not, however, put its money where its mouth is. With Congress appropriating about 7 percent of the money spent on education, we have allowed our bureaucrats to impose half or more than half of the rules and regulations that so often frustrate innovation and success in our schools. During the past few years, on the other hand, I have listened to countless parents, teachers and principals who almost universally agree that it is time for Congress and the President to restore the authority that our teachers, parents, and local school boards once had to make decisions for our schools.

In September, I proposed a sweeping reform to improve education for kids in schools everywhere in America. That reform would have given Federal education dollars directly to local school districts so that parents, teachers and principals would have the money and authority to make the best decisions for their children. They would have been empowered to determine their children's needs and to use their Federal dollars in a manner that is best for kids: For new schools, for lower class sizes by hiring more teachers, to purchase computers, or whatever else citizens in communities all across the United States decided that their schools needed. And they could have done it all without Washington, DC, having told them how to do it.

That sweeping reform is based on the simple philosophy that Washington, DC, does not know best. I believe that all of the laws passed by Congress and all of the regulations adopted by the Federal Department of Education have failed to reach their goals. I believe teachers in the classroom, principals in our buildings, and local school boards and parents, will make better educational decisions and do more to improve their own schools than will Congress or the Federal Department of Education.

For most of this century, Washington, DC, has been dominated by people who believe that centralized decisions and centralized control exercised by Washington, DC, is the best way to solve problems, including those in the classrooms. Unfortunately, the approach has not worked. As Washington, DC, has taken power and authority from local school districts, our schools have not improved. Sadly, old habits die hard. That belief in centralized power is still very much alive. When I proposed my amendment, every single Democrat in the Senate opposed it and the President vociferously criticized the approach of returning money and authority directly to our school districts. I suspect that, had a vote been taken in the House, the result would have been almost the same.

Recently, I attended a Senate Budget Committee education task force hearing, at which Carlotta Joyner from the General Accounting Office testified that in 1997, $73 billion was distributed through literally hundreds of programs and more than 30 Federal agencies to support education in this country. For a great number of those programs, there is no record of whether they have succeeded or failed, and in some cases no way of measuring that progress or lack of progress. The Department of Education did not even account for half of that total dollar figure. This complex web of education programs only serves to frustrate the efforts of those who know best how to educate children in this country—parents, teachers, principals, superintendents and school board members.

Over the coming months, I know that many of my colleagues will give speeches in their home States and will almost certainly be required to cover education. I remind my colleagues that when they speak eloquently about local control of schools, they have all had an opportunity in this body to vote for or against that proposition. The conference committee on this bill voted against it.

Finally, I want to let all of my colleagues know that the fight for restoring the traditional role that parents, teachers and principals play in education is not over. I intend to keep forcing tough votes on my colleagues, tough votes that I believe will eventually lead to letting our school districts do what is best for our children—without being told by Washington, DC, how to do it.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. The distinguished Senator from Minnesota, Senator GRAMS, wishes some time.

Mr. President, how much time remains on this side?

The PRESIDING OFFICER. The Senator controls 21 minutes 30 seconds.

Mr. SPECTER. How much on the other side?

The PRESIDING OFFICER. They have 31 minutes.

Mr. SPECTER. I yield 5 minutes to Senator GRAMS.

Mr. GRAMS. I ask unanimous consent to be able to speak for the 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. Mr. President, will that be charged to the bill?

The PRESIDING OFFICER. No, it will not.

Mr. SPECTER. In that event, would the distinguished Senator from Minnesota speak on the bill and then ask unanimous consent to include it as in morning business? The Parliamentarian would like it charged to the bill.

So we will vote at 2:30?

The PRESIDING OFFICER. The Senator is correct.

Mr. SPECTER. We would not want to hold up so many airplanes, Mr. President.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, I just had a couple of statements I wanted to put into the RECORD for today, dealing with the action here on Labor, Health and Human Services, and also on another unrelated item dealing with the dairy decision in Minnesota earlier this week.

Later today, as noted, the Senate will complete action on the Labor, Health and Human Services appropriations bill which was passed by the House last night. I wanted to express my appreciation to Senator SPECTER, chairman of the Labor, HHS Appropriations Subcommittee for including a 1-year correction of Minnesota's disproportionate share allotment, otherwise known as DSH. I also want to thank the conferees for accepting this correction as well. Without this correction, Minnesota's hospitals stood to lose millions of dollars in DSH payments, due to an error on the form that the State filed with the Health Care Financing Administration. While that error was corrected when the State filed an amended form with HCFA, the Balanced Budget Act did not allow HCFA to consider amended forms in determining each State's DSH allotment.

Again, I would like to express my thanks to our chairman, Mr. SPECTER, and also Chairman STEVENS for their assistance and guidance in finding a temporary fix to this problem.

Mr. President, the Labor, Health and Human Services appropriations bill will buy some time for Minnesota hospitals and allow Congress the opportunity to permanently correct this unfortunate error.

Although Minnesota hospitals have received a 1-year reprieve, it is important that we permanently correct the DSH allotment error. It is my understanding that Minnesota was not the only State with DSH allotment concerns, and those States will also need a permanent solution.

I look forward to next year when these problems might be addressed in the form of a technical corrections measure.

U.S. DISTRICT COURT CLASS I DIFFERENTIALS RULING

Mr. GRAMS. Mr. President, on an unrelated matter, I also want to take a moment this afternoon to rise in support of the U.S. district court decision that prohibits the U.S. Department of Agriculture from enforcing class I differentials when it comes to dairy and the Nation's milk marketing order system.

The ruling states that the class I price structure provided under USDA's Federal milk marketing order is unlawful. This ruling was made after providing the Department three opportunities to justify this antiquated regulation which has, again, been found to be arbitrary and capricious.

I strongly urge the Secretary to forgo any further litigation on this matter.

Judge Doty's decision has confirmed what we have known all along, and that is that the current class I price structure is unfair and that it makes no economic sense.

The 1996 farm bill requires the Secretary to provide price structure and Federal milk market order reform. This process is currently moving forward, and there should be no legislative maneuvers to restore the rejected state of affairs. I will be guarding against legislative initiatives put forth by regional interests which would attempt to restore the inequities of the former system.

USDA and Members of Congress must move forward and cease to be hamstrung by arcane economic models. Traditional economic models are not sufficient in constructing a dairy policy for the next century. The imposition of the 1937 dairy legislation on 1997 dairy economics is ludicrous.

Today, we have heard from our colleagues from Vermont that without the current system, the rest of the country would be at the mercy of the Midwest for a fresh supply of milk. We are not asking for a monopoly, only that the heel of Government be removed from our dairy farmer's throats so that they be allowed to compete fairly.

There is no room for regional politics in Federal dairy policy. We should not encourage inefficiency.

The United States district court has rendered its decision, and now it is in Secretary Glickman's hands to institute long-term and significant dairy reform which will restore equity to U.S. dairy policy.

Thank you very much, Mr. President. I yield the floor.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, I yield to my distinguished colleague from Iowa—how much time?

Mr. GRASSLEY. I would like to have 4 minutes.

Mr. SPECTER. Four minutes speaking on the bill, and then he may want to make an as-in-morning-business request to be sure it is subtracted from the time on the bill. The Parliamentarian nods in the affirmative.

The PRESIDING OFFICER. It will be.

Mr. GRASSLEY. I make the unanimous-consent request that the Senator from Pennsylvania enunciated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRASSLEY. I thank the Chair.

(The remarks of Mr. GRASSLEY pertaining to the introduction of S. 1459 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GRASSLEY. I yield the floor.

Mr. DURBIN addressed the Chair.

Mr. HARKIN. Mr. President, I yield 5 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois.

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, EDUCATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1998—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. DURBIN. Mr. President, I thank my friend from the State of Iowa, Senator HARKIN. I also thank the Senator from Pennsylvania, Senator SPECTER.

This is a good bill. It is not an easy bill to write. Having been a member of the Appropriations Committee in the other body, I know some bills are tougher than others. This is the toughest.

The committee empowered with writing this legislation entertains literally hundreds of witnesses who ask for help in this bill. Some are the most touching and amazing stories, as people come before this committee with a variety of different medical problems and ask for help in funding research at the National Institutes of Health. I am really encouraged that this piece of legislation increases spending on Federal medical research projects by 7 percent. I wish it were a lot more, and I bet the Senator from Iowa and the Senator from Pennsylvania agrees. Not too many years ago, we found that the NIH was only approving a fraction of those good research projects which should have been funded. There just wasn't enough money there.

Anyone in this body, any member of our family, anyone listening to this statement, either in the galleries or by television, understands how vulnerable we all are to medical illness. There are times in each of our lives when we pray that someplace at sometime someone is investing enough money to make sure that the cures for these illnesses are found. This is the bill that invests the money.

People say, what do these people do in Washington that has any impact on my life? We invest money in the National Institutes of Health to try to find ways to cure cancer, heart disease and a variety of diseases that are not as well known. I commend my colleagues who work hard on this committee to make it happen.

Another contentious issue in this bill is the whole issue of education testing. I don't particularly like this bill's provision on education testing. I see it a lot differently. I understand at some point the debate has to end, and we have to move forward to pass the legislation.

I believe in local control of education, but I think it is naive for us to believe that we should live in a nation where 50 different States set 50 different standards for scientific educational achievement. For example, the kids graduating in Illinois may go to work in Iowa. The kids graduating in Iowa may end up going to Nebraska. The kids in Nebraska may end up going to California.

The education standards we are espousing and the ones we are trying to make certain we achieve should be nationwide goals. Understanding the achievement levels of our schools is the first step toward appreciating the good schools and improving those that aren't as good.

The city of Chicago is going through a dramatic change in reforming its public education system. The city of Chicago voluntarily signs up for national testing to make certain that the kids coming out of those schools can make it wherever they happen to live. As a result of that testing, the public school system of the city of Chicago virtually closed down seven high schools within the last few months and said those high schools just aren't meeting the basic requirements for the kids. They demanded that the teachers in those schools basically step aside and only those who were competent were rehired. Others were told they had to do something else with their lives. That is what testing can give you, some objective standard to make a tough decision.

The final point I will make in conclusion, I especially thank the conferees for including a provision that I added to the Senate version of the bill. Section 608 of this conference committee report includes the provision which I added on the floor of the Senate which basically nullified the $50 billion setoff that was given to tobacco companies in a tax bill that was passed a little before our August recess. It turned out the vast majority of my colleagues agreed with me that this was a bad provision, and we eliminated it. The conference committee has honored that and kept it in the bill.

Let me say in closing that I hope as part of the tobacco settlement agreement, with the leadership of Senator HARKIN and so many others, that we cannot only do the right thing in reducing kids smoking, but come up with the revenues to put it into things that are critically important, such as medical research, so that maybe next year when this appropriations bill comes to the floor, we won't be talking about a 7-percent increase in medical research but a dramatically larger increase paid for by the tobacco settlement agreement.

I thank the Senator from Iowa and the Senator from Pennsylvania for their fine work on this bill. I yield back the remainder of my time.

The PRESIDING OFFICER. Who seeks recognition?

Mr. SESSIONS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I ask unanimous consent that I be allowed to have 5 minutes off Senator SPECTER's time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARKIN. How much time does Senator SPECTER have remaining?

The PRESIDING OFFICER. The Senator from Pennsylvania has 12 minutes.

Mr. HARKIN. I yield 5 minutes off Senator SPECTER's time to the Senator from Alabama.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Alabama.

VETERANS DAY

Mr. SESSIONS. Mr. President, I rise today to speak about our Nation's celebration of Veterans Day next Tuesday. In doing so, I would like to take a few minutes to tell a short story; a story that I think needs retelling from time to time lest we forget some of the history that makes our heritage so special. Please forgive my use of a little artistic license for the sake of narration.

My story begins in the fall of 1947 in Birmingham, AL. Close to the drug store where this story begins is a memorial honoring the Confederate Army's 10th Alabama Regiment. The men of this incredibly fine unit made a now famous charge up the slope of Little Round Top at Gettysburg on a hot day in July 1864. Imagine, if you will, these brave souls charging, without hesitation, bravely up that wooded slope toward the Union's 20th and Maine, a unit known to many and commanded by Col. Joshua Lawrence Chamberlain. For many dressed in Blue and Gray, the last steps they would ever take were made that fateful day.

This is not an unfamiliar story in war; men going away from their home and their families to place their lives on the line for their country; taking each breath in combat and wondering if it would be their last. Mr. Raymond Weeks, one of the heroes of this story, knew the horrors of war. He had just returned home from the Pacific theater. He knew as well the trials and tribulations of fighting in a war and he knew too of wearing the title of "veteran." His circumstance, Mr. President, was similar to that of my father, now deceased, who had likewise just returned from the Pacific, to open a general store with a gristmill in the small community of Hybart, AL.

On that fall day in 1947, Raymond had stopped in his local drug store where he bumped into some of his buddies who had also returned home from overseas. Talk at the drug store turned to the upcoming celebration of Armistice Day, started nationally just nine years before in 1938. You see, Mr. President, many Americans still remember when, on November 11 of each year, America and the world celebrated the signing of the Treaty of Versailles, the treaty commemorating the armistice that ended the First World War on the 11th hour, of the 11th day, of the 11th month of the year in 1918. Thus ended "the war to end all wars."

Yet, years later, World War II also stole the youth of many nations and many of Raymond's and my father's friends as well. Raymond Weeks suggested that the group should "do something" in town to honor the memory of those comrades who had fallen in battle. With that, this small group of men began planning a local celebration to honor not just the veterans of World War I and the Versailles Armistice, but of World War II, and American veterans of all wars.

On Armistice Day, 1947 the very first Veterans Day parade was held in Birmingham, AL. The parade drew such a great turnout that it became a yearly event, even though there was no official national recognition of Veterans Day at that point.

Over time Raymond Weeks formed a small committee and eventually traveled to Washington, DC, to approach then Army Chief of Staff, Gen. Dwight D. Eisenhower with their idea for a national holiday. History records that General Eisenhower expressed immediate approval and referred the idea to Congressman Edward Rees of Kansas. Subsequently, H.R. 7786 became Public Law 380, a law which changed the name of Armistice Day to Veterans Day. Passed by Congress, the bill was signed into law, ironically, by President Eisenhower on June 1, 1954.

What Raymond Weeks did was remarkable; even extraordinary. The Veterans Day Raymond Weeks helped to create does more, Mr. President, than just honor those who served in America's Armed Forces. Veterans Day, as hosted by Bill Voight and the National Veterans Day Committee and still celebrated annually in Birmingham, AL, extends its boundaries beyond those who fought in Korea, Vietnam, Grenada, Panama, and Desert Storm, it extends its reach to those who serve today in the ships conducting NEO operations off the coast of Africa, in the tanks manning outposts in Bosnia, to the sandy slopes of the Sinai, and to the cold ridges of the DMZ in Korea. There should be no doubt that Veterans Day is a special day that pays annual homage to the ongoing sacrifices of our men and women in uniform.

While we were home, safe, these veterans were spread around the globe protecting our liberty and freedom and our security. To them a great debt is owed.

Veterans Day, Mr. President, acknowledges the responsibilities and the special burden's that our Nation's men and women shouldered in the past. It acknowledges too the responsibilities and burdens of those in uniform today. And it calls on each of us to honor the legacy of veterans past and the dedication of today's military personnel, by renewing our responsibility to ensure that our Nation remains the strongest on earth, fully able to defend its just national interests whereever and whenever they are challenged.

To all those great Alabamians and Americans who paid the ultimate sacrifice, to all those who survived, and to those who serve today, it is fitting that we pause with a humble and grateful heart and say thank you for their sacrifices which have kept us free.

God bless the United States of America and may we be worthy of His blessing.

Thank you, Mr. President.

The PRESIDING OFFICER. Who seeks recognition?

Mr. BINGAMAN addressed the Chair.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from New Mexico.

DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1998—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. BINGAMAN. Mr. President, I would like to take a moment to comment on the agreement that has been entered into on national tests. Do I need to have time yielded?

The PRESIDING OFFICER. Yes, you would.

Mr. HARKIN. Mr. President, I yield 10 minutes to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. I appreciate the time very much.

Thank you, Mr. President.

VOLUNTARY NATIONAL TESTING

Mr. BINGAMAN. Mr. President, let me just comment on the agreement that has been reached on the issue of national tests and is part of the conference report that we are getting ready to vote on.

After weeks of delay, and essentially a campaign of misinformation waged against voluntary national tests, we now have an agreement that will allow parents to know how their children are really doing in school. And they will be able to know that as soon as the 1999-2000 school year.

As my colleagues know, people who paid attention on this issue, I have long advocated developing voluntary national education tests. And despite the firestorm of controversy that has erupted here on Capitol Hill in the last week or two, the vast majority of Americans have always thought that this was a good idea. Why should we continue to fumble around in the dark trying to guess what is wrong with our educational system when we can simply turn on the light and see for ourselves?

For these reasons, I worked with others here in the Senate to negotiate the initial Senate compromise that we approved here by a vote of 87 to 13. I worked with my colleagues to ensure that the Labor-HHS conferees knew how important it was to have new tests that States could use if they chose to as soon as possible. Here on the floor I have done my best to describe the myths and the realities of what national testing is all about.

As a result, I am glad to report that an agreement on moving forward with developing new tests has been finalized.

In essence, this new agreement does four things.

First, it transfers control over development and administration of voluntary national tests to the National Assessment Governing Board. That was part of what we discussed and proposed here in the Senate version of the legislation. And I think that was a very good proposal. So I am very glad to see that in this final bill.

Second, it calls on the National Academy of Sciences to conduct a study about whether it is feasible to link State and commercial tests to the rigorous National Assessment of Educational Progress.

Third, it allows for development of new national test items aligned with the National Assessment in the areas of 4th grade reading and 8th grade math.

And, fourth, it eliminates any prohibition against future implementation of the new tests without prior congressional authorization.

In my view, there are two main benefits to this agreement.

First, transferring control to this National Assessment Governing Board, NAGB, takes the same approach as the Senate compromise. This ensures that the tests are controlled by an independent and bipartisan agency with a proven record of administering national assessments.

The second benefit of this agreement is that it removes any explicit requirement for future congressional authorization before implementation of testing. Making sure that the tests are available to be used is one of the most important objectives here. There is no point in having shiny new tests ready and on the shelf if States and districts and parents who want to use those are prohibited from doing so. This agreement puts the burden of blocking any implementation of national tests on those who would oppose States and school districts and parents from using them when they want to.

In my view, these provisions are all reasonable steps to take. They allow the process to go forward. They establish a level playing field for authorizers and appropriators during any future disputes about the implementation of national tests next year. And they provide reassurances against inventing a wheel that we have already invented before.

Let me make a few additional statements though about the agreement.

First, I want to clarify that, in fact, the agreement does allow the development of national testing to go forward this year. The development of fourth grade reading and eighth grade math exams based on the National Assessment of Educational Progress will go forward during the upcoming school year. Starting in the next fiscal year, this National Assessment Governing Board can begin piloting and field testing these items, which are necessary steps for implementing the tests in the spring of 2000.

Second, I would like to lower people's expectations about the proposed study of the feasibility of linking State and commercial tests to this National Assessment. That is because the current hodgepodge of State and commercial tests cannot replace a uniform national test and are almost certainly not comparably vigorous to the National Assessment of Educational Progress.

Few of the current State tests require more than 10th grade learning levels. The percentage of students who score proficiently in the National Assessment of Education Progress on any given subject is usually much lower than the percentage of students who pass a State exam or a commercial exam.

A series of studies and reports over the past two decades, have shown that linking State or commercial tests is a costly and an uncertain undertaking. In the end, the National Academy of Sciences study will most likely reiterate the need for a voluntary national test.

Third, I would like to say that it is unfortunate that the opponents of voluntary national testing did not allow the agreement to include as many protections against discriminatory uses of the tests or bias or other safeguards for poor and minority students as were in the Senate version of the test proposal that we negotiated here. Coming from a State with many poor and minority students, I am committed to ensuring that any new tests are fair to all who take them.

Overall, I would have to say that this agreement brings us closer to the day when we will have a national yardstick to measure students' academic progress and gauge how well our education system is doing, and not just the system overall, but be able to gauge how the system is doing on a State by State basis or a district by district basis.

I know that there are those who oppose this effort who still fear that voluntary national tests will undercut local control. I myself would have preferred to move faster than this bill will move us. But I am glad that the commonsense potential of developing these measures now seems clear to all and that we can finally move forward.

Mr. KENNEDY. Mr. President, I commend Senator SPECTER and Senator HARKIN for giving education the high priority it deserves in the fiscal year 1998 Labor, Health and Human Services, and Education appropriations conference report, and I give it my strong support.

We all know the serious challenges we face in improving public education and increasing access to college. Enrollments in elementary and secondary schools have reached an all-time high of 52 million children this year, and will continue to rise in the years ahead. Forty percent of fourth graders score below the basic level in reading, and fewer than 30 percent score in the advanced category. Yet our modern economy and the country's future depend more and more heavily on well-trained people.

This bill increases funding for Federal education programs by $3.4 billion over last year to help provide young children with a good education and help more qualified students go to college.

The bill provides a $1.5 billion increase in Pell grants to help an additional 210,000 young people attend college, and increases the maximum Pell grant from $2,700 to $3,000.

The bill increases funding for title I by $200 million to help disadvantaged students get the extra help they need to improve their math and reading skills.

The Education Technology Literacy Challenge Fund is more than doubled, from $200 million to $425 million. The technology innovation challenge grants receive $106 million, an increase of $49 million, to help teachers learn to use technology effectively and help schoolchildren prepare for the 21st century. The highly successful Star Schools Program will receive $34 million to continue to provide educational services to remote and underserved areas.

The bill also increases Head Start funding by $375 million, including $279 million for the Early Head Start Program, to help more preschool children reach school ready to learn.

Special education receives $775 million more than last year to help more children with disabilities get a good, appropriate education.

The bill also contains a compromise on the issue of testing. Despite the efforts of many parents, schools, and communities to improve education, too many schools in communities across the country are educating in the dark. They have no way to compare the performance of their students with students in other schools in other communities in other parts of the country. We know that by every current indicator, the performance of American elementary and secondary school students falls far short of the performance of students in many other countries. We have to do better, and knowing where schools and students now stand is an essential part of helping them do better.

This bill addresses these issues by including a fair compromise on President Clinton's proposal for voluntary national tests based on widely recognized national standards, so that parents, communities, and schools will have a better guide for improving local education. The voluntary national tests will be designed to test fourth grade reading and eighth grade math—two basic subjects at two critical times in students' academic development.

Parents want to know how well their children are doing and how well their schools are doing, compared to other students and schools across the Nation.

Voluntary national tests are an effective way to support local school reform, and I commend the conferees for their decision to move forward on these tests.

This bill takes another step forward in higher education, too, by creating the Emergency Student Loan Consolidation Act. I commend Senator JEFFORDS for his leadership in continuing to make paying for college easier for more students.

The Emergency Student Loan Consolidation Act reflects Congress's concern for students who have been unable to consolidate their loans in the direct loan program due to problems with the Department of Education's contractor. The act responds by opening up consolidation under the bank loan program to students who have direct loans. It does so without undermining the Department of Education's ability to pay for the administration of the loan programs.

The act contains important nondiscrimination provisions that will help prevent lenders from choosing to allow consolidation of loans only for the most profitable borrowers. We will have an opportunity to do more on nondiscrimination during the reauthorization of the Higher Education Act, but this bill is a good step toward making loans truly available to all students.

The act also makes an important adjustment in the needs analysis calculation, so that needy students will benefit more effectively from the President's new education tax credits. Students who benefit from the HOPE tax credit and the life-long learning tax credit should not be penalized in their eligibility for future Federal financial aid. This change will help approximately 70,000 needy students, and it is an important part of this act.

In addition to these advances in education, I also commend Senators SPECTER and HARKIN for including increased funding for important health, energy, and biomedical research programs.

This year's spending bill provides more funds for the Ryan White AIDS Program and the Community and Migrant Health Program.

It provides $1.1 billion in fiscal year 1999 for LIHEAP, which will enable this program to serve thousands of additional senior citizens, the disabled, and working families by providing them with heating and cooling assistance.

And it provides an increase of $907 million over last year for the National Institutes of Health. These investments in biomedical research hold great promise for the Nation to cure or prevent illnesses, and can also be an important factor in finding a long-term solution to the fiscal problems facing Medicare.

One of the few major problems with the conference report is that it retains the ban on using any Labor Department funds in the bill to oversee the forthcoming Teamsters election. That election is a rerun of the 1996 election conducted under government supervision as part of the important ongoing effort to free the Teamsters from domination by organized crime. The 1996 election was cancelled because of fundraising improprieties by both sides driving the election campaign. A Federal court has ordered a rerun of the election, and Labor Department funds should be available to supervise it.

The conference report is also disappointing in its funding of the National Labor Relations Board, which is frozen at last year's level. This result will require the agency to lay off 50 employees, and will hamper its ability to process its pending cases. There is no justification for Congress to disrupt the Nation's industrial relations in this way.

There are many worthwhile provisions in this bill, and I intend to support it. But I hope that in action early next year, we can reconsider these unwise provisions and achieve a more satisfactory resolution.

DIABETES

Mr. DOMENICI. I would like to engage the distinguished chairman of the Appropriations Subcommittee on Labor, Health and Human Services, and Education, Senator SPECTER, in a discussion about certain details of the fiscal year 1998 funding for the Centers for Disease Control [CDC] and Indian Health Service [IHS] regarding American Indians and diabetes.

Mr. SPECTER. I would be happy to respond to the Senator from New Mexico about the intentions of my committee with regard to funding diabetes programs for American Indians through the CDC. I am also interested in his ideas about coordinating efforts between the CDC and the IHS.

Mr. DOMENICI. Earlier this year, I wrote to you about my interest in establishing a national diabetes prevention research center in Gallup, NM.

Mr. SPECTER. Yes, Senator DOMENICI, I recall your letter of June 26, 1997.

Mr. DOMENICI. In that letter, I requested $8 million for CDC to establish a national diabetes prevention research center. It is my primary intention to see this center begin a serious and vigorous effort to control the diabetes epidemic among American Indians through greatly improved, culturally relevant diagnosis and prevention, with preliminary attention to the Navajo Tribe and the Zuni Pueblo near Gallup, New Mexico. I believe CDC is the best agency in our Government to lead this very specialized task. I also hope to find better prevention strategies that will benefit the large Hispanic population of the city of Gallup, the States of New Mexico, Arizona, Texas, and California, and minority communities nationwide. I am also hopeful that the prevention research conducted in Gallup would be a major benefit for the large population of African-Americans who have this disease.

Mr. SPECTER. I certainly agree that prevention research is a very specialized field that must prove itself to be culturally relevant and attractive, or it will be meaningless. It is also my understanding that diabetes is rampant among American Indians and getting worse. The rate is almost three times as high among Indians as it is among all Americans. The national rates of diabetes among Hispanics, Blacks, and Asians are also among the highest in the Nation, and are about double the rate among Americans as a whole.

Mr. DOMENICI. When I held a hearing about the seriousness of diabetes among Navajo and Zuni Indians, and Hispanics in the Gallup area, I was pleased to learn that there are relatively inexpensive ways—such as the monofilament device for testing circulation in the feet—to detect diabetes at an a early stage. We want to incorporate early detection into our prevention activities, so that the Indian populations most susceptible to this disease will have better diagnostic information as early as possible.

Among the Navajo Indians, we are told that 40 percent of all Navajo Indians are diagnosed as diabetic, and this high rate is among known cases. The sad truth is that testing is very sparse in the remote areas of the Navajo Nation. Some experts fear that the rate could actually be nearly twice as high, if better outreach were performed. I view the Gallup center as the national center for finding better ways to improve outreach and diagnosis among native Americans. The earlier a person knows about the onset of diabetes, the more can be done to prevent it.

Mr. SPECTER. I concur with the Senator's observations.

Mr. DOMENICI. I would like my colleagues to know that I met with Health and Human Services Secretary Donna Shalala in my office about the seriousness of this epidemic among American Indians. The Secretary offered her own plan to establish this diabetes prevention research center in Gallup, NM. She recommended "a single $8 million per year, multiyear award for a large-scale, coordinated primary, secondary, and tertiary prevention effort among the Navajo, who have a large population with a high incidence of diabetes and risk factors for diabetes."

Her support for the Gallup research center came as welcome news. In working with the CDC, we have obtained an estimate of at least $2 million for the first year startup costs for this center. The Senate committee report on this bill specifically mentions the Gallup prevention research center. Would the chairman agree that the conferees intended to target at least this amount for the first year costs of establishing to Gallup center?

Mr. SPECTER. Yes, I would agree that the increase in funding for CDC for fiscal year 1998, includes sufficient funds for this purpose, and the House has concurred with the Senate's intention to do so. The conferees intend to increase both prevention and treatment activities among native Americans. The final bill also contains at least $2 million for CDC programs among native Americans. In addition to this general Indian funding, I believe the Senate report clarifies our intention to fund the Gallup prevention research center in the first year from fiscal year 1998 funds. This program would then continue as envisioned by Secretary Shalala on a multiyear basis.

Mr. DOMENICI. I Thank the chairman for these important clarifications of congressional intent in this final Labor-HHS-Education Appropriations bill for fiscal year 1998. I would like to add one final comment about the Balanced Budget Act of 1998. In that act, signed by the President, we included $30 million annually for the prevention and treatment of diabetes among American Indians for the next 5 years.

As most American Indians with serious diabetes problems live on or near the reservations, we have allocated $30 million per year for enhancing the prevention and treatment of diabetes through the Indian Health Service of the Public Health Service in the U.S. Department of Health and Human Services.

I have written to Secretary Shalala asking her support for partial funding of the Gallup center from this Balanced Budget Act allotment. While I have not received a definitive answer yet, I remain optimistic that the Secretary will see the value of directing the IHS to coordinate its prevention efforts with the CDC through the Gallup center. Does the chairman concur with this strategy?

Mr. SPECTER. I commend the Senator from New Mexico for his thoughtful and coordinated approach to the problems of diabetes for minorities, especially American Indians. I concur that CDC and IHS would be an invaluable combination at the Gallup prevention research center.

Mr. DOMENICI. I thank the Chairman for his thoughts on this vital coordination issue. I am convinced that the IHS could improve the effectiveness of its outreach and prevention efforts, funded in the Balanced Budget Act, by using the most current information and prevention strategies developed at the national diabetes prevention research center in Gallup, New Mexico.

Mr. SPECTER. As the Senator from New Mexico has suggested, I would hope that IHS would invite the CDC to participate in developing meaningful prevention strategies at the Gallup research center with funds from the Balanced Budget Act of 1997. I would add that the resources of the National Institutes of Health [NIH] and the National Center for Genome Research would be other valuable resources for both the CDC and the IHS to incorporate into their efforts.

I thank the Senator from new Mexico for his coordinated efforts to bring immediate assistance to American Indians, especially the Navajo and Zuni Indians in the Gallup area. I believe this diabetes prevention research effort in Gallup will benefit the Pueblo Indians, Apaches, and other Indian tribes nationwide.

I fully support Senator DOMENICI's efforts to start and maintain funding for the national diabetes prevention research center in Gallup, NM, funded by both CDC and IHS resources as we have discussed.

Mr. DOMENICI. I thank the distinguished Chairman, and I look forward to working with him again next year to continue our progress in funding vital programs for controlling the epidemic of diabetes among American Indians and other minorities.

Mrs. HUTCHISON. I would like to engage the distinguished chairman of the subcommittee in a colloquy regarding the statement of the managers on fiscal year 1998 Labor Department appropriations. During the debate on S. 1061, I brought to the attention of the chairman an important project that is making a difference in the lives of poor people in two cities in my State and in many other cities across the country. The Community Employment Alliance [CEA], sponsored by the Enterprise Foundation, is working with community development corporations, State and local governments and the private sector to provide a range of employment and training and job creation service to welfare recipients. I appreciated the support of the chairman in urging the Department of Labor to give full consideration for application by the Enterprise Foundation to provide funding for the Community Employment Alliance.

Mr. SPECTER. I want to thank the Senator from Texas for all her efforts to gain the support of the conference committee for this important project and for the work the Community Employment Alliance and the Enterprise Foundation are doing in welfare to work. I am pleased to inform the Senator that the statement of the managers accompanying the conference report includes a reference to the Community Employment Alliance and urges the Department of Labor to give careful consideration to a proposal for funding.

Mrs. MURRAY. Mr. President, I rise in support of the conference report to accompany the fiscal year 1998 Labor, HHS, and Education appropriations bills, but I am also sadly disappointed in the actions of the other body concerning my amendment to clarify the family violence option.

The conference report before us today in the result of a bipartisan effort that focused on the priorities important to American families; education, a safe work place, biomedical research and disease prevention, child care, Headstart, and low-income energy assistance. I was proud to work with my colleagues in producing this conference report. I want to thank Chairman SPECTER and Senator HARKIN for their willingness to work with all of us in negotiating a final bill with the other body. I also want to thank both of them for including many of my priorities in this final legislation.

I am pleased that we were able to increase our commitment to the Older Americans Act programs, breast and cervical cancer research, heart disease prevention, literacy, child care, Headstart, and maintain a strong Federal role in education. I know that in a balanced budget framework meeting these priorities was a difficult task and am grateful for the leadership shown by Senators SPECTER and HARKIN.

While I worked to ensure the enactment of important increases in our investment in our future, I am sadly disappointed that this final conference report does not include my amendment to protect victims of domestic violence and abuse from the harsh punitive requirements called for in welfare reform. Despite a 98 to 1 vote in the Senate, Republicans on the conference committee from the other body, refused to help victims of family violence from continued abuse. This is a big loss that will come back and haunt us as the States begin full implementation of their welfare reform plans.

The Republicans in the other body seemed more concerned about grossly incorrect statements made by the chairman of the House Ways and Means Committee and the chairman of the Subcommittee on Human Resources. It was interesting to see that the chairman of the Human Resources Subcommittee felt it necessary to attend the final conference meeting to ensure that there was no further effort to give States the flexibility that they need to truly help those victims of domestic violence.

In a letter to the conferees, the chairman of the House Ways and Means Committee concluded that the way to break the cycle of violence was to improve the self esteem of moms; this could only be accomplished through work. This statement in itself explains the difficulty I have had in getting this amendment enacted into law. There appear to be some Members of Congress who firmly believe that domestic violence is the fault of the woman.

I will ask that this letter be printed in the RECORD so that the American public can see how some Members of Congress view family violence and abuse.

While I am disappointed in the lack of consensus on my amendment, I am pleased to report that as a result of the courage shown by the Senate and the public debate conducted on my amendment, the chairman of the Human Resources Subcommittee in the other body has pledged his support for hearings on this important initiative. I am also inserting a copy of his letter to me stating his intention to hold these hearings. I intend to hold him to this commitment and am hopeful that hearings will be held early in 1998. Depending upon the status of these hearings, I intend on maintaining my strategy of offering this amendment to each and every appropriate legislative vehicle. I will not give up until this amendment is adopted. The stakes are simply too high. The lives of too many women and children are at stake.

I ask unanimous consent that the letters to which I referred be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
Washington, DC, September 26, 1997.

Hon. JOHN EDWARD PORTER,
Chairman, Subcommittee on Labor, Health and Human Services, and Education, Washington, DC.

DEAR JOHN: We want to draw your attention to a provision added to the Labor, HHS, and Education appropriations bill in the Senate that we strongly oppose. Senator Murray and several others offered a floor amendment concerning domestic violence that received nearly unanimous support. Unfortunately, this amendment does not, as claimed "clarify" a provision of last year's historic welfare reform bill but instead would have the effect of gutting the reform.

As nearly as we can tell, every Member of Congress and virtually every American citizen abhors domestic violence. Every level of government already has strong laws, including criminal laws, designed to deal with the perpetrators of domestic violence. Moreover, in the last decade or so, the nation has made significant progress both in increasing awareness of this serious problem and inventing both civic and governmental responses to the problem.

But fighting domestic violence by adopting a national policy of exempting welfare mothers, who may have been abused, from the work requirements and time limits of welfare reform is not a wise policy. First, we cannot understand how keeping mothers dependent on welfare can help them achieve independence from an abusive partner. There may be some exceptions to the rule, but in the vast majority of cases women who can support themselves and their children have a much better chance of escaping an abusive relationship. In recent years, Congress has enacted generous non-welfare benefits including tax credits, expanded health coverage; and more day care, all of which are designed to help women with children become self-supporting. The domestic violence trap can only be broken when mothers improve their self-esteem through work. Thus, exempting these mothers from the work requirements and time limits seems to be precisely the wrong thing to do.

Second, states already can exempt 75 percent of their caseload from the work requirement in the first year. Even when the work requirement is fully implemented in 2002, states will still be able to exempt half of their caseload. If in some special circumstances a mother involved in an abusive relationship would be helped by being temporarily exempted from the work requirement, states have plenty of room under existing law to provide the exemption. Similarly, the 5-year limitation on benefits is drafted so that states can exempt up to 20 percent of their caseload from the requirement.

Thus, under current law, states already enjoy a great deal of flexibility that can be used to address the needs of individual mothers. To allow states to ignore all cases in which abuse is involved is to invite them to destroy both the work requirement and the time limit. We have seen numerous claims that the original welfare reform bill intended to allow states to exempt these cases without counting them against the ceiling on work and time limit exemptions. As the authors of the original bill and the bill finally enacted by Congress and signed by the President, we want to clear up this myth. Such exemptions were never intended. Indeed, every time they have been proposed, we have fought them. Given the widespread and widely recognized success of the welfare reform bill, we believe a change of this magnitude would be exceptionally destructive—especially when the justification for making the change is so weak.

Finally, House and Senate rules prohibit legislating appropriation bills. We all know that when there is bipartisan agreement and the committee of jurisdiction agrees with an authorization provision, we tend to overlook these rules. But we are informing you in the most direct terms that we strongly oppose this Senate action. If there is any doubt about whether this provision will be removed from the conference report, we would like to be informed at the earliest moment so we can take this issue to the House and Senate Leadership.

Thanks for your personal help and the help of your staff on this issue.

Sincerely,

E. CLAY SHAW, JR.,
Chairman, Subcommittee on Human Resources.
BILL ARCHER,
Chairman, Committee on Ways and Means.

HOUSE OF REPRESENTATIVES, COMMITTEE ON WAYS AND MEANS, SUBCOMMITTEE ON HUMAN RESOURCES
Washington, DC, October 29, 1997.

Hon. PATTY MURRAY,
U.S. Senate, Washington, DC.

Hon. ARLEN SPECTER,
U.S. Senate, Washington, DC.

DEAR SENATORS MURRAY AND SPECTER: I am writing to you about the Murray/Wellstone amendment concerning domestic violence to the FY 1998 Labor, HHS and Education appropriations bill.

As nearly as I can tell, every Member of Congress and virtually every American citizen abhors domestic violence. Every level of government already has strong laws, including criminal laws, designed to deal with the perpetrators of domestic violence. Moreover, in the last decade or so, the nation has made significant progress both in increasing awareness of this serious problem and inventing both civic and governmental responses to the problem.

The Murray/Wellstone amendment continues this tradition of both drawing attention to the issue of domestic violence and creating special conditions for those who have been abused. Nonetheless, there are several procedural and substantive reasons why this proposal should not be included in the Labor, HHS appropriations bill. First, the provision violates House rules against legislating on an appropriations bill. Second, it is against regular order to make such significant changes without committee input. Finally, the Ways and Means Committee has never had a hearing on the Murray/Wellstone amendment, so it is unclear whether this change is needed or what its unanticipated consequences might be.

It is also important to note that, while the Murray/Wellstone amendment would allow states to exempt an unlimited number of victims of domestic violence from the welfare reform law's time limits and work requirements, current law already exempts 70 percent of the caseload from work requirements and 20 percent from the 5-year time limit. States already have the discretion to include any or all victims of domestic violence under these exemptions.

Each of these factors argues against including the Murray/Wellstone amendment in the bill currently before the conference committee. However, as Chairman of the Subcommittee on Human Resources of the Committee on Ways and Means, I am offering to convene a subcommittee hearing on this topic early in the next session, provided that the Murray/Wellstone amendment is withdrawn from consideration by the Labor, HHS conference committee. I would expect and look forward to your appearing as the first witnesses at this hearing.

I appreciate your consideration of this offer, and look forward to your response.

Sincerely,

E. CLAY SHAW,
Chairman.

Mr. WARNER. Mr. President, I rise to address a matter in the Labor-HHS Appropriations Conference Report that is of great interest to me. Would the distinguished chairman of the subcommittee, Mr. SPECTER, be willing to clarify a matter contained in the conference report?

Mr. SPECTER. I would be happy to respond to an inquiry from my friend from Virginia.

Mr. WARNER. Mr. President, an amendment offered by Senator KENNEDY and myself providing the Department of Education with $1.1 million to begin planning efforts for Nation's celebration of the millennium was adopted by the Senate during consideration of the Labor-HHS appropriations bill. These funds were requested by the Department of Education and were to be offset within the Department. However, it is my understanding that this language was deleted without prejudice during conference.

Mr. SPECTER. That is correct. However, $1 million in funding was included in the Department of Education's program administration budget to be utilized for national millennium activities.

Mr. WARNER. Then it would be correct to say that while the Warner-Kennedy language was deleted in conference, $1 million in funds will be available for activities associated with the millennium through the Department of Education's program administration budget?

Mr. SPECTER. That is correct.

Mr. WARNER. Mr. President, I thank the Chairman for his clarification of this matter.

Mr. LAUTENBERG. Mr. President, I want to take this opportunity to highlight language in the Senate's committee report on the fiscal year 1998 Labor-HHS bill under the National Institute of Health's [NIH] National Institute of Allergy and Infectious Diseases [NIAID]. This language notes the significant research on emerging infectious diseases being conducted at the Public Health Research Institute [PHRI]. I would like to clarify that PHRI is a component of a scientific research and collaborative venture in New Jersey known as the International Center for Public Health, located at University Heights Science Park in Newark. Furthermore, I would like to clarify that the intent of the Senate's report language is to encourage NIAID to give appropriate consideration to proposals received from the International Center for Public Health, one component of which is PHRI.

I would like to ask my colleagues Senators SPECTER and HARKIN if they agree with this interpretation of the intent of the Senate language? Furthermore, I would like to ask my colleagues if they agree that the International Center for Public Health's efforts to create a world class research and treatment complex to address infectious diseases are consistent with the committee's objectives for the Department of Health and Human Services, specifically the NIH's NIAID?

Mr. SPECTER. I am aware of this language and agree with this interpretation. I appreciate my colleague's leadership role in working with this important International Center, and I hope the NIH will give every appropriate consideration to the Center's proposals.

Mr. HARKIN. I, too, appreciate the leadership of my colleague from New Jersey on this issue, and concur with the Chairman that the NIH should give appropriate consideration to proposals from the International Center for Public Health.

Mr. DODD. Mr. President, I rise today to express my strong support for key provisions of the fiscal year 1998 Labor, Health and Human Services and Education appropriations bill.

This bill is the product of a long, often difficult, process and, like many of our legislative efforts, it is in no way perfect. However, I am particularly pleased with the $3.3 billion increase included for education.

With this legislation, students, parents and schools across the country will see broad increases in Federal spending in key areas. Funding for education technology will double. Special education funding will increase by $800 million to a historic high of nearly $5 billion. The title I program, which provides disadvantaged students with remedial tutoring in math and science, will receive $7.4 billion. This bill also provides for the continued development of voluntary national tests in fourth grade reading and eighth grade math. While there was a great deal of negotiation, discussion, and compromise on this last issue, I am pleased that the final legislation does not set up any roadblocks that will block full implementation of this important accountability initiative in schools across the country.

This bill also includes new funding for young children. Head Start funding will grow by $300 million, putting it on the path to serving 1,000,000 3- and 4-year-olds by the year 2000. The Child Care and Development Block Grant will also grow by $50 million to reach $1 billion and provide working families with additional assistance in meeting their child care needs.

On the other end of education funding, college students and their parents will receive substantial new assistance through this bill. First and most importantly, the Pell grant program will receive an increase of $1.5 billion. These funds will increase the Pell grant maximum to $3,000—the highest level in history—and will expand the Pell grant program to assist an additional 210,000 students.

This last step is particularly crucial in my view. Earlier this year, I introduced legislation to better assist students by modifying the treatment of dependent student income to ensure that needy students are not penalized for working. This appropriations bill includes this initiative and consequently will reach thousands of new students who work. This appropriations bill does not fully accomplish the goals set by my legislation, but it takes the first vital steps, which we can hopefully build upon during next year's reauthorization of the Higher Education Act.

This bill also includes legislation approved by the Labor and Human Resources Committee last month to assist students in better managing their Federal student loans. This bill, the Emergency Student Loan Consolidation Act, responds to the recent shutdown of the Federal direct loan consolidation programs by providing all student borrowers with the option of consolidating their student loans into the guaranteed loan program. There had been some concern that this bill, as it passed the Labor Committee, did not have an appropriate offset; however, additional clarifying language is included today which will allow the administration to manage this offset appropriately. We also include another emergency provision which ensures that families who receive a HOPE Scholarship will not be penalized for this scholarship in the determination of families' need for Federal student aid. It is very important to America's families and college students that these two initiatives pass this year and I am pleased that their inclusion in this bill today will make that possible.

Thus far, Mr. President, I have focused on what is in this bill in terms of education. However, I am pleased that one education provision adopted by the Senate was dropped in this final bill—the Gorton amendment. This very destructive amendment, which I have strenuously opposed since it was first introduced, would have eliminated Federal funding for school safety, character education, vocational rehabilitation services, Indian education, teacher training and education technology. The conferees recognized that this policy was not fully considered by the Senate, as well as the appropriate committees, and took us in the wrong direction on education policy.

For all that is good in this bill, it is clearly the product of considerable compromise and is not the bill I would have written. I am particularly disturbed by the inclusion of language expanding the reach of the Hyde amendment which will further limit the rights of Federal employees in this important, personal area. However, on the whole, I believe this is a good bill for the families and children of America and will join my colleagues in supporting its passage.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOMENICI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Parliamentary inquiry. Does Senator SPECTER have time?

The PRESIDING OFFICER. Senator SPECTER has 4 minutes remaining.

Mr. DOMENICI. What time are we going to vote under the order?

The PRESIDING OFFICER. At 2:35.

Mr. DOMENICI. I yield myself the remaining time that Senator SPECTER has.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I wish to applaud the subcommittee chairman, Senator SPECTER, and other members of the Appropriations subcommittee for receiving a consensus on this bill, and at the same time adhering to the important provisions of the bipartisan budget agreement.

First, let me say this bill has a very exceptional provision in it which was not part of the budget agreement but, rather, was in the Republican budget resolution, and that was to add $5 billion for special education for the next 5 years that was for educating children with disabilities. The appropriations bill includes an additional $775 million for this program, the biggest increase in the history of the program. This is the program that many States were critical of our Government for because we started it and committed a share of the payment and we never lived up to our commitment in the shared expenses of the program but insisted that our rules and regulations be followed by the States.

Now we are beginning to catch up. Senator JUDD GREGG was the leader of this from the State of New Hampshire, and certainly he will take a great deal of pride as this bill works its way to the President for signature—$5 billion over the next 5 years for educating children with disabilities.

Now, Mr. President, this bill has a lot of different provisions in it for different parts of the U.S. Government, but the education funding for the United States is almost all found in this bill. While we are not a big contributor nationally to education—that is, the National Government—there are some programs that are noteworthy that we agreed in our 22-page agreement, the historic agreement of the President and the Congress, to give high priority to, and I might say on all of these on education, with our bipartisan agreement, this committee lived up to those and funded them in every single instance, even though it meant much of their allocation of resources was being predetermined by this previous agreement.

Let me give a few examples. Regarding Head Start, the budget agreement called for an additional $2.75 billion over the next 5 years; the appropriations bill provides an additional $274 million for this program. For both these programs I have just discussed, the bill provides more funding than the President's original 1998 budget request.

Now, looking at Pell grants, which many think are very helpful in getting our young people through college—another very important bipartisan effort—the budget agreement called for an additional $8.6 billion over the next 5 years and to raise the maximum Pell grant to students from $2,700 to $3,000. True to the other measures that I have discussed, the appropriations bill provides an additional $1.4 billion for Pell grants and increased maximum grant awards from $2,700 to $3,000.

Finally, in the area of bilingual and immigrant education, particularly difficult for our States, the budget agreement called for $446 million over the next 5 years, and the appropriations bill provided $92 million of that increase in this bill.

Now, I realize many constraints were on this committee, and I want to again offer my words of thanks and congratulations for their fine work and especially for their serious effort to uphold the bipartisan budget agreement. I believe we can all be proud of these particular increases which have such broad bipartisan support. From the standpoint of the Republicans who were part of the bipartisan agreement with the President, I think today on education we are seeing some very positive results from that effort.

Mr. President, I have changes to the budget resolution aggregates and Appropriations Committee allocation which are in order, and I ask unanimous consent they be printed in the RECORD.

There being no obligation, the material was ordered to be printed in the RECORD as follows:

SUBMITTING CHANGES TO THE BUDGET RESOLUTION AGGREGATES AND APPROPRIATIONS COMMITTEE ALLOCATION

Mr. DOMENICI. Mr. President, section 314(b)(2) of the Congressional Budget Act, as amended, requires the chairman of the Senate Budget Committee to adjust the appropriate budgetary aggregates and the allocation for the Appropriations Committee to reflect additional new budget authority and outlays for continuing disability reviews subject to the limitations in section 251(b)(2)(C) of the Balanced Budget and Emergency Deficit Control Act.

I hereby submit revisions to the budget authority, outlays, and deficit aggregates for fiscal year 1998 contained in sec. 101 of House Concurrent Resolution 84 in the following amounts:

	Deficit	Budget Authority	Outlays
Current aggregates	173,462,000,000	1,390,913,000,000	1,372,462,000,000
Adjustments	43,000,000	45,000,000	43,000,000
Revised aggregates	173,505,000,000	1,390,958,000,000	1,372,505,000,000

I hereby submit revisions to the 1998 Senate Appropriations Committee budget authority and outlay allocations, pursuant to sec. 302 of the Congressional Budget Act, in the following amounts:

	Budget Authority	Outlays
Current allocation:		
Defense discretionary	269,000,000,000	266,823,000,000
Nondefense discretionary	256,036,000,000	283,243,000,000
Violent crime reduction fund	5,500,000,000	3,592,000,000
Mandatory	277,312,000,000	278,725,000,000
Total allocation	807,848,000,000	832,383,000,000
Adjustments:		
Defense discretionary		
Nondefense discretionary	45,000,000	43,000,000
Violent crime reduction fund		
Mandatory		
Total allocation	45,000,000	43,000,000
Revised allocation:		
Defense discretionary	269,000,000,000	266,823,000,000
Nondefense discretionary	256,081,000,000	283,286,000,000
Violent crime reduction fund	5,500,000,000	3,592,000,000
Mandatory	277,312,000,000	278,725,000,000
Total allocation	807,893,000,000	832,426,000,000

Mr. DOMENICI. I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BOND. Mr. President, have the yeas and nays been requested?

The PRESIDING OFFICER. They have not.

Mr. BOND. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Missouri [Mr. ASHCROFT], the Senator from Colorado [Mr. CAMPBELL], the Senator from Arizona [Mr. MCCAIN], and the Senator from Kentucky [Mr. MCCONNELL] are necessarily absent.

I further announce that, if present and voting, the Senator from Missouri [Mr. ASHCROFT] would vote "nay."

Mr. FORD. I announce that the Senator from Minnesota [Mr. WELLSTONE], is necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota [Mr. WELLSTONE], would vote "aye."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 91, Nays 4, as follows:

[Rollcall Vote No. 298 Leg.]

YEAS—91

Abraham
Akaka
Allard
Baucus
Bennett
Biden
Bingaman
Bond
Boxer
Breaux
Brownback
Bryan
Bumpers
Burns
Byrd
Chafee
Cleland
Coats
Cochran
Collins
Conrad
Coverdell
Craig
D'Amato
Daschle
DeWine
Dodd
Domenici
Dorgan
Durbin
Enzi
Faircloth
Feingold
Feinstein
Ford
Frist
Glenn
Gorton
Graham
Gramm
Grams
Grassley
Gregg
Hagel
Harkin
Hatch
Hollings
Hutchinson
Hutchison
Inouye
Jeffords
Johnson
Kempthorne
Kennedy
Kerrey
Kerry
Kohl
Kyl
Landrieu
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
Mikulski
Moseley-Braun
Moynihan
Murkowski
Murray
Nickles
Reed
Reid
Robb
Roberts
Rockefeller
Roth
Santorum
Sarbanes
Shelby
Smith (OR)
Snowe
Specter
Stevens
Thomas
Thompson
Thurmond
Torricelli
Warner
Wyden

NAYS—4

Helms
Inhofe
Sessions
Smith (NH)

NOT VOTING—5

Ashcroft
Campbell
McCain
McConnell
Wellstone

The conference report was agreed to.

Mr. KERREY. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. REID. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT REQUEST—H.R. 2676

Mr. KERREY. Mr. President, I ask unanimous consent that the Senate proceed immediately H.R. 2676, the IRS Restructuring Act of 1997, just received from the House 2 days ago, that the bill be read a third time and passed, and the motion to reconsider be laid on the table.

Mr. ROTH. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. FORD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate is not in order. The Senator from Nebraska has the floor.

Mr. KERREY. Mr. President, this piece of legislation passed the House 426 to 4.

Mr. FORD. Mr. President, the Senate is still not in order.

The PRESIDING OFFICER. The Senator is correct. The Senate is not in order.

Mr. KERREY. Mr. President, I thank the Chair.

This piece of legislation will do what I think everybody in the country wants us to do; that is, to change the law, and give the newly confirmed Commissioner of the IRS the authority to run the agency.

There are lots of other changes in this piece of legislation. It passed 426 to 4 in the House. It has the support of the administration.

It should be taken up as long as we are in session. It was passed, I believe, almost unanimously once Members started to look at what is in the bill.

It would enable the Commissioner to run the IRS, put together his team, to hire and fire, to provide positive incentives to reimburse employees, and establish a public board. It provides new accountability on the legislative side. It provides a basis to evaluate complexity, and provide incentives to move to electronic filing.

Almost none of the things that I have mentioned, once people look at the legislation, are regarded as controversial today. In fact, when I point it out to people at home, they say, "My gosh, I am surprised they aren't already law."

We have heard and continue to hear complaints from our citizens about the way the IRS is run. It is time for us to give the Commissioner of the IRS the authority to manage the agency and do the things that the American people are asking us to do.

As long as we are in session, I hope again that Members on the other side will look at this bill. And I will say again: I hope they will resist. I understand the Speaker is going to still try, in spite of the negative publicity, to get somewhere between $30 and $80 million to have the IRS conduct a 14-question opinion poll about how the IRS is being operated. Our restructuring commission spent $20,000, and asked most of these questions. If the IRS was doing this on their own, if somebody discovered that they were going to take $30 to $80 million instead of doing customer service, and instead of working with taxpayers, conducting a poll asking a question, "Do you think your taxes are fair or unfair?" and then have the questionnaires mailed back to GAO—Mr. President, again the Speaker of the House has indicated that he considers a priority issue the need to appropriate somewhere between $30 and $80 million to have the IRS conduct a 14-question poll. That is considered a high priority.

I believe that if it was discovered that was in the bill, or that the IRS was doing this own their own, there would be 100 votes in this chamber against it—14 questions, $30 to $80 million. It is going to be mailed to every—

Mr. GLENN. Mr. President, could we have order in the Senate? Everybody is talking all over the place. I can't hear the Senator, and he is only a few feet away.

The PRESIDING OFFICER. The Senate will come to order. Will the Senator from Nebraska yield?

Mr. LOTT. Will the Senator yield for a brief question?

Mr. KERREY. Yes.

Mr. LOTT. Senator DASCHLE and I would like to be able to go over what we expect to be happening here the rest of the day, and tomorrow. I know that Senator ROTH wants to respond. Can we get some idea of how much time the Senator from Nebraska is going to have involved in this discussion?

Mr. KERREY. I would be pleased to agree to a UC to yield to the distinguished majority and Democratic leader, and then give the floor back to me. I would be pleased to do that, if you want to do a UC for that.

ORDER OF PROCEDURE

Mr. LOTT. Mr. President, I ask unanimous consent that we be able to proceed with leader time so that we can give information to the Senators about the schedule. I know there are Senators waiting to get some information on that. If the Senator would agree to that, then we will return to his discussion to be followed by Senator ROTH.

That would be my request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERREY. The UC would do what again?

Mr. LOTT. That we interrupt at this point for us to have a colloquy here about what the schedule be as best we can tell, and then after that we return to the Senator's discussion uninterrupted with our remarks after his remarks to be followed by Senator ROTH's response to that.

Mr. KERREY. I have no objection.

Mr. LOTT. And morning business. We would turn to morning business at that point.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DORGAN. Reserving the right to object, is the Senator now suggesting in his unanimous-consent request that we return to morning business immediately following the discussion by Senator ROTH and Senator KERREY?

Mr. LOTT. That is what I am suggesting.

Mr. DORGAN. Then let me say, reserving the right to object, it is my intention to inquire about when the majority leader intends to allow us to debate and perhaps get some votes on amendments on fast track. We didn't object to going to morning business yesterday. I guess we have a number of people who want to offer amendments on fast track. That has been put off and put off. In fact, the regular order would be an amendment that I have pending on fast track. So if the Senator would simply exclude the morning business request and then proceed with the discussion, I would like to try to have some understanding about when we might entertain amendments on fast track.

Mr. LOTT. Mr. President, let me withdraw the last part of my unanimous-consent request so we would just be asking we would do what we are going to do on the schedule and go back to this discussion and we will talk further about that. I think the information we will give Senators will answer some of the Senator's questions.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SCHEDULE

Mr. LOTT. For the information of all Senators, there is a move to combine the three remaining appropriations bills into one bill and to send that document to the House. The Appropriations Committee intends to meet on this immediately following these announcements. Those bills are the D.C., the foreign ops and the State-Justice-Commerce bills.

It is the hope of the leadership that we could clear this bill for passage without a rollcall vote. Senator DASCHLE and I will be working on both sides of the aisle to make sure Members understand what is happening here, what is involved, and it may take some time for us to determine that. That could be as much as an hour or so. If we could get it cleared, then that would be the way we would intend to proceed on these combined appropriations bills. Senators will be notified when the next vote would occur, if one should be necessary on this.

Now, Senator DASCHLE and I were just talking. We think we should pass this by voice vote, and we will encourage Senators to allow this to happen. But if we can't get it cleared, one option we would have would be to have this vote occur, and I would need to consult with Chairman STEVENS further before we do it, but one option, if we can't get it cleared in a reasonable period of time, would be to perhaps have a vote on that issue tomorrow around 1:30 or so. At this point we just can't tell you with absolute certainty how we are going to proceed on that bill. Again, we will pursue the voice vote, and if we can't get that done, then we will notify you when the actual vote would occur.

Would the Senator like to respond to that before we go to these other issues?

Mr. DASCHLE. I concur completely with what the majority leader has just indicated. I think it is our intent to see if we might be able to proceed with an expectation that any additional rollcall votes would occur tomorrow. We can't give that assurance completely yet today. I want to work with the majority leader. If additional rollcalls are required, we will give plenty of notice to all Senators. But our hope is that we can accommodate Senators who have schedules.

Mr. LOTT. One option, if the Senator will yield back so that I can comment, Senator STEVENS even suggested we might want to have another vote later on this afternoon or later on at 5, 6 or 7 o'clock. But we will try to avoid that, and when we can give you some further confirmation on when the next recorded vote will occur, we will let you know—hopefully within an hour.

Now, I might also note that I am being told that an agreement has been reached on the FDA reform conference report, that papers are being done now, and hopefully Senator JEFFORDS is working with all the interested parties on that. Within an hour or so, we hope we could get those papers ready and get that done on a voice vote.

The Senator is now saying we may have to have a recorded vote. If we do, then we might have to look at doing that later on or maybe even tomorrow. So we will have to consult on that.

One other one we may try to do is adoption and foster care. We understand perhaps there has been agreement on that legislation in a bipartisan way. We are trying to clear that.

So that answers part of Senator DORGAN's inquiry. We have a couple of issues that we may have ready to go here pretty quickly. That is why we would like to have the option to discuss with the Senator and others moving one or the other of these bills or the conference report.

Ms. MOSELEY-BRAUN. Will the majority leader yield for a question?

Mr. LOTT. Other possible items for consideration are the Eximbank conference report, and Senator DASCHLE and I are working on the Executive Calendar nominations.

I congratulate everybody for their cooperation on the Labor-HHS-Education appropriations bill that just passed. The conference report that we have been working on for weeks and weeks and weeks passed 91 to 4. It just shows what can happen when we finally get around to taking a stand and getting a vote.

I would be glad to yield to the Senator from Illinois.

Ms. MOSELEY-BRAUN. I thank the Senator.

With regard to the majority leader's request for rolling all the remaining appropriations bills into one vehicle, as the majority leader may be aware, I had not wanted to object, but I reserve my right to object with regard to the immigration issue pertaining to Haitians. The D.C. appropriations bill provides for special status or relief for Guatemalans, Nicaraguans, Salvadorans and Cubans and leaves out the Haitians.

Certainly, I cannot imagine that is a result we would want to see, and I urge the majority leader and other negotiators to see that that real injustice is corrected as they discuss the final package for that legislation.

Again, I, just like everyone else in this Chamber, would love to have this go out on a unanimous rollcall vote or unanimous voice vote, but at the same time the gravity of the injustice in that situation is just so profound I would have to lodge an objection if that does not get done.

Mr. LOTT. I appreciate the Senator's comments. She has been discussing it with Senators on both sides of the aisle. I just saw her talking with the chairman of the Appropriations Committee at lunch. So I know she is going to find a way to address this issue in a way that she would be comfortable with, and we will continue to work with her on that.

Does the minority leader wish to say anything more?

Mr. LOTT. Mr. President, it would be my intent at this time to put in a request for morning business until the hour of 4 p.m. so that we can talk about these various issues and see where we may go.

Mr. DASCHLE. Mr. President, if I could just suggest, the majority leader has noted that Senator KERREY would like to speak. If a unanimous consent request is propounded for morning business, I would like it—I do know Senator DORGAN has noted his desire to offer amendments, but if morning business were to occur, I would suggest perhaps it occur after Senator KERREY's remarks.

MORNING BUSINESS

Mr. LOTT. I believe we already had an agreement by unanimous consent we would go back to Senator KERREY, followed by Senator ROTH. Others may want to comment, but I would like to ask now there be a period of morning business until the hour of 4 o'clock and Senators be limited to speak for 10 minutes each.

Mr. DORGAN. Reserving the right to object, Mr. President, let me again inquire as to when the majority leader expects we might be able to entertain some amendments that we might have finally considered. I know that I was able to offer an amendment. I also know that Senator INHOFE offered an amendment to the fast track bill. He may have other amendments; I do not know. I know I have amendments and Senator HOLLINGS and some others have amendments they want to have considered. I have not objected to moving other business that is important to the Senate. I think it is important to get this business done. I have not objected to that. But to put us into morning business is simply a suggestion that we don't want to go to regular order, and the regular order is fast track. We have amendments, one pending, others wanting to be offered.

So the majority leader, I assume, brought fast track to the floor of the Senate because he wanted us to move and proceed to consider it. When he did that, I had hoped we would be able to offer amendments. If we keep allowing the majority leader simply to put us into morning business with intervals of other business he decides he wants to pursue, we will never get to dispose of amendments on fast track. I don't think that is an appropriate way to deal with fast track.

Mr. LOTT. Mr. President, if I could respond to the Senator, I would like him to allow us to get this time now and give us an opportunity to talk with him and others. I should note that when we go back, of course, to this issue, I believe the pending amendment is the Inhofe amendment. I presume there would be other amendments in relation to that issue, maybe a second-degree amendment. I think maybe the Senator would want to talk to his leadership and give me a chance to talk to Senator INHOFE as to how we would proceed on that, and we could use this next 50 minutes to do that.

Mr. DORGAN. Well, I would say the regular order would be my amendment, and I won't object to this request, but I will at some point in the future if the Senator wants to continue to do this, because what this will mean is the majority leader will bring in the body of work he wants to have done here.

Mr. LOTT. Is that the commission amendment?

Mr. DORGAN. Yes.

Mr. LOTT. I believe the Senator is right, that is the pending business, and perhaps we could do that.

Mr. DORGAN. Perhaps the majority leader would accept that. I don't expect that will be very controversial. At least we could accept one amendment and then proceed to have another amendment laid down. I will not object at this moment, but I say that, if we continue to do this, the next time we want to go to morning business I am suggesting there be an objection and we go to regular order and deal with the fast-track bill.

Mr. LOTT. Maybe we can have morning business until we do it all in one final voice vote, everything left.

No, Mr. President, if the Senator would not object at this point, we could have the pending debate, and we will talk with the Senator during the interim.

Mr. DORGAN. I will not object, and to the extent that all of the things I mentioned are involved in the voice vote the Senator will propound later, I would be happy to accommodate that.

Mr. FORD. Reserving the right to object, Mr. President, what is the unanimous-consent request before the Chair?

Mr. NICKLES. Mr. President, could we have order?

Mr. LOTT. I don't know if I have the floor, but I yield the floor, Mr. President.

The PRESIDING OFFICER. The order of business is that the Senator from Nebraska be recognized, followed by the Senator from Delaware. Then we move to a period of morning business until 4 o'clock.

Mr. FORD. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

IRS RESTRUCTURING ACT OF 1997

Mr. REID. Will the Senator from Nebraska yield for a question?

Mr. KERREY. Sure.

Mr. REID. Will the Senator restate the unanimous-consent request he had that was objected to?

Mr. KERREY. I asked the Senate to grant unanimous consent to proceed immediately to H.R. 2676, which is the IRS Restructuring Act of 1997 that was received from the House on Wednesday, that the bill be read a third time and passed and the motion to reconsider be laid on the table.

Mr. REID. I ask my friend, is that the same bill that passed the House of Representatives by a vote of 424 to 4?

Mr. KERREY. That is correct. Actually, I believe it is 426 to 4.

Mr. REID. Yes, 426 to 4. I ask my friend from Nebraska, is that the bill that created a new citizens oversight board?

Mr. KERREY. That is correct. It creates a public board that would for the first time have oversight of the IRS, have the power to develop a strategic plan, and make budget recommendations to the Secretary of the Treasury.

Mrs. BOXER. Mr. President, the Senate is not in order.

The PRESIDING OFFICER. The Senate will be in order.

Mr. REID. I ask my friend, is this the same bill that when the IRS is proven to have done something wrong, the person who is wronged can collect attorney's fees from the Internal Revenue Service?

Mr. KERREY. That is correct. A taxpayer under this legislation, under this new law, would have the power to collect attorney's fees and to collect up to $100,000 if the IRS was held to be negligent.

Mr. REID. Is it true that this also creates a toll-free number for people to register complaints against the IRS?

Mr. KERREY. That is correct. It does create a toll-free number and powerful new incentives to move to electronic filing.

Mr. REID. I ask my friend, is this the same bill that creates a taxpayers' advocate office?

Mr. KERREY. That is correct. A new public board, in fact, would make the hiring decision and create an independent taxpayer advocate. The current advocate, as you know, is an employee of the IRS and, as a consequence, although he has done a good job, in many ways has a conflict of interest because his performance is being judged by IRS managers.

Mr. REID. I also ask my friend, is it also true in tax cases that the burden of proof shifts? As I understand—and I am asking this question of my friend from Nebraska—it is my impression now that the burden of proof to prove yourself, in effect, innocent is upon the taxpayer. Is that the way the law is now?

Mr. KERREY. That is correct.

Mr. REID. Would this law change that?

Mr. KERREY. This law would change it when it reached the tax court. In those cases where the taxpayer reached the tax court, the presumption would not be on the taxpayers to prove that they are innocent.

Mr. REID. I ask my friend also, during the time that the Finance Committee held their hearing and during the time that the commission met, is it true that there was evidence which came up to show that the IRS did have quotas for advancing people in the IRS hierarchy? And is it true that was against the law? It is against the law.

Mr. KERREY. That is true. In fact, the 3 days of hearings that the Senate Finance Committee held under the leadership of Chairman ROTH clearly exposed incidents out there in violation of the law where audits are done, where collection efforts are made based on quotas, based upon goals to try to go out and get individuals, regardless of whether or not there was additional tax actually being owed. In addition, I would say to my friend from Nevada, the current law allows the IRS to keep confidential and private all audit criteria.

Citizens may be surprised to know this, but if you ask the IRS today, "What are your audit criteria? On what basis do you evaluate the taxpayers of Iowa or Delaware or Nebraska or Vermont or Mississippi? How do you evaluate your audits? How do you decide on what basis you are going to proceed on an audit?" the IRS will say to you, "You don't have a right to know. We won't disclose that information." The only available information has been obtained through a woman at the University of Syracuse through a Freedom of Information Act request for that information. If you look at audit data she has collected, you see broad variations, broad variations from State to State. In one State there will be very high percentages of audits; in another, very low percentages of audits. It is very inconsistent and subjective. Under this law, the audit standards and the criteria for audit would have to be made public. It would, as well, create a mechanism for expedited answers of Freedom of Information Act requests.

Mr. REID. I say to my friend, if we do not pass this legislation, now, early in November, until we come back late in January, it is my understanding there will be about 1.5 million Americans who will have dealings with the Internal Revenue Service where they are being questioned as to whether or not their tax burden is appropriate. Could we avoid that for at least a significant number of these people if we passed this legislation?

Mr. KERREY. The answer is absolutely yes. Indeed, I said the House passed this bill 426 to 4 on Wednesday. I came to the floor and asked unanimous consent to take it up on Thursday, did so again on Friday, and did so again on Saturday. I say to those who are wondering what is the impact of this, what is the impact of delay, the Senator is exactly right. The Senator is exactly right. There are 135,000 notices every single day. Every single day, 135,000 notices are sent to the taxpayers of the United States of America. What do those notices say? They say: You owe us more money.

Talk to somebody—I urge my colleagues, particularly on the other side of the aisle—talk to taxpayers who get one of these notices. Ask them how much power they have. Ask them how they feel when they receive one of these letters. Ask them what kind of access they have to the IRS under the current law. And they will tell you it's a terrifying moment when you receive that letter. You either pay it or you know you are going to spend an awful lot of money and an awful lot of time to dispute the dollar amount that the IRS says that you owe.

In addition, every single day, 250,000 Americans call the IRS. A quarter of them can't even get through. And of the ones that get through, 25 percent get the wrong answer. It is one of the reasons, when we did our poll——

Mr. LEAHY. May we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. KERREY. Unlike this remarkable poll, and I have to say I hope my colleagues on the other side of the aisle will object if Speaker GINGRICH tries to allocate somewhere between $30 and $100 million of taxpayer money for a 14-question poll, among which questions are: Do you think taxes are fair or unfair?

Whatever you think about this piece of legislation—do it next year or do it now, on behalf of the taxpayers—I will guarantee if the IRS was spending $100 million which could go to taxpayer service, which could go to lots of other things, to do a 14-question poll mailed out to 80 million taxpayers, made available in every single post office, mailed out to every single provider, and then, guess what, then you mail it back, the taxpayer does, to the General Accounting Office to be compiled—you are not going to have 250,000 phone calls every single day. You are going to have another 100,000 phone calls from taxpayers who are going to say, "What the heck does this mean?" They are going to call their service centers.

So, while we are all sitting here saying we want the IRS to operate better, we have under consideration a poll that is going to make it more difficult for the IRS to do their job because you are going to have another 100,000 phone calls or so coming into the IRS office by confused taxpayers wondering what this is all about.

Between the time that this piece of legislation was passed by the House—and it is right down here at desk. All we have to do is ask unanimous consent to take this up. All the Republicans have to do is not object, allow the bill to be taken up. There have been 270,000 citizens between the time it got to that desk and right now—270,000 citizens got notices in the mail that they owe taxes. And another half a million who have called the IRS, trying to get a question answered.

Mr. REID. I ask another question to my friend. Isn't it true that the employees of the Internal Revenue Service, these people who work very hard every day—not the bosses, but the employees of the Internal Revenue Service—favor this legislation?

Mr. KERREY. Yes. In fact, not only does the National Federation of Independent Businessmen support this legislation, not only do most of the providers organizations that help taxpayers fill out their forms, but the head of the National Treasury Employees Union supports this legislation and has indicated that he wants to get it passed in a hurry.

Former Secretarys of Treasury Baker and Brady and current Secretary of Treasury Rubin support this legislation. The previous IRS Commissioner, Peggy Richardson, supports this legislation, as does previous Commissioner Fred Goldberg, who is a member of the Commission.

You are absolutely right. The employees themselves are saying give the Commissioner the authority. When Mr. Rossotti came before the Finance Committee, everybody was very impressed that the President would send up an individual who had experience in the private sector. Mr. Rossotti said, "I am going to manage this agency."

I said to him, "You know, Mr. Rossotti, you are going to get over there and you will have a lot of responsibility but you don't have any authority. You can't even bring on the senior management, you can't provide the private-sector incentives you are describing out there. You have six legislative committees, three in the House and three in the Senate, with jurisdiction over you. You get through this next filing season with no problems and life is going to be good for you, but just have a little glitch between now and then and you are going to find out people are going to call you up in a hurry and blame you for all the things that you have no authority to do."

So I hope my colleagues on the other side will look at this legislation. The chairman has indicated he has objections, he would like to add some additional things. Most of the things he wants to add I support. I would like to get it done. He wants to hold hearings next year and do it. But these changes, for gosh shakes—if you look at the law as passed by the House, right down here at the desk, you scratch your head and say: For gosh sakes, that's common sense. We ought to already allow it.

So, on behalf of the taxpayers who get notices and will be calling the IRS every single day between now and the next year, I hope, between now and the next days, we can pass it. We could conference this thing in record time.

Mr. REID. It is my understanding that everyone on this side of the aisle, all Democrats, support this legislation moving forward immediately; is that true?

Mr. KERREY. Not only is that true but my guess is, if it were to be taken up, if no objection were placed against this unanimous-consent request, my guess is on final passage you would get 100 votes.

Mr. REID. So it's fair to say that virtually everybody in this Chamber, Democrats and Republicans, support this legislation?

Mr. KERREY. I think it is fair to say that. There are some who will say I want the board to have more authority, a few odds and ends done, but I don't think anybody in the Chamber would object to changing the law to give the Commissioner the authority to manage this agency or do all the other things the distinguished Senator from Nevada has identified on behalf of taxpayers, like providing a public statement of the basis of audits—I don't think anybody could object to doing that. And anybody looking at it, I think, would say, "Gee, that is not going to make things worse. That's going to make things an awful lot better for those taxpayers getting notices and those taxpayers calling the IRS."

Mr. REID. I finally say to my friend from Nebraska that this legislation is good legislation. I am happy to be an original cosponsor of it. It is something the American people want and this Senate should deliver it. The House has already passed this legislation. Would the Senator agree?

Mr. KERREY. I completely agree with the distinguished Senator from Nevada on that point. Again, as long as we are in session, I intend to continue to come to the floor and ask unanimous consent to take this legislation up. Not because I think it is controversial, but because I think it is not controversial. We are hammering out in backrooms all over this Capitol all kinds of deals to try to get fast track, to try to get things that are extremely controversial. This one is not. It has extremely broad support, a large margin of victory when it passed: 426 to 4 in the House. It is going to conference very easily. I have been down here three times. I will continue to come down here and ask unanimous consent to proceed immediately to consideration of this legislation.

Mr. BUMPERS. Will the Senator yield for a couple of comments and then a question?

Mr. KERREY. I will be happy to.

Mr. BUMPERS. First of all, when I was Governor of my State, one of the first orders I issued was that any employee of the Arkansas Revenue Department would be summarily fired if it was found that that employee, without provocation, was rude to a taxpayer. And within 3 weeks we fired one employee, and it had an unbelievable impact on the conduct of everybody else. We had very little trouble out of the revenue department during my 4 years as Governor.

No. 2, insofar as the Speaker's proposal to spend a minimum of $30 million doing a survey, sending out a questionnaire to the taxpayers of this country asking how do you feel about your taxes and how do you feel about the IRS, I can save him that $30 million. I already know the answer. Every Member of this body knows the answer to that question. People think they are overtaxed and they think the IRS is filled with a bunch of arrogant bureaucrats whose whole purpose in life is to make people miserable.

Finally, my question concerns this matter of attorney fees. Could you tell us what the criteria is in tax court? Let me walk through a case.

Let's say the IRS sends you a notice and says we have determined in looking over your tax return that you owe us an additional $5,000, and here is why. And you write back and say I disagree. At that point, the burden is on you to prove that you don't owe $5,000, and under this bill the burden will remain on you to prove that you don't owe $5,000.

If the IRS feels that they have won the argument, that you in fact do owe $5,000, and they refuse to relent, the normal method for you to challenge that is for you to pay the $5,000 and then go to tax court to recover it. Is that a fair statement?

Mr. KERREY. That is correct.

Mr. REID. That's true.

Mr. BUMPERS. My question is, if you do recover the $5,000 in tax court, are you automatically entitled to attorney's fees under this bill?

Mr. KERREY. You would be entitled to attorney's fees under this bill, yes.

Mr. BUMPERS. Let me ask you this question. Let's say we have a criminal case where the IRS charges you with tax evasion, that is, deliberately defrauding the Federal Government by evading or cheating on your income tax return. Then the U.S. attorney's office will indict you and haul you into court for a criminal trial.

At that point the IRS, of course, does have to sustain the burden, is that not correct?

Mr. KERREY. That is correct.

Mr. BUMPERS. Now, assuming that the IRS does not get a conviction in that case, then is the taxpayer entitled to attorney fees?

Mr. KERREY. I actually do not have an answer to your question, as to whether or not that is the case.

Mr. BUMPERS. I don't know the answer either. I think under existing law, and certainly under the Hyde amendment, you would be entitled to attorney fees if you were—I forget the exact language, something to the effect that if you have been frivolously or vexatiously charged and tried, you are entitled to attorney fees. But there is an existing statute which provides attorney fees if the court decides that this case should never have been brought, and several other criteria.

But I just wondered if this bill changed any of that regarding criminal trials.

Mr. KERREY. I don't have an answer, specifically, to your question. I can say that one of the things that we have done with this legislation is to make the taxpayer advocate more independent. Very often that is what is missing. Let's say that you are one of the 135,000, or you are one of the 270,000 since we have asked for this bill to be taken up, who get a notice and you disagree with that notice. There is a dispute resolution officer who works for the taxpayer advocate that you can call up. You can say, "Look, I have a dispute here. I think it is unfair. I would like to come in and talk to you." There is a mechanism under the Taxpayer Bill of Rights II to do that. And what we do is make that taxpayer advocate even more independent.

Very often what happens is the law requires the revenue agent to collect, even though the revenue agents say this doesn't make any sense. There is no mechanism that enables the revenue agent to be overruled. What we do is, by giving that taxpayer advocate more independence and more power and more authority to overrule, I think we are going to reduce substantially the number of cases where a person looks at it and says, "My gosh, why would you spend a quarter of a million dollars to collect 100 bucks, or something like that?" These are cases that come all the time into our offices, and under the current law we are simply not able to do anything.

Mr. BUMPERS. Senator, if I could just make one last comment. This is not in defense of the IRS, just simply an observation. The truth of the matter is a lot of people resent the taxes they have to pay. That is a given. My salary is paid by the taxpayers, but every April 15 I get a little vexed, just like every other taxpayer does, about what I have to pay. But having said that, I think it would be remiss if we didn't point out that we lose $100 billion a year in taxes to the Federal Treasury by people who defraud the system, the underground economy.

Consider the fact that 1997, this year, the people of this country will pay about $650 billion in personal income tax.

The corporate tax, as you know, yields much less than that. But just take the personal income tax. If we are losing $100 billion from people who absolutely refuse to live by the law—and that is who IRS ought to be after, of course—that is one of the reasons the rest of us have to pay more, because a lot of people don't.

I just wanted to make that point and to say I think the IRS generally tries its best to collect the appropriate amount of taxes. The thing that gets all of us in more trouble than anything else is when honest, hard-working people are pilloried by a bureaucratic agent or auditor from the IRS. The agent may be right. It is usually not so much a question of whether the agent is right or not; it is their conduct that is offensive to people, and that is one of the reasons their public relations is so poor.

Mr. KERREY. I appreciate both the Senators' questions and statements. As a former Governor, I have commented right from the beginning that he could fire anybody who was a discourteous employee.

Let me say again, for the record, we have a remarkable system of tax collection in the United States that is largely voluntary. One of the disturbing things about the current trend is we have gone from 93 percent voluntary compliance down to 83 percent in the last 30 years. That means 83 percent of our taxpayers voluntarily comply, and they are paying higher taxes as a result of the 17 percent who don't.

There is a need to make certain there is a sufficient amount of law enforcement out there. The dilemma, though, is the current law, and I underscore this because we are a nation of laws, after all. The IRS is not a corporation. It is created by law, and it operates under law. Nobody doubts if their workload went up as a result of the balanced budget agreement we just passed. There is significant new complexity in there of, what, four or five different rates you are paying for capital gains.

Mr. BUMPERS. I think an additional 800 pages in the code.

Mr. KERREY. An additional 800 pages in the code. Lord knows, this is good news to them compared to some years we don't pass a tax bill until about now, until they are almost always into their filing season.

What we have to understand, what citizens need to understand is the IRS is managed according to law. So title I of this bill that is sitting down here at this desk passed 421 to 4 in the House. Title I of this bill deals with management and accountability. Who could possibly object to passing a piece of legislation that would give the Commissioner of the IRS the management authority to do what you just described?

If the President of the United States calls up the Tax Commissioner, who he just appointed and we just confirmed, and says, "I just heard Senator BUMPERS on the floor say something really pretty smart, unusual. He said that when he was Governor of Arkansas, he told his revenue commissioner that anybody who is discourteous is going to be fired. I want you to do that."

Do you know what Mr. Rossotti would say? "That is a great idea, Mr. President, but the law doesn't give me that authority. I can't 'even hire my senior people. I can't manage this agency." The law doesn't give him that authority. It is not a corporation, it is a creature of law, and we have written this law so as to confine and make it difficult for the Commissioner to do the job.

You would think the question the Senator from Nevada asked earlier, if he is going to have this new authority to hire and fire, certainly the employees must be against that. Absolutely not. The Treasury Employees Union supports this legislation. Why? They know the Commissioner can't manage the agency. They know the new provisions not only to manage the agency but to provide accountability and oversight, both with a new public board and with a restructured legislative oversight process, is necessary, is needed, in order to get shared consensus on what the strategic plan is going to be.

That is what has been failing over the years. That is what has been missing over the years. By the way, I have only been here 8 years, but I have never heard a Commissioner get up during the middle of a tax debate and say, "Gee, Mr. President, that's a great tax idea you have," or "Senator" whoever, "that's a great tax idea you have, but this is what it is going to cost the taxpayer to comply."

The taxpayers already spend $200 billion a year—$200 billion a year—just to fill out the forms. You say everybody in this body ought to be for simplification. I think the tax bill passed 90-some to 8. I know I voted for it. I think the distinguished Senator from Arkansas did not, so he can reclaim the floor and tell me what a fool I was, talking about simplification out of one side of my mouth and out of the other side of my mouth I voted for something that creates complexity.

For the first time, we give the Commissioner the authority to be at the table when tax law is written for the taxpayer and say, "This is what it is going to cost the taxpayer, this is what they are going to have to do to comply, Mr. President, or Mr. Chairman, of whatever."

We would give under this law the Commissioner not just the authority to manage, not just a restructured public board that would give the citizens a view of what is going on inside this agency and restructuring Congress so there is more consistent oversight.

The wonderful hearings the Finance Committee had, I was shocked to find out that was the first time in 20 years where the full committee had hearings of that kind. Some people criticize us saying we bash the IRS. I guess once every 20 years is all we are supposed to do.

The law is what dictates what the IRS can and cannot do. The law does. We can't bash the employees, the managers of the IRS on the one hand while on the other hand we refuse to take up a piece of legislation that would give the Commissioner the authority to do everything that we say we want the Commissioner to do.

So, as I said, it has been since Wednesday that the bill got down there. I have done this now three times on 3 straight days, and in that time, a quarter of a million taxpayers have received notices in the mail: "Dear Mr. and Mrs. Smith, you owe us X amount of dollars." Another half a million people have called up their IRS service center or their IRS office and tried to get a question answered and haven't been able to do so.

Again, I underscore, I hope my colleagues on both sides of the aisle understand that the Speaker may be successful in getting $30 million, up to $100 million of taxpayer money allocated to do a 14-question poll. If you look at these questions, you would say, "My gosh, we can answer those questions without spending $30 to $80 million of taxpayers' money to get answers that are so obvious it is embarrassing to even ask them, even if it were for free."

Mr. LEAHY. Will the Senator yield without losing his right to floor?

Mr. KERREY. I will be pleased to yield.

Mr. LEAHY. Mr. President, is the Senator aware that you can do a nationwide poll within 3 to 4 percentage points for under $50,000? Is that not correct?

Mr. KERREY. Indeed, the restructuring commission did a poll for $20,000.

Mr. LEAHY. Mr. President, I wonder if the Senator is aware that we seem to go off on things that are not very urgent, whereas we don't take time for things that are urgent.

For example, the nomination of Bill Lann Lee. All the members of the Judiciary Committee on this side of the aisle have asked the chairman for another hearing on Bill Lann Lee, because it is obvious from the debate we had on Thursday in the committee that misstatements of facts have been used, distortion of his record have been used. We find that people supposedly opposing Bill Lann Lee, in fact, support him. We find the cases in which he was involved were misconstrued.

So I just mention this, if we want to do something worthwhile, then I hope the Judiciary Committee and the chairman will stop refusing to have another hearing and will listen to all of us who have asked for another hearing out of fairness to a man who has been much maligned.

I thank the distinguished Senator from Nebraska and yield back to him to answer the question.

Mr. KERREY. What was the question again?

Mr. President, I hope that in the next day or two, while we are deliberating in this world's greatest deliberative body, resolving all the terrible conflicts we have on a variety of things, I hope we are able to get consideration of this legislation. I believe it will pass almost unanimously, if not unanimously, in the Senate. I believe it could be conferenced very, very quickly with the House and be on to the President.

I think all of us, once it is passed and signed by the President, will feel glad that we changed the law to give the Commissioner the kind of authority that the Commissioner is going to need to manage this rather difficult and troubled agency.

I thank, again, my very patient chairman for waiting for this opportunity to respond. I appreciate, again, his leadership in conducting 3 days of public hearings, piercing the 6103 veil to be able to see inside this agency even further than what the restructuring commission did. I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, this is the third day in a row that the Senator from Nebraska, Senator KERREY, has asked for a unanimous-consent agreement to pass the House IRS restructuring bill. And for the third day in a row, I have, again, objected.

Moving this bill today by unanimous consent is the politically expedient thing to do. It is the easy thing to do, and if we approve this legislation now, we could all go home and try to convince our constituents that we solved all the problems with the IRS and they wouldn't have to worry again.

But this would not be true. This bill, while it is a good start, does not address the very egregious problems that the Senate Finance Committee exposed in our September hearings. The most significant reform in this bill is the creation of an oversight board. But, Mr. President, the board does not have the power to look at audit and collection issues where the most help is needed for the taxpayer. It falls short on many accountability issues that were raised at our hearings, basic issues such as requiring employees to sign correspondence to taxpayers. It does not alter the power that agents have to abusively slap liens and levies on taxpayers. It does not ensure taxpayers their due-process rights.

Those are only a few of the missing links. The restructuring commission and the Ways and Means Committee did good work, but what they have done is only a beginning. We need to go further.

Some have said let's pass this now and then come back and do more next year. Well, Mr. President, we know where that will lead. If we pass this reform legislation, legislation that even Senator KERREY admits has important omissions, those who are not anxious to pass it will rise up and cry that we have already passed reform legislation. When we attempt to strengthen it, they will say that we need no further reform or that we must give this effort a few years to see that it works. The truth is, we will basically get only one real chance to reform the IRS, and for the taxpayer, we must get it right. I yield the floor.

Ms. MOSELEY-BRAUN addressed the Chair.

Mr. KERREY. I want to respond, and then I will get out of here.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KERREY. Mr. President, again, I want to praise the chairman of the Finance Committee for the hearings and the chance given to this. I respectfully disagree. I don't think we will just get one bite of the apple. I believe Majority Leader LOTT and the Speaker are committed to going further. Both of them have talked especially about the need to simplify the Tax Code. I would be surprised if either one of them would object to some of the additional things that Chairman ROTH has indicated that he wants to address.

I just say very respectfully on behalf of the taxpayers who are not going to have an agency that is managed well, this is not just a public board. Title I does change the way that oversight occurs, both on the legislative and on the executive side. There is no question that that change is important. But I believe that the most important piece of this legislation is giving the Commissioner the authority under the law to manage the agency. That is the most important thing that is missing today.

Second, I think it is not a small item to say that for the first time, the American people will have an agency that will be required under the law to provide them the audit standards. Why do you audit a certain way in Nebraska, a certain way in Iowa and a certain way in all the other States?

What is the basis of the audits?

Today, the IRS, under the law—they don't withhold it because they are being ornery or don't withhold it because they just don't want to give it to us. The law says: Do not give it. The law says: Do not provide it publicly.

It is not a small item to provide to the taxpayers public information, to give them a window on why audits are done, and what is the standard to which audits occur. It is not a small item to shift to the taxpayer additional power and give the taxpayer advocate the kind of independence that the taxpayers themselves have asked for over and over and over.

We had 12 days of public hearings. The congressionally mandated restructuring commission that Congressman PORTMAN and I chaired, during that we heard over and over and over that the No. 1 problem is the law—the law in regards to complexity, the law in regards to power, the law in regards to oversight, the law in regards to management.

This process started clear back in 1995 when we discovered that through a GAO audit that nearly $3.5 billion of the taxpayer money had been wasted on a taxpayer modernization system. Why? Because the IRS and the Congress don't have a mechanism where they can reach consensus on a strategic plan. And without a strategic plan, no matter what you did with technology, you are apt to spend money incorrectly.

So this process began over 2 years ago and has deliberated that entire time. And I have to say, I am not going to go home—if this piece of legislation were to be enacted—and I intend to come down again and ask unanimous consent so that it can be taken up. It is lying right there at the table. It is not one of these controversial things that we are debating, trying to get done, so we can get out of here. This one is going to pass with a big margin.

I don't have to go home and say it solves every problem. I don't have go home and say we have solved every education problem because we just passed Labor-HHS. We know there is still work to be done next year. We know there is still work to be done in the defense authorization bill. We didn't hold it up because we said, "Gosh, we've got to solve every problem before we enact this legislation." We understand—I hope we understand that our best course is to try to make incremental progress, do those things where Republicans and Democrats know that change in the law will improve the operation of some agency of Government.

Ms. MOSELEY-BRAUN. Will the Senator yield for a question?

Mr. KERREY. I will be pleased to.

Ms. MOSELEY-BRAUN. Is the Senator aware of any voices in opposition or people who are not anxious to pass this bill? It passed overwhelmingly in the House. And it is my understanding and impression from this Chamber that just about everybody wants to have an opportunity to pass this legislation or to vote on IRS reform sooner rather than later.

Is the Senator aware of any group or organizations or individuals who have reached out and said, "No, no, we don't want to reform the IRS"?

Mr. KERREY. No. Indeed, it is endorsed by almost every organization outside of the Government that has contact with the IRS. The National Federation of Independent Businessmen supports this legislation, as well as the National Treasury Employees Union supports this legislation. The accountants support the legislation. The enrolled agents support the legislation. I mean, groups that deal daily with the IRS are asking the Congress to change the law.

There have been objections raised that it doesn't do something in addition; but, again, we can do all of that. We do not have to get every single thing done in order to change the law if we know that the change in the law will improve the operational efficiency of some agency of Government, especially one that sends out 135,000 notices every single day to taxpayers that they owe additional money.

Ms. MOSELEY-BRAUN. Am I correct in my impression that even the Treasury Department has endorsed or embraced the recommendations of the Commission that are represented in this IRS restructuring bill?

Mr. KERREY. The Treasury Department and the administration support the bill that is lying right down there, that if there was no objection we would take up immediately here and pass in the Senate as well. Not only does the Treasury support it, but former Treasury Secretary Brady, former Treasury Secretary Baker, former Commissioner Richardson, and former Commissioner Goldberg.

I mean, everybody that has looked at the law, they can say it could go further, do additional things, but nobody has lodged an argument that says the changes in this law would not stand a very good chance of improving the operational efficiency experienced by taxpayers who receive notices every day and by taxpayers who have questions and call up the IRS and try to get those questions answered.

Ms. MOSELEY-BRAUN. We have on average in my State of Illinois, 33,457 tax returns that will be audited in the next year. I know there are 30,000 such audits pending in my home State. And it just seems to me that to the extent that this legislation provides some relief to taxpayers, and justice to taxpayers, that the delay that is being suggested here in passing the legislation denies them that justice. And that expression "justice delayed is justice denied"—that we really do put in jeopardy the rights that we, I think, all recognize that people ought to have as citizens of this great country.

Mr. KERREY. Right.

Ms. MOSELEY-BRAUN. In relation to what is supposed to be a service for Internal Revenue, that justice that is due those taxpayers may well be denied by virtue of the delay in calling up this legislation.

Mr. KERREY. I could not agree with you more. There are actually 800,000 notices every single year of audits—excuse me, every month that goes out to——

Ms. MOSELEY-BRAUN. That is 800,000?

Mr. KERREY. Yes, 800,000 a month of contacts to the IRS or audits or matters that are almost as serious as an audit that goes out to some taxpayers. There is no question, if we take this bill up that is lying right down there now that passed 421–4—probably pass here 100–0—there is no question that all of those taxpayers would have more power.

They may still not like the outcome. They may have to pay more taxes, and not like it, but they would have a lot more power, a much more efficient agency, and a much more happy ending as a consequence.

There are things that the IRS does that they ought not be required under the law to do, that nobody says they ought to be doing. Though I say again, the chairman of the Finance Committee, Senator ROTH of Delaware, has quite accurately said, there are additional things we could do. But, for gosh sakes, given the burden the taxpayers have, given the difficulty they have, and given the broad support, after 12 public hearings, and after thousands of meetings with IRS employees and provider groups in the private sector, private sector companies that are offering competitive services, other nations' governments that have had similar problems that have gone through the similar process of trying to improve the operation of their tax collection agency—this is not something that was put together in a couple weeks' time in response to a problem identified.

This has been something that has been debated well over a year and has broad bipartisan support and would unquestionably, for every taxpayer out there that might receive an audit or might receive a collection notice or might have to call the IRS and get a question answered—every single one of them would benefit if we could just pass this law.

Ms. MOSELEY-BRAUN. I serve, along with the Senator from Nebraska and the Senator from Florida, on the Finance Committee. I was just delighted that the chairman convened the hearings on the IRS abuses. We heard any number of horror stories in those hearings. It is my understanding that under this legislation a taxpayer who had gone through an audit or set of investigations or prosecutions, that came out on the other end of the process absolved of any error of even wrongdoing, that that taxpayer would be able to, at least, recoup not all but some of the expenses associated with defending the integrity of their voluntary compliance with the Tax Code.

Mr. KERREY. That is correct. They would get their attorney fees paid up; and if there was negligence, up to $100,000. And we establish assistance centers out there for the first time for taxpayers who are struggling to get questions answered.

Ms. MOSELEY-BRAUN. For those taxpayers where it might be just a mistake—their Social Security number got mixed up or the name was not right, whatever—those assistance centers would then provide them with an opportunity again to have a better relationship with the service that the IRS is supposed to provide.

Mr. KERREY. That is correct. One of the things that this law does in title II is deal with a new trend that all of us understand, which is electronic commerce. We see a lot of electronic commerce developing out there in the private sector. The IRS has been struggling to get electronic filing up and online.

The significance of it is that when you file electronically, the error rate is less than 1 percent. Error is real money. You make a mistake on the Government side with a tax claim, and it could end up in court for years and years and years and cost the taxpayer and the Government tremendous amounts of money. So errors are real money. In the paper world, the rate of error is 25 percent.

So we provide both incentives and resources to get to a much higher number of electronic filings which I think for taxpayers who pay to run the IRS, as well as taxpayers who are sending their money, is a tremendously important change in the law.

Ms. MOSELEY-BRAUN. Is it the Senator's impression that, along with putting some real teeth into taxpayer rights, that this legislation provides—and, again, we could do more in other legislation—but this legislation puts real teeth in taxpayer rights, and that it might also have a beneficial effect in terms of the culture or the climate of the IRS?

For example, we heard in the hearings that they had quotas. They were not official quotas but unofficial quotas. That this might affect the culture in the way that the IRS viewed its mission and viewed its responsibility to taxpayers. Is it the Senator's impression that this legislation will help move that culture in the direction of a service that is more understanding of its obligations and responsibilities to the American people?

Mr. KERREY. No question.

The PRESIDING OFFICER. The 10 minutes have expired. The Senator from Illinois had 10 minutes, and it has expired. We are in morning business.

Ms. MOSELEY-BRAUN. I did not ask for time.

The PRESIDING OFFICER. There was a request.

Ms. MOSELEY-BRAUN. For me?

The PRESIDING OFFICER. In morning business.

Ms. MOSELEY-BRAUN. No, sir. I am in the process of questioning the Senator who has—I asked the Senator to yield for questions. I asked my last question. If he would answer it. I was not speaking in morning business under the 10-minute rule.

Mr. KERREY. The Senator is right. You are absolutely right. The culture, though, is not going to change at the IRS until we give the IRS Commissioner the management authority the manager needs to be able to run the agency with performance that is based upon something other than these quotas that have been set up. Although it has been a relatively small number of instances where we identified them, it still—relatively small—it is one too many.

Ms. MOSELEY-BRAUN. Mr. President, I stand before you today in support of Senator BOB KERREY's request that we changed the law to give the Commissioner the kind of authority that the Commissioner is going to need to manage this rather difficult and troubled agency.

I thank, again, my very patient chairman for waiting for this opportunity to respond. I appreciate, again, his leadership in conducting 3 days of public hearings, piercing the 6103 veil to be able to see inside this agency even further than what the restructuring commission did. I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, this is the third day in a row that the Senator from Nebraska, Senator KERREY, has asked for a unanimous-consent agreement to pass the House IRS restructuring bill. And for the third day in a row, I have, again, objected.

Moving this bill today by unanimous consent is the politically expedient thing to do. It is the easy thing to do, and if we approve this legislation now, we could all go home and try to convince our constituents that we solved all the problems with the IRS and they wouldn't have to worry again.

But this would not be true. This bill, while it is a good start, does not address the very egregious problems that the Senate Finance Committee exposed in our September hearings. The most significant reform in this bill is the creation of an oversight board. But, Mr. President, the board does not have the power to look at audit and collection issues where the most help is needed for the taxpayer. It falls short on many accountability issues that were raised at our hearings, basic issues such as requiring employees to sign correspondence to taxpayers. It does not alter the power that agents have to abusively slap liens and levies on taxpayers. It does not ensure taxpayers their due-process rights.

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Mr. KERREY. Mr. President, again, I want to praise the chairman of the Finance Committee for the hearings and the chance given to this. I respectfully disagree. I don't think we will just get one bite of the apple. I believe Majority Leader LOTT and the Speaker are committed to going further. Both of them have talked especially about the need to simplify the Tax Code. I would be surprised if either one of them would object to some of the additional things that Chairman ROTH has indicated that he wants to address.

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Mr. KERREY. Right.

Ms. MOSELEY-BRAUN. In relation to what is supposed to be a service for Internal Revenue, that justice that is due those taxpayers may well be denied by virtue of the delay in calling up this legislation.

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Ms. MOSELEY-BRAUN. I serve, along with the Senator from Nebraska and the Senator from Florida, on the Finance Committee. I was just delighted that the chairman convened the hearings on the IRS abuses. We heard any number of horror stories in those hearings. It is my understanding that under this legislation a taxpayer who had gone through an audit or set of investigations or prosecutions, that came out on the other end of the process absolved of any error of even wrongdoing, that that taxpayer would be able to, at least, recoup not all but some of the expenses associated with defending the integrity of their voluntary compliance with the Tax Code.

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Mr. KERREY. That is correct. One of the things that this law does in title II is deal with a new trend that all of us understand, which is electronic commerce. We see a lot of electronic commerce developing out there in the private sector. The IRS has been struggling to get electronic filing up and online.

The significance of it is that when you file electronically, the error rate is less than 1 percent. Error is real money. You make a mistake on the Government side with a tax claim, and it could end up in court for years and years and years and cost the taxpayer and the Government tremendous amounts of money. So errors are real money. In the paper world, the rate of error is 25 percent.

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Ms. MOSELEY-BRAUN. Is it the Senator's impression that, along with putting some real teeth into taxpayer rights, that this legislation provides—and, again, we could do more in other legislation—but this legislation puts real teeth in taxpayer rights, and that it might also have a beneficial effect in terms of the culture or the climate of the IRS?

For example, we heard in the hearings that they had quotas. They were not official quotas but unofficial quotas. That this might affect the culture in the way that the IRS viewed its mission and viewed its responsibility to taxpayers. Is it the Senator's impression that this legislation will help move that culture in the direction of a service that is more understanding of its obligations and responsibilities to the American people?

Mr. KERREY. No question.

The PRESIDING OFFICER. The 10 minutes have expired. The Senator from Illinois had 10 minutes, and it has expired. We are in morning business.

Ms. MOSELEY-BRAUN. I did not ask for time.

The PRESIDING OFFICER. There was a request.

Ms. MOSELEY-BRAUN. For me?

The PRESIDING OFFICER. In morning business.

Ms. MOSELEY-BRAUN. No, sir. I am in the process of questioning the Senator who has—I asked the Senator to yield for questions. I asked my last question. If he would answer it. I was not speaking in morning business under the 10-minute rule.

Mr. KERREY. The Senator is right. You are absolutely right. The culture, though, is not going to change at the IRS until we give the IRS Commissioner the management authority the manager needs to be able to run the agency with performance that is based upon something other than these quotas that have been set up. Although it has been a relatively small number of instances where we identified them, it still—relatively small—it is one too many.

Ms. MOSELEY-BRAUN. Mr. President, I stand before you today in support of Senator BOB KERREY's request to pass IRS reform legislation before Congress begins recess.

I along with all of the Senate Democrats have signed onto a letter urging Senator LOTT to bring up legislation to reform the IRS this year. I support IRS reform and believe that there should be no further delay in beginning the process of change. I am a cosponsor of S. 1096, the IRS Restructuring and Reform Act of 1997, and believe that the Senate should act on the House-passed version H.R. 2676. There are 35 Members of the Senate that are cosponsors of this bill and of those, 14 Members are on the Senate Finance Committee.

The House of Representatives has already acted on November 5, 1997, by a vote of 425 to 4 to overwhelmingly pass H.R. 2676, the legislation that would overhaul the way the IRS operates. We should too.

It has been 40 years since Congress and the President have considered significant reforms to the Internal Revenue Service. With this bill, there is a historic opportunity to overhaul the IRS and transform it into an efficient, modern, and responsive agency. The IRS interacts with more citizens than any other Government agency or private sector business in America and collects 95 percent of the revenue needed to fund the Federal Government. Congress and the President owe it to the American public to seize this opportunity and pass this legislation as soon as possible.

S. 1096 was introduced in the Senate on July 31, 1997, by Senator KERREY and Senator GRASSLEY. The Senate Finance Committee has had 4 months to take up this legislation and did not. Why?

Congress created the National Commission on Restructuring the Internal Revenue Service on September 30, 1996, which studied the IRS for a year. Seventeen Commission members and professional staff: Five appointed by the President, four appointed by the majority leader of the Senate, two appointed by the minority leader of the Senate, four members appointed by the Speaker of the House of Representatives, and two members appointed by the minority leader of the House of Representatives, examined and thoroughly developed a comprehensive report on changes needed to overhaul the IRS.

The Commission received extensive input from American taxpayers and experts on the IRS and tax system, holding 12 days of public hearings and spending hundreds of hours in private sessions with public and private sector experts, academics, and citizen's groups to review the IRS operations and services. In addition to holding three field hearings in Cincinnati, Omaha, and Des Moines, the Commission met privately with over 500 individuals, including senior-level and frontline IRS employees across the country.

All of the members of the Commission examined and analyzed the problems with the IRS and drafted a report called "A Vision for a New IRS." This report provides recommendations that will help restore the public's faith in the American Tax system.

H.R. 2676 and S. 1096 implements the recommendations of the year-long bipartisan National Commission on Restructuring the IRS. It provides better management and new protections and rights to taxpayers along with the following list of significant changes:

This legislation establishes an Internal Revenue Service Oversight Board that has 11 members including 8 people from the private sector, the Secretary, the Commissioner, and a Treasury union member.

In this bill, the IRS Commissioner will be appointed by the President with recommendations from the Board. Only the President will be able to remove the IRS Commissioner however, the Board can make a recommendation to the President for the Commissioner's removal.

This bill shifts the burden of proof from the taxpayer to the IRS.

It creates a taxpayer complaint and information audit system.

And, it brings outside expertise into the agency, so that mismanagement will end and taxpayers will not have to deal with bureaucratic redtape.

It provides significant expansion of innocent spouse relief—Eliminates requirements to limit an innocent spouse from liability for a tax delinquency of their responsible spouse. Allows a court to give proportional relief to an innocent spouse based upon a spouse's limited knowledge and responsibility.

Extends the attorney client privilege to accountants.

Expands the court's authority to award costs and fees. This legislation will change the date a taxpayer can begin to be compensated for administrative costs to the date they received their first letter of proposed deficiency from the IRS. This allows the taxpayer to receive reimbursements for the costs of defending the audit as well as the court proceedings.

No single recommendation in the bill will totally fix the IRS, but taken as a whole, this package sets the stage for an IRS that is fair, efficient, and friendly.

Despite the extraordinary agreement in the House of Representatives on H.R. 2676 and agreement from President Clinton that he would sign the bill. Senator ROTH, the Chairman of the Finance Committee believes he must spend more time and build on the House bill and act on legislation next year. This is not prudent. Americans want action now. The new Commissioner of the IRS Charles Rossotti will be sworn in next week and we should start him on the right track with a new vision for the IRS. Why put off until tomorrow, what we can do today. Senator BOB KERREY of Nebraska has requested unanimous consent that the House IRS restructuring bill, H.R. 2676, be approved by the full Senate. I agree and believe we should act now to stop the IRS abuses today.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

HOLDS ON LEGISLATION

Mr. GRASSLEY. Mr. President, I rise to express my disappointment at the fact that during conference negotiations on the District of Columbia appropriations bill, there have been efforts to drop a provision offered by Senator WYDEN and myself, and which was accepted by the Senate. This provision was the antisecret holds provision which would have put an end to the practice of putting holds on legislation or nomination in secret.

My colleagues are all aware of the practice of placing holds on a variety of measures. Any Member of the Senate who objects to a measure can place a hold to prevent further action from taking place until that Senator's objections can be resolved.

I want to be clear about one thing. This provision would not have prevented Senators from placing holds. But it would have required them to be open and acknowledge when they have placed holds. Our provision would have simply required Senators to either announce on the floor or place notice in the CONGRESSIONAL RECORD within 2 working days that they have placed a hold. It is very disappointing that the D.C. approps conferees sought not to allow this provision to remain in the conference report. More, not less, openness is needed in this institution. It is regrettable that conferees seek to maintain the status quo.

However, I want my colleagues to know that, should this provision not be included in the final conference report, Senator WYDEN and I will not consider this matter closed.

We have had to work long and persistently before to achieve legislative goals and we are prepared to do so again. We will continue to pursue this matter until we achieve the openness that is necessary to regain the public trust in Congress that it once had. I know that is a goal that we all want to reach.

Senators should remember that simply because the provision is not in the conference report, does not mean that Senators cannot take the initiative on their own and declare their desire, to place a hold on legislative activity. I call on all Senators to declare their action when they place a hold on legislation. Senator WYDEN and I have already pledged to be open about any such actions we take.

I firmly believe that shedding more light on the work that we do here can only help make Congress more effective and accountable. It will inspire greater confidence by our constituents, without which we cannot effectively do our jobs. There has to be a fundamental trust among our constituents that we will strive to represent their interests and views. I know I've never had a constituent tell me that Congress needs to be less open, less straightforward or less honest about what we do. That's why I want my colleagues to know this is not the last they have heard of this issue. They can be in step with the American people's wishes by making their actions public and by making the holds process more open. I appeal to my colleagues to not allow this provision to be killed in the secrecy that we need to eliminate.

I also want to thank my friend, Senator Wyden, for his hard work on this matter. It has been a pleasure to work with him on this matter and I look forward to our continued efforts together.

The PRESIDING OFFICER (Mr. Coats). The Senator from New Mexico.

Mr. DOMENICI. I don't know whether the Senator wants to extend morning business. I think we are out of morning business. I just wanted to ask a 2-minute extension of morning business.

Mr. GRAHAM. If the Senator is going to ask unanimous consent for that extension, I ask for a further extension of 10 minutes immediately following his extension for the purpose of introducing legislation.

The PRESIDING OFFICER. Is there objection?

Mr. DORGAN. I shall not object, but might I inquire of the Presiding Officer, would the regular order be to go back to the fast track legislation?

The PRESIDING OFFICER. The Senator is correct.

Mr. DORGAN. It is my expectation when this morning business is completed that that will be the business before the Senate?

The PRESIDING OFFICER. That request would have to be made from the floor.

Mr. DORGAN. I ask unanimous consent to be recognized following the morning business.

The PRESIDING OFFICER. Is there objection?

Mr. ROTH. I object for the moment. I would like to discuss the matter with the leader before we proceed.

The PRESIDING OFFICER. The objection is heard.

Mr. DORGAN. Let me withdraw my objection. I certainly don't want to be discourteous to my two colleagues. The 12 minutes they have asked for is not something I object to. I will not object to these two requests.

The PRESIDING OFFICER. The Senator from New Mexico is recognized to speak for 2 minutes in morning business.

Mr. DOMENICI. Mr. President, I thank the Chair.

(The remarks of Mr. Domenici pertaining to the introduction of Senate Resolution 148 are located in today's Record under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Florida is recognized to speak for 10 minutes in morning business.

Mr. GRAHAM. Mr. President, I thank the Chair.

(The remarks of Mr. Graham pertaining to the introduction of S. 1471 are located in today's Record under "Statements on Introduced Bills and Joint Resolutions.")

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. ROTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KERREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

IRAQ SITUATION

Mr. KERREY. Mr. President, I rise to discuss the situation in Iraq regarding the U.N. inspection regime and the refusal of the Iraqi Government to accept American inspectors and thus delay the inspections. The Iraqi purpose is clear: to attack the unity and will of the world community, and especially the members of the Security Council, concerning sanctions to Iraq; to weaken the authority of the United Nations by dictating terms of compliance to U.N. Security Council resolutions; and most important, to conceal and retain and build up the chemical and biological weapons programs of the Iraqi military.

Once again we are in a crisis with Iraq; not of our making but of theirs. The question being debated here and in the United Nations is: What should we do?

The crisis began a week ago on October 29, 1997 when Saddam Hussein sought to evict from Iraq Americans who are assigned to international inspection teams sent by the United Nations to enforce a cease fire agreement signed by Iraq on April 6, 1991, following the January 17 to February 28 war to liberate Kuwait known as Desert Storm. In the agreement Iraq promised to pay Kuwait for war damages, to destroy all its nuclear, biological, and chemical weapons capacity, and to allow inspectors into their country to verify compliance. On April 11, 1991, the U.N. Security Council officially declared an end to the war and to continuing the sanctions originally imposed on August 6, 1990.

The Security Council created the Special Commission, also known as UNSCOM, to carry out the inspection of Iraqi installations in order to verify the destruction of nuclear, biological, and chemical weapons capacity. UNSCOM—originally expected to be in operation for several months—has been in business for 6 years. During these past 6 years the UNSCOM inspectors have met with success. They reduced the Iraqi stockpile of weapons of mass destruction more than the war itself. Iraq has considerably less capability than it had when Desert Storm ended. That is the goods news. The bad news is that they retain sufficient capacity to pose a real and serious threat to the people of the United States.

The nature of this residual threat can be seen in a letter sent to the United Nations on Wednesday by Richard Butler, an arms control expert who heads the UNSCOM. According to Mr. Butler the Iraqis could easily adapt laboratory or industrial equipment to resume making prohibited materials. In his letter he says: "For example, it would take only a matter of hours to adapt fermenters to produce seed stocks of biological warfare agents. Furthermore, it appears that cameras may have been intentionally tampered with, lenses covered and lighting turned off in the facilities under monitoring."

The idea of biological weapons in the hands of Iraq's Saddam Hussein should strike fear in the hearts of every American. This man is dangerous to his own people, his neighbors, and to us.

He is also clever. His latest ploy has produced more benefits for him than losses. Again, Mr. Butler is our guide. In his letter he says that, while we attempt to negotiate a right that was guaranteed under the peace agreement they signed, Iraq has been able to hide evidence and disable surveillance equipment. He specifically notes that we cannot monitor machinery that can balance missile guidance systems or equipment that could grow seed stocks of biological agents in a matter of hours.

Mr. Butler calls our attention to two actions Iraq has taken during the week when inspectors were absent. First, significant pieces of equipment that had been under the view of video monitoring system have been moved out of range of cameras. Second, monitoring equipment has been tampered with in other areas.

Even if inspections start again, Saddam Hussein has succeeded in making our work more difficult. We must reset and re-aim surveillance cameras. We must recheck the machinery or stocks of materials these cameras watch. And we should not be certain whether prohibited arms or components had been produced in crash programs and carried away to be hid.

So, while we sit and wonder what we should do, Saddam Hussein sits and counts the ways he has benefited. A

U.N. team sent by Secretary General Kofi Annan has just returned with nothing to show for their efforts. The team leader, Mr. Lakhdar Brahimi of Algeria was quoted as saying the Iraqis were very nice. Well, why not be nice? After succeeding 2 weeks ago in defeating United States efforts to impose more intense sanctions at the Security Council, Iraq has now gotten the U.N. to send a special negotiating team to ask politely if Iraq will do what it promised to do 6 years ago when it was suing for peace.

Mr. President, we cannot allow the situation in Iraq to continue to head in its current direction. Too much is at stake. American security and the security of our allies and interests hangs in the balance of our decision.

For my part I have reached the conclusion that our policy of containment cannot succeed. We need an objective which will ensure our security. We need a goal which will guarantee the stability we seek for the region.

As has always been the case, an outrageous act by Saddam Hussein has provoked a strong reaction in this country. Military responses are broadly discussed. Editorial pages talk of making sure our military response is a head shot at Saddam himself, as though assassination were a legal option for U.S. forces. At some point we may turn to a military response appropriate in scope and direction to achieve immediate and longer terms goals. A measured action, complete with the certainty of further response if necessary, may be what is called for in this situation. But I believe we need to ensure that our military actions, as well as our diplomatic and economic efforts, are part of an overall strategy toward Iraq which will attain a goal consistent with American ideals and interests.

Today, the United States and the international community are considering whether the proper response to Saddam's actions is a limited military action targeting suspected facilities or continued talks aimed at a more diplomatic end to this impasse. These are tactical options which will enable the United States and the international community to continue to muddle through its current strategy of containment toward Iraq. While the containment of Saddam has brought limited success in disarming his military, this strategy has been ineffective in changing the behavior of the Iraqi Government and is in danger of becoming more ineffective with the passage of time.

Some commentators state that the cohesion of the Persian Gulf coalition has naturally grown more tenuous as other nations rediscover the promise of Iraqi petrodollars. They believe that our former coalition partners will inevitably find Iraq's oil wealth so tempting as to overlook the risks involved in the reemergence of a military powerful Saddam. I believe this need not be the case, if United States can formulate a strategy with clear policy objectives instead of continuing with a strategy of simply reacting to the Iraqi dictator's latest violation. We need to change our goals, our strategy, and our tactics.

I believe our policy toward Iraq should be open and direct—The United States seeks to remove the dictatorship of Saddam Hussein in Iraq and to replace it with a democratic government. Nothing more, nothing less.

Our frustration with Saddam is understandable. Six years ago we thought we had him. He failed utterly, ruined his country and two neighboring countries, caused the deaths of hundreds of thousands of people, and by our political lights he should be gone. But by his politics, the politics of a terror rivaled in this century only by Stalin's, Saddam keeps his job and we are rightly frustrated.

While Saddam rules, Iraq poses a threat to its neighbors and, by extension, to us. He still has SCUD missiles which could carry his chemical and biological agents to Israel, to Saudi Arabia, and to other nations in the region whose security is a vital American interest. He has ground forces which could invade Kuwait again or embroil any of his other contiguous neighbors in war. Those same forces threaten or oppress Iraq's Kurdish and Shiite minorities every day.

If Saddam retains power and escapes from sanctions, the threat he will pose in a decade will be far greater. He will have intermediate range or even long range missiles to carry his deadly payloads, he may have developed a nuclear weapon, and he will again have many billions of dollars in oil income to modernize his armed forces. He will be a major threat to his country and in fact to the entire world. We simply cannot let it happen, and I am confident we will not.

In considering how to respond to Saddam's latest outrage, President Clinton and the Congress need to take the long view, looking past the incident of the moment to determine the long-range outcome we want. Because we are the United States, and because we have already expended lives and treasure because of Iraq, I think our long-range goal should be ambitious.

We know from Iraqi history that Iraq is predisposed to dictatorship. We also know the dictatorships from this unbalanced state will inevitably threaten their neighbors. So getting rid of Saddam is not good enough. We need to get rid of Iraqi dictatorship. Our long-range goal should be a democratic Iraq. Other countries may be tempted to do business deals with the Iraqi dictator and tactfully glance away from his abuse of his people. We Americans should settle for nothing less than democracy.

An impossible, naive dream? I think not. The Iraqi people, despite the lobotomy Saddam has tried to give them, are a well-educated, skilled people. They know the horrors of dictatorship better than anyone else on Earth. When Iraqis tell me their heartfelt commitment to a democratic future for their country, I believe them.

How do we turn this yearning for democracy into the reality of a free Iraq? Let me lay out a road map. First, we should maintain sanctions on Iraq and return to the inspection system which existed until October 29, when Saddam excluded American inspectors from the teams. If we have to use military force to get Iraqi compliance, fine. We should strive to have our coalition partners join us in this use because the power of the world community to bring an outlaw to heel is at issue here. If Iraq can thumb its nose at the Security Council today, some other rogue state will do the same tomorrow, and the system we and our allies have carefully built over 52 years will collapse. But even if some of our coalition partners don't join us, we should act militarily if Iraq won't back down.

Second, we must convince our core European and Asian allies that democracy, not just the compliance of a dictator, is the right long-term goal for Iraq. We must show our allies the far greater benefits and reduced risks that will accrue to them as well as to us from a democratic Iraq. We must sign up our allies for the long term.

Third, we must make the people of Iraq our allies, too. We must go beyond merely stating our support for democracy and instead put concrete encouragements on the table, solid indicators of Western commitment to Iraqi democracy. We should announce we will forgive Iraqi debt if a democratic regime takes power there and we should encourage our allies to do the same. We should state clearly the loan and foreign assistance preferences which a democratic Iraq would receive from United States and multinational institutions. We should discuss our preparations to supply immediate food and medical assistance to Iraq at the moment of Saddam's replacement by a regime which states its intention to hold free elections. And we should make sure, by means of Voice of America and commercial media, that every Iraqi knows about these encouragements to be democratic. Even before change comes, these steps will restore hope in Iraqi hearts.

Fourth, we should openly and consistently state our goal of a free, democratic Iraq. To accept less and to say less is simply unworthy of our heritage. Let democracy, respect for human rights, and a free economy be our consistent mantra for Iraq, as it ought to be for every country, and some day, not far off, when Saddam's prisons and graveyards and secret weapons sites are opened and the Iraqi people can tell the story of their suffering, we will be proud that we set a lofty goal.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the role.

The assistant legislative clerk proceeded to call the role.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—S. 1269

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now resume the fast-track bill for consideration of the Dorgan amendment, that no amendments be in order to the Dorgan amendment, and, immediately following the reporting of the bill, the Senate resume the Dorgan amendment.

I further ask unanimous consent that, following disposition of or consent to dispose of the Dorgan amendment, Senator REED be recognized to offer an amendment regarding environmental standards, and only relevant amendments be in order to the amendment, and, following disposition of or consent to dispose of the amendment, the Senate resume morning business, and no call for the regular order serve to bring back the fast-track legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. I yield the floor.

RECIPROCAL TRADE AGREEMENTS ACT OF 1997

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1269) to establish objectives for negotiating and procedures for implementing certain trade agreements.

The Senate resumed consideration of the bill.

Pending:

Dorgan Amendment No. 1594, to establish an emergency commission to end the trade deficit.

Inhofe amendment No. 1602, to establish a research and monitoring program for the national ambient air quality standards for ozone and particulate matter and to reinstate the original standards under the Clean Air Act.

AMENDMENT NO. 1594

Mr. DORGAN. Mr. President, the amendment pending on fast-track legislation, is the amendment I offered 2 days ago. It is an amendment called the End the Trade Deficit Act. It is S. 465, a piece of legislation that I previously introduced in the Senate that I now offer as an amendment.

Let me describe why I bring this amendment to the floor of the Senate, especially when we are dealing with the fast-track legislation.

Mr. President, this Congress has spent a great deal of time dealing with the fiscal policy budget deficit, and with some success. I might add that actions by the Congress and a healthy growing economy have substantially reduced the budget deficit. But there has been very little discussion about the other deficit. And that is the trade deficit.

This country's trade deficit is the largest in history, and growing. For those who don't know much about the trade deficit, let me explain. Understandably you do not hear much about it. All we do is crow about our exports. We talk about how much we exported. Nobody talks about how much we have imported. It is like a business talking only about their receipts and refusing to talk about their expenditures.

Here is the merchandise trade deficit. It is 21 years old. For 36 of the last 38 years we have had an overall trade deficit. For the last 21 years in a row we have had this merchandise trade deficit. This trade deficit represented here in red is getting worse—not better. The last 3 years in a row have seen record merchandise trade deficits. And this year it is expected to reach a record merchandise trade deficit.

Some say the trade deficits are really quite good for this country. They must be ecstatic because these trade deficits are expected, according to some econometric forecasters, to go from $191 billion in the last fiscal year to $356 billion by the year 2005. Some will make the case, I am sure, that it depends on the kind of trade deficits you have; what the trade circumstances are; what the economic circumstances are of the various regions of the world. I understand all of that.

But I say this: A trade deficit that is persistent and growing a trade deficit that represents a chronic 21-year uninterrupted set of trade deficits is not good for this country.

I propose a piece of legislation, now offered as an amendment, to establish a commission the members of which would hold hearings and make recommendations to Congress on how this country can eliminate the trade deficit by the year 2007.

We are having a discussion about fast track. It is a strategy that describes a procedure here in the Congress with respect to how we handle trade agreements. Most of us understand how trade agreements are negotiated. They are negotiated by trade negotiators sent overseas somewhere, in most cases. They close the door, have sessions, and come up with an agreement. They bring it back to the Congress, and they say, "Here is the agreement. Take it or leave it; up or down; no amendment."

But I want to also underscore why I feel so strongly about this issue, even as I discuss this amendment. I want to once again describe for my colleagues the dilemma we face with, for example, one free-trade agreement. This is the one with Canada. It is undoubtedly true that there are benefits to the free-trade agreement with Canada. I am sure that there are sectors in this country that can point to substantial success.

I would say this with some certainty. Those who negotiated that United States-Canada trade agreement essentially traded away the interests of family farmers in our part of the country. And the result has been that in the post-Canada free trade agreement an avalanche of unfairly subsidized Canadian grain coming into our country sent here by a state-controlled enterprise called the Wheat Board—which would be illegal in this country—sent here with secret prices that they failed to disclose to anyone undercutting the market for our farmers especially in the area of Durum wheat, and we can't do anything about it.

Oh, we can shout about it, and we can complain about it. We can send people to Canada, and make some noise about it. But the fact is that it does not get solved. It could have been solved. We could have tacked an amendment on the trade negotiation instrument that we negotiated with Canada when it came to the Congress. But fast track prevented any amendments. It predicted that we were going to have this problem,. and it predicted that we weren't going to be able to do a thing about it—$220 million a year out of North Dakotans' pockets as a result of this unfair trade every year and it is growing worse—not better.

Do we think fast track makes sense? Absolutely not. We have seen the result of bad trade agreements, and we have seen the result of trade agreements that do not give us the remedies that deal with patently unfair trade.

Aside from the issue dealing with United States-Canada, I could spend a lot of time talking about our trade problems with Japan and China. I will not do it at this point. I have done it previously on the floor.

But I want to say that the chronic, persistent trade deficits that go on year after year every year in this country are a problem. We need to address it. To the extent this continues and gets worse, clearly this trade deficit will be repaid with a lower standard of living in this country. Now, it is time for us and the Congress to address that issue.

What causes the trade deficit, and what can we do to address the trade deficit?

That is the reason I propose the establishment of a commission that would seriously and thoughtfully address this issue.

Mr. President, in the interest of time I will cut short my comments at this point. We have two on the other side of the aisle who wish to address it, following which I would like to make a couple of additional comments.

With that, Mr. President, I yield the floor.

Mr. ROTH. Mr. President, I rise in opposition to the amendment of the Senator from North Dakota, and I do so for two principal reasons. But before I discuss those reasons, I would like to point out that in my judgment the truth is that trade policy has very little to do with our trade deficit. My esteemed colleague from North Dakota, Senator DORGAN, has made that point himself. Our trade deficit is a function of simple arithmetic. We consume more than we produce and save, and the difference is basically our trade deficit.

It is also true that when we are growing as rapidly as we are, and our trading partners are not, we are likely to import more and export less. Because they prefer to hold dollars as a hedge or as an investment, our trading partners are essentially financing our ability to live beyond our means.

Now, I do not mean to underestimate the need to get our economic house in order. Getting our budget deficit under control is a significant step in that direction.

What I have said does not mean that we should not do everything we can to ensure that our trade policy does not contribute to our trade deficit. We should and must insist that our trading partners open their markets to our goods. The defeat of fast track would do nothing but hinder that effort. It would offer our trading partners an excuse not to negotiate with us. It would offer them an excuse to maintain their barriers to trade and exacerbate whatever impact our trading policies may in fact have on our trade deficit. We should instead be looking for every weapon in our arsenal to ensure that we open markets and keep them open. Fast track is one of those weapons. I do not see the point of unilaterally disarming if you are seriously concerned about doing something about the trade deficit.

Now, Mr. President, as I said, I do oppose the amendment by the Senator from North Dakota, and I do so for two principal reasons. First, we face many challenges on the international economic front. The trade deficit is one of them but certainly not the only one, nor even necessarily the most significant in my view.

To me, the broader question, and, frankly, the one that is most likely to affect our economic future, is how we come to grips with the increasing globalization of the world economy. The world economy is undergoing fundamental changes that have deep importance for our economic future, and we must decide whether we embrace that challenge or try to hide from it.

While I do not disagree that it would be useful to look at the underlying causes of the trade deficit in that context, there certainly are many other issues of greater significance that have been raised in this debate alone that would deserve similar attention by such a high-powered group as that described in the Senator's amendment.

Second, we should also understand that the amendment will require a hard look at whether we have our own economic house in order. Since the root cause of the deficit includes our domestic economic policies, we will be asking the commission to delve deeply into our fiscal and monetary policies. My point is that there already are a number of governmental institutions that are involved in these processes where there is expertise on these matters such as the Treasury, the Commerce Department, the Federal Reserve, as well as our congressional committees. I wonder whether the commission is needed given the resources we already have available.

Third, I am always concerned when we raise a proposal for a commission or another advisory board that we not use them as a reason to avoid the responsibilities we have in Congress for addressing these issues. Plainly, we have the resources here in Congress to examine these questions in depth, and I am certain we would want to explore those possibilities before establishing yet another blue ribbon commission. If the question is how do we eliminate the trade deficit and our trade policy is part of the answer, then the first step we should take is to pass this legislation. This bill is, after all, about breaking down trade barriers abroad, and that is undeniably a step in the right direction in eliminating trade deficits.

As a consequence, while the concept may have merit in some sense, I oppose the amendment as offered and will ask my colleagues to do the same.

Mr. President, I yield back the floor.

Mr. GRAMM. Mr. President, let me begin by outlining the points I want to make, and I will try to be brief about it so that we can get on with other business of the Senate.

First of all, I want to talk about why I oppose this amendment. I want to talk about the two principal problems it has. I want to outline changes that could be made that would make it possible for us to support the amendment and to see us proceed on a bipartisan basis. And then, without getting into a long oration or, as a critic would say, a lecture on international economics, I want to talk a little bit about trade deficits, about the sources of America's trade deficit, and talk a little bit about the history of the trade deficit in our country, and I intend to do all of this while trying to deviate from my background as an old schoolteacher and be brief.

First of all, there are two problems with the amendment. No. 1, we are not going to adopt a proposal to create any commission that is going to be stacked on a partisan basis. There is no way we are going to adopt a commission that has three more Democrat members than Republicans when we have a Republican majority in both Houses of Congress. So I think the first thing we are going to have to do, if we are going to have a commission, is to have the same number of Republicans as Democrats.

I think it would be a good idea to try to set some parameters on the kinds of people that should participate on this commission. If we do not want this to turn into a political commission with a bunch of political hacks on it, it would be helpful to have people who are genuine financial, economic, and international trade experts, and ones who could bring with their expertise a high degree of objectivity. I think the degree to which we could set some parameters as to who would be on the commission would probably be helpful. I do not think we achieve anything by appointing a partisan commission with a bunch of political hacks on it who have an ax to grind and are simply looking for a forum to try to promote their own political interest, their special interest, or their individual agenda.

Second, I cannot see how we could adopt a commission that was given a mandate that without regard to any other policy, our goal should be simply to eliminate the trade deficit by the year 2007. I believe there are things we could do and should do that would be beneficial to the elimination of the trade deficit. And I will talk about them. But the idea that without doing those things we should simply set out to build walls around America, drive up costs to consumers, drive down living standards, disrupt economic growth, is something I think we have to be very careful about.

So I think we could have an agreement here if we have a genuine bipartisan commission. I think we could have an agreement if we could try to focus the membership of the commission so that we are seeking advice from people who actually know something about the subject rather than a bunch of politicians who are simply going to express their special interest. And I think we need a little bit broader objective than simply to say that we should eliminate the trade deficit by the year 2007.

To listen to those who oppose fast track and who are talking about gloom and doom on the trade deficit, you would not realize that yesterday the unemployment rate was announced and it is 4.7 percent, which is the lowest unemployment rate we have had since the early 1970s. In other words, today, with the largest trade deficit in American history, we have the lowest unemployment rate we have had in almost a quarter of a century.

Let me say a little bit about trade deficits. Trade deficits in and of themselves are not good or bad. They are simply an indication of a lot of other things that could be good or could be bad. Let me give you an example. From the moment that the first settler stepped on the North American continent at Jamestown, VA, until the end of World War I, for all practical purposes colonial America and the United States of America ran a trade deficit nearly every single day—every single day. And yet we had the most sustained period of economic growth in the history of mankind.

Why were we running a trade deficit from the time the first American stepped off the boat at Jamestown until the end of World War I? We were running a huge trade deficit because with this vast continent, with its boundless natural resources, with its fertile land and limitless forests, with its harbors and rivers, and with people who had more freedom than any people had ever had in the history of mankind, people from all over the world wanted to send their money here to invest in our economy. So the British sent the money to build our railroads. Investors from all over the world not only sent their money but their children to come and participate in the American miracle, and so as a result we had a trade deficit practically every single day from 1607 to roughly 1920. And to listen to our colleague from North Dakota, with all due respect, it should have been a bleak, dark, doomed place, this America. But the plain truth was we had more growth, more opportunity, more freedom and more prosperity than any place in the history of the world, then to now.

Deficits are like debt. They can be a path to prosperity or they can be a path to disaster. And it all depends on what you use it for, why it comes about. Borrowing money can make you rich, if you invest the money and earn a rate of return bigger than what you have to pay to borrow the money. It can also make you poor if you invest the money poorly or simply go out and spend it until you have to pay the money back.

Now, let me try, as briefly as I can be brief, to explain why we have a deficit. We need to understand that the exchange rate between the dollar and other currencies is set every day on an international exchange market where there are literally hundreds of billions of dollars of transactions every single day.

Now, on this market people are buying and selling dollars, sometimes by the billions of dollars per transaction. Why do people buy dollars? People buy dollars to buy American goods. They buy dollars to invest in America or to repatriate earnings to America from American investment abroad. They buy dollars to hold as an international currency. In fact, the dollar has become the international currency of the world, and, remarkable as it sounds, we have printed hundreds of billions of dollars and people all over the world hold them to use them in their own economies. And we have been a huge beneficiary of that.

Now, why do Americans buy other currencies? We buy other currencies with dollars because we want to buy foreign goods, because we want to invest abroad, because we want to repatriate earnings abroad, but by and large we do not use other currencies as an international exchange, not nearly as much as the dollar is used. Now, what this means is every day on the market for international currency, the value of the dollar relative to the yen, the value of the dollar relative to the pound, is set exactly at that point where the dollars that are being demanded to buy American goods and to invest in America are exactly equal to the dollars that we are supplying to try to buy that currency, to buy its goods, or to invest in that country.

If that isn't so, then the exchange rate moves. Why is that significant? It is significant because what it really says, for all practical purposes, is that anytime you have a trade deficit you have either a capital surplus and/or people overseas are, for some reason, holding our currency. This last factor is not nearly as relevant for any other country in the world, but because our economy is the strongest in the world, because our dollar is the soundest in the world, people want to hold American dollars. As long as people want to invest in America—and today we are having a huge level of investment in America from all over the world—we are going to have a trade deficit because we have a capital inflow. Those who would like to see it otherwise are trying to repeal double-entry bookkeeping, because basically what we are seeing here with the trade deficit is accounting more than it is economics.

We are seeing the accounting of the fact that we have high real interest rates because our Government is still a big net borrower—because we as a nation don't save very much money. We have the lowest savings rate of any industrial country in the world, largely because we have a Social Security system that is pay-as-you-go and discourages personal savings for retirement. It doesn't have a real trust fund. Social Security contributions are taxes, not savings. And, so, we have collectivized retirement and retirement medical care and converted them from savings for the future into taxes for consumption today. We are not building up assets to pay for our future obligations. So, as a result, we are overspending. This is to say that while at the same time we have the strongest economic performing economy in the world on one hand, that people want to invest in, we have the lowest savings rate on the other. So all over the world people are trying to buy dollars to invest here because of high equity returns and relatively high real interest rates.

Now, if we want to do something about that we certainly don't want to do anything about the high equity returns. We don't want to prevent American businesses from growing and providing jobs. We certainly don't want to pass a law that says to people all over the world, "Don't send your capital to America to put it to work." One of the principal reasons we have the lowest unemployment rate we have had in 24 years is that literally tens of billions of dollars of foreign capital flow into America every year. And our foreign investors are, in the process, helping to put our people to work.

But, if we really are concerned about the trade deficit, we ought to deal with the deficit in our budget, not just the on-budget deficit but all the money we are borrowing for off-budget accounts. We ought to restructure Medicare and Social Security and have an investment-based system where real capital is being built up so we can have real savings to match our growing future liabilities. We can lower interest rates by encouraging people to save more. The chairman of the Finance Committee, with his Roth IRA—and, by the way, Mr. Chairman, I heard a radio commercial yesterday morning from some securities firm advertising Roth IRA's. Those are ways that we can encourage people to save, bringing about lower interest rates, and reducing our reliance upon foreign sources of capital to America. And maybe that is something that this commission ought to look at.

What we are looking at here with this amendment, to try to sum up and be brief, is we are looking at a symptom and not a cause. We have a big trade deficit because we have the strongest economy in the world and people want to invest here. We don't want to do anything about that. We have a trade deficit because we have very high real interest rates, and with very high real interest rates people want to come here to get those returns on their savings. We could do something about that if we encouraged people to save more, and if we did something about the underlying deficit, including the real, unfunded long-term deficits in Social Security and Medicare.

So, to the extent that this commission could look at these underlying problems, then I think we could begin to try to do something about the trade deficit. But I go back and reiterate the point that I made earlier. Trade deficits in and of themselves do not give you any kind of effective measure of the strength of the underlying economy. We had trade deficits from the colonial period to World War I, when we had the strongest economy in the world. We have had trade deficits in trying to rebuild Europe and Japan, when we had very, very strong economies. We have had trade deficits and trade surpluses with countries all over the world. Some of the countries with the poorest economies have had trade surpluses. I don't know what the trade surplus or deficit is for North Korea. It would be a perfect model for many, in the sense that they don't import many goods, they protect their jobs, but the problem is they don't have good jobs because they are poor because they don't trade.

So, what we would like to do, to try to get on with fast track and hopefully pass it, if the House does, is see if we can work out an agreement to do three things. First, have a true bipartisan commission and, if possible, in that bipartisan commission, let's try to put real experts on the commission—not politicians—who could bring some expertise to the problem and help us have some constructive ideas as to what to do about it.

Second, let's look at the underlying causes of the trade deficit. Let's look at protectionism, both here and around the world. Let's look at our deficit in the Federal budget. Let's look at our long-term structural deficit in our two big programs, Medicare and Social Security. Let's look at what we can do to encourage Americans to save, and in the process reduce real interest rates, reduce our reliance on foreign capital, and in the process lower the trade deficit.

So, I think there is room here for a compromise. I hope we can reach it. But in terms of the way the amendment is now drafted, we are opposed to it. But if we could refocus it, if we could make it truly bipartisan, if we could look at the bigger picture, then I think that we could have the ability to reach a compromise. I think we could adopt this—either as an amendment or as a freestanding bill, depending on what happens in the House on fast track—and I think that in the process we could go a long way toward completing the business of the Senate.

I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator from North Dakota.

Mr. DORGAN. The Senator from Texas whetted my appetite once again on economic theory. I studied economics, taught economics in college briefly, and was most interested to hear the Senator from Texas.

Because I did teach economics very briefly, I have heard all of the stories about economists, as the Senator from Texas has, and all the definitions.

The one about, you know: An economist is one who can describe with all great details the workings of the world but can't remember his phone number. An economist is someone who looks at something that works in practice and wonders whether it can really work in theory.

Let me, for a moment, respond to a couple of the points made by the Senator from Texas. First of all, I am happy to see if we can reach some agreement on some of these provisions. This does not propose to establish a commission with a bunch of political hacks, to use the words of the Senator from Texas. I have no interest in establishing a commission with political hacks. I am interested in establishing a commission that might address a real problem and make recommendations about how to respond to that problem.

A couple of points first. The Senator from Texas mentioned Social Security several times. I just want to clear up a point. It really doesn't have very much to do with this. The Senator from Texas was mentioning Social Security in the context of domestic deficits, as something that is out of control. This year, Social Security will take in nearly $70 billion more than it will expend. Social Security is not running a deficit, it is running a surplus, and a very significant surplus at that. Why? Because it is one of the few sober things we have done in the last two decades. We finally required a forced pool of national savings in Social Security to meet the time when the baby boomers retire.

So this year, the Social Security system will run about a $70 billion surplus, and that annual surplus will continue year after year after year until about the year 2018. So I don't want that reference to pass unnoticed and allow someone to think, gee, there is a huge deficit in the Social Security account.

I have a couple of other points. We are told from time to time that we have a trade deficit because we have a budget deficit, and if we get rid of the budget deficit, gee, the trade deficit will be no problem at all. The trade deficit will disappear.

The budget deficit is going down, down, down, way down, and yet the trade deficit is growing. So I ask those who tell us that the trade deficit is simply a function of the budget deficit, why does your theory now seem to be wrong? You said that if the budget deficit decreases, the trade deficit will vanish. Why, when the budget deficit not only decreases but nearly goes away, do our merchandise trade deficits reach the largest level in the history of this country? Is it perhaps that the theories are all wet?

Then some say, "Well, we know we talked about the budget deficit related to the trade deficit. If that's not the case, then its the strong dollar. The strong dollar is our problem?" That is what causes this sea of red ink of merchandise trade deficits that are getting worse? It is the largest in history and setting new records every day and getting worse.

When the dollar is strong, we have a trade deficit. When the dollar is weak, we have trade deficits. What do you say about that? Is maybe the theory is all wet there as well?

Might it be, at least in part, something no one is willing to discuss much. That is that we have a free-trade system in which our markets are wide open and we have expectations of trading partners who open their markets but they don't open their markets. Their markets are not open to American goods. Might it be that our markets are open, but the Japanese markets are not wide open to American goods, the Chinese markets are not wide open to American goods? Might that not be the case? Could that conceivably be the reason for part of this or a significant part of this trade deficit? I think it is.

The Senator also discussed what happened at the turn of the century and the prior century about trade deficits. Comparing the economic circumstances of the prior century and its trade deficits to today is like comparing a teaspoonful of water to a bathtubful of water. These trade deficits are serious, alarming, and growing. Let me take this from theory to practice.

At least a part of this red ink is because we are seeing American jobs leave this country and move elsewhere, and those jobs then are used to produce the same products to ship back into this country, and that contributes to this trade deficit.

Bob Bramer worked for 31 years at Sandvik Hard Metals in Michigan. He saw his plant close down, saw the equipment put on a truck and hauled to Mexico. His and 26 other jobs went south. He didn't lose his job in theory. He lost his job, and his family lost his income. He lost his career. His job was put on a truck and moved to Mexico.

Nancy Dewent, 47 years old, worked at a plant for 19 years in Queens, NY. They were making Swingline brand staplers; 408 jobs. Now they are moving to Mexico. Nancy was 47 years old making $11.58 an hour. Those staplers will now be produced in Mexico at 50 cents an hour, and that will help, of course, increase this trade deficit. Nancy didn't lose her job in theory, she lost her real job. This isn't economic theory, it is what our current trade strategy is producing.

Fruit of the Loom was scheduled to close plants in Kentucky, Mississippi, Louisiana, and Texas last month; 5,100 workers, workers getting up to $10.50 an hour; moving plants and jobs to other countries for 5 years in a row.

There is Borg-Warner, Muncie, IN, where 800 workers are losing jobs which pay $17.50 an hour; moving to Mexico. This isn't theory, these are families, people who have lost their jobs, and it shows up here in red.

We can give lectures about economic theory forever. But the central question is, do you think that 21 straight years of trade deficits produced by this trade policy is troublesome for this country, or do you think, conceivably, they are good for this country? Do you think more red ink might be good for this country? Some argue that. They must be ecstatic if that is the case, because this red ink is growing. They must be the ones walking around with the widest smiles in town.

But there are those of us who think that trade deficits are troublesome. We are concerned that markets are closed to this country when we open our markets to others. We think that we ought to be a country that cares a little about its manufacturing base and keeping good manufacturing jobs in this country by requiring that other markets be open to our products. We should be requiring that others who produce and ship here be required to respond to the same kind of issues we are required to respond to such as that you can't hire kids, you can't hire 12 years old, work them 12 hours a day and pay them 12 cents an hour. That's not fair. We shouldn't be expected to compete with that.

Is it reasonable for us to at least require some important provisions dealing with labor and the environment and other issues in these trade agreements? The fact is that we don't. What we say is, "It doesn't matter what you do. It doesn't matter how you produce, and ship it here, we will buy it. By the way, it doesn't matter so much that you won't let your markets be open to us. We will accept that. Anyone that stands up and says that is troublesome for the country, we will tell them they don't know what they are talking about, because it is conceivable these trade deficits are good for our country." Now that's what they say.

You talk about economic gibberish. This is not good for our country. This is the other deficit that is the worst it has been in the history of this country and getting worse every year and one we ought to do something about. You can name family after family after family in this country who are already victims as a result of this deficit or whose lost jobs helped cause this deficit. It is because those jobs used to be here and now they are there. They used to be in this country, now they are gone.

Why? Because in the name of profits, the multinational companies in this country and around the world constructed an economic system defining production to be available to them in the lowest-cost production areas in the world. They circle the globe and find out where can you produce, where at the same time you can hire kids, pay them pennies, and dump the pollution in the water and ship the product to Fargo, Los Angeles and other places. They simply look to where can they produce in those circumstances in order to maximize your profit. It doesn't matter to them what happens to this country's deficit. It doesn't matter so much to them what happens to this country's jobs.

That is why I am concerned about all this. That is why I asked in this limited circumstance for a commission to consider ways that we can address the trade deficit, ways this country can begin to end this hemorrhaging of red ink.

Mr. SARBANES. Will the Senator yield?

Mr. DORGAN. I will be happy to yield.

Mr. SARBANES. I ask the Senator from North Dakota, in fact, what has happened to the U.S. trade balance is a marked deterioration in our position in the post-World War II period. In other words, beginning after World War II, we ran a modest trade surplus year in and year out, and beginning in the mid-1970s and continuing thereafter, as the Senator indicates on his chart and indicated on this chart, we have been running these very large negative trade balances, sometimes as much as $150 billion, $180 billion in a single year. The consequence of running these trade balances year in and year out cumulatively is about $1.5 trillion. The result of that is a deterioration in the U.S. position from being a creditor nation to now we are a debtor nation.

Mr. DORGAN. Is it not the case that we are the largest debtor nation in the world?

Mr. SARBANES. The United States is the largest debtor nation in the world. People say, look, if we were a developing country just setting out on the process of development, there is an argument that can be made that you run a trade imbalance. And if you are smart in your trade imbalance, you bring in investment to develop your economy for the future. That is what the United States did in the 19th century.

But the United States now is supposedly the most developed country in the world. The most developed country in the world, supposedly the world's leader, ought not to be a debtor nation and ought not to be running these large trade imbalances.

I say to the Senator from North Dakota, here is what happens. You know, people say, "Well, people are losing jobs." And they say, "Well, they're losing jobs, but other people are gaining jobs from the exports, and, as a consequence, we're strengthening ourselves as a nation." We are not strengthening ourselves as a nation. We are running these very large trade deficits year in and year out.

This represents a marked deterioration in the American position. We did not do this between the end of World War II and into the 1970's. It is only over the last 20 years that we started running, year in and year out, these very large trade deficits.

As the Senator from North Dakota points out, the reason for them, I think, is fairly simple. Our market is very open for other countries to send goods into the United States. And many of those markets are relatively closed to us. We export $12 billion a year to China, to the PRC, and take from the PRC $52 billion a year; $12 billion goes that way and $52 billion comes this way, for a net imbalance of $40 billion. And it is growing year to year to year. Every year it keeps going up.

Mr. DORGAN. Let me ask the Senator to respond to this.

China, the People's Republic of China, dealing with American movies, allows 10 movies a year in China, no more, just 10. They cut it off at 10.

China does not allow nearly enough American pork. In fact, we send very little pork into China. The Chinese consume one-half of the world's pork, but we send very little pork into China. We used to be the world's largest wheat supplier to China. Now we are displaced as the largest wheat supplier to China even as they ship increasing quantities of Chinese goods to this country.

In addition, the Chinese have ratchetted up this huge surplus with us—or we a deficit with them—to very significant levels. What they need are airplanes. They only produce—as I understand it, they produce one airplane that I think holds 50 or 60 passengers. They need airplanes. In fact, they need a couple thousand airplanes that they are going to need in the years ahead.

Guess what China says? China says, "Well, what we'd like to do is we'd like to consider buying your airplanes, but you must manufacture your airplanes in China." This is at a time when we are already running a huge trade deficit with China.

My feeling is: China sends its goods to this country to our marketplace, and American consumers buy them. We make something China needs. China has a responsibility to buy from us wheat, pork, and airplanes.

But that is not the way the world currently works, because this country does not have the nerve, the will, or the courage to stand up to trading partners—China, Japan, Mexico, Canada, and others—and say, "Here's what's fair for the American economy. Here's what's fair for American workers." If we don't have the nerve to stand up for this country's economic interests and demand fair trade, then we are going to continue to see this sort of hemorrhaging year after year as far as the eye can see.

Mr. SARBANES. The Senator is absolutely right. The question is not whether you are going to trade; it is the terms on which you will trade. What are the rules going to be? Of course, China's trade surplus with the United States finances China's trade imbalance with the rest of the world. So, in effect, we make it possible for China to purchase from other developed countries, the European countries, for example, who are very careful to keep their trade relationship with China in much more of an even balance.

So, year after year, we run these large trade deficits, and everyone says, "Well, it doesn't matter." It does matter. It does matter. It affects the standing of the United States as a world power. You cannot long be a world power if you are the world's largest debtor country.

This chart makes a difference. The United States for decades was a creditor nation—others owed us. Now we have deteriorated to where we are now the largest debtor nation in the world to the tune of $1 trillion—a $1 trillion debtor nation.

People get up on the floor of the Senate, and they make these expansive speeches about what a great power we are, and so forth and so on, and yet our economic status continues to deteriorate year after year.

This is the issue that needs to be addressed. This is exactly what this commission would try to do. The fact of the matter is that in this trade debate there is an effort to frame it as though the people that are losing their jobs are screaming, which they well should be, but then it is argued, well, this has to happen when you have trade development and, you know, there are people who get jobs in the export industry.

The fact of the matter is, we are losing far more jobs on the import side than we are gaining on the export side. I mean, if the trade was roughly in balance, then you'd have a different set of circumstances. But we have been running, as the Senator has pointed out, these very large trade deficits, year after year after year.

That is a deterioration in the American position. I defy anyone to try to make the case that it is a good thing for the United States in present circumstances to be running these large trade deficits, that it is a good thing for the United States, supposedly the world's most highly developed economy, to go from being a creditor nation to being a debtor nation. It is obviously not a good thing. We need to address this issue. This commission would be one way of trying to do that.

Mr. DORGAN. Mr. President, if I might reclaim my time.

The Senator from Maryland is an extraordinarily effective advocate for that point of view. And it is one that I share. He, along with Senator BYRD from West Virginia, is a cosponsor of this amendment and the legislation that mirrors it that we had introduced earlier in this Congress.

I must leave the floor, and I don't know whether the Senator from Maryland has other thoughts to continue with, but I know that under the spirit of the unanimous-consent request, upon disposition of my amendment, Senator REED from Rhode Island would be recognized to offer an amendment. My understanding is that he would not require that it be voted on today, but he does want to offer it and have some discussion about it.

The disposition of my amendment would be this. What I would like to do is engage the staff of the Senator from Delaware and the Senator from Texas, who spoke earlier, to see if there are ways to deal with the questions they raised about the commission.

As I understand, the Senator from Texas indicated that he would not necessarily object to the establishment of a commission if we could reach some compromises on the conditions of such a commission or the makeup of the commission.

Would that be the understanding of the Senator from Delaware with respect to Senator REED?

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I would like to see if it is possible for us to reach agreement on your amendment. I think in general principle we can work with you. But I do think there are some significant changes that have to be made, including the makeup of the commission itself. So it would be my understanding that tonight, at the staff level, we could probably work and see if we cannot reach agreement and try to do that so we can complete it at the earliest possible time.

But my understanding is that the distinguished junior Senator from Rhode Island would seek to introduce his amendment, but it would be with the understanding that there would be no votes on that amendment tonight but merely to introduce it.

Mr. REED. That is correct.

Mr. ROTH. With that understanding, that is satisfactory to me. So we will lay your amendment aside.

Mr. DORGAN. Mr. President, I ask unanimous consent my amendment be laid aside in order that the Senator from Rhode Island may offer his amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1613

Mr. REED. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Rhode Island [Mr. REED] proposes an amendment numbered 1613.

Mr. REED. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Amend section 2(b) after section 2(b)(15) to add the following new paragraph:

(16) The principal negotiating objective of the United States regarding the environment is to promote adherence to internationally recognized environmental standards.

Amend section 10 at the end, to add the following new definition:

(7) Internationally Recognized Environmental Standards—The term "internationally recognized environmental standards" includes—

(A) mitigation of global climate change;

(B) reduction in the consumption and production of ozone-depleting substances;

(C) reduction in ship pollution of the oceans from such sources as oil, noxious bulk liquids, hazardous freight, sewage, and garbage;

(D) a ban on international ocean dumping of high-level radioactive waste, chemical warfare agents, and hazardous substances;

(E) government control of the transboundary movement of hazardous waste materials and their disposal for the purpose of reducing global pollution on account of such materials;

(F) preservation of endangered species;

(G) conservation of biological diversity;

(H) promotion of biodiversity; and

(I) preparation of oil-spill contingency plans.

Mr. REED. Mr. President, my amendment would, within the context of fast track, direct the President to undertake as a principal negotiating objective to promote the adherence of internationally recognized environmental standards.

Essentially, what we have to do to improve the legislation before the Senate is to recognize that environmental quality is an important issue. It is an important issue for us, all of us who breathe the air, swim the waters, eat the bounty of our land, but it is also a very important issue in terms of economic competition because in many respects what we are seeing in countries that are trading with us is a conscious and at times very committed and deliberate attempt to use environmental quality and the lack of environmental quality to gain advantage over American workers.

The underlying legislation circumscribes the ability of the President to deal effectively and forcefully with the issues in environmental quality within our potential trading partners. That, I think, is essential. Indeed, the experience of NAFTA should convince us very persuasively that we have to deal with the environment in order to set up a reasonable, fair, balanced trading regime between one country and another. The experience of NAFTA has shown us that there are trading partners who are using the environment, environmental laws, preferential environmental treatment of their companies, to attract and to lure American businesses to their country.

For example, the Canadian Province of Alberta, which was one of the only two Canadian Provinces to sign the side agreement with respect to the environment in NAFTA, adopted legislation in May 1996, prohibiting citizens from suing environmental officials to enforce environmental laws. In effect, limiting the authority, the enforcement capability of their own environmental laws. As a result, Alberta has since been advertising its lax regulatory climate as "the Alberta advantage." Now, that might be an advantage for Alberta but it is definitely a detriment to the men and women of America who have to follow environmental laws which we pass in this body.

In October 1995, Mexico indicated that they would no longer require environmental impact assessment for investments in highly polluting sectors such as petrochemicals, refining, fertilizer, steel. Now, we all recognize and realize that any company in the United States that was investing or proposing to invest in one of these facilities would have to go through a very rigorous environmental impact assessment process. So when you have a multinational company making a decision of whether to go and respect and follow the law of the United States or go to a country that has announced they don't do environmental assessments, I think it is very difficult to see why some of these countries stay in the United States.

At the heart of our fast-track efforts should be a strong commitment to the environment, not just because it is the right thing to do but because it is the most consistent way that we can make our companies as competitive as we can with companies around the world.

There is another example in Mexico. After NAFTA, a series of multinational companies built a technology center in Ciudad Industrial. Now, these are state-of-the-art factories, state-of-the-art facilities, but what they are doing is taking all their waste and dumping it right into the sewers without any treatment or hardly any treatment at all, something we could not do in the United States, something you couldn't do in Europe, but something that is done every day there. Again, an advantage to these companies in terms of costs they must pay for environmental quality and inducements for companies like that to leave countries like the United States and other countries that have high environmental quality standards and go overseas to these particular areas.

We have to take strong, purposeful steps to ensure that environmental quality is at the heart of our trade policy. Again, it is not just altruism or idealism. It is cold, hard, economic facts that we have to recognize. You don't have to go very far to find examples of how multinational companies are taking advantage of lax enforcement around the world in environmental quality. In today's New York Times on the front page there was a story about the Nike corporation. In January of this year, Ernst & Young, the auditing company, prepared a report to Nike about one of the factories in Ho Chi Minh City in Vietnam. It found that the workers there were exposed to carcinogens that exceeded local legal standards by 177 times. That is, 77 percent of the employees suffer from respiratory problems. Moreover, when they looked further into the plight of these employees, it found that they were working 65 hours a week for a grand total of $10. That is 15 cents an hour. If you look at those low wages, together with lax environmental standards, that is a very potent combination that makes it very difficult for our manufacturing companies in the United States to be competitive at all.

Now, some proponents of free trade say that is one of the consequences of free trade, that lower wages will attract investment. But the benefit to the people in America is low-cost goods. Nike sneakers are about $125 a pair or $150 a pair. These are not exactly low-cost goods. Last year, Nike made $800 million on total sales of $9.2 billion.

The workers in Vietnam certainly are not benefiting from this great, tremendous, volume of sales, and in fact, American consumers are not benefiting from low-cost sneakers. They are very high-priced, prestige sneakers. What has happened is that our footwear manufacturing industry has been decimated. Growing up in Rhode Island, I was quite familiar with surrounding communities, particularly Brockton, MA, where most of the shoes in the world at one time were made. Those factories are empty and idle and those workers have gone off to do other things, but not to compete in the footwear industry.

It is absolutely critical to recognize the reality of international trade where environmental quality—I should say the lack of it—is a strong competitive inducement to move capital into these countries. The result in some cases is very frightening, not only in terms of the impact on our workers but certainly the impact on the workers who are working in these facilities.

Let me summarize the Ernst & Young report as reported in the New York Times. They painted a dismal picture of thousands of young women, mostly under age 25, laboring 10½ hours a day, 6 days a week, in excessive heat and noise and in foul air, for slightly more than $10 a week. The report also found that workers with skin or breathing problems had not been transferred to permanent chemical-free areas, and half of the workers that dealt with dangerous chemicals did not wear protective masks or gloves. We could say well, gee, I feel sympathetic to the worker and as a humanitarian and as a kind, decent person that shouldn't happen, but that is their country. That is their culture. Those are their decisions.

But it is hard when, as I do, you go into a Rhode Island jewelry factory, for example, and look at individual entrepreneurs whose families have built a business over two generations, who invested their sweat and their time and their fortune to try to build a big company, good company, and you find out that they have to pay a minimum wage, they have to ensure that their workers, if they are exposed to chemicals follow rigid procedures, they have to ensure that their waste is pretreated, and you ask those business men and business women how they are doing, and they say poorly because of international competition. Then you know that reports like this are not merely academic journalistic humanitarian conclusions. They strike at the very heart of whether small business men and women in this country can continue to compete.

They are not asking for protective tariffs. They are not asking for us to withdraw from the world trade as some of the proponents of this legislation might suggest. But what they are saying is, give us a chance to be competitive on an even basis. When you negotiate treaties, raise the standards, the environmental standards and the working conditions so that we can try to use our talents, our ingenuity, our skill, and our resources to be competitive.

If you don't do that, not only are you doing a disservice to these people who are trapped in these 10-hour days, in poor health-threatening environments, you are striking at the very competitiveness, the very survivability of so many small businesses around this country, particularly in my part of the world.

Mr. SARBANES. Will the Senator yield for a question?

Mr. REED. Yes.

Mr. SARBANES. Isn't it a fact that if you can't bring in the environmental standards and the working conditions, you are not going to be able to compete on a level field? Either one of two things will happen. You will remain at a competitive disadvantage, as the Senator has noted, I think, very perceptively; or there is going to be a tremendous downward pressure to lower environmental standards because people will say, well, we are at a competitive disadvantage, we can't have these environmental standards.

Now, we have been through the whole debate about the environmental standards, and they are clearly necessary if we are not going to befoul the very world in which we live.

This legislation doesn't make the environmental concerns a legitimate objective. The Senator made a very thoughtful speech the other evening about the difficulty with this legislation, about, as I recall, setting out what our negotiating goals ought to be. It seems to me that this is a clear example of such failure, because the legislation does not permit environmental considerations to be a central negotiating goal, as I understand it; is that correct?

Mr. REED. The Senator's understanding is correct. My reading of the legislation would allow certain discussions about environmental standards, along with other standards, if they directly related to trade. But they would not provide the President with the instructions, the support, and the direction to go out there and make environmental quality in these foreign countries a centerpiece, an important part of our negotiations.

Mr. SARBANES. If the Senator will yield further, my further understanding is that, to the extent this legislation deals with environmental standards, it simply says the countries cannot lower their current environmental standards in order to gain a trade advantage; is that correct?

Mr. REED. I think that's right. Again, I think it's probably not even that clear in terms of what they can do because, essentially, as I read the restrictive language directly related to trade, it could be read to simply say that we have a product, for example, that we are sending in with a label on it, and if the country objects to it or wants more labeling, then we can say, well, that is impermissible. But as far as whether they have pretreatment of their waste, as far as whether the respirators in their factories, as far as whether they have environmental standards—air quality and water quality—that seems to be totally off the table. But that is what impacts on the quality of the workplace. Also, it is an inducement for capital to go from our country into these countries because, essentially, they are avoiding costs.

The Senator probably was contacted, like I was, by individuals concerned about the proposed ambient air quality regulations in the United States. Some representatives of major companies have bluntly told me, "If these pass, we are going to Mexico. They don't have these ambient air quality standards, and we will avoid millions of dollars in costs. We will just move out."

Now, that might simply be a bluffing tactic, a negotiating ploy to try to stop these regulations. But at some point, if we continue to try to have a clean and healthy and safe environment, these costs add up and companies can avoid them by going elsewhere.

Mr. SARBANES. The Senator is absolutely right. Of course, the reason we put in the environmental standards is we went through a long debate that indicated we were paying a very heavy health cost because we didn't have clean air and clean water. So we made the effort to get clean air and clean water, which I very strongly support. But now if you are going to go into international trade and your competitors are free of having to meet any of those standards, then they are, as you say, at a competitive advantage in dealing with you. That is one of the things we are facing. I can't, for the life of me, understand why it is unreasonable or impermissible to bring the environmental concerns into the middle of the trade negotiations as well.

Mr. REED. The Senator is exactly right, in my view. Let me add another point that I think is very important. We have talked about the inducements for capital investment because of low environmental quality around the world. We have talked about the effects on working men and women who are there in those factories in Ho Chi Minh City, Malaysia, throughout the East, and in Mexico. I suggest that this has a real impact in our own home communities, such as Baltimore, MD, and Providence, RI, where small business men and women are struggling to apply the environmental quality standards that we all passed and they agree with. We all see the benefits to our society and culture, but it is detrimental to their economic viability versus these countries across the sea.

There is another factor, too. Just a few weeks ago, Senator HAGEL and Senator BYRD came before this Senate with a resolution, Senate Resolution 98. It essentially said that we are not going to tolerate an environmental regime internationally that puts the burden of remediation and cleanup on the United States to the detriment of our economy. We are going to demand that developing countries also stand up and share the burden of cleaning up the environment. It passed with overwhelming support.

It seems just common sense that, of course, we are not going to prejudice ourselves in an international regime by saying we will add further burdens to us, as the developing world keeps spewing out bad air, polluting the waters, et cetera.

But in trade agreements, which are the focal point of most of our strong, bilateral and multinational relationships, we have completely ignored that point. So, on one hand, we are saying we have to get tough with these countries down there and make them start cleaning up their environment. But when it comes to the point where the rubber meets the road, where we are negotiating, we have leverage, and we want them to change behavior, we say it is not important. We are talking out of both sides of our mouth.

Mr. SARBANES. Will the Senator further yield?

Mr. REED. Yes.

Mr. SARBANES. Actually, at the very point when we have something we can use as leverage to get the higher standard, which is access into the American market, we are refusing to do it in order to achieve greater equalization of these environmental standards. I can't, for the life of me, understand why we are leaving the environmental matters out of the trade negotiations. I understand that it will not be the only thing in the trade negotiation; there will be other considerations as well. But why it should be, as it were, excluded outside of that parameter, I can't, for the life of me, understand.

Mr. REED. I am equally amazed—if I may reclaim my time —by leaving this out. Certainly the jewelry manufacturers in Rhode Island would say, "Put it in because I want them to clean their waste like I have to." Working men and women who have seen jobs lost because companies moved out of their communities would say, put it in. But my suspicion is that many people who are promoting this legislation are supportive of those multinational corporations who say: Listen, we want to avoid environmental policy because we want to get our production out of the United States and get into these countries, and we don't want them to have tough environmental standards.

Mr. SARBANES. Will the Senator yield further on that point?

Mr. REED. Yes.

Mr. SARBANES. That leads to this: Many people have said these are not really trade agreements that are being negotiated, or the impetus for them is not trade; it is investment. These are investment agreements. Among other things, a result of these agreements is extended protection for American investment in other countries; in other words, as the Senator said, for the multinationals to be able to establish their production abroad rather than in this country. Well, of course, if they are going to do that, then they don't want the higher environmental or working-condition standards.

Mr. REED. Again, I indicate that the Senator, I think, is absolutely right. Let me give an example within the text of the agreement. Part of the negotiating objectives is to develop internationally agreed rules, including settlement procedures, which are consistent with the commercial policies of the United States. So when it comes to commercial law, dispute resolution, we want our American laws down there because they are balanced, fair, they work, are effective, and are comfortable to the investors going to these countries.

I daresay, if we tried to substitute our ideas consistent with the environmental policy of the United States, we would draw the unalloyed opposition of the proponents of the fast-track procedure. In our view, I believe environmental quality is one important factor in terms of economic competition between our country and other countries. So, in effect, I think you are right. I think that the thrust of this agreement is that it is unbalanced. You and I—I will speak for myself—we believe that we have to have sensible rules about investment.

We have certain guarantees that our investors are protected. We have to have protection for intellectual property. We have to have protections for dispute settlement. We certainly don't want to have a situation where American companies go into a foreign land, make investments, and then can't repatriate their profits or, in fact, go to court and solve commercial disputes. That is fine. But we have to take the next step. We also have to negotiate with those countries so that their environmental policies are not inconsistent with ours and at least move toward an international standard.

Mr. SARBANES. If the Senator will yield, I agree with the Senator completely. I think all of the items that he mentioned in terms of resolving commercial disputes, repatriation of earnings, and so forth obviously have to be part of a negotiating effort. But the environmental considerations should also be a part of the negotiating effort.

I think that is all the Senator's amendment seeks to do. It doesn't seek to displace those other goals or objectives. It simply seeks to add to them so that it becomes a part of the negotiating focus and so that environmental concerns will also be on the agenda instead of left off the agenda and not have so-called side agreements. We have been through those side agreements. We know full well—we did the same thing on environment and on worker conditions—we know full well that in both instances the side agreements don't amount to anything. Other things which are put right into the trade agreement become enforceable and have to be adhered to. If they are not adhered to, they are contrary to the trade agreement; the remedies that are provided for in the trade agreement go into effect. But they are not putting the environment and the working conditions on the same status, the same level.

Mr. REED. The Senator from Maryland is absolutely correct. Recognize that the major international environmental issues which we face—not alone, but collectively as a world community—are significant: global climate change, which we were talking about recently; ozone depleting substances, which have affected all of us around the world; reduction in ship pollution of the ocean; international ocean dumping; transboundary movement of hazardous waste materials and disposal. What happens to all of this waste in countries where it is being produced? How does it move from one country to another?

All of these are critical issues. Yet, within a context and scope of this fast track agreement, they would be relegated, as the Senator from Maryland said, to side agreements at best. Our experience has been such that these side agreements are ineffectual in most cases, if not all cases. If we put them in the center of our concerns as a negotiating objective, not only will we make progress on these issues, but we will send a strong signal to all of our potential trading partners that they have to be prepared to come to the table and talk turkey about the environment and about how they will improve their environmental quality. That will result not only in a cleaner environment, which is an extremely noble objective and one that has very practical ramifications, but it will also help level that competitive playing field between those small businesspeople up in Rhode Island and Baltimore who are doing it already. All they ask us is to ensure, as we enter the world of international trade, that we try our best to bring up the standards of their competitors because they are their competitors. If we do that, then we leave it to them, their ingenuity, their imagination, and their skill to win the trade battle.

But essentially what we are doing today by taking those off the table is we are effectively dooming thousands of small businesses across this country to extinction.

Mr. SARBANES. If the Senator will yield further, I think the Senator made a very important point when he spoke about the contradiction in our approach. On the one hand, as he pointed out on the global warming issue and on the other environmental matters that he talked about, we are often engaged in negotiating with other countries to try to arrive at international environmental standards. Everyone says, "Well, we have to do that." On the other hand, when we come to trade agreements where we have an enhanced ability, since the entry into the American market is a very important objective that is sought abroad, we take the environmental matters out of that context altogether.

So the very place where we are most likely to be able to gain advances on environmental standards and at the same time, as the Senator points out, avoid placing our own producers in a disadvantageous position, we forswear dealing with those environmental questions.

It just boggles the mind that this approach is being taken in this legislation.

Mr. REED. I again agree wholeheartedly with the Senator. It is a situation in which, when we go to table, we have direct one-on-one negotiations, when we have as our leverage more liberal entry into our market, the largest market in the world, when we in fact have all of the force and the power behind these types of negotiations, we simply say we are not interested in the environment. Yet, when we go to international conferences, we say how not only must we all collectively clean up the environment, this Senate weeks ago said, by the way, the developing world, the world which will be the parties to the bilateral agreements, they must do their share because we can't do it alone.

Mr. SARBANES. Of course, when we go into the international environmental conferences, they say, "You are the biggest offender," because we are the most highly developed country and, therefore, we are put on the defensive in trying to get an agreement on the environmental standards. We are the most highly developed country, which is why in the trade negotiations they are so anxious to come into the American market, but we leave out of the trade negotiations the environmental issues. It just doesn't make sense. It is diminishing our ability, it seems to me, to negotiate comprehensive, fair trading arrangements that do not place our own producers at a significant disadvantage and do not create a downward pressure and downward movement with respect to protecting and enhancing the environment.

Mr. REED. I agree with the Senator. I also would suggest that these goals of better environmental quality, both here in the United States and worldwide, and increased international trade are not mutually exclusive.

Mr. SARBANES. The Senator made that point in the opening debate on this issue where the Senator spoke about, I thought in a very perceptive way, what was important. What are your goals? What are your objectives that are going to be focused upon in the trade negotiations? We all want to arrive at these trade agreements if we can do so. The question then becomes, What are the goals? What are the objectives? The Senator pointed out that the goals were too narrowly focused. This is a dramatic example of that narrow focus.

Mr. REED. I thank the Senator for that kind word. We have an opportunity to provide balance in this agreement. No one is objecting to the need for better support for investment overseas. No one is objecting to the adoption of commercial laws and agricultural policies that are better, and, in fact, according to this legislation, mirror U.S. policy.

But what we are saying is, if you simply create an environment for investment that leads to the opportunity for poor environmental quality—and I also add the environment—in which workers are hardly paid anything for hours of work—15 cents an hour is hardly something that is going to compete with American workers and never should be something that we would see as a goal. We should raise those. But if we do not do that, you have a one-sided agreement. You have an agreement which is a green light for capital to leave the United States and, as a result, move jobs and production to those other countries. This is detrimental to our small businesses, particularly some of our older industries.

I don't believe it is inevitable that our old industries, like the jewelry industry, the footwear industry, just inherently can't compete. They can't compete if we allow countries of the world to pay 15 cents an hour, with no real environmental enforcement, turning the other way when there are regulatory problems, et cetera. But if we sought today to insist in our trade agreements that environmental quality is raised, that respect for workers and adequate wages are the order of the day, then I think you would be surprised at the ability of our industry to compete.

That is what I believe we are trying to do here today, is put some balance in this legislation, recognize that unless we can enter into negotiations on all the critical issues that affect goods coming to the United States, we will never solve all of the issues that the Senator talked about.

Frankly, you can look at so many industries. The footwear industry is a classic example. As I mentioned in my opening remarks, growing up near Brockton, MA, that was the home of footwear manufacture for the whole world. There is nothing left there. It is not because the workers weren't good workers. It wasn't because the managers didn't understand managerial techniques.

We allowed countries to ship into our country goods that were produced at 10 cents an hour in conditions which we would not tolerate here in the United States of America. And unless we recognize that we will never get a handle on this issue of the trade deficit, the trade balances that the Senator talked about with Senator DORGAN.

Mr. SARBANES. Will the Senator yield further?

Mr. REED. Yes.

Mr. SARBANES. Of course, the assertion used to be made, well, if we lost jobs in certain industries because our technology was always advancing, we would be out doing the more complex, complicated production techniques and therefore we would gain jobs in those industries. And if you think about it, there is something to that theory.

But what has happened, in my perception, that undercuts that theory and why we are running these large trade deficits as a consequence is, first of all, as capital moves freely, capital moves into these undeveloped countries where there are no environmental standards and there are no real working conditions. So then you have people who are working 11, 12 hours a day for 15 cents an hour but the machines they are working on, because the capital has come in, are the same machines that people would be working on in this country.

And so the ability of capital to move that way makes it even more imperative that these environmental and working condition issues be included within the trade negotiations.

Furthermore, even if the capital does not move, as it were, voluntarily, some of these countries are demanding that it move as a condition for having any trade. China has made it very clear that companies have to bring in their top-line technology and investment so that they will then be the producers at the next economic turn.

So in order to get a contract, our people get a short-term contract, they agree as part of selling the goods that they are also going to move in the technology and the investment which then makes it possible for them to produce the goods the next economic go-round. So no longer will we not be able to sell to them, but it is my prediction they will then become our competitors in other markets as well. So we are being, as it were, coerced into, in effect, providing technology, and yet we are told, well, we can't have as part of the trade negotiation evening up the environmental and the worker landscape, economic landscape.

Mr. REED. Again, the Senator is absolutely perceptive about these particular issues. I noted before the article in today's New York Times about Nike and Vietnam and one of the officers of Nike indicated that the factory that was inspected was "among the most modern in the world," in fact directly competitive, "but there are a lot of things they could get better," according to the spokesman. But the point the Senator makes is well taken. This is not some old rattrap that was built in the 1930's and has some ad hoc machines there. This is a modern facility. It is a modern facility, the best technology to produce footwear, but it is obvious from this report no thought or concern was there to protect the workers to do the things we insist must be done in our factories.

So the Senator is absolutely right. So far as the new machines to make the product cheaper, better, faster, of higher quality, they are there, but all of the other concerns that go to the bottom line of any company, environmental quality being a major one, they can be avoided, and that is what we are facing.

I believe that unless we elevate environmental considerations to a major negotiating objective, not only will we see the further deterioration of the world's environment, not only will we be in a situation where we go to international conferences with the rest of world asking us to do more and more and more to raise our standards, making us less competitive, we are going to see the impact in our trade balance dramatically and directly. This is not about altruism alone. This is not about ecopolitics. This is not about sensitivity to the environment alone. It is all of those things, but it is something else. It is something about having a system of trade laws which recognizes the important bottom line impact of environmental quality here and with respect to our trading partners.

I yield the floor.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

(The remarks of Mr. WARNER pertaining to the introduction of S. 1486 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, let me start out by saying that I am a strong supporter of the environmental laws. Frankly, I would be willing to put my record as such up against any other Member of the U.S. Senate. And, as a supporter of environmental laws, I am, of course, anxious to see other countries, especially the developing countries, adopt similar policies to protect and strengthen the environment. But, having said that, I must say that I am forced to oppose the amendment offered by our distinguished junior Senator from Rhode Island.

His proposal would include authority, under fast track, to negotiate environmental standards and enforce those standards through trade sanctions. Fast track was never intended as a means to rewrite fundamental aspects of our domestic laws, such as the environmental laws. I would point out that the basic rule of international trade is, of course, one of nondiscrimination. Where our laws fail to meet that test, and do not otherwise benefit from an exception to a trade agreement, we are obliged to eliminate the discriminatory aspects of our law. That does not mean we have to weaken our laws. It does not mean that we have to lower our standards. It simply means that our laws have to treat imported goods and services as they do competing U.S. products, in terms of the applicable taxes, the regulatory standards, and the other conditions of sale.

Fast track was designed solely for the purpose of allowing, when needed, the conforming of our laws to our trade agreement obligations and the basic rule of nondiscrimination. The purpose of fast track is not to craft legislation or regulatory standards from whole cloth, and then run them through the legislative process under the guise of a trade agreement.

I would have thought that all sides in the debate over trade and the environment could agree on that much. This bill would not allow the President to negotiate trade agreements that either raise or lower our environmental standards.

I would, of course, point out that the President does have that general authority. And of course any agreement reached by his negotiation is subject to the normal process of the Congress.

Mr. SARBANES. Will the Senator yield on that point? Is the normal process that we would be able to amend it?

Mr. ROTH. That is correct. The normal process would be that it would be subject to amendment.

Mr. SARBANES. So what we are doing here with the fast track is denying the normal process?

Mr. ROTH. Let me point out to the distinguished Senator from Maryland that since 1974 it has been the practice and policy of the Congress to give the President authority to negotiate agreements with the assurance that whatever he negotiates, so long as it meets the goals, the objectives of the legislation, can be brought to the Congress to be acted upon without amendment. So it is a special exception that has been used for purposes of trade negotiation.

And there is a very good reason for that. The good reason for that is, if we go way back, I think it was in 1974, it became obvious that if we were going to continue to lower barriers to open the opportunity to trade, that some device had to be made to make certain that what the President negotiated would be considered by the Congress and that there would be a vote upon it. And that is exactly what has been done, down through the years since 1974. It has been the practice to give the President authority to negotiate, setting forth the goals and objectives of those negotiations and with the assurance that he could tell the other countries that that agreement would come to the Congress and be voted.

So, yes, it is an exception, a special process to meet the conditions. I would point out that it seems to me, with all the problems we have, our economy is doing extraordinarily well today, and has been for the last 7 years. We have the lowest unemployment. Inflation is down. I think something like 30 percent of our growth is dependent upon exports. So I think it has been a worthwhile policy and one that ought to be continued.

In the past, Democratic Congresses have given it to Republican Presidents and I propose that this Republican Congress give a Democratic President the same authority.

Mr. SARBANES. If the Senator will yield just further for 1 minute, it is since 1975 that our trade balance has deteriorated in this extraordinary fashion. I understand the point. Everyone says we have been doing this. The consequence of doing this is—contrary to the whole period prior to then, when we ran modest surpluses—we have now been running these very deep deficits. And the consequence of doing that is that we are now a debtor nation. I defy anyone to say that this is a welcome trend, in terms of the U.S. economic position worldwide. We have gone from being the largest creditor nation in the world to now we are the largest debtor nation, and at the end of this year we will be a debtor nation to the tune of $1 trillion.

Mr. ROTH. I would just say to my distinguished colleague, that our economy has been doing extremely well and has been for the last 7 years. So we must be doing something right.

Yes, the deficit joint account has risen in amount. But at the same time, we are enjoying a growth, a prosperity without inflation, with very low unemployment. So I think we are doing something right and I think it is important to ensure that the economy continues to grow and prosper. I think that means it is important that we give this President, as we have past Presidents, the necessary authority for fast track.

Let me point out once again that fast track was designed solely for the purpose of allowing us, when needed, to conform our laws to our trade agreement obligations and the basic rules of nondiscrimination.

The purpose of fast track is not to craft legislation or regulatory standards from whole cloth and then run them through the legislative process under the guise of a trade agreement. As I said earlier, I would have thought that all sides in the debate over trade and environment could, indeed, agree on that much. This bill would not allow the President to negotiate trade agreements that either raise or lower our environmental standards. I believe that ensures that fast track will only be used for the purpose for which it was originally intended, implementing trade agreements, and not authorizing a departure from the ordinary course of Senate deliberations that is absolutely necessary to achieve that end.

Mr. President, I yield the floor.

Mr. REED addressed the Chair.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from Rhode Island.

Mr. REED. Mr. President, if I may briefly comment upon the amendment. First, I recognize certainly the strong commitment of the Senator from Delaware to environmental quality in the United States. Indeed, because of his commitment and the commitment of many of my colleagues, we have environmental laws which are significant, which provide for high quality in our country. But the problem is that our foreign competitors do not have anything close to these laws in many, many countries, particularly countries with which we are endeavoring to establish bilateral trade relationships.

I agree with the Senator that the purpose of the fast-track procedure is to conform our laws to the negotiated results that the President achieves with our trading partners. I also believe and concur with the Senator that there is no attempt to lower or diminish our environmental laws.

Simply stated, what my amendment would do is ask the President to go out and try to bring up, as best he can, foreign environmental laws to our laws. So, in effect, we would be asking him to go out and take what we have done in the United States and try to apply it to another country, not simply because of its decency, its correctness in an intellectual way, but because of its profound impact in the pattern of trade between our country and other countries of the world.

It is interesting in other areas of this underlying legislation, we are quite specific in directing the President to do just that: go out and bring up the laws of our potential trading partners to our level. For example, in the section with respect to trade in services, we quite specifically direct the President to "develop internationally agreed rules, including dispute settlement procedures, which are consistent with the commercial policies of the United States."

I would be very happy if we had language like this that would say bring it up to the environmental policies of the United States. That is the point that I am trying to make. I would be very happy if we changed not one environmental law of the United States pursuant to fast track, that we did not try to diminish or decrease any of our environmental laws, but we simply ask the President to try to bring up their standards somewhere near to our standards.

Not only would I be happy but, again, returning to the very strong, in my mind, analogy to my home State, I would be very happy if I could go back to my jewelry manufacturers—these are small companies; many of them have family connections over long, long periods of time where fathers and mothers have passed it on to sons and daughters—I would be very happy if I could tell them our fast-track agreement has resulted in increased environmental standards so that they are not exactly like the United States, but no longer will you have to provide pretreatment of your wastewater and then see competitors around the world simply dumping raw solvents into municipal wastewater systems. Not only would you have to provide ventilation for your workers, but other entrepreneurs will have to try to do the same thing.

If we do that, I don't think it is violative of the spirit or the letter of fast track, but it will produce a much more even, competitive playing field for our manufacturers versus our potential trading partners.

So I, again, urge that the Senate adopt this amendment that would move environmental quality to the center of negotiations as a principal negotiating objective, not because it is an altruistic noble goal alone, but because it impacts dramatically on the bottom line of American companies and foreign companies and, in that sense, should be part of our trading policy, should be a key goal which our President is seeking to achieve in any negotiations. I yield the floor.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, let me start out by saying that any agreement that raises environmental standards in a foreign country does not, of course, need fast-track authority because it does not need any authority. To make environmental standards subject to fast track, therefore, means that changes to United States environmental laws would be subject to an up-or-down vote with no amendments. Frankly, I am too much of a supporter of our standards to allow them to be changed in this manner.

Let me point out that, in any event, as I did make some mention, the President does have authority now to negotiate whatever he chooses in the area of environmental laws. Of course, under the Constitution, he is responsible for negotiating international agreements, or he could negotiate agreements that raise standards abroad or at home, or lower, such as he chooses.

But once he reaches an agreement with another country or countries, if it affects domestic law he, of course, has to bring it to Congress for action. Of course, under the ordinary process, that legislation can be amended. It does seem to me that, as a general rule, whether it is environmental, health, safety or whatever, we do want to have the process be the normal process where a matter comes up in both Houses and can be amended according to the rules of either House.

I point out that if someone wants to have fast track in a particular area beyond trade, that can be done. We had, as a matter of fact, given what is, in effect, fast track to base closing, because it was decided that it was important in order to close any bases that the executive branch propose what bases would close and Congress could vote it up or down but not amend. So we made another exception in that case.

It can also be pointed out that somewhat the same was done in respect to the Budget Committee. The budget has to be acted upon within a certain number of hours. There can be some amendments, but it is very limited compared with what normally is the process in the U.S. Senate.

Mr. REED. Will the Senator yield?

Mr. ROTH. Yes.

Mr. REED. I understand the Senator's point—it is very well taken—about the procedures. In a sense, it might prove too much. The idea that we can do things outside of fast track raises or begs the question why we do certain things within fast track. Why, for example, are we saying let's make foreign laws with respect to commercial practices consistent with our laws, when, in fact, when it comes to the environment, we are saying, "Oh, no, don't include environment in this same context"?

I think perhaps the logic might be that some people either feel the environment is not important to international trade—and I think our discussions tonight should have indicated it is very important, indeed crucial—or others are simply saying we want a trade agreement, an arrangement with a foreign country which will allow us all the benefits of commercial practice in the United States, all the protection of intellectual property laws, all the protections for capital investment but none of the burdens, if you will, of high-quality environmental laws.

Again, I just can't understand, with respect, why we can't include environmental conditions as we have otherwise.

Mr. ROTH. Mr. President, the distinguished chairman of the Appropriations Committee desires to be recognized at this time.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. I thank the Chair. And I thank the distinguished Senator from Delaware.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1998

Mr. STEVENS. Mr. President, I come to the floor to make a statement concerning the bill that has been approved by—really an amendment approved by the Appropriations Committee. This afternoon we met, and the Appropriations Committee has authorized me—and Senator BYRD—to present an amendment to the District of Columbia appropriations bill. It is before the Senate. And this will be an amendment in the nature of a substitute.

We had hoped to be able to proceed at this time and get an agreement with regard to that. I have asked the distinguished Democratic leader to join me. And I have discussed the matter with our leader.

The difficulty is that several Members still want to read over portions of that proposed amendment before we seek to proceed on it. After discussing it with the distinguished Democratic leader, I think that is the better part of valor.

I had previously made the announcement that we would offer it tonight and hope to have debate tonight and vote tomorrow. We have a continuing resolution that expires tomorrow evening. But if the Democratic leader agrees, I think we will just hold off, and it would be the intention of the leadership to try and move to bring this matter before the Senate tomorrow, as I understand it, sometime around 1 or 1:30 tomorrow afternoon.

If that meets with the Democratic leader's approval, we will just not proceed tonight.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, first of all, let me commend the distinguished chairman for the work that they have put into this effort. I must say, this has moved us farther than I would have thought we could have gone in the time that we have had.

These are very difficult issues, very controversial in some respects. I think the chairman and the ranking member have done a very good job. I intend to support the work product at the appointed time. But it is multihundred-pages long, and we have, I think, a need to look through it, not necessarily as much for the issue content as it is the grammatical content. And we are doing that now.

I think we will be ready to have a vote on it one way or the other in early afternoon. Senator LOTT and I have consulted with the distinguished chairman. I personally would be prepared to go to a vote early afternoon. I think we can accommodate that schedule. So I think the distinguished chairman's recommendation is a good one. I hope we can work in good faith in the remaining hours tonight to be able to be ready to have that vote early tomorrow afternoon.

Mr. STEVENS. Mr. President, I thank the distinguished Democratic leader. Because of the expiration of the continuing resolution tomorrow night, and the desire of Members not to be here next week on matters that would require votes, I hope that we will be able to get to it tomorrow, and get it to the House in time for the House to consider it and dispose of it. We may face this bill coming back to us with an amendment from the House before we are through tomorrow. So it would have been my wish that we could have done it tonight, but under the circumstances we will defer until tomorrow.

I thank the Chair, and I thank the distinguished Senator.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

MORNING BUSINESS

Mr. CRAIG. Mr. President, I ask unanimous consent that there now be a period of morning business with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO JOHN LUNDY

Mr. LOTT. Mr. President, today is not simply the end of the 1st session of the 105th Congress. For me, this day is one that brings both new opportunities and old memories. Today marks the end of John Lundy's 7 years of service to me, first as my administrative assistant and later as my chief of staff. He has also served the great State of Mississippi.

To truly understand John and his impact on others, we must go back to his roots. John was raised on a farm in the small, rural town of Leland, MS. This upbringing taught him the meaning of community and the importance of family. He is a proud Mississippian, and still refers to the Delta as "God's Country." John graduated from Mississippi State University with a degree in agriculture—I guess he couldn't get into Ole Miss.

He then moved to Washington shortly thereafter and found a job on the staff of the Mississippi delegation in the House of Representatives. He was single, young and full of ambition. Who would have guessed that he would be returning to Mississippi 7 years later with a wife, a new baby girl and a truck full of furniture?

When I asked John to join my staff, I knew he would be a quick study. He was. He quickly jumped into the legislative fires with both feet.

John also quickly became involved in the demands of Washington's political world, but he never lost his Mississippi style. Or his Mississippi perspective.

Mississippians have told me for years how much they enjoy coming to Washington to see John. He makes everyone feel comfortable—no formalities, no pretenses. John can comfortably sit next to a farmer from the Delta or a banker from the coast and listen to his or her concerns. Visitors from the State are delighted to have one of their own paying attention to their needs, knowing that the message is not going to fade away the moment they leave. Mississippians knew that John was an able steward of their concerns, that telling John was as good as telling me.

There isn't a farmer in the State of Mississippi that doesn't know John Lundy, either personally or by reputation. John's knowledge of our State's many agriculture communities is unmatched in Washington. He is respected for his understanding of the issues and his dedication to finding a fair and equitable solution for all.

Mississippi's agriculture community was indeed fortunate to have John Lundy in Washington during the 1996 farm bill debate. I found that, although John was my staff member, other Senators had adopted him as their key advisor on this bill. His tireless work on this very difficult and complex legislation brought him the respect of both the State and national agriculture community.

Most importantly, John has always put Mississippi first. No matter what the situation or how high the stakes, the needs of the State came first. We all know how easy it is to get caught up in both the glitter and the rat race of Washington, DC, but John's focus has always been hundreds of miles south of the beltway.

Mississippians brought him problems, and he found them solutions. Many years have gone by since John joined my staff, but my admiration for him has grown with each passing day.

Now the time has come for him to return to Mississippi, to take his young family back home. This past summer, he and his beautiful wife Hayley were blessed with a baby girl, Eliza, who John says "was born to be in Mississippi."

As the Lundy family makes their way back to Mississippi, I would like to thank them for being such an important part of my life. I cannot thank John enough for his many years of hard work and dedication. He certainly leaves big shoes to fill. His quiet humility and generous spirit will be missed by my entire staff. I will miss his guidance and friendship.

John, I wish you nothing but the best of luck in the future. May you and your family be richly blessed in the coming years.

NOMINATION OF RAYMOND C.FISHER TO BE ASSOCIATE ATTORNEY GENERAL

Mr. LEAHY. Mr. President, I remain frustrated by the Republican leadership's unwillingness to consider and approve the President's nomination of Ray Fisher to the third-highest ranking position at the U.S. Department of Justice. Mr. Fisher has been stalled on the Senate Calendar for a month since being reported unanimously by the Judiciary Committee on October 9.

Ray Fisher is an outstanding lawyer and public servant. His record is exemplary.

Is this another example of a secret hold? There has been no explanation of justification for this delay and lack of action.

I recall when the Senate Republican leadership delayed the vote on the nomination of Eric Holder to the Deputy Attorney General position that we were told there were Senators with problems. I also remember that when I insisted on a rollcall vote on that nomination, after it had been stalled on the Senate Calendar for more than 3 weeks, the problems had all been resolved and the Senate confirmed Mr. Holder unanimously. One hundred Senators voted for that nomination.

I urge the Republican leadership to allow the Senate to confirm Ray Fisher to be Associate Attorney General of the United States.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry withdrawals and nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 2:15 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following bill:

S. 858. An act to authorize appropriations for fiscal year 1998 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

The enrolled bill was signed subsequently by the President pro tempore [Mr. THURMOND].

At 4:31 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2534. An act to reform, extend, and repeal certain agricultural research, extension, and education programs, and for other purposes.

H.R. 2631. An act disapproving the cancellations transmitted by the President on October 6, 1997, regarding Public Law 105-45.

The message also announced that the House has passed the following bills, without amendment:

S. 813. An act to amend chapter 91 of title 18, United States Code, to provide criminal penalties for theft and willful vandalism at national cemeteries.

S. 1377. An act to amend the act incorporating the American Legion to make a technical correction.

At 4:54 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 2264. An act making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 1998, and for other purposes.

The enrolled bill was signed subsequently by the President pro tempore [Mr. THURMOND].

MEASURES REFERRED

The following bill, previously received from the House of Representatives for the concurrence of the Senate, was read the first and second times by unanimous consent and referred as indicated:

H.R. 2647. An act to ensure that commercial activities of the People's Liberation Army of China or any Communist Chinese military company in the United States are monitored and are subject to the authorities under the International Emergency Economic Powers Act; to the Committee on Banking, Housing, and Urban Affairs.

Pursuant to the order of the Senate of September 2, 1997, the following bill was referred to the Committee on Environment and Public Works for a period not to exceed 20 session days:

H.R. 1658. An act to reauthorize and amend the Atlantic Striped Bass Conservation Act and related laws.

MEASURES PLACED ON THE CALENDAR

The following measure was read the first and second times by unanimous consent and placed on the calendar:

H.R. 2631. An act disapproving the cancellations transmitted by the President on October 6, 1997, regarding Public Law 105–45.

The following measure was read the second time and placed on the calendar:

S. 1414. A bill to reform and restructure the processes by which tobacco products are manufactured, marketed, and distributed, to prevent the use of tobacco products by minors, to redress the adverse health effects of tobacco use, and for other purposes.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on November 8, 1997 he had presented to the President of the United States, the following enrolled bill:

S. 858. An act to authorize appropriations for fiscal year 1998 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STEVENS, from the Committee on Appropriations:

Special Report entitled "Further Revised Allocation To Subcommittees of Budget Totals from the Concurrent Resolution for Fiscal Year 1998" (Rept. No. 105–145).

By Mr. CAMPBELL, from the Committee on Indian Affairs, with amendments:

S. 156. A bill to provide certain benefits of the Pick-Sloan Missouri River Basin program to the Lower Brule Sioux Tribe, and for other purposes (Rept. No. 105–146).

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

S. 758. A bill to make certain technical corrections to the Lobbying Disclosure Act of 1995 (Rept. No. 105-147).

By Mr. McCAIN, from the Committee on Commerce, Science, and Transportation, with amendments:

H.R. 1658. A bill to reauthorize and amend the Atlantic Striped Bass Conservation Act and related laws (Rept. No. 105–148).

By Mr. CHAFEE, from the Committee on Environment and Public Works, with amendments:

H.R. 1658. A bill to reauthorize and amend the Atlantic Striped Bass Conservation Act and related laws (Rept. No. 105–149).

By Mr. McCAIN, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 927. A bill to reauthorize the Sea Grant Program (Rept. No. 105–150).

By Mr. McCAIN, from the Committee on Commerce, Science, and Transportation, with an amendment:

S. 1213. A bill to establish a National Ocean Council, a Commission on Ocean Policy, and for other purposes (Rept. No. 105–151).

By Mr. McCAIN, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 1354. A bill to amend the Communications Act of 1934 to provide for the designation of common carriers not subject to the jurisdiction of a State commission as eligible telecommunications carriers.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on Armed Services:

Mr. THURMOND. Mr. President, for the Committee on Armed Services, I report favorably one nomination list in the Navy which was printed in full in the Congressional Record of October 29, 1997, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar, that this nomination lie at the Secretary's desk for the information of Senators:

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the Record of October 29, 1997, at the end of the Senate proceedings.)

In the Navy there are 1,304 appointments to the grade of lieutenant commander (list begins with Matthew B. Aaron) (Reference No. 789.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Ms. MOSELEY-BRAUN:

S. 1457. A bill to amend the Harmonized Tariff Schedule of the United States to extend to certain fine jewelry certain trade benefits of insular possessions of the United States; to the Committee on Finance.

By Mr. FAIRCLOTH:

S. 1458. A bill to restrict the use of the exchange stabilization fund; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. GRASSLEY (for himself, Mr. Jeffords, Mr. Murkowski, Mr. Conrad, Mr. Harkin, Mr. Kerrey, Mrs. Feinstein, Mrs. Boxer, and Mr. Johnson):

S. 1459. A bill to amend the Internal Revenue Code of 1986 to provide a 5-year extension of the credit for producing electricity from wind and closed-loop biomass; to the Committee on Finance.

By Mr. LAUTENBERG:

S. 1460. A bill for the relief of Alexandre Malofienko, Olga Matsko, and their son Vladimir Malofienko; to the Committee on the Judiciary.

By Mr. LAUTENBERG (for himself and Mr. Coats):

S. 1461. A bill to establish a youth mentoring program; to the Committee on the Judiciary.

By Mr. SPECTER (for himself and Mr. Santorum):

S. 1462. A bill to reauthorize the Delaware and Lehigh Navigation Canal National Heritage Corridor Act, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. KOHL:

S. 1463. A bill to change the date for regularly scheduled Federal elections and establish polling place hours; to the Committee on Rules and Administration.

By Mr. HATCH (for himself, Mr. Baucus, Mr. Mack, Mr. Abraham, Mr. Conrad, Mr. Lieberman, Mr. Murkowski, Mrs. Boxer, Mr. Rockefeller, Mrs. Feinstein, Mrs. Murray, and Mr. Durbin):

S. 1464. A bill to amend the Internal Revenue Code of 1986 to permanently extend the research credit, and for other purposes; to the Committee on Finance.

By Mr. DURBIN (for himself and Mr. Torricelli):

S. 1465. A bill to consolidate in a single independent agency in the executive branch the responsibilities regarding food safety, labeling, and inspection currently divided among several Federal agencies; to the Committee on Governmental Affairs.

By Mr. ABRAHAM (for himself, Mr. Hutchinson, and Mr. Coats):

S. 1466. A bill to amend the Public Health Service Act to permit faith-based substance abuse treatment centers to receive Federal assistance, to permit individuals receiving Federal drug treatment assistance to select private and religiously oriented treatment, and to protect the rights of individuals from being required to receive religiously oriented treatment; to the Committee on Labor and Human Resources.

By Mr. SMITH of Oregon:

S. 1467. A bill to address the declining health of forests on Federal lands in the United States through a program of recovery and protection consistent with the requirements of existing public land management and environmental laws, to establish a program to inventory, monitor, and analyze public and private forests and their resources, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BINGAMAN:

S. 1468. A bill to provide for the conveyance of one (1) acre of land from Santa Fe National Forest to the Village of Jemez Springs, New Mexico, as the site of a fire sub-station; to the Committee on Energy and Natural Resources.

S. 1469. A bill to provide for the expansion of the historic community of El Rito, New Mexico, through the special designation of five acres of Carson National Forest adjacent to the cemetary; to the Committee on Energy and Natural Resources.

By Ms. MIKULSKI:

S. 1470. A bill to amend the Internal Revenue Code of 1986 to clarify that certain school bus contractors and drivers are not employees; to the Committee on Finance.

By Mr. GRAHAM:

S. 1471. A bill to prohibit the Secretary of Health and Human Services from treating any medicaid-related funds recovered as part of State litigation from one or more tobacco companies as an overpayment under the medicaid program; to the Committee on Finance.

By Ms. MOSELEY-BRAUN (for herself and Mr. Kennedy):

S. 1472. A bill to amend the Internal Revenue Code of 1986 to provide a tax credit for public elementary and secondary school construction, and for other purposes; to the Committee on Finance.

By Mr. GRAHAM (for himself and Mr. Mack):

S. 1473. A bill to encourage the development of a commercial space industry in the United States, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. D'AMATO:

S. 1474. A bill to suspend temporarily the duty on certain high tenacity single yarn of viscose rayon; to the Committee on Finance.

S. 1475. A bill to suspend temporarily the duty on certain twisted yarn of viscose rayon; to the Committee on Finance.

By Mr. D'AMATO (for himself, Ms. Moseley-Braun, and Mr. Cochran):

S. 1476. A bill to authorize the President to enter into a trade agreement concerning Northern Ireland and certain border counties of the Republic of Ireland, and for other purposes; to the Committee on Finance.

By Mr. D'AMATO:

S. 1477. A bill to amend the Harmonized Tariff Schedule of the United States to provide that certain goods may be reimported into the United States without additional duty; to the Committee on Finance.

S. 1478. A bill to suspend temporarily the duty on certain viscose rayon yarn; to the Committee on Finance.

S. 1479. A bill to suspend temporarily the duty on certain other single viscose rayon yarn; to the Committee on Finance.

By Ms. SNOWE (for herself and Mr. Breaux):

S. 1480. A bill to authorize appropriations for the National Oceanic and Atmospheric Administration to conduct research, monitoring, education and management activities for the eradication and control of harmful algal blooms, including blooms of Pfiesteria piscicida and other aquatic toxins; to the Committee on Commerce, Science, and Transportation.

By Mr. DeWINE:

S. 1481. A bill to amend the Social Security Act to eliminate the time limitation on benefits for immunosuppressive drugs under the medicare program, to provide for continued entitlement for such drugs for certain individuals after medicare benefits end, and to extend certain medicare secondary payer requirements; to the Committee on Finance.

By Mr. COATS:

S. 1482. A bill to amend section 223 of the Communications Act of 1934 to establish a prohibition on commercial distribution on the World Wide Web of material that is harmful to minors, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. MURKOWSKI:

S. 1483. A bill to amend the Internal Revenue Code of 1986 to provide for the treatment of tax-exempt bond financing of certain electrical output facilities; to the Committee on Finance.

By Mr. BINGAMAN:

S. 1484. A bill to increase the number of qualified teachers; to the Committee on Labor and Human Resources.

By Mr. DASCHLE (for himself and Ms. Moseley-Braun):

S. 1485. A bill to require the Secretary of the Treasury to mint coins in commemoration of Associate Justice Thurgood Marshall, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. WARNER (for himself and Mr. Stevens):

S. 1486. A bill to authorize acquisition of certain real property for the Library of Congress, and for other purposes; to the Committee on Rules and Administration.

By Mr. CRAIG (for himself, Mr. Levin, Mr. McCain, and Ms. Landrieu):

S. 1487. A bill to establish a National Voluntary Mutual Reunion Registry; considered and passed.

By Mr. MURKOWSKI (for himself and Mr. Stevens):

S. 1488. A bill to ratify an agreement between the Aleut Corporation and the United States of America to exchange land rights received under the Alaska Native Claims Settlement Act for certain land interests on Adak Island, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. CRAIG (for himself and Mr. Wyden):

S. 1489. A bill to provide the public with access to outfitted activities on Federal land, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. JEFFORDS:

S. 1490. A bill to improve the quality of child care provided through Federal facilities and programs, and for other purposes; to the Committee on Governmental Affairs.

By Mr. KENNEDY (for himself, Mr. Lautenberg, Mr. Durbin, Mr. Reed, and Mr. Kerry):

S. 1491. A bill to increase the excise tax rate on tobacco products; to the Committee on Finance.

S. 1492. A bill to amend the Public Health Act and the Federal Food, Drug and Cosmetic Act to prevent the use of tobacco products by minors, to reduce the level of tobacco addiction, to compensate Federal and State Governments for a portion of the health costs of tobacco-related illnesses, to enhance the national investment in biomedical and basic scientific research, and to expand programs to address the needs of children, and for other purposes; to the Committee on Labor and Human Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOMENICI (for himself and Mr. Bingaman):

S. Res. 148. A resolution designating 1998 as the "Onate Cuartocentenario", the 400th anniversary commemoration of the first permanent Spanish settlement in New Mexico; to the Committee on the Judiciary.

By Mrs. FEINSTEIN (for herself, Mr. Thomas, Mr. Kerry, Mr. Smith of Oregon, Mrs. Murray, Mr. Hagel, Mr. Grams, Mr. Robb, and Mr. Roth):

S. Res. 149. A resolution expressing the sense of the Senate regarding the state visit to the United States of the President of the People's Republic of China; to the Committee on Foreign Relations.

By Mr. McCAIN:

S. Con. Res. 66. A concurrent resolution to correct the enrollment of S. 399; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. MOSELEY-BRAUN:

S. 1457. A bill to amend the Harmonized Tariff Schedule of the United States to extend to certain fine jewelry certain trade benefits of insular possessions of the United States; to the Committee on Finance.

HARMONIZED TARIFF SCHEDULE AMENDMENT ACT OF 1997

Ms. MOSELEY-BRAUN. Mr. President, today I am pleased to introduce a bill to amend the Harmonized Tariff Schedule of the United States to extend certain trade benefits to fine jewelry produced in the U.S. Virgin Islands, Guam, and American Samoa.

Under current law, additional U.S. Note 5 to Chapter 91 of the Harmonized Tariff Schedule provides limited duty-free treatment and duty refunds to certain watches and watch movements produced in the U.S. Virgin Islands, Guam, and American Samoa. The bill I am introducing today would also make certain articles of fine jewelry produced in these insular possessions, eligible for certain note 5 benefits, thereby significantly expanding economic opportunities for insular possession manufacturers and their workers. At the same time, this bill expressly provides that the extension of note 5 benefits to jewelry may not result in any increase in the authorized amount of benefits established by note 5.

This legislation will promote needed employment and economic development in the U.S. insular possessions, particularly the U.S. Virgin Islands, by providing insular possession manufacturers with greater flexibility in the use of certain existing trade benefits.

Mr. President, I ask unanimous consent that the entire text of the bill be placed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1457

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the additional U.S. notes to chapter 71 of the Harmonized Tariff Schedule of the United States are amended by adding at the end the following new note:

"3.(a) Notwithstanding any other provision in additional U.S. note 5 to chapter 91, any article of jewelry provided for in heading 7113 which is the product of the Virgin Islands, Guam, or American Samoa (including any such article which contains any foreign component) shall be eligible for the benefits provided in paragraph (h) of additional U.S. note 5 to chapter 91, subject to the provisions and limitations of that note and of paragraphs (b), (c), and (d) of this note.

"(b) Nothing provided for in this note shall result in an increase or a decrease in the aggregate amount referred to in paragraph (h)(iii) of, or quantitative limitation otherwise established pursuant to the requirements of, additional U.S. note 5 to chapter 91.

"(c) Nothing provided for in this note shall be construed to permit a reduction in the amount available to watch producers under paragraph (h)(iv) of additional U.S. note 5 to chapter 91.

"(d) The Secretary of Commerce and the Secretary of the Interior shall issue such regulations, not inconsistent with the provisions of this note and additional U.S. note 5 to chapter 91, as they determine necessary to carry out their respective duties under this note. Such regulations shall not be inconsistent with substantial transformation requirements established by the United States Customs Service but may define the circumstances under which articles of jewelry shall be deemed to be 'units' for purposes of the benefits, provisions, and limitations of additional U.S. note 5 to chapter 91.".

By Mr. GRASSLEY (for himself, Mr. JEFFORDS, Mr. MURKOWSKI, Mr. CONRAD, Mr. HARKIN, Mr. KERREY, Mrs. FEINSTEIN, Mrs. BOXER, and Mr. JOHNSON):

S. 1459. A bill to amend the Internal Revenue Code of 1986 to provide a 5-year extension of the credit for producing electricity from wind and closed-loop biomass; to the Committee on Finance.

WIND PRODUCTION TAX CREDIT LEGISLATION

Mr. GRASSLEY. Mr. President, I rise today to introduce important tax legislation for myself, Senator JEFFORDS, Senator MURKOWSKI, Senator CONRAD, Senator KERREY, Senator HARKIN, Senator FEINSTEIN, Senator BOXER, and Senator JOHNSON.

Our legislation extends the production tax credit for energy produced from wind. This legislation is similar to that which passed the Senate as part of the Senate's tax bill attached to the balanced budget reconciliation bill this summer. Unfortunately, it was dropped in conference between the House and the Senate, and did not become part of the Taxpayer Relief Act of 1997.

Since the Senate has acted favorably on this wind energy production tax credit legislation in the past, I would like to ask Senators to consider it again next year. I am introducing it this year because I want to make sure that it gets an opportunity for cosponsorship.

As we all know, our Nation's energy supply is both limited and controversial. However, energy produced from wind is clean, renewable and homegrown. There is nothing limited or controversial about this source of energy, the wind. Americans need only to make the necessary investments in order to capture it for power.

Our legislation extends the production tax credit and the focus on energy produced from wind through the month of June, 2004. Scientists blame excessive carbon dioxide for global warming. The chief sources of environmentally dangerous carbon dioxide are emissions from the burning of fossil fuels. Obviously, we need other safer sources. Wind energy is clean, abundant, and a U.S. resource that produces electricity with virtually no carbon dioxide emissions.

Every 10,000 megawatts of wind energy can reduce carbon dioxide emissions by 33 million metric tons. Today, our Nation produces only 1,700 megawatts of wind energy. However, the American Wind Energy Association estimates that U.S. wind capacity can reach 30,000 megawatts by the year 2010. This is enough electricity to meet the needs of 10 million homes, while reducing pollution in every State in the Nation.

Americans naturally find abundant wind in every State in the Union. Wind is a homegrown energy. No foreign powers can control our source of wind energy. No American soldiers or sailors will ever need to fight in foreign wars to protect our supply of wind energy, as they must in the case of oil. For example, consider the Persian Gulf war. No supertankers will ever crack up in the sea and pollute our beaches because of energy produced from wind.

In short, wind energy is a good investment in the present and the future. Our legislation extends the successful wind energy production tax credit. It is a very successful way of promoting this source of energy. It is a cheap investment with high returns for ourselves, our children, our grandchildren and their grandchildren. The Senate needs to again pass this important legislation to ensure the wind energy production tax credit into the next century. I encourage all of my colleagues to cosponsor.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1459

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. 5-YEAR EXTENSION OF CREDIT FOR PRODUCING ELECTRICITY FROM WIND AND BIOMASS.

Paragraph (3) of section 45(c) of the Internal Revenue Code of 1986 (defining qualified facility) is amended by striking "1999" and inserting "2004".

Mr. JEFFORDS. Madam President, I enthusiastically join my colleagues in offering legislation that would allow wind and biomass energy to continue to advance as commercially viable renewable energy sources. This legislation will allow wind and biomass energy to play a competitive role in the growing domestic energy market.

Through the Energy Policy Act of 1992, Congress established a mechanism to increase investments in new or emerging energy technologies. In 2 years, this credit will expire. Companies developing wind energy, who require a 2–3 year lead time for installing new wind machines, were not able to take advantage of the available credit before it expired. Congress should extend the credit program to allow continued efforts to increase production of electricity from wind and biomass.

To date, significant progress has been made in the development of wind energy, and this industry is poised to further increase its production capacity. With support from Congress through research and development funding and tax credits wind energy has become more competitive and the technology has improved in designs and operation. Generation costs from wind have dropped from 25 cents per kilowatt hour in 1980 to a low of 7 cents per kilowatt hour today for wind power. Investments in new technological improvements will further reduce the cost of this energy source and will enable the industry to play a key role in the new competitive electric utility environment.

Likewise, biomass energy technologies, which are derived from any plant material and some forms of animal waste, are continuously improving in performance and cost.

Madam President, I want to emphasize the importance of using renewable energy to meet our growing demand for energy. Renewable energy is important for several reasons: First, it does not produce harmful, life-threatening pollution; second, it is capable of providing ample energy to meet the huge amount of demand that is forecasted; third, it increases our energy and economic security; and fourth, since more than 2 billion people in the world live without electricity, it creates jobs in the United States.

I thank my colleagues for working with me to extend the credit program for producing energy from wind and biomass.

Mr. CONRAD. Mr. President, I rise today to join Senators GRASSLEY and JEFFORDS as a proud cosponsor of legislation to extend the wind energy production tax credit. I want to commend the primary sponsors of this legislation for their leadership in developing this bill. The bill we are introducing today takes an important next step in encouraging the development of this very important source of renewable energy. Wind energy offers great promise for putting America on the road to greater energy independence and economic prosperity.

I have been a long-time supporter of developing additional sources of renewable energy, particularly energy from wind and crops. In 1993, Senator GRASSLEY and I introduced S. 1180, the Wind Energy Incentives Act of 1993, to provide additional incentives for developing our wind energy resources. My home State of North Dakota has abundant wind energy resources, more than any other State. I have often referred to North Dakota as the "Saudi Arabia of wind energy."

I strongly support encouraging development of additional sources of energy because I am extremely concerned that the United States continues to face a serious energy problem. While we do not see the long gas lines of the 1970's, today we import more than half the oil we use, up from about 30 percent in 1974. While we no longer depend on just a few sources for that oil, it remains a dangerous dependence, and makes up a significant portion of our trade deficit.

In 1992, Congress passed and the President signed the Energy Policy Act, which took a number of important steps toward developing our own energy resources here at home. One provision was the production tax credit of 1.5 cents per kilowatt hour for wind energy. This credit is meant to reduce the cost of these renewable energy sources to make them competitive with conventional energy sources. It is also meant to encourage the development of these new resources to the point where economies of scale enable them to compete in their own right.

The wind production tax credit established by the 1992 Energy Policy Act is set to expire in just 2 years. However, the financing and permitting required for a typical new wind facility requires 2 to 3 years of lead time. Because the wind production tax credit will expire in 2 years without the extension we are introducing today, investment funds to develop new wind projects are drying up, unnecessarily halting future project planning. Additionally, the cost of wind energy production has dropped significantly from its earlier days, and as the technology matures the cost will continue to drop.

I urge my colleagues to join us in taking this step toward energy independence by cosponsoring this legislation.

Mrs. FEINSTEIN. Mr. President, I rise this afternoon to cosponsor legislation introduced by my colleagues Senator GRASSLEY and Senator JEFFORDS to extend the production tax credit, a tax incentive to encourage wind-generated energy.

Today, California's Tehachapi-Mojave area is the world's largest producer of wind-generated electricity. The New York Times has described the area's 5,000 electricity producing wind turbines as a vision of the future. Wind generation energy provides a renewable, clean, environmentally sound source of energy in California. I am pleased to lend my support to the Grassley-Jeffords legislation.

The production tax credit provides a 1.5 cent tax credit for each kilowatt of electricity produced in the United States during the first ten years a new wind energy production facility is in service. The legislation is an inexpensive way to encourage clean, efficient and sustainable energy future for our children and grandchildren.

Under current law, the production tax credit is scheduled to expire in 1999, complicating the planning and development of new wind energy generation facilities. New wind energy facilities, like any major construction project, take several years to move from planning to operation. Without the certainty of the credit after 1999, investors will be reluctant to commit funds for the development of new wind energy facilities. Industry officials have already noticed a decline in investment, which can be attributed to the credit's uncertainty.

Wind energy is the world's fastest growing energy technology. The amount of wind-generated power has increased by 25 percent each year during the last 5 years, growth which is expected to accelerate through 2010. Wind-generated energy is expected to become a $400 billion industry worldwide by 2020. However, most of the growth is occurring in Europe, rather than here in the United States. No new wind power generation development has occurred in the United States since 1991.

I am pleased that California companies, including those in south and central California, are among the world's leading manufacturers and developers of wind energy facilities. If domestic firms are able to capture even one-fourth of the jobs associated with serving the growing market, the growth would support approximately 150,000 jobs. These are high-technology engineering jobs, traditional areas of strength for California, providing a solid economic foundation.

The Grassley-Jeffords legislation will have important environmental consequences as well. The President's initiative against global warming includes $5 billion program of tax incentives, which could include the extension of the production tax credit. Coal is currently the Nation's largest source of power, providing 55 percent of the Nation's energy needs. However, coal has the highest level of carbon dioxide, when compared with the amount of electricity produced. Wind production energy is a significantly cleaner alternative, helping to decrease carbon dioxide emissions. Wind energy could supply 30,000 megawatts of energy by 2010, rather than current 1,700 megawatts today, reducing carbon dioxide emissions by 18%. These are cost-effective steps for our energy future.

I am pleased to join Senator GRASSLEY, who has demonstrated his longstanding commitment to this important issue, and cosponsor the Grassley-Jeffords legislation. Without an extension, I am concerned wind energy production will not be able to develop, undermining economic, environmental and clean air goals. Wind generation energy provides a renewable, clean, environmentally sound source of energy for California's future. I am pleased to lend my support to the legislation.

By Mr. FAIRCLOTH:

S. 1458. A bill to restrict the use of the exchange stabilization fund; to the Committee on Banking, Housing, and Urban Affairs.

THE ACCOUNTABILITY FOR INTERNATIONAL BAILOUTS ACT OF 1997

Mr. FAIRCLOTH. Mr. President, last week, the Treasury Department announced that it planned to use $3 billion from the exchange stabilization fund for a bailout of Indonesia. This fund was established in the 1930's to protect the U.S. dollar. It was not designed to be the personal piggy bank of the Secretary of the Treasury to bail out other countries whenever he desires.

The legislation I am introducing would require that, when this fund is used to be part of an international bailout in excess of $250 million, such use would require congressional approval.

Using this fund for Indonesia is the same procedure that was used to bypass the Congress for the bailout of Mexico. At the time we were told that the emergency bailout of Mexico was needed because they were our neighbor, friend, and that economic instability would spill thousands of immigrants into the United States.

I find no such rationale for Indonesia. In fact, what is occurring is that we are seeing a tidal wave of bailouts coming our way from Asia.

Apparently, the need for the bailouts is greater than the resources of the IMF. This is the reason the United States has had to resort to taking money from our own reserves to bail out Indonesia.

In fact, the tidal wave has already started. The Philippines in July for $1 billion. Thailand for $16 billion in September. Now comes Indonesia for $23 billion in November. The price tag keeps getting bigger and we don't know where it is going to stop. The Treasury Secretary tried to keep us out of the first two bailouts—but the price tag is getting too big—now direct United States dollars are being called upon for the Asian bailouts.

This week Business Week is suggesting the price tag is as high as $100 billion. Who is next? South Korea, Malaysia? Perhaps China and Japan—whose banks are holding billions in bad loans?

What is really outrageous about this situation is that these are the very same countries that we have been running massive trade deficits for years.

With Thailand we have a $4.6 billion trade deficit. Indonesia a $4 billion deficit. Philippines a $2 billion deficit. South Korea a $1 billion trade deficit—and China and Japan are off the charts.

These are the same countries that have kept out U.S. imports with phony trade rules and insider deals. These are the same countries that have closed banking systems.

Indonesia, in particular, was so flush with cash apparently, that they could afford to funnel millions in campaign contributions to influence U.S. elections—and here we are, the United States, bailing them out. Is it any wonder that the average American worker has no faith that the Federal Government in Washington cares about him or her.

We have got people living paycheck to paycheck in this country. We don't need to bail out foreign ministers, foreign banks and securities firms, and rich Wall Street bankers that lent too much money to developing nations.

The average American has to tell half his life story just to get a mortgage loan—and yet Wall Street is loaning billions to these Asian countries on the nod of some foreign finance minister.

Now the bill for the bailout is being handed to the U.S. taxpayer. I find it deplorable. The auto plant worker, the secretary, the small town banker—all are being asked to turn over their tax dollars so we can ship them to Asia.

I think President Clinton and Robert Rubin need to realize that Wall Street and Indonesia did not elect them—the people of the United States did, and that is who they own their loyalties to. They need to remember that.

Mr. President, I can promise you that in the next session of Congress—this will not continue. I plan to subject every foreign bailout dollar to congressional approval. This legislation is the first step in that process.

By Mr. LAUTENBERG:

S. 1460. A bill for the relief of Alexandre Malofienko, Olga Matsko, and their son Vladimir Malofienko; to the Committee on the Judiciary.

PRIVATE RELIEF LEGISLATION

Mr. LAUTENBERG. Mr. President, today I am introducing legislation to provide permanent residency in the United States for 13-year-old Vova Malofienko and his family, residents of Short Hills, NJ. An identical bill is being introduced in the House of Represenatives today by Congressman STEVE ROTHMAN and Congressman BOB FRANKS. Vova Malofienko has leukemia from his having lived 30 miles from the Chernobyl nuclear reactor in Ukraine during and after the infamous disaster. His leukemia is in remission only because of the emergency medical treatment he's received in the United States.

Were Vova forced to return to Ukraine, the United States would be placing an innocent child near the front of the line on death row. Vova was one of eight children of Chernobyl who came to the United States in 1990—and when the seven others later returned to Ukraine, they died one by one because of inadequate cancer treatment. Not a child survived.

On behalf of the Malofienkos, I ask my colleagues for their invaluable support for this legislation. We are a compassionate nation that should open its heart to Vova and his family, who came in dire medical need.

Mr. President, I would like to take this opportunity to tell my colleagues a bit more about Vova and his family. Vladimir "Vova" Malofienko was born on 6/29/84 in Chernigov, Ukraine. His mother, Olga Matsko, was born on 9/29/59 in Piratin, Ukraine, and his father, Alexander Malofienko, was born on 12/25/57 in Chernigov, Ukraine.

Vova was only 2 when the Chernobyl reactor exploded in 1986 and exposed him to radiation. He was diagnosed with leukemia in June 1990 at age 6. Vova and his mother came to the United States later in 1990 on a B-1 visitor's visa so that Vova could attend a cancer treatment camp for children, sponsored by the Children of Chernobyl Relief Fund. Vova was invited to stay in the United States to receive more extensive treatment and chemotherapy. In November 1992, Vova's cancer went into remission. Vova's father, Alexander Malofienko, joined the family in 1992, also on a B-1 visa.

The Malofienko family is currently in the United States with extended voluntary departure through March 1998. Alexander Malofienko's second application for labor certification is pending before the New Jersey Department of Labor. The first application for labor certification was denied.

Vova and his family desire to remain in the United States because of the extraordinary health concerns facing Vova. Regrettably, as I mentioned earlier, Vova is the only survivor from a group of eight children of Chernobyl who came to the United States together in 1990. The seven other children returned to Ukraine and have since died. Now that Vova is in remission, it would indeed be tragic to return him to an environment which would once again endanger his life. The air, food, and water in Ukraine are contaminated with radiation that people residing there for several years have grown accustomed to, but which could be perilous to Vova's weakened immune system.

Furthermore, treatment available in Ukraine is not as sophisticated and up to date as treatment available in the United States. Before Vova came to the United States, no aggressive treatment for his leukemia had been provided. Although Vova completed his chemotherapy in 1992, he continues to need medical followup on a consistent basis, including physical examinations, lab work and radiological examinations, to assure early detection and prompt and appropriate therapy in the unfortunate event the leukemia recurs.

According to Dr. Peri Kamalakar, Director of the Valerie Fund Children's Center at Newark Beth Israel Hospital, where Vova has received care, Vova's cancer is considered high risk with a threat of relapse. He is also at risk to develop significant late complications secondary to the intensive chemotherapy he received, including heart problems and secondary cancers. Another significant risk is relapse in the bone marrow, testes, or central nervous system. Dr. Kamalakar has concluded that Vova's chance for a permanent cure is considerably better if he stays in the United States.

Every one of the risks to Vova's health would be magnified by what is only the recent emergence of the full effects of Chernobyl. Birth defects in the Chernobyl area have doubled. Thyroid cancer has increased 80 times—a rate too horrifying to comprehend. And the total number of children whose health will be at risk for the rest of their lives is over a million.

Vova Malofienko has been embraced by all those who know him for his grace, dignity, and courage. He has also gained national attention by assisting with the philanthropic efforts of the Children of Chernobyl Relief Fund. It would be extremely disruptive to him and his family, in addition to causing great financial and emotional hardship, if they are not allowed to remain together in the United States in order to protect Vova's health. I ask unanimous consent that the text of the bill be included in the RECORD.

Mr. President, I urge my colleagues to support this legislation.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1460

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PERMANENT RESIDENCE.

Notwithstanding any other provision of law, for purposes of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), Alexander Malofienko, Olga Matsko, and their son, Vladimir Malofienko, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees.

SEC. 2. REDUCTION OF NUMBER OF AVAILABLE VISAS.

Upon the granting of permanent residence to Alexander Malofienko, Olga Matsko, and their son, Vladimir Malofienko, as provided in this Act, the Secretary of State shall instruct the proper officer to reduce by the appropriate number during the current fiscal year the total number of immigrant visas available to natives of the country of the aliens' birth under section 203(a) of the Immigration and Nationality Act (8 U.S.C. 1153(a)).

[From the Star-Ledger, Newark, NJ, Oct. 9, 1997]

CHERNOBYL VICTIM FIGHTS TO STAY AND LIVE; LAUTENBERG WORKS TO WIN RESIDENCY FOR FAMILY

(By Allison Freeman)

A 13-year-old boy who contracted cancer from exposure to radiation after the Chernobyl nuclear disaster in Ukraine may get to remain in the United States.

Sen. Frank Lautenberg said yesterday that he will introduce legislation expressly to grant Vova Malofienko of Millburn and his family permanent residency.

Lautenberg plans to introduce the "emergency relief bill" during the week of Oct. 20, following the Columbus Day recess. In the spring, the senator pressured the Immigration and Naturalization Service to grant the Malofienkos a one-year emergency extension to stay in America.

Vova, whose cancer is in remission, could suffer a relapse if he returns to Ukraine because he is not used to the radiation-contaminated air, food and water, according to his physician, Dr. Peri Kamalakar of the Newark Beth Israel Medical Center. "My concern is, God forbid, he gets a relapse back in Ukraine. I do not think they have the facilities to give him the proper treatment to save his life," the doctor said.

Vova also received chemotherapy to treat his cancer, which puts him at a greater risk for leukemia or another malady if he is exposed to radiation, Kamalakar noted. "I feel it is very important for Vova's life to remain in this country."

Lautenberg yesterday expressed hope that the legislation will pass before the family's emergency visa runs out in April.

"I am introducing this bill not only to keep my promise to Vova and his family, but also to keep the promise to America," the senator said. "We are a compassionate nation that has to open our hearts and borders to all those like Vova who came here legally and in dire medical need."

Vova came to America in 1990 with seven other Ukrainian children, all sick from radiation exposure. Their trip to actor Paul Newman's camp in Connecticut was sponsored by the Children of Chernobyl Relief Fund of Short Hills, which airlifts medical treatment and supplies to children afflicted by the 1986 disaster.

The seven other children in the group all returned to Ukraine and have since died.

"They basically got a death sentence," Lautenberg said. "And I will never, ever let that happen to Vova."

Lautenberg said he is introducing the legislation now, six months before the family is forced to return to Ukraine, "to avoid the kind of last-minute life or death situation that the bureaucracy put the Malofienkos through before."

Vova yesterday said he is very happy the senator is introducing special legislation on his behalf and is "very grateful to him," but the serious 13-year-old said, "I do not know if it will be approved or not," so he did not want to get his hopes up.

"At first it was like a dream," said Vova's mother Olga Matsko, who received a phone call from Lautenberg's office yesterday afternoon. "How grateful I am to what the senator has done for our family."

Matsko, who uses her maiden name, said she only hopes that the bill passes in Congress. "I cannot believe that our hard fight is probably over."

Vova's family has been struggling to remain in America with both parents working full-time jobs and sharing a superintendent's job at their Millburn apartment building. Matsko works as an accountant during the day, and the father works as a mechanic for Lea & Perrins Inc. of Fair Lawn at night.

Alexander Malofienko, Vova's father, lost his job at Tetley Tea of Morris Plains last spring. He then had to find not only a job, but a company to sponsor him for his labor certificate so the family could remain in the United States.

He found a company to sponsor him, but his application got stuck in "gridlock" at the state Labor Department in Trenton, where there is a 30 percent increase in alien labor certificate applications, Lautenberg said. The department is one year behind in processing these applications, not enough time for the Malofienkos.

The labor certificate, once approved by the state, is then forwarded to the U.S. Department of Labor in New York for its review.

Joshua Rosenblum, a spokesman for the state Labor Department, was not aware of Vova's plight or the father's application. He said his office was searching for the application and had not located it by late yesterday afternoon.

Lautenberg also sent a letter to Gov. Christie Whitman appealing to her "to do everything possible to assure that the Malofienko family does not face deportation due to administrative inertia and bureaucratic entanglements."

A spokesman for Whitman, Gene Herman, said the Governor's Office would investigate. He said delays in the state's processing of the application may have been caused by cuts in federal funds.

[From the Star-Ledger, Newark, NJ, March 14, 1997]

CHERNOBYL VICTIM GETS EXTENDED STAY IN U.S.; SENATOR HELPS YOUTH IN LIFE-OR-DEATH FIGHT

(By Allison Freeman)

"Today we saw what can be done when a compassionate America opens its heart."

A 12-year-old boy, in remission from leukemia he contracted from exposure to the Chernobyl nuclear disaster in Ukraine, will get to remain in the United States for at least another year, thanks to the help of Senator Frank Lautenberg.

Vova Malofienko and his parents, who were scheduled to be deported April 10, will get another year to obtain permanent residency in this country.

For Vova, it could be the difference between life and death. "My heart fills with joy for the work everybody has done," the boy said last night. "I want to stay in this country."

The articulate young man, an honors student in Millburn Middle School, said he is thankful to Lautenberg and everyone else who has helped him.

"This is a great day," the New Jersey Democrat said as he smiled at the boy during a press conference in the Senator's Newark office. "Today we saw what can be done when a compassionate America opens its heart."

Vova's parents need green cards to work in the United States. Getting them is almost impossible due to recent federal legislation that requires people to remain in this country for 10 years before they can apply, yet makes it difficult to remain in the country that long.

Lautenberg attributed the tougher immigration laws to the "U.S. turning more and more inward" and tightening the rules so there is not enough room for everyone who wants to say.

The Senator credited Monica Slater of his staff for working with Immigration and Naturalization Service officials to help extend the Malofienkos's stay in the country. "Our work has paid off," Lautenberg said.

Vova, a mature sixth-grader, came to America in 1990 at the age of 5 with a group of seven other Ukrainian children, all sick from radiation exposure. Their trip to actor Paul Newman's camp was sponsored by the Children of Chernobyl Relief Fund of Short Hills, which airlifts medical treatment and supplies to the sick children of Chernobyl. The seven other children in the group all returned to Ukraine and have since died.

The air, water and food in Ukraine are contaminated with radiation that people there have grown accustomed to, but which could make Vova very sick, his father said. Ukraine also does not have the medical care or equipment needed to save the boy if he suffers a relapse.

Vova's parents said they were certain that if their son returned to Chernihiv, their home three miles from Chernobyl, he would die.

Lautenberg said he hopes to help the Malofienkos find a more permanent solution in their quest to remain in the United States.

Alexander Malofienko, Vova's father, was laid off Feb. 28 from his job at Tetley Tea in Morris Plains. The company was sponsoring him for his work permit. The mechanical engineer in Ukraine is working as a maintenance mechanic in New Jersey and hopes to find new employment soon and resume his effort to secure a work permit.

Olga Matsko plans to graduate from Essex County College in Newark in May with an accounting degree so she can continue her work as an accountant, which she was in Ukraine.

The mother smiled broadly at Lautenberg last night. "This is one of the happiest days of my life," she said, her voice cracking with emotion. "Thank you so much for giving us a chance," she told the Senator.

Matsko also reiterated her thanks to all of her son's doctors, many of whom work in Beth Israel Medical Center in Newark, for donating their services to help her son.

When asked if his office could help Malofienko seek a work permit, Lautenberg said his office is not an employment agency but would do everything it can to help the family.

"We will do what we have to do to try to get them permanent residency here," he said. Lautenberg said his office has already received a few calls with job offers for Vova's father.

The boy also thanked all of his friends at Millburn Middle School who wrote letters to legislators, First Lady Hillary Rodham Clinton and Secretary of State Madeleine Albright and even created a Web site at http://schools. millburn.org/vova/.

By Mr. LAUTENBERG (for himself and Mr. COATS):

S. 1461. A bill to establish a youth mentoring program; to the Committee on the Judiciary.

THE JUMP AHEAD ACT OF 1997

Mr. LAUTENBERG. Mr. President, millions of young people cry out for help. It would be irresponsible to turn our backs and do nothing when a solution is not only at hand—but has already proven a helping hand. The problem is "at-risk" youth. The solution is mentoring.

Mr. President, let me give you some idea of the scope of the problem. Last month the census released a report that said half of America's 16 and 17 year olds are at-risk children. Half. That's 3.7 million children at just those two ages. Other estimates run as high as 15 million for children of all ages.

Among the factors putting these children at risk are poverty and being raised in a single-parent family. Twenty-one percent of our children live in poverty—a six point increase since

1970. Twenty-eight percent live in one-parent households—a 16-percent increase since 1970. These "at-risk" children are more likely to drop out of school and be unable to find work. And that, Mr. President, is the path to drugs and crime. Mentoring is a proven way to reach out to these kids and provide them with caring role models who can help turn their lives around.

Earlier this month, Attorney General Janet Reno reported that violent crime by teenagers had dropped for the second straight year. Among the reasons for the drop, General Reno cited the community mentoring programs that we created with the original Juvenile Mentoring Program, or JUMP, in 1992.

Since its enactment, JUMP has funded 93 separate mentoring programs in more than half the states. The competition for JUMP awards is great: Over 479 communities submitted applications for the recent round of grants.

JUMP grantees use a variety of program designs. Mentors include law enforcement and fire department personnel, college students, senior citizens, Federal employees, business people, professionals, and other diverse volunteers.

The children are of all races. They come from urban, suburban, and rural communities, ranging in age from 5 to 20. In its first year, JUMP helped to keep thousands of at-risk young people in 25 States in school and off the streets through one-to-one mentoring.

Mr. President, this program has proved popular and effective and that is why today Senator Coats and I are introducing the JUMP Ahead Act of 1997. I want to thank Senator Coats for his commitment and I am pleased that he is an original cosponsor of this bill.

General Reno was not speaking idly when she touted the benefits of mentoring. A 1995 scientific study of the Big Brothers/Big Sisters Programs bears this out.

The study tracked 959 children in eight cities. Of the children studied, 40 percent came from broken homes, 27 percent had been abused, 28 percent came from homes where the spouse was abused, and 15 percent had suffered the death of a parent. This was a classic pool of at-risk children.

The results after just 1 year were startling. Compared to children who were on a waiting list to enter the program, the children in the study abused alcohol 27 percent less, were 32 percent less likely to engage in violent behavior, and missed 52 percent fewer school days.

These dramatic results were achieved at a cost of just $1,000 a match. Compare that to the $24,000 a year we're willing to spend to put someone in jail once they've dropped out of school and turned to crime or drugs. You are going to hear a lot of statistics today. But too often we lose sight of the human aspect of these numbers. So let me tell you the story of a single child.

Recently, I hosted a conference on mentoring in my home State of New Jersey. There I met 11-year-old Kenneth Jackson. Once Kenneth had been a troubled student who was considered likely to drop out. Now, thanks to his mentor, Kenneth reads and does arithmetic at two grades above his actual sixth grade level. And the best news—Kenneth told me that now he thinks school is cool and that he never thinks about dropping out. It's hard to argue with success like that.

Sadly, Kenneth's mentor—Dwight Giles—is no longer with us. He recently died of a heart attack. Dwight was a good friend and I mourn his passing. And I would like to dedicate this bill to his memory.

Mr. President, we need to take this successful program to the next level. The JUMP Ahead Act reforms the basic successful structure of JUMP and increases funding to $50 million per year for four years and increases awards to up to $200,000.

This initiative will not only vastly increase the number of mentoring programs able to receive grants, but will also create a new category of grants to enable experienced national organizations to provide technical assistance to emerging mentoring programs nationwide. The legislation also requires the Justice Department to rigorously evaluate the programs and document what is effective, and what is not.

Finally, Mr. President, we like to talk a lot about pulling yourself up by your boot straps.. But that doesn't mean much for a child unless you also provide a solid path to walk on. I grew up poor in Paterson, NJ. But I had rich role models in both my hard-working parents. Too many children today don't have that same blessing.

Mentoring tells our at-risk kids that we as a nation care about them—that their lives are precious to us. Mentoring tells them that if they are willing to pull on those boots and try to walk away from a dead end life, they will not have to walk alone.

Mr. President, I have told you the scope of the problem. And in America, when we have a problem we don't just wring our hands and say nothing can be done. We roll up our sleeves and get to work.

Mr. President, with this bill we get to work for our children. I hope my colleagues will support the bill, and ask unanimous consent that a copy of the legislation be printed in the Record and a summary of the study by the Big Brothers/Big Sisters be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1461

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "JUMP Ahead Act of 1997".

SEC. 2. FINDINGS.

Congress finds that—

(1) millions of young people in America live in areas in which drug use and violent and property crimes are pervasive;

(2) unfortunately, many of these same young people come from single parent homes, or from environments in which there is no responsible, caring adult supervision;

(3) all children and adolescents need caring adults in their lives, and mentoring is an effective way to fill this special need for at-risk children. The special bond of commitment fostered by the mutual respect inherent in effective mentoring can be the tie that binds a young person to a better future;

(4) through a mentoring relationship, adult volunteers and participating youth make a significant commitment of time and energy to develop relationships devoted to personal, academic, or career development and social, artistic, or athletic growth;

(5) rigorous independent studies have confirmed that effective mentoring programs can significantly reduce and prevent the use of alcohol and drugs by young people, improve school attendance and performance, improve peer and family and peer relationships, and reduce violent behavior;

(6) since the inception of the Federal JUMP program, dozens of innovative, effective mentoring programs have received funding grants;

(7) unfortunately, despite the recent growth in public and private mentoring initiatives, it is reported that between 5,000,000 and 15,000,000 additional children in the United States could benefit from being matched with a mentor; and

(8) although great strides have been made in reaching at-risk youth since the inception of the JUMP program, millions of vulnerable American children are not being reached, and without an increased commitment to connect these young people to responsible adult role models, our country risks losing an entire generation to drugs, crime, and unproductive lives.

SEC. 3. JUVENILE MENTORING GRANTS.

(a) In General.—Section 288B of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5667e–2) is amended—

(1) by inserting "(a) In General.—" before "The Administrator shall";

(2) by striking paragraph (2) and inserting the following:

"(2) are intended to achieve 1 or more of the following goals:

"(A) Discourage at-risk youth from—

"(i) using illegal drugs and alcohol;

"(ii) engaging in violence;

"(iii) using guns and other dangerous weapons;

"(iv) engaging in other criminal and antisocial behavior; and

"(v) becoming involved in gangs.

"(B) Promote personal and social responsibility among at-risk youth.

"(C) Increase at-risk youth's participation in, and enhance the ability of those youth to benefit from, elementary and secondary education.

"(D) Encourage at-risk youth participation in community service and community activities.

"(E) Provide general guidance to at-risk youth."; and

(3) by adding at the end the following:

"(b) Amount and Duration.—Each grant under this part shall be awarded in an amount not to exceed a total of $200,000 over a period of not more than 3 years.

"(c) Authorization of Appropriations.—There is authorized to be appropriated

$50,000,000 for each of fiscal years 1999, 2000, 2001, and 2002 to carry out this part.".

SEC. 4. IMPLEMENTATION AND EVALUATION GRANTS.

(a) IN GENERAL.—The Administrator of the Office of Juvenile Justice and Delinquency Prevention of the Department of Justice may make grants to national organizations or agencies serving youth, in order to enable those organizations or agencies—

(1) to conduct a multisite demonstration project, involving between 5 and 10 project sites, that—

(A) provides an opportunity to compare various mentoring models for the purpose of evaluating the effectiveness and efficiency of those models;

(B) allows for innovative programs designed under the oversight of a national organization or agency serving youth, which programs may include—

(i) technical assistance;

(ii) training; and

(iii) research and evaluation; and

(C) disseminates the results of such demonstration project to allow for the determination of the best practices for various mentoring programs;

(2) to develop and evaluate screening standards for mentoring programs; and

(3) to develop and evaluate volunteer recruitment techniques and activities for mentoring programs.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $5,000,000 for each of the fiscal years 1999, 2000, 2001, and 2002 to carry out this section.

SEC. 5. EVALUATIONS; REPORTS.

(a) EVALUATIONS.—

(1) IN GENERAL.—The Attorney General shall enter into a contract with an evaluating organization that has demonstrated experience in conducting evaluations, for the conduct of an ongoing rigorous evaluation of the programs and activities assisted under this Act or under section 228B of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5667e–2) (as amended by this Act).

(2) CRITERIA.—The Attorney General shall establish a minimum criteria for evaluating the programs and activities assisted under this Act or under section 228B of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5667e–2) (as amended by this Act), which shall provide for a description of the implementation of the program or activity, and the effect of the program or activity on participants, schools, communities, and youth served by the program or activity.

(3) MENTORING PROGRAM OF THE YEAR.—The Attorney General shall, on an annual basis, based on the most recent evaluation under this subsection and such other criteria as the Attorney General shall establish by regulation—

(A) designate 1 program or activity assisted under this Act as the "Juvenile Mentoring Program of the Year"; and

(B) publish notice of such designation in the Federal Register.

(b) REPORTS.—

(1) GRANT RECIPIENTS.—Each entity receiving a grant under this Act or under section 228B of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5667e–2) (as amended by this Act) shall submit to the evaluating organization entering into the contract under subsection (a)(1), an annual report regarding any program or activity assisted under this Act or under section 228B of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5667e–2) (as amended by this Act). Each report under this paragraph shall be submitted at such time, in such a manner, and shall be accompanied by such information, as the evaluating organization may reasonably require.

(2) COMPTROLLER GENERAL.—Not later than 4 years after the date of enactment of this Act, the Attorney General shall submit to Congress a report evaluating the effectiveness of grants awarded under this Act and under section 228B of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5667e–2) (as amended by this Act), in—

(A) reducing juvenile delinquency and gang participation;

(B) reducing the school dropout rate; and

(C) improving academic performance of juveniles.

[From the Office of Juvenile Justice and Delinquency Prevention, U.S. Department of Justice, April 1997]

MENTORING—A PROVEN DELINQUENCY PREVENTION STRATEGY

(By Jean Baldwin Grossman and Eileen M. Garry)

In the past decade, mentoring programs for disadvantaged children and adolescents have received serious attention as a promising approach to enriching children's lives, addressing their need for positive adult contact, and providing one-on-one support and advocacy for those who need it. Mentoring is also recognized as an excellent way to use volunteers to address the problems created by poverty (Freedman, 1992).

Through a mentoring relationship, adult volunteers and participating youth make a significant commitment of time and energy to develop relationships devoted to personal, academic, or career development and social, athletic, or artistic growth (Becker, 1994). Programs historically have been based in churches, colleges, communities, courts, or schools and have focused on careers or hobbies.

The child mentoring movement had its roots in the late 19th century with "friendly visitors" who would serve as role models for children of the poor. In 1904 Ernest K. Coulter founded a new movement that used "big brothers" to reach out to children who were in need of socialization, firm guidance, and connection with positive adult role models. The resulting program, Big Brothers/Big Sisters (BB/BS) of America, continues to operate today as the largest mentoring organization of its kind.

BB/BS programs across the Nation provide screening and training to volunteer mentors and carefully match the mentors with "little brothers" and "little sisters" in need of guidance. Public/Private Ventures (P/PV) performed an 18-month experimental evaluation of eight BB/BS mentoring programs that considered social activities, academic performance, attitudes and behaviors, relationships with family and friends, self-concept, and social and cultural enrichment. The study found that mentored youth were less likely to engage in drug or alcohol use, resort to violence, or skip school. In addition, mentored youth were more likely to improve their grades and their relationships with family and friends.

FROM THE ADMINISTRATOR

All children need caring adults in their lives, and mentoring is one way to fill this need for at-risk children. The special bond of commitment fostered by the mutual respect inherent in effective mentoring can be the tie that binds a young person to a better future.

OJJDP's Juvenile Mentoring Program (JUMP) is designed to reduce delinquency and improve school attendance for at-risk youth. Mentoring is also one component of our SafeFutures initiative, which assists communities to combat delinquency by developing a full range of coordinated services. In addition to JUMP and SafeFutures, OJJDP supports mentoring efforts in individual States through our Formula Grants Program funding.

With nearly a century of experience, Big Brothers/Big Sisters of America is probably the best known mentoring program in the United States. The extensive evaluation of this pioneer program by Public/Private Ventures (P/PV), described in this Bulletin, provides new insights that merit our attention.

The P/PV evaluation and OJJDP's 2-year experience with JUMP suggest that strengthening the role of mentoring as a component of youth programming may pay handsome dividends in improved school performance and reduced antisocial behavior, including alcohol and other drug abuse.

SHAY BILCHIK,
Administrator.

THE FEDERAL ROLE

The Juvenile Mentoring Program (JUMP) is a Federal program administered by the Office of Juvenile Justice and Delinquency Prevention (OJJDP). As supported by JUMP, mentoring is a one-on-one relationship between a pair of unrelated individuals, one adult and one juvenile, which takes place on a regular basis over an extended period of time. It is almost always characterized by a "special bond of mutual commitment" and "an emotional character of respect, loyalty, and identification" (Hamilton, 1990). Although mentoring also is a popular concept for success in the corporate world, this Bulletin focuses on the mentoring of children by adults.

JUMP is designed to reduce juvenile delinquency and gang participation, improve academic performance, and reduce school dropout rates. To achieve these purposes, JUMP brings together caring, responsible adults and at-risk young people in need of positive role models.

In the 1992 Reauthorization of the Juvenile Justice and Delinquency Prevention Act of 1974, Congress added Part G—Mentoring. This was done in recognition of mentoring's potential as a tool for addressing two critical concerns in regard to America's children—poor school performance and delinquent activity. Senator Frank Lautenberg and Congressman William Goodling were the primary sponsors of this new provision. In Part G, Congress also recognized the importance of school collaboration in mentoring programs, whether as a primary source or as a partner with other public or private nonprofit entities.

To date Congress has made $19 million available to fund JUMP: $4 million each year in fiscal years (FY's) 1994, 1995, and 1996 and $7 million in FY 1997. OJJDP funded 41 separate mentoring programs under the JUMP unbrella with FY 1994 and 1995 funding. JUMP awards for FY 1996 and FY 1997 will be announced in spring 1997.

While adhering to the basic requirements of JUMP, the grantees are using a variety of program designs. Mentors are law enforcement and fire department personnel, college students, senior citizens, Federal employees, businessmen, and other private citizens. The young people are of all races and range in age from 5 to 20. Some are incarcerated or on probation, some are in school, and some are dropouts. Some programs emphasize tutoring and academic assistance, while others stress vocational counseling and training. In its first year (July 1995 to July 1996). JUMP was involved in attempting to keep more than 2,000 at-risk young people in 25 States in school and off the streets through one-to-one mentoring.

Additional FY 1995 funding for mentoring was provided through OJJDP's SafeFutures initiative, which operates in six sites (Boston, Massachusetts; Contra Costa County, California; Fort Belknap Indian Reservation, Harlem, Montana; Imperial County, California; Seattle, Washington; and St. Louis, Missouri). The SafeFutures program assists these communities in developing a coordinated continuum of care to reduce youth violence and delinquency. Mentoring is a component of this coordinated effort in each of the SafeFutures sites.

In addition to the funding for JUMP and SafeFutures grantees, OJJDP supports mentoring programs through its Formula Grants program to the States. In FY 1995, for example, Formula Grants funds in 28 States supported 91 programs that included mentoring as part or all of the program.

BIG BROTHERS/BIG SISTERS (BB/BS) OF AMERICA

BB/BS is a federation of more than 500 agencies that serve children and adolescents. Its mission is to make a difference in the lives of young people, primarily through a professionally supported one-to-one relationship with a caring adult, and to assist them in reaching their highest potential as they grow into responsible men and women by providing committed volunteers, national leadership, and standards of excellence. The organization's current goals include increasing the number of children served; improving the effectiveness, efficiency, and impact of services to children; and achieving a greater racial and ethnic diversity among volunteers and staff. BB/BS volunteer mentors come from all walks of life, but they share the goal of being a caring adult who can make a difference in the life of a child.

For more than 90 years, the BB/BS program has paired unrelated adult volunteers with youth from single-parent households. BB/BS does not seek to ameliorate specific problems but to provide support to all aspects of young people's lives. The volunteer mentor and the youth make a substantial time commitment, meeting for about 4 hours, two to four times a month, for at least 1 year.

Developmentally appropriate activities shared by the mentor and the young person may include taking walks; attending a play, movie, school activity, or sporting event; playing catch; visiting the library; washing the car; grocery shopping; watching television; or just sharing thoughts and ideas about life. Such activities enhance communication skills, develop relationship skills, and support positive decisionmaking.

The BB/BS mentor relationships between mentors and youth are achieved through professional staff and national operating standards that provide a level of uniformity in recruitment, screening, matching, and supervision of volunteers and youth. BB/BS agencies provide orientation for volunteers, parents, and youth to assist the individuals in determining if involvement in the program is appropriate for them. Opportunities to participate in volunteer education and development programs such as relationship building, communication skills, values clarification, child development, and problem solving are available to local affiliates.

Supervision includes contact with all parties within the first 2 weeks following a match. BB/BS maintains monthly contact with the volunteer and parent or child for the first year. In addition, inperson or telephone contact is maintained quarterly between case managers and both the volunteer and the parent, guardian, and/or child for the duration of the match. Although its standards are reinforced through national training, national and regional conferences, and periodic agency evaluations, BB/BS is not monolithic. Individual agencies adhere to national guidelines, but they customize their programs to fit the circumstances in their area.

How youth benefit from big brothers/big sisters relative to similar nonprogram youth 18 months after applying

(In percent)

Outcome	*Change*
Antisocial activities:	
Initiating Drug Use	−45.8
Initiating Alcohol Use	−27.4
Number of Times Hit Someone	−31.7
Academic outcomes:	
Grades	3.0
Scholastic Competence	4.3
Skipped Class	−36.7
Skipped Day of School	−52.2
Family relationships:	
Summary Measure of Quality of the Relationship	2.1
Trust	2.7
Lying to Parent	−36.6
Peer Relationships: Emotional Support	2.3

Note.—All impacts in this table are statistically significant at least at a 90 percent level of confidence.

PUBLIC/PRIVATE VENTURES (P/PV) EVALUATION OF BIG BROTHERS/BIG SISTERS

At the same time that Congress was considering Federal support for juvenile mentoring programs, P/PV was beginning a carefully designed evaluation of BB/BS mentoring programs (Tierney and Grossman, 1995), OJJDP followed the progress of this 18-month experimental evaluation closely, believing that the results would confirm the generally accepted proposition that mentoring benefits at-risk youth and would support further national expansion of this activity.

P/PV chose eight local BB/BS agencies for the study, using two criteria: large caseload (to ensure an adequate number of youth for the research sample) and geographic diversity. The sites selected were in Columbus, Ohio; Houston, Texas; Minneapolis, Minnesota; Philadelphia, Pennsylvania; Phoenix, Arizona; Rochester, New York; San Antonio, Texas; and Wichita, Kansas.

The young people in the study were between 10 and 16 years old (with 93 percent between 10 and 14). Slightly more than 60 percent were boys, and more than 50 percent were minority group members (of those, about 70 percent were African American). Almost all lived with one parent (usually the mother), the rest with a guardian or relatives. Many were from low-income households, and a significant number came from households with a history of either family violence or substance abuse. For the study, youth were randomly assigned to be immediately eligible for a mentor or put on a waiting list.[1]

The goal of the research was to determine whether a one-to-one mentoring experience made a tangible difference in the lives of these young people. The researchers considered six broad areas that mentoring might affect: antisocial activities, academic performance, attitudes and behaviors, relationships with family, relationships with friends, self-concept, and social and cultural enrichment. The findings presented below were based on self reported data obtained from baseline and following up interviews or from forms completed by agency staff.

The overall findings, summarized in the table, are positive. The most noteworthy results are these:

Mentored youth were 46 percent less likely than controls to initiate drug use during the study period. An even stronger effect was found for minority Little Brothers and Little Sisters, who were 70 percent less likely to initiate drug use than similar minority youth.

Mentored youth were 27 percent less likely than were controls to initiate alcohol use during the study period, and minority Little Sisters were only about one-half as likely to initiate alcohol use.

Mentored youth were almost one-third less likely than were controls to hit someone.

Mentored youth skipped half as many days of school as control youth, felt more competent about doing schoolwork, skipped fewer classes, and showed modest gains in their grade point averages. These gains were strongest among Little Sisters, particularly minority Little Sisters.

The quality of their relationship with their parents was better for mentored youth than for controls at the end of the study period, primarily due to a higher level of trust between parent and child. This effect was strongest for white Little Brothers.

Mentored youth, especially minority Little Brothers, had improved relationships with their peers.

P/PV did not find statistically significant improvements in self-concept or the number of social and cultural activities in which Little Brothers and Little Sisters participated.

P/PV concluded that the research presented clear and encouraging evidence that mentoring programs can create and support caring relationships between adults and youth, resulting in a wide range of tangible benefits. It was the researchers' judgment that the successes they observed are unlikely without both the relationship with the mentor and the support from the BB/BS program.

The study did not find evidence that any mentoring programming will work but that programs that facilitate the specific types of relationships observed in BB/BS work well. The researchers noted that following about the relationships between Little Brothers and Little Sisters and their Big Brothers and Big Sisters:

They had a high level of contact, typically meeting three times per month for 4 hours per meeting. Many had additional contact by telephone.

The relationship were built using an approach that defines the mentor as a friend, not a teacher or preacher. The mentor's role is to support the young person in his or her various endeavors, not explicitly to change the youth's behavior or character.

The study lists the following elements as prerequisites for an effective mentoring program:

Thorough volunteer screening that weeds out adults who are unlikely to keep their time commitment or who might pose a safety risk to youth.

Mentor training that includes communication and limit-setting skills, tips on relationship-building, and recommendations on the best way to interact with a young person.

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[1] For ease of presentation, we will refer to the group that was immediately eligible for a mentor as "mentored youth" or "Little Brothers and Little Sisters," even though this group includes some youth (22 percent) who were never matched. The wait-list youth are called the "control" youth.

Procedures that take into account the preferences of the youth, their families, and volunteers and that use a professional case manager to determine which volunteer would work best with each youth.

Intensive supervision and support of each match by a case manager who has frequent contact with the parent or guardian, volunteer, and youth and who provides assistance as difficulties arise.

One of the strongest conclusions of the P/PV study is the importance of providing mentors with support in building trust and developing positive relationships with youth. Many of the relationships between the volunteers and youth would have faltered and dissolved if they had not been nurtured by BB/BS's caseworkers. Thus to be effective, mentoring programs should provide an infrastructure that fosters and supports the development of effective relationships.

Over 8 years, P/PV studied numerous mentoring programs other than BB/BS. The extent to which these mentoring programs included standardized procedures in the areas of screening, orientation, training, match supervision and support, matching practices, and regular meeting times varied tremendously. Some programs included virtually none of these elements, while others were highly structured. The researchers identified three of these areas as vitally important to the success of any mentoring program: screening, orientation and training, and support and supervision.

The screening process provides programs with an opportunity to select adults who are most likely to be successful as mentors by looking for individuals who already understand that a mentor's primary role is to develop a friendship with the youth. Orientation and prematch training provide important opportunities to ensure that youth and their mentors share a common understanding of the adult's role in these programmatically created relationships and to help mentors develop realistic expectations of what they can accomplish. Ongoing staff supervision and support of matches is critical to ensuring that mentors and youth meet regularly over a substantial period of time and develop positive relationships.

It is interesting to note that matching did not turn out to be one of the most critical elements. None of the objective factors (e.g., age, race, and gender) that staff take into account when making a match correlate very strongly with the frequency of meetings, length of the match, or its effectiveness. Programs may prefer to make same-race matches, and parents and youth sometimes prefer a mentor of the same race. Programs should continue to honor these preferences and make same-race matches whenever possible. At the same time, it is clear that youth who wait a long time for a same-race mentor are in most cases only delaying the benefits that a mentor of any race can provide.

There are two obstacles to replication of effective mentoring programs: the limited number of adults available to serve as mentors and the scarcity of organizational resources necessary to carry out a successful program. The researchers report that between 5 million and 15 million children could benefit from being matched with a mentor; the organization matches only about 75,000 youth in a year. Even with the multitude of smaller mentoring programs around the country, it seems reasonable to conclude that at best just a small percentage of young people are benefiting from mentoring.

In regard to organizational resources, the study notes that effective programs require agencies that take substantial care in recruiting, screening, matching, and supporting volunteers. Paid caseworkers carry out these critical functions for BB/BS at a program cost of approximately $1,000 per year per match.

OJJDP AND THE P/PV RESULTS

The P/PV evaluation, plus its 2 years of experience with JUMP, led OJJDP to modify the project design guidelines in its 1996 JUMP solicitation to reflect the latest knowledge about what works—and does not work—in mentoring. Based on the P/PV study, OJJDP expanded the guideline on mentor support and training, emphasizing that the program coordinator should have frequent contact with parents of guardians, volunteers, and youth and should provide assistance when requested or as problems arise. This guideline also specifies the type of training mentors should receive. From its JUMP experience, OJJDP inserted a guideline on the role of the mentor, added a caution about time limitations that may interfere with the effectiveness of college undergraduate or graduate students as mentors, suggested that parents should have a say in the selection of mentors, called for screening mechanisms to weed out volunteers who will not keep their commitments, and established minimum expectations for the time mentors should spend with youth (1 hour per week for at least 1 year).

EVALUATION OF JUMP

OJJDP is required by Congress to submit a report regarding the success and effectiveness of JUMP initiatives 120 days after their termination. Evaluations are critical to ensuring that mentoring programs operate as designed and meet their goals in terms of both the process and the impact on youth.

To prepare for the timely initiation of evaluation activities once the grantee is chosen for the national evaluation, OJJDP directed its management evaluation contractor, Caliber Associated, to design an evaluation and prepare for initial data collection. The JUMP evaluation will be accomplished through a partnership among the grantees, OJJDP, and the JUMP evaluation grantee. Caliber produced a workbook containing an overview of the JUMP initiative and the national evaluation that defined the roles of OJJDP, the evaluator, and JUMP grantees. Caliber also pilot tested grantee administration of data collection instruments and conducted followup interviews of participating grantees. Once the grantee for the evaluation is selected, Caliber also will help coordinate the transition to the evaluation grantee. Selection of the evaluation grantee is expected to take place in spring 1997.

Although formal evaluations have not yet been implemented, the mentoring programs funded under JUMP appear to be making a difference in the lives of many young people. The preliminary accomplishments of a few of the OJJDP-funded mentoring programs are highlighted below.

The Big Brothers/Big Sisters of southwest Idaho have made 41 matches of at-risk youth and mentors in this JUMP project. According to parents and teachers familiar with the program, 30 percent of the youth who participated in the program showed improvement in their school attendance, 30 percent showed academic improvement, 35 percent showed improvement in their general behavior, and 48 percent increased the frequency of appropriate interactions with peers. For example, a female being raised by her father was matched to a female volunteer and, after the match, scored higher in measures of grades, self-satisfaction, self-esteem, positive attitude toward others, and pride in appearance.

Project Caring Connections in New York City provides 30 youth with caring relationships with adult mentors from corporations and the community. As an integral part of the Liberty Partnerships Program, it offers a comprehensive range of services from academic enrichment to cultural experiences to a safe environment in which young people can learn social skills. During afterschool hours, Project Caring Connections mentors work with students one-to-one or in a group to provide academic support, job shadowing (going to the mentor's workplace), and social and cultural enrichment. Through the program, at-risk students may gain exposure to publishing, theater, law, art, government, and business and also do community service. This past year, some youth were able to serve as panelists on a cable news show and discuss crime in their communities, curfews, and the importance of staying in school.

Big Sisters of Colorado, in Denver, matched 59 girls, mostly Hispanic, with mentors. Program activities funded by OJJPD included a Life Choices program to develop decisionmaking and academic skills; recreation, community service, and challenge course activities; a pregnancy-prevention program; and mentor visits to the girls' schools. None of these girls have become pregnant or had problems with alcohol or drugs since their involvement in the program.

Big Brothers/Big Sisters of Pensacola, Florida, is a JUMP initiative in which 26 youth from single-parent families who are at risk for juvenile delinquency, teen pregnancy, truancy, and dropping out of school are being mentored by legal professionals, members of the military, corporate employees, and others. The youth are actively encouraged to stay in school and meet the goals their individualized case plans. All have had increased exposure to athletic, recreational, and cultural activities, and many have demonstrated improved social and academic skills. The program has also engaged youth in a 3-day Kids N Kops police mini-academy. This innovative program provides mentoring and training by police officers and educates youth about the dangers of drugs, guns, and gangs while strengthening the relationship between police and at-risk youth.

The Cincinnati Youth Collaborative in Ohio matched 136 youth and volunteers in its first year in JUMP. Mentors include doctors, dentists, lawyers, judges, teachers, chemists, police officers, nurses, waiters, postal clerks, travel agents, and college students. Some special activities were a trip to New York City, visits to college campuses, a community bowl-a-thon, job shadowing, and participation in a school beautification project. The project reports that 99 of the 136 young people have improved academically and 102 have improved socially.

The RESCUE Youth mentoring program in Los Angeles, California, was developed and implemented by the Los Angeles County District Attorney's Office, in conjunction with the Los Angeles County Fire Department, to rescue youth ages 12 to 14 at the earliest signs of at-risk behavior. The district attorney's staff match the students with volunteer firefighter mentors in an effort to address truancy, juvenile delinquency, and potentially serious criminal behavior. Through this JUMP initiative, mentors worked with

140 youth on their communication and conflict resolution skills and provided training in fire prevention and first aid.

The JUMP projects offer many success stories, including the following examples. One student, who began the 1995-96 school year as a repeat first grader, ended the year with straight A's with the help of her mentor. In another instance, a male student being raised by his father alone showed a twofold increase in his grades and in measures of self-esteem after being matched with a female mentor. It is expected that the JUMP evaluation will document a significant number of similar positive outcomes.

SUMMARY

The research conducted by P/PV—and the preliminary reports from JUMP—provide powerful evidence that youth can be positively influenced by adults who care. More important, these positive relationships do not have to be left to chance but can be created through structured mentoring programs.

The P/PV research, however, has even broader implications for social policy than just encouraging the spread of mentoring—namely, that practitioners and policy makers should take a new approach to serving youth. For the past 30 years, society's attention and resources were directed predominantly at teenagers' problems, as evidenced by programs focusing on issues such as dropping out of school, truancy, substance abuse, and teen pregnancy. With only small gains to show, the public and politicians alike have concluded, probably prematurely, that youth, even those as young as 14, are too old to be helped.

The BB/BS results suggest that, where its youth policy is concerned, society's focus has been too narrow. What is desperately needed is a more positive approach that meets the basic needs of youth, especially those living in high-risk neighborhoods, for nurturing and supportive adults, positive things to do after school and on weekends, and volunteer and work opportunities that develop skills, foster learning, and instill a sense of civic responsibility. If society focuses on these basic developmental needs, youth will mature responsibly, avoid many negative behaviors, and become more resilient in the face of inevitable setbacks.

P/PV's evaluation of BB/BS suggests that strengthening this aspect of youth programming is likely to be more effective in producing responsible young adults than the traditional approach to youth policy, which has attempted to prevent specific problems or to correct problems that have already arisen. These traditional elements will still be needed, but they should complement and support the basic developmental needs addressed by mentoring programs.

The BB/BS mentoring program did not provide tutoring and antidrug counseling—it simply provided adult friendship on a regular and intensive basis. Yet it achieved improvements in school performance and reductions in antisocial behavior. The findings thus provide a direction for building and strengthening one approach to delinquency prevention.

Dealing with the problems of juvenile delinquency, creating more positive opportunities for our youth, and helping them find strong and positive adult role models in their lives are among the societal goals that can be achieved in part through the implementation of sound mentoring programs. While many children are being served by these efforts already, hundreds of thousands more could also benefit from the special bond of mentoring before serious problems develop.

Mr. COATS. Mr. President, I am so pleased to join my colleague Senator LAUTENBERG in introducing the JUMP Ahead Act of 1997. As a national board member of Big Brothers Big Sisters of America, I know personally how important this legislation is, and the type of opportunity it will give to thousands of at-risk youth around the country.

While intuitively we know that mentoring relationships can make a huge difference in the lives of young people, we now have scientifically reliable evidence about the positive impact that mentoring programs can have. In 1995, Public/Private Ventures, a policy research organization in Philadelphia, conducted an impact study of the Big Brothers Big Sisters program. The results were startling. The addition of a Big Brothers or Big Sister to a young person's life drastically reduced first time drug use, significantly lowered absenteeism, and reduced violent behavior. Furthermore, the young people studied were less likely to start using alcohol and more likely to do well in school.

JUMP Ahead will link community based mentoring programs with public schools to give more children the chance to reap the benefits of a one-to-one mentoring relationship. JUMP Ahead is based on a small, innovative, federal program known as the Juvenile Mentoring Program [JUMP].

Building on the success of JUMP, the JUMP Ahead Act will create a competitive grant program which allows local, nonprofit social service and education agencies to apply cooperatively and directly for grants from the Department of Justice's Office of Juvenile Justice and Delinquency Prevention. These grants are used to establish mentoring services utilizing responsible individuals as mentors.

During the last session of Congress, I introduced the Character Development Act as part of my Project for American Renewal. The Character Development Act, like the JUMP Ahead Act, Stressed the importance of mentoring relationships in the process of cultural renewal.

The need for additional adult support and guidance for our Nation's youth has never been greater than at this time. Currently 38 percent of all American children live without their fathers. It is increasingly important to support the work of organizations that are attempting to stand in the gap left by absent fathers.

Since mentoring programs work through the efforts of volunteers, only modest funds are necessary to have a far-reaching impact. I am convinced that the investment that the JUMP Ahead Act calls for over the next 5 years, will produce tremendous positive results in the lives of many at-risk youth.

I encourage my colleagues to take a close look at this bill and consider supporting it. One-to-one mentoring has proven its effectiveness in positively impacting the lives of at risk youth. I ask my colleagues to join me and Senator LAUTENBERG in this effort to encourage and expand opportunities for one-to-one mentoring relationships for at-risk youth. The JUMP Ahead Act of 1997 takes an important step forward in meeting the needs of so many of this country's hurting youth.

By Mr. SPECTER (for himself and Mr. SANTORUM):

S. 1642. A bill to authorize the Delaware and Lehigh Navigation Canal National Heritage Corridor Act, and for other purposes; to the Committee on Energy and Natural Resources.

THE DELAWARE AND LEHIGH NATIONAL HERITAGE CORRIDOR ACT AMENDMENTS OF 1997

Mr. SPECTER. Mr. President, I have sought recognition today to introduce legislation to reauthorize the Delaware and Lehigh Canal National Heritage Corridor Act of 1988, which established a Federal Commission to assist in planning and implementing an integrated strategy for promoting and protecting the cultural, historical, and natural resources in the canal region, which consists of a 150-mile long corridor stretching through five counties in eastern Pennsylvania, including Luzerne, Carbon, Lehigh, Northampton, and Bucks. As a member of the Senate Appropriations Committee, I have been pleased to support annual funding for the work of the Commission, and believe reauthorization is necessary to continue preserving the heritage of the canal region and to promote economic development.

Mr. President, let me provide you and my colleagues with some background on the Delaware and Lehigh corridor. The Delaware Canal first opened for regular commercial navigation in 1834 and served as the primary means for transporting coal and other bulk goods from the anthracite region of Pennsylvania to New York, New Jersey, Philadelphia, and even to industrial centers in Europe. The canal provided an early and essential link in a 4,000 mile national transportation route and helped to transform Pennsylvania from a solely agrarian State to the center of an industrialized society. The Delaware Canal and the Lehigh Navigation Canal played a critical role in supplying our developing Nation with the coal that heated its homes and the fuel for its burgeoning factories.

In 1998, Congress wisely established the Corridor and the Delaware and Lehigh National Corridor Commission. The commission was charged with conserving, interpreting, and promoting the natural, historic, cultural, scenic, and recreational resources of the region. Nine national historic landmarks, six national recreation trails, two national natural landmarks, and hundreds of sites listed on the National Register are situated within these boundaries. In addition, 7 State parks, 3 State historical parks, 14 State scenic rivers, and 14 State game lands are located in the region. This is an impressive and historic area that must be preserved. More than three million visitors explore the region each year to see the numerous attractions in the area, including the Allentown Art Museum, Eckley Miners Village, Washington Crossing, and Moravian Tire Work.

Another attraction that will preserve the region's heritage and promote economic development is a cultural center in Two Rivers Landing that will house the city of Easton's National Canal Museum and the Crayola Factory. Two Rivers Landing first opened in June 1996, marking a rebirth of Easton's downtown. Since then, more than 300,000 visitors have come. The project has been credited with attracting 82 businesses to downtown and creating nearly 100 jobs.

The Delaware and Lehigh National Heritage Corridor has established a strong record of successful partnership projects that link Federal, State and local governments with nonprofit organizations and private industries. Two Rivers Landing is just one of the many successful private/public partnerships led by the Commission. Another example is the Lehigh River Foundation, which was formed in 1991 to give private sector support to the Commission's initiatives. The foundation has raised more than $150,000 from local businesses and individuals to create an educational film, sponsor heritage events, and establish an information center in Bethlehem, the site of the only American 19th century steel plant to retain all of its historic elements. The corridor is sustained by broad public involvement and nonfederal investment. There are many project supporters, such as the Heritage Conservancy, the Pennsylvania Department of Conservation and Natural Resources, the Pennsylvania Historical and Museum Commission, and the Pennsylvania Department of Community and Economic Development. Corporations such as Binney and Smith, makers of Crayola products, Bethlehem Steel, and Mack Trucks have also made major financial commitments to support new industrial museums and attractions.

Statutory authority for the Delaware and Lehigh National Corridor Commission will expire in November, 1998 unless Congress acts. I believe there is ample need for reauthorization because of the unfinished work of the Commission. I would note that the Commission was authorized to receive up to $350,000 in operating funds a year, but funding for the program did not begin until 1990, and since then, it has regularly received only $329,000 a year through the annual Interior and related agencies appropriations bill.

The primary reason for reauthorization is the delay in implementing a Management Action Plan for the region. The 1988 act mandated a series of studies and public meetings in order to complete a management action plan, which will serve as an action agenda for the first 10 years of corridor development. The management action plan did not received final approval from the Secretary of the Interior until August, 1994. Further, the findings of the management action plan envisioned a 15-year implementation period after approval by the Secretary. I am concerned that with less than one year left until the act expires, there is insufficient time to implement the plan to help conserve the resources of this historically significant region.

The Corridor Commission has made significant progress and there is public enthusiasm and support for the projects being carried out by the Commission, particularly where they promote economic development. However, they can not do this alone. There is a real need for sufficient Federal support of operations. I would note that the Commission must, by law, raise sufficient private and other nonfederal funds so that the annual Federal grant to the Commission constitutes no more than 50 percent of its operating budget. For each government dollar raised, the Commission has been successful in leveraging $8 to $14 in matching funds. This project has clearly demonstrated that Federal investment acts as a catalyst for local and private investment.

Building on the success of the Corridor Commission, my legislation will authorize an increase in the Commission's operating budget from $350,000 to $650,000 a year, which will leverage additional private, State, and local funds. My legislation retains the 50 percent limitation on the amount of the Federal subsidy. Also, the legislation authorizes up to $10 million over 10 years to implement projects included in the management action plan and approved by the Secretary of the Interior, including the restoration and preservation of the Delaware Canal, and landing developments in 8 to 10 cities. The legislation extends the Commission another 10 years, thereby allowing the project to realize its goals while improving operating efficiency and extending participation.

The corridor's management action plan has become an important tool for both community and economic revitalization. It is recognized as a national model for the coordination of grassroots community efforts with those of government and private industry. Last year, the 104th Congress created nine new national heritage areas based in part on the success of the Delaware and Lehigh model. Mr. President, I encourage my colleagues to support this valuable Commission and to reauthorize the 1988 act so that Americans can continue to learn about the rich history of the region and appreciate the lands, waterways, and structures within the Delaware and Lehigh Heritage Corridor. Mr. President, I ask unanimous consent that the text of the legislation and a section-by-section summary of my legislation be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1462

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Delaware and Lehigh National Heritage Corridor Act Amendments of 1997".

SEC. 2. NAME CHANGE.

The Delaware and Lehigh Navigation Canal National Heritage Corridor Act of 1988 (Public Law 100–692; 102 Stat. 4552) is amended by striking "Delaware and Lehigh Navigation Canal National Heritage Corridor" each place it appears (except section 4(a)) and inserting "Delaware and Lehigh National Heritage Corridor".

SEC. 3. PURPOSE.

Section 3(b) of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100–692; 102 Stat. 4552) is amended—

(1) by inserting after "subdivisions" the following: "in enhancing economic development within the context of preservation and"; and

(2) by striking "and surrounding the Delaware and Lehigh Navigation Canal in the Commonwealth" and inserting "the Corridor".

SEC. 4. CORRIDOR COMMISSION.

(a) MEMBERSHIP.—Section 5(b) of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100–692; 102 Stat. 4553) is amended—

(1) in the matter preceding paragraph (1), by striking "appointed not later than 6 months after the date of enactment of this Act";

(2) by striking paragraph (2) and inserting the following:

"(2) 3 individuals, of whom—

"(A) 1 shall be the Director of the Pennsylvania Department of Conservation and Natural Resources;

"(B) 1 shall be the Director of the Pennsylvania Department of Community and Economic Development; and

"(C) 1 shall be the Chairperson of the Pennsylvania Historical and Museum Commission.";

(3) in paragraph (3), by striking "recommendations from the Governor, of whom" and all that follows through "Delaware Canal region" and inserting the following: "nominations from the Governor, of whom—

"(A) 1 shall represent a city, 1 shall represent a borough, and 1 shall represent a township; and

"(B) 1 shall represent each of the 5 counties of Luzerne, Carbon, Leehigh, Northampton, and Bucks in Pennsylvania"; and

(4) in paragraph (4)—

(A) by striking "8 individuals" and inserting "9 individuals"; and

(B) by striking "recommendations from the Governor, who shall have" and all that follows through "Canal region. A vacancy" and inserting the following: "nominations from the Governor, of whom—

"(A) 3 shall represent the northern region of the Corridor;

"(B) 3 shall represent the middle region of the Corridor; and

"(C) 3 shall represent the southern region of the Corridor.

A vacancy".

(b) TERMS.—Section 5 of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100–692; 102 Stat. 4553) is amended by striking subsection (c) and inserting the following:

"(c) TERMS.—The following provisions shall apply to a member of the Commission appointed under paragraph (3) or (4) of subsection (b):

"(1) LENGTH OF TERM.—The member shall serve for a term of 3 years.

"(2) CARRYOVER.—The member shall serve until a successor is appointed by the Secretary.

"(3) REPLACEMENT.—If the member resigns or is unable to serve due to incapacity or death, the Secretary shall appoint, not later than 60 days after receiving a nomination of the appointment from the Governor, a new member to serve for the remainder of the term.

"(4) TERM LIMITS.—A member may serve for not more than 2 full terms starting after the date of enactment of this paragraph.".

(c) CONFIRMATION.—Section 5 of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100–692; 102 Stat. 4553) is amended by adding at the end the following:

"(h) CONFIRMATION.—The Secretary shall accept or reject an appointment under paragraph (3) or (4) of subsection (b) not later than 60 days after receiving a nomination of the appointment from the Governor.".

SEC. 5. POWERS OF THE COMMISSION.

(a) CONVEYANCE OF REAL ESTATE.—Section 7(g)(3) of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100–692; 102 Stat. 4555) is amended in the first sentence by inserting "or nonprofit organization" after "appropriate public agency".

(b) COOPERATIVE AGREEMENTS.—Section 7(h) of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100–692; 102 Stat. 4555) is amended—

(1) in the first sentence, by inserting "any nonprofit organization," after "subdivision of the Commonwealth,"; and

(2) in the second sentence, by inserting "such nonprofit organization," after "such political subdivision,".

(c) GRANTS AND LOANS.—Section 7 of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100–692; 102 Stat. 4554) is amended—

(1) by redesignating subsection (i) as subsection (j); and

(2) by inserting after subsection (h) the following:

"(i) GRANTS AND LOANS.—The Commission may administer any grant or loan from amounts—

"(1) appropriated to the Commission for the purpose of providing a grant or loan; or

"(2) donated or otherwise made available to the Commission for the purpose of providing a grant or loan.".

SEC. 6. DUTIES OF THE COMMISSION.

Section 8(b) of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100–692; 102 Stat. 4556) is amended in the matter preceding paragraph (1) by inserting ", cultural, natural, recreational, and scenic" after "interpret the historic".

SEC. 7. TERMINATION OF THE COMMISSION.

Section 9(a) of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100–692; 102 Stat. 4556) is amended by striking "5 years after the date of enactment of this Act" and inserting "10 years after the date of enactment of the Delaware and Lehigh National Heritage Corridor Act Amendments of 1997".

SEC. 8. DUTIES OF OTHER FEDERAL ENTITIES.

Section 11 of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100–692; 102 Stat. 4557) is amended in the matter preceding paragraph (1) by striking "the flow of the Canal or the natural" and inserting "the historic, cultural, natural, recreational, or scenic".

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

(a) COMMISSION.—Section 12(a) of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100–692; 102 Stat. 4558) is amended by striking "$350,000" and inserting "$650,000".

(b) MANAGEMENT ACTION PLAN.—Section 12 of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100–692; 102 Stat. 4558) is amended by adding at the end the following:

"(c) MANAGEMENT ACTION PLAN.—

"(1) IN GENERAL.—To implement the management action plan created by the Commission, there is authorized to be appropriated $1,000,000 for each of fiscal years 1998 through 2007.

"(2) LIMITATION ON EXPENDITURES.—Amounts made available under paragraph (1) shall not exceed 50 percent of the costs of implementing the management action plan.".

SEC. 10. LOCAL AUTHORITY AND PRIVATE PROPERTY.

The Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100–692; 102 Stat. 4552) is amended—

(1) by redesignating section 13 as section 14; and

(2) by inserting after section 12 the following:

"SEC. 13. LOCAL AUTHORITY AND PRIVATE PROPERTY.

"The Commission shall not interfere with—

"(1) the private property rights of any person; or

"(2) any local zoning ordinance or land use plan of the Commonwealth of Pennsylvania or any political subdivision of Pennsylvania.".

SECTION-BY-SECTION ANALYSIS OF THE DELAWARE AND LEHIGH REAUTHORIZATION ACT

Section 1: Short title.—Delaware and Lehigh National Heritage Corridor Act Amendments of 1997.

Section 2: Name change.—The Delaware and Lehigh Navigation Canal National Heritage Corridor is changed to Delaware and Lehigh National Heritage Corridor.

Section 3: Purpose.—The purpose of the Act will include enhancing economic development within the context of preservation in the Corridor.

Section 4: Corridor Commission.—The Act is amended to include the approved recommendations of the Management Action Plan concerning the membership of the Commission.

Section 5: Powers of the Commission.—The Act is amended to allow the Commission to convey real property to a qualifying nonprofit organization if that organization is best able to conserve the property.

Section 6: Duties of the Commission.—The Act is amended to include preservation and interpretation of historic, cultural, natural, recreational, and scenic resources, rather than only historic resources.

Section 7: Termination of the Commission.—The Commission will terminate ten years after enactment of this Act.

Section 8: Duties of other Federal Entities.—The Act is amended to require federal entities to consult with the Secretary of the Interior and the Commission regarding activities that affect the historic, cultural, recreational, and scenic resources of the Corridor, not only natural resources and flow of the canal.

Section 9: Authorization of Appropriations.—The Commission is authorized to receive $650,000 a year as well as $1 million a year for ten years to implement the Management Action Plan.

Section 10: Local Authority and Private Property.—The Act is amended to state that local authority and private property rights shall not be affected by enactment of this legislation.

By Mr. KOHL:

S. 1463. A bill to change the date for regularly scheduled Federal elections and establish polling place hours; to the Committee on Rules and Administration.

WEEKEND VOTING ACT

Mr. KOHL. Mr. President, I rise to discuss a disturbing trend in our democracy—the decline of voter turnout in our elections.

During the past 2 years we have debated at length our campaign finance system. We have seen in ample detail the corrupting influences invading our elections, and the effect these stories are having on the American public. Voters are increasingly distrustful of their system of government. They have lost confidence in America's institutions, its leaders, and its electoral process.

The Senate is taking steps to reform the campaign finance system, and I am hopeful that before the spring we will have a campaign finance reform bill to present to the American public. But there are other reforms which we can undertake to restore citizens' faith in our democracy and increase participation in elections.

For decades we've seen a gradual decline in voter turnout. In 1952, about 63 percent of eligible voters came out to vote—that number dropped to about 49 percent in the 1996 election. Non-Presidential year voter turnout is even more abysmal.

Analysts point to a variety of reasons for this dropoff. Certainly, common sense suggests that the general decline in voter confidence in government institutions is one logical reason. However, I'd like to point out, one survey of voters and nonvoters suggested that both groups are equally disgruntled with government.

We must explore ways to make our electoral process more user friendly. We must adjust our institutions to the needs of the American public of the 21st century. Our democracy has always had the amazing capacity to adapt to the challenges thrown before it, and we must continue to do so if our country is to grow and thrive.

I propose that we consider innovative ways to increase voter turnout and enhance our citizens' impression of the process. One way to do this would be change the hours that polls are open.

Mr. President, today I am introducing the Weekend Voting Act of 1997, which would change the day for congressional and presidential elections from the first Tuesday in November to the first weekend in November.

Mr. President, I come from the business world, where you had a perfect gauge of what the public thought of you and your products. If you turned a profit, you knew the public liked your product—if you didn't, you knew you needed to make changes. If customers weren't showing up when your store was open, you knew you had to change your store hours.

In essence, it's time for the American democracy to change its store hours. Since the mid-19th century, election day has been on the first Tuesday of November. Ironically, this date was selected because it was convenient for voters. Tuesdays were traditionally court day, and land-owning voters were often coming to town anyway.

Just as the original selection of our national voting day was done for voter convenience, we must adapt to the changes in our society to make voting easier for the regular family. Two in every three households have both parents working. Since most polls in the U.S. are open only 12 hours, from 7 a.m. to 7 p.m., voters often have only 1 or 2 hours to vote. If they have children, and are dropping them off at day care, voters often must take time off work to vote.

We can do better by offering more flexible voting hours for all Americans, especially working families.

Under this bill, polls would be open nationwide for a uniform period of time from Saturday, 6 p.m. eastern time to Sunday, 6 p.m. eastern time. Polls in other time zones would also open and close at this time. Some Western States have complained that early return information broadcast over television networks has decreased voter turnout. By establishing uniform nationwide voting schedules, this problem would be solved.

I should note, while I've been an advocate of weekend voting for some time, it was NBC Anchor Tom Brokaw who suggested the uniform voting schedule, and I thank him for his contribution to this proposal.

Mr. President, of 27 democracies, 17 of them allow their citizens to vote on holidays or the weekends. And in nearly every one of these nations, voter turnout surpasses our country's poor performance. We can do better.

Like most innovative plans, States already are experimenting with novel ways to increase voter turnout and satisfaction. Texas has implemented an early voting plan, California has relaxed restrictions on absentee voting, and Oregon's special election for Senator in 1996 was done entirely by mail. While results are still inconclusive whether these new models increase voter turnout, there is no doubt that voters are much more pleased with the additional convenience and ease with voting.

Under the Weekend Voting Act, States would be permitted to close the polls during the overnight hours if they determine it would be inefficient to keep them open. Because the polls are open from Saturday to Sunday, they would not interfere with religious observances.

I know that partisans in both parties will decry this plan as detrimental to their candidates. Republican consultants will worry that union households that traditionally vote Democratic will have more time to go and vote. Democrat consultants will worry that the combination of church and voting on Sundays will hurt their party's chances at the poll. I hope both are right, and that the end result is more people affiliated with both parties coming out to vote. That should be the goal of a democracy.

Mr. President, I recognize a change of this magnitude will take some time. But, how much more should voting turnout decline before we realize we need a change. How much lower should our citizens' confidence plummet before we adapt and create a more "consumer-friendly" polling system.

The Weekend Voting Act will not solve all of this democracy's problems, but it is a commonsense approach for adapting this grand democratic experiment of the 18th century to the American family's lifestyle of the 21st century.

By Mr. DURBIN (for himself and Mr. TORRICELLI):

S. 1465. A bill to consolidate in a single independent agency in the executive branch the responsibilities regarding food safety, labeling, and inspection currently divided among several Federal agencies; to the Committee on Governmental Affairs.

THE SAFE FOOD ACT

Mr. DURBIN. Mr. President, today I am introducing legislation that would replace the current fragmented Federal food safety system with a consolidated, independent agency with responsibility for all Federal food safety activities—the Safe Food Act. I am pleased to be joined by Senator TORRICELLI in this important effort.

Make no mistake, our country has been blessed with the safest and most abundant food supply in the world. However, we can do better. The General Accounting Office estimates that as many as 33 million people will suffer food poisoning this year and more than 9,000 will die. The Department of Health and Human Services predicts that foodborne illnesses and deaths are likely to increase 10 to 15 percent over the next decade. The annual cost of foodborne illnesses in this country may rise to as high as $22 billion per year.

According to a Princeton Research survey conducted last summer, 44 percent of Americans believe that the food supply in this country is less safe than it was 10 years ago, while another 30 percent feel it is only "about as safe." The survey also found that 48 percent of Americans are "very concerned" about the safety of the food that they eat.

Currently, 12 different Federal agencies and 35 different laws govern food safety and inspection functions. Of these 12 agencies, six have major roles in carrying out food safety and quality activities. With so many bureaucrats in the kitchen, breakdowns can more easily occur. With overlapping jurisdictions, Federal agencies many times lack accountability on food safety-related issues. A single, independent agency would help focus our policy and improve the enforcement of food safety and inspection laws.

At a time of government downsizing and reorganization, the United States simply can't afford to continue operating multiple systems. In order to achieve a successful, effective food safety and inspection system, a single agency with uniform standards is needed.

The Safe Food Act would empower a single, independent agency to enforce food safety regulations from farm to table. It would provide an easier framework for implementing U.S. standards in an international context. Research could be better coordinated within a single agency rather than among multiple programs. And, new technologies to improve food safety cold be approved more rapidly with one food safety agency.

With incidents of food recalls and foodborne illnesses on the rise, it is important to move beyond short-term solutions to major food safety problems. A single, independent food safety and inspection agency could more easily work toward long-term solutions to the frustrating and potentially life-threatening issue of food safety.

The administration has stepped forward on the issue of food safety—from working with Congress to enact HACCP to increased funding to improve surveillance and monitoring to last week's announcement on the "Fight Bac—Keep Food Safe From Bacteria Campaign" initiative. I commend President Clinton and Secretaries Glickman and Shalala for their commitment to improving our Nation's food safety and inspection systems. A single, independent food safety agency is the logical next step.

Mr. President, together, we can bring the various agencies together to eliminate the overlap and confusion that have, unfortunately, at times characterized our food safety efforts. I encourage my colleagues to join me in this effort to consolidate the food safety and inspection functions of numerous agencies and offices into a single, independent food safety agency.

By Mr. HATCH (for himself, Mr. BAUCUS, Mr. MACK, Mr. ABRAHAM, Mr. CONRAD, Mr. LIEBERMAN, Mr. MURKOWSKI, Mrs. BOXER, Mr. ROCKEFELLER, Mrs. FEINSTEIN, Mrs. MURRAY, and Mr. DURBIN):

S. 1464. A bill to amend the Internal Revenue Code of 1986 to permanently extend the research credit, and for other purposes; to the Committee on Finance.

THE RESEARCH AND EXPERIMENTATION CREDIT PERMANENT EXTENSION ACT OF 1997

Mr. HATCH. Mr. President, today I am proud to introduce a bill with my colleagues Senators BAUCUS, MACK, ABRAHAM, CONRAD, LIEBERMAN, BOXER, MURKOWSKI, ROCKEFELLER, FEINSTEIN, MURRAY, and DURBIN to make the tax credit for increasing research activities permanent. Companion legislation has been introduced in the House by Representatives NANCY JOHNSON and ROBERT MATSUI.

The United States is a leader in the development of new technology. Historically, the R&E credit has played a major role in elevating this great Nation to such a significant and influential leadership position. The United States is currently ahead of the ever increasing competition in developing and marketing new products. With greater market challenges in the future, we will have to fight hard to maintain the U.S. lead in new technology and innovation. The role of the R&E tax credit will be increasingly important.

But, we must recognize that scientific breakthroughs usually do not happen overnight. Research and development is a long-term, on-going process. The development of new products and services is the result of slow and steady effort and investment. It is for this reason that start and stop nature of the R&E credit hinders American progress in research. The tax credit is authorized only for a short time—which in science is practically no time at all—and then goes to the brink of expiration before Congress acts to extend it again. Permanent extension of the R&E tax credit would provide badly needed predictability.

Our country provides very little in the way of direct funding for research. While we subsidize basic research to some extent through the National Science Foundation and other science agencies, the United States depends on the private sector to finance applied research to a very substantial degree. This paradigm has worked well. Government does not make decisions about what research to fund or make judgments about what sectors look promising. Yet, risk-taking, particularly in fields such as pharmaceuticals where the cost of developing just one new drug can reach into the hundreds of millions of dollars, is an activity that we encourage with the R&E tax credit.

Without the R&E tax credit, American industry is put at a tremendous disadvantage relative to foreign competitors whose governments provide direct subsidies for research. We simply must not let American leadership in science and technology lapse.

There are enormous benefits from research. Additional investment in research yields new jobs—in some cases entire new industries— strengthens our international position, and often results in an enhanced quality of life for consumers. Simply put, the tax credit is an investment for economic growth and the creation of new jobs.

Mr. President, my home state of Utah is home to many innovative companies that invest a significant percentage of their revenue in research and development activities. Scattered across the Wasatch front is a large stretch of software and computer engineering firms. This area is second only to California's Silicon Valley as a thriving high technology commercial area. Utah also has approximately 700 biotechnology and biomedical firms which employ nearly 9,000 workers. These companies were conceived through research and development and will continue to grow and thrive only if they can continue to afford to take risks.

In all, Mr. President, there are approximately 80,000 employees working in Utah's 1,400 plus and growing technology based firms. Research and development is the lifeblood of these Utah firms and hundreds of thousands more throughout the Nation that are like them.

The research and experimentation tax credit has been on the books for many years, and there is no doubt that it has proved beneficial to our Nation's technology enterprise. But, there is also no doubt that its benefits could be even greater if the credit were made permanent and the perennial uncertainty with respect to the availability of the credit—and thus the cost of doing research—were eliminated.

With the introduction of this bill, I am pleased to inform you that we have included one slight change in this permanent extension. As already established, companies whose research efforts do not qualify them for the credit are allowed to choose the alternative incremental credit. The bill would increase the three alternative incremental credit rates by one percentage point each, thereby spurring tax credit benefits and encouraging more extensive research and development efforts.

I am aware, Mr. President, that not every company that participates in the research and development process benefits from the credit. However, I believe that Congress should never permit the credit to expire. I urge my colleagues to support this concept of a permanent R&E credit by cosponsoring this legislation and support the type of research activities that will maintain American technological leadership into the 21st century.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1464

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXTENSION OF RESEARCH CREDIT.

(a) CREDIT MADE PERMANENT.—

(1) IN GENERAL.—Section 41 of the Internal Revenue Code of 1986 (relating to credit for increasing research activities) is amended by striking subsection (h).

(2) CONFORMING AMENDMENT.—Paragraph (1) of section 45C(b) of such Code is amended by striking subparagraph (D).

(b) INCREASE IN ALTERNATIVE INCREMENTAL CREDIT RATES.—Subparagraph (A) of section 41(c)(4) of the Internal Revenue Code of 1986 is amended—

(1) in clause (i), by striking "1.65 percent" and inserting "2.65 percent",

(2) in clause (ii), by striking "2.2 percent" and inserting "3.2 percent", and

(3) in clause (iii), by striking "2.75 percent" and inserting "3.75 percent".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to amounts paid or incurred after June 30, 1998.

Mr. BAUCUS. Mr. President, it is with great pleasure that I join with my colleague from Utah, Senator HATCH, and my other colleagues to introduce this bill, which is so critical to the ability of American businesses to effectively compete in the global marketplace. Companion legislation has been introduced in the House by Representatives NANCY JOHNSON and ROBERT MATSUI.

Our Nation is the world's undisputed leader in technological innovation, a position that would not be possible absent U.S. companies' commitment to research and development. Investment in research is an investment in our Nation's economic future, and it is appropriate that both the public and private sector share the costs involved, as we share in the benefits. The credit provided through the Tax Code for research expenses provides a modest but crucial incentive for companies to conduct their research in the United States, thus creating high-skilled, high-paying jobs for U.S. workers.

The R&E credit has played a key role in placing the United States ahead of its competition in developing and marketing new products. Every dollar that the Federal Government spends on the R&E credit is matched by another dollar of spending on research over the short run by private companies, and two dollars of spending over the long run. Our global competitors are well aware of the importance of providing incentives for research, and many provide more generous tax treatment for research and experimentation expenses that does the United States. As a result, while spending on non-defense R&D in the United States as a percentage of GDP has remained relatively flat since 1985, Japan's and Germany's has grown.

The benefits of the credit, though certainly significant, have been limited over the years by the fact that the credit has been temporary. In addition to the numerous times that the credit has been allowed to lapse, last year, for the first time, when Congress extended the credit it left a gap of an entire year during which the credit was not available. This unprecedented lapse sent a troubling signal to the U.S. companies and universities that have come to rely on the Government's longstanding commitment to the credit.

Much research and development takes years to mature. The more uncertain the long-term future of the credit is, the smaller its potential to stimulate increased research. If companies evaluating research projects cannot rely on the seamless continuation of the credit, they are less likely to invest on research in this country, less likely to put money into cutting-edge technology innovation that is critical to keeping us in the forefront of global competition.

Our country is locked in a fierce battle for high-paying technological jobs in the global economy. As more nations succeed in creating educationally advanced workforces and join the United States as high-technology manufacturing centers, they become more attractive to companies trying to penetrate foreign markets. Multinational companies sometimes find that moving both manufacturing and basic research activities overseas is necessary if they are to remain competitive. The uncertainty of the R&E credit factors into their economic calculations, and makes keeping these jobs in the United States more difficult.

Although the R&E credit is not exclusively used by high-technology firms, they are certainly key beneficiaries of the credit. In my own State of Montana, 12 of every 1,000 private sector workers were employed by high-tech firms in 1995, the most recent year for which statistics are available. Almost 400 establishments provided high-technology services, at an average wage of $34,500 per year. These jobs paid 77 percent more than the average private sector wage in Montana of $19,500 per year. Many of these jobs would never have been created without the assistance of the R&E credit. Making the credit permanent would most certainly provide the incentive needed to create many more in the future.

I urge my colleagues to support this legislation, and look forward to working with them and with the administration to make the research and experimentation tax credit permanent.

By Mr. ABRAHAM (for himself, Mr. HUTCHISON, AND Mr. COATS):

S. 1466. A bill to amend the Public Health Service Act to permit faith-based substance abuse treatment centers to receive Federal assistance, to permit individuals receiving Federal drug treatment assistance to select private and religiously oriented treatment, and to protect the rights of individuals from being required to receive religiously oriented treatment; to the Commission on Labor and Human Resources.

THE DRUG AND ALCOHOL ABUSE TREATMENT CHOICE ACT

Mr. ABRAHAM. Mr. President, I rise today to introduce the Effective Substance Abuse Treatment Act. This legislation will increase the variety and effectiveness of drug and alcohol treatment centers. It will do so by allowing faith-based organizations, consistently shown to be most effective at treating substance abuse, to accept Federal funds without sacrificing their religious character. In addition, it will allow individuals receiving drug and alcohol abuse treatment services to choose a faith-based treatment center for their care.

This legislation builds on the charitable choice provision included in last year's welfare bill. That provision allowed faith-based charities to contract with government to supply social services without having to give up their religious character.

Mr. President, each year we face staggering statistics about the use of illegal drugs and the abuse of alcohol. The percentage of teenagers who admitted using illicit drugs during the last month more than doubled between 1992 and 1995. This increase in drug use, especially among young people, demands that we find new ways to address the addiction that often follows. I believe we owe it to our citizens and particularly those addicted to drugs or alcohol, to make the most effective treatment available to them. That treatment is provided by faith-based charities.

Mr. President, government-run drug rehabilitation programs generally have long-run success rates in the single digits. This is a tragedy for addicts, their friends and their families, all of whom are given false hope by institutions that rarely produce the results they promise. However, there are many programs that do work. For example, Burton Fulsom of Michigan's Mackinac Center reports on the Mel Trotter Ministries in Grand Rapids. Named for its former alcoholic founder, the Mel Trotter Ministries has an astounding 70-percent long-term success rate in its faith-based rehabilitation program.

According to director Thomas Laymon, government programs leave addicts without spiritual support. Worse, addicts are not held accountable for addictions, and they have no incentive to change their behavior. Meanwhile, Trotter Ministries provides guidance, a supporter community and integration into a life beyond drugs.

Another successful faith-based substance abuse treatment center is San Antonio's Victory Fellowship, run by Pastor Freddie Garcia. Victory Fellowship has saved thousands of addicts in some of the city's toughest neighborhoods. The program offers addicts a safe haven, a chance to recover, job training, and a chance to provide for themselves and their families. It has served more than 13,000 people and has a success rate of over 80 percent.

It is very simple, Mr. President, where most treatment centers fail, those that are faith-based work. This being the case, we have a duty to make faith-based treatment more available. This does not require any special program, Mr. President. Rather, we can achieve this important goal by allowing faith-based programs to stand on an equal footing with other centers in applying for Federal funds to heal individuals in need without changing the nature of the care they give.

We owe it to our families and communities, torn apart by drugs and drug related violence, to fight the scourge of substance abuse. We owe it to the individuals in need to allow them to obtain the best treatment available. This legislation will achieve these goals without increasing the cost of government. I ask my colleagues for their support.

I ask unanimous consent that the entire text of the bill be entered into the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1466

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Drug and Alcohol Abuse Treatment Choice Act".

SEC. 2. PREVENTION AND TREATMENT OF SUBSTANCE ABUSE; SERVICES PROVIDED THROUGH RELIGIOUS ORGANIZATIONS.

Title V of the Public Health Service Act (42 U.S.C. 290aa et seq.) is amended by adding at the end the following:

"PART G—SERVICES PROVIDED THROUGH RELIGIOUS ORGANIZATIONS

"SEC. 581. APPLICABILITY TO DESIGNATED PROGRAMS.

"(a) DESIGNATED PROGRAMS.—Subject to subsection (b), this part applies to each program under this Act that makes awards of Federal financial assistance to public or private entities for the purpose of carrying out activities to prevent or treat substance abuse (in this part referred to as a 'designated program'). Designated programs include the program under subpart II of part B of title XIX (relating to formula grants to the States).

"(b) LIMITATION.—This part does not apply to any award of Federal financial assistance under a designated program for a purpose other than the purpose specified in subsection (a).

"(c) DEFINITIONS.—For purposes of this part (and subject to subsection (b)):

"(1) DESIGNATED AWARD RECIPIENT.—The term 'designated award recipient' means a public or private entity that has received an award under a designated program (whether the award is a designated direct award or a designated subaward).

"(2) DESIGNATED DIRECT AWARD.—The term 'designated direct award' means an award under a designated program that is received directly from the Federal Government.

"(3) DESIGNATED SUBAWARD.—The term 'designated subaward' means an award of financial assistance made by a non-Federal entity, which award consists in whole or in part of Federal financial assistance provided through an award under a designated program.

"(4) DESIGNATED PROGRAM.—The term 'designated program' has the meaning given such term in subsection (a).

"(5) FINANCIAL ASSISTANCE.—The term 'financial assistance' means a grant, cooperative agreement, contract, or voucherized assistance.

"(6) PROGRAM BENEFICIARY.—The term 'program beneficiary' means an individual who receives program services.

"(7) PROGRAM PARTICIPANT.—The term 'program participant' has the meaning given such term in section 582(a)(2).

"(8) PROGRAM SERVICES.—The term 'program services' means treatment for substance abuse, or preventive services regarding such abuse, provided pursuant to an award under a designated program.

"(9) RELIGIOUS ORGANIZATION.—The term 'religious organization' means a nonprofit religious organization.

"(10) VOUCHERIZED ASSISTANCE.—The term 'voucherized assistance' means—

"(A) a system of selecting and reimbursing program services in which—

"(i) the beneficiary is given a document or other authorization that may be used to pay for program services;

"(ii) the beneficiary chooses the organization that will provide services to him or her according to rules specified by the designated award recipient; and

"(iii) the organization selected by the beneficiary is reimbursed by the designated award recipient for program services provided; or

"(B) any other mode of financial assistance to pay for program services in which the program beneficiary determines the allocation of program funds through his or her selection of one service provider from among alternatives.

"SEC. 582. RELIGIOUS ORGANIZATIONS AS PROGRAM PARTICIPANTS.

"(a) IN GENERAL.—

"(1) SCOPE OF AUTHORITY.—Notwithstanding any other provision of law, a religious organization—

"(A) may be a designated award recipient;

"(B) may make designated subawards to other public or nonprofit private entities (including other religious organizations);

"(C) may provide for the provision of program services to program beneficiaries through the use of voucherized assistance; and

"(D) may be a provider of services under a designated program, including a provider that accepts voucherized assistance.

"(2) DEFINITION OF PROGRAM PARTICIPANT.—For purposes of this part, the term 'program participant' means a public or private entity that has received a designated direct award, or a designated subaward, regardless of whether the entity provides program services. Such term includes an entity whose only participation in a designated program is to provide program services pursuant to the acceptance of voucherized assistance.

"(b) RELIGIOUS ORGANIZATIONS.—The purpose of this section is to allow religious organizations to be program participants on the same basis as any other nonprofit private provider without impairing the religious character of such organizations, and without diminishing the religious freedom of program beneficiaries.

"(c) NONDISCRIMINATION AGAINST RELIGIOUS ORGANIZATIONS.—

"(1) FINDINGS.—The Congress finds that the establishment clause of the first amendment to the Constitution of the United States does not require that—

"(A) social-welfare programs discriminate against faith-based providers of services; or

"(B) faith-based providers of services, as a prerequisite to participation in Federal programs, abandon their religious character and censor their religious expression.

"(2) NONDISCRIMINATION.—Religious organizations are eligible to be program participants on the same basis as any other nonprofit private organization. Neither the Federal Government nor a State receiving funds under such programs shall discriminate against an organization that is or applies to be a program participant on the basis that the organization has a religious character.

"(d) RELIGIOUS CHARACTER AND FREEDOM.—

"(1) RELIGIOUS ORGANIZATIONS.—Except as provided in this section, any religious organization that is a program participant shall retain its independence from Federal, State, and local government, including such organization's control over the definition, development, practice, and expression of its religious beliefs.

"(2) ADDITIONAL SAFEGUARDS.—Neither the Federal Government nor a State shall require a religious organization to—

"(A) alter its form of internal governance; or

"(B) remove religious art, icons, scripture, or other symbols;

in order to be a program participant.

"(e) NONDISCRIMINATION IN EMPLOYMENT.—

"(1) IN GENERAL.—Except as provided in paragraph (2), nothing in this section shall be construed to modify or affect the provisions of any other Federal or State law or regulation that relates to discrimination in employment on the basis of religion.

"(2) EXCEPTION.—A religious organization that is a program participant may require that an employee rendering programs services adhere to—

"(A) the religious beliefs and practices of such organization; and

"(B) any rules of the organization regarding the use of drugs or alcohol.

"(f) RIGHTS OF PROGRAM BENEFICIARIES.—

"(1) OBJECTIONS REGARDING RELIGIOUS ORGANIZATIONS.—With respect to an individual who is a program beneficiary or a prospective program beneficiary, if the individual objects to a program participant on the basis that the participant is a religious organization, the following applies:

"(A) If the organization received a designated direct award, the organization shall arrange for the individual to receive program services through an alternative entity.

"(B) If the organization received a designated subaward, the non-Federal entity that made the subaward shall arrange for the individual to receive the program services through an alternative program participant.

"(C) If the organization is providing services pursuant to voucherized assistance, the designated award recipient that operates the voucherized assistance program shall arrange for the individual to receive the program services through an alternative provider.

"(D) Arrangements under any of subparagraphs (A) through (C) with an alternative entity shall provide for program services the monetary value of which is not less than the monetary value of the program services that the individual would have received from the religious organization involved.

"(2) NONDISCRIMINATION.—

"(A) IN GENERAL.—Except as provided in subparagraph (B) or as otherwise provided in law, a religious organization that is a program participant shall not in providing program services discriminate against a program beneficiary on the basis of religion or religious belief.

"(B) LIMITATION.—A religious organization that is a program participant may require a program beneficiary who has elected in accordance with paragraph (1) to receive program services from such organization—

"(i) to actively participate in religious practice, worship, and instruction; and

"(ii) to follow rules of behavior devised by the organizations that are religious in content or origin.

"(g) FISCAL ACCOUNTABILITY.—

"(1) IN GENERAL.—Except as provided in paragraph (2), any religious organization that is a program participant shall be subject to the same regulations as other recipients of awards of Federal financial assistance to account, in accordance with generally accepted auditing principles, for the use of the funds provided under such awards.

"(2) LIMITED AUDIT.—With respect to the award involved, if a religious organization that is a program participant maintains the Federal funds in a separate account from non-Federal funds, then only the Federal funds shall be subject to audit.

"(h) COMPLIANCE.—With respect to compliance with this section by an agency, a religious organization may obtain judicial review of agency action in accordance with chapter 7 of title 5, United States Code.

"SEC. 583. LIMITATIONS ON USE OF FUNDS FOR CERTAIN PURPOSES.

"(a) IN GENERAL.—Except as provided in subsection (b), no funds provided directly to an entity under a designated program shall be expended for sectarian worship or instruction.

"(b) EXCEPTION.—Subsection (a) shall not apply to assistance provided to or on behalf of a program beneficiary if the beneficiary may choose where such assistance is redeemed or allocated.

"SEC. 584. ADMINISTRATION OF PROGRAM AND TREATMENT OF FUNDS.

"(a) FUNDS NOT AID TO INSTITUTIONS.—Financial assistance under a designated program provided to or on behalf of program beneficiaries is aid to the beneficiary, not to the organization providing program services. The receipt by a program beneficiary of program services at the facilities of the organization shall not constitute Federal financial assistance to the organization involved.

"(b) Prohibition on State Discrimination in Use of Funds.—No provision in any State constitution or State law shall be construed to prohibit the expenditure of Federal funds under a designated program in a religious facility or by a religious organization that is a program participant. If a State law or constitution would prevent the expenditure of State or local public funds in such a facility or by such an organization, then the State or local government shall segregate the Federal funds from State or other public funds for purposes of carrying out the designated program.

"SEC. 585. EDUCATIONAL REQUIREMENTS FOR PERSONNEL IN DRUG TREATMENT PROGRAMS.

"(a) Findings.—The Congress finds that—

"(1) establishing formal educational qualification for counselors and other personnel in drug treatment programs may undermine the effectiveness of such programs; and

"(2) such formal educational requirements for counselors and other personnel may hinder or prevent the provision of needed drug treatment services.

"(b) Limitation on Educational Requirements of Personnel.—

"(1) Treatment of religious education.—If any State or local government that is a program participant imposes formal educational qualifications on providers of program services, including religious organizations, such State or local government shall treat religious education and training of personnel as having a critical and positive role in the delivery of program services. In applying educational qualifications for personnel in religious organizations, such State or local government shall give credit for religious education and training equivalent to credit given for secular course work in drug treatment or any other secular subject that is of similar grade level and duration.

"(2) Restriction of discrimination requirements.—

"(A) In general.—Subject to paragraph (1), a State or local government that is a program participant may establish formal educational qualifications for personnel in organizations providing program services that contribute to success in reducing drug use among program beneficiaries.

"(B) Exception.—The Secretary shall waive the application of any educational qualification imposed under subparagraph (A) for an individual religious organization, if the Secretary determines that—

"(i) the religious organization has a record of prior successful drug treatment for at least the preceding 3 years;

"(ii) the educational qualifications have effectively barred such religious organization from becoming a program provider;

"(iii) the organization has applied to the Secretary to waive the qualifications; and

"(iv) the State or local government has failed to demonstrate empirically that the educational qualifications in question are necessary to the successful operation of a drug treatment program.".

By Mr. SMITH of Oregon:

S. 1467. A bill to address the declining health of forests on Federal lands in the United States through a program of recovery and protection consistent with the requirements of existing public land management and environmental laws, to establish a program to inventory, monitor, and analyze public and private forests and their resources, and for other purposes; to the Committee on Energy and Natural Resources.

FOREST RECOVERY AND PROTECTION ACT OF 1997

Mr. SMITH of Oregon. Mr. President, today I am introducing the Senate companion bill to H.R. 2515, the Forest Recovery and Protection Act introduced by my good friend and colleague, Congressman Bob Smith. My bill focuses on the western forest and Bureau of Land Management lands where there has been the most fire and disease damage.

Let me tell you what the forest lands are like in Oregon. On the eastside of my State, disease and bug infestation have ravaged forests, creating dangerous conditions for catastrophic fires. In 1996, I witnessed firsthand fires that burned vast acres of forest land and threatened many homes. This was a situation that didn't have to happen.

And yet, the political beliefs of a few have seemed to guide forest policy back in Washington, DC—where bureaucrats with personal agendas seem to rule the roost and sound public policy fails to get heard.

Teddy Roosevelt said: "The nation behaves well if it treats the natural resources as assets which it must turn over to the next generation increased, and not impaired, in value."

This legislation is a thoughtful approach to forest management—it includes accountability through reports to Congress, performance standards for forest inventory and analysis, and calls for the elimination of bureaucratic red tape and unnecessary delay that prevents on-the-ground results.

Concerns that environmentalists have about cutting of timber are addressed by ensuring that all forest health activities are carried out in compliance with existing forest plans. The legislation also prohibits entry into wilderness areas or other areas protected by law, court order, or forest plan. And finally, the bill provides for priority treatment of areas of greatest risk of destruction or degradation by severe natural disturbance.

The bill has a local component which gives the local community and concerned citizens the ability to identify Federal forest lands in need of recovery and allows them to petition the Secretary of the Interior and the Secretary of Agriculture to conduct forest recovery projects in the identified areas. In addition, money is provided to those agencies responsible for the forests at the local level with the necessary tools and incentives to address forest health problems in pro-active ways.

Furthermore, this legislation requires the Secretary of Agriculture and the Secretary of the Interior to commence a 5-year national program to restore and protect the health of forests located on Federal forest lands. The program includes the following components: Within 1 year of enactment, standards and criteria must be established for designating and assigning priority ranking to forest lands in need of recovery or protection; a requirement that the Secretary to publish in the Federal Register the proposed decisions on lands to be recovered or protected.

The bill also calls for no new forest management plans, but instead enhances existing ones. The bill requires that all forest health plans be carried out in compliance with existing forest plans; sets up an independent Scientific Advisory Panel, consisting of experts in forest management, to evaluate the Advance Recovery Projects which are basically pilot projects in areas of significant recovery or protection need as identified by the Secretary of the Interior and Secretary of Agriculture.

And finally, one of the most important components of this legislation is the inclusion of local citizens and the prioritization that directs more money on the ground. This component allows local citizens to petition the Secretary of the Interior and the Secretary of Agriculture in identifying problems in forests, such as dead and diseased timber; provides more money to the local levels of the agencies responsible for the forests.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1467

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Forest Recovery and Protection Act of 1997".

(b) Table of Contents.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Definitions.
Sec. 4. National Program of Forest Recovery and Protection.
Sec. 5. Scientific Advisory Panel.
Sec. 6. Advance recovery projects.
Sec. 7. Forest Recovery and Protection Fund for National Forest System lands.
Sec. 8. Expansion of purpose of Forest Ecosystems Health and Recovery Fund for BLM lands.
Sec. 9. Effect of failure to comply with time limitations.
Sec. 10. Authorization of appropriations.
Sec. 11. Audit requirements.

SEC. 2. FINDINGS.

Congress finds the following:

(1) There are tradeoffs in values associated with proactive, passive, or delayed forest management, but the values gained by proactive management outweigh the values gained by delayed or passive management of certain Federal forest lands.

(2) Increases in both the number and severity of wildfire, insect infestation, and disease

outbreaks on Federal forest lands are occurring as a result of high tree densities, species composition, and structure that are outside the historic range of variability. These disturbances cause or contribute to significant soil erosion, degradation of air and water quality, loss of watershed values, habitat loss, and damage to other forest resources.

(3) Serious forest health problems occur in all regions of the United States. Management activities to restore and protect forest health are needed in each region and should be designed to address region-specific needs.

(4) Between 35,000,000 and 40,000,000 of the 191,000,000 acres of Federal forest lands managed by the Forest Service are at an unacceptable risk of destruction by catastrophic wildfire. Additional tens of millions of Bureau of Land Management lands are in the same situation. The condition of these forests can pose a significant threat of destruction to human life as well as fish and wildlife habitats, public recreation areas, timber, and other important forest resources.

(5) Restoration of forest health requires active forest management involving a range of management activities, including thinning, salvage, prescribed fire (after appropriate thinning), insect and disease control, riparian and other habitat improvement, soil stabilization and other water quality improvement, and seedling planting and protection.

(6) A comprehensive, nationwide effort is needed to address forest health decline in an organized, timely, and scientific manner. There should be immediate action to improve the areas of Federal forest lands where forest health decline has been thoroughly inventoried and assessed or where serious resource destruction or degradation by natural disturbance is imminent.

(7) Frequent forest inventory and analysis of the status and trends in the conditions of forests and their resources are needed to identify and reverse declining forest health in a timely and effective manner. The present average 12- to 15-year cycle of forest inventory and analysis to comply with existing statutory requirements is too prolonged to provide forest managers with the data necessary to make timely and effective management decisions, particularly decisions responsive to changing forest health conditions.

SEC. 3. DEFINITIONS.

For purposes of this Act:

(1) FEDERAL FOREST LANDS.—The term "Federal forest lands" means—

(A) forested lands created from the public domain that are under the jurisdiction of the Bureau of Land Management; and

(B) forested lands created from the public domain that are within the National Forest System.

(2) SECRETARY CONCERNED.—The term "Secretary concerned" means—

(A) with respect to Federal forest lands described in paragraph (1)(A), the Secretary of the Interior or the Secretary's designee; and

(B) with respect to Federal forest lands described in paragraph (1)(B), the Secretary of Agriculture or the Secretary's designee.

(3) LAND MANAGEMENT PLAN.—The term "land management plan" means—

(A) a land use plan prepared by the Bureau of Land Management pursuant to section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712), or other multiple use plan in effect, for a unit of the Federal forest lands described in paragraph (1)(A); or

(B) a land and resource management plan (or, if no final plan is in effect, a draft land and resource management plan) prepared by the Forest Service pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604) for Federal forest lands described in paragraph (1)(B).

(4) NATIONAL PROGRAM.—The term "national program" means the National Program of Forest Recovery and Protection required by section 4.

(5) SCIENTIFIC ADVISORY PANEL.—The term "Scientific Advisory Panel" means the advisory committee appointed under section 5.

(6) RECOVERY AREA.—The term "recovery area" means an area of Federal forest lands, designated by the Secretary concerned under section 4(c)—

(A) that has experienced disturbances from wildfires, insect infestations, wind, flood, or other causes, which have caused or contributed to significant soil erosion, degradation of water quality, loss of watershed values, habitat loss, or damage to other forest resources of the area; or

(B) in which the forest structure, function, or composition has been altered so as to increase substantially the likelihood of wildfire, insect infestation, or disease in the area and the consequent risks of damage to soils, water quality, watershed values, habitat, and other forest resources from wildfire, insect infestation, or disease.

(7) RECOVERY PROJECT.—The terms "recovery project" and "forest health recovery project" mean a project designed by the Secretary concerned to improve, preserve, or protect the soils, water quality, watershed values, habitat, and other forest resources within a designated recovery area, including stand thinning, salvage, and other harvesting activities, as well as activities in which the cutting of trees is not primarily featured, such as prescribed burning (after appropriate thinning), insect and disease control, riparian and other habitat improvement, soil stabilization and other water quality improvement, and seedling planting and protection.

(8) IMPLEMENTATION DATE.—The term "implementation date" means the first day of the first month beginning after the end of the 18-month period beginning on the date of enactment of this Act. However, if the implementation date would occur within 6 months before August 31 of the same fiscal year in which the implementation date would occur, the Secretary concerned may deem that August 31 to be the implementation date.

(9) FUND.—The terms "Fund" and "affected Fund" mean—

(A) with respect to implementation of the national program on Federal forest lands described in paragraph (1)(A), the revolving fund established under the heading "(REVOLVING FUND, SPECIAL ACCOUNT)" under the heading "FOREST ECOSYSTEMS HEALTH AND RECOVERY" under the heading "BUREAU OF LAND MANAGEMENT" in title I of the Department of the Interior and Related Agencies Appropriations Act, 1993 (Public Law 102–381; 106 Stat. 1376; 43 U.S.C. 1736a); and

(B) with respect to implementation of the national program on Federal forest lands described in paragraph (1)(B), the Forest Recovery and Protection Fund established under section 7.

SEC. 4. NATIONAL PROGRAM OF FOREST RECOVERY AND PROTECTION.

(a) NATIONAL PROGRAM REQUIRED.—Not later than the implementation date, the Secretary concerned shall commence a national program to restore and protect the health of forests located on Federal forest lands in the United States through the performance of recovery projects in designated recovery areas.

(b) STANDARDS AND CRITERIA.—

(1) INITIAL PUBLICATION.—Not later than the implementation date, the Secretary concerned shall publish in the Federal Register the standards and criteria to be used for the designation of, and the assignment of management priority rankings to, recovery areas. In establishing the standards and criteria, the Secretary concerned shall consider the standards and criteria recommended by the Scientific Advisory Panel under section 5. The Secretary concerned shall include in the Federal Register entry required by this paragraph an explanation of any significant differences between the recommendations of the Scientific Advisory Panel and the standards and criteria actually established by the Secretary concerned.

(2) MODIFICATION.—The Secretary concerned may modify the standards and criteria established pursuant to paragraph (1). Any such modification shall also be published in the Federal Register.

(c) ANNUAL NATIONAL PROGRAM DECISION.—

(1) DECISION REQUIRED.—To carry out the national program, the Secretary concerned shall render a decision for each fiscal year during the period of the national program regarding the designation and ranking of recovery areas and the selection of recovery projects for inclusion in the national program. In rendering the decision, the Secretary concerned shall comply with the requirements of subsections (d) and (e).

(2) PROPOSED DECISION.—For each fiscal year during the period of the national program, the Secretary concerned shall publish in the Federal Register a proposed decision regarding the designation and ranking of recovery areas and the selection of recovery projects. The proposed decision shall be published not later than the following:

(A) In the case of the initial proposal, the implementation date.

(B) In the case of each subsequent proposed decision, August 31 of each fiscal year after the fiscal year in which the implementation date occurs.

(3) FINAL DECISION.—Not later than 120 days after the date on which the proposed decision of the Secretary concerned is published for a fiscal year under paragraph (2), the Secretary concerned shall publish in the Federal Register the final decision of the Secretary concerned for that fiscal year regarding the designation and ranking of recovery areas and the selection of recovery projects (including the determinations required under subsection (e)(3)).

(d) REQUIREMENTS FOR AREA DESIGNATION AND RANKING.—In making the annual decision required by subsection (c), the Secretary concerned shall, in accordance with the standards and criteria established and in effect under subsection (b)—

(1) determine the total acreage requiring treatment under the national program during the fiscal year;

(2) identify recovery areas within which recovery projects would be appropriate; and

(3) rank the recovery areas for the purpose of determining the order in which the recovery areas will receive recovery projects.

(e) REQUIREMENTS FOR RECOVERY PROJECT SELECTION.—

(1) COMPLIANCE WITH LAND MANAGEMENT PLANS.—In making the annual decision required by subsection (c), the Secretary concerned shall ensure that each recovery project selected is consistent with the land management plan applicable to the recovery area within which the project will occur.

(2) CONSIDERATION OF ECONOMIC BENEFITS.—In the selection of forest health recovery projects, the Secretary concerned shall consider the economic benefits to be provided to

local communities as a result of the forest health recovery projects, but only to the extent that such considerations are consistent with the standards and criteria for recovery areas established and in effect under subsection (b) and the priorities for ranking recovery areas under subsection (d)(3).

(3) TREATMENT ACREAGE AND COSTS.—As part of the selection of each forest project, the Secretary concerned shall determine the total acreage requiring treatment and the estimated costs for preparation and implementation of the project.

(4) TOTAL ACREAGE.—The total acreage included in recovery projects selected for a fiscal year under the national program shall not be less than the total acreage determined by the Secretary concerned under paragraphs (2) and (3) of subsection (c).

(5) PROHIBITED PROJECT LOCATIONS.—The Secretary concerned may not select or implement a recovery project under the authority of this Act in any unit of the National Wilderness Preservation System, any roadless area on Federal forest lands designated by Congress for study for possible inclusion in such System, or any other area in which the implementation of recovery projects is prohibited by law, a court order, or the applicable land management plan.

(f) PETITION PROCESS.—

(1) REQUEST FOR DESIGNATION.—Not later than May 31 of each fiscal year after the fiscal year in which the implementation date occurs, any interested person may petition the Secretary concerned to designate a specific area of the Federal forest lands of at least 1,000 acres in size as a recovery area.

(2) CONTENT.—The petition shall contain a reasonably precise description of the boundaries of the area included in the petition and the reasons why the petitioner believes the area meets the standards and criteria, established pursuant to subsection (b), required for designation as a recovery area.

(3) DETERMINATION.—If the Secretary concerned determines that an area described in a petition under this subsection warrants designation as a recovery area, the Secretary concerned shall include the area in the proposed and final decisions issued under paragraphs (2) and (3) of subsection (c). If the Secretary concerned determines that the area does not warrant designation as a recovery area, the Secretary concerned shall provide the reasons therefor in the same Federal Register entry containing the proposed or final decision under such subsection.

(g) ANNUAL REPORT TO CONGRESS.—

(1) REPORT REQUIRED.—Not later than the implementation date, and each August 31 thereafter, the Secretary concerned shall submit to Congress a report on the proposed decision regarding the designation and ranking of recovery areas and the selection of recovery projects to be published pursuant to subsection (c)(2).

(2) REPORT CONTENTS.—Each report required by paragraph (1) shall include the following:

(A) The reasons for each proposed designation of a recovery area and each proposed selection of a recovery project.

(B) The total acreage requiring treatment nationally during the fiscal year and the acreage proposed to be treated during that fiscal year by each proposed recovery project.

(C) The estimated preparation and implementation costs of each proposed recovery project.

(3) ADDITIONAL REQUIREMENTS.—After the initial report required by paragraph (1), each subsequent report shall also include the following:

(A) A description of the improvements to forest health achieved by each completed recovery project.

(B) An explanation of why any proposed recovery projects covered by the previous report were not begun, undertaken, or completed as scheduled.

(C) A comparison of projected and actual preparation and implementation costs for each completed recovery project.

(D) A description of the economic benefits to local communities achieved by each completed recovery project.

(4) NOTICE OF AVAILABILITY.—The Federal Register entry required for each fiscal year under subsection (c)(2) shall contain a notice of availability of the most recent report to Congress required by this subsection.

(h) EXCEPTIONS TO AGENCY ACTION.—The following do not constitute agency action for purposes of implementing or carrying out the provisions of this Act:

(1) The establishment and publication in the Federal Register of standards and criteria to be used for the designation and ranking of recovery areas under subsection (b).

(2) The proposed decision of the Secretary to designate and rank recovery areas and to select recovery projects under subsection (c) and the publication of such proposed decision in the Federal Register.

(3) The preparation and submission of the annual report to Congress under subsection (g).

(i) RULEMAKING.—To ensure commencement of the national program by the implementation date, the Secretary concerned shall promulgate rules governing operation of the national program by that date. The rules shall address the development of procedures that, within the discretion provided by other laws, would permit the Secretary concerned to make the final decision on the designation and ranking of recovery areas and the selection of recovery projects within the 120-day period required by subsection (c)(3).

SEC. 5. SCIENTIFIC ADVISORY PANEL.

(a) ESTABLISHMENT.—There is established a panel of scientific advisers to the Secretary of Agriculture and the Secretary of the Interior to be known as the "Scientific Advisory Panel".

(b) MEMBERSHIP.—The Scientific Advisory Panel shall consist of the following members:

(1) 2 members, consisting of 1 scientist specializing in natural resources and 1 State forester (or an individual with similar management or supervisory experience), appointed jointly by the Chairman of the Committee on Agriculture and the Chairman of the Committee on Resources of the House of Representatives, in consultation with their respective ranking Minority Members.

(2) 2 members, consisting of 1 scientist specializing in natural resources and 1 State forester (or an individual with similar management or supervisory experience), appointed jointly by the Chairman of the Committee on Agriculture, Nutrition, and Forestry and the Chairman of the Committee on Energy and Natural Resources of the Senate, in consultation with their respective ranking Minority Members.

(3) 2 members, consisting of 1 scientist specializing in natural resources and 1 State forester (or an individual with similar management or supervisory experience), appointed by the Secretary of Agriculture.

(4) 2 members, consisting of 1 scientist specializing in natural resources and 1 State forester (or individual with similar management or supervisory experience), appointed by the Secretary of the Interior.

(5) 1 member, consisting of a scientist specializing in natural resources, appointed by the National Academy of Sciences.

(c) APPOINTMENT.—

(1) TIME FOR APPOINTMENT.—Appointments shall be made within 90 days after the date of the enactment of this Act. Appointments shall be published in the Federal Register.

(2) TERM.—A member of the Scientific Advisory Panel shall be appointed for a term beginning on the date of the appointment and ending on the implementation date. A vacancy on the Scientific Advisory Panel shall be filled within 90 days in the manner in which the original appointment was made.

(d) QUALIFICATIONS.—

(1) NATURAL RESOURCE SCIENTISTS.—Scientists who are appointed as members of the Scientific Advisory Panel shall be required to have expertise in, and experience with, matters related to forest health, taking into account their breadth of knowledge in the natural sciences as such sciences relate to Federal forest lands and their familiarity with specific issues regarding Federal forest lands likely to be designated as recovery areas.

(2) OTHER MEMBERS.—State foresters (or individuals with similar management or supervisory experience) who are appointed as members of the Scientific Advisory Panel shall be required to have expertise with, and experience in, matters relating to forest management, taking into account their breadth of knowledge in management science and their familiarity with specific issues regarding Federal forest lands likely to be designated as recovery areas.

(e) CHAIRPERSON; INITIAL MEETING.—The Scientific Advisory Panel shall conduct its initial meeting as soon as possible after the first 4 members of the Panel are appointed. At the initial meeting, the members of the Scientific Advisory Panel shall select 1 member to serve as chairperson.

(f) DUTIES IN CONNECTION WITH IMPLEMENTATION.—During the period beginning on the initial meeting of the Scientific Advisory Panel and ending on the implementation date, the Scientific Advisory Panel shall be responsible for the following:

(1) The preparation and submission to the Secretary concerned and the Congress of recommendations regarding the standards and criteria that should be used to designate recovery areas.

(2) The preparation and submission to the Secretary concerned and the Congress of recommendations regarding the ranking of recovery areas in the order in which the areas should host recovery projects.

(3) The preparation of and submission to the Secretary concerned and the Congress of a monitoring plan for the national program of sufficient duration to determine the long-term impacts of the national program.

(g) CONSIDERATIONS.—In the development of its recommendations under subsection (f), the Scientific Advisory Panel shall consider—

(1) the most current scientific literature regarding the duties undertaken by the Panel; and

(2) information gathered during the implementation of the advance recovery projects required under section 6.

(h) ALLOCATION OF FOREST SERVICE AND BUREAU OF LAND MANAGEMENT PERSONNEL.—The Forest Service and the Bureau of Land Management shall allocate administrative support staff to the Scientific Advisory

Panel to assist the Panel in the performance of its duties as outlined in this section.

(i) Federal Advisory Committee Act Compliance.—The Scientific Advisory Panel shall be subject to sections 10 through 14 of the Federal Advisory Committee Act (5 U.S.C. App.).

SEC. 6. ADVANCE RECOVERY PROJECTS.

(a) Selection of Advance Projects.—During the 18-month period beginning on the date of enactment of this Act, the Secretary concerned shall conduct a limited number (as determined by the Secretary concerned) of advance recovery projects on Federal forest lands. Subject to the approval of the Secretary concerned, advance recovery projects shall be selected by—

(1) regional foresters of the Forest Service, in consultation with State foresters of the States in which the projects will be conducted, with respect to recovery projects on Federal forest lands described in section 3(1)(B); and

(2) State directors of the Bureau of Land Management, in consultation with State foresters of the States in which the projects will be conducted, with respect to recovery projects on Federal forest lands described in section 3(1)(A).

(b) Selection Criteria.—To be eligible for selection as an advance recovery project, a proposed project shall be required to satisfy the requirements of section 4(e) for recovery projects conducted under the national program. Priority shall be given to those Federal forest lands—

(1) that pose a significant risk of loss to human life and property or serious resource degradation or destruction due to wildfire, disease epidemic, or severe insect infestation; or

(2) for which thorough forest health assessments and inventories have been completed, including Federal forest lands in the Pacific Northwest, the Interior Columbia Basin, the Sierra Nevada, the Southern Appalachian Region, and the Northern Forests of Maine, Vermont, New Hampshire, and New York.

(c) Time Periods for Selection, Implementation, and Completion.—Final selection of advance recovery projects shall be completed within the 90-day period beginning on the date of enactment of this Act, and the Secretary concerned shall publish the list of selected advance recovery projects in the Federal Register by the end of that period. An advance recovery project shall be initiated (if the project is to be conducted by Federal employees) or awarded (if the project is to be conducted by an outside party) within 180 days after the date of enactment of this Act.

(d) Reporting Requirements.—Not later than the implementation date, and annually thereafter until completion of all advance recovery projects, the Secretary concerned shall submit to Congress a report on the implementation of advance recovery projects. The report shall consist of a description of the accomplishments of each advance recovery project and incorporate the requirements under paragraphs (2) and (3) of section 4(g).

(e) Rulemaking.—No new rulemaking is required in order for the Secretary concerned to carry out this section.

SEC. 7. FOREST RECOVERY AND PROTECTION FUND FOR NATIONAL FOREST SYSTEM LANDS.

(a) Establishment.—There is established on the books of the Treasury a revolving fund to be known as the "Forest Recovery and Protection Fund". The Chief of the Forest Service shall be responsible for administering the Fund.

(b) Credits to Fund.—There shall be credited to the Fund the following:

(1) Amounts authorized for and appropriated to the Fund.

(2) Unobligated amounts in the roads and trails fund provided for in the fourteenth paragraph under the heading "FOREST SERVICE." of the Act of March 4, 1913 (37 Stat. 843, chapter 145; 16 U.S.C. 501) as of the date of enactment of this Act, and all amounts that would otherwise be deposited in such fund after such date.

(3) A 1-time transfer of $50,000,000 from amounts appropriated for fire operations under the heading "WILDLAND FIRE MANAGEMENT" under the heading "Bureau of Land Management" in title I of the Department of the Interior and Related Agencies Appropriations Act, 1998.

(4) Subject to subsection (e), revenues generated by recovery projects undertaken pursuant to sections 4 and 6.

(5) Amounts required to be deposited in the Fund under section 9.

(c) Use of Fund.—During the time period specified in section 10(a), amounts in the Fund shall be available to the Chief of the Forest Service, without further appropriation, to carry out the national program, to plan, carry out, and administer recovery projects under sections 4 and 6, and to administer the Scientific Advisory Panel.

(d) Limitation on Overhead Expenses.—Overhead expenses for a fiscal year for administration of the national program, including the cost of preparation of reports required by this Act and administration of the Fund, shall not exceed 12 percent of the amounts made available from the Fund for that fiscal year. In addition, not more than $1,000,000 may be expended from the Fund to finance the operation of the Scientific Advisory Panel.

(e) Treatment of Revenues as Moneys Received.—Revenues generated by recovery projects undertaken pursuant to sections 4 and 6 shall be considered to be money received for purposes of the sixth paragraph under the heading "FOREST SERVICE." in the Act of May 23, 1908 (35 Stat. 260, chapter 192; 16 U.S.C. 500), and section 13 of the Act of March 1, 1911 (commonly known as the "Weeks Act") (36 Stat. 963, chapter 186; 16 U.S.C. 500).

(f) Conforming Amendment.—The fourteenth paragraph under the heading "FOREST SERVICE." of the Act of March 4, 1913 (37 Stat. 843, chapter 145; 16 U.S.C. 501), is amended by adding at the end the following: "During the term of the Forest Recovery and Protection Fund, as established by section 7 of the Forest Recovery and Protection Act of 1997, amounts reserved under the authority of this paragraph shall be deposited into that Fund.".

SEC. 8. EXPANSION OF PURPOSE OF FOREST ECOSYSTEMS HEALTH AND RECOVERY FUND FOR BLM LANDS.

The first paragraph under the heading "(REVOLVING FUND, SPECIAL ACCOUNTS)" under the heading "FOREST ECOSYSTEMS HEALTH AND RECOVERY" under the heading "Bureau of Land Management" in title I of the Department of the Interior and Related Agencies Appropriations Act, 1993 (Public Law 102–381; 106 Stat. 1376; 43 U.S.C. 1736a), is amended by adding at the end the following: "During the term of the National Program of Forest Recovery and Protection established by the Forest Recovery and Protection Act of 1997, unobligated amounts in the fund shall be available to carry out the national program and to plan, carry out, and administer recovery projects under sections 4 and 6 of that Act.".

SEC. 9. EFFECT OF FAILURE TO COMPLY WITH TIME LIMITATIONS.

(a) National Program.—If the final selection of a recovery project under the national program is not made within the time period specified in section 4(c)(3), the Secretary concerned may not use amounts in the affected Fund to carry out the project and shall promptly reimburse the affected Fund for any expenditures previously made from that Fund in connection with the project.

(b) Advance Recovery Projects.—In the case of an advance recovery project under section 6, if the project is not selected, implemented, and completed within the time periods specified in subsection (c) of that section, the Secretary concerned may not use amounts in the affected Fund to carry out the project and shall promptly reimburse the affected Fund for any expenditures previously made from that Fund in connection with the project.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

(a) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act for fiscal year 1998 and each fiscal year thereafter through the fifth full fiscal year following the implementation date.

(b) Deposit in Fund.—All sums appropriated pursuant to this section for implementation of the national program on Federal forest lands described in section 3(1)(B) shall be deposited in the Forest Recovery and Protection Fund established under section 7. All sums appropriated pursuant to this section for implementation of the national program on Federal forest lands described in section 3(1)(A) shall be deposited in the revolving fund established under the heading "(REVOLVING FUND, SPECIAL ACCOUNTS)" under the heading "FOREST ECOSYSTEMS HEALTH AND RECOVERY" under the heading "Bureau of Land Management" in title I of the Department of the Interior and Related Agencies Appropriations Act, 1993 (Public Law 102–381; 106 Stat. 1376; 43 U.S.C. 1736a).

(c) Effect on Existing Projects.—Any contract regarding a recovery project entered into before the end of the final fiscal year specified in subsection (a), and still in effect at the end of such fiscal year, shall remain in effect until completed pursuant to the terms of the contract.

SEC. 11. AUDIT REQUIREMENTS.

(a) Audit Required.—The Comptroller General shall conduct an audit of the national program at the end of the fourth-full fiscal year of the national program and submit such audit to the Congress by June 1 of the next fiscal year.

(b) Elements.—The audit shall include an analysis of—

(1) whether the program was carried out in a manner consistent with the provisions of this Act;

(2) the impact on the development and implementation of the national program of the advance recovery projects conducted under section 6;

(3) the extent to which the recommendations of the Scientific Advisory Panel were used to develop and implement the national program;

(4) the current and projected future financial status of each Fund; and

(5) the cost savings and efficiencies achieved under the national program.

By Mr. BINGAMAN:

S. 1468. A bill to provide for the conveyance of one (1) acre of land from

Santa Fe National Forest to the Village of Jemez Springs, New Mexico, as the site of a fire sub-station; to the Committee on Energy and Natural Resources.

S. 1469. A bill to provide for the expansion of the historic community of El Rito, New Mexico, through the special designation of five acres of Carson National Forest adjacent to the cemetery; to the Committee on Energy and Natural Resources.

JEMEZ SPRINGS FIRE SUB-STATION AND EL RITO CEMETERY LEGISLATION

Mr. BINGAMAN. Mr. President, I rise today to introduce two bills that would have a significant impact on two communities within northern New Mexico. The villages of Jemez Springs, and El Rito, NM, are small communities that are completely surrounded by Forest Service land. Despite the fact that their populations are not growing rapidly, they do have some specific land needs; some of which are actually caused by their proximity to national forest land.

For example, on any given weekend, the Jemez National Recreation Area, within the Santa Fe National Forest will have over 50,000 visitors. Village of Jemez Springs is the only community wholly within the Jemez National Recreation Area. As such, this community of 460 people is often called upon for assistance with emergencies within the national forest. In fact, over 90 percent of the village's fire responses, emergency rescues, and ambulance calls are outside the town limits, placing enormous strain on the village's resources. To help address this problem, in 1996, the State of New Mexico provided funds to Jemez Springs to build a fire substation which would house three emergency vehicles. However, Jemez Springs does not have a suitable location for this facility, nor does the village have the tax base available to buy land for it.

Mr. President, what this first bill would do is to acknowledge the services that the Santa Fe National Forest currently receives from the village of Jemez Springs, and the additional benefit that a fire substation would provide to visitors to the forest. In recognition of these benefits, my bill would transfer one acre of land to Jemez Springs for use as the site of a fire substation.

Mr. President, my second bill concerns the venerable customs and religious practices of the people of El Rito, NM. El Rito is a community of a little over 2,000 people nestled within the Carson National Forest in New Mexico. It is a community that has existed for hundreds of years, that is now running out of space. Specifically the El Rito cemetery, where people have buried their dead for generations, is full. As a result, the residents of El Rito must now obtain special permission from the Forest Service in order to bury their family members on Forest Service land that is adjacent to their cemetery. This situation has created what can only be described as an unbecoming bureaucratic burden upon families just at the time that they are grieving.

To solve this problem, my first thought was to transfer a small portion of land from the Forest Service to El Rito for their cemetery. However despite its age, the community of El Rito is not an incorporated town so the Forest Service would not have a legal public entity to transfer the land to. In order to solve this problem, my bill does not transfer the land, but rather it recognizes the historic nature of this cemetery, and designates five acres of adjacent Forest Service land as special use land for expansion of that cemetery. This will remove the need for the residents of El Rito to obtain a special use permit each time someone dies.

Mr. President, I think all of the New Mexico delegation realizes that both of the problems addressed by these bills need to be resolved. In fact, the House has passed a bill concerning these two issues which was originally sponsored by former Representative Richardson, and is currently sponsored by Representative REDMOND. However in response to concerns raised by the Forest Service, the bill as passed by the House would require these small communities to either exchange land of equal value or pay for these lands. Mr. President I think the reality here is that being surrounded by Forest Service land, that it will be next to impossible for these communities to find land of equal value to exchange. These communities also do not have the financial resources for outright purchases of property.

I believe that the way my two bills are written can meet the concerns of the Forest Service and still resolve the underlying problems these communities are facing. I am committed to working with other Members of the delegation to move this legislation as quickly as possible.

Mr. President I ask unanimous consent that these two bills be entered into the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 1468

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

(a) The Village of Jemez Springs, New Mexico, (Jemez Springs) is an incorporated town under the laws of the State of New Mexico, and is completely surrounded the Jemez National Recreation Area within the Santa Fe National Forest;

(b) Jemez Springs is a small community of approximately 460 residents, however given it's location within the Jemez National Recreation Area, as many as 30,000 people will pass through this town on any given day;

(c) The large size of the tourist crowds within the surrounding national recreation area create a strain on Jemez Springs' emergency response capabilities. Over ninety (90) percent of the ambulance, fire, and emergency rescue calls are outside of the town limits.

(d) The State of New Mexico has appropriated funds for Jemez Springs to build a fire sub-station to handle the increase in emergency response needs, however, the town does not have suitable land upon which to build the sub-station.

SEC. 2 LAND CONVEYANCE, SANTA FE NATIONAL FOREST, NEW MEXICO

(a) CONVEYANCE.—The Secretary of Agriculture shall convey, to Jemez Springs all right, title, and interest of the United States in and to a parcel of real property, together with any improvements thereon, consisting of approximately one acre located in the Santa Fe National Forest in the State of New Mexico. The emergency services provided by Jemez Springs to the visitors of the Santa Fe National Recreation Area shall be deemed adequate consideration to the United States for the purposes of this conveyance.

(b) CONDITION OF CONVEYANCE.—The conveyance under subsection (a) shall be subject to the condition that Jemez Springs agrees to use the real property for the purpose of constructing and operating a fire sub-station for Jemez Springs.

(c) REVERSIONARY INTEREST.—If the Secretary determines that the real property conveyed under subsection (a) is not being used in accordance with the condition in subsection (b), all right, title, and interest in and to the property shall revert to the United States, and the United States shall have immediate right of entry thereon.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by Jemez Springs.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

S. 1469

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. Findings.

(a) The village of El Rito, New Mexico, (El Rito) is a small community of approximately 2,500 residents, completely surrounded by the Carson National Forest in New Mexico.

(b) The historic community cemetery of El Rito is adjacent to the lands of the Carson National Forest in New Mexico. After generations of use, there is no more available space left in the cemetery and the community members are required to get special use permits to bury their deceased on Forest Service land.

(c) The requirement for special use permits creates an undue bureaucratic requirement upon families within the El Rito community when they are suffering from grief.

Sec. 2. Designation of Lands.

The Secretary of Agriculture, acting through the United States Department of Agriculture Forest Service shall designate five acres of land in the Carson National Forest adjacent to the historic El Rito cemetery as special use land for use as cemetery land for members of the El Rito community to bury their deceased.

By Mr. GRAHAM:

S. 1471. A bill to prohibit the Secretary of Health and Human Services from treating any Medicaid-related funds recovered as part of State litigation from one or more tobacco companies as an overpayment under the Medicaid Program; to the Committee on Finance.

MEDICAID LEGISLATION

Mr. GRAHAM. Mr. President, I rise for the purpose of introducing legislation which has been necessitated by a relatively arcane provision in the Social Security Act. That provision, Mr. President, is section 1903(d)3 which states that "the pro-rata share to which the United States is equitably entitled" as determined by the secretary—this would be the Secretary of HHS—"of the net amount recovered during any quarter by a State or any political subdivision thereof with respect to medical assistance furnished under the State plan shall be considered an overpayment to be adjusted under this subsection."

Under that provision, Mr. President, the Health Care Financing Administration has sent a letter to the States stating that they will now be responsible for providing to the Federal Government through an offset against their otherwise entitled funds under Medicaid, the health financing program for the poor, that portion of any recovery that they have made under a tobacco settlement that would be attributable to the Federal Government's share of previous payments for those Medicaid beneficiaries who had been deemed to have suffered a disease or illness related to tobacco.

The letter states, Mr. President, that "under current law," the law that I have just read, "tobacco settlement recoveries must be treated like any other Medicaid recoveries."

Mr. President, this is a situation which cries out for congressional attention. In the past, that section that I read had been interpreted to apply to those cases where there had been a billing error, where some Medicaid provider had overstated their reimbursement, the State had taken action to reduce that request for payment and had received funds from the provider that had been inappropriately paid in a previous account. This will be the first time that this section of the law is being used to really go to policy questions, and that is, what is the Federal Government's share of these tobacco settlements which have been negotiated by the States?

I believe that the reasons that Congress should take action on this are several. First, this is a policy issue and should not be settled at a bureaucratic level, applying a statute that was written to deal with much different, much less policy-oriented issues as the question of the State and Federal share of State-initiated tobacco settlements.

I will read, Mr. President, from a letter dated November 7 to the President and signed by nine of our Nation's Governors in which they state:

> The issue of control of the settlement funds will be difficult to resolve, and clearly a discussion of the distribution of hundreds of billions of dollars demands congressional involvement. Unfortunately, it appears that the Health Care Financing Administration is not prepared to wait for Congress to act.

Then the letter goes on to recount the fact that on November 3 the Health Care Financing Administration contacted the State Medicaid directors to begin the process of collecting what it, the Health Care Financing Administration, perceives to be the Federal portion of settlement funds attributable to Medicaid.

Second, the reality is that the Federal Government has known about these suits initiated by the States since their pendency. In the case of the State of Florida, that means approximately 4 years. But the Federal Government has been passive. It did not ask or respond to requests to be listed as a coplaintiff and therefore be actively involved in litigation. It has provided none of the financing of the litigation, which in some cases has amounted to tens of millions of dollars, and yet now after a successful recovery, it wants to insert itself through this provision, that was designed to deal with reimbursements of minor amounts, to collect major amounts under these tobacco settlements.

Finally, the Federal Government is not restricted from initiating its own effort to collect what funds it thinks it is due from the tobacco settlements. If the Federal Government feels—whether it is Medicare; programs under CHAMPUS, the health care for military personnel and their dependents; the Veterans Administration; or any other program in which the Federal Government is paying all or a substantial portion of health care costs—if the Federal Government feels that it has a legitimate case for recovery, it ought to do the same thing that the States have done, and that is initiate direct action toward such a recovery. But it is unseemly for the Federal Government to now be coming in after the fact and trying to collect on the good efforts that the States have taken.

I have met with representatives of the White House and will continue to meet to determine if it is felt that specific legislation might be required in order to give the Federal Government the potential to recover those funds that the national taxpayers have paid which they should not have paid because they were due to illnesses or disease occasioned by the use of tobacco. I suggest that the representatives of the White House look closely at State legislation such as that which was passed in Florida, upon which Florida's successful settlement was predicated.

Mr. President, I will be sending to the desk legislation which will state that the provision that I cited and other provisions analogous to it shall not apply to any amount recovered or paid to a State as part of a settlement or judgment reached in litigation initiated or pursued by a State against one or more manufactures of tobacco products. This would clearly state that as a matter of congressional policy it was not our intention that that arcane accounting provision should be applied to a major policy issue such as the allocation of funds between the Federal Government and the States that were recovered as a result of State-initiated litigation against a tobacco company.

Rather, that is an issue which should be resolved by the policymakers before the Federal Government; that is, the United States Congress, in appropriate consultation with the President.

So, Mr. President, I send this legislation to the desk and ask for its immediate referral.

The PRESIDING OFFICER. The bill will be received and referred to the appropriate committee.

Mr. GRAHAM. I ask unanimous consent to have printed in the RECORD those documents which I referred to during my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HEALTH CARE
FINANCING ADMINISTRATION,
Baltimore, MD, November 3, 1997.

DEAR STATE MEDICAID DIRECTOR: A number of States have settled suits against one or more tobacco companies to recoup costs incurred in treating tobacco-related illnesses. This letter describes the proper accounting and reporting for Federal Medicaid purposes of amounts received from such settlements that are subject to Section 1903(d) of the Social Security Act.

As described in the statute, States must allocate from the amount of any Medicaid-related expenditure recovery "the pro-rata share to which the United States (Federal government) is equitably entitled." As with any recovery related to a Medicaid expenditure, payments received should be reported on the Quarterly Statement of Expenditures for the Medicaid Assistance Program (HCFA-64) for the quarter in which they are received. Specifically, these receipts should be reported on the Form HCFA–64 Summary Sheet, Line 9E. This line is reserved for special collections. The Federal share should be calculated using the current Federal Medicaid Assistance Percentage. Please note that settlement payments represent a credit applicable to the Medicaid program whether or not the monies are received directly by the State Medicaid agency. States that have previously reported receipts from tobacco litigation settlements must continue to report settlement payments as they are received.

State administrative costs incurred in pursuit of Medicaid cost recoveries from tobacco firms qualify for the normal 50 percent Federal financial participation (FFP). They should be reported on the Form HCFA–64.10, Line 14 (Other Financial Participation).

Only Medicaid-related expenditure recoveries are subject to the Federal share requirement. To the extent that some non-Medicaid expenditures and/or recoveries were also included in the underlying lawsuits, HCFA will accept a justifiable allocation reflecting the Medicaid portion of the recovery, as long as the State provides necessary documentation to support a proposed allocation.

Under current law, tobacco settlement recoveries must be treated like any other Medicaid recoveries. We recognize that Congress will consider the treatment of tobacco settlements in the context of any comprehensive tobacco legislation next year. Given the States' role in initiating tobacco lawsuits and in financing Medicaid programs, States will, of course, have an important voice in the development of such legislation, including the allocation of any resulting revenues. The Administration will work closely with States during this legislative process as these issues are decided.

If you would like to discuss the appropriate reporting of recoveries with HCFA, please call David McNally of my staff at (410) 786–3292 to arrange for a meeting or conversation. We look forward to providing any assistance needed in meeting a State's Medicaid obligation.

Sincerely,

SALLY K. RICHARDSON,
Director, Center for Medicaid and State Operations.

NATIONAL GOVERNORS ASSOCIATION,
Washington, DC, November 7, 1997.

THE PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: When Congress reconvenes in January, one of its most important priorities will be the development of national tobacco settlement legislation. The nation's Governors look forward to working with you and with members of Congress to ensure that a final, comprehensive solution is found to the dozens of state lawsuits pending against the tobacco industry. The very fact that a solution is in reach is because of the hard work and leadership of Governors and the state attorneys general on behalf of the states.

An important component of the legislative debate will be the issue of control of tobacco settlement funds. The Governors attach the highest priority to clarifying that settlement funds negotiated by the states to settle state lawsuits must go to the states. Any efforts by the federal government to seek to recoup federal costs must be separate and distinct. Enclosed is a copy of the settlement funds policy we, the Executive Committee of the National Governors' Association, adopted last month.

This issue of control of the settlement funds will be difficult to resolve, and clearly a discussion of the distribution of hundreds of billions of dollars demands congressional involvement. Unfortunately, it appears that the Health Care Financing Administration (HCFA) is not prepared to wait for Congress to act.

On November 3rd, HCFA contacted state Medicaid directors to begin the process of collecting what it perceives to be the federal portion of settlement funds attributable to Medicaid. Although in its letter HCFA mentions the importance of the congressional process, it effectively preempts that process by beginning to collect funds from those states that have already settled their individual lawsuits.

The Governors believe that no action should be taken by HCFA to withhold state Medicaid reimbursement prior to congressional development of settlement legislation. Further, the Governors will strongly support clarification in that legislative package that tobacco settlement funds are not subject to federal recoupment. Recoupment is more appropriate for addressing billing errors than for inserting a federal claim into the multibillion-dollar, state-driven tobacco settlement. Accordingly, the Governors are supporting legislation developed by Senator Bob Graham clarifying that funds made available to the states through individual state tobacco settlements or a national settlement are not subject to federal recoupment.

We appreciate your consideration of our concerns. If we can provide you with any additional background information, please do not hesitate to let us know.

Sincerely,

George V. Voinovich, Governor of Ohio; David M. Beasley, Governor of South Carolina; Howard Dean, M.D., Governor of Vermont; Bob Miller, Governor of Nevada; Tommy G. Thompson, Governor of Wisconsin; Thomas R. Carper, Governor of Delaware; Lawton Chiles, Governor of Florida; Michael O. Leavitt, Governor of Utah; Roy Romer, Governor of Colorado.

By Ms. MOSELEY-BRAUN (for herself and Mr. KENNEDY):

S. 1472. A bill to amend the Internal Revenue Code of 1986 to provide a tax credit for public elementary and secondary school construction, and for other purposes; to the Committee on Finance.

THE SCHOOL REPAIR AND CONSTRUCTION ACT OF 1997

Ms. MOSELEY-BRAUN. Mr. President, today I am pleased to introduce the School Repair and Construction Act of 1997. This bill would help States and school districts rebuild our crumbling schools by providing tax credits to developers and builders who build new schools or renovate crumbling schools at below-market rates.

Under this proposal, the Treasury would allocate pools of tax credits to States. States would allocate the credits to school districts. School districts would be able to give these tax credits to developers and builders to cover a portion of the cost of their school repair, renovation, modernization, and construction projects. By allocating tax credits in this manner, the bill would reduce the cost to school districts of school improvement projects by up to 30 percent.

The School Repair and Construction Act of 1997 creates a mechanism for paying for this proposal that is contingent upon our future economic prosperity. If actual revenue into the Federal Treasury exceeds the revenue projections, a portion of those excess revenues would be deposited in a School Infrastructure Improvement Trust Fund. The money in this Trust Fund—up to $1 billion per year—would be available for disbursement to States in the form of the allocable tax credits.

Earlier this year, the Congress enacted broad tax legislation designed to generate wealth and spur economic growth and prosperity. If we are right and that promise comes true, our children ought to benefit from our prosperity. The legislation I am introducing today will guarantee that these revenues are used to rebuild and modernize our schools so they can serve all our children into the 21st century.

According to the U.S. General Accounting Office, 14 million children attend schools in such poor condition they need major renovations or should be replaced outright; 12 million children attend schools with leaky roofs; and 7 million children attend schools with life-threatening safety-code violations. These conditions exist in every type of American community. Thirty-eight percent of urban schools, 30 percent of rural schools, and 29 percent of suburban schools are falling down around our children. According to the GAO, it will cost $112 billion just to bring schools up to good, overall condition.

The $112 billion price tag does not include the cost of upgrading schools for technology, the cost of upgrading electrical systems and installing outlets in classrooms that were built decades ago. The FCC recently issued a landmark ruling that will give millions of children access to modern computer and communications technology. Too many children, however, will be unable to take advantage of this opportunity, because their schools lack the basic infrastructure necessary to allow their teachers to plug computers into the classroom walls. According to the GAO, 15 million children attend schools that lack enough electrical power to fully use computers and communications technology. Almost 50 percent of schools lack the necessary electrical wiring to deploy computers to classrooms.

In addition, public high school enrollment is expected to increase 15 percent by the year 2007. Just to maintain current class sizes, we will need to build 6,000 new schools by the year 2007.

I have visited schools in Illinois where study halls are literally held in hallways because of a lack of space. I have seen stairway landings converted into computer labs. There is a school where the lunchroom has been converted into two classrooms, students eat in the gym, and instead of gym class, many children have what the school calls adaptive physical education, while they stand next to their desks.

These overcrowded and dilapidated conditions are no accident. They are predictable results of the way we fund education. As long as we continue to rely on the local property tax to fund school infrastructure improvements, the conditions of schools will not improve.

The local property tax is simply an inadequate way of paying for school infrastructure improvements. According to the GAO, poor- and middle-class school districts try the hardest to raise revenue, but the system works against them. In 35 States, poor districts have higher tax rates than wealthy districts—but raise less revenue because there is less property wealth to tax.

These districts cannot rely on State support. The GAO found that in fiscal year 1994, State governments only contributed $3.5 billion to the school infrastructure crisis—barely 3 percent of the total need.

This local funding model does not work for school infrastructure, just as it would not work for highways or other infrastructure. Imagine what would happen if we based our system of roads on this same funding model. Imagine if every community were responsible for the construction and maintenance of the roads within its borders. In all likelihood, there would be smooth, good roads in the wealthy towns, a patchwork of mediocre roads in middle-income ones, and very few roads at all in poor communities. Transportation would be hostage to the vagaries of wealth and geography. Commerce and travel would be difficult, and navigation of such a system would not serve the interests of the whole country. That hypothetical, unfortunately, precisely describes our school funding system.

The time has come for us to heed the call of superintendents, parents, teachers, architects, mayors, governors, contractors, and children from around the country and create a partnership to fix our Nation's crumbling schools.

Winston Churchill once said, "We shape our buildings; thereafter, they shape us." No where is that more true than in schools. The poor condition of America's schools has a direct affect on the ability of our students to learn the kinds of skills they will need to compete in the 21st century, global economy. America can't compete if our students can't learn, and our students can't learn if their schools are crumbling down around them.

This School Repair and Construction Act of 1997 is a sensible way of helping States and school districts meet their school repair, renovation, modernization and construction needs. I urge all of my colleagues to join me in sponsoring this important legislation.

Mr. President, I ask unanimous consent that the text of the School Repair and Construction Act of 1997 and a summary of the legislation be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1472

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "School Repair and Construction Act of 1997".

SEC. 2. PURPOSE.

It is the purpose of this Act to help school districts to improve their crumbling and overcrowded school facilities through the use of Federal tax credits.

SEC. 3. TAX CREDIT FOR PUBLIC ELEMENTARY AND SECONDARY SCHOOL CONSTRUCTION.

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to general business credits) is amended by adding at the end the following new section:

"SEC. 45D. CREDIT FOR PUBLIC ELEMENTARY AND SECONDARY SCHOOL CONSTRUCTION.

"(a) In General.—For purposes of section 38, the amount of the school construction credit determined under this section for an eligible taxpayer for any taxable year with respect to an eligible school construction project shall be an amount equal to the lesser of—

"(1) the applicable percentage of the qualified school construction costs, or

"(2) the excess (if any) of—

"(A) the taxpayer's allocable school construction amount with respect to such project under subsection (d), over

"(B) any portion of such allocable amount used under this section for preceding taxable years.

"(b) Eligible Taxpayer; Eligible School Construction Project.—For purposes of this section—

"(1) Eligible taxpayer.—The term 'eligible taxpayer' means any person which—

"(A) has entered into a contract with a local educational agency for the performance of construction or related activities in connection with an eligible school construction project, and

"(B) has received an allocable school construction amount with respect to such contract under subsection (d).

"(2) Eligible school construction project.—

"(A) In general.—The term 'eligible school construction project' means any project related to a public elementary school or secondary school that is conducted for 1 or more of the following purposes:

"(i) Construction of school facilities in order to ensure the health and safety of all students, which may include—

"(I) the removal of environmental hazards,

"(II) improvements in air quality, plumbing, lighting, heating and air conditioning, electrical systems, or basic school infrastructure, and

"(III) building improvements that increase school safety.

"(ii) Construction activities needed to meet the requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) or of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.).

"(iii) Construction activities that increase the energy efficiency of school facilities.

"(iv) Construction that facilitates the use of modern educational technologies.

"(v) Construction of new school facilities that are needed to accommodate growth in school enrollments.

"(vi) Such other construction as the Secretary of Education determines appropriate.

"(B) Special rules.—For purposes of this paragraph—

"(i) the term 'construction' includes reconstruction, renovation, or other substantial rehabilitation, and

"(ii) an eligible school construction project shall not include the costs of acquiring land (or any costs related to such acquisition).

"(c) Qualified School Construction Costs; Applicable Percentage.—For purposes of this section—

"(1) In general.—The term 'qualified school construction costs' means the aggregate amounts paid to an eligible taxpayer during the taxable year under the contract described in subsection (b)(1).

"(2) Applicable percentage.—The term 'applicable percentage' means, in the case of an eligible school construction project related to a local educational agency, the higher of the following percentages:

"(A) If the local educational agency has a percentage or number of children described in clause (i)(I) or (ii)(I) of section 1125(c)(2)(A) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6335(c)(2)(A)), the applicable percentage is 10 percent.

"(B) If the local educational agency has a percentage or number of children described in clause (i)(II) or (ii)(II) of such section, the applicable percentage is 15 percent.

"(C) If the local educational agency has a percentage or number of children described in clause (i)(III) or (ii)(III) of such section, the applicable percentage is 20 percent.

"(D) If the local educational agency has a percentage or number of children described in clause (i)(IV) or (ii)(IV) of such section, the applicable percentage is 25 percent.

"(E) If the local educational agency has a percentage or number of children described in clause (i)(V) or (ii)(V) of such section, the applicable percentage is 30 percent.

"(d) Allocable Amount.—For purposes of this section—

"(1) In general.—Subject to paragraph (3), a local educational agency may allocate to any person a school construction amount with respect to any eligible school construction project.

"(2) Time for making allocation.—An allocation shall be taken into account under paragraph (1) only if the allocation is made at the time the contract described in subsection (b)(1) is entered into (or such later time as the Secretary may by regulation allow).

"(3) Coordination with state program.—A local educational agency may not allocate school construction amounts for any calendar year—

"(A) which in the aggregate exceed the amount of the State school construction ceiling allocated to such agency for such calendar year under subsection (e), or

"(B) if such allocation is inconsistent with any specific allocation required by the State or this section.

"(e) State Ceilings and Allocation.—

"(1) In general.—A State educational agency shall allocate to local educational agencies within the State for any calendar year a portion of the State school construction ceiling for such year. Such allocations shall be consistent with the State application which has been approved under subsection (f) and with any requirement of this section.

"(2) State school construction ceiling.—

"(A) In general.—The State school construction ceiling for any State for any calendar year shall be an amount equal to the State's allocable share of the national school construction amount.

"(B) State's allocable share.—The State's allocable share of the national school construction amount for a fiscal year shall bear the same relation to the national school construction amount for the fiscal year as the amount the State received under section 1124 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333) for the preceding fiscal year bears to the total amount received by all States under such section for such preceding fiscal year.

"(C) National school construction amount.—The national school construction amount for any calendar year is the lesser of—

"(i) $1,000,000,000, or

"(ii) the amount made available for such year under the School Infrastructure Improvement Trust Fund established under section 9512,

reduced by any amount described in paragraph (3).

"(3) Special allocations for Indian tribes and territories.—

"(A) Allocation to Indian tribes.—The national school construction amount under paragraph (2)(C) shall be reduced by 1.5 percent for each calendar year and the Secretary of Interior shall allocate such amount among Indian tribes according to their respective need for assistance under this section.

"(B) Allocation to territories.—The national school construction amount under paragraph (2)(C) shall be reduced by 0.5 percent for each calendar year and the Secretary of Education shall allocate such amount among the territories according to their respective need for assistance under this section.

"(4) REALLOCATION.—If the Secretary of Education determines that a State is not making satisfactory progress in carrying out the State's plan for the use of funds allocated to the State under this section, the Secretary may reallocate all or part of the State school construction ceiling to 1 or more other States that are making satisfactory progress.

"(e) STATE APPLICATION.—

"(1) IN GENERAL.—A State educational agency shall not be eligible to allocate any amount to a local educational agency for any calendar year unless the agency submits to the Secretary of Education (and the Secretary approves) an application containing such information as the Secretary may require, including—

"(A) an estimate of the overall condition of school facilities in the State, including the projected cost of upgrading schools to adequate condition;

"(B) an estimate of the capacity of the schools in the State to house projected student enrollments, including the projected cost of expanding school capacity to meet rising student enrollment;

"(C) the extent to which the schools in the State have the basic infrastructure elements necessary to incorporate modern technology into their classrooms, including the projected cost of upgrading school infrastructure to enable the use of modern technology in classrooms;

"(D) the extent to which the schools in the State offer the physical infrastructure needed to provide a high-quality education to all students; and

"(E) an identification of the State agency that will allocate credit amounts to local educational agencies within the State.

"(2) SPECIFIC ITEMS IN ALLOCATION.—The State shall include in the State's application the process by which the State will allocate the credits to local educational agencies within the State. The State shall consider in its allocation process the extent to which—

"(A) the school district served by the local educational agency has—

"(i) a high number or percentage of the total number of children ages 5 to 17, inclusive, in the State who are counted under section 1124(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333(c)); or

"(ii) a high percentage of the total number of low-income residents in the State;

"(B) the local educational agency lacks the fiscal capacity, including the ability to raise funds through the full use of such agency's bonding capacity and otherwise, to undertake the eligible school construction project without assistance;

"(C) the local area makes an unusually high local tax effort, or has a history of failed attempts to pass bond referenda;

"(D) the local area contains a significant percentage of federally owned land that is not subject to local taxation;

"(E) the threat the condition of the physical facility poses to the safety and well-being of students;

"(F) there is a demonstrated need for the construction, reconstruction, renovation, or rehabilitation based on the condition of the facility;

"(G) the extent to which the facility is overcrowded; and

"(H) the extent to which assistance provided will be used to support eligible school construction projects that would not otherwise be possible to undertake.

"(3) IDENTIFICATION OF AREAS.—The State shall include in the State's application the process by which the State will identify the areas of greatest needs (whether those areas are in large urban centers, pockets of rural poverty, fast-growing suburbs, or elsewhere) and how the State intends to meet the needs of those areas.

"(4) ALLOCATIONS ON BASIS OF APPLICATION.—The Secretary of Education shall evaluate applications submitted under this subsection and shall approve any such application which meets the requirements of this section.

"(g) REQUIRED ALLOCATIONS.—Notwithstanding any process for allocation under a State application under subsection (f), in the case of a State which contains 1 or more of the 100 school districts within the United States which contains the largest number of poor children (as determined by the Secretary of Education), the State shall allocate each calendar year to the local educational agency serving such districts that portion of the State school construction ceiling which bears the same ratio to such ceiling as the number of children in such district for the preceding calendar year who are counted for purposes of section 1124(c) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6333(c)) bears to the total number of children in such State who are so counted.

"(h) DEFINITIONS.—For purposes of this section—

"(1) ELEMENTARY SCHOOL; LOCAL EDUCATIONAL AGENCY; SECONDARY SCHOOL; STATE EDUCATIONAL AGENCY.—The terms 'elementary school', 'local educational agency', 'secondary school', and 'State educational agency' have the meanings given the terms in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

"(2) TERRITORIES.—The term 'territories' means the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

"(3) STATE.—The term 'State' means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico."

(b) INCLUSION IN GENERAL BUSINESS CREDIT.—

(1) IN GENERAL.—Section 38(b) of the Internal Revenue Code of 1986 is amended by striking "plus" at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting ", plus", and by adding at the end the following new paragraph:

"(13) the school construction credit determined under section 45D(a)."

(2) TRANSITION RULE.—Section 39(d) of such Code is amended by adding at the end the following new paragraph:

"(8) NO CARRYBACK OF SECTION 45D CREDIT BEFORE ENACTMENT.—No portion of the unused business credit for any taxable year which is attributable to the school construction credit determined under section 45D may be carried back to a taxable year ending before the date of the enactment of section 45D."

(c) ESTABLISHMENT OF SCHOOL INFRASTRUCTURE IMPROVEMENT TRUST FUND.—

(1) IN GENERAL.—Subchapter A of chapter 98 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

"SEC. 9512. SCHOOL INFRASTRUCTURE IMPROVEMENT TRUST FUND.

"(a) CREATION OF TRUST FUND.—There is established in the Treasury of the United States a trust fund to be known as the 'School Infrastructure Improvement Trust Fund', consisting of such amounts as may be credited or paid to such Trust Fund as provided in this section or section 9602(b).

"(b) TRANSFERS TO TRUST FUND.—

"(1) IN GENERAL.—There are hereby appropriated to the Trust Fund for any calendar year an amount equal to the lesser of—

"(A) the revenue surplus determined under paragraph (2) for the preceding calendar year, or

"(B) $1,000,000,000.

"(2) REVENUE SURPLUS.—The revenue surplus determined under this paragraph for any calendar year is an amount equal to the excess (if any) of—

"(A) the Secretary's estimate of revenues received in the Treasury of the United States for the calendar year, over

"(B) the amount the Director of the Congressional Budget Office estimated would be so received in the report provided to the Committees on the Budget of the House and the Senate pursuant to section 202(f)(1) of the Congressional Budget Act of 1974.

"(c) EXPENDITURES FROM TRUST FUND.—Amounts in the Trust Fund shall be transferred to the general fund of the Treasury at such times as the Secretary determines appropriate to offset any decrease in Federal revenues by reason of credits allowed under section 38 which are attributable to the school construction credit determined under section 45D."

(2) CONFORMING AMENDMENT.—The table of section for subchapter A of chapter 98 of such Code is amended by adding at the end the following new item:

"Sec. 9512. School Infrastructure Improvement Trust Fund.

(d) CONFORMING AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

"Sec. 45D. Credit for public elementary and secondary school construction."

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1997.

SUMMARY: SCHOOL REPAIR AND CONSTRUCTION ACT OF 1997

A proposal to lower the cost of school repair, renovation, modernization, and construction projects by providing tax credits to developers and builders to cover a portion of the costs of school improvement projects. The credits are allocated to States, who have flexibility to award the credits to their elementary and secondary school districts with the greatest needs.

AWARD OF TAX CREDITS TO STATES

A total of $1 billion worth of tax credits allocated every year to States, using a formula based on the number of school-aged children in the State who are eligible for federal education assistance. Two percent of funds reserved for Indian schools and territories.

ALLOCATION OF TAX CREDITS WITHIN STATES

States shall develop a system for allocating the credits to their school districts. States are required to take into account criteria relating to the needs of school districts and the ability of the school districts to finance the improvements without assistance, and are required to identify their highest-priority areas first and develop plans for meeting those needs.

AWARD OF TAX CREDITS TO DEVELOPERS

The developer or builder performing the school improvement project receives the tax credits upon completion of the project. The credits could then be counted against the developer's income under the rules of general business tax credits.

The amount of the tax credit available to the developer is based on the local area's ability to pay and the total cost of the project. It cannot exceed 30 percent of the total cost of construction, renovation, repair, or modernization, not including land acquisition or other associated costs.

ELIGIBLE PROJECTS

The credits can be used by States and districts to meet their highest priority projects, including school repairs or renovations of substantial size, retrofitting schools for modern technologies, and building new schools to alleviate overcrowding.

TRUST FUND

Funds for this tax credit are made available only if actual revenues into the Federal Treasury exceed CBO revenue projections. In that case, up to $1 billion of excess revenues shall be deposited annually into a School Infrastructure Improvement Trust Fund, and disbursed to States in the form of allocable tax credits.

DETAILED·DESCRIPTION: SCHOOL REPAIR AND CONSTRUCTION ACT OF 1997

A proposal to lower the cost of school repair, renovation, modernization, and construction projects by providing tax credits to developers and builders to cover a portion of the costs of school improvement projects. The credits are allocated to States, who have flexibility to award the credits to their elementary and secondary school districts with the greatest needs.

AWARD OF CREDITS TO STATES

Each State educational agency (or other designated agency) shall receive a portion of a total of $1 billion/year worth of tax credits.

Allocation—Each State's share is based on the State's prior year's relative share of funding under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6331 et seq.)

State Minimum—No State shall receive less under this program than its percentage allocation under section 1124(d) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6334(d)) for the previous fiscal year.

Reallocation—If a State fails to submit an approvable application for its credits, the Secretary of Treasury shall redistribute that State's share to other States in the same proportions as the original allocations were made.

Indians & Outlying Territories—Of the total amount of tax credits available, one and one-half percent is set aside for Indian schools to be allocated at the discretion of the Secretary of Interior, and one-half percent is set aside for outlying territories, to be allocated at the discretion of the Secretary of Education.

STATE APPLICATIONS

In order to be eligible for tax credits, the State educational agency (or other designated entity) shall submit an application containing information including:

(1) an estimate of the overall condition of school facilities in the State, including the projected cost of upgrading schools to adequate condition;

(2) an estimate of the capacity of the schools in the State to house projected enrollments, including the projected cost of expanding school capacity to meet rising enrollment;

(3) the extend to which the schools in the State have the basic infrastructure elements necessary to incorporate modern technology into their classrooms, including the projected cost of upgrading school infrastructure to enable the use of modern technology in classrooms;

(4) the extend to which the schools in the State offer the physical infrastructure needed to provide a high-quality education to all students; and

(5) an identification of the State agency that will receive the credits.

The State shall also include in its application a plan for the within-state allocation of credits, which shall be based on criteria including the following:

(1) whether a district has high numbers or percentages of the total number of children ages 5 to 17, inclusive, residing in the geographic area served by an eligible local educational agency who are counted under title 1 of the Elementary and Secondary Education Act of 1965, or a high percentage of low-income residents;

(2) whether the eligible local educational agency lacks the fiscal capacity, including the ability to raise funds through the full use of such agency's bonding capacity and otherwise, to undertake the project without assistance;

(3) whether the local area makes an unusually high local tax effort, or has a history of failed attempts to pass bond referenda;

(4) whether the local area contains a significant percentage of Federally-owned land that is not subject to local taxation;

(5) the threat the condition of the physical plant poses to the safety and well-being of students;

(6) the demonstrated need for the construction, reconstruction, or renovation based on the condition of the facility;

(7) the extent to which the assistance will alleviate overcrowding; and

(8) the extent to which the assistance provided will support projects that would not otherwise have been possible to undertake, or will increase the size of school infrastructure improvement projects.

The State shall identify its areas of greatest need and develop a plan for meeting the needs of those areas first.

The Secretary of Education shall evaluate State applications and approve those that will maximize school infrastructure improvements in school districts with the greatest needs and the least ability to raise revenue to meet those needs. Once a State's application is approved, the State educational agency (or other designated agency) receives its share of the tax credits. States shall be required to reapply for the credits every five years.

ALLOCATION OF CREDITS WITHIN STATES

For a period of five years, any State containing one of the 100 school districts with the largest numbers of poor children shall make available to those districts amounts of tax credits proportional to those districts' relative shares of funding under section 1124A of the Elementary and Secondary Education Act of 1965.

Other credits shall be allocated within the State in accordance with the criteria described in the State's application to the Secretary of Education. School districts shall apply to the designated State agency for the authority to allocate tax credits to developers working on school improvement projects within their districts.

AWARD OF CREDITS TO DEVELOPERS

School districts will be able to offer developers or builders tax credits from the State based on the cost of their proposed projects.

The developer or builder performing the eligible project would receive the tax credits upon completion of the project. The credits could be counted against the developer's income under the rules of general business tax credits.

The amount of the tax credit available to the developer would be based on the local area's ability to pay and the total cost of the project, up to 30 percent of the total cost of the project, using the following formula.

A project located within a local educational agency described in—

(1) clause (i)(I) or clause (ii)(I) of section 1125(c)(2)(A) of the Elementary and Secondary Education Act, shall be eligible for a credit of 10 percent;

(2) clause (i)(II) or clause (ii)(II) of section 1125(c)(2)(A), shall be eligible for a credit of 15 percent;

(3) clause (i)(III) or clause (ii)(III) of section 1125(c)(2)(A), shall be eligible for a credit of 20 percent;

(4) clause (i)(IV) or clause (ii)(IV) of section 1125(c)(2)(A), shall be eligible for a credit of 25 percent; and

(5) clause (i)(V) or clause (ii)(V) of section 1125(c)(2)(A), shall be eligible for a credit of 30 percent;

of the total cost of the project.

The "total cost" of the project includes the cost of construction, renovation, repair, or modernization, but not land acquisition or other associated costs.

ELIGIBLE PROJECTS

The tax credits shall be used by States to help support projects of substantial size and scope such as:

(1) the repair or upgrade of classrooms or structures related to academic learning, including the repair of leaking roofs, crumbling walls, inadequate plumbing, poor ventilation equipment, and inadequate heating or lighting equipment;

(2) an activity to increase physical safety at the educational facility involved;

(3) an activity to enhance the educational facility involved to provide access for students, teachers, and other individuals with disabilities;

(4) an activity to improve the energy efficiency of the educational facility involved;

(5) an activity to address environmental hazards at the educational facility involved, such as poor ventilation, indoor air quality, or lighting;

(6) the provision of basic infrastructure that facilitates educational technology, such as communications outlets, electrical systems, power outlets, or a communication closet;

(7) the construction of new schools to meet the needs imposed by enrollment growth; and

(8) any other activity the Secretary determines achieves the purpose of this title;

as long as such projects are located in a school as defined under section 12012(2) of the Elementary and Secondary Education Act of 1965.

TRUST FUND

Funds for this tax credit are made available only if actual revenues into the Federal Treasury exceed CBO revenue projections. In that case, up to $1 billion of excess revenues shall be deposited annually into a School Infrastructure Improvement Trust Fund, and disbursed to States in the form of allocable tax credits.

Mr. KENNEDY. Mr. President, I give my strong support to the bill being introduced today by Senator MOSELEY-

BRAUN'S TO PROVIDE UP TO $1 BILLION A YEAR FOR IMPROVING AMERICA'S SCHOOL FACILITIES.

Good education begins with good places to learn. We can't expect children to learn, when school roofs are crumbling, pipes are leaking, and boilers are failing. Adequate school facilities are essential to prepare children for the 21st century. It's preposterous to pretend that we can prepare students for the 21st century in dilapidated 19th century classrooms.

We can no longer ignore this national crisis. We need to develop effective public-private partnerships to address these needs. Senator MOSELEY-BRAUN's bill provides that opportunity.

Schools across the country are facing enormous problems with crumbling facilities. 14 million children in one-third of the Nation's schools are now learning in substandard school buildings. Over half of all schools report at least one major building in disrepair, with cracked foundations, leaking roofs, or other major problems.

This bill can be a major start toward repairing the Nation's crumbling schools, by encouraging business and government to work together. It offers tax credits to developers and builders to cover costs of school improvements. Each State will receive funds based on the number of school-age children in the State who are eligible for Federal education assistance. The States will have the flexibility to award the tax credits to developers in school districts with the greatest need. The credits will be taken against the developer's income, like other business tax credits.

I urge my colleagues to support Senator MOSELEY-BRAUN's bill to help local communities rebuild America's crumbling schools. I look forward to continuing to work with her to make sure that Congress does its part to help address this national need.

By Mr. D'AMATO (for himself, Ms. MOSELEY-BRAUN, and Mr. COCHRAN):

S. 1476. A bill to authorize the President to enter into a trade agreement concerning Northern Ireland and certain border counties of the Republic of Ireland, and for other purposes; to the Committee on Finance.

NORTHERN IRELAND/BORDER COUNTIES FREE TRADE, DEVELOPMENT AND SECURITY ACT

Mr. D'AMATO. Mr. President, today I introduce the Northern Ireland/Border Counties Free Trade, Development and Security Act. This legislation is a carbon copy of S. 1976, legislation that I introduced in the 104th Congress. Joining me as original cosponsors are my friends and colleagues, the senior Senator from Illinois, Senator MOSELEY-BRAUN and the Senator from Mississippi, Mr. COCHRAN.

The Northern Ireland Free Trade, Development and Security Act reintroduced today will—by University of Ulster estimates, create 12,000 jobs within the twelve counties of Northern Ireland and the Border Counties. It will produce an additional $1.5 billion into that economy annually. The new jobs it will create will be targeted to those areas that need the most, areas where the current unemployment rate ranges between 30 percent and 50 percent, areas that have never felt the effects of real economic expansion or growth. Further, this legislation will provide those jobs and hope without any discernable impact upon our nations trade or budget deficit, as was the case with Gaza/West Bank legislation. This bill will operate in harmony with stated goals of the European Union, United Kingdom and the Irish Republic. It will additionally comport with the requirements of the World Trade Organization.

Mr. President, the paradox of Northern Ireland is that she has given so much to other cultures and lands but has been incapable of fully reaping the rewards of her own peoples skills and strengths at home. The unfortunate reality is that as in the Republic of Ireland, a large majority of the North's highly educated and skilled younger generation has been forced to emigrate due to high unemployment levels which are as high as 70 percent in some areas. These disadvantaged areas are the ones which this legislation has been especially designed to target. Joint cooperation and joint economic development between the United States, Northern Ireland and the European Union will integrate the most distressed parts of Northern Ireland and the Border Counties into a dynamic economy that—while firmly rooted in the European Union—continues to expand and cement new trading relationships beneficial to all trading partners. Northern Ireland's peace process must move forward and the aspirations and goodwill of the vast majority of its citizens must be accompanied by hard work and endeavor. A more prosperous economy with more evenly spread and meaningful job opportunities can only serve to bridge the social and economic disparities that exist in this region. In conclusion this opportunity cannot be overlooked, after 25 years since the outbreak of the "troubles," the people of Northern Ireland have suffered enough violence and depravity. Now it is time to embark on a rebuilding process that will give no chance to the terrorist but every chance to peace and reconciliation.

Mr. President, it is time to roll up our sleeves and do something real and substantive for all the people of Northern Ireland. This legislation goes far beyond symbolic gestures and grand statements of concern. It will provide a real and solid foundation that the people of Northern Ireland can use to build that new and brighter future. This legislation represents the Senate's down payment on that future.

Mr. President, I ask unanimous consent that a public statement of support from Minister James McDaid, the Minister of Tourism and Trade for the Republic of Ireland, found in today's Irish News—be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Irish News]

MINISTER GIVES BACKING TO U.S. FREE TRADE BILL FOR NORTH

(By Jim Fitzpatrick)

The Republic's tourism minister Dr. Jim McDaid has given his backing to the American free trade bill for Northern Ireland and the border counties.

The Irish News reported last month that the proposed bill, which a University of Ulster study concluded would create at least 12,000 jobs, was facing opposition from officials in London, Dublin and Brussels.

But Fianna Fail minister Dr. McDaid gave his unqualified backing to the proposal yesterday, saying that he felt special measures were necessary to redress the economic imbalance on the island.

The bill would allow companies based in the northern twelve counties of Ireland to sell products directly into the U.S. without any tariffs.

Its backers argue that it would be a massive boost for foreign investment and create thousands of jobs because it would allow companies free access the two largest markets in the world—north America and Europe.

But the legislation, which is in the early stages of development in the U.S. Congress, has faced opposition from some sections of the Irish political establishment.

Dr. McDaid's predecessor, Fine Gael minister Enda Kenny who also held responsibility for trade, said the bill would require customs posts to be set up within the Republic along the border of the zone.

But Dr. McDaid rejected that suggestion: "I don't agree that this bill will mean the 're-partition of Ireland'. The bill addresses an area which has already been recognized by the European Union and the International Fund for Ireland as needing special assistance."

He said there was a need for "positive discrimination" and a radical economic plan to tackle the economic problems of the northern part of Ireland so that the "whole of the island" can share in its economic success.

He said the bill would undoubtedly be a boost to the peace process, and help redress the economic imbalance crested by the years of violence in the north.

Dr. McDaid said he felt that the free trade status would probably have to be granted on a time-limited basis—perhaps for 25 years or more.

It's understood that support for the free trade bill has been growing within Irish political circles, although the Irish government has not taken a formal position on the matter.

A number of senators and MEPs from border counties have submitted letters of support to the U.S. Congress.

The U.S. Congressman pushing the bill wrote to the Irish News recently calling on people in the region to publicly support the initiative.

Massachusetts Congressman Marty Meehan praised the Clinton administration's current efforts to bring new investment to the north, and called on the people of the north to work with the influential American politicians who are backing the free trade initiative.

"I encourage the people of Northern Ireland and the border counties to work with me through trade associations, councils and elected representatives to help pass this bill as well as other related measures. Together, we can help lay the groundwork for a sound economic future in Northern Ireland," he wrote.

Mr. Meehan stressed in his letter that, contrary to some of the criticisms levelled against the bill, his legislation would comply fully with European Union law.

By Mr. D'AMATO:

S. 1477. A bill to amend the Harmonized Tariff Schedule of the United States to provide that certain goods may be reimported into the United States without additional duty; to the Committee on Finance.

U.S. CATALOGUE MERCHANTS EXPORT PROMOTION ACT OF 1997

Mr. D'AMATO. Mr President, I rise today to introduce legislation necessary to correct a problem faced by an important segment of the American exporting community, catalogue merchants. Catalogue merchants are multi-billion dollar export businesses in New York State and across the nation. Due to an anomaly in our customs law, some products sold by these merchants face double duties when the goods are returned to them by customers abroad. The bill I am introducing today seeks to correct this problem by making sure that duties are only assessed once—as the law intended—the first time a product comes into this country from abroad.

If I may Mr. President, let me explain the problem by first telling you how the system is supposed to work. When a catalogue merchant imports a product directly from abroad, as the importer of record, he pays a duty on the product. Let's say the product is a pair of trousers from Taiwan. A merchant in the United States takes direct delivery of a pair of pants from a company in Taipei, and pays duties to the U.S. Treasury on the trousers when they enter the United States. The merchant then sells the pants to a customer in Montreal, Canada. But, the pants are the wrong size, and the customer returns the same pair of trousers directly to the catalogue merchant in the U.S. In that case, properly, is no duty paid on the returned trousers. After all, a duty was properly paid on the trousers when they were first imported into the U.S. That is how the law works when the catalogue merchant is also the official importer of record.

Now, take the same situation, but add a broker here in the United States, (the way most catalogue merchants import merchandise into the United States) who is officially the importer of record. The trousers come into the United States from Taipei, but this time, instead of going directly to the merchant, they are imported by a U.S. distributer. The distributer, who is the importer of record, properly pays the duty on the pants, and then transfers the trousers to the catalogue merchant in the U.S. The catalogue merchant then sells the trousers to the customer in Montreal, who subsequently returns the trousers to the U.S. merchant (via a return clearinghouse in Canada, that is set up to ship returned products back to the U.S. in bulk). That is where the problem comes in. When the trousers come back to the United States (as part of a bulk shipment), duty has to be paid on the trousers a second time. Officially, that is because the catalogue merchant is not the original importer of record, and thus a second duty is assessed on the trousers.

Clearly, this makes no sense. A second duty should not have to be paid on the same pair of trousers, just because the U.S. catalogue seller is not the original U.S. importer of record. What this amendment says, essentially, is that it doesn't matter who the original importer of record is; as long as the proper duty is paid when an article first enters the U.S., a duty is not assessed the second time the article enters the U.S., when it re-enters the U.S. as a sales return.

The President may know that I have sought this change in law for more than a year, and it is my hope that when the Senate next turns to miscellaneous trade matters, this very minor provision can be included. The U.S. Customs Service has told importers that legislation is the only remedy to correct this anomaly. Furthermore, the measure should be deemed "revenue neutral" because importers can already avoid the double duty by simply shipping the returns back by (inefficiently) shipping the returns back to the U.S. individually rather than (efficiently) consolidating the shipments.

This measure is a common-sense, good government measure which promotes U.S. exports, and correspondingly keeps companies from moving good jobs in distribution and logistics offshore.

By Ms. SNOWE (for herself and Mr. BREAUX):

S. 1480. A bill to authorize appropriations for the National Oceanic and Atmospheric Administration to conduct research, monitoring, education and management activities for the eradication and control of harmful algal blooms, including blooms of Pfiesteria piscicida and other aquatic toxins; to the Committee on Commerce, Science, and Transportation.

THE HARMFUL ALGAL BLOOM RESEARCH AND CONTROL ACT OF 1997

Ms. SNOWE. Mr. President, today I am introducing legislation designed to address a serious national problem affecting our coasts.

The recent outbreak of Pfiesteria in the Chesapeake Bay has garnered a lot of media attention, and deservedly so. But Pfiesteria is actually just one example of a larger phenomenon—Harmful algal blooms.

These damaging outbreaks of often toxic algae affect every U.S. coastal State and territory. In my State of Maine, we have outbreaks of paralytic shellfish poisoning every year which require the closure of clam flats along the coast, and the loss of millions of dollars in potential income.

On Georges Bank off the New England coast, harmful algal blooms cause $3 million to $5 million worth of damage every year. In Washington in 1991, an outbreak resulted in losses of razor clams exceeding $15 million. And off Alaska, which has our Nation's most pristine coastline, an estimated $50 million worth of shellfish remain unexploited each year due to these outbreaks.

What is frightening is that these blooms have been increasing over the last 30 years with no sign of abatement—and science cannot explain why. Nor do we have any other way of addressing the problem besides closing areas to swimming and fishing.

My bill is designed to address this problem with focused and appropriate Federal action. NOAA, the lead Federal agency on harmful algal blooms, currently has the major Federal research program to address the problem—the Ecology and Oceanography of Harmful Algal Blooms project, or ECO-HAB. It is part of NOAA's Coastal Ocean Program, but it does not have a specific authorization. My bill would give this program a specific authorization for $10.5 million annually during fiscal years 1998, 1999, and 2000, providing it with a more certain future as the next century approaches.

The bill would also authorize the following activities for the next 3 years—$5 million per year for NOAA to upgrade its research lab capabilities to more effectively study the problem; $3 million annually for education and extension services through the Sea Grant colleges; $5.5 million annually to augment Federal and State monitoring programs to help detect harmful algal blooms early; and $8 million annually in grants to the States through the Coastal Zone Management Act [CZMA] programs to help States control blooms in their area.

My bill represents a coordinated strategy for attacking this serious problem. I hope all of my colleagues will join me in supporting this legislation. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed, in the RECORD, as follows:

S. 1480

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Harmful Algal Bloom Research and Control Act of 1997".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the recent outbreak of the harmful microbe *Pfiesteria piscicida* in the coastal waters of the United States is one of the larger set of potentially harmful algal blooms that appear to be increasing in abundance and intensity in the Nation's coastal waters;

(2) in recent years, harmful algal blooms have resulted in massive fish kills, the deaths of numerous endangered West Indian manatees, beach closures, and threats to public health and safety;

(3) other recent occurrences of harmful algal blooms include red tides in the Gulf of Mexico and the southeast, brown tides in New York and Texas, and shellfish poisonings in the Gulf of Maine, the Pacific northwest and the Gulf of Alaska;

(4) harmful algal blooms have been responsible for an estimated $1,000,000,000 in economic losses during the past decade;

(5) harmful algal blooms are composed of naturally occurring species that reproduce explosively when the natural system is out of balance;

(6) under certain circumstances, harmful algal blooms can lead directly to other damaging marine conditions such as hypoxia, as has been found in the Gulf of Mexico;

(7) factors thought to cause or contribute to harmful algal blooms include excessive nutrients and toxins from polluted runoff;

(8) there is a strong need for a national strategy to identify better means of controlling polluted runoff;

(9) the National Oceanic and Atmospheric Administration (NOAA) in the Department of Commerce, through its ongoing research, grant, and coastal resource management programs, possesses a full range of capabilities necessary to support a near and long-term comprehensive effort to control and eradicate harmful algal blooms; and

(10) funding for NOAA's research and related programs will aid in improving the Nation's understanding and capabilities for addressing the human and environmental costs associated with harmful algal blooms.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS FOR ALGAL BLOOM ERADICATION AND CONTROL.

There are authorized to be appropriated to the Secretary of Commerce for activities related to the research, eradication, and control of harmful algal blooms $32,000,000 in each of fiscal years 1998, 1999, and 2000, to remain available until expended. Of such amounts for each fiscal year—

(1) $5,000,000 may be used to enable the National Oceanic and Atmospheric Administration to carry out research activities, including procurement and maintenance of research facilities, of the Office of Oceanic and Atmospheric Research, National Marine Fisheries Service, and the National Ocean Service;

(2) $10,500,000 may be used to carry out the Ecology and Oceanography of Harmful Algal Blooms (ECO–HAB) project and related research under the Coastal Ocean Program established under section 201(c) of Public Law 102–567.

(3) $3,000,000 may be used for outreach, education and advisory services administrated by the National Sea Grant Office established under subsection 204(a) of the National Sea Grant College Program Act (33 U.S.C. 1123(a));

(4) $5,500,000 may be used to carry out federal and state annual monitoring and analysis activities administered by the Office of Resource Conservation and Assessment of the National Oceanic and Atmospheric Administration; and

(5) $8,000,000 may be used for grants under sections 306, 306A and 310 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455, 1455a and 1456c).

By Mr. DEWINE:

S. 1481. A bill to amend the Social Security Act to eliminate the time limitation on benefits for immunosuppressive drugs under the Medicare Program, to provide for continued entitlement for such drugs for certain individuals after Medicare benefits end, and to extend certain Medicare secondary payer requirements; to the Committee on Finance.

THE IMMUNOSUPPRESSIVE DRUGS COVERAGE ACT OF 1997

Mr. DEWINE. Mr. President, I rise today to introduce a bill that will help organ transplant recipients maintain access to drugs that they need to prevent their immune systems from rejecting transplanted organs. This bill is the product of many conversations I have had with folks in the organ and tissue transplant community, including many people from Ohio.

I have worked with people interested in organ and tissue donation for quite some time to increase awareness and education about transplant issues. Organs are very scarce, and we work hard to raise awareness so we can increase donation. Despite our efforts, more than 55,000 Americans are on the organ transplant waiting list—where they wait, and wait, and some of them die.

Others are lucky—they get one of the precious organs, allowing them to live a healthier, longer life. Because of the wonderful gift these lucky few have been given, it is particularly tragic that some can't afford the drugs—called immunosuppressive drugs—that help ensure that their immune systems won't reject their new organs.

That is why I am introducing the "Immunosuppressive Drugs Coverage Act of 1997." This bill makes sure that the 75,000 people that have received an organ transplant covered by Medicare always have access to immunosuppressive drugs. Medicare currently limits coverage for immunosuppressive drugs to 30 months after a transplant. In 1998, the limit will rise to 36 months under current law.

But then what? After Medicare coverage ends, the transplant recipient must find some other way to pay for these essential drugs. Many transplant recipients may not be able to get other insurance coverage or be able to afford to pay out-of-pocket for the drugs, which average around $5,000 annually and can cost in excess of $10,000. Without a way to pay for them, these patients may be forced to stop taking the immunosuppressive drugs. Others will ration use of the drugs and take them irregularly. In either case, the risk of rejection for the transplant organ is much greater.

If a transplanted organ is rejected, the recipient may die or may need intensive, life-sustaining medical care, which Medicare often does pay for. And yet, it won't pay for the drugs to prevent these life-threatening episodes.

For kidney recipients, who make up the vast majority of Medicare transplant recipients, immune rejection means an immediate return to renal dialysis at a cost to Medicare of around $30,000 a year. For some kidney patients and all other Medicare transplant recipients, rejection means a return to the transplant waiting list, and a need for expensive life-sustaining care. If they are lucky, they will get a second transplant, which can cost hundreds of thousands of dollars.

My bill simply makes sure that everyone who receives an organ transplant through Medicare will have continued access to immunosuppressive drugs. This bill will help people who cannot pay for life-preserving immunosuppressive drugs and, at the same time, will help Medicare avoid the huge additional costs currently incurred when organs are rejected.

When working with people to write this bill, I wanted to make sure the cost was as low as possible, while still getting the job done. That is why my bill contains safeguards that say that if any patient has private insurance coverage, it is the private insurance plan—and not Medicare—that pays for the immunosuppressive drugs.

Someday, immunosuppressive drugs may not be necessary. We are beginning to see some promising research in this area. But today's transplant recipients need help now. They need this bill.

The miracle of transplantation gives people the "Gift of Life." It does not make sense to put this gift at risk because the recipient is unable to pay for immunosuppressive drugs. I urge every Senator to consider cosponsoring and supporting this bill.

By Mr. COATS:

S. 1482. A bill to amend section 223 of the Communications Act of 1934 to establish a prohibition on commercial distribution on the World Wide Web of material that is harmful to minors, and for other purposes; to the Committee on Commerce, Science, and Transportation.

PORN LEGISLATION

Mr. COATS. Mr. President, during Senate consideration of the Telecommunications Act of 1996 I, along with Senator James Exon, introduced an amendment to the Act which came to be known as the Communications Decency Act or CDA. This amendment held forth a basic principle, that children should be sheltered from obscene and indecent pornography. There was spirited debate on the amendment. However, ultimately the Senate adopted the CDA by an overwhelming margin of 84 to 16.

On the very day that the President signed the Telecommunications Act into law, the American Civil Liberties Union and the American Library Association, along with America On-Line and other representatives of the computer industry, filed a law suit against the CDA in District Court. In short, the case ultimately came before the Supreme Court, where it was struck down.

Mr. President, however much I disagree with the ruling of the Supreme Court, it is reality and as such, I have studied the opinion of the Court and come before my colleagues today to introduce legislation that reflects the parameters laid out by the Court's opinion.

Mr. President, during Congressional consideration of the CDA, opponents of the measure took what I like to call an ostrich approach. They stuck their head in the sand and their rear end in the air.

With companies like America on Line and Microsoft in the forefront, there came an indignant claim from the computer industry that there was no problem with pornography on the Internet. They claimed that there was very little pornography, and that what exists is difficult to find. However incredulous, this is what they claimed.

Well, Mr. President, this ostrich appears to have extricated its head from the sand. For after the Supreme Court's ruling, the computer industry, along with so-called civil liberties groups, gathered for a White House summit to address the issue of pornography on the net, and what could be done about it. There are now panels and working groups, media discussions and industry alternatives all designed to address this problem of the proliferation of pornography on the Internet and the threat it poses to our children.

Mr. President, let me congratulate the computer industry, and welcome them to the real world.

And what is this real world? Mr. President, I turn now to the February 10 edition of U.S. News and World Report. The cover story is entitled, "The Business of Porn." The article outlines in rather disturbing clarity the issue of pornography in America. "Last year" it states, "America spent more than $8 billion on hard-core videos, peep shows, live sex acts, adult cable programming, sexual devices, computer porn, and sex magazines—an amount much larger than Hollywood's domestic box office receipts and larger than all the revenues generated by rock and country music recordings. Americans now spend more money at strip clubs than at Broadway, off-broadway, regional, and nonprofit theaters; at the opera, the ballet, and jazz and classical music performances combined."

This is truly alarming, and reflects poorly on the moral direction of the country. And, Mr. President, as the Internet continues to grow as a medium of communication and commerce in our society, its role in expanding the commerce of pornography increases exponentially.

The Article goes on to say that: "In much the same way that hard-core films on videocassette were largely responsible for the rapid introduction of the VCR, porn on and CD-ROM and on the Internet has hastened acceptance of these new technologies. Interactive adult CD-ROMS, such as Virtual Valarie and the Penthouse Photo Shoot, create interest in multimedia equipment among male computer buyers." It goes on: "Porn companies have established elaborate Web sites to lure customers * * * Playboy's web site, which offers free glimpses of its Playmates, now averages about 5 million hits a day."

The Article quotes Larry Flint, who says he "imagines a future in which the TV and the personal computer have merged. Americans will lie in bed, cruising the Internet with their remote controls and ordering hard-core films at the punch of a button. The Internet promises to combine the video store's diversity of choices with the secrecy of purchases through the mail."

Mr. President, there has been a virtual explosion of commerce in pornography on the Internet. Adult book stores, live peep shows, adult movies, you name it and it is there. It is available, Mr. President, not just to adults, but to children.

And what does the computer industry, the ACLU, and the American Library Association tout as a solution to this problem? They tout self-ratings systems and blocking software. Opponents of the CDA, companies like America On-Line, the ACLU, the American Library Association, and Larry Flint, have argued that there is no role for government in protecting children, that the Internet can regulate itself. The primary solution these people promote is a system called PICs (Platform for Internet Content Selection), a type of self-ratings system. This would allow the pornographer to rate his own page, and browsers, the tool used to search the Internet, would then respond to these ratings. Aside from the ludicrous proposition of allowing the pornographer to self-rate, Mr. President, there is no incentive for compliance.

I now turn to an editorial by writers in PC Week Magazine, a very prominent voice in the computer industry. The editorial is titled: "Web Site Ratings—Shame on Most of Us." The column discusses the lack of voluntary compliance by content providers with the PICs system: "We and many others in the computer industry and press have decried the Communications Decency Act and other government attempts to regulate the content of the Web. Instead, we've all argued, the government should let the Web rate and regulate its own content. Page ratings and browsers that respond to those ratings, not legislation, are the answers we've offered."

The article goes on, "Too bad we left the field before the game was over." the article says, "We who work around the Web have done little to rate our content." it states that, in a search of the Web, they found "few rated sites." And that rated sites were the "exception to the rule" In other words, PICs does not work. It does not work, because there is no incentive for pornographers to comply.

And what about blocking software? Mr. President, let me begin by pointing out the amazing level of deceit that proponents of this solution are willing to go to. The American Library Association, a principal opponent of the CDA, lined up with plaintiffs in challenging the Constitutionality of the Act. It was a central argument of the Library Association and their cohorts, that blocking software presented a non-governmental solution to the problem.

However, Mr. President, if one logs onto the American Library Association Web site one finds quite a surprise. Contained on the site is a resolution, adopted by the ALA Council on July 2, 1997, that resolves: "That the American Library Association affirms that the use of filtering software by libraries to block access * * * violates the Library Bill of Rights." Mr. President, I ask unanimous consent that this Resolution be inserted into the RECORD.

So, here we find the true agenda of the American Library Association. They represent to the Court that everything is O.K., that all we need is blocking software. Then, they turn around and implement a policy that says no-way.

And what are the implications? I quote now from a February 12, 1997 article in the Boston Herald. "John Hunt, a parent from Dorchester, said he was furious to learn his 11-year-old daughter was able to view pornography yesterday while working on a school essay at the BPL's Copley Square branch." The article goes on: "She said all the boys were around the computer and they were laughing and called the girls over to look at the pictures of naked people," Hunt said. "I want to find out from these library officials what is going on."

The article goes on to tell the story of another parent, Susan Sullivan who said she was stunned when her 10-year-old son spent the afternoon researching a book report on the computer in the BPL's Adams Street branch, but ended up looking through explicit photographs instead.

Ms. Sullivan says: "I'm very, very upset because I have no idea what he saw on the screen. He said he was using the Internet to do a book report on Indians and he was able to access dirty pictures, pictures of naked people."

When the library spokesman was asked about parent's concerns, he dismissed them saying, "We do have children's librarians but we do not have Internet police."

So here is the genuine concern of the American Library Association for children and their genuine support for blocking software as a solution.

Again, Mr. President, I ask unanimous consent that this article be made part of the record.

However, Mr. President, this is a side issue. As I pointed out earlier, in the case of the computer industry, deceit and denial are tactics regularly employed by opponents of real child protections. The fact is, Mr. President, that the software does not work. In fact, it is particularly dangerous because it creates a false sense of security for parents, teachers, and children.

I have here a transcript from Morning Edition on National Public Radio. It is from the September 12, 1997 program. The host, Brooke Gladstone is interviewing a 12-year-old named Jack. Ms. Gladstone asks Jack what he does when he bumps up against Net Nanny, a popular blocking software program.

Jack replies: "You go to hacking sites such as the Undernet, which is a site which you pay money to go a member{sic}. And then, after that, you have full access to all these hacking, cracking and phreaking and credit card fraud and all these other tools."

Ms. Gladstone then asks Jack if kids use these services.

Jack replies: "A lot. I mean, you have kids at school who bring in 3.5 inch disks saying hey, buddy, come here. I'll sell you this disk for $10 dollars. There's all the hacking stuff you'll ever need.

Ms. Gladstone then goes on to discuss with Jack how he made money downloading pornography and selling it to his school-mates, making $30.

Jack describes the various methods by which he defeats the blocking software his parents have installed.

Later in the interview, Ms. Gladstone interviews Jay Friedland, founder of Surf Watch, another well-hyped blocking software program. Mr. Friedland readily concedes that his software can be broken, even describing the ways to hack the program.

In describing the security his product offers parents, he says: "It's a little bit like suntan lotion. It allows you to stay out in the sun longer, but you can still get sunburnt." Mr. President, this does not sound very reassuring to me.

I ask unanimous consent that the full text of this article be inserted into the RECORD at the appropriate place.

The bottom line here is money. There are millions upon millions of dollars being made on the Internet in the pornography business. There is even more money being made marketing software to terrified parents, software that does not work.

Let's look at the situation. You have the computer industry working to defeat laws designed to prohibit distribution of pornography to children. The solution that they promote is blocking software, manufactured by themselves. They are making tens- of-millions of dollars off of it. However, what we find out is that the software doesn't work. And all the while, you have companies like America On-Line out there, head in the sand, telling parents, schools, Congress, and the American public that there isn't a problem with pornography on the Internet. And the Internet Access Providers are pulling in the big bucks, providing access to the red light district.

"The Erotic Allure of Home Schooling," that is the name of an article, published in the September 8 edition of Fortune Magazine. Mr. President, I have long been an advocate of home schooling. But, I must confess that its erotic allure has never been one of my motivations.

It begins: "Here's one of the Web's dirtiest words: Mars. Try searching for sites about the red planet lately, and you could land on a porn purveyor's online playground. What next?" the article asks, "Smut linked to the keywords'home schooling'? Don't look now—it's already happened."

The article goes on: "Perverse as these connections seem, they're right out of Economics 101, specifically the part about competition. Pornography sites are among the Web's few big moneymakers. There are thousands of them, from the R-rated to the boundlessly perverse. They compete furiously, and their main battleground for market share is search engines like Yahoo, Lycos, Excite, and Infoseek. Web surfers looking for porn typically tap into such search services and use keywords like "sex" and "XXX." But so many on- line sex shops now display those words that their presence won't make a site stand out in a list resulting from a user's query. To get noticed, pornographers increasingly try to trick search engines into giving them top billing—sometimes called 'spoofing'."

The article points out that: "Search engine companies like Infoseek constantly develop new filters to defeat spoofing. But calls still come in from irate mothers and grade-school teachers who click on innocent-looking search results and find themselves on a page too exotic to mention." The article concludes: "The Clinton Administration is encouraging efforts based on'voluntary restraint.' That's a lot to ask in the Web's open bazaar, where market share is the name of the game."

I ask unanimous consent that the full text of this article be inserted in the record at the appropriate place.

Mr. President, it is not just a lot to ask. It is foolish and futile to ask. The bottom line is that, unless commercial distributors of pornography are met with the force of law, they will not act responsibly.

I am here today to introduce legislation that will provide just such force of law.

As I stated in my opening comments, the legislation I introduce today is designed to accommodate the concerns of the Supreme Court. This legislation is specifically targeted at the commercial distribution of materials harmful to minors on the World Wide Web.

It states simply that "Whoever in interstate or foreign commerce in or through the World Wide Web is engaged in the business of the commercial distribution of material that is harmful to minors shall restrict access to such material by persons under 17 years of age."

It is an affirmative defense to prosecution that the defendant restricted access to such material by requiring use of a verified credit card, debit account, adult access code, or adult personal identification number. The bill also calls upon the FCC to prescribe alternative procedures. The FCC is expressly restricted from regulation of the Internet, or Internet Speech.

Further, the FCC and the Justice Department are directed to post on their Web sites information as is necessary to inform the public of the meaning of the term "harmful to minors."

As I know that it will be of some concern to my colleagues that any legislation dealing with this topic takes into account the Supreme Court's ruling in the CDA, I would like to take some time now to examine the key precedents which the Court considered in its opinion on the CDA and how they relate to this bill.

Central to the construction of this legislation is the Ginsberg case. This Court ruling upheld the constitutionality of a New York statute that prohibited the selling to minors under 17 years of age material that was considered obscene as to them even if not obscene as to adults. In Ginsberg, the Court rejected the defendant's argument that "the scope of the constitutional freedom of expression secured to a citizen to read or see material concerned with sex cannot be made to depend on whether the citizen is an adult or a minor."

In Ginsberg, the Court relied on both the state's interest in protecting the well-being of children, but also on the principle that "the parent's claim to authority in their own household to direct the rearing of their own children is basic in the structure of our society."

In the Court's opinion on the CDA, they laid out four differences between the CDA and the question contained in the Ginsberg case. As you will see, the legislation I introduce today carefully addresses each of these concerns.

First, the Court points out that in the New York statute examined in Ginsberg, "the prohibition against sales to minors does not bar parents who so desire from purchasing the magazines for their children." The Court interpreted the CDA to prohibit such activity. Though I must confess to my colleagues that I find it a disturbing proposition that a parent should so desire to purchase pornographic material for their children's consumption, it seems that this is a right that this Court feels compelled to protect.

The legislation I introduce today places no restriction on a parent's right to purchase such material, and to provide it to their children, or anyone else. In fact, it places no restriction on any potential consumer of pornography. Rather, it simply requires the commercial purveyor of pornography to cast their message in such a way as not to be readily available to children.

The Court's second issue relating to the Ginsberg case is that the New York statute applied only to commercial transactions. As I have previously stated, my legislation deals only with commercial transactions.

Third, the Court points out that in Ginsberg, the New York statute combined its definition of harmful to minors with the requirement that it be "utterly without redeeming social importance for minors." The Court goes on to express that the CDA omits any requirement that the material covered in the statute lack serious literary, artistic, political, or scientific value.

This concern is addressed directly in my legislation, with a specific plank of the definition of harmful to minors requiring that the material in question "lacks serious literary, artistic, political, or scientific value." Mr. President, I do not believe that it is possible to address a concern more directly.

Finally, the Court states that the New York statute considered in Ginsberg defined a minor as a person under the age of 17, whereas the CDA applied to children under the age of 18, citing concern that by extending protection to those under 18, the CDA reached "those nearest the majority."

Mr. President, here again I am confused my the rationale of the Court. For it is common practice in federal statute to recognize minors as those under the age of 18 years. However, the legislation I introduce today contains the same under 17 requirement established under Ginsberg.

The second case of importance as relates to the Supreme Court ruling on the CDA is the Pacifica case. Though the specifics of this case are well-known to most by now, a summary might be helpful. In the Pacifica case, the Supreme Court upheld a declaratory order of the FCC relating to the broadcast of a recording of a monologue entitled "Filthy Words."

The Commission found that the use of certain words referring to excretory or sexual activities or organs "in an afternoon broadcast when children are in the audience was patently offensive" and thus inappropriate for broadcast.

In considering the precedent established in Pacifica, and their relationship to the CDA, the Court outlined 3 concerns.

First, the Court stated that, unlike in Pacifica where the content in question was regulated as to the time it was broadcast, the CDA made no such distinction. Further, the Court makes a rather curious distinction in stating that the regulation in question in the Pacifica case had been promulgated by an agency with "decades" of experience in regulating the medium.

On the first point, the regulation of Internet content in the context of time is irrelevant, as a child may access or be inadvertently exposed to pornography any time he or she logs onto the Internet. That could be in the evening, when doing a research paper, or during class—working on an assignment, or at the public library. The simple fact that a child runs the risk of exposure any time presents a more substantial potential for harm than the time regulation approach approved in Pacifica, and calls for a higher level of control, not lower as the Court concluded.

On the question of regulation by an agency with decades of experience, given the fact that the Internet is a very new medium of communication, it is a rather ludicrous distinction to make. No agency, short of the Defense Department, could demonstrate the historical relationship to the Internet that the FCC can with broadcast radio. Surely the Supreme Court would not advocate Defense Department regulation of the Internet.

Further, given the concern among supporters of the Internet regarding government regulation of the medium, it would seem preferable to have a clearly defined statute, enforced by the Justice Department, as opposed to a regulatory regime, which would be enforced by an unaccountable federal agency and subject to bureaucratic creep. During debate and negotiations on passage of the CDA, opponents raised strong concerns that the FCC not be given any regulatory authority over the Internet. It was this opposition to a regulatory solution that resulted in a very restricted agency roll.

Though the FCC is expressly prohibited from regulating content under the legislation I introduce today, a specific provision is made for the FCC to prescribe a method of restricting access that would function as an affirmative defense to prosecution.

As such, this legislation provides the benefit and flexibility of an evolving agency regulation, whereby as technology evolved and new and more effective means of access restriction emerge, the Commission could modify the regulation, without the creation of a regulatory regime with expansive FCC authority over the Internet and speech.

The Court goes on to point out that in Pacifica, the Commission's declaratory order was not punitive, whereas there were penalties under the CDA. Here, it is important to distinguish the difference in scope between this legislation and the CDA.

A principal concern of the Court with the CDA, was that the CDA dealt with both commercial and non-commercial communications. As such, the cost and technology burdens necessary to restrict access that would be imposed by the CDA on non-commercial speakers, according to the opinion of the Court, would be prohibitive. The result would be, in the Opinion of the Court, that speech would be chilled.

The legislation I introduce today is strictly limited to the commercial distribution of pornography on the World Wide Web. The commercial distributors of pornography on the Web already use the very mechanisms (credit cards and PIN numbers) that are required under this bill. The difference between the status quo and this bill is that pornography distributors would be required to cease to give away the freebies that any child with a mouse could gain access to.

As such, Court concerns regarding the potential chilling effect to non-commercial speech that they perceived under the CDA is moot. The scope of this legislation does not extend to the non-commercial speaker. Secondly, this legislation imposes no new technological or economic burden on the commercial operator. It simply imposes a control on the manner of distribution and provides penalties for violations. Mr. President, there is a long tradition of fines and penalties for violations of laws governing the commercial distribution of pornography. This legislation is simply a continuation of these principles. In fact, the very treatment of fines in penalties under this legislation, mirrors those under dial-a-porn, which have been upheld by the Supreme Court.

Finally, under an examination of Pacifica, the Court points out the differences between the level of First Amendment protection extended to broadcast and the Internet. Mr. President, I must say that however much I differ with the opinion of the Court on this question in general, I would simply point out that the harmful to minors standard has traditionally been used, and has been constitutionally upheld, as a standard for regulating print media. Print media is extended the highest level of First Amendment protection. As such, this legislation clearly accounts for the Supreme Court's concerns in this area.

The Court also examines the precedents established under Renton. The Renton case dealt with a zoning ordinance that kept adult movie theaters out of residential neighborhoods. It did so based on the "secondary effects" of the theaters—such as crime and deteriorating property values. It was the Court's opinion that the CDA treated the entire universe of cyberspace rather than specific areas or zones. Further, the Court seemed preoccupied that the CDA dealt with the primary, not the secondary effects of pornography.

The legislation I introduce today deals with a narrow zone of the Internet, commercial activity on the World Wide Web. Though there is tremendous economic activity in pornography on the Web. The cyber-geography of this bill is very limited.

Mr. President, on this question of primary and secondary effects, I must differ with the Court and would like to go into this question in some detail.

The underlying principle which the Senate supported by a vote of 84 to 16 in adopting the CDA, and which is embodied in the legislation I introduce today is articulated in New York versus. Ferber: "It is evident beyond the need for elaboration that the State's interest in 'safeguarding the physical and psychological well-being of a minor' is compelling."

There is no question that exposure to pornography harms children. A child's sexual development occurs gradually through childhood. Exposure to pornography, particularly the type of hard-core pornography available on the Internet, distorts the natural sexual development of children.

Essentially, pornography shapes children's sexual perspective by providing them information on sexual activity. However, the type of information provided by pornography does not provide children with a normal sexual perspective. As pointed out in Enough is Enough's brief to Court on the CDA, pornography portrays unhealthy or antisocial kinds of sexual activity, such as sadomasochism, abuse, and humiliation of females, involvement of children, incest, group sex, voyeurism, sexual degradation, bestiality, torture, objectification, that serve to teach children the rudiments of sex without adult supervision and moral guidance.

Ann Burgess, Professor of Nursing at the University of Pennsylvania, states that children generally do not have a natural sexual capacity until between 10 and 12 years old. Pornography unnaturally accelerates that development. By short-circuiting the normal development process and supplying misinformation about their own sexuality, pornography leaves children confused, changed and damaged.

As if the psychological threat of pornography does not present a sufficient compelling interest, there is a significant physical threat. As I have stated, pornography develops in children a distorted sexual perspective. It encourages irresponsible, dehumanized sexual behavior, conduct that presents a genuine physical threat to children. In the United States, about one in four sexually active teenagers acquire a sexually transmitted disease (STD) every year, resulting in 3 million STD cases. Infectious syphilis rates have more than doubled among teenagers since the mid-1980's. One million American teenage girls become pregnant each year. A report entitled "Exposure to Pornography, Character and Sexual Deviance" concluded that as more and more children become exposed not only to soft-core pornography, but also to explicit deviant sexual material, society's youth will learn an extremely dangerous message: sex without responsibility is acceptable.

However, there is a darker and more ominous threat. For research has established a direct link between exposure and consumption of pornography and sexual assault, rape and molesting of children. As stated in Aggressive Erotica and Violence Against Women, "Virtually all lab studies established a causal link between violent pornography and the commission of violence. This relationship is not seriously debated in the research community." What is more, pedophiles will often use pornographic material to desensitize children to sexual activity, effectively breaking down their resistance in order to sexually exploit them.

A study by Victor Cline found that child molesters often use pornography to seduce their prey, to lower the inhibitions of the victim, and as an instruction manual. Further, a W.L. Marshal study found that: "87 percent of female child molesters and 77 percent of male child molesters studied admitted to regular use of hard-core pornography."

Given these facts, Mr. President, any distinction the Court makes regarding the effects of pornography on children seems to miss the very point of the state's compelling interest. For the sanctity and security of childhood is what these efforts are all about.

As I have stated before in addressing this subject, childhood must be defended by parents and society as a safe harbor of innocence. It is a privileged time to develop values in an environment that is not hostile to them. But this foul material on the Internet invades that place and destroys that innocence. It takes the worst excesses of the red-light district and places it directly into a child's bedroom, on the computer their parents bought them to help them with their homework.

I urge my colleagues to support this legislation, and yield the floor.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From U.S. News & World Report, Feb. 10, 1997]

THE BUSINESS OF PORNOGRAPHY

(By Eric Schlosser)

MOST OF THE OUTSIZE PROFITS BEING GENERATED BY PORNOGRAPHY TODAY ARE BEING EARNED BY BUSINESSES NOT TRADITIONALLY ASSOCIATED WITH THE SEX INDUSTRY

John Stagliano is a wealthy entrepreneur, a self-made man whose rise to the top could happen only in America. Raised in a conservative, Midwestern household, Stagliano read the books of Ayn Rand and was greatly influenced by their heroes, rugged individualists willing to defy conventional opinion. He attended the University of California—Los Angeles hoping to become a professor of economics. Instead, he studied modern dance, struggled to find work as an actor, became one of the original Chippendale dancers, performed occasionally in hard-core films, and used the prize money won during a cable television strip contest to finance and direct a porn film of his own.

Today, Stagliano is the nation's leading director of hard-core videos, a porn auteur whose distinctive cinema verite style of filmmaking has been widely imitated. His videos cost about $8,000 to produce—and often earn him 30 times that amount. Stagliano shoots without a crew, edits the films himself, and performs in them. He also is a major contributor to the Cato Institute, a well-known think tank in Washington, D.C., where he regularly discusses policy issues with its economists.

Stagliano's company, Evil Angel Video, has become a veritable United Artists of porn, distributing the work of other top directors. Evil Angel sold about half a million videos last year. At its modern Southern California warehouse, hundreds of VCRs, stacked floor to ceiling, run 24 hours a day, five days a week, churning out copies of hard-core films.

A great deal has been written about pornography, both pro and con. A new movie about the life of Larry Flynt, the publisher of Hustler magazine, has once again raised the issue of pornography and the First Amendment. But much less attention has been given to the underlying economics of porn, to porn as a commodity, the end product of a modern industry that arose in this country after the Second World War and has grown enormously ever since.

Critics of the sex industry have long attacked it for being "un-American"—and yet there is something quintessentially American about it: the heady mix of sex and money, the fortunes quickly made and lost, the new identities assumed and then discarded, the public condemnations of a private obsession. Largely fueled by loneliness and frustration, the sex industry has been transformed from a minor subculture on the fringes of society into a major component of American popular culture.

Meese formation. More than a decade ago, Attorney General Edwin Meese III's Commission on Pornography issued its controversial report, asserting that sexually explicit materials were harmful and calling for strict enforcement of the federal obscenity laws. The report prompted President Ronald Reagan to launch one of the most far-reaching assaults on porn in the nation's history, a campaign that continued under President George Bush. Hundreds of producers, distributors, and retailers in the sex industry were indicted and convicted. Many were driven from the business and imprisoned.

The Reagan-Bush war on pornography coincided, however, with a dramatic increase in America's consumption of sexually explicit materials. According to Adult Video News, an industry trade publication, the number of hard-core-video rentals rose from 75 million in 1985 to 490 million in 1992. The total climbed to 665 million, an all-time high, in 1996. Last year Americans spent more than $8 billion on hard-core videos, peep shows, live sex acts, adult cable programming, sexual vices, computer porn, and sex magazines—an amount much larger than Hollywood's domestic box office receipts and larger than all the revenues generated by rock and country music recordings. Americans now spend more money at strip clubs than at Broadway, off-Broadway, regional, and nonprofit theaters; at the opera, the ballet, and jazz and classical music performances—combined.

Porn has become so commonplace in recent years that one can easily forget how strictly it was prohibited not long ago. The sociologist Charles Winick has noted that the sexual content of American culture changed more in two decades than it had in the previous two centuries. Twenty-five years ago, a federal study of pornography estimated that the total retail value of all the hard-core porn in the United States was no more than $10 million, and perhaps less than $5 million.

During the 1980s, the advent of adult movies on videocassette and on cable television, as well as the huge growth in telephone sex services, shifted the consumption of porn from seedy movie theaters and bookstores into the home. As a result, most of the profits being generated by porn today are being earned by businesses not traditionally associated with the sex industry—by mom and pop video stores; by long-distance carriers like AT&T; by cable companies like Time Warner and Tele-Communications Inc.; and by hotel chains like Marriott, Hyatt, and Holiday Inn that now reportedly earn million of dollars each year supplying adult films to their guests. America's porn has become one more of its cultural exports, dominating overseas markets. Despite having some of the toughest restrictions on sexually explicit materials of any Western industrialized nation, the United States is now by far the world's leading producer of porn, churning out hard-core videos at the astonishing rate of about 150 new titles a week.

Parallel universe. In the San Fernando Valley of Southern California, near Universal City and the Warner Bros. back lot, an X-rated-movie industry has emerged, an adult dream factory, with its own studios, talent agencies, and stars, its own fan clubs and film critics. Perhaps three quarters of the hard-core films made in the United States today come from Los Angeles County. Sound stages, editing facilities, and printing plants are tucked away in middle- and working-class neighborhoods, amid a typical Southern California landscape of palm trees, shopping malls, car washes, and fast-food joints. You could hardly choose a more unexceptional spot for the world capital of porn.

Nevertheless, strange things are happening in the valley, behind closed doors. Every few weeks, in the upscale suburb of Sherman Oaks, there's an open casting call at the industry's top talent agency. Scores of young men and women crowd its small offices, undressing for producers and directors who audition promising newcomers and inspect them for tattoos. At the sleek headquarters of an adult-film company in Chatsworth, the hallways are lined with autographed basketball and hockey jerseys, expensively framed. There is not an obscene image in sight. It could be the headquarters of ESPN. In addition to hard-core videos, the company's state-of-the-art, $30 million duplicating equipment also copies videos for government agencies and local church groups. At a factory in Panorama City, near the foothills of the San Gabriel Mountains, shelves are lined with plaster casts of the buttocks and genitalia of famous porn stars. The casts are used to make sexual devices, lifelike reproductions packaged with celebrity endorsements. A rival L.A. company sells a plastic, inflatable woman that speaks with an English accent. The factory calls to mind the set of a science fiction movie: Wires peek from battery-powered devices; metal cages on the floor are filled with rubber body parts.

The distribution of sexually explicit material has become intensely competitive. Hundreds of companies now produce and distribute hard-core films, selling them to wholesalers and retailers and directly to consumers. Videotape has lowered production costs so much, according to one industry executive, that the only barriers to entry today are "a sense of embarrassment and the lack of a good lawyer." The availability of hard-core films on home video has forced adult theaters out of business in cities nationwide. Los Angeles once had more than 30 adult theaters; today it has perhaps six. The number of adult bookstores has also declined, though not so precipitously. The bookstores are supported mainly by their peep booths, which at some locations now allow a customer to watch five hard-core videos simultaneously on dual TV screens, demanding a new quarter every 20 seconds.

Although the sex industry in Southern California is booming, most of the revenues generated by hard-core videos are going to mainstream video stores. The consolidation of the retail video business, marked by the growth of national chains like Blockbuster, has put enormous pressure on mom and pop video stores. Faced with competition from superstores, independent retailers have turned to renting and selling hard-core porn as a means of attracting customers. This marketing strategy has been made possible by Blockbuster's refusal to carry X-rated material and by the higher profit margins of hard-core videos. A popular Hollywood movie on videotape, such as Pulp Fiction, may cost the retailer $60 or more per tape and rent for $3 a night. A new hard-core release, by comparison, may cost $20 per tape and rent for $4 a night. Some mom and pop video stores now derive a third of their income from porn. According to Paul Fishbein, editor of Adult Video News, there are approximately 25,000 video stores that rent and sell hard-core films—almost 20 times the number of adult bookstores.

Economies of scale. The spread of hard-core videos into mainstream channels of distribution has fueled a tremendous rise in the production of porn. Since 1991, the number of new hard-core titles released each year has increased by 500 percent. The falling cost of video equipment has attracted more and more filmmakers to the business. In 1978, perhaps 100 hard-core feature films were produced, at a typical cost in today's dollars of about $350,000. Last year, nearly 8,000 new hard-core videos were released, some costing just a few thousand dollars to produce. Wholesale prices have been driven down by this flood of product. A market once characterized by a relatively undifferentiated product has segmented into various niches, with material often aimed at narrowly defined audiences.

Hard-core videos now cater to almost every conceivable predilection—and to some that are difficult to imagine. There are gay videos and straight videos; bondage videos and spanking videos; tickling videos, interracial videos, and videos like Count Footula for people whose fetish is feet. There are "she-male" videos featuring transsexuals and "cat fighting" videos in which naked women wrestle one another or join forces to beat up naked men. There are hard-core videos for senior citizens, for sadomasochists, for people fond of verbal abuse. The sexual fantasies being sold in this country are far too numerous to list. America's sex industry today offers a textbook example of how a free market can efficiently gear production to meet consumer demand.

Men are by far the largest consumers of porn. Most of the hard-core material being sold depicts sexuality from a traditional male perspective, with women's bodies as the central focus, little subtlety, and an emphasis on the mechanics of sex. Some American women, however, are consuming a good deal of hard-core material. During the late 1980s, a survey by Redbook magazine, famous for its recipes and household tips, found that almost half of its readers regularly watched pornographic movies in the privacy of their homes. And a recent survey by the Advocate, a leading gay magazine, found that 54 percent of its lesbian readers had watched an X-rated video in the previous 12 months.

Valley girls. The office of Vivid Video are in Van Nuys, Calif., the epicenter of the sex industry. Located in the middle of the San Fernando Valley and founded with the slogan "The Town That Started Right," Van Nuys has long been known as a solid middle-class community, home to the "Valley girls" whose distinctive idiom is often parodied. Great Western Litho, which prints the box covers for hard-core videos, is now one of the town's largest employers, along with Hewlett-Packard and Anheuser-Busch. The Mid-Valley Chamber of Commerce never mentions in its community guide that hard-core videos are one of the area's major exports. And yet from an inconspicuous set of buildings, across the street from a quiet residential block, Vivid Video has become one of the two or three leading adult-film companies in the world by adapting the old Hollywood studio system to the mass production of porn.

Steven Hirsch, the founder and president of Vivid, has long hair, a good tan, a firm handshake, a brand-new black Ferrari parked outside his office. As he talks about pay-per-view buy rates, brand recognition, and foreign licensing rights, he seems no different from the aggressive young Hollywood executives a few miles to the south. He started his company in 1984, at the age of 23. He thought that all porn films looked alike—and that he could make better ones. He signed actresses to exclusive contracts, heavily promoted his stars as the "Vivid Girls," and put them in films aimed at couples, with dialogue and a plot. His formula soon proved a success.

In addition to creating a sex-star system, Hirsch has made Vivid one of the top hard-core film companies—along with VCA Pictures, Leisure Time, and Metro—by exploiting new avenues of distribution. Vivid's films appear on Playboy's cable channel, and in partnership with Playboy, Vivid has launched a new pay-per-view cable service called AdultVision. It offers porn films 24 hours a day, seven days a week. Adult movies on pay-per-view have become a large source of profits for cable companies; a "cash cow," one executive told Variety. When an adult film is sold on pay-per-view, the cable operator typically gets to keep 70 percent of the revenue.

Last year, Americans spent more than $150 million ordering adult movies on pay-per-view. Most of that money was earned by the nation's major cable companies: Time Warner, Continental Cablevision, Cablevision Systems Corp., and TeleCommunications Inc. The porn services like AdultVision and its main competitor, the Spice Channel, often attract more viewers than channels offering Hollywood movies. Some of the adult services give cable operators 5 percent of the revenues gained by selling various products that are advertised between porn films. There are cable companies that rank in the Fortune 500 that now earn money through the sale of love oils and lingerie.

Even larger revenues are being earned by companies that offer adult films in hotels. Last year guests spent about $175 million to view porn in their rooms at major hotel chains such as Sheraton, Hilton, Hyatt, and Holiday Inn. Few hotels have refused to carry adult material on their pay-per-view systems. Whenever a guest orders an adult movie through pay-per-view, the hotel gets a cut of up to 20 percent.

Hirsch also sells the foreign distribution rights to Vivid's films, sometimes covering the entire cost of a production through an overseas sale. Canal Plus, one of France's biggest cable companies, broadcasts two hard-core Vivid movies every month, which earn some of the channel's highest ratings. European countries tend to have much looser standards about nudity on television and much tougher restrictions on violence. In Germany, films like Rambo and RoboCop cannot be broadcast on television or rented in video stores by anyone under the age of 18—and yet German pay cable service offers extremely hard-core films. Although the French sex industry is growing, American porn dominates overseas markets.

In order to meet domestic and overseas commitments, Vivid shoots eight new hard-core movies a month, half on video, half on 16-mm film, with an average budget of $80,000. "We're like a big machine," Hirsch says. Logistical nightmares are common: Screenplays fail to arrive on time; performers don't show up on the set.

Hirsch says his job is not as exciting as some people think: "You spend half your day on the phone selling the product and the other half of the day collecting for it." He also believes there's nothing wrong with being in the porn business; indeed, he grew up in it. Hirsch's father is a former stockholder who started his own adult-film company and put his teenage kids to work in the warehouse during summer vacations. Hirsch's sister is now the head of production at Vivid.

Nina Hartley is the stage name of a well-known porn star whose career in the sex industry has lasted more than a decade. Hartley grew up in Berkeley, considers herself a radical feminist, and comes from a long line of American rebels. She says that her grandfather (a physics professor) and her father (a radio announcer) were members of the Communist Party. Raised as a feminist to distrust the male gaze, Hartley secretly fantasized about dancing naked. After graduating magna cum laude with a nursing degree from San Francisco State, she decided to become a porn star. Since the early 1980s, she has appeared in more than 300 hard-core films. She is a proud exhibitionist. For the past 14 years, she has lived in a stable, triangular relationship with her husband—a former member of the campus radical group Students for a Democratic Society—and another woman. "Nina Hartley" is a deliberate creation of theirs, a larger-than-life persona designed to show that a woman can be strong and sexually autonomous.

Fear of sex? "For all the lip service we give to sex being holy and wonderful and spiritual," Hartley says, "we let Madison Avenue use it to sell spark plugs and dishwashing detergent—to sell anything but sex." She thinks a great deal of today's porn is not only misogynous but misanthropic, treating men with disrespect. It is a disposable commodity, reflecting the culture's deep fear of sex. "The people who run the porn business are not sex radicals," she notes, with regret; their sex lives at home tend to be extremely conventional. "You'd be surprised how many of the producers and manufacturers are Republicans."

Some women are drawn to the sex industry because they're exhibitionists who love the sex and the stardom. Most are attracted by the money. One well-known porn star put herself through law school by acting in hard-core films; others have saved their earnings, invested well, and then quit. But many are drawn to the industry by drug habits and self-loathing. For these women, hard-core videos become a permanent record of the most degrading moments of their life.

There is a constant demand for new talent, and few actresses last more than a year or two. Hartley warns new performers to avoid overexposure. A woman's pay is largely based on her novelty. Hundreds of women are constantly entering and exiting the industry. As in Hollywood, the demand is greatest for actresses in their late teens and early 20s.

Sexually transmitted diseases are one of the industry's occupational hazards. Performers are now required to undergo monthly HIV testing, and their test results serve as a passport for work. A number of producers insist upon the use of condoms during especially high-risk activity; the majority of producers don't. A leading actor with AIDS could in a matter of days spread the virus to many other performers. Because such an epidemic has not yet struck the porn community, many performers question the prevailing wisdom about AIDS and how it is spread. Behind these doubts lies a great deal of fear, denial, and wishful thinking. Drawing upon her experience as a registered nurse, Hartley has published a set of "Health and Hygiene Tips for Adult Performers."

Attempts to form a union for sex workers have met with little success. Most of the performers, according to Hartley, are "eighties kids" who want to be rich and pay fewer taxes: "Solidarity? Brotherhood? Sisterhood? Ha!" Verbal contracts are routinely made and broken, by producers and performers. Checks sometimes bounce. The borderline legal status of the industry makes performers reluctant to seek redress in court.

The highest-paid performers, the actresses with exclusive contracts, earn between $80,000 and $100,000 a year for doing about 20 sex scenes and making a dozen or so personal appearances. Only a handful of actresses—perhaps 10 to 15—are signed to such contracts. Other leading stars are paid roughly $1,000 per scene. The vast majority of porn actresses are "B girls," who earn about $300 a scene. They typically try to do two scenes a day, four or five times a week. At the moment, there is an oversupply of women in Southern California hoping to enter the porn industry. Overtime is a thing of the past, and some newcomers will work for $150 a scene.

The dirty dozen. The actors in hard-core films serve mainly as props for the female performers. Leading actors earn less money than the top actresses but enjoy much longer careers. Most enter the business in order to have sex with a large variety of women. The men are valued primarily for their ability to perform on cue. Perhaps a dozen men consistently display that skill; some have now appeared in more than 1,000 hard-core films.

Hartley spends about half of her year on the road, dancing in strip clubs four to six nights a week. Like many porn actresses, that is how she earns the bulk of her income. The huge growth in the hard-core-video business during the 1980s coincided with the opening of large strip clubs all over the country. Hard-core videos now serve as a promotion for live performances. According to Rob Abner, a former analyst at E.F. Hutton who now publishes Stripper magazine, a trade journal, the number of major strip clubs in the United States roughly doubled between 1987 and 1992. Today there are about 2,500 of these clubs nationwide, with annual revenues ranging from $500,000 to more than $5 million at a well-run "gentlemen's club." The salaries of featured dancers have risen astronomically. The nation's top five or six porn actresses earn $15,000 to $20,000 a week to dance at strip clubs, doing four 20-minute shows each night. Another five or six porn actresses earn between $8,000 and $15,000 a week. Featured dancers are now paid, for the most part, according to the "credits" they have accumulated—their appearances in hard-core films, on video-box covers, in men's-magazine photo spreads. In the hierarchy of sex workers, strippers always used to look down at porn stars, viewing their work with distaste. Now strippers from all over the United States are flocking to Southern California and competing for roles in hard-core films.

The uncontrolled, and perhaps uncontrollable, nature of today's sex industry is best illustrated by the thriving trade in homemade hard-core videos. During the 1980s the camcorders advertised as a means of recording weddings, graduations, and a child's first steps were soon used to record sex. People began making and exchanging tapes of themselves in bed. An underground market arose for these crude but authentic sex tapes, and companies began to distribute them. Today anywhere from one fifth to one third of the hard-core videos being sold in the United States are classified as "amateur," featuring to some degree the work of nonprofessionals. Most of the companies that distribute amateur porn are located in Southern California. But there are hard-core amateur-video companies distributing tapes from Vandalia, Ohio, and Wentzville, Mo.; from Wichita, Kan., and Ronkonkoma, N.Y.; from Woodridge, Ill., and Chattanooga, Tenn. Americans who like to be watched and Americans who like to watch are now linked in a commerce worth hundreds of millions of dollars.

The oldest, and one of the largest, amateur porn companies is based in San Diego, not far from the Salk Institute. Homegrown Video offers more than 500 different tapes of ordinary people having sex. The company's current owner, Tim Lake, is 31 years old and could easily pass for a drummer in a Seattle rock band. Lake and his wife, Alyssa, sift through the new tapes that arrive at their office each week from around the world. The people who appear in these videos are of every race, size, and shape. Their bodies are different from those seen in typical hard-core films, in which the performers often look like parodies of the reigning masculine and feminine ideals. People who send tapes to Homegrown hope to break into the porn business, or earn a little extra money, or show off. The company pays them $20 for every minute of video it uses; about half the tapes that Homegrown receives are eventually released in some form. In a sense, the company serves as a clearinghouse for the democracy of porn, supplying hard-core videos by the people, for the people.

Lake, whose real name is Farrell Timlake, was raised in Fairfield County, Conn. He attended prep schools in New Canaan and Kent, studied literature at the University of Washington, became a performance artist, met his wife at a rock club, and followed the Grateful Dead with her for years. The two have been together for more than a decade and have a young daughter. Lake was a porn star in Los Angeles before buying Homegrown, as was his wife. Lake's brother, who attended Exeter and Stanford, is now Homegrown's head of sales and has performed in its films.

In much the same way that hard-core films on videocassette were largely responsible for the rapid introduction of the VCR, porn on CD-ROM and on the Internet has hastened acceptance of these new technologies. Interactive adult CD-ROMs, such as Virtual Valerie and The Penthouse Photo Shoot, created interest in multimedia equipment among male computer buyers. The availability of sexually explicit material through computer bulletin board systems has drawn many users to the Internet. Porn companies have established elaborate Web sites to lure customers. But these new technologies have not yet become a major source of income for the sex industry. Most of the adult-film producers in Southern California—like their Hollywood counterparts—have been disappointed with their multimedia sales. Despite the vast quantities of porn available on the Internet, the revenues being generated are minuscule compared with the video trade. Nevertheless, distributing porn via the Net may yield large profits one day. Playboy's Web site, which offers free glimpses of its Playmates, now averages about 5 million hits a day.

Larry Flynt imagines a future in which the TV and the personal computer have merged. Americans will lie in bed, cruising the Internet with their remote controls—and ordering hard-core films at the punch of a button. The Internet promises to combine the video store's diversity of choices with the secrecy of purchases through the mail. The best example of how such "non-face-to-face transactions" will take place can be found in any recent issue of Hustler. Most of the ads, which cost $15,000 a page, are selling telephone sex.

Tough call. Telephone sex—considered simply one more form of "audiotext" by executives in the trade—became a huge business in the 1980s despite government efforts at regulation. Every night, between the peak hours of 9 p.m. and 1 a.m., perhaps a quarter of a million Americans pick up the phone and dial a number for commercial phone sex. The average call lasts six to eight minutes, and the charges range from 89 cents to $4 a minute. According to the owner of one of America's largest "audiotext providers," three quarters of the callers are lonely hearts seeking conversation with a woman. The sexual content of the call is often of secondary importance. Some calls reach a recorded message, but most are answered by "actresses"—bank tellers, accountants, secretaries, and housewives earning a little extra money at the end of the day. The ease, anonymity, and interactive quality of phone sex explain its commercial success and its relevance to the future of the Internet. Last year Americans spent between $750 million and $1 billion on telephone sex.

AT&T is one of the biggest carriers of phone sex. In 1991, the FCC restricted the type of adult calls that could be made to numbers with a 900 prefix, banning "obscene communications for commercial purposes." But no such restrictions apply to overseas calls, which can easily be made from most telephones. Audiotext providers now make financial arrangements with foreign phone companies and route their phone-sex calls to "actresses" in the Dominican Republic, Aruba, the Marianas, Guyana, and Russia. Half of every dollar spent on one of these international sex calls goes to the domestic phone company; the foreign telephone company gets the other half, splitting its take with the phone-sex provider. Some phone-sex providers have started their own long-distance phone companies in order to cut the U.S. carrier out of the deal. The use of overseas calls for phone sex has been a boon to some foreign telephone companies. This new routing system helps explain why the annual volume of long-distance calls to the small African nation of Sao Tome recently increased from 40,000 minutes to 13 million minutes.

Online sex. The nation's obscenity laws and the Communications Decency Act are the greatest impediments to Flynt's brave new world of porn. Even he is shocked by some of the material he has obtained through the Internet. "Some of the stuff out there," he says, "I mean, I wouldn't even publish it." He supports the V-chip, which will soon give parents the ability to prevent their children from watching violent TV programming. And he thinks children should be strictly denied access to sexually explicit material. But Flynt believes that adults can safely read any book or see any movie without risk of being corrupted and that the obscenity laws are an insult to the intelligence of the American people.

Flynt has slowly, almost imperceptibly, made the sexual content of Hustler more explicit over the past few years. Its photo spreads are now right on the border between soft core and hard core. Readers have noticed the change and have sent letters asking if what they see is real. Flynt may soon cross the line and make Hustler hard core. His attorneys are not pleased with the idea. But Flynt is beginning to think about his legacy. The Supreme Court's 1988 decision in Larry Flynt v. Jerry Falwell extended constitutional protection to political satire. The infidel who once cursed the Supreme Court now seems almost old-fashioned in his yearning to set another legal precedent. "I have all the money I need now," Flynt says, "and I'm not really motivated by it anymore. The most important contribution I could make would be an end to the obscenity laws."

Flynt predicts that if the obscenity laws are rescinded, the amount of hard-core material sold in the United States will skyrocket—but not for long. Once the taboo is lifted, once porn loses the aura of a forbidden vice, people will lose interest in it. Within a decade of overturning the obscenity laws, he claims, the size of the American sex industry would decline to a fraction of what it is today.

Bruce A. Taylor is president and chief counsel of the National Law Center for Children and Families, one of the leading supporters of the Communications Decency Act and of its provision banning information on abortion from the Internet. Taylor thinks that Flynt's prediction is absurd, that eliminating the nation's obscenity laws would be an unmitigated disaster. Taylor opposes hard-core porn because, he says, it degrades women, promotes rape, and thrives on prostitution—hiring people to have sex. He thinks most soft-core porn should be outlawed as well. Taylor warns Americans not to be fooled by Flynt: "Of course people in the business want to see it legalized!"

But Flynt's theory—that legalizing porn will eventually reduce the demand—may not be as outlandish as it seems. That is exactly what happened in Denmark a generation ago. In 1969, Denmark became the first nation in the world to rescind its obscenity laws, an act taken after much deliberation and study. According to Vagn Greve, director of the Institute of Criminology and Criminal Law at the University of Copenhagen, when the Danish obscenity law was overturned, there was a steep rise in the consumption of porn, followed by a long, steady decline. "Ever since then," he says, "the market for pornography has been shrinking." Porn sales remain high in Copenhagen mainly because of purchases by foreigners. Greve's colleague at the institute, the late Berl Kutchinsky, studied the effects of legalized pornography in Denmark for more than 25 years. In a survey of Copenhagen residents a few years after the "porno wave" had peaked, Kutchinsky found that most Danes regarded porn as being "uninteresting" and "repulsive." Less than a quarter of the population said they liked watching hard-core films. Subsequent research confirmed these findings. "The most common immediate reaction to a one-hour pornography stimulation," Kutchinsky concluded, "was boredom."

[From PC Week, Feb. 3, 1997]

Web Site Ratings—Shame on Most of Us

We and many others in the computer industry and press have decried the Communications Decency Act and other government attempts to regulate the content of the Web. Instead, we've all argued, the government should let the Web rate and regulate its own content. Page ratings and browsers that respond to those ratings, not legislation, are the answers we've offered.

The argument has been effective. With the CDA still wrapped up in the courts, the general feeling seems to be that we, the good guys, carried the day on this one.

Too bad we left the field before the game was over. We who work around the Web have done little to rate our content. We stumbled upon this situation while testing the latest release of Ziff-Davis' BrowserComp browser compatibility test (available at www.zdbop.com). We were checking a few random sites to verify that they contained ratings. They did not.

After visiting a broader set of sites, we were shocked by how little use of ratings we found. You can see for yourself by cranking up Internet Explorer 3.0. Follow the menu path View/Options/Security, and you'll see the Content adviser section. Enable ratings and start checking pages. We think your search will produce the same results as ours: few rated sites. A few notable exceptions, such as Playboy and Microsoft, had rated their pages, but they were more the exception than the rule.

They don't rate.

Shame on the sites, including some of Ziff-Davis' own, that lack ratings. No excuses really justify this lack of support. Rating pages certainly isn't particularly hard. Pretty much everyone agrees that the way to put a rating in a page is to use the HTML PICS (Platform for Internet Content Selection) tags. These tags let you specify for each of a set of rating areas, such as language or violence, a level, or ratings, that applies to that page. (For more information, visit www.w3.org/pub/WWW/PICS.)

Exactly which rating types a site should use is less settled, but the RSACi system from the Recreational Software Advisory Council (www.rsac.org) seems to be the front-runner and is the one IE supports. Some might argue that their sites contain no objectionable content and thus don't need ratings. That argument doesn't wash, however, because to be safe those wishing to limit access to potentially unsuitable pages will choose the option of having the browser block unrated pages. For even the best-behaved pages to be available to such folks, it needs a rating.

A bigger excuse may be the current paucity of browser support for ratings. Netscape's Navigator 3.0 does not include RSACi support. (Such support is coming in a future release from Netscap, but it's sad that this leader in the Web community was not a leader in ratings support.)

If you are as outraged as we are by the lack of page ratings, do something about it. Stop by the PICS and RSACi pages. Try our experiment. Complain to sites that are not rated. Complain if your browser does not support ratings.

Raise a ruckus! If we don't rate ourselves and solve the unsuitable content problem on our own, then we will have no right to complain when Big Brother attempts to do it for us.

[From the Boston Herald, Feb. 12, 1997]

KIDS CRUISE ON-LINE PORN IN LIBRARY; STUDENTS' 'RIGHT' BACKED AS ANGRY PARENTS LASH OUT

(By Maggie Mulvihill)

Boston parents who thought their kids were busy studying at the public library have been shocked to find out they were pulling up X-rated pictures on the Internet instead.

While city officials are demanding action, a library spokesman said officials can't censor the computer screens because "First Amendment rights do cover kids."

John Hunt, a parent from Dorchester, said he was furious to learn his 11-year-old daughter was able to view pornography yesterday while working on a school essay at the BPL's Copley Square branch.

"She said all the boys were around the computer and they were laughing and called the girls over to look at pictures of naked people," Hunt said. "I want to find out from these library officials what is going on."

Parent Susan Sullivan said she was stunned when her 10-year-old son spent an afternoon researching a book report on the computer in the BPL's Adams Street branch, but ended up looking through explicit photographs instead.

"I'm very, very upset because I have no idea what he saw on the screen," she said. "He said he was using the Internet to do a book report on Indians and he was able to access dirty pictures, pictures of naked people."

However, library spokesman Arthur Dunphy said, "We do have children's librarians but we don't have Internet police."

The lack of controls on library computers used by city schoolchildren has police investigating and city councilors demanding action at a meeting today.

"I'm a believer in early learning, but not this kind of early learning," said City Councilor Peggy Davis-Mullen.

Sgt. Tom Flanagan of Area C–11 in Dorchester said his station has received a number of complaints from parents over the past week, prompting police to ask local library staff to keep a closer eye on kids.

"As far as what these kids are actually getting into, I'm not really sure," Flanagan said. "But we'd like the libraries to be a little more watchful of the kids on the computers, to be a little more aware of what the kids are looking at and monitoring it, especially when the children today are so quick with computers."

Councilor Maureen Feeney of Dorchester said, "A library is supposed to be a safe haven for our children."

Feeney's City Council office has been flooded with calls from angry parents.

The councilor filed an order with the council's Committee on City and Neighborhood Services, which will be heard today, to determine ways to regulate children's Internet access at local libraries.

"My daughter is a fourth-grader and she uses that library so I am especially concerned," Feeney said.

"We encourage children to use computers but I don't want any of our kids to be exposed to that kind of stuff," she said.

Davis-Mullen said she is concerned her second-grade twins will be able to view pornography at local libraries and is calling on officials to keep a closer eye on children using computers.

"These computers are supposed to be tools to enable our children to learn, not look at pornography," she said.

Feeney called the constitutional rights argument "lunacy."

However, Dunphy said a federal court decision last year banned the government from forcing libraries to censor materials on the Internet for children because it violated their First Amendment rights.

The opinion, handed down by the U.S. District Court in Philadelphia, enjoined the government from enforcing portions of the federal Communications Decency Act, because it would unconstitutionally censor materials on the Internet, Dunphy said.

The increasing amount of sexual content on the Internet and World Wide Web had become a major issue nationally.

Internet access providers have offered control commands which give parents the option of restricting their children from using unsupervised chat lines or other areas where X-rated photos or conversation are available.

RESOLUTION ON THE USE OF FILTERING SOFTWARE IN LIBRARIES

Whereas, On June 26, 1997, the United States Supreme Court issued a sweeping reaffirmation of core First Amendment principles and held that communications over the Internet deserve the highest level of Constitutional protection; and

Whereas, The Court's most fundamental holding is that communications on the Internet deserve the same level of Constitutional protection as books, magazines, newspapers, and speakers on a street corner soapbox. The Court found that the Internet "constitutes a vast platform from which to address and hear from a world-wide audience of millions of readers, viewers, researchers, and buyers," and that "any person with a phone line can become a town crier with a voice that resonates farther than it could from any soapbox"; and

Whereas, For libraries, the most critical holding of the Supreme Court is that libraries that make content available on the Internet can continue to do so with the same Constitutional protections that apply to the books on libraries' shelves; and

Whereas, The Court's conclusion that "the vast democratic fora of the Internet" merit full constitutional protection will also serve to protect libraries that provide their patrons with access to the Internet; and

Whereas, The Court recognized the importance of enabling individuals to receive speech from the entire world and to speak to the entire world. Libraries provide those opportunities to many who would not otherwise have them; and

Whereas, The Supreme Court's decision will protect that access; and

Whereas, The use in libraries of software filters which block Constitutionally protected speech is inconsistent with the United Stats Constitution and federal law and may lead to legal exposure for the library and its governing authorities; now, therefore, be it

Resolved, That the American Library Association affirms that the use of filtering software by libraries to block access to constitutionally protected speech violates the *Library Bill of Rights*.

Adopted by the ALA Council, July 2, 1997.

[From Fortune, Sept. 8, 1997]

THE EROTIC ALLURE OF HOME SCHOOLING; WEB PORN SITES

(By Edward W. Desmond)

Pssst. Here's one of the Web's dirty words: Mars. Try searching for sites about the red planet lately, and you could land in a porn purveyor's online playground. What next? Smut linked to the keywords "home schooling"? Don't look now—it's already happened.

Perverse as these connections seem, they're right out of Economics 101, specifically the part about competition. Pornography sites are among the Web's few big moneymakers. There are thousands of them, from the R-rated to the boundlessly perverse. They compete furiously, and their main battleground for market share is search engines like Yahoo, Lycos, Excite, and Infoseek. Web surfers looking for porn typically tap into such search services and use keywords like "sex" and "XXX." But so many online sex shops now display those words that their presence won't make a site stand out in a list resulting from a user's query. To get noticed, pornographers increasingly try to trick search engines into giving them top billing—sometimes called "spoofing."

For a while, spoofing seldom went beyond simple tactics such as stuffing home pages with lines like "SEXSEXSEXSEXSEX." If a search-engine user types "sex," the program looks for sites in its index of millions of pages with the most occurrences of the words. Winners come up first in the search results.

Once that trick became old hat, porn sellers got bolder. Some bought ads on the search engines—one of the more startling ads run recently by Yahoo and Excite reads: "Which site ALSO offers live sorority-slut sex shows, for FREE? Fastporn." Others took spoofing to new depths. Infoseek staffers recently deleted porn pages from the index that were labeled with words like

Tyson, Mars, and home schooling—apparently the sites' sponsors hope to snag unwitting surfers.

Search-engine companies like Infoseek constantly develop new filters to defeat spoofing. But calls still come in from irate mothers and grade-school teachers who click on innocent-looking search results and find themselves on a page too toxic to mention. All this, of course, has direct bearing on the powwows in Washington about making the Web safe for kids. The Clinton Administration is encouraging efforts based on "voluntary restraint." That's a lot to ask in the Web's open bazaar, where market share is the name of the game, not social responsibility.

By Mr. MURKOWSKI:

S. 1483. A bill to amend the Internal Revenue Code of 1986 to provide for the treatment of tax-exempt bond financing of certain electrical output facilities; to the Committee on Finance.

TAX-EXEMPT OUTPUT FACILITY BONDS LEGISLATION

Mr. MURKOWSKI. Mr. President, today we are on the verge of a revolution in the transmission and distribution of electricity that is fast bringing about competition and deregulation at both the wholesale and retail level.

Nowhere has the competitive model advanced further than in California, where full deregulation will become a reality at the beginning of 1998. As many as 13 States representing one-third of Americans have moved to competition in the electricity industry.

Today, I am introducing legislation that I believe will enhance all States' ability to facilitate competition. This legislation arises from the Energy Committee's intensive review of the electric power industry and from the Joint Tax Committee's report that I requested.

Over the past two Congresses, the Committee has held 14 hearings and workshops on competitive change in the electric power industry, receiving testimony from more than 130 witnesses. One of the workshops specifically focused on how public power utilities will participate in the competitive marketplace. At these and in other forums, concerns have been expressed by representatives of public power about the potential jeopardy to their tax-exempt bonds if they participate in State competitive programs, or if they transmit power pursuant to FERC order No. 888, or pursuant to a Federal Power Act section 211 transmission order.

The Joint Tax Committee report, titled Federal Income Tax Issues Arising in Connection with Proposal to Restructure the Electric Power Industry, concluded that current tax laws effectively preclude public power utilities from participating in State open access restructuring plans without jeopardizing the tax-exempt status of their bonds. Under the tax law, if the private use and interest restriction is violated, the utility's bonds become retroactively taxable.

These concerns have been echoed by the FERC. For example, in FERC Order No. 888, the Commission stated that reciprocal transmission service by a municipal utility will not be required if providing such service would jeopardize the tax-exempt status of the municipal utility. A similar concern exists if FERC issues a transmission order under section 211 of the Federal Power Act.

Mr. President, if consumers and businesses are to maximize the full benefits of open competition in this industry it will be necessary for all electricity providers to interconnect their facilities into the entire electric grid. Unfortunately, this system efficiency is significantly impaired because of current tax law rules that effectively preclude public power entities—entities that financed their facilities with tax-exempt bonds—from participating in State open access restructuring plans and Federal transmission programs, without jeopardizing the exempt status of their bonds.

No one wants to see bonds issued to finance public power become retroactively taxable because a municipality chooses to participate in a State open access plan. That would cause havoc in the financial markets and could undermine the financial stability of many municipalities. At the same time, public power should not obtain a competitive advantage in the open marketplace based on the Federal subsidy that flows from the ability to issue tax-exempt debt. Clearly we must provide for the transition to allow public providers to enter the private competitive marketplace without severe economic dislocation for municipalities and consumers.

Top remedy this dilemma, I am today introducing legislation that will allow municipal utilities to interconnect and compete in the open marketplace without the draconian retroactive impacts currently required by the Tax Code. My bill is modeled after legislation that passed Congress last year which addressed electricity and gas generation and distribution by local furnishers.

My bill removes the current law impediments to public power's capacity to participate in open access plans if such entities are willing to forego future use of federal subsidized tax-exempt financing. If public power entities make this election, and choose to compete on a level playing field with other power suppliers, tax-exemption of the interest on their outstanding debt will be unaffected. They will be allowed an extended period during which outstanding bonds subject to the private use restrictions may be retired instead of retroactive taxation, which is the situation under existing law. The relief provided by my bill applies equally to outstanding bonds for electric generation, transmission, and distribution facilities.

Mr. President, without this legislation, public power will face an untenable choice: either stay out of the competitive marketplace or face the threat of retroactive taxability of their bonds. With this legislation, public power will be able to transition into the competitive marketplace.

Let me provide a few examples of real-world choices that public power faces today. According to the Joint Tax Committee report, the mere act of transferring public power transmission lines to a privately operated independent service operator [ISO] could cause the public power entity's tax-exempt bonds to be retroactively taxable. Similarly, a transfer of transmission lines to a State-operated ISO could, in many instances, trigger similar retroactive loss of tax exemption depending on the amount or value of the power that is transmitted along those lines to private users.

Moreover, participation in a State open access plan could, de facto, force public power entities to take defensive actions to maintain their competitive position which could inevitably lead to retroactive taxation of their bonds. Such actions would include offering a discounted rate to selective customers or selling excess capacity to a broker for resale under long-term contract at fixed rates or discounted rates.

I have also heard from the California Governor and members of the California Legislature about many of these problems and the need for legislation to address them. I stand ready to work with them and representatives from other States to solve this problem as part of the legislation I introduced today.

Mr. President, my bill allows public power to participate in the new competitive world and provides a safe harbor within which they can transition from tax-exempt financing to the level playing field of the competitive marketplace. In addition, the legislation recognizes that there are some transactions that public power entities engage in that should not jeopardize the tax-exempt status of their bonds under current law and seeks to protect those transactions by codifying the rules governing them. This list may need to be expanded and I look forward to the input of the affected utilities in this regard.

In general, the exceptions contained in this bill closely parallel the policies enunciated in the legislative history of the amendments made in the 1986 Tax Reform Act. For example, the sale of electricity by one public power entity to another public power entity for resale by the second public power entity would be exempt so long as the second public power entity is not participating in a State open access plan. In addition, a public power entity would be allowed to enter into pooling and swap arrangements with other utilities if the public power entity is not a net seller of output, determined on an annual basis. Finally, the bill contains a de minimis exception for sales of excess output by a facility when such sales do not exceed $1 million.

Mr. President, this legislation attempts to balance many competing interests. This will be a difficult transition and this legislation does not address all the difficult problems to be faced. This is why I emphasize today that this is a starting point for discussion over the months ahead. This will be a difficult transition and this legislation does not address all the difficult problems to be faced. This is why I emphasize today that this is a starting point for discussion over the months ahead. I look forward to receiving comments from all interested parties and will encourage Finance Committee Chairman Roth to hold hearings on this bill early next year.

I am open to making revisions to this bill consistent with a public policy that emphasizes a level playing field and a soft transition to competition for our important public utilities. I look forward especially to working with the Chairman of the Senate Finance Committee, Senator Roth, who has been a leader in addressing tax issues relating to competition in this industry.

I ask unanimous consent that the text of this bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1483

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TREATMENT OF TAX-EXEMPT BOND FINANCING OF CERTAIN ELECTRICAL OUTPUT FACILITIES.

(a) Certain Transactions Treated as Sales to General Public for Purposes of Private Business Tests.—Paragraph (8) of section 141(b) of the Internal Revenue Code of 1986 (defining nonqualified amount) is amended to read as follows:

"(8) Nonqualified amount.—For purposes of this subsection—

"(A) In general.—The term 'nonqualified amount' means, with respect to an issue, the lesser of—

"(i) the proceeds of such issue which are to be used for any private business use, or

"(ii) the proceeds of such issue with respect to which there are payments (or property or borrowed money) described in paragraph (2).

"(B) Use pursuant to certain transactions not taken into account.—There shall not be taken into account in determining a nonqualified amount with respect to an issue 5 percent or more of the proceeds of which are to be used with respect to any output facility furnishing electric energy any of the following transactions:

"(i) The sale of output by such facility to another State or local government output facility for resale by such other facility if such other facility is not participating in an open access plan (as defined in subsection (f)(3)) and the output is to be used for government use.

"(ii) Participation by such facility in an output exchange agreement with other output facilities if—

"(I) such facility is not a net seller of output under such agreement determined on not more than an annual basis,

"(II) such agreement does not involve output-type contracts, and

"(III) the purpose of the agreement is to enable the facilities to satisfy differing peak load demands or to accommodate temporary outages.

"(iii) The sale of excess output by such facility pursuant to a single agreement of not more than 30 days duration, other than through an output contract with specific purchasers.

"(iv) The sale of excess output by such facility not to exceed $1,000,000.".

(b) Election To Terminate Tax-Exempt Bond Financing by Certain Electrical Output Facilities.—Section 141 of the Internal Revenue Code of 1986 (relating to private activity bond; qualified bond) is amended by adding at the end the following:

"(f) Election To Terminate Tax-Exempt Bond Financing by Certain Electrical Output Facilities.—

"(1) In general.—In the case of an output facility for the furnishing of electric energy financed with bonds which would cease to be tax-exempt as the result of the participation by such facility in an open access plan, such bonds shall not cease to be tax-exempt bonds if the person engaged in such furnishing by such facility makes an election described in paragraph (2). Such election shall be irrevocable and binding on any successor in interest to such person.

"(2) Election.—An election is described in this paragraph if it is an election made in such manner as the Secretary prescribes, and such person agrees that—

"(A) such election is made with respect to all output facilities for the furnishing of electric energy by such person,

"(B) no bond exempt from tax under section 103 may be issued on or after the date of the participation by such facilities in an open access plan with respect to all such facilities of such person, and

"(C) such outstanding bonds used to finance such facilities for such person are redeemed not later than 6 months after—

"(i) in the case of bonds issued before December 1, 1997, the later of—

"(I) the earliest date on which such bonds may be redeemed, or

"(II) the date of the election, and

"(ii) in the case of bonds issued after November 30, 1997, and before the date of the participation by such facility in an open access plan, the earlier of—

"(I) the earliest date on which such bonds may be redeemed, or

"(II) the date which is 10 years after the date of the enactment of this subsection.

"(3) Open access plan.—For purposes of this subsection, the term 'open access plan' means—

"(A) a plan by a State to allow more than 1 electric energy provider to offer such energy in a State authorized competitive market, or

"(B) a plan established or approved by an order issued by the Federal Energy Regulatory Commission which requires or allows transmission of electric energy on behalf of another person.

"(4) Related persons.—For purposes of this subsection, the term 'person' includes a group of related persons (within the meaning of section 144(a)(3)) which includes such person.".

(c) Effective Date.—The amendments made by this section shall apply to sales of output after November 8, 1997.

By Mr. BINGAMAN:

S. 1484. A bill to increase the number of qualified teachers; to the Committee on Labor and Human Resources.

THE QUALITY TEACHER IN EVERY CLASSROOM ACT OF 1997

Mr. BINGAMAN. Mr. Presdient, I rise today to introduce the Quality Teacher in Every Classroom Act, a bill to ensure quality and accountability in Federal efforts to improve public school teaching.

Let me begin by stating that I am a strong supporter of the hard-working teachers in American classrooms. Coming from a family of teachers, I know first-hand how challenging the work is. Having visited schools throughout my home State of New Mexico, I know how dedicated and professional the vast majority of our teachers are. And any time you talk to students, the conversation always comes back to teachers.

However, it's also pretty clear that we are not doing anyone—neither teachers nor students—a great service by putting so many under-qualified teachers in American classrooms, and providing so little support to teachers and the institutions that prepare and support them.

Too often, our teachers lack enough background in their subjects, our colleges of education are not rigorous enough, our state licensing standards are too low, and local districts have too few high-quality candidates to choose from.

Improving teaching quality won't solve all of our educational problems, but it is at the heart of what goes on in individual classrooms around the nation. And as shown on the following charts, the state and national statistics are alarming. None of us is doing as much as is needed to improve teaching quality:

As this first chart shows, most States have a long way to go in promoting teaching quality. In the 1997 Education Week national report card called "Quality Counts," none of the States received an "A", and most received "C's."

Like many other States, New Mexico received a "C-minus" for teaching quality in this report because—while the State does require national certification for all its schools of education: Only 52 percent of NM high school teachers have degrees in their subject areas; the State does not require that teachers have a degree in liberal arts (math, science, history, etc.); and fewer than three-fourths of NM teachers who participated in professional development received some form of support to do so.

As a Nation, we are unfortunately actually doing worse over all as the 1990's have progressed. The just-released 1997

Goals report showed that the percentage of high school teachers with a degree in their subject area actually declined over all from 66 percent in 1990 to 63 percent in 1994. For New Mexico, the percentage has remained near the bottom, at 52 percent.

For New Mexico students, that means that it's about a 50-50 chance whether their teachers have a strong background in the area they are teaching.

And the situation is particularly bleak in the key areas of math and science, where we need to be at our best.

This second chart shows the latest data showing that nearly one in three high school math teachers lacks a math degree. In New Mexico, the percentage was 36 percent, and in other states over half the math teachers lack even a minor in math.

This next charts shows a similar story in the area of high school science. Nearly one in four high school science teachers lacks a science degree. In most states, over 20 percent of the high school science teachers lack that background. It's worth noting that in this area New Mexico fares better than most States, at only 19 percent.

More than 50,000 people are teaching America's children without the minimal training required to meet professional standards. In schools with the highest minority enrollments, minority students have less than a 50% chance of sitting in the class of a math or science teacher with a degree in that field.

From talking to teachers, however, I know that it's they more than anyone else who want our public schools to be improved so that children to learn as much as they can. And that's important, because improving and maintaining the quality of America's teaching force is on the mind of every policy maker today. Clearly, all our efforts at raising curriculum and testing standards for children will be severely diluted without the powerful presence of a competent instructor in each classroom.

More than anything else, the public is demanding properly prepared teachers. A properly prepared teacher in every classroom is a reasonable demand. And the federal government, which has for too long talked about improving teaching without doing anything about it, needs to become a leader in this area. That's what this legislation is all about.

Now I want to be the first to acknowledge that I am not the only one interested in this issue. Senators Kennedy, Reed, Frist, and others have already introduced teacher training legislation, much of it based on the 1996 findings of the National Commission on Teaching and Learning. And I know that the Chairman of the Labor Committee is extremely interested in this issue. I look forward to working with all of them as the reauthorization of the Higher Education Act continues.

However, this legislation, called the Quality Teacher in Every Classroom Act, is distinctive in several regards. Most importantly, this is the only Senate proposal that provides a thorough formula for reform in teacher training. The legislation addresses the problem comprehensively, and leverages as much improvement as possible given the limited Federal investment in education.

Let me take a moment to describe its main features, which are outlined on the chart summarizing the bill.

First, the Act would take the simple step of making sure that parents have available to them important information about the basic qualifications and academic background of their children's teachers.

Teachers are professionals just like the family doctor or the local lawyer, and so their backgrounds should be just as available as if their diplomas were framed on the wall. I believe that the availability of this information will engage and empower parents in advocating for improved schools.

Second, the Act calls on states to reduce the percentage of teachers who are uncertified or lack a sufficient academic background. States must make zero tolerance for poorly prepared teachers their number one priority.

This bill gives them five years to reduce substantially the number of unlicensed teachers as well as those who are teaching outside of their area of expertise. It also requires them to accept any teacher from another area who has national certification as a master teacher as fully qualified to teach in that state.

Next, the Act calls on colleges of education to make substantial changes in the preparation that they provide teaching candidates, including graduating more students who will pass state teacher licensing exams and requiring a rigorous liberal arts major in an academic subject area, which is not uniformly required.

In addition, the Act will address the lack of high-quality teachers and teaching candidates in our most poverty-stricken schools by providing financial incentives for highly qualified teaching candidates. For each year they taught in high-need areas, new teachers would have their school loans forgiven. And experienced teachers who pursue advanced work such as national certification or Advanced Placement training would also qualify for loan forgiveness.

This incentive should bring new energy and talent to poor communities, inspiring students and instilling parents with renewed confidence in their children's schools.

Finally, the bill would help improve the recruitment and support provided for new teachers by creating a competitive grant program to fund partnerships among colleges of education, school districts, and schools.

Each member of the partnership including a school district, a school that includes at least 30% children who meet criteria for poverty, and a university or college that offers teacher preparation. Special priority would be given to applications that used or created laboratory or "teaching" schools with their partner districts, where teaching candidates learn hands-on.

In conclusion, I would like to say that I am excited to introduce a bill that brings together so many of the legislative agendas I have been promoting for many years: rigorous standards, constructive support for those who are failing to meet those standards, and a comprehensive approach to solving central problems of American public life.

I ask unanimous consent that a copy of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1484

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Quality Teacher in Every Classroom Act".

SEC. 2. STATEMENT OF POLICY; FINDINGS.

(a) Statement of Policy.—The Congress declares it to be the policy of the United States that each student shall have a competent and qualified teacher.

(b) Findings.—Congress makes the following findings:

(1) The number of elementary and secondary school students is expected to increase each successive year between 1997 and 2006, at which time total enrollment will reach 54,600,000.

(2) As the number of students increases, the need for qualified teachers will increase. Increases in enrollment and teacher retirements together will create demand for 2,000,000 new teachers by the year 2006.

(3) The lack of qualified teachers to meet this demand is a significant barrier to students receiving an appropriate education.

(4) The National Commission on Teaching and America's Future has found that one-quarter of the Nation's classroom teachers are not fully qualified to teach in their subject areas. Unless corrective action is taken at the local, State, and Federal levels, the additional demand for teachers is likely to result in a further decline in teacher quality.

(5) 1997 is the time to redouble efforts to ensure that teachers are properly prepared and qualified, and receive the ongoing support and professional development teachers need to be effective educators.

TITLE I—PARENTAL RIGHTS

SEC. 101. PARENTAL RIGHT TO KNOW.

Part E of title XIV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8891 et seq.) is amended by adding at the end the following:

"SEC. 14515. TEACHER QUALIFICATIONS.

"Any public elementary school or secondary school that receives funds under this Act shall provide to the parents of each student enrolled in the school information regarding—

"(1) the qualifications of each of the student's teachers, both generally and with respect to the content area or areas in which the teacher provides instruction; and

"(2) the minimum qualifications required by the State for teacher certification or licensure.".

TITLE II—QUALIFIED TEACHERS

SEC. 201. ENSURING A QUALIFIED TEACHER IN EVERY CLASSROOM.

Part E of title XIV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8891 et seq.) (as amended by section 101) is further amended by adding at the end the following:

"SEC. 14516. ENSURING A QUALIFIED TEACHER IN EVERY CLASSROOM.

"To be eligible to receive funds under this Act, each State shall ensure that—

"(1) not later than the period that begins on the date of enactment of this section and ends 5 years after such date, and subject to paragraphs (2) and (3), each teacher in a public elementary school or secondary school in the State has demonstrated the subject matter knowledge, teaching knowledge, and teaching skill necessary to teach effectively in the content area or areas in which the teacher provides instruction;

"(2) each teacher in the State for whom the demonstration described in paragraph (1) has been waived temporarily by State or local education agencies to respond to emergency teacher shortages or other circumstances shall, not later than 3 years after such waiver, demonstrate the subject matter knowledge, teaching knowledge, and teaching skill necessary to teach effectively in the content area or areas in which the teacher provides instruction;

"(3) no student will be taught for more than 1 year by an elementary school teacher, or for more than 2 consecutive years in the same subject by a secondary school teacher, who has not made the demonstration described in paragraph (1);

"(4) the State provides incentives for teachers to pursue and achieve advanced teaching and subject area content standards;

"(5) the State has in place an effective mechanism to remove incompetent or unqualified teachers;

"(6) the State aggressively helps schools, particularly schools in high need areas, recruit and retain qualified teachers;

"(7) during the period described in paragraph (1), elementary school and secondary school teachers who do not meet the requirements of paragraph (1), shall not be disproportionately employed in high poverty elementary schools or secondary schools; and

"(8) any teacher who meets the standards set by the National Board for Professional Teaching Standards is considered fully qualified to teach in any school district or community in the State.".

TITLE III—FEDERAL FUNDS USED IN THE PREPARATION OF TEACHERS

SEC. 301. MINIMUM TEACHER TRAINING STANDARDS.

Title V of the Higher Education Act of 1965 (20 U.S.C. 1101 et seq.) is amended by inserting after section 500 of such Act (20 U.S.C. 1101) the following:

"SEC. 500A. MINIMUM TEACHER TRAINING STANDARDS.

"(a) General Requirement.—Any institution of higher education that receives, directly or indirectly, any funds appropriated pursuant to this Act or pursuant to any other Federal law for the purpose of preparing or training teachers shall—

"(1)(A) meet nationally recognized professional standards for accreditation; or

"(B) demonstrate to the Secretary that at least 90 percent of the graduates of such institution who enter the field of teaching take, and pass on their first attempt, the State teacher certification or licensure examination for new teachers that is in place on the day of enactment of the Quality Teacher in Every Classroom Act; and

"(2) ensure that the graduates hold a liberal arts degree (consisting of a minimum of 18 credits in a social science, arts, humanities, science, or mathematics major) in addition to professional education courses leading to State teacher certification or licensure.

"(b) Authority of Secretary To Waive.—The Secretary may issue a one-time waiver, for a duration of not more than 5 years, in any case in which an institution of higher education can demonstrate a bona fide commitment to, and demonstrate measurable progress toward, meeting the requirements of subsection (a).".

TITLE IV—INCENTIVES FOR INCREASING THE SUPPLY OF QUALIFIED TEACHERS

SEC. 401. LOAN FORGIVENESS.

(a) Guaranteed Loans.—Section 437 of the Higher Education Act of 1965 (20 U.S.C. 1087) is amended—

(1) in the section heading, by striking the period at the end and inserting a semicolon and "**LOAN FORGIVENESS FOR TEACHING.**";

(2) by amending the heading for subsection (c) to read as follows: "Discharge Related to School Closure or False Certification.—"; and

(3) by adding at the end thereof the following new subsection:

"(e) Cancellation of Loans for Teaching.—

"(1) In general.—The Secretary shall discharge the liability of a borrower of a loan made under section 428, 428H, or 428C (to the extent that a loan made under section 428C repays a loan made under section 428 or 428H) on or after the date of enactment of the Quality Teacher in Every Classroom Act, to students who have not previously borrowed under any of such sections, by repaying the amount owed on the loan, to the extent specified in paragraph (3), for service described in paragraph (2) as a full time teacher who—

"(A) has demonstrated, in accordance with State teacher certification or licensure law, the subject matter knowledge, teaching knowledge, and teaching skill necessary to teach effectively in the content area or areas for which the borrower provides instruction;

"(B) has a liberal arts major (in the subject in which the teacher teaches if the teacher teaches in a secondary school) consisting of a minimum of 18 credits in a social science, arts, humanities, science, or mathematics major;

"(C)(i) graduated in the top 25 percent of the teachers class in college (as determined by the teacher's grade point average in college); or

"(ii) scored in the top 20 percent of students taking a Graduate Record Examination (GRE) or a State teacher certification or licensure examination; and

"(D) graduated from an institution of higher education that meets the requirements of section 500A.

"(2) Qualifying service.—

"(A) In general.—A loan shall be discharged under paragraph (1) for service by the borrower as a full-time teacher for 1 or more academic years in a public elementary or secondary school—

"(i)(I) in the school district of a local educational agency that is eligible in that academic year for assistance under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.); and

"(II) that, for that academic year, has been determined by the Secretary to be a school in which the enrollment of children counted under section 1124(c) of that Act (20 U.S.C. 6333(c)) exceeds 30 percent of the total enrollment of that school; or

"(ii) in an academic subject matter area in which the State or local educational agency determines to the satisfaction of the Secretary that there is a shortage of qualified teachers.

"(B) Accelerated discharge.—A loan shall be discharged under paragraph (1) at the rate provided in paragraph (3)(B) for service described in clause (i) or (ii) of subparagraph (A) by the borrower as a full-time teacher for 1 or more academic years if such borrower—

"(i) has engaged in such service for each of the 5 preceding academic years; and

"(ii) has pursued and achieved advanced teaching credentials, such as certification by the National Board for Professional Teaching Standards, Advanced Placement Institutes training, or a graduate degree in a related field.

"(3) Percentage of cancellation.—

"(A) In general.—Loans shall be discharged under paragraph (1) for service described in paragraph (2)(A) at the rate of—

"(i) 20 percent for the first or second complete academic year of such service, which amount for each year shall not exceed $6,000;

"(ii) 25 percent for the third complete year of such service, which amount shall not exceed $7,500; and

"(iii) 35 percent for the fourth complete year of such service, which amount shall not exceed $10,500;

except that the total amount for all such academic years shall not exceed $30,000.

"(B) Accelerated discharge.—Loans shall be discharged under paragraph (1) for service described in paragraph (2)(B) at the rate of 50 percent for each complete academic year of such service, except that the total amount discharged shall not exceed $5,000 for any borrower.

"(C) Treatment of Interest.—If a portion of a loan is discharged under subparagraph (A) or (B) for any year, the entire amount of interest on that loan that accrues for that year shall also be discharged by the Secretary.

"(D) Refunding prohibited.—Nothing in this section shall be construed to authorize refunding of any repayment of a loan.

"(4) Treatment of canceled amounts.—The amount of a loan, and interest on a loan, that is canceled under this subsection shall not be considered income for purposes of the Internal Revenue Code of 1986.

"(5) Prevention of double benefits.—No borrower may, for the same volunteer service, receive a benefit under both this subsection and subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12601 et seq.).

"(6) Lender reimbursement.—The Secretary shall specify in regulations the manner in which lenders shall be reimbursed for loans made under this part, or portions thereof, that are discharged under this subsection.

"(7) List of schools.—

"(A) Publication.—The Secretary shall publish annually a list of the schools for which the Secretary makes a determination under paragraph (2)(A)(i)(II).

"(B) SPECIAL RULE.—If the list of schools described in subparagraph (A) is not available before May 1 of any year, the Secretary may use the list for the year preceding the year for which the determination is made to make such service determination.

"(8) CONTINUING ELIGIBILITY.—Any teacher who performs service in a school which—

"(A) meets the requirements of paragraph (2)(A) in any year during such service; and

"(B) in a subsequent year fails to meet the requirements of such paragraph,

may continue to teach in such school and shall be eligible for loan cancellation pursuant to paragraph (1) with respect to such subsequent years.".

(b) DIRECT LOANS.—Part D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087h et seq.) is amended by adding at the end the following:

"SEC. 459. CANCELLATION OF LOANS FOR CERTAIN PUBLIC SERVICE.

"(a) CANCELLATION OF PERCENTAGE OF DEBT BASED ON YEARS OF QUALIFYING SERVICE.—

"(1) IN GENERAL.—The percent specified in paragraph (3) of the total amount of any loan made under this part after the date of enactment of the Quality Teacher in Every Classroom Act, to students who have not previously borrowed under this part, shall be canceled for each complete year of service after such date by the borrower under circumstances described in paragraph (2) for service as a full time teacher who has demonstrated, in accordance with State teacher certification or licensure law, the subject matter knowledge, teaching knowledge, and teaching skill necessary to teach effectively in the content area or areas for which the borrower provides instruction.

"(2) QUALIFYING SERVICE.—

"(A) IN GENERAL.—A loan shall be discharged under paragraph (1) for service by the borrower as a full-time teacher for 1 or more academic years in a public elementary or secondary school—

"(i)(I) in the school district of a local educational agency that is eligible in that academic year for assistance under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.); and

"(II) that, for that academic year, has been determined by the Secretary to be a school in which the enrollment of children counted under section 1124(c) of that Act (20 U.S.C. 6333(c)) exceeds 30 percent of the total enrollment of that school; or

"(ii) in an academic subject matter area in which the State or local educational agency determines to the satisfaction of the Secretary that there is a shortage of qualified teachers.

"(B) ACCELERATED DISCHARGE.—A loan shall be discharged under paragraph (1) at the rate provided in paragraph (3)(B) for service described in clause (i) or (ii) of subparagraph (A) by the borrower as a full-time teacher for 1 or more academic years if such borrower—

"(i) has engaged in such service for each of the 5 preceding academic years; and

"(ii) has pursued and achieved advanced teaching credentials.

"(3) PERCENTAGE OF CANCELLATION.—

"(A) IN GENERAL.—Loans shall be discharged under paragraph (1) for service described in paragraph (2)(A) at the rate of—

"(i) 20 percent for the first or second complete academic year of such service, which amount for each year shall not exceed $6,000;

"(ii) 25 percent for the third complete year of such service, which amount shall not exceed $7,500; and

"(iii) 35 percent for the fourth complete year of such service, which amount shall not exceed $10,500;

except that the total amount for all such academic years shall not exceed $30,000.

"(B) ACCELERATED DISCHARGE.—Loans shall be discharged under paragraph (1) for service described in paragraph (2)(B) at the rate of 50 percent for each complete academic year of such service, except that the total amount discharged shall not exceed $5,000 for any borrower.

"(C) TREATMENT OF INTEREST.—If a portion of a loan is discharged under subparagraph (A) or (B) for any year, the entire amount of interest on that loan that accrues for that year shall also be discharged by the Secretary.

"(D) REFUNDING PROHIBITED.—Nothing in this section shall be construed to authorize refunding of any repayment of a loan.

"(4) DEFINITION.—For the purpose of this section, the term 'year' where applied to service as a teacher means an academic year as defined by the Secretary.

"(5) TREATMENT OF CANCELED AMOUNTS.—The amount of a loan, and interest on a loan, which is canceled under this section shall not be considered income for purposes of the Internal Revenue Code of 1986.

"(6) PREVENTION OF DOUBLE BENEFITS.—No borrower may, for the same volunteer service, receive a benefit under both this section and subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12601 et seq.).

"(b) SPECIAL RULES.—

"(1) LIST.—

"(A) PUBLICATION.—The Secretary shall publish annually a list of the schools for which the Secretary makes a determination under paragraph (2)(A)(i)(II).

"(B) SPECIAL RULE.—If the list of schools described in subparagraph (A) is not available before May 1 of any year, the Secretary may use the list for the year preceding the year for which the determination is made to make such service determination.

"(2) CONTINUING ELIGIBILITY.—Any teacher who performs service in a school which—

"(A) meets the requirements of subsection (a)(2)(A) in any year during such service; and

"(B) in a subsequent year fails to meet the requirements of such subsection,

may continue to teach in such school and shall be eligible for loan cancellation pursuant to subsection (a)(1) with respect to such subsequent years.".

TITLE V—BEGINNING TEACHER RECRUITMENT AND SUPPORT

SEC. 501. PROGRAM ESTABLISHED.

Title V of the Higher Education Act of 1965 (20 U.S.C. 1101 et seq.) is amended by adding at the end the following:

"PART G—BEGINNING TEACHER RECRUITMENT AND SUPPORT

"SEC. 599A. DEFINITIONS.

"In this part:

"(1) PARTICIPANT.—The term 'participant' means an individual who receives assistance under this part.

"(2) PARTNERSHIP.—The term 'partnership' means a partnership consisting of—

"(A) a local educational agency, a subunit of such agency, or a consortium of such agencies; and

"(B) 1 or more nonprofit organizations, including institutions of higher education—

"(i) each of which have a demonstrated record of success in teacher preparation and staff development;

"(ii) that have expertise and a demonstrated record of success, either collectively or individually, in providing teachers with the subject matter knowledge, teaching knowledge, and teaching skills necessary for the organizations to teach effectively in each and every content area in which the organizations plan to prepare teachers to provide instruction under a grant made under this part; and

"(iii) that include at least 1 teacher preparation institution, or school or department of education within an institution of higher education that meets the requirements of section 500A (as added by section 301 of the Quality Teacher in Every Classroom Act) and is not subject to a waiver under section 500A(b).

"(3) ELIGIBLE SCHOOL.—The term 'eligible school' means a public elementary school or secondary school—

"(A)(i) served by a local educational agency that is eligible for assistance under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.); and

"(ii) that has been determined by the Secretary to be a school in which the enrollment of children counted under section 1124(c) of that Act (20 U.S.C. 6333(c)) exceeds 30 percent of the total enrollment of the school; or

"(B) that the State educational agency or local educational agency determines, to the satisfaction of the Secretary, has a shortage of qualified teachers.

"SEC. 599B. PROGRAM AUTHORIZED.

"(a) GRANTS BY THE SECRETARY.—The Secretary shall use funds made available pursuant to this part to award grants, on a competitive basis, to partnerships for the purpose of recruiting, training, and supporting qualified entry-level elementary school or secondary school teachers to teach in eligible schools.

"(b) DURATION.—Grants shall be awarded for a period of 3 years, of which not more than 1 year may be used for planning and preparation.

"SEC. 599C. USES OF FUNDS.

"(a) PARTNERSHIPS.—Each partnership receiving a grant under this part shall use the grant funds to—

"(1) recruit and screen individuals for assistance under this part;

"(2) establish and conduct intensive summer preplacement professional development seminars for participants;

"(3) establish and conduct ongoing and intensive professional development and support programs for participants during the participants' first 3 years of teaching service, that incorporate—

"(A) State curriculum standards for kindergarten through 12th grade students;

"(B) national professional standards for the teaching of specific subjects; and

"(C) the use of educational technology to improve learning, especially the use of computers and computer networks; and

"(4) annually evaluate the performance of participants to determine whether the participants meet standards for continued participation in the activities assisted under this part.

"(b) CRITERIA.—

"(1) IN GENERAL.—The partnership shall select a participant according to criteria designed to—

"(A) attract highly qualified individuals to teaching, including individuals with post-college employment experience who plan to enter teaching from another occupational field; and

"(B) meet the needs of eligible schools in addressing shortages of qualified teachers in specific academic subject areas.

"(2) SPECIFIC CRITERIA.—Such criteria shall include that each participant has demonstrated the ability to attain the subject matter knowledge, teaching knowledge, and teaching skills necessary to teach effectively in the content area or areas in which the participant will provide instruction.

"(3) SPECIAL CONSIDERATION.—Each partnership shall make a particular effort to recruit for participation in activities assisted under this part individuals who are members of populations that are underrepresented in the teaching profession, especially in the curricular areas in which such individuals are preparing to teach.

"(4) MINIMUM NUMBER OF TEACHERS PER SCHOOL.—The partnership shall ensure that the number of beginning participant teachers is equal to not less than 3 percent of the faculty of the eligible schools to which the participant teachers are assigned, except that in no circumstance shall fewer than 2 beginning participant teachers be assigned to each eligible school.

"SEC. 599D. PARTNERSHIP APPLICATION.

"(a) IN GENERAL.—In order to receive funds under this part, a partnership shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require. Each application shall—

"(1) describe how the partnership shall select individuals to receive assistance under this part;

"(2) describe how recruitment will meet the needs of eligible schools, especially with regard to the particular academic subject areas in which there is a shortage of qualified teachers;

"(3) describe how the partnership will advance the subject matter knowledge, teaching knowledge, and teaching skill of all participants in ongoing professional development and support activities;

"(4) describe how school faculty will be involved in the planning and execution of ongoing professional development and support activities, including paired mentorships between participants and experienced classroom teachers;

"(5) provide assurances that—

"(A) participants are paid at rates comparable to other entry-level teachers in the school district where the participants are assigned to teach; and

"(B) master teachers are provided with stipends for their mentoring services;

"(6) describe how the partnership will monitor, and report not less than annually regarding, the progress of participants, including—

"(A) the retention rate for participant teachers in comparison with other teachers in the same schools in which participant teachers teach; and

"(B) the academic achievement of students served by participant teachers, in comparison to those students taught by other entry-level teachers;

"(7) describe direct and indirect contributions to the overall cost of the program by the State and local educational agency, and the extent to which the partnership activities will be integrated with other professional development and educational reform efforts (including federally funded efforts such as the programs under titles I and II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq., 6601 et seq.)); and

"(8) contain an assurance that the chief State school officer or the officer's designee has reviewed and approved the application.

"(b) SPECIAL RULE.—The Secretary shall give special consideration to funding applications for assistance under this part to partnerships that include teacher preparation institutions described in section 599A(a)(2)(B)(iii) that—

"(1) support or have plans to support professional development schools or laboratory schools; and

"(2) are not subject to a waiver under section 500A(b).

"(c) DEVELOPMENT AND SUBMISSION.—The members of the partnership shall jointly develop and submit the application for assistance under this part.

TITLE VI—GENERAL PROVISIONS

SEC. 601. GENERAL PROVISION REGARDING NONRECIPIENT NONPUBLIC SCHOOLS.

Nothing in this Act or any amendment made by this Act shall be construed to permit, allow, encourage, or authorize any Federal control over any aspect of any private or religious school that does not receive Federal funds or does not participate in Federal programs or services under the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.).

SEC. 602. APPLICABILITY TO HOME SCHOOLS.

Nothing in this Act or any amendment made by this Act shall be construed to affect home schools.

By Mr. WARNER (for himself and Mr. STEVENS):

S. 1486. A bill to authorize acquisition of certain real property for the Library of Congress, and for other purposes; to the Committee on Rules and Administration.

REAL PROPERTY ACQUISITION AUTHORIZATION LEGISLATION

Mr. WARNER. Mr. President, in my capacity as chairman of the Rules Committee, I rise to introduce legislation that will authorize the acquisition of property for use by the Library of Congress. This legislation will allow the Library of Congress to take advantage of a unique opportunity to advance the preservation of the Library's motion pictures, recorded sound, television and radio collections, a unique record of American life and history in the 20th century.

The Library of Congress is clearly facing a crisis in fulfilling its statutory—and I underline, Mr. President, "statutory"—obligations to preserve, maintain and make available these national collections. The Library must vacate its Suitland, MD, storage location by next May 1998. Facilities in Ohio at Wright Patterson Air Force Base are beyond cost-effective repair. This has created an urgent need to find a new facility.

The former Richmond Federal Reserve facility in Culpepper, VA, is currently available for purchase on the open market and it already has many of the attributes, that is, the physical attributes, the construction and the like, needed to consolidate the Library's collection in a single, efficient facility for conservation, storage and access. That facility in Culpepper, VA, is reasonably accessible from the Nation's Capital for scholars and others to work on this material.

The staff of the Rules Committee has reviewed an extensive financial analysis the Library provided us, showing alternative arrangements and sites for creating an audiovisual and digital master conservation center. The analysis concluded that Culpepper, VA, by allowing consolidation of various storage and Library sites into a single facility, is the most cost-effective option that they have found to date. We can increase the cost-effectiveness of this proposal for the taxpayer even further by taking advantage now of a generous offer by a nationally known foundation to provide up to a $10 million donation for the purchase and initial modifications of the Culpepper property.

However, it appears the gift will only be available if Congress passes legislation as incorporated in this bill and in this session to authorize acceptance of the building by the Architect of the Capitol.

I stress, Mr. President, that this $10 million gift to the American taxpayers for preservation of this very important collection—and I participated somewhat in the discussion of this with the chairman of the board of the foundation together with the Librarian of Congress. We have reason to believe that if we do not act in this session, this gift might not be available at the time the Congress resumes its work next year. Congress clearly has responsibility to enable the Library to fulfill its statutory mandates to preserve these collections, and these urgent storage and access needs must be addressed both from an oversight and an appropriations viewpoint. We now have an opportunity to meet these needs in a cost-effective manner, which takes advantage of a significant private donation.

In my view, moving forward with the Culpepper option at this time is in the best interests of the Library and the American taxpayers. Therefore, I hope all Members will support this legislation promptly, that it can be cleared on the hotline here within the next 24 hours, and that this body, the Senate, will act. I have reason to believe, having had consultations with my colleagues in the House with comparable responsibility as the Rules Committee, that the House will quickly accept this bill.

Mr. President, I yield the floor.

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 1488. A bill to ratify an agreement between the Aleut Corp. and the United States of America to exchange land rights received under the Alaska Native Claims Settlement Act for certain land interests on Adak Island, and for other purposes; to the Committee on Energy and Natural Resources.

THE ADAK ISLAND NAVAL BASE REUSE FACILITATION ACT OF 1997

Mr. MURKOWSKI. Mr. President, I rise today to introduce legislation which will facilitate and promote the successful commercial reuse of the Naval Air Facility being closed on Adak Island, AK. This legislation will ratify an agreement between the Aleut Corp. in Alaska, the Department of the Interior, and the Department of the Navy.

While not yet complete, the Aleut Corp. has been working together with the Department of the Interior and the Department of the Navy on the agreement that would be ratified by this legislation. I know from my Aleutian constituents that a good number of issues have been resolved through extracted negotiations, but that important issues remain on the table. it is my hope that the remaining issues can be resolved through mutual agreement prior to hearings on this bill early next year. In the meantime, it is imperative that the Navy make the facilities at Adak available for interim reuse, as has been done with transfers at other closed facilities.

For many decades the Navy has been an important and steadfast constituent in Alaska's Aleutian Chain. Their presence was first established during World War II with the selection and development of the island because of its combination of ability to support a major airfield and its natural and protected deep water port. The Navy's presence there contributed greatly to the defense of our Pacific coast during World War II and throughout the cold war. Through the Navy's presence, Adak became the largest development in the Aleutians as well as Alaska's sixth largest community.

The facility was selected for closure during the last base closure round, and while the importance of using the island for defense purposes has diminished, it has not lost any of its unique geographic advantages. Adak is a natural stepping stone to Asia and is at the crossroads of air and sea trade between North America, Europe, and Asia. The Aleutian Islands, although stark and desolate to some, are the ancestral home to the shareholders of the Aleut Corp. This legislation will allow Adak's natural constituents, the Aleut people, to reinhabit the island and to make use of its modern developments.

These very same features that made Adak strategically important to the Navy for defense purposes make the island strategically important for commercial purposes. Adak Island is at the middle of the great expanse of the Aleutian Islands, and is among the island chain's southernmost islands, near to the great circle route shipping lanes. With the ability to use Adak commercially, the Aleut Corp. aims to make the island an important intercontinental location with enterprise enough to provide year round jobs for the Aleut people. These goals are consistent with the promises and the Alaska Native Claims Settlement Act, the legislation that created the corporation.

The legislation supports the broader interests of the country as well. In addition to the Navy, Adak has housed the Department of the Interior's Aleutian Islands subunit of the Alaska Maritime National Wildlife Refuge. This legislation promotes the Department of the Interior's interests in managing and protecting the refuge by the exchange of base lands for certain property interests the Aleut Corp. holds throughout the rest of the Aleutian Islands refuge. In addition to the Department of the Interior, the Department of Defense is promoting this exchange as the most effective way to meet this country's objectives of conversion of closed defense facilities into successful commercial reuse.

Many potential concurrent reuse possibilities of the Adak lands are being explored. These include but are certainly not limited to an air and sea transhipment, refueling and reprovisions facility, a new ecotourism cruise ship destination, a law enforcement or Job Corps training facility or a somewhat less glamorous but nonetheless needed correctional facility. All these are possibilities available through enactment of this legislation.

Mr. President, it is my intention to hold a hearing on this legislation at the earliest opportunity when Congress returns next year. I suggest to all the parties to this agreement that I will be keeping a close eye on progress toward expedient closure on the final issues. If progress is not made, or if negotiated commitments are not honored, I am prepared to modify this legislation and direct an appropriate structure for this land exchange.

By Mr. CRAIG (for himself and Mr. WYDEN):

S. 1489. A bill to provide the public with access to outfitted activities on Federal land, and for other purposes; to the Committee on Energy and Natural Resources.

THE OUTFITTER POLICY ACT OF 1997

Mr. CRAIG. Mr. President, I am pleased to introduce today the Outfitter Policy Act of 1997.

This legislation puts into law many of the management practices by which Federal land management agencies have successfully managed the outfitter and guide industry on national forests, national parks and other Federal lands over many decades.

The bill recognizes that many Americans need and seek the skills and experience of commercial outfitters and guides in order to enjoy a safe and pleasant journey through wild lands and over the rivers and lakes that are the spectacular destinations for many visitors to our Federal lands.

My bill assures the public continued opportunities for reasonable and safe access to these special areas. It assures high standards will be met for the health and welfare of visitors who chose outfitted services and quality professional services will be avaiable for their recreational and educational experiences on federal land.

This legislation is called for because the management of outfitted and guided services by this administration has created problems that threaten to destabilize some of these typically small, independent outfitter and guide businesses. In addressing these problems, this legislation relies heavily on practices that have historically worked well for outfitters, visitors, and other user groups, as well as for Federal land managers in the field. When the bill is enacted, it will assure that these past fine levels of service are continued and enhanced.

When I introduced similar legislation, S. 2194, at the conclusion of the 104th Congress, I did do so for the purpose of creating discussion concerning outfitter and guide operations within the context of the broader issue of concessioner reform that this Congress has been addressing for two decades.

In the year that has followed, the Senate Committee on Energy and Natural Resources has held one oversight hearing on concessions operations, but has not yet addressed the issue of concessions that specifically offer outfitting and guiding services. S. 2194 provided the intended opportunity for discussion, however. It has allowed for the examination of the historical practices that have offered consistent, reliable outfitter services to the public. This earlier version of the bill also facilitated a discussion of the need for consistency between Federal agencies in the management of outfitted services and allowed the opportunity to examine policies that have provided high quality recreation services, protection of natural resources, a fair return to the government, and reasonable economic stability that the public expects. The legislation I am now introducing is a result of those discussions.

I look forward to a hearing on this legislation and to moving with its enactment in the coming session of the 105th Congress.

By Mr. JEFFORDS.

S. 1490. A bill to improve the quality of child care provided through Federal facilities and programs, and for other purposes; to the Committee on Governmental Affairs.

QUALITY CHILD CARE FOR FEDERAL EMPLOYEES ACT

Mr. JEFFORDS. Mr. President, I rise today to introduce the Quality Child Care for Federal Employees Act. This bill was drafted with an eye toward several serious incidents which occurred earlier this year in federal child care facilities. At that time, it came to my attention that child care centers located in Federal facilities are not subject to even the most minimal health and safety standards.

As you know, Federal property is exempt from State and local laws, regulations, and oversight. What this means for child care centers on that property is that State and local health and safety standards do not and cannot apply. This might not be a problem if federally owned or leased child care centers met enforceable health and safety standards. I think most parents who place their children in Federal child care would assume that this would be the case. However, I think Federal employees will find it very surprising to learn, as I did, that, at many centers, no such health and safety standards apply.

I find this very troubling, and I think we sell our Federal employees a bill of goods when federally-owned leased child care cannot guarantee that their children are in safe facilities. The Federal Government should set the example when it comes to providing safe child care. It should not turn an apathetic shoulder from meeting such standards simply because State and local regulations do not apply to them.

In 1987, Congress passed the Trible Amendment which permitted executive, legislative, and judicial branch agencies to utilize a portion of federally-owned or leased space for the provision of child care services for Federal employees. The General Services Administration [GSA] was given the authority to provide guidance, assistance, and oversight to Federal agencies for the development of children centers. In the decade since the Trible Amendment was passed, hundreds of Federal facilities throughout the Nation have established onsite child care centers which are a tremendous help to our employees.

The General Services Administration has done an excellent job of helping agencies develop child care centers and have adopted strong standards for those centers located in GSA leased or owned space. However, there are over 100 child care centers located in Federal facilities that are not subject to the GSA standards or any other laws, rules, or regulations to ensure that the facilities are safe places for our children. Most parents, placing their children in a Federal child care center, assume that some standards are in place—assume that the centers must minimally meet State and local child care licensing rules and regulations. They assume that the centers are subject to independent oversight and monitoring to continually ensure the safety of the premises.

Yet, that is not the case. In a case where a Federal employee had strong reason to suspect the sexual abuse of her child by an employee of a child care center located in a Federal facility, local child protective services and law enforcement personnel were denied access to the premises and were prohibited from investigating the incident. Another employee's child was repeatedly injured because the child care providers under contract with a Federal agency to provide onsite child care services failed to ensure that age-appropriate health and safety measures were taken—current law says they were not required to do so, even after the problems were identified and injuries had occurred.

As Congress and the administration turn their spotlight on our Nation's child care system, we must first get our own house in order. We must safeguard and protect the children receiving services in child care centers housed in Federal facilities. Our employees should not be denied some assurance that the centers in which they place their children are accountable for meeting basic health and safety standards.

The Quality Child Care for Federal Employees Act will require all child care services located in Federal facilities to meet, at the very least, the same level of health and safety standards required of other child care centers in the same geographical area. That sounds like common sense, but as we all know too well, common sense is not always reflected in the law. This bill will make that clear.

Further, this legislation demands that Federal child care centers begin working to meet these standards now. Not next year, not in 2 years, but now. Under this bill, after 6 months we will look at the Federal child care centers again, and if a center is not meeting minimal State and local health and safety regulations at that time, that child care facility will be closed until it does. I can think of no stronger incentive to get centers to comply.

Now, just as there have often been difficulties with Federal facilities ignoring State and local standards simply because of a division of power between the Federal and State governments, so, too, do divisions in the Federal Government—what we call the separation of powers—help create chaos in enforcement at the Federal level. Who has oversight of the facilities in the Federal Government, and who is responsible for monitoring and enforcement?

Mr. President, this legislation respects the separation of powers within the Federal Government, but it also makes it very clear where the oversight and responsibility for meeting health and safety standards lies. For the most part, centers located in agencies within the executive branch—within, for example, the Department of Veterans' Affairs—will retain responsibility for monitoring and ensuring compliance. For centers within the jurisdiction of the legislative branch, including the Library of Congress, this responsibility will lie with the Architect of the Capitol or his designee. In the judicial branch, monitoring and compliance will fall under the jurisdiction of the Director of the Administrative Office of the U.S. Courts. The GSA will continue to monitor centers it owns and leases in the judicial and executive branches. The costs of this monitoring are already included in this year's appropriations bills and will not add to the deficit.

It should also be made clear that State and local standards should be a floor for basic health and safety, and not a ceiling. The role of the Federal Government—and, I like to think, of the U.S. Congress in particular—is to constantly strive to do better and to lead by example. Federal facilities should always try to meet the highest possible standards. In fact, the GSA has required national accredition in GSA-owned and leased facilities, and has stated that its centers are either in compliance or are strenuously working to get there. This is the kind of tough standard we should strive for in all of our Federal child care facilities.

Federal child care should mean something more than simply location on a Federal facility. The Federal Government has an obligation to provide safe care for its employees, and it has a responsibility for making sure that those standards are monitored and enforced. Some Federal employees receive this guarantee. Many do not. We can do better.

I urge swift passage of this legislation, and thank my colleagues for their attention to this matter.

Mr. President, I ask unanimous consent that the text of my legislation appear in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1490

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Quality Child Care for Federal Employees Act".

SEC. 2. DEFINITIONS.

In this Act:

(1) ACCREDITED CHILD CARE CENTER.—The term "accredited child care center" means—

(A) a center that is accredited, by a child care credentialing or accreditation entity recognized by a State, to provide child care to children in the State (except children who a tribal organization elects to serve through a center described in subparagraph (B));

(B) a center that is accredited, by a child care credentialing or accreditation entity recognized by a tribal organization, to provide child care for children served by the tribal organization;

(C) a center that is used as a Head Start center under the Head Start Act (42 U.S.C. 9831 et seq.) and is in compliance with any applicable performance standards established by regulation under such Act for Head Start programs; or

(D) a military child development center (as defined in section 1798(1) of title 10, United States Code).

(2) CHILD CARE CREDENTIALING OR ACCREDITATION ENTITY.—The term "child care

credentialing or accreditation entity" means a nonprofit private organization or public agency that—

(A) is recognized by a State agency or tribal organization; and

(B) accredits a center or credentials an individual to provide child care on the basis of—

(i) an accreditation or credentialing instrument based on peer-validated research;

(ii) compliance with applicable State and local licensing requirements, or standards described in section 658E(c)(2)(E)(ii) of the Child Care and Development Block Grant Act (42 U.S.C. 9858c(c)(2)(E)(ii)), as appropriate, for the center or individual;

(iii) outside monitoring of the center or individual; and

(iv) criteria that provide assurances of—

(I) compliance with age-appropriate health and safety standards at the center or by the individual;

(II) use of age-appropriate developmental and educational activities, as an integral part of the child care program carried out at the center or by the individual; and

(III) use of ongoing staff development or training activities for the staff of the center or the individual, including related skills-based testing.

(3) CREDENTIALED CHILD CARE PROFESSIONAL.—The term "credentialed child care professional" means—

(A) an individual who is credentialed, by a child care credentialing or accreditation entity recognized by a State, to provide child care to children in the State (except children who a tribal organization elects to serve through an individual described in subparagraph (B)); or

(B) an individual who is credentialed, by a child care credentialing or accreditation entity recognized by a tribal organization, to provide child care for children served by the tribal organization.

(4) STATE.—The term "State" has the meaning given the term in section 658P of the Child Care and Development Block Grant Act (42 U.S.C. 9858n).

SEC. 3. PROVIDING QUALITY CHILD CARE IN FEDERAL FACILITIES.

(a) DEFINITION.—In this section:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of General Services.

(2) ENTITY SPONSORING A CHILD CARE CENTER.—The term "entity sponsoring a child care center" means a Federal agency that operates, or an entity that enters into a contract or licensing agreement with a Federal agency to operate, a child care center.

(3) EXECUTIVE AGENCY.—The term "Executive agency" has the meaning given the term in section 105 of title 5, United States Code, except that the term—

(A) does not include the Department of Defense; and

(B) includes the General Services Administration, with respect to the administration of a facility described in paragraph (4)(B).

(4) EXECUTIVE FACILITY.—The term "executive facility"—

(A) means a facility that is owned or leased by an Executive agency; and

(B) includes a facility that is owned or leased by the General Services Administration on behalf of a judicial office.

(5) FEDERAL AGENCY.—The term "Federal agency" means an Executive agency, a judicial office, or a legislative office.

(6) JUDICIAL FACILITY.—The term "judicial facility" means a facility that is owned or leased by a judicial office (other than a facility that is also a facility described in paragraph (4)(B)).

(7) JUDICIAL OFFICE.—The term "judicial office" means an entity of the judicial branch of the Federal Government.

(8) LEGISLATIVE FACILITY.—The term "legislative facility" means a facility that is owned or leased by a legislative office.

(9) LEGISLATIVE OFFICE.—The term "legislative office" means an entity of the legislative branch of the Federal Government.

(b) EXECUTIVE BRANCH STANDARDS AND COMPLIANCE.—

(1) STATE AND LOCAL LICENSING REQUIREMENTS.—

(A) IN GENERAL.—Any entity sponsoring a child care center in an executive facility shall—

(i) obtain the appropriate State and local licenses for the center; and

(ii) in a location where the State or locality does not license executive facilities, comply with the appropriate State and local licensing requirements related to the provision of child care.

(B) COMPLIANCE.—Not later than 6 months after the date of enactment of this Act—

(i) the entity shall comply, or make substantial progress (as determined by the Administrator) toward complying, with subparagraph (A); and

(ii) any contract or licensing agreement used by an Executive agency for the operation of such a child care center shall include a condition that the child care be provided by an entity that complies with the appropriate State and local licensing requirements related to the provision of child care.

(2) HEALTH, SAFETY, AND FACILITY STANDARDS.—The Administrator shall by regulation establish standards relating to health, safety, facilities, facility design, and other aspects of child care that the Administrator determines to be appropriate for child care centers in executive facilities, and require child care centers, and entities sponsoring child care centers, in executive facilities to comply with the standards.

(3) ACCREDITATION STANDARDS.—

(A) IN GENERAL.—The Administrator shall issue regulations requiring, to the maximum extent possible, any entity sponsoring an eligible child care center (as defined by the Administrator) in an executive facility to comply with child care center accreditation standards issued by a nationally recognized accreditation organization approved by the Administrator.

(B) COMPLIANCE.—The regulations shall require that, not later than 5 years after the date of enactment of this Act—

(i) the entity shall comply, or make substantial progress (as determined by the Administrator) toward complying, with the standards; and

(ii) any contract or licensing agreement used by an Executive agency for the operation of such a child care center shall include a condition that the child care be provided by an entity that complies with the standards.

(C) CONTENTS.—The standards shall base accreditation on—

(i) an accreditation instrument described in section 2(2)(B);

(ii) outside monitoring described in section 2(2)(B), by—

(I) the Administrator; or

(II) a child care credentialing or accreditation entity, or other entity, with which the Administrator enters into a contract to provide such monitoring; and

(iii) the criteria described in section 2(2)(B).

(4) EVALUATION AND COMPLIANCE.—

(A) IN GENERAL.—The Administrator shall evaluate the compliance, with the requirements of paragraph (1) and the regulations issued pursuant to paragraphs (2) and (3), of child care centers, and entities sponsoring child care centers, in executive facilities. The Administrator may conduct the evaluation of such a child care center or entity directly, or through an agreement with another Federal agency or private entity, other than the Federal agency for which the child care center is providing services. If the Administrator determines, on the basis of such an evaluation, that the child care center or entity is not in compliance with the requirements, the Administrator shall notify the Executive agency.

(B) EFFECT OF NONCOMPLIANCE.—On receipt of the notification of noncompliance issued by the Administrator, the head of the Executive agency shall—

(i) if the entity operating the child care center is the agency—

(I) within 2 business days after the date of receipt of the notification correct any deficiencies that are determined by the Administrator to be life threatening or to present a risk of serious bodily harm;

(II) develop and provide to the Administrator a plan to correct any other deficiencies in the operation of the center and bring the center and entity into compliance with the requirements not later than 4 months after the date of receipt of the notification;

(III) provide the parents of the children receiving child care services at the center with a notification detailing the deficiencies described in subclauses (I) and (II) and actions that will be taken to correct the deficiencies;

(IV) bring the center and entity into compliance with the requirements and certify to the Administrator that the center and entity are in compliance, based on an on-site evaluation of the center conducted by an independent entity with expertise in child care health and safety; and

(V) in the event that deficiencies determined by the Administrator to be life threatening or to present a risk of serious bodily harm cannot be corrected within 2 business days after the date of receipt of the notification, close the center until such deficiencies are corrected and notify the Administrator of such closure; and

(ii) if the entity operating the child care center is a contractor or licensee of the Executive agency—

(I) require the contractor or licensee within 2 business days after the date of receipt of the notification, to correct any deficiencies that are determined by the Administrator to be life threatening or to present a risk of serious bodily harm:

(II) require the contractor or licensee to develop and provide to the head of the agency a plan to correct any other deficiencies in the operation of the center and bring the center and entity into compliance with the requirements not later than 4 months after the date of receipt of the notification;

(III) require the contractor or licensee to provide the parents of the children receiving child care services at the center with a notification detailing the deficiencies described in subclauses (I) and (II) and actions that will be taken to correct the deficiencies;

(IV) require the contractor or licensee to bring the center and entity into compliance with the requirements and certify to the head of the agency that the center and entity are in compliance, based on an on-site evaluation of the center conducted by an independent entity with expertise in child care health and safety; and

(V) in the event that deficiencies determined by the Administrator to be life threatening or to present a risk of serious bodily harm cannot be corrected within 2 business days after the date of receipt of the notification, close the center until such deficiencies are corrected and notify the Administrator of such closure, which closure shall be grounds for the immediate termination or suspension of the contract or license of the contractor or licensee.

(C) Cost Reimbursement.—The Executive agency shall reimburse the Administrator for the costs of carrying out subparagraph (A) for child care centers located in an executive facility other than an executive facility of the General Services Administration. If an entity is sponsoring a child care center for 2 or more Executive agencies, the Administrator shall allocate the costs of providing such reimbursement with respect to the entity among the agencies in a fair and equitable manner, based on the extent to which each agency is eligible to place children in the center.

(c) Legislative Branch Standards and Compliance.—

(1) State and Local Licensing Requirements, Health, Safety, and Facility Standards, and Accreditation Standards.—The Architect of the Capitol shall issue regulations, approved by the Senate Committee on Rules and Administration and the House Oversight Committee, for child care centers, and entities sponsoring child care centers, in legislative facilities, which shall be no less stringent in content and effect than the requirements of subsection (b)(1) and the regulations issued by the Administrator under paragraphs (2) and (3) of subsection (b), except to the extent that the Architect, with the consent and approval of the Senate Committee on Rules and Administration and the House Oversight Committee, may determine, for good cause shown and stated together with the regulations, that a modification of such regulations would be more effective for the implementation of the requirements and standards described in paragraphs (1), (2), and (3) of subsection (b) for child care centers, and entities sponsoring child care centers, in legislative facilities.

(2) Evaluation and Compliance.—

(A) Architect of the Capitol.—The Architect of the Capitol shall have the same authorities and duties with respect to the evaluation of, compliance of, and cost reimbursement for child care centers, and entities sponsoring child care centers, in legislative facilities as the Administrator has under subsection (b)(4) with respect to the evaluation of, compliance of, and cost reimbursement for such centers and entities sponsoring such centers, in executive facilities.

(B) Head of a Legislative Office.—The head of a legislative office shall have the same authorities and duties with respect to the compliance of and cost reimbursement for child care centers, and entities sponsoring child care centers, in legislative facilities as the head of an Executive agency has under subsection (b)(4) with respect to the compliance of and cost reimbursement for such centers and entities sponsoring such centers, in executive facilities.

(d) Judicial Branch Standards and Compliance.—

(1) State and Local Licensing Requirements, Health, Safety, and Facility Standards, and Accreditation Standards.—The Director of the Administrative Office of the United States Courts shall issue regulations for child care centers, and entities sponsoring child care centers, in judicial facilities, which shall be no less stringent in content and effect than the requirements of subsection (b)(1) and the regulations issued by the Administrator under paragraphs (2) and (3) of subsection (b), except to the extent that the Director may determine, for good cause shown and stated together with the regulations, that a modification of such regulations would be more effective for the implementation of the requirements and standards described in paragraphs (1), (2), and (3) of subsection (b) for child care centers, and entities sponsoring child care centers, in judicial facilities.

(2) Evaluation and Compliance.—

(A) Director of the Administrative Office of the United States Courts.—The Director of the Administrative Office of the United States Courts shall have the same authorities and duties with respect to the evaluation of, compliance of, and cost reimbursement for child care centers, and entities sponsoring child care centers, in judicial facilities as the Administrator has under subsection (b)(4) with respect to the evaluation of, compliance of, and cost reimbursement for such centers and entities sponsoring such centers, in executive facilities.

(B) Head of a Judicial Office.—The head of a judicial office shall have the same authorities and duties with respect to the compliance of and cost reimbursement for child care centers, and entities sponsoring child care centers, in judicial facilities as the head of an Executive agency has under subsection (b)(4) with respect to the compliance of and cost reimbursement for such centers and entities sponsoring such centers, in executive facilities.

(e) Application.—Notwithstanding any other provision of this section, if 8 or more child care centers are sponsored in facilities owned or leased by an Executive agency, the Administrator shall delegate to the head of the agency the evaluation and compliance responsibilities assigned to the Administrator under subsection (b)(4)(A).

(f) Technical Assistance, Studies, and Reviews.—The Administrator may provide technical assistance, and conduct and provide the results of studies and reviews, for Executive agencies, and entities sponsoring child care centers in executive facilities, on a reimbursable basis, in order to assist the entities in complying with this section. The Architect of the Capitol and the Director of the Administrative Office of the United States Courts may provide technical assistance, and conduct and provide the results of studies and reviews, or request that the Administrator provide technical assistance, and conduct and provide the results of studies and reviews, for legislative offices and judicial offices, respectively, and entities operating child care centers in legislative facilities and judicial facilities, respectively, on a reimbursable basis, in order to assist the entities in complying with this section.

(g) Council.—The Administrator shall establish an interagency council, comprised of all Executive agencies described in subsection (e), a representative of the Office of Architect of the Capitol, and a representative of the Administrative Office of the United States Courts, to facilitate cooperation and sharing of best practices, and to develop and coordinate policy, regarding the provision of child care in the Federal Government.

(h) Authorization of Appropriations.—There is authorized to be appropriated to carry out this section $900,000 for fiscal year 1998 and such sums as may be necessary for each subsequent fiscal year.

By Mr. KENNEDY (for himself, Mr. Lautenberg, Mr. Durbin, Mr. Reed, and Mr. Kerry):

S. 1492. A bill to amend the Public Health Act and the Federal Food, Drug and Cosmetic Act to prevent the use of tobacco products by minors, to reduce the level of tobacco addiction, to compensate Federal and State Governments for a portion of the health costs of tobacco-related illnesses, to enhance the national investment in biomedical and basic scientific research, and to expand programs to address the needs of children, and for other purposes; to the Committee on Labor and Human Resources.

THE HEALTHY AND SMOKEFREE CHILDREN ACT

Mr. KENNEDY. Mr. President, today, I am joining Senators Lautenberg, Durbin, Reed, and Kerry to introduce the Healthy and Smokefree Children Act, which is a comprehensive tobacco control initiative. Congress has an historic opportunity in the next session to protect current and future generations from nicotine addiction and early death caused by tobacco.

We know the enormous adverse health consequences of youth smoking. Each day, three thousand children begin smoking. A thousand of them will die prematurely from tobacco-induced illnesses. Ninety percent of current adult smokers began to smoke before they reached the age of 18.

Our primary goal is to reduce youth smoking and help children. Our legislation will raise the price of cigarettes by $1.50 a pack over three years. A substantial portion of the revenues raised by the increase will be used to fund major new initiatives in biomedical research, child health, and child development.

The legislation will affirm the authority of the Food and Drug Administration to regulate tobacco products. It also provides for strongly worded warning labels on packs of cigarettes, for a large-scale anti-tobacco advertising campaign, new restrictions on youth access to tobacco products, new protections against secondhand smoke, and transitional assistance to farmers.

Public health experts tell us that the most effective way to reduce youth smoking is by a significant increase in the price of cigarettes. Teenagers have less money to spend on tobacco products than adults, and those who are not yet addicted will be less likely to spend their dollars on smoking. In fact, price increases are three times more likely to deter youth from smoking than adults.

The 65 cent increase in the Attorneys' General settlement is not enough to do the job. If the national goal is to dramatically reduce teenage smoking, a price increase of at least $1.50 a pack will be needed. Even with a price increase of that magnitude, cigarettes in America will still cost less than the current price in many European countries.

It would be irresponsible to wait another decade while we test the impact of lesser measures on youth smoking. Too many children are becoming addicted to tobacco each day. The most effective way to reduce youth smoking is a substantial price increase, and we should do it now.

The $1.50 increase will enable us to provide approximately $20 billion per year to be divided equally between medical research and child development investments. Under our proposal, half of these additional funds will be used for an unprecedented expansion of biomedial research to solve the scientific mysteries of the most severe diseases and medical conditions. We stand on the threshold of extraordinary medical breakthroughts against cancer, heart disease, Alzheimer's Disease, AIDS, diabetes, mental illness, and many other conditions. The benefits of greater research will save millions of lives and improve the quality of life for countless more.

The other half of the new funds will be directed to child health and child development. The brain research conducted in recent years has demonstrated the critical importance of the first three years of life to a child's learning potential. Additional resources will enable us to build on that foundation of knowledge, and implement it in ways that will enrich the lives of the next generation of children. By expanding Head Start to reach the large number of eligible pre-school children who are not now being served, and by improving the quality and availability of child care for working families, we can give far more children a better foundation on which to build their lives.

In addition, under our proposal, the key public health provisions in the Attorneys General agreement will be implemented, and smokers seeking to stop will be able to obtain help in overcoming their addiction. States will receive compensation from the tobacco industry for their Medicaid costs attributable to smoking, and will not have to reimburse the federal government for the federal share of the Medicaid costs recovered. These funds will be available to the states to address the unmet needs of children.

A strong FDA with broad authority to regulate tobacco is also essential. Our legislation affirms FDA's finding that nicotine is an addictive drug and that cigarettes are a drug delivery device. The scope of regulation will include manufacturing, marketing, advertising, and distributing tobacco products. The FDA will be freed from the numerous procedural roadblocks which the tobacco industry has placed in its path.

This legislation will substantially reduce smoking in America, enhance medical research, and help millions of children reach their full potential. Congress has a unique opportunity. We own it to America's children and America's future to act now.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1492

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Healthy and Smoke Free Children Act".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.

TITLE I—AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT RELATING TO TOBACCO

Sec. 101. Public health and education programs.

"TITLE XXVIII—PUBLIC HEALTH AND EDUCATION PROGRAMS AND TOBACCO CONTROL

"Sec. 2801. Definitions.

"Subtitle A—Public Health and Education Programs

"Sec. 2811. Payments to States.
"Sec. 2812. Public health programs.
"Sec. 2813. Biomedical research and child development investments.
"Sec. 2814. Tobacco victims compensation fund.
"Sec. 2815. Tobacco community transition assistance.

"Subtitle B—National Health Initiatives

"PART 1—NATIONAL BASIC AND CHILD DEVELOPMENT RESEARCH

"Sec. 2821. National Biomedical, Basic and Child Development Research Board.
"Sec. 2822. Grants for biomedical and basic research.
"Sec. 2823. Investments in healthy child development and research -projects and training.

"PART 2—PUBLIC HEALTH PROGRAMS

"Sec. 2825. Research, counter-advertising, and CDC programs.
"Sec. 2826. National tobacco usage reduction and education block grant program.

"Subtitle C—Reduction in Underage Tobacco Use

"Sec. 2831. Purpose.
"Sec. 2832. Child tobacco use surveys.
"Sec. 2833. Reduction in underage tobacco product usage.
"Sec. 2834. Noncompliance.
"Sec. 2835. Use of amounts.
"Sec. 2836. Miscellaneous provisions.

"Subtitle D—Miscellaneous Provisions

"Sec. 2841. Whistleblower protections.
"Sec. 2842. National Tobacco Document Depository.
"Sec. 2843. Tobacco Oversight and Compliance Board.
"Sec. 2844. Preservation of State and local authority.
"Sec. 2845. Regulations.

TITLE II—FDA JURISDICTION OVER TOBACCO PRODUCTS

Subtitle A—Amendments to the Federal Food, Drug and Cosmetic Act

Sec. 201. Reference.
Sec. 202. Statement of general authority.
Sec. 203. Treatment of tobacco products as drugs and devices.
Sec. 204. General health and safety regulation of tobacco products.

"CHAPTER IX—TOBACCO PRODUCTS

"Sec. 901. Definitions.
"Sec. 902. Purpose.
"Sec. 903. Promulgation of regulations.
"Sec. 904. Minimum requirements.
"Sec. 905. Scientific Advisory Committee.
"Sec. 906. Requirements relating to nicotine and other constituents.
"Sec. 907. Reduced risk products.
"Sec. 908. Good manufacturing practice standards.
"Sec. 909. Disclosure and reporting of non-tobacco ingredients and constituents.
"Sec. 910. Tobacco product warnings, labeling and packaging.
"Sec. 911. Statement of intended use.
"Sec. 912. Miscellaneous provisions.

TITLE III—STANDARDS TO REDUCE INVOLUNTARY EXPOSURE TO TOBACCO SMOKE

Sec. 301. Standards to reduce involuntary exposure to tobacco smoke.

TITLE IV—TOBACCO MARKET TRANSITION ASSISTANCE

Sec. 401. Definitions.

Subtitle A—Tobacco Quota Buyout Contracts and Producer Transition Payments

Sec. 411. Quota owner buyout contracts.
Sec. 412. Producer transition payments for quota tobacco.
Sec. 413. Producer transition payments for non-quota tobacco.
Sec. 414. Elements of contracts.

Subtitle B—No Net Cost Tobacco Program

Sec. 421. Budget deficit assessment.

Subtitle C—Tobacco Community Empowerment Block Grants

Sec. 431. Tobacco community empowerment block grants.

TITLE V—MISCELLANEOUS PROVISIONS

Sec. 501. Sense of the senate.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress makes the following findings:

(1) Tobacco products are the foremost preventable health problem facing America today. More than 400,000 individuals die each year as a result of tobacco induced illnesses and conditions.

(2) Nicotine that is contained in tobacco products is extremely addictive.

(3) The tobacco industry has historically targeted tobacco product marketing and promotional efforts towards minors in order to entrap them into a lifetime of smoking.

(4) Over 90 percent of individuals who smoke began smoking regularly while they were still minors.

(5) Approximately 3000 minors begin smoking each day. 1000 of these minors will die prematurely from a tobacco induced illness or medical condition.

(6) Tobacco induced illnesses and medical conditions resulting from tobacco use cost the United States over $100,000,000,000 each year.

(7) Each year the Federal Government incurs costs in excess of $20,000,000,000 for the medical treatment of individuals suffering from tobacco induced illnesses and conditions.

(b) PURPOSES.—It is the purpose of this Act to—

(1) substantially reduce youth smoking;

(2) assist individuals who are currently addicted to tobacco products in overcoming that addiction;

(3) educate the public concerning the health dangers inherent in the use of tobacco products;

(4) fund medical research; and

(5) provide for the healthy development of young children and to enhance their learning capacity and improve the quality of their care.

TITLE I—AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT RELATING TO TOBACCO

SEC. 101. PUBLIC HEALTH AND EDUCATION PROGRAMS.

The Public Health Service Act (42 U.S.C. 201 et seq.) is amended by adding at the end thereof the following new title:

"TITLE XXVIII—PUBLIC HEALTH AND EDUCATION PROGRAMS AND TOBACCO CONTROL

"SEC. 2801. DEFINITIONS.

"In this title:

"(1) Brand.—The term 'brand' means a variety of a tobacco product distinguished by the tobacco used, tar content, nicotine content, flavoring used, size, filtration, or packaging.

"(2) Cigar.—The term 'cigar' means any roll of tobacco wrapped in leaf tobacco or in any substance containing tobacco (other than any roll of tobacco which is a cigarette or cigarillo within the meaning of paragraph (3) or (4)).

"(3) Cigarette.—The term 'cigarette' means any product which contains nicotine, is intended to be burned under ordinary conditions of use, and consists of—

"(A) any roll of tobacco wrapped in paper or in any substance not containing tobacco; and

"(B) any roll of tobacco wrapped in any substance containing tobacco which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in subparagraph (A).

"(4) Cigarillos.—The term 'cigarillos' means any roll of tobacco wrapped in leaf tobacco or any substance containing tobacco (other than any roll of tobacco which is a cigarette within the meaning of paragraph (3)) and as to which 1,000 units weigh not more than 3 pounds.

"(5) Cigarette tobacco.—The term 'cigarette tobacco' means any product that consists of loose tobacco that contains or delivers nicotine and is intended for use by persons in a cigarette. Unless otherwise stated, the requirements of this title pertaining to cigarettes shall also apply to cigarette tobacco.

"(6) Commerce.—The term 'commerce' means—

"(A) commerce between any State, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands or any territory or possession of the United States;

"(B) commerce between points in any State, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands or any territory or possession of the United States; or

"(C) commerce wholly within the District of Columbia, Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands, or any territory or possession of the United States.

"(7) Commissioner.—The term 'Commissioner' means the Commissioner of Food and Drugs.

"(8) Distributor.—The term 'distributor' means any person who furthers the distribution of tobacco products, whether domestic or imported, at any point from the original place of manufacture to the person who sells or distributes the product to individuals for personal consumption. Such term shall not include common carriers.

"(9) Little cigar.—The term 'little cigar' means any roll of tobacco wrapped in leaf tobacco or any substance containing tobacco (other than any roll of tobacco which is a cigarette within the meaning of subsection (1)) and as to which 1,000 units weigh not more than 3 pounds.

"(10) Manufacturer.—The term 'manufacturer' means any person, including any repacker or relabeler, who manufactures, fabricates, assembles, processes, or labels a finished tobacco product.

"(11) Nicotine.—The term 'nicotine' means the chemical substance named 3-(1-Methyl-2-pyrrolidinyl)pyridine or $C_{10}H_{14}N_2$, including any salt or complex of nicotine.

"(12) Package.—The term 'package' means a pack, box, carton, or container of any kind in which tobacco products are offered for sale, sold, or otherwise distributed to consumers.

"(13) Person.—The term 'person' means an individual, partnership, corporation, or any other business or legal entity.

"(14) Pipe tobacco.—The term 'pipe tobacco' means any loose tobacco that, because of its appearance, type, packaging, or labeling, is likely to be offered to, or purchased by, consumers as a tobacco product to be smoked in a pipe.

"(15) Point of sale.—The term 'point of sale' means any location at which an individual can purchase or otherwise obtain tobacco products for personal consumption.

"(16) Retailer.—The term 'retailer' means any person who sells tobacco products to individuals for personal consumption, or who operates a facility where vending machines or self-service displays are permitted under this title.

"(17) Roll-your-own tobacco.—The term 'roll-your-own tobacco'' has the meaning given such term by section 5702(p) of the Internal Revenue Code of 1986.

"(18) Sale.—The term 'sale' includes the selling, providing samples of, or otherwise making tobacco products available for personal consumption in any place within the scope of this title.

"(19) Secretary.—The term 'Secretary' means the Secretary of Health and Human Services.

"(20) Smokeless tobacco.—The term 'smokeless tobacco' means any product that consists of cut, ground, powdered, or leaf tobacco that contains nicotine and that is intended to be placed in the oral or nasal cavity.

"(21) State.—The term 'State' includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands, and any other territory or possession of the United States. Such term includes any political division of any State.

"(22) Tobacco.—The term 'tobacco' means tobacco in its unmanufactured form.

"(22) Tobacco product.—The term 'tobacco product' means cigarettes, cigarillos, cigarette tobacco, little cigars, pipe tobacco, and smokeless tobacco, and roll-your-own tobacco.

"Subtitle A—Public Health and Education Programs

"SEC. 2811. PAYMENTS TO STATES.

"(a) Funds.—

"(1) In general.—Subject to subsection (d), there are hereby made available to carry out this section for each fiscal year an amount equal to the amount necessary to reimburse States as provided for in subsection (b).

"(2) Fiscal year limitation.—Amounts made available for a fiscal year under paragraph (1) shall be equal to—

"(A) 43 percent of the net increase in revenues received in the Treasury for such fiscal year attributable to any amendments made to chapter 52 of the Internal Revenue Code of 1986 in the fiscal year in which this title is enacted, as estimated by the Secretary; less

"(B) amounts made available for such fiscal year under sections 2812 and 2814.

"(b) Reimbursement.—

"(1) In general.—The Secretary shall use amounts made available under subsection (a) in each fiscal year to provide funds to each State to reimburse such State for amounts expended by the State for the treatment of individuals with tobacco-related illnesses or conditions, and to permit States to utilize the Federal share of such expended amounts to provide services for children.

"(2) Amount.—The amount for which a State is eligible for under paragraph (1) shall be based on the ratio of the expenditures of the State under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) for fiscal year 1996 to the expenditures by all States under such title for such fiscal year.

"(3) Adjustment.—With respect to a fiscal year in which the amount determined under subsection (a)(1) exceeds the limitation under subsection (a)(2), the Secretary shall make pro rata reductions in the amounts provided to States under this subsection.

"(c) Use of Funds.—

"(1) Determination.—With respect to each State, the Secretary shall determine the proportion of the reimbursement under subsection (b) for each fiscal year that is equal to the amount that has been paid to the State as the Federal medical assistance percentage (as defined in section 1905(b)) of the Social Security Act (42 U.S.C. 1396d(b)) expenditures by the State for the preceding fiscal year.

"(2) Required use.—With respect to the amount determined under paragraph (1) for a State for a fiscal year, the Secretary shall not treat such amount as an overpayment under any joint Federal-State health program if the State certifies to the Secretary that such amount will be used by the State to serve the needs of children in the State under 1 or more of the following programs:

"(A) An Even Start program under section of the Head Start Act (42 U.S.C. 9801 et seq.).

"(B) The Head Start program under the Head Start Act (42 U.S.C. 9801 et seq.).

"(C) A child care program under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 658A et seq.).

"(D) The Individuals with Disabilities Education Act.

"(E) The child care food program and start-up and expansion funds for school break programs and summer food programs under section 17 of the National School Lunch Act (42 U.S.C. 1766).

"(F) The special supplemental food program under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786).

"(G) The Maternal and Child Health Services Block Grant program under title V of the Social Security Act (42 U.S.C. 701 et seq.).

"(H) The State Children's Health Insurance Program of the State under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.).

"(I) The family preservation and support services program under section 430B of the Social Security Act.

"(J) State initiated programs that are designed to serve the health and developmental needs of children and are approved by the Secretary.

"(3) COORDINATION.—A State may use not to exceed 20 percent of the amount determined under paragraph (1) for the State for a fiscal year to—

"(A) improve linkages and coordination among programs serving children and families, including the provision of funds to outpost outreach workers into Federally funded early childhood programs to ensure effective enrollment in child health initiatives referred to in paragraph (2)(H);

"(B) fund local collaboratives which shall be required to use such funds on needs assessments, planning, and investments to maximize efforts to improve child development; and

"(C) fund innovative demonstrations that address the outstanding needs of children and families as assessed by State and local entities.

"(4) STATE PLAN.—To be eligible to receive funds under this subsection a State shall prepare and submit to the Secretary a State plan, at such time, in such manner, and containing such information as the Secretary may require, including a description of the manner in which the State will use amounts provided under this subsection. Such plan shall demonstrate, based on standards established by the Secretary, that the State will comply with paragraph (6).

"(5) APPLICATION OF REQUIREMENTS.—The requirements of the respective provisions of law described in paragraph (2) shall apply to any funds made available under this subsection through State programs under any such provision of law to the same extent that such requirements would otherwise apply to such programs under such provisions of law.

"(6) SUPPLEMENT NOT SUPPLANT.—Amounts provided to a State under this subsection shall be used to supplement and not supplant other Federal, State and local funds provided for programs that serve the health and developmental needs of children. Amounts provided to the State under any of the provisions of law referred to in paragraph (2) shall not be reduced solely as a result of the availability of funds under this section.

"(7) OVERPAYMENTS.—Any amount of the reimbursement of a State under paragraph (1) to which paragraph (2) applies that is not used in accordance with this subsection shall be treated by the Secretary as an overpayment under section 1903 of the Social Security Act (42 U.S.C. 1396b). Any such overpayments may be allotted among other States under this subsection in proportion to the amount that the State originally received under this section.

"SEC. 2812. PUBLIC HEALTH PROGRAMS.

"(a) FUNDING.—There are hereby made available to carry out this section—

"(1) for fiscal year 1998, $2,100,000,000;

"(2) for fiscal year 1999, $2,175,000,000 increased by an amount equal to the increase in the Consumer Price Index for the previous fiscal year for all urban consumers (all items; U.S. city average);

"(3) for fiscal year 2000, $2,200,000,000 increased by an amount equal to the increase in the Consumer Price Index for the 2 previous fiscal years for all urban consumers (all items; U.S. city average);

"(4) for fiscal year 2001, $2,325,000,000 increased by an amount equal to the increase in the Consumer Price Index for the 3 previous fiscal years for all urban consumers (all items; U.S. city average); and

"(5) for fiscal year 2002 and subsequent fiscal years, the amount made available for fiscal year 2001 increased by an amount equal to the increase in the Consumer Price Index for the period encompassing the fiscal years from 1998 to the fiscal year prior to the fiscal year involved for all urban consumers (all items; U.S. city average).

"(b) USE OF FUNDS.—Amounts made available for a fiscal year under subsection (a) shall be distributed in the following manner:

"(1) USE REDUCTION AND ADDICTION PREVENTION RESEARCH.—

"(A) IN GENERAL.—The amount described in subparagraph (B) shall be used by Secretary to carry out Federal tobacco use reduction and addiction prevention research under section 2825(a).

"(B) AMOUNT.—The amount described in this subparagraph is—

"(i) for fiscal year 1998, $100,000,000; and

"(ii) for fiscal year 1999 and each subsequent fiscal year, the amount described in clause (i), increased for each such fiscal year by an amount equal to the increase in the Consumer Price Index for the period encompassing the fiscal years from 1998 to the fiscal year prior to the fiscal year involved for all urban consumers (all items; U.S. city average).

"(2) COUNTER-ADVERTISING.—

"(A) IN GENERAL.—The amount described in subparagraph (B) shall be used by Secretary to carry out the Federal tobacco product counter-advertising campaign under section 2825(b).

"(B) AMOUNT.—The amount described in this subparagraph is—

"(i) for fiscal year 1998, $500,000,000; and

"(ii) for fiscal year 1999 and each subsequent fiscal year, the amount described in clause (i), increased for each such fiscal year by an amount equal to the increase in the Consumer Price Index for the period encompassing the fiscal years from 1998 to the fiscal year prior to the fiscal year involved for all urban consumers (all items; U.S. city average).

"(3) CENTERS FOR DISEASE CONTROL AND PREVENTION PROGRAMS.—

"(A) IN GENERAL.—The amount described in subparagraph (B) shall be used by Secretary, acting through the Centers for Disease Control and Prevention, to carry programs to discourage the initiation of tobacco use, reduce the incidence of tobacco use among current users, and for other activities designed to reduce the risk of dependence and injury from tobacco products under section 2825(c).

"(B) AMOUNT.—The amount described in this subparagraph is—

"(i) for fiscal year 1998, $60,000,000;

"(ii) for each of the fiscal years 1998 and 2000, $60,000,000, increased for each such fiscal year by an amount equal to the increase in the Consumer Price Index for the period encompassing the fiscal years from 1998 to the fiscal year prior to the fiscal year involved for all urban consumers (all items; U.S. city average);

"(iii) for fiscal year 2001, $100,000,000, increased for such fiscal year by an amount equal to the increase in the Consumer Price Index for fiscal years 1998 through 2000 for all urban consumers (all items; U.S. city average); and

"(iv) for fiscal year 2002 and subsequent fiscal years, the amount described in clause (iii), increased for each such fiscal year by an amount equal to the increase in the Consumer Price Index for the period encompassing the fiscal years from 1998 to the fiscal year prior to the fiscal year involved for all urban consumers (all items; U.S. city average).

"(4) FOOD AND DRUG ADMINISTRATION.—

"(A) IN GENERAL.—The amount described in subparagraph (B) shall be used by Secretary to assist in defraying the costs associated with the activities of the Food and Drug Administration relating to tobacco.

"(B) AMOUNT.—The amount described in this subparagraph is—

"(i) for fiscal year 1998, $300,000,000; and

"(ii) for fiscal year 1999 and each subsequent fiscal year, the amount described in clause (i), increased for each such fiscal year by an amount equal to the increase in the Consumer Price Index for the period encompassing the fiscal years from 1998 to the fiscal year prior to the fiscal year involved for all urban consumers (all items; U.S. city average).

"(5) STATE BLOCK GRANTS.—

"(A) IN GENERAL.—The amount described in subparagraph (B) shall be used by Secretary to make block grants to States under the National Tobacco Usage Reduction and Education Block Grant Program under section 2826.

"(B) AMOUNT.—The amount described in this subparagraph is—

"(i) for fiscal year 1998, $1,144,000,000;

"(ii) for fiscal year 1999, $1,215,000,000, increased for such fiscal year by an amount equal to the increase in the Consumer Price Index for the previous fiscal year for all urban consumers (all items; U.S. city average);

"(iii) for fiscal year 2000, $1,240,000,000, increased for such fiscal year by an amount equal to the increase in the Consumer Price Index for fiscal years 1998 through 2000 for all urban consumers (all items; U.S. city average);

"(iv) for fiscal year 2001, $1,325,000,000, increased for such fiscal year by an amount equal to the increase in the Consumer Price Index for fiscal years 1998 through 2000 for all urban consumers (all items; U.S. city average);

"(v) for each of the fiscal years 2002 through 2008, $1,825,000,000, increased for each such fiscal year by an amount equal to the increase in the Consumer Price Index for the period encompassing the fiscal years from 1998 to the fiscal year prior to the fiscal year involved for all urban consumers (all items; U.S. city average); and

"(vi) for fiscal year 2009 and subsequent fiscal years, $1,750,000,000, increased for each such fiscal year by an amount equal to the increase in the Consumer Price Index for fiscal years 1998 through the fiscal year previous to the fiscal year for which the determination is being made for all urban consumers (all items; U.S. city average).

"SEC. 2813. BIOMEDICAL RESEARCH AND CHILD DEVELOPMENT INVESTMENTS.

"(a) FUNDING.—There are hereby made available to carry out this section for each fiscal year an amount equal to 57 percent of the net increase in revenues received in the Treasury for such fiscal year attributable to any amendments made to chapter 52 of the Internal Revenue Code of 1986 in the fiscal year in which this title is enacted, as estimated by the Secretary.

"(b) USE OF FUNDS.—Amounts made available for a fiscal year under subsection (a) shall be used to carry out national biomedical and basic scientific research activities and child development and research activities under part 1 of subtitle C.

"SEC. 2814. TOBACCO VICTIMS COMPENSATION FUND.

"(a) Funding.—There are hereby made available to carry out this section for each fiscal year an amount equal to 14.2 percent of the net increase in revenues received in the Treasury for such fiscal year attributable to any amendments made to chapter 52 of the Internal Revenue Code of 1986 in the fiscal year in which this title is enacted, as estimated by the Secretary.

"(b) Use of Funds.—Amounts made available for a fiscal year under subsection (a) shall be used to provide assistance and compensation to individuals suffering from tobacco-related illnesses and conditions, under a plan to be developed by the Secretary, not later than 1 year after the date of enactment of this Act, and submitted to Congress for approval.

"SEC. 2815. TOBACCO COMMUNITY TRANSITION ASSISTANCE.

"(a) Funding.—There are hereby made available to carry out this section—

"(1) for buyouts of quotas under section 411—

"(A) $3,100,000,000 for each of the fiscal years 1998 and 1999; and

"(B) $3,000,000,000 for fiscal 2000; and

"(2) for block grants under section 431—

"(A) $500,000,000 for each of the fiscal years 1998 and 1999;

"(B) $800,000,000 for each of the fiscal years 2000 through 2002; and

"(C) $400,000,000 for fiscal year 2003.

"(b) Use of Funds.—Amounts made available for a fiscal year under subsection (a) shall remain available until expended (except that with respect to amounts under subsection (a)(1), such amounts shall only be available until September 30, 2001) and shall be used to provide tobacco transition assistance under title IV of the Healthy and Smoke Free Children Act.

"Subtitle B—National Health Initiatives

"PART 1—NATIONAL BASIC AND CHILD DEVELOPMENT RESEARCH

"SEC. 2821. NATIONAL BIOMEDICAL, BASIC AND CHILD DEVELOPMENT RESEARCH BOARD.

"(a) Establishment.—There is established a Federal board to be known as the 'National Biomedical and Basic Scientific Research Board' (referred to in this subpart as the 'Board').

"(b) Membership.—

"(1) Composition.—The board shall be composed of—

"(A) 9 voting members to be appointed by the President from among individuals with expertise in biomedical research, basic research, child development, and medicine; and

"(B) 3 ex officio (nonvoting) members of which—

"(i) 1 shall be the Secretary;

"(ii) 1 shall be the Secretary of Education; and

"(iii) 1 shall be the Assistant to the President for Science and Technology.

"(2) Terms.—A member of the Board under paragraph (1)(A) shall be appointed for a term of 6 years, except that of the members first appointed—

"(A) 3 members shall be appointed for terms of 6 years;

"(B) 3 members shall be appointed for terms of 4 years; and

"(C) 3 members shall be appointed for terms of 2 years.

"(3) Vacancies.—

"(A) In general.—A vacancy on the Board shall be filled in the same manner in which the original appointment was made and shall be subject to any conditions which applied with respect to the original appointment.

"(B) Filling unexpired term.—An individual appointed to fill a vacancy on the Board shall be appointed for the unexpired term of the member replaced.

"(C) Expiration of terms.—The term of any member of the Board shall not expire before the date on which the member's successor takes office.

"(c) Chairperson.—The President shall designate a member of the Board appointed under subsection (b)(1)(A) as the Chairperson of the Board.

"(d) Meetings and Quorum.—

"(1) In general.—The Commission shall meet at the call of the Chairperson.

"(2) Initial meeting.—Not later than 30 days after the date on which all members of the Board have been appointed, the Board shall hold its first meeting.

"(3) Quorum.—A majority of the members of the Board appointed under subsection (b)(1)(A) shall constitute a quorum, but a lesser number of members may hold hearings.

"(e) Personnel Matters.—

"(1) Compensation.—Each member of the Board who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Board. All members of the Board who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

"(2) Travel expenses.—The members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Board.

"(3) Staff.—

"(A) In general.—The Chairperson of the Board may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Board to perform its duties. The employment of an executive director shall be subject to confirmation by the Board.

"(B) Compensation.—The Chairperson of the Board may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

"(4) Detail of government employees.—Any Federal Government employee may be detailed to the Board without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

"(5) Procurement of temporary and intermittent services.—The Chairperson of the Board may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

"(f) Powers.—The Board shall award grants to, and enter into contracts with eligible entities under section 2822 for the expansion of basic and biomedical research and to provide graduate training with respect to such research.

"(g) Delegation.—The Board may delegate all or a portion of grant making authority under subsection (f) to the Secretary, the Secretary of Education, the Director of the National Science Foundation, or the head of any other Federal agency determined appropriate by the Board.

"(h) Availability of Funds.—

"(1) In general.—With respect to a fiscal year, no funds shall be made available under this part for such fiscal year until the Secretary certifies that the amounts appropriated for each of the entities or activities described in subparagraphs (A) and (B) of section 2822(a)(1) or subparagraphs (A), (B) and (F) of section 2823(a)(1) for such fiscal year has increased as compared to the amounts appropriated for the previous fiscal year—

"(A) by not less than the percentage increase in the consumer price index, as determined by the Secretary of Labor; or

"(B) by an amount equal to the percentage increase in the level of overall discretionary spending for such fiscal year as compared to the previous fiscal year;

whichever is greater.

"(2) Application to child development activities.—With respect to a fiscal year, no funds shall be made available under this part for such fiscal year until the Secretary certifies that the amounts appropriated for each of the entities or activities described in section 2823(a)(1)(F) for such fiscal has increased as compared to the amounts appropriated for the previous fiscal year—

"(A) by not less than the percentage increase in the consumer price index, as determined by the Secretary of Labor; or

"(B) by an amount equal to the percentage increase in the level of overall discretionary spending for such fiscal year as compared to the previous fiscal year;

whichever is less.

"(3) Supplement not supplant.—Funds made available for use under this part shall be used to supplement and not supplant other funds appropriated to the entities described in section 2822(a) and 2823(a). Amounts appropriated to such entities under other provisions of law shall not be reduced solely as a result of the availability of funds under this section.

"SEC. 2822. GRANTS FOR BIOMEDICAL AND BASIC RESEARCH.

"(a) Eligible Entities.—To be eligible to receive a grant or contract under section 2821(f) an entity shall be—

"(1) the National Institutes of Health (including a subdivision or grantee of such Institutes);

"(2) the National Science Foundation (including a subdivision or grantee of such Foundation);

"(3) nationally recognized research hospitals;

"(4) universities with recognized programs of basic and biomedical research;

"(5) research institutes with expertise in the conduct of basic or biomedical research;

"(6) cancer research centers that meet the standards of section 414; and

"(7) entities conducting quality basic or biomedical research as determined by the Board.

"(b) Graduate Training.—Support may be provided under section 2821(f) for graduate training, including the following:

"(1) Grants for portable fellowships as defined for purposes of the National Science Foundation Act of 1950 (42 U.S.C. 1861 et seq.).

"(2) Grants to support an additional year of portable fellowship training to enhance the teaching capabilities of fellows seeking careers in academic teaching settings.

"(3) Programs of student loan forgiveness for students in the sciences and biomedical sciences who pursue careers as teachers of science or biomedical science or researchers in such fields in nonprofit institutions. Loans may be forgiven under this paragraph at the rate of—

"(A) 15 percent per year for the first and second fiscal years after the date of enactment of this title;

"(B) 20 percent per year for the third and fourth fiscal years after the date of enactment of this title; and

"(C) 30 percent per year for the fifth fiscal year after the date of enactment of this title.

"(4) Programs of postdoctoral fellowships for individuals qualifying for such fellowships under the authority of the National Science Foundation of National Institutes of Health.

"(5) Programs of grants to universities and other research facilities to assist in the equipping of laboratories for new researchers of exceptional promise during the first 5 years of post-doctoral research.

"(6) Such other programs of grants and contracts as the Board determines will contribute to increasing the supply of high quality scientific and biomedical researchers.

"(c) Funding.—The Board shall use 50 percent of the amount made available for a fiscal year under section 2813 to carry out this subpart in such fiscal year.

"SEC. 2823. INVESTMENTS IN HEALTHY CHILD DEVELOPMENT AND RESEARCH -PROJECTS AND TRAINING.

"(a) Children's Research, Training and Demonstration Projects.—

"(1) In general.—The Secretary shall use not to exceed 10 percent of the funds allocated for use under this section to award grants of contracts for the conduct and support of research, training and demonstration projects relating to child health and development.

"(2) Entities eligible for research projects.—To be eligible to receive a grant or contract under paragraph (1) for the conduct or support of research an entity shall be—

"(A) the National Institutes of Health (including a subdivision or grantee of such Institutes);

"(B) the National Science Foundation (including a subdivision or grantee of the Foundation);

"(C) a nationally recognized research hospital;

"(D) a university with a recognized program of research or training on children's development and health and childhood disabilities; and

"(E) entities conducting child development research and training; and

"(F) a public or private nonprofit organization, agency, or partnership with the capacity to implement research findings on brain development in the early years of life and for the support of continual physical, intellectual, and social development of young children, including infants and toddlers with disabilities.

"(3) Training projects.—Support may be provided under subparagraphs (D), (E) and (F) of paragraph (1) for training, including programs to support undergraduate and graduate training programs to expand the early childhood development workforce by recruiting; training students for careers in early childhood development and care, which may include grants to institutions, scholarships, and programs of loan work forgiveness; and preservice and inservice training programs to enhance the quality of the existing child care workforce.

"(4) Demonstration projects.—Support may be provided under subparagraphs (D), (E) and (F) of paragraph (1) for demonstration projects including public-private partnerships for paid leave to enable mothers with infants to choose to stay at home.

"(5) Evaluations.—Each project under this subsection shall include an evaluation component to assess the effectiveness of the project in achieving its goals.

"(b) Child Development Projects.—

"(1) In general.—The Secretary shall use not less than 90 percent of the funds allocated for use under this section as follows:

"(A) Investments for early childhood development.—60 percent of such funds will be used for investments in early childhood development as follows:

"(i) 10 percent to expand the Early Head Start program under section 645A of the Head Start Act (42 U.S.C. 9841).

"(ii) 20 percent to the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 658A et seq.) to provide certificates and grants to increase the availability and affordability of quality child care for children of working families from birth through school age, including children with disabilities.

"(iii) 25 percent to expand the Head Start program under the Head Start Act (42 U.S.C. 9801) to increase enrollment and responsiveness of such program.

"(iv) 5 percent to early childhood development programs under part C and section 619 of the Individuals with Disabilities Education Act.

Not less than 30 percent of amounts made available under clause (ii) shall be set-aside for innovative programs for babies and toddlers, including the development of family child care networks, start-up for infant care programs, the training of providers, or the provision of parent education and support.

"(B) Improvement of the quality of child care.—20 percent to establish a health and safety fund through the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 658A et seq.), 50 percent of which shall be used to provide incentives to reward States that improve the quality of child care programs in the State by adopting the essential components of the child care program of the armed services or the essential components of other proven child care models. Such components include the provision of training linked to increased wages, improved standards and enforcement, lower child to staff ratios, higher rates for accredited programs, and consumer education including resources referral services.

"(C) Programs to promote healthy behavior.—20 percent to the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 658A et seq.) to expand the availability and affordability of quality before- and after-school care, and summer and weekend activities for school age (through 15 years of age) children, including children with disabilities, to promote good health and academic achievement and to help in avoiding high risk behaviors. Eligible entities for grants under this clause shall include elementary and secondary schools, community-based organizations, child care centers, family child care homes, youth centers, or partnerships and should be targeted to communities with high rates of poverty or at-risk children.

"(c) Supplement not Supplant.—Amounts provided to a State under this section shall be used to supplement and not supplant other Federal, State and local funds provided for programs that serve the health and developmental needs of children. Amounts provided to the State under any of the provisions of law referred to in this section shall not be reduced solely as a result of the availability of funds under this section.

"(d) Funding.—The Board shall use 50 percent of the amount made available for a fiscal year under section 2813 to carry out this subpart in such fiscal year.

"PART 2—PUBLIC HEALTH PROGRAMS

"SEC. 2825. RESEARCH, COUNTER-ADVERTISING, AND CDC PROGRAMS.

"(a) Reduction and Addiction Prevention Research.—The Secretary shall provide for the conduct of research concerning the development of methods, drugs, and devices to discourage individuals from using tobacco products and to assist individuals who use such products in quitting such use.

"(b) Counter-advertising.—The Secretary shall carry out programs to reduce tobacco usage through media-based (such as counter-advertising campaigns) and nonmedia-based education, prevention and cessation campaigns designed to discourage the use of tobacco products by individuals and to encourage those who use such products to quit.

"(c) Centers for Disease Control and Prevention Programs.—The Secretary, acting through the Centers for Disease Control and Prevention, shall carry programs to discourage the initiation of tobacco use, reduce the incidence of tobacco use among current users, and for other activities designed to reduce the risk of dependence and injury from tobacco products.

"(d) Funding.—

"(1) Research.—The Secretary shall use amounts available under section 2812(b)(1) to carry out subsection (a).

"(2) Counter-advertising.—The Secretary shall use amounts available under section 2812(b)(2) to carry out subsection (b).

"(3) CDC programs.—The Secretary shall use amounts available under section 2812(b)(3) to carry out subsection (c).

"SEC. 2826. NATIONAL TOBACCO USAGE REDUCTION AND EDUCATION BLOCK GRANT PROGRAM.

"(a) Block Grants.—The Secretary shall award block grants to States to enable such States to carry out activities for the purpose of planning, carrying out, and evaluating tobacco use reduction and education activities described in subsection (c).

"(b) Application.—

"(1) In general.—A State that desires to receive a grant under subsection (a) shall prepare and submit to the Secretary an application, at such time, in such manner, and accompanied by such information as the Secretary may require.

"(2) Contents.—An application submitted under paragraph (1) shall—

"(A) describe the activities that will be carried out using assistance under this section; and

"(B) provide such assurances as the Secretary determines to be necessary to carry out this section.

"(c) Use of Funds.—A State shall use amounts received under this section to carry out the following activities:

"(1) Tobacco use cessation.—

“(A) IN GENERAL.—Activities to assist individuals in quitting the use of cigarettes or other tobacco products.

“(B) MODEL STATE PROGRAM.—The Secretary shall establish a model smoking cessation program that may be used by States in the design of State-based smoking cessation programs. Such model program shall provide for the provision of grants and other assistance by such States to eligible entities and individuals in the State for the establishment or administration of tobacco product use cessation programs that are approved in accordance with subparagraph (D).

“(C) USE OF ASSISTANCE.—Under a State smoking cessation program under this paragraph an entity that receives assistance shall use such amounts to establish or administer tobacco product use cessation programs that are approved in accordance with subparagraph (D).

“(D) APPROVAL OF CESSATION PROGRAM OR DEVICES.—Using the best available scientific information, the Secretary shall promulgate regulations to provide for the approval of tobacco product use cessation programs and devices. Such regulations shall be designed to ensure that tobacco product users, if requested, are provided with reasonable access to safe and effective cessation programs and devices. Such regulations shall ensure that such individuals have access to a broad range of cessation options that are tailored to the needs of the individual tobacco user.

“(2) TOBACCO USAGE REDUCTION AND EDUCATION PROGRAM.—Activities—

“(A) to reduce tobacco usage through media-based (such as counter-advertising campaigns) and nonmedia-based education, prevention and cessation campaigns designed to discourage the use of tobacco products by individuals who are under 18 years of age and to encourage those who use such products to quit;

“(B) to carry out informational campaigns that are designed to discourage and de-glamorize the use of tobacco products;

“(C) for tobacco use reduction in elementary and secondary schools; or

“(D) for community-based tobacco control efforts that are designed to encourage community involvement in reducing tobacco product use.

“(3) EVENT TRANSITIONAL SPONSORSHIP PROGRAM.—

“(A) IN GENERAL.—Activities for the transitional sponsorship of certain activities, including grants to—

“(i)(I) pay the costs associated with the transitional sponsorship of an event or activity;

“(II) provide for the transitional sponsorship of an individual or team;

“(III) pay the required entry fees associated with the participation of an individual or team in an event or activity;

“(IV) provide financial or technical support to an individual or team in connection with the participation of that individual or team in an activity described in subparagraph (C)(iii); or

“(V) for any other purposes determined appropriate by the State; and

“(ii) promote images or activities to discourage individuals from using tobacco products or encourage individuals who use such products to quit.

“(B) ELIGIBILITY.—A State program funded under this paragraph shall ensure that to be eligible to receive assistance under this paragraph an entity or individual shall prepare and submit to the State an application at such time, in such manner, and containing such information as the State may require, including—

“(i) a description of the event, activity, team, or entry for which the grant is to be provided;

“(ii) documentation that the event, activity, team, or entry involved was sponsored or otherwise funded by a tobacco manufacturer or distributor prior to the date of the application; and

“(iii) a certification that the applicant is unable to secure funding for the event, activity, team, or entry involved from sources other than those described in clause (ii).

“(C) PERMISSIBLE SPONSORSHIP ACTIVITIES.—Events, activities, teams, or entries for which a grant may be provided under this paragraph include—

“(i) an athletic, musical, artistic, or other social or cultural event or activity that was sponsored in whole or in part by a tobacco manufacturer or distributor prior to the date of enactment of this title;

“(ii) the participation of a team that was sponsored in whole or in part by a tobacco manufacturer or distributor prior to the date of enactment of this title, in an athletic event or activity; and

“(iii) the payment of a portion or all of the entry fees of, or other financial or technical support provided to, an individual or team by a tobacco manufacturer or distributor prior to the date of enactment of this title, for participation of the individual in an athletic, musical, artistic, or other social or cultural event.

“(d) ALLOCATION OF FUNDS.—A State shall ensure that amounts received under a block grant under subsection (a) are used to carry out each of the activities described in subsection (c).

“(e) FUNDING.—The Secretary shall use amounts available under section 2812(b)(4) to carry out this section.

“Subtitle C—Reduction in Underage Tobacco Use

“SEC. 2831. PURPOSE.

“It is the purpose of this subtitle to encourage the achievement of reductions in the number of underage consumers of tobacco products through the imposition of additional financial deterrents relating to tobacco products if certain underage tobacco-use reduction targets are not met.

“SEC. 2832. CHILD TOBACCO USE SURVEYS.

“(a) ANNUAL PERFORMANCE SURVEY.—Not later than 1 year after the date of the enactment of this Act and annually thereafter the Secretary shall conduct a survey to determine the number of children who used each manufacturer’s tobacco products within the past 30 days.

“(b) EXCLUSION OF CERTAIN AGES.—The Secretary may exclude from the survey conducted under subsection (a), children under the age of 12 years (or such other lesser age as the Secretary may establish) to strengthen the validity of the survey.

“(c) BASELINE LEVEL.—The baseline level of the child tobacco product use of a manufacturer (referred to in this subtitle as the ‘baseline level’) is the number of children determined to have used the tobacco products of such manufacturer in the first annual performance survey for 1998.

“(d) ADDITIONAL MEASURES.—In order to increase the understanding of youth tobacco product use, the Secretary may, for informational purposes only, add additional measures to the survey under subsection (a), conduct periodic or occasional surveys at other times, and conduct surveys of other populations such as young adults. The results of such surveys shall be made available to manufacturers and the public to assist in efforts to reduce youth tobacco use.

“(e) DEFINITION.—As used in this subtitle, the term ‘tobacco product’ means cigarettes, smokeless tobacco products, and roll-your-own tobacco products.

“SEC. 2833. REDUCTION IN UNDERAGE TOBACCO PRODUCT USAGE.

“(a) STANDARDS FOR EXISTING MANUFACTURERS.—Each manufacturer which manufactured a tobacco product on or before the date of the enactment of this title shall reduce the number of children who use its tobacco products so that the number of children determined to have used its tobacco products on the basis of—

“(1) the fourth annual performance survey is equal to or less than—

“(A) 60 percent of the manufacturer’s baseline level; or

“(B) the de minimis level;

whichever is greater;

“(2) the fifth annual performance survey is equal to or less than—

“(A) 50 percent of the manufacturer’s baseline level; or

“(B) the de minimis level;

whichever is greater;

“(3) the sixth annual performance survey is equal to or less than—

“(A) 40 percent of the manufacturer’s baseline level; or

“(B) the de minimis level;

whichever is greater;

“(4) the seventh annual performance survey is equal to or less than—

“(A) 35 percent of the manufacturer’s baseline level; or

“(B) the de minimis level;

whichever is greater;

“(5) the eighth annual performance survey is equal to or less than—

“(A) 30 percent of the manufacturer’s baseline level; or

“(B) the de minimis level;

whichever is greater;

“(6) the ninth annual performance survey is equal to or less than—

“(A) 25 percent of the manufacturer’s baseline level; or

“(B) the de minimis level;

whichever is greater; and

“(7) the 10th annual performance survey and each annual performance survey conducted thereafter is equal to or less than—

“(A) 20 percent of the manufacturer’s baseline level; or

“(B) the de minimis level;

whichever is greater.

“(b) STANDARDS FOR NEW MANUFACTURERS.—Any manufacturer of a tobacco product which begins to manufacture a tobacco product after the date of the enactment of this title shall ensure that the number of children determined to have used the manufacturer’s tobacco products in each annual performance survey conducted after the manufacturer begins to manufacture tobacco products is equal to or less than the de minimis level.

“(c) DE MINIMIS LEVEL.—The de minimis level shall be 0.5 percent of the total number of children determined to have used tobacco products in the first annual performance survey.

“SEC. 2834. NONCOMPLIANCE.

“(a) VIOLATION OF STANDARD.—If, with respect to a year, a manufacturer of a tobacco product fails to comply with the required reduction under section 2833(a), the manufacturer shall pay to the Secretary a noncompliance fee for each unit of tobacco products manufactured by the manufacturer which is distributed for consumer use in the year following the year in which the noncompliance occurs, in the amount specified in subsection (b).

"(b) NONCOMPLIANCE FEE PER UNIT.—

"(1) IN GENERAL.—With respect to a year, a manufacturer of a tobacco product shall be required to pay a noncompliance fee for each unit of tobacco products manufactured by the manufacturer if the noncompliance factor of the manufacturer (as determined under paragraph (3)) for the year is greater than zero.

"(2) AMOUNT OF FEE.—The amount of the noncompliance fee that is required to be paid by a manufacturer under this section for each unit of tobacco products manufactured by the manufacturer for the year involved shall be equal to—

"(A) 2 cents multiplied by so much of the noncompliance factor as does not exceed 5;

"(B) 3 cents multiplied by so much of the noncompliance factor as exceeds 5 but does not exceed 10;

"(C) 4 cents multiplied by so much of the noncompliance factor as exceeds 10 but does not exceed 15;

"(D) 5 cents multiplied by so much of the noncompliance factor as exceeds 15 but does not exceed 20; and

"(E) 6 cents multiplied by so much of the noncompliance factor as exceeds 20 but does not exceed 25.

"(3) NONCOMPLIANCE FACTOR.—The noncompliance factor of a manufacturer shall be equal to 100 multiplied by the noncompliance percentage of the manufacturer (as determined under paragraph (4)).

"(4) NONCOMPLIANCE PERCENTAGE.—The noncompliance percentage (if any) of a manufacturer shall be equal to 1 less the ratio of—

"(A) the actual reduction that is achieved by the manufacturer in the number of children who use the manufacturer's tobacco products in the year involved; and

"(B) the reduction required under section 2833(a) in the number of children who use the manufacturer's tobacco products for the year.

"(c) NONCOMPLIANCE FEES FOR CONSECUTIVE VIOLATIONS.—If a manufacturer of a tobacco product fails to comply with the required reduction under section 2833(a) in 2 or more consecutive years, the noncompliance fee that is required to be paid by the manufacturer under this section for each unit of tobacco products manufactured by such manufacturer which is distributed for consumer use in the year following the year in which the noncompliance occurs, shall be the amount determined under subsection (b) for the year multiplied by the number of consecutive years in which the manufacturer has failed to comply with such required reductions.

"(d) PROHIBITION ON SINGLE-PACK SALES IN CASES OF REPEATED NONCOMPLIANCE.—Not later than 1 year after the date of enactment of this title, the Secretary shall establish regulations to prohibit the sale of single packs of a manufacturer's tobacco products in cases of repeated noncompliance with the reductions required under section 2833(a). Such regulations shall require that, if a manufacturer fails to comply with such reductions in 3 or more consecutive years, the manufacturer's tobacco products may be sold in the following year only in packages containing not less than 10 units of the product per package (200 cigarettes per package in the case of cigarettes, and a corresponding package size for other tobacco products).

"(e) REQUIRED GENERIC PACKAGING IN SEVERE CASES OF REPEATED NONCOMPLIANCE.—Not later than 1 year after the date of enactment of this title, the Secretary shall establish regulations to require units and packages of a manufacturer's tobacco products to have generic packaging in severe cases of repeated noncompliance with the reductions required under section 2833(a). Such regulations shall require that, if a manufacturer fails to comply with such reductions in 4 or more consecutive years, the manufacturer's tobacco products may be sold in the following year only in units and packages whose packaging contains no external images, logos, or text (other than any required labels), except that the brand name and the identifier 'tobacco' may appear on the packaging in block lettering in black type on a white background.

"(f) PAYMENT.—The noncompliance fee to be paid by a manufacturer under this section shall be paid on a quarterly basis, with payments due not later than 30 days after the end of each calendar quarter.

"SEC. 2835. USE OF AMOUNTS.

"Of the amounts received under section 2834—

"(1) 37.5 percent of such amounts shall be made available to the National Biomedical and Basic Scientific Research Board for research, training and demonstration project grants under section 2822;

"(2) 37.5 percent of such amounts shall be made available to the Secretary for healthy child development grants under section 2823; and

"(3) 25 percent of such amounts shall be made available to the Secretary for reduction and addiction prevention research grants and for grants under the national tobacco usage reduction and education program under part 2 of subtitle C.

"SEC. 2836. MISCELLANEOUS PROVISIONS.

"(a) JUDICIAL REVIEW.—A manufacturer of tobacco products may seek judicial review of any action under this subtitle only after a noncompliance fee has been assessed and paid by the manufacturer and only in the United States District Court for the District of Columbia. In an action by a manufacturer seeking judicial review of an annual performance survey, the manufacturer may prevail—

"(1) only if the manufacturer shows that the results of the performance survey were arbitrary and capricious; and

"(2) only to the extent that the manufacturer shows that it would have been required to pay a lesser noncompliance fee if the results of the performance survey were not arbitrary and capricious.

"(b) PASS-THROUGH.—Nothing in this subtitle shall be construed as prohibiting a manufacturer from passing the costs of the amount of any noncompliance fee assessed under this subtitle on to consumers of tobacco products as a further economic deterrent to the use of such products.

"(c) PROHIBITION.—No stay or other injunctive relief may be granted by the Secretary or any court that has the effect of enjoining the imposition and collection of noncompliance fees to be applied under this section.

"(d) CHILD.—As used in this subtitle, the term 'child' means, except as provide in section 2832(b), an individual who is under the age of 18.

"Subtitle D—Miscellaneous Provisions

"SEC. 2841. WHISTLEBLOWER PROTECTIONS.

"(a) PROHIBITION OF REPRISALS.—An employee of any manufacturer, distributor, or retailer of a tobacco product may not be discharged, demoted, or otherwise discriminated against (with respect to compensation, terms, conditions, or privileges of employment) as a reprisal for disclosing to an employee of the Food and Drug Administration, the Department of Health and Human Services, the Department of Justice, or any State or local regulatory or enforcement authority, information relating to a substantial violation of law related to this title or a State or local law enacted to further the purposes of this title.

"(b) ENFORCEMENT.—Any employee or former employee who believes that such employee has been discharged, demoted, or otherwise discriminated against in violation of subsection (a) may file a civil action in the appropriate United States district court before the end of the 2-year period beginning on the date of such discharge, demotion, or discrimination.

"(c) REMEDIES.—If the district court determines that a violation has occurred, the court may order the manufacturer, distributor, or retailer involved to—

"(1) reinstate the employee to the employee's former position;

"(2) pay compensatory damages; or

"(3) take other appropriate actions to remedy any past discrimination.

"(d) LIMITATION.—The protections of this section shall not apply to any employee who—

"(1) deliberately causes or participates in the alleged violation of law or regulation; or

"(2) knowingly or recklessly provides substantially false information to the Food and Drug Administration, the Department of Health and Human Services, the Department of Justice, or any State or local regulatory or enforcement authority.

"SEC. 2842. NATIONAL TOBACCO DOCUMENT DEPOSITORY.

"(a) PURPOSE.—It is the purpose of this section to provide for the disclosure of previously nonpublic or confidential documents by manufacturers of tobacco products, including the results of internal health research, and to provide for a procedure to settle claims of attorney-client privilege, work product, or trade secrets with respect to such documents.

"(b) ESTABLISHMENT.—

"(1) IN GENERAL.—The Secretary shall provide for the establishment, either within the Department of Health and Human Services or through a private nonprofit entity, of a National Tobacco Document Depository (in this section referred to as the 'Depository'). Such Depository shall be located in the Washington, D.C. area and be open to the public.

"(2) DOCUMENTS.—Manufacturers of tobacco products, acting in conjunction with the Tobacco Institute and the Council for Tobacco Research, U.S.A., shall, not later than 30 days after the date of enactment of this title, provide documents to the Depository in accordance with this section.

"(3) FUNDING.—The entities described in paragraph (2) shall bear the sole responsibility for funding the Depository.

"(c) USE OF DEPOSITORY.—The Depository shall be maintained in a manner that permits the Depository to be used as a resource for litigants, public health groups, and any other individuals who have an interest in the corporate records and research of the manufacturers concerning smoking and health, addiction or nicotine dependency, safer or less hazardous cigarettes, and underage tobacco use and marketing.

"(d) CONTENTS.—The Depository shall include (and manufacturers and the Tobacco Institute and the Council for Tobacco Research, U.S.A. shall provide)—

"(1) within 90 days of the date of the establishment of the Depository, all documents provided by such entities to plaintiffs in—

"(A) civil or criminal actions brought by State attorneys general (including all documents selected by plaintiffs from the Guilford Repository of the United Kingdom);

"(B) Philip Morris Companies Inc.'s defamation action against Capital Cities/American Broadcasting Company News;

"(C) the Federal Trade Commission's investigation concerning Joe Camel and underage marketing;

(D) *Haines v. Liggett Group, Inc.* (814 F. Supp. 414 (D.N.J., Jan. 26, 1993)) and *Cippollone v. Liggett Group, Inc.* (822 F. 2d 335, 56 USLW 2028, 7 Fed. R. Serv. 3d 1438 (3rd Cir. (N.J.), Jun. 8, 1987)); and

(E) *Estate of Burl Butler v. Philip Morris, Inc.* (case No. 94–4–53);

"(2) within 90 days after the date of the establishment of the Depository, any exiting documents discussing or referring to health research, addiction or dependency, safer or less hazardous cigarettes, studies of the smoking habits of minors, and the relationship between advertising or promotion and youth smoking, that the entities described in subsection (b) have not completed producing as required in the actions described in paragraph (1);

"(3) within 30 days of the date of the establishment of the Depository, all documents relating to indices (as defined by the court in *State of Minnesota and Blue Cross and Blue Shield of Minnesota v. Philip Morris, Inc., et al*) of documents relating to smoking and health, including all indices identified by the manufacturers in the the *State of Texas v. American Tobacco Company, et al.*;

"(4) upon the settlement of any action referred to in this subsection, and after a good-faith, de novo, document-by-document review of all documents previously withheld from production in any actions on the grounds of attorney-client privilege, all documents determined to be outside of the scope of the privilege;

"(5) all existing or future documents relating to original laboratory research concerning the health or safety of tobacco products, including all laboratory research results relating to methods used to make tobacco products less hazardous to consumers;

"(6) a comprehensive new attorney-client privilege log of all documents, itemized in sufficient detail so as to enable any interested individual to determine whether the individual will challenge the claim of privilege, that the entities described in subsection (b) (based on the de novo review of such documents by such entities) claims are protected from disclosure under the attorney-client privilege;

"(7) all existing or future documents relating to studies of the smoking habits of minors or documents referring to any relationship between advertising and promotion and underage smoking; and

"(8) all other documents determined appropriate under regulations promulgated by the Secretary.

"(e) DISPUTE RESOLUTION PANEL.—

"(1) ESTABLISHMENT.—The Judicial Conference of the United States shall establish a Tobacco Documents Dispute Resolution Panel, to be composed of 3 Federal judges to be appointed by the Conference, to resolve all disputes involving claims of attorney-client, work product, or trade secrets privilege with respect to documents required to be deposited into the Depository under subsection (d) that may be brought by Federal, State, or local governmental officials or the public or asserted in any action by a manufacturer.

"(2) BASIS FOR DETERMINATIONS.—The determinations of the Panel established under paragraph (1) shall be based on—

"(A) the American Bar Association/American Law Institute Model Rules or the principals of Federal law with respect to attorney-client or work product privilege; and

"(B) the Uniform Trade Secrets Act with respect to trade secrecy.

"(3) DECISION.—Any decision of the Panel established under paragraph (1) shall be final and binding upon all Federal and State courts.

"(4) ASSESSING OF FEES.—As part of a determination under this subsection, the Panel established under paragraph (1) shall determine whether a claimant of the privilege acted in good faith and had a factual and legal basis for asserting the claim. If the Panel determines that the claimant did not act in good faith, the Panel may assess costs against the claimant, including a reasonable attorneys' fee, and may apply such other sanctions as the Panel determines appropriate.

"(5) ACCELERATED REVIEW.—The Panel established under paragraph (1) shall establish procedures for the accelerated review of challenges to a claim of privilege. Such procedures shall include assurances that an individual filing a challenge to such a claim need not make a prima facie showing of any kind as a prerequisite to an in camera review of the documents at issue.

"(6) SPECIAL MASTERS.—The Panel established under paragraph (1) may appoint Special Masters in accordance with Rule 53 of the Federal Rules of Civil Procedure. The cost relating to any Special Master shall be assessed to the manufacturers as part of a fee process to be established under regulations promulgated by the Secretary.

"(f) OTHER PROVISIONS.—

"(1) NO WAIVER OF PRIVILEGE.—Compliance with this section by the entities described in subsection (b) shall not be deemed to be a waiver on behalf of such entities of any applicable privilege or protection.

"(2) AVOIDANCE OF DESTRUCTION.—In establishing the Depository, procedures shall be implemented to protect against the destruction of documents.

"(3) DEEMED PRODUCED.—Any documents contained in the Depository shall be deemed to have been produced for purposes of any tobacco-related litigation in the United States.

"(g) DOCUMENTS.—For purposes of this section, the term 'documents' shall include any paper documents that may be printed using data that is contained in computer files.

"(h) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to interfere in any way with the discovery rights of courts or parties in civil or criminal actions involving tobacco products, or the right of access to such documents under any other provision of law.

"SEC. 2843. TOBACCO OVERSIGHT AND COMPLIANCE BOARD.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—There is established an independent board to be known as the Tobacco Oversight and Compliance Board (referred to in this section as the 'Board').

"(2) MEMBERSHIP.—The Board shall consist of 5 members with expertise relating to tobacco and public health. The members, including the chairperson, shall be appointed by the Secretary. The initial members of the Board shall be appointed by the Secretary within 30 days of the date of the enactment of this title. A member of the Board may be removed by the Secretary only for neglect of duty or malfeasance in office.

"(3) TERMS.—The term of office of a member of the Board shall be 6 years, except that the members first appointed shall have terms of 2, 3, 4, and 5 years, respectively, as determined by the Secretary.

"(b) GENERAL DUTY.—The Board shall oversee and monitor the operations of the tobacco industry to determine whether tobacco product manufacturers are in compliance with this Act.

"(c) DISCLOSURE OF TOBACCO INDUSTRY DOCUMENTS.—

"(1) SUBMISSION BY MANUFACTURERS.—Not later than 3 months after the date of the enactment of this title, and as otherwise required by the Board, each tobacco manufacturer shall submit to the Board a copy of all documents in the manufacturer's possession—

"(A) relating to—

"(i) any health effects, including addiction, caused by the use of tobacco products;

"(ii) the manipulation or control of nicotine in tobacco products; or

"(iii) the sale or marketing of tobacco products to children; or

"(B) produced, or ordered to be produced, by the tobacco manufacturer in the case entitled *State of Minnesota v. Philip Morris, Inc.*, Civ. Action No. C1-94-8565 (Ramsey County, Minn.) including attorney-client and other documents produced or ordered to be produced for in camera inspection.

"(2) DISCLOSURE BY THE BOARD.—Not later than 6 months after the date of the enactment of this title, and otherwise as required by the Board, the Board shall, subject to paragraph (3), make available to the public the documents submitted under paragraph (1).

"(3) PROTECTION OF TRADE SECRETS.—The Board, members of the Board, and staff of the Board shall not disclose information that is entitled to protection as a trade secret unless the Board determines that disclosure of such information is necessary to protect the public health. This paragraph shall not be construed to prevent the disclosure of relevant information to other Federal agencies or to committees of the Congress.

"(d) INVESTIGATION AND ANNUAL REPORTS.—The Board shall investigate all matters relating to the tobacco industry and public health and report annually on the results of the investigation to Congress. Each annual report to Congress shall, at a minimum, disclose—

"(1) whether tobacco manufacturers are in compliance with the provisions of this Act;

"(2) any efforts by tobacco manufacturers to conceal research relating to the adverse health effects or addiction caused by the use of tobacco products;

"(3) any efforts by tobacco manufacturers to mislead the public or any Federal, State, or local elected body, agency, or court about the adverse health effects or addiction caused by the use of tobacco products;

"(4) any efforts by tobacco manufacturers to sell or market tobacco products to children; and

"(5) any efforts by tobacco manufacturers to circumvent, repeal, modify, impede the implementation of, or prevent the adoption of any Federal, State, or local law or regulation intended to reduce the adverse health effects or addiction caused by the use of tobacco products.

"(e) AUTHORITY.—The Board, any member of the Board, or staff designated by the Board may hold hearings, administer oaths, issue subpoenas, require the testimony or deposition of witnesses, the production of documents, or the answering of interrogatories, or, upon presentation of the proper credentials, enter and inspect facilities.

"(f) Enforcement.—Notwithstanding any other provision of law, tobacco manufacturers shall provide any testimony, deposition, documents, or other information, answer any interrogatories, and allow any entry or inspection required pursuant to this section, except to the extent that a constitutional privilege protects the tobacco manufacturer from complying with such requirement.

"(g) Administration.—

"(1) Staff.—The Chairperson of the Board shall exercise the executive and administrative functions of the Board and shall have the authority to hire such staff as may be necessary for the operation of the Board.

"(2) Salaries.—The members of the Board shall receive such salary and benefits as the Secretary deems necessary, except that the salary of the Chairperson shall not be less than that provided for under level III of the Executive Schedule in section 5314 of title 5, United States Code.

"SEC. 2844. PRESERVATION OF STATE AND LOCAL AUTHORITY.

"Except as otherwise provided for in this title or the Healthy and Smoke Free Children Act (or an amendment made by such Act), nothing in this title or such Act shall be construed as prohibiting a State from imposing requirements, prohibitions, penalties or other measures to further the purposes of this title or Act that are in addition to the requirements, prohibitions, or penalties required under this title or Act. To the extent not inconsistent with the purposes of this title or Act, State and local governments may impose additional tobacco product control measures to further restrict or limit the use of such products by minors.

"SEC. 2845. REGULATIONS.

"The Secretary may promulgate regulations to enforce the provisions of this title, or to modify, alter, or expand the requirements and protections provided for in this title if the Secretary determines that such modifications, alterations, or expansion is necessary.".

TITLE II—FDA JURISDICTION OVER TOBACCO PRODUCTS

Subtitle A—Amendments to the Federal Food, Drug and Cosmetic Act

SEC. 201. REFERENCE.

Whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.).

SEC. 202. STATEMENT OF GENERAL AUTHORITY.

The Secretary of Health and Human Services, acting through the Food and Drug Administration, shall have the authority under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321 et seq.) (above and beyond the existing authority of the Secretary to regulate tobacco products as of the date of enactment of this Act) to regulate the manufacture, labeling, sale, distribution, and advertising of tobacco products.

SEC. 203. TREATMENT OF TOBACCO PRODUCTS AS DRUGS AND DEVICES.

(a) Definitions.—

(1) Drug.—Section 201(g)(1) (21 U.S.C. 321(g)(1)) is amended by striking "; and (D)" and inserting "(including nicotine in tobacco products); and (D)".

(2) Devices.—Section 201(h) (21 U.S.C. 321(h)) is amended—

(A) in paragraph (3), by inserting before the comma the following: "(including tobacco products containing nicotine); and

(B) by adding at the end the following: "For purposes of this Act a tobacco product shall be classified as a class II device.".

(3) Other definitions.—Section 201 (21 U.S.C. 321) is amended by adding at the end thereof the following new paragraphs:

"(ii)(1) The term 'tobacco product' means cigarettes, cigarillos, cigarette tobacco, little cigars, pipe tobacco, and smokeless tobacco, and roll-your-own tobacco.

"(2) The term 'cigarette' means any product which contains nicotine, is intended to be burned under ordinary conditions of use, and consists of—

"(A) any roll of tobacco wrapped in paper or in any substance not containing tobacco; and

"(B) any roll of tobacco wrapped in any substance containing tobacco which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in subparagraph (A).

"(3) The term 'cigarette tobacco' means any product that consists of loose tobacco that contains or delivers nicotine and is intended for use by persons in a cigarette. Unless otherwise stated, the requirements of this title pertaining to cigarettes shall also apply to cigarette tobacco.

"(4) The term 'smokeless tobacco' means any product that consists of cut, ground, powdered, or leaf tobacco that contains nicotine and that is intended to be placed in the oral or nasal cavity.

"(5) The term 'roll-your-own tobacco' has the meaning given such term by section 5702(p) of the Internal Revenue Code of 1986.

"(6) The term 'little cigars' means any roll of tobacco wrapped in leaf tobacco or any substance containing tobacco (other than any roll of tobacco which is a cigarette within the meaning of this Act) an as to which 1,000 units weigh not more than 3 pounds.

"(7) The term 'cigar' means any roll of tobacco wrapped in leaf tobacco or in any substance containing tobacco (other than any roll of tobacco which is a cigarette or cigarillo within the meaning of paragraph (3) or (4)).

"(8) The term 'cigarillos' means any roll of tobacco wrapped in leaf tobacco or any substance containing tobacco (other than any roll of tobacco which is a cigarette within the meaning of paragraph (3)) and as to which 1,000 units weigh not more than 3 pounds.

"(9) The term 'pipe tobacco' means any loose tobacco that, because of its appearance, type, packaging, or labeling, is likely to be offered to, or purchased by, consumers as a tobacco product to be smoked in a pipe.

"(10) The term 'nicotine' means the chemical substance named 3-(1-Methyl-2-pyrrolidinyl)pyridine or $C_{10}H_{14}N_2$, including any salt or complex of nicotine.".

"(11) The term 'tobacco additive' means any substance the intended use of which results or may reasonably be expected to result, directly or indirectly, in the substance becoming a component of, or otherwise affecting the characteristics of, any tobacco product, including any substance that may have been removed from the tobacco product and then readded in the substance's original or modified form.

"(12) The term 'tar' means mainstream total articulate matter minus nicotine and water.".

(b) Misbranding.—Section 502(q) (21 U.S.C. 352(q)) is amended—

(1) by striking "or (2)" and inserting "(2)"; and

(2) by inserting before the period the following: "or (3) in the case of a tobacco product, it is sold, distributed, advertised, labeled, or used in violation of this Act or the regulations prescribed under this Act.".

(c) Regulatory Authority.—Section 503(g)(1) (21 U.S.C. 353(g)(1)) is amended by inserting "(including any tobacco product)" after "products" the first place such term appears.

(d) Class II Devices.—Section 513(a)(1)(B) (21 U.S.C. 360c(a)(1)(B)) is amended—

(1) by striking "A device" and inserting "(i) A device"; and

(2) by adding at the end the following: "Tobacco products shall be categorized as Class II devices.

"(ii) The sale of tobacco products to adults that comply with Performance Standards established for these products pursuant to section 514, title XXVIII of the Public Health Service Act, and this Act, and any regulations prescribed under this Act, shall not be prohibited by the Secretary, notwithstanding sections 502(j), 516, and 518.".

(e) Performance Standards.—Section 514(a) (21 U.S.C. 360d(a)) is amended—

(1) in paragraph (2), by striking "device—" and inserting "non-tobacco product device—";

(2) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(3) by adding at the end the following:

"(3)(A) A performance standard established under this section for a tobacco product device—

"(i) shall include provisions to reduce the overall health risks to the public, including the reduction in risk to consumers thereof and the reduction in harm which will result from those who continue to use the product, but less often and from those who stop or do not start using the product, taking into account all factors that the Secretary determines to be relevant;

"(ii) shall, where necessary to provide a reduction in the overall health risks to the public, include—

"(I) provisions regarding the construction, components, constituents, ingredients, and properties of the tobacco product device, including the reduction or elimination of nicotine and the other components, ingredients, and constituents of the tobacco product and its components, based upon the best available technology;

"(II) provisions for the testing of the tobacco product device (on a sample basis or, if necessary, on an individual basis) or, if it determined that no other more practicable means are available to the Secretary to assure the conformity of the tobacco product device to the standard, provision for the testing (on a sample basis or, if necessary, on an individual basis) by the Secretary or by another person at the direction of the Secretary;

"(III) provisions for the measurement of the performance characteristics of the tobacco product device;

"(IV) provisions requiring that the results of each or of certain of the tests of the tobacco product device required to be made under subclause (II) show that the tobacco product device is in conformity with the portions of the standard for which the test or tests were required; and

"(V) a provision that the sale, advertising, and distribution of the tobacco product device be restricted but only to the extent the sale, advertising, and distribution of a tobacco product device may be restricted under this Act or title XXVIII of the Public Health Service Act; and "(iii) shall, where appropriate, require the use and prescribe the form and content of labeling for use of the tobacco product device.

"(B) The Secretary shall provide for the periodic evaluation of a performance standard established under this paragraph to determine if such standards should be changed to reflect new medical, scientific, or other technological data.

"(C) In carrying out this paragraph, the Secretary shall, to the maximum extent practicable—

"(i) use personnel, facilities, and other technical support available in other Federal agencies;

"(ii) consult with the Scientific Advisory Committee established under section 905 and other Federal agencies concerned with standard-setting and other nationally or internationally recognized standard-setting entities; and

"(iii) invite appropriate participation, through joint or other conferences, workshops, or other means, by informed persons representative of scientific, professional, industry, or consumer organizations who in the judgment of the Secretary can make a significant contribution.".

(f) Restricted Devices.—Section 520(e) (21 U.S.C. 360j(e)) is amended by adding at the end the following:

"(3) A tobacco product is a restricted device.".

(g) Regulations.—Section 701(a) (21 U.S.C. 371(a)) is amended by inserting before the period the following: ", including the authority to regulate the manufacture, sale, distribution, advertising and marketing of tobacco products".

SEC. 204. GENERAL HEALTH AND SAFETY REGULATION OF TOBACCO PRODUCTS.

The Act (21 U.S.C. 301 et seq.) is amended—

(1) by redesignating chapter IX as chapter X;

(2) by redesignating sections 901, 902, 903, 904, and 905 as sections 1001, 1002, 1003, 1004, and 1005, respectively; and

(3) by adding after chapter VIII the following new chapter:

"CHAPTER IX—TOBACCO PRODUCTS

"SEC. 901. DEFINITIONS.

"For purposes of this chapter and in addition to the definitions contained in section 201, the definitions under section 2801 of the Public Health Service Act shall apply.

"SEC. 902. PURPOSE.

"It is the purpose of this chapter to impose a regulatory scheme applicable to the development and manufacturing of tobacco products. Such scheme shall include—

"(1) with respect to ingredients contained in such products—

"(A) the immediate and annual reporting, in accordance with section 909(a), of all ingredients contained in such products;

"(B) the performance, in accordance with section 909(b), of safety assessments with respect to ingredients contained in such products; and

"(C) the approval, in accordance with section 909(b), of ingredients contained in such products; and

"(2) the imposition of standards to reduce the level of certain constituents contained in such products, including nicotine.

"SEC. 903. PROMULGATION OF REGULATIONS.

"The Commissioner shall promulgate regulations governing the misbranding, adulteration, and dispensing of tobacco products that are consistent with this chapter and with the manner in which other products that are ingested into the body are regulated under this Act. Such regulations shall be promulgated not later than 12 months after the date of enactment of this chapter.

"SEC. 904. MINIMUM REQUIREMENTS.

"(a) Misbranding.—The regulations promulgated under section 903 shall at a minimum require that a tobacco product be deemed to be misbranded if the labeling of the package of such product is not in compliance with the provisions of this chapter, of other applicable provisions of this Act, or of section 910 (as applicable to the type of product involved) of the Public Health Service Act.

"(b) Adulteration.—The regulations promulgated under section 903 shall at a minimum require that a tobacco product be deemed to be adulterated if the Commissioner determines that any tobacco additive in such product, regardless of the amount of such tobacco additive, either by itself or in conjunction with any other tobacco additive or ingredient is harmful under the intended conditions of use when used in a specified amount.

"SEC. 905. SCIENTIFIC ADVISORY COMMITTEE.

"(a) Establishment.—Not later than 1 year after the date of enactment of this chapter, the Secretary shall establish an advisory committee, to be known as the 'Scientific Advisory Committee', to assist the Secretary in establishing, amending, or revoking a performance standard under section 512(a)(3).

"(b) Membership.—The Secretary shall appoint as members of the Scientific Advisory Committee any individuals with expertise in the medical, scientific, or other technological data involving the manufacture and use of tobacco products, and of appropriately diversified professional backgrounds. The Secretary may not appoint to the Committee any individual who is in the regular full-time employ of the Federal Government. The Secretary shall designate 1 of the members of each advisory committee to serve as chairperson of the Committee.

"(c) Compensation and Expenses.—

"(1) Compensation.—Members of the Scientific Advisory Committee who are not officers or employees of the United States, while attending conferences or meetings of the Committee or otherwise serving at the request of the Secretary, shall be entitled to receive compensation at rates to be fixed by the Secretary, which rates may not exceed the daily equivalent of the rate of pay for level 4 of the Senior Executive Schedule under section 5382 of title 5, United States Code, for each day (including traveltime) they are so engaged.

"(2) Expenses.—While conducting the business of the Scientific Advisory Committee away from their homes or regular places of business, each member may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 of the United States Code for persons in the Government service employed intermittently.

"(d) Duties.—The Scientific Advisory Committee shall—

"(1) assist the Secretary in establishing, amending, or revoking performance standards under section 514(a)(3);

"(2) examine and determine the effects of the alteration of the nicotine yield levels in tobacco products;

"(3) examine and determine whether there is a threshold level below which nicotine yields do not produce dependence on the tobacco product involved, and, if so, determine what that level is; and

"(4) review other safety, dependence or health issues relating to tobacco products as determined appropriate by the Secretary.

"SEC. 906. REQUIREMENTS RELATING TO NICOTINE AND OTHER CONSTITUENTS.

"(a) General Rule.—The Secretary may adopt a performance standard under section 514(a)(3) that requires the modification of a tobacco product in a manner that involves—

"(1) the reduction or elimination of nicotine yields of the product; or

"(2) the reduction or elimination of other constituents or harmful components of the product.

"(b) Tobacco Constituents.—The Secretary shall promulgate regulations for the testing, reporting and disclosure of tobacco smoke constituents that the Secretary determines the public should be informed of to protect public health, including tar, nicotine, and carbon monoxide. Such regulations may require label and advertising disclosures relating to tar and nicotine.

"(c) Limitation on Tar.—Not later than 3 years after the date of enactment of this chapter, the Secretary shall promulgate regulations that limit the amount of tar in a cigarette to no more than 12 milligrams. Nothing in the preceding sentence shall be construed as limiting the authority of the Secretary to promulgate regulations further limiting the amount of tar that may be contained in a cigarette.

"SEC. 907. REDUCED RISK PRODUCTS.

"(a) Misbranding.—Except as provided in subsection (b), the regulations promulgated in accordance with section 904(a) shall require that a tobacco product be deemed to be misbranded if the labeling of the package of the product, or the claims of the manufacturer in connection with the product, can reasonably be interpreted by an objective consumer as stating or implying that the product presents a reduced health risk as compared to other similar products.

"(b) Exception.—

"(1) In general.—Subsection (a) shall not apply to the labeling of a tobacco product, or the claims of the manufacturer in connection with the product, if—

"(A) the manufacturer, based on the best available scientific evidence, demonstrates to the Commissioner that the product significantly reduces the risk to the health of the user as compared to other similar tobacco products; and

"(B) the Commissioner approves the specific claim that will be made a part of the labeling of the product, or the specific claims of the manufacturer in connection with the product.

"(2) Reduction in harm.—The Commissioner shall promulgate regulations to permit the inclusion of scientifically-based specific health claims on the labeling of a tobacco product package, or the making of such claims by the manufacturer in connection with the product, where the Commissioner determines that the inclusion or making of such claims would reduce harm to the public and otherwise promote public health.

"(c) Development of Reduced Risk Product Technology.—

"(1) Notification of commissioner.—The manufacturer of a tobacco product shall provide written notice to the Commissioner upon the development or acquisition by the manufacturer of any technology that would reduce the risk of such products to the health of the user.

"(2) Confidentiality.—The Commissioner shall promulgate regulations to provide a manufacturer with appropriate confidentiality protections with respect to technology that is the subject of a notification under paragraph (1) that contains evidence that the technology involved is in the early developmental stages.

"(3) Licensing.—

"(A) In general.—With respect to any technology developed or acquired under paragraph (1), the manufacturer shall—

"(i) use such technology in the manufacture of its tobacco products; or

"(ii) permit the use of such technology (for a reasonable fee) by other manufacturers of tobacco products to which this chapter applies.

"(B) Fees.—The Commissioner shall promulgate regulations to provide for the payment of a commercially reasonable fee by each manufacturer that uses the technology described under subparagraph (A) to the manufacturer that submits the notice under paragraph (1) for such technology. Such regulations shall contain procedures for the resolution of fee disputes between manufacturers under this subparagraph.

"(d) Requirement of Manufacture and Marketing.—

"(1) Purpose.—It is the purpose of this subsection to provide for a mechanism to ensure that tobacco products that are designed to be less hazardous to the health of users are developed, tested, and made available to consumers:

"(2) Determination.—Upon a determination by the Commissioner that the manufacture of a tobacco product that is less hazardous to the health of users is technologically feasible, the Commissioner may, in accordance with this subsection, require that certain manufacturers of such products manufacture and market such less hazardous products.

"(3) Manufacturer.—

"(A) Requirement.—Except as provided in subparagraph (B), the requirement under paragraph (2) shall apply to any manufacturer that provides a notification to the Commissioner under subsection (c)(1) concerning the technology that is the subject of the determination of the Commissioner.

"(B) Exception.—The requirement under subparagraph (A) shall not apply to a manufacturer if—

"(i) the manufacturer elects not to manufacture such products and provides notice to the Commissioner of such election; and

"(ii) the manufacturer agrees to provide the technology involved, for a commercially reasonable fee, to other manufacturers that enter into agreements to use such technology to manufacture and market tobacco products that are less hazardous to the health of users.

"SEC. 908. GOOD MANUFACTURING PRACTICE STANDARDS.

"(a) Authority.—

"(1) In general.—The Secretary may, in accordance with paragraph (2), prescribe regulations requiring that the methods used in, and the facilities and controls used for, the manufacture, pre-production design validation (including a process to assess the performance of a tobacco product), packing, and storage of a tobacco product conform to current good manufacturing practice, as prescribed in such regulations, to ensure that such products will be in compliance with this chapter.

"(2) Requirements prior to regulations.—Prior to the Secretary promulgating any regulation under paragraph (1) the Secretary shall—

"(A) afford the Scientific Advisory Committee established under section 905 an opportunity (with a reasonable time period) to submit recommendations with respect to the regulations proposed to be promulgated; and

"(B) afford an opportunity for an oral hearing.

"(b) Minimum Requirements.—The regulations promulgated under subsection (a) shall at a minimum require—

"(1) the implementation of a quality control system by the manufacturer of a tobacco product;

"(2) a process for the inspection, in accordance with this Act, of tobacco product material prior to the packaging of such product;

"(3) procedures for the proper handling and storage of the packaged tobacco product;

"(4) after consultation with the Administrator of the Environmental Protection Agency, the development and adherence to applicable tolerances with respect to pesticide chemical residues in or on commodities used by the manufacturer in the manufacture of the finished tobacco product;

"(5) the inspection of facilities by officials of the Food and Drug Administration as otherwise provided for in this Act; and

"(6) record keeping and the reporting of certain information.

"(c) Petitions for Exemptions and Variances.—

"(1) In general.—Any person subject to any requirement prescribed by regulations under subsection (a) may petition the Secretary for an exemption or variance from such requirement. Such a petition shall be submitted to the Secretary in such form and manner as the Secretary shall prescribe and shall—

"(A) in the case of a petition for an exemption from a requirement, set forth the basis for the petitioner's determination that compliance with the requirement is not required to ensure that the device is in compliance with this chapter;

"(B) in the case of a petition for a variance from a requirement, set forth the methods proposed to be used in, and the facilities and controls proposed to be used for, the manufacture, packing, and storage of the product in lieu of the methods, facilities, and controls prescribed by the requirement; and

"(C) contain such other information as the Secretary shall prescribe.

"(2) Scientific advisory committee.—The Secretary may refer to the Scientific Advisory Committee established under section 905 any petition submitted under paragraph (1). The Scientific Advisory Committee shall report its recommendations to the Secretary with respect to a petition referred to it within 60 days of the date of the petition's referral. Within 60 days after—

"(A) the date the petition was submitted to the Secretary under paragraph (1); or

"(B) if the petition was referred to the Scientific Advisory Committee, the expiration of the 60-day period beginning on the date the petition was referred to such Committee;

whichever occurs later, the Secretary shall by order either deny the petition or approve it.

"(3) Approval of petition.—

"(A) In general.—The Secretary may approve—

"(i) a petition for an exemption for a tobacco product from a requirement if the Secretary determines that compliance with such requirement is not required to assure that the product will comply with this chapter; and

"(ii) a petition for a variance for a tobacco product from a requirement if the Secretary determines that the methods to be used in, and the facilities and controls to be used for, the manufacture, packing, and storage of the product in lieu of the methods, controls, and facilities prescribed by the requirement are sufficient to ensure that the product will comply with this chapter.

"(B) Conditions.—An order of the Secretary approving a petition for a variance shall prescribe such conditions respecting the methods used in, and the facilities and controls used for, the manufacture, packing, and storage of the tobacco product to be granted the variance under the petition as may be necessary to ensure that the product will comply with this chapter.

"(4) Informal hearing.—After the issuance of an order under paragraph (2) respecting a petition, the petitioner shall have an opportunity for an informal hearing on such order.

"(d) Agricultural Producers.—The Secretary may not promulgate any regulation under this section that has the effect of placing regulatory burdens on tobacco producers (as such term is used for purposes of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1281 et seq.) and the Agricultural Act of 1949 (7 U.S.C. 1441 et seq.)) in excess of the regulatory burdens generally placed on other agricultural commodity producers.

"SEC. 909. DISCLOSURE AND REPORTING OF NON-TOBACCO INGREDIENTS AND CONSTITUENTS.

"(a) Disclosure of All Ingredients.—

"(1) Immediate and annual disclosure.—Not later than 30 days after the date of enactment of this chapter, and annually thereafter, each manufacturer of a tobacco product shall submit to the Secretary an ingredient list for all brands of tobacco products that contains the information described in paragraph (2).

"(2) Requirements.—The list described in paragraph (1) shall, with respect to each brand of tobacco product of a manufacturer, include

"(A) a list of all ingredients, constituents, substances, and compounds that are added to the tobacco (and the paper or filter of the product if applicable) in the manufacture of the tobacco product, for each brand of tobacco product so manufactured;

"(B) a description of the quantity of the ingredients, constituents, substances, and compounds that are listed under subparagraph (A) with respect to each brand of tobacco product;

"(C) a description of the nicotine content of the product, measured in milligrams of nicotine;

"(D) with respect to cigarettes a description of—

"(i) the filter ventilation percentage (the level of air dilution in the cigarette as provided by the ventilation holes in the filter, described as a percentage);

"(ii) the pH level of the smoke of the cigarette; and

"(iii) the nicotine delivery level under average smoking conditions reported in milligrams of nicotine per cigarette;

"(E) with respect to smokeless tobacco products a description of—

"(i) the pH level of the tobacco;

"(ii) the moisture content of the tobacco expressed as a percentage of the weight of the tobacco; and

"(iii) the nicotine content—

"(I) for each gram of the product, measured in milligrams of nicotine;

"(II) expressed as a percentage of the dry weight of the tobacco; and

"(III) with respect to unionized (free) nicotine, expressed as a percentage per gram of the tobacco and expressed in milligrams per gram of the tobacco; and

"(F) any other information determined appropriate by the Secretary.

"(b) Safety Assessments.—

"(1) Application to new ingredients.—

"(A) In general.—Not later than 1 year after the date of enactment of this chapter, and annually thereafter, each manufacturer shall submit to the Secretary a safety assessment for each new ingredient, constituent, substance, or compound that such manufacturer desires to make a part of a tobacco product. Such new ingredient, constituent, substance, or compound shall not be included in a tobacco product prior to approval of such a safety assessment.

"(B) Definition of new ingredient.—For purposes of subparagraph (A), the term 'new ingredient, constituent, substance, or compound' means an ingredient, constituent substance, or compound listed under subsection (a)(1) that was not used in the brand of tobacco product involved prior to the date of enactment of this chapter.

"(2) Application to other ingredients.—With respect to the application of this section to ingredients, constituents substances, or compounds listed under subsection (a) to which paragraph (1) does not apply, all such ingredients, constituents, substances, or compounds shall be approved through the safety assessment process within the 5-year period beginning on the date of enactment of this chapter. The Secretary shall develop a procedure that staggers the percentage of such ingredients, constituents, substances, or compounds for which safety assessments must be submitted for approval by manufacturers in each year.

"(3) Basis of assessment.—The safety assessment of an ingredient, constituents, substance, or compound described in paragraphs (1) and (2) shall—

"(A) be based on the best scientific evidence available at the time of the submission of the assessment; and

"(B) result in a finding that there is a reasonable certainty in the minds of competent scientists that the ingredient, constituents, substance, or compound is not harmful in the quantities used under the intended conditions of use.

"(c) Prohibition.—

"(1) Regulations.—Not later than 12 months after the date of enactment of this chapter, the Secretary shall promulgate regulations to prohibit the use of any ingredient, constituent, substance, or compound in the tobacco product of a manufacturer—

"(A) if no safety assessment has been submitted by the manufacturer for the ingredient, constituent, substance, or compound as otherwise required under this section;

"(B) if the Secretary disapproves of the safety of the ingredient, constituent, substance, or compound that was the subject of the assessment under paragraph (2); or

"(C) if such ingredient, constituent, substance, or compound is a new ingredient that has not been approved for use by the Secretary.

"(2) Review of assessments.—

"(A) General review.—Not later than 180 days after the receipt of a safety assessment under subsection (b), the Secretary shall review the findings contained in such assessment and approve or disapprove of the safety of the ingredient, constituents, substance, or compound that was the subject of the assessment. The Secretary may, for good cause, extend the period for such approval. The Secretary shall provide notice to the manufacturer of an action under this subparagraph.

"(B) Inaction by secretary.—If the Secretary fails to act with respect to an assessment of an existing ingredient, constituent, substance, or additive during the period referred to in subparagraph (A), the manufacturer of the tobacco product involved may continue to use the ingredient, constituents, substance, or compound involved until such time as the Secretary makes a determination with respect to the assessment.

"(d) Disclosure of Ingredients to the Public.—

"(1) Initial disclosure.—The regulations promulgated in accordance with section 904(a) shall, at a minimum, require that a tobacco product be deemed to be misbranded if the labeling of the package of such product does not disclose all ingredients, constituents, substances, or compounds contained in the product in accordance with regulations promulgated by the Secretary.

"(2) Disclosure of percentage of domestic and foreign tobacco.—The regulations referred to in paragraph (1) shall, at a minimum, require that a tobacco product be deemed to be misbranded if the labeling of the package of such product does not disclose, with respect to the tobacco contained in the product—

"(A) the percentage that is domestic tobacco; and

"(B) the percentage that is foreign tobacco.

"(e) Confidentiality.—

"(1) Petition by manufacturer.—Upon the submission of a list under subsection (a), a manufacturer may petition the Secretary to exempt certain ingredients, constituents, substances, or compounds on such list from public disclosure under subsection (e) on the basis that such information should be considered confidential as a trade secret. Such petition may be accompanied by such data as the manufacturer elects to submit.

"(2) Determination.—Not later than 60 days after receiving a petition under paragraph (1), the Secretary, in consultation with the Attorney General, shall make a determination with respect to whether the information described in the petition should be exempt from disclosure under paragraph (1) as a trade secret. The Secretary shall provide the manufacturer involved with notice of such determination. but the decision of the Secretary shall be final.

"(3) Procedures for confidential information.—The Secretary shall develop procedures to maintain the confidentiality of information that is treated as a trade secret under a determination under paragraph (2). Such procedures shall include—

"(A) a requirement that such information be maintained in a secure facility; and

"(B) a requirement that only the Secretary, or the authorized agents of the Secretary, will have access to the information and shall be instructed to maintain the confidentiality of such information.

"(4) Health disclosure.—Notwithstanding a determination under paragraph (2), the Secretary may require that any ingredient, constituents, substance, or compound contained in a tobacco product that is determined to be exempt from disclosure as a trade secret be disclosed if the Secretary determines that such ingredient, constituents, substance, or compound is not safe as provided for in subsection (d).

"(5) Other disclosure.—Any information that the Secretary determines is not subject to disclosure to the public under this subsection, shall be exempt from disclosure pursuant to subsection (a) of section 552 of title 5, United States Code, by reason of subsection (b)(4) of such section, and shall be considered confidential and shall not be disclosed, except that such information may be disclosed to other officers or employees as provided for in paragraph (3)(B) or when relevant in any proceeding under this Act.

"SEC. 910. TOBACCO PRODUCT WARNINGS, LABELING AND PACKAGING.

"(a) Cigarette Warnings.—

"(1) In general.—

"(A) Packaging.—It shall be unlawful for any person to manufacture, package, or import for sale or distribution within the United States any cigarettes the package of which fails to bear, in accordance with the requirements of this subsection, one of the following labels:

"WARNING: Cigarettes Are Addictive.
"WARNING: Tobacco Smoke Can Harm Your Children.
"WARNING: Cigarettes Cause Fatal Lung Disease.
"WARNING: Cigarettes Cause Cancer.
"WARNING: Cigarettes Cause Strokes And Heart Disease.
"WARNING: Smoking During Pregnancy Can Harm Your Baby.
"WARNING: Smoking Can Kill You.
"WARNING: Tobacco Smoke Causes Fatal Lung Disease In Nonsmokers.
"WARNING: Quitting Smoking Now Greatly Reduces Serious Risks To Your Health.

"(B) Advertising.—It shall be unlawful for any manufacturer or importer of cigarettes to advertise or cause to be advertised within the United States any cigarette unless the advertising bears, in accordance with the requirements of this subsection, one of the following labels:

"WARNING: Cigarettes Are Addictive.
"WARNING: Tobacco Smoke Can Harm Your Children.
"WARNING: Cigarettes Cause Fatal Lung Disease.
"WARNING: Cigarettes Cause Cancer.
"WARNING: Cigarettes Cause Strokes And Heart Disease.
"WARNING: Smoking During Pregnancy Can Harm Your Baby.
"WARNING: Smoking Can Kill You.
"WARNING: Tobacco Smoke Causes Fatal Lung Disease In Nonsmokers.
"WARNING: Quitting Smoking Now Greatly Reduces Serious Risks To Your Health.

"(2) Requirements for labeling.—

"(A) Location.—Each label statement required by subparagraph (A) of paragraph (1) shall be located on the upper portion of the front panel of the cigarette package (or carton) and occupy not less than 25 percent of such front panel.

"(B) Type and color.—With respect to each label statement required by subparagraph (A) of paragraph (1), the phrase 'WARNING' shall appear in capital letters and the label statement shall be printed in 17 point type with adjustments as determined appropriate by the Secretary to reflect the length of the required statement. All the letters in the label shall appear in conspicuous and legible type, in contrast by typography, layout, or color with all other printed material on the package, and be printed in an alternating black-on-white and white-on-black format as determined appropriate by the Secretary.

"(C) Exception.—The provisions of subparagraph (A) shall not apply in the case of a flip-top cigarette package (offered for sale on June 1, 1997) where the front portion of the flip-top does not comprise at least 25 percent of the front panel. In the case of such a package, the label statement required by subparagraph (A) of paragraph (1) shall occupy the entire front portion of the flip top.

"(3) Requirements for advertising.—

"(A) Location.—Each label statement required by subparagraph (B) of paragraph (1) shall occupy not less than 20 percent of the area of the advertisement involved.

"(B) TYPE AND COLOR.—

"(i) TYPE.—With respect to each label statement required by subparagraph (B) of paragraph (1), the phrase 'WARNING' shall appear in capital letters and the label statement shall be printed in the following types:

"(I) With respect to whole page advertisements on broadsheet newspaper—45 point type.

"(II) With respect to half page advertisements on broadsheet newspaper—39 point type.

"(III) With respect to whole page advertisements on tabloid newspaper—39 point type.

"(IV) With respect to half page advertisements on tabloid newspaper—27 point type.

"(V) With respect to DPS magazine advertisements—31.5 point type.

"(VI) With respect to whole page magazine advertisements—31.5 point type.

"(VII) With respect to 28cm x 3 column advertisements—22.5 point type.

"(VIII) With respect to 20cm x 2 column advertisements—15 point type.

The Secretary may revise the required type sizes as the Secretary determines appropriate within the 20 percent requirement.

"(ii) COLOR.—All the letters in the label under this subparagraph shall appear in conspicuous and legible type, in contrast by typography, layout, or color with all other printed material on the package, and be printed in an alternating black-on-white and white-on-black format as determined appropriate by the Secretary.

"(4) ROTATION OF LABEL STATEMENTS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the label statements specified in subparagraphs (A) and (B) of paragraph (1) shall be rotated by each manufacturer or importer of cigarettes quarterly in alternating sequence on packages of each brand of cigarettes manufactured by the manufacturer or importer and in the advertisements for each such brand of cigarettes in accordance with a plan submitted by the manufacturer or importer and approved by the Secretary. The Secretary shall approve a plan submitted by a manufacturer or importer of cigarettes which will provide the rotation required by this paragraph and which assures that all of the labels required by subparagraphs (A) and (B) will be displayed by the manufacturer or importer at the same time.

"(B) APPLICATION OF OTHER ROTATION REQUIREMENTS.—

"(i) IN GENERAL.—A manufacturer or importer of cigarettes may apply to the Secretary to have the label rotation described in clause (iii) apply with respect to a brand style of cigarettes manufactured or imported by such manufacturer or importer if—

"(I) the number of cigarettes of such brand style sold in the fiscal year of the manufacturer or importer preceding the submission of the application is less than ¼ of 1 percent of all the cigarettes sold in the United States in such year; and

"(II) more than ½ of the cigarettes manufactured or imported by such manufacturer or importer for sale in the United States are packaged into brand styles which meet the requirements of subclause (I).

If an application is approved by the Secretary, the label rotation described in clause (iii) shall apply with respect to the applicant during the 1-year period beginning on the date of the application approval.

"(ii) PLAN.—An applicant under clause (i) shall include in its application a plan under which the label statements specified in subparagraph (A) of paragraph (1) will be rotated by the applicant manufacturer or importer in accordance with the label rotation described in clause (iii).

"(iii) OTHER ROTATION REQUIREMENTS.—Under the label rotation which the manufacturer or importer with an approved application may put into effect, each of the labels specified in subparagraph (A) of paragraph (1) shall appear on the packages of each brand style of cigarettes with respect to which the application was approved an equal number of times within the 12-month period beginning on the date of the approval by the Secretary of the application.

"(5) APPLICATION OF REQUIREMENT.—Paragraph (1) does not apply to a distributor, a retailer of cigarettes who does not manufacture, package, or import cigarettes for sale or distribution within the United States.

"(6) TELEVISION AND RADIO ADVERTISING.—It shall be unlawful to advertise cigarettes and little cigars on any medium of electronic communications subject to the jurisdiction of the Federal Communications Commission.

"(b) SMOKELESS TOBACCO PRODUCTS.—

"(1) IN GENERAL.—

"(A) PACKAGING.—It shall be unlawful for any person to manufacture, package, or import for sale or distribution within the United States any smokeless tobacco product the package of which fails to bear, in accordance with the requirements of this subsection, one of the following labels:

"WARNING: This Product Can Cause Mouth Cancer.
"WARNING: This Product Can Kill You.
"WARNING: This Product Can Cause Gum Disease And Tooth Loss.
"WARNING: This Product Is Not A Safe Alternative To Cigarettes.
"WARNING: This Product Contains Cancer-Causing Chemicals.
"WARNING: Smokeless Tobacco Is Addictive.

"(B) ADVERTISING.—It shall be unlawful for any manufacturer or importer of smokeless tobacco products to advertise or cause to be advertised within the United States any smokeless tobacco product unless the advertising bears, in accordance with the requirements of this subsection, one of the following labels:

"WARNING: This Product Can Cause Mouth Cancer.
"WARNING: This Product Can Kill You.
"WARNING: This Product Can Cause Gum Disease And Tooth Loss.
"WARNING: This Product Is Not A Safe Alternative To Cigarettes.
"WARNING: This Product Contains Cancer-Causing Chemicals.
"WARNING: Smokeless Tobacco Is Addictive.

"(2) REQUIREMENTS FOR LABELING.—

"(A) LOCATION.—Each label statement required by subparagraph (A) of paragraph (1) shall be located on the principal display panel of the product and occupy not less than 25 percent of such panel.

"(B) TYPE AND COLOR.—With respect to each label statement required by subparagraph (A) of paragraph (1), the phrase 'WARNING' shall appear in capital letters and the label statement shall be printed in 17 point type with adjustments as determined appropriate by the Secretary to reflect the length of the required statement. All the letters in the label shall appear in conspicuous and legible type in contrast by typography, layout, or color with all other printed material on the package and be printed in an alternating black on white and white on black format as determined appropriate by the Secretary.

"(3) ADVERTISING AND ROTATION.—The provisions of paragraph (3) and (4)(A) of subsection (a) shall apply to advertisements for smokeless tobacco products and the rotation of the label statements required under paragraph (1)(A) on such products.

"(4) APPLICATION OF REQUIREMENT.—Paragraph (1) does not apply to a distributor or a retailer of smokeless tobacco products who does not manufacture, package, or import such products for sale or distribution within the United States.

"(5) TELEVISION AND RADIO ADVERTISING.—It shall be unlawful to advertise smokeless tobacco on any medium of electronic communications subject to the jurisdiction of the Federal Communications Commission.

"(c) ENFORCEMENT.—Not later than 180 days after the date of the enactment of this title, the Secretary shall promulgate such regulations as may be necessary to enforce subsections (a) and (b).

"(d) INJUNCTIONS.—The several district courts of the United States are vested with jurisdiction, for cause shown, to prevent and restrain violations of this section upon the application of the Secretary in the case of a violation of subsection (a) or (b).

"(e) CONSTRUCTION.—

"(1) IN GENERAL.—Nothing in this section shall be construed to limit the ability of the Secretary to change the text or layout of any of the warning statements, or any of the labeling provisions, under subsections (a) and (b), if determined necessary by the Secretary.

"(2) UNFAIR ACTS.—Nothing in this section (other than the requirements of subsections (a) and (b)) shall be construed to limit or restrict the authority of the Secretary with respect to unfair or deceptive acts or practices in the advertising of cigarettes or smokeless tobacco products.

"(f) LIMITED PREEMPTION.—

"(1) STATE AND LOCAL ACTION.—

"(A) LIMITATION.—No warning label with respect to cigarettes or smokeless tobacco products, other than the warning labels required by subsections (a) and (b), shall be required by any State or local statute or regulation to be included on any package or in any advertisement of cigarettes or a smokeless tobacco product.

"(B) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as prohibiting a State or political subdivision of a State from enacting statutes or regulations concerning cigarettes or smokeless tobacco products so long as such statutes or regulations do not conflict with the labeling and advertising requirements of this section or require additional statements on cigarette or smokeless tobacco packages.

"(2) EFFECT ON LIABILITY LAW.—Except as otherwise provided in this section, nothing in this section shall relieve any person from liability at common law or under State statutory law to any other person.

"(g) REPORTS.—.Not later than 1 year after the date of enactment of this chapter, and biennially thereafter, the Secretary shall prepare and submit to Congress a report containing—

"(1) a description of the effects of health education efforts on the use of cigarettes and smokeless tobacco products;

"(2) a description of the use by the public of cigarettes and smokeless tobacco products;

"(3) an evaluation of the health effects of cigarettes and smokeless tobacco products and the identification of areas appropriate for further research; and

"(4) such recommendations for legislation and administrative action as the Secretary considers appropriate.

"(h) Exports.—Packages of cigarettes or smokeless tobacco products manufactured, imported, or packaged—

"(1) for export from the United States; or

"(2) for delivery to a vessel or aircraft, as supplies, for consumption beyond the jurisdiction of the internal revenue laws of the United States;

shall be exempt from the requirements of this chapter, but such exemptions shall not apply to cigarettes or smokeless tobacco products manufactured, imported, or packaged for sale or distribution to members or units of the Armed Forces of the United States located outside of the United States.

"(i) Application.—The Secretary shall exercise the authority provided for in this section notwithstanding the provisions of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1331 et seq.) and the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4401 et seq.).

"SEC. 911. STATEMENT OF INTENDED USE.

"(a) Requirement.—Each manufacturer, distributor, and retailer advertising or causing to be advertised, disseminating or causing to be disseminated, advertising concerning cigarettes, cigarette tobacco, or smokeless tobacco products otherwise permitted under this chapter shall include, as provided in section 502, the established name of the product and a statement of the intended use of the product as provided for in subsection (b).

"(b) Use Statements.—

"(1) Cigarettes.—A statement of intended use for cigarettes or cigarette tobacco is as follows (whichever is appropriate):

"Cigarettes—A Nicotine-Delivery Device for Persons 18 or Older.

"Cigarette Tobacco—A Nicotine-Delivery Device for Persons 18 or Older.

"(2) Smokeless tobacco.—A statement of intended use for a smokeless tobacco product is as follows (whichever is appropriate):

"Loose Leaf Chewing Tobacco—A Nicotine-Delivery Device for Persons 18 or Older.

"Plug Chewing Tobacco—A Nicotine-Delivery Device for Persons 18 or Older.

"Twist Chewing Tobacco—A Nicotine-Delivery Device for Persons 18 or Older.

"Moist Snuff—A Nicotine-Delivery Device for Persons 18 or Older.

"Dry Snuff—A Nicotine-Delivery Device for Persons 18 or Older.

"(c) Type and Location.—The Secretary shall promulgate regulations with respect to the type, color, size, and placement of statements required under this section on labels and in advertisements.

"SEC. 912. MISCELLANEOUS PROVISIONS.

"(a) Preservation of State and Local Authority.—Except as otherwise provided for in this chapter, nothing in this chapter shall be construed as prohibiting a State from imposing requirements, prohibitions, penalties or other measures to further the purposes of this chapter that are in addition to the requirements, prohibitions, or penalties required under this chapter. To the extent not inconsistent with the purposes of this chapter, State and local governments may impose additional tobacco product control measures to further restrict or limit the use of such products by minors.

"(b) Regulations.—The Secretary may promulgate regulations to enforce the provisions of this chapter, or to modify, alter, or expand the requirements and protections provided for in this chapter if the Secretary determines that such modifications, alternations, or expansion is necessary.".

TITLE III—STANDARDS TO REDUCE INVOLUNTARY EXPOSURE TO TOBACCO SMOKE

SEC. 301. STANDARDS TO REDUCE INVOLUNTARY EXPOSURE TO TOBACCO SMOKE.

The Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.) is amended by adding at the end the following:

"SEC. 35. STANDARDS TO REDUCE INVOLUNTARY EXPOSURE TO TOBACCO SMOKE

"(a) Definitions.—In this section—

"(1) Public facility.—

"(A) In general.—The term 'public facility' means any building regularly entered by 10 or more individuals at least 1 day per week, including any such building owned by or leased to a Federal, State, or local government entity. Such term shall not include any building or portion thereof regularly used for residential purposes.

"(B) Exclusions.—The term 'public facility' does not include a portion of a building which is used as a bar, tobacco merchant, a hotel guest room that is designated as a smoking room, or prison.

"(2) Responsible entity.—The term 'responsible entity' means, with respect to any public facility, the owner of such facility except that, in the case of any such facility or portion thereof which is leased, such term means the lessee.

"(b) Smoke-Free Environment Policy.—

"(1) Policy required.—In order to protect children and adults from cancer, respiratory disease, heart disease, and other adverse health effects from breathing environmental tobacco smoke, the responsible entity for each public facility shall adopt and implement at such facility a smoke-free environment policy which meets the requirements of paragraph (2) or (4).

"(2) Elements of policy.—

"(A) In general.—Each smoke-free environment policy for a public facility shall—

"(i) prohibit the smoking of cigarettes, cigars, and pipes, and any other combustion of tobacco within the facility and on facility property within the immediate vicinity of the entrance to the facility; and

"(ii) post a clear and prominent notice of the smoking prohibition in appropriate and visible locations at the public facility.

"(B) Exception.—The smoke-free environment policy for a public facility may provide an exception to the prohibition specified in subparagraph (A) for 1 or more specially designated smoking areas within a public facility if such area or areas meet the requirements of paragraph (3).

"(3) Specially designated smoking areas.—A specially designated smoking area meets the requirements of this subsection if—

"(A) the area is ventilated in accordance with specifications promulgated by the Secretary of Labor that ensure that air from the area is directly exhausted to the outside and does not recirculate or drift to other areas within the public facility;

"(B) the area is maintained at negative pressure, as compared to adjoined nonsmoking areas, as determined under regulations promulgated by the Secretary of Labor; and

"(C) nonsmoking individuals do not have to enter the area for any purpose while smoking is occurring in such area.

Cleaning and maintenance work shall be conducted in such area only while no smoking is occurring in the area.

"(4) Special rules.—

"(A) Schools and other facilities serving children.—

"(i) In general.—With respect to a facility described in clause (ii), the responsible entity for the facility shall adopt and implement at such facility a smoke-free environment policy that—

"(I) prohibits the smoking of cigarettes, cigars, and pipes, and any other combustion of tobacco within the facility and on facility property;

"(II) prohibits the use of smokeless tobacco products within the facility and on facility property; and

"(III) post a clear and prominent notice of the smoking and smokeless tobacco prohibition in appropriate and visible locations at the public facility.

"(ii) Facility.—A facility described in this clause is—

"(I) an elementary or secondary school (as such term is defined in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801);

"(II) any facility at which a Head Start program or project is being carried out under the Head Start Act (42 U.S.C. 9831 et. seq.);

"(III) any facility at which a licensed or certified child care provider provides child care services; and

"(IV) any recreation or other facility maintained primarily to provide services to children as determined by the Secretary or Labor.

"(B) Public transportation.—With respect to any responsible entity which operates conveyances of public transportation (including bus, rail, aircraft, boat, or any other conveyance determined appropriate by the Secretary of Labor), the responsible entity shall adopt and implement on such conveyances a smoke-free environment policy that—

"(i) prohibits the smoking of cigarettes, cigars, and pipes, and any other combustion of tobacco within the conveyance and on property affiliated with the conveyance; and

"(ii) post a clear and prominent notice of the smoking prohibition in appropriate and visible locations on the conveyance.

"(c) Enforcement.—To be eligible to receive funds under title XXVIII of the Public Health Service Act, a State shall have in effect laws or procedures to provide for the enforcement of this section within the State. Such laws or procedures shall permit aggrieved individuals to enforce this section through administrative or judicial means.

"(d) Preemption.—Nothing in this section shall preempt or otherwise affect any other Federal, State or local law which provides protection from health hazards from environmental tobacco smoke that are as least as stringent as those provided for in this section.

"(e) Regulations.—The Secretary of Labor is authorized to promulgate such regulations as the Secretary deems necessary to carry out this section.

"(f) Effective Date.—The provisions of this section shall take effect on the date that is 1 year after the date of enactment of this section.".

TITLE IV—TOBACCO MARKET TRANSITION ASSISTANCE

SEC. 401. DEFINITIONS.

In this title:

(1) Buyout payment.—The term "buyout payment" means a payment made under section 411, 412, or 413.

(2) Contract.—The term "contract" means a contract entered into under section 411, 412, or 413.

(3) LEASE.—The term "lease" means a rental of quota on either a cash rent or crop share basis.

(4) MARKETING YEAR.—The term "marketing year" means—

(A) in the case of Flue-cured tobacco, the period beginning July 1 and ending the following June 30; and

(B) in the case of each other kind of tobacco, the period beginning October 1 and ending the following September 30.

(5) QUOTA OWNER.—The term "quota owner" means a person that, at the time of entering into a contract, owns quota provided by the Secretary.

(6) PRODUCER OF QUOTA.—The term "producer of quota" means a person that during at least 3 of the 1993 through 1997 crops of tobacco (as determined by the Secretary) that were subject to quota—

(A) leased quota;

(B) shared in the risk of producing a crop of tobacco; and

(C) marketed the tobacco subject to quota.

(7) PRODUCER OF NON-TOBACCO QUOTA.—The term "producer of non-tobacco quota" means a person that during at least 1 of the crop years 1995 through 1997 grew and marketed tobacco not subject to quota.

(8) QUOTA.—The term "quota" means basic marketing quota for tobacco determined by the Secretary under the Agricultural Adjustment Act of 1938 (7 U.S.C. 1281 et seq.).

(9) QUOTA HOLDER.—The term "quota holder" means a producer that owns a farm for which a tobacco farm marketing quota or farm acreage allotment was established under the Agricultural Adjustment Act of 1938 (7 U.S.C. 1281 et seq.) for any of the 1994, 1995, or 1996 crop years.

(10) QUOTA LESSEE.—The term "quota lessee" means—

(A) a producer that owns a farm that produced tobacco pursuant to a lease and transfer to that farm of all or part of a tobacco farm marketing quota or farm acreage allotment established under the Agricultural Adjustment Act of 1938 (7 U.S.C. 1281 et seq.) for any of the 1994, 1995, or 1996 crop years; or

(B) a producer that rented land from a farm operator to produce tobacco under a tobacco farm marketing quota or farm acreage allotment established under the Agricultural Adjustment Act of 1938 (7 U.S.C. 1281 et seq.) for any of the 1994, 1995, or 1996 crop years.

(11) QUOTA TENANT.—The term "quota tenant" means a producer that—

(A) is the principal producer, as determined by the Secretary, of tobacco on a farm where tobacco is produced pursuant to a tobacco farm marketing quota or farm acreage allotment established under the Agricultural Adjustment Act of 1938 (7 U.S.C. 1281 et seq.) for any of the 1994, 1995, or 1996 crop years; and

(B) is not a quota holder or quota lessee.

(12) SECRETARY.—In subtitles A and C, the term "Secretary" means the Secretary of Agriculture.

(13) STATE.—The term "State" means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any other territory or possession of the United States.

(14) TOBACCO.—The term "tobacco" means any kind of tobacco produced and marketed in the United States.

(15) TOBACCO-GROWING STATE.—The term "tobacco-growing State" means Georgia, Kentucky, North Carolina, South Carolina, Tennessee, or Virginia.

(16) TRANSITION PAYMENT.—The term "transition payment" means a payment made to a producer under section 411, 412, or 413.

(17) UNITED STATES.—The term "United States", when used in a geographical sense, means all of the States.

Subtitle A—Tobacco Quota Buyout Contracts and Producer Transition Payments

SEC. 411. QUOTA OWNER BUYOUT CONTRACTS.

(a) OFFER.—The Secretary shall offer to enter into a quota buyout contract with the quota owner on each farm to which a quota was assigned in 1997.

(b) TERMS.—

(1) RELINQUISHMENT OF QUOTA.—Under the terms of the contract, the owner shall agree, in exchange for a buyout payment, to permanently relinquish the quota.

(2) ELIGIBILITY FOR TOBACCO PROGRAM BENEFITS.—Neither the farm, in its current or future ownership configuration, nor the contracting owner shall be eligible for any tobacco program benefits under the Agricultural Adjustment Act of 1938 (7 U.S.C. 1281 et seq.), or the Agricultural Act of 1949 (7 U.S.C. 1421 et. seq.).

(c) PAYMENT CALCULATION.—The total amount of the buyout payment made to a quota owner shall be determined by multiplying—

(1) $4; by

(2) the average quantity of basic quota assigned to the farm during the period 1995 through 1997.

SEC. 412. PRODUCER TRANSITION PAYMENTS FOR QUOTA TOBACCO.

(a) OFFER.—The Secretary shall offer to producers of quota tobacco that do not own the quota, but were quota lessees or quota tenants in 1997, producer transition payment contracts.

(b) TERMS.—Under the terms of the transition contract, the producer shall agree, in exchange for a payment, to permanently refrain from growing tobacco for which a quota program is in effect.

(c) PAYMENT CALCULATION.—The total amount of the transition payment made to a producer shall be determined by multiplying—

(1) $4; by

(2) the average quantity of quota tobacco leased or rented from quota owners during the period 1995 through 1997.

SEC. 413. PRODUCER TRANSITION PAYMENTS FOR NON-QUOTA TOBACCO.

(a) OFFER.—The Secretary shall offer to producers of nonquota tobacco a producer nonquota transition payment contract.

(b) TERMS.—Under the terms of the transition payment, the producer shall agree, in exchange for a payment, to permanently refrain from growing tobacco for which a quota program is in effect.

(c) PAYMENT CALCULATION.—The total amount of the transition payment made to a producer shall be determined by multiplying—

(1) $4; by

(2) the average annual quantity of nonquota tobacco marketed during the period 1995 through 1997.

SEC. 414. ELEMENTS OF CONTRACTS.

(a) COMMENCEMENT.—To the maximum extent practicable, the Secretary shall commence entering into contracts under this subtitle not later than 90 days after the date of enactment of this Act.

(b) DEADLINE.—The Secretary may not enter into a contract under this subtitle after the date that is 3 years after the date of enactment of this Act.

(c) BEGINNING DATE.—A contract under this subtitle shall take effect and become binding beginning in the tobacco marketing year following the year in which the contract is entered into.

(d) TIME FOR PAYMENT.—A contract payment shall be made not later than the date that is the beginning of the marketing year in which the contract becomes binding, or at any later time selected by the quota owner or producer.

(e) PROHIBITION OF DOUBLE PAYMENTS.—In no case shall a contract holder receive overlapping payments as a quota owner and as a producer on the same tobacco.

Subtitle B—No Net Cost Tobacco Program

SEC. 421. BUDGET DEFICIT ASSESSMENT.

Section 106(g)(1) of the Agricultural Act of 1949 (7 U.S.C. 1445(g)(1)) is amended—

(1) by striking "only for each of the 1994 through 1998 crops" and inserting "for the 1998 and each subsequent crop"; and

(2) by striking "equal to—" and all that follows and inserting "equal to 1 or more amounts determined by the Secretary that are sufficient to cover the costs of the administration of the tobacco quota and price support programs administered by the Secretary.".

Subtitle C—Tobacco Community Empowerment Block Grants

SEC. 431. TOBACCO COMMUNITY EMPOWERMENT BLOCK GRANTS.

(a) AUTHORITY.—The Secretary shall make grants to tobacco States in accordance with this section to enable the States to—

(1) empower active tobacco producers and tobacco product manufacturing workers by providing economic alternatives to tobacco; and

(2) carry out non-tobacco economic development initiatives in tobacco communities.

(b) APPLICATION.—To be eligible to receive payments under this section, a tobacco State shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including—

(1) a description of the activities that the State will carry out using amounts received under the grant;

(2) a designation of an appropriate State agency to administer amounts received under the grant; and

(3) a description of the steps to be taken to ensure that the funds are distributed in accordance with subsection (e).

(c) AMOUNT OF GRANT.—

(1) IN GENERAL.—From the amounts available to carry out this section for a fiscal year, the Secretary shall allot to each tobacco State an amount that bears the same ratio to the amounts available as the total income of the State derived from the production of tobacco and the manufacture of tobacco products during the 1994 through 1996 marketing years (as determined under paragraph (2)) bears to the total income of all tobacco States derived from the production of tobacco and the manufacturing of tobacco products during the 1994 through 1996 marketing years.

(2) TOBACCO INCOME.—For the 1994 through 1996 marketing years, the Secretary shall determine the amount of income derived from the production of tobacco and the manufacture of tobacco products in each tobacco State and in all tobacco States.

(d) PAYMENTS.—

(1) IN GENERAL.—A tobacco State that has an application approved by the Secretary under subsection (b) shall be entitled to a payment under this section in an amount that is equal to its allotment under subsection (c).

(2) FORM OF PAYMENTS.—The Secretary may make payments under this section to a

tobacco State in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

(3) REALLOTMENTS.—Any portion of the allotment of a tobacco State under subsection (c) that the Secretary determines will not be used to carry out this section in accordance with an approved State application required under subsection (b), shall be reallotted by the Secretary to other tobacco States in proportion to the original allotments to the other States.

(e) USE AND DISTRIBUTION OF FUNDS.—

(1) IN GENERAL.—Amounts received by a tobacco State under this section shall be used to carry out economic development activities, including—

(A) rural business enterprise activities described in subsections (c) and (e) of section 310B of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932);

(B) down payment loan assistance programs that are similar to the program described in section 310E of the Consolidated Farm and Rural Development Act (7 U.S.C. 1935);

(C) activities designed to help create productive farm or off-farm employment in rural areas to provide a more viable economic base and enhance opportunities for improved incomes, living standards, and contributions by rural individuals to the economic and social development of tobacco communities;

(D) activities that expand existing infrastructure, facilities, and services to capitalize on opportunities to diversify economies in tobacco communities and that support the development of new industries or commercial ventures;

(E) activities by agricultural organizations that provide assistance directly to active tobacco producers to assist in developing other agricultural activities that supplement tobacco-producing activities;

(F) initiatives designed to create or expand locally owned value-added processing and marketing operations in tobacco communities;

(G) technical assistance activities by persons to support farmer-owned enterprises, or agriculture-based rural development enterprises, of the type described in section 252 or 253 of the Trade Act of 1974 (19 U.S.C. 2342, 2343); and

(H) investments in community colleges and trade schools to provide skills training to active tobacco producers and tobacco product manufacturing workers and ensure that the off-farm sector remains vital and robust.

(2) TOBACCO COUNTIES.—Assistance may be provided by a tobacco State under this section only to assist a county in the State that has been determined by the Secretary to have in excess of $100,000 in income derived from the production of tobacco and the manufacture of tobacco products during 1 or more of the 1994 through 1996 marketing years.

(3) DISTRIBUTION.—

(A) ECONOMIC DEVELOPMENT ACTIVITIES.—Not less than 20 percent of the amounts received by a tobacco State under this section shall be used to carry out—

(i) economic development activities described in subparagraph (E) or (F) of paragraph (1); or

(ii) agriculture-based rural development activities described in paragraph (1)(G).

(B) TECHNICAL ASSISTANCE ACTIVITIES.—Not less than 4 percent of the amounts received by a tobacco State under this section shall be used to carry out technical assistance activities described in paragraph (1)(G).

(C) TOBACCO COUNTIES.—To be eligible to receive payments under this section, a tobacco State shall demonstrate to the Secretary that funding will be provided, during the 1999 through 2004 fiscal years, for activities in each county in the State that has been determined under paragraph (2) to have in excess of $100,000 in income derived from the production of tobacco and the manufacture of tobacco products, in amounts that are at least equal to the product obtained by multiplying—

(i) the ratio that the tobacco production and tobacco product manufacturing income in the county determined under paragraph (2) bears to the total tobacco production and tobacco product manufacturing income for the State determined under subsection (c); by

(ii) 50 percent of the total amounts received by the State under this section during the 1999 through 2004 fiscal years.

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. SENSE OF THE SENATE.

It is the sense of the Senate that, in order to provide funds to carry out this Act, Congress should enact an increase in the excise taxes on tobacco products of approximately $1.50 per pack of cigarettes (and corresponding increases on taxes on other tobacco products) over a 3-year period, that increases in such tax in future years should be indexed to inflation, and that the payment of such tax should not be considered to be an ordinary and necessary expense in carrying on a trade or business and should not be deductible.

Mr. LAUTENBERG. Mr. President, today I am joining Senators KENNEDY and DURBIN in introducing the Healthy and Smoke-free Children Act of 1997. Likewise, Senators KENNEDY and DURBIN are cosponsoring legislation I introduced last week, the Public Health and Education Resource Act, S. 1343, or PHAER. As we join forces behind comprehensive tobacco legislation to reduce smoking, especially among our young people, and to enhance the public health, we urge Senators of both parties to unify behind our approach. It is a simple and straightforward but effective model for drastically reducing the 400,000 preventable deaths each year in our country caused by a deadly addiction to nicotine.

Mr. President, it's time for Congress to act. We have the legislative packages to get started. The message we are sending out today is clear: the goal of comprehensive tobacco legislation is to prevent kids from becoming hooked on tobacco—not to get the tobacco companies off the hook.

Our legislation would raise the price of cigarettes by $1.50 per pack in order to reduce teen smoking and fund critical public health programs. It explicitly prohibits the industry from deducting the cost of increased excise taxes from its corporate tax payments. With the proceeds of the tax, states will receive back funds for public health and children's programs, including health, education, and smoking cessation programs aimed at both children, teenagers, and adults. Further, our bill will fund a significant increase in medical research. To increase industry incentives to reduce teen smoking, the legislation we are introducing today will impose penalties on companies which fail to meet teen smoking reduction targets. Finally, recognizing the potential dislocation to tobacco farmers that could flow from a reduction in national smoking rates, our bill provides transitional assistance to farmers and displaced tobacco workers.

Mr. President, of critical importance, our legislation affirms the authority of the Food and Drug Administration to regulate tobacco as a drug and drug delivery device. It gives FDA explicit authority over the advertising, marketing and sale of cigarettes. It also calls for larger and more explicit warning labels on cigarettes and ingredient disclosure, drawing on legislation I introduced earlier this year, and permits states to enact more restrictions on tobacco. It also incorporates the essence of the Smokefree Environment Act which I also introduced earlier this year, to protect non-smokers from secondhand smoke.

The President has called for comprehensive tobacco legislation that gives the Food and Drug Administration authority to regulate nicotine. He has also called for a $1.50 increase in the price of cigarettes to deter teen smoking and help pay for a variety of public health programs. Our legislation accomplishes that.

Mr. President, the tobacco industry has been trying to convince the Congress and the public that the only way to accomplish the President's goals is through its proposed settlement with the state Attorneys General. We know that this is not the case. Our legislation offers a more efficient and effective way of serving the public health. The Congress can move ahead without permission from the tobacco industry and we should do just that.

Mr. President, our proposals embody the goals outlined by the President and embraced by the public health community. In fact, a broad range of groups supported the introduction of S. 1343, the PHAER Act, when I introduced it. These groups include Action on Smoking and Health, the American Academy of Pediatrics, the American Cancer Society, the American College of Physicians, the American College of Preventive Medicine, the American Heart Association, the American Lung Association, the American Medical Association, the American Society of Clinical Oncology, Campaign for Tobacco Free Kids, the National Association of Counties, the National Association of County and City Health Officials, and Partnership for Prevention and Physicians for Social Responsibility.

Mr. President, these bills eliminate the tobacco industry as the middleman in achieving public health goals. We have laid out an ambitious, but achievable, program for reducing smoking and death and illness. Congressional action on comprehensive tobacco legislation should live up to the standards we have established.

Beyond taking strong, preventive steps to reduce smoking domestically, we should also pursue legislation affecting our tobacco companies' commercial activities overseas. If we don't, in the next few decades we will experience a worldwide health epidemic attributable to tobacco. Earlier this year, I introduced S. 1060, the Worldwide Tobacco Disclosure Act, to require warning labels on exported packages of cigarettes and to codify current trade policies that prevent government agencies from promoting tobacco sales overseas and from weakening public health measures undertaken by foreign governments.

I urge my colleagues on both sides of the aisle to join us on the public health side of this fight by endorsing our comprehensive tobacco legislation.

Mr. DURBIN. Mr. President, I am pleased to join Senators KENNEDY and LAUTENBERG in proposing sweeping new legislation that fills in many of the specifics relating to children and the public health that must be included in any future legislation related to the proposed tobacco settlement.

The tobacco companies have made billions of dollars addicting and exploiting our children. Now, they seek to protect themselves from existing and potential lawsuits. This legislation brings us back to the fundamental issues that must stay at the top of the public health agenda. Reducing the devastation and disease caused by tobacco should be our number one goal, not an afterthought.

This legislation is our effort to start filling in the blanks on any tobacco measure. It's time to stop speculating and start laying down markers we feel must be part of any comprehensive agreement.

Under this legislation, the tobacco tax would be raised $1.50 per pack of cigarettes. This kind of increase is a proven deterrent to underage smoking.

Of the additional revenues that would be raised beyond what was proposed by the state attorneys general, one-half would be used to fund medical research into illnesses such as cancer, heart disease and diabetes. The other half of the additional revenues would fund an expansion of the Head Start program, child care grants, and other child and family initiatives.

The legislation seeks to ensure a significant decline in underage smoking by establishing tough performance smoking reduction targets. The reduction targets—modeled on legislation I introduced earlier this year—set a goal of a 40 percent reduction in youth tobacco use in four years, 60 percent in 6 years, and 80 percent in 10 years. If the goal is not met, penalties of up to $1 a pack will be imposed on the sale of tobacco products manufactured by a company whose products are consumed by underage users, with steeper penalties for repeated failure to meet youth tobacco targets.

In addition, we are offering some new incentives for the tobacco companies to meet the targets. If a company fails to comply for three or more consecutive years, the company will be required to stop selling cigarettes in single packs—the size kids buy—and start selling them only in cartons, whose price might cause kids to reconsider their desire to buy cigarettes. If this step was not sufficient to bring a company into compliance, another year violating the performance standard would trigger a requirement that the product be sold using generic packaging, without catchy logos.

As far as kids are concerned, it's time for the tobacco companies to put their profits on the line. Under our legislation, every new child who picks up a cigarette or pockets a can of spit tobacco will become an economic loss to a tobacco company. We must hold each company individually responsible for its sales to minors.

In addition to setting performance standards, the legislation provides for a national tobacco use reduction program which includes smoking cessation programs, media-based advertising about the dangers of tobacco use and aggressive public education.

The bill also compensates states for Medicaid expenditures resulting from tobacco-related illnesses; affirms the authority of the Food and Drug Administration [FDA] to regulate tobacco as a drug and delivery device; mandates strong warning labels and ingredient disclosures; reduces exposure to secondhand smoke; prohibits tobacco companies from deducting any settlement liabilities as a business expense; and provides assistance for tobacco farmers.

I commend this legislation to my colleagues and urge them to support it.

ADDITIONAL COSPONSORS

S. 61

At the request of Mr. LOTT, the name of the Senator from Michigan [Mr. ABRAHAM] was added as a cosponsor of S. 61, a bill to amend title 46, United States Code, to extend eligibility for veterans' burial benefits, funeral benefits, and related benefits for veterans of certain service in the United States merchant marine during World War II.

S. 318

At the request of Mr. D'AMATO, the name of the Senator from Rhode Island [Mr. CHAFEE] was added as a cosponsor of S. 318, a bill to amend the Truth in Lending Act to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required by a creditor as a condition for entering into a residential mortgage transaction, and for other purposes.

S. 773

At the request of Mr. DURBIN, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 773, a bill to designate certain Federal lands in the State of Utah as wilderness, and for other purposes.

S. 778

At the request of Mr. ABRAHAM, his name was added as a cosponsor of S. 778, a bill to authorize a new trade and investment policy for sub-Saharan Africa.

S. 1151

At the request of Mr. DODD, the name of the Senator from Louisiana [Ms. LANDRIEU] was added as a cosponsor of S. 1151, a bill to amend subpart 8 of part A of title IV of the Higher Education Act of 1965 to support the participation of low-income parents in postsecondary education through the provision of campus-based child care.

S. 1195

At the request of Mr. CHAFEE, the name of the Senator from South Dakota [Mr. JOHNSON] was added as a cosponsor of S. 1195, a bill to promote the adoption of children in foster care, and for other purposes.

S. 1307

At the request of Mr. DASCHLE, the name of the Senator from North Dakota [Mr. DORGAN] was added as a cosponsor of S. 1307, a bill to amend the Employee Retirement Income Security Act of 1974 with respect to rules governing litigation contesting termination or reduction of retiree health benefits and to extend continuation coverage to retirees and their dependents.

SENATE CONCURRENT RESOLUTION 49

At the request of Mr. ABRAHAM, his name was added as a cosponsor of Senate Concurrent Resolution 49, a concurrent resolution authorizing use of the Capitol Grounds for "America Recycles Day" national kick-off campaign.

SENATE CONCURRENT RESOLUTION 66—TO CORRECT THE ENROLLMENT OF S. 399

Mr. MCCAIN submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 66

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of the bill (S. 399), to amend the Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992 to establish the United States Institute for Environmental Conflict Resolution to conduct environmental conflict resolution and training, and for other purposes, the Clerk of the Senate shall make the following correction in section 10 of the Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992 (as amended by section 6 of the bill): Strike subsection (c) and insert the following:

"(c) NOTIFICATION AND CONCURRENCE.—

"(2) NOTIFICATION.—An agency or instrumentality of the Federal Government shall notify the chairperson of the President's Council on Environmental Quality when using the Foundation or the Institute to provide the services described in subsection (a).

"(3) NOTIFICATION DESCRIPTIONS.—In a matter involving 2 or more agencies or instrumentalities of the Federal Government, notification under paragraph (1) shall include a written description of—

"(A) the issues and parties involved;

"(B) prior efforts, if any, undertaken by the agency to resolve or address the issue or issues;

"(C) all Federal agencies or instrumentalities with a direct interest or involvement in the matter and a statement that all Federal agencies or instrumentalities agree to dispute resolution; and

"(D) other relevant information.

"(3) CONCURRENCE.—

"(A) IN GENERAL.—In a matter that involves 2 or more agencies or instrumentalities of the Federal Government (including branches or divisions of a single agency or instrumentality), the agencies or instrumentalities of the Federal Government shall obtain the concurrence of the chairperson of the President's Council on Environmental Quality before using the Foundation or Institute to provide the services described in subsection (a).

"(B) INDICATION OF CONCURRENCE OR NONCONCURRENCE.—The chairperson of the President's Council on Environmental Quality shall indicate concurrence or nonconcurrence under subparagraph (A) not later than 20 days after receiving notice under paragraph (2).

"(d) EXCEPTIONS.—

"(1) LEGAL ISSUES AND ENFORCEMENT.—

"(A) IN GENERAL.—A dispute or conflict involving agencies or instrumentalities of the Federal Government (including branches or divisions of a single agency or instrumentality) that concern purely legal issues or matters, interpretation or determination of law, or enforcement of law by 1 agency against another agency shall not be submitted to the Foundation or Institute.

"(B) APPLICABILITY.—Subparagraph (A) does not apply to a dispute or conflict concerning—

"(i) agency implementation of a program or project;

"(ii) a matter involving 2 or more agencies with parallel authority requiring facilitation and coordination of the various government agencies; or

"(iii) a nonlegal policy or decisionmaking matter than involves 2 or more agencies that are jointly operating a project.

"(2) OTHER MANDATED MECHANISMS OR AVENUES.—A dispute or conflict involving agencies or instrumentalities of the Federal Government (including branches or divisions of a single agency or instrumentality) for which Congress by law has mandated another dispute resolution mechanism or avenue to address or resolve shall not be submitted to the Foundation or Institute.".

SENATE RESOLUTION 148—DESIGNATING 1998 AS THE "ONATE CUARTOCENTENARIO"

Mr. DOMENICI (for himself and Mr. BINGAMAN) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 148

Whereas Don Juan de Oñate of Spain settled the first permanent colony of Europeans in the Southwest Region of the United States, known as San Gabriel de Los Españoles, and located near modern day San Juan Pueblo and Española, New Mexico;

Whereas the first Spanish capital was established at San Juan de los Caballeros in July of 1598, predating the English settlement of Jamestown in 1610 by 12 years;

Whereas Spanish exploration activity in the New World began in 1512 when Ponce de León explored the Florida peninsula, and included the explorations of Francisco Coronado throughout California to Kansas and across Arizona, New Mexico, Texas, and Oklahoma from 1540 to 1542;

Whereas the major Spanish settlement efforts were focused in modern day Florida and New Mexico, and 1998 marks the 400th anniversary of the first permanent settlement in New Mexico, referred to as the *Cuartocentenario*;

Whereas Hispanic Americans are the fastest growing minority group in the United States and include descendants of the Spanish, Mexican, Cuban, Puerto Rican, Central American, and other Hispanic peoples;

Whereas the United States Census Bureau estimated in March 1993 that the Hispanic population of the United States was 22,800,000; the current estimate of the hispanic population in the United States is 26,000,000, with projections of 30,000,000 by the year 2000, 40,000,000 by 2010, and almost 60,000,000 (or 20 percent of the total United States population) by the year 2030;

Whereas the number of Hispanic immigrants to the United States has increased from 1,500,000 in the 1960's, to 2,400,000 in the 1970's, to 4,500,000 in the 1980's, and the number of Hispanic immigrants is expected to continue to rise;

Whereas two-thirds of all Hispanics in the United States today are of Mexican origin, and 70 percent of United States Hispanics live in 4 States: California, Texas, New York, and Florida;

Whereas New Mexico's Hispanic population is 39 percent (or over 660,000 of the 1995 total State population of 1,700,000) and represents the highest percentage of Hispanics in any State in the United States;

Whereas the United States has an enriched legacy of Hispanic influence in politics, government, business, and culture due to the early settlements and continuous influx of Hispanics into the United States;

Whereas the New Mexico State Government has funded a Hispanic Cultural Center in Albuquerque, New Mexico, with assistance from the Federal Government, local governments, and private contributions, to celebrate and preserve Hispanic culture including literature, performing arts, visual arts, music, culinary arts, and language arts;

Whereas the Archbishop of Santa Fe, Michael Sheehan, is planning events throughout 1998 in New Mexico, including the opening of "Jubilee year", an encuentro at Santo Domingo Pueblo to mark the meeting of the missionaries with the Pueblo peoples, an Archdiocesan reconciliation service at the Santuario de Chimayo, and an Archdiocesan celebration of St. Francis of Assisi in Santa Fe;

Whereas in order to commemorate Don Juan de Oñate's arrival, the city of Española will have a fiesta in July 1998, the city of Santa Fe is planning several special events, and the New Mexico statewide committee is planning a parade, a historical costume ball, and a pageant in Albuquerque; and

Whereas many other religious, educational, and social events are being planned around New Mexico to commemorate the 400th anniversary of the first permanent Spanish settlement in New Mexico: Now, therefore, be it

Resolved, That the Senate—

(1) designates the year 1998 as the "*Oñate Cuartocentenario*" to commemorate the 400th anniversary of the first permanent Spanish settlement in New Mexico;

(2) recognizes the cultural and economic importance of the Spanish settlements throughout the Southwest Region of the United States;

(3) expresses its support for the work of the Española Plaza Foundation, the Santa Fe and Albuquerque Cuartocentenario committees, the Archdiocese of Santa Fe, the New Mexico Hispanic Cultural Center Board of Directors, the Hispanic Cultural Foundation Board of Trustees, as well as other interested groups that are preparing *Oñate Cuartocentenario* activities;

(4) expresses its support for the events to be held in New Mexico and the Southwest in observance of the *Oñate Cuartocentenario;*

(5) requests that the President issue a proclamation—

(A) declaring 1998 as the "*Oñate Cuartocentenario*" to commemorate the 400th anniversary of the first permanent Spanish settlement in New Mexico; and

(B) calling on the people of the United States and interested groups to observe the year with appropriate ceremonies, activities, and programs to honor and celebrate the contributions of Hispanic people to the cultural and economic life of the United States; and

(6) calls upon the people of the United States to support, promote, and participate in the many *Oñate Cuartocentenario* activities being planned to commemorate the historic event of the early settling of the Southwest Region of the United States by the Spanish.

Mr. DOMENICI. Mr. President, next year, 1998, is the 400th anniversary of Don Juan de Onate's establishment of the first Hispanic colony in New Mexico. In July 1589, he and a few Spanish families settled near modern day San Juan Pueblo and the city of Espanola in northern New Mexico.

New Mexico will be the center of many exciting events throughout the year to commemorate this extremely important historic milestone. Four hundred years ago Western civilization found itself ensconced in northern New Mexico, and since that time to the present it has been there and part of the culture and part of the value system in the State of New Mexico.

New Mexico will be the center of many exciting events throughout the year to commemorate this important historic milestone. New Mexicans are looking forward to fiestas, balls, parades, and other stimulating events to mark this historic occasion.

The Archbishop of Santa Fe will be opening a Jubilee year in January. Among other events, he will hold an encuentro at Santo Domingo Pueblo to mark the meeting of the missionaries with the Pueblo Peoples.

The city of Española will have a fiesta in July to commemorate the actual arrival of the Spanish into the area. Santa Fe, Las Vegas, Taos, Albuquerque, and other New Mexico towns and cities will be holding such special events as fiestas, historic reenactments, a State Fair Pageant, an historic Spanish costume ball, and parades. Seminars and lectures will abound.

State Fair pageant plans include a reenactment of De Vargas' reentry into New Mexico, a review of the Pueblo Revolt and its ramifications, life under the American flag during the middle to late 1800's, and a patriotic tribute to all Hispanics who have fought for the United States. This two and a half-hour spectacular will be performed twice before a large audience. It will also be televised.

This resolution also asks the President to issue a proclamation declaring 1998 is a year to commemorate the arrival of Hispanics and celebrate their growth in importance in our Nation's culture and economy. An estimated 26 million Hispanics in the United States today make up about 11 percent of our population. In New Mexico, Hispanics make up 39 percent of the population, the largest percentage of any State.

Some projections indicate that by the year 2010, Hispanics will number about 40 million, and by the year 2030, an estimated 60 million Hispanics will be living in the United States, making up about one-fifth of the total population.

As Hispanic culture continues to grow as a major influence in the United States, the State of New Mexico is creating a major Hispanic Cultural Center in Albuquerque to celebrate and preserve Hispanic arts, literature, performing arts, music, visual arts, culinary arts and other cultural treasures. We are hoping that this Hispanic Cultural Center will become a successful economic venture to attract tourism and to bring national and international attention to Hispanic life in the American Southwest.

The Cuartocentenario, know in English as the 400th Anniversary, is a time for America to take note of the profound influence of Hispanics in the founding of America as a New World as well as the participation of Hispanics in all walks of life. Hispanics have been noteworthy contributors and will continue to be significant contributors to our national politics, science, arts, economy, and cultural life.

Mr. President, 1998 is a major milestone for the Spanish settlement in the Southwestern United States. I urge my colleagues to join me in commemorating this important anniversary by supporting this resolution and participating in Hispanic events to mark this important year.

SENATE RESOLUTION 149—REGARDING THE STATE VISIT TO THE UNITED STATES OF THE PRESIDENT OF THE PEOPLE'S REPUBLIC OF CHINA

Mrs. FEINSTEIN (for herself, Mr. THOMAS, Mr. KERRY, Mr. SMITH of Oregon, Mrs. MURRAY, Mr. HAGEL, Mr. GRAMS, Mr. ROBB, and Mr. ROTH) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 149

Whereas, the ability of the United States and the People's Republic of China to avoid conflict, to cooperate, and to act as partners rather than adversaries has a substantial bearing on peace and stability in Asia and worldwide;

Whereas on October 28–30, 1997, President Jiang Zemin of the People's Republic of China conducted a state visit to Washington, DC;

Whereas the state visit included meetings with President Bill Clinton, Secretary of State Madeleine Albright, and the Congressional leadership;

Whereas, in connection with the state visit, china gave clear assurances that it will conduct no new nuclear cooperation with Iran, reiterated its commitment not to assist unsafeguarded nuclear facilities, joined the Zangger Committee, and promulgated national regulations to control exports of nuclear material, equipment and technology;

Whereas, President Clinton announced his intention to certify that China has met the conditions necessary to implement the 1985 Agreement for Cooperation Between the Government of the United States and the Government of the People's Republic of China Concerning the Peaceful Uses of Nuclear Energy;

Whereas China agreed to allow a delegation of American religious leaders to conduct a fact-finding mission on religious freedom in China, to resume a project of accounting for prisoners, and to conduct preparatory talks on establishing a Non-Governmental Organization forum on human rights;

Whereas the United States and China agreed to conduct regular summit, cabinet-level, and sub-cabinet level meetings in their respective capitals, and agreed to the establishment of a direct telephone link between the two Presidents;

Whereas the United States and China agreed to increase contacts between their respective militaries in order to avoid incidents at sea between their naval forces, and to coordinate their responses to humanitarian crises;

Whereas the United States and China agreed to increase cooperation aimed at promoting the rule of law in China, including training judges and lawyers, drafting legal codes, and developing due process of law;

Whereas the United States and China agreed to expand their cooperation in law enforcement efforts, including by stationing officers of the United States Drug Enforcement Administration in the United States Embassy in Beijing;

Whereas the United States and China have agreed to cooperate on developing clean energy projects in China through the use of United States products and technology;

Whereas despite some significant achievements reached during the state visit of President Hiang Zemin, many significant concerns and problems remain in the U.S.-China relationship;

Whereas the United States continues to have serious concerns about the human rights policies and practices of the People's Republic of China, including the imprisonment of Wei Jingsheng, Wang Dan, and other dissidents, limitations on the free practice of religion, harsh population control measures (including isolated reports of forced abortion), the use of prison labor to produce cheap consumer goods, the continuing suppresson of the people of Tibet, and the refusal of China's leadership to meet with the Dalai Lama;

Whereas the United States continues to have deep concerns about reports of exports from China of nuclear, chemical, and ballistic missile technology, and advanced conventional weapons, to countries who are known proliferators, such as Iran and Pakistan;

Whereas the United States continues to seek from the People's Republic of China measures to reduce the growing trade imbalance between the United States and China, including access to China's markets for United States products and services;

Whereas the United States believes it is imperative that the People's Republic of China commit to resolving the Taiwan question by exclusively peaceful means, and that both sides should resume a Cross-Straits dialogue as soon as possible;

Whereas the recently concluded U.S.-China summit is part of President Clinton's articulated policy of engagement with the People's Republic of China, a central goal of which is to further draw the People's Republic of China into the international community and toward internationally recognized standards of behavior; and

Whereas President Clinton accepted President Jiang's invitation to make a return visit to the People's Republic of China in 1998: Now, therefore, be it

Resolved, That the Senate—

(1) welcomes the agreements and understanding reached by the United States and the People's Republic of China during the state visit of President Jiang Zemin;

(2) urges the President to continue to press vigorously for further progress in China's policies and practices in the areas of human rights, nonproliferation, trade, Tibet, and Taiwan;

(3) views the expected return visit to the People's Republic of China in 1998 by President Clinton as an opportunity for the United States and the People's Republic of China to advance their relationship by enhancing cooperation in areas of accord and making genuine progress toward resolving areas of disagreement.

Mrs. FEINSTEIN. Madam President, today I am joined by a bipartisan group of my colleagues in submitting a resolution that expresses support for the agreements reached at the recent summit between President Clinton and President Jiang Zemin of the People's Republic of China.

As the resolution makes clear, the United States and China did not come to agreement on every issue that divides us during the summit. Significant, even fundamental differences remain in some areas, particularly in the area of human rights. But there is no question that the summit was a positive step forward in building a cooperative partnership between the largest developed country and the largest developing country on earth.

The summit has, of course, occasioned a vigorous debate on the United States' policy toward China. It seems to me that the key to a successful China policy is to be able to encourage this large nation to take its place in the world as a stable, responsible leader that can help ensure peace and stability in Asia and the world.

The question is how to do this? Our choices seem to boil down to two:

Some say we should contain China, prevent its rise, and isolate it from the world community. We should recognize it as an adversary.

Others—myself and the cosponsors of this resolution included—say we should engage China, understand that our relationship is complex, develop a strategic partnership where we have like interests, and through intensive communication try to achieve common ground.

Last week's summit was, in my view, the beginning of a course of ongoing top level dialogue and diplomacy.

It showed that we must deal with China on the top levels. Prior to last week, our two presidents had had little communication. There was no red telephone, no way for the leaders to speak. Our dialogue was sporadic, and took place on second and third levels.

Was the summit a success? Yes. It was definitely more than just a series of photo-ops. It accomplished progress and concrete results which bear explicit restatement.

First, the summit established the ability of two country's leaders to talk with each other. They have resolved to engage in ongoing communication, conduct regular summit meetings—indeed, President Clinton will go to China next year—and the establishment of a telephone hotline.

This high-level communication is important, because Beijing does not always know what all its ministries are doing. Our intelligence can help bring it to their attention, as was the case when Chinese companies shipped ring magnets to Pakistan. U.S. intelligence also helped China shut down a number of illegal CD factories.

Second, the summit produced a very important nuclear non-proliferation agreement. China committed that it would engage in no new export of nuclear technology, expertise, or equipment to Iran. This is in addition to China having already signed the N.P.T., the Comprehensive Test Ban Treaty, the CWC, and its commitment to abide by the Missile Technology Control Regime and its annexes. China also agreed to participate in multi-lateral efforts to control and monitor the export of nuclear materials. In exchange we have agreed to allow the export of peaceful nuclear energy technology to China.

Third, the summit led to several extremely useful military-to-military agreements. Two two sides agreed to expand military-to-military exchanges, including at the Secretary of Defense level, and to establish communications links to avoid accidental incidents at sea between the our navies.

Fourth, the summit produced agreements aimed at increasing U.S.-China cooperation on law enforcement. China agreed to the stationing of two DEA agents at the U.S. Embassy in Beijing, and we will expand our cooperation in combating organized crime, counterfeiting, alien smuggling, and money laundering.

Fifth, the two sides reached agreements aimed at improving China's energy usage and decreasing its pollution problem. The United States and China will engage in a cooperative effort—using U.S. technology to work on China's serious urban air pollution problem, and to provide electricity to rural villages.

Sixth, in perhaps the most important contribution we can make to the cause of human rights in China, the two sides agreed on a number of measures aimed at promoting the rule of law in China. The United States and China will engage in a joint effort in developing the rule of law in China. It will involve the training of judges and lawyers, exchanges of legal experts, and assistance to China in drafting new criminal, civil, and commercial codes.

Seventh, even in the area of human rights, there were some modest gains. I emphasize "modest" because we still have fundamental differences with the Chinese on human rights. What we see as issues of basic human freedom and dignity, the regard as their "internal affairs," with deep implications for China's stability and unity.

America's position was clearly put forward—by the President, by Members of Congress, and by the many demonstrations that followed President Jiang around. I believe Chinese leaders may now have an understanding of the depth of feeling about human rights issues in the United States in a way they could not have known before the visit.

Nevertheless, there was some limited progress. China agreed to receive a group of religious leaders from the U.S. to conduct fact-finding on religious freedom. China also agreed to resume a prisoner accounting project run by a businessman and human rights activist, John Kamm. In addition, China agreed to the establishment of a non-governmental organization human rights forum. Preparatory sessions will be held soon. And just prior to the summit, China signed the U.N. Covenant on Economic, Social, and Cultural Rights, which obligates parties to promote these rights in their countries.

Clearly, there were also major disappointments on human rights. There was no release of dissidents, and no comment that indicated any new thinking on Tiananmen Square. On Tibet, China clings to old and discredited arguments and has been non-committal on all overtures for talks with the Dalai Lama, and the repression in Tibet continues.

But even with the disappointments, things are changing in China. No large country has changed as much as China has in the last 30 years since the end of cultural revolution. Today there is a freer lifestyle, an improved standard of living, and much greater educational opportunities. There is a greater openness, and tremendous economic development. There is also a gradual lowering of tariffs and opening of borders.

Our relationship with China is not without its strains. Taiwan, for example remains the number one issue of sensitivity for China. The Chinese view it as a fundamental issue of sovereignty. I think the Administration understands this, and is firmly committed to the One China policy.

But otherwise, all issues remain negotiable and subject to the enterprise of diplomacy conducted at the highest levels. In this regard, the summit was definitely a step forward. For that reason, my colleagues and I submit this resolution to recognize the achievements of the summit, and to express our support for President Clinton's intention to make a return visit to China next year.

AMENDMENTS SUBMITTED

THE RECIPROCAL TRADE AGREEMENT ACT OF 1997

REED AMENDMENT NO. 1613

Mr. REED proposed an amendment to the bill (S. 1269) to establish objectives for negotiating and procedures for implementing certain trade agreements; as follows:

Amend section 2(b) after section 2(b)(15) to add the following new paragraph:

(16) The principal negotiating objective of the United States regarding the environment is to promote adherence to internationally recognized environmental standards.

Amend section 10 at the end, to add the following new definition:

(7) Internationally Recognized Environmental Standards—The term "internationally recognized environmental standards" includes—

(A) mitigation of global climate change;

(B) reduction in the consumption and production of ozone-depleting substances;

(C) reduction in ship pollution of the oceans from such sources as oil, noxious bulk liquids, hazardous freight, sewage, and garbage;

(D) a ban on international ocean dumping of high-level radioactive waste, chemical warfare agents, and hazardous substances;

(E) government control of the transboundary movement of hazardous waste materials and their disposal for the purpose of reducing global pollution on account of such materials;

(F) preservation of endangered species;

(G) conservation of biological diversity;

(H) promotion of biodiversity; and

(I) preparation of oil-spill contingency plans.

THE ADOPTION PROMOTION ACT OF 1997

CRAIG AMENDMENT NO. 1614

Mr. CRAIG proposed an amendment to the bill (H.R. 867) to promote the adoption of children in foster care; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Promotion of Adoption, Safety, and Support for Abused and Neglected Children (PASS) Act".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—REASONABLE EFFORTS AND SAFETY REQUIREMENTS FOR FOSTER CARE AND ADOPTION PLACEMENTS

Sec. 101. Clarification of the reasonable efforts requirement.
Sec. 102. Including safety in case plan and case review system requirements.
Sec. 103. Multidisciplinary/multiagency child death review teams.
Sec. 104. States required to initiate or join proceedings to terminate parental rights for certain children in foster care.
Sec. 105. Notice of reviews and hearings; opportunity to be heard.
Sec. 106. Use of the Federal Parent Locator Service for child welfare services.
Sec. 107. Criminal records checks for prospective foster and adoptive parents and group care staff.
Sec. 108. Documentation of efforts for adoption or location of a permanent home.

TITLE II—INCENTIVES FOR PROVIDING PERMANENT FAMILIES FOR CHILDREN

Sec. 201. Adoption incentive payments.
Sec. 202. Adoptions across State and county jurisdictions.
Sec. 203. State performance in protecting children.

TITLE III—ADDITIONAL IMPROVEMENTS AND REFORMS

Sec. 301. Expansion of child welfare demonstration projects.
Sec. 302. Permanency planning hearings.
Sec. 303. Kinship care.
Sec. 304. Clarification of eligible population for independent living services.
Sec. 305. Reauthorization and expansion of family preservation and support services.
Sec. 306. Health insurance coverage for children with special needs.
Sec. 307. Continuation of eligibility for adoption assistance payments on behalf of children with special needs whose initial adoption has been disrupted.
Sec. 308. State standards to ensure quality services for children in foster care.

TITLE IV—MISCELLANEOUS

Sec. 401. Preservation of reasonable parenting.
Sec. 402. Reporting requirements.
Sec. 403. Sense of Congress regarding standby guardianship.
Sec. 404. National Voluntary Mutual Reunion Registry.
Sec. 405. Reduction in medicaid matching rate for skilled professional medical personnel.

TITLE V—EFFECTIVE DATE

Sec. 501. Effective date.

TITLE I—REASONABLE EFFORTS AND SAFETY REQUIREMENTS FOR FOSTER CARE AND ADOPTION PLACEMENTS

SEC. 101. CLARIFICATION OF THE REASONABLE EFFORTS REQUIREMENT.

(a) IN GENERAL.—Section 471(a)(15) of the Social Security Act (42 U.S.C. 671(a)(15)) is amended to read as follows:

"(15) provides that—

"(A) in determining reasonable efforts, as described in this section, the child's health and safety shall be the paramount concern;

"(B) reasonable efforts shall be made to preserve and reunify families—

"(i) prior to the placement of a child in foster care, to prevent or eliminate the need for removing the child from the child's home when the child can be cared for at home without endangering the child's health or safety; or

"(ii) to make it possible for the child to safely return to the child's home;

"(C) reasonable efforts shall not be required on behalf of any parent—

"(i) if a court of competent jurisdiction has made a determination that the parent has—

"(I) committed murder (which would have been an offense under section 1111(a) of title 18, United States Code, if the offense had occurred in the special maritime or territorial jurisdiction of the United States) of another child of the parent;

"(II) committed voluntary manslaughter (which would have been an offense under section 1112(a) of title 18, United States Code, if the offense had occurred in the special maritime or territorial jurisdiction of the United States) of another child of the parent;

"(III) aided or abetted, attempted, conspired, or solicited to commit such murder or voluntary manslaughter; or

"(IV) committed a felony assault that results in serious bodily injury to the child or another child of the parent;

"(ii) if a court of competent jurisdiction determines that returning the child to the home of the parent would pose a serious risk to the child's health or safety (including but not limited to cases of abandonment, torture, chronic physical abuse, sexual abuse, or a previous involuntary termination of parental rights with respect to a sibling of the child); or

"(iii) if the State, through legislation, has specified cases in which the State is not required to make reasonable efforts because of serious circumstances that endanger a child's health or safety;

"(D) if reasonable efforts of the type described in subparagraph (B) are not made as a result of a determination made by a court of competent jurisdiction in accordance with subparagraph (C)—

"(i) a permanency planning hearing (as described in section 475(5)(C)) shall be held for the child within 30 days of such determination; and

"(ii) reasonable efforts shall be made to place the child in a timely manner in accordance with the permanency plan, and to complete whatever steps are necessary to finalize the permanent placement of the child; and

"(E) reasonable efforts to place a child for adoption or with a legal guardian or custodian may be made concurrently with reasonable efforts of the type described in subparagraph (B);".

(b) CONFORMING AMENDMENT.—Section 472(a)(1) of such Act (42 U.S.C. 672(a)(1)) is amended by inserting "for a child" before "have been made".

(c) RULE OF CONSTRUCTION.—Nothing in part E of title IV of the Social Security Act (42 U.S.C. 670 et seq.), as amended by this Act, shall be construed as precluding State courts from exercising their discretion to protect the health and safety of children in individual cases, when such cases do not include aggravated circumstances, as defined by State law.

SEC. 102. INCLUDING SAFETY IN CASE PLAN AND CASE REVIEW SYSTEM REQUIREMENTS.

Title IV of the Social Security Act (42 U.S.C. 601 et seq.) is amended—

(1) in section 422(b)(10)(B) (as redesignated by section 5592(a)(1)(A)(iii) of the Balanced Budget Act of 1997 (Public Law 105–33; 111 Stat. 644))—

(A) in clause (iii)(I), by inserting "safe and" after "where"; and

(B) in clause (iv), by inserting "safely" after "remain"; and

(2) in section 475—

(A) in paragraph (1)—

(i) in subparagraph (A), by inserting "safety and" after "discussion of the"; and

(ii) in subparagraph (B)—

(I) by inserting "safe and" after "child receives"; and

(II) by inserting "safe" after "return of the child to his own"; and

(B) in paragraph (5)—

(i) in subparagraph (A), in the matter preceding clause (i), by inserting "a safe setting that is" after "placement in"; and

(ii) in subparagraph (B)—

(I) by inserting "the safety of the child," after "determine"; and

(II) by inserting "and safely maintained in" after "returned to".

SEC. 103. MULTIDISCIPLINARY/MULTIAGENCY CHILD DEATH REVIEW TEAMS.

(a) STATE CHILD DEATH REVIEW TEAMS.—Section 471 of the Social Security Act (42 U.S.C. 671) is amended by adding at the end the following:

"(c)(1) In order to investigate and prevent child death from fatal abuse and neglect, not later than 2 years after the date of the enactment of this subsection, a State, in order to be eligible for payments under this part, shall submit to the Secretary a certification that the State has established and is maintaining, in accordance with applicable confidentiality laws, a State child death review team, and if necessary in order to cover all counties in the State, child death review teams on the regional or local level, that shall review child deaths, including deaths in which—

"(A) there is a record of a prior report of child abuse or neglect or there is reason to suspect that the child death was caused by, or related to, child abuse or neglect; or

"(B) the child who died was a ward of the State or was otherwise known to the State or local child welfare service agency.

"(2) A citizen review panel established in accordance with section 106(c) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a(c)) or a foster care review board may be a State, regional, or local child death review team for purposes of satisfying the requirements of paragraph (1).".

(b) FEDERAL CHILD DEATH REVIEW TEAM.—Section 471 of the Social Security Act (42 U.S.C. 671), as amended by subsection (a), is amended by adding at the end the following:

"(d)(1) The Secretary shall establish a Federal child death review team that shall consist of at least the following:

"(A) Representatives of the following Federal agencies who have expertise in the prevention or treatment of child abuse and neglect:

"(i) Department of Health and Human Services.

"(ii) Department of Justice.

"(iii) Bureau of Indian Affairs.

"(iv) Department of Defense.

"(v) Bureau of the Census.

"(B) Representatives of national child-serving organizations who have expertise in the prevention or treatment of child abuse and neglect and that, at a minimum, represent the health, child welfare, social services, and law enforcement fields.

"(2) The Federal child death review team established under this subsection shall—

"(A) review reports of child deaths on military installations and other Federal lands, and coordinate with Indian tribal organizations in the review of child deaths on Indian reservations;

"(B) upon request, provide guidance and technical assistance to States and localities seeking to initiate or improve child death review teams and to prevent child fatalities; and

"(C) develop recommendations on related policy and procedural issues for Congress, relevant Federal agencies, and States and localities for the purpose of preventing child fatalities.".

SEC. 104. STATES REQUIRED TO INITIATE OR JOIN PROCEEDINGS TO TERMINATE PARENTAL RIGHTS FOR CERTAIN CHILDREN IN FOSTER CARE.

(a) Requirement for Proceedings.—Section 475(5) of the Social Security Act (42 U.S.C. 675(5)) is amended—

(1) by striking "and" at the end of subparagraph (C);

(2) by striking the period at the end of subparagraph (D) and inserting "; and"; and

(3) by adding at the end the following:

"(E) in the case of a child who has been in foster care under the responsibility of the State for 12 of the most recent 18 months, or, if a court of competent jurisdiction has determined an infant to have been abandoned (as defined under State law), or made a determination that the parent has committed murder of another child of such parent, committed voluntary manslaughter of another child of such parent, aided or abetted, attempted, conspired, or solicited to commit such murder or voluntary manslaughter, or committed a felony assault that results in serious bodily injury to the surviving child or to another child of such parent, the State shall file a petition to terminate the parental rights of the child's parents (or, if such a petition has been filed by another party, seek to be joined as a party to the petition), and, concurrently, to identify, recruit, process, and approve a qualified family for an adoption, unless—

"(i) at the option of the State, the child is being cared for by a relative;

"(ii) a State agency has documented to a State court a compelling reason for determining that filing such a petition would not be in the best interests of the child; or

"(iii) the State has not provided to the family of the child such services as the State deems necessary for the safe return of the child to the child's home.".

(b) Determination of Beginning of Foster Care.—Section 475(5) of the Social Security Act (42 U.S.C. 675(5)), as amended by subsection (a), is amended—

(1) by striking "and" at the end of subparagraph (D);

(2) by striking the period at the end of subparagraph (E) and inserting "; and"; and

(3) by adding at the end the following:

"(F) a child shall be considered to have entered foster care on the earlier of—

"(i) the date of the first judicial hearing on removal of the child from the home; or

"(ii) that date that is 30 days after the date on which the child is removed from the home.".

(c) Rule of Construction.—Nothing in part E of title IV of the Social Security Act (42 U.S.C. 670 et seq.), as amended by this Act, shall be construed as precluding State courts or State agencies from initiating the termination of parental rights for reasons other than, or for timelines earlier than, those specified in part E of title IV of such Act, when such actions are determined to be in the best interests of the child, including cases where the child has experienced multiple foster care placements of varying durations .

(d) Effective Dates.—

(1) In general.—Except as provided in paragraphs (2) and (3), the amendments made by this section shall apply to children entering foster care under the responsibility of the State after the date of enactment of this Act.

(2) Transition rule for current and former foster care children.—Subject to paragraph (3), the amendments made by subsection (a) shall apply to children in foster care under the responsibility of the State on or before the date of enactment of this Act as though those children first entered foster care on the date of enactment of this Act.

(3) Delay permitted if State legislation required.—The provisions of section 501(b) shall apply to the effective date of the amendments made by this section.

SEC. 105. NOTICE OF REVIEWS AND HEARINGS; OPPORTUNITY TO BE HEARD.

Section 475(5) of the Social Security Act (42 U.S.C. 675(5)), as amended by section 104(b), is amended—

(1) by striking "and" at the end of subparagraph (E);

(2) by striking the period at the end of subparagraph (F) and inserting "; and"; and

(3) by adding at the end the following:

"(G) the foster parents (if any) of a child and any preadoptive parent, relative providing care for the child, or any other individual who has provided substitute care for the child are provided with notice of, and an opportunity to be heard in, any review or hearing to be held with respect to the child, except that this subparagraph shall not be construed to require that any foster parent, preadoptive parent, relative providing care for the child, or other individual who has provided substitute care for the child be made a party to such a review or hearing solely on the basis of such notice and opportunity to be heard.".

SEC. 106. USE OF THE FEDERAL PARENT LOCATOR SERVICE FOR CHILD WELFARE SERVICES.

Section 453 of the Social Security Act (42 U.S.C. 653), as amended by section 5534(a) of the Balanced Budget Act of 1997, is amended—

(1) in subsection (a)(2)—

(A) in the matter preceding subparagraph (A), by inserting "or making or enforcing child custody or visitation orders," after "obligations,"; and

(B) in subparagraph (A)—

(i) by striking "or" at the end of clause (ii);

(ii) by striking the comma at the end of clause (iii) and inserting "; or"; and

(iii) by inserting after clause (iii) the following:

"(iv) who has or may have parental rights with respect to a child,"; and

(2) in subsection (c)—

(A) by striking the period at the end of paragraph (3) and inserting "; and"; and

(B) by adding at the end the following:

"(4) a State agency that is administering a program operated under a State plan under subpart 1 of part B, or a State plan approved under subpart 2 of part B or under part E.".

SEC. 107. CRIMINAL RECORDS CHECKS FOR PROSPECTIVE FOSTER AND ADOPTIVE PARENTS AND GROUP CARE STAFF.

(a) Requirement for Criminal Records Checks.—Section 471(a) of the Social Security Act (42 U.S.C. 671(a)), as amended by section 5591(b) of the Balanced Budget Act of 1997, is amended—

(1) by striking "and" at the end of paragraph (18);

(2) by striking the period at the end of paragraph (19) and inserting "; and"; and

(3) by adding at the end the following:

"(20) provides procedures for Federal and State criminal records checks for any prospective foster or adoptive parent and any other adults residing in the household of such parent, and any employee of a residential child-care institution before the foster parent or adoptive parent, or the residential child-care institution may be finally approved for placement of a child on whose behalf foster care maintenance payments or adoption assistance payments are to be made under the State plan under this part, including procedures requiring that in any case in which a record check reveals a criminal conviction of child abuse or neglect, or of spousal abuse, a criminal conviction for crimes against children (including child pornography), or a criminal conviction for a crime involving violence, including rape, sexual or other physical assault, battery, or homicide, approval shall not be granted, and that, with respect to drug-related offenses, if a State finds that a court of competent jurisdiction has determined that such an offense has been committed within the past 5 years, approval shall not be granted.".

(b) Continued Applicability of State Laws.—The amendment made by subsection (a) shall not be construed to supersede any provision of State law that establishes, implements, or continues in effect any standard or requirement relating to criminal records checks and other background checks for prospective foster and adoptive parents, and for employees of a residential child-care institution, except to the extent that such standard or requirement prevents the application of the requirements added by such amendment.

SEC. 108. DOCUMENTATION OF EFFORTS FOR ADOPTION OR LOCATION OF A PERMANENT HOME.

Section 475 of the Social Security Act (42 U.S.C. 675) is amended—

(1) in paragraph (1)—

(A) in the last sentence—

(i) by striking "the case plan must also include"; and

(ii) by redesignating such sentence as subparagraph (D) and indenting appropriately; and

(B) by adding at the end, the following:

"(E) In the case of a child with respect to whom the State's plan is adoption or placement in another permanent home, documentation of the steps the agency is taking to find an adoptive family or other permanent living arrangement for the child, to place the child with an adoptive family, a fit and willing relative, a legal guardian, or in another planned permanent living arrangement, and to finalize the adoption or legal guardianship. At a minimum, such documentation shall include child specific recruitment efforts such as the use of State, regional, and national adoption exchanges including electronic exchange systems."; and

(2) in paragraph (5)(B), by inserting "(including the requirement specified in paragraph (1)(E))" after "case plan".

TITLE II—INCENTIVES FOR PROVIDING PERMANENT FAMILIES FOR CHILDREN

SEC. 201. ADOPTION INCENTIVE PAYMENTS.

(a) In General.—Part E of title IV of the Social Security Act (42 U.S.C. 670-679) is amended by inserting after section 473 the following:

"SEC. 473A. ADOPTION INCENTIVE PAYMENTS.

"(a) Grant Authority.—Subject to the availability of such amounts as may be provided in advance in appropriations Acts for this purpose, the Secretary may make a grant to each State that is an incentive-eligible State for a fiscal year in an amount equal to the adoption incentive payment payable to the State for the fiscal year under this section, which shall be payable in the immediately succeeding fiscal year.

"(b) Incentive-Eligible State.—A State is an incentive-eligible State for a fiscal year if—

"(1) the State has a plan approved under this part for the fiscal year;

"(2) the number of foster child adoptions in the State during the fiscal year exceeds the base number of foster child adoptions for the State for the fiscal year;

"(3) the State is in compliance with subsection (c) for the fiscal year;

"(4) the State provides health insurance coverage to any child with special needs for whom there is in effect an adoption assistance agreement between a State and an adoptive parent or parents; and

"(5) the fiscal year is any of fiscal years 1998 through 2002.

"(c) Data Requirements.—

"(1) In general.—A State is in compliance with this subsection for a fiscal year if the State has provided to the Secretary the data described in paragraph (2) for fiscal year 1997 (or, if later, the fiscal year that precedes the 1st fiscal year for which the State seeks a grant under this section) and for each succeeding fiscal year.

"(2) Determination of numbers of adoptions.—

"(A) Determinations based on AFCARS data.—Except as provided in subparagraph (B), the Secretary shall determine the numbers of foster child adoptions and of special needs adoptions in a State during each of fiscal years 1997 through 2002, for purposes of this section, on the basis of data meeting the requirements of the system established pursuant to section 479, as reported by the State in May of the fiscal year and in November of the succeeding fiscal year, and approved by the Secretary by April 1 of the succeeding fiscal year.

"(B) Alternative data sources permitted for fiscal year 1997.—For purposes of the determination described in subparagraph (A) for fiscal year 1997, the Secretary may use data from a source or sources other than that specified in subparagraph (A) that the Secretary finds to be of equivalent completeness and reliability, as reported by a State by November 30, 1997, and approved by the Secretary by March 1, 1998.

"(3) No waiver of AFCARS requirements.—This section shall not be construed to alter or affect any requirement of section 479 or any regulation prescribed under such section with respect to reporting of data by States, or to waive any penalty for failure to comply with the requirements.

"(d) Adoption Incentive Payment.—

"(1) In general.—Except as provided in paragraph (2), the adoption incentive payment payable to a State for a fiscal year under this section shall be equal to the sum of—

"(A) $3,000, multiplied by amount (if any) by which the number of foster child adoptions in the State during the fiscal year exceeds the base number of foster child adoptions for the State for the fiscal year; and

"(B) $3,000, multiplied by the amount (if any) by which the number of special needs adoptions in the State during the fiscal year exceeds the base number of special needs adoptions for the State for the fiscal year.

"(2) Pro rata adjustment if insufficient funds available.—For any fiscal year, if the total amount of adoption incentive payments otherwise payable under this section for a fiscal year exceeds the amount appropriated for that fiscal year, the amount of the adoption incentive payment payable to each State under this section for the fiscal year shall be—

"(A) the amount of the adoption incentive payment that would otherwise be payable to the State under this section for the fiscal year; multiplied by

"(B) the percentage represented by the amount appropriated for that year, divided by the total amount of adoption incentive payments otherwise payable under this section for the fiscal year.

"(e) 2-Year Availability of Incentive Payments.—Payments to a State under this section in a fiscal year shall remain available for use by the State through the end of the succeeding fiscal year.

"(f) Limitations on Use of Incentive Payments.—A State shall not expend an amount paid to the State under this section except to provide to children or families any service (including post-adoption services) that may be provided under part B or E. Amounts expended by a State in accordance with the preceding sentence shall be disregarded in determining State expenditures for purposes of Federal matching payments under section 474.

"(g) Definitions.—As used in this section:

"(1) Foster child adoption.—The term 'foster child adoption' means the final adoption of a child who, at the time of adoptive placement, was in foster care under the supervision of the State.

"(2) Special needs adoption.—The term 'special needs adoption' means the final adoption of a child for whom an adoption assistance agreement is in effect under section 473.

"(3) Base number of foster child adoptions.—The term 'base number of foster child adoptions for a State' means, with respect to a fiscal year, the average number of foster child adoptions in the State for the 3 most recent fiscal years.

"(4) Base number of special needs adoptions.—The term 'base number of special needs adoptions for a State' means, with respect to a fiscal year, the average number of special needs adoptions in the State for the 3 most recent fiscal years.

"(h) Limitations on Authorization of Appropriations.—

"(1) In general.—For grants under this section, there is authorized to be appropriated to the Secretary $15,000,000 for each of fiscal years 1999 through 2003.

"(2) Availability.—Amounts appropriated under paragraph (1) are authorized to remain available until expended, but not after fiscal year 2003.

"(i) Technical Assistance.—The Secretary shall provide, directly, or by grant, contract, or interagency agreement, technical assistance upon request to assist States and local communities to reach their targets for increased numbers of adoptions.".

(b) Discretionary Cap Adjustment for Adoption Incentive Payments.—

(1) Section 251 amendment.—Section 251(b)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)), as amended by section 10203(a)(4) of the Balanced Budget Act of 1997, is amended by adding at the end the following new subparagraph:

"(G) Adoption incentive payments.—Whenever a bill or joint resolution making appropriations for fiscal year 1999, 2000, 2001, 2002, or 2003 is enacted that specifies an amount for adoption incentive payments for the Department of Health and Human Services—

"(i) the adjustments for new budget authority shall be the amounts of new budget authority provided in that measure for adoption incentive payments, but not to exceed $15,000,000; and

"(ii) the adjustment for outlays shall be the additional outlays flowing from such amount.".

(2) Section 314 amendment.—Section 314(b) of the Congressional Budget Act of 1974, as amended by section 10114(a) of the Balanced Budget Act of 1997, is amended—

(A) by striking "or" at the end of paragraph (4);

(B) by striking the period at the end of paragraph (5) and inserting "; or"; and

(C) by adding at the end the following:

"(6) in the case of an amount for adoption incentive payments (as defined in section 251(b)(2)(G) of the Balanced Budget and Emergency Deficit Control Act of 1985) for fiscal year 1999, 2000, 2001, 2002, or 2003 for the Department of Health and Human Services, an amount not to exceed $15,000,000.".

SEC. 202. ADOPTIONS ACROSS STATE AND COUNTY JURISDICTIONS.

(a) Elimination of Geographic Barriers to Interstate Adoption.—Section 471(a) of the Social Security Act (42 U.S.C. 671(a)), as amended by section 107, is amended—

(1) by striking "and" at the end of paragraph (19);

(2) by striking the period at the end of paragraph (20) and inserting "; and"; and

(3) by adding at the end the following:

"(21) provides that neither the State nor any other entity in the State that receives funds from the Federal Government and is involved in adoption may—

"(A) deny to any person the opportunity to become an adoptive parent on the basis of the geographic residence of the person or of the child involved; or

"(B) delay or deny the placement of a child for adoption on the basis of the geographic residence of an adoptive parent or of the child involved.".

(b) Study of Interjurisdictional Adoption Issues.—

(1) In general.—The Secretary of Health and Human Services (in this subsection referred to as the "Secretary") shall appoint an advisory panel that shall—

(A) study and consider how to improve procedures and policies to facilitate the timely and permanent adoptions of children across State and county jurisdictions;

(B) examine, at a minimum, interjurisdictional adoption issues—

(i) concerning the recruitment of prospective adoptive families from other States and counties;

(ii) concerning the procedures to grant reciprocity to prospective adoptive family home studies from other States and counties;

(iii) arising from a review of the comity and full faith and credit provided to adoption decrees and termination of parental rights orders from other States; and

(iv) concerning the procedures related to the administration and implementation of the Interstate Compact on the Placement of Children; and

(C) not later than 12 months after the final appointment to the advisory panel, submit to the Secretary the report described in paragraph (3).

(2) Composition of advisory panel.—In establishing the advisory panel required under paragraph (1), the Secretary shall appoint members from the general public who are individuals knowledgeable on adoption and foster care issues, and with due consideration to representation of ethnic or racial minorities and diverse geographic areas, and who, at a minimum, include the following:

(A) Adoptive and foster parents.

(B) Public and private child welfare agencies that place children in and out of home care.

(C) Family court judges.

(D) Adoption attorneys.

(E) An Administrator of the Interstate Compact on the Placement of Children and an Administrator of the Interstate Compact on Adoption and Medical Assistance.

(F) A representative cross-section of individuals from other organizations and individuals with expertise or advocacy experience in adoption and foster care issues.

(3) Contents of report.—The report required under paragraph (1)(C) shall include the results of the study conducted under subparagraphs (A) and (B) of paragraph (1) and recommendations on how to improve procedures to facilitate the interjurisdictional adoption of children, including interstate and intercounty adoptions, so that children will be assured timely and permanent placements.

(4) Congress.—The Secretary shall submit a copy of the report required under paragraph (1)(C) to the appropriate committees of Congress, and, if relevant, make recommendations for proposed legislation.

SEC. 203. STATE PERFORMANCE IN PROTECTING CHILDREN.

(a) Annual Report.—

(1) In general.—Part E of title IV of the Social Security Act (42 U.S.C. 670 et seq.) is amended by adding at the end the following:

"SEC. 479A. ANNUAL REPORT.

"(a) In General.—The Secretary shall issue an annual report containing ratings of the performance of each State in protecting children who are placed in foster care, for adoption, or with a relative or guardian. The report shall include ratings on outcome measures for categories related to safety and permanence for children.

"(b) Outcome Measures.—

"(1) In general.—The Secretary, in consultation with the American Public Welfare Association, the National Governors' Association, the National Conference of State Legislatures, and child welfare advocates, shall develop a set of outcome measures to be used in preparing the report.

"(2) Categories.—In developing the outcome measures, the Secretary shall develop measures that can track performance over time for the following categories:

"(A) The number of children placed annually for adoption, the number of placements of children with special needs, and the number of children placed permanently in a foster family home, with a relative, or with a guardian who is not a relative.

"(B) The number of children, including those with parental rights terminated, that annually leave foster care at the age of majority without having been adopted or placed with a guardian.

"(C) The median and mean length of stay of children in foster care, for children with parental rights terminated, and children for whom parental rights are retained by the biological or adoptive parent.

"(D) The median and mean length of time between a child having a plan of adoption and termination of parental rights, between the availability of a child for adoption and the placement of the child in an adoptive family, and between the placement of the child in such a family and the finalization of the adoption.

"(E) The number of deaths of children in foster care and other out-of-home care, including kinship care, resulting from substantiated child abuse and neglect.

"(F) The specific steps taken by the State to facilitate permanence for children.

"(3) Measures.—In developing the outcome measures, the Secretary shall use data from the Adoption and Foster Care Analysis and Reporting System established under section 479 to the maximum extent possible.

"(c) Rating System.—The Secretary shall develop a system (including using State census data and poverty rates) to rate the performance of each State based on the outcome measures.

"(d) Preparation and Issuance.—On May 1, 1999, and annually thereafter, the Secretary shall prepare, submit to Congress, and issue to the States the report described in subsection (a). Each report shall rate the performance of a State on each outcome measure developed under subsection (b), include an explanation of the rating system developed under subsection (c), and the way in which scores are determined under the rating system, analyze high and low performances for the State, and make recommendations to the State for improvement.".

(2) Conforming amendments.—Section 471(a) of the Social Security Act (42 U.S.C. 671(a)), as amended by section 202(a), is amended—

(A) in paragraph (20), by striking "and" at the end;

(B) in paragraph (21), by striking the period and inserting "; and"; and

(C) by adding at the end the following:

"(22) provides that the State shall annually provide to the Secretary the information required under section 479A.".

(b) Development of Performance-Based Incentive System.—The Secretary of Health and Human Services, in consultation with State and local public officials responsible for administering child welfare programs and child welfare advocates, shall develop and recommend to Congress an incentive system to provide payments under parts B and E of title IV of the Social Security Act (42 U.S.C. 620 et seq., 670 et seq.) to any State based on such State's performance under such a system. Such system shall, to the extent the Secretary determines feasible and appropriate, be based on the annual report required under section 479A of the Social Security Act (as added by subsection (a) of this Act) or on any proposed modifications of such annual report. Not later than 6 months after the date of enactment of this Act, the Secretary shall report on the new system to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

TITLE III—ADDITIONAL IMPROVEMENTS AND REFORMS

SEC. 301. EXPANSION OF CHILD WELFARE DEMONSTRATION PROJECTS.

(a) In General.—Section 1130(a) of the Social Security Act (42 U.S.C. 1320a–9) is amended to read as follows:

"(a) Authority to Approve Demonstration Projects.—

"(1) In general.—The Secretary may authorize States to conduct demonstration projects pursuant to this section which the Secretary finds are likely to promote the objectives of part B or E of title IV. Such projects shall be designed to achieve 1 or more of the following goals:

"(A) Reducing a backlog of children in long-term foster care or awaiting adoption placement.

"(B) Ensuring, not later than 1 year after a child enters foster care, an adoptive placement for the child.

"(C) Identifying and addressing barriers that result in delays to adoptive placements for children in foster care.

"(D) Identifying and addressing parental substance abuse problems that endanger children and result in the placement of children in foster care, including through the placement of children with their parents in residential treatment facilities (including residential treatment facilities for post-partum depression) that are specifically designed to serve parents and children together in order to promote family reunification and that can ensure the health and safety of the children in such placements.

"(E) Overcoming barriers to the adoption of children with special needs resulting from a lack of health insurance coverage for such children.

"(F) Any other goal that the Secretary has approved for a demonstration project under this section as of the date of enactment of the Promotion of Adoption, Safety, and Support for Abused and Neglected Children (PASS) Act, or, after such date, specifies by regulation.

"(2) Requirement.—In considering an application to conduct a demonstration project under this section that has been submitted by a State in which there has been a court order determining that the State's child welfare program has failed to comply with the provisions of part B or E of title IV or of the Constitution, the Secretary shall take into consideration the effect of approving the proposed project on the terms and conditions of any court order related to such failure to comply that is in effect in the State.".

(b) Rule of Construction.—Nothing in the amendments made by subsection (a) shall be construed as affecting the terms and conditions of any demonstration projects under section 1130 of the Social Security Act (42 U.S.C. 1320a–9) that have been approved by the Secretary as of the date of enactment of this Act.

SEC. 302. PERMANENCY PLANNING HEARINGS.

Section 475(5)(C) of the Social Security Act (42 U.S.C. 675(5)(C)) is amended—

(1) by striking "dispositional" and inserting "permanency planning";

(2) by striking "eighteen" and inserting "12";

(3) by striking "original placement" and inserting "date the child is considered to have entered foster care (as determined under subparagraph (F))"; and

(4) by striking "future status of" and all that follows through "long term basis)" and inserting "permanency plan for the child

that includes whether, and if applicable when, the child will be returned to the parent, placed for adoption and the State will file a petition for termination of parental rights, or referred for legal guardianship or custody, or (in cases where the State agency has documented to the State court a compelling reason for determining that it would not be in the best interests of the child to return home, be referred for termination of parental rights, or be placed for adoption, with a qualified relative, or with a legal guardian) placed in another planned permanent living arrangement".

SEC. 303. KINSHIP CARE.

(a) REPORT.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall—

(A) not later than March 1, 1998, convene the advisory panel provided for in subsection (b)(1) and prepare and submit to the advisory panel an initial report on the extent to which children in foster care are placed in the care of a relative (in this section referred to as "kinship care"); and

(B) not later than November 1, 1998, submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a final report on the matter described in subparagraph (A), which shall—

(i) be based on the comments submitted by the advisory panel pursuant to subsection (b)(2) and other information and considerations; and

(ii) include the policy recommendations of the Secretary with respect to the matter.

(2) REQUIRED CONTENTS.—Each report required by paragraph (1) shall—

(A) include, to the extent available for each State, information on—

(i) the policy of the State regarding kinship care;

(ii) the characteristics of the kinship care providers (including age, income, ethnicity, and race, and the relationship of the kinship care providers to the children);

(iii) the characteristics of the household of such providers (such as number of other persons in the household and family composition);

(iv) how much access to the child is afforded to the parent from whom the child has been removed;

(v) the cost of, and source of funds for, kinship care (including any subsidies such as medicaid and cash assistance);

(vi) the permanency plan for the child and the actions being taken by the State to achieve the plan;

(vii) the services being provided to the parent from whom the child has been removed; and

(viii) the services being provided to the kinship care provider; and

(B) specifically note the circumstances or conditions under which children enter kinship care.

(b) ADVISORY PANEL.—

(1) ESTABLISHMENT.—The Secretary of Health and Human Services, in consultation with the Chairman of the Committee on Ways and Means of the House of Representatives and the Chairman of the Committee on Finance of the Senate, shall convene an advisory panel which shall include parents, foster parents, relative caregivers, former foster children, State and local public officials responsible for administering child welfare programs, private persons involved in the delivery of child welfare services, representatives of tribal governments and tribal courts, judges, and academic experts.

(2) DUTIES.—The advisory panel convened pursuant to paragraph (1) shall review the report prepared pursuant to subsection (a), and, not later than July 1, 1998, submit to the Secretary comments on the report.

SEC. 304. CLARIFICATION OF ELIGIBLE POPULATION FOR INDEPENDENT LIVING SERVICES.

Section 477(a)(2)(A) of the Social Security Act (42 U.S.C. 677(a)(2)(A)) is amended by inserting "(including children with respect to whom such payments are no longer being made because the child has accumulated assets, not to exceed $5,000, which are otherwise regarded as resources for purposes of determining eligibility for benefits under this part)" before the comma.

SEC. 305. REAUTHORIZATION AND EXPANSION OF FAMILY PRESERVATION AND SUPPORT SERVICES.

(a) REAUTHORIZATION OF FAMILY PRESERVATION AND SUPPORT SERVICES.—

(1) IN GENERAL.—Section 430(b) of the Social Security Act (42 U.S.C. 629(b)) is amended—

(A) in paragraph (4), by striking "or" at the end;

(B) in paragraph (5), by striking the period and inserting a semicolon; and

(C) by adding at the end the following:

"(6) for fiscal year 1999, $275,000,000;

"(7) for fiscal year 2000, $295,000,000; and

"(8) for fiscal year 2001, $305,000,000.".

(2) CONTINUATION OF RESERVATION OF CERTAIN AMOUNTS.—Paragraphs (1) and (2) of section 430(d) of the Social Security Act (42 U.S.C. 630(d)) are each amended by striking "and 1998" and inserting "1998, 1999, 2000, and 2001".

(3) CONFORMING AMENDMENTS.—Section 13712 of the Omnibus Budget Reconciliation Act of 1993 (42 U.S.C. 670 note) is amended—

(A) in subsection (c), by striking "1998" each place it appears and inserting "2001"; and

(B) in subsection (d)(2), by striking "and 1998" and inserting "1998, 1999, 2000, and 2001".

(b) EXPANSION FOR TIME-LIMITED FAMILY REUNIFICATION SERVICES AND ADOPTION PROMOTION AND SUPPORT SERVICES.—

(1) ADDITIONS TO STATE PLAN: MINIMUM SPENDING REQUIREMENTS.—Section 432 of the Social Security Act (42 U.S.C. 629b) is amended—

(A) in subsection (a)—

(i) in paragraph (4), by striking "and community-based family support services" and inserting ", community-based family support services, time-limited family reunification services, and adoption promotion and support services,"; and

(ii) in paragraph (5)(A), by striking "and community-based family support services" and inserting ", community-based family support services, time-limited family reunification services, and adoption promotion and support services"; and

(B) in subsection (b)(1), by striking "and family support" and inserting ", family support, family reunification, and adoption promotion and support".

(2) DEFINITIONS OF TIME-LIMITED FAMILY REUNIFICATION SERVICES AND ADOPTION PROMOTION AND SUPPORT SERVICES.—Section 431(a) of the Social Security Act (42 U.S.C. 629a(a)) is amended by adding at the end the following:

"(7) TIME-LIMITED FAMILY REUNIFICATION SERVICES.—

"(A) IN GENERAL.—The term 'time-limited family reunification services' means the services and activities described in subparagraph (B) that are provided to a child that is removed from the child's home and placed in a foster family home or a child care institution and to the parents or primary caregiver of such a child, in order to facilitate the reunification of the child safely and appropriately within a timely fashion, but only during the 1-year period that begins on the date that the child is removed from the child's home.

"(B) SERVICES AND ACTIVITIES DESCRIBED.—The services and activities described in this subparagraph are the following:

"(i) Individual, group, and family counseling.

"(ii) Inpatient, residential, or outpatient substance abuse treatment services.

"(iii) Mental health services.

"(iv) Assistance to address domestic violence.

"(v) Services designed to provide temporary child care and therapeutic services for families, including crisis nurseries.

"(vi) Transportation to or from any of the services and activities described in this subparagraph.

"(8) ADOPTION PROMOTION AND SUPPORT SERVICES.—The term 'adoption promotion and support services' means services and activities designed to encourage more adoptions out of the foster care system, when adoptions promote the best interests of children, and shall include the following:

"(A) Models to encourage adoptions of special needs children, including through the provision of medical assistance.

"(B) The development of best practice guidelines for expediting termination of parental rights.

"(C) Models to encourage the use of concurrent planning.

"(D) The development of specialized units and expertise in moving children toward adoption as a part of a permanency plan.

"(E) The development of risk assessment tools to facilitate early identification of the children who will be at risk of harm if returned home.

"(F) Models to encourage the fast tracking of children who have not attained 1 year of age into adoptive and preadoptive placements.

"(G) Development of programs that place children in preadoptive families without waiting for termination of parental rights.

"(H) Development of programs to recruit adoptive parents.

"(I) Such other services or activities that are designed to promote and support adoption as the Secretary may approve.".

(3) ADDITIONAL CONFORMING AMENDMENTS.—

(A) PURPOSES.—Section 430(a) of the Social Security Act (42 U.S.C. 629(a)) is amended by striking "and community-based family support services" and inserting ", community-based family support services, time-limited family reunification services, and adoption promotion and support services".

(B) EVALUATIONS.—Subparagraphs (B) and (C) of section 435(a)(2) of the Social Security Act (42 U.S.C. 629d(a)(2)) are each amended by striking "and family support" each place it appears and inserting ", family support, family reunification, and adoption promotion and support".

(C) PROGRAM TITLE.—The heading of subpart 2 of part B of title IV of the Social Security Act (42 U.S.C. 629 et seq.) is amended to read as follows:

"Subpart 2—Promoting Adoptive, Safe, and Stable Families".

(c) EMPHASIZING THE SAFETY OF THE CHILD.—

(1) REQUIRING ASSURANCES THAT THE SAFETY OF CHILDREN SHALL BE OF PARAMOUNT CONCERN.—Section 432 of the Social Security Act (42 U.S.C. 629b) is amended—

(A) in paragraph (7)(B), by striking "and" at the end;

(B) by redesignating paragraph (8) as paragraph (9); and

(C) by inserting after paragraph (7), the following:

"(8) contains assurances that in administering and conducting service programs under the plan, the safety of the children to be served shall be of paramount concern; and".

(2) DEFINITIONS OF FAMILY PRESERVATION AND FAMILY SUPPORT SERVICES.—Section 431(a) of the Social Security Act (42 U.S.C. 629a(a)) is amended—

(A) in paragraph (1)—

(i) in subparagraph (A), by inserting "safe and" before "appropriate" each place it appears; and

(ii) in subparagraph (B), by inserting "safely" after "remain"; and

(B) in paragraph (2)—

(i) by inserting "safety and" before "wellbeing"; and

(ii) by striking "stable" and inserting "safe, stable,".

(d) CLARIFICATION OF MAINTENANCE OF EFFORT REQUIREMENT.—

(1) DEFINITION OF NON-FEDERAL FUNDS.—Section 431(a) of the Social Security Act (42 U.S.C. 629a(a)), as amended by subsection (b)(2), is amended by adding at the end the following:

"(9) NON-FEDERAL FUNDS.—The term 'non-Federal funds' means State funds, or at the option of a State, State and local funds.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) takes effect as if included in the enactment of section 13711 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103–33; 107 Stat. 649).

SEC. 306. HEALTH INSURANCE COVERAGE FOR CHILDREN WITH SPECIAL NEEDS.

Section 471(a) of the Social Security Act (42 U.S.C. 671(a)), as amended by section 203(a)(2), is amended—

(1) in paragraph (21), by striking "and" at the end;

(2) in paragraph (22), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(23) provides for health insurance coverage for any child who has been determined to be a child with special needs, for whom there is in effect an adoption assistance agreement (other than an agreement under this part) between the State and an adoptive parent or parents, and who the State has determined cannot be placed with an adoptive parent or parents without medical assistance because such child has special needs for medical, mental health, or rehabilitative care, and that with respect to the provision of such health insurance coverage—

"(A) such coverage may be provided through 1 or more State medical assistance programs;

"(B) the State, in providing such coverage, shall ensure that the medical benefits, including mental health benefits, provided are of the same type and kind as those that would be provided for children by the State under title XIX;

"(C) in the event that the State provides such coverage through a State medical assistance program other than the program under title XIX, and the State exceeds its funding for services under such other program, any such child shall be deemed to be receiving aid or assistance under the State plan under this part for purposes of section 1902(a)(10)(A)(i)(I); and

"(D) in determining cost-sharing requirements, the State shall take into consideration the circumstances of the adopting parent or parents and the needs of the child being adopted.".

SEC. 307. CONTINUATION OF ELIGIBILITY FOR ADOPTION ASSISTANCE PAYMENTS ON BEHALF OF CHILDREN WITH SPECIAL NEEDS WHOSE INITIAL ADOPTION HAS BEEN DISRUPTED.

(a) CONTINUATION OF ELIGIBILITY.—Section 473(a)(2) of the Social Security Act (42 U.S.C. 673(a)(2)) is amended by adding at the end the following: "Any child who has been determined to meet the requirements of subparagraph (C), and who has previously been determined eligible for adoption assistance payments under paragraph (1)(B)(ii), who has again become available for adoption because a court has set aside the child's previous adoption or the child's adoptive parents have died, and who fails to meet the requirements of subparagraphs (A) and (B) but would meet such requirements if the child were treated as if the child were in the same financial and other circumstances the child was in the last time the child was determined eligible for adoption assistance payments and the previous adoption were treated as having never occurred, shall be treated as meeting the requirements of this paragraph for purposes of paragraph (1)(B)(ii).".

(b) APPLICABILITY.—The amendment made by subsection (a) shall only apply to children who become available for adoption because a court has set aside the child's previous adoption, or the child's adoptive parents have died, and whose subsequent adoption occurs on or after October 1, 1997.

SEC. 308. STATE STANDARDS TO ENSURE QUALITY SERVICES FOR CHILDREN IN FOSTER CARE.

Section 471(a) of the Social Security Act (42 U.S.C. 671(a)), as amended by section 306, is amended—

(1) in paragraph (22), by striking "and" at the end;

(2) in paragraph (23), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(24) provides that, not later than January 1, 1999, the State shall develop and implement standards to ensure that children in foster care placements in public or private agencies are provided quality services that protect the safety and health of the children.".

TITLE IV—MISCELLANEOUS

SEC. 401. PRESERVATION OF REASONABLE PARENTING.

Nothing in this Act is intended to disrupt the family unnecessarily or to intrude inappropriately into family life, to prohibit the use of reasonable methods of parental discipline, or to prescribe a particular method of parenting.

SEC. 402. REPORTING REQUIREMENTS.

Any information required to be reported under this Act shall be supplied to the Secretary of Health and Human Services through data meeting the requirements of the Adoption and Foster Care Analysis and Reporting System established pursuant to section 479 of the Social Security Act (42 U.S.C. 679), to the extent such data is available under that system. The Secretary shall make such modifications to regulations issued under section 479 of such Act with respect to the Adoption and Foster Care Analysis and Reporting System as may be necessary to allow States to obtain data that meets the requirements of such system in order to satisfy the reporting requirements of this Act.

SEC. 403. SENSE OF CONGRESS REGARDING STANDBY GUARDIANSHIP.

It is the sense of Congress that the States should have in effect laws and procedures that permit any parent who is chronically ill or near death, without surrendering parental rights, to designate a standby guardian for the parent's minor children, whose authority would take effect upon—

(1) the death of the parent;

(2) the mental incapacity of the parent; or

(3) the physical debilitation and consent of the parent.

PRIVATE RELIEF ACT

HATCH AMENDMENT NO. 1615

Mr. CRAIG (for Mr. HATCH) proposed an amendment to the bill (S. 1304) for the relief of Belinda McGregor; as follows:

SECTION 1. At page 1, line 7, delete "lawfully admitted to the United States for permanent residence" and insert in lieu thereof the following: "selected for a diversity immigrant visa for FY 1998".

SECTION 2. At page 2, lines 4 and 5, change (a) to (c).

THE GROUP HOSPITALIZATION AND MEDICAL SERVICES FEDERAL CHARTER REPEAL ACT

THOMPSON AMENDMENT NO. 1616

Mr. CRAIG (for Mr. THOMPSON) proposed an amendment to the bill to repeal the Federal charter of Group Hospitalization and Medical Services, Inc., and for other purposes; as follows:

On page 8, line 15, strike "(2)".

THE UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT AMENDMENTS ACT OF 1997

BENNETT AMENDMENT NO. 1617

Mr. CRAIG (for Mr. BENNETT) proposed an amendment to the bill (S. 1258) to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 to prohibit an alien who is not lawfully present in the United States from receiving assistance under that Act; as follows:

On page 2, line 3, strike "(a)".

On page 3, line 4, strike ", under this Act,".

On page 3, beginning on line 5, strike "on the basis of race, color, or national origin".

AUTHORITY FOR COMMITTEE TO MEET

COMMITTEE ON ARMED SERVICES

Mr. HAGEL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Saturday, November 7, 1997, at 1:30 p.m. in open session, to receive testimony on the nomination of William J. Lynn III, to be Under Secretary of Defense (Comptroller).

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

NEW LEGAL AND ACCOUNTING DIMENSIONS OF THE YEAR 2000 COMPUTER PROBLEM

• Mr. MOYNIHAN. Mr. President, on Thursday, in the Wall Street Journal, two articles appeared highlighting additional facets of the year 2000 [Y2K] problem. While the computer and business industries have been the primary focus of news articles in the past, these reports focused on the legal and accounting fields. And today, in an editorial in the New York Post, the editors warn that "attorneys hope to make a killing off the so called Year 2000 problem."

In the Journal article entitled "Threat of Computer Glitch in 2000 Has Lawyers Seeing Dollar Signs," the authors report that "corporate lawyers are urging clients to review their information systems and write warranties into their contracts." The possibility of future litigation has caused New York law firms, such as Skadden, Arps, Slate, Meagher & Flom, to establish special groups of attorneys to ensure that all contracts contain Y2K warranties.

The other article, "CPA Group to Issue Guidelines on Costs of Year 2000 Bug," reports that the American Institute of Certified Public Accountants will advise "auditors on how to push corporations to disclose and account" for Y2K costs. Further, many companies have yet to begin the process of changing their systems to alleviate the problem, and are unaware of the enormous costs that lie ahead. This could well lead to misstatement of profits or loses of 10 percent or more. Lastly, in their no-holds-barred manner, the Post editors write: "this [problem] could make the litigation over breast implants and asbestos look like chump-change wrangling." My dutiful peer, Senator BENNETT of Utah, has been looking into these matters, as Chair of the Banking Subcommittee on Financial Services and Technology. And for that we are most grateful. Yet his voice, like that of Congressman STEPHEN HORN, is being lost among the din over many less pressing issues.

Mr President, we are beginning to see the ripple-like effects of this most serious issue. The overall costs have been estimated as high as a half a trillion dollars, and that widespread failure to comply could lead to a global recession, in the opinion of New York Federal Reserve Bank President William J. McDonough.

Above all, from our standpoint, we have an obligation to get our own house in order. The lagging response of the U.S. Government to this problem, a relative benchmark, as the United States is ahead of most countries, is without excuse. With just under 800 days left, we cannot have half of our agencies still assessing how many mission critical systems will be affected. This is but the first phase of three—renovation and testing/implementation are the other two. We need an outside body to ensure this problem is fixed. My bill, S. 22, will do just that.

I ask that the articles from the Wall Street Journal and the editorial from the New York Post be printed in the RECORD.

The articles follow:

[From the New York Post, Nov. 8, 1997]

THE MILLENNIUM BUG—AND THE LAWYERS

Plaintiff's lawyers plan to celebrate the millennium in a big, and profitable, way—with the mother of all class-action suits. And experts say this could make the litigation over breast implants and asbestos look like chump-change wrangling.

The attorneys hope to make a killing off the so-called Year 2000 Problem: Many computer systems, especially older mainframes, recognize only the last two digits of a year, so when the century ends and the calendar flips over to double zeros, the computers will crash or, even worse, produce crazy outputs.

This is a serious—and hugely expensive—worldwide problem, affecting almost every industry and governmental operation, from payrolls to nuclear-missile safeguards. Computer consultants estimate the worldwide cost of fixing the "millennium bug" at as much as $600 billion.

The reality of a Year 2000 crisis has been creeping up gradually on most firms in recent years. But now that it's been widely recognized, the race is on for a solution: Massive computer failure isn't in anyone's interests.

Inevitably, of course, some firms will fall behind the pack.

Just as inevitably, the trial lawyers are licking their chops.

While computer consultants hunt through billions of lines of code looking for YR2000 liabilities, a conference of lawyers in San Francisco this week devoted itself to scoping out possible litigation targets, the Wall Street Journal reports.

We're not surprised to find the tort bar gearing up. What's even more disturbing is that the government is sitting on its hands. Some federal agencies don't even know the extent of their YR2000 problem.

Congress issued a report card in September rating various agencies' efforts to avoid millennial meltdown. Three failed, including two Cabinet departments: Education and Transportation.

And that's not the bad news.

The Pentagon got a "C" and the Energy Department and Nuclear Regulatory Commission got "Ds." It's hard to say what would happen if defense and nuclear-monitoring computers went berserk at the turn of the century—but it wouldn't be anything pretty.

Even in New York, the systems that control everything from traffic lights to arrest-monitoring are poised to break down or malfunction unless they are fixed soon.

Government officials at all levels admit that it's unlikely all the kinks will be ironed out in time.

But the trial lawyers aren't getting excited: Taxpayers have no class-action standing.

[From the Wall Street Journal, Nov. 6, 1997]

THREAT OF COMPUTER GLITCH IN 2000 HAS LAWYERS SEEING DOLLAR SIGNS

(By Christopher Simon)

The glitch that threatens to shut down computers in the year 2000 and cause chaos in the business world has plenty of people worried. But not lawyers. They see the millennium bug as a business opportunity.

As protection against any 2000 problems, corporate lawyers are urging clients to review their information systems and write warranties into their contracts with software vendors. Plaintiffs' lawyers are exploring potential litigation targets.

There are even conferences on the subject. One starting today in San Francisco will feature sessions on the potential liability of the computer industry, consultants, financial institutions, insurance companies and even landlords, as well as the defenses that might be offered. Some lawyers predict year 2000 litigation will dwarf the environmental and asbestos class actions of earlier decades.

The problem, as everyone knows by now, is that computer codes programmed to read dates only as two digits will be unable to read the year 2000. Unless datesensitive software and hardware are fixed soon, experts say, computers controlling everything from credit-card billing records to inventories will be confused and shut down.

To fix the problem, Gartner Group, an information technology consulting concern in Stamford, Conn., estimates that $300 billion to $600 billion will be spent world-wide reworking more than 250 billion lines of computer code.

"Whenever there's this kind of money involved, people always start looking for people to shift the liability to," says Stuart D. Levi, of Skadden, Arps, Slate, Meagher & Flom in New York. In the spring, the firm established its own Y2K Group (for year 2000) to help clients by writing warranties into their contracts with software vendors and giving them other advice.

The New York law firm Milberg, Weiss, Bershad, Hynes & Lerach, known for bringing shareholder class actions, has set up an in-house committee of computer experts and lawyers to explore various legal actions if a crisis does occur. Possible targets of litigation, says partner Melvyn Weiss, are corporate directors and officers. Mr. Weiss says management may be responsible for failing to disclose the costs of fixing the problem to shareholders. "Stockholders could be blindsided," he says.

Just last month, in fact, the Securities and Exchange Commission told companies and mutual funds they must keep investors informed about the costs of adapting computer systems to handle the change to the year 2000.

Some people dismiss the idea of massive litigation as wishful thinking by lawyers. "The lawyers who are gleefully rubbing their hands hoping to make millions in litigation are wrong," says Harris N. Miller, president of the Information Technology Association of America in Alexandria, Va. Computer companies and their customers both "have a very strong incentive to solve [the problem] and will do so."

But attorneys say raising the legal issues of a potential crash is part of the solution. Marta A. Manildi of Miller, Canfield, Paddock and Stone in Detroit says her firm has sent letters to hundreds of clients warning them about potential problems with their software, part of a campaign coordinated by the firm's Team 2000. She says advanced planning may allow clients to secure favorable tax treatment for any expenditures they incur in fixing the problem.

And at least one suit seeking damages for an alleged inability of a computer to recognize dates after the year 2000 has already been filed. Produce Palace International Inc., which operates a grocery store in Warren, Mich., claims in a suit filed in state court in Macomb County, Mich., that cash registers it purchased in 1995 aren't capable of reading credit cards with expiration dates after the year 1999. The suit names TEC America Inc. of Atlanta and All American Cash Register Inc. of Inkster, Mich., as defendants.

Mark Yarsike, who owns Produce Palace, says he was dismayed to discover a problem with the high-tech cash registers, which cost $150,000 and are capable of tracking inventory, among other things. The entire network crashes, he says, whenever a customer tries to use a credit card with an expiration date later than 1999. Mr. Yarsike is seeking $10,000 in damages.

TEC denies that its system is flawed and has filed a cross-complaint against All American Cash Register, which installed the machines, claiming that any problems were caused during installation and maintenance. A lawyer for All American Cash Register declined to comment.

Ms. Manaldi, the attorney for TEC, notes that the lawsuit has received a lot of media attention for being possibly the first to make a year 2000 claim and calls the allegations about a millennium bug a stunt to generate publicity. Produce Palace's attorney, Brian P. Parker of Bingham Farms, Mich., defends the action. "I just wrote the complaint based on what [my client] was telling me," he says. "A lot of lawyers are salivating over this. I'm not into that."

[From the Wall Street Journal, Nov. 6, 1997]

CPA GROUP TO ISSUE GUIDELINES ON COSTS OF YEAR 2000 BUG

(By Elizabeth MacDonald)

The American Institute of Certified Public Accountants will issue guidelines today advising auditors on how to push corporations to disclose and account for year-2000 costs.

Computer experts say the year-2000 software bug, by causing systemwide failures when the clock strikes midnight on New Year's Eve in 1999, could cost billions of dollars to fix. At that time, many computers will read "00" as 1900 instead of 2000 and subsequently process data incorrectly or shut down altogether.

The problem is many companies have yet to address the issue, and the accounting industry is getting anxious. The new "tool kit" by the accounting industry's largest trade group summarizes all of the year-2000 accounting, disclosure and auditing standards now in place and describes companies' and auditors' responsibilities in reporting the associated costs.

The guidelines state that auditors must get "reasonable assurance" from corporate-audit clients that their financial statements "are free of material misstatements" involving likely year-2000 problems and how much it will cost to fix them. "Material misstatements," such as' inflated inventories, could prompt companies to overstate or understate profits.

Under the guidelines, however, auditors need to get the assurances only for these material misstatements, errors that some accounting experts say could result in losses of about 10% or more of a company's pretax profit. "Auditors could argue that they're not liable for smaller losses resulting from the year-2000 problem because the amounts are not material," says J. Edward Ketz, an associate professor of accounting at Pennsylvania State University's Smeal College of Business. "But if they don't detect a problem that results in losses greater than 10% then they may be held responsible."

Last month, the Securities and Exchange Commission related disclosure guidelines that instruct companies to "consider" disclosing their year-2000 costs to investors in their annual reports or to indicate how the year-2000 problem might hurt future profits. The Financial Accounting Standards Board passed an accounting rule, which took effect last year, that lets companies immediately write off these costs.

But so far only a few corporations, including New England Power Co. and Equitable of Iowa Cos. have quantified their year-2000 costs and disclosed them in their quarterly reports, according to a study by the Analyst's Accounting Observer, a stock analysts' publication in Baltimore.

Auditors are afraid they could be hit with shareholder lawsuits if they don't flag the problem for corporate clients. Such suits could add to the Big Six accounting firms' $30 billion in legal claims stemming from allegedly flawed audits. "That's why the profession is now publicizing what their responsibilities are, which could protect them against investor lawsuits," Prof. Ketz says.

Alan Anderson, chairman of AICPA's year-2000 task force, says, "Clearly, the year-2000 problem is not just an accounting issue but a business issue with global implications." Larry Martin, chairman of Data Dimensions Inc., a Bellevue, Wash., computer-consulting firm, says of the problem, "A third of the companies in this country will either fail or face significant reductions in their business operations."●

TRIBUTE TO DR. JOHN MURPHY

● Mr. McCAIN. Mr. President, I rise today to honor Dr. John E. Murphy of Tucson, AZ for serving as the 1997–98 president of the American Society of Health-System Pharmacists [ASHP]. ASHP is the national professional association which represents pharmacists practicing in various areas of the health care system, including hospitals, health maintenance organizations, long-term care facilities, home health care, and many other vital components of our Nation's health care system.

Dr. John Murphy resides in Tucson where he heads the department of pharmacy practice and science at the University of Arizona College of Pharmacy. He earned his B.S. and Pharm. D degrees at the University of Florida, and later served as a member of the faculty and as director of residencies at Mercer University School of Pharmacy in Georgia. He served as an ASHP board member and chair of its Legal and Public Affairs Council. He also served on many committees of the Arizona Society of Health-System Pharmacists.

John is recognized by his colleagues as a leader in the field of pharmacy education as he prepares today's pharmacy students for delivering effective and efficient health care in our Nation's complex and ever changing system. As President of ASHP, Dr. Murphy will guide the Nation's pharmacists as they develop new and innovative patient care methods.

It is my distinct honor to congratulate and honor John E. Murphy on his well-deserved achievement as the ASHP president. Dr. Murphy has made significant contributions to the University of Arizona, and I am confident that he will prove to be a successful leader for the American Pharmacy.●

1997 WORLD CITIZEN AWARD

● Mrs. MURRAY. Mr. President, I rise join the Washington World Affairs Council in congratulating Ambassador Booth Gardner on his selection as the 1997 recipient of the World Citizen Award.

The World Affairs Council is a 1,200 member nonprofit organization of business and community leaders with more than 40 years of experience bringing the world to Washington State. From the widely popular Public Programs, which includes the annual lecture series to the nationally recognized International Visitors Program, the World Affairs Council has been an instrumental force in bringing together varied and diverse cultures as well as exposing Washington State to changing political environments around the globe and the importance of international trade.

Booth Gardner was first elected to public office in 1972 where he served 3 years as a State senator followed by election as Pierce County Executive in 1980. In 1984, Booth Gardner realized his boyhood dream with his election to Washington's governorship. A widely popular Governor, Booth was re-elected to a second term in 1988.

As Governor of the most trade dependant State in the Nation, Governor Gardner was exposed on numerous occasions to the importance of international cooperation and negotiation. Trade missions to Europe and Asia allowed Governor Gardner to boost Washington's ties abroad creating new business, cultural, and educational opportunities.

After completing his second term, Governor Gardner was appointed by the newly elected President Clinton to become the first U.S. ambassador to the World Trade Organization. Assuming the much deserved title of Ambassador, Booth Gardner played a major role in shaping this important organization and particularly representing U.S. interests. Throughout his service to the WTO, he carefully balanced the needs of the United States with the goals of multilateral cooperation. Ambassador Gardner set the standard for U.S. participation at the WTO.

Congratulations Ambassador Booth Gardner. Your public service from Washington State to capital cities throughout the world makes all of Washington very proud.●

FEDERAL STATISTICAL ACT OF 1997

• Mr. BROWNBACK. Mr. President, yesterday Mr. MOYNIHAN, Mr. THOMPSON and Mr. KERREY joined me in introducing the Federal Statistical System Act of 1997. This legislation will also be introduced in the House by Representatives HORN and MALONEY. This commonsense piece of legislation will improve the quality of an important function of the Federal Government while reducing its cost.

The current Federal statistical system is in disarray. There are more than 70 Federal agencies responsible for gathering and analyzing statistics. Many of these agencies expend resources attempting to gather the same information from the same sources. This duplication is unnecessarily burdensome on both taxpayers and respondents. Although a small group of people in the Office of Management and Budget [OMB] is nominally responsible for coordinating Federal efforts, no one in the Federal Government is held accountable for maintaining the quality of the Government statistics or overseeing the modernization of the statistical system.

The Federal Government spends $2.6 billion each year to finance this thicket of Federal statistical programs. Yet, in spite of the resources we dedicate to gathering and analyzing statistics, Americans have lost confidence in the quality of Government data. For example, over the past several years, a debate has raged over the accuracy of the Consumer Price Index. According to the General Accounting Office, the 1990 census was inaccurate and the 2000 census is a high-risk project that may produce unsatisfactory data again. And, according to a recent Wall Street Journal article, the Department of Treasury is unable to account for the source of billions of tax receipts this year.

Mr. President, the Federal Statistical System Act of 1997 is a necessary first step to consolidate the Federal statistical system and improve the quality of Government data. This legislation would establish a Federal Commission on Statistical Policy to recommend how the Federal statistical system should be reorganized and streamlined, and to draft legislation to consolidate the three largest Federal statistical agencies—the Bureau of the Census, the Bureau of Labor Statistics, and the Bureau of Economic Analysis—into a single Federal Statistical Service.

After the Federal Statistical Service legislation is enacted, the commission shall then study and develop recommendations on which other Federal statistical organizations should be consolidated, eliminated or reorganized. The commission shall also make recommendations on issues regarding privacy of information collected by the Federal government, the use of statistical data in Federal funding formulas, and standards of accuracy of Federal data.

Finally, Federal Statistical System Act of 1997 will allow the Federal Government to reduce further the cost and improve the accuracy of statistical programs while reducing the reporting burden on respondents. This will be achieved by certain agencies to share nonidentifiable statistical information, exclusively for statistical purposes. This provision will also ensure that existing avenues and limitations for public access to Government information under the Privacy Act of Freedom of Information Act are retained without change.

Mr. President, we cannot improve the effectiveness and reduce the cost of Government programs unless we have a firm grasp on the measures we use to implement and judge them. We cannot make an accurate assessment of our economic progress unless our relevant activity in today's economy is measured. Finally, we cannot make informed assessments on the state of our urban or rural areas and communities unless we have accurate and meaningful economic and social indicators. I believe Federal Statistical System Act of 1997 is an important first step in streamlining Government and improving the quality of Government information, and I urge my colleagues to support this measure.•

HEROES SHINE IN NORTH DAKOTA FLOOD

• Mr. DORGAN. Mr. President, I rise today to draw the Senate's attention to some truly remarkable people, people whose work speaks volumes about what special people North Dakotans are.

As my colleagues in the Senate are well aware, one of the Nation's worst weather-related disasters this year was the devastating flooding in Grand Forks, ND, and the entire Red River Valley. This historic flood captured the attention of the Nation in late spring as over 95 percent of the residents of Grand Forks and East Grand Forks were evacuated from their homes and much of North Dakota's second largest city's downtown district was ravaged by fire and water.

History will have a dramatic record of the loss and devastation of the flood. The hardship and heartbreak endured by so many of our friends and neighbors will be forever etched into our memory.

But this year has also shown that North Dakota is a State blessed with wonderful and resilient people, and with real-life heroes. It's often said that difficult times bring out the best in people, and that certainly was the case in North Dakota. So now that a few months have passed since the waters have subsided, I would like to take a moment to reflect back on some of the many heroes, people that stepped up when their community needed them, whose efforts shined in the midst of the rising waters.

In a disaster, maintaining a working communication system is critical in fighting back and preserving the safety of those in the area. Today, I would like to recognize the efforts of several US West Communications employees who worked tirelessly to maintain critical telephone service to the Grand Forks area throughout the flooding.

On April 19, 1997, before the flooding hit Grand Forks, a crew of nine central office technicians barricaded themselves into the US West building in the heart of the city to keep the area's communication systems up and running during the disaster. Their extensive preventive work to prepare for the flooding would soon be tested as the waters rushed into town. As the entire city was evacuated, their building was surrounded by 4 feet of water, and sat just one block away from a raging fire. But these brave men and women hung in and sustained phone service, service which was essential to the rescue and recovery efforts of the Federal Emergency Management Agency, the Federal Aviation Administration, State and local emergency workers, and so many others in the flooded region.

To give you an idea of the challenges facing each of these brave heroes, they labored alone, night and day to keep the wires dry as 26 inches of water threatened basement cables. Sustained by the food, clothing, and cots delivered via boat by the National Guard, these folks stayed on in a flooded town whose entire population had been ordered to leave. Armed with only high-volume pumps, drying machines, and sandbags, these courageous people kept the communications system working.

These heroes deserve to be recognized by name for their dedicated service. The members of the initial emergency team were: Denny Braaten, Linda Potucek, Larry McNamara, Bob Schrader, Dan Kaiser, Dale Andrews, Glenda Wiess, Rick Hokenson, and Lew Ellingson.

Two days later, US West reinforcements arrived to provide additional support and hard work. I would like to recognize these workers now: Don Jordan, Ray Jacobsen, Tim Kennedy, Roger Jones, Bruce Bengston, Gary Boser, Jim Falconer, Bion McNulty, Jack Olson, and Tim Rogers.

These people, along with the many others who volunteered and continue the rebuilding effort today, are part of the story of this year's flood that doesn't get told nearly enough, of people helping their neighbors in extremely hard circumstances, and of extraordinary acts of heroism performed by everyday people.

I can't express my admiration enough.•

STRIPED BASS CONSERVATION ACT AMENDMENTS OF 1997

• Mr. CHAFEE. Mr. President, I rise today in support of H.R. 1658, the Atlantic Striped Bass Conservation Act Amendments of 1997. This legislation will allow the U.S. Fish and Wildlife Service and the National Marine Fisheries Service to continue their important work with the States to ensure the continued recovery of the striped bass fishery.

The striped bass, commonly called rockfish in this area, is an anadromous fish which lives in marine waters during its adult life and migrates to a freshwater river stream to spawn. On the Atlantic coast, striped bass range from the St. Lawrence River in Canada to the St. Johns River in Florida. They are migratory, moving along the coast primarily within the three-mile zone which is subject to State fishery management. Adult habitats include the coastal rivers and the nearshore ocean and are distributed along the coast from Maine through North Carolina. Because striped bass pass through the jurisdiction of several States, Federal involvement in conservation efforts are necessary.

A severe population decline, which began in the 1970's, raised serious concerns about the sustainability of the striped bass fishery. In 1979, I offered an amendment to the Anadromous Fish Conservation Act that directed the Fish and Wildlife Service and the National Marine Fisheries Service to conduct an emergency study of striped bass. The study found that, although habitat degradation played a role, overfishing was the primary cause of the population decline.

In 1981, the Atlantic States Marine Fisheries Commission prepared the first coast-wide management plan for the Atlantic striped bass. In 1984 Congress enacted the Striped Bass Act in 1984 to ensure that the States would comply with the plan. The act, which includes funding authority for a Federal striped bass study, has been amended in 1986, 1988, and 1991. The most recent reauthorization bill expired at the end of fiscal year 1994.

Under the Striped Bass Act, States are required to implement management measures that are consistent with the Commission's plan for the conservation of striped bass. The act authorizes the Secretaries of Commerce and the Interior to impose a moratorium on striped bass fishing in any state that is not in compliance with the Commission's management plan. The act also authorizes funding for the ongoing striped bass study that was approved by Congress in 1979 in response to the decline in the Atlantic striped bass populations. The Federal study, undertaken jointly by the U.S. Fish and Wildlife Service and the National Marine Fisheries Service, provides information on the threats to and the status of the striped bass population and scientific data necessary for sound management decisions.

The striped bass study in 1994 showed that most population indices had returned to pre-decline levels, and the Atlantic States Marine Fisheries Commission declared the species to be fully restored. It is a great testament to the Striped Bass Act and the cooperative efforts of the States and Federal Government that the fishery is continually improving.

The striped bass has proven once again that, given a chance, nature will rebound and overcome tremendous setbacks. But it is up to us to help the striped bass receive that chance. Reauthorization of the Atlantic Striped Bass Conservation Act Amendments of 1997 will ensure that the U.S. Fish and Wildlife Service and the National Marine Fisheries Commission will continue to monitor the populations, and collect data that will provide the necessary information needed to make informed decisions essential to maintaining healthy populations of striped bass.

Mr. President, I strongly encourage the Senate to pass H.R. 1658 to continue one of the most significant recovery ever experienced for a coastal finfish species.•

PEOPLE'S LODGE

• Mr. INOUYE. Mr. President, I rise today to address a project that unfortunately was not incorporated in the list of projects to be funded by the Economic Development Administration outlined in the Senate report to accompany the Fiscal Year 1998 appropriations bill for Commerce, State, Justice and the Judiciary.

This project is the People's Lodge—a multi-cultural center designed to serve the urban Indian and Alaska Native populations in Seattle, Washington, and all of the Indian tribes in the Pacific Northwest and Alaska. The People's Lodge represents the next phase of development of the Daybreak Star Center and will include a permanent Hall of Ancestors exhibition, a multiple-use Potlatch House, and an exhibition gallery, the John Kauffman, Jr. Theater, a resource center, and the Sacred Circle of the American Indian Art.

The federal funding for this project—approximately $13 million—would be matched by funds from private sources. The private fund-raising efforts are already well-underway.

In the coming days, Senator STEVENS and Senator MURRAY and I will be pursuing this matter directly with the Secretary of the Department of Commerce.

Mr. President, it is my hope that the Economic Development Administration will agree with us as to the merits of this most worthwhile project.•

SANCTIONS POLICY REFORM ACT

• Mrs. FEINSTEIN. Mr. President, I was pleased to join yesterday with the distinguished Senator from Indiana, Senator LUGAR, as a cosponsor of his bill, S. 1413, the Enhancement of Trade, Security, and Human Rights Through Sanctions Reform Act.

This bill is an attempt to bring some order to one of the more vexing foreign policy problems we in Congress face—the question of when to impose unilateral economic sanctions.

Congress has been quick to enact unilateral economic sanctions over the years in response to behavior of foreign nations that we find objectionable. At times, the executive branch has done the same. By one estimate, between 1993 and 1996, the United States imposed unilateral sanctions 61 times on 35 countries.

The question we must ask, and which in my view we fail to ask at times, really is fundamental to the conduct of U.S. foreign policy: Are U.S. interests advanced best by deepening relations or diminishing relations with a country that is not acting as we would like?

Frankly, there is no one answer to this question. The answer clearly varies from case to case. There is no doubt that unilateral sanctions do have a place in our foreign policy tool box. I have voted for them at times, as has nearly every Member of Congress.

However, there is no doubt, as well, that we have imposed sanctions recklessly at times, without due regard to their effectiveness, or to the damage they could cause other U.S. foreign policy interests, the U.S. economy, and our ability to provide humanitarian assistance.

What S. 1413 would do is force Congress and the executive branch to apply the brakes in the occasional rush to impose unilateral sanctions. Our effort is not to prevent unilateral sanctions in all cases, but instead to impose a more judicious process that we should follow before they are imposed. This process is designed to create some breathing space—time to adequately consider both the possible impact of unilateral sanctions on other U.S. interests, and whether there are other policy alternatives that might be more effective than unilateral sanctions.

It will also ensure that when we do pass unilateral sanctions, we do not lock ourselves into a policy that deprives us of all flexibility. By making Presidential waivers and a 2-year sunset policy standard practice for the imposition of unilateral sanctions, we will ensure that we are not forced to perpetuate a policy that is not working, has become outdated, or is excessively damaging U.S. interests in other areas.

It is worth repeating that nothing in this legislation will prevent us from passing unilateral sanctions into law. This bill is merely designed to bring some order and discipline to the process. I want to commend the Senator from Indiana for his leadership in this area, and I look forward to working with him to pass this bill into law.•

SUPPORT THE COMPREHENSIVE TEST BAN TREATY

• Mrs. MURRAY. Mr. President, I rise to join a number of my colleagues in speaking briefly about one of the most important issues that will come before the Senate next year in the second session of the 105th Congress.

In late September, President Clinton submitted the Comprehensive Test Ban Treaty to the Senate for ratification. The President's transmission statement includes the following:

> The Conclusion of the Comprehensive Nuclear Test-Ban Treaty is a signal event in the history of arms control. The subject of the treaty is one that has been under consideration by the international community for nearly 40 years, and the significance of the conclusion of negotiations and the signature to date of more than 140 states cannot be overestimated. The Treaty creates an absolute prohibition against the conduct of nuclear weapon test explosions or any other nuclear explosion anywhere. . . . The Comprehensive Nuclear Test-Ban Treaty is of singular significance to the continuing efforts to stem nuclear proliferation and strengthen regional and global stability. Its conclusion marks the achievement of the highest priority item on the international arms control and nonproliferation agenda.

I commend the President for his leadership on this issue. I look forward to working closely and in a bipartisan fashion to secure prompt ratification of the CTBT. I will do absolutely everything I can to support the passage of the Comprehensive Test Ban Treaty. I expect a spirited debate on the CTBT including vigorous opposition from some who continue to believe in nuclear expansion and experimentation.

Several Senate hearings have recently been held and I urge the body to move forward in a timely and deliberative manner early in 1998. As a member of the Appropriations Energy and Water subcommittee with funding responsibility for nuclear weapons activities including stockpile stewardship, I look forward to actively participating in Senate consideration of the Comprehensive Test Ban Treaty.

Mr. President, at this point, I ask that a brief titled, "Ten Reasons for a Comprehensive Test Ban Treaty," be printed in the RECORD. This information was prepared by a nongovernmental organization in support of CTBT ratification.

The material follows:

Ten Reasons for a Comprehensive Test Ban Treaty.

1. THE CTBT WOULD GUARD AGAINST THE RENEWAL OF THE NUCLEAR ARMS RACE

The Comprehensive Test Ban Treaty would limit the ability of nuclear weapons states to build new nuclear weapons by prohibiting "any nuclear weapon test explosions and all other nuclear explosions." The ban on nuclear explosions would severely impede the development of new, sophisticated nuclear weapons by the existing nuclear powers. While countries could build advanced, new types of nuclear weapons designs without nuclear explosive testing, they will lack the high confidence that the weapons will work as designed. Thus, the Treaty can impede a nuclear arms buildup by five declared and three undeclared nuclear weapon states.

2. THE CTBT WOULD CURB NUCLEAR WEAPONS PROLIFERATION

Under the Comprehensive Test Ban Treaty, "threshold" states would be prevented from carrying out the types of tests required to field a modern nuclear arsenal. While a country could develop nuclear weapons for the first time without conducting nuclear explosions, the bomb design would be fare from optimal in size and weight and its nuclear explosive power would remain uncertain. The CTBT is therefore vital to preventing the spread of nuclear weapons to additional states, where these weapons could destabilize international security.

3. THE CTBT WOULD STRENGTHEN THE NUCLEAR NON-PROLIFERATION TREATY

The conclusion of the CTBT is a key element in the global bargain that led to the signing and the extension of the Nuclear Non-Proliferation Treaty. in May 1995, non-nuclear states agreed to extend that Treaty in May 1995 with the understanding that Article VI measures in the original treaty—like the CTBT—would be implemented. At the May 1995 NPT extension conference, all nations agreed to "The completion by the Conference on Disarmament of the negotiations on a universal and internationally and effectively verifiable Comprehensive Nuclear-Test-Ban Treaty no later than 1996." Ratification of the CTBT would further legitimize U.S. non-proliferation efforts and lay the basis for universal enforcement of the CTBT, even against the few nations that may not sign.

4. NUCLEAR TESTING IS NOT NECESSARY TO MAINTAIN THE SAFETY AND RELIABILITY OF THE U.S. ARSENAL

The U.S. has a solid and proven warhead surveillance and maintenance program to preserve the safety and reliability of the U.S. nuclear deterrent without nuclear test explosions and this program is being augmented through the Science-Based Stockpile Stewardship Program (SBSS). Although some of the projects that are part of the SBSS program are not essential to the maintenance of the stockpile, many objective experts—both critics and supporters of the program—agree that the program can ensure the safety and reliability of the U.S. nuclear stockpile without resorting to nuclear explosive testing.

All operational U.S. nuclear weapons are already "one-point safe" against accidental detonation of the warhead's high explosives, making even low-yield nuclear explosions, known as "hydronuclear" tests unnecessary. In addition, the nuclear warhead designs of operational U.s. nuclear weapons incorporate additional modern safety features. Since instituting a new annual warhead safety and reliability certification process in 1995, U.S. nuclear weapons have been twice certified without nuclear test explosions.

5. THE CTBT IS EFFECTIVELY VERIFIABLE

The CTBT would put into place an extensive, global array of 170 seismic monitoring stations, 80 radionuclide monitoring stations, 11 hydroacoustic monitoring stations, and 60 infrasound monitoring stations to detect and deter possible nuclear test explosions. Monitoring capabilities would be especially sensitive at and around the established nuclear test sites. With this monitoring system, the CTBT would—with high confidence—be able to detect nuclear test explosions that are militarily significant. In addition, the CTBT would provide an additional deterrent against potential test ban violations by establishing on-site inspection (OSI) rights that could allow detection of the radioactive gases leaking from an underground nuclear test.

6. THE CTBT WOULD SUBSTANTIALLY ENHANCE CURRENT U.S. MONITORING CAPABILITIES

Whether or not the CTBT is ratified, U.S. intelligence agencies will be tasked with monitoring nuclear weapons programs of the nuclear powers and the efforts of non-nuclear states and groups to attain nuclear weapons. The Treaty will make that task easier by establishing a far-reaching international monitoring system across the globe that would augment existing national intelligence tools. Clearly, U.S. intelligence capabilities to detect nuclear tests and nuclear weapons development programs would be far better with the CTBT

7. THE CTBT WOULD ENHANCE THE INTERNATIONAL NORM AGAINST NUCLEAR TESTING

If the five declared nuclear weapon states ratify the Comprehensive Test Ban Treaty, it will strengthen the global norm against testing and weapons development that helps make the nuclear "have-not" nations far less inclined to develop nuclear weapons. The U.S. has not tested a nuclear weapon since 1992 when Congress passed and President Bush signed the Hatfield-Exon-Mitchell legislation establishing a moratorium on nuclear testing. This law, which remains in effect, says that the U.S. may not conduct a nuclear test explosion unless another nation conducts a test. CTBT ratification would help bring other nations in line with U.S. policy.

8. THE CTBT IS SUPPORTED BY A LARGE MAJORITY OF THE AMERICAN PEOPLE

The Comprehensive Test Ban Treaty is supported by a large majority of the American people. U.S. public support for a nuclear weapons test ban has remained consistently high since the early days of the Cold War. The most recent poll, conducted in September 1997 by the Mellman Group, revealed that 70 percent of Americans support United States ratification of a nuclear test an treaty.

9. THE CTBT IS THE LONGEST-SOUGHT INITIATIVE TO HELP REDUCE NUCLEAR WEAPONS DANGERS

The Comprehensive Test Ban Treaty marks an historic achievement pursued by Presidents since Dwight D. Eisenhower. For forty years, Presidents and activists have worked for an end to nuclear testing. Previous negotiations have been hindered by international incidents, the failure to compromise at key times, and most importantly, the political dynamics of the Cold War nuclear arms race itself. Ratification of the CTBT would mark an important milestone in the effort to end the nuclear arms race.

10. THE CTBT WOULD PROTECT HUMAN HEALTH AND THE ENVIRONMENT

Since 1945, six nations have conducted 2,046 nuclear test explosions—an average of one test every nine days. These tests spread dangerous levels of radioactive fallout downwind and into the global atmosphere. A 1997 National Cancer Institute Study estimates that fallout from only 90 U.S. nuclear test will likely cause 10,000—75,000 additional thyroid cancers in the U.S. Underground testing also poses environmental hazards: each blast spreads highly radioactive material underground; many underground nuclear explosions have vented radioactive gases. The Energy Department reports that 114 of the 723 U.S. nuclear tests since 1963 released radioactive material into the atmosphere.•

INTERNAL REVENUE SERVICE IMPROVEMENT

• Mr. HOLLINGS. Mr. President, I come to the Senate floor today to bring to my colleagues' attention the games being played by the majority regarding needed reforms at the IRS.

On one hand, the people want IRS reform, and only the Senate stands in the way. The House overwhelmingly passed an IRS reform bill, 426 to 4, and the President is waiting to sign it into law. But the Senate leadership says "no way, we can't begin fixing the IRS we have to get home for the holidays." So the taxpayer will have to wait for needed reforms making the IRS more user friendly. This means changes aimed at helping the American taxpayer deal with the IRS will be unnecessarily delayed and taxpayers will see little change in the IRS. Instead of a new IRS oversight board bringing new and more taxpayer friendly services, Americans who are dutifully paying their taxes will see the same old IRS—business as usual. Instead of permitting taxpayers to recover up to $100,000 for negligent collection actions, the taxpayers will continue to fight an uphill and seemingly impossible battle when challenging an IRS ruling.

We all were appalled by some of the IRS practices recently highlighted in Congressional hearings and we all agree there is no place in government for these abuses, yet when given the chance to begin to remedy them, the Senate Leadership refuses to act.

As a cosponsor and supporter of the Taxpayer Bill of Rights and the Taxpayer Bill of Rights II that provided for increased taxpayer protection, I urge the Senate to take the next much needed step and pass the Internal Revenue Service Improvement Act.

In my mind it is outrageous that at the same time we have the Senate refusing to act on the IRS Improvement Act, the majority is attempting to spend $100 million of taxpayer's money to conduct a poll to find if U.S. taxpayers like the IRS. I can't imagine what new information this will provide. We all know that most Americans don't like the IRS. We all know it is government's most disliked agency. Spending $100 million to determine whether people like it seems a huge waste of money. This is nothing more than the Republican Majority using hard earned taxpayer dollars for their self-serving political theatrics. Why not make taxpayers give the Majority $100 million dollars worth of stamps and copying machines to run their 1998 election campaign. Does the Leadership really need to spend an extra $100 million to find out that most Americans don't like paying taxes.

This is the most outrageous and hypocritical use of taxpayer funds that I have seen in my forty years in politics. Yes, there have been other abuses and scams defrauding the American taxpayer, but none more blatantly political and painfully obvious.

If we want to add $100 million in federal spending why use it for partisan political purposes to prove what we all already know. Instead let us use this $100 million for real government such as constructing 1,325 additional federal prison beds or incarcerating 4000 more federal prisoners. Or maybe we could add 725 new border patrol agents or enroll 20,000 more children in headstart. We could also add 55,300 new summer jobs or train 27,600 low income adults. I am sure most of my colleagues hear a constant cry back home for more spending to improve roads and highways, certainly South Carolina could use $100 million for roads. As I understand, $100 million would resurface 670 miles of highway. At a time of mounting transportation needs, spending federal funds for an IRS poll seems ridiculous.

Mr President, let me conclude by stating the obvious. Spending $100 million of taxpayer money on an IRS poll does not help a single taxpayer. In short, it is a huge waste of money. If we want to assist taxpayers, if we want real reform, we should pass the IRS Reform bill now. I urge the Majority Leader to free the IRS Reform bill, let the Senate vote and begin providing relief to the American taxpayer.•

SHORT TERM EXTENSION OF ISTEA

• Mr. REID. Mr. President, I served on the Committee on Environment and Public Works when the original ISTEA bill was written. I believe ISTEA has been one of the most important, innovative pieces of legislation ever to pass the United States Congress. Our stated goal was to turn over more spending power and authority to the states and localities while maintaining a strong national transportation system.

In the last 6 years we have made great progress and, when we are finally able to pass a bill, I feel confident that ISTEA II will carry us further in the same direction. Until we get to that point, the Congress must must pass a short-term measure that ensures that the state programs remain stable while we are finishing work on the reauthorization.

ISTEA made the states partners with the federal government in building and maintaining a strong transportation system. Leaving them in the lurch now would be no way to treat a partner. I believe the Congress needs to pass a short-term extension to ISTEA to ensure continuity in the state programs and to live up to our obligation to the American people to provide a world-class transportation system.

I am delighted that the Senate passed this short term extension by unanimous consent last night, putting aside regional differences over formula funding. I am hopeful that the House will respond quickly and that we will be able to go home knowing that we have done the right thing for the states and the American people.

Senator BOND, the primary author of this approach, takes care of our short term needs and he deserves our praise for developing it and selling it to all of his colleagues while under tremendous time pressures. State programs will continue, but we keep the pressure on ourselves to get the 6 year reauthorization done.

Several of my colleagues have came to the Floor last night to explain how the bill works and I will not repeat their effort. However, I do want to offer high praise to Senator CHAFEE, Senator BOND, Senator BAUCUS, and Senator WARNER for developing a measure that will work and has the support of the Senate.

Additionally, I would like to offer thanks to key members of their staff for their hard work and late hours, not only this week but throughout the year, Kathy Ruffalo of Senator BAUCUS' staff, Dan Corbett of Mr. CHAFEE's staff, and Ann Loomis of Senator WARNER's staff have put in tremendous hours of hard work this year developing a 6 year reauthorization of ISTEA, a bill that passed the Committee on Environment and Public Works unanimously.

Additionally, Tracy Henke of Senator BOND's staff did top notch work in putting together the Senate's short term extension bill and I am grateful for her efforts.

In particular I want to thank the Chairman and Ranking Member for accommodating my request to include the Federal Lands Highway Programs in the bill. For states, such as mine, that have vast holdings of public lands, the Federal Lands Highways Programs are a vital part of our transportation network.

There are three programs that make up the Federal Lands Highway Program:

Public Lands Highway Program for roads and maintenance on federal lands. Eighty-seven percent of Nevada is federally-owned;

Indian Reservation Roads Program for roads and maintenance on Indian reservations; and

Parkways and Park Highways Program that funds roads and maintenance within National Parks.

These programs serve as a transportation lifeline for the vast rural, federally-owned areas that blanket the

Western United States. The federal government has a duty and obligation to build and maintain roads on federal lands. It would be unreasonable for the federal government to ignore the needs of citizens living in these areas.

If the goal of today's action is to keep the state highway programs running until we complete work on the reauthorization of ISTEA, then it is critical that the Federal Lands Highway Program be included.

Nevada has become the most urbanized state in the Union; a higher percentage of our population lives in urban areas than in any other state. Coupled with the dramatic growth Nevada is experiencing, it is difficult for the rural areas to get the attention they need and deserve without these programs. They are an absolutely essential piece of Nevada's state program.

Again, I thank my colleagues for recognizing the unique needs of Nevada and other vast public lands states and for including funding for the Federal Lands Highway Programs in this bill.

We still have a long ways to go in reaching a short-term compromise with the House, but after the Senate's actions last night, I am confident that we will get there.•

THE SURFACE TRANSPORTATION EXTENSION ACT OF 1997

• Mr. LAUTENBERG. Mr. President, I rise to comment on S. 1454, the Surface Transportation Extension Act of 1997, which the Senate adopted last night. This bill allows States to obligate funds for six months, to ensure that transportation funding continues to flow for highways, mass transit and safety programs. In addition, this bill will enable continued operation of the United States Department of Transportation.

Each state will be assured access to transportation funds equaling at least 50 percent, and not more than 75 percent of the state's total transportation funding in FY1997. Moreover, states will have until May 1, 1998, to obligate those funds. No state will be able to obligate Federal funds after that date.

Every member should understand that this approach essentially creates another transportation funding crisis in only a few short months. This is far from a comfortable situation.

Next year, when we take up the ISTEA reauthorization bill, we will be in the middle of the FY99 budget discussions and a decision about whether to allocate new funds that may become available as a result of improved budget projections. So, the debate over ISTEA, and the reality of another funding cutoff, will likely coincide with discussions over the FY99 Budget Resolution. As the Ranking Democratic Member of the Budget Committee, I can assure you that I will be doing my best to make additional investment in our transportation infrastructure a high priority during these discussions.

Mr. President, when it became clear over one month ago that there was not enough time to fully debate a multiyear authorization bill, I starting calling for enactment of a short-term extension of ISTEA. This was the logical approach toward ensuring that States' transportation funding would not run dry.

The States need additional funds now to meet their immediate transportation needs. ISTEA expired over a month ago, and although States have funding left over from previous years, these available funds will begin to run dry very soon for many States. Highway safety programs have been particularly hard hit because they have no leftover funding. Mass transit programs have no funding reserves.

A straightforward reauthorization of ISTEA for six months is, to me, the easiest and fastest way to proceed. A House bill to do just that is currently pending on the Senate calendar. By simply continuing current law, this short-term extension also bypasses the controversy caused by enacting changes to the existing funding formulas or apportionments. In addition, passage of the House extension bill would allow us to immediately send this legislation to the President, rather than having to begin new discussions in a conference with the House. However, I understand that controversy is in the eye of the beholder, and there is a feeling among many in this body that allocation of new money will inevitably result in a discussion of formulas. So here we are.

Mr. President, in the absence of a six month extension of current law, I reluctantly support the Bond compromise, which identified those needs that had to be addressed in a stop-gap measure.

Mr. President, it is imperative that by the time Congress adjourns this year, both the House and Senate agree on an approach and send a bill to the President that can be signed into law. It is clear to most, that failure to enact some stopgap measure before we adjourn will have a severe impact on the transportation programs of the States. All State plans for new transportation construction, maintenance, and repair activities will be stopped. State transit agencies, metropolitan planning organizations, safety programs, and State planning and bidding activities will immediately suffer from funding shortages. Without a bill, important agencies within USDOT will shut down by mid- to late December. As a result, no projects involving Federal funding could go forward. This would have a huge impact on the States. Federal funds pay for over half the capital costs of State and local highway projects.

The situation is even more bleak for all the other programs authorized under ISTEA—the safety programs, Intelligent Transportation Systems program, research programs, and—something very important to my state—the federal transit program. There are no funds left over to continue these programs.

Perhaps the most distressing effect of our failure to act is the safety risk imposed on our constituents, as drunk driving prevention programs, truck and bus safety enforcement, bridge inspections, and highway/rail crossing projects are suspended. For safety reasons alone, we must ensure that some authority is extended. This bill does just that.

While this bill is important, I do have some concerns. Under this bill, States would have the flexibility to shift unobligated balances among programs to ensure that states can use their scarce funds where they are most needed. For instance, a State could use its left-over CMAQ or enhancement funds to pay for a highway construction project. Language is included to prevent States from abandoning the responsibility to pay back the accounts from which they transferred funds. I remain concerned that these pay-back provisions will not be honored. States must be strictly required to pay back all of these transfers, including transfers from their CMAQ accounts, otherwise valuable programs, critical to our Nation's health and welfare, may be depleted. We must watch this closely to ensure that the program is protected.

Mr. President, this bill authorizes the additional funding needed to keep crucial safety programs running, to allow States to continue their transportation projects and plans, to keep the U.S. Department of Transportation operating, and to continue the federal transit program for six months. Although this bill will most likely lead to yet another funding crisis in the near future, I want to do all I can to make sure that the Senate does not adjourn without somehow addressing the lapse in transportation funding. I prefer a straight extension of current law, and urged Senator LOTT to bring it up. However, he rejected that path. Since that option is not before the Senate, I support this proposal as an acceptable compromise to carry us over until an ISTEA reauthorization bill is passed into law.•

SUPPORT U.S. ENCRYPTION EXPORTS

• Mrs. MURRAY. Mr. President, I rise to discuss an issue of great importance to Washington state. I remain deeply concerned about the Administration's lack of progress in working with interested Senators and industry to craft a workable, effective solution for modernizing the United States export controls on products with encryption capabilities. I have been involved in this debate for a long time, too long. We need to take action.

I am an original cosponsor of several encryption legislative initiatives introduced by Senator BURNS and Senator LEAHY. Both of these Senators continue to do extraordinary work on this issue and I commend them for their thoughtful leadership. The Burns and Leahy bills basically say that if strong encryption is generally available or comparable encryption is available from foreign vendors, then our U.S. companies—the ones dominating the computer industry—should be able to sell their products as well. Previously, I also introduced similar legislation on encryption.

I simply do not understand the Administration's continued refusal to acknowledge technological and marketplace realities when it has embraced the use of technology in so many ways.

Computer users are demanding the ability to communicate securely over the Internet and to store data safely on their personal computers. We have all heard the stories about hackers monitoring our communications and even financial transactions, while at the same time gaining access to our hard drives while we are looking at a certain website. Until consumers have confidence that transactions and communications are secure, I do not believe that we will ever see the full potential of the communication technologies that are currently available and those to be developed in the future.

I was hopeful late last year that the Administration had taken a very small, positive step on encryption exports. Instead, the result was basically the status quo. Computer software publishers and hardware manufacturers are still limited to shipping the same old 40-bit encryption unless they agree to design key recovery systems according to a government mandated standard. Ultimately, due to economics and marketing issues in the computer world, most Americans are still limited to this 40-bit strength encryption as well, because our companies develop one product for worldwide distribution.

What will it take for the federal government to learn that consumers are opposed to having "Big Brother" interfere with their technology choices. We all remember the failed Administration attempts on Clipper I and Clipper II. Yet, the federal government persists in its efforts to peek into the private lives of law-abiding American citizens. The latest salvo by FBI Director Louis Freeh in demanding government mandated encryption for domestic users is the latest example of government obstruction of private decisions by American consumers and business opportunities for American innovators. If Director Freeh gets his way, the federal government will have even greater authority to peer and peek into the private lives of American citizens. "Big Brother" as feared by law-abiding Americans has a powerful champion at the Federal Bureau of Investigation.

While this war of attrition is taking place, we are losing in the trenches. Foreign vendors are happily supplying stronger 128-bit encryption to our foreign purchasers. Some of these vendors have publicly thanked the U.S. government for helping them to develop thriving businesses. Importantly, current U.S. policy represents a surrender of an industry where our innovative workers and companies are technologically superior. We are surrendering jobs and economic opportunities both today and for the long term. There are many examples from my own State of Washington, usually small start-up firms eager to grow, diversify and develop new high-tech applications in computer hardware and software. These firms regularly point out to me the names and business histories of their foreign competitors that have gladly taken business opportunities from Washington firms restricted by ineffective government mandates.

It is time for the United States to acknowledge that we no longer exclusively control the pace of technology. Purchasers around the world can download software off of the Internet from any country by simply accessing a website. Foreign purchasers have turned to Russian, German, Swiss and other foreign vendors for their encryption needs. We are truly trying to put the genie back in the bottle—a genie so nimble that it can transfer in seconds from one location to another using a modem over a traditional telephone line.

U.S. law enforcement seems to believe that Americans will recapture this market once our industry has developed key recovery systems for 128-bit or stronger encryption technology. This is extremely naive in my opinion. All the world will know that the U.S. government approved export technology will enable U.S. law enforcement to view encrypted information. Most foreigners believe the U.S. government will use this capability to spy on them; for law enforcement, political and economic information. Foreigners will simply buy elsewhere, period. It's pretty simple to me. What foreign entity would want to surrender information to the U.S. government when they can easily avoid this by purchasing someone else's product?

Again, I turn to the approach advocated by Senator BURNS and Senator LEAHY. S. 909 as adopted by the Senate Commerce Committee simply does not go far enough. While it makes some minor modifications to export controls, it also goes in the totally wrong direction by starting down the path of domestic controls on encryption.

Washington State and American companies deserve the opportunity to compete free from government restrictions. Their role in the international marketplace should be determined by their ingenuity and creativity rather than an outdated, ineffectual system of export controls. The time to act is now, the longer we wait, the further behind America gets on this issue.•

RECOGNITION OF GIRL SCOUT GOLD AWARD RECIPIENTS

• Mr. JOHNSON. Mr. President, I want to take this opportunity today to recognize Misty Hansen of Girl Scout Troop 1080. Misty is an outstanding young woman who has received the Girl Scout Gold Award from the Nyoda Girl Scout Council in Huron, South Dakota. The Girl Scout Gold Award is the highest achievement award in U.S. Girl Scouting. This award exemplifies her outstanding feats in the areas of leadership, community service, career planning and personal development.

Misty is one of just 20,000 Gold Award recipients since the creation of the program in 1980. In order to receive this award, Misty completed the many Gold Award requirements. She earned three interest project patches: the Career Exploration Pin, the Senior Girl Scout Leadership Award and the Senior Girl Scout Challenge. Also, she created and executed a Girl Scout Gold Award project which included researching the history of the first 30 years of the Nyoda Girl Scout Council.

Mr. President, I feel Misty deserves public recognition for her tremendous service to her community and her country. I offer my congratulations to her for her hard work and effort in reaching this milestone.•

JOSEPH HENRY, THE SMITHSONIAN AND FREDERICK SEITZ

Mr. MOYNIHAN. Mr. President, Friday, the 7th of November 1997, on the occasion of the bicentennial of the birth of Joseph Henry, the Joseph Henry Medal was presented to Dr. Frederick Seitz at a dinner of the Smithsonian Council. Clearly, this was a special occasion, and it was singularly appropriate that Frederick Seitz should be the honoree. The citation of the splendid gold medal reads:

> The Board of Regents gratefully presents the Joseph Henry Medal to Frederick Seitz in recognition of his manifold contributions to The Smithsonian Institution. His advancement of the Smithsonian's research and educational programs in the sciences, history, and the history of science has exemplified the ideals of James Smithson's mandate . . . "for the increase and diffusion of knowledge."—May 4, 1997.

Having received the medal, Dr. Seitz, with his enormous erudition and no less prodigious self-effacing manner, presented a paper of great interest. Entitled, Joseph Henry: 200th Anniversary of Birth, he wrote of the belated appearance of science as a large-scale activity in the American Republic, but also of four early pioneers: Benjamin Franklin, Benjamin Thompson, Henry A. Rowland, and Joseph Henry himself. Which of us would know that Franklin discovered the Gulf Stream? That is just one of the absorbing details of this fascinating disquisition. I ask that it be printed in the RECORD in honor of Frederick Seitz, Joseph Henry, and all that splendid company.

The material follows:

JOSEPH HENRY; 200TH ANNIVERSARY OF BIRTH

When I first heard the rumor that I would receive the Joseph Henry Medal on this special anniversary, I assumed it was a case of mistaken identity. Very friendly calls from Senator Moynihan, Homer Neal and Marc Rothenberg, however, finally carried conviction. Needless to say I will continue to experience a sense of awe in playing a role on this special anniversary since the scientific community, of which I have been part for most of my life, owes so much to Henry, as I shall presently relate.

Our country, had so many difficult practical problems to solve in its early days, that it did not take much interest in the fundamental aspects of science, in contrast to the European countries, until the end of the nineteenth century, that is, about a hundred years ago when it created what was then called the National Bureau of Standards. Even this step had a very practical aspect since we were encouraging exports and wanted to be in tune with standards of manufacture internationally as well as at home. It is true that we did have the closely linked Smithsonian Institution and National Academy of Sciences at that time. However their existence was in the last analysis tied closely to the unsolicited gift in 1832 of James Smithson, an English scientist who admired the promises for the future of mankind that our republic offered. Moreover, he felt that it was inevitable that we would eventually become deeply involved in the pursuit of basic science.

Even though our country did not encourage the development of the basic sciences until the century we are now leaving behind, we did manage to produce from our own soil a few world-class scientists, including four truly great physicists, not least Joseph Henry, during the previous two centuries. I would like to say a few words about each.

The first was no less a person than Benjamin Franklin, born in Boston in 1706, but more generally linked to Philadelphia, his adopted home. We all know about the experiment with lightning and the kite and his research with lightning arrestors, however, this is only part of the story. He discovered, as a result of extensive correspondence, that our continental weather tends to have a strong eastward drift; he discovered what we now term the Gulf Stream which encircles the Atlantic Ocean, although he falsely ascribed it not to winds and Coriolis forces, but to the influence of the emergence of a yet undiscovered underground river.

Perhaps even more remarkably, he was apparently the first person to provide a good measure of molecular dimensions. He noted that when a quantity of the right kind of oil is poured onto water it spreads rapidly at first, but then stops spreading and retains cohesion. He concluded that the thickness of the oil film at the point of maximum spread must be linked to what we would now term the size of its molecular constituents. Using measured quantities of oil he obtained an entirely reasonable value for those dimensions.

The second great scientists, namely Benjamin Thompson, is probably entirely unknown to many of you. He was born in Woburn, in what was then the colony of Massachusetts in 1753, and developed a strong interest in science during his youth. He was not sympathetic to the Revolution and moved to England in 1776 where he joined the military and served throughout the war as an administrator. In 1794, after serving in various roles in England and on the continent he was offered a high post in the Bavarian government which he held for eleven years. There among many other activities he supervised the boring of canon in the royal arsenal. Being highly observant, he noted that the extent to which the canon became heated during the drilling was essentially proportional to the length of time the drilling had taken place. He concluded that the heat content of the metal was a form of energy closely related to the energy of work. This proposal stood in sharp contradiction to the popular theory of the time to the effect that heat was the manifestation of the presence of a special weightless fluid called phlogiston. He wrote a convincing treatise on this topic, thereby opening the doorway to the field of thermodynamics and statistical mechanics which occupied some of the best scientific minds during the next century. I should add that the great Chemist Lavoisier, who was guillotined in 1794 and whom Thompson knew, had also come to the conclusion that the phlogiston theory must be wrong. Thompson's treatise pointed the way to a new positive approach.

Thompson, incidentally, joined with Joseph Banks, the President of the Royal Society in establishing the Royal Institution in London where Humphrey Davy and Michael Faraday later carried out their great researches and gave popular public lectures on science. It is easy to imagine that Smithson had the Royal Institution in mind as a role model for our country when he gave the money to create the Smithsonian. I should also add that Thompson came to terms with his native land at the end of the Revolutionary War, establishing good relationships with the Massachusetts community.

Skipping chronological order for the moment, the third great American scientist in my list is Henry A. Rowland, born in Honesdale, Pennsylvania in 1848. He received his higher education at the Rensselaer Polytechnic Institute in Troy, New York, and was appointed to the chair in physics at the Johns Hopkins University when it opened its doors in 1876. He carried on research in many areas of physics, but is probably best known for the development of a machine which engraved on a material such as glass so-called diffraction line gratings that were of special use in separating different wavelengths of light. He was also interested in telegraphic equipment and invented a widely used form of teletype machine.

Rowland gained early fame as a result of an experiment he carried out in Europe in the laboratory of Hermann Helmholtz in 1875, the year before he took residence in Baltimore. In the previous decade, the very brilliant Scottish physicists, James C. Maxwell, had collected all known information concerning electromagnetic phenomena and placed it in the form of a mutually consistent set of four mathematical equations, generally known as Maxwell's equations. To achieve what his intuition told him would provide appropriate symmetry and balance in the equations, he modified one of the set of four. In effect, the modification amounted to saying that an isolated, moving electric charge would have a magnetic field related to the velocity associated with it, but one so weak for normal velocities achievable at the time that it would be very difficult to measure. Helmholtz, recognizing that the young American was an exceedingly talented experimenter, suggested that he attempt to measure that field, which Rowland did with ingenuity and notable success in a remarkably short time. It should be added that Rowland had to repeat the experiment twice in later decades in order to convince others who had tried to duplicate his work without success.

I should also add that Maxwell noted that one set of solutions to his modified equations describe free electromagnetic waves traveling with the speed of light in a vacuum. He decided that ordinary visible light must consist of electromagnetic waves. Helmholtz was quick to pick up on this and convinced his brightest young colleague, Henrich Hertz, to look into the matter on a laboratory scale to see if he could generate much longer waves, independent of a light source, using available electrical equipment. The ages of wireless telegraphy, radio, television and radar loomed over the horizon.

It would be equivalent to shipping oil from Texas to Saudi Arabia for me to present a detailed biography of Joseph Henry on this occasion since his background is well known to most of you. In brief, he was born in Albany, New York, just 200 years ago and spent a portion of his early years living with his grandmother in nearby Galway, a few miles west of Saratoga. Incidentally, if you chance to pass through Galway please note the handsome high school building, probably built in the 1920's, which bears Henry's name. He studied at the Albany Academy, which still exists, and early on had difficulty deciding whether to become an actor or a scientist. Fortunately, science won. He began a series of highly innovative experiments with electromagnets and soon discovered the induction of electric fields by changing magnetic fields—the basis for one of Maxwell's equations. Michael Faraday, in England, made the same discovery somewhat later, but published his results before Henry managed to. Never the less the international community has given credit to Henry by naming the unit of measurement of magnetic inductance after him. In connection with this research, he invented the so-called electric transformer, so valuable in alternating current circuits.

Although well established at the Albany Academy, he accepted an appointment at what is now Princeton University in 1832, and continued to carry on his research there, focusing in part on various aspects of telegraphy. Much of his original equipment is well preserved in the physics department.

In 1846 he was offered the post of Secretary of the newly created Smithsonian Institution which he accepted even though he was reluctant to leave the special environment that he had enjoyed at Princeton. He was soon widely recognized as the dean of American science as he developed the new institution into a center for research as well as public exhibitions related to science. He was to serve in the post for thirty two years.

In 1863, when the Civil War broke out, a small group of scientifically oriented individuals in Washington, led by Alexander Bache, a great grandson of Franklin, and Commodore Charles Davis, succeeded in having a bill that created a National Academy of Sciences passed by the Congress. Their intention was to rally the available scientific community into research associated with the war effort. The bill was sponsored by Senator Henry Wilson of Massachusetts. President Lincoln signed the charter. Henry took an interest in the activities of the new organization from the start, recognizing fully its potentialities. During the course of the war Henry became a good friend of President Lincoln who expressed much admiration for him.

When, at the end of the war, the founders were at somewhat of a loss in deciding what to do with the Academy during peacetime, Henry agreed to become its president and retained leadership until his death in 1878. During that period he essentially made the Academy a temporary wing of the Smithsonian, holding regular scientific meetings, expanding the membership and challenging the members to do everything they could to increase the amount of basic scientific research being carried on in the country. By the time of his death, the National Academy, although still closely tied to the Smithsonian, was a well-running organization prepared to play a major role in guiding the progress of good science in the Republic.

I should add at this point that immediately after World War I, another great Secretary of the Smithsonian, Charles D. Walcott, who had served as the very effective president of the Academy during that war, succeeded in obtaining private funds which made it possible for the Academy to have a new home of its own on Constitution Avenue. Walcott, incidentally, was also a New Yorker, having been born in New York Mills near Utica in 1850.

Our debt to Joseph Henry can perhaps be summarized by saying that, in addition to establishing a high standard for scientific research through his own laboratory work, he encouraged general acceptance of those standards and took leadership in establishing National institutions which could carry them forward. In other words, he did for the promotion of science in our country what Washington had done in helping to establish the republic in which we have the good fortune to live. I can think of no higher praise.•

DANIEL URBAN KILEY, 1997 NATIONAL MEDAL OF ARTS WINNER

• Mr. LEAHY. Mr. President, it is with great pleasure that I pay tribute to Daniel Urban Kiley, a landscape architect from Charlotte, Vermont, who was named by President Clinton as recipient of the 1997 National Medal of Arts. Established by Congress in 1984, this award honors individuals who have made outstanding contributions to the arts in our nation.

My wife, Marcelle, and I have enjoyed the work of Daniel Urban Kiley for many years and I am honored that a Vermonter, and a friend, has received this national recognition.

I ask to have printed in the RECORD a list of Mr. Kiley's accomplishments put together by the awards committee.

The material follows:

As one of this country's most eminent landscape architects, Daniel Kiley combines experience and imagination with the vision to create classic civic design where building and site come together as one. In a professional career spanning over 50 years, Kiley has worked on some of this country's most important commissions along with many of today's most distinguished architects and firms in 16 foreign countries. He has helped design sites including the Washington Mall, the National Gallery of Art East Wing, National Sculpture Garden—all in Washington, D.C. More recently, he worked on the design of the Pittsburgh Cultural Trust plaza and museum, the Soros residence, and Riverfront Park in Corning, New York. He is the recipient of many awards and honors including the 1995 Arnold W. Brunner Prize in Architecture, the Outstanding Lifetime Achievement Award from the Harvard Graduate School of Design, and a 1991 Governor's Award for Excellence in the Arts from the Vermont Council on the Arts. Kiley's work has been shown at the Museum of Modern Art in New York, the Library of Congress, and in traveling national exhibitions. He has lectured extensively and served on many design juries. His work has been widely published in the U.S. and abroad. In 1998, Kiley will publish a book exploring the breadth of his work. He served on President Kennedy's Advisory Council for Pennsylvania Avenue, the National Council on the Arts, the Boston Redevelopment Authority, the Cambridge Redevelopment Authority, the Washington, D.C. Redevelopment Land Agency, and the Vermont Council on the Arts. He also has been a Landscape Architect-in-Residence at the American Academy in Rome. Kiley's designs have been widely cited for their ability to raise public consciousness and enhance awareness of man's relationship to nature, while maintaining a sense of joyousness, fun, and excitement.•

FIRST ANNUAL WORLD EDUCATOR AWARD

• Mrs. MURRAY. Mr. President, I rise to join the Washington World Affairs Council in congratulating Mr. Keith Forest of Decatur High School in Federal Way, Washington, as the very first recipient of the World Educator Award.

The World Affairs Council is a 1,200 member nonprofit organization of business and community leaders with more than 40 years of experience bringing the world to Washington State. Through its many programs, including the Global Classroom, the World Affairs Council has been an instrumental force in educating the people of my State about the world around us; our varied and diverse cultures, changing political and security environments, and of course, the importance of international trade. It is appropriate and noteworthy that this widely respected organization would annually recognize a World Educator in our State.

On December 6, 1997, Mr. Keith Forest will be presented with the World Educator Award. This award recognizes an outstanding teacher of the world including global cultures, contemporary world issues and world languages.

I would like to join the World Affairs Council in acknowledging and recognizing Keith Forest for his invaluable contributions to our children's understanding of the world. Keith Forest has been a teacher for more than 25 years. His own experience as a student of the world has been shared with thousands of students and future leaders.

Mr. Forest does not rely on easily outdated texts to teach about the ever changing world, but instead has designed his own curriculum. As a frequent traveler, Mr. Forest brings to his class slides and videos and stories from around the globe. The posters of Chairman Mao's Cultural Revolution and the pottery shards used by his archeology students are tangible examples of how Keith Forest's teaching brings world history to life.

Mr. Forest has taught social studies at Decatur High School in Washington State for 15 years and his reputation precedes him through the halls. Students line up to take his classes, knowing the hands-on, in-depth exposure they will receive in his class. His passion and enthusiasm for helping his students grasp socio-political concepts and foreign affairs easily transfers to his eager classroom participants.

A Fullbright Scholar, Mr. Forest has studied in Japan, Korea and China and has led numerous expeditions and exchange programs. He wrote the Washington State curriculum on the Holocaust after a trip to Israel. Additionally, he authored the Port of Seattle sponsored curriculum on international trade that is used throughout the State.

Congratulations to Keith Forest and the World Affairs Council. Your work in the classroom echoes through our State and educates us all.•

ADOPTION PROMOTION ACT OF 1997

Mr. CRAIG. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of calendar No. 66, H.R. 867.

The PRESIDING OFFICER. The clerk will report the bill.

The legislative clerk read as follows:

A bill (H.R. 867) to promote the adoption of children in foster care.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 1614

(Purpose: To provide a complete substitute)

Mr. CRAIG. Mr. President, I have a substitute amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Idaho [Mr. CRAIG] proposes an amendment numbered 1614.

Mr. CRAIG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. ROTH. Mr. President, today, it is my pleasure to support and urge passage of the Promotion of Adoption, Safety, and Support for Abused and Neglected Children Act or the PASS Act for short. This legislation contains the right combination of reforms to dramatically change the child welfare system for the better.

The foster care system reflects a part of modern society which prompts us to ask many questions of ourselves and each other. It is a mirror which can be troubling to look into.

Today, we join the tens of thousands of loving foster care and adoptive families and dedicated professionals who are daily witnesses of the successes and failures in a system through which millions of people pass each year. Each report to a child protective service agency involves a victim and a perpetrator—in most cases, a child and his or her parent. A case may take a single day or many years to close.

Many of these cases are complex and that the length of time in foster care has an effect on the child. Between 1985 and 1995, the number of children in foster care increased from 276,000 to 494,000, an increase of nearly 80 percent.

Much of this increase is due to the hurricane-force waves of drug abuse which continue to unleash their destructive powers on communities and families. Those who believe for even a foolish moment that drug use is a victimless crime are proven wrong by the recent trends in the child welfare system. One need only to look inside the hospital crib of an abandoned crack baby to understand the truth.

The Department of Health and Human Services estimates that 100,000 children currently in foster care cannot return home without jeopardizing their health, safety, and development.

There is great concern that more children are staying in foster care for longer periods of time. The very laws which are intended to protect children may in practice work against their best interests.

The child welfare system itself is complex and is composed of many parts and programs. Although the Federal Government has assumed a greater share of the cost of these programs in recent years, State and local governments still provide the majority of the resources for the child welfare system.

In fiscal year 1997, the Federal Government contributed approximately $5 billion to the child welfare system.

Of this amount, 85 percent was spent through title IV–E programs.

CBO estimates that under current law, outlays for foster care and adoption assistance will increase by more than 50 percent from $3.9 billion in fiscal year 1997 to $5.9 billion in 2002.

Federal funds are used to subsidize about half of the children in foster care and about two-thirds of the children receiving adoption assistance payments.

The Promotion of Adoption, Safety, and Support for Abused and Neglected Children Act includes much needed reform to the child welfare system.

The PASS Act provides that in determining "reasonable efforts," the child's health and safety shall be the paramount concern.

It clarifies circumstances, including murder, voluntary manslaughter, and felony assault under which "reasonable efforts" to reunite families are not required.

It requires the States to initiate or join proceedings to terminate parental rights if a child has been in foster care for 12 of the most recent 18 months.

The PASS Act strengthens the "permanency plan" for children in foster care.

It requires criminal background checks for prospective foster care and adoptive parents and any other adults residing in the household and employees of foster care institutions. The amendment specifies circumstances when approval shall not be granted.

The PASS Act provides adoption incentive payments to the States to increase the number of children which may total $6,000 per child.

It expands the number of child welfare demonstration projects.

The amendment also reauthorizes and expands the Family Preservation and Support Services program and includes reforms to this program.

It renames the program to the Promoting Adoptive, Safe, and Stable Families program.

Funding is increased by $50 million.

The amendment adds adoption promotion and time-limited family reunification services to the program.

It removes geographic barriers to adoption.

The PASS Act requires States to provide for health insurance coverage for adopted children with special needs.

It continues eligibility for adoption assistance payments for children whose initial adoption has been disrupted.

It provides for an annual report on the State performance in protecting children.

The PASS Act requires the Secretary of Health and Human Services to recommend to Congress a new incentive system based on State performance within 6 months.

The PASS Act once again calls upon our State partners to address the problems of a system in much need of reform. This will be the first significant reform of the child welfare system since 1980.

We have enacted sweeping welfare reform and Medicaid reform legislation.

We have created a new partnership with the States through the State Children's Health Insurance Program. The PASS Act calls upon the States to channel their efforts to the child welfare system with the same commitment, creativity, and innovation which led to last year's historic welfare reform legislation.

Last year we worked to free millions of families from the trap of welfare dependency. Let us now work together to ensure that no children will be left without the opportunity to be a part of a loving, safe, and stable family.

There are a number of Senators who deserve our special thanks and recognition for their tireless efforts to bring this bipartisan bill to the floor today.

Without naming them all, let me just thank them and congratulate them for a job well done.

Mr. President, I urge the adoption of the amendment.

Mr. ROCKEFELLER. Mr. President, at least half a million American children are living in this country's foster care system—a system that was never designed and never intended to provide a permanent home for children who have been abused and neglected by their parents. Tragically, many of these children could be adopted, but are forced to wait to become a part of a new family because the current child welfare system has become tired and broken. Most vulnerable among this already fragile population are those children with special needs—children who, without help and strong governmental support, will never have the opportunity to become a part of an adoptive family.

Acknowledging our collective obligation to let no child fall through the cracks of the system—especially those facing severe emotional, physical, and other circumstantial limitations—I am pleased to have the opportunity to lend my vote and full support to the Promotion of Adoption Safety and Support for Abused and Neglected Children [PASS] Act. This legislation, the product of a series of hard-fought and sometimes painful compromises, represents a positive first step in a long journey of essential work to be done on behalf of abused and neglected children.

While many of us properly acknowledge that the journey is by no means over, we would not have been able to come this far had it not been for the unflagging leadership of my good friends and colleagues Senators JOHN CHAFEE and LARRY CRAIG. They are the reason that this unique bipartisan coalition has been able to bring this bill forward. I would also like to express my special thanks to the other hardworking members of the Senate adoption working group who have made this first step possible: Senators JEFFORDS, DEWINE, COATS, BOND, LANDRIEU, LEVIN, MOYNIHAN, KERREY, and DORGAN. Finally, I would like to acknowledge the work of Senator ROTH who has made it possible for this legislation to be fairly considered here today.

The PASS Act will fundamentally and positively shift the focus of the current foster care system by insisting, for the first time in Federal law, that a child's health and safety and the opportunity to find a loving, permanent home, should be the paramount considerations when a State child welfare agency makes any decision regarding the well-being of an abused and neglected child. The main objective of this bill is to move abused and neglected kids into adoptive or other permanent homes and to do so more quickly and more safely than ever before.

While PASS appropriately preserves current Federal requirements to reunify families when that is best for the child and family, it does not require the States to use "reasonable efforts" to reunify families that have been irreparably broken by abandonment, torture, physical abuse, murder, manslaughter, and sexual assault. Thanks to Chairman ROTH, the legislation includes a new fast track provision for such children in cases of severe abuse. Under the new provision, when reasonable efforts are not appropriate, a permanency planning hearing would be held within 30 days. In practice, this change could yield tremendous results. For example, in the case of an abandoned infant where reasonable efforts are waived, a permanency hearing would be scheduled within the month, and that child could be moved swiftly into a safe and permanent home. To provide balance, the PASS Act requires that the States use the same "reasonable efforts" to move children towards adoption or another permanent placement consistent with a well-thought out and well-monitored plan.

In addition, PASS encourages adoptions by rewarding States that increase adoptions with bonuses for foster care and special needs children who are placed in adoptive homes. Most significantly, the legislation takes the essential first step of ensuring ongoing health coverage for all special needs children who are adopted. Without this essential health coverage, many families who want to adopt children with a range of physical and mental health issues would be unable to do so. I am happy to see that medical coverage, which has always been a vital cornerstone of any program that substantively helps children, is also a key component of this bipartisan package.

Ensuring safety for abused and neglected children is another significant goal of this legislation. PASS seeks to accomplish this goal by ensuring that the "safety of the child" is considered at every stage of the child's case plan and review process. Moreover, the bill requires criminal background checks for all potential foster and adoptive parents and other adults living in the same household.

PASS also cuts by one-third the time a child must wait to be legally available for adoption into a permanent home by requiring States to file a petition for termination of parental rights for a child who has been waiting too long in a foster care placement. At the same time that it speeds adoptions where appropriate, it also gives States the discretion to choose not to initiate legal proceedings when a child is safely placed with a relative, where necessary services have not been provided to the family, or where the State documents a compelling reason not go forward.

At the same time that this bill imposes tough but effective measures to decrease a child's unnecessary wait in foster care, PASS continues investments in strengthening families at the community level by reauthorizing the 1993 budget provision for family preservation and family support for 3 years, with an extra $60 million in funding. This is an innovative prevention program, and this bill's new language encourages States to ensure that adoptive families are also served by the program. As part of a balanced bipartisan package, these programs will support a range of fundamental State services to help parents, children, adoptive families and to improve the court system. This legislation also takes care to assure that children who have gone through adoptions that have been disrupted or whose adoptive parents die will remain eligible for Federal support.

PASS provides a strong foundation for the work that is yet to be done on behalf of abused and neglected children. Years ago, as chairman of the National Commission on Children, I was proud to issue a bold, bipartisan report called Beyond Rhetoric. This report included bold recommendations to reform our current, inadequate system to help abused and neglected children. I am committed to the agenda laid out in this plan and will keep working until we achieve all of its goals for children and families.

The PASS Act is a bold step forward. It has been extremely rewarding to forge such a strong bipartisan consensus to promote adoption and to take key steps in helping every child find a safe, stable, and permanent home.

Mr. HELMS. Mr. President, I am gratified that Congress is today passing legislation to promote the adoption of children in foster care. This legislation is not perfect, but it does clarify that it is in the best interest of every child—regardless of his or her age, race or special need—to be raised by a family who will provide a safe, permanent, and nurturing home.

Congress should be unmistakably clear in expressing this judgment: Foster care children should not be returned to unfit, abusive parents; and the barriers that currently prevent the adoption of foster care children must be lifted. Believe me, Mr. President, there is no shortage of prospective parents. The National Council for Adoption estimates that 2 million couples are waiting to adopt a child. Nonetheless, each year 15,000 children reach adulthood and leave the foster care system without ever becoming part of a permanent home.

Because the current Federal law requires States to make reasonable efforts to reunite children with their biological parents, children have tragically been returned to their abusive and sometimes murderous parents.

Under this adoption-foster care bill, States are not required to make reasonable efforts to reunite children with parents who have murdered another child; committed a felony assault that results in serious bodily injury to a child; or who pose a serious risk to a child's life.

Foster care children who can never return safely home should not be left to linger in the foster care system—which, after all, is supposed to be temporary. Instead, these children should be placed up for adoption, and the parental rights of abusive parents should be terminated so adoption can take place.

Let me be clear, parents who use reasonable discipline in rearing their children are not the parents who should have their rights terminated. This legislation includes language to ensure that reasonable discipline—such as reasonable spanking—is not misinterpreted as an act of abuse. Therefore, no State agency or court shall disrupt a home where parents use reasonable discipline.

What we are talking about, Mr. President, are children who have been taken out of their homes because they've been truly abused and neglected. But because of current Federal law, these children are not being placed up for adoption—but are growing up in foster care. The numbers speak for themselves. There are more than half a million children currently living in foster care—an alarmingly high number which illustrates how the foster care system is in disarray.

Is it not the responsibility of our civilized society to ensure the safety and well-being of these vulnerable children by promoting adoption? And shouldn't we provide couples willing to love and care for these children the opportunity to do so? I believe the answer is clearly yes.

CRISIS NURSERIES

Mr. WYDEN. Mr. President, the reauthorization of the Family Preservation and Support Act is important to families who are at risk or in crisis. One notable service now specifically mentioned in the act is the care provided by a crisis nursery. Crisis nurseries provide respite and therapeutic services for families with young children to assist parents in attaining self-sufficiency. One crisis nursery in particular, the relief nursery of Eugene, OR, is a model child abuse and prevention program. After involvement with the relief nursery, fewer than 9 percent of the 373 children served reported abuse, neglect, or domestic violence to the State child protection office. Moreover, 82 percent of children served by the relief nursery were living safely with their parents at the end of the year, averting foster care or other out-of-home placement. The relief nursery has accomplished these results through dedication to comprehensive family services emphasizing programs that strengthen the parent-child relationship. Does the Senator agree that crisis nurseries can play an important role in saving families?

Mr. ROCKEFELLER. Yes. Crisis nurseries help reduce child abuse incidents and, ultimately, reduce the necessity for foster care placements. Crisis nurseries can save a family.

Mr. WYDEN. I think the relief nursery is a needed member of the community, providing invaluable services to children who need them most. Crisis nurseries work because they provide intensive, personalized, and long-term services to families with children in the most vulnerable age groups. I thank the Senator for recognizing the work of nurseries, such as the relief nursery, in your bill.

Ms. MOSELEY-BRAUN. Mr. President, I support the Promotion of Adoption, Safety and Support for Abused and Neglected Children [PASS] Act, as a commonsense approach to child welfare. Under the PASS Act, a State, for the first time, must make a child's health and safety the paramount consideration when making any decision regarding a foster care or adoption placement.

It seems inconceivable that this is not currently the guiding principle behind every State's child welfare policy. The evolution of the child welfare system, however, has left a patchwork of goals and rules that can jeopardize a child's well being.

The PASS Act will, for the first time, guarantee that every adopted child with special needs will receive needed health care coverage from the State. Previously, a child's eligibility for health care was tied to the ability of the birth parents to pay, even though the birth parents had given up all legal and economic ties to the child. There was no consideration given to the ability of the adoptive, permanent parents to afford health care for the child.

Another example of the PASS Act's commonsense approach is the requirement that States provide for criminal records and child abuse registry checks of any prospective foster or adoptive parents, noncustodial adults living in a foster or adoptive home, and employees of child care institutions. Choosing a safe and supportive home for a child is not a simple task, but ensuring that the child is not placed with someone convicted of a serious crime or child abuse must be a basic requirement. This is not required under current law.

There are a number of other important provisions in this bill, including the reauthorization of the family preservation and family support program to strengthen families, and a system of rewards for States that increase adoption placements. Taken as a whole, this bill is an important step forward in our efforts to improve child health and safety.

The sponsors of this bill have worked diligently to forge bipartisan compromise on this legislation. I commend them for their efforts and their success.

As with all compromise legislation, there are provisions in the PASS Act with which I do not necessarily agree. I am concerned that insufficient efforts will be made to keep sound families together, that the allowance of child welfare waivers will lead to inadequate Federal oversight of child welfare in the States, and that funding must be increased in order to achieve a permanent solution to the problems plaguing our child welfare system.

While it is politically popular to withdraw Federal support and oversight for programs and turn power over to the States, I firmly believe that we cannot abandon our Federal role in providing for the welfare of the Nation's children. Whether we are talking about providing access to early childhood education, repairing the Nation's crumbling schools, or guaranteeing the health and safety of children in our foster care and adoption system, the Federal Government must continue to assist and oversee State efforts.

In the end, no child's welfare should be dependent on the generosity or failure of the foster care and adoption program in the State in which he or she was born. Commonsense requires that we continue to marshal the Nation's resources to provide for the next generation of Americans.

The PASS Act is an opportunity for Congress to assist States in providing for those of America's children in need of foster care or adoption. By ensuring that the health and safety of the child are paramount, this legislation puts us on the track to making the foster care and adoption system work for the children it is meant to serve. I thank my colleagues for their efforts and for their commitment to common sense, and urge the Senate to approve the PASS Act.

Mr. McCAIN. Mr. President, I rise today to express my support for the establishment of a national voluntary mutual reunion registry contained in section 205 of the Promotion of Adoption, Safety, and Support for Abused and Neglected Children [PASS] Act. This provision would permit the Secretary of Health and Human Services, at no net expense to the Federal Government, to facilitate the voluntary, mutually requested reunions of biological relatives who have been separated by adoption.

This registry is intended to help reunite the hundreds of thousands of adult adoptees, birth parents and siblings who are searching for each other. Currently, the search can be very costly, cumbersome, and futile. The national registry would help many individuals who were separated by adoption and are now searching for each other.

Some concerns have been raised that this provision would infringe an individual's privacy, and that a national voluntary registry could result in the inappropriate disclosure of private, sensitive information. This is completely inaccurate. I and the other sponsors of this provision, along with the Finance Committee have worked tirelessly to ensure that all the necessary safeguards have been included in this provision to ensure that an individual's personal privacy is not violated in any manner.

Under the guidelines for the national voluntary registry established in this bill, one party could not search out another individual unless both parties were searching for one another. All parties involved would have to, on their own accord, voluntarily decide to search for each other and participate in the registry. This provision specifically requires that the registry only contain information necessary to facilitate a match, that the confidentiality of all consenting participants be protected and that no information be disclosed without prior, written consent from the individual.

Section 205 specifically requires that any computerized system created to implement this registry must not intrude on any existing data systems at the Department of Health and Human Services and must utilize appropriate methods to protect the privacy of information contained in the registry. In addition, it establishes criminal and financial penalties for potential abusers of the national registry.

Finally, the measure specifically states that this registry does not preempt any State laws relating to adoption and the confidentiality of adoption records.

Mr. President, this provision is not a mandate, has absolutely no cost to the Federal Government or taxpayers, and is completely voluntarily. This important provision will help thousands of Americans who want to learn about themselves and their biological history.

Mr. WYDEN. Mr. President, in significant ways, the promotion of adoption, safety, and support for abused and neglected children represents an important step forward in Federal policy for child welfare. It parallels Oregon's best interest of the child bill in its recognition of the crucial importance of timely achievement of permanent family placements for children who must be temporarily placed in foster care.

Further, it clarifies that a child's health and safety are paramount concerns in considerations of reasonable efforts for family preservation. The PASS Act also broadens support for adoptive placement, increases post-adoption assistance for families, and emphasises the link between the child's welfare and parent's well-being. Moreover, the bill's intense interest in kinship care is both wise and timely. I am particularly concerned about this complex issue and I have devoted a lot of attention to it over the past several years.

Kinship care, the full-time care and protection of children by a relative, is in many cultures, a time honored tradition. Throughout history relatives have come forward to care for and raise children when the parents were unable to do so themselves. Recently, the decision over whether relatives may best provide for children has increasingly involved child welfare agencies. Yet, Mr. President, our country does not have a national policy to deal with relative care arrangements. In light of this fact, the PASS Act makes significant strides toward recognizing relative care arrangements for what they are—legitimate, appropriate placements—for a family. There is a precedent for this recognition; last year I fought for language in the welfare reform bill requiring that kinship care be considered first for children needing placement.

I am pleased that many of the provisions I included in my kinship care bill, S. 822, were incorporated in the PASS Act. One such provision allows kinship providers an opportunity to be heard during abuse and neglect proceedings. I have heard from grandparents in Oregon who tell me that they can add additional information that may be helpful to the court's determination of the child's future living arrangements, but often are not aware of their grandchild's placement in foster care or where they are in the system. It is important that relative caregivers are notified when there are administrative proceedings on a child's status.

The inclusion of a kinship care advisory panel instructed to make recommendations about kinship care policies is also included in this bill. Thankfully, relative caregivers and former foster children in relative care arrangements will now be able to sit on a panel and examine what is needed to improve these arrangements for all involved. The panel's findings must be submitted in a comprehensive report to the Department of Health and Human Services. The report will examine who kinship caregivers are, what services are provided to them and many other factors that will help us develop a national policy on this growing child welfare issue.

Another critical provision in the bill deals with standby guardianship. Many relative caregivers are caring for families devastated by HIV/AIDS. In adoption or guardianship proceedings today, dying parents are asked to give up their custodial rights over their children in order to ensure a permanent, stable placement for their child. Under this bill, any parent who is chronically ill or near death may designate a standby guardian without being forced to surrender their parental rights. PASS encourages States who have not already passed standby guardianship laws to do so. As we seek to adequately support relative care providers caring for children, we must first ask educated questions and receive thorough answers. Ultimately, the PASS Act has made a good-faith effort to recognize and study the issue of kinship care. This is a good first step for children and families.

Mr. CRAIG. Mr. President, I ask unanimous consent that the substitute amendment be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 1614) was agreed to.

Mr. CRAIG. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed, as amended, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at the appropriate place in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 867), as amended, was read a third time and passed.

Mr. CRAIG. Mr. President, the Senate, by this action, has just passed a major reform in the foster care of this country, an issue that bipartisan Senators have gathered on over the last several months to resolve. Senator Roth, of the Finance Committee, in the last several weeks, working with Senator Rockefeller, Senator Chafee, myself, Senator Coats, and Senator DeWine have taken on an effort to reform foster care in this country by the proposal of this legislation that we have now gained the concurrence of the Senate on.

It is without question, in my opinion, a landmark piece of legislation because what it does, for the first time, is use foster care the way we intended it originally to be used. It ensures the safety for abused and neglected children. It promotes adoption. It accelerates permanent placement. It offers to children of this country in need an opportunity for a loving and permanent home. And it increases the accountability of reform.

I am extremely pleased that at this late hour we could finally bring about a conclusion to this effort.

NATIONAL VOLUNTARY MUTUAL REUNION REGISTRY

Mr. CRAIG. Mr. President, I now ask unanimous consent that the Senate proceed to S. 1487 introduced earlier today by myself.

The PRESIDING OFFICER. The clerk will report the bill.

The legislative clerk read as follows:

A bill (S. 1487) to establish a National Voluntary Mutual Reunion Registry.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. CRAIG. Mr. President, I ask unanimous consent that the bill be advanced to third reading and passed, and the motion to reconsider be laid upon the table, all without further action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1487) was read a third time and passed, as follows:

S. 1487

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. NATIONAL VOLUNTARY MUTUAL REUNION REGISTRY.

Part E of title IV of the Social Security Act (42 U.S.C. 670 et seq.) is amended by adding at the end the following:

"SEC. 479A. NATIONAL VOLUNTARY MUTUAL REUNION REGISTRY.

"(a) Exchange of Mutually Requested Identifying Information.—The Secretary, in the discretion of the Secretary and provided that there is no net cost to the Federal Government, may use the facilities of the Department of Health and Human Services to facilitate the voluntary, mutually requested exchange of identifying information that has been mutually consented to, by an adult adopted individual who is 21 years of age or older with—

"(1) any birth parent of the adult adopted individual; or

"(2) any adult sibling who is 21 years of age or older, of the adult adopted individual,

if such persons involved have, on their own initiative, consented by a signed notarized statement to the exchange of such identifying information.

"(b) Requirements.—The Secretary shall ensure that a National Voluntary Mutual Reunion Registry established under this section (in this section referred to as the "Registry") meets the following requirements.

"(1) Centralized capacity.—The Registry provides a centralized nationwide capacity for the information described in subsection (a) and utilizes appropriately designed computer and data processing methods to protect the privacy of the information contained in the Registry, and does not intrude on any other data system maintained by the Department of Health and Human Services.

"(2) Establishment of procedures.—The Registry complies with procedures established by the Secretary that provide that—

"(A) only information necessary to facilitate a match shall be contained in the Registry and the Registry shall not attempt to make contact for the purpose of facilitating a reunion with any individual who is not entered into or participating in the Registry;

"(B) to the maximum extent feasible, the confidentiality and privacy rights and interests of all parties participating in the Registry are protected; and

"(C) information pertaining to any individual that is maintained in connection with any activity carried out under this section shall be confidential and not be disclosed for any purpose without the prior, written, informed consent of the individual with respect to whom such information applies or is maintained.

"(c) REASONABLE FEES.—Reasonable fees, established by taking into consideration, and not to exceed, the average charge of comparable services offered by States, may be collected for services provided under this section.

"(d) PENALTY FOR VIOLATION.—

"(1) FINE AND IMPRISONMENT.—Any individual or entity that is found to have disclosed or used confidential information in violation of the provisions of this section shall be subject to a fine of $5,000 and imprisonment for a period not to exceed 1 year.

"(2) NONAPPLICABILITY OF SECTION 3571 OF TITLE 18, UNITED STATES CODE.—The provisions of section 3571 of title 18, United States Code, shall not apply to a violation described in paragraph (1).

"(e) NO PREEMPTION.—Nothing in this section invalidates or limits any law of a State or of a political subdivision of a State concerning adoption and the confidentiality of that State's sealed adoption record policy.".

Mr. LEVIN. Mr. President, once again the Senate has gone on record in support of a measure aimed at humanizing the process through which adult biological relatives separated by adoption, who are looking for each other, can make contact.

The passage of this Craig-Levin bill would not have been possible without the steadfast leadership of Senator LARRY CRAIG. His sensitivity, his commitment, his compassion and his clear understanding of this issue has been enlightening to all of the Members of this body. Let me also thank Senator MCCAIN and Senator LANDRIEU for their commitment and bipartisan spirit throughout our discussions on this issue.

Mr. President, we are deeply touched by the difficulties experienced by adult adopted persons, birth parents, and separated siblings who, often for many years and at great expense, have been seeking one another. Aside from the natural human desire to know one's roots and genetic heritage, there are other important reasons why many birth relatives seek to make contact with each other. Some are seeking a deeper sense of identity, some need vital information which may affect their own mental and physical health and some are facing momentous family decisions that require more knowledge about their heritage; and a substantial percentage of birth parents say they want to be available to the adult children many relinquished at birth, during a time of stress, should they also desire to make contact.

We believe that S. 1487, the National Voluntary Mutual Reunion Registry, deals with these needs and emotions in a careful and sensitive way. The legislation permits the HHS Secretary, at no net expense to the Federal Government, to facilitate the voluntary, mutually requested exchange of identifying information that has been mutually consented to in a signed notarized statement of identifying information by the birth parent, adult adoptee 21 years or older or adult siblings.

This legislation does not call for the unsealing of adoption records. Currently, over half the States provide for voluntary and mutual reunion facilitation. However, State-based systems are restricted, by nature, to the geographic boundaries of the State. Since we are a mobile society, that limitation reduces the utility of State-based systems. Adoptions are often started in one State but finalized in another. Additionally, the adoptee, birth parent or siblings may be a resident of several different States during their lifetimes.

Finally, Mr. President, this legislation does not mandate, but simply gives the Secretary the discretion to facilitate voluntary, mutual reunions, if she so chooses.

I commend my colleagues in the Senate on the passage of this humane and much-needed legislation. I ask unanimous consent that the text of the bill be included in the RECORD again at this point.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRAIG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVATE RELIEF ACT OF BELINDA McGREGOR

Mr. CRAIG. Mr. President, I ask unanimous consent that the Senate proceed to Calendar No. 275, S. 1304.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1304) for the relief of Belinda McGregor.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 1304

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PERMANENT RESIDENCE.

Notwithstanding any other provision of law, for purposes of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), Belinda McGregor shall be held and considered to have been **[**lawfully admitted to the United States for permanent residence**]** *selected for a diversity immigrant visa for fiscal year 1998* as of the date of the enactment of this Act upon payment of the required visa fee.

SEC. 2. REDUCTION OF NUMBER OF AVAILABLE VISAS.

Upon the granting of permanent residence to Belinda McGregor as provided in this Act, the Secretary of State shall instruct the proper officer to reduce by one number during the current fiscal year the total number of immigrant visas available to natives of the country of the alien's birth under section 203**[**(a)**]***(c)* of the Immigration and Nationality Act (8 U.S.C. 1153**[**(a)**]***(c)*).

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

AMENDMENT NO. 1615

Mr. CRAIG. I send an amendment to the desk on behalf of Mr. HATCH.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. CRAIG], for Mr. HATCH, proposes an amendment numbered 1615.

SECTION 1. At page 1, line 7, delete "lawfully admitted to the United States for permanent residence" and insert in lieu thereof the following: "selected for a diversity immigrant visa for FY 1998".

SECTION 2. At page 2, lines 4 and 5, change (a) to (c).

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. CRAIG. I ask unanimous consent that the bill, as amended, be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

The bill (S. 1304), as amended, was read the third time and passed, as follows:

S. 1304

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PERMANENT RESIDENCE.

Notwithstanding any other provision of law, for purposes of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), Belinda McGregor shall be held and considered to have been selected for a diversity immigrant visa for fiscal year 1998 as of the date of the enactment of this Act upon payment of the required visa fee.

SEC. 2. REDUCTION OF NUMBER OF AVAILABLE VISAS.

Upon the granting of permanent residence to Belinda McGregor as provided in this Act, the Secretary of State shall instruct the proper officer to reduce by one number during the current fiscal year the total number of immigrant visas available to natives of the country of the alien's birth under section 203(c) of the Immigration and Nationality Act (8 U.S.C. 1153(c)).

THE CALENDAR

Mr. CRAIG. Mr. President, I ask unanimous consent the Senate now proceed en bloc to Calendar No. 267, S. 508; No. 268, S. 857; H.R. 2731; and H.R. 2732; that the bills be considered read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bills be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVATE RELIEF OF MAI HOA "JASMIN" SALEHI

The bill (S. 508) to provide for the relief of Mai Hoa "Jasmin" Salehi, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 508

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, Notwithstanding any other provision of law, for purposes of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), Mai Hoa "Jasmin" Salehi, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act upon payment of the required visa fees.

PRIVATE RELIEF OF ROMA SALOBRIT

The bill (S. 857) for the relief of Roma Salobrit, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 857

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PERMANENT RESIDENCE.

Notwithstanding any other provision of law, for purposes of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), Roma Salobrit shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this Act upon payment of the required visa fee.

SEC. 2. REDUCTION OF NUMBER OF AVAILABLE VISAS.

Upon the granting of permanent residence to Roma Salobrit as provided in this Act, the Secretary of State shall instruct the proper officer to reduce by one number during the current fiscal year the total number of immigrant visas available to natives of the country of the alien's birth under section 203(a) of the Immigration and Nationality Act (8 U.S.C. 1153(a)).

PRIVATE RELIEF OF ROY DESMOND MOSER

The bill (H.R. 2731) for the relief of Roy Desmond Moser, was considered, ordered to a third reading, read the third time, and passed.

PRIVATE RELIEF OF JOHN ANDRE CHALOT

The bill (H.R. 2732) was considered, ordered to a third reading, read the third time, and passed.

Mr. GRAHAM. Mr. President, these two bills will provide relief for two men who have fought with valor and honor for this country. H.R. 2731 and H.R. 2732 will provide justice for two Americans by correcting the date they became U.S. citizens.

One of these men, John Andre Chalot, resides in my home State of Florida. Mr. Chalot, a retired postal worker living in Bradenton, FL, was born in Le Havre, France, on December 19, 1919. He immigrated to the United States with his parents in 1921. After being graduated from high school in 1939, he sought to enlist in the U.S. Army Air Corps. Because he was considered too young to fly in the corps he moved to Canada, joined the Royal Canadian Air Force [RCAF], and received his pilot wings. He flew Spitfires with the RCAF based in England from 1940 to 1943. While still in England, Mr. Chalot transferred to the U.S. Army Corps, 358th fighter Squadron, and received a commission as second lieutenant. At the time of his commission in 1943, Mr. Chalot had completed the naturalization process to become a U.S. citizen. Unfortunately, our Government misplaced Mr. Chalot's naturalization forms somewhere in the process.

Early in 1944, while flying a routine P–51 mission over Germany, Mr. Chalot's plane was fired upon and hit, causing him to crash-land in Holland. With the help of the Resistance, Mr. Chalot managed to get to Paris, but in July 1944, he was betrayed by Gestapo agents and confined at Fresnes Prison.

In August 1944, Germans crowded Mr. Chalot and 168 Allied airmen into boxcars and transported them to Buchenwald concentration camp. There they were confined in miserable, degrading, and inhumane conditions, forced to subsist on a starvation diet, and subjected to Nazi medical experiments. In November 1944, Mr. Chalot and most of his fellow airmen were transferred from Buchenwald to Luftstalag III, an infamous subcamp of Buchenwald, where they remained until their liberation at the end of the war.

After the war, Mr. Chalot returned to the United States, and was finally naturalized as a U.S. citizen on September 18, 1945.

On September 20, 1996, he applied to the Foreign Claims Settlement Commission for compensation pursuant to the Agreement Between the United States and Germany Concerning Final Benefits To Certain United States Nationals Who Were Victims of National Socialist Measures of Persecution.

On September 5, 1997, the Commission denied Mr. Chalot's claim on the ground that he was not a U.S. citizen during his time as a Nazi prisoner of war and was, therefore, ineligible for compensation. H.R. 2731 would modify the date Mr. Chalot became a U.S. citizen and make him eligible for compensation under the Agreement Between the Federal Republic of Germany and the United States of America.

The other bill, H.R. 2732, provides relief for Mr. Roy Desmond Moser, a Massachusetts resident with an almost identical situation.

This legislation would make Mr. Chalot and Mr. Moser eligible for compensation by deeming them to be naturalized U.S. citizens as of the dates they began their military service.

Mr. President, I believe that these two bills provide relief for two courageous men who fought for our Nation during World War II. I hope my colleagues understand the personal significance of these measures for these two individuals.

ASIAN ELEPHANT CONSERVATION ACT OF 1997

Mr. CRAIG. Mr. President, I ask unanimous consent the Senate now proceed to the consideration of Calendar No. 278, H.R. 1787.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1787) to assist in the conservation of Asian elephants by supporting and providing financial resources for the conservation programs of nations within the range of Asian elephants and projects of persons with demonstrated expertise in the conservation of Asian elephants.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. CRAIG. I ask unanimous consent the bill be considered read the third time and passed, the motion to reconsider be laid upon the table, and that any statement relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 1787) was read the third time and passed.

CORRECTING THE ENROLLMENT OF S. 399

Mr. CRAIG. Mr. President, I ask unanimous consent the Senate now proceed to the immediate consideration of Senate Concurrent Resolution 66, submitted earlier today by Senator MCCAIN.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 66) to correct the enrollment of S. 399.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. CRAIG. Mr. President, I ask unanimous consent the resolution be agreed to, the motion to reconsider be laid upon the table, and any statements relating to the resolution be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 66) was agreed to.

The concurrent resolution reads as follows:

S. Con. Res. 66

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of the bill (S. 399), to amend the Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992 to establish the United States Institute for Environmental Conflict Resolution to conduct environmental conflict resolution and training, and for other purposes, the Clerk of the Senate shall make the following correction in section 10 of the Morris K. Udall Scholarship and Excellence in National Environmental and Native American Public Policy Act of 1992 (as amended by section 6 of the bill): Strike subsection (c) and insert the following:

"(c) Notification and Concurrence.—

"(1) Notification.—An agency or instrumentality of the Federal Government shall notify the chairperson of the President's Council on Environmental Quality when using the Foundation or the Institute to provide the services described in subsection (a).

"(2) Notification descriptions.—In a matter involving 2 or more agencies or instrumentalities of the Federal Government, notification under paragraph (1) shall include a written description of—

"(A) the issues and parties involved;

"(B) prior efforts, if any, undertaken by the agency to resolve or address the issue or issues;

"(C) all Federal agencies or instrumentalities with a direct interest or involvement in the matter and a statement that all Federal agencies or instrumentalities agree to dispute resolution; and

"(D) other relevant information.

"(3) Concurrence.—

"(A) In general.—In a matter that involves 2 or more agencies or instrumentalities of the Federal Government (including branches or divisions of a single agency or instrumentality), the agencies or instrumentalities of the Federal Government shall obtain the concurrence of the chairperson of the President's Council on Environmental Quality before using the Foundation or Institute to provide the services described in subsection (a).

"(B) Indication of concurrence or nonconcurrence.—The chairperson of the President's Council on Environmental Quality shall indicate concurrence or nonconcurrence under subparagraph (A) not later than 20 days after receiving notice under paragraph (2).

"(d) Exceptions.—

"(1) Legal issues and enforcement.—

"(A) In general.—A disputes or conflict involving agencies or instrumentalities of the Federal Government (including branches or divisions of a single agency or instrumentality) that concern purely legal issues or matters, interpretation or determination of law, or enforcement of law by 1 agency against another agency shall not be submitted to the Foundation or Institute.

"(B) Applicability.—Subparagraph (A) this does not apply to a dispute or conflict concerning—

"(i) agency implementation of a program or project;

"(ii) a matter involving 2 or more agencies with parallel authority requiring facilitation and coordination of the various government agencies; or

"(iii) a nonlegal policy or decisionmaking matter that involves 2 or more agencies that are jointly operating a project.

"(2) Other mandated mechanisms or avenues.—A dispute or conflict involving agencies or instrumentalities of the Federal Government (including branches or divisions of a single agency or instrumentality) for which Congress by law has mandated another dispute resolution mechanism or avenue to address or resolve shall not be submitted to the Foundation or Institute.".

GROUP HOSPITALIZATION AND MEDICAL SERVICES FEDERAL CHARTER REPEAL ACT

Mr. CRAIG. I ask unanimous consent the Senate proceed to the immediate consideration of Calendar No. 261, H.R. 497.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 497) to repeal the Federal charter of Group Hospitalization and Medical Services, Inc., and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Governmental Affairs, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. CHARTER FOR GROUP HOSPITALIZATION AND MEDICAL SERVICES, INC.

The Act entitled "An Act providing for the incorporation of certain persons as Group Hospitalization and Medical Services, Inc.", approved August 11, 1939, is amended—

(1) by inserting after section 9 the following new section:

"Sec. 10. The corporation may have 1 class of members, consisting of at least 1 member and not more than 30 members, as determined appropriate by the board of trustees. The bylaws for the corporation shall prescribe the designation of such class as well as the rights, privileges and qualifications of such class, which may include, but shall not be limited to—

"(1) the manner of election, appointment or removal of a member of the corporation;

"(2) matters on which a member of the corporation has the right to vote; and

"(3) meeting, notice, quorum, voting and proxy requirements and procedures.

If a member of the corporation is a corporation, such member shall be a nonprofit corporation.";

(2) by redesignating section 10 as section 11; and

(3) by adding at the end of section 11 (as so redesignated) the following: "The corporation may not be dissolved without approval by Congress.".

SEC. 2. CONSISTENT COVERAGE FOR INDIVIDUALS ENROLLED IN A HEALTH PLAN ADMINISTERED BY THE FEDERAL BANKING AGENCIES.

(a) Enrollment in Chapter 89 Plan.—For purposes of chapter 89 of title 5, United States Code, any period of enrollment shall be deemed to be a period of enrollment in a health benefits plan under chapter 89 of such title, if such enrollment is—

(1) in a health benefits plan administered by the Federal Deposit Insurance Corporation before the termination of such plan on January 3, 1998; or

(2) subject to subsection (c), in a health benefits plan (not under chapter 89 of such title) with respect to which the eligibility of any employees or retired employees of the Board of Governors of the Federal Reserve System terminates on January 3, 1998.

(b) Enrollment; Continued Coverage.—

(1) Enrollment.—Subject to subsection (c), any individual who, on January 3, 1998, is enrolled in a health benefits plan described in paragraph (1) or (2) of subsection (a) may enroll in an approved health benefits plan under chapter 89 of title 5, United States Code, either as an individual or for self and family, if, after taking into account the provisions of subsection (a), such individual—

(A) meets the requirements of that chapter 89 for eligibility to become so enrolled as an employee, annuitant, or former spouse (within the meaning of that chapter); or

(B) would meet the requirements of that chapter 89 if, to the extent such requirements involve either retirement system under such title 5, such individual satisfied similar requirements or provisions of the Retirement Plan for Employees of the Federal Reserve System.

(2) Determinations.—Any determination under paragraph (1)(B) shall be made under guidelines established by the Office of Personnel Management in consultation with the Board of Governors of the Federal Reserve System.

(3) Continued coverage.—Subject to subsection (c), any individual who, on January 3, 1998, is entitled to continued coverage under a health benefits plan described in paragraph (1) or (2) of subsection (a) shall be deemed to be entitled to continued coverage under section 8905a of title 5, United States Code, but only for the same remaining period as would have been allowable under the health benefits plan in which such individual was enrolled on January 3, 1998, if—

(A) the individual had remained enrolled in that plan; and

(B) that plan did not terminate, or the eligibility of such individual with respect to that plan did not terminate, as described in subsection (a).

(4) Comparable treatment.—Subject to subsection (c), any individual (other than an individual under paragraph (3)) who, on January 3, 1998, is covered under a health benefits plan described in paragraph (1) or (2) of subsection (a) as an unmarried dependent child, but who does not then qualify for coverage under chapter 89 of title 5, United States Code, as a family member (within the meaning of that chapter) shall be deemed to be entitled to continued coverage under section 8905a of that title, to the same extent and in the same manner as if such individual had, on January 3, 1998, ceased to meet the requirements for being considered an unmarried dependent child of an enrollee under such chapter.

(5) Effective date.—Coverage under chapter 89 of title 5, United States Code, pursuant to an enrollment under this section shall become effective on January 4, 1998.

(c) Eligibility for FEHBP Limited to Individuals Losing Eligibility Under Former Health Plan.—Nothing in subsection (a)(22) or any paragraph of subsection (b) (to the extent that paragraph (2) relates to the plan described in subsection (a)(2)) shall be considered to apply with respect to any individual whose eligibility for coverage under the plan does not involuntarily terminate on January 3, 1998.

(d) Transfers to the Employees Health Benefits Fund.—The Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System shall transfer to the Employees Health Benefits Fund, under section

8909 of title 5, United States Code, amounts determined by the Director of the Office of Personnel Management after consultation with the Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System, to be necessary to reimburse the Fund for the cost of providing benefits under this section not otherwise paid for by the individuals covered by this section. The amounts so transferred shall be held in the Fund and used by the Office of Personnel Management in addition to amounts available under section 8906(g)(1) of title 5, United States Code.

(e) ADMINISTRATION AND REGULATIONS.—The Office of Personnel Management—

(1) shall administer the provisions of this section to provide for—

(A) a period of notice and open enrollment for individuals affected by this section; and

(B) no lapse of health coverage for individuals who enroll in a health benefits plan under chapter 89 of title 5, United States Code, in accordance with this section; and

(2) may prescribe regulations to implement this section.

Amend the title so as to read: "An Act to amend the Federal charter for Group Hospitalization and Medical Services, Inc., and for other purposes.".

Passed the House of Representatives February 26, 1997.

Attest:

ROBIN H. CARLE,
Clerk.

AMENDMENT NO. 1616

(PURPOSE: TO MAKE A TECHNICAL CORRECTION)

Mr. CRAIG. Senator THOMPSON has a technical amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho [Mr. CRAIG], for Mr. THOMPSON, proposes an amendment numbered 1616.

The amendment is as follows:

On page 8, line 15, strike "(2)".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1616) was agreed to.

Mr. CRAIG. I ask unanimous consent the committee amendment, as amended, be agreed to, the bill be considered read the third time and passed, the motion to reconsider be laid upon the table, the title amendment be agreed to, and any statements relating to the bill be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment, as amended, was agreed to.

The bill (H.R. 497) was considered read the third time and passed.

EXPRESSING CONCERN OVER RUSSIA'S NEWLY PASSED RELIGION LAW

Mr. CRAIG. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar item No. 251, Senate Concurrent Resolution 58.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 58) expressing the concern of Congress over Russia's newly passed religion law.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. CRAIG. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The concurrent resolution (S. Con. Res. 58) was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, is as follows:

S. CON. RES. 58

Whereas the Russian legislature approved a bill "On Freedom of Conscience and Religious Association", and Russian President Boris Yeltsin signed it into law on September 26;

Whereas under the new law, the Russian government exercises almost unrestricted control over the activities of both Russian and international religious groups;

Whereas the new law will grant privileged status to some religions while discriminating against others through restrictive reporting and registration requirements;

Whereas the new law jeopardizes religious rights by permitting government officials, in consultation with privileged religious groups, to deny or revoke the registration of minority religions and order their possible disbandment or prohibition, on the basis of such activities as home schooling, nonmedical forms of healing, "hypnotic" sermons, and other vaguely defined offenses;

Whereas the law also restricts foreign missionary work in Russia;

Whereas under the new law, religious organizations or churches that wish to continue their activities in Russia will have to provide confirmation that they have existed at least 15 years, and only those who legally operated 50 years ago may be recognized as national "Russian" religious organizations;

Whereas although Article 14 of the Russian Constitution stipulates that "religious associations are separate from the state and are equal before the law", Article 19 states that restriction of citizens' rights on grounds of religious affiliation are prohibited, and Article 28 stipulates that "each person is guaranteed freedom of conscience and freedom * * * to choose, hold, and disseminate religious and other convictions and to act in accordance with them", the new law clearly violates these provisions of the Russian Constitution;

Whereas the Russian religion law violates accepted international agreements on human rights and religious freedoms to which the Russian Federation is a signatory, including the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the Helsinki Final Act and Madrid and Vienna Concluding Documents, and the European Convention on Human Rights;

Whereas governments have a primary responsibility to promote, encourage, and protect respect for the fundamental and internationally recognized right to freedom of religion; and

Whereas the United States Government is committed to the right to freedom of religion and its policies, and should encourage foreign governments to commit to this principle: Now, therefore, be it—

Resolved by the Senate (the House of Representatives concurring), That Congress hereby—

(1) condemns the newly passed Russian antireligion law restricting freedom of religion, and violating international norms, international treaties to which the Russian Federation is a signatory, and the Constitution of Russia;

(2) recommends that President Clinton make the United States position clear to President Yeltsin and the Russian legislature that this antireligion law may seriously harm United States-Russian relations;

(3) calls upon President Yeltsin and the Russian legislature to uphold their international commitments on human rights, abide by the Russian Constitution's guarantee of freedom of religion, and reconsider their position by amending the new antireligion law and lifting all restrictions on freedom of religion; and

(4) calls upon all governments and legislatures of the independent states of the former Soviet Union to respect religious human rights in accordance with their international commitments and resist efforts to adopt the Russian discriminatory law.

EXPORT IMPORT BANK REAUTHORIZATION ACT OF 1997—CONFERENCE REPORT

Mr. CRAIG. Mr. President, I submit a report of the committee of conference on the bill (S. 1026), and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee on conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1026) to reauthorize the Export-Import Bank of the United States, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of November 7, 1997.)

Mr. CRAIG. I ask unanimous consent that the conference report be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The conference report was agreed to.

TRANSPORTATION IMPROVEMENT ACT

Mr. CRAIG. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of calendar item No. 169, H.R. 1086.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1086) to codify without substantive change laws related to transportation and to improve the United States Code.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. CRAIG. Mr. President, I ask unanimous consent that the bill be considered read the third time, and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (H.R. 1086) was considered read the third time, and passed.

LOBBYING DISCLOSURE TECHNICAL AMENDMENTS ACT OF 1997

Mr. CRAIG. Mr. President, I ask unanimous consent that the Senate now proceed to consideration of calendar item No. 247, S. 759.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 759) to provide for an annual report to Congress concerning diplomatic immunity.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. REPORTS AND POLICY CONCERNING DIPLOMATIC IMMUNITY.

Title I, of the State Department Basic Authorities Act of 1956 (22 U.S.C. 4301 et seq.; commonly referred to as the "Foreign Missions Act") is amended by inserting after section 204A the following new section:

"SEC. 204B. CRIMES COMMITTED BY DIPLOMATS.

"(a) ANNUAL REPORT CONCERNING DIPLOMATIC IMMUNITY.—

"(1) REPORT TO CONGRESS.—The Secretary of State shall prepare and submit to the Congress, annually, a report concerning diplomatic immunity entitled "Report on Cases Involving Diplomatic Immunity".

"(2) CONTENT OF REPORT.—In addition to such other information as the Secretary of State may consider appropriate, the report under paragraph (1) shall include the following:

"(A) The number of persons residing in the United States who enjoy full immunity from the criminal jurisdiction of the United States under laws extending diplomatic privileges and immunities.

"(B) Each case involving an alien described in subparagraph (A) in which an appropriate authority of a State, a political subdivision of a State, or the United States reported to the Department of State that the authority had reasonable cause to believe the alien committed a serious criminal offense within the United States, and any additional information provided to the Secretary relating to other serious criminal offenses that any such authority had reasonable cause to believe the alien committed before the period covered by the report. The Secretary may omit from such report any matter the provision of which the Secretary reasonably believes would compromise a criminal investigation or prosecution or which would directly compromise law enforcement or intelligence sources or methods.

"(C) Each case described in subparagraph (B) in which the Secretary of State has certified that a person enjoys full immunity from the criminal jurisdiction of the United States under laws extending diplomatic privileges and immunities.

"(D) The number of United States citizens who are residing in a receiving state and who enjoy full immunity from the criminal jurisdiction of such state under laws extending diplomatic privileges and immunities.

"(E) Each case involving a United States citizen under subparagraph (D) in which the United States has been requested by the government of a receiving state to waive the immunity from criminal jurisdiction of the United States citizen.

"(F) Whether the Secretary has made the notifications referred to in subsection (c) during the period covered by the report.

"(3) SERIOUS CRIMINAL OFFENSE DEFINED.—For the purposes of this section, the term 'serious criminal offense' means—

"(A) any felony under Federal, State, or local law;

"(B) any Federal, State, or local offense punishable by a term of imprisonment of more than 1 year;

"(C) any crime of violence as defined for purposes of section 16 of title 18, United States Code; or

"(D)(i) driving under the influence of alcohol or drugs;

"(ii) reckless driving; or

"(iii) driving while intoxicated.

"(b) UNITED STATES POLICY CONCERNING REFORM OF DIPLOMATIC IMMUNITY.—It is the sense of the Congress that the Secretary of State should explore, in appropriate fora, whether states should enter into agreements and adopt legislation—

"(1) to provide jurisdiction in the sending state to prosecute crimes committed in the receiving state by persons entitled to immunity from criminal jurisdiction under laws extending diplomatic privileges and immunities; and

"(2) to provide that where there is probable cause to believe that an individual who is entitled to immunity from the criminal jurisdiction of the receiving state under laws extending diplomatic privileges and immunities committed a serious crime, the sending state will waive such immunity or the sending state will prosecute such individual.

"(c) NOTIFICATION OF DIPLOMATIC CORPS.—The Secretary should periodically notify each foreign mission of United States policies relating to criminal offenses committed by individuals with immunity from the criminal jurisdiction of the United States under laws extending diplomatic privileges and immunities.".

Mr. CRAIG. Mr. President, I ask unanimous consent that the committee substitute be agreed to, the bill be considered read the third time, and passed, the motion to reconsider be laid upon the table, the title amendment be agreed to, and any statements relating to the bill appear at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment was agreed to.

The bill (S. 759) was considered read the third time.

The title was amended so as to read:

A Bill to amend the State Department Basic Authorities Act of 1956 to require the Secretary of State to submit an annual report to Congress concerning diplomatic immunity.

AVIATION INSURANCE REAUTHORIZATION ACT OF 1997

Mr. CRAIG. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar item No. 274, Senate 1193.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:.

A bill (S. 1193) to amend chapter 443 of title 49, United States Code, to extend the authorization of the aviation insurance program, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Aviation Insurance Reauthorization Act of 1997".

SEC. 2. VALUATION OF AIRCRAFT.

(a) GENERAL AUTHORITY FOR INSURANCE AND REINSURANCE.—Section 44302(a)(2) of title 49, United States Code, is amended by striking "as determined by the Secretary." and inserting "as determined by the Secretary in accordance with reasonable business practices in the commercial aviation insurance industry.".

(b) LIMITATION ON MAXIMUM INSURED AMOUNT.—Section 44306(c) of title 49, United States Code, is amended by striking "as determined by the Secretary." and inserting "as determined by the Secretary in accordance with reasonable business practices in the commercial aviation insurance industry.".

SEC. 3. EFFECT OF INDEMNITY AGREEMENTS.

Section 44305(b) of title 49, United States Code, is amended by adding at the end the following: "If such an agreement is countersigned by the President or the President's designee, the agreement shall constitute, for purposes of section 44302(b), a determination that continuation of the aircraft operations to which the agreement applies is necessary to carry out the foreign policy of the United States.".

SEC. 4. ARBITRATION AUTHORITY.

(a) AUTHORIZATION OF BINDING ARBITRATION.—Section 44308(b)(1) of title 49, United States Code, is amended by inserting after the second sentence the following: "Any such policy may authorize the binding arbitration of claims made thereunder in such manner as may be agreed to by the Secretary and any commercial insurer that may be responsible for any part of a loss to which such policy relates.".

(b) AUTHORITY TO PAY ARBITRATION AWARD.—Section 44308(b)(2) of such title is amended—

(1) by striking "and" at the end of subparagraph (A);

(2) by redesignating subparagraph (B) as subparagraph (C); and

(3) by inserting after subparagraph (A) the following:

"(B) pay the amount of a binding arbitration award made under paragraph (1); and".

SEC. 5. EXTENSION OF PROGRAM.

(a) IN GENERAL.—Section 44310 of title 49, United States Code, is amended by striking "September 30, 2002" and inserting "December 31, 1998".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on October 1, 1997.

SEC. 6. USE OF AIRCRAFT FOR DEMONSTRATION.

Section 40102(a)(37)(A) of title 49, United States Code, is amended—

(1) by striking "or" in clause (i);

(2) by redesignating clause (ii) as clause (iii); and

(3) by inserting after clause (i) the following:

"(ii) owned by the United States Government and operated by any person for purposes related to crew training, equipment development, or demonstration; or".

Mr. CRAIG. Mr. President, I ask unanimous consent that the committee substitute be agreed to, the bill be considered and read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee substitute was agreed to.

The bill (S. 1193), as amended, was passed.

NATIONAL FAMILY WEEK

Mr. CRAIG. Mr. President, I now ask unanimous consent that the Senate proceed to the immediate consideration of Calendar item No. 272, Senate Resolution 93.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 93) designating the week beginning November 23, 1997, and the week beginning on November 22, 1998, as "National Family Week", and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. CRAIG. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 93) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 93

Designating the week beginning November 23, 1997, and the week beginning on November 22, 1998, as "National Family Week", and for other purposes,.

Whereas the family is the basic strength of any free and orderly society;

Whereas it is appropriate to honor the family unit as essential to the continued well-being of the United States; and

Whereas it is fitting that official recognition be given to the importance of family loyalties and ties: Now, therefore, be it

Resolved, That the Senate designates the week beginning on November 23, 1997 and the week beginning on November 22, 1998, as "National Family Week". The Senate requests the President to issue a proclamation calling on the people of the United States to observe each week with appropriate ceremonies and activities.

UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT OF 1970 AMENDMENT

Mr. CRAIG. Mr. President, I now ask unanimous consent that the Senate now proceed to the consideration of S. 1258.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1258) to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 1617

(Purpose: Technical Amendment)

Mr. CRAIG. Mr. President, Senator BENNETT has an amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Idaho (Mr. CRAIG), for Mr. BENNETT, proposes an amendment numbered 1617.

On page 2, line 3, strike "(a)".

On page 3, line 4, strike ", under this Act,".

On page 3, beginning on line 5, strike "on the basis of race, color, or national origin".

Mr. BENNETT. Mr. President, I rise today to make a brief statement regarding S. 1258, a bill I introduced on October 6, 1997. This legislation will amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 to prohibit an alien not lawfully present in the United States from receiving assistance under that act. The Senate Committee on Environment and Public Works has reviewed this bill and approved it for Senate floor action.

My purpose in bringing this bill before the Senate is to address a loophole that was inadvertently created when immigration and welfare reform bills were recently enacted. In part, these bills were crafted to prevent illegal immigrants from entering the United States by denying Federal taxpayer paid benefits to illegal aliens. Currently, illegal aliens are still eligible to receive relocation assistance. Often, this assistance turns out to be a significant sum of money.

This legislation was originally introduced in the other body following an incident in California in which an illegal immigrant was awarded $12,000 because her legal status in this country made her ineligible to be moved into section 8 housing. In other instances, relocation assistance is being awarded to illegal aliens who then use the money to buy homes in their countries of origin.

This legislation simply closes a loophole which was overlooked in previous legislation and fully complies with the intent of Congress when it enacted immigration and welfare reform laws. I note that this legislation will not affect foreign nationals residing in the United States as legal residents or under the legal protection of a valid visa. In addition, the bill provides Federal agencies the ability to waive the provisions of this act in case of an exceptional and extremely unusual hardship.

I have one technical amendment to bring the bill into conformance with the legislation already passed by the other body. This amendment does not change the substance of the bill and I ask that it be considered with the bill. I have worked closely with the Senate Committee on Environment and Public Works in bringing this bill to the floor. I appreciate their support and the help of committee staff in moving this legislation toward enactment.

Mr. CHAFEE. Mr. President, today the Senate is considering S. 1258, a bill introduced by Senator BENNETT to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 to prohibit an alien who is not lawfully present in the United States from receiving assistance under that act. The Committee on Environment and Public Works unanimously approved this bill on Wednesday, October 29, 1997.

S. 1258 includes several features, in addition to the general provision prohibiting illegal aliens from receiving Federal assistance, to ensure that the act is carried out in a fair manner. In cases of extreme and unusual hardship, S. 1258 leaves it to the discretion of the Department of Transportation to provide a waiver to the ineligibility that is otherwise applicable. In addition, rights to compensation that an illegal alien may have under other Federal or State laws are not affected.

I ask for unanimous consent that a letter from the Congressional Budget Office be printed in the RECORD.

Mr. President, I encourage Senate adoption of this necessary measure.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE
Washington, DC, November 3, 1997.

Hon. JOHN H. CHAFEE,
Chairman, Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1258, a bill to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 to prohibit an alien who is not lawfully present in the United States from receiving assistance under that Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts for this estimate are Deborah Reis (for federal costs), who can be reached at 226-2860, and Kristen Layman (for the state and local impact), who can be reached at 225-3220.

Sincerely,

JUNE E. O'NEILL, *Director.*

Enclosure.

CONGRESSIONAL BUDGET OFFICE, COST ESTIMATE

S. 1258.—A bill to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 to prohibit an alien who is not lawfully present in the United States from receiving assistance under that Act

CBO estimates that implementing S. 1258 would cost the federal government less than $500,000 over the next year or two, assuming appropriation of the necessary amounts. The bill would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. S. 1258 would impose no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 and would impose no significant costs on state, local, or tribal governments.

S. 1258 would prevent persons who are not lawfully present in the United States from receiving relocation payments or other assistance when real property they occupy is acquired by a federal agency or with federal financing. The bill would require the U.S. Department of Transportation (DOT) to promulgate regulations within one year of enactment to implement the new law, including rules for determining whether a displaced person is lawfully present in the country and standards for judging when exceptions should be made for unusual hardship. DOT also would be responsible for providing agencies with information on proper implementation of the law through training and technical assistance.

Based on information provided by DOT and other agencies, and assuming appropriation of the necessary amounts, CBO estimates that DOT and other federal agencies would spend less than $500,000 to develop the necessary regulations, guidelines, and training programs to implement the legislation. We expect that the bill would have little or no effect on total property acquisition costs because so few transactions are likely to involve aliens who reside illegally in this country.

The bill would place a new requirement on state, local, and in some circumstances, tribal entities carrying out programs or projects with federal financial assistance that result in the displacement of persons. As a condition of receiving such assistance, the affected entities would have to determine whether displaced persons are lawfully present in the United States. Based on discussions with the U.S. Departments of Transportation and Housing and Urban Development, the Immigration and Naturalization Service, and affected state and local agencies, CBO estimates that the additional administrative costs to state, local, and tribal governments would be minimal.

On June 20, 1997, CBO prepared a cost estimate for H.R. 849, as ordered reported by the House Committee on Transportation and Infrastructure on June 11, 1997. The two bills are similar and the estimates are identical.

The CBO staff contacts for this estimate are Deborah Reis (for federal costs), who can be reached at 226-2860, and Kristen Layman (for the state and local impact), who can be reached at 225-3220. This estimate was approved by Paul N. Van de Water, Assistant Director for Budget Analysis.

Mr. CRAIG. Mr. President, I ask unanimous consent that the amendment be agreed to, the bill be considered read the third time and passed, as amended, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered

The amendment (No. 1617) was agreed to.

The bill (S. 1258), as amended, was passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DISPLACED PERSONS NOT ELIGIBLE FOR ASSISTANCE.

Title I of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.) is amended by adding at the end the following:

"SEC. 104. DISPLACED PERSONS NOT ELIGIBLE FOR ASSISTANCE.

"(a) IN GENERAL.—Except as provided in subsection (c), a displaced person shall not be eligible to receive relocation payments or any other assistance under this Act if the displaced person is an alien not lawfully present in the United States.

"(b) DETERMINATIONS OF ELIGIBILITY.—

"(1) PROMULGATION OF REGULATIONS.—Not later than 1 year after the date of enactment of this section, after providing notice and an opportunity for public comment, the head of the lead agency shall promulgate regulations to carry out subsection (a).

"(2) CONTENTS OF REGULATIONS.—Regulations promulgated under paragraph (1) shall—

"(A) prescribe the processes, procedures, and information that a displacing agency must use in determining whether a displaced person is an alien not lawfully present in the United States;

"(B) prohibit a displacing agency from discriminating, against any displaced person;

"(C) ensure that each eligibility determination is fair and based on reliable information; and

"(D) prescribe standards for a displacing agency to apply in making determinations relating to exceptional and extremely unusual hardship under subsection (c).

"(c) EXCEPTIONAL AND EXTREMELY UNUSUAL HARDSHIP.—If a displacing agency determines by clear and convincing evidence that a determination of the ineligibility of a displaced person under subsection (a) would result in exceptional and extremely unusual hardship to an individual who is the displaced person's spouse, parent, or child and who is a citizen of the United States or an alien lawfully admitted for permanent residence in the United States, the displacing agency shall provide relocation payments and other assistance to the displaced person under this Act if the displaced person would be eligible for the assistance but for subsection (a).

"(d) LIMITATION ON STATUTORY CONSTRUCTION.—Nothing in this section affects any right available to a displaced person under any other provision of Federal or State law.".

SEC. 2. DUTIES OF LEAD AGENCY.

Section 213(a) of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4633(a)) is amended—

(1) by redesignating paragraphs (2), (3), and (4) as paragraphs (4), (5), and (6), respectively; and

(2) by inserting after paragraph (1) the following:

"(2) provide, in consultation with the Attorney General (acting through the Commissioner of the Immigration and Naturalization Service), through training and technical assistance activities for displacing agencies, information developed with the Attorney General (acting through the Commissioner) on proper implementation of section 104;

"(3) ensure that displacing agencies implement section 104 fairly and without discrimination in accordance with section 104(b)(2)(B);".

PERMISSION TO CONVEY CERTAIN LANDS

Mr. CRAIG. Mr. President, I ask unanimous consent that the Commerce Committee be discharged from further consideration of S. 1347, and that the Senate then proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

A bill (S. 1347) to permit the City of Cleveland, Ohio to convey certain lands that the U.S. conveyed to the city.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. CRAIG. Mr. President, I ask unanimous consent that the bill be read three times and passed, the motion to reconsider be laid upon the table, and that any statements relating thereto be placed in the RECORD at the appropriate place as if read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 1347) was passed, as follows:

S. 1347

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEFINITIONS.

For purposes of this section, the term "fair market value" shall have the meaning provided that term by the Secretary of Transportation, by regulation.

SEC. 2. AUTHORITY TO GRANT WAIVERS.

(a) IN GENERAL.—Notwithstanding any other provision of law and subject to section 47153 of title 49, United States Code, and section 3, the Secretary of Transportation may waive any of the terms contained in the deed of conveyance described in subsection (b).

(b) DEED OF CONVEYANCE.—The deed of conveyance described in this subsection is the deed of conveyance issued by the United States and dated January 10, 1967, for the conveyance of lands to the city of Cleveland, Ohio, for use by the city for airport purposes.

SEC. 3. CONDITIONS.

(a) FAIR MARKET VALUE OR EQUIVALENT BENEFIT.—As a condition to receiving a waiver under this section, the city of Cleveland, Ohio, may convey an interest in the lands described in section 2(b) only if the city receives, in exchange for the interest—

(1) an amount equal to the fair market value of the interest; or

(2) an equivalent benefit.

(b) USE OF AMOUNTS OR EQUIVALENT BENEFITS.—Any amount or equivalent benefit that is received by the city of Cleveland shall be used by the city for—

(1) the development, improvement, operation, or maintenance of a public airport; or

(2) lands (including any improvements to those lands) that produce revenues that are used for airport development purposes.

MEASURE PLACE ON THE CALENDAR—S. 1414

Mr. CRAIG. Mr. President, I ask unanimous consent that S. 1414 be read for a second time.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1414) to reform and restructure the processes by which tobacco byproducts are manufactured, marketed and distributed to prevent the use of tobacco products by minors, to redress the adverse health effects of tobacco use, and for other purposes.

Mr. CRAIG. I object to further consideration.

The PRESIDING OFFICER. The bill will be placed on the Calendar of General Orders.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. CRAIG. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations which are at the desk: Joseph Brame and Sarah Fox.

I further ask unanimous consent that the Labor Committee be discharged from further consideration of Peter Hurtgen and Wilma Liebman and the Senate proceed to these nominations en bloc. I further ask unanimous consent that the nominations be confirmed, the motion to reconsider be laid upon the table, any statements relating to the nominations be printed in the RECORD, and the President be immediately notified of the Senate's action.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

NATIONAL LABOR RELATIONS BOARD

Peter J. Hurtgen, of Florida, to be a Member of the National Labor Relations Board for the term of five years expiring August 27, 2001.

Wilma B. Liebman, of the District of Columbia, to be a Member of the National Labor Relations Board for the remainder of the term expiring December 16, 1997.

Wilma B. Liebman, of the District of Columbia, to be a Member of the National Labor Relations Board for the term of five years expiring December 16, 2002.

Joseph Robert Brame, III, of Virginia, to be a Member of the National Labor Relations Board for the term of five years expiring August 27, 2000.

Sarah McCracken Fox, of New York, to be a Member of the National Labor Relations Board for the term of five years expiring December 16, 1999.

NATIONAL LABOR RELATIONS BOARD

Mr. KENNEDY. Mr. President, the long impasse over the membership of the National Labor Relations Board is finally broken. For the first time since August 1995, the Board will have a full complement of five confirmed members. As a result, the Board will have additional resources to handle the many important cases on its docket. There will be greater certainly in industrial relations, which is good for labor, good for management, and good for the country.

The nominees to be confirmed represent a balanced and fair package. The two Republican nominees, Peter Huertgen of Miami and J. Robert Bram III of Charlottesville, VA, are distinguished management lawyers, with many years of experience in Federal court in the NLRB litigation, and I know they will make a significant contribution as members of that Board.

There are also two Democratic nominees, Wilma Liebman and Sarah Fox, both of Washington, DC. Ms. Liebman has served as Deputy Director of the Federal Mediation and Conciliation Service since 1994, and she has done an outstanding job. She helped to resolve dozens of disputes between labor and management, and worked effectively to administer the operations of the FMCS. Ms. Liebman also has extensive experience representing labor unions and their members. She brings a wealth of knowledge of labor-management relations to this position. and I am confident she will serve with great distinction on the Board.

I am particularly pleased that the Senate will finally confirm the nomination of Sarah Fox, who is well known to many of us in the Senate. From 1990 until January 1996, she served as counsel on the Labor Committee staff, and she did an extraordinary job on issues of vital importance to working families, especially in areas such as job safety and health, pension rights, fair wages, and reform of job training programs and the Davis-Bacon Act. She worked well with Senators on both sides of the aisle, and has been serving as a recess appointee on the Board. I have great respect to Sarah's ability an commitment to public service, and I'm delighted by her confirmation.

Mr. CRAIG. Mr. President, I ask unanimous consent that the Senate consider the following nominations on the Executive Calendar. Calendar items 180, 181, 248, 252, 332, 375, 384, 455, 457, 464, 467, 468, 469 through 483 and all other military nominations reported by the Armed Services Committee today.

I further ask unanimous consent that the nominations be confirmed, the motion to reconsider be laid upon the table, any statements relating to the nominations be printed in the RECORD, the President be immediately notified of the Senate's actions, and the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

LEGAL SERVICES CORPORATION

Ernestine P. Watlington, of Pennsylvania, to be a Member of the Board of Directors of the Legal Services Corporation for a term expiring July 13, 1999.

John T. Broderick, Jr., of New Hampshire, to be a Member of the Board of Directors of the Legal Services Corporation for a term expiring July 13, 1999.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Olivia A. Golden, of the District of Columbia, to be Assistant Secretary for Family Support, Department of Health and Human Services.

Nancy-Ann Minn Deparle, of Tennessee, to be Administrator of the Health Care Financing Administration.

NATIONAL COUNCIL ON DISABILITY

Ela Yazzie-King, of Arizona, to be a Member of the National Council on Disability for a term expiring September 17.

DEPARTMENT OF COMMERCE

Terry D. Garcia, of California, to be Assistant Secretary of Commerce for Oceans and Atmosphere.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Eva M. Plaza, of Maryland, to be an Assistant Secretary of Housing and Urban Development.

THE JUDICIARY

Rodney W. Sippel, of Missouri, to be U.S. District Judge for the Eastern and Western District of Missouri.

Charles R. Breyer, of California, to be U.S. District Judge for the Northern District of California.

Bruce C. Kauffman, of Pennsylvania, to be U.S. District Judge for the Eastern District of Pennsylvania.

DEPARTMENT OF JUSTICE

James William Blagg, of Texas, to be U.S. Attorney for the Western District of Texas for the term of 4 years.

G. Douglas Jones, of Alabama, to be U.S. Attorney for the Northern District of Alabama for the term of 4 years.

DEPARTMENT OF DEFENSE

Robert M. Walker, of Tennessee, to be Under Secretary of the Army.

Jerry MacArthur Hultin, of Virginia, to be Under Secretary of the Navy.

F. Whitten Peters, of the District of Columbia, to be Under Secretary of the Air Force.

IN THE AIR FORCE

The following Air National Guard of the U.S. officer for appointment in the Reserve of the Air Force, to the grade indicated under title 10, United States Code, section 12203:

To be brigadier general

Col. Ronald A. Turner, 8052

The following named officer for appointment in the U.S. Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be general

Lt. Gen. John P. Jumper, 7457

The following named officer for appointment in the U.S. Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Frank B. Campbell, 9031

The following named officer for appointment in the U.S. Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. David W. McIlvoy, 0022

The following named officer for appointment in the U.S. Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Lansford E. Trapp, Jr., 7799

The following named officer for appointment in the U.S. Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. David J. McCloud, 2670

The following named officer for appointment in the U.S. Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Patrick K. Gamble, 2878

IN THE ARMY

The following Army National Guard of the U.S. officer for appointment in the Reserve of the Army to the grade indicated under title 10, United States Code, section 12203:

To be brigadier general

Col. Howard L. Goodwin, 3547

The following named officers for appointment in the Reserve of the Army to the grades indicated under title 10, United States Code, section 12203:

To be major general

Brig. Gen. David R. Bockel, 3146
Brig. Gen. James G. Browder, Jr., 1364
Brig. Gen. Melvin R. Johnson, 3385
Brig. Gen. J. Craig Larson, 1659
Brig. Gen. Rodney D. Ruddock, 9485

To be brigadier general

Col. Celia L. Adolphi, 1255
Col. Donna F. Barbish, 2133
Col. Emile P. Bataille, 3318
Col. Joel G. Blanchette, 9014
Col. George F. Bowman, 9374
Col. Gary R. DiLallo, 1920
Col. Douglas O. Dollar, 9730
Col. Russell A. Eggers, 7764
Col. Sam E. Gibson, 7099
Col. Fred S. Haddad, 5653
Col. Karol A. Kennedy, 8598
Col. Dennis E. Klein, 0720
Col. Duane L. May, 3910
Col. Robert S. Silverthorn, Jr., 7380
Col. James T. Spivey, Jr., 9772
Col. William B. Watson, Jr., 6859
Col. Charles E. Wilson, 7188

The following named officer for appointment in the Reserve of the Army to the grade indicated under title 10, United States Code, section 12203:

To be brigadier general

Col. David R. Irvine, 7022

IN THE NAVY

The following named officer for appointments in the U.S. Navy to the grade indicated while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be vice admiral

Vice Adm. William J. Fallon, 0304

CENTRAL INTELLIGENCE AGENCY

Robert M. McNamara, Jr., of Maryland, to be General Counsel of the Central Intelligence Agency.

Navy nominations beginning MATTHEW B. AARON, and ending THOMAS A. ZWOLFER, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on October 29, 1997.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

ORDERS FOR SUNDAY, NOVEMBER 9, 1997

Mr. CRAIG. I ask unanimous consent that when the Senate completes its business today, it stand adjourned until the hour of 1 p.m. on Sunday, November 9. I further ask that on Sunday, immediately following the prayer, the routine requests through the morning hour be granted.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. CRAIG. Mr. President, tomorrow it is the hope that the omnibus appropriations bill will be cleared for action by the Senate. A rollcall vote is anticipated. However, I would not expect that vote to occur prior to 1:30 p.m.

The Senate intends to consider and complete action on the following: the FDA reform conference report and legislative or executive items cleared for action. Therefore, Members can anticipate rollcall votes throughout Sunday's session of the Senate.

ORDER FOR ADJOURNMENT

Mr. CRAIG. If there is no further business to come before the Senate, I now ask the Senate stand adjourned under the previous order, following remarks of Senator GRASSLEY and Senator CHAFEE.

The PRESIDING OFFICER (Mr. BROWNBACK). Without objection, it is so ordered. The Senator from Rhode Island.

PROMOTION OF ADOPTION, SAFETY, AND SUPPORT FOR ABUSED AND NEGLECTED CHILDREN ACT

Mr. CHAFEE. Mr. President, I would like to express my strong support for legislation we considered this evening, the Promotion of Adoption, Safety, and Support for Abused and Neglected Children, the so-called PASS Act. This bill, which I introduced along with Senators CRAIG, ROCKEFELLER, DEWINE, COATS, JEFFORDS, and others, will make some critical changes to the child welfare system, changes which will vastly improve the lives of hundreds of thousands of children currently in foster care and waiting for adoptive homes.

We have been working on this legislation for the past year, and I am very pleased we were able to work out a proposal that everyone could support. The primary goal of this so-called PASS Act is to ensure that abused and neglected children are in safe, permanent settings. About a half a million children who have been abused or neglected currently live outside their homes, either in foster care or with relatives. In Rhode Island, there are nearly 1,500 children who have been removed from their homes and are in foster care. Many of these children will be able to return to their parents, but others will not.

Under the current system, children remain in foster care an average of 3 years. Mr. President, I call to your attention and that of everyone who may be interested in this subject, a child in foster care on the average remains there 3 years before any decision is made about that child's future. And in some cases the wait is even longer. It is time we put a stop to this, and our bill does that.

The PASS Act directs States to shorten this time, all the while ensuring that the child's health and safety are guaranteed. Our bill removes unnecessary geographic barriers to adoption, and requires criminal record checks for all prospective foster and adoptive parents, and other adults living in the household. It allows children to be freed for adoption more quickly in extreme cases, such as when the parents have murdered another child, and requires States to document efforts to move children into safe adoptive homes.

The PASS Act also contains some important provisions that will go a long way toward helping to find homes for so-called special needs children. Lack of medical coverage is a huge barrier to families who want to adopt special needs children. Many of these children have significant physical and mental health problems due to years of abuse, neglect, or foster care. Parents who adopt these children are taking huge financial risks. If these children are not guaranteed health insurance, there will be great reluctance in many cases for the prospective parents to adopt these children. Our bill ensures that special needs children who are going to be adopted will have medical coverage. We also ensure that children whose adopted parents die, or whose adoptions are disrupted in some fashion, will continue to receive Federal subsidies when they are adopted by new parents.

Finally, our bill reauthorizes and provides a modest increase for the Family Preservation and Support Program, which is a worthwhile program that prevents children from having to be removed from their homes.

This is a good bill. The sponsors have worked long and hard to come up with this compromise. We have talked with the House about the minor differences between our bills and it appears we will be able to quickly conference and pass this bill, hopefully before the Senate goes out this year.

In closing, let me thank and congratulate the Members of the PASS coalition who worked so tirelessly on the measure. Senators CRAIG, ROCKEFELLER, DEWINE, COATS, JEFFORDS, and others have made enormous contributions toward this initiative. This would not have happened without their dedication to the children who we are trying to move from foster care into adoptive homes.

I also thank Chairman ROTH of the Finance Committee for helping us to move quickly.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I also want to congratulate this body for the passage of the adoption bill. It is a good step forward. I hope when we work out the differences between the House and Senate, they can be worked out amicably. I hope there is not a watering down of the Senate provisions.

I would also like to have legislation passed yet this year. If it can't be worked out that way, obviously it is going to have to be put off until next year until it can be conferenced, but I hope we can work out these differences yet this year.

A pioneer in the adoption field wrote "when a child of the streets stands before you in rags, with tear-stained face, you cannot easily forget him, and yet you are perplexed what to do. The human soul is difficult to interfere with. You hesitate how far you should go."

Congress has been considering adoption and foster care reform this year that has caused all of us involved to ask, how far should we go?" But after extensive research into the failure of the foster care system, I ask how far can we go?

Confronting the issues for children in foster care is uncomfortable—almost painful. But the foster care system is in crisis and children are suffering. We are compelled to confront these problems.

Foster care is a complicated entitlement program. Meaningful reform can only happen when Congress recognizes the seriousness of the problem and begins taking the measured steps toward reform.

While the issues are complex, so are the solutions.

Today we are getting what we pay for, long-term foster care. Twenty-one States are under consent decrees because they failed to take proper care of their children who had been abused or neglected by their parents.

Set up to serve as a temporary, emergency situation for children, the foster care system is now a lifestyle for many kids.

The Federal Government continues to pour billions of dollars into a system that lacks genuine accountability.

Instead of encouraging States to increase adoptions, the current system rewards long-term foster care arrangements.

Jennifer Toth described in her book "Orphans of the Living," children are "consigned to the substitute child care system, a chaotic, prison-like system intended to raise children whose parents and relatives cannot or will not care for them."

She also wrote, "the children in substitute child care today have all suffered trauma. They are all at greater risk than the general child population. Yet they are given less care, when they need more care. Many thousands of children are lost and millions of dollars are wasted each year because no one—not the caseworker, not the foster home—takes full responsibility for them. Instead, each is passed from one caseload and placement to another, with too many kids and too little attention to go around. When these children look to adults for help, no one is there. Only when their situation becomes desperate, when they also fail, are they awarded the attention they crave."

One organization said that "foster care has been a black hole for many of America's neediest and most neglected children."

"I have a poster in my office that inspires me to work for real reform. The Iowa Citizen Foster Care Review Board asked children who were waiting to be adopted what they would like to tell us and this is what the children said: "Don't leave us in foster care so long." "It is scary to move from home to home, find us one good family where we can feel like a real member of the family." "Check on us frequently while we're in foster care to ask us how we're doing and make sure we are safe." "Tell us what's going on so we don't have to guess. Tell us how long it will be before we're adopted and why things seem to take so long."

Dave Thomas of Wendy's challenged me and others to make sure kids have a happy childhood. For those who have had a happy childhood it is hard to understand why. For those who did not have a happy childhood—you know why, he said.

Children need to know that they have a permanency—which means successful, healthy reunification with their birth families or permanency in an adoptive home.

My wife, Barbara, and I, have been blessed as the parents of five children. Today, we get to watch our sons and daughters enjoy their own families and the happiness found through parenthood. These experiences have made me appreciate the importance of a family unit. A happy, permanent home life provides more than a safe haven for kids. It gives children confidence to grow into positive contributors in our society.

In the United States, at least a half million children are not living in permanent homes. While waiting for adoption or a safe return to their natural families, many kids may live out their childhoods in the foster care system. Sadly, it often turns into a lonely, even futile transition. If the "window of opportunity" is missed, a child can leave the system a legal orphan, as an adult.

These children leave foster care and enter onto the welfare rolls or into prison. Only 17 percent of those who emancipate from the system become completely self-supporting. Barely half finish high school, a little less than half are gainfully employed as adults. And, almost 60 percent of the girls give birth within a few years of leaving the system.

Since 1982, about 20,000 children a year are adopted from foster care. Obviously, that leaves tens of thousands of kids in limbo every year.

Reform is needed to help place more children in a safe, permanent home. Improvements should limit the time a child legally can spend in foster care; remove financial incentives to keep kids in foster care; and, provide incentives for successful family reunifications or adoptions, not attempts.

More needs to be done to dispel the myth that some kids are unadoptable. I say that no child is unadoptable, we just havent't found a home for them yet. And, most children want the permanency provided through adoption.

I support the promotion of adoption, safety, and support for the Abused and Neglected Children Act, or Pass Act, because it takes the initial, necessary steps toward real reform.

For the first time, in 17 years, this body has strived to address the pain and suffering of these children. A cornerstone is laid upon which future reforms can be built.

The Pass Act will ensure health care coverage for adopted special needs children; break down geographic restrictions facing adoptive families; and, encourage creative adoptive efforts and outreach.

Thanks to Senator DEWINE's vision and efforts we have strengthened the reasonable efforts statute. Senator DEWINE raised our awareness on this issue and has been a champion for these children.

One of the problems we as legislators have experienced has been the inadequate statistics to understand the performance of the States. The data is sparse and many States can't tell us how many children they actually have in their care or how long they have been there. The Pass Act will require States to report critical statistics. No longer will children languish without being identified, their lives will be personalized to those responsible for them. We will know who they are, where they are, and how long they have been in the system. And, the status quo will not be able to hide behind the lack of information excuse.

Currently, the Federal Government does not require that States actively seek adoptive homes for all free-to-be-adopted children, who often are assigned to long-term foster care. This bill, however, will compel States to make reasonable efforts to place a child in an adoptive home. Long-term foster care should never be a solution for a child.

The Federal Government plays a significant role in child welfare, by providing funds to States and attaching conditions to these funds. The single largest category of Federal expenditure under the child welfare programs is for maintaining low-income children in foster care.

To receive Federal funds, States must comply with requirements designed so that children can remain safely with their families or return home after they have been placed in foster care. States will be penalized for not complying with the Pass Act.

In most States, children are being denied permanency because of the artificial barrier of geography. The Senate bill contains a provision that will break down the geographic barriers to adoption.

An adoption organization in a northeastern State shared with me a real life example of why this provision is necessary.

Allison, Beth, Jimmy, and Jarod are siblings, ages 6, 8, 10, and 11. They were freed for adoption in October 1996.

Because the siblings had regular visits and a close relationship with each other, their caseworker hoped to find a family that could adopt all four children. Our agency was able to send the caseworker the home studies of four out-of-State families who were interested in, and had space to adopt, all four children. However, the State child welfare agency pressured the worker to select in-State families for the children.

Over a period of 6 months, there were no appropriate in-State families who could adopt all four children, so it was decided to split the sibling group. Jimmy and Jarod were placed with one family, and a different family has been identified for Allison and Beth.

It is the intent of this legislation to remove the geographic barriers that keep children from appropriate adoptive families.

I recognize the Members for their efforts on this issue and congratulate the authors of this monumental piece of legislation.

They understood the complexity of this issue and pushed for reform. It was a very unique coalition, and I was glad to be part of it.

Under Senator CRAIG's leadership, a successful consensus was formed and bipartisan, incremental steps were taken.

Senator ROTH was also instrumental in forging an agreement with Members so that this bill could pass with an overwhelming majority. His guidance and insight were critical to the bill's success.

Today we begin to change the culture surrounding adoption. Children deserve permanent homes. All children are valuable and adoptable.

I have been impressed by the compassion of those who adopt these special children. They are gifted and should inspire us all.

We know that more families are willing to adopt children, including those with the most challenging of circumstances.

We have always had a class of children considered unadoptable.

Several decades ago many said that minority children were unadoptable. We know now that is not true.

Many once thought that children with AIDS were unadoptable. We know now that is not true.

Adoption organizations are finding homes for children and have waiting lists of parents all over the country anxious to adopt children despite their special circumstances. One adoption agency has a waiting list of a hundred families, willing to adopt a child with Down's syndrome.

A family in Texas adopted 8 drug-exposed siblings ranging in age from 2 to 10.

Susan Badeau, a witness before the Senate Finance Committee, shared her story about adopting 19 children out of the foster care system—virtually rescuing them from a lifetime in foster care.

The Pass Act will encourage permanency for the children who cannot return to their original homes.

To ensure that these new adoptive families are healthy and stay together they will need postadoption services and respite care.

Postadoptive services are crucial for the success of these families because many of these children will have long-term service needs.

In States where postadoption services are offered, the number of adoptive families that disrupt is significantly lower.

According to the Congressional Research Service the following Federal programs could be used to provide postadoption services to adoptive families. Although none of these programs is exclusively intended to provide such services, they are among a number of allowable activities. They include the following: The Adoption Opportunities Program; the Family Preservation Program; Child Welfare Services; Child Abuse Prevention and Treatment Act; Community-Based Family Resource and Support; Child Care and Development Block Grant; and the Social Services Block Grant.

I was pleased with the provision in the Pass Act which emphasizes adoption promotion and support services in the Family Preservation and Support Service Act.

I ask unanimous consent to print in the RECORD an explanation of the services provided under these programs.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

1. The Adoption Opportunities Program authorizes appropriations for the Department of Health and Human Services to conduct a number of adoption-related activities, including provision of post-legal adoption services for families that have adopted special needs children. These services may be provided either directly or by grant or contract with States, local governments, public or private nonprofit licensed child welfare or adoption agencies, or adoptive family groups. Services must supplement, and not supplant, activities funded through other sources with the same general purpose, including individual, group or family counseling, case management, training, assistance to adoptive parent organizations, and assistance to support groups for adoptive parents, adopted children or siblings of adopted children.

2. Family Preservation Program. The Social Security Act authorizes entitlement grants to States, which are used for two types of services: family preservation, and community-based family support. "Family preservation" services are intended for children and families (including adoptive families) that are at risk or in crisis, and may include respite care of children to provide temporary relief for parents or other care givers, and services designed to improve parenting skills in such areas as child development, family budgeting, coping with stress, health and nutrition.

3. Child Welfare Services. Under subpart 1 of title IV–B, the Social Security Act also authorizes appropriations for grants to states for child welfare services, which are defined broadly to include public social services directed toward protection and promotion of the welfare of children. These funds are typically used to support State children protective service and child welfare systems. However, while post-adoption services are not specifically identified in the statute, they could be allowable activities at State option.

4. Child Abuse Prevention and Treatment Act. Title I of the Child Abuse Prevention and Treatment Act (CAPTA) authorizes funds for HHS to conduct a variety of discretionary activities, including grants to mutual support and self-help groups for strengthening families, respite and crisis nursery programs provided by community-based organizations, and hospital-based information and referral services for parents of

children with disabilities and children who have been victims of abuse or neglect.

5. Community-Based Family Resource and Support. Title II of CAPTA authorizes HHS to make grants to Stats to develop, operate, and expand statewide networks of community-based family resource and support programs. These programs provide various forms of support for families, including respite care for adoptive families.

6. Child Care and Development Block Grant (CCDBG). This program authorizes both discretionary and mandatory funding for States to help subsidize the cost of child care for low-income families, including both working families and families receiving welfare. Adoptive families in need of child care could potentially receive assistance under this program, assuming they met income and other eligibility criteria.

7. Social Services Block Grant (SSBG). Title XX of the Social Security Act authorizes entitlement grants to States that may be used for a wide variety of social services at the states' discretion. Although services for adoptive families are not specified in the law, States could opt to use SSBG funds for this purpose.

Mr. GRASSLEY. Mr. President, let's build upon the cornerstone of this monumental bill. Congress has a chance to continue to press on for meaningful reform. In spite of this legislation, some children will still remain hostages in an inefficient system.

Any future reforms must: First, strive to dramatically limit the time a child can legally spend in foster care. According to the available statistics, the national average length of stay in foster care is three years—three birthdays, three christmases, first, second and third grade. Second, remove financial incentives to keep children in foster care; and provide incentives for success not for attempts. Currently the system pays the same rate per child per month without limitation. The Federal Government is entitled to pay for performance.

Senator BROWNBACK plans to hold hearings next year as chairman of the Subcommittee on Oversight of the District of Columbia to determine what the Federal Government can do to address the crumbling foster care system in the District.

These children are the most vulnerable of all—their little lives begin with abuse and neglect by their own parents and, for many, they experience systemic abuse by languishing in long term foster care.

CRS stated that "children are vulnerable and their well-being is affected by conditions beyond their control." But is not beyond our control.

Those on the front lines, on whom we rely to make this policy work include: the court appointed special advocates, volunteers who advocate in the courts on the children's behalf; juvenile judges—an Illinois judge told me she requires each of the children's pictures to be attached to the front of their files so that those who come in contact with the case know that these are children, not a caseload number; the foster and adoptive parent associations; the citizen foster care review boards; special needs adoption organizations, Governors, the human services departments and social workers.

We are all responsible for these children who depend on us. Foster care is a poor parent. A loving, committed family is the best gift to give any child. Passage of this bill is one way to encourage this.

I yield the floor.

The PRESIDING OFFICER. Without objection, the Senator from Alabama will be recognized for however much time he may consume.

Mr. SESSIONS. Thank you, Mr. President.

First, I would like to say how much I appreciate the excellent comments of the Senator from Iowa, Senator GRASSLEY. He believes deeply in improving the life and health of children, as you do, Mr. President, and have worked toward that end.

I salute the work that has been done. It is a major step forward in improving foster care and the ability to adopt children in America, which is something this Congress, I think, will be able to take real pride in.

CLAY COUNTY VETERANS MEMORIAL PARK DEDICATION

Mr. SESSIONS. Mr. President, I rise this evening to speak about a dedication ceremony that will take place tomorrow afternoon in the city of Lineville in Clay County, AL. Mr. President, I would first like to take this opportunity to express my deep regret for not having been able to be in Lineville this afternoon with those who have gathered for the dedication of the Clay County Veterans Memorial Park. I would be remiss if I did not also take this opportunity to offer my sincerest thanks to Alabama State Senator Gerald Dial and the other members of the Veterans Memorial Board for working hard to make the Clay County Veterans Memorial Park a reality and for extending an invitation to me to participate in their dedication ceremony.

Mr. President, I make these remarks tonight for one reason. Simply, It is about honor. Certainly, not personal honor. That is one variety we are all familiar with. No, the type of honor to which I am referring is the uncommon variety. It is the variety that we bestow as a tribute on special occasions for veterans and other heros in our society who made the supreme sacrifice.

In less than 24 hours, my constituents will gather to honor all the men and women who, over the years, left their homes and loved ones, their jobs, friends and neighbors all over Clay County to answer a special calling. The veterans they honor might have grown up in Delta, in Ashland, in Cragford, in Hollins, in Millerville, in Barfield, in Lineville or anywhere in between, but even though they may have been separated by the miles and the years between them, a common thread ran through each of their lives. They were all connected by their love for this land and this country.

We should take a moment to reflect on that for a minute—connected by a distinguishable act of love of country and a willingness to serve that country where ever it directed. Hence, Mr. President, I stand here tonight to join them in paying homage, to show our respect, and our sincerest appreciation for the sacrifices that these patriots made for our country. Sacrifices that ensured the freedom you and I enjoy today and our children's children will enjoy years from now. With the dedication of this memorial park they are simply saying thank you to all those who have gone before, those who believed enough in freedom to risk their lives.

In commemorating the memory of these friends and loved ones, we are reflecting on a glorious past, but we are also pausing, I think, for a moment to look forward in time with a hopeful spirit and a pledge of unwavering support to the young men and women in communities all around this great Nation that we will unconditionally support them just as we supported those we honor today.

The Clay County Veterans Memorial Park will be as much an emblem of the courageous spirit and bravery of patriots from yesteryear, as it will be a beacon of hope and source of strength for future generations. I pledge to do my part to make sure that we remain the strongest and greatest country in the world, and we defend our just national interest.

Mr. President, ours is both an important and a unique moment in history. We no longer live in the bipolar world that shaped our lives and our political consciousness over the last half century. The monolithic presence of the Soviet Union has been replaced by new threats. We live in a rapidly changing world where our ability to adapt and our commitment to remain a world leader will be tested by both the cunning and the strong. The veterans being honored today defeated Nazi Fascism, brought Soviet Communism to its knees, were victorious against tyranny, and protected democracy and freedom around the world. They led our country through times of conflict and war to the edge of the 21st century.

Had I been able to be with my constituents today, I would have reminded them that as our Nation moves forward we will face new national defense considerations. We must maintain a strong military, and I will give my full support to our men and women in uniform. The military must, I believe, be capable of protecting our interests and the lives of our soldiers in places like Bosnia, Korea, and the Middle East when asked to do so. We must therefore provide our service men and women with the best training, the best equipment, the best information, and the best overall opportunity for success under any circumstance, so that when they are called to perform, they will emerge victorious.

We have approached a time of major historical significance in the area of foreign policy and international cooperation. We have new and exciting opportunities to promote peace and prosperity throughout the world that many of us may never have thought possible. The winds of democracy and economic prosperity now blow in Eastern Europe precisely because of the sacrifices of those being honored today. Mr. President, patriots from Clay County, AL fought and died to make this prosperity possible. The overwhelming desire on the part of counties around the world to emulate us—to be like America is a testament to our proud past and an example of fairness that is the hallmark of our society.

We are, I truly believe, standing on the brink of a change of historic proportions. It represents a step forward for peace and cooperation that will surely carry us well into the 21st century. We must always remember those who made this possible. I am reminded of a quote by Gen. Douglas MacArthur on April 19, 1951, as he spoke before Congress. He said that, "Old soldiers never die, they just fade away." Tomorrow will be a great day for Clay County. Memorial Park is for the veterans, living and dead, who fought so that freedom, our freedom, would never perish. It also represents that community's commitment to a memory of sacrifices made, and promises kept.

Mr. President, I thank the citizens of Clay County for their individual sacrifices, and hope that they will find solace in this place they gather to dedicate today. It is also my hope that they will find solace in the knowledge that their sacrifices are honorable too, and as lasting and worthy as the sacrifices of those who have gone on before them.

I thank the Chair.

ADJOURNMENT UNTIL 1 P.M. TOMORROW

The PRESIDING OFFICER. The Senate, under the previous order, will stand adjourned until 1 p.m., Sunday, November 9, 1997.

Thereupon, the Senate, at 7:31 p.m, adjourned until Sunday, November 9, 1997 at 1 p.m.

NOMINATIONS

Executive nominations received by the Senate November 8, 1997:

DEPARTMENT OF EDUCATION

CYRIL KENT MCGUIRE, OF NEW JERSEY, TO BE ASSISTANT SECRETARY FOR EDUCATIONAL RESEARCH AND IMPROVEMENT, DEPARTMENT OF EDUCATION, VICE SHARON PORTER ROBINSON, RESIGNED.

NATIONAL LABOR RELATIONS BOARD

JOSEPH ROBERT BRAME, III, OF VIRGINIA, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE TERM OF FIVE YEARS EXPIRING AUGUST 27, 2000, VICE JAMES M. STEPHENS, TERM EXPIRED.

SARAH MCCRACKEN FOX, OF NEW YORK, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE TERM OF FIVE YEARS EXPIRING DECEMBER 16, 1999, VICE JOHN C. TRUESDALE.

FEDERAL TRADE COMMISSION

MOZELLE WILLMONT THOMPSON, OF NEW YORK, TO BE A FEDERAL TRADE COMMISSIONER FOR THE TERM OF SEVEN YEARS FROM SEPTEMBER 26, 1996, VICE CHRISTINE A. VARNEY, RESIGNED.

ORSON SWINDLE, OF HAWAII, TO BE A FEDERAL TRADE COMMISSIONER FOR THE TERM OF SEVEN YEARS FROM SEPTEMBER 26, 1997, VICE ROSCOE BURTON STAREK, III, TERM EXPIRED.

FEDERAL DEPOSIT INSURANCE CORPORATION

DONNA TANOUE, OF HAWAII, TO BE CHAIRPERSON OF THE BOARD OF DIRECTORS OF THE FEDERAL DEPOSIT INSURANCE CORPORATION FOR A TERM OF FIVE YEARS, VICE RICKI RHODARMER TIGERT, RESIGNED.

DONNA TANOUE, OF HAWAII, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE FEDERAL DEPOSIT INSURANCE CORPORATION FOR THE REMAINDER OF THE TERM EXPIRING OCTOBER 3, 2000, VICE RICKI ROHODARMER TIGERT, RESIGNED.

THE JUDICIARY

RONALD M. GOULD, OF WASHINGTON, TO BE U.S. CIRCUIT JUDGE FOR THE NINTH CIRCUIT, VICE ROBERT R. BREEZER, RETIRED.

BARRY G. SILVERMAN, OF ARIZONA, TO BE U.S. CIRCUIT JUDGE FOR THE NINTH CIRCUIT, VICE WILLIAM CAMERON CANBY, JR., RETIRED.

SAM A. LINDSAY, OF TEXAS, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF TEXAS, VICE A NEW POSITION CREATED BY PUBLIC LAW 101-650, APPROVED DECEMBER 1, 1990.

CONFIRMATIONS

Executive Nominations Confirmed by the Senate November 8, 1997:

LEGAL SERVICES CORPORATION

ERNESTINE P. WATLINGTON, OF PENNSYLVANIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE LEGAL SERVICES CORPORATION FOR A TERM EXPIRING JULY 13, 1999.

JOHN T. BRODERICK, JR., OF NEW HAMPSHIRE, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE LEGAL SERVICES CORPORATION FOR A TERM EXPIRING JULY 13, 1999.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

OLIVIA A. GOLDEN, OF THE DISTRICT OF COLUMBIA, TO BE ASSISTANT SECRETARY FOR FAMILY SUPPORT, DEPARTMENT OF HEALTH AND HUMAN SERVICES.

NANCY-ANN MINN DEPARLE, OF TENNESSEE, TO BE ADMINISTRATOR OF THE HEALTH CARE FINANCING ADMINISTRATION.

NATIONAL COUNCIL ON DISABILITY

ELA YAZZIE-KING, OF ARIZONA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 1999.

DEPARTMENT OF COMMERCE

TERRY D. GARCIA, OF CALIFORNIA, TO BE ASSISTANT SECRETARY OF COMMERCE FOR OCEANS AND ATMOSPHERE.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

EVA M. PLAZA, OF MARYLAND, TO BE AN ASSISTANT SECRETARY OF HOUSING AND URBAN DEVELOPMENT.

DEPARTMENT OF DEFENSE

ROBERT M. WALKER, OF TENNESSEE, TO BE UNDER SECRETARY OF THE ARMY.

JERRY MACARTHUR HULTIN, OF VIRGINIA, TO BE UNDER SECRETARY OF THE NAVY.

F. WHITTEN PETERS, OF THE DISTRICT OF COLUMBIA, TO BE UNDER SECRETARY OF THE AIR FORCE.

CENTRAL INTELLIGENCE AGENCY

ROBERT M. MCNAMARA, JR., OF MARYLAND, TO BE GENERAL COUNSEL OF THE CENTRAL INTELLIGENCE AGENCY.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

NATIONAL LABOR RELATIONS BOARD

PETER J. HURTGEN, OF FLORIDA, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE TERM OF FIVE YEARS EXPIRING AUGUST 27, 2001.

WILMA B. LIEBMAN, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE REMAINDER OF THE TERM EXPIRING DECEMBER 16, 1997.

WILMA B. LIEBMAN, OF THE DISTRICT OF COLUMBIA, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE TERM OF FIVE YEARS EXPIRING DECEMBER 16, 2002.

JOSEPH ROBERT BRAME, III, OF VIRGINIA, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE TERM OF FIVE YEARS EXPIRING AUGUST 27, 2000.

SARAH MCCRACKEN FOX, OF NEW YORK, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE TERM OF FIVE YEARS EXPIRING DECEMBER 16, 1999.

THE JUDICIARY

RODNEY W. SIPPEL, OF MISSOURI, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN AND WESTERN DISTRICTS OF MISSOURI.

CHARLES R. BREYER, OF CALIFORNIA, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF CALIFORNIA.

BRUCE C. KAUFFMAN, OF PENNSYLVANIA, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF PENNSYLVANIA.

DEPARTMENT OF JUSTICE

JAMES WILLIAM BLAGG, OF TEXAS, TO BE U.S. ATTORNEY FOR THE WESTERN DISTRICT OF TEXAS FOR THE TERM OF FOUR YEARS.

G. DOUGLAS JONES, OF ALABAMA, TO BE U.S. ATTORNEY FOR THE NORTHERN DISTRICT OF ALABAMA FOR THE TERM OF FOUR YEARS.

IN THE AIR FORCE

THE FOLLOWING AIR NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE, TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 12203:

To be brigadier general

COL. RONALD A. TURNER, 8052.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be general

LT. GEN. JOHN P. JUMPER, 7457.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

LT. GEN. FRANK B. CAMPBELL, 9031.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. DAVID W. MCILVOY, 0022.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. LANSFORD E. TRAPP, JR., 7799.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

LT. GEN. DAVID J. MCCLOUD, 2670.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

LT. GEN. PATRICK K. GAMBLE, 2878.

IN THE ARMY

THE FOLLOWING ARMY NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 12203:

To be brigadier general

COL. HOWARD L. GOODWIN, 3547.

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADES INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 12203:

To be major general

BRIG. GEN. DAVID R. BOCKEL, 3146.

BRIG. GEN. JAMES G. BROWDER, JR., 1364.
BRIG. GEN. MELVIN R. JOHNSON, 3385.
BRIG. GEN. J. CRAIG LARSON, 1659.
BRIG. GEN. RODNEY D. RUDDOCK, 9485.

To be brigadier general

COL. CELIA L. ADOLPHI, 1255.
COL. DONNA F. BARBISH, 2133.
COL. EMILE P. BATAILLE, 3318.
COL. JOEL G. BLANCHETTE, 9014.
COL. GEORGE F. BOWMAN, 9374.
COL. GARY R. DILALLO, 1920.
COL. DOUGLAS O. DOLLAR, 9730.
COL. RUSSELL A. EGGERS, 7764.
COL. SAM E. GIBSON, 7099.
COL. FRED S. HADDAD, 5653.
COL. KAROL A. KENNEDY, 8598.
COL. DENNIS E. KLEIN, 0720.
COL. DUANE L. MAY, 3910.
COL. ROBERT S. SILVERTHORN, JR., 7380.
COL. JAMES T. SPIVEY, JR., 9772.
COL. WILLIAM B. WATSON, JR., 6859.
COL. CHARLES E. WILSON, 7188.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, UNITED STATES CODE, SECTION 12203:

To be brigadier general

COL. DAVID R. IRVINE, 7022.

IN THE NAVY

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE U.S. NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

VICE ADM. WILLIAM J. FALLON, 0304.

NAVY NOMINATIONS BEGINNING MATTHEW B. AARON, AND ENDING THOMAS A. ZWOLFER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON OCTOBER 29, 1997.

WITHDRAWALS

EXECUTIVE MESSAGES TRANSMITTED BY THE PRESIDENT TO THE SENATE ON NOVEMBER 8, 1997, WITHDRAWING FROM FURTHER SENATE CONSIDERATION THE FOLLOWING NOMINATIONS:

NATIONAL LABOR RELATIONS BOARD

JOSEPH ROBERT BRAME, III, OF VIRGINIA, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE TERM OF FIVE YEARS EXPIRING DECEMBER 16, 1999, VICE JOHN C. TRUESDALE, WHICH WAS SENT TO THE SENATE ON OCTOBER 28, 1997.

SARA MCCRACKEN FOX, OF NEW YORK, TO BE A MEMBER OF THE NATIONAL LABOR RELATIONS BOARD FOR THE TERM OF FIVE YEARS EXPIRING AUGUST 27, 2000, VICE JAMES M. STEPHENS, TERM EXPIRED, WHICH WAS SENT TO THE SENATE ON JANUARY 9, 1997.

EXTENSIONS OF REMARKS

"AMERICA STILL NEEDS A RAISE" SPEECH BY BILL DAUSTER

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mrs. MINK. Mr. Speaker, I submit an excellent speech relevant to our work here regarding the minimum wage. The author, Bill Dauster, is the Democratic deputy staff director and general counsel for the Senate Committee on Labor and Human Resources.

Mr. Dauster has enjoyed a distinguished career working for congressional committees in the Senate. Mr. Dauster first came to the Hill in 1986 working with the Budget Committee. Mr. Dauster served as chief counsel and eventually Democratic chief of staff and chief counsel on the Budget Committee for 11 years before moving to the Senate Labor Committee where he currently works. Among his many accomplishments, Mr. Dauster has submitted various op-ed articles that have appeared in the Los Angeles Times, the Washington Monthly, Roll Call, the Hill, and the Sunday Journal.

On October 20, 1997, Mr. Dauster presented his speech at a forum exploring how golden today's U.S. economy is. I believe that it is deserving of broader exposure. I submit it for the RECORD.

His speech is as follows:

First let me ask your indulgence for a reading from the book of Exodus:

"And it came to pass . . . that . . . mount Sinai was altogether on a smoke, because the Lord descended upon it in fire: . . . and the whole mount quaked greatly. . . .

"And God spake all these words, saying, 'I am the Lord thy God. . . . Thou shalt have no other gods before me.

"'Thou shalt not make unto thee any graven image. . . .

"'Thou shalt not take the name of the Lord thy God in vain. . . .

"'Remember the Sabbath day, to keep it holy. Six days shalt thou labor, and do all thy work; But the seventh day is the Sabbath of the Lord thy God: in it thou shalt not do any work, thou, nor thy son, nor thy daughter, thy manservant, nor thy maidservant, nor thy cattle, nor thy stranger that is within thy gates. . . .'"

But then spake a voice from the midst of the people saying, "Wait a minute, Lord!" It was the President of the Nation of Israel Chamber of Commerce, and he didst say, "Hast Thou not seen what happened to that Communist Pharaoh when he didst introduce central planning into the economy, what with the heavy corn taxation during the 7 plenteous years, and the big government pyramid building project? And Egypt didst collapse, and so willst Israel if Thou dost impose a centrally-planned workseek upon us."

And the Lord God spake, saying, "Enough with the name-calling! What ist thine point, exactly?"

And the mouthpiece for the wealthy didst say, "What Thou talkest about ist an unfunded mandate on business. A weekly day off doth conflict with the free market. Thou shouldest leave vacation policy to free bargaining between Israelites. It wouldst cover those not in need; teenagers needeth not a Sabbath. Making a Sabbath wouldst create unemployment."

And the Lord said, "Verily, thou art full of it!" And the Lord did make the earth open up and swallow the spokesman of the moneyed interests, and resistance to sensible labor laws did vanish forever from the face of the earth.

If only, if only it were that easy. If only the Good Book did tell of the victory of God's law—the oldest labor law—over the interests of wealth, then perhaps the road of labor reformers since would not have been as hard.

Instead, the Western world has been weaned on the economics of Thomas Malthus, that population increase will necessarily force wages to subsistence levels, and of David Ricardo that "[t]here is no way of keeping profits up but by keeping wages down." Instead, the Western world has come to take Capitalism as an article of faith, the same Capitalism that Lord John Maynard Keynes defined as "the extraordinary belief that the nastiest of men, for the nastiest of reasons, will somehow work for the benefit of us all."

Yes, it has not been easy as generation after generation battled for something more than subsistence wages to compensate workers for their labor.

It was not easy for the girls who labored at the Lowell, Massachusetts, textile mills, like Harriet Hanson Robinson and Sarah Bagley, who participated in one of America's first strikes over wage rates. In 1834, at age 10, Harriet Hanson Robinson went to work as one of "[t]roops of young girls [whom] men were employed to collect . . . at so much a head, and deliver . . . at the factories." Harriet wrote that "the caste of the factory girl was the lowest among the employments of women. . . . In the eyes of her overseer she was but a brute, a slave, to be beaten, pinched and pushed about." The mills paid the young women $2 a week for jobs that kept them at the mills for nearly 14 hours a day. When the mill announced in 1836 that it planned to cut their wages, the young women went on strike and marched as one to listen to incendiary speeches. But "[t]he corporation would not come to terms. The girls were soon tired of holding out, and they went back to their work at the reduced rate of wages."

And it was not easy for Sarah Bagley when she led the petition drive that forced Massachusetts legislators to examine the conditions there, in one of the first governmental investigations of labor conditions. At a time when women seldom spoke in public, Sarah testified fearlessly before the Massachusetts legislature arguing for the 10-hour day. Even though the legislature did not vote with the women that day, Bagley helped to advance the 10-hour day movement, which began to achieve success in the 1840s.

And it was not easy for those who fought for the 8-hour day, like Albert and Lucy Parsons. Lucy, born around 1853 of African-American, Native-American, and Mexican ancestry, married an Anglo man and moved to Chicago in 1873. Her husband Albert, a newspaper printer by trade, became a leader of the Chicago labor movement, while Lucy became an activist with the International Ladies' Garment Workers Union. On May 1, 1886, to kick off the movement for the 8-hour day, 350,000 workers across the Nation walked off their jobs in a general strike, more than 40,000 in Chicago alone. After police shootings marred a strike 2 days later, radicals called a rally in Haymarket Square. Over 2,000 attended, but after numbers dwindled, an army of police marched on the crowd. A radical threw a bomb into the police ranks, and a riot broke out, injuring and killing both workers and police. Although Albert was not even in Haymarket Square that day, he and seven other men were accused and convicted of the bombing in what a later Governor determined was a grossly irregular trial. When Lucy brought her two children to see their father for the last time, she was arrested, along with her kids, taken to jail, forced to strip, and left naked with her children in a cold cell until her husband had been hanged dead. In tears upon her release, she vowed to continue to fight injustice and served as a radical labor leader for nearly 70 years.

It was not easy for Clara Lemlich, a 16-year-old immigrant garment worker, who at a meeting at New York's Cooper Union in November 1909, stood and recited her hardships in the sweatshops, galvanizing the audience with her call for action. The impassioned crowd affirmed its solidarity with the old Jewish oath, "If I turn traitor to the cause I now pledge, may this hand wither from the arm I now raise." A garment workers' strike banner read, "We are starving white we work; we might as well starve while we strike!"

And it was not easy for a young New York City researcher and social reformer named Frances, who while visiting a friend on March 25, 1911, suddenly heard the clanging of fire engines close by. Rushing out to the street, she saw the top floors of the Triangle Shirtwaist Company erupting in flames and watched with horror as young women workers leaped to their deaths. They had been crowded into lofts where the few existing fire escapes were either inaccessible or stopped several stories above the ground. The tragedy claimed 146 lives. The researcher, Frances Perkins, went on to become President Franklin Roosevelt's Secretary of Labor.

It was not easy for Caroline Gleason, whom Oregon employers called "an outrageous socialist," just because in 1912 she began a survey for the Oregon Consumers' League of the thousands who worked in abominable conditions to earn $8.25 for a 54-hour week. But Gleason had the satisfaction of seeing her data aid passage of the country's first enforceable wage-hour law, which became the model for the Federal Fair Labor Standards Act.

It was not even easy for the Department of Justice when it tried to enforce an 8-hour day and a 6-day week for a 14-year old boy in a cotton mill at Charlotte, North Carolina,

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

when the 1918 Supreme Court held that such a law "exerts a power as to a purely local matter to which the federal authority does not extend."

FDR's National Industrial Recovery Act fared no better before the 1935 Supreme Court.

It was not easy for the young Bedford, Massachusetts, women who tried to pass President Franklin Roosevelt an envelope while he was campaigning for reelection in 1936. A policeman threw her back into the crowd. "Get the note from the girl," Roosevelt told an aide. Her note read: "I wish you could do something to help us girls. . . . We have been working in a sewing factor, . . . and up to a few months ago we were getting our minimum pay of $11 a week. . . . Today the 200 of us girls have been cut down to $4 and $5 and $6 a week." When a reporter asked, the President replied, "Something has to be done about the elimination of child labor and long hours and starvation wages."

It was not easy for FDR and his Labor Secretary Frances Perkins to push the Fair Labor Standards Act through Congress in 1937 and 1938, even though all that Act did in the end was apply a 25-cent-an-hour minimum wage and 44-hour week to roughly one-fifth on the workforce.

And it was not even easy for Democrats to raise the minimum wage in the last Congress, even though it had reached its lowest value in 40 years, with the exception of one year during the Bush administration. The Republican majority sought to use the cloture rules to make the minimum wage amendment out of order, but Democrats and moderate Republicans stood together and prevailed.

And despite that victory, America still needs a raise.

Even now that the latest raise in the minimum wage has been fully implemented, and it has reached the level where it requires just over $10,000 year for a full-time job, its real value remains below its level from 1956 through 1983.

During those post-War years, the incomes of all Americans, rich and poor, grew together. In the 1980s and after, Americans have grown apart. America still needs a raise.

In the 15 years from 1980 through 1995, the minimum wage increased 37 percent. But during that same period, inflation increased 86 percent, company profits increased 145 percent, and CEO pay increased 499 percent. CEO pay increases to 5 times what it was before, and the Titans of industry still complained that a little more than one-third increase in the minimum wage would bankrupt the country! America still needs a raise.

Today I have told you stories of women workers, for theirs has often been a hard lot. Fully three-fifths of all minimum wage workers are women. American women still need a raise.

On July 11, Senator Ted Kennedy introduced S. 1009, a bill that would simply provide increases of 50 cents an hour in the minimum wage in each of the next 3 years and, increases of 30 cents an hour in each of the following 2 years. Congressmen Bonior and Gephardt introduced H.R. 2211 to do the same thing.

Under these bills, the minimum wage would still remain below its levels in the late 1960s.

If this Congress could enact a 5-year budget deal to grant sweeping capital gains and estate tax breaks for the wealthiest among us for years into the future, then the least that it can do is to give those earning the minimum wage a raise for the next 5 years as well. America still needs a raise.

The successors of that imaginary Sinai desert businessman will raise all the same imaginary objections to this labor legislation, as well.

They will argue that we endanger America's competitiveness. But we shall stand with Franklin Delano Roosevelt, who said: "No business which depends for existence on paying less than living wages to its workers has any right to continue in this country. By living wages I mean more than a bare subsistence level—I mean the wages of decent living."

They will say that we seek a centrally planned economy, like the former Soviet Union. But we shall stand with Abraham Lincoln, who said: "To secure to each laborer the whole product of his labor or as nearly as possible, is a worthy object of any good government."

Yet again, the apologists for big business will cry that the minimum wage is just an unfair mandate on business. But we shall stand with Thomas Jefferson, who in his March 4, 1801, Inaugural Address said: "Take not from the mouth of Labor the bread it has earned."

And when big business cries that all must be left to the sacred market, we shall stand with section 17 of the Clayton Anti-Trust Act of 1914, which says: "The labor of a human being is not a commodity or article of commerce."

We shall stand with FDR, with Lincoln, with Jefferson, and with the Clayton Anti-trust Act.

And we shall keep faith with the prayers of those American women who fought so that all working women would receive fair compensation for the sweat of their brow. We owe them nothing less.

We owe it to Harriet Robinson and Sarah Bagley and the girls who sacrificed their youth to the Lowell Mills, to Lucy Parsons, as she rose in tears from the cold jail cell floor to swear an oath to fight on, and to Frances Perkins's memory of her tears falling down like the girls who fell from the Triangle Shirtwaist fire. Let us stand with Clara Lemlich, and pledge to carry on the fight for the cause for which she raised her arm.

And so, with God's help and our own, may the oaths and the prayers of the brave American women who fought before us find an answer in our time.

INTRODUCTION OF LEGISLATION TO PROTECT VOLUNTARY SAFETY AND HEALTH AUDITS

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. BALLENGER. Mr. Speaker, one of the fundamental purposes of the Occupational Safety and Health Act was to encourage "employers and employees in their efforts to reduce the number of occupational safety and health hazards at their places of employment." In its focus on enforcement, OSHA has too often overlooked that purpose. One of the promises of OSHA reinvention, however, was that OSHA would encourage employers to voluntarily implement effective safety and health programs in their workplaces.

Contrary to that promise, OSHA has not addressed, in fact has refused to address, a significant obstacle to effective voluntary safety and health programs which it has created through its enforcement policies. OSHA has insisted on full access to voluntary self audits and assessments conducted by employers, in order to use these records during inspections to (1) help OSHA identify potential violations, and (2) to establish a basis for charging that any violations found in the workplace are "willful." In some cases, OSHA has gone so far as to subpoena these records for use in inspections and enforcement.

OSHA's policy discourages companies from conducting complete and honest self evaluations, even though OSHA acknowledges that such evaluation is a critical element to an effective safety and health program. The Environmental Protection Agency, facing this same issue in the environmental context has recognized that "routine Agency requests for voluntary audit reports could inhibit auditing in the long run, decreasing both the quality and quantity of audits conducted" [1986 Environmental Auditing Policy Statement, 51 Fed. Reg. 25,007]. For that reason, EPA has limited its access to these records. OSHA should be encouraging companies to conduct such safety and health evaluations. Instead, it is discouraging companies from such efforts by threatening to seize them and use them as a weapon against the employer.

The result of OSHA's policy is less health and safety, not more. As one commentator put it: "the 'costs' of the Department's position, in terms of the decreased use and effectiveness of a critical component of voluntary safety and health programs, dramatically outweight the 'benefits' of the position in terms of access to a possible source of evidence of a violation or of an employer's willful violation."

The legislation applies only to self audits and assessments that are not required by any law or regulation. Further, it applies only to inspections and enforcement proceedings under the OSHAct. It does not address broader issues that would more logically be addressed as part of a change in the rules of evidence. I invite my colleagues to join me in passing this important legislation.

TRIBUTE TO TERRY YORK

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. SHERMAN. Mr. Speaker, I rise before you today to pay tribute to Terry York, who has been nominated for the prestigious Fernando Award for outstanding voluntarism.

President Kennedy once said, "For of those to whom much is given, much is required. And when a some future date the high court sits in judgment of each of us, recording whether in our brief span of service we fulfilled our responsibilities to the state, our success or failure, in whatever office we hold, will be measured by the answers to four questions: First, were we truly men of courage * * * Second, were we truly men of judgment * * * Third, were we truly men of integrity * * * Finally, were we truly men of dedication." The Fernando Award was created to honor individuals who have exemplified leadership, voluntarism and dedication and it is recognized as the leading award for civic accomplishment in the San Fernando Valley. Each year, the Chambers of Commerce in the San Fernando Valley and other community organizations and leaders nominate candidates they feel demonstrate these characteristics. Terry York is a worthy candidate for this award.

As a young boy in southern Illinois, Terry learned the importance of a strong work ethic from his father, who worked at a local mine. Several year later, Terry decided he wanted to work in the automobile industry, but there were no jobs available. He agreed to work for free as a file clerk, and as a result of his helpful nature and outstanding dedication, he was rapidly promoted at the dealership. Within 5 years he was part owner and general manager of Jacobs Chevrolet, one of the largest and best known auto dealers in the Midwest.

The lessons Terry learned growing up in Illinois have been reflected in his daily activities. Not only is Terry a hard worker, he understands the importance of community and the need for everyone to work together toward a common goal. As a result, he treats everyone he works with throughout the day with respect and compassion. Terry is regarded as an invaluable resource by his friends and coworkers who depend on him for advice and support.

For the last 21 years, Terry has been actively involved in our community, dedicating a substantial amount of his time and personal resources to civic, charitable, humanitarian, and government causes. He has been active in the City of Hope, the Boys and Girls Club of San Fernando Valley, and the American Cancer Society, as well as many other important organizations.

Terry has been honored with several distinguished awards to recognize his accomplishments, such as the Spirit of Life Award by the City of Hope and the Free Enterprise Award by the San Fernando Valley Business and Professional Association. Most recently, Terry and his wife Carole were honored by the March of Dimes with the Premiere Parent Award.

Mr. Speaker, distinguished colleagues, please join me in paying tribute to Terry York. He is a role model for the citizens of Los Angeles.

THE NATIONAL DIVIDEND PLAN—AN IDEA WHOSE TIME HAS COME

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. CRANE. Mr. Speaker, this body has spent a good deal of time in recent years trying to come up with ways to balance the budget—much of it to no avail. The good news is that the Treasury Department announced that the end of the 1997 fiscal year brought the smallest budget deficit in ages—$22.6 billion. The bad news is that Washington can claim little credit for this deficit reduction. The credit should go to American taxpayers prospering in a strong and dynamic U.S. economy and pumping more revenue into the Treasury than many Washington policy wonks predicted. Nevertheless, a balanced budget is finally in sight for the first time since 1969.

Now that Washington may soon see a budget surplus, a number of bills have been introduced in Congress in an effort to contribute to the debate on how that surplus should be spent. The leading bills propose to use part of the surplus to pay down the enormous Federal debt while using the rest to provide tax relief. I have cosponsored one of these bills and believe very strongly that we must protect the budget surplus from Washington's big spenders.

It is in this context that I would encourage Members to look at a bill I introduced earlier this year, H.R. 2329, the National Dividend Act of 1997. The proposal upon which this bill has been crafted has been around for some time, and the concept has been favorably received by President Ronald Reagan, the National Commission on Economic Growth and Tax Reform—the Kemp Commission—and various congressional committees. The dividend plan has, over the years, enjoyed the support of a bipartisan and ideologically diverse group of Members. At one time, it was introduced by our former colleague Guy Vander Jagt and, most recently, our colleague BILLY TAUZIN introduced the plan. I was a cosponsor of these bills and now Mr. TAUZIN has joined me as a cosponsor of H.R. 2329.

The National Dividend Act of 1997 is the latest incarnation of a plan developed by John H. Perry, Jr., a businessman and philanthropist. Mr. Perry's idea was to give Americans an incentive to be involved in the Federal budget process by giving voters a National Dividend once the Federal budget is in balance. Much like a profitable business shares its economic successes with its shareholders in the form of dividends, the National Dividend will share the economic prosperity of a balanced budget and fiscal restraint with those Americans who participated in the democratic process which led to the balanced budget.

To accomplish this goal, the bill first establishes a cap on Federal spending at the current level for 5 years or until a surplus is finally achieved. Based on the current budget estimates, Congress could bring about a surplus as early as next year.

Next, the bill creates a National Dividend Trust Fund by setting aside tax dollars from the general fund of the Treasury eventually equal to the revenue raised by the corporate income tax as well as selected other excise and tariff revenues. Once the fund reaches 100 percent of the specified revenue, disbursements will be given in equal amounts to all registered voters in years in which the Federal budget is in surplus. If the budget is not balanced, revenues in the fund can be used to eliminate the deficit.

The bill also not only eliminates the tax on corporate dividends, but also the National Dividend. To keep a future Congress from abusing this program, safeguards have been built into the plan. First, the corporate tax rate will be frozen at its current level. Second, a two-thirds majority vote of both Houses will be necessary to increase taxes. Short of a declared war, a future tax and spend Congress will be restrained from raising taxes simply to finance the National Dividend Trust Fund.

I commend the National Dividend Act of 1997 to the attention of my colleagues and urge them to support the bill as we work to put the Nation's fiscal house in order.

BART BREAKS GROUND ON RAPID TRANSIT TO SAN FRANCISCO INTERNATIONAL AIRPORT

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. LANTOS. Mr. Speaker, I rise today to celebrate the groundbreaking of the San Francisco Bay Area Rapid Transit [BART] Extension to the San Francisco International Airport [SFO]. The groundbreaking, which took place on Monday of this week, marked one of the most significant transportation milestones in the bay area. It was my great pleasure to join the many residents and elected officials of the peninsula and the bay area who have worked hard to bring fast, efficient mass transportation to the San Francisco Airport. It was a great pleasure to participate in the festivities marking the long-awaited beginning of construction of this world-class transportation link for the entire bay area.

Mr. Speaker, the BART Extension to the airport will connect the 95 mile, four-county BART rapid transit system to the fifth busiest airport in the United States and the seventh busiest airport in the world. The 8.7 mile extension will consist of 7.5 miles of new mainline track, much of which will be underground, and 1.2 miles of track linking the system with the San Francisco International Airport. The BART Extension will expand commuter rail service on the peninsula in and out the city through three new stations in peninsula communities—South San Francisco, San Bruno and Millbrae—and a station at the airport. The BART Extension will provide fast and easy service for travelers directly to the airport for the entire bay area, including the east bay.

Mr. Speaker, the BART Extension to the airport is the cornerstone of BART's rail expansion program—the biggest bay area transit project since BART was built in the early 1970's. The project is also an excellent model for Federal-State cooperation in public transportation investment. Fully seventy percent of BART's expansion program is paid for by State and local funds.

The voters of San Mateo County have indicated their overwhelming support for the BART Extension at the ballot box in a series of referenda data back to 1980's when voters approved measures in 1985 and 1987 which allocated local funding through SamTrans to bring BART to the airport. Subsequent measures in 1992 and 1994 reaffirmed our region's support for a BART Extension to the airport and the willingness of our residents to contribute a fair share of those costs.

Mr. Speaker, the BART Extension will provide fast and convenient access for travelers and will help alleviate traffic congestion on neighboring freeways. Traffic on peninsula freeways near the airport and into San Francisco already exceed existing highway capacities, particularly during peak commute periods. The airport is already the single largest generator of traffic congestion—over 65 percent of air passengers and employees drive to the airport. The airport's own expansion program is expected to increase annual air traffic by some 70 percent by the year 2006. The extension of BART to the airport will provide much-need effective mass transit alternative for travelers throughout the bay area.

Mr. Speaker, the BART Extension to the airport will also provide an important economic catalyst for San Mateo County and the entire bay area. The extension will create or sustain between 30,000 and 40,000 construction jobs and more than 12,000 permanent jobs once the extension is in operation. Construction will create new business opportunities for peninsula suppliers and vendors. When completed, the BART Extension will improve access to local businesses and retailers and will significantly enhance the region's important travel and tourism industry.

Mr. Speaker, the BART Extension will provide an effective transportation alternative for hundreds of thousands of bay area residents to help provide relief from wasted time and energy spent tied up in traffic congestion. BART's expected ridership on the peninsula will eventually reduce close to 100,000 cars a day on neighboring freeways. Getting people out of their cars and off of freeways will help improve air quality in our region and will conserve fuel.

We have waited a long time on the peninsula for relief from the gridlock which exists on our freeways, Mr. Speaker. I have been a strong and consistent advocate since the 1950's for a mass transit system completely around the San Francisco Bay. I see the beginning of construction on the long-awaited extension of BART to the airport as a further important step in that direction. I look forward to the day when construction is complete and we will put this much-needed rapid transit extension to the airport into service.

CONGRATULATING JAMIE CLEMENTS ON HIS RETIREMENT AS LEGAL COUNSEL OF SCOTT & WHITE

HON. CHET EDWARDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. EDWARDS. Mr. Speaker, today I rise to congratulate Mr. Jamie Clements on his December retirement as legal counsel for Scott & White Hospital in Temple, TX. I Hope Members will join with me today to thank Mr. Clements for his contributions to Scott & White, his community, and the country.

During his adult life, Mr. Clements dedicated himself to the legal and medical professions. He also found time to devote countless hours to local causes and charities.

Mr. Clements was born in 1930 in Crockett, TX. He attended the University of Texas at Austin where he received both a B.A. in 1953 with the first of his three terms as a Texas House Representative. His Texas House service was interrupted when he went to serve his country in the U.S. Marines Corps. From 1956–58 he was an infantry platoon leader before moving to the 3d Marine Air Wing where he was a legal officer. In 1959, he returned to the Texas House where he served his third and final term.

For the next 35 years, Jamie Clements established himself as a prominent member of the State and national bar associations and a strong leader in the field of medical law. He served as chairman for the committee on Liaison with the Medical Profession for the Texas Bar Association. He is the founder and past president of the National Health Lawyers Association. Jamie Clements is a professor of medical jurisprudence at the Texas A&M University College of Medicine, a member of the Government's Committee on Organ Transplantation and is a former president of the Board of Trustees of the Presbyterian Children's Home and Service Agency of Texas. He capped his legal/medical career with his present position as legal counsel of Scott & White Hospital.

In addition to his contributions to the legal and medical professions, Mr. Clements was an active member of the Temple community. From 1964 through 1965 he was the president of the Temple Rotary Club. In 1969 he was the chairman of the Temple Planning Commission and from 1970 to 1974 served as mayor of Temple. He went on to serve Temple as the chairman of the Law Enforcement Advisory Board, president of the Cultural Activities Center, a member of the Board of Directors of the Temple Industrial Foundation, and the president of the Temple Leadership Council.

On a personal note, I am grateful to call Jamie Clements a close, personal friend. He is a role model for all of us: a man of integrity, decency and compassion.

Let me also say that every accolade to Jamie Clements must also be considered a tribute to his wife of 35 years, Ann Trigg Clements. As a wife and a mother she has been a true partner in all of Jamie Clement's accomplishments.

Jamie and Ann Clements have made their community and our country a better place. They have personally touched the lives of all of us who know them and thousands of others who are the beneficiaries of their unselfish service.

I ask members to join me in wishing Jamie, Ann and their three children every success and happiness in the future.

JOHN MILTON GREGORY ELEMENTARY SCHOOL

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. DAVIS of Illinois. Mr. Speaker, I rise to recognize the students at John Milton Gregory Elementary School located in the 7th Congressional district on Chicago's Westside. Recently, we conducted a town hall meeting on education with the student body at that school. I would like to thank Dr. Hazel Steward, education officer for the Chicago Public Schools [CPS], Mr. Artie Borders, principal at Gregory and Mr. Lafayette Ford, local school council liaison for the CPS, for their assistance. The meeting will be broadcast on Cable Access TV (channel 19) on November 19, 1997 at 2 p.m., and again at 7 p.m.

The Gregory students were informed, thoughtful, and articulate. They were genuinely concerned about the differences between inner city and suburban schools. The questions were, and I quote, "Why are suburban books newer than ours?" "Why are suburban desks newer than ours?" "Why is our equipment older?"; and "Why don't we have recess anymore?" These were big questions from young people that are intelligent enough to understand and recognize these differences. Gregory students were asking the same type of questions as Members of Congress.

In response to their questions, I had to tell the children at Gregory School that the majority in Congress was more committed to funding a $21 billion weapons program to purchase nine B–2 stealth bombers than placing these resources where they are desperately needed; in our educational system. I had to tell the children at Gregory that the U.S. Air Force does not even want or need these bombers. I had to tell the children at Gregory that the average urban school needs $1.7 million for repairs and upgrade, and we claim the title of being the riches country in the world. And I had to tell the children at Gregory that the majority in Congress does not see the need to heavily invest in our Nation's future, our children. Anyone who does not understand why we should be investing in public education ought to tune in on November 19 and be enlightened.

INTRODUCTION OF "THE OSHA COMPLIANCE ASSISTANCE ACT"

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. BALLENGER. Mr. Speaker, today I am introducing legislation to codify the Occupational Safety and Health Administration's [OSHA] consultation program. This is one in a series of bills which are intended to continue the process of changing OSHA.

More than 2 years ago, President Clinton, in response to our demands for changes in OSHA, promised to "reinvent" OSHA. One of the principal changes in that promised reinvention was "to give employers a choice between partnership with OSHA or traditional enforcement."

Unfortunately, OSHA's principal initiative for giving employers a choice, the so-called cooperative compliance programs has evolved into a program of targeted enforcement, as even OSHA now acknowledges.

In contrast, there are programs, operated by the States, which do give employers the choice of partnership or traditional enforcement. These relatively small programs have received some Federal funding since the 1970's. However, authorization for such consultation programs has never been made a part of the OSHAct, and, not incidentally, consultation has been one of the most underfunded and frequently ignored aspects of OSHA's program. In some states, an employer who requests consultation assistance must wait more than 1 year, sometimes 2 years, to receive it.

The lack of funding and recognition for the consultation and education programs is in contrast to their recognized importance toward meeting the goal of safer workplaces. In fact, in 1996 the $32 million appropriated for consultation programs allowed States to conduct approximately 24,000 consultation visits, while the same number of Federal enforcement inspections—24,000—cost OSHA over $120 million. My own company has participated in the North Carolina consultation program, and we have found that it truly is a way in which employers can work in partnership with OSHA and improve safety and health.

My legislation is based on the program in North Carolina, which operates with a combination of Federal and State funds. As is the case with the existing Federal funding, under the bill States would receive grants to provide both on-site consultation and other education and training activities. Employers who requested an on-site consultation or audit would not be subject to fines unless they failed to correct violations. Employers who request an on-site consultation and do correct violations may be exempt from OSHA general schedule inspections for 1 year.

The legislation specifies that not less than 90 percent of OSHA's compliance assistance funding should be used for the consultation program. This provision is necessary because in the past 3 years OSHA has significantly increased its Federal compliance assistance budget, but without a corresponding increase in the consultation program. While I support additional funding for compliance assistance, I believe the funding should be directed to State consultation programs. The State grants were created because of the concern that Federal OSHA would not effectively administer a consultation program or maintain separation from enforcement. I believe that those concerns are still very relevant.

Mr. Speaker, codification and implementation of an OSHA consultation program was one of the recommendations of the 1995 White House Conference on Small Business. The Clinton administration has also supported codification of an OSHA consultation program in the past, and I look forward to their support for this legislation, and hope that we will with bipartisan support finally establish consultation as an important function and activity in terms of the Federal Government's support for improved safety and health in the workplace.

TRIBUTE TO KENNETH C. BANKS, JR.

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. SHERMAN. Mr. Speaker, I rise before you today to pay tribute to Kenneth C. Banks, Jr., who has been nominated for the prestigious Fernando Award for outstanding volunteerism.

President Kennedy once said, "For of those to whom much is given, much is required. And when at some future date the high court sits in judgment of each of us, recording whether in our brief span of service we fulfilled our responsibilities to the state, our success or failure, in whatever office we hold, will be measured by the answers to four questions: First, were we truly men of courage . . . Second, were we truly men of judgment . . . Third, were we truly men of integrity . . . Finally, were we truly men of dedication." The Fernando Award was created to honor individuals who have exemplified leadership, volunteerism and dedication, and is recognized as the leading award for civic accomplishment in the San Fernando Valley. Each year, the Chambers of Commerce in the San Fernando Valley and other community organizations and leaders nominate candidates they feel demonstrate these characteristics. Ken Banks is a worthy candidate for this award.

Ken has taken an active role in the community, with his involvement in several different organizations and his leadership role in various projects. As a member of the Rotary Club for several years, Ken was named president in 1988. During his term the organization was named the best club in District 5260. He heads up valuable programs within the community, including the creation and distribution of vocational scholarships, Guiding Eyes support for the Police Activity League, and other fundraising activities. Ken used his skills to raise more than $25,000 for North Hollywood area charities.

In addition, Ken helped spearhead the NoHo Arts District Concept, providing a unifying force and identify for North Hollywood as the center for San Fernando Valley Theater and Arts. This is just one more example of Ken's ability to inspire individuals to work together to improve our community.

Ken's leadership and commitment to our community have been recognized by several organizations. He has been named Person of the Year by the East Valley Family YMCA, received the Small Business of the Year Award from Assemblyman Richard Katz, and was honored as the Business Person of the Year by the Universal North Hollywood Chamber of Commerce. Ken is also a finalist for the 39th Annual Fernando Award, an honor which distinguishes him as one of the most motivated, generous leaders in our community.

Mr. Speaker, distinguished colleagues, please join me in paying tribute to Kenneth Banks. He is truly a role model for the citizens of Los Angeles.

THE SMALL BUSINESS INVESTMENT AND GROWTH ACT

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. CRANE. Mr. Speaker, I rise to introduce the Small Business Investment and Growth Act which will provide much-needed tax relief to small business in America.

As a member of the Ways and Means Committee, I strenuously objected to the tax increases of 1990 and 1993, knowing of the severe negative economic impact these taxes would have on American small businesses and their employees. I realize that, in macroeconomic terms, the U.S. economy is quite strong in spite of those tax increases—however, we could do much better. Americans are facing record-high tax burdens. Every year, taxpayers are working more days for Washington and its bureaucrats and fewer days for themselves and their families. For small businesses, the greatest creators of jobs and economic growth in America, high tax rates have hampered their ability to sustain high rates of growth and prosperity.

To understand how small businesses are struggling with taxes, allow me to explain the consequences of the 1990 and 1993 attempts to get the wealthy in America to pay their fair share of the Federal tax burden. With those tax increases, the maximum marginal tax rate for individuals was raised from 28 percent to 39.6 percent. However, what was lost on these "soak the rich" policy wonks is that small businesses owners pay their business taxes as individuals. In other words, a typical struggling small business owner will pay himself a salary, pay his employees and all his other business expenses, and then pay taxes on the combination of his salary and the profits of the business. In the case of S corporations, the shareholders of the company, typically family members who work for the business, each pay the taxes for the business at their individual tax rates.

Now keep in mind that the highest marginal individual tax rates are 36 percent, while the corporate tax rate for similar-sized businesses is 34 percent. The maximum corporate tax rate is 35 percent. So, thanks to the "soak the rich" tax policies, small businesses pay higher tax rates than better financed corporations. In fact, a Joint Economic Committee report found that President Clinton's 1993 tax hike fell disproportionally on small businesses, not the wealthy. And in surveys of S corporations since their shareholders' tax rates increased, they report that they cannot reinvest as much money into their companies as they did before the tax hike. Reinvesting translates into more jobs. In fact, successful American small businesses have been able to create three to four new jobs for every additional $100,000 they retain in the business.

The Small Business Investment and Growth Act proposes to end this government-created inequity. My bill has simple goals—to promote S corporation reinvestment, to generate economic growth—i.e., jobs—and to provide for tax rate reductions for all S corporation owners, including qualified personal service corporations.

To accomplish these goals, the bill will lower the Federal tax rates paid by S corporation shareholders to no more than 34 percent when the S corporation reinvests its earnings in the business, or when the earnings are distributed to the shareholders for the purposes of making tax payments. This lower tax rate would be applicable only to the first $5 million in taxable income of the S corporation.

This bill is a similar, but expanded, version of a bill I introduced in the last Congress. Although this latest version will provide tax relief to more S corporations, I want to make it clear that I would prefer to provide tax relief to all businesses. In fact, I see these taxes as just another cost of doing business which is passed along to the individual consumer/taxpayer. Thus, it is a secondary tax which should be eliminated.

This legislation takes an important first step toward reducing burdensome taxes on small business and encouraging S corporation owners and managers to reinvest income into their business, thereby creating more jobs and expanding economic growth. I strongly encourage my colleagues to cosponsor it.

PLANNED SMITHSONIAN INSTITUTION EXHIBIT ON SWEATSHOPS IS UNDER ATTACK BY THE APPAREL INDUSTRY

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. LANTOS. Mr. Speaker, I rise today to express my strong support for the Smithsonian Institution's planned exhibit on the history of sweatshops in America—"Between a Rock and a Hard Place: A Dialogue on American Sweatshops, 1820–Present." The exhibit is scheduled to open at the Smithsonian here in Washington in April 1998. Unfortunately, however, the U.S. apparel industry is seeking to prevent the display of this exhibit on the grounds that the exhibit will not present a balanced picture of the garment industry. Rather than letting an objective exhibit of historical and contemporary significance go forward, the California Fashion Association, which represents major clothing manufacturers in southern California, has vowed to turn the exhibit into a political football and prevent its display.

Mr. Speaker, it is no surprise that clothing manufacturers are opposed to this exhibit. It is also no surprise that the leaders of the opposition to this exhibit are from southern California—notorious for the El Monte apparel sweatshop in which some 70 Thai workers lived under slave-like conditions until the horror was discovered and the brutality was terminated. This, Mr. Speaker, was not a century ago—this was just 2 years ago in my home State.

Make no mistake about it, Mr. Speaker, the garment industry's fear is not that the American people will view the history of sweatshops in the 19th century but that they will view conditions in sweatshops operating today—in 1997.

Sweatshops are in violation of our Nation's overtime, minimum-wage, and safety laws. Sweatshop operations are often underground and disguised, and monetary transactions in connection with these activities are usually done in cash. For these reasons, it is difficult to get a precise idea of how prevalent sweatshops really are. Some specialists have estimated that there are as many as 7,000 sweatshops across the United States.

Sweatshops are often outside the law in other ways, not only evading wage and hour laws, but also avoiding the payment of Federal, State, and local taxes. Violation of local building codes is common, including such serious safety problems as blocked fire exits or no fire exits at all. The operators of these sweatshops seek out and exploit undocumented immigrants. Let me make one thing clear, Mr. Speaker, immigrants are not the cause of sweatshops, they are the victims of the operators of such vicious practices.

Mr. Speaker, I ask that at this point, an excellent editorial—"Save the Sweatshops"—which appeared in the San Francisco Chronicle be placed in the Record.

[From the San Francisco Chronicle, Sept. 23, 1997]

SAVE THE SWEATSHOPS

To its lasting credit, the Smithsonian Institution is planning a hardedged exhibit on sweatshops, an historical look at rapacity and exploitation that is still in our midst. One poignant feature has raised the ire of the apparel industry: a depiction of the El Monte factory raided in 1995 where some 70 Thai immigrants lived in peonage while cranking out clothing.

The exhibit, prepared in part with the help of California state labor authorities, will borrow equipment seized in the raid in order to re-create the dungeon-like sewing shop. Is the factory typical of clothing factories? Obviously not. But it should provoke thought about immigrants, their hunger for work and the role of a vigilant government.

The exhibit, which is due to open next April, will trace sweatshops from early last century to the present. By its very title, it deals with an unsavory back alley of American working life. Along with El Monte, it will highlight the epochal Triangle Shirtwaist fire in Manhattan that killed 146 women trapped in a sweatshop in 1911. Such episodes aren't pretty, but brushing them away, as industry publicists would like, would be a mistake.

These critics may be counting on the Smithsonian to cave in. Several years ago it wanted to mount an exhibit that showed the Japanese death toll from two American atomic bombs that ended World War II. Veterans groups objected saying the decision to drop the bombs was not fairly explained, and the museum eventually recast the exhibit in tamer form. That debate had its own ingredients, and it would be a mistake to compare it to the El Monte dispute.

The Smithsonian, which serves as a curator of American life, cannot survive such challenges and serve its mission well. Critics who want to sanitize controversy deny everyone a chance to experience history.

Mr. Speaker, I further ask that two Letters to the Editor which appeared in the Los Angeles Times also be placed in the Record. The letters appeared in the newspaper after it published news stories about the controversy over the sweatshop exhibit in September of this year. The first letter is from I. Michael Heyman, the Secretary of the Smithsonian Institution, and the second is from Evan Smyth of Los Angeles:

LETTER OF I. MICHAEL HEYMAN, SECRETARY, SMITHSONIAN INSTITUTION

The Smithsonian Institution is an educational institution that strives to make American history accessible, useful and meaningful to the millions who view our exhibitions, read our catalogues and participate in our public programs. It occasionally presents difficult, unpleasant, or controversial historical episodes, not out of any desire to embarrass, to be unpatriotic, or to cause pain, but out of a responsibility to convey a fuller, more inclusive history. By examining historical incidents ripe with complexities and ambiguities, we hope to stimulate greater understanding and appreciation for the historical forces and choices that shaped America. Ultimately, the Smithsonian Institution mounts these kinds of exhibitions because we have confidence in the American public's desire for candor and appreciation for important historical stories.

The exhibition, "Between a Rock and a Hard Place: A Dialogue on American Sweatshops, 1920–Present," scheduled to open April 15, 1998, will be a balanced presentation, both in the historical material it presents and the outside views and participation it will include. We have sought to include the voices of participants on all sides of this issue. Our exhibition will be strong in scholarship, but equally it will be sensitive to participants' concerns. We will continue to reach out to all interested parties, including the manufacturing, apparel and retail sectors, to ensure a fair and balanced presentation.

LETTER OF EVAN SMYTH OF LOS ANGELES

The apparel industry trade groups claim that their position could not be heard in an exhibit like the one proposed for the Smithsonian. Perhaps they are right, but I would be very interested to hear their position on sweatshops in light of the following facts:

The slave conditions at El Monte are a matter of public record.

One of the largest garment manufacturers in Southern California, Guess, Inc., is currently scrambling to defend itself against charges in a class-action lawsuit that minimum wage and overtime violations are rampant in their contractors' sweatshops. Guess, Inc., has been removed from a Department of Labor trendsetters list because of recidivism in its "fight" against wage-and-hour violations. Sweatshop conditions appear to be the cornerstone of the apparel industry rather than "a few bad apples."

LIBERTY COMMON SCHOOL

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, on September 2, 1997, in Fort Collins, CO, the Liberty Common School, opened its' doors for the first time. The school's headmaster, Dr. Kathryn A. Knox greeted 393 children and their parents in the yard of the newly renovated facility at 1725 Sharp Point Drive. For me it was greatly inspiring to be there that first day. As a Member of Congress, and a parent of three children in public school, I can tell you that it was truly exciting to observe such enthusiasm about the first day, and grand opening of a brandnew public school.

Liberty Common School is a charter school. It is one of 23 charter schools in Colorado, and the first in Larimer County in northern Colorado. Colorado was the third State to enact a statute creating charter schools. The late State representative, John Irwin of Loveland, CO, first proposed the idea, but did not live to see his dream for Colorado children become a reality. Today, there are tens of thousands of Colorado schoolchildren who enjoy brighter futures because of Representative Irwin's vision and bold leadership.

The founding of Liberty Common School was a heroic effort in and of itself. Owing its establishment to the determination of Dr. Randy Everett and Ruth Ann Everett, Liberty Common School began as an idea conceived in the Everetts living room. There a small group of educators, community leaders, and parents convened a discussion of public school reform possibilities in Fort Collins. The Everetts led those early discussions and formulated a bold plan which they championed through to the establishment of Liberty Common School. It is due chiefly to the Everetts vision and passion for equitable, high quality public schooling in Fort Collins that Liberty Common School exists today. Quite clearly, their devotion to the community at large and to the concept of education excellence, has touched the lives of not only the Liberty Common students of today, but for generations to come.

Of course Randy and Ruth Ann Everett were not alone. Led by Phil Christ, chairman of Liberty Common's first governing board of directors, and entire legion of parents and community leaders joined the Everetts in seeing their vision to fruition. The band of volunteers convened countless evening meetings, met with school district officers, moderated public forums, and petitioned the Colorado State Board of Education before winning approval for Liberty Common's charter.

Mr. Speaker, on September 2, 1997, the eager children left the schoolyard, found their new classrooms, and became acquainted with their new teachers. These educators met the full definition of professionals. From across America, Liberty Common drew upon the best talent in the education field to assemble its faculty. Because of the liberties created by Colorado's charter legislation, Liberty Common School is able to treat its teachers like the real professionals they are. Each hired at will, each considered according to merit, the professional educators at Liberty Common began to engage their skills, their craft, and their passion for teaching, in an intellectual exchange with their new students.

Sharon Jones was the first kindergarten teacher. Other teachers include Glynis Tidwell, and Christy Coufal in the first grade; Gretchen Jeffers, Victoria Palmer, second grade; Beth Helmers and Cherie Pederson, third grade; Jeffrey Seiner and Linda Dunn, fourth grade; Constance Behr, fifth grade and history; Frances Polster, fifth grade science; Paul Stoda, sixth grade and math; Maxwell Fransson, sixth grade and English; Marie-Louise Borok, seventh grade and art; Kyndra Spitler, music; and Gary Schwartz, physical education. Linda Berry, Melissa Copp, Beth Olsen and Tina Shocklety helped deliver the academic program to the children as the school's first teachers' assistants.

With the guidance of business manager Paris Thomas, and administrative assistant Sally Hutchinson, Liberty Common's teachers and staff began the process of teaching in Fort Collins in a most unique way.

Mr. Speaker, there is no other program of this type in Colorado. The school has selected the Core Knowledge Foundation's Curriculum Sequence as the framework of its curriculum. The Core Knowledge sequence is distinguished by planned progression of specific knowledge in history, geography, mathematics, science, language arts, and fine arts.

Parents actually govern the school. They drafted and proposed the charter to the Poudre School District Board of Education. Parents make the hiring decisions. They selected the headmaster. They establish school policies, and they maintain parental involvement and community support in the school's operation.

The expanded science curriculum is based on Project 2061, guidelines developed by the American Association for the Advancement of Science. This project builds on and goes beyond Core Knowledge Sequence in science. The science program is allotted more time than is usual in the local school district, and a science specialist, with a science degree, has been hired to deliver the curriculum. No other local school has a definitive plan like Liberty does for using higher order thinking [HOT] skill, including the teaching of habits of mind in the various subjects. To summarize HOT: the students learn to know, understand, and use knowledge across the curriculum. In addition students develop skills of patterning, likeness/difference; modeling, reproducing; and creating, producing uniqueness across the curriculum. The result is that the students absorb the curriculum thoroughly as well as develop thinking skills to be lifelong learners. Habits of mind are more specific critical thinking skills unique to each discipline.

The school is teacher focused. The program directly meets the desires of teachers to have more planning time, more training in certain subjects, and more help in the classroom. Additional hours are built into the weekly schedule so teachers can prepare lessons, coordinate plans and ideas with one another, and consult with the specialty subject teachers in the upper grades. There is a teaching assistant for every two classes in the lower grades. Teachers are paid competitively.

Liberty Common makes use of a unique plan to encourage at-risk students to attend the school. No other school is required to do so, but Liberty Common believes its program can truly benefit students from a broad background. The plan includes holding meetings targeted to certain neighborhoods, and making Spanish translation available. At-risk students and parents deserve to have a choice too. The school assists with transportation as needed.

The school has agreed to take any district-wide standardized tests, including math and reading level tests. It is important to be accountable, and provide data to verify the success of the program. The school will also participate in the Johns Hopkins University study of the Core Sequence.

The program consists of grades K–7 the first year, expanding to 8th and 9th grade in consecutive years. This is an essential part of the plan, both in terms of effective use of teachers and coherence of the entire school program. There is evidence that K–9 programs are common among charter schools, and are successfully meeting the demands of elementary and junior high age students. The K–9 plan is one of the innovations of the program, and parents deserve to have this choice as well. This curriculum, teacher development model, school day, and budget work most effectively together.

Mr. Speaker, Dr. Everett's vision is today a thriving example of the value of parental choice. Dr. Everett himself has become noted as one of Colorado's foremost leaders and authorities on the topic of school reform. I submit for the RECORD the following statement of philosophy by Dr. Randy Everett, M.D., which illustrates his commitment to the children of Fort Collins and perhaps best describes Liberty Common School:

> Assumptions about how one learns, the purposes and goals of learning, and what constitutes effective teaching define an educational philosophy. The School's educational philosophy is known as agency education. It informs our decisions on how knowledge, skills, and democratic values should be taught and how students, parents and teachers should work together to accomplish that part of education that occurs in schooling.
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> The individuals which have most clearly identified and characterized the most significant issues of educational reform as well as put forth the best solutions are: E.D. Hirsch, ("Schools We Need and Why we Don't Have Them"), William Kilpatrick, ("Why Johnny Can't Tell Right from Wrong"), Neil Postman, ("The End of Education, Amusing Ourselves to Death, The Disappearance of Childhood"), Diane Ravitch, Thomas Sowell, ("The Conflict of Visions"), and Jacques Barzun, ("Begin Here"). All parents are requested to read "The Schools We Need and Why We Don't Have Them" and "Why Johnny Can't Tell Right From Wrong."
>
> Agency education has as its metaphor a journey. The journey is the individual's own quest in life and includes a responsibility for one's own education, which is a lifelong endeavor. The purpose of a liberal education is to lead young people on just such an odyssey of the mind and heart, which is to lead them to self-reliance. The classical allegories for a liberal education, such as the journeys of Odysseus, Aeneas, and Faust, represent a journey of the soul from one particular time, place and attachments to the universal and back again. The beauty of this journey is its applicability to the actual development of mind, heart, skills, and knowledge in each child.
>
> Children begin their cognitive development by first developing a broad framework of knowledge through early acquisitional curiosity, much like they acquire their early spoken vocabulary. After they have gained a wider familiarity with literature, history, science, math, music, people, and places, as one does in the early years of Core Knowledge, they begin to appreciate patterns and forms. Following this, particularly when trained in Thinking Skills, or Habits of Mind, the student is able to engage in mental modeling, which is possible only when one's broad background knowledge, enables one to solve problems and exercise judgement.
>
> The beginnings of the moral journey are along a similar course. At first the focus is obedience to parental authority. Later the child focuses on rules, or the required patterns of expectation. As in writing or thinking, it is only through the formation of good habits that the ability to act, and act wisely becomes instinctive. As those habits become more and more internalized, the student journeys closer to self-reliance.

Mr. Speaker, this philosophy has become manifest in the Mission Statement and Declaration of Liberty Common School's principles which I hereby submit for the RECORD:

The mission of the School is to provide excellence and fairness in education for school children through a common foundation by successfully teaching a contextual body of organized knowledge, the skills of learning including higher order thinking, and the values of a democratic society. The School recognizes the value of inclusiveness, or providing access to a broad cross-section of the community, so that students from all backgrounds can benefit from the School's educational offering. The School acknowledges the leadership of teachers in the classroom, and recognizes the responsibility of each student for his/her academic effort.

Mr. Speaker, I would like to include the Declaration of Principles the school has adopted:

1. Children yearn for more meaning and require a basis of solid contextual common knowledge for the development of mature literacy and critical thinking, for growth and communication in a diverse society.

2. The educational "playing field" between students of differing backgrounds should be level to provide all students a basis to the greatest degree practicable, upon which they can build further knowledge and to develop the skills necessary to communicate and succeed.

3. The skills of learning reading, writing, speaking, calculation, and higher order thinking are most meaningfully learned from the knowledge or content of the curriculum, modeling, coaching and sensible practice.

4. To thrive in work, citizenship, and personal growth, children must be taught the values of a democratic society. These values include: Respect for others; their property and rights; Responsibility for actions, honesty, and social justice; Resourcefulness being ready to learn, to serve, and to share.

5. Inclusiveness is fundamental in responding to the diverse needs of children and raising academic standards. All parents, regardless of economic status, should be free to choose this educational program for their children.

6. Teachers are professionals, which implies considerable autonomy, mastery and independence. Having accepted the academic and philosophic mission of a school, the teacher needs to be free to exercise informed judgement in order to fulfill his/her primary role as an educator.

7. The principle determinants of individual academic success are individual ability and effort. The policies of the School (grading, discipline, homework, pedagogy) must support the student's adoption of a personal quest for academic growth using the clearly marked path of expectations in knowledge, skill, and character. The guiding philosophy of the School acknowledges that children can and should be held accountable for their own school work and behavior with the support of teachers and parents.

Mr. Speaker, the academic program of the school was stated in the charter as follows:

ACADEMIC PROGRAM

Our goal is to provide a rich and balanced educational opportunity for all students. High standards are at the heart of our expectations, although we recognize every learner has unique abilities, interests and motivations. Parents encourage their child's success by monitoring progress in school and at home, and participating as fully as possible in the school community. Classwork and homework are designed to challenge each student to make the most of his/her talents.

KNOWLEDGE

The School has selected the Core Knowledge Foundation's Curriculum Sequence as the framework of its curriculum. The Core Knowledge Sequence is distinguished by planned progression of specific knowledge in history, geography, mathematics, science, language arts, and fine arts.

Children learn by building on what they already know. Thus, it is important for them to begin building foundations of knowledge in the early grades when they are most receptive to attaining an organized body of knowledge. Children are by instinct driven to construct a contextual view of the world. Thus, it is important to provide them an educational framework that assists them in developing the constructs upon which their viewpoints will be based. Academic deficiencies in these areas in the first nine grades can permanently impair the quality of later schooling.

By specifying the knowledge that all children should share, one can achieve equal access to that knowledge. At risk children especially suffer from low expectations, which often translate into watered-down curricula. In schools using the Core Knowledge Sequence, however, all children are exposed to a coherent core of challenging, interesting, interwoven knowledge. This knowledge not only provides a foundation for later learning, but also defines a common heritage and establishes a common ground for communication and cooperation in a diverse society.

In addition to its specificity, the Core Knowledge curriculum is characterized by knowledge that is shared, solid, and sequenced. Literacy in every subject requires a set of mechanical skills and shared background. The shared, many-cultural knowledge that promotes effective classroom learning also promotes cooperation and respect among students, both in the classroom and in society. Because Liberty teachers will be able to rely on shared background knowledge amongst their students, they will be able to build sequentially on that knowledge year by year.

As used above we define knowledge not in the simplistic sense of mere facts but in the fuller sense of the word historically. Knowledge consists of the facts, the relations between them, the thinking about them, and the effort to understand and connect them. It is not out of ignorance that we discover understanding. It is exactly because of what we already know that we can know more, that we can discern organizing principles, make and test hypotheses and act rationally.

SKILLS

The skills of learning, namely, reading, writing, speaking, listening, calculation, problem solving, and exercising critical judgment, are best taught through the content of a body of organized knowledge.

The development of literacy will be one of the primary aims and focuses of effort at Liberty. This will include a great deal of reading from a variety of both fiction and nonfiction primary literature. Particularly in the early grades, Liberty will emphasize reading and more reading. In the early grades, students will receive explicit, systematic phonemic awareness and phonics instruction. Children will be provided deliberate, coherent, direct instruction in letter-sound correspondences. Practices which teach children to rely on word-memorization (the look-say method) and guessing (through illustration and/or context) will be avoided.

Mature literacy develops as students become acquainted with a broad and rich body of knowledge and become familiar with many well-written, diverse and meaningful works of literature. The literature suggested by the Core Knowledge Sequence, as well as other literature that will be introduced is chosen not only for its place in the core body of knowledge, its representation and various cultures, and its rich use of language, but also because it provides access to deeper meaning of universal human problems, particularly those which preoccupy children's minds.

Liberty will acknowledge the central role of language in thought and action. Liberty students will be taught to write and speak through example and sensible practice. Grammar, logic, and real spelling learned from real literature will be part of these skills.

Liberty will teach thinking skills not as a stand-alone course, but rather as instruction integrated within the content. Students often receive knowledge disconnected from features that make it understandable and meaningful.

Additionally, we will teach the more specific thinking skills unique to each discipline, called "Habits of Mind." The Habits of Mind to be taught for scientific literacy are found in "Benchmarks for Scientific Literacy" from the American Association for the Advancement of Science. The Habits of Mind for historical literacy are found in the book *Historical Literacy*, which is a report of the Bradley Commission on History. The Habits of Mind for math literacy are identified in "Children's Mathematical Development." Habits of Mind specific to literature, language, art, and music will also be taught.

The development of skills requires time, thought and active engagement of the visual and verbal imagination. We will encourage students to replace non-instructional television watching, which is passive and discourages creative play, with the myriad of activities which will foster the development of imagination and skills. Because television viewing is diametrically opposed to reading, may stifle cognitive development and imagination, trivializes information, undermines values, distorts cause and effect, and is unable to portray thought, we discourage excessive (greater than 10hr/wk) viewing.

VALUES

The purpose of public education in a democracy is to prepare people for the demands of work, the duties of citizenship, and the obligation of each individual to make as much of herself or himself as possible. For this to be accomplished, our youth must be taught the values inherent in a democratic society, such as devotion to human dignity and freedom, equal rights for all, social and economic justice, the rule of law, civility and honesty, self-respect, and self-reliance. These values will be taught from the content of the curriculum by inference and example, and also in how we teach.

STUDENT ACCOUNTABILITY

All students are capable of learning to accept responsibility for their own education. The philosophy and practices this school will acknowledge that young people are free to act and are hence moral agents and can be held accountable for their actions. Our policies will encourage discipline, hard work, cooperation, making decisions and living with the consequences. Such policies, and a clear understanding of academic expectations, will help our students to choose a personal quest for intellectual and personal growth. The students' sensing of an alignment between their personal educational goals and those of their school's will further reinforce their desire to accept responsibility for their education. Such an approach to student accountability has been termed "agency education."

PARENTAL INVOLVEMENT AND RESPONSIBILITY

Liberty is a School of Choice. This means that parents have the option to select Liberty's educational philosophy for their children. Liberty believes that its design will result in parents wanting to play a strong role in their children's education. When parents have the opportunity to choose the kind of education they prefer, they will find the necessary energy, time, and resources to devote to their children's education. Liberty anticipates that parents will be directly engaged in tutoring, coaching, classroom instruction, preparing resource materials, and providing other necessary and invaluable assistance.

The family naturally provides the most influential and effective context for basic life long learning and teaching.

For this reason, and at the discretion of the classroom teacher, parents will be invited to teach or assist with lesson plans or learning projects in all subjects, depending on their interests and expertise. Parents will also be encouraged to spend time reading aloud to children at school and/or in the home, coaching them in skill development, and otherwise contributing time and talents in a variety of ways.

Liberty Common School is a charter school. As such, there are many new ideas being implemented. The classroom itself is the context for several of these innovations. There is great emphasis on parent volunteers in this school. There is also a need to establish a learning environment that best serves the students. At Liberty Common School we have defined the general parameters for parent volunteering in Liberty School classrooms.

1. Parents volunteering is an integral part of the Liberty Common School. Parents are not only welcome, but also crucial if we are to have high quality teaching of the entire curriculum in this first year.

2. The teacher's "individual teaching style" sets the tone for the classroom. This will include everything from delivery of the educational program to classroom management. The teacher has primary responsibility for the classroom and student learning within the classroom.

3. Parents who wish to be volunteering in the classroom need to learn the teaching style of the teacher they wish to assist. Each teacher will be giving a brief explanation of their style at the orientation before school starts. If the teaching style conflicts with the parent's volunteering style, the parent will need to either adjust their style or find a more compatible setting within the school to volunteer.

4. There will be a "Liberty Volunteer Tutorial" that each parent who wishes to work within the classroom itself will need to attend, including curriculum development, copy machine 101, centers, reading overview, laminator, etc. Even though a parent wishes to volunteer in one specific area of the classroom, it is best for all involved that each volunteer have an overview of the whole classroom.

5. There will be a "curriculum assistant" for each teacher. This person will work directly with the teacher to prepare resource materials and support the curriculum needs in accordance with the teacher's individual delivery style. The Core Knowledge Sequence is just that, a sequence. Each teacher will be filling out the sequence for their grade level. The Curriculum Committee has amassed the materials necessary to succeed at this task and there is a Curriculum Resource Room where this work will be done.

6. There will be a volunteer coordinator for each classroom. This person will be responsible for organizing and delegating the volunteer needs both of the teacher/classroom and the parents.

7. Any grievance or concern a parent has with a classroom or a teacher will be handled by the procedures defined in the school handbook.

8. Under no circumstance is it ever acceptable for a parent/volunteer to confront a teacher on an issue in the classroom when the children are present.

Liberty will encourage every adult—parents, step-parents, grandparents, aunts and uncles—to take a special interest in the lives of Liberty's students, to act as mentors and tutors, and to instill in every student a love of learning.

Parents will work in conjunction with the staff to ensure the most effective education possible for their children. To this end, parents will be responsible for knowing and understanding the contents of Liberty's Charter, and be encouraged, but not required, to participate on school committees and provide other volunteer services as they are able.

Mr. Speaker, Liberty Common School's reliance on parental involvement is the epitome of local control. The original parents who volunteered to coordinate other classroom volunteers are Rachele Maffett, Felicia Coddington, Annie Groth, Lorena Lighthart, Karla Wild, Tina Durham, Beth Mizer, Beth Chilson, Joanne Deleon, Tatjana Swihart-Wyns, Melissa Massey, Susan Strong, Donna Regethoff, Judy Peterson, Kim Miller, and Mohamad Kalaaji.

Parents playing the primary role in founding the Liberty Common School, securing its charter, and planning its opening include: Greg and Jane Anderson, Diane Campbell, Steve and D'Ann Chorak, Phil and Carol Christ, Wade and Kim Darrow, Randy and Ruth Ann Everett, Tim and B.J. Gilmore, Francie and John Glycenfer, Phil and Sally Hutchinson, Peter and Penny Kast, Thomas and Dru Ledder, Larry and Mindy Moore, Marty and Cheryl Olson, Gil and Cindy Paben, Gary and Judy Peterson, Jacci Peterson, Carol Ricciardi, Del and Cathy Sandfort, Rolando and Kathy Santos, Maureen Schaffer, Susan Strong, Alberto Squassabia, Dan Norhues and Monica Sweere, Richard and Laura Szanto, Mike and Susan Thatcher, Becky Trentlage, Laurel and David Van Maren, and Harry and Kathy Williams.

Mr. Speaker, It is clear that Liberty Common School could not have opened had it not been for the generosity of several parents who committed significant personal finances to purchase the school facility. There are several parents who cosigned loans for the renovation of the former manufacturing facility which is now a school.

In particular Mr. David Neenan of Fort Collins deserves special recognition. It was indeed his own company that renovated the facility. Mr. Neenan himself made possible the financing of the project. A former school board member, Mr. Neenan's dedication to education excellence is well known and his personal involvement in Liberty Common School has truly resulted in enhanced opportunity for all children of Fort Collins.

Additionally Peter and Penny Kast, and Randy and Ruth Ann Everett have sacrificed long hours and personal fortune to secure the location and finances that have made Liberty Common School possible.

Mr. Speaker, the enthusiasm of the Liberty Common community is positively changing the entire city. Parental choice has reestablished a marketplace of educational opportunity and healthy competition. One parent captured the essence of the pride and enthusiasm all parents felt when Liberty Common opened its doors and it is here that I submit her comments for the Record. Mrs. Sally Hutchinson's words were printed by the Fort Collins Coloradoan on September 17, 1997.

New Charter School Sets Open House

We're open! Yes, Liberty Common School opened for its very first day of school on Sept. 2. And an exciting day it was! Fort Collins' first charter school is under way. Let me remind you that we are a public school without tuition.

I have been part of this effort for more than a year now, and will continue to see the plan through as part of the administrative staff. It has required hard work for many, many people (and will require more), but seeing the vision of having a school like this come to pass is a tremendous reward. Fort Collins has finally joined the ranks of many cities in Colorado and across the country who see the value of allowing parents to choose a public school, and to participate in running the school. Not only does Liberty offer the complete Core Knowledge Curriculum for grades K–7 this year, but we have outlined a method to deliver the curriculum and use teachers that is unique.

In addition, we offer parents and students a "relaxed uniform," not only to make it easier to choose what to wear to school, but to add a sense of importance to school, improve student appearance and promote an atmosphere more conducive to learning. Our science program has been enhanced, our depth of study in history and literature is excellent, our reading instruction is phonics based and our expectations and standards are high. We have separate teachers for art, music and physical education, and are currently organizing an extracurricular band program for fifth through seventh graders. Our property includes a huge playground, and a separate gym and multi-purpose room. Liberty is located at 1725 Sharp Point Drive, off of East Prospect.

If this describes the type of school you've been looking for, please call the school at (970) 482–9800, and plan to attend our Open House from 5 to 6 p.m. and 7 to 8 p.m. today. We have openings in several grades, and are open to all students.

We encourage those of you looking for a Core Knowledge program to get enrolled now. As we plan to continue through ninth grade, enrolling now in fourth or fifth grade means you will still have four to five more years of this rich, content-based curriculum.

Call, or stop by for a tour and additional information. We're very excited about the program that's been developed here at Liberty, and are looking for others with a spirit for excellence in education, and a desire to be part of the charter school movement taking place throughout the nation.

Sally Hutchinson is an administrative assistant at Liberty Common School.

Mr. Speaker, there is clearly no more important topic in northern Colorado than the topic of education, for without question, the stability of our republic and the strength of our Nation rely upon a well-educated electorate and productive economic participants. I commend Poudre School District, its board of education, its superintendent and staff for extending parental choice in Fort Collins to include Liberty Common Charter School.

The expanded opportunity for varied academic settings signals the district's commitment to enhanced equity and education fairness. Moreover, the district's commitment to true site based management and its deference to parental authority has inspired more opportunity for a professional teaching environment, and effective schooling.

It is for these reasons Mr. Speaker, that I urge my colleagues to look with favor upon the charter school movement, and to consider the families served by Liberty Common School. This new institution is a suitable model for successful, innovative, competitive schools throughout the country. It is a model that ought to be duplicated. I urge my colleagues and the public at large to further explore the remarkable features of this institution and celebrate another success in America's efforts toward excellence in public education.

STATEMENT OF REMEMBRANCE OF CHEDDI JAGAN AND MICHAEL MANLEY

HON. DANNY K. DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. DAVIS of Illinois. Mr. Speaker, I rise today to remember two men who, though not Americans, deeply impacted America and the American people: Michael Manley and Cheddi Jagan. It is appropriate to remember them on the floor of the U.S. House of Representatives today because as we engage in the global market, we need to also be engaged in the discussion of global freedom within this structure.

Just as Toussaint L'Ouverture, the Haitian patriot who led the rebellion of 1791 to liberate the slaves in Haiti and helped inspire the struggle of African-Americans for their own freedom, Michael Manley and Cheddi Jagan, by their example in seeking independence and empowerment in their small nations, helped inspire and motivate the struggle for equality and empowerment in post-World War II America and throughout the world.

Michael Manley and Cheddi Jagan lived very different lives in very different countries but their struggles in life seemed to intersect just as their untimely deaths within days of each other brought them together at death. The Caribbean lost two giants in 2 days. They were both outstanding patriots and freedom fighters and their struggle echoed throughout the world. They were both practitioners of the art of mass struggle and devoted their lives to the common people. Respect and admiration for their lives and works extends far beyond the Caribbean.

Cheddi Jagan was the former President of Guyana and Michael Manley was the former Prime Minister of Jamaica. The world press, especially the Caribbean press acknowledged that the movement for self-rule, economic freedom and justice, workers rights, and human rights has suffered a great loss in these two visionaries.

Dr. Jagan, the son of indentured Indian immigrants and a U.S. trained, Howard Dental School and Chicago's Northwestern University, dentist, has been described by many as champion of the poor. Disgusted by conditions in then British Guiana, Jagan became involved in the labor movement and was elected to the colonial legislature in 1947.

Jagan, founded the Peoples' Progressive Party which the dominant political force in the 1950's until the British Government sent in troops and forced Jagan's resignation as Prime Minister. Jagan helped Guyana to independence from British rule in 1966. Dr. Jagan was reelected in 1992.

Jagan was the author of a host of books on Caribbean history. His writings brought the Caribbean region to the attention of the world and filled in important parts of the history of the Americas. Dr. Jagan was a special kind of visionary: one who dreamed of a better day and could put it into motion.

Michael Manley was a great orator, a champion of human rights and a statesman of courage and conviction. Jamaica's most charismatic leader, he was acknowledged to be the central, driving force in cementing Caribbean unity and establishing a Caribbean community.

Manley, the son of Peoples' National Party founder Norman Manley and Edna Manley an artist and sculptor, went to war at age 19 as a member of the Royal Canadian Air Force. After the war he went to Jamaica College, became an activist in the West Indies Student Association. After graduation he became a journalist, and influenced by his experiences became involved in the trade union movement.

After his father's death he became a leader of the PNP and was elected Prime Minister 3 years later in 1972. He served as Prime Minister for 11 years and then was reelected in 1989 and served until health problems forced him to resign in 1992. It was said of Manley, "He showed us that the politics of nation, the ideologies and theories of government, are as relevant to the school girls and boys as to the guys in parliament."

As we remember these two great gentlemen whose hard work, tireless determination, tenacity, and altruistic dedication for peace, justice, human and civil rights, self rule and empowerment, education, jobs and health care we are inspired to draw great strength from the common roots we share, the common problems we face and the common belief that the will and improvement of the people is the best and, ultimately, only guarantee of democracy.

INTRODUCTION OF LEGISLATION TO CLARIFY THE OSHACT REGARDING RESPONSIBILITY ON MULTIEMPLOYER WORKSITES

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. BALLENGER. Mr. Speaker, one of the characteristics of the new OSHA, according to the Clinton administration, is that it will focus not on numbers of citations, but on results. Unfortunately, OSHA's policy with regard to multiemployer worksites shows just the opposite approach.

It is clear from the Occupational Safety and Health Act that in general each employer is responsible for the working conditions and health and safety of his or her own employees. However, early administrative and court decisions recognized that under limited circumstances an employer could be cited by OSHA if the employer created the violation even if the employees who were in danger as a result of the violation were employed by another employer. So, for example, an employer could be cited for storing heavy material near the edge of the top floor of a construction site which endangered employees of other employers working on the floor below.

In recent years, OSHA has stretched and stretched the limits of that legal test in order to artificially increase its numbers of citations and to achieve, through its enforcement, a policy of creating a site controlling employer responsible for all working conditions on the site. Specifically, OSHA has taken the enforcement position that a general contractor or owner should always be responsible for safety on the entire worksite. As a result, OSHA has begun to routinely cite general contractors even where the contractor's employees are not exposed to the violation and the contractor's employees did not create or have control over the violation. Instead, the basis of the general contractor's liability is simply that the general contractor, or owner, should have overall responsibility of the job site, regardless of what the facts and circumstances actually showed.

In that regard, OSHA has adopted a position for enforcement that follows Democratic-sponsored legislation in the 102d and 103d Congress—legislation which failed to pass. A central tenet of those bills was that either a contractor or the owner would be liable in all cases for any safety and health hazards on the worksite. Despite the defeat of that legislation, OSHA has attempted to implement the same policy through enforcement.

Ironically, OSHA's current enforcement policy on multiemployer liability is leading to less safety, not more. General contractors and owners are increasingly reluctant to include any language regarding safety and health responsibilities in contracts with subcontractors, or to take action on subcontractor safety problems that come to the attention of the general contractor or owner. This is done out of concern that any such contract language or action will be used by OSHA as the basis for claiming that the general contractor or owner has assumed responsibility for all safety and health on the worksite, and is therefore liable for any and all violations on the worksite, including those solely created by a subcontractor.

My legislation is intended to reestablish the earlier interpretation regarding liability of multiemployer worksites. Under the bill, an employer may only be cited for an OSHA violation if the employer's own employees are exposed to the violation, or the employer, or its employees, has created the violation or assumed responsibility for ensuring compliance by other employers on the worksite. I urge my colleagues to join me in support of this legislation.

TRIBUTE TO HORACE H. HEIDT

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. SHERMAN. Mr. Speaker, I rise before you today to pay tribute to Horace H. Heidt, who has been nominated for the prestigious Fernando Award for outstanding volunteerism.

President Kennedy once said, "For of those to whom much is given, much is required. And when at some future date the high court sits in judgment of each of us, recording whether in our brief span of service we fulfilled our responsibilities to the state, our success or failure, in whatever office we hold, will be measured by the answers to four questions: First, were we truly men of courage . . . Second, were we truly men of judgment . . . Third, were we truly men of integrity . . . Finally, were we truly men of dedication." The Fernando Award was created to honor individuals who have exemplified leadership, volunteerism and dedication, and is recognized as the leading award for civic accomplishment in the San Fernando Valley. Each year, the Chambers of Commerce in the San Fernando Valley and other community organizations and leaders nominate candidates they feel demonstrate these characteristics. Horace Heidt is a worthy candidate for this award.

Horace has played a leadership role in bringing the arts to the forefront of our community. For 12 years, he was the musical director for the Los Angeles Raiders, and in 1985 he played for President Ronald Reagan at the 50th American Presidential Inaugural Ball. He has negotiated on behalf of the casual music industry and the orchestra leaders of Los Angeles for the collective bargaining agreements. Horace is the honorary chairman of the Valley Cultural Center, a position he has held for the past 3 years.

Horace's commitment to community involvement is not only evident in the cultural arena, he is a leader in business as well. He is the president and board member of the San Fernando Valley Business and Professional Association. This past year, Horace was elected to the Board of Economic Alliance of the San Fernando Valley and appointed to the board of advisors for Finally Restoring Excellence in Education [F.R.E.E.].

Horace has been recognized for his invaluable contributions to our community by several organizations. In 1993, he was presented with the distinguished Freedom Award by the Los Angeles Sertoma Club, and in May 1997, Horace was honored as Citizen of the Year at the 47th Annual Community Awards of the East Valley Coordinating Council. These honors are just a few of the several distinctions Horace has received, in addition to being named as a finalist for the 39th Annual Fernando Award.

Mr. Speaker, distinguished colleagues, please join me in paying tribute to Horace Heidt. He is a role model for the citizens of Los Angeles.

WHAT THE IRS NEEDS

HON. JERRY MORAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. MORAN. Mr. Speaker, this week Congress made an important, bipartisan statement on behalf of American taxpayers. I supported H.R. 2676 because my constituents know that the Internal Revenue Service needs restructuring and reforming. They tell me stories about assigning an employee to try for 5 hours to get an IRS agent on the telephone, and about wading through multiple notices of deficiency, none of which explain the supposed problem or include the name of an agent who could do so.

Stories such as those led me to introduce H.R. 2598, the IRS Customer Service Improvement Act, last month. All of my fellow Members of Congress who voted for H.R. 2676 earlier this week should consider signing on to my bill as well, because they have much in common.

Both bills are aimed at changing the attitude the IRS takes toward taxpayers. Taxpayers should be the customers of the IRS, not its targets. Most Americans want to follow the law and pay their taxes correctly and should not be considered de facto lawbreakers. Both bills also recognize that Government owes more than just a little respect to the people who have given it the authority to exist. Under our sprawling Tax Code, the IRS has an important role, but that is no excuse for institutional arrogance.

However, the bill we passed this week has more in common with my legislation than spirit and theme. The provision regarding equalizing the interest rates for overlapping underpayments and overpayments, for example, is similar to section 3 of the IRS Customers Service Improvement Act, which would make the interest rate equal in all cases.

The IRS Customer Service Improvement Act also would require the IRS to implement a plan to have all calls to service numbers answered by IRS employees—not machines—in a timely manner; require all IRS letters and notices to be signed by an IRS agent; require the IRS to notify you of mathematical or clerical errors within 6 months; require the IRS to forgive interest and penalties on mathematical and clerical errors if you pay within 60 days of timely notification; establish a 1-year period of limitation for the IRS to assess additional taxes on returns legally filed by individual taxpayers in all but the highest tax bracket; and make the electronic filing of depository taxes voluntary for small businesses.

While I look forward to the next phase of debate, the possible overhaul of our complex and flawed Tax Code, these provisions will add to the drive to change the nature of the IRS while we still have it. After all, Mr. Speaker, it is called the Internal Revenue Service—and it is service that American taxpayers deserve.

TRIBUTE TO MRS. CLARETTA "MOTHER FREEDOM" SIMPSON

HON. THOMAS M. BARRETT

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. BARRETT of Wisconsin. Mr. Speaker, I ask the House today to join me in paying tribute to one of Milwaukee's most cherished citizens, Mrs. Claretta "Mother Freedom" Simpson.

Mrs. Simpson has devoted her entire life to helping others succeed. Through her actions, thousands of Milwaukee youth have gone on to realize their dreams and have, in turn, lent a helping hand to others. A circle of caring and giving has surrounded Mrs. Simpson all her life and this month her family will gather with her to celebrate her work.

Mrs. Simpson entered the world in 1901 in the small town of Smedes, MS, delivered by a mid-wife in her home. She experienced the hardships of life at an early age and these experiences lead her to become active very early in the American Civil Rights Movement.

Mrs. Simpson's activities in the civil rights movement pre-date Rev. Dr. Martin Luther King, Jr. She started her work with Dr. T.R.M. Howard of Mount Bayou, MS, one of Dr. King's professors. Mrs. Simpson turned the Civil Rights Movement into her life's work, marching in cities all across America, including Birmingham, AL, Detroit, MI and Washington, DC. She marched with Dr. King and was in Washington to hear his famous "I have a dream. . ." speech.

Mrs. Simpson's tireless efforts on behalf of her fellow man and woman have earned her the title of "Mother Freedom" from other civil rights activists. Her constant participation and support of the movement provided hope and inspiration to everyone around her. Her presence will forever be remembered by those who were there when the dogs came, the hoses flowed, and the lives were lost. Her bravery in the face of death is testimony to the beliefs she holds and the seriousness of her conviction. She cheated death to further the cause, and that is something we should never forget.

In 1958, Mrs. Simpson moved to Milwaukee, WI to continue her efforts in working for civil rights for African-Americans. She became an integral part of her community and worked to soften the sting of poverty on children in Milwaukee.

In 1970, she founded Career Youth Development (CYD), Inc. of Milwaukee. CYD is a non-profit, multi-service, social service agency that serves children from families who most need assistance in Milwaukee. CYD provides over 40 programs to Milwaukee's poor families to help them through drug addiction, gang activity, parenting, academic challenges and many other challenges. She started CYD in her own home, using her own social security check to cover costs.

CYD's slogan is "Love in Action" and it could not better summarize the philosophy of Ms. Simpson. "Love in Action" is what these families and children receive, Mrs. Simpson's love in action.

On November 28th of this year, Mrs. Simpson will be celebrating her 96th birthday. Family and friends will get together to celebrate a life of giving and a woman with undeniable strength and spirit. I am proud to say that I will be a part of her celebration that day and I will always appreciate the sacrifices she has made for Milwaukee and for America.

TRIBUTE TO PEG DUMBAUGH

HON. PHIL ENGLISH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. ENGLISH. Mr. Speaker, this year, one of my constituents, Peg Dumbaugh, is retiring as president of the Butler Area School District School Board. I want to take a moment to pay tribute to her fine work not only during her 4 years on the school board, but during her many years of service in the Butler Area School System.

In November 1993, Peg Dumbaugh was elected to the Butler Area School Board for a 4-year term, and she was uniquely qualified to fill the position. For some years, she has been a former high school English teacher in the Butler school system, and had been the faculty adviser for the school newspaper, the Skyliner. After leaving the classroom, she has jointed the Butler Area School District's administrative team as Coordinator of School-Community Relations. During her tenure in that position, Mrs. Dumbaugh had initiated the Distinguished Graduate project, which each year recognizes an outstanding graduate of the Butler Area School District. One of the most notable of these distinguished Butler graduates is Dr. William J. Perry, our former Secretary of Defense. Finally, upon retirement from the school system, Mrs. Dumbaugh did free-lance work in journalism for the Pittsburgh Post-Gazette, among other things covering Butler Area School District school board meetings.

With this rich background of diverse and relevant experiences, Peg Dumbaugh became one of the nine elected members of the Butler Area School Board overseeing a school system that is the 21st largest school district out of the 501 school districts in the Commonwealth of Pennsylvania. The Butler Area School District covers 150 square miles, with an administration office building, 14 schools, nearly 9,000 students, and with a budget for the 1997–1998 school year of over $58 million. During Mrs. Dumbaugh's term as a school director, the Butler Area School District implemented a $4.8 million instructional technology plan; introducing foreign language instruction and computer keyboarding in the junior high school curriculum; introduced Latin and Japanese foreign language instruction in the intermediate high school curriculum; and put together an excellent school supervisory and management team. And at a time when school buildings all over the country are struggling with structural problems, leaking roofs, and faulty plumbing, the Butler Area School District during Peg Dumbaugh's tenure has completed five renovation and expansion projects, is now completing a sixth, and has four more scheduled for spring of 1998. This, Mr. Speaker, is good management.

Perhaps Peg Dumbaugh's most significant contribution to the school district as a school director comes through her 4-year chairmanship of the board's Policy and Legislation Committee. As chair of this committee, Peg Dumbaugh guided the district through a complete and very much needed revision of its policy manual, ensuring that school district policies were consistent, well-documented, and uniformly enforceable. But what is not so obvious in a simple recounting of Peg Dumbaugh's accomplishments as a school director is the quiet and thoroughgoing dedication that she has brought to everything she has done. As an elected school board director in a job that pays absolutely nothing, Peg Dumbaugh has spent literally thousands of hours working for the benefit of the Butler Area School District. She has had the kind of quiet dedication that we really are speaking about when we speak of values—to dedicate yourself to the task, to thoroughly do your homework, to quietly and consistently demonstrate the courage of your convictions in situations where others would cave in to the pressure of special interest groups, and to do all of this without asking, but what's in it for me? As a Butler Area School District director, Peg Dumbaugh has personified what we all wish for in the education system—the unwavering determination to provide a quality education to every student.

IN HONOR OF THE CHIAN FEDERATION

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. MALONEY. Mr. Speaker, I rise today to bring to the attention of my colleagues, the Chian Federation, a special organization which has done so much to promote the values, culture, and ideals common to the United States and Greece and to strengthen Greek-American relations.

The Chian Federation is a cultural and philanthropic nonprofit organization that represents 25 societies and over 50,000 individuals with origins from the small island of Hios in the Aegean Sea.

This year, the Chian Federation is honoring several individuals who came to the United States through Ellis Island. From 1892 to 1954, 245,000 Greek immigrants passed through the complex of buildings on Ellis Island.

Today, many Hellenes trace their roots back to their brave parents, grandparents, and great-grandparents who came to the United States to find relief from rural poverty. These immigrants, many who were illiterate, gave the United States the future generations of college-educated, professionally successful Hellenic-Americans of today.

On November 23, 1997, the Chian Federation, under the direction of President George Almiroudis and Chairman Alex Doulis, will be honoring seven individuals who came through Ellis Island.

Those honorees include: Andreas Papadopulos, Christos Dakides, Pantelis John Marangos, Steve P. Mekedis, Michael N. Konotos, Sophia Kalogeras and Nicholas Christopher.

Mr. Speaker, I ask that my colleagues rise with me in this tribute to the Chian Federation and their honorees. These honorees, together with their families, represent the true blending of the best of the Hellenic and American cultures. I salute the Chian Federation for recognizing their contributions to our country.

TRIBUTE TO DR. WALTER MOSHER

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. SHERMAN. Mr. Speaker, I rise before you today to pay tribute to Dr. Walter Mosher, who has been nominated for the prestigious Fernando Award for outstanding voluntarism.

President Kennedy once said, "For of those to whom much is given, much is required." The Fernando Award was created to honor individuals who have exemplified leadership, voluntarism and dedication and is recognized as the leading award for civic accomplishment in the San Fernando Valley. Each year, the Chambers of Commerce in the San Fernando Valley and other community organizations and leaders nominate candidates they feel demonstrate these characteristics. Dr. Mosher is a worthy candidate for this award.

Throughout his career, Walter has worked to improve the lives of individuals in our community. Understanding the importance of education, he was a student and faculty member at UCLA from 1956–1971. During his tenure as a professor, he served as a director of the urban ecology and transportation group at the Institute of Transportation and Traffic Engineering. Walter also served on the committee that established the School of Architecture and Urban Planning at UCLA.

During this time, Walter also served as a consultant to the Federal Government in its initial activities associated with setting up the National Highway Safety Bureau in the Department of Transportation. In this capacity, he worked directly with the deputy director of the National Highway Safety Bureau. Improved safety for our community has been a priority for Walter, and he has published numerous writings in the field of highway safety and traffic flow theory.

Walter's expertise also extends to the business community. In 1956, he was a cofounder of Precision Dynamics Corp., which initially manufactured and distributed products in the health care field. He served as president of this company on a part-time basis until 1971, when he took over full time. The company has evolved over the past 40 years, and Dr. Mosher has continued to play an imperative leadership role.

In addition to all of these responsibilities, Dr. Mosher serves on several different boards in our community. He is the director of the Health Industries Manufacturing Association, director of the Valley Family Center, and is the immediate past chair of the Valley Industry Commerce Association, to name a few of his positions.

Dr. Walter Mosher has used his extensive knowledge to serve our community, and he has generously donated his time and expertise to several different organizations. Mr. Speaker, distinguished colleagues, please join me in paying tribute to Dr. Walter Mosher. He is a role model for the citizens of Los Angeles.

INTRODUCTION OF LEGISLATION TO IMPLEMENT REDUCTION IN PENALTIES FOR SMALL BUSINESSES

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. BALLENGER. Mr. Speaker, today I am introducing legislation to implement one of President Clinton's promises to small business: a reduction in OSHA penalties for small businesses.

On April 21, 1995, President Clinton issued a directive to Federal agencies, including OSHA, to adopt penalty relief for small businesses. Specifically, the directive instructed agencies to reduce penalties by up to 100 percent if the small business corrected the violation within the specified time, or applied the amount of the penalty against the cost of abatement of the violation.

Since then, OSHA has studied and re-studied how such a directive might be implemented. It has even tried to use the President's directive to reduce penalties as an excuse to increase OSHA penalties on some employers. In the end, however, OSHA has never adopted the President's directive and given small businesses the penalty relief promised.

My legislation follows the President's directive nearly verbatim. Under the bill, penalties would be waived in whole or in part, if the employer corrects the violation within a reasonable time, or to the extent that the employer applies them to the cost of abatement. The waiver of penalties applies where the employer has shown good faith in attempting to comply with health and safety requirements and the violation is not a significant threat to employees' health or safety. I invite my colleagues to support this penalty reduction for small business.

RECOGNIZING ALLISON DICKSON FOR HER BATTLE AGAINST MUSCULAR DYSTROPHY

HON. CHET EDWARDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. EDWARDS. Mr. Speaker, today I wish to recognize a brave and bright young lady from my Texas congressional district. Allison Dickson, a Temple High senior, is at the top 3 percent of her class academically and has served as a class officer. Recently, Allison was selected as the 1997 Temple High School Football Sweetheart.

Allison has accomplished this and so much more despite the debilitating effects of muscular dystrophy. The disease has taken her mobility, but she has kept her heart and soul. I want to enter into the RECORD some special thoughts written by this exceptional young lady:

(By Allison Dickson)

He asked me a simple question. I'm sure he has no recollection of this day or of how much it meant to me. I often think back and remind myself of the five words that made me realize something very important about who I am.

Two rows over in my freshmen U.S. history class sat a boy with a quick smile and calm manner. I had only known him for a few weeks, but we often discussed sports and school like friends normally do. One day, with the innocence of a young child, he asked, "Allison, do you play soccer?" Just for a moment I didn't know what to say. I quickly glanced down, smiled at him, and shook my head no. He had given me the greatest compliment I could ever receive. I realized he didn't see me as a person in a wheelchair. To him, I was his friend Allison who could do anything.

I have muscular dystrophy. This disease has taken away my ability to walk but nothing more. Everyone has a weakness, but determination, hard work and a strong faith makes nothing impossible. My achievements, both academically and in leadership roles, have helped me truly believe this.

Of course, I have heard the random rude comments people say. I have felt the effects of prejudice first hand. All of this has made me a stronger and more compassionate person.

I am different from others, but different is not always bad. This boy's trivial question helped me understand that I am not so unlike most people. He had looked past my disability and saw the real me.

Jim Valvano, a former basketball coach and sports announcer, had been diagnosed with cancer. In a speech, he told people cancer could not touch his mind, it could not touch his heart, and it could not touch his soul. He then said that those three things would carry on forever.

Look into my eyes and you will see a mind yearning for knowledge and truth. Look into my heart and you will see a burning passion for life and love for others. Look into my soul and you will see an enduring spirit that touches the lives of others and will carry on forever.

TRIBUTE TO JIM LAMOTTE

HON. JERRY WELLER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. WELLER. Mr. Speaker, I rise today to honor Mr. Jim LaMotte who is retiring from the Momence Fire Department after 39 years of service including 21 years as fire chief. The Momence Fire District is staffed by volunteers. Mr. LaMotte is the fourth chief to serve Momence since the district was formed in 1949.

During his role as fire chief, Mr. LaMotte achieved many goals. One was to relocate the department to a new facility which was done at a low cost to the taxpayers. Another of Mr. LaMotte's priorities was to maintain and upgrade the equipment such as the breathing apparatus which was recently purchased.

Mr. LaMotte and his wife of 35 years live in Momence, IL. They have three daughters and six grandchildren with one more grandchild on the way. He is the cofounder and vice president of Custom Farm Seed. Mr. LaMotte is also chairman of the board for Good Shepherd Manor, chairman of the 9–1–1 emergency telephone system board, and a member of the Kankakee county board.

Mr. LaMotte is a credit to his community. I am sure his knowledge, professionalism, and skill will be missed by the Momence Fire Department. I urge this body to identify and recognize other citizens in their communities whose actions have clearly made a difference to their community's well being and safety.

BUCHEIT INTERNATIONAL LIMITED

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. TRAFICANT. Mr. Speaker, Bucheit International Ltd., a family-owned company in my 17th Congressional District of Ohio, has experienced difficulties in its business dealings with Burgan Bank, S.A.K. of Kuwait.

Bucheit is a shareholder of the Gulf Global Petroleum Establishment, which has maintained a $3 million fixed deposit account with Burgan Bank since August 17, 1980. Over the following decade, the $3 million account was used as a guarantee on Gulf Global's oil trade agreements.

Prior to Saddam Hussein's invasion of Kuwait in 1990, Gulf Global continued to maintain this fixed deposit account, plus accrued interest, in order to continue its oil trading business. During the Iraqi occupation of Kuwait in 1990 and the gulf war in 1991, Gulf Global's account at Burgan Bank was frozen.

Following the gulf war, Burgan Bank was taken over by the Kuwaiti Government. When Gulf Global tried to resume its operations following the war, Burgan Bank first denied that Gulf Global's account ever existed, even though company has bank receipts to prove it. Then Burgan officials said that they had found Gulf Global's account, but there was no money in it.

It should also be noted that all legal and statutory rights of the company have been held by Mr. Said Al Sabawi, a Canadian citizen. Mr. Sabawi can certify that the account did indeed exist in 1990 and that he has never authorized the removal of the funds from the account, as Burgan Bank must have his signature for any withdrawal from the account.

Burgan Bank's official story is that the $3 million on deposit was withdrawn in 1980. Who's kidding whom? If the money was withdrawn in 1980, how did Burgan guarantee, in writing, Gulf Global's oil purchases? If the money was withdrawn in 1980, how could Burgan issue bank statements showing the $3 million was in the account?

The fact is, the $3 million didn't vanish into thin air. I guarantee it's lining the pockets of the Kuwaiti royal family, who seized control of Burgan Bank in 1991. It's time the United States State Department gets tough with Kuwait, and demands the prompt return of Gulf Global's $3 million, in full.

COLLINS AND AIKMAN FLOORCOVERINGS: A COMPANY MAKING STRIDES IN ENVIRONMENT, EDUCATION

HON. NATHAN DEAL

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. DEAL of Georgia. Mr. Speaker, as a member of both the Commerce Subcommittee on Health and Environment well as the House Education and the Workforce Committee, I am particularly interested in programs and achievements in education and the environment. Preserving our environment and educating our work force are challenges our Government cannot meet alone. It is important for those of us concerned about these issues to develop partnerships to help meet our responsibilities to society. This past summer, I had the opportunity to tour Collins and Aikman Floorcoverings in my ninth district of Georgia. Located in Dalton, the company manufactures commercial carpets and tiles.

Collins and Aikman is an example of a company that has discovered solutions to preserve the environment by being the first to recycle carpeting. Using 100 percent of the used carpet that it reclaims, Collins and Aikman produces the only high-performance carpet that contains a significant amount of recycled content. The product has the same performance characteristics and warranties as new carpet and sells for the same price. Further, the recycled content carpet is itself 100 percent recyclable, creating the opportunity for an infinite cycle of use.

These achievements signify that manufacturers can produce successful recycled products without compromising design, quality, or price as well as preserve the environment. Companies that go beyond compliance to achieve new benchmarks in resource and energy conservation should be commended, This holistic approach to environmental responsibility and accountability protect our resources for future generations.

This technological breakthrough involved the ingenuity and dedication of all Collins and Aikman employees. Through trial and error testing and development, this product became a reality. Special training and education programs are the key. The innovative Collins and Aikman Pacesetters program is designed to orient new employees—from hourly wage earners to top level management—in the company. The outdoor adventure program builds team work, respect, and problemsolving skills. During my tour, I learned that this program broke down barriers for employees, making them feel part of a team and company right away.

A second educational effort within Collins and Aikman is its continuous, internal GED program. The company decided that instead of sending employees out to classes, it would bring the classes to the employees. Like Pacesetters, this program has helped develop an empowered, creative work force. Teachers conduct classes in a room set on the factory floor. Classes are held 2 days a week in 2-hour shifts, and participants go to class on the clock during work hours.

Since the company started this program 5 years ago, 115 employees—25 percent of the Collins and Aikman hourly work force—have earned high school equivalences. They have become part of the central core of trained employees who manage high-technology equipment and make daily, critical decisions that companies depend upon to stay competitive. Going back to school has been made easier for employees, and the resulting self-esteem and pride are immeasurable. Productivity and quality of work have improved yearly, and the trained work force has been instrumental in breakthrough discoveries such as the closed loop carpet recycling program.

As testament to these successes, Collins and Aikman Floorcoverings has recently been awarded the Success Track Outstanding Employer Award from the Georgia Department of Labor. I am pleased to bring these innovative examples in corporate leadership to your attention. Such environmental and educational practices help prepare our country for the challenges of the 21st century.

CONGRATULATING THE TIMES NEWSPAPER

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. VISCLOSKY. Mr. Speaker, it is my distinct pleasure to congratulate The Times newspaper as it celebrates its receipt of two first-place and two third-place honors in the Hoosier Press Association's 1996–97 Ad Award Contest. The Times has also been named the Hoosier State Press Association's "Blue Ribbon Newspaper of the Year" for 4 consecutive years.

In the highly competitive field of newspaper advertising, garnering two first-place and two third-place honors serves as a testament to the outstanding quality of The Times, its close-knit relationship to the community, and the high caliber of its staff. The award winning Times staff includes: Betty Durochik, Lisa Tatina, Dan Lavin, Kathy Campbell, Mary Alexander, Cindy Carstenson, and Mike Scamihorn. Betty Durochik and Lisa Tatina took first-place honors in the miscellaneous category of the Hoosier Press Association's contest for their work on the "Home for the Holidays" advertisement section. Dan Lavin and Kathy Campbell received first-place honors in the Special Projects, Promotion or Special Sections that have one common theme category for "Calumet City's Retail Dining Directory." Cindy Carstenson and Mike Scamihorn received third-place honors for "Taste of Chocolate" Recipe Cards in the best Non-Inserted Promotion category. Betty Durochik, Lisa Tatina, and Mary Alexander placed third for "Welcome to Schererville" in the Downtown Council, Shopping Center or Community-wide Group of Merchants category. The Times was judged in the division for newspapers with a circulation of greater than 10,000 by members of the Ohio Newspaper Advertising Executives Association.

The Hoosier Press Association's 1996–97 Ad Award Contest demonstrates a continuation of the proud and outstanding journalistic tradition upon which The Times was founded. The newspaper's maintenance of this strong tradition is especially evident in its receipt of the Hoosier State Press Association's "Blue Ribbon Newspaper of the Year Award" for 4 consecutive years. Earning this award has given The Times the distinction of being one of Indiana's finest newspapers.

Founded in June of 1906, The Times was established by Canadian stock and grain operations industrialist, Sidmon McHie, to serve as a vital source of local information for Northwest Indiana. Originally called the "Lake County Times," the newspaper was based in downtown Hammond on Fayette Street and Hohman Avenue. The paper grew and prospered over the years, and its name was changed to The Hammond Times in 1933. In 1967, with the addition of a bureau in South Lake County, the paper's name was changed to The Times. Ownership of The Times continued in the McHie family trust until May, 1962, when the paper was sold to Robert S. Howard, President and founder of Howard Publication, Inc. Under the direction of Howard Publication, The Times relocated to Munster, IN, in 1989, and currently publishes seven uniquely zoned editions.

Mr. Speaker, I ask that you and my other esteemed colleagues join me in commending The Times on its award winning performance. Through the hard work and dedication of its employees, past and present, The Times has remained true to its mission of being a vital source of information for the communities of Northwest Indiana.

THE TAMPON SAFETY AND RESEARCH ACT OF 1997

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mrs. MALONEY of New York. Mr. Speaker, I rise today to introduce an important piece of women's health legislation—The Tampon Safety and Research Act of 1997. The research called for in this bipartisan bill will finally give women the accurate information they need to make informed decisions about their health as it relates to tampon use.

Why is this issue important? Because tampons and other related products often contain additives, synthetic fibers, and dioxin. Dioxin is a toxic byproduct of the paper manufacturing process. Wood pulp, as well as the rayon used in nearly all tampons, undergoes several production processes; a common method is chlorine bleaching, a process which results in the formation of dioxin and other contaminants. As a result, trace amounts of dioxin is present in most paper products, from toilet paper to tampons.

Dioxins are also found in varying levels throughout the environment, but are women being subjected to additional and potentially avoidable exposures to dioxin through tampon use? Let me put dioxin in perspective, because we only have to consult recent history to know of the potentially disastrous effects of this substance. Dioxin is a member of the organochlorine group, which includes the contaminants found in agent orange, the Vietnam war-era defoliant, and at Love Canal.

But let's consult the experts, too. According to a 1994 report issued by the Environmental Protection Agency, dioxins are a known animal cancer-causing agent as well as a probable human carcinogen. My bill is specifically concerned with the possible links between dioxin in tampons and ovarian, cervical, and breast cancers, as well as other potential hazards.

A 1996 EPA study has also linked dioxin exposure with increased risks for endometriosis, an often painful menstrual-related condition that is a leading cause of infertility. Further, the EPA has concluded that people with high exposure to dioxins may be at risk for other effects that could suppress the immune system, increase the risk of pelvic inflammatory disease, reduce fertility, and possibly interfere with normal fetal and childhood development.

The EPA conclusions regarding dioxin exposure are particularly alarming in light of a 1989 Food and Drug Administration report, which stated that "possible exposures from all other medical device sources would be dwarfed by the potential tampon exposure." Why? Because tampons are used by up to 70 percent of menstruating women in the United States, and the average woman may use as many as 11,400 tampons during her lifetime. If dioxin is putting women at risk, could the long-term use of tampons increase that risk?

What makes these toxic residues in tampons even more disturbing is that they come in direct contact with some of the most absorbent tissue in a woman's body. According to Dr. Phillip Tierno, Jr., director of microbiology and immunology at New York University Medical Center, almost anything placed on this tissue—including dioxin—gets absorbed into the body.

According to researchers, dioxin is stored in fatty tissue—just like that found in the vagina. And the fact is that women have more body fat than men, possibly allowing them to more efficiently store dioxins from all sources, not just tampons. Worse yet, the effects of dioxin are cumulative, and can be measured as much as 20 or 30 years after exposure. This accumulation is cause for particular concern, because a woman may be exposed to dioxin in tampons for approximately 40 years over the course of her reproductive life.

The question, of course, is why it is acceptable to have this toxic substance in tampons—despite the advice of an FDA scientist to the contrary. A 1989 agency document reported that "the most effective risk management strategy would be to assure that tampons, and menstrual pads for good measure, contain no dioxin." And why has there been far more testing on the possible health effects of chlorine-bleached coffee filters that on chlorine-bleached tampons and related products? My bill seeks to address this inadequacy, and finally give women the most accurate, up-to-date information available regarding this critical health concern.

Although the FDA currently requires tampon manufacturers to monitor dioxin levels in their finished products, the results are not availalbe to the public. When I—as a Member of Congress—requested the information, the FDA told me it was proprietary information and therefore could not be released. It should be noted that the dioxin tests relied upon by the FDA are done by the manufacturers themselves, who do not surprisingly insist their products are safe. Some of my constituents say this is the equivalent of the fox guarding the hen house.

How much dioxin exposure is considered safe for humans? And does the fact that tampons are in direct contact with absorbent tissue, and for extended periods of time, make whatever levels of dioxin tampons possess even more dangerous? Is this the equivalent of a ticking time bomb, capable of increasing women's risks for several life-threatening or fertility-threatening diseases? Unfortunately there are no easy answers. We simply don't have instructive, persuasive evidence either way.

Many experts believe, however, that if the slightest possibility exists that dioxin residues in tampons could harm women, the dioxin should simply be eliminated. I also believe we should err on the side of protecting women's health. Tampon manufacturers are not required to disclose ingredients to consumers, although many have taken the positive step of voluntarily disclosing this information. However, women are still being forced to take the word of the industry-sponsored research that their products are completely safe.

My bill also addresses the many other potentially harmful additives in tampons, including chlorine compounds, absorbency enhancers, and synthetic fibers, as well as deodorants and fragrances. Most people are surprised to learn that these additives are commonly found in these products.

We do not really know enough about the potential risks associated with such additives. Independent research has already shown that synthetic fiber additives in tampons amplify toxins, which are associated with toxic shock. Toxic shock syndrome is a rare bacterial illness that caused over 50 deaths between 1979 and 1980, when the link between tampons and toxic shock was first established. According to a 1994 study, of the toxic shock cases occurring in menstruating women, up to 99 percent were using tampons. Obviously toxic shock syndrome is still a woman's health concern, and its link to tampons has become more clear.

The fact is, women do not have the information they need to make sound decisions about their health. For the sake of women's well-being, we need accurate, independent information. American women have a right to know about any potential hazards associated with tampons and other related products. It is only when women fully understand the consequences that they can make truly informed decisions about their reproductive health.

I also note that my bill is not the first time a Member of Congress has expressed concern about this issue. In 1992, the late Representative Ted Weiss of New York brought the issue up on a subcommittee hearing of the Committee on Government Operations. He did this after his staff had uncovered internal FDA documents which suggested the agency had not adequately investigated the danger of dioxin in tampons.

My bill would direct the National Institutes of Health to conduct research to determine the extent to which the presence of dioxin, synthetic fibers, and other additives in tampons and related menstruation products pose any health risks to women. An NIH study, would mean that American women could depend on independent research, and not on the word of research funded by tampon manufacturers.

Mr. Speaker, I hope my colleagues will join me in this fight to get accurate health information to the women of America. Their future fertility, and perhaps their lives, may depend on it.

PAYING TRIBUTE TO DAN RUPP

HON. JERRY MORAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. MORAN of Kansas. Mr. Speaker, today I rise to pay tribute to Dr. Dan Rupp, a distinguished citizen from my home town of Hays, KS. Dr. Rupp has displayed a serious commitment to the welfare of his local community, spending his entire adult life in public service and education. Dr. Rupp has been a member of the Hays City Commission for 24 years and served as mayor for six terms.

Dr. Rupp is the longest serving commissioner in the history of the city of Hays, KS, but his active role in the community goes beyond service in local government. His career in higher education as a college professor commenced immediately after he graduated from college. Most of that career was spent as an economics professor at Fort Hays State University. Dr. Rupp also leads a life of volunteerism. He has been a part of many community service projects over the years, including serving as the president of the Volga German Association from 1974 through the present and as a long time member of the Ellis County Historical Society. He was recently recognized for his activity in the local senior companion program, a service he has been involved in since its inception in 1974. Dr. Rupp and his family are also active members of St. Joseph's Catholic Church.

Earlier this year Dr. Rupp was diagnosed with a cancerous lung tumor. He is one of the 1 percent of people with lung cancer who are nonsmokers. Since his diagnosis, he has undergone radiation treatment for his disease. Dr. Rupp is not fighting this disease alone. He has a wonderful, supportive wife and two daughters with him every step of the way, as well as the town of Hays, a community of people who have come to know him well over the years.

While Dr. Rupp decided to not seek reelection to the city commission in 1996, his service to the community has continued. This summer he taught graduate courses and volunteered as a city tour guide, all of this while undergoing his cancer treatment. He has continued to be positive, active, and upbeat. At 61 years old, Dr. Rupp continues as a role model for others in our community, a dedicated educator who has inspired his many students, and one who knows the supreme importance of family. I join the people of Hays, KS hoping and praying for Dan's healthy and speedy recovery.

NATIONAL HOSPICE MONTH

HON. ALLEN BOYD

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. BOYD. Mr. Speaker, in honor of National Hospice Month, I would like to take a moment to recognize the two hospices which serve the communities in my district, Big Bend Hospice and the Hospice of Northwest Florida-Panama City, and thank them for their invaluable contributions to North Florida's families.

Hospice care involves a team of professionals, including physicians, nurses, therapists, home care aides, counselors and volunteers who help terminally ill patients and their families share their final days at home in peace, comfort and dignity. These hospice caregivers help patients, as well as their family members, with one of the toughest transitions in life. The hospice program, primarily based in the home, treats the person, not the disease; focuses on the family, not the individual; and emphasizes the quality of life. Hospice care ensures that the patient's life is as fulfilling and satisfying as possible, right up to the last moment.

Hospice care has played an important role in my life. Two years ago, I lost my father to cancer. I do not know what my mother and my family would have done without the care that Big Bend Hospice provided. The hospice allowed my father to die at home, in dignity, surrounded by the people who love him. I want to thank the caregivers who helped my family through a very difficult time. My family and I will never forget their commitment and compassion.

NATIONAL LIGHTHOUSE MUSEUM

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. KILDEE. Mr. Speaker, in an effort to broaden the public's appreciation and understanding of America's lighthouse heritage, I have introduced legislation to establish a national lighthouse museum.

Currently, there is no single site in our country where one can go to learn the complete history of American lighthouse development, to learn about the different types of lighthouses, the how and why they were built, who operated them, and their successes and failures. A national lighthouse museum would provide such a learning opportunity.

Mr. Speaker, my legislation would establish a national lighthouse museum commission to develop a fundraising plan, secure a site, draft an operational proposal and establish a national lighthouse museum corporation. The commission would be comprised of 19 members who represent both public and private interests. The national lighthouse museum corporation would be run as a tax exempt, nonprofit 501 C(3) organization.

The national lighthouse museum will hold a collection of artifacts known as the national lighthouse collection. It will also provide support to other museums that interpret the history of aids to navigation in the United States.

Although the national lighthouse museum commission would choose the site, Mr. Speaker, I would like to point out that Michigan has more lighthouses than any other State in the Union.

TRIBUTE TO MATTIEBELLE WOODS

HON. THOMAS M. BARRETT

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. BARRETT of Wisconsin. Mr. Speaker, it is with great pride that I pay tribute today to Mattiebelle Woods, on the occasion of her 95th birthday. Her many years of community service and dedication to making a difference in the lives of people of Milwaukee, are truly notable and merit our appreciation and acclaim.

Mattiebelle was born in Milwaukee on Halloween Day, in 1902. And Milwaukee is where she has lived for nearly a century.

Described as the community's ageless wonder, by the Milwaukee Community Journal, Mattiebelle has seen her city through wartime, women's suffrage, prohibition, a great depression, a midcentury industrial boom, civil rights endeavors, recession, and recovery.

Mattiebelle is fiercely committee to bringing along generations of young women. As the founder the Wisconsin Black Teen Pageant, she has ensured that scores of young, black women will have opportunities which may never have surfaced without the pageant as a vehicle.

Today, Mattiebelle remains a director of that pageant, continues in her work as a committeewoman, is active in her church, chairs her area voter registration efforts, and volunteers regularly at the Clinton Rose Senior Center.

Mr. Speaker, I urge you and my colleagues in the U.S. House of Representatives to join me in a salute to Mattiebelle Woods, and to join me in sending her best wishes as she begins her 96th year. Recently, when Mattiebelle was asked by a newspaper reporter just how she continues to do all she does, Mattiebelle responded with "I'll be OK. God is looking out for me." Mr. Speaker, I would like Mattiebelle to know that we are looking out for her, too.

RETIREMENT OF COL. GIULIANO M. TONEATTO

HON. ROBERT A. BORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. BORSKI. Mr. Speaker, I rise today in honor of my good friend, Giuliano Toneatto on the occasion of his retirement from the U.S. Army Reserves and to recognize his contributions to his community. Mr. Toneatto is a man of great substance whose service to his country exemplified honor and distinction.

Upon his retirement, Giuliano was given the Legion of Merit award by the U.S. Army Reserves. His military career has consistently exceeded the high standards set by the service, and his exceptional knowledge and expertise will be sorely missed. A U.S. Military Academy graduate, he continued his career in the U.S. Army Corps of Engineers and later received two Bronze Star medals and an Army Commendation Medal for his service in the Republic of Vietnam. His commitment to military education continued when he returned to USMA to teach honors courses in civil engineering.

Giuliano Toneatto has been instrumental to the nomination process for candidates to the U.S. Military Academy from the city of Philadelphia. He is a public servant who has gone above and beyond the call of duty. For 10 years Giuliano has served on the 3d Congressional District Academy Board, which screens candidates for nominations to West Point. He also has served as a Liaison Officer for USMA, recruiting top notch nominees from Philadelphia.

A role model for young men and women, he has provided a meaningful experience for many young people in Philadelphia by introducing them to the USMA and opening that wonderful door of opportunity. Giuliano's time, talents, and energy are appreciated by the community and Nation. I would like to thank him for his efforts and commend him for his good work.

Giuliano Toneatto has provided outstanding leadership to the city of Philadelphia. I am proud of his achievements and contributions to our country. Mr. Speaker, please join me as I extend my congratulations and best wishes to a truly amazing man. May he enjoy continued success in his future endeavors.

INTRODUCTION OF LEGISLATION REQUIRING THAT OSHA PROVIDE ADEQUATE NOTICE AND INFORMATION FOR INDUSTRIES AFFECTED BY RULEMAKING

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. BALLENGER. Mr. Speaker, one of President Clinton's promises for reinventing OSHA in 1995 was that OSHA regulations would be made "as simple and sensible and flexible as they can be." That is a good goal. Unfortunately, the administration and OSHA have done little to implement it.

One of the ways that OSHA standards become nonsensible is when these standards are enforced and applied to industries—industries had little notice that they were covered by the standard. As a result, the industry must often spend millions of dollars, either in trying to comply with a standard that is not feasible or necessary in their workplaces, or in legal fees, in order to get the courts to overturn OSHA's rule.

Recently, for example, the court of appeals ruled against OSHA with regard to inclusion of the roof coatings industry under the asbestos standard. The court found that "there is no evidence in the record that asbestos fibers can ever escape from roofing sealants and become airborne" (Asbestos Information Assn/

North America v. Secretary of Labor, 7/24/97). Yet, OSHA insisted on covering the industry with the standard until the court ruled otherwise. Fixing the problem caused by an overreaching OSHA cost the industry thousands of dollars in litigation fees.

Similarly, the airplane maintenance industry is now faced with coverage under OSHA's Methylene Chloride standard, even though OSHA itself acknowledged in testimony before my subcommittee that it did not thoroughly analyze the impact of the rule on that industry.

In contrast, OSHA's recent proposal on tuberculosis does list the specific industries to which the standard would apply. So, the requirements of my bill are not unique or radical. They simply assure that the practice of notifying the specific industries, and analyzing the effect of the standard on them, is consistently followed in OSHA rulemakings.

Mr. Speaker, this is one of several changes which would help to fulfill the President's promise to make OSHA's rules "as simple and sensible and flexible as they can be." I invite my colleagues to cosponsor and support this change.

TRIBUTE TO PHILIP "FLIP" SMITH

HON. BRAD SHERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. SHERMAN. Mr. Speaker, I rise before you today to pay tribute to Philip "Flip" Smith who has been nominated for the prestigious Fernando Award for outstanding voluntarism.

President Kennedy once said, "For of those to whom much is given, much is required." The Fernando Award was created to honor individuals who have exemplified leadership, voluntarism and dedication and it is recognized as the leading award for civic accomplishment in the San Fernando Valley. Each year, the chambers of commerce in the San Fernando Valley and other community organizations and leaders nominate candidates they feel demonstrate these characteristics. Philip Smith is a worthy candidate for this award.

As a high school student, Flip worked in the General Tire store alongside his father and grandfather. This experience encouraged him to open his own business, and in 1972 he opened Flip's Tire Store. The values and lessons he learned as a child have served Flip well: 24 years later he owns one of the most successful tire and automotive operations in the valley, and is a leader in the economic development of our community. His appointment as initiative leader of the Economic Alliance of the San Fernando Valley's Business/Police Crime Reduction Committee has led to the expansion of his highly successful Sepulveda Boulevard Business Watch Program to seven other communities in the San Fernando Valley. This program has become a model for the city of Los Angeles.

Flip is not only an outstanding role model for our business community, he has initiated several programs to work with children, the disadvantaged and senior citizens throughout the valley. These include the Rotary Youth Leadership Conference, Dodger Day for disadvantaged children, seniors and handicapped, and the San Fernando Valleywide track meet for lower achieving athletes. He has also been involved in mentoring and education counseling assistance programs for youth and uneducated adults.

Flip's interest and involvement in our community have led him to serve on several boards and committees, including the American Heart Association, San Fernando Valley Public Safety Advisory Commission, the State Small Business Commission, and many others. He also served as the president of the Mid-Valley Community Police Council, helping to raise over $100,000 annually to assist law enforcement in the San Fernando Valley.

Flip has worked closely with the members of our community to raise the standard of living, and he has generously donated his time and energy to several different organizations. Mr. Speaker, distinguished colleagues, please join me in paying tribute to Philip Smith. He is a role model for the citizens of Los Angeles.

McLEAN COUNTY WORLD WAR II MEMORIAL

HON. THOMAS W. EWING

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. EWING. Mr. Speaker, on Saturday, November 8, 1997, McLean County will hold a dedication ceremony for their new World War II memorial.

Our Nation is graced with many treasures, though none so precious as the freedom we enjoy in our prosperous country. As we approach this Veterans Day, we must thank our veterans for providing and safeguarding that freedom. Unfortunately, many have died in war protecting and defending that freedom. In cities throughout this great land, and now right here in Bloomington, there are monuments etched with names of those who made the ultimate sacrifice. Each name marks the end of the dreams of a young American whose life was cut short in the defense of freedom, each inscription a lasting legacy to the selfless sacrifice our very best men and women were willing to make.

I commend all the volunteers who spent countless hours building this lasting memorial for the 306 men and women from McLean County who died in World War II. I thank all the union workers who donated their time and efforts, in particular the carpenters, engineers, cement masons, plumbers, teamsters, and electrical workers. Their efforts will be appreciated for generations to come.

I invite all to join me on November 11, Veterans Day, in recognizing all of yesterday's service members, and all of today's soldiers, sailors, airmen, and marines. Our Nation is the finest in the history of mankind because of their service.

HELP COMBAT UNDERAGE SMOKING

HON. JOHN LEWIS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. LEWIS of Georgia. Mr. Speaker, today I am introducing legislation that would place a $500 per year tax on vending machines that sell cigarettes and other tobacco products. It is my hope that this tax will discourage the use of these vending machines and recoup some of the costs that these vending machines inflict upon society by making it easier for our children to illegally purchase and use tobacco products.

Smoking and second-hand tobacco smoke are known class A carcinogens. In fact, scientists recently identified the chemical process through which cigarette smoke causes cancer. Smoking also causes heart disease and birth defects among the children of women smokers. Cigarettes kill more than 434,000 Americans each year. Tobacco addiction costs the American public more than $65 billion each year in health care costs and lost productivity.

The saddest fact to me is that 90 percent of smokers began smoking when they were children—most started before they were 16 years old. Everyday—every single day—3,000 young people began smoking.

All States have laws restricting tobacco sales to children below a certain age. While these laws can be effective when a sales clerk is selling the tobacco, they do little to prevent minors from purchasing tobacco from vending machines. My legislation recognizes the insidious nature of tobacco vending machines by placing a $500 per year tax on vending machines that sell tobacco products.

Hopefully, this tax will help discourage tobacco companies from selling their goods through vending machines and discourage our children from smoking; $500 is a small price to pay to protect our children from emphysema, cancer, and the other ravages of tobacco.

53D ANNIVERSARY REMEMBRANCE OF THE BATTLE OF THE BULGE

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. GOODLING. Mr. Speaker, I rise to honor the veterans of the Battle of the Bulge, who came together with friends and family on their 53d anniversary to dedicate a monument to the courage of the soldiers, living and dead, who fought, in the most important battles ever undertaken by the U.S. Army.

My sister was an army nurse who treated the sick and wounded in field hospitals during this great battle. Joseph F. Zimmer, a member of the 87th Infantry Division, read the following essay, Reflections. I commend this essay to my colleagues' attention.

Once again we meet to recall and honor those days, those men, those warriors who saved the day in the historic Battle of the Bulge of World War II.

As WWII gets even more remote from people's personal experiences, it, and this battle, are going to become even more attractive and memorable. In 100 years, even at the end of the 3d millennium, people are going to flock to see the memorials that mark, for all time, those dark, dank, foggy days in Belgium and Luxembourg. The valor, bravery, courage, and heroics have been spoken of, written about, and memorialized in uncountable plaques and monuments in our country, most recently at Carlisle, and those far away villages and towns where heroes died, were captured, wounded, or escaped unharmed.

Emerson said "Every hero becomes a bore at last." Nevertheless, the storytelling will insure that our journey to this sacred place at Gettysburg, and the unknown future will keep us connected to one another, to what we experienced in the Bulge during those terrifying times, our inherited strength, and, most especially, to those who have gone before us. Life became death, the shatterer of worlds. We live in the present without being obsessed about the past or worried about the future. We constantly strive to discover the significance of our experiences and in our minds we are constantly standing on holy ground. The bitterest tears shed over a grave are for words left unsaid and deeds left undone. (Harriet Beecher Stowe)

What we forget is that this country had about 120 million people during those war years. Out of that number there were only about 20 million men between the ages of 17 and 36—and four out of five of them went to war, joined by over 100,000 women. Beginning in 1939 with our Armed Forces numbering about 174,000 men, ranking 17th in the world behind such nations as Bulgaria and Portugal, we turned into a global fighting force of more than 8 million, an army without which the allies could not have defeated Nazi Germany and Japan. In all of this it is worthwhile to remember some words of war. They were uttered by Joshua Chamberlain when he returned to the battle field many years after his heroics on Little Round Top: "In great deeds something abides. On great fields something stays," says the old soldier "Generations that know us not and that we know not of, heart-drawn to see where and by whom great things were suffered and done for them, shall come to this deathless field, to ponder and dream" This too can be said about all the areas we fought in during the Battle of the Bulge.

The history of the world, like letters without poetry, flowers without fragrance, or thought without imagination, would be a dry matter indeed without its legends. And yet many of these, though scorned by proof of a hundred times, seem worth preserving for their own familiar sakes. What we did, what we experienced, represents the engrafted love of our country, our fellow citizens, and of freedom. In the suburbs of our hearts, we remember that we were part of a gathering of the noblest of men who ever lived in the tides of times. We feel that we must draw on our history to describe our history. It fits each of us to a "t"—honesty, loyalty, integrity. "The spirit of man is God-like, eternal, indestructible," said Norman Mailer in his WWII book, The Naked and the Dead. This spirit is reflected in the selfless sacrifices made by army nurses, doctors and medics, the women who waited—a mother, wife, sister, even a daughter, maybe, had their daily hell as well.

Our organization, Veterans of the Battle of the Bulge, remains a vessel for each of us to pour our memories and values into, and yet we don't have to run to catch up with our selves. Our founders, present and past presidents, our leaders, are owed a great debt of gratitude to afford us a vehicle, and these reunions, in the company of our companions, to once again gather together, to keep alive in the special vault of the national imagination, the gallantry, uncommon glory and sacrifices made during that great battle. Each of the 19,000 who died, every drop of blood shed, invigorated our Nation and other nations as well as Western civilization. They were among the 292,131 men and women that were killed in battle in WWII; another 115,000 died under other conditions. These are not just statistics—these are persons. Our being here is important for when we pass on. You don't just lose the glamorous culture we survived in, you lose the whole culture that we stood for and in a way fought for.

It is good to be reminded that there are such men, that there always have been and always will be. "We sometimes forget, I think," said historian Stephen Ambrose, "that you can manufacture weapons, and you can purchase ammunition, but you can't buy valor and you can't pull heroes off a assembly line" Each of us veterans of VBOB can be very proud this day and every day. We are all still heroes, and we do not take lightly being called a hero.

Who knows what our comradeship means, but surely it means more than just that we are all haunted by ghosts; because they are not just echoes of voices that have years since ceased to speak, but the murmur of heroes, in the sense that, through them, something of the power and richness of life itself, not only touched us once long ago, but continues to touch us today as we meet. Let us be worthy of this heritage as we continue to meet from time to time in our chapter meetings, our executive national reunions to see that it is memorialized and never forgotten.

In our vintage years remember: yesterday is history; tomorrow is a mystery; today is a gift—that's why it is called the present.

Finally, legend has it that when we leave this world and get to our enternal abode in heaven, the God we believe in returns to us our best self. It is not difficult to see that what we all were during WWII, and what we became mirrors our best selves. What we did and how we performed in the Battle of the Bulge surely added to our luster. Godspeed to each and everyone here.

IN RECOGNITION OF THE LIFE AND ACCOMPLISHMENTS OF AIR FORCE SERGEANT WILLIAM ROY PEARSON

HON. CHARLES F. BASS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. BASS. Mr. Speaker, I rise today to pay tribute to an outstanding American, Air Force Sergeant William Roy Pearson, a member of the elite Maroon Berets of the 37th Air Rescue, who died with six other servicemen when his helicopter was shot down during a rescue mission in Vietnam in 1972. Missing in action for 25 years, Sgt. Pearson was recently returned home to New Hampshire and his family to be buried in his hometown of Webster.

In a time when the word hero is used to describe sports stars or movie actors, Sgt. Pearson stands out as a real-life hero. Like all true heroes, he rose to meet his challenges with a quiet courage. This brave young man, shot down just 12 days before his 21st birthday, earned in his short lifetime, a Silver Star, a Purple Heart and two Distinguished Flying Crosses. He and his squadron are credited with helping to rescue 116 servicemen. And he was a hero until the end—Sgt. William Pearson died while trying to save the life of a downed airman.

I read the comments of another New Hampshire soldier who had trained and served with Sgt. Pearson and I want to share his thoughts with you. He said that he wasn't surprised that his friend died while trying to save another solider, stating: "Billy Pearson didn't just decide that he was going to be a hero that day. It was the result of a strong family heritage and a loving home where he developed into a young man with a courageous spirit."

Mr. Speaker, I honor that selfless, courageous spirit today. I ask that you join his family, friends, fellow soldiers and all the people of the Granite State in honoring the life and heroic efforts of Sgt. William Pearson. For too long, New Hampshire had lost one of her bravest sons, and we are very grateful to have him back.

TRIBUTE TO POLICE CHIEF JOHN HOPKINS

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. GALLEGLY. Mr. Speaker, I would like to pay a special tribute to retiring Police Chief John Hopkins of the Port Hueneme, CA Police Department. His dedication to his community is truly extraordinary.

Chief Hopkins began his service over 30 years ago in the city of Port Hueneme as a reserve police officer. He later moved through the ranks from patrolman, eventually becoming Chief of Police in 1992.

Over the years, I have had the opportunity to work with this devoted member of our law enforcement community. During his tenure with the police department, he has been recognized for his many accomplishments and the outstanding progress he has made on the force. The diligence and commitment to Duty Chief Hopkins and his counterparts have displayed are the primary reasons Ventura County consistently ranks as one of the safest areas in the county.

Chief Hopkins will be greatly missed, but his contributions to our community will not be forgotten. I want to congratulate and wish him the very best in his retirement.

IN RECOGNITION OF THE SERVICE OF MR. GEORGE MORRIS TO OUR NATION'S VETERANS

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. YOUNG of Florida. Mr. Speaker, as Veteran's Day draws near, I rise today to recognize an individual in my district who continues to serve his country, and his fellow veterans, more than half a century after his release as a prisoner of war.

George Morris of St. Petersburg, FL has served as a volunteer at the Bay Pines Veterans Administration Medical Center since 1981. In his 16 years of service, Mr. Morris has logged more than 16,200 hours as a volunteer. This is a remarkable feat made all the more so by the fact that he began volunteering at age 75.

During his service in World War II, Mr. Morris was working in the Philippines as a mapmaker for the Government's Coast and Geodetic Survey when he was captured by the Japanese in 1941. After being imprisoned in the Philippines, Japan, and Korea, he was released at the end of the war. Mr. Morris has not forgotten those he served with and continues to honor their memory through his service to other veterans today.

Mr. Speaker, Veteran's Day is a time to reflect on the many gifts we as a nation and as Americans have been given because of those men and women who have served in uniform here and throughout the world. This is a time to say thank you for those gifts. Mr. Morris paid a great price to protect our freedom while his was denied for so long as he was held as a prisoner of war 55 years ago. Today he continues to give of himself in service to others.

On behalf of all my colleagues, I want to say thank you to Mr. Morris, and to all our Nation's veterans, for your service and dedication which enable us all to enjoy all the freedoms and liberties the United States has to offer. Our Nation is the finest nation in the history of mankind because of their service—both past and present.

THE SILK ROAD STRATEGY ACT OF 1997, H.R. 2867

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. GILMAN. Mr. Speaker, I am today introducing the Silk Road Strategy Act of 1997 (H.R. 2867), a measure designed to focus American diplomatic and commercial attention, as well as American foreign assistance, on the important regions of the Caucasus and Central Asia.

The name Silk Road is an ancient one, referring to the East-West trade route that for so long linked China and other countries in East Asia with Italy and other countries in West Europe. The countries of the Caucasus and Central Asian regions, through which travelers on the Silk Road passed, fell victim to conflict and repression as the Russian tsars pushed south and then were replaced by the brutal dictatorship of the Bolshevik Commissars. For over seven decades the eight countries of these two regions—Georgia, Armenia, Azerbaijan, Uzbekistan, Turkmenistan, Tajikistan, Kyrgyzstan and Kazakhstan—were sealed behind the Iron Curtain, unable to move forward toward democracy and commercial prosperity with the rest of Europe and Asia. Ironically, the resources to fuel such progress lay just under the surface, in the form of vast gas and oil reserves.

Mr. Speaker, the peoples of the Caucasus and Central Asia now face the challenge of rebuilding their links to Europe and Asia, and we in the United States have a national interest to help them overcome the obstacles that lay in the way of resurrecting the old Silk Road. Regrettably, these countries lie between Russia, Iran, Afghanistan and China. In Russia, they face a country that seems intent on forcing them to stay within its sphere of dominance. In Iran, they face a fundamental Islamic regime that seeks to use them to thwart efforts led by the United States to isolate Iran until it forsakes its support for international terrorism—and an Iran that hopes to forment fundamentalist Islam from Azerbaijan to the borders of China. In Afghanistan, these countries face a country in turmoil—and a violence they fear could spread northward. Finally, in China they face the world's most populous nation, controlled by a brutal Communist regime that is looking hungrily to the energy reserves and natural resources of these thinly populated countries to fuel its industrial and technological expansion in the 21st century.

What is the American interest in these two far-flung regions? First, we want to see democratic government take root in these states. Stability in these regions and in the broader Eurasian region may well depend on the successful consolidation of democratic governance in these states over the next decade or two, frankly, there is a lot of work ahead of us in that regard. Second, we want to defuse the current ethnic conflicts that are destabilizing the two regions, and that are providing neighboring states, such as Iran, the leverage to gain these countries' cooperation in major commercial endeavors, such as energy export pipelines. Finally, just as it is in America's interest to help these countries open up a window to the West to lessen their manipulation by their larger neighbors, it is in America's interest to see the energy reserves of the two regions opened up to the West. As my colleagues well know, our United States military forces face an increasingly difficult task in ensuring our continued access to the energy reserves of the Persian Gulf. We need to encourage the development of other sources of oil and gas as we enter the next century to lessen our dependence on their Persian Gulf as Iran and Iraq seek to manipulate that dependence. The reserves of the Caucasus and Central Asian regions do not compare with those of the Persian Gulf, but they are indeed vast, and we should look for ways to get pipelines out to the West—avoiding routes through countries, such as Russia and Iran, that may have a geopolitical interest to choke off those pipelines at some point in the future.

Mr. Speaker, I invite my colleagues to join me in sponsoring this bill, H.R. 2867, a measure that, if enacted, would target our diplomatic attention and foreign assistance on these increasingly important regions.

H.R. 2867

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Silk Road Strategy Act of 1997".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) The ancient Silk Road, once the economic lifeline of Central Asia and the South Caucasus, traversed much of the territory now within the countries of Armenia, Azerbaijan, Georgia, Kazakstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan.

(2) Economic interdependence spurred mutual cooperation among the peoples along the Silk Road and restoration of the historic relationships and economic ties between those peoples is an important element of ensuring their sovereignty as well as the success of democratic and market reforms.

(3) The development of strong political and economic ties between countries of the South Caucasus and Central Asia and the West will foster stability in the region.

(4) The development of open market economies and open democratic systems in the countries of the South Caucasus and Central Asia will provide positive incentives for international private investment, increased trade, and other forms of commercial interactions with the rest of the world.

(5) The Caspian Sea Basin, overlapping the territory of the countries of the South Caucasus and Central Asia, contains proven oil and gas reserves that may exceed $4,000,000,000,000 in value.

(6) The region of the South Caucasus and Central Asia will produce oil and gas in sufficient quantities to reduce the dependence of the United States on energy from the volatile Persian Gulf region.

(7) United States foreign policy and international assistance should be narrowly targeted to support the economic and political independence of the countries of the South Caucasus and Central Asia.

SEC. 3. POLICY OF THE UNITED STATES.

It shall be the policy of the United States in the countries of the South Caucasus and Central Asia—

(1) to promote and strengthen independence, sovereignty, and democratic government;

(2) to assist actively in the resolution of regional conflicts;

(3) to promote friendly relations and economic cooperation;

(4) to help promote market-oriented principles and practices;

(5) to assist in the development of the infrastructure necessary for communications, transportation, and energy and trade on an East-West axis in order to build strong international relations and commerce between those countries and the stable, democratic, and market-oriented countries of the Euro-Atlantic Community; and

(6) to support United States business interests and investments in the region.

SEC. 4. UNITED STATES EFFORTS TO RESOLVE CONFLICTS IN GEORGIA, AZERBAIJAN, AND TAJIKISTAN.

It is the sense of Congress that the President should use all diplomatic means practicable, including the engagement of senior United States Government officials, to press for an equitable, fair, and permanent resolution to the conflicts in Georgia and Azerbaijan and the civil war in Tajikistan.

SEC. 5. AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF 1961.

Part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended by adding at the end the following new chapter:

"Chapter 12—Support for the Economic and Political Independence of the Countries of the South Caucasus and Central Asia

"SEC. 499. UNITED STATES ASSISTANCE TO PROMOTE RECONCILIATION AND RECOVERY FROM REGIONAL CONFLICTS.

"(a) PURPOSE OF ASSISTANCE.—The purposes of assistance under this section are—

"(1) to create the basis for reconciliation between belligerents;

"(2) to promote economic development in areas of the countries of the South Caucasus and Central Asia impacted by civil conflict and war; and

"(3) to encourage broad regional cooperation among countries of the South Caucasus and Central Asia that have been destabilized by internal conflicts.

"(b) AUTHORIZATION FOR ASSISTANCE.—

"(1) IN GENERAL.—To carry out the purposes of subsection (a), the President is authorized to provide humanitarian assistance and economic reconstruction assistance under this Act, and assistance under the Migration and Refugee Assistance Act of 1962 (22 U.S.C. 2601 et seq.), to the countries of the South Caucasus and Central Asia to support the activities described in subsection (c).

"(2) DEFINITION OF HUMANITARIAN ASSISTANCE.—In this subsection, the term 'humanitarian assistance' means assistance to meet urgent humanitarian needs, in particular meeting needs for food, medicine, medical supplies and equipment, and clothing.

"(c) ACTIVITIES SUPPORTED.—Activities that may be supported by assistance under subsection (b) are limited to—

"(1) providing for the essential needs of victims of the conflicts;

"(2) facilitating the return of refugees and internally displaced persons to their homes; and

"(3) assisting in the reconstruction of residential and economic infrastructure destroyed by war.

"(d) POLICY.—It is the sense of Congress that the United States should, where appropriate, support the establishment of neutral, multinational peacekeeping forces to implement peace agreements reached between belligerents in the countries of the South Caucasus and Central Asia.

"SEC. 499A. ECONOMIC ASSISTANCE.

"(a) PURPOSE OF ASSISTANCE.—The purpose of assistance under this section is to foster the conditions necessary for regional economic cooperation in the South Caucasus and Central Asia.

"(b) AUTHORIZATION FOR ASSISTANCE.—To carry out the purpose of subsection (a), the President is authorized to provide technical assistance to the countries of the South Caucasus and Central Asia to support the activities described in subsection (c).

"(c) ACTIVITIES SUPPORTED.—Activities that may be supported by assistance under subsection (b) are limited to the development of the structures and means necessary for the growth of private sector economies based upon market principles.

"(d) POLICY.—It is the sense of Congress that the United States should—

"(1) assist the countries of the South Caucasus and Central Asia to develop laws and regulations that would facilitate the ability of those countries to join the World Trade Organization;

"(2) provide permanent nondiscriminatory trade treatment (MFN status) to the countries of the South Caucasus and Central Asia; and

"(3) consider the establishment of zero-to-zero tariffs between the United States and the countries of the South Caucasus and Central Asia.

"SEC. 499B. DEVELOPMENT OF INFRASTRUCTURE.

"(a) PURPOSE OF ASSISTANCE.—The purposes of assistance under this section are—

"(1) to develop the physical infrastructure necessary for regional cooperation among the countries of the South Caucasus and Central Asia; and

"(2) to encourage closer economic relations between those countries and the United States and other developed nations.

"(b) AUTHORIZATION FOR ASSISTANCE.—To carry out the purposes of subsection (a), the following types of assistance to the countries of the South Caucasus and Central Asia are authorized to support the activities described in subsection (c):

"(1) Activities by the Export-Import Bank to complete the review process for eligibility for financing under the Export-Import Bank Act of 1945.

"(2) The provision of insurance, reinsurance, financing, or other assistance by the Overseas Private Investment Corporation.

"(3) Assistance under section 661 of this Act (relating to the Trade and Development Agency).

"(c) ACTIVITIES SUPPORTED.—Activities that may be supported by assistance under subsection (b) are limited to promoting actively the participation of United States companies and investors in the planning, financing, and construction of infrastructure for communications, transportation, and energy and trade including highways, railroads, port facilities, shipping, banking, insurance, telecommunications networks, and gas and oil pipelines.

"(d) POLICY.—It is the sense of Congress that the United States representatives at the International Bank for Reconstruction and Development, the International Finance Corporation, and the European Bank for Reconstruction and Development should encourage lending to the countries of the South Caucasus and Central Asia to assist the development of the physical infrastructure necessary for regional economic cooperation.

"SEC. 499C. SECURITY ASSISTANCE.

"(a) PURPOSE OF ASSISTANCE.—The purpose of assistance under this section is to assist countries of the South Caucasus and Central Asia to secure their borders and implement effective controls necessary to prevent the trafficking of illegal narcotics and the proliferation of technology and materials related to weapons of mass destruction (as defined in section 2332a(c)(2) of title 18, United States Code), and to contain and inhibit transnational organized criminal activities.

"(b) AUTHORIZATION FOR ASSISTANCE.—To carry out the purpose of subsection (a), the President is authorized to provide the following types of assistance to the countries of the South Caucasus and Central Asia to support the activities described in subsection (c):

"(1) Assistance under chapter 5 of part II of this Act (relating to international military education and training).

"(2) Assistance under chapter 8 of this part of this Act (relating to international narcotics control assistance).

"(3) The transfer of excess defense articles under section 516 of this Act (22 U.S.C. 2321j).

"(c) ACTIVITIES SUPPORTED.—Activities that may be supported by assistance under subsection (b) are limited to assisting those countries of the South Caucasus and Central Asia in developing capabilities to maintain national border guards, coast guard, and customs controls.

"(d) POLICY.—It is the sense of Congress that the United States should encourage and assist the development of regional military cooperation among the countries of the South Caucasus and Central Asia through programs such as the Central Asian Battalion and the Partnership for Peace of the North Atlantic Treaty Organization.

"SEC. 499D. STRENGTHENING DEMOCRACY, TOLERANCE, AND THE DEVELOPMENT OF CIVIL SOCIETY.

"(a) PURPOSE OF ASSISTANCE.—The purpose of assistance under this section is to promote institutions of democratic government and to create the conditions for the growth of pluralistic societies, including religious tolerance.

"(b) AUTHORIZATION FOR ASSISTANCE.—To carry out the purpose of subsection (a), the President is authorized to provide the following types of assistance to the countries of the South Caucasus and Central Asia.

"(1) Technical assistance for democracy building.

"(2) Technical assistance for the development of nongovernmental organizations.

"(3) Technical assistance for development of independent media.

"(4) Technical assistance for the development of the rule of law.

"(5) International exchanges and advanced professional training programs in skill areas central to the development of civil society.

"(c) ACTIVITIES SUPPORTED.—Activities that may be supported by assistance under subsection (b) are limited to activities that directly and specifically are designed to advance progress toward the development of democracy.

"(d) POLICY.—It is the sense of Congress that the Voice of America and RFE/RL, Incorporated, should maintain high quality broadcasting for the maximum duration possible in the native languages of the countries of the South Caucasus and Central Asia.

"SEC. 499E. INELIGIBILITY FOR ASSISTANCE.

"(a) IN GENERAL.—Except as provided in subsection (b), assistance may not be provided under this chapter for a country of the South Caucasus or Central Asia if the President determines and certifies to the appropriate congressional committees that the country—

"(1) is engaged in a consistent pattern of gross violations of internationally recognized human rights;

"(2) has, on or after the date of enactment of this chapter, knowingly transferred to another country—

"(A) missiles or missile technology inconsistent with the guidelines and parameters of the Missile Technology Control Regime (as defined in section 11B(c) of the Export Administration Act of 1979 950 U.S.C. App. 2410b(c); or

"(B) any material, equipment, or technology that would contribute significantly to the ability of such country to manufacture any weapon of mass destruction (including nuclear, chemical, and biological weapons) if the President determines that the material, equipment, or technology was to be used by such country in the manufacture of such weapons;

"(3) has supported acts of international terrorism;

"(4) is prohibited from receiving such assistance by chapter 10 of the Arms Export Control Act or section 306(a)(1) and 307 of the Chemical and Biological Weapons Control and Warfare Elimination Act of 1991 (22 U.S.C. 5604(a)(1), 5605); or

"(5) has initiated an act of aggression against another state in the region after the date of enactment of the Silk Road Strategy Act of 1997.

"(b) EXCEPTION TO INELIGIBILITY.—Notwithstanding subsection (a), assistance may be provided under this chapter if the President determines and certifies in advance to the appropriate congressional committees that the provision of such assistance is important to the national interest of the United States.

"SEC. 499F. ADMINISTRATIVE AUTHORITIES.

"(a) ASSISTANCE THROUGH GOVERNMENTS AND NONGOVERNMENTAL ORGANIZATIONS.—Assistance under this chapter may be provided to governments or through nongovernmental organizations.

"(b) USE OF ECONOMIC SUPPORT FUNDS.—Except as otherwise provided, any funds that have been allocated under chapter 4 of part II for assistance for the independent states of the former Soviet Union may be used in accordance with the provisions of this chapter.

"(c) TERMS AND CONDITIONS.—Assistance under this chapter shall be provided on such terms and conditions as the President may determine.

"(d) SUPERSEDING EXISTING LAW.—The authority to provide assistance under this chapter supersedes any other provision of law, except for—

"(1) this chapter;

"(2) section 634A of this Act and comparable notification requirements contained in sections of the annual foreign operations, export financing, and related programs Act;

"(3) section 907 of the Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992 (22 U.S.C. 5812 note; relating to restriction on assistance to Azerbaijan), except such section shall not apply with respect to—

"(A) activities to provide humanitarian assistance under the Migration and Refugee Assistance Act of 1962 (22 U.S.C. 2601 et seq.);

"(B) activities to support democratic reforms and democratic governance;

"(C) assistance for the control of narcotic and psychotropic drugs and other controlled substances, or for other anticrime purposes, under section 481(a)(4) of this Act (22 U.S.C. 2291(a)(4));

"(D) assistance under programs carried out under section 1424 of the National Defense Authorization Act for Fiscal Year 1997 (50 U.S.C. 2333);

"(E) assistance provided by the Trade and Development Agency under section 661 of this Act (22 U.S.C. 2421) ; and

"(F) activities carried out by the United States and Foreign Commercial Service; and

"(4) section 1341 of title 31, United States Code (commonly referred to as the "Anti-Deficiency Act"), the Congressional Budget and Impoundment Control Act of 1974, the Balanced Budget and Emergency Deficit Control Act of 1985, and the Budget Enforcement Act of 1990.

"SEC. 499G. DEFINITIONS.

"In this chapter:

"(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term 'appropriate congressional committees' means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

"(2) COUNTRIES OF THE SOUTH CAUCASUS AND CENTRAL ASIA.—The term 'countries of the South Caucasus and Central Asia' means Armenia, Azerbaijan, Georgia, Kazakstan, Kyrgystan, Tajikistan, Turkmenistan, and Uzbekistan.".

SEC. 6. ANNUAL REPORT.

Beginning one year after the date of enactment of this Act, and annually thereafter, the President shall submit a report to the appropriate congressional committees—

(1) identifying the progress of United States foreign policy to accomplish the policy identified in section 3;

(2) evaluating the degree to which the assistance authorized by chapter 12 of part I of the Foreign Assistance Act of 1961, as added by section 5 of this Act, was able to accomplish the purposes identified in those sections; and

(3) recommending any additional initiatives that should be undertaken by the United States to implement the policy and purposes contained in this Act.

SEC. 7. DEFINITIONS.

In this Act:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term "appropriate congressional committees" means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives.

(2) COUNTRIES OF THE SOUTH CAUCASUS AND CENTRAL ASIA.—The term "countries of the South Caucasus and Central Asia" means Armenia, Azerbaijan, Georgia, Kazakstan, Kyrgystan, Tajikistan, Turkmenistan, and Uzbekistan.

TRIBUTE TO JUDGE EARLE MURPHY

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. DUNCAN. Mr. Speaker, I would like to take a few moments to honor a man who has devoted his life to serving the people of Bradley County, Judge Earle Murphy.

Through more than 50 years of service, Judge Murphy has become one of the most respected judges in East Tennessee. He is known not only for his knowledge of the law, but also for his common sense approach to the law.

But Judge Murphy's contributions to the people of Bradley County reach far beyond his legal career. In every aspect of his life, he dedicated himself to improving the world in which he lived.

Judge Murphy was recently honored by the Bradley County Bar Association for his many achievements and his years of service to the people of Bradley County.

I am deeply saddened to say that Judge Murphy passed away recently. Judge Murphy was an exemplary man, who made the most of his life. He will be missed by the many people who knew and loved him.

I would like to call attention to the attached editorial which was printed in the Cleveland Daily Banner Newspaper shortly before Judge Murphy's death:

MURPHY'S CONTRIBUTIONS SHOULD BE RECOGNIZED

On Tuesday Judge Earle G. Murphy will be honored by the Bradley County Bar Association for his more than 50 years of service to the community.

It is, undoubtedly, a celebration of a man who has not only devoted himself to his job, but has given time and talent to countless community service agencies, and we, as citizens of Cleveland and Bradley County, owe him a debt of gratitude.

Murphy began his life in the Bradley County Courthouse at age 12. His father, James, served as county register of deeds, and, when he was old enough, Murphy went with his dad to help proofread deeds of trust and chattle mortgages each day. He attended local schools, working after class. Before long he formed relationships with attorneys in the area and a craving for the study of the law.

Lucky for us he did. His service as General Sessions, Circuit Court, and Cleveland City judge over the years has proven to be balanced and fair. Even in times when one party or another didn't agree with Murphy's ruling, you could rest assured that the decision was made with much thought and great consideration for the law. Murphy's devotion to what is fair and legal in his courtroom is apparent above all else.

In addition, Murphy has proven to be a kind friend, a sincere Christian, a loving family man, and a servant of the public. He has worked, as president of both the Cleveland Lions Club and of the Bar Association. He also gave eight years to the Cleveland Board of Education. Most anyone in town will tell you that Murphy and other community leaders work during that period was greatly responsible for getting Cleveland High School built when it was so desperately needed.

His personal love remains his wife, Norma, who he has been devoted to for nearly 54 years. Murphy's children and grandchildren are sparkles in his eyes, and though the children are grown, the family remains close. Murphy has served in almost every capacity at his church, First United Methodist. He has been a chairman of the building committee, a member of the choir, a Sunday School teacher, and he's given the occasional sermon. As scoutmaster of that church's Boy Scout troop, he touched the lives of many of the boys of Bradley County. Those boys are men today, and no doubt they still have enormous respect for their leader.

Murphy's experience as a judge stayed with him in his friendships. He was often a voice of mediation in times of dissension, a compassionate listener other times. He helped numerous young attorneys in Bradley County get their feet planted; he acted as a guide and counselor, just as the older attorneys he met in his youth did for him.

The golf course was a place of escape for Murphy. He turned his love of sports into energy which helped found the Bradley Sports Foundation and Sports for Youth. It seems that in every area of his life, Murphy looked beyond himself to the greater good.

We encourage everyone to take part in the ceremony lauding the achievements of this man. He truly is the epitome of home folk achieving greatness, and as a community we should be very proud and grateful.

NEED FOR A NEW POLICY ON ENCRYPTION

HON. TOM DeLAY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. DELAY. Mr. Speaker, I would like to call to my colleagues' attention the need for a new policy on encryption. A simple policy that lets

American computer users continue to buy whatever encryption they want and that lets American companies remain internationally competitive by modernizing existing export controls.

The administration has failed year after year to address this issue—stonewalling, making minor export control modifications years after they were necessary, and even preparing to take away the ability of Americans in this country to protect sensitive and confidential electronic information.

I am concerned that if we do not take rational and effective action soon, our ability to use American ingenuity to keep at the forefront of worldwide economic growth through information technology will be irreparably harmed because of our inability to protect our Nation's primary source of strength—our citizens' knowledge and ideas. That being the case, I believe the Security and Freedom through Encryption [SAFE] Act, H.R. 695, should be a priority for the second session of this Congress.

STRONG, SECURE PROTECTION OVER NETWORKS IS CRITICAL

Information has become power in the 21st century. We need to protect our information in order to protect our national and economic security. Every technological advance is encouraging individuals, companies, and governments to become more networked—whether to work with others, communicate and share documents within a company, or to access work from home. If we do not take necessary and adequate precautions, these computer networks eventually may create a danger. Foreign competitors, foreign powers, terrorists, and just plain criminals may exploit their knowledge of technology to gain access to more information than ever before in order to steal information or to injure people.

THE ADMINISTRATION'S EXPORT POLICY HAS HAMSTRINGED AND HARMED AMERICANS

Encryption is simply a fancy name for scrambling information so that it may not be understood by the casual reader or listener. Computer software or hardware scrambles information using a key. The longer the key, the more options for scrambling information and the more protection is provided to protect the information from knowledgeable computer hackers seeking to descramble or decrypt the information.

In 1992 the administration permitted U.S. companies to freely export 40-bit key length encryption products. Fire years later the administration still limits mass market exports in general to 40-bits.

The only way that the administration permits companies to increase this encryption strength to even a slightly stronger 56-bits is to agree to build back door government access features into future products.

It is hard to believe that what would protect information in 1992 could still be considered reasonable protection for information in 1997. One very smart student in California proved that 40-bit strength encryption could be broken by trying every key combination in just a few hours. Several smart U.S. cryptographers got together and calculated that a government willing to spend some money could break 40-bit encryption, or even 56-bits, in a [minute fraction] of a second.

Importantly, an unfortunate side-effect of the administration's export control policy is that it also has limited the strength of encryption that Americans have access to from their corner software store. I understand that American software companies earn over one-half of their total revenues from their software exports. So that they do not face a marketing nightmare as well as the expense of developing two different products—one for the United States and one for overseas—these software companies have in general developed only one version of a product. Thus, most U.S. companies are also stuck at the unprotected 40-bit level.

FOREIGN VENDORS SUPPLY STRONG, 128-BIT ENCRYPTION

Our administration has created a huge window of opportunity for foreign hardware and software vendors to fill the void created by these antiquated export controls. Several foreign companies provide strong, 128-bit encryption. They quite often market their products as add-ons or replacements for export-crippled U.S. products. Would you really want to buy a 40-bit or even a 56-bit version of a software product when you knew that your competitor had a 128-bit product?

While the U.S. computer industry has had a strong lead in developing hardware and software products, we can no longer rely on this advantage to ensure that foreign vendors do not use the opening of supplying encryption software to start to provide foreign consumers with other programs, such as stronger, 128-bit Internet browsers.

Thus, I believe that if a comparable product is available overseas, then we should not hamstring America's companies from providing the same product. If a foreigner can and will purchase a 128-bit encryption product overseas, I would prefer that they bought it from an American company. I believe that this is better for our economy, and ultimately better for our national security. Otherwise, the result will be that all encryption expertise will move off-shore as well as encryption sales.

WHAT LOUIS FREEH AND HIS LOBBY MACHINE WANT AND WHY IT DOES NOT WORK DOMESTIC ENCRYPTION CONTROLS

After testifying at House Judiciary and House Commerce regarding export controls, Louis Freeh finally came out of the closet and divulged that he had not been discussing export controls, he had been talking about domestic controls on encryption designed by Americans for Americans. Mr. Freeh and his 80 lobbyists apparently never thought to bring this up so that it could be part of the Judiciary Committee's hearings on the legislation from the very beginning.

Why? Perhaps he knew the reception he would receive to the proposal that Americans should no longer be able to design, manufacture or import encryption unless the encryption technique ensured that a government approved third party could have access to the information without the user's knowledge. Thus, he would prefer that every time an American encrypts information to store it on a computer or to send it over the Internet, a third party must be able to access the information and the user would never know that the information had been accessed. This would change over 200 years of free speech.

IMPACT OF REQUIRING FBI'S PROPOSED DOMESTIC CONTROLS

I am a strong proponent of law enforcement. But I do not believe that we should adopt a system that our best and brightest say will be nearly impossible to design, hard to keep secure and probably very costly to consumers.

To my knowledge, no one has ever built or even begun to test the reliability, security, and costs of such a system. I have seen a report by another group of extremely well-known American scientists who tell me that they have no idea of how to design and implement this proposed domestic key recovery system. They also say that such a system could create greater vulnerability for its users. Apparently encryption techniques are not foolproof, and adding sufficient complexity to permit third party access will make the encryption even less secure. It also appears to be highly dependent upon the honesty and integrity of those third parties who have access to the information. Who, ultimately, do we trust?

I understand that while advances in technology have generally provided the FBI and other law enforcement with more investigatory tools, this one advance may make it more difficult for them. I propose instead that we look at methods that will help law enforcement to combat these new hurdles, rather than choosing the more simplistic approach of building law enforcement access into each and every encryption product.

I also can only image the bureaucracy necessary to handle the magnitude of information regarding encryption keys. It would have to rival many agencies we have spent years trying to reduce in size—the Internal Revenue Service and the Department of Commerce to name just a few.

While we are expending all of our efforts trying to lessen government intrusion in our lives, domestic encryption controls as proposed by Mr. Freeh would create probably the largest intrusion yet.

Finally, I have a basic concern about requiring American citizens to provide access to their information if they decide to encrypt it. If I write a letter in the privacy of my own home and leave it in my desk drawer, I do not have to provide a copy of my house key and desk drawer key with the local police so that they may look at it easily without my knowledge. I do not see why this should change if I write this letter on my computer and decide to encrypt it. Why should this act require me to let others have the capability of viewing it without my knowledge? I agree with the constitutional law professors who stated that this would have a "chilling effect" on American speech.

FOREIGNERS SIMPLY WILL NOT PURCHASE AND CRIMINALS WILL NOT USE AMERICAN DESIGNED MANDATORY KEY RECOVERY ENCRYPTION PRODUCTS

Ultimately, foreigners will not purchase or use American encryption products if they provide mandatory third party access to information. Neither will criminals. They know that the encryption technique is strongly desired by American law enforcement because law enforcement can monitor or otherwise access the information. Why would they voluntarily use such a product when they can use a 128 bit product they can obtain today over the Internet from tens of countries.

The FBI alleges that all foreign governments are eager to adopt similar controls on their citizens. While this is true of France, it is not true of the European Union for example, which categorically rejected the administration's proposal for a worldwide key recovery infrastructure requirement.

The only impact of the FBI proposal is that normal, law abiding American citizens will use American designed encryption programs. Foreigners will turn to foreign sources for their nonkey recovery products, and criminals will certainly turn to the same foreign sources. Thus, the FBI proposal does not address the real problem created by encryption technology. I do not want to put in place a large, costly bureaucracy that will not permit law enforcement to get the information it believes necessary.

WHAT IS BEST FOR AMERICA

The United States should not try to control the export of something that by its very nature is uncontrollable. The United States should also not take a lead in forcing its citizens to adopt a costly technology that will insure easy monitoring and intrusion by law enforcement. Our constitutional guarantees of free speech and our rights to privacy should not be in any way lessened in order to accomplish Louis Freeh's desire for a fourth amendment for the 21st century. We in Congress should act now to relax export controls on encryption technology and to ensure that Americans remain free to speak in whatever manner they desire, using whatever encryption they choose.

INTRODUCTION OF LEGISLATION REQUIRING PEER REVIEW IN OSHA RULEMAKING

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. BALLENGER. Mr. Speaker, today I am introducing legislation to require that future occupational safety and health standards be subject to peer review as part of the rulemaking process.

Part of the Clinton Administration's promise to reinvent OSHA was the commitment to commonsense regulations. Whatever else that might mean, surely it must mean that such regulations are based on sound science.

The congressionally mandated Presidential-Congressional Commission on Risk Assessment and Risk Management said this about peer review in its recent report: "Peer review is an important and effective mechanism for evaluating the accuracy or appropriateness of technical data, observations, interpretations, and the scientific and economic aspects of regulatory decisions. Peer review should provide balanced, independent views. When used well, peer review can serve as a system of checks and balances for the technical aspects of the regulatory process" (Risk Assessment and Risk Management in Regulatory Decision-Making, Volume 2, page 103).

While other Federal regulatory agencies have adopted politics on peer review of major regulatory actions, OSHA has not adopted such a policy and only rarely has conducted peer review in conjunction with regulations. A draft policy circulated near the end of the Bush administration, was left unfinished and never implemented by the Clinton administration.

It will no doubt be alleged by some that requiring peer review is intended to delay or draw out the rulemaking process. In fact, peer review can prevent OSHA from errors that can save years of controversy and litigation. As the Presidential-Congressional Commission on Risk Assessment and Risk Management noted: "An open process of sharing the findings and conclusions from peer review can increase the credibility of a risk assessment and stakeholders confidence in the conclusions. Peer review might even be useful in the first stage of putting a problem in context, drawing in experienced health officials and researchers" (Volume 2, page 103).

The legislation generally requires that peer review be part of OSHA's rulemaking process. However, where the rule is adopted through negotiated rulemaking, conducted in accordance with the Negotiated Rulemaking Act which insures that affected persons are adequately represented in the negotiations, a separate peer review of the scientific and economic basis for the standard is not required.

Mr. Speaker, I look forward to working with my colleagues in adopting this important legislation.

CONGRATULATION TO STANTON J. BLUESTONE

HON. THOMAS M. BARRETT

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. BARRETT of Wisconsin. Mr. Speaker, today, I ask the House to join me in congratulating Stanton J. Bluestone the 1997 recipient of the American Jewish Committee's Institute of Human Relations award.

Stanton started in retail at Shillito's Department Store in Cincinnati, in 1957. His rise through the industry took Stanton and his family to New York, Illinois, Indiana, and finally Wisconsin. Today, as Chairman of the Board and CEO of Carson Pirie Scott & Co., Stanton Bluestone oversees a chain of 56 department stores from the company's Mulwaukee headquarters. Throughout his career, his creativity, his dedication, and his unique ability to bring out the best in his assocates have earned Stanton the respect of his coworkers and peers.

The AJC's Institute of Human Relations Award recognizes not only Stanton's personal and professional successes, but also his many volunteer civic contributions. Stanton has demonstrated caring and stewardship in each of the communities along his journey, and his career exemplifies the ideal of commerce in the public interest. He presently serves on the boards of the Milwaukee Art Museum, the Milwaukee Symphony Orchestra, the Greater Mulwaukee Committee, and he serves as treasurer for the Milwaukee Jewish Federation.

I have great respect for Stanton Bluestone and his wife Judy and I can confidently say that the AJC could not have made a better selection. I am honored to join Stanton Bluestone's many friends and admirers in offering congratulations on this important and richly deserved honor.

HOUSE JOINT RESOLUTION 102 REAFFIRMING U.S. LINKS WITH ISRAEL ON THE 50TH ANNIVERSARY OF THE ESTABLISHMENT OF THE MODERN STATE OF ISRAEL

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. LANTOS. Mr. Speaker, on November 29, 1947, the United Nations General Assembly voted to partition the British Mandate of Palestine, and that action set in place the conditions which led to the reestablishment of the State of Israel 6 months later. On May 14, 1948 the people of Israel formally proclaimed the establishment of the modern State of Israel, and on that very same day, the United States extended diplomatic recognition to the new state.

Beginning later this month with the 50th anniversary of the United Nations General Assembly vote and continuing through the formal celebration of the 50th anniversary of the proclamation of the state next May, the people of Israel are marking a half century of the flourishing of the modern State of Israel.

Mr. Speaker, it is most appropriate that we here in the Congress on behalf of the American people reaffirm the bonds of warm friendship that link us with the Jewish people and Israel. Israel is our only democratic ally in the volatile Middle East region, and the strong common links that bind us with the people of Israel reflect our shared experiences and our strong shared interests.

Today, with our distinguished colleague and the Chairman of the International Relations Committee, Congressman BENJAMIN GILMAN, and a number of our other distinguished colleagues in the House, I have introduced a Joint Resolution which (1) recognizes the historic significance of the fiftieth anniversary of Israel, (2) commends the people of Israel for their remarkable achievements in building a new state and a pluralistic democratic society in the face of half a century of terrorism, hostility and belligerence by many of her neighbors, (3) reaffirms the bonds of friendship and cooperation which have existed between the United States and Israel for the past half-century and which have been significant for both countries, and (4) extends the warmest congratulations and best wishes to the State of Israel and her people for a peaceful and prosperous and successful future.

Mr. Speaker, I invite my colleagues to join me and Chairman GILMAN in cosponsoring this resolution, and I ask that the text of our resolution be included in the RECORD.

H.J. RES. 102

Expressing the sense of the Congress on the occasion of the 50th anniversary of the founding of the modern State of Israel and reaffirming the bonds of friendship and cooperation between the United States and Israel.

Whereas on November 29, 1947, the United Nations General Assembly voted to partition the British Mandate of Palestine, and through that vote, to create the State of Israel;

Whereas on May 14, 1948, the people of Israel proclaimed the establishment of the sovereign and independent State of Israel and the United States Government established full diplomatic relations with Israel;

Whereas the desire of the Jewish people to establish an independent modern state of Israel is the outgrowth of the existence of the historic Kingdom of Israel established three thousand years ago in the city of Jerusalem and in the land of Israel;

Whereas one century ago at the First Zionist Congress on August 29 to 31, 1897, in Basel, Switzerland, participants under the leadership of Theodore Herzl affirmed the desire to reestablish a Jewish homeland in the historic land of Israel;

Whereas the establishment of the modern State of Israel as a homeland for the Jews following the slaughter of more than six million European Jews during the Holocaust;

Whereas since its establishment fifty years ago, the modern state of Israel has rebuilt a nation, forged a new and dynamic society, and created a unique and vital economic, political, cultural, and intellectual life despite the heavy costs of six wars, terrorism, international ostracism, and economic boycotts;

Whereas the people of Israel have established a vibrant and functioning pluralistic democratic political system including freedom of speech, a free press, free and fair and open elections, the rule of law, and other democratic principles and practices;

Whereas, at great social and financial costs, Israel has absorbed hundreds of thousands of Jews from countries throughout the world, many of them refugees from Arab countries, and fully integrated them into Israeli society;

Whereas for half a century the United States and Israel have maintained a special relationship based on mutually shared democratic values, common strategic interests, and moral bonds of friendship and mutual respect; and

Whereas the American people have shared an affinity with the people of Israel and regard Israel as a strong and trusted ally and an important strategic partner:

Now, therefore, be it *Resolved by the Senate and House of Representatives of the United States of American in Congress assembled*, That the United States

(1) recognizes the historic significance of the fiftieth anniversary of the reestablishment of the sovereign and independent modern State of Israel;

(2)commends the people of Israel for their remarkable achievements in building a new state and a pluralistic democratic society in the Middle East in the face of terrorism, hostility and belligerence by many of her neighbors;

(3) reaffirms the bonds of friendship and cooperation which have existed between the United States and Israel for the past half-century and which have been significant for both countries; and

(4) extends the warmest congratulations and best wishes to the State of Israel and her people for a peaceful and prosperous and successful future.

HONORING AMBASSADOR SHYAMALA B. COWSIK OF INDIA

HON. JON D. FOX

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. FOX. Mr. Speaker, it is an honor as a member of the International Relations Committee's Subcommittee on Asia and the Pacific to bid farewell to a person who has worked closely with members of our Committee and the Congress as a whole. After 2 years of tireless work, she has completed her second tour in Washington and sadly will be moving to a new post. The Ambassador's professionalism and keen understanding of our two nation's histories, culture, and diplomatic relations allowed her to be particularly effective.

During this period, we have witnessed a dramatically expanded dialogue between our nations. This has taken the form of interparliamentary contacts, ministerial meetings, trade growth and a visit by the First lady. As a result of Ambassador Cowsik's work, I am convinced that our two democracies can work to create an international order that is based on international law and mutual respect.

LIMITED OVERTIME EXEMPTION

HON. LINDSEY O. GRAHAM

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. GRAHAM. Mr. Speaker, today I am introducing legislation to provide a limited overtime exemption from section 7(k) of the Fair Labor Standards Act (FLSA) for public sector employees who provide emergency medical services (EMS)—the same FLSA exemption afforded to fire protection personnel. Without this change in law, there will continue to be circumstances in which EMS personnel are working the same tours of duty as either fire protection or law enforcement personnel, but must be paid overtime for any hours worked in excess of 40 hours during any workweek.

In some localities, such as Pickens County, SC, EMS functions are entirely separate from fire protection and law enforcement activities, but their job duties are identical. There should be no difference in the treatment of EMS personnel under the FLSA simply because of the manner in which emergency services are provided by local communities. Furthermore, in many jurisdictions, the majority of emergency calls are medical emergencies. The current situation is very expensive for State and local governments and intrudes on their management of fire protection and law enforcement activities.

Section 7(k) of the FLSA provides a partial exemption from overtime for those employees engaged in fire protection and law enforcement activities. Employers are allowed to establish work periods of up to 28 days, and overtime compensation is not owned until fire protection employees have worked more than 212 hours and law enforcement personnel exceed 171 hours of work. There have been conflicting rulings by the Federal courts of appeal on the issue of whether EMS personnel are covered by section 7(k). There also have been different interpretations by the courts of the regulations on this subject. This has led to confusion and large financial liability on the part of State and local governments. The bill I am introducing today revises section 7(k) so that EMS personnel qualify for the same partial exemption from overtime as fire protection personnel.

Mr. Speaker, the FLSA, passed in 1938, mandates a rigid interpretation of the 40-hour workweek. The law's worker classification and compensation requirements are not reflective of the contemporary workplace. Contradictory court interpretations of the FLSA have provided windfall judgements for some employees. These costly judgements against public sector employers have a direct impact on budgets supported by taxpayer dollars and also affect public safety services. The existing liability for many States and localities is estimated to be in the millions of dollars, and the potential for future liability creates tremendous fiscal uncertainly. I urge my colleagues to support this legislation which promotes the mandate of public accountability and fiscal responsibility to which State and local governments must adhere.

SIXTH DISTRICT ESSAY CONTEST WINNERS

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. HYDE. Mr. Speaker, please permit me to share with my colleagues the tremendous work of a half-dozen young men and women who live in my District.

Each year, my office in cooperation with numerous junior and senior high schools in Northern Illinois sponsor an essay writing contest. A board, chaired by Vivian Turner, a former principle of Blackhawk Junior High School in Bensenville, IL, chooses a topic, and evaluates results of the submitted essays. Winners share more than $1,000 in scholarship funds.

This year, Marta Kuersten, a student at Algonquin Junior High School in Des Plaines, IL, placed first in the junior high division with an essay entitled What I can do for my Country, a text of which I include in the RECORD. Placing second in the junior division is Tina Rasane, a student at Mary, Seat of Wisdom School in Park Ridge, IL; and John Tadelski, a student at St. Alexander School in Villa Park, placed third.

In the Senior High School Division, Thomas W. Repetto, a student at Maine South High School in Park Ridge, placed first with his essay entitled Towards the Preservation of the Government by the Citizen, a text of which I include in the RECORD. Shrujal Baxi, a student at Glenbard North High School in Carol Stream, IL, placed second; and Shannon McNamara, a student at Lake Park High School in Roselle, placed third.

WHAT I CAN DO FOR MY COUNTRY

(By Marta Kuersten)

"Ask not what your country can do for you; ask what you can do for your country."

Well, there are the things that naturally come to mind. I could pick up litter, volunteer at the local hospital, make donations to charities or even join the army when I'm old enough. But I think real service to my country has to do more with my attitude which can affect my actions. It's got to do with the choices I make, and the way I face life.

I'm choosing to go to college, and earn a degree, so I'll have the skills to get a good job. I'll avoid premarital sex, so I don't have to worry about unwanted pregnancy or sexually transmitted diseases. And even the simplest choices are important, like choosing to throw my trash in a garbage can instead of on the ground.

Okay, so how does this affect my country, you ask? Simple, unemployment is a problem in our country, and if I don't get a college education, why should I expect not to join the ranks? Welfare is what your country does for you. Paying taxes is what you do for your country.

And why should I take the place in a hospital of a person with cancer because I have hepatitis, or worst of all, HIV/AIDS? I can save myself and the person with the unavoidable illness; (like cancer), a lot of grief if I choose wisely and remain abstinent. And that is to say nothing of the grief shared by both the mother and a child born of an unwanted pregnancy. A hospital bed or Medicaid is what the country can do for you. Saying "no" is what you can do for your country.

Although it may seem small next to chastity and a college degree, choosing not to litter means that someone else doesn't have the responsibility of picking up your garbage. "Keep Your Town Beautiful" crews are what your country does for you. Finding and using a trash can is what you can do for your country.

The point is, the choices we make, big or small, affect our country in one way or another. If I'm really asking myself what I could do for my country, I'll make a wise decision that will not only do the country good but will also probably do me good as well. And John F. Kennedy would surely agree with that thinking.

TOWARDS THE PRESERVATION OF THE GOVERNMENT BY THE CITIZEN

(Thomas W. Repetto)

"We the People . . ." The first three words of the United States Constitution affirm that the true leaders of government are the millions of people who are governed by it. In a government that is representative of the people, it is the will of the people that directs a government to satisfactory levels. As John F. Kennedy told Americans to "Ask what you can do for your country," he echoed the most necessary component of a healthy and successful government: popular participation. The participation of citizens is necessary so that a government can truly serve the needs of its constituents. In many foreign nations, the only way one can voice his opinions and help his country is through a ballot box. While Americans still honor the significance of the vote, they have found numerous other ways to do something for their country and respond to President Kennedy's request.

Citizens can serve in the military, and fight for one's country. Programs such as the Peace Corps and Americorps allow citizens to travel to other countries and work to preserve world peace. This helps the United States by strengthening foreign relations and creating a world where our children and our children's children do not need to deal with the rigors and heartache that war can bring. Promoting peace in our domestic wars with crime, gangs, and drugs can be aided by organizations like the Guardian Angels and Community Watch programs. Battles are fought every day, and our willingness to resolve these problems is the first step in combating the crime that surrounds us. Only through peace and safety can we truly find happiness in our lives and in our government.

The Puritans who settled in the Massachusetts Bay Colony believed in the philosophy that "We are our brothers's keeper." Likewise, citizens of America, a country of the people, by the people, and for the people, can help their country by being their brother's keeper, aiding the people who make up this great nation. When one helps serve food at a soup kitchen, visits people at a nursing home around Christmas time, holds a door for a handicapped person, or tutors disadvantaged children, he helps to promote the general welfare of the community and subsequently the nation. As an individual with deeply rooted Catholic beliefs, I believe that acting as a "Good Samaritan" is the ultimate way to serve the United States.

One can join a local branch of political party, join a union, actively participate in a special interest group, or assist a political campaign. For example, when my government teacher was running for trustee in his village, myself and several other students went door to door passing out campaign literature. In government, we work so that the best people are elected and the best views are represented. Unions fight for the rights of their members and work to improve working conditions. As the son of a union member, I respect the union's activity in trying to promote a better workplace. Involvement in a special interest group demonstrates a desire to see that a concern is respected. Joining any organization that is active in trying to influence public policy is a positive way to be an active citizen.

Criticisms of the government help to illuminate problems and propose solutions. Satirical cartoons, commentary articles, and political discussions and debates demonstrate a citizen's desire to improve his country's ability to protect and serve the people. It is our duty as Americans to read commentaries on the government, watch political discussions, keep up to date on issues that affect our community, and argue with our friends on datable issues. Demonstrations are effective in conveying concerns of a large sect. While we may not march in front of an abortion clinic, we must be aware of why the people are marching and understand their position as not to be ignorantly biased one way or another.

A citizen who simply abides by the laws of his community supports his country. A person who chooses not to drive recklessly, who chooses not to cause a public disturbance, who refrains from taking away the rights of another individual, preserves the order and justice with which the government is designed to protect. When we respect the unalienable rights of others, we promote the ideals of American society and protect our nation from falling into an abyss of immorality and injustice.

Only a few people can be elected to serve in Congress. Only several individuals can represent a community in local politics. Yet, every American can participate and do something for their country. There are always improvements to be made and problems to be solved. A letter to a Congressman, a letter to the editor of a local newspaper, a phone call to a friend who might generate interest: whatever the form of communication, citizens must dictate their concerns. Then, after the concerns are exposed, the individual must take it upon himself to see that the problem is fixed. In the words of Learned Hand, "Liberty lies in the hearts of men and women; when it dies there, no constitution, no law, no court can save it." Only with a eminent desire to right what is wrong, to make just what is unjust, to equalize what is unequal, and to improve what is imperfect can man truly make a difference. Citizens must passionately believe in a cause and do their best to make sure that their dream is fulfilled. If, and only if, the hearts of man bubble with painstaking ability to fight for the liberty ingrained in the stars and stripes of America, then we can exclaim that no barrier is unbreakable, no problem is unsolvable, no aspect of moral degradation is unstoppable.

INTRODUCTION OF LEGISLATION TO ALLOW EMPLOYERS OPPORTUNITY TO PROVIDE ALTERNATIVE MEANS OF PROTECTION IN MEETING SAFETY AND HEALTH RULES

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. BALLENGER. Mr. Speaker, 2 years ago, when President Clinton promised to "reinvent" OSHA, he promisted "to make sure that worker safety rules [would be] as simple and sensible and flexible as they can be." I think we all appreciate the President's goal. Certainly anyone who has had to deal with OSHA's rules would not describe them as simple, sensible, or flexible.

Unfortunately, OSHA has made little progress in addressing this aspect of reinvention. The Subcommittee on Workforce Protections recently completed hearings on the progress made in reinventing OSHA. It was apparent that little progress has been made in changing the regulatory progress. Even OSHA's Director of Regulatory Affairs was recently quoted as saying that "regulatory reinvention is not a subject that has gotten much attention."

The legislation which I am introducing will go a long way to make OSHA's rules "simple, sensible, and flexible"—without any diminishing of employee's safety. This legislation simply allows an employer to meet the same level of protection of employees that is mandated by OSHA's rules, but allows employers the flexibility to do so through means, methods, processes, or operations that are different than those which may be mandated by OSHA.

It may be argued that the Occupational Safety and Health Act already provides flexibility to employers in meeting occupational safety and health standards, by providing that employers may apply for a variance from any standard. In reality, OSHA's variance process is unwieldy, lengthy, and expensive. But the test for granting a variance—that the employer's alternative method of protection will provide protection of employees equal to or greater than that provided by the standard—is the same test as would apply under my legislation. What my legislation in effect does, is make the variance process more useable and useful for employers.

In short, this legislation gives employers precisely what the President promised: flexibility in worker safety rules without diminishing worker protection. I invite my colleagues to join me in supporting this step forward in reinventing OSHA.

REBUILDING AMERICAN SCHOOLS ACT OF 1997

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. MENENDEZ. Mr. Speaker, we simply cannot ignore the needs of our students any longer when it comes to the poor physical condition of our schools. We can see that many schools throughout America need assistance in continuing to educate our children.

We cannot allow our schools to continue with inadequate buildings, inadequate building features, and unsatisfactory building conditions. We can't sit by and watch our schools crumble. Congress needs to recognize that the quality of their learning environment affects the education children receive.

Our children need a strong foundation—better physical conditions—in the schools they attend. In some parts of the country the problems facing our schools' infrastructure have reached crisis proportions. Poor infrastructure is often a barrier to schools being wired to the Internet among other things.

We need the proper school facilities to deal with the surge of enrollment that is occurring right now. In the next 10 years, many school districts will have to cope with the need for more space to accommodate 55.9 million students, a jump of 9.4 million since 1990. New Jersey public elementary and secondary schools will see an increase of 109,000 students in the next 10 years, requiring 4,360 additional classrooms.

For all these reasons, I have introduced the Rebuilding American Schools Act of 1997, with Representative ROB ANDREWS. This legislation will assist local school districts finance the repair, renovation, alteration, and construction of public elementary and secondary school facilities.

A General Accounting Office report last year drew alarms in Congress about the need to repair and upgrade school facilities across the country. The GAO study stated that one-third of schools, serving over 14 million students nationwide, reported needing extensive repair or replacement of at least one building and 60 percent of schools, many in otherwise decent condition, reported at least one major building feature, such as plumbing, in disrepair. In addition, about half the schools reported at least one unsatisfactory environmental condition, such as lighting problems or poor ventilation.

According to the GAO, 19 percent of New Jersey schools reported one inadequate building, 53 percent reported at least one inadequate building feature, and 69 percent reported at least one unsatisfactory environmental factor. In total, 87 percent of New Jersey schools reported a need to upgrade or repair buildings to good overall condition.

Local schools rely on property taxes to support our country's public elementary and secondary schools. But communities everywhere are finding it increasingly difficult to support their academic programs much less their school facilities with local property taxes. The Rebuilding American Schools Act of 1997 would help communities support the repair, renovation, alteration, and construction of our Nation's public elementary and secondary school facilities. States and local governments would continue to maintain full responsibility for determining their school construction needs and administering their infrastructure programs.

This legislation authorizes $200 million in fiscal year 1999 to help States increase school construction and renovation targeting school districts that enroll the greatest numbers of children living in poverty. The loans and bond guarantees in the bill will apply to a wide range of improvement projects.

It leverages additional spending on school construction and renovation. And it applies to a wide range of improvement projects, including construction of elementary and secondary facilities, renovation to ensure health and safety of students, improvements of the basic infrastructure, increases in energy efficiency, and construction that prepares facilities for installation of modern educational technology.

This bill goes a long way to providing the proper infrastructural our children need to enter the 21st century. While many of the most desperate repairs and needed improvements are being met, these funds could help our schools meet additional needs. I look forward to the day when I can see the physical manifestation of this bill in better facilities for our children to learn and grow.

HONORING THE BRAVERY AND SERVICE OF THE U.S. NAVY ASIATIC FLEET

HON. SHERROD BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. BROWN of Ohio. Mr. Speaker, as we approach Veterans Day, I am proud to introduce legislation honoring the bravery and dedication of the sailors and marines who served with the U.S. Navy Asiatic Fleet.

Formed in 1910, the Asiatic Fleet patrolled the waters of the Far East for 32 years, defending the interests of the United States and ensuring the safety of our citizens abroad during various regional conflicts and natural disasters.

Following the attack on Pearl Harbor in December 1941, the personnel of the Asiatic Fleet courageously opposed Japan's continued aggression in the South Pacific. Outnumbered and outgunned by a modern Japanese armada, the aging ships and submarines of the fleet fought valiantly, relying on wits, courage, and sheer determination.

Despite incredible valor and the help of our Australian, British, and Dutch allies, the sailors and marines of the Asiatic Fleet ultimately succumbed to the Japanese on March 1, 1942, when the flagship U.S.S. *Houston* was sunk near Indonesia. The total losses suffered by the fleet were staggering: 22 ships sunk, 1,826 men killed or missing in action, and 518 men captured, many of whom did not survive their internment.

Yet, the spirit displayed by those who served with the Asiatic Fleet was equally stunning. Charged with a near-impossible task from the very start, the Fleet "fought like hell," as one survivor recently put it. That these particular veterans have received little commendation is especially disappointing, for their cunning and fortitude in the face of such overwhelming odds is one of the finer moments in defense of democracy. We can begin to rectify history's oversight with this resolution, and I encourage all my colleagues to support its passage.

HONORING A DISTINGUISHED PUBLIC SERVANT, WESTCHESTER COUNTY EXECUTIVE, ANDREW P. O'ROURKE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. GILMAN. Mr. Speaker, I am proud to salute Andrew P. O'Rourke, a public servant who has distinguished himself as one of New York's most outstanding community leaders.

With his recent decision to retire from his position as Westchester County Executive, Andy O'Rourke leaves a legacy of goodwill, Responsiveness and genuine concern for the citizens of Westchester. This is highlighted by the many community groups, such as the Westchester Arts Council, that are now calling attention to the success of Andy's 14-year administration as county executive.

The people of Westchester have been privileged to have had a stellar county leader like Andy O'Rourke. Since he began his public career in 1965 as a representative on the Yonkers City Council, through his time as chairman of the board of county legislators, and finally his tenure as Westchester's county executive, it is clear that Andy has maintained a sincere desire to serve the best interests of his constituents. Every resident of Westchester County can take pride in knowing that such a concerned leader was looking out for them.

However, Andy is not just a public servant. He is a playwright and author, having published two novels and is recently finishing a third. Andy is also an educator, having taught students in the 1970's as a law professor at Fordham University. He has also served in the important role of humanitarian in his work with the Cardinal Newman Foundation of New York, Big Brother-Big Sisters, and campaigns to fight AIDS, drunk driving, and racism.

It is the humanitarian role that has possibly drawn the greatest and most rewarding accolades for this great citizen. The outstanding service of Andy O'Rourke has been recognized over the years by the Jewish National Fund with the tree of life award, and as the

1986 B'nai B'rith man of the year. Other honors have been bestowed by Long Island University, the National Conference of Christians and Jews, the Greater Westchester Human Rights Fund, Bar-Ilan University of Tel Aviv, and the Westchester-Putnam Affirmative Action Program.

While this list is long, it is also diverse and well deserved. Andy O'Rourke has demonstrated love and compassion for his neighbors and their communities. I am proud to have known and worked with Andy O'Rourke. Having represented a portion of Westchester County since 1982, I know how committed Andy has been to the citizens of Westchester. We all regret that he is retiring from his position as County Executive, but we can look back with admiration at the significant work he has accomplished.

Mr. Speaker, I invite my colleagues to join with me in saluting the Honorable Andy O'Rourke and wishing him and his family continued success and good health in the years to come.

TRIBUTE TO LOIS J. CARSON

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. BROWN of California. Mr. Speaker, I rise today to recognize Lois J. Carson's years of outstanding achievement and service to the San Bernardino and Riverside communities, and to bid her a fond farewell as she retires from more than 20 years of service on the board of trustees for the San Bernardino Community College District.

Mrs. Carson has dedicated her professional, and much of her personal life to helping improve the lives of those most in need in our community by promoting education and fighting poverty. Her early days as a teacher in San Bernardino County marked the beginnings of an admirable and illustrious career that has truly made a difference in the lives of many.

Mrs. Carson, the first African-American to be elected to the San Bernardino Community College District board, has served since 1973. During her tenure, she has served twice as clerk, vice-president, and president, and as a result of her leadership, the college district now offers a child care center, the Minority Transfer Center, and Community Forms—Vision 2001. She has greatly impacted higher education not only in her district, but also on the national level, serving on the board of the Association of Community College Trustees (ACCT). In 1991, Mrs. Carson was recognized by ACCT as the top trustee in the U.S. with the M. Dale Ensign Award.

In addition to her work in the San Bernardino Community College District, Mrs. Carson served as the director of Project Upward Bound at the University of California at Riverside from 1972 to 1976, and, since 1980, has served as the director of the Department of Community Action for Riverside County. She has led the agency, whose mission is to move families out of poverty, in developing innovative, high quality community action programs for female-headed households, for minority males, for the homeless, and for all low-income residents of Riverside County.

Mrs. Carson's dedication to promoting education and fighting poverty also involves extensive community involvement. She is one of the founders of the San Bernardino Commission on the Status of Women, the Inland Empire chapter of the National Council of Negro Women [NCNW] and the Diocean Assembly for African-American Catholics.

While she will be sorely missed on the San Bernardino Community College District board, Lois Carson has left a remarkable legacy and her work will benefit the district for many years to come. She has given, and continues to give, an invaluable amount of dedication and expertise to the people of the San Bernardino and Riverside communities, an serves as an example for us all.

SALLIE WILLIAMS, A GOOD CHRISTIAN WOMAN

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. PAYNE. Mr. Speaker, Sunday, October 26, marked the Annual Women's Day program at my church, Bethlehem Missionary Baptist Church in Newark, NJ. The church and its faithful congregation are led by our progressive pastor, Rev. Toney Jackson. Occasions such as this are used to recognize those persons who make a positive difference in the lives of a church family. I am proud to inform you that Mrs. Sallie P. Williams, my aunt, was afforded this honor this year.

Aunt Sallie, as she is known by both her relatives and her church family, has been a member of Bethlehem Missionary Baptist Church for 65 years, since 1932. A deaconess since 1951, she has served as a member of the Willing Workers, the Progressive Women's Guild, and head of the church kitchen.

As a young woman, Aunt Sallie learned photography and that was her career for over 30 years. She is a good Christian woman who has served as a stalwart role model for many young people.

Aunt Sallie has always been deeply respected as the matriarch of our family, a kindhearted and generous person with a special love of children. Following the untimely death of my mother during my boyhood, Aunt Sallie welcomed me into her home, along with my siblings.

She and her late husband, Lincoln, had a strong and beautiful marriage spanning many decades. They were totally devoted to each other, the embodiment of true family values.

Aunt Sallie has won the respect of all who know her through her strength of character, sense of purpose and commitment to her community.

I know my colleagues join me in extending congratulations and best wishes to a person of whom I am so proud, Sallie P. Williams.

COLD WAR MEMORIAL

HON. THOMAS M. DAVIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. DAVIS. Mr. Speaker, I rise today to introduce legislation creating a cold war memorial. This bill will authorize a commission to establish a memorial to honor the military and civilian personnel of the Department of Defense, members of the intelligence community, members of the foreign service, and others who served the United States in pursuit of its cold war aims. This legislation will also commemorate the involvement of the United States in that conflict.

Mr. Speaker, I believe that this legislation is important, not only because it honors the people who valiantly fought the cold war, but will help future generations understand and learn about one of the most dangerous times in American history. The cold war may not have been as intense as World War II or as widely viewed as the Vietnam war, but it was just as real and just as dangerous. The United States officially entered this conflict on March 12, 1947 and won it on December 31, 1991 at the stroke of midnight. During that time, America saw the creation of the Central Intelligence Agency [CIA], and the implementation of both the Marshall plan, and the Truman doctrine.

Mr. Speaker, the cold war was a war that the United States won. It took 50 years to win, but it showed the whole world what we have always known, that a democratic form of government will outlast a communist form of government. As we look at the world now we see that the former Eastern bloc countries are democratic and are now becoming partners with the United States in a whole host of issues. This would not have been possible without these cold war warriors tremendous efforts. This in itself is reason to erect a monument.

Mr. Speaker, it is my hope that all of my colleagues will support the passage of this legislation.

STATEMENT ON THE DEATH OF WALTER HOLDEN CAPPS

HON. BILL LUTHER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. LUTHER. Mr. Speaker, we all lost a friend last week with the passing of Representative Walter Capps. Walter's untimely death, coming without warning, reminds us of the fragility of life. Even though he was only here in the House for 10 months, Walter and I spent quite a bit of time together. Our committee assignments, Science, and International Relations, were identical and we also served together on the Science Subcommittees on Basic Research, and Space and Aeronautics. Walter's positive outlook, passion for service and tireless sense of humor helped make sometimes lengthy committee proceedings seem to go just a little quicker. I'm going to miss Walter Capps not just because he was a friend and a genuinely good guy but also because he was the kind of person we need more of in Congress. I am also a new person to this institution, having arrived here just 2 years before Walter and I know that he was committed to doing everything he could to change the public perception and the private reality of Congress. He was a reformer in the truest sense of the word—a person dedicated to making Government work better for our employers, the people. Our hearts and prayers go out to his wife Lois, his children Lisa, Todd, and Laura, and the people he represented. We know you'll miss him so much and we will too.

WELCOMING THE WORLD RENOWNED ST. MICHAEL'S BOY'S CHOIR TO WASHINGTON, DC

HON. JAMES V. HANSEN

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. HANSEN. Mr. Speaker, I would like to take this opportunity to announce that some very talented young individuals will visit the House of Representatives in early December to honor us with a short musical performance in the Cannon Caucus Room. The St. Michael's Boy's Choir, representing the St. Michael's Boy's Choir School from Toronto, Canada, is visiting the Washington, DC area and has agreed to perform a Christmas medley the afternoon of December 5.

Mr. Speaker, please allow me to pass along some words of praise for this fine group of young people.

Canada's St. Michael's Choir School has been internationally acclaimed and is considered to have one of the finest boy's choirs in the world. The 150 boys who made up the choir represent over 40 different ethnic groups, and they come from many countries.

The choir school, located in Toronto, Ontario, Canada, offers training from grade 3 through grade 13, with a student body of over 370 boys. The secondary school offers a 5-year arts and science program for the 98-percent of students who continue on to a university or college program. To qualify for admission to the choir school, students must have a good voice and a musical ear. Each boy has private piano lessons weekly and may also be invited to study pipe organ, violin, or classical guitar.

The music program for this choir school was so highly regarded that it was accorded an affiliation with the Pontifical Institute of Scared Music in Rome, one of only six in the world. This affiliation, the only one accorded to a North American school, allows the authorization to grant degrees in sacred music.

The Boy's Choir makes two trips a year out of Canada—one to Europe and one to the United States. Earlier this year, they were in Europe to sing at a major music festival where they were awarded first place and had the opportunity to sing before the Pope. Additionally, concert tours, recordings, radio and television appearances, and live performances have increased their visibility to the world audience. Their best known concert in Canada is the annual Christmas Concert which attracts over 8,000 people annually.

Mr. Speaker, we are indeed fortunate to have these wonderful young men here on December 5 to sing for us in the Cannon Caucus Room. Brian Rae, their choir director, has told us his boys are excited and honored to be coming to our Nation's Capitol and are looking forward to their performance for the House of Representatives. I invite all my colleagues and their staffs to attend this wonderful event.

SMALL TURBINE INVESTMENT CREDIT

HON. JIM McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. McDERMOTT. Mr. Speaker, last month, the World Wildlife Fund conducted a national survey regarding the attitude of Americans toward global warming. One interesting result was that voters overwhelmingly support proposals which encourage consumer access to clean energy options. In particular, 81 percent of Americans responded that tax incentives should be made available to encourage the sale of clean energy.

Since coming to Congress, I've worked on several initiatives to support wind turbine investment. Today I introduced a bill which will provide a 30-percent tax credit toward the purchase of small wind turbines, 50 kw or less. Similar legislation already has been introduced by Senators CHARLES GRASSLEY and JAMES JEFFORDS. I hope a majority of my House colleagues will join me in supporting this bipartisan legislation.

At a time when U.S. energy consumers are under international pressure to reduce CO_2 emissions, passage of the small wind turbine investment credit will, in my view, encourage alternative energy use for small users, increase the international competitiveness of U.S. alternative technology industries, and help rural communities that lack access to utility grids.

HONORING AUGUST F. SCORNAIENCHI

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. DELLUMS. Mr. Speaker, I rise to honor August Scornaienchi, the Alameda County Superintendent of Schools, on the occasion of his retirement. Mr. Scornaienchi has devoted over 36 years of service in public education, 24 of those in leadership positions within the Alameda County Office of Education. He is a visionary who has worked diligently at education reform before it became fashionable. This vision, his passion, and his leadership abilities have earned him the respect of not only his colleagues, but the community as well.

Superintendent Scornaienchi has been a champion for students of minority and marginalized groups and has worked diligently to provide for their special needs. He was one of the first to develop and later expand an outstanding bilingual/multicultural education program which gained a statewide reputation as a model program. He was instrumental in developing educational programs for homeless children, recognizing the incredible hurdles that this population faces. This program included setting up a portable unit at a shelter in Berkeley and equipping it with computers and educational materials, securing grants to pay for tutoring programs, and conducting workshops for staff to learn how to better serve homeless children. He has expanded county office educational services to neglected and delinquent youth by opening four community-based school programs and an innovative "boot camp" for at-risk students in collaboration with the probation department. He has furthered the opportunities for pregnant and parenting teens by providing alternative programs, including academic and support services which allow students to complete their high school education. In addition, he was among the first superintendents in the county to publicly condemn homophobia in our schools and to encourage local schools to address the intolerance and the other complex issues facing this student population.

Superintendent Scornaienchi clearly recognizes that there are many factors that impact upon a child's education. Under his guidance, the county has taken a leadership role in the areas of school safety, dealing with hate-motivated behavior, Healthy Kids Resources and Healthy Start Programs, staff development, new teacher training, business-education partnerships, effective parenting, interagency collaboration, and using technology in the classroom.

His work and commitment to the community does not end at the school door. He has chaired the Inter-agency Child and Family Policy Board, which is composed of all department heads from various agencies in Alameda County. His goal was to find ways for these various children and family county service providers to work together more efficiently and effectively by considering innovative measures such as blending funding streams and reducing red tape and redundant services. He also served as cochair of the East Bay Conversion/Base Closure Board which makes policy decisions that have far-reaching impact on schools and communities throughout the bay area.

Superintendent Scornaienchi vociferously advocated and worked for the implementation of a statewide proposal to levy a surcharge on tickets for professional sporting events to help save school athletic programs. This campaign was expanded to include an assessment on performing arts tickets to support the arts program for homeless children. Recognizing the need for global interaction, he developed and administered the first county office student international exchange program with the former Soviet Union designed to promote a better understanding between our countries and establish invaluable communication links. There is no doubt that the program participants expanded their world view and learned important life lessons.

I ask that my colleagues join me in commending the incredible dedication of this public servant. His advocacy for the welfare of children has brought together all segments of the community to address the improvement of services to all of our children. Thank you so much for your many years of service. I and the people of Alameda County are grateful to you and wish you well in this new phase of your life.

SYLURA BARRON: AN AMERICAN HERO

HON. BOB FILNER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. FILNER. Mr. Speaker and colleagues, I rise today to mourn the passing and celebrate the life of one of San Diego's most cherished civic leaders, Sylura Barron. For almost seven decades Sylura Barron made her mark on San Diego business, politics, and society.

Sylura was born on Christmas Day, 1900, to Richard Richardson and Cornelia Booker in Mainsfield, LA. Joining Calvary Baptist Church where her father was its first pastor in 1929, she remained a loyal member until her passing on November 4, 1997. She leaves a loving extended family, an admiring community of friends, and a legacy of service from which we will all draw strength and courage.

Sylura Barron championed the shared goals and beliefs of the Democratic Party, and every Democratic leader from Franklin Delano Roosevelt to William Jefferson Clinton was honored by her input and her unflagging devotion to the community and Nation. which she viewed as her own extended family.

The Democratic Party and our beloved Nation are better because of the contributions made by true patriots like Sylura Barron. Throughout her life, Sylura fought to promote educational and business opportunities in communities that often lacked strong and determined representation. Sylura was a thoughtful and eloquent promoter of a society that could step beyond divisions of race, class, ethnicity, gender, and sexual orientation. Sylura was a voice for all of us.

Sylura Barron learned very early in life that there would be many barriers put in front of her, and she became determined to not only cross over those barriers, but to tear them down so they would not slow anyone following in her steps.

Sylura Barron always felt that room should be made in the Democratic Party and in the Nation as a whole for every segment of our society. "Leave out no one" was one of her favorite slogans. She was a determined and dedicated fighter, and she demanded that her voice be heard. Many times she led progressive movements to make the point that her political party was truly the party of the people. Sylura sometimes wondered if she was fighting this battle alone. Sylura, you can rest assured, thousands followed your lead—and you left out no one.

Mr. Speaker, I hope that my colleagues will join me in keeping Sylura's dreams for our Nation alive. Leave out no one.

CAMPAIGN FINANCE REFORM

HON. RON KIND

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. KIND. Mr. Speaker, today is November 7, over 4 months after the July 4th deadline that the President set for passage of campaign finance reform. I have delivered each day since that time a statement in the House of Representatives calling on the leadership to allow a vote on any one of the many campaign finance bills pending in this Congress. My pleas, and the request of many others, has gone unanswered. We are now entering into the final weekend of our legislative year. By Sunday we may be out of session, not to return until late January of next year. If we don't act this weekend we will never change the current system.

The examples of abuse of the existing system are too numerous to mention. I have documented many of the abuses, on both sides of the aisle, in my earlier statements. The Republicans have invested an enormous amount of taxpayers' money investigating and exposing the alleged violations of law by the White House in the last election.

Investigation is good. Those who broke the law should be brought to justice. The sad fact is, however, that many of the most well known abuses are technically legal. We must do more than investigate, we must legislate. With only a few days left, we must act now. Let's take some time this weekend to debate, consider, and pass campaign finance reform.

The people of my district will not take no for an answer.

HONORING KAREN S. DAUGHTRY

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. TOWNS. Mr. Speaker, I rise today to honor the work and achievements of Dr. Karen S. Daughtry. While working as the director for the past 26 years of the Alonzo A. Daughtry Memorial Day Care Center, her dedication to issues concerning women and children, locally and internationally, has proven incomparable.

As a 1996 recipient of the doctor of ministry degree from New York Theological Seminary, her commitment to social change, through her faith, is unquestionable. Using a Christian perspective, she has focused on increasing knowledge and comprehensive understanding of social and political issues which impact on and relate to family life, health, the arts, and educational and personal development. Dr. Daughtry, has been able to further her goals by serving as an advisor to the House of the Lord Youth Department and Sisterhood, and as chair of the Church's National Department of Women's Work. Dr. Daughtry also serves on the board of directors of the Randolph Evans Memorial Scholarship Fund, an organization formed in 1979 which awards 10 scholarships of $1,500 each to Brooklyn college bound youth in the name and memory of Randolph Evans, a 16-year-old shot to death in 1976 by a police officer.

Under her leadership, Sisters Against South African Apartheid [SASAA] participated in a petition drive which delivered thousands of signatures to the United Nations on behalf of detained and tortured children of Angola and hosted Mrs. Maria Eugenia Neto, the mother of Angola, at a special service when she visited the United States. In addition, SASAA was proud to host Zenami Mandela, daughter of Nelson and Winnie Mandela, a year prior to his release from prison. The organization also participated with the Nelson Mandela Reception Committee in organizing the first visit to New York City of Nelson and Winnie Mandela, and hosted Mrs. Mandela in programs at the House of the Lord Church and the Brooklyn Academy of Music.

Probably what Dr. Karen Daughtry would consider her most important achievement, however, is the raising of her family. She has been married since 1962 to Rev. Herbert Daughtry, national presiding minister of the House of Lord Churches. They are proud parents of three daughters, Leah Denyatta, Sharon D'Boya, and Dawnique Dekeba and one son Herbert, Jr., all college graduates.

Though Dr. Daughtry may only be one person, she has shown this country and the world the power of what one person can do. As a result, Dr. Daughtry has been the recipient of a plethora of awards and proclamations for her work and achievements. Mr. Speaker, please join me in honoring Dr. Karen Daughtry for all of her important work.

COMMEMORATING DR. CHARLES W. BUGGS

HON. JUANITA MILLENDER-McDONALD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Ms. MILLENDER-McDONALD. Mr. Speaker, I rise today to commemorate a remarkable man from the 37th District of California: Dr. Charles W. Buggs. Dr. Buggs has served a leading role in the field of medicine and has inspired thousands of other young African-Americans to follow in his footsteps. Often referred to as the "Father of Allied Health" within the Drew University of Medicine and Science, Dr. Buggs made significant accomplishments during his 85 years of life.

Dr. Buggs was a microbiologist who contributed to the advancement of humandkind through his extensive scientific research. He worked on the original research to develop penicillin and laid the foundation for the work of today's scientists and physicians who are studying cancer metabolism and using antibiotics such as streptomycin. He conducted the study which opened the eyes of Congress to the need for science educational centers in historically black colleges and universities. He paved the way for the establishment of Federal funding for these educational centers and provided the foundational research and development for Drew University's College of Allied Health.

Dr. Buggs scientific work has enriched the lives of Americans far beyond Drew University and the 37th District of California. His leadership and unyielding commitment to expanding the minds of aspiring physicians and scientists has contributed to the education of a significant number of African-American physicians in the United States. Numerous people throughout the country have become educated and are now serving their communities as health professionals because of his shining example of what it means to lead, to educate, and to truly make a difference for the generations of today and tomorrow.

As a leading role model for young African-Americans striving to become scientists, Dr. Buggs ensured that this spirit of learning and expanding science would not end with his passing. I am honored to be able to represent a district which has benefited so immensely from this man.

TURKEY LOOKS OUTSIDE ITS BORDERS TO SOLVE ITS KURDISH QUESTION, WHEN THE PROBLEM CLEARLY RESTS WITHIN

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. HOYER. Mr. Speaker, over the past several years, Turkey, a NATO ally and United States friend, has made repeated incursions into Iraq. The invasions, which violate international law, are undertaken ostensibly against Kurdish guerillas waging a violent insurgency in Turkey. In reality, these military campaigns result in countless civilian casualties, widespread population displacement, severe economic hardship, and if anything, encourage local support for the guerrillas. While the Turkish military declares the guerrillas eradicated after each incursion, repeated cross-border attacks expose this as a fiction.

The latest invasion raises new cause for concern. For more than three weeks, Turkish forces have actively supported the Kurdistan Democratic Party (KDP), which has been engaged in years of bloody fighting with its rival, the Patriotic Union of Kurdistan (PUK). Widespread reports indicate Turkey is using napalm and cluster bombs, despite international covenants banning their use. The PUK receives significant United States funding, so in effect, our ally Turkey is attacking a party which receives funds from the United States Government. I question why our Government refuses to acknowledge this inconsistency. And even more importantly, I question our Government's silence when a United States-supplied ally violates a United States-imposed 'no-fly zone' to kill Kurdish civilians and destroy their villages in the so-called safe haven.

Mr. Speaker, Turkey along with the United States and Great Britain, had been participating in the "Ankara Process" in an effort to bring the two feuding Kurdish factions to the negotiating table. Turkey's military support for the KDP ends any hope that it can serve as a neutral regional peace-broker. Furthermore, Turkish plans to establish a "buffer zone" in Iraqi Kurdistan, with at least 8,000 troops, will destabilize the entire region and invite intervention by Iraq, Iran and Syria. Mr. Speaker, I would like to submit for the record an editorial by Jim Hoagland from last Sunday's Washington Post that further questions the logic of U.S. policy in this area.

It is tragic and ironic that Turkey seeks answers to its "Kurdish question" outside its borders, when in reality it should be working these issues out at home. Turkey's 15 million Kurds have faced oppression since modern Turkey was forged in 1923. Since then, there have been 28 major Kurdish uprisings. The most recent, underway since 1984, has claimed almost 30,000 lives. According to Turkish Government sources 3,185 Kurdish villages have been evacuated and up to three million people have been internally displaced from southeast Turkey. Despite the severity of the conflict, Turkey refuses access by the International Red Cross to the stricken region. The conflict costs billions of dollars each year and destroys hopes of economic development that is greatly needed in the region.

Mr. Speaker, the Turkish regime must put flesh on its skeletal democracy, or the Kurdish problem and other pressing issues will fester and continue to prevent Turkey from moving closer to Europe. Turkey's civilian and military leaders have repeatedly stated their intentions to address human rights problems, yet the problems persist and reform efforts seem little more than public relations exercises. Meanwhile, our Government continues business as usual, sending billions of dollars worth of security assistance to Ankara while refusing to acknowledge increasing signs of political instability. Such unequivocal support is unwise because it reinforces the military and other non-democratic forces in Turkey, and sends a message that the United States Government will support the Turkish Government no matter how deficient it remains in human rights areas.

Mr. Speaker, as I stand before this distinguished body, a group of Kurds and Americans, including Kathryn Cameron Porter, are fasting in front of this building to protest human rights violations in Turkey. They too believe our Government has remained silent in the face of growing threats to democracy in Turkey. A major impetus for their protest is the continued imprisonment of four Kurdish parliamentarians, including Leyla Zana, whose indictment included charges related to her appearance at a Helsinki commission briefing. All Kurdish-based political parties in Turkey are suppressed, even though Kurdish political opinions must be considered if political institutions are to be truly representative. Non-violent Kurdish parties must be allowed to participate in political life. Individuals should not be jailed for expressing opinions deemed harmful by the Government. Open debate and dialogue is imperative.

Mr. Speaker, another democratic measure is freedom of the media. On October 21, the Committee to Protect Journalists (CPJ) issued a report entitled "The Anatolian Archipelago" which details the fate of 78 journalists jailed for speech crimes in Turkey. CPJ, which does meticulous research and seeks Turkish Government input before publishing, has concluded in each of the last 3 years that more journalists are jailed in Turkey than in any other country.

Human rights defenders and Kurdish peace activists are also subject to harassment, imprisonment or worse. This past week, Yavuz Onen and Akin Birdal, two internationally recognized rights leaders, and Ahmet Turk, a Kurd, were charged for reading in public a report detailing the ongoing scandal linking officials to death squads and face up to 3 years in prison. On October 20, well-known peace activist, Esber Yagmurdereli, was jailed for 22 years. On October 21, the president and 7 other Human Rights Association (HRA) executives were sentenced to between 1 and 2 years in prison for speeches made during human rights week in 1996. In recent years, 20 HRA branches have been closed, including all that serve Kurdish communities in Southeast Turkey.

Free expression is only one area where Turkey is deficient in meeting its stated human rights commitments. Local NGOS, Amnesty International, Human Rights Watch, and our own State Department conclude that torture remains widespread and few accused of torture are brought to justice. Last week, a panel of judges presiding over an internationally publicized trial, refused to make police accused of torturing 14 young people, some as young as 13, appear in court. Also pending is the legal appeal of the human rights foundation doctor who refused to turn over to the government information on victims of torture.

Mr. Speaker, I have joined more than 160 of our colleagues in signing a letter calling for the release of imprisoned parliamentarians in Turkey. At the very least, as Members of an elected legislature, we should demand that our colleagues in Turkey be freed, for it is unthinkable that legislators in a democratic society would be jailed for speaking out on behalf of their constituents. I urge my colleagues to sign the "Dear Colleague" letter and to visit those fasting on the steps of this building.

I have also joined my colleagues on the Helsinki Commission in introducing a resolution expressing the sense of the Congress that Turkey should not be chosen as the host of the next summit meeting of the Organization for Security and Cooperation in Europe. As long as Turkey continues to violate international law and its own commitments to OSCE principles, Turkey should not be considered an appropriate venue for a human rights summit. Such a privilege, Mr. Speaker, should be reserved for participating States that have demonstrated, in word and in deed, steadfast support for Helsinki principles and standards, particularly respect for basic human rights.

[From The Washington Post, Nov. 2, 1997]

BEFORE TURKEY JOINS EUROPE

(By Jim Hoagland)

Friend and ally to Turkey for half a century, the United States today plays a new role: pusher. The drug of choice is unrealistic ambition, fed by Washington to Ankara to keep the Turks cooperative.

The Clinton administration has correctly identified Turkey as the new "front-line state" in global conflict. It is the major crossroads of the religious, social and nationalist fractures of new-era politics, and gateway to the oil fields of Central Asia, Iraq and the Persian Gulf. Turkey counts.

But Washington is as weak at remedy as it is strong on diagnosis. In no other region of the post-Cold War world is the imbalance greater between a region's declared importance to U.S. interests and active, sustained U.S. involvement.

Instead the Clinton administration offers diplomatic opium to the Turks, suggesting that the answer to their problems is quick membership in the European Union, and then presses the Europeans to admit the Turks and overlook a few flaws here and there.

There is nothing inherently wrong with the U.S. goal of Turkish membership in the 15-member club of Europe's most affluent nations. A Turkey that fits into Europe economically and socially would be a more stable nation, as U.S. diplomats argue at international conferences and in increasingly acrimonious private exchanges with their European counterparts.

But Washington turns a blind eye to the self-destructive, addictive behavior of the Turkish military that makes EU membership in the near future a pipe dream. Worse: Washington denies its own responsibility for conditions that feed that behavior.

The Turkish military, which dominates the weak coalition government in Ankara, is not interested in harmonizing value added taxes, a perennial hot topic in the EU. The Turkish military expends its energies persecuting dissidents at home—a new wave of arrests of human rights activists was launched last week—and plunging deeper into a nasty civil war in neighboring northern Iraq.

For several weeks Turkish warplanes have been strafing Kurdish guerrillas in Iraq on a near-daily basis. Turkey has moved U.S.-supplied artillery into Iraq to fire on one Kurdish faction, and is dropping napalm on them from U.S.-supplied warplanes, Kurdish spokesmen say.

Turkey's involvement in the Kurdish civil war demolishes the notion that this is a distant, small conflict with no consequence for the United States. The White House pretends otherwise in its misleading reports to Congress and in its anesthetizing public statements playing up the "success" of U.S. policy in northern Iraq and Turkey.

The confusion of American purposes and methods is made clear by this officially unacknowledged, bizarre reality: The main targets of Turkey's current attacks inside Iraq are the guerrillas of the Patriotic Union of Kurdistan, an organization that receives at least $500,000 a month in covert support from the Central Intelligence Agency.

Official American money intended to finance peacekeeping has also been flowing to the PUK's Kurdish opponents, led by Massoud Barzani, who has allied himself with the Baghdad regime of Saddam Hussein.

The Turks are now weary of the vacuum that the United States has let develop in northern Iraq, a U.S. protectorate after the gulf war. They are also understandably upset about the heavy financial sacrifices the long U.S.-led economic blockade on Saddam has imposed on them. Frustrated and confused about U.S. goals, the Turks follow policies that will result in both Kurdish groups reconciling with Saddam, who will resume operational control of the north.

On top of this disastrous scenario, the brutal Turkish campaign pushes further and further away the day when Ankara would be accepted by the European Union. U.S. abdication in northern Iraq, and its self-imposed blindness to the regional consequences of that abdication, undermine its proposed solution for Turkey's problems.

This large, developing Muslim nation already faces nearly insurmountable hurdles in gaining EU membership. Germany, with 2 million Turkish residents and 500,000 Kurds on its soil, is terrified of new waves of immigration. The Europeans are also keenly aware that they are being asked by the Americans to provide more financial support for Turkey so U.S. help can decline.

Washington needs to acknowledge the damage its vacillating policy on Iraq has caused Turkey and offer financial compensation to Ankara. The deal must include Turkey's ending its human rights abuses at home and the border war on the Kurds, as part of a self-help program to get ready to join Europe.

Friends challenge self-delusion. They do not feed it.

TRIBUTE TO THE LOUISIANA-PACIFIC CORP. FOR POSITIVE EFFORTS MADE IN IMPROVING THEIR ENVIRONMENTAL RECORD

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. McINNIS. Mr. Speaker, I rise today to offer congratulations to the Louisiana-Pacific Corp. for turning around its performance in the area of environmental compliance. The Louisiana-Pacific Corp. is one of the Nation's leading building products manufacturers and operates a facility in my district at Olathe, CO. The facility in Olathe manufactures oriented strand boards [OSB] which are high-quality structural panels used in the construction of homes and commercial buildings.

To be fair, this facility has had its share of environmental problems. However, due to an extraordinary effort by the workers in this facility along with a solid commitment from the management of the Louisiana-Pacific Corp., this facility has completed the hard work necessary to meet its environmental compliance responsibilities. This is evidenced by a surprise inspection of this facility by the Environmental Protection Agency which occurred in August 1997. The quotation from the inspection team speaks for itself:

> The general housekeeping of the plant was uncommonly good and the plant operations were well organized. Records and Monitoring data were complete, quickly available and easy to understand. Training was thorough, updated regularly and well tracked. Contingency and safety strategies were in place and well understood by managers and staff. Staff knowledge and attention to environmental compliance was good in all categories.

The results of this inspection are a source of pride for all at Louisiana-Pacific and the Olathe OSB plant. The plant was the pilot plant for the roll-out of Louisiana-Pacific's Environmental Management System [EMS], which is now being introduced to all of Louisiana-Pacific's OSB plants and will be introduced to all of Louisiana-Pacific's business units in 1998.

Mr. Speaker, I would like to submit for the RECORD a portion of the U.S. Environmental Protection Agencies report regarding their inspection of Louisiana-Pacific's Loathe, CO OSB plant and once again say job well done to those at the Louisiana-Pacific Corp.

PRELIMINARY COMPLIANCE AGREEMENT AUDIT OF LOUISIANA PACIFIC CORPORATION—SEPTEMBER 16, 1997

BRIEFING WITH LPC CEO

The Audit Team met with Mr. Mark Suwyn, Chief Executive Officer (CEO), who provided a broad overview of what he has envisioned for LPC's environmental programs and culture changes instituted LPC as a result of the change in management since the Consent Decree and Agreement. The Audit Team viewed a video from series of videos that LPC has prepared for its employees. The video included an address from LPC's CEO to LPC's employees on, among other things, LPC's commitment to environmental laws and regulations. During the Audit Teams meeting with Mr. Suwyn, he also spoke of the Montrose Mill accomplishments in particular and the many changes that have been made at the mill as a result of the Consent Decree.

FACTS AND FINDING FROM INTERVIEWS

The following summarizes the questions asked and responses given by LPC personnel in reference to the Consent Decree and the Preliminary Compliance Agreement.

LPC Structure and Montrose Mill

LPC restructured in 1996 into a geographical alignment and has been changed from Divisions to Regions. The Montrose Mill is no longer in the North Central Division. The North Central Division manager has been recently assigned to Portland Headquarters. He is currently stationed in Idaho. The Montrose Mill is part of the Northwest Region consisting of the States of Washington, Oregon, Idaho, Montana, Wyoming and Colorado. Mr. Richard Flather is the Regional Business Manager. Each LPC Region has separate positions for a Regional Business Manager, and an Environmental Manager.

LPC uses two organizational structures: one for the Business side and the second for environmental compliance purposes. LPC formed five Environmental Compliance Regions:

Northwest (EPA Regions 8 and 10),

North Central—East (EPA Regions 1 and 5), EPA Region 2 would be included; however, LPS's Environmental Compliance Regional chart does not list any facilities in this Region at the time of this report.

Western (EPA Region 9),

South West (EPA Regions 6 and 7), and

South East (Regions 3 and 4).

LPC Installation of Facilities Pollution Equipment

The Montrose Mill installed the Wet Electrostatic Preciptators (WEPS) in 1996 at a cost of approximately $1.5 million and it is being installed at all newer plants with some of the plants having 3 to 4 WEPS installed. The Regenerative Thermal Oxidizer (RTO) was installed at Montrose in 1996 at a cost of approximately $1.6 million. In total LPC has invested approximately $100 million in RTO's at eighteen (18) plants and RTO's will be installed at all new constructions and current plants under construction at the cost of $3.0 to $3.5 million per setup.

NEW MANAGEMENT EMPHASIZES AND ENVIRONMENTAL PROGRAM

After Ms. Elizabeth T. Smith was appointed Director, Environmental Affairs in 1993, she and her immediate staff (four positions) trained the Plant Environmental Managers. The Plant Environmental Managers trained the assigned mill personnel. Ms. Smith meets quarterly with the Regional Business Managers and 20 to 30 Production Managers to ensure that the environmental programs are within compliance and meeting both the Consent Decree and the EPA Preliminary Compliance Agreement. Ms. Smith prepares a quarterly report regarding all environmental matters for the CEO and BOD.

Ms. Smith in conjunction with Plant Managers and in special cases with the Vice President, hired the Plant Environmental Managers or assigned a Plant Environmental Manager for each LPC plant/facility as directed in the Consent Decree. Ms. Smith stated that LPC is currently replacing the environmental managers with environmental professionals with three to four years of experience before appointments. There are currently four Regional Environmental Managers who report to Ms. Smith. They are:

Northwest Region—Randy Sandberg
North Central/East Region—Sue Somers
South West and South East Regions—Barb McGiness
Western Region—Dwayne Arino

The Audit Team reviewed the July 1997 Montrose mill monthly report submitted by the plant Environmental Manager, who has dual reporting to Ms. Smith and the Plant Manager. The reports are used as a monitoring tool and if there appears to be an environmental problem, Ms. Smith contacts the Plant Manager and/or Regional Business Manager. If the issues cannot be resolved in a short period of time and it is a major environmental issue, a Corrective Action Plan is put into effect.

To assist the Plant Manager in plant operations, he or she has a staff that consists of an Operations Manager, Supervisor of Production, and the Plant Environmental Manager. However, LPC's Plant Manager is totally responsible for environmental and production functions. The LPC Plant Manager is responsible for coordination and training of environmental and safety of plant personnel. Environmental and Safety functions are part of the LPC Plant Manager's position description.

Ms. Lundquist, VP for Operations, issued the "Manufacturing—1997 Performance Plan" that includes a performance evaluation base of 20% for Safety and 15% for Environment to all LPC Plant Managers. The background of the plan states "Environmental compliance is a *must be* . . ." and the objective is to support compliance goals and meet expectations of the Corporate Policy on Protection of the Environment and included as part of performance measures. Two important goals for 1997 are the Manufacturing Managers Tracking System for Correcting Environmental Compliance Issues by August 1997 and identifying best available technology for environmental compliance by December 1997.

In addition, in July 1997, LPC issued the LPC Environmental Management Charter, Standard Operating Procedures (SOP) for "Reporting Suspected Violations of Law" and Environmental Management Responsibilities matrix listing duties and responsibilities regarding area of concerns: policy, reporting, promote compliance, audits, compliance programs, staffing, training, handbook, meeting, records, records retention, permits, operations, spill, upsets and violations, curtailment, inspections, waste minimization/energy use, environmental contracts, budgeting, plant closure, sale/purchase/lease of land, corporate acquisitions/divestitures and Consent Decree for each of the corporate environments consisting of: Corporate Environment, Business Group Environment, Regional Environment, and Plant Environment.

Ms. Smith Explained the (SOP) for Shut Down of Plants/Facilities. Authority extends from the CEO, Director Environmental Affairs, Regional Environmental Managers, Plant Managers, Plant Environmental Manager. Any one of them can close a plant down. She stated however, the most important person who can shut the production down is a production employee if he or she is aware there is a problem. She stated in reality the production employees are the ones who alert management of an environmental problem or potential environmental problems.

LPC has developed an Environmental Affairs Team "Center of Expertise" for managers to contact with problems or questions. In addition, LPC installed an internal "Intra-net and Environmental Internal WEB Page" for LPC employees to utilize for information.

A training course was developed regarding Polychlorinated Biphenyls (PCBs) that explains what PCBs' are, health hazards, regulations, management responsibility, and how LPC will handle monitoring, engineering, emergencies, transportation and disposal of PCBs'.

In addition, LPC developed "Doing Something About It . . . " for an August 14, 1997 training class at New Waverly Complex scheduled for reopening sometime in 1999 or 2000. It appears to be a very detailed course with a major array of environmental issues and compliance requirements in both English and Spanish.

STANDARD OPERATING PROCEDURES (SOP) AND MANAGEMENT PROGRAM CHANGES

There was an in-depth discussion in this area. The following focuses on the major areas discussed. LPC has made major advances in SOP's for internal operations. They are currently in the process of updating their formal evaluation system of performance of Plant Managers to be rated on Production, Environmental, Health and Safety on an equal basis. LPC has developed an Environmental Management System (EMS) for mill operations. The Montrose mill served as the pilot and cutting down the time to respond to problems has been contributed to the EMS process.

Performance Plans, Handbooks, and SOP's

The Audit Team reviewed the 1997 Environmental Affairs Performance Plan, the Manager's Environmental Handbook, and various LPC SOP's.

The Audit Team reviewed the 1997 Environmental Affairs Performance Plan dated August 13, 1997, which illustrated the status of programs and projects: as complete, in progress, or initiated. In addition, the plan contained additional projects and efforts for 1997.

The Audit Team reviewed the Manager's Environmental Handbook, which was very detailed and covered the entire array of environmental acts and programs. This handbook has been distributed to each Plant Manager.

The Audit Team reviewed LPC's Audit Privileged & Confidential SOP policy written in 1993 and is still the current SOP. Ms. Smith stated that the LPC internal audit process, which proved to be a valuable tool, was a major factor in her efforts to get changes made through the CEO.

The newly issued SOP for Environmental Audit Corrective Action Process effective April 25, 1997, was reviewed and this SOP explained the basic processes as: Root Cause Analysis, Corrective Action, Monthly Review of Issue Status, Monthly Report to CEO and Issue Corrected. To bring the environmental issue to "Closure", the Legal Department, the Department of Environmental Affairs and the Plant Manager must review and agree on the status of the issue and agree on closure. Then, the Legal Department will issue a final report to Senior Management, Director of Environmental Affairs, the Product Line General Manager and the Plant Manager stating that the issue(s) has been resolved. Follow-up audits or inspections by regional or corporate environmental personnel may occur to confirm that an appropriate correction has been satisfactorily completed.

Interviews were held with Mr. Don Smith, Audit Manager, and Mr. Bill Hossman, Environmental Assessment Coordinator. Mr. Smith stated that LPC uses a standard audit program and does special audits for the legal department and gave risk assessments as an example for special audits. Environmental Audits started in 1993 for specific risk assessments and has been expanded from specific risk to include financial and operations. The LPC audit team gives a two weeks notice and has an entrance and exit meeting with the plant manager. The Legal Department makes an evaluation of the audit report. LPC has 10 to 15 plants plus acquisitions that need audits. They have completed 70% of their audits with a target of finishing remaining audits by end of 1998. As a rule of thumb, each plant is audited every three years. The LPC auditor viewed closed plants as a significant risk and cite the PCB problems at closed plants as an example. Mr. Smith responded to the question, "Were there common environmental problems at plants that led to changes to SOP's?". He stated, "Yes."

REQUIRED PUBLISHED LETTERS AND/OR MANUALS:

LPC Code of Conduct

LPC issued the Code of Conduct instituted by the new CEO in April 1996 and distributed it to all employees by mail in April 1996. LPC, in addition, printed a Spanish version of the LPC Code of Conduct. Prior to that date there was no official LPC Code of Conduct publication.

Environmental Handbook

Mr. Harry Merlo, CEO transmitted by mail in January 1994 to all employees a copy of the LPC "Environmental Handbook for Employees". The letter in addition enclosed a copy of the "Corporate Policy on Protection of the Environment" adopted by the BOD in July, 1993.

Manager Environmental Handbook

LPC issued under CEO Harry Merlo the original "Manager Environmental Handbook" on February 24, 1995. A revised version dated May 1997 was distributed to managers in May 1997. The latest revision contains four (4) training modules as follows: Management Overview, Waste, Water, and Air.

In addition, the handbook includes a Questionnaire to assist in the goal of identifying environmental issues that will be addressed in the next 5 years by recommending that Plant Managers utilize the development of Corrective Action Plans as the "Way to Go".

TRIBUTE TO NOTED MASSILLON BASEBALL AND FOOTBALL COACH

HON. RALPH REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. REGULA. Mr. Speaker, I would like to pay tribute to a special person, Carl Frederick (Ducky) Schroeder who died on November 1, 1997 after a brief illness. He was born on

March 25, 1905 in Canal Fulton to Elizabeth nee Ruehling and Frederick Schroeder. He lived in the Massillon area most of his life. It was said that as a young boy, he spent much of his time swimming in the Ohio Canal and the Tuscarawas River, and that he used to "walk like a duck on land" hence the nickname "Ducky."

Ducky began his athletic career in Canal Fulton and Massillon where he was a standout in baseball and football. Upon graduation, Ducky played football at Kings College in Tennessee but subsequently transferred to Wittenberg University where he was a standout pitcher for three years. He also was a football star and still holds the record for most carries in one game—44 times for 176 yards while also playing linebacker on defense. After graduation Ducky went on to obtain a Masters Degree in Physical Education from Ohio State University.

Starting in 1930 Ducky embarked on a long illustrious career of public service as a teacher and coach. For example, up until he began his career at Washington High School, Ducky was head football and basketball coach at the Ohio Military Institute, Newcomerstown, Logan, and Salem High School and was Athletic Director for both the Springfield YMCA and High School.

On the collegiate and military level Ducky was assistant football and basketball coach at Mount Union College and was head football and basketball coach at Wittenberg University. For the WWII war effort, Ducky trained more than 700 Air Force cadets who later went on to become pilots.

However, it was his career in public service at Massillon for which he will be most remembered. In 1948, Ducky returned to Massillon High School where he taught and coached until his retirement in 1971. As head coach of the baseball team, he took the team to the state finals in 1955 and the state semifinals in 1960. During his 23 years as assistant football coach, the Tigers won 13 state championships and it was Ducky's job to supervise the winter conditioning program. He also coached several professional baseball and football players.

Ducky selflessly gave of his free time to promote sports. He was on the Big 33 Committee which led to five Ohio-Pennsylvania all star games. He was Secretary/Treasurer of the Ohio High School Football Coaches Association and was inducted into the Ohio High School Coaches Hall of Fame. Ducky was a past president of the Professional Football Hall of Fame Club in Canton. He also served as sales representative for the Rae Crowther Blocking Sled Company. In recognition for all his service to Massillon Athletics, he had one of the best high school baseball facilities dedicated to him—The Carl "Ducky" Schroeder Field.

In 1935, a group of athletics at Newcomerstown High School wrote Ducky upon his leaving that school. Their letter reads as follows: Dear Coach: On behalf of the colored boys of Newcomerstown High School, permit me to bid you a fond adieu. We regretfully say that you must leave us, because we consider you equal to or better than any coach who had been or shall be here. We admire you for showing no discrimination whatsoever, and we hope your future career of coaching will be onward and upward. Though our conduct at times was not commendable, we feel that your instructions were for the best. Though we have nothing to offer you as a remembrance of us, we hope you will sometimes think of us. The colored boys of NHS bid you farewell. Signed Matthew Scott, Booker Russell, Sidney Jones, Buster Cohen, Ed McCall, "Fat" Jones, Killie Sterns, Osie Dansby.

Ducky is survived by his wife of 63 years, Gertrude, his sister Helen Ellis, and numerous nieces and nephews, great nieces and nephews, and great great nieces and nephews. He was a longstanding member of St. John's Lutheran Church of Canal Fulton.

INTRODUCTION OF A BILL TO CREATE THE NATIONAL INSTITUTE FOR THE ENVIRONMENT

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. SAXTON. Mr. Speaker, today I am introducing a bill, the "Sound Science for the Environment Act," along with Mr. ABERCROMBIE, that would create a National Institute for the Environment (NIE). The sole mission of the NIE will be to improve the scientific basis for environmental decision-making.

The United States spends more than $150 billion a year on pollution control and environmental clean up. Yet, less than 2 percent of that amount is spent on the background science to fully understand these problems before we legislate and regulate them. As we have seen on countless issues from clean air standards to endangered species habitat, from global warming to nonpoint source pollution, the credibility and impartiality of the science underlying our decisions is a topic of heated debate. However, very little has been done to provide unbiased science or to link it with policy-making. This legislation is an effort to put some substance behind the calls for "sound science".

Our legislation envisions the creation of the NIE within the National Science Foundation, a significant difference from similar bills I have supported in past Congresses. Operating as part of the NSF will provide the National Institute for the Environment with opportunities to function more effectively, and will accord it a position of stature within the scientific community.

Mr. Speaker, the NIE's sole purpose will be to come up with the best available science on a particular subject. That science will be used by us, the nation's lawmakers, who have been entrusted by our constituents to make the soundest environmental decisions, in their trust and their children's trust. We therefore must ensure that we do base our decisions on sound science. No politics, no interest group pressure, no lobbying. . . .just straightforward sound science by the country's best scientists. Importantly, this information will not be compiled by regulators, as the NIE is entirely a non-regulatory body. The NIE will support original scientific research, in addition to data assessment.

The NIE signifies a new approach to environmental science by integrating knowledge assessment, research, and educational training. The NIE will be created by consolidating some environmental science programs and redirecting funds from programs that are not a high priority and not cost-effective. To minimize cost and bureaucracy, the NIE will not operate laboratories and research facilities, but will competitively award peer-reviewed grants to the best scientists in academia, the private sector, government.

With the Federal Government's current fiscal constraints, Congress needs to implement cost-effective, integrated environmental science that underpins our environmental policies. The question is not whether the federal government will play a role in environmental science, but rather, the accuracy of that role. Thus the need for the NIE. Once we have the best environmental science and information at our fingertips, we can begin to make more informed environmental decisions based on the most accurate, reliable and unbiased science. The dividend returned on this investment will be long-term and will establish a true legacy to future generations.

Mr. Speaker, we all share the common goal to inject credible, peer-reviewed science into environmental legislation and regulations. This legislation will serve to accomplish that goal. I encourage all my colleagues to join me in cosponsoring this bipartisan legislation.

Please include for the RECORD this line-by-line summary of our bill, the "Sound Science for the Environment Act."

OUTLINE OF THE SOUND SCIENCE FOR THE ENVIRONMENT ACT TO ESTABLISH THE NATIONAL INSTITUTE FOR THE ENVIRONMENT

This outline describes legislation to create a National Institute for the Environment (NIE), with the mission to improve the scientific basis for decision-making on environmental issues, & for other purposes.

Section 1. Short title: the "Sound Science for the Environment Act."

Section 2. Findings: The Congress finds the following:

A healthy environment is essential to an enhanced quality of life, a competitive economy, & national security.

The United States lacks an effective mechanism for providing & communicating a comprehensive, objective & credible scientific understanding of environmental issues in a timely manner to policy-makers & the public.

An appropriate understanding of the diverse scientific issues that underlie the environmental problems facing the United States is essential to finding environmentally & economically sound solutions to these problems.

To be useful, this understanding requires the integration of ongoing assessments of the state of scientific knowledge with credible problem-focused research, the communication of scientific information, & the appropriate education & training of environmental scientists, engineers, & other professionals.

These scientific activities are best carried out through a neutral, institution without regulatory responsibilities, where the public & private organizations and individuals can establish a shared understanding of the state of scientific knowledge on environmental issues, & support research, education, and information exchange to expand and spread the state of knowledge.

A National Institute for the Environment will allow the Nation to more effectively use science to improve environmental decisionmaking, thereby reducing costs and saving lives.

Section 3. Purpose: Create an institute to improve the scientific basis for decisionmaking on environmental issues by integrating the functions of knowledge assessment, research, information services, education & training, provide national leadership in environment science and research, and facilitate the sharing of public and private resources to enhance understanding and communication of scientific knowledge about the environment.

Section 4. Establishment: Authorizes and directs the National Science Foundation to establish a National Institute for the Environment with a mission to improve the scientific basis for decisionmaking on environmental issues. Directs that management of the Institute be awarded competitively.

Section 5. Duties & Functions: Sets the duties of the Institute to:

1. Initiate, facilitate, & where appropriate perform assessments of the current state of knowledge of environmental issues & their implications;
2. Award competitively peer-reviewed grants & where appropriate, contracts, for extramural scientific research;
3. Establish a National Library for the Environment as a universally accessible, easy to use, electronic, state-of-the-art information system for scientists, decisionmakers, & the public;
4. Sponsor education & training of environmental scientists & professionals & improve public environmental literacy.

Section 6. Governing board: Establishes a Governing Board composed of 18 members appointed by the President and confirmed by the Senate, which shall establish goals, priorities, & policies of the Institute, & will include approximately equal numbers of scientists & users of scientific information on the environment. Ensures diverse composition including representation of States, academic institutions, business, labor, environmental groups, other citizens groups, women & minority groups. Ensures geographic diversity. Provides for 6-year terms of office in order to provide stability. Designates one member of the National Science Board to serve on the Governing Board.

Section 7. Management and Staff; Provides for a Director, Assistant Directors, & staff. Directs that the Institute be operated by a non-profit organization under contract with NSF.

Section 8. Relation with National Science Board, Directs the National Science Board to recommend names for the Governing Board and to approve selection of the Director.

Section 9. Cooperation with Agencies: The Institute may acquire any unclassified data & non-proprietary knowledge possessed by Federal agencies. The Institute shall cooperate with the agencies to ensure that the information & products of the Institute are useful & accessible to the agencies.

Section 10. Interagency Advisory Committee: Directs the Committee on Environment and Natural Resources of the National Science and Technology Council or an equivalent body to serve as an interagency advisory committee, to ensure that the efforts of the Institute & Federal agencies are complementary.

Section 11. Grants, contracts, & other authorities: Provides the Institute with the same authority as NSF to enter into financial arrangements, including competitively awarded grants, loans, cooperative agreements, & contracts to institutions, teams, & centers, after rigorous peer-review. States that scientists, engineers, & other researchers should be able to receive funding regardless of whether they are from government or private sector institutions. Allows the Institute to receive funds from Federal agencies, states, & private sector institutions to carry out particular projects & activities, subject to guidelines established by the Board. Directs that funds provided not be used to reduce amounts available to the Institute from appropriations.

Section 12. Authorization of appropriations. Authorizes such sums as may be necessary to NSF to be transferred to the Institute. Prohibits funds of NSF from being transferred.

Section 13. Definitions.

Environmental sciences—the full range of fields of study including biological, physical, chemical, geological, & social sciences, engineering, & humanities, relevant to the understanding of environmental problems.

Scientist—practitioner of science relevant to the environment.

Decisionmakers—elected or appointed officials of Federal, State, tribal, & local governments & similar individuals in the private sector.

TRIBUTE TO REST HAVEN CHRISTIAN SERVICES

HON. JERRY WELLER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. WELLER. Mr. Speaker, I rise today to honor the hard work and dedication of Rest Haven Christian Services, a nonprofit Christian based organization which has facilities located throughout the metropolitan Chicago area. This organization provides hope and opportunity to those in need in a way unmatched by any other.

Tonight they celebrate over 37 years of care for the frail and infirm elderly, and over 80 years of serving the needs of the aged who are well. Rest Haven was formed in 1954 to serve the elderly. A sister organization, the Holland Home—originally begun in Roseland in 1914—was merged into the Rest Haven ministry in 1969.

This ministry now serves over 1,200 seniors with skilled nursing, subacute rehabilitation services, assisted living, independent living, and community based services through its Providence Home Health Care Division. These services are accomplished on its five campuses located in Downers Grove, South Holland, Palos Heights, Crete, and Homer Township.

I commend Rest Haven Christian Services for the way they impact lives and restore hope and for their commitment to make serving their community a core value of citizenship.

Rest Haven Christian Services pledges to hold these values: Protecting the client's dignity and privacy; preserving independence; caring for the whole person, physically, spiritually, mentally, and emotionally; and, to glorify God in all they do.

Rest Haven Christian Services is an organization that has greatly benefited and enlightened our community. Their commitment, hard work and dedication deserves the highest acclaim.

TRIBUTE TO JOSEPH WLODARZ

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Ms. KAPTUR. Mr. Speaker, I rise today to commemorate a man in my district who embodied the spirit of America. Joseph Wlodarz died to this life on August 5, 1997 at the age of 85 years.

Joseph "Fudgie" Wlodarz came to East Toledo when he was 13 years old. An all-city football player at Toledo's Central Catholic High School, Joe went on to play with local semi-professional teams, the Jack Frost Sugars, the Vargo Coals, and the Birmingham Ads. In addition to his passion for football, Joe also played basketball, baseball, and softball. He passed on his passion and his skill to hundreds of youngsters at Holy Rosary Church and School, where he coached children in these sports for 60 years. His son noted at his passing, "He just loved to coach kids." Wlodarz Field at Ravine Park in East Toledo bears his name, a testament to his love of sport.

Joseph Wlodarz worked for 27 years at the former Unitcast Corp. in Toledo, where he left his mark as well. While at Unitcast, he organized UAW Local 48, and served many times as the union's president. He also worked as the labor-management coordinator.

Dubbed "The Mayor of Birmingham"—(the close-knit Hungarian neighborhood of East Toledo in which he lived—Joe took an active interest in the neighborhood's community and civic affairs, although he never held an elected office. He was a founder of the Birmingham Hall of Fame, helped organize the 20th Ward Democratic Club, was a member of the East Side Recreation Board, served on the city of Toledo advisory panel for parks and recreation, and labored to establish the East Toledo Family Center where he also served on the board.

Joseph "Fudgie" Wlodarz' life is perhaps best summed up in his eldest son's tribute to him, which is a most fitting epitaph, "He was never too concerned about making much money. He was always for his community and neighborhood, union, and helping people."

Our heartfelt sympathy to Joe's wife Garnet, his sons James, Jack, Joseph, Jr., and Steve, his grandchildren and great-grandchildren. We mourn your loss, but trust you will find comfort in his memory and the legacy of a life truly well spent and devoted to others.

PERSONAL EXPLANATION

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Ms. ROS-LEHTINEN. Mr. Speaker, I regret that due to unforeseen circumstances I was unable to vote on H.R. 2570—roll call No.

598. If I had been present, I would have voted "aye".

INTRODUCTION OF THE ELECTRICITY CLEAN COMPETITION ACT OF 1997

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. PALLONE. Mr. Speaker, today, on behalf of myself, and my colleagues Mr. CAMPBELL, Mr. FRANKS of New Jersey, Mr. PAYNE, other members of the New Jersey delegation, and Mr. WAXMAN, rise to offer legislation that all of us concerned about fair competition and the environment should support—the Electricity Clean Competition Act of 1997. Our legislation is offered in recognition of the fact that environmental regulation is a competitive issue that must be addressed as the Congress considers the restructuring of the electricity industry.

As many of my colleagues are aware, I have been skeptical that the Congress needs to take the lead in introducing the retail competition to the electricity industry. I have been an advocate for recognizing the unique role of States in ensuring the availability of this commodity to all our citizens in a manner that reflects the need for continued reliability of service, recovery of stranded costs, and continued consumer protection for residential customers.

At the same time, I have been concerned that States might find it difficult to develop a framework that would protect other vital interests of the American public, including: preventing the exercise of market power; establishing a reciprocal regime prohibiting States from gaining competitive advantages resulting from uneven application of deregulation; and most importantly, preventing market distortion and air quality degradation due to inconsistent environmental regulation that resulted from past Federal decisions made under a different set of regulatory circumstances.

As I have listened to the testimony presented before the House Subcommittee on Energy and Power, it appears that a number of principles are emerging that can form the basis for a consensus bill. While I am still uncertain as to the exact timing of mandated universal direct access by all consumers, I believe that a date certain might well be a useful backstop to the efforts of the States and to ensure that the benefits of competition reach all our citizens within a reasonable timeframe.

However, I could not support restructuring legislation if it did not also: provide for reciprocity of access during the time preceding the implementation of universal access—ensuring that some suppliers could not retain captive customers under state regulation and compete for new customers in other jurisdictions; respect reasoned State decisions on utility recovery of investments in assets that become uneconomic in the new competitive environment; establish a regime favorable to the development of environmentally friendly, and competitive renewable technologies; and most importantly, address the need for comparable environmental standards applicable to all generating assets.

It is of this last point that our legislation is directed. I think that it is time we recognized that when the Congress adopted the Clean Air Act Amendments of 1977, many old, dirty facilities that were expected to close down were granted exemptions to the strict air pollution control requirements that we applied to new facilities. Yet, 20 years later these grandfathered facilities continue to operate and would, in the absence of our legislation, enjoy an even greater unfair competitive economic advantage over electricity generators that have installed state-of-the-art pollution control technologies or that generate electricity using cleaner fuels or renewable resources.

In order to remedy this problem, the proposed legislation establishes national emissions caps and a credit trading system for nitrogen oxides [NO_x] and sulfur fine particulates. The national generation performance standard that would apply to existing facilities would be based on Federal new source performance standards, ensuring that all generation facilities would have to meet the same environmental requirements. Trading in emission credits ensures the lowest possible compliance costs.

Federal restructuring legislation represents the last, best chance to achieve the goals of the Clean Air Act and level the playing field for all competitors in the electric generation market. I hope that if Congress proceeds with consideration of restructuring proposals, my colleagues and I who support Electric Clean Competition Act of 1997 can work with the Commerce Committee to craft consensus legislation that will protect consumers, ensure a fair competitive environment and improve air quality.

TRIBUTE TO SYLVIA LEVIN

HON. HENRY A. WAXMAN

OF CALIFORNIA

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Mr. WAXMAN. Mr. Speaker, Mr. BERMAN and I ask our colleagues to join us in honoring Sylvia Levin for her remarkable achievements in voter registration.

Sylvia became a deputy registrar with the Los Angeles County Registrar-Recorder's office in 1973 and has enthusiastically registered an estimated 35,000 voters since then. She has done more to increase voter participation than virtually anyone we know.

For nearly 25 years, Sylvia has walked or bicycled to her post with an indefatigable determination to get as many eligible voters registered as possible. Nothing—not even a broken arm—has slowed the pace of her work.

Sylvia's generous contribution to our community has received wide recognition. She has been honored for her work by the Los Angeles County Board of Supervisors, nominated to the California Secretary of State's Voter Outreach Hall of Fame, and selected as an "Unsung Hero" by NBC News in Los Angeles.

Our community owes a great debt of gratitude to Sylvia, and Mr. BERMAN and I ask our Congressional colleagues to join us in saluting her extraordinary contribution to our democratic system. We warmly congratulate her and wish her every happiness in the future.

H.R. 2493, THE FORAGE IMPROVEMENT ACT OF 1997

SPEECH OF

HON. ROBERT SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 30, 1997

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2493) to establish a mechanism by which the Secretary of Agriculture and the Secretary of the Interior can provide for uniform management of livestock grazing on Federal lands:

Mr. SMITH of Oregon. Mr. Chairman, allow me to provide a little historical reference and explain why we in the Congress should once and for all enact long-overdue legislative resolutions to management of livestock on public lands. This is not a new issue, but it is a delicate one, and the proposal that we have crafted and the method suggested to achieve this goal is different than prior efforts by Congress.

The facts are clear. The family ranchers who rely on access to public lands in the West suffer from great insecurity. For a number of years now they have been subjected to a litany of confusing and often-contradictory agency regulations. This fact was further exacerbated when Interior Secretary Bruce Babbitt implemented additional far-reaching regulations known as "Rangeland Reform." The vast majority of ranchers in the West are good stewards of public land, yet they are forced to comply with a host of counter-productive regulations that should be aimed for the occasional wayward rancher—the exception to the rule—and not applied across the board in punitive fashion as they are today.

Many of you remember very well the efforts of the 104th Congress to enact reforms to the current regulatory structure for management of livestock on public lands. This well-intentioned goal failed to materialize in the closing days of last session, but the pressing needs of the West are still very present. Failed public policy deserves our attention, and that is why we are undertaking this effort.

For the past four months I have met with numerous Senators and Representatives who represent both ends of the philosophical divide to determine if there is a will to address a short, focused list of issues that will provide the western rancher small measures of needed security and are achievable in this Congress. With few exceptions, I have received very positive feedback. We have the consensus to engage such an effort.

After consultation with these Members of Congress and numerous interest groups, I developed a moderate list of issues that were addressed by the last Congress and would provide meaningful measures of security in the West while leaving the more contentious issues to be addressed another day. After meeting with key Senators and agreeing on this list of issues, in July I drafted them in legislative form, distributed them across the

West, to environmental organizations, and throughout the Congress. I solicited input on this draft and, using these comments, recently drafted a new bill that reflects concerns raised by both ranchers and the environmental community. This bill has since passed both the House Committee on Agriculture and the House Committee on Resources with broad, bipartisan support.

The reasons for and benefits of this legislation are pretty simple. Right now we have no clear direction from Congress regarding how 270+; million acres of rangeland and grassland in the western States are to be managed. This lack of clear direction and morass of conflicting agency regulations cries out to be resolved. There are still many rangeland and grassland management issues that deserve legislative resolve, but those addressed in this act are a solid start and appeal to concerns of all interests.

As I have said for a number of months now, I remain committed to bridging gaps between the ranching and environmental communities, as well as between Members of Congress from different parts of the country, to produce meaningful legislation that serves a handful of legitimate needs of the western family ranchers while at the same time encourages the continued health of the range.

Although this issue remains one of the more controversial public policy matters before Congress, I believe we should be able to work together to make strides that achieve a very necessary goal. Until such time, the rural West will continue to wither with little security and flawed public policy will rule the day.

The process of providing relief for western ranchers, however, is not a job for one man. It requires an abundance of legal, scientific, and practical expertise to craft a piece of legislation that meets the stringent substantive and political criteria required by the U.S. House of Representatives. Fortunately, I had the benefit of such expertise, and I would like to recognize those individuals for their hard work.

Dr. John M. Fowler, a professor of agricultural economics at New Mexico State University, and Dr. Fred Obermiller, a professor of agricultural economics at Oregon State University, are two of the nation's leading experts on our public rangelands. The success of H.R. 2493 is due in large part to their insight into the implications of proposed policy changes, their thorough understanding of the history of public lands, and their willingness to work on short, congressional timelines.

Dr. Fowler is responsible for compiling extensive data and fine tuning the new simplified fee formula in H.R. 2493, a fee that will undoubtedly bring greater stability to western ranchers and provide a fair return to the Federal Treasury. Without his specific analysis and explanation of the economic effect of this new fee, it would have been impossible to show its many benefits. New Mexico State University, and the nation as a whole, should be proud to have Dr. Fowler working on their behalf.

My fellow Oregonian, Dr. Obermiller has been a highly valued adviser of mine for a number of years. As has been the case on other legislative endeavors throughout my congressional career, his assistance on H.R. 2493 was critical to its development. Any newly-introduced legislation in the U.S. House of Representatives must address the inconsistencies and unfairness of current law, but must do so with a proper deference to the history of such issues. When it comes to ensuring that current proposals are accurately framed in an historical context, Dr. Obermiller has few equals. Both of these gentlemen are to be commended for the excellence they have achieved in their field.

In addition, it is essential that a legal analysis of any legislative proposal be performed so that the intent of the author is attained. This analysis must be completed by an attorney who is broadly respected, imparts prudent interpretations based on actual statute and case law, and reads with a critical eye for the needs of the western rancher. Bill Myers, who I heavily relied upon to serve this function, is such a person. Bill, who has served as an Administration official, counsel in the United States Senate, and as the Executive Director of the Public Lands Council, is now in private practice in the State of Idaho. Nevertheless, he took time out of his own workload to provide his advice about the language in the bill and review criticisms that were being levied against it. Without his assistance, it would have been difficult to move forward with any degree of certainty as amendments were being offered to broaden support for the bill.

When all is said and done, and the opinions of the scientists, economists, and attorneys are stripped away, H.R. 2493 is nothing more than a law under which men must live. Therefore, without the wisdom of ranchers themselves, this bill would be little more than a collection of legal terms and scientific formulas. As a life-long resident of Oregon, it should be a surprise to no one that when I need opinions about rangeland policy, I consult with old friends who I trust—friends like Bob Skinner of Jordan Valley, OR. Bob is a steady and thoughtful voice for a community that experiences too much instability. Although this instability is caused mainly by external forces, too often it comes from the ranchers themselves. Through all the disagreements and disputes, however, Bob has demonstrated a unique quality: an ability to see the big picture. This has served him well over the years and is a big reason why I value his opinion.

Finally, I would like to thank my good friend Rep. DON YOUNG, Chairman of the House Resources Committee, for his leadership on this issue. He and his staffer, Tod Hull, provided a much-needed push for the bill when we needed to get it through his Committee and on to the floor. The momentum that the bill enjoyed as it proceeded along the legislative process is in large part due to their hard work.

The extraordinary efforts of these gentlemen were extremely helpful in taking H.R. 2493 from a bill that faced little chance of passage in the U.S. House of Representatives to one that enjoyed broad, bi-partisan support. I look forward to working with all of them as we continue to address the important issue of stability for western ranchers in the next session of Congress.

[MEMORANDUM—OCTOBER 29, 1997]

Re: Status of Property Rights on Federal Lands.
To: Congressman Bob Smith.
From: William G. Myers III, Esq.

I am informed that H.R. 2493, the Forage Improvement Act of 1997, as reported by the House Resources Committee, may be subject to several amendments during floor consideration today. Specifically, I understand that the definition of "base property" will be changed so that it means private or other non-federal land, water, or water rights owned or controlled by a permittee or lessee to which a federal allotment is associated. The question is whether substitution of the word "associated" for the word "appurtenant," as contained in the bill as reported by the House Resources Committee, is of legal significance.

In essence, the question is whether it is preferable that a federal allotment is appurtenant to base property or associated with base property. Proponents of the word "appurtenant" prefer that term over "associated" on the basis that it may provide greater leverage in asserting that ranchers have a property right in their federal grazing permits.

Federal statutes and case law are consistent in their discussion of the status of grazing permits. The Taylor Grazing Act (43 U.S.C. §315b) states that "the issuance of a permit pursuant to the provisions of this Act shall not create any right, title, interest, or estate in or to the lands." The Supreme Court has interpreted this provision and held that Congress did not intend that a compensable property right be created in permit lands themselves as the result of the issuance of a permit. *See United States* v. *Fuller* (409 U.S. 488 (1073)). Additionally, the Federal Land Policy and Management Act (42 U.S.C. §1752(h)) states that "nothing in this Act shall be construed as modifying in any way law existing on the date of approval of this Act with respect to the creation of right, title, interest or estate in or to public lands or land in National Forests by issuance of grazing permits or leases."

Several recent decisions have added to the jurisprudence on this issue. The federal court in *Public Lands Council, et al.* v. *Babbitt*, (929 F. Supp. 1436, 1440 (D. Wyo. 1996)) provided a valuable historical review and held that a "grazing preference" represents "an adjudicated right to place livestock on public lands." The court also held that "the grazing preference attached to the base property, and followed the base property if it was transferred." It is the grazing preference which permits the permittee to place livestock on the federal land in the case of Bureau of Land Management lands. As noted above, the preference "attaches" to the base property. The use of the word "associated" in the definition of base property in H.R. 2493 is consistent with the notion of attachment. If there is any question, this should be clarified during debate on the House floor. I recommend that an amendment be offered to delete the word "appurtenant," and that the word "attached" be inserted in its place.

This would be consistent as well with the court's ruling in *Hage* v. *United States* (35 Fed. Cl. 147 (1996)). The court held that a "grazing permit has the traditional characteristics and language of a revocable license, not a contract." The court went on to state that "[A] license creates a personal or revocable privilege allowing a specific party to utilize the land of another for specific purpose but does not vest any title or interest in such property in the licensee."

In conclusion, if Congress wishes to make a grazing permit a property right, it should do so *explicitly*. An attempt to establish a property right by the use of the word "appurtenant" in the definition of base property, without more, is unlikely to overcome existing statutes and case law cited above.

TRIBUTE TO ERIE SAUDER

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 7, 1997

Ms. KAPTUR. Mr. Speaker, I take this opportunity to remark upon the passing of an extraordinary man of my district. Erie Sauder of Archbold, OH died June 29, 1997 at the age of 92 years.

Erie Sauder was a visionary, an entrepreneur, and a deeply spiritual man. A living legend in his own community of Archbold, he was well known among the larger community as well. In fact, even the world knew of him, through his company's products. Mr. Sauder was the founder and chairman of the board of Sauder Woodworking. The world's largest manufacturer of ready-to-assemble furniture, Sauder Woodworking employs 3,000 Archbold area residents. Along with two subsidiaries of the company and Mr. Sauder's signature piece, Sauder Farm and Craft Village, his enterprises are the lifeblood of the community. Sauder Farm and Craft Village is a living history of northwest Ohio, a recreation of a pioneer village which brings to life the day-to-day activity of its residents. The village also includes an auditorium, restaurant, and inn, and over two million people visit it each year to get a glimpse of an understanding of life in the 19th century.

A man of faith and deep moral conviction, Erie Sauder was a scholar of the Scriptures and Mennonite Church history. He was an active congregant in four churches, most recently the Pine Grove Mennonite Church. His work with the church led him to become a founding member of the Mennonite Economic Development Association. Through this organization, he made 18 trips to Paraguay, directing a development project which put to work thousands of indigent Paraguayans. Mr. Sauder looked upon that project as his most satisfactory achievement. His spirituality and civic-mindedness is evident in the other boards on which he served: Sunshine Children's Home—for profoundly disabled children; Ohio Mission Board; Oaklawn Center; Farmers and Merchants State Bank; Goshen College and Defiance College.

A grounded man who never forgot his roots, Erie Sauder received much recognition in his later years. He was honored as Archbold's Citizen of the Year in 1969 and the State of Ohio's Senior Citizen of the Year in 1986. He was inducted into the Northwest Ohio Area Office on Aging's Hall of Honor in 1986. He received the Ohio Designer Craftsmen Award in 1987 and the Governor's Award in 1992.

He has also been recognized by the Maumee Valley Girl Scout Council and the Ohio 4–H Foundation for his generous support of the organizations' programs.

A man of considerable fortune who grew up poor on a Fulton County farm, Erie Sauder's charity was legendary. In addition to his contributions to the Sauder Farm and Craft Village, his business, and many other programs, his obituary notes that his good deeds "ranged from donating an organ to his church to donating $1 million toward the construction of Archbold's new library." His community truly felt his presence and he treated everyone in it as his friend.

Erie Sauder survived his first wife, Leona, their daughter, his sister Mabel and brother Leo. He leaves to this life his wife Orlyss, his sons Delmar, Maynard, and Myrl, stepdaughter Elaine, sisters Lucretia and Herma, nine grandchildren and eleven great-grandchildren. May they find comfort in his memory and in the lasting legacy he left in the form of his entrepreneurship and in living his faith.

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